

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, 2020**

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INTRODUCTION

The accounts of the thirty-one (31) Local Government Councils in Akwa Ibom State for the year ended 31st December, 2020 have been audited under my direction in accordance with section 22 (3) of the Akwa Ibom State Audit Law,2021.

2. The books, records, procedures and the systems of the Councils were examined in addition to auditing 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 22 Subsection 1 of the Akwa Ibom State Audit Law 2021 requires Local Governments to submit their accounts for audit three months following the end of the financial year in focus.

Again, only four (4) Local Governments met the deadline for the submission of 2020 accounts. Twenty-five (25) others submitted between April and July, 2021; while the Financial Statements of two (2) Local Governments were compiled during the audit.

It is the responsibility of Management to prepare Financial Statements. Managements of Local Governments should comply with legal provisions on the submission of accounts.

4. BOOK-KEEPING

The standard book-keeping across the thirty-one (31) Local Governments was still poor. Omissions, mispostings and errors were observed and precious audit time was invested to address them. Specific observations in this regard are in the Inspection Reports of individual Local Government Councils.

RECOMMENDATIONS:

- (i) Training and re-training of Accounts Personnel.
- (ii) Automation of the Accounting System.
- (iii) Enforcement of extant rules on handing/taking over on the exit of officers.
- (iv) Directors of Finance to step up supervision of their Departments.

5. INTERNAL CONTROL SYSTEM

Failure to adhere to Internal Control Procedures stipulated by the Model Financial Memoranda (FM) for Local Governments, circulars and other rules was still observed across the thirty-one (31) Local Governments.

The observed infractions with recommendations were forwarded to the Local Governments in the respective audit inspection reports for their necessary actions.

However, the following general recommendations are proffered to avoid recurrence of the lapses:

- 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. IMPLEMENTATION OF NATIONAL CHART OF ACCOUNTS

The 2020 Financial Statements of the Councils were prepared in conformity with IPSAS cash basis format. However, the Councils should perfect IPSAS adoption by also implementing the National Chart of Accounts.

7. APPROPRIATIONS:

- 1. The Local Government Councils in Akwa Ibom State budgeted a total sum of ₦72,384,600,000.00 (Seventy-two Billion, Three Hundred and Eighty-four Million, Six Hundred Thousand Naira) only for their services in 2020 financial year as follows:

				₦
(i)	Consolidated Revenue Fund Charges	-	-	31,899,000,000.00
(ii)	Personnel Costs	-	-	13,909,800,000.00
(iii)	Overhead Costs	-	-	6,943,700,000.00
(iv)	Capital Expenditure	-	-	<u>19,632,100,000.00</u>
	Total			<u>72,384,600,000.00</u>

8. PROPOSED SOURCES OF FUNDING THE 2020 BUDGET

The Thirty One (31) Local Government Councils proposed the following sources for funding the 2020 budget:

		₦
(1)	Internally Generated Revenue	1,500,000,000.00
(2)	Statutory Allocation	66,750,000,000.00
(3)	Capital Receipts	<u>4,134,600,000.00</u>
	Total	<u>72,384,600,000.00</u>

HIGHLIGHTS OF FINANCIAL PERFORMANCE

9. REVENUE:

The Councils' total budgeted revenue for year 2020 was ₦72,384,600,000.00 whereas ₦53,055,681,669.30 or 73% was actually collected.

The breakdown is as follows-

REVENUE ITEM	BUDGET 2020 ₦	ACTUAL 2020 ₦	% Performance
Internally Generated Revenue (IGR):-			
Taxes	120,187,000.00	2,695,625.00	2
Rate	304,523,500.00	309,302,692.42	102
Local License, Fees and Fines	341,229,500.00	94,577,176.54	28
Earnings from Commercial undertaking	317,233,000.00	45,954,300.00	14
Rent on Local Govt Property	106,821,000.00	34,399,725.00	32
Interest and Dividend	20,788,000.00	2,503,000.00	12
Grants	7,350,000.00	18,000,000.00	245
Miscellaneous	281,868,000.00	43,871,263.57	16
Total IGR	1,500,000,000.00	551,303,782.53	37
Statutory Allocation	66,750,000,000.00	52,504,377,886.77	79
Capital Receipts	<u>4,134,600,000.00</u>	0	0
Grand Total	<u>72,384,600,000.00</u>	<u>53,055,681,669.30</u>	73

The Councils' Internally Generated Revenue (IGR) performance at 37% of Budget for the year 2020 was very poor and portrays over reliance on the statutory allocation from the Federation Account. The Councils should ensure that all revenue sources are properly harnessed. The actual Statutory Allocations of ₦52,504,377,886.77 consists of ₦51,958,468,366.77 Gross FAAC Allocation and ₦545,909,520.00 10% IGR from the State Government.

The actual receipt was 79% of the budgeted sum of ₦66,750,000,000.00.

Details are shown in Notes 1 and 2.

10. EXPENDITURE:

The total actual expenditure of the Councils was ₦53,629,583,061.98 or 74% of the budget of ₦72,384,600,000.00

The breakdown is as follows:

S/N	DESCRIPTION	BUDGET 2020 A ₦	ACTUAL 2020 B ₦	VARIANCE 2020 A-B ₦	% Variance
1	Consolidated Revenue Fund Charges	31,899,000,000.00	37,957,948,423.78	(6,058,948,423.78)	(19)
2.	Personnel Costs	13,909,800,000.00	11,217,505,505.23	2,692,294,494.77	19
3.	Overhead Costs	6,943,700,000.00	2,896,555,331.24	4,047,144,668.76	58
4.	Capital Expenditure	19,632,100,000.00	1,557,573,801.73	18,074,526,198.27	92
	Total	72,384,600,000.00	53,629,583,061.98	18,755,016,938.02	26

Generally, expenditures on Personnel Costs, Overheads and Capital were within budget except Consolidated Revenue Fund Charges that was over shot by 19% during the year under review.

Capital Expenditure was low at 8% of budget and 0.3% of total expenditure. Expenditures across the Local Government Councils in 2020 were substantially 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 ~~₦~~468,233,747.33 as at 31st December, 2020 as follows:

	₦
Cash in Hand	39,929,335.52
Cash at Bank	<u>428,304,411.81</u>
Total	<u>468,233,747.33</u>

It was observed that some Councils' 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:~~₦~~38,058,729,012.33

Outstanding Advances for the thirty-one local Government Councils in Akwa Ibom State for year 2020 stood at ~~₦~~38,058,729,012.33. 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: ~~₦~~9,923,526,592.01

Deposit balances which represents obligations to third parties as at 31st December, 2020 totaled ~~₦~~9,923,526,592.01. 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: ₦28,603,436,167.65

The sum of ₦28,603,436,167.65 (Twenty Eight Billion, Six Hundred and Three Million, four Hundred and Thirty-six Thousand, One Hundred and Sixty-Seven Naira, Sixty-five kobo) was the Consolidated Revenue Fund balances for the thirty one (31) Local Government Councils in Akwa Ibom State as at 31st December, 2020. The breakdown of the amount is shown in Note 12.

15. INSPECTION REPORTS

Audit Inspection Reports for the financial year, 2020 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
22nd September, 2021

Responsibility For Financial Statements

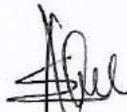
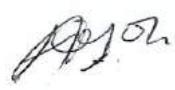
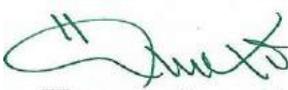
The Financial Statements of the thirty-one (31 No.) Local Government Councils of Akwa Ibom State have been prepared by the respective Directors of Finance in accordance with the Provisions of the Model Financial Memoranda. The Financial Statements comply with the International Public Sector Accounting Standards (IPSAS) Cash Basis.

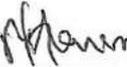
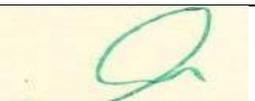
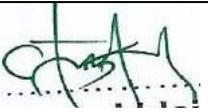
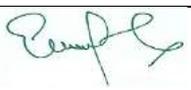
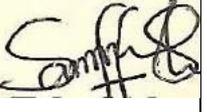
The Managements of the Local Government Councils are responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and have properly recorded the use of all public financial resources by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

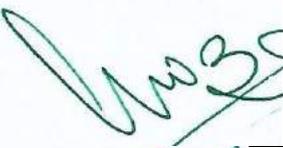
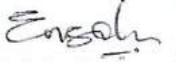
To the best of our knowledge, the system of internal controls have operated adequately throughout the period under review.

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, 2020 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. Iniobong J. Udoh		Rt Hon. Pst. Ekerete E. Inyang	
2	Eastern Obolo	Mrs. Nseobong E. Iko Abasi		Hon. Odion Abraham	
3	Eket	Mrs. Faith S. Nyoho		Hon. Akaninyene Tommey Ikott	
4	Esit Eket	Eld. Udo S. Edemeka		Rt. Hon. Iniobong R. Nnamso	
5	EssienUdim	Mr. Aniefiok I. Oyoh		Hon. Anthony Luke Udoh	

6	Etim Ekpo	Mr. Idongesit J. Udodiong		Rt. Hon. Ime Paul Afia	
7	Etinan	Mr. Saviour A. Okon		Hon .Cletus Asukwo Ekpo	
8	Ibeno	Mr. Okokon O. Ekpenyong		Hon. (High Chief) William H. Mkpah	
9	Ibesikpo Asutan	Mrs. Mfon C. Ekanem		Lady Hon Akon M. Asuquo	
10	IbionoIbom	Mr. Christian H. Akpan		Hon. Ekopimo P. Edet	
11	Ika	Mr. Utibe E. Etim		Hon. Malachy Malachy Ukpeh	
12	Ikono	Mr. Rufus E. Umoh		Hon. Nyakno J. Okoibu	
13	Ikot Abasi	Mr. Aniekan O. Dan		Hon Joshua Afia Paul	
14	Ikot Ekpene	Mr. Idongesit T. Udoh		Rt. Hon. Unyime Etim	
15	Ini	Mr. Nyeneime Umoh		Hon. Isreal Idaisin	
16	Itu	Mrs. Joanna NseAbasiAkpan		Hon. Barr. Etetim Onuk	
17	Mbo	Mr. Daniel E. Akpan		Rt. Hon. Asuquo E. Eyo	
18	Mkpat Enin	Dens. Eno Umana Etor		Hon.(Prince) Aniekpon Eno Ekpo	

19	Nsit Atai	Mr. Ini Arthur Akpan		Rt. Hon. Lady Emem Ibanga	
20	Nsit Ibom	Mr. Nyaknobong J. Etuk		Rt. Hon. Eric Akpan	
21	Nsit Ubium	Mrs Eti Raphael Ibanga		Hon (Arch) Iniobong A Orok	
22	Obot Akara	Mr. Uwem K. Essien		Hon. (lady) Agnes Comas Udoenwewen	
23	Okobo	Mr. Aniefiok N. Udonte		Hon.Dr. Sylvester E Attah	
24	Onna	Mr. Edet N. Ekop		Hon. Iniabasi A. Ekanem	
25	Oron	Mr. Edet Effiong Ukosin		Hon. (Pst) Effiong B. Ubokulo	
26	OrukAnam	Mr. NseAbasi Udo Ekpo	 Nseabasi Udo	Rt. Hon. Kingsley Frank Okon	
27	UdungUko	Mr. Okon Edet Effiong		Hon. Atanng Asuquo	
28	Ukanafun	Mrs. Rita A. Equere		Hon. (Pst)) Godwin M. Inyieng	
29	Uruan	Mrs. Enobong S. Andrews		Hon. (Surv) Iniobong E. Ekpenong	
30	UrueOffong/Oruko	Mr. Wilson E. Wilson		Hon.Precious Selong	
31	Uyo	Pst. Victor John		Hon. (Dr) Uwemedimo Udo	

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

Pursuant to Section 22 (3) of Akwa Ibom State Audit Law 2021, I have audited the Financial Statements of the Thirty-One (31) Local Government Councils of Akwa Ibom State for the year ended 31st December, 2020.

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, 2020.



Francis Udofa Okon, FCA
Auditor General for Local Governments
Akwa Ibom State
FRC/2014/ICAN/0000009474
22nd September, 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020 in accordance with Section 22(3) of Akwa Ibom State Audit Law 2021.

The audit was conducted in accordance with International Standards on Auditing and INTOSAI Auditing Standards.

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 Framework give a true and fair view of the financial position of the thirty-one Local Government Councils as at 31st December, 2020 and of the transactions for the year ended on that date (subject to the observations contained in my report for the period.)


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) **General Information**

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) **Financial Accounting and Reporting Framework**

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) **Basis of Preparation and Legal Provisions**

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) **Accounting Period**

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation by law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
STATEMENT NO.1
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	47,500,000,000.00	33,734,152,340.71	19,301,325,815.02
Value Added Tax	1	10,360,000,000.00	13,917,072,781.76	0
Stabilization	1	0	143,670,407.35	0
Others	1	7,700,000,000.00	4,163,572,836.95	0
State Allocation	1	940,000,000.00	545,909,520.00	0
Sub Total Statutory Allocation		66,750,000,000.00	52,504,377,886.77	19,301,325,815.02
Taxes	2	120,187,000.00	2,695,625.00	8,349,400.00
Rates	2	304,523,500.00	309,302,692.42	150,061,300.00
Local License, fines and fees	2	341,229,500.00	94,577,176.54	106,403,870.79
Earning from Commercial Undertakings	2	317,233,000.00	45,954,300.00	115,092,830.00
Rent on Local Government Property	2	106,821,000.00	34,399,725.00	11,289,600.00
Interest & Dividends Receivable	2	20,788,000.00	2,503,000.00	0
Grants	2	7,350,000.00	18,000,000.00	3,300,000.00
Miscellaneous	2	281,868,000.00	43,871,263.57	76,497,318.65
Sub Total IGR		1,500,000,000.00	551,303,782.53	470,994,319.44
Capital Receipts : B/ F		31,600,000.00	0	0
Grants		2,938,000,000.00	0	0
Miscellaneous		1,165,000,000.00	0	0
TOTAL RECEIPTS		72,384,600,000.00	53,005,681,669.30	19,772,320,134.46
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	2,311,000,000.00	1,864,894,182.62	2,172,775,233.59
Pensions/Training Fund/Traditional Rulers Council	3	6,826,000,000.00	6,752,339,888.99	4,300,000.00
Funding of Primary Education	3	22,222,000,000.00	26,813,404,132.29	0
Admin. Charges	3	115,000,000.00	2,484,912,875.05	0
Internal Debt Servicing	3	425,000,000.00	42,397,344.83	25,053,320.00
Total Consolidated Revenue Fund Charges	3	31,899,000,000.00	37,957,948,423.78	2,202,128,553.59
Personnel Costs	4	13,909,800,000.00	11,217,505,505.23	10,067,975,706.39
Overhead Costs	5	6,943,700,000.00	2,896,555,331.24	4,094,476,053.96
TOTAL PAYMENTS		52,752,500,000.00	52,072,009,260.25	16,364,580,313.94
Net Cash Flow From Operating Activities A		19,632,100,000.00	983,672,409.05	3,407,739,820.52
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	19,632,100,000.00	1,557,573,801.73	1,763,183,922.97
Net Cash Flow From Investing Activities B			(1,557,573,801.73)	(1,763,183,922.97)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts:				
Increase/decrease in other Cash Assets	7		(286,969,461.20)	(2,361,580,856.77)
Increase/decrease in other Liabilities	8		327,968,091.63	1,107,126,484.26
Total Cash Flow From other Cash equivalent Accounts C			40,998,630.43	(1,254,454,372.51)
Net Cash Flow For The Year (A +B+C)			(532,902,762.25)	390,101,525.04
Cash and its equivalent as at 1 st January, 2020	9		1,001,136,509.58	611,034,984.54
Cash and its equivalent as at 31 st December, 2020	9		468,233,747.33	1,001,136,509.58

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

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	Notes	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	39,929,335.52	67,677,857.94
Cash at Bank	9	428,304,411.81	933,458,651.64
TOTAL LIQUID ASSETS		468,233,747.33	1,001,136,509.58
Investment & Other Cash Assets:			
Advances	10	<u>38,058,729,012.33</u>	<u>37,771,759,551.13</u>
TOTAL ASSETS		<u>38,526,962,759.66</u>	<u>38,772,896,060.71</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund	12	28,603,436,167.65	29,177,337,560.33
OTHER LIABILITIES			
Deposits	11	<u>9,923,526,592.01</u>	<u>9,595,558,500.38</u>
TOTAL LIABILITIES		<u>38,526,962,759.66</u>	<u>38,772,896,060.71</u>

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS

STATEMENT NO.3

CONSOLIDATED STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	ACTUAL 2020 ₦	VAR %
27,532,781,662.78	Opening Balances	0	0	0	29,177,337,560.33	
	Add Revenue:					
19,301,325,815.02	Statutory Allocation	47,750,000,000.00	0	47,750,000,000.00	33,734,152,340.71	(29)
0	Value Added Tax	10,360,000,000.00	0	10,360,000,000.00	13,917,072,781.76	(34)
0	Stabilization	0	0	0	143,670,407.35	100
0	Others	7,700,000,000.00	0	7,700,000,000.00	4,163,572,836.95	(46)
0	State Allocation	940,000,000.00	0	940,000,000.00	545,909,520.00	(42)
19,301,325,815.02	Sub Total Statutory Allocation	66,750,000,000.00	0	66,750,000,000.00	52,504,377,886.77	(21)
8,349,400.00	Taxes	120,187,000.00	0	120,187,000.00	2,695,625.00	(98)
150,061,300.00	Rates	304,523,500.00	0	304,523,500.00	309,302,692.42	2
106,403,870.79	Local License, fines and fees	341,229,500.00	0	341,229,500.00	94,577,176.54	(72)
115,092,830.00	Earning from commercial undertakings	317,233,000.00	0	317,233,000.00	45,954,300.00	(86)
11,289,600.00	Rent on Local Govt. Property	106,821,000.00	0	106,821,000.00	34,399,725.00	(68)
0	Interest & Dividends Receivable	20,788,000.00	0	20,788,000.00	2,503,000.00	(88)
3,300,000.00	Grants	7,350,000.00	0	7,350,000.00	18,000,000.00	145
76,497,318.65	Miscellaneous	281,868,000.00	0	281,868,000.00	43,871,263.57	(84)
470,994,319.44	Sub. Total IGR	1,500,000,000.00	0	1,500,000,000.00	551,303,782.53	(63)
47,305,101,797.24	TOTAL REVENUE	68,250,000,000.00	0	68,250,000,000.00	82,233,019,229.63	(20)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
2,172,775,233.59	Political/Public Office Holders	2,311,000,000.00	0	2,311,000,000.00	1,864,894,182.62	19
4,300,000.00	Pensions/Training Fund/Traditional Rulers Council	6,826,000,000.00	0	6,826,000,000.00	6,752,339,888.99	1
0	Funding of Primary Education	22,222,000,000.00	0	22,222,000,000.00	26,813,404,132.29	21
0	Admin Charges	115,000,000.00	0	115,000,000.00	2,484,912,875.05	(2061)
25,053,320.00	Internal Debt Servicing	425,000,000.00	0	425,000,000.00	42,397,344.83	90
2,202,128,553.59	Sub Total CRFC	31,899,000,000.00	0	31,899,000,000.00	37,957,948,423.78	(19)
10,067,975,706.39	Personnel Costs	13,909,800,000.00	0	13,909,800,000.00	11,217,505,505.23	19
4,094,476,053.96	Overhead Costs	6,943,700,000.00	0	6,943,700,000.00	2,896,555,331.24	58
16,364,580,313.94	Total Recurrent Expenditure	52,752,500,000.00	0	52,752,500,000.00	52,072,009,260.25	1
30,940,521,483.30	Operating Balance	15,497,500,000.00	0	15,497,500,000.00	30,161,009,969.38	
(1,763,183,922.97)	Transfer to Capital Dev. Fund	19,632,100,000.00	0	19,632,100,000.00	1,557,573,801.73	92
29,177,337,560.33	CLOSING BALANCE	(4,134,600,000.00)	0	(4,134,600,000.00)	28,603,436,167.65	

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
STATEMENT NO.4
CONSOLIDATED STATEMENT OF CAPITAL DEVELOPMENT FUND FOR
THE YEAR ENDED 31ST DECEMBER, 2020.

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp-Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
-	Opening balance	31,600,000.00	0	31,600,000.00	0	0
	Add Revenue:					
1,763,183,922.97	Transfer from Consol. Rev. Fund	19,632,100,000.00	0	19,632,100,000.00	1,557,573,801.73	94
-	Grant	2,938,000,000.00	0	2,938,000,000.00	0	100
-	Miscellaneous	1,165,000,000.00	0	1,165,000,000.00	0	100
1,763,183,922.97	Total Revenue available	23,766,700,000.00	0	23,766,700,000.00	1,557,573,801.73	95
	Less Capital Expenditure :					
267,953,116.17	Economic Sector	5,011,198,000.00	0	5,011,198,000.00	221,375,881.00	97
235,776,015.00	Social Sector	4,233,117,784.00	0	4,233,117,784.00	187,465,401.21	96
121,908,250.00	Environmental/Reg. Dev.	1,946,681,000.00	0	1,946,681,000.00	62,311,167.00	96
1,137,541,541.80	General Administration	8,441,103,216.00	0	8,441,103,216.00	1,086,421,352.52	90
1,763,183,922.97	Total Expenditure	19,632,100,000.00	0	19,632,100,000.00	1,557,573,801.73	94
0	Closing Balance	4,134,600,000.00	0	4,134,600,000.00	0	

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020
NOTES TO THE ACCOUNTS

NOTE: 1 STATUTORY ALLOCATION

Actual 2019 N	S/N	Name of LGC	Gross Revenue from FAAC N	10% IGR from State N	Total Revenue N
630,405,311.85	1	Abak	1,759,081,569.77	19,980,194.04	1,779,061,763.81
496,710,744.97	2	Eastern Obolo	1,389,281,600.68	12,978,763.92	1,402,260,364.60
675,943,228.06	3	Eket	1,834,212,771.11	17,901,637.56	1,852,114,408.67
545,625,698.81	4	Esit Eket	1,411,714,864.79	16,326,340.20	1,428,041,204.99
700,488,039.76	5	Essien Udim	1,895,949,781.21	20,370,746.76	1,916,320,527.97
686,690,363.72	6	Etim Ekpo	1,626,432,295.12	17,008,513.32	1,643,440,808.44
617,633,198.21	7	Etinan	1,855,877,904.78	18,809,979.48	1,874,687,884.26
586,306,034.22	8	Ibena	1,484,179,153.92	14,962,239.24	1,499,141,393.16
697,589,637.40	9	Ibesikpo-Asutan	1,725,711,318.78	17,686,785.36	1,743,398,104.14
555,020,180.36	10	Ibiono-Ibom	1,892,961,680.38	18,793,858.08	1,911,755,538.46
531,583,205.74	11	Ika	1,450,324,212.14	15,432,450.84	1,465,756,662.98
656,470,961.88	12	Ikono	1,708,006,956.70	18,674,443.56	1,726,681,400.26
620,302,098.13	13	Ikot Abasi	1,708,488,771.87	17,507,321.76	1,725,996,093.63
683,845,276.60	14	Ikot Ekpene	1,759,835,526.77	18,597,362.64	1,778,432,889.41
670,165,811.97	15	Ini	1,601,071,448.11	16,433,836.68	1,617,505,284.79
639,988,829.38	16	Itu	1,655,007,745.63	17,892,433.08	1,672,900,178.71
566,727,200.71	17	Mbo	1,549,665,741.54	17,122,021.08	1,566,787,762.62
556,098,141.30	18	Mkpat Enin	1,903,376,284.64	19,946,982.36	1,923,323,267.00
522,745,235.82	19	Nsit Atai	1,416,241,078.64	15,590,272.44	1,431,831,351.08
677,459,124.17	20	Nsit Ibom	1,596,415,054.42	16,770,650.28	1,613,185,704.70
574,895,769.06	21	Nsit Ubium	1,678,514,005.56	17,927,841.36	1,696,441,846.92
625,656,670.34	22	Obot Akara	1,749,302,655.19	17,962,025.64	1,767,264,680.83
622,072,132.91	23	Okobo	1,521,300,684.90	16,739,601.00	1,538,040,285.90
648,616,296.73	24	ONNA	1,590,521,502.52	18,940,526.76	1,609,462,029.28
625,066,214.67	25	Oron	1,581,891,813.42	16,057,825.20	1,597,949,638.62
664,481,375.58	26	Oruk Anam	1,882,384,607.55	20,441,645.52	1,902,826,253.07
518,411,836.65	27	Udung Uko	1,400,619,600.55	13,749,140.64	1,414,368,741.19
606,369,904.55	28	Ukanafun	1,714,445,947.08	18,836,820.48	1,733,282,767.56
732,063,374.84	29	Uruan	1,786,822,343.89	17,148,933.48	1,803,971,277.37
567,094,002.82	30	Urue-Offong/Oruko	1,502,360,983.57	15,390,348.72	1,517,751,332.29
798,795,913.03	31	Uyo	2,326,468,461.54	23,927,978.52	2,350,396,440.06
19,301,321,814.24		Total	51,958,468,366.77	545,909,520.00	52,504,377,886.77

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020
NOTES TO THE ACCOUNTS

Actual 2019 ₦	NOTE 2 INTERNALLY GENERATED REVENUE				
	S/N	Name of LGC	Budget 2020 ₦	Actual 2020 ₦	% Performance
6,266,970.00	1	Abak	30,000,000.00	4,709,390.00	16
507,000.00	2	Eastern Obolo	12,000,000.00	2,704,125.00	23
61,126,503.78	3	Eket	150,000,000.00	72,471,856.95	48
22,742,500.00	4	Esit Eket	40,000,000.00	81,396,173.40	203
3,353,330.00	5	Essien Udim	25,000,000.00	31,543,310.00	126
2,514,710.00	6	Etim Ekpo	20,000,000.00	5,383,758.06	27
3,930,570.00	7	Etinan	30,000,000.00	2,678,350.00	9
59,310,850.00	8	Ibeno	150,000,000.00	99,711,750.00	66
3,654,060.00	9	Ibesikpo-Asutan	32,000,000.00	7,170,652.50	48
27,025,104.21	10	Ibiono-Ibom	15,000,000.00	15,677,080.33	105
1,544,730.00	11	Ika	20,000,000.00	3,738,505.00	19
9,276,170.00	12	Ikono	20,000,000.00	7,668,185.00	38
12,740,330.00	13	Ikot Abasi	30,000,000.00	12,872,530.00	43
24,932,680.00	14	Ikot Ekpene	75,000,000.00	19,849,783.80	26
2,781,022.39	15	Ini	22,000,000.00	8,894,925.00	40
49,744,935.00	16	Itu	70,000,000.00	34,075,386.61	49
780,300.00	17	Mbo	50,000,000.00	1,001,750.00	2
9,009,950.00	18	Mkpat Enin	23,000,000.00	3,640,500.00	16
1,102,100.00	19	Nsit Atai	25,000,000.00	4,904,075.00	20
3,775,042.16	20	Nsit Ibom	24,000,000.00	8,338,566.19	35
3,206,824.90	21	Nsit Ubium	30,000,000.00	6,442,025.00	21
7,590,755.00	22	Obot Akara	40,000,000.00	5,273,975.00	18
3,157,870.00	23	Okobo	30,000,000.00	4,478,455.00	15
2,206,650.00	24	Onna	40,000,000.00	4,097,175.00	10
22,615,094.34	25	Oron	30,000,000.00	9,653,193.70	32
12,729,947.46	26	Oruk Anam	22,000,000.00	4,500,870.11	20
688,810.00	27	Udung Uko	20,000,000.00	628,700.00	3
6,798,940.00	28	Ukanafun	20,000,000.00	17,041,560.00	85
18,168,420.00	29	Uruan	26,000,000.00	36,996,073.54	142
1,494,040.00	30	Urue-Offong/Oruko	60,000,000.00	3,066,135.00	5
86,218,110.20	31	Uyo	319,000,000.00	30,694,967.34	10
470,994,319.44		Total	1,500,000,000.00	551,303,782.53	35

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020
NOTES TO THE ACCOUNTS

NOTE 3 :CONSOLIDATED REVENUE FUND CHARGES-POLITICAL OFFICE HOLDERS

ACTUAL 2019 ₦	S/N	NAME OF LGC	BUDGET 2020 ₦	ACTUAL 2020 ₦	VARIANCE ₦
70,974,511.20	1	Abak	985,000,000.00	1,279,076,899.84	(294,076,899.84)
68,086,741.54	2	Eastern Obolo	910,000,000.00	1,034,192,940.56	(124,192,940.56)
69,986,412.44	3	Eket	990,000,000.00	1,300,202,917.90	(310,202,917.90)
67,484,495.68	4	Esit Eket	990,000,000.00	998,436,779.20	(8,436,779.20)
73,404,514.18	5	Essien Udim	1,195,000,000.00	1,318,407,031.97	(123,407,031.97)
43,659,148.05	6	Etim Ekpo	930,000,000.00	1,089,400,515.84	(159,400,515.84)
80,128,826.60	7	Etinan	1,115,000,000.00	1,446,390,007.07	(331,390,007.07)
68,010,205.92	8	Ibeno	1,000,000,000.00	1,074,436,739.01	(74,436,739.01)
85,468,767.91	9	Ibesikpo-Asutan	1,102,000,000.00	1,195,347,668.28	(93,347,668.28)
71,575,510.52	10	Ibiono-Ibom	1,065,000,000.00	1,504,118,037.95	(439,118,037.95)
74,870,114.62	11	Ika	1,040,000,000.00	1,104,929,673.30	(64,929,673.30)
72,374,511.20	12	Ikono	1,085,000,000.00	1,207,866,694.79	(122,866,694.79)
66,695,916.82	13	Ikot Abasi	880,000,000.00	1,272,096,000.41	(392,096,000.41)
74,652,538.68	14	Ikot Ekpene	1,557,000,000.00	1,228,458,853.23	328,541,146.77
66,261,890.21	15	Ini	1,850,000,000.00	1,054,510,017.52	795,489,982.48
69,580,309.26	16	Itu	1,135,000,000.00	1,164,188,020.64	(29,188,020.64)
64,246,054.07	17	Mbo	990,000,000.00	1,040,773,139.86	(50,773,139.86)
82,727,019.56	18	Mkpat Enin	1,140,000,000.00	1,544,967,269.08	(404,967,269.08)
72,918,989.34	19	Nsit Atai	845,000,000.00	1,070,382,451.51	(225,382,451.51)
75,001,245.18	20	Nsit Ibom	930,000,000.00	1,103,684,018.78	(173,684,018.78)
57,431,588.76	21	Nsit Ubium	930,000,000.00	1,290,383,826.95	(360,383,826.95)
67,638,622.21	22	Obot Akara	1,030,000,000.00	1,320,788,029.02	(290,788,029.02)
77,330,833.68	23	Okobo	865,000,000.00	1,063,572,551.51	(198,572,551.51)
76,846,355.24	24	Onna	965,000,000.00	1,120,069,365.73	(155,069,365.73)
68,010,214.92	25	Oron	1,130,000,000.00	1,166,996,855.39	(36,996,855.39)
76,903,103.76	26	Oruk Anam	1,170,000,000.00	1,447,015,145.40	(277,015,145.40)
74,734,659.72	27	Udung Uko	910,000,000.00	1,069,190,858.02	(159,190,858.02)
74,128,826.64	28	Ukanafun	980,000,000.00	1,319,404,532.74	(339,404,532.74)
74,862,184.44	29	Uruan	1,035,000,000.00	1,289,242,517.01	(254,242,517.01)
65,159,930.04	30	Urue-Offong/Oruko	900,000,000.00	1,123,948,316.49	(223,948,316.49)
70,974,511.20	31	Uyo	1,250,000,000.00	1,715,470,748.78	(465,470,748.78)
2,202,128,553.59		Total	31,899,000,000.00	37,957,948,423.78	(6,058,948,423.78)

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020
NOTES TO THE ACCOUNTS

NOTE 4 : PERSONNEL COSTS

ACTUAL 2019 ₦	S/N	NAME OF LGC	BUDGET 2020 ₦	ACTUAL 2020 ₦	VARIANCE ₦
334,860,365.06	1	Abak	480,000,000.00	368,170,159.37	111,829,840.63
187,750,052.92	2	Eastern Obolo	330,000,000.00	259,055,430.94	70,944,569.06
375,481,330.66	3	Eket	450,000,000.00	446,050,618.72	3,949,381.26
256,935,299.88	4	Esit Eket	400,000,000.00	314,623,359.05	85,376,640.95
395,164,842.06	5	Essien Udim	520,000,000.00	499,788,903.34	20,211,096.66
381,652,439.62	6	Etim Ekpo	440,000,000.00	444,975,711.64	(4,975,711.64)
304,879,301.64	7	Etinan	450,000,000.00	338,445,402.35	111,554,597.65
285,980,697.20	8	Ibeno	450,000,000.00	359,818,161.14	90,181,838.86
391,633,327.12	9	Ibesikpo-Asutan	600,000,000.00	444,053,637.84	155,946,362.16
254,066,960.84	10	Ibiono-Ibom	400,000,000.00	305,942,189.24	94,057,810.76
246,805,940.20	11	Ika	400,000,000.00	254,379,048.01	145,620,951.99
352,682,906.74	12	Ikono	450,000,000.00	430,022,892.86	19,977,107.14
310,796,628.05	13	Ikot Abasi	450,000,000.00	341,053,976.80	108,946,023.20
396,045,043.14	14	Ikot Ekpene	363,000,000.00	451,107,655.69	111,892,344.31
416,219,315.85	15	Ini	541,800,000.00	465,059,976.46	76,740,023.54
354,138,802.12	16	Itu	400,000,000.00	430,658,237.41	(30,658,237.41)
254,836,303.73	17	Mbo	390,000,000.00	337,462,943.04	52,537,056.96
232,339,176.70	18	Mkpat Enin	400,000,000.00	263,277,741.57	136,722,258.43
216,974,787.51	19	Nsit Atai	315,000,000.00	277,378,817.07	37,621,182.93
405,253,167.45	20	Nsit Ibom	520,000,000.00	408,884,193.35	111,115,806.65
349,216,815.46	21	Nsit Ubium	400,000,000.00	303,440,057.61	96,559,942.39
319,308,383.08	22	Obot Akara	480,000,000.00	341,059,286.68	138,940,713.31
309,270,038.06	23	Okobo	450,000,000.00	372,113,132.32	77,886,867.68
345,020,672.77	24	Onna	460,000,000.00	381,831,190.94	78,168,809.06
318,931,707.74	25	Oron	450,000,000.00	323,816,840.71	126,183,159.29
336,262,003.35	26	Oruk Anam	450,000,000.00	370,440,470.80	79,559,529.20
206,853,075.65	27	Udung Uko	320,000,000.00	238,307,541.71	81,692,458.29
303,304,626.62	28	Ukanafun	420,000,000.00	349,319,226.45	70,680,773.55
455,947,953.68	29	Uruan	500,000,000.00	428,980,500.00	71,019,500.00
266,358,048.27	30	Urue-Offong/Oruko	380,000,000.00	287,862,520.94	92,137,479.06
503,005,693.22	31	Uyo	650,000,000.00	380,125,681.18	269,874,318.82
10,067,975,706.39		Total	13,909,800,000.00	11,217,505,505.23	2,692,294,494.77

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
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NOTES TO THE ACCOUNTS

NOTE 5 OVERHEAD COSTS

ACTUAL 2019 ₦	S/N	NAME OF LGC	BUDGET 2020 ₦	ACTUAL 2020 ₦	VARIANCE ₦
150,647,582.75	1	Abak	200,000,000.00	87,450,570.75	112,549,429.25
97,052,353.99	2	Eastern Obolo	200,000,000.00	67,244,375.00	132,755,625.00
198,438,723.70	3	Eket	300,000,000.00	133,056,799.84	166,943,200.16
154,495,332.11	4	Esit Eket	200,000,000.00	146,534,894.90	53,465,105.10
126,149,009.89	5	Essien Udim	250,000,000.00	79,829,389.42	170,170,610.58
162,844,924.41	6	Etim Ekpo	234,000,000.00	76,711,525.20	157,288,474.80
151,524,947.79	7	Etinan	200,000,000.00	77,398,912.07	122,601,087.93
123,908,318.50	8	Ibeno	300,000,000.00	145,954,487.41	154,045,512.59
119,493,206.39	9	Ibesikpo-Asutan	200,000,000.00	70,098,722.20	129,901,277.80
124,660,035.11	10	Ibiono-Ibom	200,000,000.00	101,664,483.00	98,335,517.00
147,179,808.62	11	Ika	220,000,000.00	50,542,733.08	169,457,266.92
155,209,749.88	12	Ikono	200,000,000.00	88,576,098.39	111,423,901.61
138,372,809.95	13	Ikot Abasi	200,000,000.00	68,959,792.58	131,040,207.42
126,624,600.64	14	Ikot Ekpene	230,000,000.00	73,277,661.58	156,722,338.42
92,524,938.44	15	Ini	189,700,000.00	70,861,952.73	118,838,047.27
91,339,816.00	16	Itu	230,000,000.00	72,366,489.64	157,633,510.36
146,313,881.41	17	Mbo	250,000,000.00	128,552,695.83	121,447,304.17
140,271,863.97	18	Mkpat Enin	200,000,000.00	101,929,111.08	98,070,888.92
78,552,048.58	19	Nsit Atai	200,000,000.00	99,706,186.58	100,293,813.42
148,262,959.97	20	Nsit Ibom	200,000,000.00	73,773,402.13	126,226,597.87
234,415,974.73	21	Nsit Ubium	250,000,000.00	74,312,650.00	175,687,350.00
71,367,500.02	22	Obot Akara	220,000,000.00	82,527,248.49	158,551,826.51
123,040,868.00	23	Okobo	200,000,000.00	37,920,417.36	162,079,582.64
117,222,685.76	24	Onna	250,000,000.00	101,177,104.50	148,822,895.50
127,175,297.12	25	Oron	250,000,000.00	164,015,587.36	85,984,412.64
125,587,762.14	26	Oruk Anam	250,000,000.00	71,311,896.51	178,688,103.49
91,490,111.82	27	Udung Uko	200,000,000.00	98,504,851.01	101,495,148.99
103,313,880.23	28	Ukanafun	220,000,000.00	43,999,993.13	176,000,006.87
85,975,919.45	29	Uruan	200,000,000.00	82,139,633.74	117,860,366.26
118,695,427.78	30	Urue-Offong/Oruko	200,000,000.00	66,110,700.80	133,889,299.20
222,323,714.81	31	Uyo	300,000,000.00	260,044,964.93	39,955,035.07
4,094,476,053.96		Total	6,943,700,000.00	2,896,555,331.24	4,068,223,743.76

AKWA IBOM STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2020
NOTES TO THE ACCOUNTS

NOTE 6 : CAPITAL EXPENDITURE

Actual 2019 ₦	S/N	Name of LGC	Budget 2020 ₦	Actual 2020 ₦	Variance ₦
3,730,000.00	1	Abak	645,500,000.00	44,755,000.00	600,745,000.00
121,659,758.00	2	Eastern Obolo	852,100,000.00	42,335,686.00	809,764,314.00
92,367,013.17	3	Eket	942,000,000.00	108,050,450.00	833,949,550.00
44,134,664.00	4	Esit Eket	521,000,000.00	61,814,880.00	459,185,120.00
17,841,150.00	5	Essien Udim	641,000,000.00	16,730,000.00	624,270,000.00
22,664,588.00	6	Etim Ekpo	568,000,000.00	51,104,223.21	516,895,776.79
44,024,208.00	7	Etinan	546,000,000.00	31,810,000.00	514,190,000
121,108,458.47	8	Ibeno	932,000,000.00	82,654,875.00	849345,125.00
63,369,292.00	9	Ibesikpo-Asutan	440,100,000.00	29,770,000.00	410,330,000.00
104,521,983.28	10	Ibiono-Ibom	641,000,000.00	36,379,442.00	604,620,558.00
23,152,000.00	11	Ika	551,000,000.00	25,527,502.00	525,472,498.00
20,610,456.00	12	Ikono	616,000,000.00	45,550,000.00	570,450,000.00
107,558,348.00	13	Ikot Abasi	482,000,000.00	41,747,264.00	440,252,736.00
10,134,000.00	14	Ikot Ekpene	806,000,000.00	71,826,264.00	734,173,736.00
23,708,000.00	15	Ini	359,000,000.00	35,499,472.00	323,500,528.00
110,877,325.00	16	Itu	556,000,000.00	23,936,625.00	532,063,375.00
8,703,500.00	17	Mbo	801,000,000.00	34,250,228.00	766,749,772.00
119,155,783.53	18	Mkpat Enin	735,000,000.00	81,006,076.00	653,993,924.00
38,445,392.00	19	Nsit Atai	661,000,000.00	57,481,213.00	603,518,787.00
67,659,045.00	20	Nsit Ibom	574,400,000.00	12,611,823.00	561,788,177.00
25,050,000.00	21	Nsit Ubium	651,000,000.00	36,856,800.00	614,143,200.00
37,309,100.00	22	Obot Akara	590,500,000.00	137,686,216.00	452,813,784.00
80,676,500.00	23	Okobo	617,000,000.00	66,367,108.00	550,632,892.00
56,175,440.00	24	Onna	696,000,000.00	21,141,912.00	674,858,088.00
28,813,616.00	25	Oron	500,500,000.00	112,381,789.00	388,118,211.00
38,533,980.00	26	Oruk Anam	433,000,000.00	30,405,000.00	402,595,000.00
71,909,651.00	27	Udung Uko	560,500,000.00	26,090,756.52	534,409,243.48
88,124,538.00	28	Ukanafun	781,000,000.00	24,126,824.00	756,873,176.00
42,859,391.52	29	Uruan	752,000,000.00	74,850,780.00	677,149,220
37,788,430.00	30	Urue-Offong/Oruko	480,500,000.00	13,524,168.00	466,975,832.00
90,518,312.00	31	Uyo	700,000,000.00	79,301,425.00	620,698,575.00
1,763,183,922.97		Total	19,632,100,000.00	1,557,573,801.73	18,074,526,198.27

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	38,058,729,012.33	2019 Advances	37,771,759,551.13
2019 Advances	37,771,759,551.13	2018 Advances	35,410,178,694.36
	(286,969,461.20)		(2,361,580,856.77)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	9,923,526,592.01	2019 Deposits	9,595,558,500.38
2019 Deposits	9,595,558,500.38	2018 Deposits	8,488,432,016.12
	327,968,091.63		1,107,126,484.26

NOTE 9: CONSOLIDATED CASH & BANK BALANCES

TOTAL 2019 ₦	S/N.	NAME OF LOCAL GOVT.	CASH IN HAND 2020 ₦	CASH AT BANK 2020 ₦	TOTAL 2020 ₦
23,112,994.54	1	Abak	470,448.26	13,085,218.77	13,555,667.03
27,145,779.84	2	Eastern Obolo	500.24	13,236,450.84	13,236,951.08
37,678,095.70	3	Eket	1,476,321.16	13,154,604.51	14,630,925.67
53,472,094.17	4	Esit Eket	128,833.80	16,334,567.87	16,463,401.67
48,005,553.41	5	Essien Udim	54,495.19	13,055,429.88	13,109,925.07
43,630,210.96	6	Etim Ekpo	2,235,400.41	22,318,608.07	24,554,008.48
11,874,581.75	7	Etinan	3,940.00	5,929,208.53	5,933,148.53
53,530,410.00	8	Ibena	33,520.00	12,646,179.80	12,679,699.80
31,686,751.80	9	IbesikpoAsutan	6,861.42	19,086,017.71	19,092,879.13
36,070,321.30	10	Ibiono Ibom	872,852.16	16,374,899.23	17,247,751.39
30,932,972.27	11	Ika	16,992,540.18	8,682,563.13	25,675,103.31
40,935,054.93	12	Ikono	577,542.01	9,104,233.68	9,681,775.69
39,456,601.94	13	Ikot Abasi	1,205,653.10	21,276,711.40	22,482,364.50
29,124,495.78	14	Ikot Ekpene	888,789.26	24,323,268.74	25,212,058.00
25,345,505.59	15	Ini	30,000.00	5,393,376.67	5,423,376.67
44,182,939.56	16	Itu	18,103.37	16,828,406.49	16,846,509.86
6,845,634.63	17	Mbo	426,086.84	2,845,098.97	3,271,185.81
22,241,114.61	18	Mkpat Enin	149,895.93	11,723,267.43	11,873,163.36
30,781,391.76	19	Nsit Atai	686,958.00	13,264,866.41	13,951,824.41
34,286,228.08	20	Nsit Ibom	281,322.33	20,997,498.58	21,278,820.91
31,450,319.12	21	Nsit Ubium	611,021.90	17,223,091.45	17,834,113.35
32,742,402.63	22	Obot Akara	-	16,171,582.35	16,171,582.35
13,827,580.09	23	Okobo	861,990.08	6,963,952.24	7,825,942.32
16,808,227.46	24	Onna	685,520.21	8,505,671.17	9,191,191.38
14,611,257.76	25	Oron	789,754.08	11,436,309.54	12,226,063.62
44,692,316.58	26	Oruk Anam	44,500.00	15,263,827.05	15,308,327.05
25,615,470.16	27	Udung Uko	730,963.79	11,962,587.95	12,693,551.74
40,930,869.01	28	Ukanafun	46,130.66	14,429,109.77	14,475,240.43
43,699,579.41	29	Uruan	592,532.89	9,194,344.74	9,786,877.63
32,629,603.86	30	Urueoffong/Oruko	8,790,458.25	13,934,508.23	22,724,966.48
33,790,150.88	31	Uyo	236,400.00	23,558,950.61	23,795,350.61
1,001,136,509.58		Total	39,929,335.52	428,304,411.81	468,233,747.33

NOTE 10: CONSOLIDATED ADVANCES AS AT 31ST DECEMBER, 2020

S/N	NAME OF LOCAL GOVT.	TOTAL 2020 ₦	TOTAL 2019 ₦
1	Abak	479,562,634.33	447,291,394.33
2	Eastern Obolo	2,050,007,862.38	2,029,140,438.28
3	Eket	1,806,502,677.38	1,862,336,649.64
4	Esit Eket	703,947,966.00	681,371,786.00
5	Essien Udim	1,518,553,844.40	1,451,513,826.42
6	Etim Ekpo	1,329,899,645.41	1,294,010,716.69
7	Etinan	1,069,350,551.80	1,079,956,063.30
8	Ibena	468,812,500.74	467,718,620.00
9	Ibesikpo/Asutan	1,074,381,803.00	1,052,008,803.00
10	Ibiono Ibom	1,135,570,797.32	1,127,193,879.00
11	Ika	1,287,066,056.00	1,224,519,702.00
12	Ikono	1,128,585,165.21	1,101,853,865.15
13	Ikot Abasi	1,366,864,026.77	1,346,549,024.27
14	Ikot Ekpene	1,326,002,942.18	1,298,940,642.18
15	Ini	1,310,443,051.00	1,289,289,691.00
16	Itu	608,175,244.98	580,492,744.98
17	Mbo	1,295,347,903.30	1,269,287,699.68
18	Mkpat Enin	2,024,691,327.74	2,007,390,442.74
19	Nsit Atai	1,240,191,611.23	1,271,345,033.97
20	Nsit Ibom	801,068,819.75	781,158,519.75
21	Nsit Ubium	2,059,770,218.50	2,080,241,572.67
22	Obot Akara	1,418,737,745.09	1,524,262,655.09
23	Okobo	1,409,189,882.95	1,372,829,152.95
24	Onna	1,006,096,669.05	1,009,118,898.00
25	Oron	339,136,847.94	473,802,327.94
26	Oruk Anam	1,765,872,840.98	1,746,835,440.98
27	Udung Uko	1,214,136,308.85	1,217,076,648.00
28	Ukanafun	912,397,615.97	900,395,939.97
29	Uruan	1,371,025,225.02	1,267,437,859.02
30	UrueOffong/Oruko	1,286,840,002.85	1,238,700,135.85
31	Uyo	1,250,499,224.21	1,277,689,378.28
	Total	38,058,729,012.33	37,771,759,551.13

NOTE 11: CONSOLIDATED DEPOSIT BALANCES AS AT 31st DECEMBER, 2020

S/N.	NAME OF LOCAL GOVT.	Amount 2020 ₦	Amount 2019 ₦
1	Abak	139,934,520.91	121,539,132.27
2	Eastern Obolo	205,107,381.66	200,284,843.42
3	Eket	658,952,097.85	675,058,719.30
4	Esit Eket	302,601,354.85	305,061,332.59
5	Essien Udim	285,965,052.62	286,929,176.22
6	Etim Ekpo	510,097,553.69	479,917,418.06
7	Etinan	382,225,227.65	382,094,085.14
8	Ibeno	709,082,506.44	684,828,216.50
9	Ibesikpo/Asutan	352,341,543.20	353,861,144.19
10	Ibiono Ibom	205,266,206.60	195,040,324.79
11	Ika	313,896,684.19	290,724,410.74
12	Ikono	86,762,361.66	53,618,240.06
13	Ikot Abasi	318,233,752.03	329,904,576.81
14	Ikot Ekpene	462,757,077.93	413,219,454.42
15	Ini	351,429,498.29	350,667,058.29
16	Itu	207,125,538.96	222,605,661.29
17	Mbo	93,745,605.50	98,010,356.59
18	Mkpat Enin	201,642,346.92	130,492,982.44
19	Nsit Atai	322,263,078.76	302,032,826.77
20	Nsit Ibom	222,344,857.13	238,012,797.93
21	Nsit Ubium	266,780,941.25	298,759,038.55
22	Obot Akara	513,517,216.94	526,090,822.86
23	Okobo	346,036,639.19	318,223,078.67
24	Onna	289,083,789.51	289,062,685.65
25	Oron	196,420,389.27	173,862,823.27
26	Oruk Anam	177,375,671.76	175,876,871.76
27	Udung Uko	195,846,923.49	194,612,614.99
28	Ukanafun	244,179,891.01	272,107,594.83
29	Uruan	359,122,866.25	255,202,122.19
30	Urueoffong/Oruko	495,521,701.35	486,658,232.79
31	Uyo	507,866,315.15	491,199,857.00
	Total	9,923,526,592.01	9,595,558,500.38

NOTE 12: CONSOLIDATED REVENUE FUND BALANCES

AS AT 31ST DECEMBER, 2020

S/N.	NAME OF LOCAL GOVT.	AMOUNT 2020 N	AMOUNT 2019 N
1	Abak	353,183,780.45	348,865,256.60
2	Eastern Obolo	1,858,137,431.80	1,856,001,374.70
3	Eket	1,162,181,505.20	1,224,956,026.04
4	Esit Eket	417,810,012.82	429,782,547.58
5	Essien Udim	1,245,698,716.85	1,212,590,203.61
6	Etim Ekpo	844,356,100.20	857,723,509.59
7	Etinan	693,058,472.68	709,736,559.91
8	Ibena	(227,590,305.90)	(163,579,186.50)
9	Ibesikpo Asutan	741,133,138.93	729,834,410.61
10	Ibiono-Ibom	947,552,342.11	968,223,875.51
11	Ika	998,844,475.12	964,728,263.53
12	Ikono	1,051,504,579.24	1,089,170,680.02
13	Ikot Abasi	1,071,112,639.24	1,056,101,049.40
14	Ikot Ekpene	888,457,922.25	914,845,683.54
15	Ini	964,436,929.38	963,968,138.30
16	Itu	417,896,215.88	402,070,023.25
17	Mbo	1,204,873,483.61	1,178,122,977.72
18	Mkpat Enin	1,834,922,144.18	1,899,138,574.91
19	Nsit Atai	931,880,356.88	1,000,093,598.96
20	Nsit Ibom	600,002,783.53	577,431,949.90
21	Nsit Ubium	1,810,823,390.60	1,812,932,853.24
22	Obot Akara	921,392,110.50	1,030,914,234.86
23	Okobo	1,070,979,186.08	1,068,433,654.37
24	Onna	726,204,070.92	736,864,439.81
25	Oron	154,942,522.29	314,550,762.43
26	Oruk Anam	1,603,805,496.27	1,615,650,885.80
27	Udung Uko	1,030,982,937.10	1,048,079,503.17
28	Ukanafun	682,692,965.39	669,219,214.15
29	Uruan	1,021,689,236.40	1,055,935,316.24
30	Urueoffong/Oruko	814,043,267.98	784,671,506.92
31	Uyo	766,428,259.67	820,279,672.16
	Total	28,603,436,167.65	29,177,337,560.33



ABAK LOCAL GOVERNMENT

LOCAL GOVERNMENT SECRETARIAT, ABAK, AKWA IBOM STATE, NIGERIA

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.

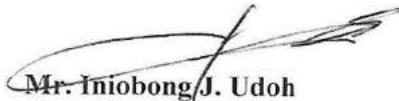
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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, 2020 and its operations for the year ended on that date.



Mr. Iniobong J. Udoh
Director of Finance
Date: 16/04/2021



Rt. Hon. (Pst.) Ekerette E. Inyang
Chairman
Date: 16/04/2021



GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Abak Local Government Council
Abak

AUDIT CERTIFICATE ON THE ACCOUNTS OF ABAK LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Abak Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Abak Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	Notes	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,500,000,000.00	1,150,709,048.95	630,405,311.85
Value Added Tax	1	350,000,000.00	461,931,842.14	0
Stabilization	1		4,894,416.33	0
Others	1	250,000,000.00	141,546,262.35	0
State Allocation	1	30,000,000.00	19,980,194.04	0
Sub Total Statutory Allocation		2,130,000,000.00	1,779,061,763.81	630,405,311.85
Taxes	2	1,300,000.00	-	15,000.00
Rates	2	4,500,000.00	2,436,000.00	1,860,000.00
Local License, Fines and Fees	2	5,800,000.00	2,123,890.00	1,868,220.00
Earnings from commercial undertaking	2	7,312,000.00	63,500.00	1,688,250.00
Rent on Local Govt. Property	2	2,015,000.00	0	0
Interest and Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	9,073,000.00	86,000.00	835,500.00
Sub Total IGR		30,000,000.00	4,709,390.00	6,266,970.00
Capital Receipts: B/F		500,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,310,500,000.00	1,783,771,153.81	636,672,281.85
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political /Public Office Holders	3	75,000,000.00	54,674,589.25	70,974,511.20
Pensions/Training Funds/Traditional Rulers Council	3	200,000,000.00	223,740,366.75	0
Funding of Primary Education	3	700,000,000.00	1,149,446,440.23	0
Internal Debt Servicing/Admin Charges/Joint Project etc.	3	10,000,000.00	(148,784,496.39)	0
Total Consolidated Revenue Fund Charges		985,000,000.00	1,279,076,899.84	70,974,511.20
Personnel Costs	4	480,000,000.00	368,170,159.37	334,860,365.06
Overhead Costs	5	200,000,000.00	87,450,570.75	150,647,582.74
TOTAL PAYMENTS		1,665,000,000.00	1,734,697,629.96	556,482,459.01
Net Cash Flow From Operating Activities A		645,500,000.00	49,073,523.85	80,189,822.84
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	645,500,000.00	44,755,000.00	3,730,000.00
Net Cash Flow From Investing Activities B			(44,755,000.00)	(3,730,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(32,271,240.00)	(67,525,950.00)
Increase/decrease in other Liabilities	8		18,395,388.64	3,124,000.00
Total Cash Flow From other Cash equivalent Accounts C			(13,875,851.36)	(64,401,950.00)
Net Cash Flow For The Year (A+B+C)			(9,557,327.51)	12,057,872.84
Cash and its equivalent as at 1st January, 2020			23,112,994.54	11,055,121.70
Cash and its equivalent as at 31st December, 2020	9		13,555,667.03	23,112,994.54

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	470,448.26	868,553.97
Cash at Bank	9	13,085,218.77	22,244,440.57
TOTAL LIQUID ASSETS		13,555,667.03	23,112,994.54
Investment & Other Cash Assets:			
Advances	10	479,562,634.33	447,291,394.33
TOTAL ASSETS		<u>493,118,301.36</u>	<u>470,404,388.87</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		353,183,780.45	348,865,256.60
OTHER LIABILITIES			
Deposits	11	139,934,520.91	121,539,132.27
TOTAL LIABILITIES		<u>493,118,301.36</u>	<u>470,404,388.87</u>

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	VAR. %
272,405,433.76	Opening Balances	0	0	0	348,865,256.60	0
	Add Revenue:					
630,405,311.85	Statutory Allocation	1,500,000,000.00	0	1,500,000,000.00	1,150,709,048.95	(23)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	461,931,842.14	32
0	Stabilization	0	0	0	4,894,416.33	100
0	Others	250,000,000.00	0	250,000,000.00	141,546,262.35	(43)
0	State Allocation	30,000,000.00	0	30,000,000.00	19,980,194.04	(33)
630,405,311.85	Sub Total Statutory Allocation	2,130,000,000.00	0	2,130,000,000.00	1,779,061,763.81	(16)
15,000.00	Taxes	1,300,000.00	0	1,300,000.00	2,436,000.00	87
1,860,000.00	Rates	4,500,000.00	0	4,500,000.00	2,123,890.00	(53)
1,868,220.00	Local License, Fines and Fees	5,800,000.00	0	5,800,000.00	63,500.00	(99)
1,688,250.00	Earning from commercial undertaking	7,312,000.00	0	7,312,000.00	0	(100)
0	Rent on Local Govt. Property	2,015,000.00	0	2,015,000.00	0	(100)
0	Interest and Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
835,500.00	Miscellaneous	9,073,000.00	0	9,073,000.00	86,000.00	(99)
6,266,970.00	Sub. Total IGR	30,000,000.00	0	30,000,000.00	4,709,390.00	(84)
909,077,715.61	TOTAL REVENUE	2,160,000,000.00	0	2,160,000,000.00	2,132,636,410.41	(1)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
70,974,511.20	Political /Public Office Holders	75,000,000.00	0	75,000,000.00	54,674,589.25	27
0	Pensions/Training Funds/Traditional Rulers Council	200,000,000.00	0	200,000,000.00	223,740,366.75	(12)
0	Funding of Primary Education	700,000,000.00	0	700,000,000.00	1,149,446,440.23	(64)
0	Internal Debt Servicing/Admin Charges	10,000,000.00	0	10,000,000.00	(148,784,496.39)	100
70,974,511.20	Sub Total CRFC	985,000,000.00	0	985,000,000.00	1,279,076,899.84	(30)
334,860,365.06	Personnel Costs	480,000,000.00	0	480,000,000.00	368,170,159.37	23
150,647,582.75	Overhead Costs	200,000,000.00	0	200,000,000.00	87,450,570.75	56
556,482,459.01	Total Recurrent Expenditure	1,665,000,000.00	0	1,665,000,000.00	1,734,697,629.96	(4)
352,595,256.60	Operating Balance	495,000,000.00	0	495,000,000.00	397,938,780.45	
3,730,000.00	Transfer to Capital Dev. Fund	645,500,000.00	0	645,500,000.00	44,755,000.00	93
348,865,256.60	CLOSING BALANCE	(150,500,000.00)	0	(150,500,000.00)	353,183,780.45	0

ABAK LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	VAR. %
0	Opening balance	500,000.00	0	500,000.00	0	0
	Add Revenue:					
3,730,000.00	Transfer from Consolidated Rev. Fund	645,500,000.00	0	645,500,000.00	44,755,000.00	(93)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
3,730,000.00	Total Revenue available	796,000,000.00	0	796,000,000.00	44,755,000.00	(100)
	Less Capital Expenditure:					
530,000.00	Economic Sector	232,640,000.00	0	232,640,000.00	3,906,000.00	98
0	Social Sector	117,835,000.00	0	117,835,000.00	609,000.00	99
300,000.00	Environmental/Reg. Dev	64,925,000.00	0	64,925,000.00	40,000.00	99
2,900,000.00	General Administration	230,100,000.00	0	230,100,000.00	40,200,000.00	83
3,730,000.00	Total Expenditure	645,500,000.00	0	645,500,000.00	44,755,000.00	93
0	Closing Balance	150,500,000.00	0	150,500,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	165,354,393.28	-	165,354,393.28	1,665,016.17	167,019,409.45	72,751,608.03
February	147,693,329.83	-	147,693,329.83	1,665,016.17	149,358,346.00	44,592,172.10
March	138,364,292.63	-	138,364,292.63	1,665,016.17	140,029,308.80	41,282,660.37
April	152,959,541.97	-	152,959,541.97	1,665,016.17	154,624,558.14	44,279,451.24
May	141,795,508.77	-	141,795,508.77	1,665,016.17	143,460,524.94	42,563,760.59
June	127,627,707.59	-	127,627,707.59	1,665,016.17	129,292,723.76	55,946,975.10
July	155,238,297.66	-	155,238,297.66	1,665,016.17	156,903,313.83	59,928,757.46
August	159,635,372.53	-	159,635,372.53	1,665,016.17	161,300,388.70	55,261,911.56
September	163,914,723.95	6,627,083.41	157,287,640.54	1,665,016.17	158,952,656.71	55,530,699.82
October	153,754,482.12	6,627,083.41	147,127,398.71	1,665,016.17	148,792,414.88	55,482,035.22
November	138,959,909.17	6,627,083.41	132,332,825.76	1,665,016.17	133,997,841.93	55,364,565.30
December	140,292,343.91	6,627,083.41	133,665,260.50	1,665,016.17	135,330,276.67	47,420,715.06
Total	1,785,589,903.41	26,508,333.64	1,759,081,569.77	19,980,194.04	1,779,061,763.81	630,405,311.85

NOTE 2: INTERNALLY GENERAL REVENUE

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
1001	Taxes	1,300,000.00	0	15,500.00
1002	Rates	4,500,000.00	2,436,000.00	1,860,000.00
1003	local Licenses, Fines and Fees	5,800,000.00	2,123,890.00	1,868,220.00
1004	Earnings from commercial undertaking	7,312,000.00	63,500.00	1,688,250.00
1005	Rent on local government properties	2,015,000.00	0	0
1006	Interest on Dividends	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	9,173,000.00	86,000.00	835,500.00
	Total	30,000,000.00	4,709,390.00	6,266,970.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES:

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	54,674,589.25	70,974,511.20
Pension, 1% Training Fund, TRC	200,000,000.00	223,740,366.75	0
Funding of Primary Education	700,000,000.00	1,149,446,440.23	0
Internal Debt Servicing/Admin Charges	10,000,000.00	(148,784,496.39)	0
TOTAL	985,000,000.00	1,279,076,899.84	70,974,511.20

NOTE 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2020 N	ACTUAL 2020 N	ACTUAL 2019 N
2004	Administration	131,300,000.00	109,031,979.19	87,825,059.67
2005	Finance and Supplies	75,000,000.00	65,165,875.53	50,522,794.93
2006	Education	52,000,000.00	37,021,938.38	33,035,949.16
2007	Health and Social Services	165,000,000.00	120,578,185.35	129,156,325.59
2008	Agric & Natural Resources	10,000,000.00	8,208,487.10	6,642,828.01
2009	Works and Housing	34,000,000.00	21,886,512.16	20,975,120.67
2010	Budget, Planning & Research	12,000,000.00	6,277,181.66	6,702,287.03
2011	Traditional Ruler's Council	-	-	-
	Total	479,300,000.00	368,170,159.37	334,860,365.06

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2020 N	ACTUAL 2020 N	ACTUAL 2019 N
2001A	Office of the Chairman	30,000,000.00	21,070,000.00	26,615,000.00
2001B	Office of the Vice Chairman	4,000,000.00	1,350,000.00	4,380,000.00
2002A	Office of the Secretary	3,000,000.00	470,000.00	2,725,000.00
2002B	Office of the Special Advisers	4,000,000.00	60,000.00	4,050,000.00
2002C	Office of the Supervisors	4,500,000.00	1,935,000.00	3,800,000.00
2003A	Office of the Clerk	2,000,000.00	0	5,640,000.00
2003B	Office of the Leader	4,000,000.00	580,000.00	2,520,000.00
2003C	The Office of the Deputy Leader	3,500,000.00	540,000.00	2,400,000.00
2003D	Office of the Majority Leader	3,000,000.00	500,000.00	1,800,000.00
2003E	Office of the Minority Leader	3,000,000.00	590,000.00	1,600,000.00
2003F	Office of the Chief Whip	3,000,000.00	500,000.00	1,200,000.00
2003G	Office of the Dep. Chief Whip	3,000,000.00	500,000.00	0
2003H	General Council	5,000,000.00	2,590,000.00	1,680,000.00
2004A	Office of the HOS L/G	4,000,000.00	350,000.00	4,866,799.04
2004B	General Administration	3,000,000.00	1,921,000.00	3,914,000.00
2005	Finance and Supplies	2,500,000.00	1,483,000.00	2,704,850.92
2006	Education	1,500,000.00	250,000.00	1,910,000.00
2007	Health and Social Services	2,500,000.00	2,064,450.00	2,325,000.00
2008	Agriculture	1,500,000.00	120,000.00	1,085,000.00
2009	Works and Housing	2,500,000.00	1,346,000.00	2,541,000.00
2010	Budget, Planning & Research	2,000,000.00	30,000.00	2,500,000.00
2011	Traditional Rulers Council	1,500,000.00	380,000.00	1,250,000.00
2012	Miscellaneous	107,000,000.00	48,821,140.75	69,140,932.75
	Total	200,000,000.00	87,450,590.75	150,647,582.75

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2020 N	ACTUAL 2020 N	ACTUAL 2019 N
Economic Sector	232,640,000.00	3,906,000.00	530,000.00
Social Sector	117,835,000.00	609,000.00	0
Environmental Sector	64,925,000.00	40,000.00	300,000.00
Administrative Sector:			
General Administration (Executive)	144,600,000.00	24,200,000.00	2,900,000.00
General Administration (Legislative)	85,500,000.00	16,000,000.00	0
Total	645,500,000.00	44,755,000.00	3,730,000.00

NOTE 7 INCREASE/DECREASE IN OTHER CASH ASSETS

2020 N		2019 N	
2020 Advances	479,562,634.33	2019 Advances	447,291,394.33
2019 Advances	447,291,394.33	2018 Advances	379,765,441.33
	(32,271,240.00)		(67,525,950.00)

NOTE 8 INCREASE/DECREASE IN OTHER LIABILITIES

2020 N		2019 N	
2020 Deposits	139,934,520.91	2019 Deposits	121,539,132.27
2019 Deposits	121,539,132.27	2018 Deposits	118,415,132.27
	18,395,388.64		3,124,000.00

NOTE 9. CASH AND BANK BALANCES

DESCRIPTION	2020 N	2019 N
Cash in Hand	470,448.26	868,553.97
Cash at Bank:		
Zenith Bank	4,374,339.86	7,584,084.52
UBA PLC	3,165,961.41	9,115,438.55
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	5,409,605.00	5,409,605.00
Sub Total Bank	13,085,218.77	22,244,440.57
GRAND TOTAL	13,555,667.03	23,112,994.54

NOTE 10: ADVANCES

DETAIL	2020 N	2019 N
Purchases Advance	317,424,072.33	290,427,832.33
Imprest Advance	140,073,200.00	136,603,200.00
Touring Advance	21,960,362.00	20,155,362.00
Salary Advance	105,000.00	105,000.00
TOTAL	479,562,634.33	447,291,394.33

NOTE 11: DEPOSITS

DETAIL	2020 N	2019 N
PAYE Tax	52,176.64	52,176.27
NULGE Dues-State/Branch	2,072,602.19	2,217,952.29
NANNM	624,429.41	626,129.68
VAT	65,000.00	65,000.00
Withholding Tax	65,000.00	65,000.00
Pension Fund	1,504,164.73	1,504,164.73
OTHERS	135,551,147.94	117,008,709.30
TOTAL	139,934,520.91	121,539,132.27



EASTERN OBOLO LOCAL GOVERNMENT AKWA IBOM STATE OF NIGERIA

Our Ref:.....

Your Ref:.....

Local Government Office
Okoroete Town
Eastern Obolo L.G.A.
Akwa Ibom State

All correspondence to be addressed to the Executive Chairman

26th APRIL 2021

STATEMENT OF FINANCIAL RESPONSIBILITY

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.

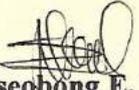
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

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 our knowledge, the system of internal controls has opened 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 Standards (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, 2020 and its operations for the year ended on that date.


Mrs. Nseobong E. IkoAbasi
Director of Finance
Eastern Obolo Local Government Council

27th April, 2021


Hon. Odion Abraham
Executive Chairman
Eastern Obolo Local Government Council

27th April, 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Eastern Obolo Local Government Council
Okoroette

AUDIT CERTIFICATE ON THE ACCOUNTS OF EASTERN OBOLO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Eastern Obolo Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Eastern Obolo Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

Description	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Receipts:				
Statutory Allocation	1	1,500,000,000.00	892,659,647.17	496,710,744.97
Value Added Tax		300,000,000.00	381,131,762.56	0
Stabilization	1	0	3,821,552.83	0
Other	1	300,000,000.00	111,668,638.12	0
State Allocation	1	30,000,000.00	12,978,763.92	0
Sub Total Statutory Allocation		2,130,000,000.00	1,402,260,364.60	496,710,744.97
Taxes	2	650,000.00	30,000.00	28,000.00
Rates	2	3,100,000.00	2,515,625.00	247,500.00
Local License fines and fees	2	4,350,000.00	0	12,000.00
Earning from Commercial undertaking	2	600,000.00	0	0
Rent on Local Govt. Property	2	800,000.00	0	0
Interest & Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	2,500,000.00	158,500.00	219,500.00
Sub Total IGR		12,000,000.00	2,704,125.00	507,000.00
Capital Receipts: B/F		100,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,292,100,000.00	1,404,964,489.60	497,217,744.97
PAYMENTS				
Consolidated Rev Fund Charge				
Political Public Office Holders	3	70,000,000.00	57,994,548.09	68,086,741.54
Pension Training/Traditional Rulers Council	3	300,000,000.00	202,757,512.77	0
Funding of Primary Education	3	520,000,000.00	671,102,208.87	0
Internal Debt Servicing/Admin Charges	3	20,000,000.00	102,338,670.83	0
Total Consolidated Revenue Fund Charges	3	910,000,000.00	1,034,192,940.56	68,086,741.54
Personal Costs	4	330,000,000.00	259,055,430.94	187,750,052.92
Overhead Costs	5	200,000,000.00	67,244,375.00	97,052,353.99
TOTAL PAYMENTS		1,440,000,000.00	1360,492,746.50	352,889,148.45
Net Cash Flow from Operating Activities A		852,100,000.00	44,471,743.10	144,328,596.52
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	852,100,000.00	42,335,686.00	121,659,758.00
Net cash Flow From Investing Activities B			(42,335,686.00)	(121,659,758.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(20,867,424.10)	(43,035,558.90)
Increase/decrease in other Liabilities	8		4,822,538.24	35,934,470.57
Total Cash Flow From other Cash equivalent Accounts C			(16,044,885.86)	(7,101,088.33)
Net Cash Flow for the Year (A+B+C)			(13,908,828.76)	15,567,750.19
Cash and the equivalent as at 1 st January, 2020	9		27,145,779.84	11,578,029.65
Cash and its equivalent as at 31st December, 2020	9		13,236,951.08	27,145,779.84

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS & LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	500.24	16,545.00
Cash at Bank	9	13,236,450.84	27,129,234.84
TOTAL LIQUID ASSETS		13,236,951.08	27,145,779.84
Investments and Other Cash Assets:			
Advances	10	2,050,007,862.38	2,029,140,438.28
TOTAL ASSETS		<u>2,063,244,813.46</u>	<u>2,056,286,218.12</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,858,137,431.80	1,856,001,374.70
OTHER LIABILITIES			
Deposits	11	205,107,381.66	200,284,843.42
TOTAL LIABILITIES		<u>2,063,244,813.46</u>	<u>2,056,286,218.12</u>

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
1,833,332,536.18	Operating Balances	-		-	1,856,001,374.70	
	Add Revenue					
496,710,744.97	Statutory Allocation	1,500,000,000.00	0	1,500,000,000.00	892,659,647.17	(40)
0	Value Added Tax	300,000,000.00	0	300,000,000.00	381,131,762.56	27
0	Stabilization	0	0	0	3,821,552.83	(100)
0	Other	300,000,000.00		300,000,000.00	111,668,638.12	(63)
0	State Allocation	30,000,000.00		30,000,000.00	12,978,763.92	
496,710,744.97	Sub-Total Statutory Allocation	2,130,000,000.00	0	2,130,000,000.00	1,402,260,364.60	(34)
28,000.00	Taxes	650,000.00	0	650,000.00	30,000.00	(95)
247,500.00	Rates	3,100,000.00	0	3,100,000.00	2,515,625.00	(19)
12,000.00	Local License fines and fees	4,350,000.00	0	4,350,000.00	0	(100)
0	Earning from commercial undertaking	600,000.00	0	600,000.00	0	(100)
0	Rent on Local Govt. Property	800,000.00	0	800,000.00	0	(100)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
219,500.00	Miscellaneous	2,500,000.00	0	2,500,000.00	158,500.00	(94)
507,000.00	Sub. Total IGR	12,000,000.00	0	12,000,000.00	2,704,125.00	(77)
2,330,550,281.15	TOTAL REVENUEE	2,142,000,000.00	0	2,142,000,000.00	3,260,965,864.30	52
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
68,086,741.54	Political/Public Office Holders	70,000,000.00	0	70,000,000.00	57,994,548.09	17
0	Pensions/Training Fund/TRC	300,000,000.00	0	300,000,000.00	202,757,512.77	32
0	Funding of Primary Education	520,000,000.00	0	520,000,000.00	671,102,208.87	(29)
0	Internal Debt Servicing/Admin Charges	20,000,000.00	0	20,000,000.00	102,338,670.83	(412)
68,086,741.54	Sub. Total CRFC	910,000,000.00	0	910,000,000.00	1,034,192,940.56	(14)
187,750,052.92	Personnel Costs	330,000,000.00	0	330,000,000.00	259,055,430.94	21
97,052,353.99	Overhead Costs	200,000,000.00	0	200,000,000.00	67,244,375.00	66
352,889,148.45	Total Recurrent Expenditure	1,440,000,000.00	0	1,440,000,000.00	1,360,492,746.50	6
1,977,661,132.70	Operating Balance	702,000,000.00	0	702,000,000.00	1,900,473,117.80	
121,659,758.00	Transfer to Capital Dev. Fund	852,100,000.00	0	852,100,000.00	42,335,686.00	95
1,856,001,374.70	CLOSING BALANCE	(150,100,000.00)	0	(150,100,000.00)	1,858,137,431.80	

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4:

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31STDECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	100,000.00	0	100,000.00	0	0
	Add Revenue:					
121,659,758.00	Transfer From Consolidated Fund	852,100,000.00	0	852,100,000.00	42,335,686.00	(95)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
121,659,758.00	Total Revenue available	1,002,200,000.00	0	1,002,200,000.00	42,335,686.00	(95)
	Less Capital Expenditure :					
7,354,000.00	Economic Sector	166,850,000.00	0	166,850,000.00	470,000.00	99
23,655,000.00	Social Sector	168,700,000.00	0	168,700,000.00	3,200,000.00	(98)
5,552,250.00	Environmental /Reg.Dev.	131,800,000.00	0	131,800,000.00	300,000.00	99.
85,098,508.00	General Administration	384,750,000.00	0	384,750,000.00	38,365,686.00	90
121,659,758.00	Total Expenditure	852,100,000.00	0	852,100,000.00	42,335,686.00	95
0	Closing Balance	150,100,000.00	0	150,100,000.00	0	

EASTERN OBOLO LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS

NOTE 1: Statutory Allocation

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	130,674,826.58	-	130,674,826.58	1,081,563.66	131,756,390.24	22,159,336.79
February	117,087,449.73	-	117,087,449.73	1,081,563.66	118,169,013.39	36,597,047.45
March	110,278,769.38	-	110,279,769.38	1,081,563.66	111,361,333.04	32,083,268.53
April	121,161,347.10	-	121,161,347.10	1,081,563.66	122,242,910.76	29,662,093.35
May	111,986,012.32	-	111,986,012.32	1,081,563.66	113,067,575.98	32,358,795.00
June	101,029,540.83	-	101,029,540.83	1,081,563.66	102,111,104.49	30,588,597.81
July	122,907,272.68	-	122,907,272.68	1,081,563.66	123,988,836.34	43,798,000.76
August	126,433,748.16	-	126,433,748.16	1,081,563.66	127,515,311.82	49,208,714.55
September	130,027,179.40	6,627,083.41	123,400,095.99	1,081,563.66	124,481,659.65	45,601,764.45
October	121,953,893.35	6,627,083.41	115,326,809.94	1,081,563.66	116,408,373.60	67,084,623.29
November	110,274,942.39	6,627,083.41	103,647,858.98	1,081,563.66	104,729,422.64	44,028,583.34
December	111,973,952.40	6,627,083.41	105,346,868.99	1,081,563.66	106,428,432.65	63,539,919.65
Total	1,415,788,934.32	26,508,333.64	1,389,281,600.68	12,978,763.92	1,402,260,364.60	496,710,744.97

NOTE 2: Internally Generated Revenue (IGR)

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	650,000.00	30,000.00	28,000.00
1002	Rates	3,100,000.00	2,515,625.00	247,500.00
1003	Local license, fees and fines	4,350,000.00	0	12,000.00
1004	Earnings from Com. Undertaking	600,000.00	0	0
1005	Rent on Local Govt. Properties	800,000.00	0	0
1006	Interest on Dividends	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	2,500,000.00	158,500.00	219,500.00
	Total IGR	12,000,000.00	2,704,125.00	507,000.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	57,994,548.09	68,086,741.54
Pension, 1% Training Fund, TRC	300,000,000.00	202,757,512.77	0
Funding of Primary Education	520,000,000.00	671,102,208.87	0
Internal Debt Servicing/Admin Charges	20,000,000.00	102,338,670.83	0
TOTAL	910,000,000.00	1,034,192,940.56	68,086,741.54

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	77,500,000.00	75,479,366.38	44,759,211.23
2005	Finance and Supplies	60,000,000.00	35,981,749.18	27,744,115.54
2006	Social Development, Information Youth, Sports & Culture Education	53,000,000.00	31,894,383.85	24,593,017.78
2007	Primary Health Care	103,000,000.00	91,364,406.10	71,807,454.30
2008	Agriculture and Natural Resources	11,000,000.00	6,860,124.44	5,416,186.76
2009	Works and Housing Lands & Survey	19,000,000.00	12,990,186.75	10,699,479.63
2010	Traditional Rulers Office	0	0	0
2011	Budget, Planning, Research and statistics	6,500,000.00	4,485,214.24	2,730,587.68
	Total	330,000,000.00	259,055,430.94	187,750,052.92

Note 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	32,200,000.00	18,150,000.00	27,800,200.00
2001B	Office of the Vice Chairman	7,800,000.00	1,720,000.00	5,112,500.00
2002A	Office of the Secretary	5,100,000.00	0	3,048,600.00
2002B	Office of the Supervisors	7,700,000.00	985,000.00	5,577,700.00
2002C	Office of the Special Advisers	4,900,000.00	85,000.00	3,436,000.00
2003A	Office of the Legislative/General Council	17,900,000.00	2,800,000.00	8,320,000.00
2003B	Office of the Leader	6,840,000.00	3,175,000.00	1,800,000.00
2003C	Office of the Deputy Leader	4,550,000.00	770,000.00	1,740,000.00
2003D	Office of the Majority Leader	3,900,000.00	1,400,000.00	1,265,000.00
2003E	Office of the Deputy Majority Leader	0	700,000.00	0
2003F	Office of the Chief Whip	3,850,000.00	700,000.00	1,455,000.00
2003G	Office of Deputy Chief Whip	3,650,000.00	765,000.00	1,540,000.00
2003H	Office of the Clerk	2,450,000.00	4,970,000.00	8,550,000.00
2004A	Office of the Head of Local Government Services	5,200,000.00	130,000.00	3,525,000.00
2004B	Office of the Administration and General Office	3,320,000.00	7,677,000.00	7,816,950.00
2005	Finance and Supplies	4,450,000.00	1,691,500.00	2,231,000.00
2006	Education, Information & Sports	1,850,000.00	0	15,000.00
2007	Health	3,090,000.00	5,859,750.00	2,458,500.00
2008	Agricultural Natural Resources	1,850,000.00	430,000.00	0
2009	Work and Transport	3,800,000.00	300,000.00	1,450,000.00
2010	Budget, Planning, Research & Statistics	3,000,000.00	30,000.00	150,000.00
2011	Traditional Rulers Council	2,000,000.00	0	0
2012	Miscellaneous	70,600,000.00	14,906,125.00	9,760,903.99
	Total	200,000,000.00	67,244,375.00	97,052,353.99

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	166,850,000.00	470,000.00	7,354,000.00
Social Sector	168,700,000.00	3,200,000.00	23,655,000.00
Environmental Sector	131,800,000.00	300,000.00	5,552,250.00
Administration Sector			
General Administration (Executive)			53,147,784.00
General Administration (Legislature)	384,750,000.00	38,365,686.00	31,950,724.00
Total	852,100,000.00	42,335,686.00	121,659,758.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 N		2019 N	
2020 Advances	2,050,007,862.38	2019 Advances	2,029,140,438.28
2019 Advances	2,029,140,438.28	2018 Advances	1,986,104,879.38
	(20,867,424.10)		(43,035,558.90)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 N		2019 N	
2020 Deposits	205,107,381.66	2019 Deposits	200,284,843.42
2019 Deposits	200,284,843.42	2018 Deposits	164,350,372.85
	4,822,538.24		35,934,470.57

NOTE 9: CASH AND BANK BALANCES AS AT 31ST DECEMBER, 2020

Description	2020 N	2019 N
Cash in Hand	500.24	16,545.00
Bank:		
Zenith Bank A/C 1010964830	20,498.81	11,707,173.81
Zenith Bank A/C 1014517193	7,241,429.51	11,707,173.81
Skye Bank	79,000.00	79,000.00
Access Bank	8,167.73	8,167.73
FCMB -0799562010	1,998,135.02	1,998,135.02
FCMB – 101304026	69,649.70	69,649.70
ACCESS (FMR DIAMOND) 0027369790	3,763,723.23	13,211,261.74
DIAMOND – 0028989500	21,191.18	21,191.18
UBA -1011456574	34,339.83	34,339.83
UBA – 1015887620	315.83	315.83
Sub-Total Bank	13,236,450.84	27,129,234.84
Total	13,236,951.08	27,145,779.84

Note 10: ADVANCES

Detail	2020 N	2019 N
Purchase	1,085,332,515.19	1,068,320,591.09
Imprest	366,392,434.00	366,775,934.00
Touring	158,295,744.40	154,056,744.40
Salary/Special	4,468,518.79	4,468,518.79
Upkeep	15,235,400.00	15,235,400.00
Other Advances	420,283,250.00	420,283,250.00
Total	2,050,007,862.38	2,029,140,438.28

NOTE 11: DEPOSITS

Detail	2020 N	2019 N
PAYE Tax	7,805,428.12	7,040,741.78
NULGE Dues State/Branch	3,094,429.89	2,854,792.02
NANNM	2,048,476.54	2,009,916.75
VAT	8,814,990.18	8,814,900.18
Withholding Tax	9,878,909.03	9,878,709.03
Pension Deduction	13,059,076.99	13,059,076.99
Others	160,406,070.91	156,626,706.67
Total	205,107,381.66	200,284,843.42



EKET LOCAL GOVERNMENT

AKWA IBOM STATE

Eket Local Government Headquarters
U. J. Esuene Way
P. M. B. 3, Eket
Akwa Ibom State.
Tel: 085-701221, 701088, 7011181

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.

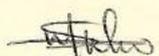
The Financial Statements comply with the international Public sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

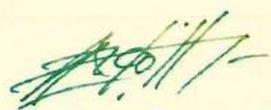
The Management of Eket Local Government Council is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within their Statutory authority and properly recorded the use of all public Financial resources by 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 reflects the financial position of Eket Local Government Council as at 31st December, 2020 and its operation for the year ended on that date.


Mrs. Faith S. Nyoho
Director of Finance
11th May, 2021


Rt. Hon. Akaniyene Tommey Ikott
Chairman
11th May, 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Eket Local Government Council
Eket

AUDIT CERTIFICATE ON THE ACCOUNTS OF EKET LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Eket Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Eket Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

EKET LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) **Reporting Currency**

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) **Departments for Consolidation**

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) **Comparative Information**

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

(ix) **Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) **Revenues:**

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) **Payments:**

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) **External Assistance:**

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,600,000,000.00	1,187,053,798.01	675,943,228.06
Valued Added Tax	1	400,000,000.00	496,358,825.52	0
Stabilization	1	0	5,045,532.37	0
Others	1	350,000,000.00	145,754,615.21	0
State Allocation	1	30,000,000.00	17,901,637.56	0
Sub Total Statutory Allocation		2,380,000,000.00	1,852,114,408.67	675,943,228.06
Taxes	2	23,000,000.00	0	0
Rates	2	47,000,000.00	43,465,625.00	31,080,000.00
Local License Fines and Fees	2	20,670,000.00	19,112,107.50	27,314,820.00
Earning From Commercial Undertaking	2	15,000,000.00	7,065,000.00	509,000.00
Rent on Local Govt. Property	2	3,300,000.00	165,000.00	480,000.00
Interest and Dividend Receivable	2	15,030,000.00	0	0
Grant	2	0	0	0
Miscellaneous	2	26,000,000.00	2,664,124.45	1,742,683.78
Sub Total IGR		150,000,000.00	72,471,856.95	61,126,503.78
Capital Receipts: B/F		2,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,682,000,000.00	1,924,586,265.62	737,069,731.84
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/Public Office Holders	3	80,000,000.00	60,747,289.30	69,986,412.44
Pensions/Training Fund/Traditional Rulers Council	3	200,000,000.00	214,091,854.30	0
Funding of Primary Education	3	700,000,000.00	916,822,108.09	0
Internal Debt Servicing/Admin Charges	3	10,000,000.00	108,541,666.21	0
Total Consolidated Revenue Fund Charges		990,000,000.00	1,300,202,917.90	69,986,412.44
Personnel Costs	4	450,000,000.00	446,050,618.72	375,481,330.66
Overhead Costs	5	300,000,000.00	133,056,799.84	198,438,723.70
TOTAL PAYMENTS		1,740,000,000.00	1,879,310,336.46	643,906,466.80
Net Cash Flow from Operating Activities A		942,000,000.00	45,275,929.16	93,163,265.04
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	942,000,000.00	108,050,450.00	92,367,013.17
Net Cash Flow From Investing Activities B			(108,050,450.00)	(92,367,013.17)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans				
Net Cashflow from Financing Activities				
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		55,833,972.26	(240,131,027.91)
Increase/decrease in other Liabilities	8		(16,106,621.45)	264,623,002.90
Total Cash Flow From other Cash equivalent Accounts C			39,727,350.81	24,491,974.99
NET CASH FLOW FOR THE YEAR (A+B+C)			(23,047,170.03)	25,288,226.86
Cash and its equivalent as at 1 st Jan. 2020	9		37,678,095.70	12,389,868.84
Cash and its equivalent as at 31st Dec. 2020	9		14,630,925.67	37,678,095.70

**EKET LOCAL GOVERNMENT COUNCIL
STATEMENT NO.2**

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	1,476,321.16	2,578,716.77
Cash at Bank	9	13,154,604.51	35,099,378.93
TOTAL LIQUID ASSETS		14,630,925.67	37,678,095.70
Investments and Other Cash Assets:			
Advances	10	1,806,502,677.38	1,862,336,649.64
TOTAL ASSETS		<u>1,821,133,603.05</u>	<u>1,900,014,745.34</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,162,181,505.20	1,224,956,026.04
OTHER LIABILITIES			
Deposits	11	658,952,097.85	675,058,719.30
TOTAL LIABILITIES		<u>1,821,133,630.05</u>	<u>1,900,014,745.34</u>

EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	Description	Initial Budget 2020 ₦	Supp –Budget 2020 ₦	Final Budget 2020 ₦	ACTUAL 2020 ₦	VAR %
1,224,159,774.17	Opening Balance				1,224,956,026.04	
	Add Revenue:					
675,943,228.06	Statutory Allocation	1,600,000,000.00	0	1,600,000,000.00	1,187,053,798.01	(25)
0	Valued Added Tax	400,000,000.00	0	400,000,000.00	496,358,825.52	24
0	Stabilization	0	0		5,045,532.37	100
0	Others	350,000,000.00	0	350,000,000.00	145,754,615.21	(58)
0	State Allocation	30,000,000.00	0	30,000,000.00	17,901,637.56	40
675,943,228.06	Sub Total Statutory Allocation	2,380,000,000.00	0	2,380,000,000.00	1,852,114,408.67	(22)
-	Taxes	23,000,000.00	0	23,000,000.00	0	(100)
31,080,000.00	Rates	47,000,000.00	0	47,000,000.00	43,465,625.00	(8)
27,314,820.00	Local License, Fines and Fees	20,670,000.00	0	20,670,000.00	19,112,107.50	(8)
509,000.00	Earning From Commercial Undertaking	15,000,000.00	0	15,000,000.00	7,065,000.00	(53)
480,000.00	Rent On Local Govt. Property	3,300,000.00	0	3,300,000.00	165,000.00	(95)
0	Interest & Dividends Receivable	15,030,000.00	0	15,030,000.00	0	(100)
0	Grants	0	0	0	0	0
1,742,683.78	Miscellaneous	26,000,000.00	0	26,000,000.00	2,664,124.45	(90)
61,126,503.78	Sub. Total IGR	150,000,000.00	0	150,000,000.00	72,471,856.95	(52)
1,961,229,506.01	TOTAL REVENUE	2,530,000,000.00	0	2,530,000,000.00	3,149,542,291.66	(25)
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
69,986,412.44	Political/Public Office Holders	80,000,000.00	0	80,000,000.00	60,747,289.30	24
0	Pension/Training Fund/Traditional Rulers Council	200,000,000.00	0	200,000,000.00	214,091,854.30	(7)
0	Funding Of Primary Education	700,000,000.00	0	700,000,000.00	916,822,108.09	(31)
0	Internal Debt Servicing/Admin Charges	10,000,000.00	0	10,000,000.00	108,541,666.21	(985)
69,986,412.44	Sub Total CRFC	990,000,000.00	0	990,000,000.00	1,300,202,917.90	(31)
375,481,330.66	Personnel Costs	450,000,000.00	0	450,000,000.00	446,050,618.72	1
198,438,723.70	Overhead Costs	300,000,000.00	0	300,000,000.00	133,056,799.84	56
643,906,466.80	Total Recurrent Expenditure	1,740,000,000.00	0	1,740,000,000.00	1,879,310,336.46	63
1,317,323,039.21	Operating Balance	790,000,000.00	0	790,000,000.00	1,270,231,955.20	
92,367,013.17	Transfer to Capital Dev. Fund	942,000,000.00	0	942,000,000.00	108,050,450.00	89
1,224,956,026.04	Closing Balance	(152,000,000.00)	0	(152,000,000.00)	1,162,181,505.20	

EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	2,000,000.00	0	2,000,000.00		
	Add Revenue:					
92,367,013.17	Transfer from Consolidated Rev. Fund	942,000,000.00	0	942,000,000.00	108,050,450.00	89
0	Grant	100,000,000.00	0	100,000,000.00	-	100
0	Miscellaneous	50,000,000.00	0	50,000,000.00	-	100
92,367,013.17	Total Revenue available	1,094,000,000.00	0	1,094,000,000.00	108,050,450.00	90
	Less Capital Expenditure :					
25,080,399.17	Economic Sector	128,000,000.00	0	128,000,000.00	4,040,000.00	97
6,522,000.00	Social Sector	129,600,000.00	0	129,600,000.00	24,150,000.00	81
7,218,100.00	Environmental/Regional Development	57,000,000.00	0	57,000,000.00	13,860,450.00	76
53,546,514.00	General Administration	627,400,000.00	0	627,400,000.00	66,000,000.00	89
92,367,013.17	Total Expenditure	942,000,000.00	0	942,000,000.00	108,050,450.00	89
0	Closing Balance	152,000,000.00	0	152,000,000.00	0	0

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATIONS

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	172,033,448.70	0	172,033,448.70	1,491,803.13	173,525,251.83	76,500,092.28
February	153,641,563.65	0	153,641,563.65	1,491,803.13	155,133,366.78	47,865,178.46
March	143,876,016.36	0	143,876,016.36	1,491,803.13	145,367,819.49	43,465,771.59
April	159,318,131.62	0	159,318,131.62	1,491,803.13	160,809,934.75	48,160,724.48
May	147,471,175.47	0	147,471,175.47	1,491,803.13	148,962,978.60	45,310,283.35
June	132,997,604.70	0	132,997,604.70	1,491,803.13	134,489,407.83	58,519,360.88
July	161,803,408.17	0	161,803,408.17	1,491,803.13	163,295,211.30	63,756,657.79
August	166,384,676.17	0	166,384,676.17	1,491,803.13	167,876,479.30	60,068,227.62
September	171,035,884.16	6,627,083.41	164,408,800.75	1,491,803.13	165,900,603.88	60,611,331.45
October	160,450,844.92	6,627,083.41	153,823,761.51	1,491,803.13	155,315,564.64	59,083,788.68
November	144,976,810.47	6,627,083.41	138,349,727.06	1,491,803.13	139,841,530.19	60,023,338.92
December	146,731,540.36	6,627,083.41	140,104,456.95	1,491,803.13	141,596,260.08	52,578,472.56
Total	1,860,721,104.75	26,508,333.64	1,834,212,771.11	17,901,637.56	1,852,114,408.67	675,943,228.06

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	SUB HEAD	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	1-11	Taxes	23,000,000.00		-
1002	1-7	Rates	47,000,000.00	43,465,625.00	31,080,000.00
1003	1-97	Local Licenses, Fines & Fees	20,670,000.00	19,112,107.50	27,314,820.00
1004	1-9	Earning from Commercial Undertaking	15,000,000.00	7,065,000.00	509,000.00
1005	1-3	Rent on Local Govt. Property	3,300,000.00	165,000.00	480,000.00
1006	1-6	Interest and Dividends	15,030,000.00	0	0
1007	1-3	Grants	0	0	0
1008	1-9	Miscellaneous	26,000,000.00	2,664,124.45	1,742,683.78
		Total	150,000,000.00	72,471,856.95	61,126,503.78

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	80,000,000.00	60,747,289.30	69,986,412.44
Pension, 1% Training Fund, TRC	200,000,000.00	214,091,854.30	0
Funding of Primary Education	700,000,000.00	916,822,108.09	0
Internal Debt Servicing/Admin Charges	10,000,000.00	108,541,666.21	0
TOTAL	990,000,000.00	1,300,202,917.90	69,986,412.44

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	127,600,000.00	126,871,000.69	99,939,481.28
2005	Finance and Supplies	77,000,000.00	75,900,013.35	66,073,677.24
2006	Education	38,000,000.00	37,751,433.21	29,613,575.91
2007	Health & Social Welfare	158,500,000.00	158,320,680.21	127,488,363.16
2008	Agriculture and Natural Resources	12,000,000.00	11,203,701.19	17,108,976.32
2009	Works And Housing, Land & Survey	21,600,000.00	21,504,415.42	23,363,972.96
2010	Budget, Planning, Research and Statistics	14,800,000.00	14,499,374.65	0
2011	Traditional Rulers Office	500,000.00	0	11,893,283.79
	Total	450,000,000.00	446,050,618.72	375,481,330.66

NOTE 5: OVERHEAD COSTS

S/N	HEAD	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1	2001A	Office of the Chairman	40,000,000.00	23,235,500.00	33,584,400.00
2	2001B	Office of the Vice Chairman	15,000,000.00	4,478,000.00	8,486,800.00
3	2002A	Office of the Secretary	8,000,000.00	2,630,000.00	4,164,480.00
4	2002B	Office of the Supervisors	10,000,000.00	7,534,750.00	5,740,450.00
5	2002C	Office of the Special Advisers	5,000,000.00	2,071,000.00	2,368,000.00
6	2003A	General Council	20,000,000.00	11,851,500.00	16,529,000.00
7	2003B	Office of the Leader	5,000,000.00	3,927,000.00	9,201,000.00
8	2003C	Office of the Deputy Leader	4,000,000.00	2,040,000.00	450,000.00
9	2003D	Office of the Majority Leader	3,000,000.00	2,132,500.00	2,552,500.00
10	2003E	Office of the Dep. Majority Leader	3,000,000.00	1,798,500.00	180,000.00
11	2003F	Office of the Chief Whip	3,000,000.00	1,577,500.00	1,021,000.00
12	2003G	Office of the Dep. Chief Whip	3,000,000.00	692,000.00	90,000.00
3	2003H	Office of the Clerk	2,000,000.00	620,000.00	160,000.00
14	2004A	Head of Local Govt. Service	3,000,000.00	2,090,250.11	1,957,000.00
15	2004B	Administration Department	6,000,000.00	3,358,500.00	4,127,000.00
16	2005	Finance/Supplies Department	7,000,000.00	2,222,099.15	5,527,332.46
17	2006	Education information & Sport	2,000,000.00	135,000.00	390,000.00
18	2007	Medical and Health Department	4,000,000.00	1,347,500.00	3,327,500.00
19	2008	Agricultural and Natural Resources	2,000,000.00	75,000.00	170,000.00
20	2009	Works and Housing Department	3,000,000.00	945,000.00	1,446,000.00
21	2010	Budget, Planning, Research & Statistic	2,000,000.00	267,000.00	520,000.00
22	2011	Traditional Rulers Office	8,000,000.00	1,647,500.00	5,235,000.00
23	2012	Miscellaneous	142,000,000.00	56,380,700.58	91,211,261.24
		Total	300,000,000.00	133,056,799.84	198,438,723.70

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	128,000,000.00	4,040,000.00	25,080,399.17
Social Sector	129,600,000.00	24,150,000.00	6,522,000.00
Environmental Sector	57,000,600.00	13,860,450.00	7,218,100.00
Administration Sector:			
General Administration (Executive)	340,400,000.00	13,000,000.00	40,647,142.00
General Administration (Legislature)	287,000,000.00	53,000,000.00	12,899,372.00
TOTAL	942,000,000.00	108,050,450.00	92,367,013.17

NOTE 7: INCREASE/DECREASE OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,806,502,677.38	2019 Advances	1,862,336,649.64
2019 Advances	1,862,336,649.64	2018 Advances	1,622,205,621.73
	55,833,972.26		(240,131,027.91)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	658,952,097.85	2019 Deposits	675,058,719.30
2019 Deposits	675,058,719.30	2018 Deposits	410,435,716.40
	(16,106,621.45)		264,623,002.90

NOTE 9: CASH AND BANK BALANCES

Description	Account Numbers	2020 ₦	2019 ₦
Cash		1,476,321.16	2,578,716.77
Cash at Bank:			
(i) Diamond Bank /Access	0024071337	33,605.36	54,950.32
(ii) Diamond Bank/Access	0074223973	373,742.15	821,483.62
(iii) Zenith Bank	1010999843	3,805,913.09	16,637,336.31
(iv) Zenith Bank	1014517179	8,853,181.98	16,557,727.44
(v) UBA	1007338026	627.94	91,965.62
(vi) Heritage bank	6001956679	87,533.99	936,015.62
Sub Total Bank		13,154,604.51	35,099,378.93
TOTAL		14,630,925.67	37,678,095.70

NOTE 10: ADVANCES

Detail	2020 ₱	2019 ₱
Purchases	1,559,541,275.91	1,612,066,528.91
Imprest	128,084,150.00	131,018,250.00
Touring	105,229,187.20	105,306,456.60
Salary/Special	5,170,815.00	5,171,815.00
Motor Vehicle	8,477,249.27	8,773,599.13
TOTAL	1,806,502,677.38	1,862,336,649.64

NOTE 11: DEPOSITS

Detail	2020 ₱	2019 ₱
NANNM	61,874.18	61,874.18
VAT	1,123,800.00	1,095,000.00
Withholding Tax	840,000.00	840,000.00
Pension Deductions	235,080,496.00	235,080,496.00
Others	421,845,927.67	437,981,349.12
Total	658,952,097.85	675,058,719.30



ESIT EKET LOCAL GOVERNMENT AKWA IBOM STATE OF NIGERIA

Our Ref:

Your Ref:

*(All Correspondence to be
addressed to the Executive Chairman)*

Local Govt. Secretariat
Uquo
Akwa Ibom State

10TH MAY 2021

Date: _____

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Annual 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 control 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 the 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 our 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 International Public Sector Accounting Standards (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 2020 and its operations for the year ended on that date.


Mr. Udo S. Edemeka CNA FCTI
Director of Finance
Date: 10/05/2021


Hon. Iniobong R. Nnamso
Chairman
Date: 10/05/2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Esit Eket Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Esit Eket Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

ESIT EKET LOCAL GOVERNMENT COUNCIL
STATEMENT NO.1
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2020

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,400,000,000.00	909,789,725.28	545,625,698.81
Value Added Tax	1	320,000,000.00	384,380,348.17	0
Stabilization	1		3,892,773.20	0
Others	1	250,000,000.00	113,652,018.14	0
State Allocation	1	30,000,000.00	16,326,340.20	0
Sub Total Statutory Allocation		2,000,000,000.00	1,428,041,204.99	545,625,698.81
Taxes	2	5,500,000.00	0	0
Rates	2	3,650,000.00	77,369,998.40	15,600,000.00
Local License, Fines and Fees	2	4,110,000.00	782,050.00	5,506,200.00
Earnings from commercial undertaking	2	14,133,000.00	266,000.00	453,000.00
Rent on Local Govt. Property	2	3,000,000.00	2,525,625.00	100,000.00
Interest and Dividends Receivable	2	400,000.00	0	0
Grants	2	5,000,000.00	0	0
Miscellaneous	2	4,207,000.00	452,500.00	1,083,300.00
Sub Total IGR		40,000,000.00	81,396,173.40	22,742,500.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		2,111,000,000.00	1,509,437,378.39	568,368,198.81
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political /Public Office Holders	3	70,000,000.00	56,534,646.90	67,484,495.68
Pensions/Training Funds/Trad. Rulers Council	3	200,000,000.00	206,212,013.47	0
Funding of Primary Education	3	700,000,000.00	644,399,708.9	0
Internal Debt Servicing	3	20,000,000.00	91,290,409.93	0
Total Consolidated Revenue Fund Charges		990,000,000.00	998,436,779.20	67,484,495.68
Personnel Costs	4	400,000,000.00	314,623,359.05	256,935,299.88
Overhead Costs	5	200,000,000.00	146,534,894.90	154,495,332.11
TOTAL PAYMENTS		1,590,000,000.00	1,459,595,033.15	478,915,127.67
Net Cash Flow From Operating Activities A		521,000,000.00	49,842,345.24	89,453,071.14
CASHFLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	521,000,000.00	61,814,880.00	44,134,664.00
Net Cash Flow From Investing Activities B			(61,814,880.00)	(44,134,664.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts			0	0
Increase/decrease in other Cash Assets	7		(22,576,180.00)	(46,988,180.00)
Increase/decrease in other Liabilities	8		(2,459,977.74)	25,113,823.49
Total Cash Flow From other Cash equivalent Accounts C			(25,036,157.74)	(21,874,356.51)
Net Cash Flow For The Year (A+B+C)			(37,008,692.50)	23,444,050.63
Cash and its equivalent as at 1st January, 2020	9		53,472,094.17	30,028,043.54
Cash and its equivalent as at 31st Dec. 2020	9		16,463,401.67	53,472,094.17

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020	2019
		₦	₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	128,833.80	12,935,256.21
Cash at Bank	9	16,334,567.87	40,536,837.96
TOTAL LIQUID ASSETS		16,463,401.67	53,472,094.17
Investment & Other Cash Assets:			
Advances	10	703,947,966.00	681,371,786.00
TOTAL ASSETS		<u>720,411,367.67</u>	<u>734,843,880.17</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		417,810,012.82	429,782,547.58
OTHER LIABILITIES			
Deposits	11	302,601,354.85	305,061,332.59
TOTAL LIABILITIES		<u>702,411,367.67</u>	<u>734,843,880.17</u>

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	Description	Initial Budget 2020 ₦	Supp-Budget 2020 ₦	Final Budget 2020 ₦	ACTUAL 2020 ₦	VAR. %
384,464,140.44	Opening Balances				429,782,547.58	
	Add Revenue:					
545,625,698.81	Statutory Allocation	1,400,000,000.00	0	1,400,000,000.00	909,789,725.28	(35)
0	Value Added Tax	320,000,000.00	0	320,000,000.00	384,380,348.17	(20)
0	Stabilization	0	0	0	3,892,778.20	100
0	Others	250,000,000.00	0	250,000,000.00	113,652,018.14	(55)
0	State Allocation	30,000,000.00	0	30,000,000.00	16,326,340.20	(46)
545,625,698.81	Sub Total Statutory Allocation	2,000,000,000.00	0	2,000,000,000.00	1,428,041,204.99	(29)
0	Taxes	5,500,000.00	0	5,500,000.00	0	(100)
15,600,000.00	Rates	3,650,000.00	0	3,650,000.00	77,369,998.40	120
5,506,200.00	Local License, Fines and Fees	4,110,000.00	0	4,110,000.00	782,050.00	(81)
453,000.00	Earning from commercial undertaking	14,133,000.00	0	14,133,000.00	0	(100)
100,000.00	Rent on Local Govt. Property	3,000,000.00	0	3,000,000.00	266,000.00	(91)
0	Interest and Dividends Receivable	400,000.00	0	400,000.00	2,525,625.00	531
0	Grants	5,000,000.00	0	5,000,000.00	0	(100)
1,083,300.00	Miscellaneous	4,207,000.00	0	4,207,000.00	452,500.00	(89)
22,742,500.00	Sub. Total IGR	40,000,000.00	0	40,000,000.00	81,396,173.40	103
952,832,339.25	TOTAL REVENUE	2,040,000,000.00	0	2,040,000,000.00	1,939,219,925.97	5
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
67,484,495.68	Political /Public Office Holders	70,000,000.00	0	70,000,000.00	56,534,646.90	19
0	Pensions/Training Funds/Traditional Rulers Council	200,000,000.00	0	200,000,000.00	206,212,013.47	(3)
0	Funding of Primary Education	700,000,000.00	0	700,000,000.00	644,399,708.90	8
0	Internal Debt Servicing/Admin Charges	20,000,000.00	0	20,000,000.00	91,290,409.93	356
67,484,495.68	Sub Total CRFC	990,000,000.00	0	990,000,000.00	998,436,779.21	(1)
256,935,299.88	Personnel Costs	400,000,000.00	0	400,000,000.00	314,623,359.05	21
154,495,332.11	Overhead Costs	200,000,000.00	0	200,000,000.00	146,534,894.90	27
478,915,127.67	TOTAL RECURRENT EXPENDITURE	1,590,000,000.00	0	1,590,000,000.00	1,459,595,033.15	8
473,917,211.58	Operating Balance	450,000,000.00	0	450,000,000.00	479,624,892.82	
44,134,664.00	Transfer to Capital Dev. Fund	521,000,000.00	0	521,000,000.00	61,814,880.00	88
429,782,547.58	CLOSING BALANCE	(71,000,000.00)	0	(71,000,000.00)	417,810,012.82	0

ESIT EKET LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED
31ST DECEMBER, 2020**

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
44,134,664.00	Transfer from Consolidated Rev. Fund	521,000,000.00	0	521,000,000.00	61,814,880.00	(88)
0	Grant	50,000,000.00	0	50,000,000.00	0	0
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	0
44,134,664.00	Total Revenue available	592,000,000.00	0	592,000,000.00	61,814,880.00	(88)
	Less Capital Expenditure :					
750,000.00	Economic Sector	119,000,000.00	0	119,000,000.00	0	100
1,000,000.00	Social Sector	108,250,000.00	0	108,250,000.00	0	100
400,000.00	Environmental/Reg. Dev	71,000,000.00	0	71,000,000.00	0	100
	General Administration	222,750,000.00	0	222,750,000.00	61,814,880.00	72
41,984,664.00	Total Expenditure	521,000,000.00	0	521,000,000.00	61,814,880.00	88
0	Closing Balance	71,000,000.00	0	71,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1- STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	132,812,289.18	-	132,812,289.18	1,360,528.35	134,172,817.53	64,001,199.52
February	118,968,899.46	-	118,968,899.46	1,360,528.35	120,329,427.81	36,666,564.43
March	112,001,310.96	-	112,001,310.96	1,360,528.35	113,361,839.31	34,218,699.83
April	123,099,697.59	-	123,099,697.59	1,360,528.35	124,460,225.94	36,904,171.88
May	113,829,316.58	-	113,829,316.58	1,360,528.35	115,189,844.93	34,471,558.55
June	102,646,214.81	-	102,646,214.81	1,360,528.35	104,006,743.16	47,614,671.98
July	124,868,585.57	-	124,868,585.57	1,360,528.35	126,229,113.92	52,903,040.16
August	128,447,545.95	-	128,447,545.95	1,360,528.35	129,808,074.30	49,638,295.56
September	132,061,248.72	6,627,083.41	125,434,165.31	1,360,528.35	126,794,693.66	49,828,872.84
October	123,861,432.37	6,627,083.41	117,234,348.96	1,360,528.35	118,594,877.31	48,151,137.25
November	111,997,739.83	6,627,083.41	105,370,656.42	1,360,528.35	106,731,184.77	49,549,615.09
December	113,628,917.41	6,627,083.41	107,001,834.00	1,360,528.35	108,362,362.35	41,677,871.72
Total	1,438,223,198.43	26,508,333.64	1,411,714,864.79	16,326,340.20	1,428,041,204.99	545,625,698.81

NOTE 2. INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
1001	Taxes	5,500,000.00	-	-
1002	Rates	3,650,000.00	77,369,998.40	15,600,000.00
1003	Local Licenses, Fines and Fees	4,110,000.00	782,050.00	5,506,200.00
1004	Earnings from commercial undertaking	14,133,000.00	266,000.00	453,000.00
1005	Rent on local government properties	3,000,000.00	2,525,625.00	100,000.00
1006	Interest on Dividends	400,000.00	0	0
1007	Grants	500,000.00	0	0
1008	Miscellaneous	4,207,000.00	452,500.00	1,083,300.00
	Total	40,000,000.00	81,396,173.40	22,742,500.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	56,534,646.90	67,484,495.68
Pension, 1% Training Fund, TRC	200,000,000.00	206,212,013.47	0
Funding of Primary Education	700,000,000.00	646,399,708.90	0
Internal Debt Servicing/Admin Charges	20,000,000.00	91,290,409.93	0
TOTAL	990,000,000.00	998,436,779.21	67,484,495.68

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	130,000,000.00	74,525,984.30	71,993,707.03
2005	Finance and Supplies	50,000,000.00	60,303,339.59	42,502,099.25
2006	Social Development, Information, Youth, Sports and Culture Education	45,000,000.00	34,679,974.86	30,999,343.70
2007	Primary Health Care	115,000,000.00	109,936,220.36	78,086,267.31
2008	Agriculture and Natural Resources	15,000,000.00	7,205,658.39	8,619,782.13
2009	Works and Housing, Lands and Survey	25,000,000.00	20,060,463.63	19,203,614.64
2010	Traditional Rulers Office	0	0	0
2011	Budget, Planning, Research and Statistics	20,000,000.00	7,911,718.92	5,530,485.82
	TOTAL	400,000,000.00	314,623,359.05	256,935,299.88

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	15,000,000.00	20,440,000.00	23,945,000.00
2001B	Office of the Vice Chairman	4,000,000.00	2,000,000.00	4,397,000.00
2002A	Office of the Secretary	4,000,000.00	1,922,000.00	1,195,000.00
2002B	Office of the Supervisors	8,000,000.00	3,801,300.00	7,554,000.00
2002C	Office of the Special Advisers	4,000,000.00	5,355,000.00	6,127,000.00
2003A	Office of the Legislative/General Council	4,000,000.00	1,185,000.00	9,850,500.00
2003B	Office of the Leader	3,000,000.00	7,659,000.00	3,525,000.00
2003C	Office of the Deputy Leader	3,000,000.00	4,250,000.00	2,664,200.00
2003D	Office of the Majority Leader	2,000,000.00	1,250,000.00	2,405,000.00
2003E	Office of the Deputy Majority Leader	0	1,000,000.00	0
2003F	Office of the Chief Whip	2,000,000.00	2,000,000.00	2,157,500.00
2003G	Office of the Minority Leader	2,000,000.00	1,000,000.00	1,200,000.00
2003H	Office of the Clerk	1,000,000.00	0	0
2004A	Office of the Head of Local Government Service	4,000,000.00	2,732,000.00	2,081,000.00
2004B	Office of the Administration & General Services	4,000,000.00	2,365,000.00	2,636,700.00
2005	Finance & Supplies	4,000,000.00	3,033,500.00	2,898,500.00
2006	Education, Information & Sports	4,000,000.00	2,650,000.00	1,280,000.00
2007	Health	6,000,000.00	2,735,000.00	3,317,500.00
2008	Agriculture and Natural Resources	3,000,000.00	1,855,000.00	950,000.00
2009	Works and transport	4,000,000.00	2,750,000.00	1,835,000.00
2010	Budget, Planning, Research & Statistics	4,000,000.00	2,360,000.00	855,000.00
2011	Traditional Rulers Council	7,000,000.00	1,730,000.00	275,000.00
2012	Miscellaneous	108,000,000.00	72,461,094.90	73,425,932.11
	TOTAL	200,000,000.00	146,534,894.90	154,495,332.11

NOTE 6: CAPITAL EXPENDITURE:

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
4001	Economic sector	119,000,000.00	0	750,000.00
5001	Social sector	108,250,000.00	0	1,000,000.00
6001	Environmental sector	71,000,000.00	0	400,000.00
	Administration Sector			
7001A	General Administration (Executive)	87,000,000.00	25,916,760.00	34,184,664.00
7001B	General Administration (Legislative)	135,750,000.00	35,898,120.00	7,800,000.00
	TOTAL	521,000,000.00	61,814,880.00	44,134,664.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	703,947,966.00	2019 Advances	681,371,180.00
2019 Advances	681,371,180.00	2018 Advances	634,383,606.00
	(22,576,180.00)		(46,988,180.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	302,601,354.85	2019 Deposits	305,061,332.59
2019 Deposits	305,061,332.59	2018 Deposits	279,947,509.10
	(2,459,977.74)		25,113,823.49

NOTE 9: CASH AND BANK BALANCES

Description	Actual 2020 ₦	Actual 2019 ₦
CASH	128,833.80	12,935,256.21
Diamond Bank- 0028076220	0	0
Akwa Savings	0	0
Zenith Bank – 1014518224	2,171,459.14	18,224,292.54
Zenith Bank 1	0	0
Access Bank A/c – 0628076220	13,807,111.98	17,811,212.92
Polaris Bank 4040041145	355,996.75	4,501,332.50
UBA	0	0
Subtotal Bank	16,334,567.87	40,536,837.96
Total	16,463,401.67	53,472,094.17

NOTE 10: ADVANCES

Detail	2020 ₦	2019 ₦
i Purchase Advances	517,677,467.00	496,247,287.00
ii Imprest	121,442,000.00	120,516,000.00
iii Touring	52,842,850.00	52,622,850.00
Iv Salary/ Special	4,975,649.00	4,975,649.00
V Motor Vehicle	7,010,000.00	7,010,000.00
TOTAL	703,947,966.00	681,371,786.00

NOTE 11: DEPOSITS

Detail	2020 ₦	2019 ₦
i. PAYE Tax	736,446.76	736,444.76
ii. NULGE Dues-State/Branch	2,617,420.26	2,586,647.11
iii. NANNM	1,504,387.51	1,504,387.51
iv. VAT	0	0
v. Withholding Tax	0	0
vi. Pension Deductions	4,638,334.42	4,638,334.42
vii. Others	293,106,765.90	295,595,518.79
Total	302,601,354.85	305,061,332.59

ESSIEN UDIM LOCAL GOVERNMENT

AKWA IBOM STATE OF NIGERIA

(All Communication to be addressed to the Chairman)



Local Govt. Council H/Qtrs
Afaha Ikot Ebak

Our Ref:

Dept.

Your Ref:

Date:.....

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.

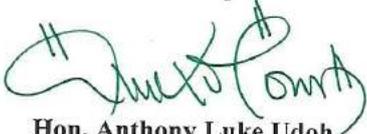
The Management of Essien Udim Local Government Council is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within their statutory authority and properly recorded the use of all public financial resources 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, 2020 and its operations for the year ended on that date.


Elder Amefiok Inyang Oyoh
Director of Finance
Date: 25/08/2021


Hon. Anthony Luke Udoh
Executive Chairman
Date: 25/08/2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Essien Udim Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Essien Udim Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,700,000,000.00	1,223,706,740.59	700,488,039.76
Valued and Added Tax	1	400,000,000.00	517,046,699.03	0
Stabilization	1	0	5,197,921.43	0
Others	1	300,000,000.00	149,998,420.16	0
State Allocation	1	30,000,000.00	20,370,746.76	0
Sub Total Statutory Allocation		2,430,000,000.00	1,916,320,527.97	700,488,039.76
Taxes	2	500,000.00	0	0
Rates	2	1,800,000.00	1,570,000.00	661,250.00
Local License Fines and Fees	2	1,203,000.00	8,318,235.00	56,780.00
Earning From Commercial Undertaking	2	10,750,000.00	553,600.00	557,800.00
Rent on Local Govt. Property	2	3,252,000.00	2,623,625.00	160,000.00
Interest and Dividend Receivable	2	500,000.00	0	0
Grant	2	0	0	0
Miscellaneous	2	6,995,000.00	477,850.00	1,917,500.00
Sub Total IGR		25,000,000.00	31,543,310.00	3,353,330.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		100,000,000.00	18,000,000.00	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,606,000,000.00	1,947,863,837.97	703,841,369.76
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/ Public Office Holders	3	80,000,000.00	53,440,662.14	73,404,514.18
Pensions/ Training Fund/ Traditional Rulers Council	3	250,000,000.00	236,135,183.73	0
Funding Of Primary Education	3	850,000,000.00	912,845,027.78	0
Internal Debt Servicing/ Admin. Charges etc	3	15,000,000.00	115,986,158.32	0
Total Consolidated Revenue Fund Charges		1,195,000,000.00	1,318,407,031.97	73,404,514.18
Personnel Costs	4	520,000,000.00	499,788,903.34	395,164,842.06
Overhead Costs	5	250,000,000.00	79,829,389.42	126,149,009.89
TOTAL PAYMENTS		1,965,000,000.00	1,898,025,324.73	594,718,366.13
Net Cash Flow from Operating Activities A		641,000,000.00	49,838,513.24	109,123,003.63
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	641,000,000.00	16,730,000.00	17,841,150.00
Net Cash Flow From Investing Activities B			(16,730,000.00)	(17,841,150.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(67,040,017.98)	(72,339,999.95)
Increase/decrease in other Liabilities	8		(964,123.60)	3,007,946.41
Total Cash Flow From other Cash equivalent Accounts C			(68,004,141.58)	(69,332,053.54)
NET CASH FLOW FROM FOR THE YEAR (A+B+C)			(34,895,628.34)	21,949,800.09
Cash and its equivalent as at 1 st January, 2020	9		48,005,553.41	26,055,753.32
Cash and its equivalent as at 31st December, 2020	9		13,109,925.07	48,005,553.41

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	54,495.19	156,650.10
Cash at Bank	9	13,055,429.88	47,848,903.31
TOTAL LIQUID ASSETS		13,109,925.07	48,005,553.41
Investment & Other Cash Assets:			
Advances	10	1,518,553,844.40	1,451,513,826.42
TOTAL ASSETS		<u>1,531,663,769.47</u>	<u>1,499,519,379.83</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,245,698,716.85	1,212,590,203.61
OTHER LIABILITIES			
Deposits	11	285,965,052.62	286,929,176.22
TOTAL LIABILITIES		<u>1,531,663,769.47</u>	<u>1,499,519,379.83</u>

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 N	Description	Initial Budget 2020 N	Supp- Budget 2020 N	Final Budget 2020 N	Actual 2020 N	VAR. %
1,121,308,349.98	Opening Balance	0	0	0	1,212,590,203.61	0
	Add revenue:					
700,488,039.76	Statutory Allocation	1,700,000,000.00	0	1,700,000,000.00	1,223,706,740.59	(28)
0	Valued Added Tax	400,000,000.00	0	400,000,000.00	517,046,699.03	(29)
0	Stabilization	0	0	0	5,197,921.43	100
0	Others	300,000,000.00	0	300,000,000.00	149,998,420.16	(50)
0	State Allocation	30,000,000.00	0	30,000,000.00	20,370,746.76	(67)
700,488,039.76	Sub Total Statutory Allocation	2,430,000,000.00	0	2,430,000,000.00	1,916,320,527.97	(21)
0	Taxes	500,000.00	0	500,000.00	1,570,000.00	214
661,250.00	Rates	1,800,000.00	0	1,800,000.00	8,318,235.00	362
56,780.00	Local License, Fines And Fees	1,203,000.00	0	1,203,000.00	553,600.00	(54)
557,800.00	Earning From Commercial Undertaking	10,750,000.00	0	10,750,000.00	2,623,625.00	(76)
160,000.00	Rent on Local Govt. Property	3,252,000.00	0	3,252,000.00	477,850.00	(85)
0	Interest & Dividends Receivable	500,000.00	0	500,000.00	0	(100)
0	Grants	0	0	0	18,000,000.00	100
1,917,500.00	Miscellaneous	6,995,000.00	0	6,995,000.00	0	(100)
3,353,330.00	Sub. Total IGR	25,000,000.00	0	25,000,000.00	31,543,310.00	26
1,825,149,719.74	TOTAL REVENUE	2,455,000,000.00	0	2,455,000,000.00	3,160,454,041.58	29
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
73,404,514.18	Political/Public Office Holders	80,000,000.00	0	80,000,000.00	53,440,662.14	33
0	Pension/Training Fund/Traditional Rulers Council	250,000,000.00	0	250,000,000.00	236,135,183.73	6
0	Funding Of Primary Education	850,000,000.00	0	850,000,000.00	912,845,027.78	(7)
0	Administrative Charges	0	0	0	96,960,641.20	100
0	Internal Debt Servicing/Admin Charges	15,000,000.00	0	15,000,000.00	19,025,517.12	(27)
73,404,514.18	Sub Total CRFC	1,195,000,000.00	0	1,195,000,000.00	1,318,407,031.97	(10)
395,164,842.06	Personnel Costs	520,000,000.00	0	520,000,000.00	499,788,903.34	3
126,149,009.89	Overhead Costs	250,000,000.00	0	250,000,000.00	79,829,389.42	68
594,718,366.13	TOTAL RECURRENT EXPENDITURE	1,965,000,000.00	0	1,965,000,000.00	1,898,025,324.73	3
1,230,431,353.61	Operating balance	490,000,000.00	0	490,000,000.00	1,262,428,716.85	
17,841,150.00	Transfer to Capital Dev Fund	641,000,000.00	0	641,000,000.00	16,730,000.00	97
1,212,590,203.61	CLOSING BALANCE	(151,000,000.00)	0	(151,000,000.00)	1,245,698,716.85	

ESSIEN UDIM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
17,841,150.00	Transfer from Consolidated Rev. Fund	641,000,000.00	0	641,000,000.00	16,730,000.00	(97)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
17,841,150.00	Total Revenue available	792,000,000.00	0	792,000,000.00	16,730,000.00	(98)
	Less Capital Expenditure					
400,000.00	Economic Sector	164,700,000.00	0	164,700,000.00	5,168,000.00	97
1,150,000.00	Social Sector	161,800,000.00	0	161,800,000.00	130,000.00	99
50,000.00	Environmental/Regional Development	25,000,000.00	0	25,000,000.00	1,080,000.00	96
16,241,150.00	General Administration	289,500,000.00	0	289,500,000.00	10,352,000.00	96
17,841,150.00	Total Expenditure	641,000,000.00	0	641,000,000.00	16,730,000.00	97
0	Closing Balance	151,000,000.00	0	151,000,000.00	0	

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	177,676,480.69	0	177,676,480.69	1,697,562.23	179,374,042.92	78,887,916.45
February	158,643,208.76	0	158,643,208.76	1,697,562.23	160,340,770.99	49,896,571.04
March	148,487,007.25	0	148,487,007.25	1,697,562.23	150,184,569.48	47,107,337.65
April	164,586,021.18	0	164,586,021.18	1,697,562.23	166,283,583.41	49,856,339.39
May	152,295,596.18	0	152,295,596.18	1,697,562.23	153,993,158.41	52,905,537.85
June	137,424,465.06	0	137,424,465.06	1,697,562.23	139,122,027.29	60,248,245.63
July	167,200,154.65	0	167,200,154.65	1,697,562.23	168,897,716.88	65,158,682.66
August	171,929,061.35	0	171,929,061.35	1,697,562.23	173,626,623.58	61,652,088.08
September	176,787,706.36	6,627,083.41	170,160,622.95	1,697,562.23	171,858,185.18	61,771,279.14
October	165,853,941.20	6,627,083.41	159,226,857.79	1,697,562.23	160,924,420.02	59,688,875.24
November	149,841,195.19	6,627,083.41	143,214,111.78	1,697,562.23	144,911,674.01	60,594,970.87
December	151,733,276.98	6,627,083.41	145,106,193.57	1,697,562.23	146,803,755.80	52,720,195.76
Total	1,922,458,114.85	26,508,333.64	1,895,949,781.21	20,370,746.76	1,916,320,527.97	700,488,039.76

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	SUB HEAD	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	1-11	Taxes	2,000,000.00	0	0
1002	1-7	Rates	2,300,000.00	1,570,000.00	661,250.00
1003	1-97	Local Licenses, Fines & Fees	1,203,000.00	8,318,235.00	56,780.00
1004	1-9	Earning from Commercial Undertaking	10,750,000.00	553,600.00	557,800.00
1005	1-3	Rent on Local Govt. Property	3,252,000.00	2,623,625.00	160,000.00
1006	1-6	Interest and Dividends	500,000.00	0	0
1007	1-3	Grants/Loan	0	18,000,000.00	0
1008	1-9	Miscellaneous	6,995,000.00	477,850.00	1,917,500.00
		Total	27,000,000.00	31,543,310.00	3,353,330.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	80,000,000.00	53,440,662.14	73,404,514.18
Pension, 1% Training Fund, TRC	250,000,000.00	236,135,183.73	0
Funding of Primary Education	850,000,000.00	912,845,027.78	0
Administrative Charges	0	96,960,641.20	0
Internal Debt Servicing	15,000,000.00	19,025,517.12	0
TOTAL	1,195,000,000.00	1,318,407,031.97	73,404,514.18

NOTE 4 :PERSONNEL COSTS

HEAD		Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	114,700,000.00	136,979,350.43	99,787,779.22
2005	Finance and Supplies	73,550,000.00	80,154,236.54	62,829,427.98
2006	Social Development, Information, Youth Sport & Culture	88,350,000.00	81,817,449.14	60,352,860.08
2007	Primary Health Care	147,900,000.00	136,058,000.59	122,870,973.80
2008	Agriculture and Natural Resources	14,400,000.00	11,431,270.27	9,408,679.04
2009	Works And Housing, Land & Survey	47,100,000.00	44,270,740.31	32,476,854.20
2010	Budget, Planning, Research and Statistics	10,800,000.00	9,077,856.06	7,438,267.74
2011	Traditional Rulers Office	8,550,000.00	0	0
	Total	505,350,000.00	499,788,903.34	395,164,842.06

NOTE 5: OVERHEAD COSTS

S/N	Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1	2001A	Office of the Chairman	35,000,000.00	21,560,000.00	24,130,000.00
2	2001B	Office of the Vice Chairman	12,000,000.00	2,362,500.00	3,135,000.00
3	2002A	Office of the Secretary	5,000,000.00	782,500.00	1,290,000.00
4	2002B	Office of the Supervisors	9,000,000.00	2,792,500.00	2,762,000.00
5	2002C	Office of the Special Advisers	8,000,000.00	632,000.00	2,355,000.00
6	2003A	General Council	18,400,000.00	4,217,500.00	910,000.00
7	2003B	Office of the Leader	5,000,000.00	2,510,000.00	1,875,000.00
8	2003C	Office of the Deputy Leader	4,000,000.00	990,000.00	1,210,000.00
9	2003D	Office of the Majority Leader	3,000,000.00	967,500.00	1,200,000.00
10	2003E	Office of the Dep. Majority Leader	3,000,000.00	0	220,000.00
11	2003F	Office of the Chief Whip	3,000,000.00	900,000.00	1,200,000.00
12	2003G	Office of the Dep. Chief Whip	3,000,000.00	0	1,225,000.00
13	2003H	Office of the Clerk	0	0	1,690,000.00
14	2004A	Head of Local Govt. Service	5,000,000.00	126,000.00	913,900.00
15	2004B	Administration Department	8,000,000.00	2,979,500.00	1,789,100.00
16	2005	Finance/Supplies Department	8,000,000.00	3,843,760.00	2,006,300.00
17	2006	Education information & Sport	3,500,000.00	855,000.00	115,000.00
18	2007	Medical and Health Department	5,000,000.00	3,355,250.00	2,227,500.00
19	2008	Agricultural and Natural Resources	3,000,000.00	402,500.00	350,000.00
20	2009	Works and Housing Department	3,600,000.00	490,000.00	2,747,150.00
21	2010	Budget, Planning, Research & Statistic	3,000,000.00	575,000.00	230,000.00
22	2011	Traditional Rulers Office	4,000,000.00	1,020,000.00	0
23	2012	Miscellaneous	98,500,000.00	28,467,879.42	72,568,059.89
		Total	250,000,000.00	79,829,389.42	126,149,009.89

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	154,000,000.00	5,168,000.00	400,000.00
Social Sector	161,800,000.00	130,000.00	1,150,000.00
Environmental Sector	25,000,000.00	1,080,000.00	50,000.00
Administration Sector			
General Administration (Executive)	203,600,000.00	752,000.00	10,741,150.00
General Administration (Legislature)	105,900,000.00	9,600,000.00	5,500,000.00
Total	650,300,000.00	16,730,000.00	17,841,150.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,518,553,844.40	2019 Advances	1,451,513,826.42
2019 Advances	1,451,513,826.42	2018 Advances	1,379,173,826.47
	(67,040,017.98)		(72,339,999.95)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	285,965,052.62	2019 Deposits	286,929,176.22
2019 Deposits	286,929,176.22	2018 Deposits	283,921,229.81
	(964,123.60)		3,007,946.41

NOTE 9: CASH AND BANK BALANCES

	Description	2020 ₦	2019 ₦
(1)	Cash	54,495.19	156,650.10
(2)	Cash at Bank:		
	(i) Zenith Bank A/C (Salary)	9,346,906.08	18,727,117.94
	(ii) Zenith Bank A/C (Project)	3,679,561.34	15,875,540.94
	(iii) Access Bank A/C No. 0021588241	0	21,561.29
	(iv) Skye Bank	0	4,999,758.38
	(v) Diamond Bank	0	7,660,590.53
	(vi) Diamond Bank (Sure - P)	0	529,429.30
	(vii) Zenith Bank A/C No. 1012848316	28,962.46	34,904.92
	Sub Total Bank Balance	13,055,429.88	47,848,903.31
	TOTAL	13,109,925.07	48,005,553.41

NOTE 10: ADVANCES

	Detail	2020 ₦	2019 ₦
(1)	Purchases	1,320,497,814.53	1,247,393,199.55
(2)	Imprest	132,467,653.00	138,532,250.00
(3)	Touring	64,124,760.00	64,124,760.00
(4)	Salary/Special	1,463,616.87	1,463,616.87
	Total	1,518,553,844.40	1,451,513,826.42

NOTE 11: DEPOSITS

Detail	2020 ₦	2019 ₦
PAYE Tax	(1,059,462.54)	(1,059,462.54)
NULGE Dues State/ Branch	(2,835,420.84)	(2,835,420.84)
NANNM	175,003.28	175,003.28
VAT	46,500.00	46,500.00
Withholding Tax	1,047,520.00	1,047,520.00
Pension Deductions	13,081,440.28	13,081,440.28
Others	275,509,471.94	276,473,596.04
Total	285,965,052.62	286,929,176.22



ETIM EKPO LOCAL GOVERNMENT

UTU ETIM EKPO, AKWA IBOM STATE

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, 2020 and its operations for the year ended on that date.


Idongesit J. Udodiong
Director of Finance
Date: 30/04/2021


Rt. Hon. Ime Paul Afia
Executive Chairman
Date: 30/04/2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Etim Ekpo Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Etim Ekpo Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ETIM EKPO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

ETIM EKPO LOCAL GOVERNMENT COUNCIL
STATEMENT NO.1
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,600,000,000.00	1,063,193,936.49	686,690,363.72
Value Added Tax	1	200,000,000.00	17,008,513.32	0
Stabilization	1	0	4,530,574.07	0
Others	1	200,000,000.00	427,293,978.45	0
State Allocation	1	30,000,000.00	131,413,806.11	0
Sub Total Statutory Allocation		2,230,000,000.00	2,070,734,786.89	686,690,363.72
Taxes	2	500,000.00	0	0
Rates	2	2,000,000.00	2,545,625.00	547,000.00
Local License fines and fees	2	3,000,000.00	283,480.00	282,510.00
Earning from commercial undertaking	2	4,000,000.00	140,000.00	266,000.00
Rent on Local Govt. Property	2	1,500,000.00	647,000.00	984,000.00
Interest & Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	9,000,000.00	1,767,653.06	435,200.00
Sub Total IGR		20,000,000.00	5,383,758.06	2,514,710.00
Capital Receipts: B/F		2,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		2,172,000,000.00	1,648,824,566.50	689,205,073.72
PAYMENTS:				
Consolidated Rev. Fund Charges				
Political/Public Office Holders	3	70,000,000.00	61,140,231.80	43,659,148.05
Pensions/Training Fund/Traditional Rulers Council	3	150,000,000.00	218,037,255.57	0
Funding of Primary Education	3	700,000,000.00	788,781,633.10	0
Internal Debt Servin/Admin Charges	3	10,000,000.00	21,441,395.37	0
Total Consolidated Revenue Fund Charges		930,000,000.00	1,089,400,515.84	43,659,148.05
Personnel Costs	4	440,000,000.00	444,975,711.64	381,652,439.62
Overhead Costs	5	234,000,000.00	76,711,525.20	162,844,924.41
TOTAL PAYMENTS		1,604,000,000.00	1,611,087,752.68	588,156,512.08
Net Cash Flow from Operating Activities A		568,000,000.00	37,736,813.82	101,048,561.64
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	568,000,000.00	51,104,223.21	22,664,588.00
Net Cash Flow from Investing Activities B			(51,104,223.21)	(22,664,588.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(35,888,928.72)	(54,340,993.85)
Increase/decrease in other Liabilities	8		30,180,135.63	(6,738,367.25)
Total Cash Flow From other Cash equivalent Accounts C			(5,708,793.09)	(61,079,361.10)
Net Cash Flow for The Year (A +B +C)			(19,076,202.48)	17,304,612.54
Cash and its equivalent as at 1 st January, 2020	9		43,630,210.96	26,325,598.42
Cash and its equivalent as at 31st December, 2020	9		24,554,008.48	43,630,210.96

ETIM EKPOLOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	2,235,400.41	5,966,412.59
Cash at Bank	9	22,318,608.07	37,663,798.37
TOTAL LIQUID ASSETS		24,554,008.48	43,630,210.96
Investment & Other Cash Assets:			
Advances	10	1,329,899,645.41	1,294,010,716.69
TOTAL ASSETS		<u>1,354,453,653.89</u>	<u>1,337,640,927.65</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		844,356,100.20	857,723,509.59
OTHER LIABILITIES			
Deposits	11	510,097,553.69	479,917,418.06
TOTAL LIABILITIES		<u>1,354,453,653.89</u>	<u>1,337,640,927.65</u>

ETIM EKPO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	VAR %
779,339,535.95	Opening Balances	0	0	0	857,723,509.59	0
	Add Revenue:					
686,690,363.72	Statutory Allocation	1,600,000,000.00	0	1,600,000,000.00	1,063,193,936.49	(34)
0	Value Added Tax	200,000,000.00	0	200,000,000.00	17,008,513.32	114
0	Stabilization	0	0	0	4,530,574.07	100
0	Others	200,000,000.00	0	200,000,000.00	427,293,978.45	(338)
0	State Allocation	30,000,000.00	0	30,000,000.00	131,413,806.11	(91)
686,690,363.72	Sub Total Statutory Allocation	2,030,000,000.00	0	2,030,000,000.00	1,643,440,808.44	(19)
0	Taxes	500,000.00	0	500,000.00	0	(100)
547,000.00	Rates	2,000,000.00	0	2,000,000.00	2,545,625.00	27
282,510.00	Local License fines and fees	3,000,000.00	0	3,000,000.00	283,480.00	(91)
266,000.00	Earning from commercial undertaking	4,000,000.00	0	4,000,000.00	140,000.00	(97)
984,000.00	Rent on Local Govt. Property	1,500,000.00	0	1,500,000.00	647,000.00	(57)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
435,200.00	Miscellaneous	9,000,000.00	0	9,000,000.00	1,767,653.06	(80)
2,514,710.00	Sub-Total IGR	20,000,000.00	0	20,000,000.00	5,383,758.06	(73)
1,468,544,609.67	TOTAL REVENUE	2,050,000,000.00	0	2,050,000,000.00	2,506,548,076.09	(28)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
43,659,148.05	Political/Public Office Holders	70,000,000.00	0	70,000,000.00	61,140,231.80	13
0	Pensions/Training, Fund/Trad. Rulers Council	150,000,000.00	0	150,000,000.00	218,037,255.57	(45)
0	Funding of Primary Education	700,000,000.00	0	700,000,000.00	788,781,633.10	(13)
0	Internal Debt Servicing	10,000,000.00	0	10,000,000.00	21,441,395.37	(114)
43,659,148.05	Sub Total CRFC	930,000,000.00	0	930,000,000.00	1,089,400,515.84	(17)
381,652,439.62	Personnel Costs	440,000,000.00	0	440,000,000.00	444,975,711.64	(1)
162,844,924.41	Overhead Costs	234,000,000.00	0	234,000,000.00	76,711,525.20	67
588,156,512.08	TOTAL RECURRENT EXPENDITURE	1,604,000,000.00	0	1,604,000,000.00	1,611,087,752.68	(0.44)
880,388,097.59	Operating Balance	446,000,000.00	0	446,000,000.00	895,460,323.41	
22,664,588.00	Transfer to Capital Dev. Fund	568,000,000.00	0	568,000,000.00	(51,104,223.21)	91
857,723,509.59	CLOSING BALANCE	(122,000,000.00)	0	(122,000,000.00)	844,356,100.20	0

ETIM EKPO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	2,000,000.00	0	2,000,000.00	0	0
	Add Revenue:					
22,664,588.00	Transfer from Consol. Fund	568,000,000.00	0	568,000,000.00	51,104,223.21	(91)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
22,664,588.00	Total Revenue available	690,000,000.00	0	690,000,000.00	51,104,223.21	(93)
	Less Capital Expenditure					
6,100,000.00	ECONOMIC SECTOR	91,000,000.00	0	91,000,000.00	1,494,500.00	98
2,500,000.00	Social Sector	122,000,000.00	0	122,000,000.00	15,162,951.21	88
4,219,000.00	Environmental/Reg. Dev.	7,000,000.00	0	7,000,000.00	255,000.00	96
9,845,588.00	General Administration	348,000,000.00	0	348,000,000.00	34,191,772.00	90
22,664,588.00	Total Expenditure	568,000,000.00	0	568,000,000.00	51,104,223.21	91
0	Closing Balance	122,000,000.00	0	122,000,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	153,030,061.54	0	153,030,061.54	1,417,376.11	154,447,437.65	77,984,245.25
February	136,799,819.61	0	136,799,819.61	1,417,376.11	138,217,195.72	47,875,239.08
March	128,351,403.31	0	128,351,403.31	1,417,376.11	129,768,779.42	45,209,658.58
April	141,585,566.59	0	141,585,566.59	1,417,376.11	143,002,942.70	47,907,852.19
May	131,222,438.07	0	131,222,438.07	1,417,376.11	132,639,814.18	46,452,773.01
June	118,097,685.83	0	118,097,685.83	1,417,376.11	119,515,061.94	59,839,388.90
July	143,639,305.56	0	143,639,305.56	1,417,376.11	145,056,681.67	65,086,744.02
August	147,724,839.90	0	147,724,839.90	1,417,376.11	149,142,216.01	61,535,089.33
September	151,685,153.46	6,627,083.41	145,058,070.05	1,417,376.11	146,475,446.16	61,690,867.98
October	142,273,747.08	6,627,083.41	135,646,663.67	1,417,376.11	137,064,039.78	60,044,019.61
November	128,611,329.65	6,627,083.41	121,984,246.24	1,417,376.11	123,401,622.35	60,622,642.40
December	129,919,278.16	6,627,083.41	123,292,194.75	1,417,376.11	124,709,570.86	52,441,843.37
Total	1,652,940,628.76	26,508,333.64	1,626,432,295.12	17,008,513.32	1,643,440,808.44	686,690,363.72

NOTE 2: INTERNALLY GENERATED REVENUE (IGR)

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
1001 -	Taxes	500,000.00	0	0
1002 -	Rates	2,000,000.00	2,545,625.00	547,000.00
1003 -	Local Licenses Fines and Fees	3,000,000.00	283,480.00	282,510.00
1004 -	Earnings from Commercial Undertaking	4,000,000.00	140,000.00	266,000.00
1005 -	Rent on Local Government Properties	1,500,000.00	647,000.00	984,000.00
1006 -	Interest on Dividends	0	0	0
1007 -	Grants	0	0	0
1008 -	Miscellaneous	9,000,000.00	1,767,653.06	435,200.00
	Total	20,000,000.00	5,383,758.06	2,514,710.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	61,140,231.80	43,659,148.05
Pension, 1% Training Fund, TRC	150,000,000.00	218,037,255.57	0
Funding of Primary Education	700,000,000.00	788,781,633.10	0
Internal Debt Servicing/Admin. Charges	10,000,000.00	21,441,395.37	0
TOTAL	930,000,000.00	1,089,400,515.84	43,659,148.05

NOTE 4: PERSONNEL COSTS:

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2004	Administration	140,000,000.00	121,712,753.70	97,486,482.87
2005	Finance and Supplies	63,000,000.00	60,768,688.42	57,808,911.55
2006	Social Development, Information, Youth, Sports & Culture	35,000,000.00	35,714,166.30	29,452,684.66
2007	Primary Health Care	135,000,000.00	160,781,720.59	143,483,818.64
2008	Agriculture and Natural Resources	11,000,000.00	9,680,666.98	7,161,375.32
2009	Works and Housing, Lands & Survey	45,000,000.00	45,281,698.64	37,774,616.08
2010	Budget, Planning, Research and Statistics	11,000,000.00	11,036,017.01	8,484,550.50
2011	Traditional Rulers Office	0	0	
	Total	440,000,000.00	444,975,711.64	381,652,439.62

NOTE 5: OVERHEAD COSTS:

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2001A	Office of the Executive Chairman	375,000,000.00	19,990,000.00	30,631,000.00
2001B	Office of the Vice Chairman	9,400,000.00	2,000,000.00	8,635,520.00
2002A	Office of the Secretary	9,000,000.00	0	3,518,500.00
2002B	Office of the Supervisors	9,000,000.00	0	7,590,000.00
2002C	Office of the Special Advisers	7,000,000.00	70,000.00	3,605,200.00
2003A	Office of the Legislative/General Council	10,800,000.00	2,445,000.00	9,961,005.00
2003B	Office of the Leader	6,840,000.00	1,070,000.00	1,060,000.00
2003C	Office of the Deputy Leader	5,820,000.00	990,000.00	880,000.00
2003D	Office of the Majority Leader	4,200,000.00	2,710,000.00	4,005,000.00
2003E	Office of the Deputy Majority Leader	3,200,000.00	1,200,000.00	700,000.00
2003F	Office of the Chief Whip	3,000,000.00	1,700,000.00	800,000.00
2003G	Office of the Deputy Chief Whip	3,000,000.00	320,000.00	1,600,000.00
2003H	Office of the Clerk	2,000,000.00	0	298,000.00
2004A	Office of the Head of Local Govt. Service	5,000,000.00	33,000.00	3,156,400.00
2004B	Office of the Admin. & General Services	5,900,000.00	2,962,500.00	4,590,000.00
2005	Finance and supplies	8,000,000.00	2,529,100.00	1,972,660.00
2006	Education, Information & Sports	5,000,000.00	10,000.00	870,000.00
2007	Health	5,000,000.00	5,000.00	1,737,500.00
2008	Agricultural Natural Resources	5,000,000.00	1,000,000.00	415,000.00
2009	Works and Transport	5,000,000.00	2,113,100.00	3,131,000.00
2010	Budget, Planning, Research & Statistics	5,000,000.00	31,100.00	88,000.00
2011	Traditional Rulers Council	4,000,000.00	150,000.00	650,000.00
2012	Miscellaneous	75,000,000.00	35,382,725.20	72,950,139.41
	Total	234,000,000.00	76,711,525.20	162,844,924.41

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Economic Sector	91,000,000.00	1,494,500.00	6,100,000.00
Social Sector	122,000,000.00	15,162,951.21	2,500,000.00
Environmental Sector	7,000,000.00	255,000.00	4,219,000.00
Administration Sector			
General Administration (Executive)	193,000,000.00	2,268,400.00	5,135,300.00
General Administration (Legislature)	155,000,000.00	31,923,372.00	4,710,288.00
Total	568,000,000.00	51,104,223.21	22,664,588.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

NOTE 7: 2020		2019	
₦		₦	
2020 Advances	1,294,010,716.69	2019Advances	1,294,010,716.69
2019 Advances	1,329,899,645.41	2018Advances	1,239,669,722.84
	(35,888,929.72)		(54,340,993.85)

NOTE 8: INCREASE / DECREASE IN OTHER LIABILITIES

2020		2019	
₦		₦	
2020 Deposits	510,097,553.69	2019 Deposits	479,917,418.06
2019 Deposits	479,917,418.06	2018 Deposits	486,655,785.31
	30,180,135.63		(6,738,367.25)

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2020	2019
	₦	₦
CASH	2,235,400.41	5,966,412.59
BANKS:		
First Bank	6,596.12	6,596.12
Zenith Bank A/C (Salary)	7,987,422.77	31,772,724.92
Zenith Bank A/c (Project)	3,696,737.17	4,624,979.63
Zenith Bank A/c	375,548.60	375,548.60
Skye Bank	883,949.10	883,949.10
Sub Total Bank Bal.	9,368,354.31	37,663,798.37
Total	24,554,008.48	43,630,210.96

NOTE 10: ADVANCES

Detail	2020	2019
	₦	₦
i. Purchase Advances	591,234,832.48	574,828,103.76
ii. Imprest	258,276,140.00	238,793,940.00
iii. Touring	89,006,381.00	89,006,381.00
iv. Salary/Special	391,382,291.93	391,382,291.93
v. Motor Vehicle	0	0
vi. Others	0	0
Total	1,329,899,645.41	1,294,010,716.69

NOTE 11: DEPOSITS

Detail		
i. PAYE Tax	3,519,946.61	3,001,626.35
ii. NULGE Dues – State/Branch	5,946,394.08	5,741,562.43
iii. NANNM	213,824,.88	2,815,918.41
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	487,438,642.98	455,379,565.73
Total	510,097,553.69	479,917,418.06

ETINAN LOCAL GOVERNMENT

AKWA IBOM STATE OF NIGERIA

ELG/S/149/121

Our Ref:.....

Your Ref:.....

All correspondence addressed to the Executive Chairman



14th May 2021

Date:.....

RESPONSIBILITY FOR FINANCIAL STATEMENT

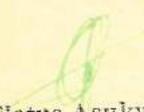
These financial statements have been prepared in accordance with the General Accepted Accounting Practice (GAAP) and provisions of the Model Financial Memoranda. It complies with International Public Sector Accounting Standards (IPSAS) and cash basis.

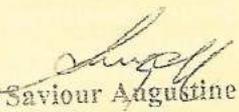
We have established and maintained system of internal controls designed to provide reasonable assurance that the transactions were recorded within their statutory regulations and all the financial resources of the Council were properly recorded and accounted for.

To the best of my knowledge, the internal controls were effectively and adequately functional throughout the year in focus. Financial records were properly kept and appropriate financial statements are prepared.

We accept responsibility for ensuring that the integrity of these financial statements and the information they contained complied with International Public Sector Accounting Standards (IPSAS). Financial Memoranda Provisions of the 1999 constitution of the Federal Republic of Nigeria as amended and relevant warrant issued for the accounting period under review.

Finally, these Financial Statements fairly reflect the financial position of Etinan Local Government Council from 1st January, 2020 to 31st December, 2020 and its operations in the said period.


Hon. Cletus AsukwoEkpo
Executive Chairman
Etinan Local Govt. Council


Mr. Saviour Augustine Okon
Director of Finance
Etinan Local Govt. Council

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

The Executive Chairman
Etinan Local Government Council
Etinan

AUDIT CERTIFICATE ON THE ACCOUNTS OF ETINAN LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Etinan Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22(3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Etinan Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) **General Information**

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) **Financial Accounting and Reporting Framework**

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) **Basis of Preparation and Legal Provisions**

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) **Accounting Period**

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,600,000,000.00	1,209,404,992.82	617,633,198.21
Value Added Tax	1	350,000,000.00	492,991,941.24	0
Stabilization	1	0	5,138,460.05	0
Others	1	200,000,000.00	148,342,510.67	0
State Allocation	1	30,000,000.00	18,809,979.48	0
Sub Total: Statutory Allocation		2,180,000,000.00	1,874,687,884.26	617,633,198.21
Taxes	2	200,000.00	0	0
Rates	2	1,300,000.00	1,400,000.00	1,110,000.00
Local License fines and fees	2	2,000,000.00	172,850.00	280,070.00
Earning from commercial undertaking	2	1,500,000.00	222,500.00	347,000.00
Rent on Local Government Property	2	1,000,000.00	125,000.00	227,000.00
Interest & dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	24,000,000.00	758,000.00	1,966,500.00
Sub Total IGR		30,000,000.00	2,678,350.00	3,930,570.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,311,000,000.00	1,877,366,234.26	621,563,768.21
PAYMENTS				
Consolidated Rev. Fund Charges:				
Political Public Office Holders	3	85,000,000.00	55,927,268.85	74,128,836.60
Pension, Training Fund/Traditional Rulers Council	3	150,000,000.00	218,126,566.13	0
Funding of Primary Education	3	850,000,000.00	1,041,275,574.28	0
Internal Debt Servicing/Admin. charges	3	30,000,000.00	131,060,597.81	6,000,000.00
Total consolidated revenue fund charges		1,115,000,000.00	1,446,390,007.07	80,128,826.60
Personnel Costs	4	450,000,000.00	338,445,402.35	304,879,301.64
Overhead costs	5	200,000,000.00	77,398,912.07	151,524,947.79
TOTAL PAYMENTS	-	1,765,000,000.00	1,862,234,321.49	536,533,076.03
Net cash flow from operating activities A	-	546,000,000.00	15,131,912.77	85,030,692.18
CASH FLOW FROM INVESTING ACTIVITIES:				
Capital Expenditure	6	546,000,000.00	(31,810,000.00)	(44,024,208.00)
Net cash flow from investing Activities B			(31,810,000.00)	(44,024,208.00)
CASH FLOW FROM FINANCING ACTIVITIES:				
Proceeds from internal Loans		0	0	0
Net cash flow from financing activities		0	0	0
MOVEMENT IN OTHER CASH EQUIVALENT ACCOUNTS:				
Increase/decrease in other cash assets	7		10,605,511.50	(85,223,228.50)
Increase/decrease in other Liabilities	8		131,142.51	15,781,079.89
Total cash flow from other cash equivalent accounts C			10,736,654.01	(69,442,148.61)
Net cash flow for the year (A+B+C)			(5,941,433.22)	(28,435,664.43)
Cash and its equivalent as at 1 st January, 2020	9		11,874,581.75	40,310,246.18
Cash and its equivalent as at 31st December, 2020	9		5,933,148.53	11,874,581.75

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

**STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER,
2020**

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	3,940.00	164,905.41
Cash at Bank	9	5,929,208.53	11,709,676.34
TOTAL LIQUID ASSETS		5,933,148.53	11,874,581.75
Investment & Other Cash Assets:			
Advances	10	1,069,350,551.80	1,079,956,063.30
TOTAL ASSETS		1,075,283,700.33	<u>1,091,830,645.05</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		693,058,472.68	709,736,559.91
OTHER LIABILITIES			
Deposits	11	382,225,227.65	382,094,085.14
TOTAL LIABILITIES		1,075,283,700.33	<u>1,091,830,645.05</u>

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP- BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	VAR %
668,730,075.73	Opening Balance	0	0	0	709,736,559.91	0
	Add: Revenue					
617,633,198.21	Fed Statutory Allocation	1,600,000,000.00	0	1,600,000,000.00	1,209,404,992.82	(24)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	492,991,941.24	(41)
0	Stabilization		0	0	5,138,460.05	100
0	Others	200,000,000.00	0	200,000,000.00	148,342,510.67	(26)
0	State Allocation	30,000,000.00	0	30,000,000.00	18,809,979.48	37
617,633,198.21	Sub Total: Statutory Allocation	2,180,000,000.00	0	2,180,000,000.00	1,874,687,884.26	(14)
0	Taxes	200,000.00	0	200,000.00	0	(100)
1,110,000.00	Rates	1,300,000.00	0	1,300,000.00	1,400,000.00	8
280,070.00	Local license fines and fees	2,000,000.00	0	2,000,000.00	172,850.00	(91)
347,000.00	Earning from commercial undertaking	1,500,000.00	0	1,500,000.00	222,500.00	(85)
227,000.00	Rent on local Govt. property	1,000,000.00	0	1,000,000.00	125,000.00	(88)
0	Interest & dividends receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
1,966,500.00	Miscellaneous	24,000,000.00	0	24,000,000.00	758,000.00	(97)
3,930,570.00	Subtotal IGR	30,000,000.00	0	30,000,000.00	2,678,350.00	(91)
1,290,293,843.94	TOTAL REVENUE	2,210,000,000.00	0	2,210,000,000.00	2,587,102,794.17	(17)
	EXPENDITURE					
	Consolidated Rev. Fund charges:					
74,128,826.60	Political/public office holders	85,000,000.00	0	85,000,000.00	55,927,268.85	34
0	Pension/training fund/traditional rulers council	150,000,000.00	0	150,000,000.00	218,126,566.13	(45)
0	Funding of Primary Education	850,000,000.00	0	850,000,000.00	1,041,275,574.28	(23)
0	Administrative Charges	0	0	0	108,938,770.10	
6,000,000.00	Internal Debt servicing/Admin. charges	30,000,000.00	0	30,000,000.00	22,121,827.71	26
80,128,826.60	Sub Total CRFC	1,115,000,000.00	0	1,115,000,000.00	1,446,390,007.07	(30)
304,879,301.64	Personnel Cost	450,000,000.00	0	450,000,000.00	338,445,402.35	25
151,524,947.79	Overhead cost	200,000,000.00	0	200,000,000.00	77,398,912.07	61
536,533,076.03	TOTAL REC. EXPENDITURE	1,765,000,000.00	0	1,765,000,000.00	1,862,234,321.49	(6)
753,760,767.91	Operating Balance	445,000,000.00	0	445,000,000.00	724,868,472.68	(63)
44,024,208.00	Transfer to Capital Dev. Fund	546,000,000.00	0	546,000,000.00	31,810,000.00	94
709,736,559.91	Closing Balance	(101,000,000.00)	0	(101,000,000.00)	693,058,472.68	0

ETINAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020.

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue					
44,024,208.00	Transfer from Consolidated Revenue Fund	546,000,000.00	0	546,000,000.00	31,810,000.00	(94)
0	Grant	50,000,000.00	0	50,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
44,024,208.00	Total Revenue Available	647,000,000.00	0	647,000,000.00	31,810,000.00	(95)
	Less Capital Expenditure:					
400,000.00	Economic Sector	98,000,000.00	0	98,000,000.00	500,000.00	99
12,740,000.00	Social Sector	89,000,000.00	0	89,000,000.00	1,350,000.00	98
2,060,000.00	Environmental/Reg.Dev.	72,000,000.00	0	72,000,000.00	5,270,000.00	93
28,824,208.00	General Admin-Executive	287,000,000.00	0	287,000,000.00	24,690,000.00	91
44,024,208.00	Total Expenditure	546,000,000.00	0	546,000,000.00	31,810,000.00	94
0	Closing Balance	101,000,000.00	0	101,000,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	174,230,227.32	-	174,230,227.32	1,567,498.29	175,797,725.61	72,963,367.35
February	155,556,121.99	-	155,556,121.99	1,567,498.29	157,123,620.28	42,920,892.76
March	145,608,781.40	-	145,608,781.40	1,567,498.29	147,176,279.69	40,066,132.02
April	161,226,962.38	-	161,226,962.38	1,567,498.29	162,794,460.67	42,933,802.43
May	149,388,894.89	-	149,388,894.89	1,567,498.29	150,956,393.18	40,303,695.33
June	134,571,253.00	-	134,571,253.00	1,567,498.29	136,138,751.29	53,629,491.39
July	163,698,029.51	-	163,698,029.51	1,567,498.29	165,265,527.80	58,790,156.10
August	168,328,214.25	-	168,328,214.25	1,567,498.29	169,895,712.54	55,081,218.59
September	172,915,037.36	6,627,083.41	166,287,953.95	1,567,498.29	167,855,452.24	55,016,750.45
October	162,208,083.24	6,627,083.41	155,580,999.83	1,567,498.29	157,148,498.12	53,895,047.18
November	146,572,407.57	6,627,083.41	139,945,324.16	1,567,498.29	141,512,822.45	54,993,529.02
December	148,082,225.51	6,627,083.41	141,455,142.10	1,567,498.29	143,022,640.39	47,039,108.59
Total	1,882,386,238.42	26,508,333.64	1,855,877,904.78	18,809,979.48	1,874,687,884.26	617,633,198.21

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	200,000.00	-	-
1002	Rates	1,300,000.00	1,400,000.00	1,110,000.00
1003	Local licenses fines and fees	2,000,000.00	172,850.00	280,070.00
1004	Earnings from commercial undertaking	1,500,000.00	222,500.00	347,000.00
1005	Rent on local government properties	1,000,000.00	125,000.00	227,000.00
1006	Interest of dividends	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	24,000,000.00	758,000.00	1,966,500.00
	Total	30,000,000.00	2,678,350.00	3,930,570.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	85,000,000.00	55,927,268.85	74,128,826.60
Pension, 1% Training Fund, TRC	150,000,000.00	218,126,566.13	0
Funding of Primary Education	850,000,000.00	1,041,275,574.28	0
Administrative Charges	0	108,938,770.10	0
Internal Debt Servicing	30,000,000.00	22,121,827.71	6,000,000.00
TOTAL	1,115,000,000.00	1,446,390,007.07	80,128,826.60

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	103,939,589.00	87,802,460.73	72,655,453.93
2005	Finance and supplies	67,656,681.00	48,353,259.31	42,826,319.86
2006	Social development information, youth, sports and culture	30,539,846.00	20,551,686.27	18,223,948.03
2007	Primary Health Care	162,532,134.00	117,512,599.96	122,312,399.67
2008	Agriculture and Natural Resources	23,483,290.00	14,862,518.55	11,268,050.98
2009	Works and Housing Land and Survey	51,578,149.00	44,409,079.30	34,490,477.28
2010	Budget Planning Research and Statistics	10,411,311.00	4,953,798.23	3,102,651.89
	Total	450,000,000.00	338,445,402.35	304,879,301.64

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Exec. Chairman	37,000,000.00	22,345,000.00	28,774,050.00
2001B	Office of the Vice Chairman	5,000,000.00	2,909,000.00	3,460,000.00
2002A	Office of the Secretary	3,500,000.00	127,500.00	3,097,000.00
2002B	Office of the Supervisor	5,000,000.00	220,000.00	667,000.00
2002C	Office of the Special Advisers	3,500,000.00	-	5,112,500.00
2003A	Legislative /General Council	13,000,000.00	31,646,827.71	9,667,500.00
2003B	Office of the Leader	4,000,000.00	710,000.00	225,000.00
2003C	Office of the Deputy Leader	2,700,000.00	330,000.00	0
2003D	Office of the Majority Leader	2,700,000.00	0	0
2003E	Office of the Deputy Majority Leader	2,700,000.00	0	0
2003F	Office of the Chief Whip	2,700,000.00	0	0
2003G	Office of the Deputy Chief Whip	2,700,000.00	0	0
2003H	Office of the Clerk	2,000,000.00	145,000.00	887,500.00
2004A	Office of the Head of Local Govt. Service	5,000,000.00	907,000.00	2,903,000.00
2004B	Office of the Admin.& General Service	4,000,000.00	1,786,000.00	4,271,500.00
2005	Financial Supplies	5,000,000.00	2,091,500.00	3,059,500.00
2006	Education Information & Sports	3,500,000.00	275,000.00	420,000.00
2007	Health	3,500,000.00	480,000.00	4,360,000.00
2008	Agricultural natural Resources	3,500,000.00	105,000.00	500,000.00
2009	Works and Transport	3,500,000.00	1,407,500.00	740,000.00
2010	Budget Planning Research & Statistics	3,500,000.00	180,000.00	470,000.00
2011	Traditional Rulers Council	4,000,000.00	1,850,000.00	2,755,000.00
2012	Miscellaneous	78,000,000.00	9,883,584.36	80,145,397.79
	Total	200,000,000.00	77,398,912.07	151,524,947.79

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic sector	98,000,000.00	500,000.00	400,000.00
Social sector	89,000,000.00	1,350,000.00	12,740,000.00
Environmental sector	72,000,000.00	5,270,000.00	2,060,000.00
Administration sector			
General Administration (Executive)	143,500,000.00	12,345,000.00	19,120,912.00
General Administration (Legislature)	143,500,000.00	12,345,000.00	9,703,296.00
	546,000,000.00	31,810,000.00	44,024,208.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,069,350,551.80	2019 Advances	1,079,956,063.30
2019 Advances	1,079,956,063.30	2018 Advances	994,732,834.80
	10,605,511.50		(85,223,228.50)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	382,225,227.65	2019 Deposits	382,094,085.14
2019 Deposits	382,094,085.14	2018 Deposits	366,313,005.25
	131,142.51		15,781,079.89

NOTE 9: CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
CASH	3,940.00	164,905.41
Zenith Bank A/C (Salary)	2,003,518.90	3,304,901.52
Zenith Bank A/C (Project)	3,709,842.16	8,188,927.35
Sky Bank	42,064.75	42,064.75
Diamond	300.00	300.00
Diamond II	38,603.75	38,603.75
FBN	134,878.97	134,878.97
Sub Total Bank	5,929,208.53	11,709,676.34
Total	5,933,148.53	11,874,581.75

NOTE 10: ADVANCES

S/N	Detail	2020 ₦	2019 ₦
1	Purchase Advances	837,794,966.83	816,346,464.33
2	Imprest	136,941,400.00	139,583,900.00
3	Touring	84,047,191.97	83,947,191.97
4	Salary/Special	8,206,993.00	8,206,993.00
5	Motor Vehicle	2,360,000.00	31,871,514.00
6	Others	0	0
	Total	1,069,350,551.80	1,079,956,063.30

NOTE 11: DEPOSITS

S/N	Detail	2020 ₦	2019 ₦
1	PAYE Tax	910,027.58	910,027.58
2	NULGE Dues State/Branch	17,460,112.73	17,608,257.83
3	NANNM	44,238.17	44,238.17
4	VAT	7,325,373.50	7,325,373.50
5	Withholding Tax	8,633,878.50	8,633,878.50
6	Pension Deduction	13,157,390.50	13,157,390.50
7	Others	334,697,206.67	334,414,919.06
	Total	382,225,227.65	382,094,085.14

IBENO LOCAL GOVERNMENT COUNCIL AKWA IBOM STATE

Our Ref:.....

Your Ref:.....



LOCAL GOVERNMENT SECRETARIAT
UPENEKANG
IBENO

Date:.....

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 Provision of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and General 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 our 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 Standards (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, 2020 and its operations for the year ended on that date.


Mr. Okokon Okon Ekpenyong
Director of Finance:
Date: 6th April, 2021


Hon. (High Chief) Williams H. Mkpah
Chairman:
Date: 6th April, 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Ibena Local Government Council
Upenekang

AUDIT CERTIFICATE ON THE ACCOUNTS OF IBENO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Ibena Local Government Council for the year ended 31st December, 2020 in accordance with Section 22(3) of Akwa Ibom State Audit Law 2021.

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 22(3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ibena Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) **General Information**

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) **Financial Accounting and Reporting Framework**

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) **Basis of Preparation and Legal Provisions**

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) **Accounting Period**

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,650,000,000.00	963,766,031.28	586,306,034.22
Valued Added Tax	1	350,000,000.00	396,394,354.14	0
Stabilization	1	0	4,117,186.29	0
Others	1	300,000,000.00	119,901,582.21	0
State Allocation	1	30,000,000.00	14,962,239.24	0
Sub Total Statutory Allocation		2,330,000,000.00	1,499,141,393.16	586,306,034.22
Taxes	2	3,000,000.00	0	0
Rates	2	95,000,000.00	95,550,000.00	52,485,000.00
Local License Fines and Fees	2	13,000,000.00	740,250.00	1,372,350.00
Earning From Commercial Undertaking	2	22,000,000.00	3,176,000.00	5,407,000.00
Rent on Local Govt. Property	2	5,000,000.00	0	0
Interest and Dividend Receivable	2	0	0	0
Grant	2	1,000,000.00	0	0
Miscellaneous	2	11,000,000.00	245,500.00	46,500.00
Sub Total IGR		150,000,000.00	99,711,750.00	59,310,850.00
Capital Receipts: B/F		2,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		100,000,000.00	0	0
TOTAL RECEIPTS		2,682,000,000.00	1,598,853,143.16	645,616,884.22
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/ Public Office Holders	3	70,000,000.00	61,973,033.12	68,010,205.92
Pensions/ Training Fund/ Traditional Rulers Council	3	230,000,000.00	206,017,376.52	0
Funding Of Primary Education	3	690,000,000.00	697,167,765.94	0
Internal Debt Servicing/Admin. Charges	3	10,000,000.00	109,278,563.43	0
Total Consolidated Revenue Fund Charges		1,000,000,000.00	1,074,436,739.01	68,010,205.92
Personnel Costs	4	450,000,000.00	359,818,161.14	285,980,697.20
Overhear Costs	5	300,000,000.00	145,954,487.41	123,908,318.50
TOTAL PAYMENTS		1,750,000,000.00	1,580,209,387.56	477,899,221.62
Net Cash Flow from Operating Activities A		932,000,000.00	18,643,755.60	167,717,662.60
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	932,000,000.00	82,654,875.00	121,108,458.47
Net Cash Flow From Investing Activities B			(82,654,875.00)	(121,108,458.47)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/Decrease in other Cash Assets	7		(1,093,880.74)	(19,008,809.26)
Increase/Decrease in other Liabilities	8		24,254,289.94	188,350.00
Total Cash Flow From other Cash equivalent Accounts C			23,160,409.20	(18,820,459.26)
NET CASH FLOW FOR THE YEAR (A+B+C)			(40,850,710.20)	27,788,744.87
Cash and its equivalent as at 1 st January, 2020	9		53,530,410.00	25,741,665.13
Cash and its equivalent as at 31 st December, 2020	9		12,679,699.80	53,530,410.00

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	33,520.00	32,520.00
Cash at Bank	9	12,646,179.80	53,497,890.00
TOTAL LIQUID ASSETS		12,679,699.80	53,530,410.00
Investment & Other Cash Assets:			
Advances	10	468,812,500.74	467,718,620.00
TOTAL ASSETS		<u>481,492,200.54</u>	<u>521,249,030.00</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		(227,590,305.90)	(163,579,186.50)
OTHER LIABILITIES			
Deposits	11	709,082,506.44	684,828,216.50
TOTAL LIABILITIES		<u>481,492,200.54</u>	<u>521,249,030.00</u>

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 N	Description	Initial Budget 2020 N	Supp- Budget 2020 N	Final Budget 2020 N	Actual 2020 N	VAR %
(210,188,390.63)	Opening Balance	0	0	0	(163,579,186.50)	0
	Add revenue:					
586,306,034.22	Statutory Allocation	1,650,000,000.00	0	1,650,000,000.00	963,766,031.28	(41)
0	Valued Added Tax	350,000,000.00	0	350,000,000.00	396,394,354.14	13
0	Stabilization	0	0	0	4,117,186.29	100
0	Others	300,000,000.00	0	300,000,000.00	119,901,582.21	(60)
0	State Allocation	30,000,000.00	0	30,000,000.00	14,962,239.24	(50)
586,306,034.22	Sub Total Statutory Allocation	2,330,000,000.00	0	2,330,000,000.00	1,499,141,393.16	(35)
0	Taxes	3,000,000.00	0	3,000,000.00	0	(100)
52,485,000.00	Rates	95,000,000.00	0	95,000,000.00	95,550,000.00	6
1,372,350.00	Local License, Fines And Fees	13,000,000.00	0	13,000,000.00	740,250.00	(94)
5,407,000.00	Earning From Commercial Undertaking	22,000,000.00	0	22,000,000.00	3,176,000.00	(86)
0	Rent On Local Govt. Property	5,000,000.00	0	5,000,000.00	0	(100)
0	Interest & Dividends Receivable	0	0	0	0	-
0	Grants	1,000,000.00	0	1,000,000.00	0	(100)
46,500.00	Miscellaneous	11,000,000.00	0	11,000,000.00	245,500.00	(98)
59,310,850.00	Sub. Total IGR	150,000,000.00	0	150,000,000.00	99,711,750.00	(34)
435,428,493.59	TOTAL REVENUE	2,480,000,000.00	0	2,480,000,000.00	1,435,273,956.66	(42)
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
68,010,205.92	Political/Public Office Holders	70,000,000.00	0	70,000,000.00	61,973,033.12	11
0	Pension/Training Fund/Traditional Rulers Council	230,000,000.00	0	230,000,000.00	206,017,376.52	(10)
0	Funding Of Primary Education	690,000,000.00	0	690,000,000.00	697,167,765.94	(1)
0	Internal Debt Servicing/Admin. Charges	10,000,000.00	0	10,000,000.00	109,278,563.43	(992)
68,010,205.92	Sub Total CRFC	1,000,000,000.00	0	1,000,000,000.00	1,074,436,739.01	(7)
285,980,697.20	Personnel Costs	450,000,000.00	0	450,000,000.00	359,818,161.14	20
123,908,318.50	Overhead Costs	300,000,000.00	0	300,000,000.00	145,954,487.41	51
477,899,221.62	Total Recurrent Expenditure	1,750,000,000.00	0	1,750,000,000.00	1,580,209,387.56	(10)
(42,470,728.03)	Operating Balance	730,000,000.00	0	730,000,000.00	(144,935,430.90)	
(121,108,458.47)	Transfer to Capital Dev. Fund	932,000,000.00	0	932,000,000.00	(82,654,875.00)	91
(163,579,186.50)	CLOSING BALANCE	(202,000,000.00)	0	(202,000,000.00)	(227,590,305.90)	

IBENO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	2,000,000.00	0	2,000,000.00	0	0
	Add Revenue:					
121,108,458.47	Transfer to Capital Dev. Fund	932,000,000.00	0	932,000,000.00	82,654,875.00	(91)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	100,000,000.00	0	100,000,000.00	0	(100)
121,108,458.47	Total Revenue available	1,134,000,000.00	0	1,134,000,000.00	82,654,875.00	(93)
	Less Capital Expenditure					
24,138,000.00	Economic Sector	213,900,000.00		213,900,000.00	14,219,875.00	93
23,665,000.00	Social Sector	208,000,000.00		208,000,000.00	15,240,000.00	93
16,610,000.00	Environmental/Regional Development	150,300,000.00		150,300,000.00	8,200,000.00	95
56,695,458.47	General Administration	359,800,000.00		359,800,000.00	44,995,000.00	87
121,108,458.47	Total Expenditure	932,000,000.00		932,000,000.00	82,654,875.00	91
0	Closing Balance	202,000,000.00		202,000,000.00	0	

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	139,685,781.45	0	139,685,781.45	1,246,853.27	140,932,634.72	68,848,600.26
February	125,023,590.01	0	125,023,590.01	1,246,853.27	126,270,443.28	40,911,074.47
March	117,545,859.18	0	117,545,859.18	1,246,853.27	118,792,712.45	38,002,256.14
April	129,352,380.95	0	129,352,380.95	1,246,853.27	130,599,234.22	40,697,946.48
May	119,751,438.87	0	119,751,438.87	1,246,853.27	120,998,292.14	39,587,028.70
June	107,865,538.21	0	107,865,538.21	1,246,853.27	109,112,391.48	51,514,741.67
July	131,203,940.50	0	131,203,940.50	1,246,853.27	132,450,793.77	57,001,406.53
August	134,952,852.43	0	134,952,852.43	1,246,853.27	136,199,705.70	53,740,870.65
September	138,651,662.97	6,627,083.41	132,024,579.56	1,246,853.27	133,271,432.83	52,096,245.02
October	130,043,060.24	6,627,083.41	123,415,976.83	1,246,853.27	124,662,830.10	49,648,929.37
November	117,578,691.53	6,627,083.41	110,951,608.12	1,246,853.27	112,198,461.39	51,151,464.73
December	119,032,691.22	6,627,083.41	112,405,607.81	1,246,853.27	113,652,461.08	43,105,470.20
Total	1,510,687,487.56	26,508,333.64	1,484,179,153.92	14,962,239.24	1,499,141,393.16	586,306,034.22

NOTE 2: INTERNALLY GENERATED REVENUE (IGR)

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	3,000,000.00	-	-
1002	Rates	95,000,000.00	95,550,000.00	52,485,000.00
1003	Local Licenses, Fines & Fees	13,000,000.00	740,250.00	1,372,350.00
1004	Earning from Commercial Undertaking	22,000,000.00	3,176,000.00	5,407,000.00
1005	Rent on Local Govt. Property	5,000,000.00	0	0
1006	Interest and Dividends	0	0	0
1007	Grants	1,000,000.00	0	0
1008	Miscellaneous	11,000,000.00	245,500.00	46,500.00
	Total	150,000,000.00	99,711,750.00	59,310,850.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70 000.000.00	61,973,033.12	68,010,205.92
Pension, 1% Training Fund, TRC	230, 000.000.00	206,017,376.52	0
Funding of Primary Education	690, 000.000.00	697,167,765.94	0
Internal Debt Servicing/Admini. Charges	10,000,000.00	109,278,563.43	0
TOTAL	1,000 000.000.00	1,074,436,739.01	68,010,205.92

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	126,866,900.00	100,274,352.30	76,425,013.98
2005	Finance and Supplies	60,863,500.00	59,376,303.99	35,761,704.30
2006	Social Development, Information, Youth Sport & Culture	34,195,000.00	14,642,031.14	15,244,476.61
2007	Primary Health Care	169,740,200.00	155,241,032.42	135,343,354.44
2008	Agriculture and Natural Resources	8,275,670.00	4,926,292.55	4,381,984.46
2009	Works And Housing, Land & Survey	31,482,750.00	16,123,980.13	12,585,386.25
2010	Traditional Rulers Office	5,335,980.00	-	-
2011	Budget, Planning, Research and Statistics	13,240,000.00	9,234,168.61	6,238,777.16
	Total	450,000,000.00	359,818,161.14	285,980,697.20

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Chairman	55,000,000.00	29,350,500.00	36,750,000.00
2001B	Office of the Vice Chairman	8,000,000.00	5,244,700.00	3,650,000.00
2002A	Office of the Secretary	5,000,000.00	1,415,000.00	1,380,000.00
2002B	Office of the Supervisors	15,000,000.00	3,232,000.00	4,037,500.00
2002C	Office of the Special Advisers	12,000,000.00	1,520,000.00	1,982,500.00
2003A	General Council	20,000,000.00	5,615,000.00	5,755,000.00
2003B	Office of the Leader	4,000,000.00	2,000,000.00	1,935,000.00
2003C	Office of the Deputy Leader	3,750,000.00	1,570,000.00	1,320,000.00
2003D	Office of the Majority Leader	3,000,000.00	1,380,000.00	1,370,000.00
2003E	Office of the Dep. Majority Leader	3,000,000.00	1,380,000.00	1,370,000.00
2003F	Office of the Chief Whip	3,000,000.00	1,405,000.00	1,285,000.00
2003G	Office of the Dep. Chief Whip	3,000,000.00	1,404,160.00	1,370,000.00
2003H	Office of the Clerk	2,000,000.00	745,000.00	52,500.00
2004A	Head of Local Govt. Service	8,000,000.00	2,828,800.00	4,106,000.00
2004B	Administration Department	10,000,000.00	3,119,100.00	4,529,500.00
2005	Finance/Supplies Department	8,000,000.00	4,834,850.00	5,992,400.00
2006	Education information & Sport	5,000,000.00	980,000.00	185,000.00
2007	Medical and Health Department	5,000,000.00	613,000.00	1,360,000.00
2008	Agricultural and Natural Resources	5,000,000.00	615,000.00	272,000.00
2009	Works and Housing Department	5,000,000.00	1,431,000.00	871,000.00
2010	Budget, Planning, Research & Statistic	5,000,000.00	145,000.00	945,000.00
2011	Traditional Rulers Office	5,000,000.00	1,700,000.00	3,100,000.00
2012	Miscellaneous	107,250,000.00	73,426,377.41	40,289,918.50
	Total	300,000,000.00	145,954,487.41	123,908,318.50

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	213,900,000.00	14,219,875.00	24,138,000.00
Social Sector	208,000,000.00	15,240,000.00	23,665,000.00
Environmental Sector	150,300,000.00	8,200,000.00	16,610,000.00
Administration Sector			
General Administration (Executive)	277,360,000.00	38,180,000.00	32,456,084.00
General Administration (Legislature)	82,440,000.00	6,815,000.00	24,239,374.47
Total	932,000,000.00	82,654,875.00	121,108,458.47

NOTE 7: INCREASE / DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	468,812,500.50	2019 Advances	467,718,620.00
2019 Advances	467,718,620.00	2018 Advances	448,709,810.74
	(1,093,880.50)		(19,008,809.26)

NOTE 8: INCREASE / DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	709,082,506.44	2019 Deposits	684,828,216.50
2019 Deposits	684,828,216.50	2018 Deposits	684,639,866.50
	24,254,289.94		185,350.00

NOTE 9: CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
Cash in Hand	33,520.00	32,520.00
Cash at Bank:		
(i) Zenith Bank A/C (Salary) 1014518255	8,005,093.09	27,165,266.12
(ii) Zenith Bank A/C 1011311015	41,283.13	560,549.91
(iii) Access Bank A/C 0019489180	240,896.44	240,896.44
(iv) United Bank for Africa (UBA I)	3,702,312.64	16,676,358.03
(v) United Bank for Africa (UBA II)	10,672.50	10,672.50
(vii)Diamond Bank	0	8,198,225.00
(v) Skye bank	645,922.00	645,922.00
Sub Total Bank	12,646,179.80	53,497,890.00
Total	12,679,699.80	53,530,410.23

NOTE 10: ADVANCES

Detail	2020 ₦	2019 ₦
Purchases	461,338,897.50	449,364,997.00
Imprest	13,195,300.00	24,725,700.00
Touring	(20,129,800.00)	(20,780,180.00)
Salary/Special	14,408,103.24	14,408,103.00
Motor Vehicle	0	0
Others	0	0
Total	468,812,500.74	467,718,620.00

NOTE 11: DEPOSITS

Detail	2020 ₦	2019 ₦
PAYE Tax	1,287,128.57	2,146,254.01
NULGE Dues State/ Branch	544,340.66	296,615.42
NANNM	1,307,235.65	1,256,246.68
VAT	7,695,759.07	6,008,259.07
Withholding Tax	0	0
Pension Deductions	2,267,215.35	2,267,215.35
2%, 5% and 10% Tax	11,154,456.39	11,154,456.39
Unclaimed Balances	348,869,230.89	346,585,080.89
Unclaimed Bal to Contractors	178,577,438.06	178,527,438.06
MHWU	996,985.44	228,821.50
Miscellaneous	0	0
Others	156,382,716.36	136,357,829.13
Total	709,082,506.44	684,828,216.50

IBESIKPO ASUTAN LOCAL GOVERNMENT

AKWA IBOM STATE OF NIGERIA

Telegram:

Telephone:

*All correspondence be addressed to
the Office of the Chairman.*

Your Ref:

Our Ref:



OFFICE OF THE CHAIRMAN
SECRETARIAT COMPLEX
NUNG UDOE
AKWA IBOM STATE.

25th August, 2021

RESPONSIBILITY FOR THE FINANCIAL STATEMENT

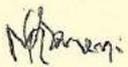
These Financial Statements have been prepared by the Director of Finance of Ibesikpo Asutan Local Government Council in accordance with the provision of the Model Financial Memoranda.

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

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

Statements, the information they contain and their compliance with the International Public Sector Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of the Ibesikpo Asutan Local Government Council as at 31st December, 2020 and its operations for the year ended on that date.


Mrs. Mfon C. Ekanem
Director of Finance


Lady Hon. Akon M. Asuquo
Executive Chairman

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Ibesikpo Asutan Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ibesikpo Asutan Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

IBESIKPO ASUTAN LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) **Reporting Currency**

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) **Departments for Consolidation**

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) **Comparative Information**

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

(ix) **Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) **Revenues:**

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) **Payments:**

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) **External Assistance:**

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

IBESIKPO ASUTAN LOCAL GOVERNMENT COUNCIL
STATEMENT NO.1:
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,600,000,000.00	1,122,739,330.04	697,589,637.76
Value Added Tax	1	350,000,000.00	459,885,788.73	0
Stabilization	1	0	4,778,137.14	0
Others	1	200,000,000.00	138,308,062.87	0
State Allocation	1	30,000,000.00	17,686,785.36	0
Sub Total Statutory Allocation		2,180,000,000.00	1,743,398,104.14	697,589,637.76
Taxes	2	302,000.00	0	0
Rates	2	7,000,000.00	5,665,625.00	2,361,000.00
Local License fines & fees	2	7,498,000.00	108,100.00	665,060.00
Earning from Commercial undertaking	2	5,600,000.00	0	300,000.00
Rent on Local Govt. Property	2	2,900,000.00	50,150.00	43,000.00
Interest and Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	8,700,000.00	1,346,777.50	285,000.00
Sub Total IGR		32,000,000.00	7,170,652.50	3,654,060.00
Capital Receipts: B/F		100,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		30,000,000.00	0	0
TOTAL RECEIPTS		2,342,100,000.00	1,750,568,756.64	701,243,697.76
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	72,000,000.00	57,900,804.91	77,140,447.91
Training Fund/Traditional Rulers Council	3	250,000,000.00	219,928,709.50	0
Funding of Primary Education	3	750,000,000.00	808,832,056.42	0
Internal Debt Servicing/Admin. Charges	3	30,000,000.00	108,686,097.45	8,328,320.00
Total Consolidated Revenue Fund Charges		1,102,000,000.00	1,195,347,668.28	85,468,767.91
Personnel Costs	4	600,000,000.00	444,053,637.84	391,633,327.12
Overhead Costs	5	200,000,000.00	70,098,722.20	119,493,206.39
TOTAL PAYMENTS		1,902,000,000.00	1,709,500,028.32	596,595,301.42
Net Cash flow from Operating activities (A)		440,100,000.00	41,068,728.32	104,648,396.34
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	440,100,000.00	29,770,000.00	63,369,292.00
Net Cash flow From Investing Activities (B)		(440,100,000.00)	(29,770,000.00)	(63,369,292.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(22,373,000.00)	(43,020,437.50)
Increase/decrease in other Liabilities	8		(1,519,600.99)	23,372,235.05
Total Cash Flow From other Cash equivalent Accounts C			(23,892,600.99)	(19,648,202.45)
Net Cash Flow For the Year (A+B+C)			(12,593,872.67)	21,630,901.89
Cash and its equivalents as at 1st January, 2020	9		31,686,751.80	10,055,849.91
Cash and its equivalents as at 31st December, 2020	9		19,092,879.13	31,686,751.80

IBESIKPO ASUTAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2:

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	6,861.42	1,307,493.11
Cash at Bank	9	19,086,017.71	30,379,258.69
TOTAL LIQUID ASSETS		19,092,879.13	31,686,751.80
Investment & Other Cash Assets:			
Advances	10	1,074,381,803.00	1,052,008,803.00
TOTAL ASSETS		<u>1,093,474,682.13</u>	<u>1,083,695,554.80</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		741,133,138.93	729,834,410.61
OTHER LIABILITIES			
Deposits	11	352,341,543.20	353,861,144.19
TOTAL LIABILITIES		<u>1,093,474,682.13</u>	<u>1,083,695,554.80</u>

IBESIKPO ASUTAN LOCAL GOVERNMENT COUNCIL
STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 N	Description	Initial Budget 2020 N	Supp- Budget 2020 N	Final Budget 2020 N	Actual 2020 N	VAR %
688,555,306.27	Opening Balance	0	0	0	729,834,410.61	
	ADD REVENUE:					
697,589,637.76	Statutory Allocation	1,600,000,000.00	0	1,600,000,000.00	1,122,739,330.04	(30)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	459,885,788.73	31
0	Stabilization	0	0	0	4,778,137.14	100
0	Others	200,000,000.00	0	200,000,000.00	138,308,062.87	(31)
0	State Allocation	30,000,000.00	0	30,000,000.00	17,686,785.36	(41)
697,589,637.76	Sub Total Statutory Allocations	2,180,000,000.00	0	2,180,000,000.00	1,743,398,104.14	(20)
0	Taxes	302,000.00	0	302,000.00	0	(100)
2,361,000.00	Rates (Tenement)	7,000,000.00	0	7,000,000.00	5,665,625.00	(19)
665,060.00	Local License fines & fees	7,498,000.00	0	7,498,000.00	108,100.00	(99)
300,000.00	Earning from Comm. undertaking	5,600,000.00	0	5,600,000.00	0	(100)
43,000.00	Rent on Local Govt. Property	2,900,000.00	0	2,900,000.00	50,150.00	(100)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
285,000.00	Miscellaneous	8,700,000.00	0	8,700,000.00	1,346,777.50	(85)
3,654,060.00	Sub Total IGR	32,000,000.00	0	32,000,000.00	7,170,652.50	(78)
1,389,799,004.03	TOTAL REVENUE	2,212,000,000.00	0	2,212,000,000.00	2,480,403,167.25	(12)
	EXPENDITURE:					
	Consolidated Rev. Fund Charges:					
77,140,447.91	Political/Public Office Holders	72,000,000.00	0	72,000,000.00	57,900,804.91	20
0	Pensions/Training Fund/Traditional Rulers Council	250,000,000.00	0	250,000,000.00	219,928,709.50	12
0	Funding of Primary Education	750,000,000.00	0	750,000,000.00	808,832,056.42	(8)
8,328,320.00	Internal Debt Servicing/ Admin. Charges	30,000,000.00	0	30,000,000.00	108,686,097.45	(262)
85,468,767.91	Sub Total CRFC	1,102,000,000.00	0	1,102,000,000.00	1,195,347,668.28	(9)
391,633,327.12	Personnel Costs	600,000,000.00	0	600,000,000.00	444,053,637.84	26
119,493,206.39	Overhead Costs	200,000,000.00	0	200,000,000.00	70,098,722.20	65
596,595,301.42	TOTAL RECURRENT EXPENDITURE	1,902,000,000.00	0	1,902,000,000.00	1,709,500,028.32	70
793,203,702.61	Operating Balance	310,000,000.00	0	310,000,000.00	770,903,138.93	
63,369,292.00	Transfer to Capital Dev. Fund	440,100,000.00	0	440,100,000.00	29,770,000.00	99
729,834,410.61	Closing Balance	(130,100,000.00)	0	(130,100,000.00)	741,133,138.93	

IBESIKPO ASUTAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	100,000.00	0	100,000.00	-	
	Add Revenue:					
63,369,292.00	Transfer from Consolidated Rev. Fund	440,100,000.00	0	440,000,000.00	29,770,000.00	(99)
0	Grant	100,000,000.00	0	100,000,000.00	0	100
0	Miscellaneous	30,000,000.00	0	30,000,000.00	0	100
63,369,292.00	Total Revenue available	570,200,000.00	0	570,200,000.00	29,770,000.00	93
	Less Capital Expenditure :					
20,313,000.00	Economic Sector:-	99,600,000.00	0	99,600,000.00	14,876,500.00	85
13,509,000.00	Social Sector:-	93,000,000.00	0	93,000,000.00	1,957,500.00	78
8,550,000.00	Environmental/Regional Dev.	43,000,000.00	0	43,000,000.00	2,396,000.00	94
20,997,292.00	General Administration	204,500,000.00	0	204,500,000.00	10,540,000.00	95
63,369,292.00	Total	440,100,000.00	0	440,100,000.00	29,770,000.00	93
0	Closing Balance	130,100,000.00	0	130,100,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	162,118,276.47	0	162,118,276.47	1,473,898.78	163,592,175.25	79,336,443.64
February	144,852,998.89	0	144,852,998.89	1,473,898.78	146,326,897.67	49,761,654.21
March	135,773,536.07	0	135,773,536.07	1,473,898.78	137,247,434.85	47,127,149.11
April	150,060,578.93	0	150,060,578.93	1,473,898.78	151,534,477.71	51,835,222.15
May	138,994,783.28	0	138,994,783.28	1,473,898.78	140,468,682.06	48,387,317.93
June	125,217,711.18	0	125,217,711.18	1,473,898.78	126,691,609.96	60,920,170.74
July	152,318,750.93	0	152,318,750.93	1,473,898.78	153,792,649.71	66,066,836.00
August	156,640,516.98	0	156,640,516.98	1,473,898.78	158,114,415.76	60,636,820.46
September	160,925,680.22	6,627,083.41	154,298,596.81	1,473,898.78	155,772,495.59	60,623,888.06
October	150,953,524.18	6,627,083.41	144,326,440.77	1,473,898.78	145,800,339.55	59,142,027.76
November	136,426,558.96	6,627,083.41	129,799,475.55	1,473,898.78	131,273,374.33	60,844,278.75
December	137,936,736.33	6,627,083.41	131,309,652.92	1,473,898.78	132,783,551.70	52,907,828.95
Total	<u>1,752,219,652.42</u>	<u>26,508,333.64</u>	<u>1,725,711,318.78</u>	<u>17,686,785.36</u>	<u>1,743,398,104.14</u>	<u>697,589,637.76</u>

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	302,000.00	0	0
1002	Rates	7,000,000.00	5,665,625.00	2,361,000.00
1003	Local License fees and fines	7,498,000.00	108,100.00	665,060.00
1004	Earnings from Comm. Undertakings	5,600,000.00	0	300,000.00
1005	Rent on Local Government property	2,900,000.00	50,150.00	43,000.00
1006	Interest on Dividends	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	8,700,000.00	1,346,777.50	285,000.00
	TOTAL	32,000,000.00	7,170,652.50	3,654,060.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	72,000,000.00	57,900,804.91	77,140,447.91
Pension, 1% Training Fund, TRC	250,000,000.00	219,928,709.50	0
Funding of Primary Education	750,000,000.00	808,832,056.42	0
Internal Debt Servicing /Admin. Charges	30,000,000.00	108,686,097.45	8,328,320.00
TOTAL	1,102,000,000.00	1,195,347,668.28	85,468,767.91

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
2004	Administration	132,100,000.00	112,594,053.33	97,190,036.41
2005	Finance and Supplies	110,048,000.00	80,217,429.28	72,270,842.71
2006	Education	80,453,000.00	56,537,291.26	51,366,196.49
2007	Primary Health Care	197,599,000.00	135,195,688.32	121,702,291.73
2008	Agric& Natural Resources	16,075,000.00	13,883,987.51	9,925,614.96
2009	Works, Land And Survey	39,956,000.00	30,619,408.95	25,973,304.45
2010	B. PRS	23,769,000.00	15,005,779.19	13,205,040.37
2011	Traditional Ruler's Council	0	0	0
	Total	<u>600,000,000.00</u>	<u>444,053,637.84</u>	<u>391,633,327.12</u>

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
2001A	Office of the Chairman	30,150,000.00	20,565,000.00	24,400,000.00
2001B	Office of the Vice Chairman	6,250,000.00	2,440,000.00	2,510,000.00
2002A	Office of the Secretary	3,500,000.00	280,000.00	1,049,000.00
2002B	Office of the Special Advisers	4,200,000.00	0	2,118,000.00
2002C	Office of the Supervisors	6,000,000.00	0	1,570,000.00
2003A	Legislative Arm/General Council	9,700,000.00	10,110,000.00	4,800,000.00
2003B	Office of the Leader	5,040,000.00	1,270,000.00	2,090,000.00
2003C	The Office of the Deputy Leader	3,870,000.00	1,150,000.00	1,870,000.00
2003D	Office of the Majority Leader	3,440,000.00	0	1,950,000.00
2003E	Office of the Dep. Majority Leader	3,150,000.00	0	1,200,000.00
2003F	Office of the Chief Whip	3,300,000.00	300,000.00	1,200,000.00
2003G	Office of the Dep. Chief Whip	3,100,000.00	0	1,300,000.00
2003H	Office of the Clerk	2,500,000.00	0	380,000.00
2004A	Office of the HOS L/G	8,400,000.00	400,000.00	1,485,000.00
2004B	General Administration	4,000,000.00	160,000.00	1,054,000.00
2005	Finance and Supplies	7,100,000.00	320,000.00	4,300,000.00
2006	Education, Information and Sports	3,100,000.00	205,000.00	151,000.00
2007	Health	3,300,000.00	352,500.00	402,000.00
2008	Agriculture and Natural Resources	2,700,000.00	115,000.00	240,000.00
2009	Works and Housing	3,600,000.00	1,050,000.00	2,140,000.00
2010	Budget, Planning, Research& Logistics	3,600,000.00	40,000.00	290,000.00
2011	Traditional Rulers Council	0	0	0
2012	Miscellaneous	80,000,000.00	31,341,222.20	63,004,206.39
	Total	<u>200,000,000.00</u>	<u>70,098,722.20</u>	119,493,206.39

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
Economic Sector	99,600,000.00	14,876,500.00	20,313,000.00
Social Sector	93,000,000.00	1,957,500.00	13,509,000.00
Environmental Sector	43,000,000.00	2,396,000.00	8,550,000.00
Administrative Sector:			
General Administration (Executive)	124,800,000.00	6,640,000.00	20,997,292.00
General Administration (Legislative)	79,700,000.00	3,900,000.00	0
Total	<u>440,100,000.00</u>	<u>29,770,000.00</u>	<u>63,369,292.00</u>

NOTE 7 : INCREASE / DECREASE IN OTHER CASH ASSETS

2020 N		2019 N	
2020 Advances	1,074,381,803.00	2019 Advances	1,052,008,803.00
2019 Advances	1,052,008,803.00	2018 Advances	1,008,988,365.50
	(22,373,000.00)		(43,020,437.50)

NOTE 8: INCREASE / DECREASE IN OTHER LIABILITIES

2020 N		2019 N	
2019 Deposits	352,341,543.20	2019 Deposits	353,861,144.19
2018 Deposits	353,861,144.19	2018 Deposits	330,488,909.14
	(1,519,600.99)		23,372,235.05

NOTE 9: CASH AND BANK BALANCES

Description	2020 N	2019 N
Cash in Hand	6,861.42	1,307,493.11
Cash at Bank:		
Zenith Bank A/c (Salary)	15,567,207.11	23,057,174.21
Zenith Bank A/c (Project)	3,479,531.75	7,282,805.63
Diamond Bank A/c	16,344.71	16,344.71
Eco Bank 2062000878	22,934.14	22,934.14
Sub Total	19,086,017.71	30,379,258.69
Total	19,092,879.13	31,686751.80

NOTE 10: ADVANCES

Detail	2020 N	2019 N
Purchases Advance	800,283,822.00	782,155,822.00
Imprest Advance	137,389,607.00	133,144,607.00
Touring Advance	91,257,857.00	91,257,857.00
Salary/Special Advance	45,450,517.00	45,450,517.00
Motor Vehicle	0	0
Others	0	0
TOTAL	1,074,381,803.00	1,052,008,803.00

NOTE 11: DEPOSITS

Detail	2020 N	2019 N
PAYE Tax	3,479,972.71	3,479,972.71
NULGE Dues-State/Branch	915,143.42	915,143.42
NANNM	1,230,774.20	1,230,774.20
VAT	4,552,145.34	4,552,145.34
Withholding Tax	3,856,772.92	3,856,772.92
Pension Fund	0	20,271,648.10
OTHERS	338,306,734.61	319,554,687.50
TOTAL	352,341,543.20	353,861,144.19

IBIONO IBOM LOCAL GOVERNMENT

AKWA IBOM STATE OF NIGERIA



Our Ref:

Your Ref:



LOCAL GOVERNMENT SECRETARIAT
OKO ITA
IBIONO IBOM L.G.A

5th July, 2021

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Ibiono Ibom Local Government 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 Principles (GAAP).

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

The Director of Finance has responsibility for ensuring that the internal Control 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 Standards (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflects the Financial position of Ibiono Ibom Local Government as at 31st December, 2020 and its operations for the year ended on that date.


Mr. Christian H. Akpan
Director of Finance
Ibiono Ibom Local Govt. Council


Rt. Hon. Ekopimo P. Edet
Executive Chairman
Ibiono Ibom Local Govt. Council

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

The Executive Chairman
Ibiono Ibom Local Government Council
Okoi-Ita

AUDIT CERTIFICATE ON THE ACCOUNTS OF IBIONO IBOM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Ibiono Ibom Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22(3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ibiono Ibom Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

IBIONO IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

IBIONO IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,500,000,000.00	1,223,819,921.32	555,020,180.36
Valued Added Tax	1	400,000,000.00	513,931,842.43	0
Stabilization	1	0	5,198,392.00	0
Others	1	250,000,000.00	150,011,524.63	0
State Allocation	1	30,000,000.00	18,793,858.08	0
Sub Total Statutory Allocation		2,180,000,000.00	1,911,755,538.46	555,020,180.36
Taxes	2	1,400,000.00	0	0
Rates	2	3,653,500.00	2,915,625.00	45,000.00
Local License Fines and Fees	2	1,163,500.00	461,610.42	150,150.00
Earning From Commercial Undertaking	2	3,683,000.00	310,000.00	14,395,000.00
Rent on Local Govt. Property	2	900,000.00	48,000.00	0
Interest and Dividend Receivable	2	200,000.00	0	0
Grant	2	0	0	0
Miscellaneous	2	4,000,000.00	11,941,844.91	12,434,954.21
Sub Total: IGR		15,000,000.00	15,677,080.33	27,025,104.21
Capital Receipts: B/F		1,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		10,000,000.00	0	0
TOTAL RECEIPTS		2,306,000,000.00	1,927,432,618.79	582,045,284.57
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/ Public Office Holders	3	75,000,000.00	62,165,394.40	70,975,510.52
Pensions/ Training Fund/ Traditional Rulers Council	3	230,000,000.00	245,630,715.42	0
Funding Of Primary Education	3	750,000,000.00	1,086,178,439.44	0
Internal Debt Servicing/Admin. Charges	3	10,000,000.00	110,143,488.69	600,000.00
Total Consolidated Revenue Fund Charges		1,065,000,000.00	1,504,118,037.95	71,575,510.52
Personnel Costs	4	400,000,000.00	305,942,189.24	254,066,960.84
Overhear Costs	5	200,000,000.00	101,664,483.0	124,660,035.11
TOTAL PAYMENTS		1,665,000,000.00	1,911,724,710.19	450,302,506.47
Net Cash Flow from Operating Activities A		641,000,000.00	15,707,908.60	131,742,778.10
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	641,000,000.00	36,379,442.00	104,521,983.28
Net Cash Flow From Investing Activities B			(36,379,442.00)	(104,521,983.28)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(8,376,918.32)	(40,921,500.00)
Increase/decrease in other Liabilities	8		10,225,881.81	40,272,123.83
Total Cash Flow From other Cash equivalent Accounts C			1,848,963.49	(649,376.17)
NET CASH FLOW FROM FOR THE YEAR (A+B+C)			(18,822,569.91)	26,571,418.65
Cash and its equivalent as at 1 st January, 2019	9		36,070,321.30	9,498,902.65
Cash and its equivalent as at 31 st January, 2020	9		17,247,751.39	36,070,321.30

IBIONO IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS & LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	872,852.16	4,073,311.00
Cash at Bank	9	16,374,899.23	31,997,010.30
TOTAL LIQUID ASSETS		17,247,751.39	36,070,321.30
Investment & Other Cash Assets:			
Advances	10	1,135,570,797.32	1,127,193,879.00
TOTAL ASSETS		<u>1,152,818,548.71</u>	<u>1,163,264,200.30</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		947,552,342.11	968,223,875.51
OTHER LIABILITIES			
Deposits	11	205,266,206.60	195,040,324.79
TOTAL LIABILITIES		<u>1,152,818,548.71</u>	<u>1,163,264,200.30</u>

IBIONO IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	VAR %
941,003,080.69	Opening Balance	0	0	0	968,223,875.51	0
	Add Revenue:					
555,020,180.36	Statutory Allocation	1,500,000,000.00	0	1,500,000,000.00	1,223,819,921.32	(18)
0	Valued Added Tax	400,000,000.00	0	400,000,000.00	513,931,842.43	(28)
0	Stabilization	0	0	0	5,198,392.00	100
0	Others	250,000,000.00	0	250,000,000.00	150,011,524.63	(40)
0	State Allocation	30,000,000.00	0	30,000,000.00	18,793,858.08	(37)
555,020,180.36	Sub Total Statutory Allocation	2,180,000,000.00	0	2,180,000,000.00	1,911,724,710.19	(12)
0	Taxes	1,400,000.00	0	1,400,000.00	0	(100)
45,000.00	Rates	3,653,500.00	0	3,653,500.00	2,915,625.00	(21)
150,150.00	Local License, Fines And Fees	1,163,500.00	0	1,163,500.00	461,610.42	(40)
14,395,000.00	Earning From Commercial Undertaking	3,683,000.00	0	3,683,000.00	310,000.00	(91)
0	Rent On Local Govt. Property	900,000.00	0	900,000.00	48,000.00	(95)
0	Interest & Dividends Receivable	200,000.00	0	200,000.00	0	(100)
0	Grants	-	0	0	0	
12,434,954.21	Miscellaneous	4,000,000.00	0	4,000,000.00	11,941,844.91	198
27,025,104.21	Sub. Total IGR	15,000,000.00	0	15,000,000.00	15,677,080.33	5
1,523,048,365.26	TOTAL REVENUE	2,195,000,000.00	0	2,195,000,000.00	2,895,656,494.30	32
	EXPENDITURE					
-	Consolidated Rev. Fund Charges					
70,975,510.52	Political/Public Office Holders	75,000,000.00	0	75,000,000.00	62,165,394.40	(17)
0	Pension/Training Fund/Traditional Rulers Council	230,000,000.00	0	230,000,000.00	245,630,715.42	(7)
0	Funding Of Primary Education	750,000,000.00	0	750,000,000.00	1,086,178,439.44	(45)
600,000.00	Internal Debt Servicing/Admin. Charges	10,000,000.00	0	10,000,000.00	110,143,488.69	(1001)
71,575,510.52	Sub Total CRFC	1,065,000,000.00	0	1,065,000,000.00	1,504,118,037.95	(41)
254,066,960.84	Personnel Costs	400,000,000.00	0	400,000,000.00	305,942,189.24	24
124,660,035.11	Overhead Costs	200,000,000.00	0	200,000,000.00	101,664,483.00	49
450,302,506.47	Total Recurrent Expenditure	1,665,000,000.00	0	1,665,000,000.00	1,911,724,710.19	(15)
1,072,745,858.79	Operating Balance	530,000,000.00	0	530,000,000.00	983,931,784.11	
104,521,983.28	Transfer to Capital Dev. Fund	641,000,000.00	0	641,000,000.00	36,379,442.00	94
968,223,875.51	Closing Balance	(111,000,000.00)	0	(111,000,000.00)	947,552,342.11	

IBIONO IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
104,521,983.28	Transfer from Consolidated Rev. Fund	641,000,000.00	0	641,000,000.00	36,379,442.00	(94)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	10,000,000.00	0	10,000,000.00	0	(100)
104,521,983.28	Total Revenue available	752,000,000.00	0	752,000,000.00	36,379,442.00	(95)
	Less Capital Expenditure :					
18,967,000.00	Economic Sector	136,000,000.00	0	136,000,000.00	10,920,000.00	92
0	Social Sector	129,000,000.00	0	129,000,000.00	11,466,650.00	91
1,080,000.00	Environmental / Regional Development	47,000,000.00	0	47,000,000.00	4,675,000.00	90
84,474,983.28	General Administration	329,000,000.00	0	329,000,000.00	9,317,792.00	97
104,521,983.28	Total Expenditure	641,000,000.00	0	641,000,000.00	36,379,442.00	94
0	Closing Balance	111,000,000.00	0	111,000,000.00	0	0

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	177,446,413.49	0	177,446,413.49	1,566,154.84	179,012,568.33	64,863,446.04
February	158,432,820.23	0	158,432,820.23	1,566,154.84	159,998,975.07	37,274,060.63
March	148,286,635.70	0	148,286,635.70	1,566,154.84	149,852,790.54	35,058,245.13
April	164,343,018.55	0	164,343,018.55	1,566,154.84	165,909,173.39	37,801,672.37
May	152,106,783.53	0	152,106,783.53	1,566,154.84	153,672,938.37	35,861,221.67
June	137,214,210.37	0	137,214,210.37	1,566,154.84	138,780,365.21	49,190,303.57
July	166,939,101.56	0	166,939,101.56	1,566,154.84	168,505,256.40	54,310,968.49
August	171,660,286.96	0	171,660,286.96	1,566,154.84	173,226,441.82	50,873,863.54
September	176,481,608.35	6,627,083.41	169,854,524.94	1,566,154.84	171,420,679.78	51,492,953.13
October	165,564,413.57	6,627,083.41	158,937,330.16	1,566,154.84	160,503,885.00	49,375,399.76
November	149,583,592.33	6,627,083.41	142,956,508.92	1,566,154.84	144,522,663.76	48,403,769.31
December	151,410,729.36	6,627,083.41	144,783,645.95	1,566,154.84	146,349,800.79	40,514,276.72
Total	<u>1,919,470,014.02</u>	<u>26,508,333.64</u>	<u>1,892,961,680.38</u>	<u>18,793,858.08</u>	<u>1,911,755,538.46</u>	<u>555,020,180.36</u>

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	1,400,000.00	0	0
1002	Rates	3,653,500.00	2,915,625.00	45,000.00
1003	Local Licenses, Fines & Fees	1,163,500.00	461,610.42	150,150.00
1004	Earning from Commercial Undertaking	3,683,000.00	310,000.00	14,395,000.00
1005	Rent on Local Govt. Property	900,000.00	48,000.00	0
1006	Interest and Dividends	200,000.00	0	0
1007	Grants	0	0	0
1008	Miscellaneous	4,000,000.00	11,941,844.91	12,434,954.21
	Total	15,000,000.00	15,677,080.33	27,025,104.21

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	62,165,394.40	77,140,447.91
Pension, 1% Training Fund, TRC	230,000,000.00	245,630,715.42	0
Funding of Primary Education	750,000,000.00	1,086,178,439.44	0
Internal Debt Servicing /Admin. Charges	10,000,000.00	110,143,488.69	8,328,320.00
TOTAL	1,065,000,000.00	1,504,118,037.95	85,468,767.91

NOTE 4: PERSONNEL COSTS

Head/ Subhead	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	107,405,185.70	93,551,498.14	73,879,428.42
2005	Finance and Supplies	86,450,304.29	63,810,603.82	50,908,632.60
2006	Education	48,910,908.84	32,234,955.17	27,643,808.43
2007	Primary Health Care	101,435,075.01	86,279,715.32	76,511,229.31
2008	Agriculture and Natural Resources	15,783,738.09	8,855,424.22	7,900,612.92
2009	Works And Housing, Land & Survey	25,623,347.53	14,557,242.36	12,924,007.78
2010	Budget, Planning, Research and Statistics	14,924,681.76	6,652,750.21	4,299,241.38
	Total	360,533,241.23	305,942,189.24	254,066,960.84

NOTE 5: OVERHEAD COSTS

S/N	Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1	2001A	Office of the Chairman	37,000,000.00	20,780,000.00	33,039,000.00
2	2001B	Office of the Vice Chairman	6,000,000.00	4,057,100.00	3,839,000.00
3	2002A	Office of the Secretary	4,000,000.00	328,000.00	740,000.00
4	2002B	Office of the Supervisors	6,000,000.00	3,595,000.00	5,360,000.00
5	2002C	Office of the Special Advisers	5,000,000.00	800,000.00	3,805,000.00
6	2003A	General Council	22,000,000.00	8,635,000.00	17,167,500.00
7	2003B	Office of the Leader	4,000,000.00	2,280,000.00	0
8	2003C	Office of the Deputy Leader	3,000,000.00	1,210,000.00	10,000.00
9	2003D	Office of the Majority Leader	2,500,000.00	1,100,000.00	0
10	2003E	Office of the Dep. Majority Leader	0	0	0
11	2003F	Office of the Chief Whip	2,000,000.00	8,050,000.00	0
12	2003G	Office of the Dep. Chief Whip	2,000,000.00	1,100,000.00	0
13	2003H	Office of the Clerk	2,000,000.00	5,200,000.00	7,190,000.00
14	2004A	Head of Local Govt. Service	4,000,000.00	1,176,000.00	122,000.00
15	2004B	Administration & General Services Dept	6,000,000.00	2,383,400.00	3,304,500.00
16	2005	Finance/Supplies Department	5,000,000.00	2,527,500.00	1,673,000.00
17	2006	Education information & Sport	3,000,000.00	446,000.00	169,000.00
18	2007	Medical and Health Department	4,000,000.00	2,517,500.00	2,530,000.00
19	2008	Agricultural and Natural Resources	3,000,000.00	87,000.00	310,000.00
20	2009	Works and Housing Department	3,500,000.00	998,800.00	7,096,000.00
21	2010	Budget, Planning, Research & Statistic	4,000,000.00	351,500.00	40,000.00
22	2011	Traditional Rulers Office	2,000,000.00	0	0
23	2012	Miscellaneous	70,000,000.00	34,041,683.00	38,265,035.11
		Total	200,000,000.00	101,664,483.00	124,660,035.11

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	136,000,000.00	10,920,000.00	18,967,000.00
Social Sector	129,000,000.00	11,466,650.00	-
Environmental Sector	47,000,000.00	4,675,000.00	1,080,000.00
Administration Sector			
General Administration (Executive)	329,000,000.00	9,317,792.00	77,634,119.28
General Administration (Legislature)	0	0	6,840,864.00
Total	641,000,000.00	36,379,422.00	104,521,983.28

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,135,570,797.32	2019 Advances	1,127,193,879.00
2019 Advances	1,127,193,879.00	2018 Advances	1,086,272,379.00
	(8,376,918.32)		40,921,500.00

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	205,266,206.60	2019 Deposits	195,040,324.79
2019 Deposits	195,040,324.79	2018 Deposits	154,768,200.96
	10,225,881.81		40,272,123.83

NOTE 9: CASH AND BANK BALANCES

	Description	Account Numbers	2020 ₦	2019 ₦
(1)	Cash		872,852.16	4,073,311.00
(2)	Cash at Bank: (i) WEMA Bank	0123143516	3,403,176.79	
	(ii) Zenith Bank A/C (Salary)	1014513999	12,963,033.72	16,035,057.01
	(iii) Zenith Bank A/C (Project)	1011685750	483.00	15,961,953.29
	(iv) UBA	1006663615	8,205.72	-
	TOTAL		17,247,751.39	36,070,321.30

NOTE 10: ADVANCES

	Detail	2020 ₦	2019 ₦
1	Purchases	874,797,028.32	866,420,110.00
2	Imprest	164,295,861.00	164,295,861.00
3	Touring	95,607,908.00	95,607,908.00
4	Salary/Special	870,000.00	870,000.00
	TOTAL	1,135,570,797.32	1,127,193,879.00

NOTE 11: DEPOSITS

Detail	2020 ₦	2019 ₦
PAYE Tax	1,308,182.19	1,282,182.20
NULGE Dues State/Branch	3,600,458.12	2,628,329.07
NANNM	497,387.64	326,451.27
VAT	3,030,060.00	2,737,560.00
Withholding Tax	1,850,029.60	1,557,529.60
Pension Deductions	4,730,492.00	4,730,492.00
MHWU	624,304.98	433,832.01
Others	189,625,292.07	181,343,948.64
Total	205,266,206.60	195,040,324.79



IKA LOCAL GOVERNMENT COUNCIL

URUA INYANG, AKWA IBOM STATE

(All correspondence addressed to the Executive Chairman)

Our Ref:

Your Ref:

RESPONSIBILITY OF 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.

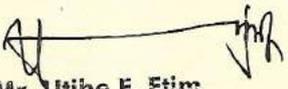
The Financial Statements comply with International Public Sector Accounting Standard (IPSAS) Cash Basis and Generally Accepted Accounting Principle (GAAP).

The Management of Ika Local Government Council is responsible for establishing and maintaining system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly recorded the use of all public 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 of integrity of these financial statements, the information they contain and their compliance with International Public Sector Accounting Standard (IPSAS) and Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ika Local Government Council as at 31st Decemeber, 2020 and its operations for the year ended on that date. |


Mr. Utibe E. Etim

Director of Finance

Date: 2-5-2021


Hon. Malachy M. Ukpeh

Executive Chairman

Date: 09-05-2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Ika Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ika Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial

Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

- (xii) **External Assistance:**
- Receipts from loans are funds received from external sources to be paid back at an agreed period.
 - External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.
- (xiii) **Other Borrowings/Grants & Aid Received:**
- These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).
- Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.
- (xiv) **Interest Received:**
- Interests actually received during the financial year are treated as receipt under item “Other Receipts.”
- (xv) **Government Business Activities:**
- Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.
- Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.
- (xvi) **Cash Balances**
- This includes Cash in Hand, at Bank and Cash Equivalents at the end of the financial year.
- (xvii) **Advances**
- All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.
- (xviii) **Deposits:**
- These are unremitted deductions and unpaid obligations on the reporting date.

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	NOTES	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,500,000,000.00	935,778,913.80	531,583,205.74
Value Added Tax	1	350,000,000.00	393,883,335.34	0
Stabilization	1	0	4,000,826.43	0
Others	1	200,000,000.00	116,661,136.57	0
State Allocation	1	30,000,000.00	15,432,450.84	0
Sub Total: Statutory Allocation		2,080,000,000.00	1,465,756,662.98	531,583,205.74
Taxes	2	1,000,000.00	0	0
Rates	2	3,500,000.00	3,145,625.00	0
Local License fines and fees	2	3,000,000.00	210,030.00	582,750.00
Earning from commercial undertaking	2	6,500,000.00	232,850.00	463,280.00
Rent on local Govt. property	2	2,000,000.00	30,000.00	0
Interest & Dividends Receivable	2	500,000.00	0	0
Grants	2	0	0	0
Miscellaneous	2	3,500,000.00	120,000.00	498,700.00
Sub Total IGR		20,000,000.00	3,738,505.00	1,544,730.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		60,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,211,000,000.00	1,469,495,167.98	533,127,935.74
PAYMENTS:				
Consolidated Rev. Fund Charges				
Political /Public Office Holders	3	70,000,000.00	57,808,962.88	74,870,114.62
Pensions/Training Fund/Traditional Rulers Council	3	200,000,000.00	217,862,785.34	0
Funding of primary Education	3	750,000,000.00	721,346,498.42	0
Internal Debt Servicing/ Admin. Charges	3	20,000,000.00	107,911,426.66	0
Total Consolidated Revenue Fund Charges		1,040,000,000.00	1,104,929,673.30	74,870,114.62
Personnel Costs	4	400,000,000.00	254,379,048.01	246,805,940.20
Overhead Costs	5	220,000,000.00	50,542,733.08	147,179,808.62
TOTAL PAYMENTS		1,660,000,000.00	1,409,851,454.39	468,855,863.44
Net Cash Flow from operating Activities A		551,000,000.00	59,643,713.59	64,272,072.30
CASHFLOWFROM INVESTING ACTIVITIES				
Capital Expenditure	6	551,000,000.00	25,527,502.00	23,152,000.00
Net Cash Flow from Investing Activities B			(25,527,502.00)	(23,152,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cash flow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(62,546,354.00)	(42,105,286.00)
Increase/decrease in other Liabilities	8		23,172,273.45	27,830,329.85
Total Cash Flow From other Cash equivalent Accounts C			(39,374,080.55)	(14,274,956.15)
NET CASH FLOW FOR THE YEAR(A+B+C)			(5,257,868.96)	26,845,116.12
Cash and its equivalent as at 1 st January 2020			30,932,972.27	4,087,856.12
Cash and its equivalent as at 31st December, 2020	9		25,675,103.31	30,932,972.27

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	16,992,540.18	9,852,424.19
Cash at Bank	9	8,682,563.13	21,080,548.08
TOTAL LIQUID ASSETS		25,675,103.31	30,932,972.27
Investment & Other Cash Assets:			
Advances	10	1,287,066,056.00	1,224,519,702.00
TOTAL ASSETS		<u>1,312,741,159.31</u>	<u>1,255,452,674.27</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		998,844,475.12	964,728,263.53
OTHER LIABILITIES			
Deposits	11	313,896,684.19	290,724,410.74
TOTAL LIABILITIES		<u>1,312,741,159.31</u>	<u>1,255,452,674.27</u>

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP- BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	VAR %
923,608,191.23	Opening Balances	0	0	0	964,728,263.53	0
	Add Revenue:					
531,583,205.74	Statutory Allocation	1,500,000,000.00	0	1,500,000,000.00	935,778,913.80	(38)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	393,883,335.34	13
0	Stabilization	0	0	0	4,000,826.43	100
0	Others	200,000,000.00	0	200,000,000.00	116,661,136.57	(42)
0	State Allocation	30,000,000.00	0	30,000,000.00	15,432,450.84	(49)
0	Excess Crude	0	0	0	0	0
531,583,205.74	Sub Total Statutory Allocation	2,080,000,000.00	0	2,080,000,000.00	1,465,756,662.98	(30)
0	Taxes	1,000,000.00	0	1,000,000.00	0	(100)
0	Rates	3,500,000.00	0	3,500,000.00	3,145,625.00	(10)
582,750.00	Local license fines and fees	3,000,000.00	0	3,000,000.00	210,030.00	(93)
463,280.00	Earning from commercial undertaking	6,500,000.00	0	6,500,000.00	232,850.00	(96)
0	Rent on Local Govt. property	2,000,000.00	0	2,000,000.00	30,000.00	(99)
0	Interest & Dividends Receivable	500,000.00	0	500,000.00	0	(100)
0	Grants	0	0	0	0	0
498,700.00	Miscellaneous	3,500,000.00	0	3,500,000.00	120,000.00	(97)
1,544,730.00	Sub. Total IGR	20,000,000.00	0	20,000,000.00	3,738,505.00	(81)
1,456,736,126.97	TOTAL REVENUE	2,100,000,000.00	0	2,100,000,000.00	2,434,223,431.51	16
	EXPENDITURE					
	Consolidated Rev. Fund Charges;					
74,870,114.62	Political/Public Office Holders	70,000,000.00	0	70,000,000.00	57,808,962.88	17
0	Pensions/Training Fund/ Traditional Rulers Council	200,000,000.00	0	200,000,000.00	217,862,785.34	(9)
0	Funding of Primary Education	750,000,000.00	0	750,000,000.00	721,346,498.42	4
0	Internal Debt Servicing/ Admin. Charges	20,000,000.00	0	20,000,000.00	107,911,426.66	(440)
74,870,114.62	Sub Total CRFC	1,040,000,000.00	0	1,040,000,000.00	1,104,929,673.30	(6)
246,805,940.20	Personnel Costs	400,000,000.00	0	400,000,000.00	254,379,048.01	36
147,179,808.62	Overhead Costs	220,000,000.00	0	220,000,000.00	50,542,733.08	77
468,855,863.44	Total Recurrent Expenditure	1,660,000,000.00	0	1,660,000,000.00	1,409,851,454.39	15
987,880,263.53	Operating Balance	440,000,000.00	0	440,000,000.00	1,024,371,977.12	
23,152,000.00	Transfer to Capital Dev. Fund	551,000,000.00	0	551,000,000.00	25,527,502.00	95
964,728,263.53	Closing Balance	(111,000,000.00)	0	(111,000,000.00)	998,844,475.12	

IKA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

ACTUAL 2019 ₱	DESCRIPTION	INITIAL BUDGET 2020 ₱	SUPP- BUDGET 2020 ₱	FINAL BUDGET 2020 ₱	ACTUAL 2020 ₱	VAR . %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
23,152,000.00	Transfer from Cons. Rev. Fund A	551,000,000.00	0	551,000,000.00	25,527,502.00	(95)
0	Grant	60,000,000.00	0	60,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
23,152,000.00	Total Revenue available	662,000,000.00	0	662,000,000.00	25,527,502.00	(96)
	Less Capital Expenditure :					
342,000.00	Economic Sector	152,500,000.00	0	152,500,000.00	841,000.00	99
7,835,000.00	Social Services Sector	106,300,000.00	0	106,300,000.00	575,000.00	99
3,769,000.00	Environmental/Reg. Dev.	48,200,000.00	0	48,200,000.00	773,000.00	98
11,206,000.00	General Administration	244,000,000.00	0	244,000,000.00	23,338,502.00	90
23,152,000.00	Total	551,000,000.00	0	551,000,000.00	25,527,502.00	95
0	Closing Balance	111,000,000.00	0	111,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATIONS

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	136,411,328.83	0	136,411,328.83	1,286,037.57	137,697,366.40	62,032,531.64
February	122,148,356.31	0	122,148,356.31	1,286,037.57	123,434,393.88	37,513,731.61
March	114,922,009.63	0	114,922,009.63	1,286,037.57	116,208,047.20	33,985,184.94
April	126,413,598.57	0	126,413,598.57	1,286,037.57	127,699,636.14	35,491,534.91
May	116,919,064.22	0	116,919,064.22	1,286,037.57	118,205,101.79	33,115,945.58
June	105,421,215.89	0	105,421,215.89	1,286,037.57	106,707,253.46	46,439,406.49
July	128,243,872.30	0	128,243,872.30	1,286,037.57	129,529,909.87	51,798,401.83
August	131,914,228.32	0	131,914,228.32	1,286,037.57	133,200,265.89	48,408,066.58
September	135,613,318.49	6,627,083.41	128,986,235.08	1,286,037.57	130,272,272.65	48,352,925.24
October	127,195,563.80	6,627,083.41	120,568,480.39	1,286,037.57	121,854,517.96	46,605,966.06
November	115,003,828.18	6,627,083.41	108,376,744.77	1,286,037.57	109,662,782.34	47,463,536.82
December	116,626,161.24	6,627,083.41	109,999,077.83	1,286,037.57	111,285,115.40	39,475,974.04
Total	<u>1,476,832,545.78</u>	<u>26,508,333.64</u>	<u>1,450,324,212.14</u>	<u>15,432,450.84</u>	<u>1,465,756,662.98</u>	<u>531,583,205.74</u>

NOTE 2. INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	1,000,000.00	0	0
1002	Rates	3,500,000.00	3,145,625.00	0
1003	Local licenses Fines and Fees	3,000,000.00	210,030.00	582,750.00
1004	Earnings from Commercial Undertaking	6,500,000.00	232,850.00	463,280.00
1005	Rent on local Government Properties	2,000,000.00	30,000.00	0
1006	Interest on Dividends	500,000.00	0	0
1007	Grants	0	0	0
1008	Miscellaneous	3,500,000.00	120,000.00	498,700.00
	Total	20,000,000.00	3,738,505.00	1,544,730.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	57,808,962.88	74,870,114.62
Pension, 1% Training Fund, TRC	200,000,000.00	217,862,785.34	0
Funding of Primary Education	750,000,000.00	721,346,498.42	0
Internal Debt Servicing/Admin. Charges	20,000,000.00	107,911,426.66	0
TOTAL	1,040,000,000.00	1,104,929,673.30	74,870,114.62

NOTE 4: PERSONNEL COSTS:

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	95,564,790.00	65,719,117.95	68,855,046.65
2005	Finance and Supplies	48,625,830.00	34,150,926.47	33,035,080.22
2006	Social Development, information, Youth, Sports & Culture	46,232,050.00	31,434,412.30	29,402,402.70
2007	Primary Health Care	161,729,050.00	92,273,181.28	87,305,105.74
2008	Agriculture and Natural Resources	12,412,660.00	8,339,484.49	7,757,197.88
2009	Works and Housing, Lands & Survey	26,406,460.00	16,577,699.68	16,387,608.52
2010	Budget, Planning , Research And Statistic	9,029,160.00	5,884,225.84	4,063,498.49
2011	Traditional Rulers Office	0	0	0
	Total	400,000,000.00	254,379,048.01	246,805,940.20

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2001A	Office of the Executive Chairman	37,000,000.00	18,020,000.00	34,355,000.00
2001B	Office of the Vice chairman	8,000,000.00	1,989,000.00	6,224,000.00
2002A	Office of the Secretary	3,500,000.00	1,622,000.00	2,950,000.00
2002B	Office of the Supervisors	9,600,000.00	1,350,000.00	3,952,600.00
2002C	Office of the Special Advisers	4,800,000.00	1,192,000.00	3,322,000.00
2003A	Office Of the Legislative/General Council	11,000,000.00	2,875,000.00	10,483,000.00
2003B	Office of the Leader	3,000,000.00	1,293,000.00	2,355,000.00
2003C	Office of The deputy Leader	2,800,000.00	240,000.00	1,520,000.00
2003D	Office of the Majority Leader	2,650,000.00	530,000.00	1,232,000.00
2003E	Office of the Deputy majority Leader	2,500,000.00	0	563,000.00
2003F	Office of the Chief Whip	2,650,000.00	2,830,000.00	1,710,000.00
2003G	Office of the Deputy Chief Whip	2,500,000.00	0	500,000.00
2003H	Office of the Clerk	2,000,000.00	0	1,737,500.00
2004A	Office of the Head of Local Government service	8,500,000.00	130,000.00	2,818,500.00
2004B	Office of the Administration & general services	7,000,000.00	1,048,000.00	3,818,500.00
2005	Finance and Supplies	6,500,000.00	1,460,000.00	3,450,500.00
2006	Education, Information& Sports	3,500,000.00	460,000.00	1,590,000.00
2007	Health	10,000,000.00	300,000.00	2,265,700.00
2008	Agriculture and natural Resources	3,500,000.00	125,000.00	1,065,000.00
2009	Works and Transport	4,000,000.00	354,000.00	1,333,500.00
2010	Budget, Planning research & Statistics	3,500,000.00	130,000.00	1,280,000.00
2011	Traditional Rulers Council	2,500,000.00	0	0
2012	Miscellaneous	79,000,000.00	14,594,733.08	58,674,008.62
	Total	220,000,000.00	50,542,733.08	147,179,808.62

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Economic Sector	152,500,000.00	841,000.00	345,000.00
Social Sector	106,300,000.00	575,000.00	7,832,000.00
Environmental Sector	48,200,000.00	773,000.00	3,769,000.00
Administration Sector			
General Administration(Executive)	114,000,000.00	1,264,500.00	9,238,000.00
General Administration(Legislature)	130,000,000.00	22,074,002.00	1,968,000.00
Total	551,000,000.00	25,527,502.00	23,152,000.00

NOTE 7: INCREASE / DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020Advances	1,287,066,056.00	2019Advances	1,224,519,702.00
2019Advances	1,224,519,702.00	2018Advances	1,182,414,416.00
TOTAL	(62,546,354.00)	TOTAL	(42,105,286.00)

NOTE 8: INCREASE / DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	313,896,684.19	2019 Deposits	290,724,410.74
2019 Deposits	290,724,410.74	2018 Deposits	262,894,080.89
TOTAL	23,172,273.45	TOTAL	27,830,329.85

NOTE 9. CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
CASH	16,992,540.18	9,852,424.19
BANKS:		
Zenith bank (Salary) A/c 1014518262	4,996,460.44	10,655,179.65
Zenith bank(Allocation)A/c 1012848495	3,628,100.29	3,565,977.50
Diamond bank	7,801.00	7,801.00
Skye Bank	7,668.28	7,668.28
Union Bank 0117126898	20,050.47	6,821,439.00
Sterling bank 0006488821	22,482.65	22,482.65
Sub Total Bank Bal.	8,682,563.13	21,080,548.08
Total	25,675,103.31	30,932,972.27

NOTE 10 : ADVANCES

Detail	2020 ₦	2019 ₦
i. Purchase Advance	929,576,207.00	871,535,707.00
ii. Imprest Advance	210,899,854.00	206,514,000.00
iii. Touring Advance	139,084,695.00	138,964,695.00
iv. Salary/Special Advance	525,300.00	525,300.00
v. Motor Vehicle Advance	6,980,000.00	6,980,000.00
vi. Others	-	-
Total	1,287,066,056.00	1,224,519,702.00

NOTE 11:DEPOSITS

Detail	2020 ₦	2019 ₦
i. PAYE tax	217,503.92	1,332,750.00
ii. NULGE Dues-State /Branch	793,502.90	792,502.90
iii. NANNM	0	(9,905.45)
iv. VAT	1,332,750.00	1,332,750.00
v. WITHHOLDING TAX	0	0
vi. Pension Deductions	907,864.05	907,864.05
vii. Others	310,645,063.32	286,367,449.24
TOTAL	313,896,684.19	290,724,410.74



IKONO LOCAL GOVERNMENT

(AKWA IBOM STATE OF NIGERIA)

Our Ref: ILG/AD/S/T/36/VOL.II/005

Your Ref:

(All Correspondence to be addressed to the Chairman)



Ibiaku Ntok Okpo
P.M.B. 1080
Ikono
Akwa Ibom State

Date: 22ND April, 2021

IKONO LOCAL GOVERNMENT COUNCIL RESPONSIBILITY FOR FINANCIAL STATEMENT

These financial statements have been prepared by the Director of Finance of Ikono Local Government Council in accordance with the provisions of 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 Statement, the information they contain and their compliance with the International Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statement fairly reflect the financial position of Ikono Local Government Council as at 31st December, 2020 and its operations for the year ended on that date.

Mr. Rufus E. Umoh
Director of Finance
Ikono Local Govt. Council

Hon. Nyakno U. Okoibu
Executive Chairman
Ikono Local Govt. Council

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Ikono Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ikono Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) **Reporting Currency**

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) **Departments for Consolidation**

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) **Comparative Information**

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

(ix) **Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) **Revenues:**

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) **Payments:**

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) **External Assistance:**

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,600,000,000.00	1,111,704,563.30	656,470,961.88
Value Added Tax	1	350,000,000.00	454,539,715.50	0
Stabilization	1	0	4,732,258.75	0
Others	1	250,000,000.00	137,030,419.15	0
State Allocation	1	30,000,000.00	18,674,443.56	0
Sub Total: Statutory Allocation		2,200,000,000.00	1,726,681,400.26	656,470,961.88
Taxes	2	1,200,000.00	0	0
Rates	2	2,000,000.00	3,635,625.00	575,000.00
Local License fines and fees	2	4,000,000.00	3,690,940.00	202,170.00
Earning from commercial undertaking	2	3,300,000.00	60,000.00	7,504,000.00
Rent on Local Government Property	2	2,000,000.00	0	20,000.00
Interest & Dividends Receivable	2	500,000.00	0	0
Grants	2	0	0	0
Miscellaneous	2	7,000,000.00	281,620.00	975,000.00
Sub Total IGR		100,000,000.00	7,668,185.00	9,276,170.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,357,000,000.00	1,734,349,585.26	665,747,131.88
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	75,000,000.00	68,482,946.39	70,974,511.20
Pensions/Training Fund/Traditional Rulers Council	3	300,000,000.00	235,178,361.84	0
Funding of Primary Education	3	700,000,000.00	792,812,826.15	0
Internal Debt Servicing/Admin. Charges	3	10,000,000.00	111,392,560.41	1,400,000.00
Total Consolidated Revenue Fund Charges		1,085,000,000.00	1,207,866,694.79	72,374,511.20
Personnel Costs	4	450,000,000.00	430,022,892.86	352,682,906.74
Overhead Costs	5	200,000,000.00	88,576,098.39	155,209,749.88
TOTAL PAYMENTS:		1,735,000,000.00	1,726,465,686.04	580,267,167.82
Net Cash Flow from Operating Activities A		616,000,000.00	7,883,899.22	85,479,964.06
CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure	6	616,000,000.00	45,550,000.00	20,610,456.00
Net Cash Flow From Investing Activities B			(45,550,000.00)	(20,610,456.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cash flow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(26,731,300.06)	(55,683,204.09)
Increase/decrease in other Liabilities	8		33,144,121.60	9,814,565.88
Total Cash Flow From other Cash equivalent Accounts C			6,412,821.54	(45,868,638.21)
NET CASH FLOW FOR THE YEAR (A+B+C)			(31,253,279.24)	19,000,869.85
Cash and its equivalent as at 1 st January, 2020	9		40,935,054.93	21,934,185.08
Cash and its equivalent as at 31 st December, 2020	9		9,681,775.69	40,935,054.93

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	577,542.01	16,295.69
Cash at Bank	9	9,104,233.68	40,918,759.24
TOTAL LIQUID ASSETS		9,681,775.69	40,935,054.93
Investment & Other Cash Assets:			
Advances	10	1,128,585,165.21	1,101,853,865.15
TOTAL ASSETS		<u>1,138,266,940.90</u>	<u>1,142,788,920.08</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,051,504,579.24	1,089,170,680.02
OTHER LIABILITIES			
Deposits	11	86,762,361.66	53,618,240.06
TOTAL LIABILITIES		<u>1,138,266,940.90</u>	<u>1,142,788,920.08</u>

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT NO :.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2019

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP- BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	Var. %
1,024,301,171.96	Opening Balances	0	0	0	1,089,170,680.02	0
	Add Revenue					
656,470,961.88	Statutory Allocation	1,600,000,000.00	0	1,600,000,000.00	1,111,704,563.30	(63)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	454,539,715.50	(100)
0	Stabilization	0	0	0	4,732,258.75	0
0	Others	250,000,000.00	0	250,000,000.00	137,030,419.15	(0.45)
0	State Allocation	30,000,000.00	0	30,000,000.00	18,674,443.56	(100)
656,470,961.88	Sub Total Statutory Allocation	2,230,000,000.00	0	2,230,000,000.00	1,726,681,400.26	(174)
0	Taxes	1,200,000.00	0	1,200,000.00	0	(100)
575,000.00	Rates	2,000,000.00	0	2,000,000.00	3,635,625.00	(82)
202,170.00	Local License fines and fees	4,000,000.00	0	4,000,000.00	3,690,940.00	(77)
7,504,000.00	Earning from commercial undertaking	3,300,000.00	0	3,300,000.00	60,000.00	(98)
20,000.00	Rent on Local Govt. Property	2,000,000.00	0	2,000,000.00	0	(100)
0	Interest and Dividends Receivable	500,000.00	0	500,000.00	0	(100)
0	Grants	0	0	0	0	0
975,000.00	Miscellaneous	7,000,000.00	0	7,000,000.00	281,620.00	(96)
9,276,170.00	Sub. Total IGR	20,000,000.00	0	20,000,000.00	7,668,185.00	(96)
1,690,048,303.84	Total Revenue	2,250,000,000.00	0	2,250,000,000.00	2,823,520,265.28	(23)
	Expenditure		0			
	Consolidated Rev. Fund Charges:		0			
70,974,511.20	Political Public Office Holders	75,000,000.00	0	75,000,000.00	68,482,946.39	9
0	Pensions/Training Fund/Traditional Rulers Council	300,000,000.00	0	300,000,000.00	235,178,361.84	100
0	Funding of Primary Education	700,000,000.00	0	700,000,000.00	792,812,826.15	100
1,400,000.00	Internal Debt Servicing/Admin. Charges	10,000,000.00	0	10,000,000.00	111,392,560.41	100
72,374,511.20	Sub Total CRFC	1,085,000,000.00	0	1,085,000,000.00	1,207,866,694.79	94
352,682,906.74	Personnel Costs	450,000,000.00	0	450,000,000.00	430,022,892.86	4
155,209,749.88	Overhead Costs	200,000,000.00	0	200,000,000.00	88,576,098.39	56
580,267,167.82	Total Recurrent Expenditure	1,670,000,000.00	0	1,670,000,000.00	1,726,465,686.04	66
1,109,781,136.02	Operating Balance	515,000,000.00	0	515,000,000.00	1,097,054,579.24	
20,610,456.00	Transfer to Capital Dev. Fund	616,000,000.00	0	616,000,000.00	45,550,000.00	93
1,089,170,680.02	Closing Balance	(101,000,000.00)	0	(101,000,000.00)	1,051,504,579.24	

IKONO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var . %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
20,610,456.00	Transfer from Consolidated Fund	616,000,000.00	0	616,000,000.00	45,550,000.00	(93)
0	Grant	50,000,000.00	0	50,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
20,610,456.00	Total Revenue available	717,000,000.00	0	717,000,000.00	45,550,000.00	(94)
	Less Capital Expenditure :					
30,000.00	Economic Sector	172,600,000.00	0	172,600,000.00	0	100
1,300,000.00	Social Sector	134,500,000.00	0	134,500,000.00	2,050,000.00	98
500,000.00	Environmental/Reg. Dev.	61,700,000.00	0	61,700,000.00	0	100
18,780,456.00	General Administration	247,200,000.00	0	247,200,000.00	43,500,000.00	82
20,610,456.00	Total Expenditure	616,000,000.00	0	616,000,000.00	45,550,000.00	93
0	Closing Balance	101,000,000.00	0	101,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	160,488,069.96	-	160,488,069.96	1,556,203.63	162,044,273.59	73,767,293.43
February	143,409,877.49	-	143,409,877.49	1,556,203.63	144,966,081.12	45,069,636.86
March	134,444,910.47	-	134,444,910.47	1,556,203.63	133,001,114.10	42,671,896.43
April	148,546,581.77	-	148,546,581.77	1,556,203.63	150,102,785.40	45,442,417.93
May	137,598,877.13	-	137,598,877.13	1,556,203.63	139,155,080.76	43,354,276.80
June	123,947,105.27	-	123,947,105.27	1,556,203.63	125,503,308.90	56,921,833.80
July	150,771,081.22	-	150,771,081.22	1,556,203.63	152,327,284.85	62,230,847.55
August	155,050,667.52	-	155,050,667.52	1,556,203.63	156,606,817.15	58,703,293.89
September	159,283,916.27	6,627,083.41	152,656,832.86	1,556,203.63	154,213,036.49	59,395,030.39
October	149,411,739.10	6,627,083.41	142,784,655.69	1,556,203.63	144,340,859.32	58,063,071.49
November	135,037,474.69	6,627,083.41	128,410,664.28	1,556,203.63	129,966,867.91	59,361,553.33
December	136,524,716.45	6,627,083.41	129,897,633.04	1,556,203.63	131,453,836.67	51,489,809.98
Total	<u>1,734,515,290.34</u>	<u>26,508,333.64</u>	<u>1,708,006,956.70</u>	<u>18,674,443.56</u>	<u>1,726,681,400.26</u>	<u>656,470,961.88</u>

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	1,200,000.00	0	0
1002	Rates	2,000,000.00	3,635,625.00	575,000.00
1003	Local licenses fines and fees	4,000,000.00	1,680,940.00	202,170.00
1004	Earnings from commercial undertaking	3,300,000.00	2,070,000.00	7,504,000.00
1005	Rent on Local Government properties	2,000,000.00	0	20,000.00
1006	Interest and Dividends	500,000.00	0	0
1007	Grants	0	0	0
1008	Miscellaneous	7,000,000.00	281,620.00	975,000.00
	Total	20,000,000.00	7,668,185.00	9,276,170.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	68,482,946.39	70,974,511.20
Pension, 1% Training Fund, TRC	300,000,000.00	235,178,361.84	0
Funding of Primary Education	700,000,000.00	792,812,826.15	0
Internal Debt Servicing/Admin. Charges	10,000,000.00	111,392,560.41	1,400,000.00
TOTAL	1,085,000,000.00	1,207,866,694.79	72,374,511.20

NOTE 4: PERSONNEL COSTS:

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	138,946,730.00	136,005,518.13	92,174,882.95
2005	Finance and Supplies	66,667,959.00	64,703,764.87	48,042,511.90
2006	Social Development, Information, Youth, Sports & Culture	29,745,993.00	28,433,936.08	25,036,091.14
2007	Primary Health Care	157,180,658.00	143,898,771.07	145,364,971.58
2008	Agriculture and Natural Resources	10,489,877.00	8,428,398.48	4,704,232.31
2009	Works and Housing, Lands & Survey	32,550,493.00	34,379,011.71	27,384,311.42
2010	Budget, Planning, Research and Statistics	14,418,280.00	14,173,492.52	9,975,905.44
2011	Traditional Rulers Officer	-	-	-
	Total	450,000,000.00	430,022,892.86	352,682,906.74

NOTE 5: OVERHEAD COSTS:

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	33,000,000.00	21,390,000.00	28,542,000.00
2001B	Office of the Vice Chairman	5,500,000.00	2,250,000.00	2,770,000.00
2002A	Office of the Secretary	4,000,000.00	1,030,000.00	2,345,000.00
2002B	Office of the Supervisors	16,000,000.00	600,000.00	3,300,000.00
2002C	Office of the Special Advisers	6,400,000.00	120,000.00	6,665,456.00
2003A	Office of the Legislative/General Council	26,000,000.00	7,350,000.00	7,910,000.00
2003B	Office of the Leader	3,000,000.00	770,000.00	320,000.00
2003C	Office of the Deputy Leader	2,000,000.00	0	1,330,000.00
2003D	Office of the Majority Leader	2,200,000.00	0	0
2003E	Office of the Deputy Majority Leader	1,700,000.00	0	0
2003F	Office of the Chief Whip	1,900,000.00	0	0
2003G	Office of the Deputy Chief Whip	1,800,000.00	0	0
2003H	Office of the Clerk	1,800,000.00	30,000.00	2,800,000.00
2004A	Office of the Head of Local Government Service	5,500,000.00	2,580,000.00	0
2004B	Office of the Administration & General Services	3,800,000.00	1,172,000.00	4,448,000.00
2005	Finance and Supplies	3,000,000.00	2,514,000.00	3,063,769.00
2006	Education, Information & Sports	2,000,000.00	105,000.00	200,000.00
2007	Health	2,900,000.00	150,000.00	4,226,000.00
2008	Agricultural Natural Resources	2,000,000.00	20,000.00	1,496,000.00
2009	Works and Transport	2,500,000.00	580,000.00	4,053,000.00
2010	Budget, Planning, Research and Statistics	2,000,000.00	100,000.00	86,000.00
2011	Traditional Rulers Council	2,000,000.00	750,000.00	2,250,000.00
2012	Miscellaneous	69,000,000.00	45,740,098.39	79,404,524.88
	Total	200,000,000.00	88,576,098.39	155,209,749.88

NOTE 6: CAPITAL EXPENDITURE:

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	172,600,000.00	0	30,000.00
Social Sector	134,500,000.00	2,050,000.00	1,300,000.00
Environmental Sector	61,700,000.00	0	500,000.00
Administration Sector			
General Admin (Executive)	98,500,000.00	8,700,000.00	7,200,000.00
General Admin (Legislature)	148,700,000.00	34,800,000.00	11,580,456.00
Total	616,000,000.00	45,550,000.00	20,610,456.00

NOTE 7: INCREASE / DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,128,585,115.21	2019 Advances	1,101,853,865.15
2019 Advances	1,101,853,865.15	2018 Advances	1,046,170,661.06
	(26,731,300.06)		(55,683,204.09)

NOTE 8: INCREASE / DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	86,762,361.66	2019 Deposits	53,618,240.06
2019 Deposits	53,618,240.06	2018 Deposits	43,803,674.18
	33,144,121.60		9,814,565.88

NOTE 9: CASH AND BANKS BALANCES

Description	2020 ₦	2019 ₦
Cash	577,542.01	16,295.69
Banks:		
Zenith Bank A/c (Salary) No.: 1014557081	5,835,511.49	30,874,706.10
Zenith Bank A/c (Project) No.: 1012921529	3,226,756.51	10,017,057.08
Zenith Bank A/c No.: REV. 1015678013	41,965.68	26,996.06
Skye Bank	0	0
Sub-Total Bank Bal.	9,104,233.68	40,918,759.24
Total	9,681,775.69	40,935,054.93

NOTE 10. ADVANCES

	2020 ₦	2019 ₦
Purchase advances	863,005,107.15	837,723,807.15
Imprest	154,921,483.00	153,531,483.00
Touring	104,905,613.00	104,905,613.00
Salary/Special	5,752,962.06	5,692,962.00
Motor Vehicle	0	0
Others	0	0
Total	1,128,585,165.21	1,101,853,865.15

NOTE 11. DEPOSITS

Detail	2020 ₦	2019 ₦
PAYE Tax	(379,424.07)	731,439.72
NULGE Dues-State/Branch	581,859.25	2,852,108.29
NANNM	(705,243.18)	(76,706.82)
VAT	0	0
Withholding Tax	75,000.00	75,000.00
Pension Deductions	2,216,902.04	2,216,902.04
Others	84,973,267.62	47,819,496.83
Total	86,762,361.66	53,618,240.06

IKOT ABASI LOCAL GOVERNMENT

AKWA IBOM STATE OF NIGERIA

Local Govt Secretariat
P.M.B. 001, Ikot Abasi
Akwa Ibom State
Tel: 085 801015, 801152

Our Ref:.....

Your Ref:.....

Date: 28-06-2021

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These financial statements have been prepared by the Director of Finance, Local Government Council, in accordance with the provision of the Model Financial Memoranda.

The Financial Statement comply with International Public Sector Accounting (IPSA) Cash Basis and Generally Accepted Accounting Practice.

The Management of Ikot Abasi Local Government Council is responsible for establishing and maintain a system of internal controls designed to provide reasonable assurance that the transaction recorded are within their statutory authority and properly recorded the use of all public financial resource 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 record are properly kept, appropriate financial state are prepared. To the best of my knowledge, the system of internal controls has operated adequately throughout the reporting period.

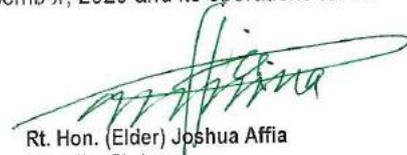
We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the international Public Sector Accounting Standard (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of Ikot Abasi Local Government Council as at 31st December, 2020 and its operations for the year ended as on that date.



Aniekan O. Dan
(Director of Finance)

Dare: 28/06/2021



Rt. Hon. (Elder) Joshua Affia
Executive Chairman

Dare: 28/06/2021



GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Ikot Abasi Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ikot Abasi Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

IKOT ABASI LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

IKOT ABASI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,300,000,000.00	1,112,025,474.57	620,302,098.13
Value Added Tax	1	300,000,000.00	454,662,128.94	0
Stabilization	1	0	4,733,592.97	0
Others	1	200,000,000.00	137,067,575.39	0
State Allocation	1	30,000,000.00	17,507,321.76	0
Sub Total Statutory Allocation		1,830,000,000.00	1,725,996,093.63	620,302,098.13
Taxes	2	2,000,000.00	0	0
Rates	2	4,500,000.00	4,070,000.00	3,935,000.00
Local License fines and fees	2	5,000,000.00	7,542,230.00	5,083,030.00
Earning from commercial undertaking	2	8,000,000.00	1,003,100.00	2,627,000.00
Rent on Local Govt. property	2	2,000,000.00	72,000.00	295,000.00
Interest & Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	8,500,000.00	185,200.00	800,300.00
Sub Total IGR		30,000,000.00	12,872,530.00	12,740,330.00
Capital Receipts: B/F		2,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,012,000,000.00	1,738,868,623.63	633,042,428.13
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public office Holders	3	75,000,000.00	66,695,916.82	66,695,916.82
Pensions/Training Fund/Traditional Rulers Council	3	200,000,000.00	218,857,970.95	0
Funding of Primary Education	3	600,000,000.00	877,153,809.31	0
Internal Debt Servicing/Admin. Charges	3	5,000,000.00	109,394,303.33	0
Total Consolidated Revenue Fund Charges		880,000,000.00	1,272,096,000.41	66,695,916.82
Personal Costs	4	450,000,000.00	341,053,976.80	310,796,628.05
Overhead Costs	5	200,000,000.00	68,959,792.58	138,372,809.95
TOTAL PAYMENTS		1,530,000,000.00	1,682,109,769.79	515,865,354.82
Net Cash Flow Operation Activities A		482,000,000.00	56,758,853.84	117,177,073.31
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	482,000,000.00	41,747,264.00	107,558,348
Net Cash Flow from Investing Activities B			(41,747,264.00)	(107,558,348)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(20,315,002.50)	(15,142,958.51)
Increase/decrease in other Liabilities	8		(11,670,824.78)	27,343,604.51
Total Cash Flow From other Cash equivalent Accounts C			(31,985,827.28)	12,200,646.00
Net Cash Flow for the Year (A+B+C)			(16,974,237.44)	21,819,371.31
Cash and its equivalent as at 1 st January, 2020	9		39,456,601.94	17,637,230.63
Cash and its equivalent as at 31st December, 2020	9		22,482,364.50	39,456,601.94

IKOT ABASI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	1,205,653.10	38,500.00
Cash at Bank	9	21,276,711.40	39,418,101.94
TOTAL LIQUID ASSETS		22,482,364.50	39,456,601.94
Investment & Other Cash Assets:			
Advances	10	1,366,864,026.77	1,346,549,024.27
TOTAL ASSETS		<u>1,389,346,391.27</u>	<u>1,386,005,626.21</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,071,112,639.24	1,056,101,049.40
OTHER LIABILITIES			
Deposits	11	318,233,752.03	329,904,576.81
TOTAL LIABILITIES		<u>1,389,346,391.27</u>	<u>1,386,005,626.21</u>

IKOT ABASI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020.

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	VAR %
1,046,482,324.09	Opening Balances	0	0	0	1,056,101,049.40	0
	Add Revenue:					
620,302,098.13	Statutory Allocation	1,300,000,000.00	0	1,300,000,000.00	1,112,025,474.57	(14)
0	Value Added Tax	300,000,000.00	0	300,000,000.00	454,662,128.94	(52)
0	Stabilization	0	0	0	4,733,592.97	100
0	Others	200,000,000.00	0	200,000,000.00	137,067,575.39	(31)
0	State Allocation	30,000,000.00	0	30,000,000.00	17,507321.76	(42)
620,302,098.13	Sub Total Statutory Allocation	1,830,000,000.00	0	1,830,000,000.00	1,725,996,093.63	(72)
0	Taxes	2,000,000.00	0	2,000,000.00	0	(100)
3,935,000.00	Rates	4,500,000.00	0	4,500,000.00	4,070,000.00	(95)
5,083,030.00	Local License fines and fees	5,000,000.00	0	5,000,000.00	7,542,230.00	51
2,627,000.00	Earning from Commercial undertaking	8,000,000.00	0	8,000,000.00	1,003,100.00	(87)
295,000.00	Rent on Local Govt. Property	2,000,000.00	0	2,000,000.00	72,000.00	(96)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
800,300.00	Miscellaneous	8,500,000.00	0	8,500,000.00	185,200.00	(98)
12,740,330.00	Sub. Total IGR	30,000,000.00	0	30,000,000.00	12,872,530.00	(57)
1,679,524,752.22	TOTAL REVENUE	1,860,000,000.00	0	1,860,000,000.00	2,794,969,673.03	50
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
66,695,916.82	Political/Public Office Holders	75,000,000.00	0	75,000,000.00	66,695,916.82	12
0	Pensions/Training Fund/Traditional Rulers Council	200,000,000.00	0	200,000,000.00	218,857,970.95	(9)
0	Funding of Primary Education	600,000,000.00	0	600,000,000.00	877,153,809.31	(46)
0	Internal Debt Servicing /Admin. Charges, etc	5,000,000.00	0	5,000,000.00	109,394,303.33	(2087)
66,695,916.82	Sub Total CRFC	880,000,000.00	0	880,000,000.00	1,272,096,000.41	(46)
310,796,628.05	Personnel Costs	450,000,000.00	0	450,000,000.00	341,053,976.80	24
138,372,809.95	Overhead Costs	200,000,000.00	0	200,000,000.00	68,959,792.58	66
515,865,354.82	Total Recurrent Expenditure	1,530,000,000.00	0	1,530,000,000.00	1,682,109,769.79	(10)
1,163,659,397.40	Operating Balance	330,000,000.00	0	330,000,000.00	1,112,859,903.24	
107,558,348.00	Transfer to Cap Dev fund	482,000,000.00	0	482,000,000.00	41,747,264.00	91
1,056,101,049.40	CLOSING BALANCE	(152,000,000.00)	0	(152,000,000.00)	1,071,112,639.24	

IKOT ABASI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020.

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp-Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	2,000,000.00	0	2,000,000.00	0	0
	Add Revenue:					
107,558,348.00	Transfer from Consolidated Rev. Fund	482,000,000.00	0	482,000,000.00	41,747,264.00	(91)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
107,558,348.00	Total Revenue available	634,000,000.00	0	634,000,000.00	41,747,264.00	(94)
	Less Capital Expenditure :					
0	Economic Sector	145,200,000.00	0	145,200,000.00	0	100
1,165,000.00	Social Sector	102,500,000.00	0	102,500,000.00	16,550,000.00	84
30,135,000.00	Environmental/Reg. Dev.	46,000,000.00	0	46,000,000.00	0	100
76,258,348.00	General Administration	188,300,000.00	0	188,300,000.00	25,197,264.00	87
107,558,348.00	Total Expenditure	482,000,000.00	0	482,000,000.00	41,747,264.00	91
0	Closing Balance	152,000,000.00	0	152,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE I :STATUTORY ALLCATIONS

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	160,532,905.35	-	160,532,905.35	1,458,943.48	161,991,848.83	72,560,320.81
February	143,449,497.36	-	143,449,497.36	1,458,943.48	144,908,440.84	43,377,745.24
March	134,481,317.31	-	134,481,317.31	1,458,943.48	135,940,260.79	40,136,145.37
April	148,587,915.07	-	148,587,915.07	1,458,943.48	150,046,858.55	41,956,518.53
May	137,637,353.97	-	137,637,353.97	1,458,943.48	139,096,297.45	40,854,449.07
June	123,981,727.90	-	123,981,727.90	1,458,943.48	125,440,671.38	54,285,492.26
July	150,813,201.93	-	150,813,201.93	1,458,943.48	152,272,145.41	59,646,156.99
August	155,093,929.85	-	155,093,929.85	1,458,943.48	156,552,873.33	56,005,428.76
September	159,328,293.51	6,627,083.41	152,701,210.10	1,458,943.48	154,160,153.58	56,112,248.10
October	149,453,396.46	6,627,083.41	142,826,313.05	1,458,943.48	144,285,256.53	53,650,158.64
November	135,075,301.48	6,627,083.41	128,448,218.07	1,458,943.48	129,907,161.55	54,842,696.73
December	136,562,265.32	6,627,083.41	129,935,181.91	1,458,943.48	131,394,125.39	46,874,737.63
Total	<u>1,734,997,105.51</u>	<u>26,508,333.64</u>	<u>1,708,488,771.87</u>	<u>17,507,321.76</u>	<u>1,725,996,093.63</u>	<u>620,302,098.13</u>

NOTE 2. INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001-	Taxes	2,000,000.00	0	0
1002-	Rates	4,500,000.00	4,070,000.00	3,935,000.00
1003-	Local Licenses Fines and Fees	5,000,000.00	7,542,230.00	5,083,030.00
1004-	Earnings from Commercial Undertaking	8,000,000.00	1,003,100.00	2,627,000.00
1005-	Rent on Local Government Properties	2,000,000.00	72,000.00	295,000.00
1006-	Interest on Dividends	0	0	0
1007-	Grants	0	0	0
1008-	Miscellaneous	8,500,000.00	185,200.00	800,300.00
	Total	30,000,000.00	12,872,530.00	12,740,330.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	66,695,916.82	66,695,916.82
Pension, 1% Training Fund, TRC	200,000,000.00	218,857,970.95	0
Funding of Primary Education	600,000,000.00	877,153,809.31	0
Administrative Charges	0	0	0
Internal Debt Servicing	5,000,000.00	109,394,303.33	0
TOTAL	880,000,000.00	1,272,096,000.41	66,695,916.82

NOTE 4: PERSONNEL COSTS:

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	99,205,000.00	83,122,461.15	69,310,115.47
2005	Finance and Supplies	63,662,000.00	49,508,398.79	44,642,474.61
2006	Social Development, Information, Youth, Sports & Culture	44,607,000.00	35,581,271.88	27,318,771.95
2007	Primary Health Care	182,358,000.00	131,351,261.39	129,519,881.27
2008	Agriculture and Natural Resources	15,073,000.00	11,421,020.78	10,319,515.48
2009	Works and Housing, Lands & Survey	34,585,000.00	24,517,133.02	22,653,620.39
2010	Traditional Rulers Office	10,510,000.00	0	0
2011	Budget, Planning, Research and Statistics.	0	5,552,429.79	7,032,248.88
	Total	450,000,000.00	341,053,976.80	310,796,628.05

NOTE 5. OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	45,000,000.00	15,000,000.00	25,987,150.00
2001B	Office of the Vice Chairman	12,000,000.00	3,000,000.00	4,088,900.00
2002A	Office of the Secretary	6,000,000.00	1,000,000.00	1,545,000.00
2002B	Office of the Supervisor	10,000,000.00	1,000,000.00	1,000,000.00
2002C	Office of the Special Advisers	5,000,000.00	1,000,000.00	1,500,000.00
2003A	Office of the Legislative/General Council	10,000,000.00	7,050,000.00	15,880,108.00
2004B	Office of the Leader	5,000,000.00	1,000,000.00	2,090,000.00
2003C	Office of the Deputy Leader	4,000,000.00	1,000,000.00	1,660,000.00
2003D	Office of the Majority Leader	4,000,000.00	1,000,000.00	1,550,000.00
2003E	Office of the Deputy Majority Leader	4,000,000.00	50,000.00	45,000.00
2003F	Office of the Chief Whip	4,000,000.00	1,000,000.00	1,405,000.00
2003G	Office of the Deputy Chief Whip	4,000,000.00	300,000.00	390,000.00
2003H	Office of the Clerk	4,000,000.00	200,000.00	180,000.00
2004A	Office of the Head of Local Government Service	15,000,000.00	1,000,000.00	840,000.00
2004B	Office of the Administration & General Services	10,000,000.00	1,000,000.00	1,457,110.00
2005	Finance and Supplies	10,000,000.00	1,000,000.00	1,561,500.00
2006	Education, Information & Sports	8,000,000.00	1,000,000.00	2,278,000.00
2007	Health	10,000,000.00	3,000,000.00	12,534,500.00
2008	Agriculture and Natural Resources	8,000,000.00	400,000.00	496,000.00
2009	Works and Transport	8,000,000.00	4,000,000.00	5,050,000.00
2010	Budget, Planning, Research & Statistics	8,000,000.00	1,000,000.00	1,325,000.00
2011	Traditional Ruler Council	1,000,000.00	0	0
2012	Miscellaneous	5,000,000.00	23,959,792.58	55,509,541.95
	Total	200,000,000.00	68,959,792.58	138,372,809.95

NOTE 6. CAPITAL EXPENDITURE:

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	145,200,000.00	0	0
Social Sector	102,500,000.00	16,550,000.00	1,165,000.00
Environmental Sector	46,000,000.00	0	30,135,000.00
Administration Section			
General Administration (Executive)	66,000,000.00	12,263,250.00	36,913,000.00
General Administration (Legislature)	122,300,000.00	12,934,014.00	39,345,348.00
Total	482,000,000.00	41,747,264.00	107,558,348.00

NOTE 7: PROCEEDS FROM INTERNAL LOANS

2020 ₦		2019 ₦	
2020 Advances	1,366,864,026.77	2019 Advances	1,346,549,024.27
2019 Advances	1,346,549,024.27	2018 Advances	1,331,406,065.76
	(20,315,002.50)		(15,142,958.51)

NOTE 8: PROCEEDS FROM OTHER FUNDS

2020 ₦		2019 ₦	
2020 Deposits	318,233,752.03	2019 Deposits	329,904,576.81
2019 Deposits	329,904,576.81	2018 Deposits	302,560,972.30
	(11,670,824.78)		27,343,604.51

NOTE 9: CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
CASH	1,205,653.10	38,500.00
BANKS:		
UBA A/C 1001075819	59,312.96	93,250.91
Zenith Bank A/C: 1014518279	9,472,129.32	27,573,944.95
Zenith Bank A/C: 1013180242	765,217.41	765,217.41
FCMB A/C: 1562844010	719.13	719.13
Skye Bank A/C: 4040013681	10,758,102.82	10,758,102.82
UBA A/C: 1001038269	25,156.16	30,793.62
UBA A/C: 1015886647	63,559.37	63,559.37
UBA A/C: 1011478864	104,811.73	104,811.73
Union Bank: 0052042554	27,702.50	27,702.50
Total	22,482,364.50	39,456,601.94

NOTE 10: ADVANCES

Description	2020 ₦	2019 ₦
i. Purchase Advances	1,062,946,282.77	1,045,512,780.27
ii. Imprest	184,606,893.00	182,359,393.00
iii. Touring	113,947,470.00	113,313,470.00
iv. Salary/Special	5,279,216.00	5,279,216.00
v. Motor Vehicle	84,165.00	84,165.00
vi. Others	0	0
Total	1,366,864,026.77	1,346,549,024.27

NOTE 11: DEPOSITS

Description	2020 ₦	2019 ₦
i. PAYE Tax	4,877,829.97	4,877,829.97
ii. NULGE Dues State/Branch	3,364,306.07	2,729,718.30
iii. NANNM	1,218,102.97	1,060,235.93
iv. VAT	342,500.97	342,500.00
v. Withholding Tax	2,780,000.00	2,780,000.00
vi. Pension Deductions	10,785,564.26	10,785,564.26
vii. Others	294,865,447.79	307,328,728.35
Total	318,233,752.03	329,904,576.81



IKOT EKPENE LOCAL GOVERNMENT

AKWA IBOM STATE OF NIGERIA

Our Ref: **TLG/AD/S/22/VOL.11/128**

Your Ref:

All correspondence to the Executive Chairman

Local Government Secretariat
Cardinal Ekanem Avenue
Ikot Ekpene.

14th May, 2021
Date:

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The 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.

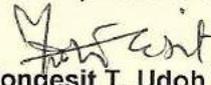
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Acceptable Accounting Practice.

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 reflects the financial position of Ikot Ekpene Local Government Council as at 31st December, 2020 and its operations for the year ended on that date.


Idongesit T. Udoh
Director of Finance
Date: 14 05 21


Hon. Unyime O. Etim
Executive Chairman
Date: 14/05/21

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Ikot Ekpene Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ikot Ekpene Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation by law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	NOTES	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
RECEIPTS:				
Statutory Allocation	1	2,000,000,000.00	1,147,719,920.36	683,854,276.60
Value Added Tax	1	480,000,000.00	466,033,207.16	0
Stabilization	1	0	4,881,996.98	0
Others	1	300,000,000.00	141,200,402.27	0
State Allocation	1	40,000,000.00	18,597,362.64	0
Sub Total Statutory Allocation		2,820,000,000.00	1,778,432,889.41	683,854,276.60
Taxes	2	4,810,000.00	0	0
Rates	2	12,500,000.00	5,981,069.02	6,200,000.00
Local License fines and fees	2	17,210,000.00	7,109,473.19	3,804,180.00
Earning from commercial undertaking	2	26,100,000.00	6,277,200.00	9,078,000.00
Rent on Local Govt. Property	2	9,730,000.00	0	2,006,000.00
Interest & Dividends Receivable	2	110,000.00	0	0
Grants	2	0	0	0
Miscellaneous	2	4,540,000.00	482,041.59	3,844,500.00
Sub Total IGR		75,000,000.00	19,849,783.80	24,932,680.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		250,000,000.00	0	0
Miscellaneous		10,000,000.00	0	0
TOTAL RECEIPTS		3,156,000,000.00	1,798,282,673.21	708,786,956.60
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	80,000,000.00	64,441,379.46	74,652,538.68
Pensions Training Fund/Traditional Rulers Council	3	545,000,000.00	212,646,115.41	0
Funding of Primary Education	3	922,000,000.00	1,077,577,015.92	0
Internal Debt Servicing/Admin. Charges	3	10,000,000.00	(126,205,657.56)	0
Total consolidated revenue Fund Charges		1,557,000,000.00	1,228,458,853.23	74,652,538.68
Personnel costs	4	563,000,000.00	451,107,655.69	396,045,043.14
Overhead costs	5	230,000,000.00	73,277,661.58	126,624,600.64
TOTAL PAYMENTS		2,350,000,000.00	1,752,844,170.50	597,322,182.46
Net Cash flow from Operating Activities A		806,000,000.00	45,438,502.71	111,464,774.14
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	806,000,000.00	71,826,264.00	10,134,000.00
Net Cash flow from Investing Activities B			(71,826,264.00)	(10,134,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(27,062,300.00)	(141,555,400.00)
Increase/decrease in other Liabilities	8		49,537,623.51	53,484,500.33
Total Cash Flow From other Cash equivalent Accounts C			22,475,323.51	(88,070,899.67)
Net cash flow for the Year (A + B + C)			(3,912,437.78)	13,259,874.47
Cash and its equivalent as at 1 st January, 2020	9		29,124,495.78	15,864,621.31
Cash and its equivalent as at 31st December, 2020	9		25,212,058.00	29,124,495.78

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	888,789.26	4,104,083.77
Cash at Bank	9	24,323,268.74	25,020,412.01
TOTAL LIQUID ASSETS		25,212,058.00	29,124,495.78
Investment & Other Cash Assets:			
Advances	10	1,326,002,942.18	1,298,940,642.18
TOTAL ASSETS		<u>1,351,215,000.18</u>	<u>1,328,065,137.96</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		888,457,922.25	914,845,683.54
OTHER LIABILITIES			
Deposits	11	462,757,077.93	413,219,454.42
TOTAL LIABILITIES		<u>1,351,215,000.18</u>	<u>1,328,065,137.96</u>

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	VAR %
813,514,909.40	Opening Balances	0	0	0	914,845,683.54	0
	Add Revenue:					
683,854,276.60	Statutory Allocation	2,000,000,000.00	0	2,000,000,000.00	1,147,719,920.36	(43)
0	Value Added Tax	480,000,000.00	0	480,000,000.00	466,033,207.16	(3)
0	Stabilization	0	0	0	4,881,996.98	100
0	Others	300,000,000.00	0	300,000,000.00	141,200,402.27	(53)
0	State Allocation	40,000,000.00	0	40,000,000.00	18,597,362.64	(55)
683,854,276.60	Sub Total Statutory Allocation	2,820,000,000.00	0	2,820,000,000.00	1,778,432,889.41	(37)
0	Taxes	4,810,000.00	0	4,810,000.00	0	(100)
6,200,000.00	Rates	12,500,000.00	0	12,500,000.00	5,981,069.02	(52)
3,804,180.00	Local License fines and fees	17,210,000.00	0	17,210,000.00	7,109,473.19	(59)
9,078,000.00	Earning from commercial undertaking	26,100,000.00	0	26,100,000.00	6,277,200.00	(76)
2,006,000.00	Rent on Local Govt. Property	9,730,000.00	0	9,730,000.00	0	(100)
0	Interest & Dividends Receivable	110,000.00	0	110,000.00	0	(100)
0	Grants	0	0	0	0	0
3,844,500.00	Miscellaneous	4,540,000.00	0	4,540,000.00	482,041.59	(89)
24,932,680.00	Sub. Total IGR	75,000,000.00	0	75,000,000.00	19,849,783.80	(74)
1,522,301,866.00	TOTAL REVENUE	2,895,000,000.00		2,895,000,000.00	2,713,128,,356.75	(6)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
74,652,538.68	Political/Public Office Holders	80,000,000.00	0	80,000,000.00	64,441,379.46	19
0	Pensions/TrainingFund/Traditi. Rulers Council	545,000,000.00	0	545,000,000.00	212,646,115.41	61
0	Funding of Primary Education	922,000,000.00	0	922,000,000.00	1,077,577,015.92	(17)
0	Internal Debt Servicing	10,000,000.00	0	10,000,000.00	(126,205,657.56)	1362
74,652,538.68	Sub Total CRFC	1,557,000,000.00	0	1,557,000,000.00	1,228,458,853.23	21
396,045,043.14	Personnel Costs	563,000,000.00	0	563,000,000.00	451,107,655.69	20
126,624,600.64	Overhead Costs	230,000,000.00	0	230,000,000.00	73,277,661.58	68
597,322,182.46	Total Recurrent Expenditure	2,350,000,000.00	0	2,350,000,000.00	1,752,844,170.50	25
924,979,683.54	Operating Balance	545,000,000.00	0	545,000,000.00	960,284,186.25	
10,134,000.00	Transfer to Capital Development Fund	806,000,000.00	0	806,000,000.00	71,826,264.00	91
914,845,683.54	CLOSING BALANCE	(261,000,000)	0	(261,000,000)	888,457,922.25	

IKOT EKPENE LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
10,134,000.00	Transfer to Consolidated Fund	806,000,000.00	0	806,000,000.00	71,826,264.00	(91)
0	Grant	250,000,000.00	0	250,000,000.00	0	(100)
0	Miscellaneous	10,000,000.00	0	10,000,000.00	0	(100)
10,134,000.00	Total Revenue available	1,067,000,000.00	0	1,067,000,000.00	71,826,264.00	(93)
	Less Capital Expenditure:					
810,000.00	Economic Sector	205,000,000.00	0	205,000,000.00	15,375,000.00	93
930,000.00	Social Sector	228,000,000.00	0	228,000,000.00	148,700.00	99
7,890,000.00	Environmental Sector	94,000,000.00	0	94,000,000.00	550,000.00	99
504,000.00	Administration Sector	279,000,000.00	0	279,000,000.00	55,752,564.00	80
10,134,000.00	Total Expenditure B	806,000,000.00	0	806,000,000.00	71,826,264.00	91
0	Closing Balance	261,000,000.00	0	261,000,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATIONS

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	165,345,096.98	0	165,345,096.98	1,549,780.22	166,894,877.20	77,948,964.04
February	147,696,871.11	0	147,696,871.11	1,549,780.22	149,246,651.33	48,827,071.14
March	138,379,237.65	0	138,379,237.65	1,549,780.22	139,929,017.87	45,946,726.67
April	153,002,260.72	0	153,002,260.72	1,549,780.22	154,552,040.94	50,069,424.21
May	141,773,214.91	0	141,773,214.91	1,549,780.22	143,322,995.13	47,268,776.56
June	127,674,617.39	0	127,674,617.39	1,549,780.22	129,224,397.61	60,068,681.38
July	155,302,102.95	0	155,302,102.95	1,549,780.22	156,851,883.17	64,009,338.59
August	159,704,033.37	0	159,704,033.37	1,549,780.22	161,253,813.59	59,832,560.23
September	164,035,598.75	6,627,083.41	157,408,515.34	1,549,780.22	158,958,295.56	58,721,419.40
October	153,870,919.57	6,627,083.41	147,243,836.16	1,549,780.22	148,793,616.38	58,674,721.13
November	139,059,826.07	6,627,083.41	132,432,742.66	1,549,780.22	133,982,522.88	60,201,665.96
December	140,500,080.94	6,627,083.41	133,872,997.53	1,549,780.22	135,422,777.75	52,284,927.29
Total	<u>1,786,343,860.41</u>	<u>26,508,333.64</u>	<u>1,759,835,526.77</u>	<u>18,597,362.64</u>	<u>1,778,432,889.41</u>	<u>683,854,276.60</u>

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	4,810,000.00	-	-
1002	Rates	12,500,000.00	5,981,069.02	6,200,000.00
1003	Local Licenses Fines and Fees	17,210,000.00	7,109,473.19	3,804,180.00
1004	Earnings from Commercial Undertaking	26,100,000.00	6,277,200.00	9,078,000.00
1005	Rent on Local Government Properties	9,730,000.00	0	2,006,000.00
1006	Interest on Dividends	110,000.00	0	0
1007	Grants	0	0	0
1008	Miscellaneous	4,540,000.00	482,041.59	3,844,500.00
	Total	75,000,000.00	19,849,783.80	24,932,680.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	80,000,000.00	64,441,379.46	74,652,538.68
Pension, 1% Training Fund, TRC	545,000,000.00	212,646,115.41	0
Funding of Primary Education	922,000,000.00	1,077,577,015.92	0
Administrative Charges	-	(126,205,657.56)	0
Internal Debt Servicing	10,000,000.00	0	0
TOTAL	1,557,000,000.00	1,228,458,853.23	74,652,538.68

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	150,369,200.00	124,383,695.46	111,100,870.88
2005	Finance and Supplies	112,222,700.00	87,021,505.13	66,289,721.78
2006	Social Development, Information, Youth, Sports and Culture	69,240,000.00	54,218,427.80	43,206,044.08
2007	Primary Health Care	162,108,200.00	129,310,901.32	132,665,929.02
2008	Agriculture and Natural Resources	13,550,500.00	11,203,270.38	9,469,927.05
2009	Works and Housing Lands & Survey	36,272,200.00	28,567,135.50	20,851,972.30
2010	Budget, Planning, Research and Statistics	19,237,200.00	16,402,720.10	12,460,578.03
2011	Traditional Rulers Office	0	0	0
	Total	563,000,000.00	451,107,655.69	396,045,043.14

NOTE 5: OVERHEAD COSTS

HEAD	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Chairman	35,000,000.00	14,025,000.00	24,409,500.00
2001B	Office of the Vice Chairman	10,000,000.00	1,010,000.00	4,910,000.00
2001C	Office of the Supervisors	10,000,000.00	6,836,000.00	1,685,000.00
2001D	Special Advisers	8,000,000.00	575,000.00	1,580,000.00
2002	Office of the Secretary	4,000,000.00	350,000.00	1,580,000.00
2003A	Leader of Legislature	5,000,000.00	435,000.00	2,090,000.00
2003B	Deputy Leader	4,000,000.00	330,000.00	700,000.00
2003C	Legislative Council	10,000,000.00	1,500,000.00	11,814,600.00
2003D	Clerk	3,000,000.00	1,885,000.00	1,527,500.00
2003E	House Leader	3,000,000.00	300,000.00	300,000.00
2003F	Deputy House Leader	3,000,000.00	300,000.00	300,000.00
2003G	Chief Whip	3,000,000.00	300,000.00	300,000.00
2003H	Deputy Chief Whip	3,000,000.00	300,000.00	300,000.00
2004A	Head of LG Service	6,000,000.00	898,000.00	1,613,000.00
2004B	Administration	6,000,000.00	3,264,000.00	5,971,500.00
2005	Finance and Supplies	6,000,000.00	4,578,690.00	4,121,300.00
2006	Education	4,000,000.00	210,000.00	1,225,000.00
2007	Health	5,000,000.00	1,362,500.00	1,550,000.00
2008	Agric& Natural Resources	4,000,000.00	70,000.00	1,050,000.00
2009	Works & Housing	6,000,000.00	1,997,500.00	2,377,000.00
2010	Planning Research & Statistics	4,000,000.00	460,000.00	678,000.00
2011	Traditional Rulers	3,000,000.00	0	250,000.00
2012	Miscellaneous	85,000,000.00	32,290,971.58	56,292,200.64
	Total	230,000,000.00	73,277,661.58	126,624,600.64

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	205,000,000.00	15,375,000.00	810,000.00
Social Sector	228,000,000.00	148,700.00	930,000.00
Environmental Sector	94,000,000.00	550,000.00	7,890,000.00
Administration Sector			
General Administration (Executive)	116,500,000.00	0	404,000.00
General Administration (Legislative)	162,500,000.00	55,752,564.00	100,000.00
Total	806,000,000.00	71,826,264.00	10,134,000.00

NOTE 7: INCREASE / DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,326,002,942.18	2019 Advances	1,298,940,642.18
2019 Advances	1,298,940,642.18	2018 Advances	1,157,385,242.18
	(27,062,300.00)		(141,555,400.00)

NOTE 8: INCREASE / DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	462,757,077.93	2019 Deposits	413,219,454.42
2019 Deposits	413,219,454.42	2018 Deposits	359,734,954.09
	49,537,623.51		53,484,500.33

NOTE 9: CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
CASH	888,789.26	4,104,083.77
BANKS:		
Zenith Bank 1011349074	37,747.34	257,321.41
UBA 1011255162	3,136,974.65	565,527.33
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	20,769,257.03	23,818,273.55
Sub Total Bank	24,323,268.74	25,020,412.01
Total	25,212,058.00	29,124,495.78

NOTE 10. ADVANCES

Detail	2020 ₦	2019 ₦
(i) Purchases Advances	979,599,829.18	950,142,529.18
(ii) Imprest	195,273,200.00	197,628,200.00
(iii) Touring	132,012,690.00	132,052,690.00
(iv) Salary/Special	19,117,223.00	19,117,223.00
Total	1,326,002,942.18	1,298,940,642.18

NOTE 11. DEPOSITS

Detail	2020 ₦	2019 ₦
(i) NULGE	1,435,249.77	1,427,869.22
(ii) MHWUN	743,716.57	743,716.57
(iii) NANNM	1,358,559.52	1,356,496.31
(iv) VAT	6,733,182.47	6,733,182.47
(v) PAYE	4,926,518.45	3,714,695.52
(vi) Withholding Tax	187,500.00	187,500.00
(vii) Others	447,372,351.15	399,055,994.33
TOTAL	462,757,077.93	413,219,454.42



INI LOCAL GOVERNMENT

ODORO IKPE, P.M.B. 1181, IKOT EKPENE
AKWA IBOM STATE OF NIGERIA

RESPONSIBILITY FOR FINANCIAL STATEMENT:

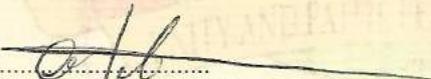
These Financial Statements have been prepared by the Director of Finance of INI Local Government in accordance with the provision of the Model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting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

The Director of Finance 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.

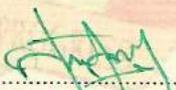
The Director of Finance has the responsibility for ensuring that the Internal Controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of Internal Controls has operated adequately throughout 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 Standards (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflect the financial position of the Local Government Council as at 31st December, 2020 and its operation for the year ended on that date.


.....
Mr. Nyeneime David Umoh
Director of Finance

Date: 30-3-2021


.....
Hon. Israel Idaisin
Executive Chairman

Date: 30/3/2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

The Executive Chairman
Ini Local Government Council
Odoro Ikpe

AUDIT CERTIFICATE ON THE ACCOUNTS OF INI LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Ini Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ini Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

INI LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation by law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.
- (xiii) Other Borrowings/Grants & Aid Received:**
 These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).
 Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.
- (xiv) Interest Received:**
 Interests actually received during the financial year are treated as receipt under item “Other Receipts.”
- (xv) Government Business Activities:**
 Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.
 Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.
- (xvi) Prepayments**
 Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.
- (xvii) Cash Balances**
 This includes Cash in Hand, at Bank and Cash Equivalents at the end of the financial year.
- (xviii) Advances**
 All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.
- (xix) Deposits:**
 These are unremitted deductions and unpaid obligations on the reporting date.

INI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

Cash Flow from Operating Activities	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,200,000,000.00	1,046,264,249.43	670,165,811.97
Value added tax	1	360,000,000.00	420,893,503.64	0
Stabilization	1	0	4,460,182.66	0
Others	1	200,000,000.00	129,453,512.38	0
State Allocation	1	30,000,000.00	16,433,836.58	0
Sub Total Statutory Allocation		1,790,000,000.00	1,617,504,960.49	670,165,811.97
Taxes	2	2,000,000.00	0	0
Rates	2	1,500,000.00	8,075,625.00	870,000.00
Local License fines & fees	2	7,810,000.00	201,300.00	342,000.00
Earning from Council Undertaking	2	3,800,000.00	340,500.00	799,970.00
Rent on Local Government property	2	700,000.00	0	0
Interest & Dividend Receivable	2	860,000.00	0	0
Grants	2	0	0	0
Miscellaneous	2	5,330,000.00	277,500.00	769,052.39
Sub Total IGR		22,000,000.00	8,895,249.30	2,781,022.39
Capital Receipts: B/F		500,000.00	0	0
Grants		78,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		1,940,500,000.00	1,626,400,209.79	672,946,834.36
PAYMENTS				
Consolidated Revenue Fund Charge:				
Political/Public Office Holders	3	74,000,000.00	55,676,304.08	66,261,890.21
Pension Training Fund/Traditional Rulers Council	3	206,000,000.00	223,829,558.70	0
Funding of Primary Education	3	560,000,000.00	699,975,101.83	0
Admin. Charges		0	74,029,052.91	
Internal Debt Servicing/Admin Charges etc	3	10,000,000.00	1,000,000.00	0
Total Consolidated Revenue Fund Charge	3	850,000,000.00	1,054,510,017.52	66,261,890.21
Personnel Costs	4	541,800,000.00	465,059,976.46	416,219,315.85
Overhead Costs	5	189,700,000.00	70,861,952.73	92,524,938.44
TOTAL PAYMENTS		1,581,500,000.00	1,590,431,946.71	575,006,144.50
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		359,000,000.00	35,968,263.08	97,940,689.86
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	359,000,000.00	35,499,472.00	23,708,000.00
Net Cash Flow From Investing Activities (B)			(35,499,472.00)	(23,708,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(21,153,360.00)	(88,147,037.00)
Increase/decrease in other Liabilities	8		762,440.00	27,380,753.34
Total Cash Flow From other Cash equivalent Accounts C			(20,390,920.00)	(60,766,283.66)
NET CASH FLOW FOR THE YEAR A+B+C			(19,922,128.92)	13,466,406.20
Cash and its equivalent as at 1 st January, 2020	9		25,345,505.59	11,879,099.39
Cash and its equivalent as at 31st December, 2020	9		5,423,376.67	25,345,505.59

INI LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	30,000.00	1,437,220.20
Cash at Bank	9	5,393,376.67	23,908,285.39
TOTAL LIQUID ASSETS		5,423,376.67	25,345,505.59
Investment & Other Cash Assets:			
Advances	10	1,310,443,051.00	1,289,289,691.00
TOTAL ASSETS		<u>1,315,866,427.67</u>	<u>1,314,635,196.59</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		964,436,929.38	963,968,138.30
OTHER LIABILITIES			
Deposits	11	351,429,498.29	350,667,058.29
TOTAL LIABILITIES		<u>1,315,866,427.67</u>	<u>1,314,635,196.59</u>

INI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
889,735,448.44	Opening Balance	0	0	0	963,968,138.30	
	Add Revenue					
670,165,811.97	Statutory Allocation	1,200,000,000.00	0	1,200,000,000.00	1,046,264,249.43	(13)
0	Value added tax	360,000,000.00	0	360,000,000.00	420,893,503.64	(17)
0	Stabilization	0	0	0	4,460,182.66	100
0	Others	200,000,000.00	0	200,000,000.00	129,453,512.38	(35)
0	State allocation	30,000,000.00	0	30,000,000.00	16,433,836.68	(45)
670,165,811.97	Sub-total Statutory Allocation	1,790,000,000.00	0	1,790,000,000.00	1,617,505,284.79	(10)
0	Taxes	2,000,000.00	0	2,000,000.00	-	(100)
870,000.00	Rates	1,500,000.00	0	1,500,000.00	8,075,625.00	438
342,000.00	Local license fines and fees	7,810,000.00	0	7,810,000.00	201,300.00	(97)
799,970.00	Earning from commercial undertaking	3,800,000.00	0	3,800,000.00	340,500.00	(91)
0	Rent on local government property	700,000.00	0	700,000.00	0	(100)
0	Interest & dividends receivable	860,000.00	0	860,000.00	0	(100)
0	Grants	0	0	0	0	0
769,052.39	Miscellaneous	5,330,000.00	0	5,330,000.00	277,500.00	(94)
2,781,022.39	Sub Total I GR	22,000,000.00	0	22,000,000.00	8,894,925.00	(60)
1,562,682,282.80	Total Revenue	1,812,000,000.00	0	1,812,000,000.00	2,590,368,348.09	43
	Expenditure					
	Consolidated Rev. Fund charges:					
66,261,890.21	Political/Public Office Holders	74,000,000.00	0	74,000,000.00	55,676,304.08	25
0	Pension/Training fund/TR Council	206,000,000.00	0	206,000,000.00	223,829,558.70	(9)
0	Funding of Primary School	560,000,000.00	0	560,000,000.00	699,975,101.83	(25)
0	Admin. Charges	0	0	0	74,029,052.91	100
0	Internal Debt Servicing/Admin Charges	10,000,000.00	0	10,000,000.00	1,000,000.00	90
66,261,890.21	Sub Total CRFC	850,000,000.00	0	850,000,000.00	1,054,510,017.52	(24)
416,219,315.85	Personal Costs	541,800,000.00	0	541,800,000.00	465,059,976.46	14
92,524,938.44	Overhead Costs	189,700,000.00	0	189,700,000.00	70,861,952.73	63
575,006,144.50	Total Recurrent Expenditure	1,581,500,000.00	0	1,581,500,000.00	1,590,431,946.71	(1)
987,676,138.30	Operating Balance	230,500,000.00	0	230,500,000.00	999,936,401.38	
23,708,000.00	Transfer to Cap. Dev Fund	359,000,000.00	0	359,000,000.00	35,499,472.00	90
963,968,138.30	Closing balance	(128,500,000.00)	0	(128,500,000.00)	964,436,929.38	

INI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp-Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	500,000.00	0	500,000.00	0	0
	Add Revenue:					
23,708,000.00	Transfer from Cons. Rev Fund	359,000,000.00	0	359,000,000.00	35,499,472.00	(90)
0	Grant	78,000,000.00	0	78,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
23,708,000.00	Total Revenue available	487,500,000.00	0	487,500,000.00	35,499,472.00	(92)
	Less Capital Expenditure :					
5,048,000.00	Economic sector	130,500,000.00	0	130,500,000.00	450,000.00	99
7,305,000.00	Social Sector	36,000,000.00	0	36,000,000.00	1,600,000.00	95
75,000.00	Environmental/Reg. Development	27,500,000.00	0	27,500,000.00	-	100
11,280,000.00	General Administration	165,000,000.00	0	165,000,000.00	33,449,472.00	79
23,708,000.00	Total Expenditure	359,000,000.00	0	359,000,000.00	35,499,472.00	90
0	Closing Balance	128,500,000.00	0	128,500,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE 1 – STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 N	LESS DEDUCTION AT SOURCE 2020 N	GROSS ALLOCATION FROM FAAC 2020 N	10% (IGR) 2020 N	TOTAL REVENUE FROM SLGJAAC 2020 N	TOTAL REVENUE FROM SLGJAAC 2019 N
January	150,669,132.69	0	150,669,132.69	1,369,486.39	152,038,619.08	77,687,269.38
February	134,713,657.60	0	134,713,657.60	1,369,486.39	136,083,143.99	47,240,550.71
March	126,434,550.14	0	126,434,550.14	1,369,486.39	127,804,036.53	45,780,754.13
April	139,409,614.57	0	139,409,614.57	1,369,486.39	140,779,100.96	46,819,869.39
May	129,196,176.95	0	129,196,176.95	1,369,486.39	130,565,663.34	44,440,169.03
June	116,275,132.94	0	116,275,132.94	1,369,486.39	117,644,619.33	57,768,852.67
July	141,423,146.45	0	141,423,146.45	1,369,486.39	142,792,632.84	63,081,869.30
August	145,447,601.44	0	145,447,601.44	1,369,486.39	146,817,087.83	59,167,220.09
September	149,349,784.28	6,627,083.41	142,722,700.87	1,369,486.39	144,092,187.26	58,566,186.73
October	140,081,544.89	6,627,083.41	133,454,461.48	1,369,486.39	134,823,947.87	57,299,354.62
November	126,635,021.37	6,627,083.41	120,007,937.96	1,369,486.39	121,377,424.35	62,640,544.84
December	127,944,418.43	6,627,083.41	121,317,335.02	1,369,486.39	122,686,821.41	49,673,171.08
Total	<u>1,627,579,781.75</u>	<u>26,508,333.64</u>	<u>1,601,071,448.11</u>	<u>16,433,836.68</u>	<u>1,617,505,284.79</u>	<u>670,165,811.97</u>

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
1001	Taxes	2,000,000.00	-	-
1002	Rates	1,500,000.00	8,075,625.00	870,000.00
1003	Local Licenses fines and fees	7,810,000.00	201,300.00	342,000.00
1004	Earnings from commercial undertaking	3,800,000.00	340,500.00	799,970.00
1005	Rent on Local Government Properties	700,000.00	0	0
1006	Interest on Dividends	860,000.00	0	0
1007	Grants	0	0	0
1008	Miscellaneous	5,330,000.00	277,500.00	769,052.39
	Total	22,000,000.00	8,894,925.00	2,781,022.39

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 N	ACTUAL 2020 N	ACTUAL 2019 N
Political Office Holders	74,000,000.00	55,676,304.08	66,261,890.21
Pension, 1% Training Fund, TRC	206,000,000.00	223,829,558.70	0
Funding of Primary Education	560,000,000.00	699,975,101.83	0
Administrative Charges	0	74,029,052.91	0
Internal Debt Servicing	10,000,000.00	1,000,000.00	0
TOTAL	850,000,000.00	1,054,510,017.52	66,261,890.21

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	109,800,000.00	90,955,890.43	80,517,598.71
2005	Finance and Supplies	127,280,000.00	106,719,143.81	98,810,455.09
2006	Education, Social Development, Information, Youth, Sports & Culture	73,960,000.00	62,528,238.91	63,744,920.05
2007	Primary Health Care	153,360,000.00	134,572,452.83	106,241,186.46
2008	Agriculture and Natural Resources	18,920,000.00	20,462,162.26	19,538,167.21
2009	Works and Housing, Lands & Survey	43,860,000.00	37,849,173.51	36,171,374.20
2010	Traditional Rulers Office	0	0	0
2011	Budget, Planning, Research and Statistics	14,620,000.00	11,972,914.71	11,195,614.13
	TOTAL	541,800,000.00	465,059,976.46	416,219,315.85

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	30,000,000.00	23,380,000.00	18,411,900.00
2001B	Office of the Vice Chairman	6,000,000.00	1,935,000.00	5,072,500.00
2002A	Office of the Secretary	3,000,000.00	665,000.00	1,408,000.00
2002B	Office of the Supervisors	5,580,000.00	1,057,500.00	2,444,250.00
2002C	Office of the Special Advisers	5,500,000.00	506,250.00	1,700,000.00
2003A	Office of the Legislative/General Council	11,800,000.00	3,400,000.00	4,672,500.00
2003B	Office of the Leader	7,000,000.00	2,200,000.00	2,210,000.00
2003C	Office of the Deputy Leader	4,500,000.00	660,000.00	1,695,000.00
2003D	Office of the Majority Leader	3,800,000.00	982,500.00	1,532,500.00
2003E	Office of the Deputy Majority Leader	3,200,000.00	982,500.00	1,710,000.00
2003F	Office of the Chief Whip	3,200,000.00	600,000.00	1,280,000.00
2003G	Office of the Deputy Chief Whip	3,200,000.00	600,000.00	743,000.00
2003H	Office of the Clerk	2,000,000.00	300,000.00	330,000.00
2004A	Office of the Head of Local Government Service	4,000,000.00	200,000.00	2,552,000.00
2004B	Office of the Administration & General Services	3,800,000.00	629,500.00	2,236,500.00
2005	Finance and Supplies	4,200,000.00	984,100.00	2,395,600.00
2006	Education, Information & Sports	2,000,000.00	60,000.00	1,169,000.00
2007	Health	6,500,000.00	995,000.00	4,423,900.00
2008	Agriculture and Natural Resources	2,000,000.00	160,000.00	716,999.60
2009	Works and Transport	2,200,000.00	230,000.00	665,100.00
2010	Budget, Planning, Research & Statistics	3,000,000.00	75,000.00	518,400.00
2011	Traditional Rulers Council	4,500,000.00	1,720,000.00	2,050,000.00
2012	Miscellaneous	68,800,000.00	28,539,602.73	32,587,788.84
	Total	189,700,000.00	70,861,952.73	92,524,938.44

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	130,500,000.00	450,000.00	5,048,000.00
Social Sector	36,000,000.00	1,600,000.00	7,305,000.00
Environmental Sector	27,500,000.00	0	75,000.00
Administration Sector			
General Administration (Executive)	92,000,000.00	32,249,472.00	10,780,000.00
General Administration (Legislature)	73,000,000.00	1,200,000.00	500,000.00
TOTAL	359,000,000.00	35,499,472.00	23,708,000.00

NOTE 7: INCREASE / DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,310,443,051.00	2019 Advances	1,289,289,691.00
2019 Advances	1,289,289,691.00	2018 Advances	1,201,142,654.00
	(21,153,360.00)		(88,147,037.00)

NOTE : 8 INCREASE / DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	351,429,498.29	2019 Deposits	350,667,058.29
2019 Deposits	350,667,058.29	2018 Deposits	323,286,304.95
	762,440.00		27,380,753.34

NOTE 9: CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
CASH	30,000.00	1,437,220.20
BANKS:		
Zenith Bank A/C (1014518293)	1,969,249.69	9,936,575.31
Zenith Bank A/C (1011351628)	3,332,432.72	4,016,524.08
Ini Micro Finance Bank A/C (2000103118360)	69,715.21	958,040.00
UBA A/C 100746014	21,979.05	8,997,146.00
Sub Total Bank Bal.	5,393,376.67	23,908,285.39
Total	5,423,376.67	25,345,505.59

NOTE 10: ADVANCES

Detail	2020 ₦	2019 ₦
(i) Purchase Advances	941,175,606.00	918,378,566.00
(ii) Imprest Advances	213,916,330.00	219,408,510.00
(iii) Touring Advances	126,849,115.00	123,000,615.00
(iv) Salary/Special Advance	9,262,000.00	9,262,000.00
(v) Others Upkeep Advance	19,240,000.00	19,240,000.00
TOTAL	1,310,443,051.00	1,289,289,691.00

NOTE 11: DEPOSITS

Detail	2020 ₦	2019 ₦
(i) PAYE Tax	1,722,702.16	1,722,702.16
(ii) NULGE Dues-State/Branch	1,849,909.60	1,849,909.60
(iii)MHWUN	28,298.00	28,298.00
) NANNM	414,957.37	0
(iv) VAT	0	0
(v) Withholding Tax	0	0
(vi) Pension Deductions	43,118,023.16	0
(vii) Others	304,295,608.00	347,066,148.53
TOTAL	351,429,498.29	350,667,058.29

ITU LOCAL GOVERNMENT

AKWA IBOM STATE OF NIGERIA

Our Ref:

Your Ref:

(All replies to be addressed to the Chairman)



Local Government Secretariat Complex
Mbak Atai, P.M.B. 6. Itu

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STATEMENT OF FINANCIAL RESPONSIBILITY

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 our 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, 2020 and its operations for the year ended on that date.

Mrs. Joanna Nse-Abasi Akpan
Director of Finance
Itu Local Government Council
14th April, 2021

Hon. Barr. Eietim Onuk
Executive Chairman
Itu Local Government Council
14th April, 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

The Executive Chairman
Itu Local Government Council
Mbak Itam

AUDIT CERTIFICATE ON THE ACCOUNTS OF ITU LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Itu Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Itu Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.

FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.
- (xiii) Other Borrowings/Grants & Aid Received:**
 These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).
 Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.
- (xiv) Interest Received:**
 Interests actually received during the financial year are treated as receipt under item “Other Receipts.”
- (xv) Government Business Activities:**
 Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.
 Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.
- (xvi) Prepayments**
 Prepaid expenses are amounts paid in advance of receipt of goods or services and are charged directly to the respective expenditure item.
- (xvii) Cash Balances**
 This includes Cash in Hand, at Bank and Cash Equivalents at the end of the financial year.
- (xviii) Advances**
 All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.
- (xix) Deposits:**
 These are unremitted deductions and unpaid obligations on the reporting date.

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER,2020

CASHFLOW FROM COPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECIEPTS:				
Statutory Allocation	1	1,600,000,000.00	1,068,856,515.46	639,983,829.38
Value Added Tax	1	300,000,000.00	449,528,993.41	0
Stabilization	1	0	4,554,071.19	0
Others	1	200,000,000.00	132,068,165.57	0
State Allocation	1	30,000,000.00	17,892,433.08	0
Sub Total Statutory Allocation		2,130,000,000.00	1,672,900,178.71	639,983,829.38
Taxes	2	6,000,000.00	250,000.00	1,835,700.00
Rates	2	9,000,000.00	6,135,625.00	4,971,000.00
Local Licenses fines and fees	2	7,000,000.00	647,380.00	1,086,430.00
Learning from Commercial undertaking	2	36,000,000.00	22,618,700.00	35,246,000.00
Rent on Local Govt. Property	2	6,000,000.00	2,501,000.00	452,500.00
Interest & Dividends Receivable	2	0	0	0
Grants	2	0	0	3,300,000.00
Miscellaneous	2	6,000,000.00	1,922,681.61	2,853,305.00
Sub Total IGR		70,000,000.00	34,075,386.61	49,744,935.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECIEPTS		2,321,000,000.00	1,706,975,565.32	689,728,764.38
PAYMENTS:				
Consolidated Rev. Fund charges				
Political/Public Office Holders	3	75,000,000.00	58,123,759.91	68,380,309.26
Pension/Training fund/Traditional Rulers council	3	300,000,000.00	219,616,681.36	0
Funding of primary Education	3	750,000,000.00	927,570,082.57	0
internal debt servicing/admin. charges etc	3	10,000,000.00	(41,122,503.20)	1,200,000.00
Total consolidated Revenue Fund charges		1,135,000,000.00	1,164,188,020.64	69,580,309.26
Personnel Costs	4	400,000,000.00	430,658,237.41	354,138,802.12
Overhead Costs	5	230,000,000.00	72,366,489.64	91,339,816.00
TOTAL PAYMENTS		1,765,000,000.00	1,667,212,747.69	515,058,927.38
Net Cash Flow from Operating Activities A		556,000,000.00	39,762,817.63	174,669,837.00
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	556,000,000.00	23,936,625.00	110,877,325.00
Net Cash Flow from Investing Activities B			(23,936,625.00)	(110,877,325.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(27,682,500.00)	(98,755,700.02)
Increase/decrease in other Liabilities	8		(15,480,122.33)	58,249,725.72
Total Cash Flow From other Cash equivalent Accounts C			(43,162,622.33)	(40,505,974.30)
Net Cashflow for the year (A+B+C)			(27,336,429.70)	23,286,537.70
Cash and its equivalent asset 1 st January, 2020	9		44,182,939.56	20,896,401.86
Cash and its equivalent asset 31 st December, 2020	9		16,846,509.86	44,182,939.56

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	18,103.37	1,143.43
Cash at Bank	9	16,828,406.49	44,181,796.13
TOTAL LIQUID ASSETS		16,846,509.86	44,182,939.56
Investment & Other Cash Assets:			
Advances	10	608,175,244.98	580,492,744.98
TOTAL ASSETS		<u>625,021,754.84</u>	<u>624,675,684.54</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		417,896,215.88	402,070,023.25
OTHER LIABILITIES			
Deposits	11	207,125,538.96	222,605,661.29
TOTAL LIABILITIES		<u>625,021,754.84</u>	<u>624,675,684.54</u>

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
338,277,511.25	Opening Balances	0	0	0	402,070,023.25	0
	Add Revenue:					
639,983,829.38	Statutory Allocation	1,600,000,000.00	0	1,600,000,000.00	1,068,856,515.46	(33)
0	Value Added Tax	300,000,000.00	0	300,000,000.00	449,528,993.41	50
0	Stabilization	0	0	0	4,554,071.19	100
0	Others	200,000,000.00	0	200,000,000.00	132,068,165.57	(34)
0	State Allocation	30,000,000.00	0	30,000,000.00	17,892,433.08	(40)
639,983,829.38	Sub Total Statutory Allocation	2,130,000,000.00	0	2,130,000,000.00	1,672,900,178.71	(21)
1,835,700.00	Taxes	6,000,000.00	0	6,000,000.00	250,000.00	(96)
4,971,000.00	Rates	9,000,000.00	0	9,000,000.00	6,135,625.00	(32)
1,086,430.00	Local Licenses fines and fees	7,000,000.00	0	7,000,000.00	647,380.00	(91)
35,246,000.00	Earning from Commercial undertaking	36,000,000.00	0	36,000,000.00	22,618,700.00	(37)
452,500.00	Rent on Local Govt. Property	6,000,000.00	0	6,000,000.00	2,501,000.00	(58)
-	Interest & Dividends Receivable	0	0	0	0	0
3,300,000.00	Grants	0	0	0	0	0
2,853,305.00	Miscellaneous	6,000,000.00	0	6,000,000.00	1,922,681.61	(68)
49,744,935.00	Sub. Total IGR	70,000,000.00	0	70,000,000.00	34,075,386.61	(51)
1,028,106,275.63	TOTAL REVENUE	2,200,000,000.00	0	2,200,000,000.00	2,109,045,588.57	(4)
	EXPENDITURE:					
	Consolidated Rev. Fund Charges(CRFC)					
68,380,309.26	Political/Public Office Holders	75,000,000.00	0	75,000,000.00	58,123,759.91	23
0	Pensions/Training/Fund/Traditional Rulers Council	300,000,000.00	0	300,000,000.00	219,616,681.36	27
0	Funding of Primary Education	750,000,000.00	0	750,000,000.00	927,570,082.57	(24)
1,200,000.00	Internal Debt Servicing/Admin Charges	10,000,000.00	0	10,000,000.00	(41,122,503.20)	511
69,580,309.26	Sub Total CRFC	1,135,000,000.00	0	1,135,000,000.00	1,164,188,020.64	(3)
354,138,802.12	Personnel Costs	400,000,000.00	0	400,000,000.00	430,658,237.41	(8)
91,339,816.00	Overhead Costs	230,000,000.00	0	230,000,000.00	72,366,489.64	69
515,058,927.38	Total Recurrent Expenditure	1,765,000,000.00	0	1,765,000,000.00	1,667,212,747.69	6
512,947,348.25	Operating Balance	435,000,000.00	0	435,000,000.00	441,832,840.88	
110,877,325.00	Transfer to Capital Dev. Fund	556,000,000.00	0	556,000,000.00	23,936,625.00	96
402,070,023.25	CLOSNG BALANCE	(121,000,000.00)	0	(121,000,000.00)	417,896,215.88	

ITU LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
110,877,325.00	Transfer from Consolidated. Rev. Fund	556,000,000.00	0	556,000,000.00	23,936,625	(96)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
110,877,325.00	Total Revenue available	677,000,000.00	0	677,000,000.00	23,936,625	(96)
	Less Capital Expenditure					
23,103,717.00	Economic Sector	218,000,000.00	0	218,000,000.00	12,859,000.00	94
20,146,000.00	Social Sector	131,000,000.00	0	131,000,000.00	3,855,000.00	97
2,422,000.00	Environmental/Reg. Dev.	51,000,000.00	0	51,000,000.00	3,880,000.00	92
65,205,608.00	General Administration	156,000,000.00	0	156,000,000.00	3,342,625.00	98
110,877,325.00	Total Expenditure	566,000,000.00	0	566,000,000.00	23,936,625.00	96
0	Closing Balance	121,000,000.00	0	121,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1. STATUTORY ALLOCATIONS

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 N	LESS DEDUCTION AT SOURCE 2020 N	GROSS ALLOCATION FROM FAAC 2020 N	10% (IGR) 2020 N	TOTAL REVENUE FROM SLGJAAC 2020 N	TOTAL REVENUE FROM SLGJAAC 2019 N
January	155,382,997.46	0	155,382,997.46	1,491,036.09	156,874,033.55	72,852,237.12
February	138,924,089.81	0	138,924,089.81	1,491,036.09	140,415,125.90	44,719,039.93
March	130,348,194.68	0	130,348,194.68	1,491,036.09	131,839,230.77	41,951,051.44
April	143,951,219.55	0	143,951,219.55	1,491,036.09	145,442,255.64	44,736,399.09
May	133,186,833.03	0	133,186,833.03	1,491,036.09	134,677,859.12	42,767,813.82
June	120,121,893.14	0	120,121,893.14	1,491,036.09	121,612,929.23	56,228,267.45
July	146,146,358.91	0	146,146,358.91	1,491,036.09	147,631,395.00	61,483,932.88
August	150,291,650.60	0	150,291,650.60	1,491,036.09	151,783,686.69	57,147,395.80
September	154,512,408.09	6,627,083.41	147,885,324.68	1,491,036.09	149,376,360.77	56,772,290.35
October	144,939,102.83	6,627,083.41	138,312,091.42	1,491,036.09	139,803,055.15	55,6861,319.00
November	130,994,776.28	6,627,083.41	124,367,692.87	1,491,036.09	125,858,728.96	56,771,351.32
December	132,715,554.89	6,627,083.41	126,088,471.48	1,491,036.09	127,579,507.57	48,867,731.18
Total	<u>1,681,516,079.27</u>	<u>26,508,333.64</u>	<u>1,655,007,745.63</u>	<u>17,892,433.08</u>	<u>1,672,900,178.71</u>	<u>639,983,829.38</u>

NOTE: 2. INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
1001	Taxes	6,000,000.00	250,000.00	1,835,700.00
1002	Rates	9,000,000.00	6,135,625.00	4,971,000.00
1003	Local Licenses Fines and Fees	7,000,000.00	647,380.00	1,086,430.00
1004	Earning form Commercial Undertaking	36,000,000.00	22,618,700.00	35,246,000.00
1005	Rent on Local Government Properties	6,000,000.00	2,501,000.00	452,500.00
1006	Interest on Dividends	0	0	0
1007	Grants	0	0	3,300,000.00
1008	Miscellaneous	6,000,000.00	1,922,681.61	2,853,305.00
	Total	70,000,000.00	34,075,386.61	49,744,935.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 N	ACTUAL 2020 N	ACTUAL 2019 N
Political Office Holders	75,000,000.00	58,123,759.91	68,380,309.26
Pension, 1% Training Fund, TRC	300,000,000.00	219,616,681.36	0
Funding of Primary Education	750,000,000.00	927,570,082.57	0
Administrative Charges	10,000,000.00	(41,122,503.20)	1,200,000.00
Internal Debt Servicing			
TOTAL	1,135,000,000.00	1,164,188,020.64	69,580,309.26

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	32,150,594.42	126,027,699.87	97,423,566.86
2005	Finance and Supplies	95,655,488.28	70,651,750.05	63,540,110.23
2006	Social Development, Information, Youth Sport & Culture	56,271,621.65	38,617,734.74	33,824,203.45
2007	Primary Health Care	125,672,501.15	125,285,367.38	103,736,278.95
2008	Agriculture and Natural Resources	21,337,462.27	15,188,426.46	13,858,112.05
2009	Works and Housing. Lands & Survey	51,462,332.23	39,537,682.23	29,487,713.66
2010	Budget, Planning, Research and Statics	17,450,000.00	15,349,576.68	12,268,816.92
	Total	400,000,000.00	430,658,237.41	354,138,802.12

NOTE 5. OVER HEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive chairman	40,000,000.00	19,996,000.00	25,206,000.00
2001B	Office of the vice chairman	12,000,000.00	1,885,000.00	3,170,000.00
2002A	Office of the secretary	4,000,000.00	1,012,000.00	496,000.00
2002B	Office of the supervisors	6,000,000.00	2,527,000.00	2,176,400.00
2002C	Office of the special Advisers	5,000,000.00	0	100,000.00
2003A	Office of the Legislative/General Council	20,000,000.00	5,682,000.00	10,941,000.00
2003B	Office of the Leader	5,000,000.00	1,328,000.00	2,150,000.00
2003C	Office of the Deputy leader	3,000,000.00	990,000.00	1,590,000.00
2003D	Office of the Majority Leader	2,500,000.00	900,000.00	1,300,000.00
2003E	Office of the Deputy Majority Leader	2,000,000.00	900,000.00	1,410,000.00
2003F	Office of the chief whip	2,500,000.00	900,000.00	0
2003G	Office of the Deputy Chief Whip	2,000,000.00	900,000.00	0
2003H	Office of the Clerk	2,000,000.00	0	0
2004A	Office of the Head of Local Government Service	5,000,000.00	649,000.00	261,000.00
2004B	Office of the Administration & General Services	6,000,000.00	305,000.00	1,189,000.00
2005	Finance and Supplies	4,000,000.00	1,885,200.00	1,536,200.00
2006	Education Information & Sports	3,000,000.00	80,000.00	485,000.00
2007	Health	5,000,000.00	415,000.00	675,000.00
2008	Agriculture and Natural Resources	2,000,000.00	415,000.00	360,000.00
2009	Works And Transport	3,000,000.00	1,210,000.00	601,000.00
2010	Budget, Planning Research & Statics	4,000,000.00	50,000.00	75,000.00
2011	Traditional Rulers Council	3,000,000.00	0	0
2012	Miscellaneous	89,000,000.00	30,337,289.64	37,618,216.00
	Total	230,000,000.00	72,636,489.64	91,339,816.00

NOTE 6. CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	218,000,000.00	12,859,000.00	23,103,717.00
Social Sector	131,000,000.00	3,855,000.00	20,146,000.00
Environmental Sector	51,000,000.00	3,880,000.00	2,422,000.00
Administration Sector			
General Administration (Executive)	91,000,000.00	3,342,625.00	65,205,608.00
General Administration (Legislative)	65,000,000.00	-	-
Total	566,000,000.00	23,936,625.00	110,877,325.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	608,175,244.98	2019 Advances	580,492,744.98
2019 Advances	580,492,744.98	2018 Advances	481,737,044.96
	(27,682,500.00)		(98,755,700.02)

NOTE 8 : INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	207,125,538.96	2019 Deposits	222,605,661.29
2019 Deposits	222,605,661.29	2018 Deposits	164,355,935.57
	(15,480,122.33)		58,249,725.72

NOTE 9. CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
CASH:	18,103.37	1,143.43
BANKS:		
Zenith Bank A/c (Salary)	15,805,212.20	35,049,124.77
U.B.A A/c (Project)	48,314.48	8,104,854.05
Key Stone Bank (1006964585)	47,593.50	100,534.00
Skye Bank (17500344483)	41,912.90	41,912.90
Enterprise Bank (Heritage)	9,749.76	9,749.76
U.B.A Aka Road	12,567.04	12,564.04
UBA Udo-Udoma	38,691.63	38,691.63
Diamond Bank (Sure-P)	370,657.62	370,657.62
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	16,828,406.49	44,181,796.13
Total	16,846,509.86	44,182,939.56

NOTE 10: ADVANCES

Detail	2020 ₱	2019 ₱
Purchase Advances	448,125,471.12	425,057,471.12
Imprest	111,953,320.00	107,888,820.00
Touring	46,336,724.50	45,786,724.50
Salary/Special	1,498,179.56	1,498,179.56
Motor Vehicle	67,627.73	67,627.73
Others (Housing)	193,922.07	193,922.07
Total	608,175,244.98	580,492,744.98

NOTE 11: DEPOSITS

Detail	2020 ₱	2019 ₱
Pay Tax	6,167,037.62	5,004,599.78
Nudge Dues-State/Branch	1,847,505.29	1,406,239.74
NANNM	789,613.38	706,297.10
VAT	3,608,705.00	3,608,705.00
Withholding Tax	3,293,367.71	3,293,367.71
Pension Deductions	4,839,971.45	4,839,971.45
Other	186,579,338.51	203,746,480.51
Total	207,125,538.96	222,605,661.29



MBO LOCAL GOVERNMENT
AKWA IBOM STATE OF NIGERIA
Local Govt. Council hqtrs. Enwang Mbo.



15th August, 2021

Our Ref.....

Date.....

Your Ref.....

RESPONSIBILITY FOR FINANCIAL STATEMENTS:

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

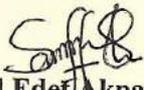
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

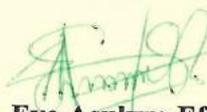
The Management of Mbo Local Government Council is responsible for establishing and maintaining a System of Internal Controls designed to provide reasonable assurance that the transactions recorded are within their Statutory Authority and properly recorded the use of all Public Financial Resources by 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 Standards (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, 2020 and its operations for the Year ended on the date.


Daniel Edef Akpan
Director of Finance


Rt. Hon. Eyo Asukwo Efiang
Executive Chairman

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Mbo Local Government Council
Enwang

AUDIT CERTIFICATE ON THE ACCOUNTS OF MBO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Mbo Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Mbo Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT: NO. 1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES:	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,600,000,000.00	995,940,307.14	566,727,200.71
Value Added Tax	1	300,000,000.00	425,847,648.07	0
Stabilization	1	0	4,250,954.76	0
Others	1	300,000,000.00	123,626,831.57	0
State Allocation	1	30,000,000.00	17,122,021.08	0
Sub Total Statutory Allocation		2,230,000,000.00	1,566,787,762.62	566,727,200.71
Taxes	2	5,000,000.00	0	0
Rates	2	7,000,000.00	18,000.00	0
Local Licences, Fines & Fees	2	5,000,000.00	38,000.00	117,100.00
Earnings from Commercial Undertakings	2	10,000,000.00	26,000.00	236,000.00
Rent on Local Government Properties	2	15,000,000.00	0	0
Interest and Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	8,000,000.00	919,750.00	427,200.00
Sub Total IGR		50,000,000.00	1,001,750.00	780,300.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,431,000,000.00	1,567,789,512.62	567,507,500.71
PAYMENTS				
Consolidated Revenue Fund Charges:				
Political / Public office Holders	3	80,000,000.00	51,949,514.56	64,246,054.07
Pension Training Fund / Trad. Rulers Council	3	200,000,000.00	217,172,719.29	0
Funding of Primary Education	3	700,000,000.00	745,682,663.24	0
Internal Debt Servicing/Admin. Charges	3	10,000,000.00	25,968,242.77	0
Total Consolidated Revenue Fund Charges		990,000,000.00	1,040,773,139.86	64,246,054.07
Personnel Costs	4	390,000,000.00	337,462,943.04	254,836,303.73
Overhead Costs	5	250,000,000.00	128,552,695.83	146,313,881.41
TOTAL PAYMENTS		1,630,000,000.00	1,506,788,778.73	465,396,239.21
Net Cash Flow from Operating Activities(A)		801,000,000.00	61,000,733.89	102,111,261.50
CASH FROM INVESTING ACTIVITIES				
Capital Expenditure	6	801,000,000.00	34,250,228.00	8,703,500.00
Net Cashflow from Investing Activities (B)			(34,250,228.00)	(8,703,500.00)
CASHFLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cash flow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase / Decrease in other Cash Assets	7		(26,060,203.62)	(129,789,109.12)
Increase / Decrease in other Liabilities	8		(4,264,751.09)	11,246,956.00
Total Cashflow from other Cash Equiv.Accts (C)			(30,324,954.71)	(118,542,153.12)
Net Cashflow for the Year (A+B+C)			(3,574,448.82)	(25,134,391.62)
Cash and its equivalent as at 1 st January, 2020	9		6,845,634.63	31,980,126.25
Cash and its equivalent as at 31st Dec, 2020	9		3,271,185.81	6,845,634.63

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO:2

**STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER,
2020**

DETAILS	NOTES	ACTUAL 2020 ₦	ACTUAL 2019 ₦
ASSETS:			
Liquid Assets:			
Cash in Hand	9	426,086.84	535.66
Cash at Bank	9	2,845,098.97	6,845,098.97
TOTAL LIQUID ASSETS		3,271,185.81	6,845,634.63
Investment & Other Cash Assets:			
Advances	10	1,295,347,903.30	1,269,287,699.68
TOTAL ASSETS		1,298,619,089.11	1,276,133,334.31
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,204,873,483.61	1,178,122,977.72
OTHER LIABILITIES			
Deposits	11	93,745,605.50	98,010,356.59
TOTAL LIABILITIES		1,298,619,089.11	1,276,133,334.31

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	DESCRIPTION	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
1,084,715,216.22	Opening Balance	0	0	0	1,178,122,977.72	0
	Add Revenue					
566,727,200.71	Statutory Allocation	1,600,000,000.00	0	1,600,000,000.00	955,940,307.14	(38)
0	Value Added Tax	300,000,000.00	0	300,000,000.00	425,847,648.07	42
0	Stabilization	0	0	0	4,250,954.76	0
0	Others	300,000,000.00	0	300,000,000.00	123,626,831.57	(69)
0	State Allocation	30,000,000.00	0	30,000,000.00	17,122,021.08	(43)
566,727,200.71	Sub-Total Statutory All.	2,230,000,000.00	0	2,230,000,000.00	1,566,787,762.62	(30)
0	Taxes	5,000,000.00	0	5,000,000.00	-	(100)
0	Rates	7,000,000.00	0	7,000,000.00	18,000.00	(99)
117,100.00	Loca License, Fines/Fees	5,000,000.00	0	5,000,000.00	38,000.00	(99)
236,000.00	Earnings from comm. Un.	10,000,000.00	0	10,000,000.00	26,000.00	(99)
0	Rent on L/Govt. Prop.	15,000,000.00	0	15,000,000.00	0	(100)
0	Interest and Dividend Rec.	0	0	0	0	0
0	Grants	0	0	0	0	0
427,200.00	Miscellaneous	8,000,000.00	0	8,000,000.00	919,750.00	(89)
780,300.00	Sub-Total (IGR)	50,000,000.00	0	50,000,000.00	1,001,750.00	(98)
1,652,222,716.93	TOTAL REVENUE	2,280,000,000.00	0	2,280,000,000.00	2,745,912,490.34	20
	EXPENDITURE					
	Consol. Rev.Fund Charges					
64,246,054.07	Pol./Public Office Holders	80,000,000.00	0	80,000,000.00	51,949,514.56	35
0	Pensions/Training Fund/Tr	200,000,000.00	0	200,000,000.00	217,172,719.29	(9)
0	Funding of Primary Educ.	700,000,000.00	0	700,000,000.00	745,682,663.24	(6)
0	Internal Debt Servicing	10,000,000.00	0	10,000,000.00	25,968,242.77	(160)
64,246,054.07	Sub-Total (CRFC)	990,000,000.00	0	990,000,000.00	1,040,773,139.86	(5)
254,836,303.73	Personnel Costs	390,000,000.00	0	390,000,000.00	337,462,943.04	13
146,313,881.41	Overhead Costs	250,000,000.00	0	250,000,000.00	128,552,695.83	49
465,396,239.21	Total Recurrent Expen.	1,630,000,000.00	0	1,630,000,000.00	1,506,788,778.73	8
1,186,826,477.72	Operating Balance	650,000,000.00	0	650,000,000.00	1,239,123,711.61	
8,703,500.00	Transfer to Cap.Dev. Fund	801,000,000.00	0	801,000,000.00	34,250,228.00	96
1,178,122,977.72	Closing Balance	(151,000,000.00)	0	(151,000,000.00)	1,204,873,483.61	

MBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₱	DESCRIPTION	INITIAL BUDGET 2020 ₱	SUPP- BUDGET 2020 ₱	FINAL BUDGET 2020 ₱	ACTUAL 2020 ₱	VAR. %
0	Opening Balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue					
8,703,500.00	Transfer from Con. Fund	801,000,000.00	0	801,000,000.00	34,250,228.00	(96)
	Grants	100,000,000.00	0	100,000,000.00	0	(100)
	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
8,703,500.00	Total Revenue Available	952,000,000.00	0	1,052,000,000.00	34,250,228.00	(97)
	Less Capital Expenditure					
2,900,000.00	Economic Sector	144,000,000.00	0	144,000,000.00	0	100
3,450,000.00	Social Sector	104,000,000.00	0	104,000,000.00	11,600,000.00	89
1,678,500.00	Environment/Regional Dev	98,000,000.00	0	98,000,000.00	0	100
675,000.00	General Administration	455,000,000.00	0	455,000,000.00	22,650,228.00	95
8,703,500.00	Total	801,000,000.00	0	801,000,000.00	34,250,228.00	96
0	Closing Balance	151,000,000.00	0	151,000,000.00	0	0

NOTES TO THE ACCOUNTS:

NOTE 1: STATUTORY ALLOCATIONS:

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	145,518,565.56	0	145,518,565.56	1,426,635.09	146,945,400.65	65,933,639.83
February	130,216,409.09	0	130,216,409.09	1,426,835.09	131,643,244.18	38,098,152.33
March	122,355,884.92	0	122,355,884.92	1,426,835.09	123,782,720.01	35,607,493.96
April	134,897,702.65	0	134,897,702.65	1,426,835.09	136,324,537.74	38,264,695.40
May	124,710,090.58	0	124,710,090.58	1,426,835.09	126,136,925.67	36,205,656.33
June	112,547,024.97	0	112,547,024.97	1,426,835.09	113,973,860.06	49,608,613.49
July	136,927,916.62	0	136,927,916.62	1,426,835.09	138,354,751.71	55,069,278.82
August	140,835,478.55	0	140,835,478.55	1,426,835.09	142,262,313.64	51,566,526.73
September	144,851,256.79	6,627,083.41	138,224,173.38	1,426,835.09	139,651,008.47	51,654,139.22
October	135,872,421.92	6,627,083.41	129,245,338.51	1,426,835.09	130,672,173.60	49,864,085.25
November	122,817,257.59	6,627,083.41	116,190,174.18	1,426,835.09	117,617,009.27	51,197,212.56
December	118,659,685.94	6,627,083.41	117,996,982.53	1,426,835.09	119,423,817.62	43,657,436.79
Total	<u>1,576,174,075.18</u>	<u>26,508,333.64</u>	<u>1,549,665,741.54</u>	<u>17,122,021.08</u>	<u>1,566,787,762.62</u>	<u>566,727,200.71</u>

NOTE 2: INTERNALLY GENERATED REVENUE :

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
1001	Taxes	5,000,000.00	0	0
1002	Rates	7,000,000.00	18,000.00	0
1003	Local Licences., Fines and Fees	5,000,000.00	38,000.00	117,100.00
1004	Earn. from Comm. Undertakings	10,000,000.00	26,000.00	236,000.00
1005	Rent on Local Govt. Property	15,000,000.00	0	0
1006	Interest on Dividends	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	8,000,000.00	919,750.00	427,200.00
	TOTAL	50,000,000.00	1,001,750.00	780,300.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	80,000,000.00	51,949,514.56	64,246,054.07
Pension, 1% Training Fund, TRC	200,000,000.00	217,172,719.29	0
Funding of Primary Education	700,000,000.00	745,682,663.24	0
Administrative Charges	10,000,000.00	25,968,242.77	0
Internal Debt Servicing			
TOTAL	990,000,000.00	1,040,773,139.86	64,246,054.07

NOTE 4: PERSONNEL COSTS:

HEAD	DEPARTMENTS	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2004	Administration	150,000,000.00	124,776,973.80	87,273,453.40
2005	Finance and Supply	75,766,020.00	58,542,937.68	46,288,351.48
2006	Social Dev. Youth, Sports	39,232,806.00	26,427,826.44	20,681,716.88
2007	Primary Health Care	76,119,819.00	90,617,139.36	74,551,873.19
2008	Agric. And Nat.Resources	15,400,000.00	13,941,204.96	10,148,249.60
2009	Works and Housing,	23,449,146.00	14,744,029.44	8,796,892.98
2010	Traditional Rulers Office	0	0	0
2011	Budget, Plan., Research/ Stat.	10,032,209.00	8,412,831.36	7,095,766.20
	TOTAL	390,000,000.00	337,462,943.04	254,836,303.73

NOTE 5 : OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2001A	Office of the Exec. Chairman	37,000,000.00	26,200,000.00	32,605,000.00
2001B	Office of the Vice Chairman	7,000,000.00	2,870,000.00	3,925,000.00
2002A	Office of the Secretary	5,000,000.00	1,630,000.00	1,180,500.00
2002B	Office of the Supervisors	9,000,000.00	1,500,000.00	2,437,535.00
2002C	Office of the Special Advisers	10,000,000.00	4,650,500.00	6,687,155.00
2003A	Office of Legisl./Gen. Council	20,000,000.00	20,400,000.00	24,000,000.00
2003B	Office of the Leader	8,400,000.00	4,840,000.00	6,260,000.00
2003C	Office of the Deputy Leader	7,000,000.00	770,000.00	1,100,000.00
2003D	Office of the Majority Leader	6,000,000.00	1,600,000.00	2,240,000.00
2003E	Office of Deputy Maj. Leader	5,200,000.00	600,000.00	1,000,000.00
2003F	Office of the Chief Whip	4,700,000.00	600,000.00	1,212,000.00
2003G	Office of the Dep. Chief Whip	4,200,000.00	1,492,500.00	1,000,000.00
2003H	Office of the Clerk	3,000,000.00	450,000.00	0
2004A	Office of the HOLGS	5,500,000.00	834,500.00	1,063,000.00
2004B	Office of Admin./Gen. Serv.	8,000,000.00	1,195,000.00	2,014,000.00
2005	Finance and Supply	6,000,000.00	964,000.00	1,724,000.00
2006	Educa., Information & Sports	5,000,000.00	0	655,400.00
2007	Health	5,000,000.00	1,015,000.00	1,838,900.00
2008	Agric. And Natural Resources	5,000,000.00	10,000.00	150,000.00
2009	Works and Transport	5,000,000.00	0	492,000.00
2010	Budget, Planning, Resear./Sta.	5,000,000.00	70,000.00	120,000.00
2011	Traditional Rulers Council	4,000,000.00	100,000.00	125,000.00
2012	Miscellaneous	75,000,000.00	56,761,195.83	54,484,391.41
	TOTAL	250,000,000.00	128,552,695.83	146,313,881.41

NOTE 6: CAPITAL EXPENDITURE

	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Economic Sector	144,000,000.00	0	2,900,000.00
Social Sector	104,000,000.00	11,600,000.00	3,450,000.00
Environmental Sector	98,000,000.00	0	1,678,500.00
Administration Sector:			
General Admin. (Exec.)	355,000,000.00	22,650,228.00	675,000.00
General Admin. (Legisl.)	100,000,000.00	0	0
TOTAL	801,000,000.00	34,250,228.00	8,703,500.00

NOTE 7: INCREASE / DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,295,347,903.30	2019 Advances	1,269,287,689.68
2019 Advances	1,269,287,699.68	2018 Advances	1,139,498,590.56
Total	(26,060,203.62)	Total	(129,789,099.12)

NOTE 8: INCREASE / DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	93,745,605.50	2019 Deposits	98,010,356.59
2019 Deposits	98,010,356.59	2018 Deposits	86,763,400.59
Total	(4,264,751.09)	Total	11,246,956.00

NOTE 9: CASH AND BANK BALANCES:

DESCRIPTION	2020 ₦	2019 ₦
CASH	426,086.84	535.66
BANKS:		
Zenith: No. 1010716572	5,760.57	89,598.44
1014518303	2,057,348.62	6,372,280.93
UBA	1,000.00	1,000.00
Skye	139,818.49	139,818.49
Diamond	242,401.11	242,401.11
Sub. Total Bank Bal.	2,845,098.97	6,845,098.97
Grand Total	3,271,185.81	6,845,634.63

NOTE 10. ADVANCES	2020	2019
	₦	₦
i. Purchases Advances	820,530,449.15	805,907,135.53
ii. Imprest	324,934,225.00	314,766,525.00
iii. Touring	143,415,723.00	142,471,523.00
iv. Salary / Special	2,520,774.83	2,520,774.83
v. Motor Vehicle	3,946,731.32	3,621,731.32
vi. Others	0	0
TOTAL	1,295,347,903.30	1,269,287,689.68
NOTE 11. DEPOSITS		
i. Paye Tax	(2,592,570.44)	(1,363,811.44)
ii Nulge Dues State/Branch	(835,067.66)	(462,028.44)
iii NANNM	54,746.90	219,507.39
iv. VAT	1,323,400.46	1,323,400.46
v. WITHHOLDING TAX	172,146.71	172,146.71
vi. Pension Deductions	116,763.22	116,763.22
vii. Others	91,985,024.69	98,004,378.69
TOTAL	93,745,605.50	98,010,356.59



MKPAT ENIN LOCAL GOVERNMENT AKWA IBOM STATE

Local Government Secretariat
Mkpat Enin
Akwa Ibom State
Nigeria

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Financial Statement of Mkpat Etinan Local Government Council for the year ended 31st December, 2020 has been prepared by me (Director of Finance) 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 Mkpat 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 and appropriate financial statements are prepared. To the best of 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 Mkpat Etinan Local Government Council as at 31st December, 2020 and its operations for the year ended on that date.

Mrs. Eno U. Etor
Director of Finance
Date: 05/04/2021

Hon. Anieokpon Eno Ekpo
Executive Chairman
Date: 05/04/2021.

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Mkpat Enin Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Mkpat Enin Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

MKPAT ENINLOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

MKPAT ENIN LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 1
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,800,000,000.00	1,243,776,559.79	556,098,141.30
Value Added Tax	1	350,000,000.00	501,994,987.76	0
Stabilization	1	0	5,281,405.74	0
Others	1	200,000,000.00	152,323,331.35	0
State Allocation	1	30,000,000.00	19,946,982.36	0
Taxes	2	700,000.00	0	0
Rates	2	2,500,000.00	880,000.00	484,500.00
Local License fines and fees	2	2,857,000.00	469,300.00	320,450.00
Earning from commercial undertaking	2	6,400,000.00	1,412,200.00	5,879,000.00
Rent on Local Govt. Property	2	2,500,000.00	93,000.00	0
Interest and Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	8,043,000.00	786,000.00	2,326,000.00
Capital Receipts: B/F		2,000,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		2,475,000,000.00	1,926,963,767.00	565,108,091.30
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Officer Holders	3	80,000,000.00	66,928,245.00	82,727,019.56
Pensions/Training Fund/Traditional Rulers Council	3	200,000,000.00	222,243,081.81	0
Funding of Primary Education	3	850,000,000.00	1,145,290,135.27	0
Internal Debt Servicing/Admin. Charges	3	10,000,000.00	110,505,807.00	0
Total Consolidated Revenue Fund Charges		1,140,000,000.00	1,544,967,269.08	82,727,019.56
Personnel Costs	4	400,000,000.00	263,277,741.57	232,339,176.70
Overhead Costs	5	200,000,000.00	101,929,111.08	140,271,863.97
TOTAL PAYMENTS		1,740,000,000.00	1,910,174,121.73	455,338,060.23
Net Cash Flow from Operating Activities A		735,000,000.00	16,789,645.27	109,770,031.07
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	735,000,000.00	81,006,076.00	119,155,783.53
Net Cash Flow from Investing Activities B			(81,006,076.00)	(119,155,783.53)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(17,300,885.00)	(53,122,540.00)
Increase/decrease in other Liabilities	8		71,149,364.48	23,321,770.01
Total Cash Flow From other Cash equivalent Accounts C			53,848,479.48	(29,800,769.99)
Net Cash Flow for the Year (A+B+C)			(10,367,951.25)	(39,186,522.45)
Cash and its equivalent as at 1st January, 2020	9		22,241,114.61	61,427,637.06
Cash and its equivalent as at 31st Dec., 2020	9		11,873,163.36	22,241,114.61

MKPAT ENINLOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	149,895.93	26,777.57
Cash at Bank	9	11,723,267.43	22,214,337.04
TOTAL LIQUID ASSETS		11,873,163.36	22,241,114.61
Investment & Other Cash Assets:			
Advances	10	2,024,691,327.74	1,269,287,699.68
TOTAL ASSETS		<u>2,036,564,491.10</u>	<u>2,029,631,557.35</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,834,922,144.18	1,899,138,574.91
OTHER LIABILITIES			
Deposits	11	201,642,346.92	130,492,982.44
TOTAL LIABILITIES		<u>2,036,564,491.10</u>	<u>2,029,631,557.35</u>

MKPAT ENINLOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	VAR %
1,908,524,327.37	Opening Balances	0	0	0	1,899,138,574.91	0
	Add Revenue:					
556,098,141.30	Statutory Allocation	1,800,000,000.00	0	1,800,000,000.00	1,243,776,559.79	(31)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	501,994,987.76	44
0	Stabilization	0	0	0	5,281,405.74	100
0	Others	200,000,000.00	0	200,000,000.00	152,323,331.35	(24)
0	State Allocation	30,000,000.00	0	30,000,000.00	19,946,582.36	(27)
556,098,141.30	Sub Total Statutory Allocation	2,380,000,000.00	0	2,380,000,000.00	1,923,323,267.00	(19)
0	Taxes	700,000.00	0	700,000.00	0	(100)
484,500.00	Rates	2,500,000.00	0	2,500,000.00	880,000.00	(65)
320,450.00	Local License fines and fees	2,857,000.00	0	2,857,000.00	469,300.00	(84)
5,879,000.00	Earning from Commercial Undertaking	6,400,000.00	0	6,400,000.00	1,412,200.00	(78)
0	Rent on Local Govt. Property	2,500,000.00	0	2,500,000.00	93,000.00	(96)
0	Interest and Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
2,326,000.00	Miscellaneous	8,043,000.00	0	8,043,000.00	786,000.00	(90)
9,009,950.00	Sub Total IGR	23,000,000.00	0	23,000,000.00	3,640,500.00	(84)
2,473,632,418.67	TOTAL REVENUE	2,403,000,000.00	0	2,403,000,000.00	3,826,102,341.91	(2)
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
80,000,000.00	Political/Public Officer Holders	80,000,000.00	0	80,000,000.00	66,928,245.00	16
200,000,000.00	Pensions/Training Fund/Traditional Rulers Council –charges	200,000,000.00	0	200,000,000.00	222,243,081.81	(11)
850,000,000.00	Funding of Primary Education	850,000,000.00	0	850,000,000.00	1,145,290,135.27	(35)
10,000,000.00	Internal Debt Servicing/ Admin Charges	10,000,000.00	0	10,000,000.00	110,505,807.00	(1005)
1,140,000,000.00	Sub Total CRFC	1,140,000,000.00	0	1,140,000,000.00	1,544,967,269.08	(36)
232,339,176.70	Personnel Costs	400,000,000.00	0	400,000,000.00	263,277,741.57	34
140,271,863.97	Overhead Costs	200,000,000.00	0	200,000,000.00	101,929,111.08	49
455,338,060.23	TOTAL RECURRENT EXPENDITURE	1,740,000,000.00	0	1,740,000,000.00	1,910,174,121.73	(10)
2,018,294,358.44	Operating Balance	663,000,000.00	0	663,000,000.00	1,915,928,220.18	
119,155,783.53	Transfer to Capital Dev. Fund	735,000,000.00	0	735,000,000.00	81,006,076.00	89
1,899,138,574.91	CLOSING BALANCE	(72,000,000.00)	0	(72,000,000.00)	1,834,922,144.18	

MKPAT ENIN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	2,000,000.00	0	2,000,000.00	0	0
	Add Revenue:					
79,163,513.90	Transfer from Cons Rev Fund	735,000,000.00	0	735,000,000.00	81,006,076.00	(89)
0	Grant	50,000,000.00	0	50,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
79,163,513.90	Total Revenue available	807,000,000.00	0	807,000,000.00	81,006,076.00	(90)
	Less Capital Expenditure :					
12,570,000.00	Economic Sector	267,370,000.00	0	267,370,000.00	50,550,000.00	81
16,440,000.00	Social Sector	181,069,000.00	0	181,069,000.00	4,775,000.00	97
2,340,000.00	Environmental/Reg. Dev.	86,500,000.00	0	86,500,000.00	95,000.00	99
87,805,783.53	General Administration	200,061,000.00	0	200,061,000.00	25,586,076.00	87
119,155,783.53	Total Expenditure	735,000,000.00	0	735,000,000.00	81,006,076.00	89
0	Closing Balance	72,000,000.00	0	72,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1. STATUTORY ALLOCATION

ONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	178,713,616.68	-	178,713,616.68	1,662,248.53	180,375,865.21	66,388,457.62
February	159,508,753.09	-	159,508,753.09	1,662,248.53	161,171,001.62	37,300,687.97
March	149,231,696.27	-	149,231,696.27	1,662,248.53	150,893,944.80	34,495,557.24
April	165,319,884.74	-	165,319,884.74	1,662,248.53	166,982,133.27	38,588,763.05
May	153,247,684.71	-	153,247,684.71	1,662,248.53	154,909,933.24	35,297,975.90
June	137,990,964.66	-	137,990,964.66	1,662,248.53	139,653,213.19	47,778,829.37
July	167,851,479.04	-	167,851,479.04	1,662,248.53	169,513,727.57	53,360,098.78
August	172,583,392.67	-	172,583,392.67	1,662,248.53	174,245,641.20	50,003,491.47
September	177,250,555.61	6,627,083.41	170,623,472.20	1,662,248.53	172,285,720.73	50,714,253.32
October	166,275,547.53	6,627,083.41	159,648,464.12	1,662,248.53	161,310,712.65	49,175,300.90
November	150,243,156.42	6,627,083.41	143,616,073.01	1,662,248.53	145,278,321.54	50,972,162.42
December	151,667,886.86	6,627,083.41	145,040,803.45	1,662,248.53	146,703,051.98	42,022,563.26
Total	<u>1,929,884,618.28</u>	<u>26,508,333.64</u>	<u>1,903,376,284.64</u>	<u>19,946,982.36</u>	<u>1,923,323,267.00</u>	<u>556,098,141.30</u>

NOTE 2. INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	700,000.00	0	0
1002	Rates	2,500,000.00	880,000.00	484,500.00
1003	Local Licenses Fines and Fees	2,857,000.00	469,300.00	320,450.00
1004	Earnings from Commercial Undertakings	6,400,000.00	1,412,200.00	5,879,000.00
1005	Rents from Local Government Properties	2,500,000.00	93,000.00	0
1006	Interest on Dividends	0	0	0
1007	Grants/Reimbursement	0	0	0
1008	Miscellaneous	8,043,000.00	786,000.00	2,326,000.00
	Total	23,000,000.00	3,640,500.00	9,009,950.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	80,000,000.00	66,928,245.00	80,000,000.00
Pension, 1% Training Fund, TRC	200,000,000.00	222,243,081.81	200,000,000.00
Funding of Primary Education	850,000,000.00	1,145,290,135.27	850,000,000.00
Administrative Charges	10,000,000.00	110,505,807.00	10,000,000.00
Internal Debt Servicing			
TOTAL	1,140,000,000.00	1,544,967,269.08	1,140,000,000.00

NOTE 4: PERSONNEL COSTS:

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	95,677,759.00	79,384,457.77	68,263,630.77
2005	Finance and Supplies	55,847,449.00	36,129,563.77	29,352,113.16
2006	Social Development, Information, Youth, Sport & Culture	42,336,658.00	25,384,950.85	23,271,140.51
2007	Primary Health Care	166,096,827.00	89,492,095.55	87,210,373.22
2008	Agriculture and Natural Resources	7,604,788.00	5,535,760.46	2,658,904.44
2009	Works & Housing, Lands & Survey	21,652,300.00	22,527,433.02	17,353,701.00
2010	Budget, Planning, Research and Statistics	9,640,656.00	4,823,480.15	4,229,313.60
2011	Traditional Rulers Office	1,143,563.00	0	0
	Total	400,000,000.00	263,277,741.57	232,339,176.70

NOTE 5: OVERHEAD COSTS:

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	40,300,000.00	26,011,000.00	30,528,000.00
2001B	Office of the Vice Chairman	8,000,000.00	2,150,000.00	2,600,000.00
2002A	Office of the Secretary	6,100,000.00	214,000.00	1,250,000.00
2002B	Office of the Supervisors	6,300,000.00	1,898,500.00	160,000.00
2002C	Office of the Special Advisers	4,430,000.00	525,000.00	30,000.00
2003A	Office of the Legislative/ General Council	12,000,000.00	9,940,000.00	10,900,000.00
2003B	Office of the Leader	3,000,000.00	2,200,000.00	1,560,000.00
2003C	Office of the Deputy Leader	2,920,000.00	1,497,500.00	1,582,500.00
2003D	Office of the Majority Leader	3,400,000.00	1,745,000.00	1,300,000.00
2003E	Office of the Deputy Majority Leader	3,100,000.00	1,250,000.00	6,547,500.00
2003F	Office of the Chief Whip	3,400,000.00	1,160,000.00	1,350,000.00
2003G	Office of the Deputy Chief Whip	3,300,000.00	1,170,000.00	1,450,000.00
2003H	Office of the Clerk	3,500,000.00	300,000.00	305,000.00
2004A	Office of the Head of Local Government Service	3,880,000.00	365,000.00	1,938,882.00
2004B	Office of the Administration & General Service	6,350,000.00	4,375,000.00	4,001,200.00
2005	Finance and Supplies	4,700,000.00	3,117,050.00	3,956,000.00
2006	Education, Information & Sports	2,100,000.00	154,000.00	570,000.00
2007	Health	4,200,000.00	1,280,500.00	1,099,000.00
2008	Agriculture and Natural Resources	3,350,000.00	45,000.00	157,281.97
2009	Works and Transport	4,150,000.00	336,600.00	1,008,500.00
2010	Budget, Planning, Research & Statistics	3,600,000.00	522,200.00	1,112,500.00
2011	Traditional Rulers' Council	2,620,000.00	320,000.00	650,000.00
2012	Miscellaneous	65,300,000.00	41,352,761.08	66,215,500.00
	Total	200,000,000.00	101,929,111.08	140,271,863.97

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	267,370,000.00	50,550,000.00	12,570,000.00
Social Sector	181,069,000.00	4,775,000.00	16,440,000.00
Environmental Sector	86,500,000.00	95,000.00	2,340,000.00
Administrative Sector			
General Administration (Executive)	140,857,000.00	18,745,392.00	87,105,783.53
General Administration (Legislative)	59,204,000.00	6,840,684.00	700,000.00
Total	735,000,000.00	81,006,076.00	119,155,783.53

NOTE 7: INCREASE / DECREASE IN OTHER CASH ASSETS

2020		2019	
₦		₦	
2020 Advances	2,024,691,327.74	2019 Advances	2,007,390,442.74
2019 Advances	2,007,390,442.74	2018 Advances	1,954,267,902.74
	(17,300,885.00)		(53,122,540.00)

NOTE 8: INCREASE / DECREASE IN OTHER LIABILITIES

2020		2019	
₦		₦	
2020 Deposits	201,642,346.92	2019 Deposits	130,492,982.44
2019 Deposits	130,492,982.44	2018 Deposits	107,171,212.43
	71,149,364.48		23,321,770.01

NOTE 9: CASH AND BANK BALANCES

Description	2020	2019
	₦	₦
CASH	149,895.93	26,777.57
BANKS:		
Zenith Bank A/C (Salary)	7,732,270.16	11,563,612.50
Zenith Bank A/C (Project)	3,956,615.66	10,616,342.93
Sterling Bank	18,377.16	18,377.16
Skye Bank	16,004.45	16,004.45
Sub Total	11,723,267.43	22,214,337.04
Grand Total	11,873,163.36	22,241,114.61

NOTE 10: ADVANCES

Detail	2020	2019
	₦	₦
Purchase Advances	1,806,368,597.74	1,762,199,712.74
Imprest	169,112,500.00	195,980,500.00
Touring	47,941,230.00	47,941,230.00
Salary/Special	1,269,000.00	1,269,000.00
Motor Vehicle	0	0
Others	0	0
Total	2,024,691,327.74	2,007,390,442.74

NOTE 11: DEPOSITS

Detail	2020	2019
	₦	₦
PAYE Tax	27,529,678.59	26,689,347.47
NULGE Dues – State / Branch	17,595,137.69	17,326,100.60
NANNM	(393,153.62)	(433,785.20)
VAT	0	0
Withholding Tax	1,626,223.64	1,626,223.64
Pension Deductions	7,264,824.94	7,264,824.94
Others	148,019,635.68	78,020,270.99
Total	201,642,346.92	130,492,982.44



NSIT ATAI LOCAL GOVERNMENT

ODOT, AKWA IBOM STATE, NIGERIA

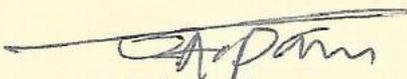


RESPONSIBILITY FOR FINANCIAL STATEMENTS

I have prepared the Financial Statements of Nsit Atai Local Government Council for the year ended 31st December 2020 in accordance with the provisions of Finance (Control and Management) Act of 1958 as amended by 1999 Constitution of the Federal Republic of Nigeria and the Revised Financial Memoranda. The Financial Statements comply with Generally Accepted Accounting Principle (GAAP).

I have maintained proper books of account throughout the year under review. The cash flow statement, statement of Assets and Liabilities, statement of revenue and expenditure together with the notes to the financial statements have been rendered in an acceptable manner.

To the best of my knowledge, the financial statements of Nsit Atai Local Government Council for the year ended 31st December 2020 is free from any significant errors and omission.


Mr. Ini A. Akpan
Director of Finance
Date: 29/03/2021


Rt. Hon. Emem E. Ibanga
Executive Chairman
Date: 29/03/2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Nsit Atai Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Nsit Atai Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

**NSIT ATAI LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 1**

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,300,000,000.00	903,824,880.52	522,745,235.64
Valued and Added Tax	1	350,000,000.00	395,586,836.83	0
Stabilization	1	0	3,867,973.65	0
Others	1	250,000,000.00	112,961,387.64	0
State Allocation	1	30,000,000.00	15,590,272.44	0
Sub Total Statutory Allocation		1,930,000,000.00	1,431,831,351.08	522,745,235.64
Taxes	2	3,000,000.00	0	0
Rates	2	4,000,000.00	2,875,625.00	130,000.00
Local License Fines and Fees	2	4,482,000.00	111,950.00	199,700.00
Earning From Commercial Undertaking	2	3,000,000.00	0	4,000.00
Rent on Local Govt. Property	2	2,500,000.00	0	0
Interest and Dividend Receivable	2	688,000.00	0	0
Grant	2	0	0	0
Miscellaneous	2	7,330,000.00	1,916,500.00	768,400.00
Sub Total IGR		25,000,000.00	4,904,075.00	1,102,100.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		15,000,000.00	0	0
TOTAL RECEIPTS		2,021,000,000.00	1,436,735,426.08	523,847,335.64
PAYMENTS			0	0
Consolidated Revenue Fund Charge			0	0
Political/Public Office Holders	3	75,000,000.00	70,463,642.30	72,918,989.34
Pensions/Training Fund/Traditional Rulers Council	3	160,000,000.00	211,341,165.13	0
Funding Of Primary Education	3	600,000,000.00	671,052,767.56	0
Internal Debt Servicing/Admin Charges	3	10,000,000.00	117,524,876.12	0
Total Consolidated Revenue Fund Charges		845,000,000.00	1,070,382,451.51	72,918,989.34
Personnel Costs	4	315,000,000.00	277,378,817.07	216,974,787.51
Overhear Costs	5	200,000,000.00	99,706,186.58	78,552,048.58
TOTAL PAYMENTS		1,360,000,000.00	1,447,467,455.16	368,445,825.43
Net Cash Flow from Operating Activities A		661,000,000.00	(10,732,029.08)	155,401,510.21
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	661,000,000.00	57,481,213.00	38,445,392.00
Net Cash Flow From Investing Activities B			(57,481,213.00)	(38,445,392.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		31,153,422.74	(93,811,486.80)
Increase/decrease in other Liabilities	8		20,230,251.99	(2,030,331.20)
Total Cash Flow From other Cash equivalent Accounts C			51,383,674.73	(95,841,818.00)
NET CASH FLOW FROM FOR THE YEAR (A+B+C)			(16,829,567.35)	21,114,300.21
Cash and its equivalent as at 1 st January, 2020	9		30,781,391.76	9,667,091.55
Cash and its equivalent as at 31st December,2020	9		13,951,824.41	30,781,391.76

NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	686,958.00	0
Cash at Bank	9	13,264,866.41	30,781,391.76
TOTAL LIQUID ASSETS		13,951,824.41	30,781,391.76
Investment & Other Cash Assets:			
Advances	10	1,240,191,611.23	1,271,345,033.97
TOTAL ASSETS		<u>1,254,143,435.64</u>	<u>1,302,126,425.73</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		931,880,356.88	1,000,093,598.96
OTHER LIABILITIES			
Deposits	11	322,263,078.76	302,032,826.77
TOTAL LIABILITIES		<u>1,254,143,435.64</u>	<u>1,302,126,425.73</u>

NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	VAR %
883,137,480.75	Opening Balance	0	0	0	1,000,093,598.96	0
	Add revenue:					
522,745,235.64	Statutory Allocation	1,300,000,000.00	0	1,300,000,000.00	903,824,880.52	(30)
0	Valued Added Tax	350,000,000.00	0	350,000,000.00	395,586,836.83	13
0	Stabilization	0	0	0	3,867,973.65	100
0	Others	250,000,000.00	0	250,000,000.00	112,961,387.64	(55)
0	State Allocation	30,000,000.00	0	30,000,000.00	15,590,272.44	(48)
522,745,235.64	Sub Total Statutory Allocation	1,930,000,000.00	0	1,930,000,000.00	1,431,831,351.08	(26)
0	Taxes	3,000,000.00	0	3,000,000.00	0	(100)
130,000.00	Rates	4,000,000.00	0	4,000,000.00	2,875,625.00	(28)
199,700.00	Local License, Fines And Fees	4,482,000.00	0	4,482,000.00	111,950.00	(98)
4,000.00	Earning From Commercial Undertaking	3,000,000.00	0	3,000,000.00	0	(100)
0	Rent On Local Govt. Property	2,500,000.00	0	2,500,000.00	0	(100)
0	Interest & Dividends Receivable	688,000.00	0	688,000.00	0	(100)
0	Grants	0	0	0	0	0
768,400.00	Miscellaneous	7,330,000.00	0	7,330,000.00	1,916,500.00	(74)
1,102,100.00	Sub. Total IGR	25,000,000.00	0	25,000,000.00	4,904,075.00	(80)
1,406,984,816.39	TOTAL REVENUE	1,955,000,000.00	0	1,955,000,000.00	2,436,829,025.04	25
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
72,918,989.34	Political/Public Office Holders	75,000,000.00	0	75,000,000.00	70,463,642.30	6
0	Pension/Training Fund/Traditional Rulers Council	160,000,000.00	0	160,000,000.00	211,341,165.13	32
0	Funding Of Primary Education	600,000,000.00	0	600,000,000.00	671,052,767.96	12
0	Internal Debt Servicing/Admin. Charges	10,000,000.00	0	10,000,000.00	117,524,876.12	(1075)
72,918,989.34	Sub Total CRFC	845,000,000.00	0	845,000,000.00	1,070,382,451.51	(27)
216,974,787.51	Personnel Costs	315,000,000.00	0	315,000,000.00	277,378,817.07	12
78,552,048.58	Overhead Costs	200,000,000.00	0	200,000,000.00	99,706,186.58	50
368,445,825.43	Total Recurrent Expenditure	1,360,000,000.00	0	1,360,000,000.00	1,447,467,455.16	(6)
1,038,538,990.96	Operating Balance	595,000,000.00	0	595,000,000.00	989,361,569.88	
38,445,392.00	Transfer to Capital Development Fund	661,000,000.00	0	661,000,000.00	57,481,213.00	91
1,000,093,598.96	CLOSING BALANCE	(66,000,000.00)	0	(66,000,000.00)	931,880,356.88	

NSIT ATAI LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
38,445,392.00	Transfer from Cons. Rev. Funds	661,000,000.00	0	661,000,000.00	57,481,213.00	(91)
0	Grant	50,000,000.00	0	50,000,000.00	0	(100)
0	Miscellaneous	15,000,000.00	0	15,000,000.00	0	(100)
38,445,392.00	Total Revenue available	727,000,000.00	0	727,000,000.00	57,481,213.00	(92)
	Less Capital Expenditure :					
2,100,000.00	Economic Sector	167,500,000.00	0	167,500,000.00	0	100
7,900,000.00	Social Sector	196,515,784.00	0	196,515,784.00	1,700,000.00	99
0	Environmental/Regional Development	30,000,000.00	0	30,000,000.00	2,075,000.00	93
28,445,392.00	General Admin (Executive)	266,984,216.00	0	266,984,216.00	53,706,213.00	80
38,445,392.00	Total Expenditure B	661,000,000.00	0	661,000,000.00	57,481,213.00	91
0	Closing Balance A-B	66,000,000.00	0	66,000,000.00	0	

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	133,028,600.65	0	133,028,600.65	1,299,189.37	134,327,790.02	61,117,236.37
February	119,190,290.69	0	119,190,290.69	1,299,189.37	120,489,480.06	34,603,732.41
March	112,234,822.60	0	112,234,822.60	1,299,189.37	113,534,011.97	34,859,868.61
April	123,431,051.92	0	123,431,051.92	1,299,189.37	124,730,241.29	34,857,074.37
May	113,978,123.61	0	113,978,123.61	1,299,189.37	115,277,312.98	32,776,837.13
June	102,952,394.99	0	102,952,394.99	1,299,189.37	104,251,584.36	46,197,208.60
July	125,263,548.07	0	125,263,548.07	1,299,189.37	126,562,737.44	51,357,873.34
August	128,855,970.85	0	128,855,970.85	1,299,189.37	130,155,160.22	47,828,394.32
September	132,609,965.72	6,627,083.41	125,982,882.31	1,299,189.37	127,282,071.68	47,728,208.15
October	124,384,161.44	6,627,083.41	117,757,078.03	1,299,189.37	119,056,267.40	45,697,860.67
November	112,455,983.65	6,627,083.41	105,828,900.24	1,299,189.37	107,128,089.61	46,796,342.51
December	114,364,498.09	6,627,083.41	107,737,414.68	1,299,189.37	109,036,604.05	38,924,599.16
Total	1,442,749,412.28	26,508,333.64	1,416,241,078.64	15,590,272.44	1,431,831,351.08	522,745,235.64

NOTE 2. INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	3,000,000.00	0	0
1002	Rates	4,000,000.00	2,875,625.00	130,000.00
1003	Local license fees and fines	4,482,000.00	111,950.00	199,700.00
1004	Earning from commercial undertaking	3,000,000.00	0	4,000.00
1005	Rent on Local Government property	2,500,000.00	0	0
1006	Interest payment and dividend received	688,000.00	0	0
1007	Grants	0	0	0
1008	Miscellaneous	7,330,000.00	1,916,500.00	768,400.00
	Total	25,000,000.00	4,904,075.00	1,102,100.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	70,463,642.30	72,918,989.34
Pension, 1% Training Fund, TRC	160,000,000.00	211,341,165.13	0
Funding of Primary Education	600,000,000.00	671,052,767.96	0
Administrative Charges	10,000,000.00	117,524,876.12	0
Internal Debt Servicing			
TOTAL	845,000,000.00	1,070,382,451.51	72,918,989.34

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	89,000,000.00	92,422,558.92	72,969,206.05
2005	Finance and Supplies	63,000,000.00	50,098,748.39	38,499,999.95
2006	Education	29,000,000.00	15,348,762.75	11,406,111.06
2007	Primary Health Care	75,000,000.00	73,960,962.88	57,340,544.09
2008	Agriculture and Natural Resources	13,000,000.00	11,147,694.90	8,408,190.44
2009	Works and Housing, Lands and Survey	34,000,000.00	26,448,490.38	21,876,834.08
2010	Budget Planning Research and Statistics	8,000,000.00	7,951,598.85	6,474,401.84
2011	Traditional Rulers Office	4,000,000.00	0	0
	Total	315,000,000.00	277,378,817.07	216,974,787.51

NOTE 5: OVERHEAD COSTS

HEAD	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	36,200,000.00	38,164,625.00	34,762,000.00
2001B	Office of the Vice Chairman	7,200,000.00	3,070,000.00	3,620,000.00
2002A	Office of the Secretary	7,000,000.00	9,107,918.52	2,214,000.00
2002B	Special Supervisors	9,800,000.00	7,626,000.00	2,720,000.00
2002C	Office of the Special Advisers	6,500,000.00	375,000.00	300,000.00
2003A	Office of the Legislative/General Council	16,800,000.00	7,050,000.00	4,800,000.00
2003B	Office of the Leader	2,600,000.00	3,670,000.00	60,000.00
2003C	Office of the Deputy Leader	6,000,000.00	3,850,000.00	1,440,000.00
2003D	Office of the Majority Leader	3,000,000.00	1,355,000.00	1,320,000.00
2003E	Office of the Deputy Majority Leader	2,250,000.00	700,000.00	1,200,000.00
2003F	Office of the Chief Whip	3,000,000.00	700,000.00	1,200,000.00
2003G	Office of the Deputy Chief Whip	2,250,000.00	700,000.00	1,200,000.00
2003H	Office of the Clerk	4,100,000.00	700,000.00	1,320,000.00
2004A	Office of the Head of LG Service	10,300,000.00	2,942,095.00	1,320,000.00
2004B	Office of the Administration & General Services	6,000,000.00	1,199,000.00	1,451,500.00
2005	Finance and Supplies	9,500,000.00	6,256,348.06	2,523,200.00
2006	Education, Information and Sports	2,000,000.00	40,000.00	40,000.00
2007	Health	3,450,000.00	755,000.00	21,000.00
2008	Agriculture/Natural Resources	2,400,000.00	182,500.00	100,000.00
2009	Works & Transport	2,800,000.00	35,000.00	0
2010	Budget, Planning, Research & Statistics	5,000,000.00	1,880,200.00	830,000.00
2011	Traditional Rulers Council	800,000.00	0	1,625,000.00
2012	Miscellaneous	51,050,000.00	9,347,500.00	14,605,348.58
	Total	200,000,000.00	99,706,186.58	78,552,048.58

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	167,500,000.00	-	2,100,000.00
Social Sector	196,515,784.00	1,700,000.00	7,900,000.00
Environmental Sector	30,000,000.00	2,075,000.00	0
Administration Sector			
General Administration	266,984,216.00	53,706,213.00	28,445,392.00
Total	661,000,000.00	57,481,213.00	38,445,392.00

NOTE 7: INCREASE / DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,240,191,611.23	2019 Advances	1,271,345,033.97
2019 Advances	1,271,345,033.97	2018 Advances	1,77,533,547.17
	31,153,422.74		(93,811,486.80)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	322,263,078.76	2019 Advances	302,032,826.77
2019 Deposits	302,032,826.77	2018 Advances	304,063,157.97
	20,230,251.99		(2,030,331.20)

NOTE 9: CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
CASH BALANCE	686,958.00	0
BANK BALANCE		
UBA	3,767,398.01	16,183,334.05
Zenith Bank	9,497,468.40	14,598,057.71
Sud Total	13,264,866.41	30,781,391.76
Total	13,951,824.41	30,781,391.76

NOTE 10. ADVANCES

Detail	2020 ₦	2019 ₦
(i) Purchases Advances	993,786,237.56	1,013,959,740.56
(ii) Touring Advances	88,852,997.88	89,381,253.50
(iii) Imprest Advances	142,233,276.68	152,684,940.80
(iv) Salary Advances	1,122,053.85	1,122,053.85
(v) Motor Vehicle Advances	14,197,045.26	14,197,045.26
Total	1,240,191,611.23	1,271,345,033.97

NOTE 11. DEPOSITS

Details	2020 ₦	2019 ₦
PAYEE Tax	2,408,421.28	2,408,421.28
7.5% Contributory	8,185,436.44	8,185,436.44
2 of Value Added tax	2,889,940.50	2,889,940.50
Other Deposits	308,779,280.54	288,549,028.55
Total	322,263,078.76	302,032,826.77

NSIT IBOM LOCAL GOVERNMENT AKWA IBOM STATE OF NIGERIA

Our Ref:.....

Your Ref:.....



LOCAL GOVERNMENT SECRETARIAT
AFAHA OFFIONG
NSIT IBOM LOCAL GOVT. AREA
AKWA IBOM STATE

31st March, 2021

NSIT IBOM LOCAL GOVERNMENT COUNCIL DIRECTOR'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

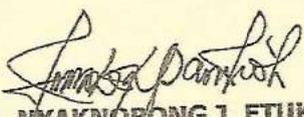
The financial statements of Nsit Ibom Local Government for the year ended 31st December, 2020 have been prepared by me in accordance with the provision of the Model Financial Memoranda.

The financial statement comply with the International Public Sector Accounting Standard (IPSAS) cash basis and Generally Accepted Accounting Practice (GAAP).

I have also taken cognizance of the approved Budget of Nsit Ibom Local Government Council as well as provision of Financial memoranda with other financial regulations. The revenue and expenditure stated therein are in accordance with the provision of the approved Budget for the year 2020.

The management of Nsit Ibom Local Government accept responsibility for the integrity of these financial statement, the information stated therein 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, 2020 and its operations for the year ended on that date.


MR. NYAKNOBONG J. ETUK
Director of Finance


RT. (HON.) ERIC E. AKPAN
Executive Chairman

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Nsit Ibom Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Nsit Ibom Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date (subject to the observations contained in my Inspection Report for the period.)


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

NSIT IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

NSIT IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,500,000,000.00	1,033,458,702.65	677,459,124.17
Value Added Tax	1	300,000,000.00	430,578,567.97	0
Stabilization	2	0	4,406,942.06	0
Others	1	250,000,000.00	127,970,841.74	0
State Allocation	1	30,000,000.00	16,770,650.28	0
Sub Total Statutory Allocation		2,080,000,000.00	1,613,185,704.70	677,459,124.17
Taxes	2	500,000.00	0	0
Rates	2	3,000,000.00	3,945,625.00	1,536,250.00
Local License fines & fees	2	2,500,000.00	308,000.00	232,800.00
Earning from Commercial undertaking	2	3,000,000.00	49,000.00	0
Rent on Local Govt. Property	2	2,000,000.00	621,000.00	992,100.00
Interest and Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	13,000,000.00	3,414,941.19	1,013,892.16
Sub Total IGR		24,000,000.00	8,338,566.19	3,775,042.16
Capital Receipts: B/F		400,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		2,224,400,000.00	1,621,524,270.89	681,234,166.33
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	70,000,000.00	57,177,841.86	73,801,245.18
Pension/Training Fund/Traditional Rulers Council	3	150,000,000.00	212,119,103.24	0
Funding of Primary Education	3	700,000,000.00	724,850,445.13	0
Internal Debt Servicing/Admin. Charges	3	10,000,000.00	109,536,628.55	1,200,000.00
Total Consolidated Revenue Fund Charges	3	930,000,000.00	1,103,684,018.78	75,001,245.18
Personnel Costs	4	520,000,000.00	408,884,193.35	405,253,167.45
Overhead Costs	5	200,000,000.00	73,773,402.13	148,262,959.97
TOTAL PAYMENTS		1,650,000,000.00	1,586,341,614.26	628,517,372.60
Net Cash Flow From Operating Activities A		574,400,000.00	35,182,656.63	52,716,793.73
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	574,400,000.00	12,611,823.00	67,659,045.00
Net Cash flow From Investing Activities B			(12,611,823.00)	(67,659,045.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(19,910,300.00)	(50,393,205.00)
Increase/decrease in other Liabilities	8		(15,667,940.00)	85,812,739.95
Total Cash Flow From other Cash equivalent Accounts C			(35,578,240.80)	35,419,534.95
Net Cash Flow For the Year (A+B+C)			(13,007,407.17)	20,477,283.68
Cash and its equivalents as at 1st January, 2020	9		34,286,228.08	13,808,944.40
Cash and its equivalents as at 31st December, 2020	9		21,278,820.91	34,286,228.08

**NSIT IBOM LOCAL GOVERNMENT COUNCIL
STATEMENT NO.2**

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	281,322.33	2,874,062.47
Cash at Bank	9	20,997,498.58	31,412,165.61
TOTAL LIQUID ASSETS		21,278,820.91	34,286,228.08
Investment & Other Cash Assets:			
Advances	10	801,068,819.75	781,158,519.75
TOTAL ASSETS		<u>822,347,640.66</u>	<u>815,444,747.83</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		600,002,783.53	577,431,949.90
OTHER LIABILITIES			
Deposits	11	222,344,857.13	238,012,797.93
TOTAL LIABILITIES		<u>822,347,640.66</u>	<u>815,444,747.83</u>

NSIT IBOM LOCAL GOVERNMENT COUNCIL
STATEMENT NO.3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	VAR %
592,374,201.17	Opening Balance				577,431,949.90	0
	ADD REVENUE:					
677,459,124.17	Statutory Allocation	1,500,000,000.00	0	1,500,000,000.00	1,033,458,702.65	(31)
0	Value Added Tax	300,000,000.00	0	300,000,000.00	430,578,567.97	44
0	Stabilization	0	0	0	4,406,942.16	100
0	Others	250,000,000.00	0	250,000,000.00	127,970,841.74	(49)
0	State Allocation	30,000,000.00	0	30,000,000.00	16,770,650.28	(43)
677,459,124.17	Sub Total Statutory Allocations	2,080,000,000.00	0	2,080,000,000.00	1,613,185,704.70	(22)
0	Taxes	500,000.00	0	500,000.00	0	(100)
1,536,250.00	Rates (Tenement)	3,000,000.00	0	3,000,000.00	3,945,625.00	(32)
232,800.00	Local License fines & fees	2,500,000.00	0	2,500,000.00	308,000.00	(88)
0	Earning from Commercial undertaking	3,000,000.00	0	3,000,000.00	49,000.00	(98)
992,100.00	Rent on Local Govt. Property	2,000,000.00	0	2,000,000.00	621,000.00	(69)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
1,013,892.16	Miscellaneous	13,000,000.00	0	13,000,000.00	3,414,941.19	(74)
3,775,042.16	Sub Total IGR	24,000,000.00	0	24,000,000.00	8,338,566.19	(65)
1,273,608,367.50	TOTAL REVENUE	2,104,000,000.00	0	2,104,000,000.00	2,198,956,220.79	4
	EXPENDITURE:					
	Consolidated Revenue Fund Charges:					
73,801,245.18	Political/Public Office Holders	70,000,000.00	0	70,000,000.00	57,177,841.86	21
0	Pensions/Training Fund/Traditional Rulers Council	150,000,000.00	0	150,000,000.00	212,119,103.24	(41)
0	Funding of Primary Education	700,000,000.00	0	700,000,000.00	724,850,445.13	(4)
1,200,000.00	Internal Debt Servicing/Admin. Charges	10,000,000.00	0	10,000,000.00	109,536,628.55	(995)
75,001,245.18	Sub Total CRFC	930,000,000.00	0	930,000,000.00	1,103,684,018.78	(17)
405,253,167.45	Personnel Costs	520,000,000.00	0	520,000,000.00	408,884,193.35	21
148,262,959.97	Overhead Costs	200,000,000.00	0	200,000,000.00	73,773,402.13	64
628,517,372.60	Total Recurrent Expenditure	1,650,000,000.00	0	1,650,000,000.00	1,586,341,614.26	4
645,090,994.90	Operating Balance	454,000,000.00	0	454,000,000.00	612,614,606.53	
67,659,045.00	Transfer to Capital Dev. Fund	574,400,000.00	0	574,400,000.00	12,611,823.00	98
577,431,949.90	Closing Balance	(120,400,000.00)	0	(120,400,000.00)	600,002,783.53	

NSIT IBOM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	400,000.00	0	400,000.00	0	100
	Add Revenue:		0			
67,659,045.00	Transfer from Consolidated Rev. Fund	574,400,000.00	0	574,400,000.00	12,611,823.00	98
0	Grant	100,000,000.00	0	100,000,000.00	0	
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	
67,659,045.00	Total Revenue available	694,800,000.00	0	694,800,000.00	12,611,823.00	98
	Less Capital Expenditure :					
5,170,000.00	Economic Sector	193,126,000.00	0	193,126,000.00	8,081,823.00	96
11,540,045.00	Social Sector	122,490,000.00	0	122,490,000.00	50,000.00	100
2,290,000.00	Environmental/Regional Dev.	51,500,000.00	0	51,500,000.00	150,000.00	100
48,659,000.00	General Administration	207,284,000.00	0	207,284,000.00	4,330,000.00	98
67,659,045.00	Total Capital Expenditure	574,400,000.00	0	574,400,000.00	12,611,823.00	98
0	Closing Balance	120,400,000.00	0	120,400,000.00	0	

NOTES TO THE ACCOUNTS

NOTE1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	150,014,421.64	0	150,014,421.64	1,397,554.19	151,411,975.83	81,505,246.50
February	134,167,789.37	0	134,167,789.37	1,397,554.19	135,565,343.56	51,369,582.22
March	125,965,451.22	0	125,965,451.22	1,397,554.19	127,363,005.41	48,574,769.23
April	138,948,629.12	0	138,948,629.12	1,397,554.19	140,346,183.31	47,756,990.81
May	128,594,517.45	0	128,594,517.45	1,397,554.19	129,992,071.64	45,184,117.00
June	115,919,923.44	0	115,919,923.44	1,397,554.19	117,317,477.63	59,009,172.96
July	141,015,298.58	0	141,015,298.58	1,397,554.19	142,412,852.77	63,203,569.46
August	145,031,680.13	0	145,031,680.13	1,397,554.19	146,429,234.32	58,664,828.28
September	149,063,382.92	6,627,083.41	142,436,299.51	1,397,554.19	143,833,853.70	58,446,123.55
October	139,820,956.60	6,627,083.41	133,193,873.19	1,397,554.19	134,591,427.38	56,400,630.15
November	126,386,062.43	6,627,083.41	119,758,979.02	1,397,554.19	121,156,533.21	57,499,111.99
December	127,995,275.16	6,627,083.41	121,368,191.75	1,397,554.19	122,765,745.94	49,844,982.02
Total	<u>1,622,923,388.06</u>	<u>26,508,333.64</u>	<u>1,596,415,054.42</u>	<u>16,770,650.28</u>	<u>1,613,185,704.70</u>	<u>677,459,124.17</u>

NOTE2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	500,000.00	-	-
1002	Rates	3,000,000.00	3,945,625.00	1,536,250.00
1003	Local License fees and fines	2,500,000.00	308,000,00.00	232,800.00
1004	Earnings from Comm. Undertakings	3,000,000.00	49,000.00	-
1005	Rent on Local Government property	2,000,000.00	621,000.00	992,100.00
1006	Interest and Dividend	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	13,000,000.00	3,414,941.19	1,013,892.16
	TOTAL	24,000,000.00	8,338,566.19	3,775,042.16

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	57,177,841.86	73,801,245.18
Pension, 1% Training Fund, TRC	150,000,000.00	212,119,103.24	0
Funding of Primary Education	700,000,000.00	724,850,445.13	0
Administrative Charges		109,536,628.55	
Internal Debt Servicing	10,000,000.00		1,200,000.00
TOTAL	930,000,000.00	1,103,684,018.78	75,001,245.18

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
2004	Administration	100,060,000.00	106,614,114.21	97,588,052.71
2005	Finance and Supplies	59,800,000.00	60,094,639.34	57,222,297.47
2006	Education	50,000,000.00	55,653,624.98	51,029,567.54
2007	Health and Social Services	170,000,000.00	129,904,938.25	146,536,595.20
2008	Agric. & Natural Resources	12,510,000.00	10,691,382.22	10,813,373.12
2009	Works and Housing	34,835,000.00	38,600,196.37	34,863,475.04
2010	Budget, Planning & Research	8,300,000.00	7,325,297.98	7,199,806.37
2011	Traditional Ruler's Council	0	0	0
	Provision for Minimum Wage	84,495,000.00	0	0
	Total	<u>520,000,000.00</u>	<u>408,884,193.35</u>	<u>405,253,167.45</u>

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
2001A	Office of the Chairman	41,000,000.00	29,145,000.00	38,530,000.00
2001B	Office of the Vice Chairman	8,000,000.00	1,250,000.00	4,860,000.00
2002A	Office of the Secretary	6,500,000.00	700,000.00	2,270,000.00
2002B	Office of the Supervisors	5,500,000.00	400,000.00	2,900,000.00
2002C	Office of the Special Advisers	5,000,000.00	100,000.00	1,970,000.00
2003A	Legislative Arm/General Council	13,000,000.00	5,830,000.00	13,454,000.00
2003B	Office of the Leader	7,000,000.00	1,260,000.00	1,289,000.00
2003C	The Office of the Deputy Leader	5,000,000.00	1,360,000.00	50,000.00
2003D	Office of the Majority Leader	3,000,000.00	600,000.00	0
2003E	Office of the Dep. Majority Leader	3,000,000.00	600,000.00	0
2003F	Office of the Chief Whip	3,000,000.00	600,000.00	0
2003G	Office of the Dep. Chief Whip	3,000,000.00	600,000.00	0
2003H	Office of the Clerk	2,100,000.00	50,000.00	200,000.00
2004A	Office of the HOS L/G	5,000,000.00	2,945,000.00	3,980,000.00
2004B	General Administration	6,000,000.00	400,000.00	3,050,000.00
2005	Finance and Supplies	5,500,000.00	3,861,000.00	2,650,000.00
2006	Education	3,000,000.00	345,000.00	80,000.00
2007	Health and Social Services	5,400,000.00	1,823,000.00	2,829,400.00
2008	Agriculture	3,000,000.00	90,000.00	60,000.00
2009	Works and Housing	3,000,000.00	40,000.00	340,000.00
2010	Budget, Planning & Research	3,000,000.00	115,000.00	30,000.00
2011	Traditional Rulers Council	1,000,000.00	50,000.00	100,000.00
2012	Miscellaneous	60,000,000.00	21,609,402.13	69,620,559.97
	Total	200,000,000.00	73,773,402.13	148,262,959.97

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
Economic Sector	193,126,000.00	8,081,823.00	5,170,000.00
Social Sector	122,490,000.00	50,000.00	11,540,045.00
Environmental Sector	51,500,000.00	150,000.00	2,290,000.00
Administrative Sector:			
General Administration (Executive)	100,993,000.00	4,330,000.00	33,759,000.00
General Administration (Legislative)	106,291,000.00	0	14,900,000.00
Total	574,400,000.00	12,611,823.00	67,659,045.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 N		2019 N	
2020 Advances	801,068,819.75	2019 Advances	781,158,519.75
2019 Advances	781,158,519.75	2018 Advances	730,765,314.75
	(19,910,300.00)		(50,393,205.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 N		2019 N	
2020 Deposits	222,344,857.13	2019 Deposits	238,012,797.93
2019 Deposits	238,012,797.93	2018 Deposits	152,200,057.98
	(15,667,940.80)		85,812,739.95

NOTE 9: CASH AND BANK BALANCES

Description	2020 N	2019 N
Cash in hand	281,322.33	2,874,062.47
Cash at Bank:		
Zenith Bank	17,633,017.36	24,828,867.92
Zenith Bank	3,278,058.50	6,349,035.67
Skye Bank	25,336.56	25,336.56
Union Bank	30,389.43	30,389.43
Ecobank	30,696.73	178,536.03
Sub Total Bank Balance	20,997,498.58	31,412,165.61
Total	21,278,820.91	34,286,228.08

NOTE 10: ADVANCES

Detail	2020 N	2019 N
Purchases Advance	594,134,566.59	570,339,266.59
Imprest Advance	159,892,324.70	163,287,324.70
Touring Advance	43,723,362.40	44,213,362.40
Salary Advance	3,318,566.06	3,318,566.06
Motor Vehicle	-	-
Others	-	-
TOTAL	801,068,819.75	781,158,519.75

NOTE 11: DEPOSITS

Detail	2020 N	2019 N
PAYE Tax	395,900.11	395,900.11
NULGE Dues-State/Branch	5,329,706.30	5,329,706.30
NANNM	322,425.60	322,425.60
VAT	240,000.00	240,000.00
Withholding Tax	330,000.00	330,000.00
Pension Fund	6,900,349.32	6,900,349.32
OTHERS	208,826,475.80	224,494,416.60
TOTAL	<u>222,344,857.13</u>	<u>238,012,797.93</u>



NSIT UBIUM LOCAL GOVERNMENT COUNCIL

Local Government Secretariat, Ikot Edibon
Akwa Ibom State, Nigeria

NSIT UBIUM LOCAL GOVERNMENT COUNCIL RESPONSIBILITY FOR FINANCIAL STATEMENTS

These financial statements have been prepared by the Director of Finance 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, 2020 and its operations for the year ended on that date.

Mrs Eti Raphael Ibanga
Director of Finance
Nsit Ubium Local Government
4th May, 2021

Arc. Iniobong A. Orok
Chairman
Nsit Ubium Local Govt.
4th May, 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Nsit Ubium Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Nsit Ubium Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.

FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) **Reporting Currency**

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) **Departments for Consolidation**

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) **Comparative Information**

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

(ix) **Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) **Revenues:**

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) **Payments:**

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) **External Assistance:**

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.
- (xiii) Other Borrowings/Grants & Aid Received:**
These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).
Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.
- (xiv) Interest Received:**
Interests actually received during the financial year are treated as receipt under item “Other Receipts.”
- (xv) Government Business Activities:**
Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.
Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.
- (xvi) Cash Balances**
This includes Cash in Hand, at Bank and Cash Equivalents at the end of the financial year.
- (xvii) Advances**
All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.
- (xviii) Deposits:**
These are unremitted deductions and unpaid obligations on the reporting date.

NSIT UBIUM LOCAL GOVERNMENT COUNCIL
STATEMENT NO.1
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	NOTES	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,400,000,000.00	1,088,742,719.55	574,895,769.06
Value Added Tax	1	350,000,000.00	450,761,357.40	0
Stabilization	1	0	4,636,837.82	0
Others	1	300,000,000.00	134,373,090.79	0
State Allocation	1	30,000,000.00	17,927,841,.36	0
Sub Total Statutory Allocation		2,080,000,000.00	1,696,441,846.92	574,895,769.06
Taxes	2	1,000,000.00	0	0
Rates	2	3,000,000.00	3,915,625.00	1,290,000.00
Local License fines and fees	2	8,950,000.00	1,427,000.00	559,800.00
Earning from commercial undertaking	2	2,650,000.00	0	
Rent on Local Govt. Property	2	2,500,000.00	914,000.00	264,000.00
Interest & Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	11,900,000.00	185,400.00	1,093,024.90
Sub Total IGR		30,000,000.00	6,442,025.00	3,206,824.90
Capital Receipts: B/F		1,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		2,231,000,000.00	467,890,064.91	578,102,593.96
PAYMENTS:				
Consolidated Rev. Fund Charges:	3			
Political/Public Office Holders	3	70,000,000.00	55,390,019.94	57,431,588.76
Pensions, Training Fund/Traditional Rulers Council	3	200,000,000.00	213,367,943.41	0
Funding of Primary Education	3	650,000,000.00	911,222,312.19	0
Internal Debt Servicing/Admin. Charges	3	10,000,000.00	110,403,551.41	0
Total Consolidated Revenue Fund Charges	3	930,000,000.00	1,290,383,826.95	57,431,588.76
Personnel costs	4	400,000,000.00	303,440,057.61	349,216,815.46
Overhead costs	5	250,000,000.00	74,312,650.00	234,415,974.73
TOTAL PAYMENTS		1,580,000,000.00	433,142,727.55	641,064,378.95
Net Cash flow from Operating Activities A		651,000,000.00	34,747,337.36	(62,961,784.99)
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	651,000,000.00	36,856,800.00	25,050,000.00
Net Cash flow from Investing Activities B			(36,856,800.00)	(25,050,000.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cash flow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		20,471,354.17	(77,477,988.92)
Increase/decrease in other Liabilities	8		(31,978,097.30)	155,298,878.43
Total Cash Flow From other Cash equivalent Accounts C			(11,506,743.13)	77,820,889.51
Net cash flow for the Year (A+B+ C)			(13,616,205.77)	(10,190,895.48)
Cash and its equivalent as 1 st January, 2020	9		31,450,319.12	41,641,214.60
Cash and equivalent as at 31st December, 2020	9		17,834,113.35	31,450,319.12

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	611,021.90	205,948.08
Cash at Bank	9	17,223,091.45	31,244,371.04
TOTAL LIQUID ASSETS		17,834,113.35	31,450,319.12
Investment & Other Cash Assets:			
Advances	10	2,059,770,218.50	2,080,241,572.67
TOTAL ASSETS		<u>2,077,604,331.85</u>	<u>2,111,691,891.79</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,810,823,390.60	1,812,932,853.24
OTHER LIABILITIES			
Deposits	11	266,780,941.25	298,759,038.55
TOTAL LIABILITIES		<u>2,077,604,331.85</u>	<u>2,111,691,891.79</u>

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FUND FOR TE YEAR ENDED 31ST DECEMBER, 2020

NSIT UBIUM LOCAL GOVERNMENT COUNCIL

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp-Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
1,900,944,638.23	Opening Balances	0	0	0	1,812,932,853.24	
	Add Revenue:					
574,895,769.06	Statutory Allocation	1,400,000,000.00	0	1,400,000,000.00	1,088,742,719.55	(22)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	450,761,357.40	29
0	Stabilization	0	0	0	4,636,837.82	0
0	Others	300,000,000.00	0	300,000,000.00	134,373,090.79	(55)
0	State Allocation	30,000,000.00	0	30,000,000.00	17,927,841,.36	(43)
574,895,769.06	Sub Total Statutory Allocation	2,080,000,000.00	0	2,080,000,000.00	1,696,441,846.92	(18)
0	Taxes	1,000,000.00	0	1,000,000.00	0	(100)
1,290,000.00	Rates	3,000,000.00	0	3,000,000.00	3,915,625.00	31
559,800.00	Local License, fines and fees	8,950,000.00	0	8,950,000.00	1,427,000.00	(84)
0	Earning from commercial undertaking	2,650,000.00	0	2,650,000.00	0	(100)
264,000.00	Rent on Local Govt. Property	2,500,000.00	0	2,500,000.00	914,000.00	(63)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
1,093,024.90	Miscellaneous	11,900,000.00	0	11,900,000.00	185,400.00	(98)
3,206,824.90	Sub. Total IGR	30,000,000.00	0	30,000,000.00	6,442,025.00	(79)
2,479,047,232.19	TOTAL REVENUE	2,110,000,000.00	0	2,110,000,000.00	2,280,822,918.15	8.1
	LESS: EXPENDITURE					
	Consolidated Rev. Fund Charges					
57,431,588.76	Political/Public Office Holders	70,000,000.00	0	70,000,000.00	55,390,019.94	21
0	Pensions/Training Fund/Traditional Rulers Council	200,000,000.00	0	200,000,000.00	213,367,943.41	0.7
0	Funding of Primary Education	650,000,000.00	0	650,000,000.00	911,222,312.19	40
0	Internal Debt Servicing	10,000,000.00	0	10,000,000.00	110,403,551.41	1100
57,431,588.76	Sub Total CRFC	930,000,000.00	0	930,000,000.00	1,290,383,826.95	39
349,216,815.46	Personnel Costs	400,000,000.00	0	400,000,000.00	303,440,057.61	24
234,415,974.73	Overhead Costs	250,000,000.00	0	250,000,000.00	74,312,650.00	70
641,064,378.95	TOTAL RECURRENT EXPENDITURE	1,580,000,000.00	0	1,580,000,000.00	433,142,727.55	73
1,837,982,853.24	Operating Balance	530,000,000.00	0	530,000,000.00	1,847,680,190.60	(249)
25,050,000.00	Transfer to capital Dev. Fund	651,000,000.00	0	651,000,000.00	36,856,800.00	94
1,812,932,853.24	CLOSING BALANCE	(121,000,000.00)	0	(121,000,000.00)	1,810,823,390.60	

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP- BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	VAR. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
25,050,000.00	Transfer from Cons. Rev. Fund	651,000,000.00	0	651,000,000.00	36,856,800.00	(94)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
25,050,000.00	Total Revenue available	772,000,000.00	0	772,000,000.00	36,856,800.00	(95)
	Less Capital Expenditure :					
400,000.00	Economic Sector	136,000,000.00	0	136,000,000.00	0	100
1,700,000.00	Social Sector	149,000,000.00	0	149,000,000.00	0	100
3,860,000.00	Environmental /Reg. Dev.	35,000,000.00	0	35,000,000.00	650,000.00	98
19,090,000.00	General Administration	331,000,000.00	0	331,000,000.00	36,206,800.00	89
25,050,000.00	Total Expenditure	651,000,000.00	0	651,000,000.00	36,856,800.00	94
0	Closing Balance	121,000,000.00	0	121,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	157,668,999.82	0	157,668,999.82	1,493,986.78	159,162,986.60	67,189,031.17
February	140,929,901.17	0	140,929,901.17	1,493,986.78	142,423,887.95	38,999,065.37
March	132,177,151.82	0	132,177,151.82	1,493,986.78	133,671,138.60	38,620,122.90
April	145,996,408.59	0	145,996,408.59	1,493,986.78	147,490,395.37	40,622,048.06
May	135,166,012.52	0	135,166,012.52	1,493,986.78	136,659,999.30	36,577,063.91
June	121,821,530.24	0	121,821,530.24	1,493,986.78	123,315,517.02	49,908,263.38
July	148,182,474.92	0	148,182,474.92	1,493,986.78	149,676,461.70	55,546,633.86
August	152,404,218.89	0	152,404,218.89	1,493,986.78	153,898,205.67	52,295,711.23
September	156,617,164.31	6,627,083.41	149,990,080.90	1,493,986.78	151,484,067.68	51,583,951.90
October	146,911,252.82	6,627,083.41	140,284,169.41	1,493,986.78	141,778,156.19	49,510,295.02
November	132,778,783.88	6,627,083.41	126,151,700.47	1,493,986.78	127,645,687.25	51,045,806.55
December	134,368,440.22	6,627,083.41	127,741,356.81	1,493,986.78	129,235,343.59	42,997,775.71
Total	<u>1,705,022,339.20</u>	<u>26,508,333.64</u>	<u>1,678,514,005.56</u>	<u>17,927,841.36</u>	<u>1,696,441,846.92</u>	<u>574,895,769.06</u>

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
1001	Taxes	1,000,000.00	0	0
1002	Rates	3,000,000.00	3,915,625.00	1,290,000.00
1003	Local Licenses Fines and Fees	8,950,000.00	1,427,000.00	559,800.00
1004	Earnings from Commercial Undertaking	2,650,000.00	0	0
1005	Rent on Local Government Properties	2,500,000.00	914,000.00	264,000.00
1006	Interest on Dividends	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	11,900,000.00	185,400.00	1,093,024.90
	Total	30,000,000.00	6,442,025.00	3,206,824.90

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	55,390,019.94	57,431,588.76
Pension, 1% Training Fund, TRC	200,000,000.00	213,367,943.41	0
Funding of Primary Education	650,000,000.00	911,222,312.19	0
Administrative Charges	0	110,403,551.41	0
Internal Debt Servicing	10,000,000.00	0	0
TOTAL	930,000,000.00	1,290,383,826.95	57,431,588.76

NOTE 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2004	Administration	95,603,430.00	67,477,991.10	84,068,825.45
2005	Finance and Supplies	62,478,400.00	47,632,917.34	48,571,036.18
2006	Social Development Education, Information Youth Sports and Culture	42,216,930.00	32,958,419.53	26,998,372.79
2007	Primary Health Care	139,247,370.00	115,857,775.86	145,381,632.92
2008	Agriculture and Natural Resources	13,651,750.00	10,382,074.77	9,913,781.76
2009	Works and Housing Lands & Survey	32,733,540.00	22,984,651.43	24,883,467.84
2010	Budget Planning Research and Statistics	14,068,580.00	6,146,227.58	9,399,698.52
2011	Traditional Rulers Council	0	0	0
	Total	400,000,000.00	303,440,057.61	349,216,815.46

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2001A	Office of the Chairman	37,450,000.00	20,870,000.00	40,983,500.00
2001B	Office of the Vice Chairman	9,450,000.00	2,837,000.00	7,545,000.00
2002A	Office of the Secretary	6,650,000.00	87,000.00	4,312,000.00
2002B	Office of the Special Advisers	6,350,000.00	560,000.00	3,790,000.00
2002C	Office of the Supervisors	7,450,000.00	1,332,500.00	5,105,000.00
2003A	Office of the Legislative/General Council	18,500,000.00	12,215,000.00	16,851,000.00
2003B	Office of the Leader	4,500,000.00	1,321,800.00	3,560,000.00
2003C	Office of the Deputy Leader	3,350,000.00	970,000.00	3,300,000.00
2003D	Office of the Majority Leader	1,300,000.00	0	900,000.00
2003E	Office of the Deputy Majority Leader	1,300,000.00	0	500,000.00
2003F	Office of the Chief Whip	1,300,000.00	0	600,000.00
2003G	Office of the Deputy Chief Whip	1,300,000.00	0	500,000.00
2003H	Office of the Clerk	1,700,000.00	655,000.00	670,000.00
2004A	Office of the Head of Local Government Service	5,000,000.00	2,771,000.00	5,175,500.00
2004B	Office of the Administration & General Services	5,700,000.00	1,429,000.00	4,987,700.00
2005	Finance and Supplies	6,300,000.00	3,724,350.00	5,690,000.00
2006	Social Development, Education Information, Youth & Culture	4,300,000.00	250,000.00	1,767,500.00
2007	Primary Health care	7,500,000.00	330,000.00	4,881,500.00
2008	Agricultural/Natural Resources	2,100,000.00	95,000.00	817,000.00
2009	Works, Housing, Transport, Land & Survey	2,400,000.00	415,000.00	1,005,000.00
2010	Budget, Planning, Research & Statistics	2,400,000.00	270,000.00	824,000.00
2011	Traditional Rulers Council	7,400,000.00	3,760,000.00	2,610,000.00
2012	Miscellaneous	106,300,000.00	20,420,000.00	118,041,274.73
	Total	250,000,000.00	74,312,650.00	234,415,974.73

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Economic Sector	136,000,000.00	0	400,000.00
Social Sector	149,000,000.00	0	1,700,000.00
Environmental Sector	35,000,000.00	650,000.00	3,860,000.00
Administration Sector			
General Administration (Executive)	193,000,000.00	12,806,140.00	3,540,000.00
General Administration (Legislative)	138,000,000.00	23,400,660.00	15,550,000.00
Total	651,000,000.00	36,856,800.00	25,050,000.00

NOTE 7: INCREASE /DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
Advances 2020	2,059,770,218.50	Advances 2019	2,080,241,572.67
Advances 2019	2,080,241,572.67	Advances 2018	2,002,763,583.75
	20,471,354.17		(77,477,988.92)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	266,780,941.25	2019 Deposits	298,759,038.55
2019 Deposits	298,759,038.55	2018 Deposits	143,460,160.12
	(31,978,097.30)		155,298,878.43

NOTE 9: CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
Cash in Hand	611,021.90	205,948.08
UBA	9,451,679.00	9,451,679.00
Union Bank I 0018386223	3,320,017.69	12,205,902.45
Union Bank II 0036454764	32,637.76	32,637.76
Union Bank III 0018383057	94,154.62	68,029.85
Skye Bank 4040013564	72,577.51	72,577.51
Zenith Bank 1014557067	4,252,024.87	9,413,544.47
Sub Total Bank	17,223,091.45	31,244,371.04
Total	17,834,113.35	31,450,319.12

NOTE 10: ADVANCES

Detail	2020 ₦	2019 ₦
Purchases	1,632,930,744.08	1,655,735,843.95
Imprest	191,466,980.00	191,381,980.30
Touring	175,748,184.75	173,499,438.75
Salary/Special advance	1,506,250.00	1,506,250.00
Motor Vehicle	58,026,380.40	58,026,380.40
Housing	91,679.27	91,679.27
Total	2,059,770,218.50	2,080,241,572.67

NOTE 11: DEPOSITS

Detail	2020 ₦	2019 ₦
PAYE TAX	(595,744.00)	3,632,699.17
NULGE	1,494,811.47	1,495,131.41
NANNM	(20,928.59)	1,864,160.83
VAT	10,682,081.40	10,682,081.40
Withholding Tax	7,031,743.44	7,031,743.44
Others	248,188,977.53	274,053,222.30
TOTAL	266,780,941.25	298,759,038.55



OBOT AKARA LOCAL GOVERNMENT

AKWA IBOM STATE, NIGERIA

ALL CORRESPONDENCE TO EXECUTIVE CHAIRMAN

Our Ref OBLG/AD/S/44/S.2/VOL. 1/189^b

Your Ref

Headquarters
Nto Edino

23rd March, 2021

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Financial Statements have been prepared by the Director of Finance of Obot Akara Local Government Council in accordance with the Provision of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and General 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 our statutory authority and properly recorded the use of all public financial resources by the Local Government Council.

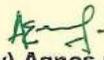
The Director of Finance has responsibility for ensuring that the internal controls are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls has operated adequately throughout 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 Standards (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, 2020 and its operations for the year ended on that date.


Mr. Uwem K. Essien
Director of Finance

Date: 23/03/2021


Hon. (Lady) Agnes Cosmas Udoenwenwen
Chairman

Date: 23rd MARCH 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Obot Akara Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Obot Akara Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

OBOT AKARA LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) **Reporting Currency**

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) **Departments for Consolidation**

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) **Comparative Information**

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

(ix) **Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) **Revenues:**

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) **Payments:**

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) **External Assistance:**

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.
- (xiii) Other Borrowings/Grants & Aid Received:**
 These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).
 Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.
- (xiv) Interest Received:**
 Interests actually received during the financial year are treated as receipt under item “Other Receipts.”
- (xv) Government Business Activities:**
 Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.
 Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.
- (xvi) Cash Balances**
 This includes Cash in Hand, at Bank and Cash Equivalents at the end of the financial year.
- (xvii) Advances**
 All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.
- (xviii) Deposits:**
 These are unremitted deductions and unpaid obligations on the reporting date.

OBOT AKARA LOCAL GOVERNMENT COUNCIL
STATEMENT NO.1

CASHFLOW FROM OPERATING ACTIVITIES	Notes	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,600,000,000.00	1,133,536,186.73	625,656,670.34
Value Added Tax	1	250,000,000.00	471,386,481.17	0
Stabilization	1	0	4,822,984.78	0
Others	1	300,000,000.00	139,557,002.51	0
State Allocation	1	30,000,000.00	17,962,025.64	0
		2,180,000,000 .00	1,767,264,680.83	625,656,670.34
Taxes	2	3,000,000.00	0	14,500.00
Rates	2	6,500,000.00	610,000.00	141,800.00
Local License, Fines and Fees	2	5,000,000.00	294,350.00	504,850.00
Earnings from commercial undertaking	2	13,000,000.00	500,000.00	1,473,300.00
Rent on Local Govt. Property	2	7,000,000.00	3,595,625.00	4,691,000.00
Interest and Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	5,500,000.00	274,000.00	765,305.00
Sub Total IGR		40,000,000.00	5,273,975.00	7,590,755.00
Capital Receipts: B/F		500,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,320,500,000.00	1,772,538,655.83	633,247,425.34
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political /Public Office Holders	3	70,000,000.00	57,088,770.48	67,638,622.21
Pensions/Training Funds/Traditional Rulers Council	3	250,000,000.00	220,718,278.08	0
Funding of Primary Education	3	700,000,000.00	932,795,780.21	0
Internal Debt Servicing/Admin Charges	3	10,000,000.00	110,185,200.25	0
Total Consolidated Revenue Fund Charges		1,030,000,000.00	1,320,788,029.02	67,638,622.21
Personnel Costs	4	480,000,000.00	341,059,286.68	319,308,383.08
Overhead Costs	5	220,000,000.00	82,527,248.49	71,367,500.02
TOTAL PAYMENTS		1,730,000,000.00	1,744,374,564.19	458,314,505.31
Net Cash Flow From Operating Activities A		590,500,000.00	28,164,091.64	174,932,920.03
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	590,500,000.00	137,686,216.00	37,309,100.00
Net Cash Flow From Investing Activities B			(137,686,216.00)	(37,309,100.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		105,524,910.00	(217,617,305.00)
Increase/decrease in other Liabilities	8		(12,573,605.92)	88,791,240.67
Total Cash Flow From other Cash equivalent Accounts C			92,951,304.08	(128,826,064.33)
Net Cash Flow For The Year (A+B+C)			(16,570,820.28)	8,797,755.70
Cash and its equivalent as at 1st January, 2020			32,742,402.63	23,944,646.93
Cash and its equivalent as at 31st December, 2020	9		16,171,582.35	32,742,402.63

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

OBOT AKARA LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	0	0
Cash at Bank	9	16,171,582.35	32,742,402.63
TOTAL LIQUID ASSETS		16,171,582.35	32,742,402.63
Investment & Other Cash Assets:			
Advances	10	1,418,737,745.09	1,524,262,655.09
TOTAL ASSETS		<u>1,434,909,327.44</u>	<u>1,557,005,057.72</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		921,392,110.50	1,030,914,234.86
OTHER LIABILITIES			
Deposits	11	513,517,216.94	526,090,822.86
TOTAL LIABILITIES		<u>1,434,909,327.44</u>	<u>1,557,005,057.72</u>

OBOT AKARA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

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

2020

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	VAR. %
893,290,414.83	Opening Balances	0	0	0	1,030,914,234.86	
	Add Revenue:					
625,656,670.34	Statutory Allocation	1,600,000,000 .00	0	1,600,000,000 .00	1,133,536,186.73	(29)
0	Value Added Tax	250,000,000.00	0	250,000,000.00	471,386,481.17	89
0	Stabilization	0	0	0	4,822,984.78	100
0	Others	300,000,000.00	0	300,000,000.00	139,557,002.51	(53)
0	State Allocation	30,000,000.00	0	30,000,000.00	17,962,025.64	(40)
625,656,670.34	Sub Total Statutory Allocation	2,180,000,000 .00	0	2,180,000,000 .00	1,767,264,680.83	(19)
14,500.00	Taxes	3,000,000 .00	0	3,000,000 .00	0	(100)
141,800.00	Rates	6,500,000.00	0	6,500,000.00	610,000 .00	(91)
504,850.00	Local License, Fines and Fees	5,000,000.00	0	5,000,000.00	294,350.00	(94)
1,473,300.00	Earning from commercial undertaking	13,000,000.00	0	13,000,000.00	500,000.00	(96)
4,691,000.00	Rent on Local Govt. Property	7,000,000.00	0	7,000,000.00	3,595,625.00	(49)
0	Interest and Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
765,305.00	Miscellaneous	5,500,000.00	0	5,500,000.00	274,000.00	(95)
7,590,755.00	Sub. Total IGR	40,000,000.00	0	40,000,000.00	5,273,975.00	(87)
1,526,537,840.17	TOTAL REVENUE	2,220,000,000.00	0	2,220,000,000.00	2,803,452,890.69	26
	EXPENDITURE					
	Consolidated Rev. Fund Charges:		0			
67,638,622.21	Political /Public Office Holders	70,000,000.00	0	70,000,000.00	57,088,770.48	18
0	Pensions/Training Funds/Traditional Rulers Council/Admin Charges	250,000,000.00	0	250,000,000.00	220,718,278.08	12
0	Funding of Primary Education	700,000,000 .00	0	700,000,000 .00	932,795,780.21	(33)
0	Internal Debt Servicing/Admin. Charges	10,000,000 .00	0	10,000,000 .00	110,185,200.25	(1002)
67,638,622.21	Sub Total CRFC	1,030,000,000.00	0	1,030,000,000.00	1,320,788,029.02	(28)
319,308,383.08	Personnel Costs	480,000,000.00	0	480,000,000.00	341,059,286.68	29
71,367,500.02	Overhead Costs	220,000,000.00	0	220,000,000.00	82,527,248.49	62
458,314,505.31	Total Recurrent Expenditure	1,730,000,000.00	0	1,730,000,000.00	1,744,374,564.19	(1)
1,068,223,334.86	Operating Balance	490,000,000.00	0	490,000,000.00	1,059,078,326.50	
37,309,100.00	Transfer to Capital Dev. Fund	590,500,000.00	0	590,500,000.00	137,686,216.00	77
1,030,914,234.86	CLOSING BALANCE	(100,500,000.00)	0	(100,500,000.00)	921,392,110.50	

OBOT AKARA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	VAR. %
0	Opening balance	500,000.00	0	500,000.00	0	0
	Add Revenue:					
37,309,100.00	Transfer from Consol. Rev. Fund	590,500,000.00	0	590,500,000.00	137,686,216.00	(77)
0	Grant	50,000,000.00	0	50,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
37,309,100.00	Total Revenue available	691,000,000.00	0	691,000,000.00	137,686,216.00	(80)
	Less Capital Expenditure:					
12,465,000.00	Economic Sector	168,300,000.00	0	168,300,000.00	4,200,000.00	98
6,274,100.00	Social Sector	204,250,000.00	0	204,250,000.00	40,545,600.00	80
4,950,000.00	Environmental/Reg. Dev	73,000,000.00	0	73,000,000.00	1,757,000.00	98
13,620,000.00	General Administration	144,950,000.00	0	144,950,000.00	91,183,616.00	37
37,309,100.00	Total Expenditure	590,500,000.00	0	590,500,000.00	137,686,216.00	77
0	Closing Balance	100,500,000.00	0	100,500,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	164,200,399.85	0	164,200,399.85	1,496,835.47	165,697,235.32	73,808,512.95
February	146,709,485.66	0	146,709,485.66	1,496,835.47	148,206,321.13	43,296,358.04
March	137,495,945.01	0	137,495,945.01	1,496,835.47	138,992,780.48	40,371,671.77
April	152,052,351.21	0	152,052,351.21	1,496,835.47	153,549,186.68	43,411,239.84
May	140,761,445.23	0	140,761,445.23	1,496,835.47	142,258,280.70	41,299,324.10
June	126,901,790.57	0	126,901,790.57	1,496,835.47	128,398,626.04	54,622,785.01
July	154,379,857.76	0	154,379,857.76	1,496,835.47	155,876,693.23	59,983,449.92
August	158,768,995.35	0	158,768,995.35	1,496,835.47	160,265,830.82	56,001,861.48
September	163,169,846.79	6,627,083.41	156,542,763.38	1,496,835.47	158,039,598.85	56,002,887.45
October	153,064,333.45	6,627,083.41	146,437,250.04	1,496,835.47	147,934,085.51	54,387,121.40
November	138,322,318.67	6,627,083.41	131,695,235.26	1,496,835.47	133,192,070.73	55,171,600.87
December	139,984,219.28	6,627,083.41	133,357,135.87	1,496,835.47	134,853,971.34	47,299,857.51
Total	<u>1,775,810,988.83</u>	<u>26,508,333.64</u>	<u>1,749,302,655.19</u>	<u>17,962,025.64</u>	<u>1,767,264,680.83</u>	<u>625,656,670.34</u>

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
1001	Taxes	3,000,000.00	-	14,500.00
1002	Rates	6,500,000.00	610,000.00	141,800.00
1003	local Licenses, Fines and Fees	5,000,000.00	294,350.00	504,850.00
1004	Earnings from commercial undertaking	13,000,000.00	500,000.00	1,473,300.00
1005	Rent on local government properties	7,000,000.00	3,595,625.00	4,691,000.00
1008	Miscellaneous	5,500,000.00	274,000.00	765,305.00
	Total	40,000,000.00	5,273,975.00	7,590,755.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	57,088,770.48	67,638,622.21
Pension, 1% Training Fund, TRC	250,000,000.00	220,718,278.08	0
Funding of Primary Education	700,000,000.00	932,795,780.21	0
Administrative Charges	0	110,185,200.25	0
Internal Debt Servicing	10,000,000.00	0	0
TOTAL	1,030,000,000.00	1,320,788,029.02	67,638,622.21

NOTE 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2004	Administration	138,918,290.00	101,804,966.38	86,217,065.19
2005	Finance and Supplies	49,820,000.00	35,950,100.68	32,034,792.30
2006	Social Development, Information, Youth, Sports & Culture	54,200,000.00	39,120,583.30	29,825,269.04
2007	Primary Health Care	144,550,000.00	116,159,458.08	127,158,302.10
2008	Agriculture and Natural Resources	19,096,710.00	11,778,273.87	10,424,563.18
2009	Works and Housing, Lands and Survey	60,580,000.00	25,718,024.39	24,896,118.88
2010	Budget, Planning, Research and Statistics	10,250,000.00	10,527,879.98	8,752,272.39
2011	Traditional Rulers Office	2,585,000.00	0	0
	Total	480,000,000.00	341,059,286.68	319,308,383.08

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	40,000,000.00	19,584,000.00	28,679,000.00
2001B	Office of the Vice Chairman	7,000,000.00	1,270,000.00	3,225,000.00
2001C	Office of the Secretary	4,000,000.00	100,000.00	0
2001D	Office of the Supervisors	8,000,000.00	0	1,290,000.00
2002	Office of the Special Advisers	6,000,000.00	5,226,000.00	1,320,000.00
2003A	Office of the Legislative/General Council	18,000,000.00	8,120,000.00	5,660,000.00
2003B	Office of the Leader	5,000,000.00	110,000.00	2,360,000.00
2003C	Office of the Deputy Leader	3,500,000.00	500,000.00	1,210,000.00
2003D	Office of the Majority Leader	3,000,000.00	360,000.00	1,100,000.00
2003E	Office of the Deputy Majority Leader	3,000,000.00	100,000.00	0
2003F	Office of the Chief Whip	3,000,000.00	0	1,100,000.00
2003G	Office of the Deputy Chief Whip	3,000,000.00	0	1,100,000.00
2003H	Office of the Clerk	3,000,000.00	0	1,060,000.00
2004A	Office of the Head of Local Government Service	8,000,000.00	741,315.00	1,180,500.00
2004B	Office of the Administration & General Services	9,000,000.00	1,694,500.00	1,922,500.00
2005	Finance & Supplies	6,000,000.00	1,791,535.00	3,270,650.00
2006	Education, Information & Sports	3,500,000.00	165,000.00	150,000.00
2007	Health	5,000,000.00	600,000.00	1,776,000.00
2008	Agriculture and Natural Resources	4,000,000.00	800,000.00	300,000.00
2009	Works and transport	4,000,000.00	740,000.00	1,475,000.00
2010	Budget, Planning, Research & Statistics	4,000,000.00	72,000.00	100,000.00
2011	Traditional Rulers Council	5,000,000.00	0	0
2012	Miscellaneous	65,000,000.00	40,552,898.49	13,088,850.00
	TOTAL	220,000,000.00	82,527,248.49	71,367,500.00

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic sector	168,300,000.00	4,200,000.00	12,465,000.00
Social sector	204,250,000.00	40,545,600.00	6,274,100.00
Environmental sector	73,000,000.00	1,757,000.00	4,950,000.00
Administration Sector			
General Administration (Executive)	87,950,000.00	81,079,616.00	11,565,000.00
General Administration (Legislative)	57,000,000.00	10,104,000.00	2,055,000.00
Total	590,500,000.00	137,686,216.00	37,309,100.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,418,737,745.09	2019 Advances	1,524,262,655.09
2019 Advances	1,524,262,655.09	2018 Advances	1,306,645,350.09
	105,524,910.00		(217,617,305.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	513,517,216.94	2019 Deposits	526,090,822.86
2019 Deposits	526,090,822.86	2018 Deposits	437,299,582.19
	(12,573,605.92)		88,791,240.67

NOTE 9: CASH AND BANK BALANCES

Description	Actual 2020 ₦	Actual 2019 ₦
CASH	0	0
BANKS:		
Zenith Bank A/c (Salary)	8,531,271.66	28,078,925.14
Zenith Bank A/c (Project)	3,710,637.79	655,859.09
First Bank a/c no. 2014083367	19,083.06	97,028.56
Skye Bank	881,147.51	881,147.51
FCMB	2,892,591.00	2,892,591.00
UBA	136,851.33	136,851.33
Sub Total Bank Bal.	16,171,582.35	32,742,402.63
Total	16,171,582.35	32,742,402.63

NOTE 10.: ADVANCES

Detail	2020 ₦	2019 ₦
Purchase Advances	1,178,016,694.29	1,283,359,454.29
ii Imprest	147,133,510.00	146,035,660.00
iii Touring	82,299,757.50	83,579,757.50
iv Salary/Special	1,687,400.00	1,687,400.00
v Motor Vehicle	9,600,383.30	9,600,383.30
Total	1,418,737,745.09	1,524,262,655.09

NOTE 11. DEPOSITS

Detail	2020 ₱	2019 ₱
i. PAYE Tax	7,018,052.98	7,018,052.98
ii. NULGE Dues-State/ Branch	2,409,661.94	2,409,661.94
iii. NANNM	627,282.06	627,282.06
iv. VAT	26,938,602.49	26,938,602.49
v. Withholding Tax	23,625,930.91	23,562,930.91
vi. Pension Deductions	0	0
vii. Others	452,897,686.56	465,534,292.48
Total	513,517,216.94	526,090,822.86

OKOBO LOCAL GOVERNMENT COUNCIL



OKLG/C/43/Vol. II/107

Our Ref:.....

Your Ref:.....

P.M.B. 1002,
OKOPEDI, OKOBO,
AKWA IBOM STATE,
NIGERIA.

8th June, 2021.

Date:.....

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Okobo 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 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, 2020 and its operations for the year ended on that date.


Mr. Aniefiok N. Udonte

Director of Finance

Date: 08/06/21


Hon. Dr. Sylvester Effiong Attah

Chairman

Date: 08/06/21

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

The Executive Chairman
Okobo Local Government Council
Okopedi

AUDIT CERTIFICATE ON THE ACCOUNTS OF OKOBO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Okobo Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Okobo Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

OKOBO LOCAL GOVERNMENT COUNCIL

NOTES TO THE ACCOUNTS

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

OKOBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2020 N	Actual 2020 N	Actual 2019 N
RECEIPTS:				
Statutory Allocation	1	1,400,000,000.00	970,571,698.37	622,072,132.91
Value Added Tax	1	300,000,000.00	425,893,938.88	0
Stabilization	1	0	4,145,481.68	0
Others	1	250,000,000.00	120,689,565.97	0
State Allocation	1	30,000,000.00	16,739,601.00	0
Sub Total Statutory Allocation		1,980,000,000.00	1,538,040,285.90	622,072,132.91
Taxes	2	1,000,000.00	0	0
Rates	2	2,500,000.00	3,265,625.00	800,000.00
Local License fines & fees	2	2,500,000.00	290,830.00	211,570.00
Earning from Commercial undertaking	2	7,000,000.00	377,000.00	887,800.00
Rent on Local Govt. Property	2	4,000,000.00	0	0
Interest and Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	13,000,000.00	545,000.00	1,258,500.00
Sub Total IGR		30,000,000.00	4,478,455.00	3,157,870.00
Capital Receipts: B/F		2,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		2,132,000,000.00	1,542,518,740.90	625,230,002.91
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	75,000,000.00	62,823,399.71	73,030,833.68
Pension/Training Fund/Traditional Rulers Council	3	180,000,000.00	215,249,233.20	4,300,000.00
Funding of Primary Education	3	600,000,000.00	676,673,602.32	0
Internal Debt Servicing	3	10,000,000.00	108,817,316.28	0
Total Consolidated Revenue Fund Charges		865,000,000.00	1,063,572,551.51	77,330,833.68
Personnel Costs	4	450,000,000.00	372,113,132.32	309,270,038.06
Overhead Costs	5	200,000,000.00	37,920,417.36	123,040,868.00
TOTAL PAYMENTS		1,515,000,000.00	1,473,606,101.19	509,641,739.74
Net Cash flow from Operating Activities (A)		617,000,000.00	68,912,639.71	115,588,263.17
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	617,000,000.00	66,367,108.00	80,676,500.00
Net Cash flow From Investing Activities (B)			(66,367,108.00)	(80,676,500.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(36,360,730.00)	(40,185,840.00)
Increase/decrease in other Liabilities	8		27,813,560.52	4,491,015.03
Total Cash Flow From other Cash equivalent Accounts C			(8,547,169.48)	(35,694,824.97)
Net Cash Flow For the Year (A+ B+ C)			(6,001,637.77)	(783,061.80)
Cash and its Equivalents as at 1 st January, 2020	9		13,827,580.09	14,610,641.89
Cash and its Equivalents as at 31st December, 2020	9		7,825,942.32	13,827,580.09

OKOBO LOCAL GOVERNMENT COUNCIL
STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	Notes	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	861,990.08	1,014,976.58
Cash at Bank	9	6,963,952.24	12,812,603.51
TOTAL LIQUID ASSETS		7,825,942.32	13,827,530.09
Investment & Other Cash Assets:			
Advances	10	1,409,189,882.95	1,372,829,152.95
TOTAL ASSETS		<u>1,417,015,825.27</u>	<u>1,386,656,733.04</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,070,979,186.08	1,068,433,654.37
OTHER LIABILITIES			
Deposits	11	346,036,639.19	318,223,078.67
TOTAL LIABILITIES		1,417,015,825.27	1,386,656,733.04

OKOBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 N	Description	Initial Budget 2020 N	Supp- Budget 2020 N	Final Budget 2020 N	Actual 2020 N	Var. %
1,033,521,891.20	Opening Balance	0	0	0	1,068,433,654.37	0
	ADD REVENUE:					
622,072,132.91	Statutory Allocation	1,400,000,000.00	0	1,400,000,000.00	970,571,698.37	(31)
0	Value Added Tax	300,000,000.00	0	300,000,000.00	425,893,938.88	42
0	Stabilization	0	0		4,145,481.68	100
0	Others	250,000,000.00	0	250,000,000.00	120,689,565.97	(51)
0	State Allocation	30,000,000.00	0	30,000,000.00	16,739,601.00	(44)
622,072,132.91	Sub Total Statutory Allocations	1,980,000,000.00	0	1,980,000,000.00	1,538,040,285.90	(22)
0	Taxes	1,000,000.00	0	1,000,000.00	0	(100)
800,000.00	Rates (Tenement)	2,500,000.00	0	2,500,000.00	3,265,625.00	31
211,570.00	Local License fines & fees	2,500,000.00	0	2,500,000.00	290,830.00	(88)
887,800.00	Earning from Commercial Undertaking	7,000,000.00	0	7,000,000.00	377,000.00	(95)
0	Rent on Local Govt. Property	4,000,000.00	0	4,000,000.00	0	(100)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
1,258,500.00	Miscellaneous	13,000,000.00	0	13,000,000.00	545,000.00	(96)
3,157,870.00	Sub Total IGR	30,000,000.00	0	30,000,000.00	4,478,455.00	(85)
1,658,751,894.11	TOTAL REVENUE	2,010,000,000.00	0	2,010,000,000.00	1,542,518,740.90	(23)
	EXPENDITURE:					
	Consolidated Revenue Fund Charges:					
73,030,833.68	Political/Public Office Holders	75,000,000.00	0	75,000,000.00	62,832,399.71	16
4,300,000.00	Pensions/Training Fund/Traditional Rulers Council	180,000,000.00	0	180,000,000.00	215,249,233.20	(20)
0	Funding of Primary Education	600,000,000.00	0	600,000,000.00	676,673,602.32	(13)
0	Internal Debt Servicing/Admin Charges	10,000,000.00	0	10,000,000.00	108,817,316.28	(988)
77,330,833.68	Sub Total CRFC	865,000,000.00	0	865,000,000.00	1,063,572,551.51	(23)
309,270,038.06	Personnel Costs	450,000,000.00	0	450,000,000.00	372,113,132.32	17
123,040,868.00	Overhead Costs	200,000,000.00	0	200,000,000.00	37,920,417.36	81
509,641,739.74	Total Recurrent Expenditure	1,515,000,000.00	0	1,515,000,000.00	1,473,606,101.19	3
1,149,110,154.37	Operating Balance	495,000,000.00	0	495,000,000.00	1,137,346,294.80	
80,676,500.00	Transfer to Capital Dev. Fund	617,000,000.00	0	617,000,000.00	66,367,108.00	89
1,068,433,654.37	Closing Balance	(122,000,000.00)	0	(122,000,000.00)	1,070,979,186.08	

OKOBO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	2,000,000.00	0	2,000,000.00	0	(100)
	Add Revenue:					
80,676,500.00	Transfer from Cons Rev Fund	617,000,000.00	0	617,000,000.00	66,367,108.00	(80)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
80,676,500.00	Total Revenue available	739,000,000.00	0	739,000,000.00	66,367,108.00	(91)
	Less Capital Expenditure :					
22,549,000.00	Economic Sector	176,462,000.00	0	176,462,000.00	5,960,000.00	97
40,212,500.00	Social Sector	138,208,000.00	0	138,208,000.00	850,000.00	99
750,000.00	Environmental/Regional Dev.	119,081,000.00	0	119,081,000.00	2,355,000.00	98
17,165,000.00	General Administration	183,249,000.00	0	183,249,000.00	57,202,108.00	69
80,676,500.00	Total Expenditure	617,000,000.00	0	617,000,000.00	66,367,108.00	89
0	Closing Balance	122,000,000.00	0	122,000,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE1: STATUTORY ALLOCATIONS

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	142,731,291.79	0	142,731,291.79	1,394,966.75	144,126,258.54	73,537,271.11
February	127,775,178.64	0	127,775,178.64	1,394,966.75	129,170,145.39	42,790,111.45
March	120,134,319.17	0	120,134,319.17	1,394,966.75	121,529,285.92	40,183,648.41
April	132,423,297.61	0	132,423,297.61	1,394,966.75	133,818,264.36	42,752,171.13
May	122,291,546.18	0	122,291,546.18	1,394,966.75	123,686,512.93	40,920,077.85
June	110,494,994.82	0	110,494,994.82	1,394,966.75	111,889,961.57	53,976,110.35
July	134,447,695.61	0	134,447,695.61	1,394,966.75	135,842,662.36	59,405,937.67
August	138,290,025.64	0	138,290,025.64	1,394,966.75	139,684,992.39	56,184,863.72
September	142,333,793.84	6,627,083.41	135,706,710.43	1,394,966.75	137,101,677.18	56,092,139.98
October	133,514,765.79	6,627,083.41	126,887,682.38	1,394,966.75	128,282,649.13	53,957,279.59
November	120,682,479.46	6,627,083.41	114,055,396.05	1,394,966.75	115,450,362.80	55,155,761.43
December	122,689,629.99	6,627,083.41	116,062,546.58	1,394,966.75	117,457,513.33	47,116,760.22
Total	<u>1,547,809,018.54</u>	<u>26,508,333.64</u>	<u>1,521,300,684.90</u>	<u>16,739,601.00</u>	<u>1,539,040,285.90</u>	<u>622,072,132.91</u>

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	1,000,000.00	0	0
1002	Rates	2,500,000.00	3,265,652.00	800,000.00
1003	Local License fees and fines	2,500,000.00	290,830	211,570.00
1004	Earnings from Comm. Undertakings	7,000,000.00	377,000.00	887,800.00
1005	Rent on Local Government property	4,000,000.00	0	0
1006	Miscellaneous	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	13,000,000.00	545,000.00	1,258,500.00
	TOTAL	30,000,000.00	4,478,455.00	3,157,870.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	62,832,399.71	73,030,833.68
Pension, 1% Training Fund, TRC	180,000,000.00	215,249,233.20	4,300,000.00
Funding of Primary Education	600,000,000.00	676,673,602.32	0
Administrative Charges	0	108,817,316.28	0
Internal Debt Servicing	10,000,000.00	0	0
TOTAL	865,000,000.00	1,063,572,551.51	77,330,833.68

NOTE 4: PERSONNEL COSTS

HEAD	Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
2004	Administration	135,313,300.00	131,065,621.86	106,342,930.68
2005	Finance and Supplies	100,720,900.00	73,972,614.35	62,085,746.70
2006	Education	53,644,200.00	34,248,686.77	27,335,846.80
2007	Health and Social Services	93,661,300.00	92,117,769.69	77,151,477.77
2008	Agric& Natural Resources	19,603,800.00	9,389,411.24	10,225,533.73
2009	Works and Housing	21,390,300.00	20,465,122.94	16,611,525.14
2010	Budget, Planning & Research	19,400,700.00	10,853,905.47	9,516,977.24
2011	Traditional Rulers Council	6,265,500.00	0	0
	Total	450,000,000.00	372,113,132.32	309,270,038.06

NOTE 5: OVERHEAD COSTS

HEAD	Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
2001A	Office of the Chairman	30,050,000.00	14,610,000.00	30,270,000.00
2001B	Office of the Vice Chairman	11,020,000.00	2,215,000.00	6,410,000.00
2002A	Office of the Secretary	8,140,000.00	152,110.00	1,382,000.00
2002B	Office of the Special Advisers	14,600,000.00	130,000.00	1,080,000.00
2002C	Office of the Supervisors	7,000,000.00	794,000.00	2,220,000.00
2003A	Office of the Clerk	2,400,000.00	50,000.00	439,000.00
2003B	Office of the Leader	6,100,000.00	1,405,000.00	2,405,000.00
2003C	The Office of the Deputy Leader	3,600,000.00	660,000.00	1,320,000.00
2003D	Office of the Majority Leader	3,140,000.00	1,190,000.00	1,200,000.00
2003E	Office of the Dep. Majority Leader	3,000,000.00	600,000.00	1,200,000.00
2003F	Office of the Chief Whip	2,500,000.00	1,047,500.00	1,200,000.00
2003G	Office of the Dep. Chief Whip	2,300,000.00	900,000.00	1,200,000.00
2003H	Office of the Minority Leader	0	0	80,000.00
2003I	Office of the Dep. Minority Leader	0	0	0
2003J	General Council	12,400,000.00	4,394,300.00	10,789,500.00
2004A	Office of the HOS L/G	7,600,000.00	2,755,200.00	4,489,000.00
2004B	Director of Administration&General Services	7,900,000.00	110,000.00	3,426,000.00
2005	Finance and Supplies	8,960,000.00	1,459,150.00	5,341,470.00
2006	Education	3,530,000.00	110,000.00	2,245,000.00
2007	Health and Social Services	5,250,000.00	430,000.00	5,278,000.00
2008	Agriculture	3,550,000.00	250,000.00	2,025,000.00
2009	Works and Housing	4,700,000.00	150,000.00	3,392,000.00
2010	Budget, Planning & Research	4,060,000.00	170,000.00	260,000.00
2011	Traditional Rulers Council	2,100,000.00	0	0
2012	Miscellaneous	46,100,000.00	4,338,157.36	35,388,898.00
	Total	200,000,000.00	37,920,417.36	123,040,868.00

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 N	Actual 2020 N	Actual 2019 N
Economic Sector	176,462,000.00	5,960,000.00	22,549,000.00
Social Sector	138,208,000.00	850,000.00	40,212,500.00
Environmental Sector	119,081,000.00	2,355,000.00	750,000.00
Administrative Sector:			
General Administration (Executive)	140,552,000.00	54,921,880.00	11,965,000.00
General Administration (Legislative)	42,697,000.00	2,280,228.00	5,200,000.00
Total	617,000,000.00	66,367,108.00	80,676,500.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 N		2019 N	
2020 Advances	1,409,189,882.95	2019 Advances	1,372,829,152.95
2019 Advances	1,372,829,152.95	2018 Advances	1,332,643,312.95
	(36,360,730.00)		(40,185,840.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 N		2019 N	
2020 Deposits	346,036,639.19	2019 Deposits	318,223,078.67
2019 Deposits	318,223,078.67	2018 Deposits	313,732,063.64
	27,813,560.52		4,491,015.03

NOTE 9: CASH AND BANK BALANCES

Description	2020 N	2019 N
Cash in Hand	861,990.08	1,014,976.58
Cash at Bank:Senith Bank	3,644,254.21	
Zenith Bank A/c	3,267,950.00	12,337,775.50
UBA A/c	51,748.03	474,828.01
Sub Total	6,963,952.24	12,812,603.51
Total	7,825,942.32	13,827,580.09

NOTE 10: ADVANCES

Detail	2020 N	2019 N
Purchases Advance	1,080,513,783.72	1,042,037,053.72
Imprest Advance	218,284,919.00	220,159,919.00
Touring Advance	100,995,776.70	101,236,776.70
Salary Advance	8,553,532.68	8,553,532.68
Motor Vehicle	841,870.85	841,870.85
Others	0	0
TOTAL	1,409,189,882.95	1,372,829,152.95

NOTE 11: DEPOSITS

Detail	2020 N	2019 N
PAYE Tax	2,071,126.96	1,066,680.37
NULGE Dues-State/Branch	2,464,289.40	2,464,289.40
NANNM	634,410.88	634,410.88
VAT	0	0
Withholding Tax	879,950.00	879,950.00
Pension Fund	13,228,229.75	13,228,229.75
OTHERS	326,812,632.20	299,949,518.27
TOTAL	346,036,639.19	318,223,078.67

ONNA LOCAL GOVERNMENT AKWA IBOM STATE OF NIGERIA

Our Ref: _____

Ref: _____



Department
Onna Local Govt. Hqtrs
Abat
Phone: _____

26th August, _____ 21

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 Standards (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, 2020 and its operations for the year ended on that date.

FOP 24/08/2021
Mr. Edet N. Ekop
Director of Finance

24/08/21
Hon. Iniabasi A. Ekanem
Chairman

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

The Executive Chairman
Onna Local Government Council
Abat

AUDIT CERTIFICATE ON THE ACCOUNTS OF ONNA LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Onna Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Onna Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ONNA LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation by law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

ONNA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020.

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,500,000,000.00	1,014,637,184.08	648,616,296.73
Value Added Tax	1	350,000,000.00	445,764,008.23	0
Stabilization	1	0	4,328,689.31	0
Others	1	300,000,000.00	125,791,620.90	0
State Allocation	1	30,000,000.00	18,940,526.76	0
Sub Total: Statutory Allocation		2,180,000,000.00	1,609,462,029.28	648,616,296.73
Taxes	2	2,950,000.00	0	0
Rates	2	9,050,000.00	3,237,125.00	750,000.00
Local License fines and fees	2	5,676,000.00	130,500.00	55,000.00
Earning from commercial undertaking	2	4,900,000.00	0	0
Rent on Local Govt. Property	2	4,424,000.00	0	0
Interest & Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	13,000,000.00	729,550.00	1,401,650.00
Sub Total: IGR		40,000,000.00	4,097,175.00	2,206,650.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		130,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		2,371,000,000.00	1,613,559,204.28	650,822,946.73
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	75,000,000.00	61,273,008.38	76,846,355.24
Pensions Training Fund/Traditional Rulers Council	3	220,000,000.00	210,457,288.05	0
Funding of Primary education	3	650,000,000.00	743,135,527.52	0
Internal Debt Servicing/Admin Charges	3	20,000,000.00	105,203,541.78	0
Total consolidated Revenue Fund Charges		965,000,000.00	1,120,069,365.73	76,846,355.24
Personnel Costs	4	460,000,000.00	381,831,190.94	345,020,672.77
Overhead Costs	5	250,000,000.00	101,177,104.50	117,222,685.76
TOTAL PAYMENTS		1,675,000,000.00	1,603,077,661.17	539,089,713.77
Net Cash flow from Operating Activities A		696,000,000.00	10,481,543.11	111,733,232.96
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	696,000,000.00	21,141,912.00	56,175,440.00
Net Cash Flow From Investing Activities B			(21,141,912.00)	(56,175,440.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cash flow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		3,022,228.95	(51,978,363.95)
Increase/decrease in other Liabilities	8		21,103.86	1,547,604.67
Total Cash Flow From other Cash equiv. Accounts C			3,043,332.81	(50,430,759.28)
Net cash flow for the Year (A+B+ C)			(7,617,036.08)	5,127,033.68
Cash and its Equivalent as 1 st January, 2020			16,808,227.46	11,681,193.78
Cash and Equivalent as at 31st December, 2020	9		9,191,191.38	16,808,227.46

ONNA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	685,520.21	204,872.38
Cash at Bank	9	8,505,671.17	16,603,355.08
TOTAL LIQUID ASSETS		9,191,191.38	16,808,227.46
Investment & Other Cash Assets:			
Advances	10	1,006,096,669.05	1,009,118,898.00
TOTAL ASSETS		<u>1,015,287,860.43</u>	<u>1,025,927,125.46</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		726,204,070.92	736,864,439.81
OTHER LIABILITIES			
Deposits	11	289,083,789.51	289,062,685.65
TOTAL LIABILITIES		<u>1,015,287,860.43</u>	<u>1,025,927,125.46</u>

ONNA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
681,306,646.85	Opening Balances	0	0	0	736,864,439.81	0
	Add Revenue:					
648,616,296.73	Statutory Allocation	1,500,000,000.00	0	1,500,000,000.00	1,014,637,184.08	(32)
0	Derivation	300,000,000.00	0	300,000,000.00	125,791,620.90	(58)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	445,764,008.23	27
0	State Allocation	30,000,000.00	0	30,000,000.00	18,940,526.76	(37)
0	Stabilization	0	0	0	4,328,689.31	100
648,616,296.73	Sub Total Statutory Allocation	2,180,000,000.00	0	2,180,000,000.00	1,609,462,029.28	(57)
0	Taxes	2,950,000.00	0	2,950,000.00	0	(100)
750,000.00	Rates	9,050,000.00	0	9,050,000.00	3,237,125.00	(64)
55,000.00	Local License fines and fees	5,676,000.00	0	5,676,000.00	130,500.00	(98)
0	Earning from commercial undertaking	4,900,000.00	0	4,900,000.00	0	(100)
0	Rent on Local Govt. Property	4,424,000.00	0	4,424,000.00	0	(100)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
1,401,650.00	Miscellaneous	13,000,000.00	0	13,000,000.00	729,550.00	(94)
2,206,650.00	Sub. Total IGR	40,000,000.00	0	40,000,000.00	4,097,175.00	(90)
1,332,129,593.58	TOTAL REVENUE	2,220,000,000.00	0	2,220,000,000.00	2,350,423,644.09	6
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
76,846,355.24	Political/Public Office Holders	75,000,000.00	0	75,000,000.00	61,273,008.38	18
0	Pensions/Training Fund/Traditional Rulers Council	220,000,000.00	0	220,000,000.00	210,457,288.05	4
0	Funding of Primary Education	650,000,000.00	0	650,000,000.00	743,135,527.52	(14)
0	Internal Debt Servicing	20,000,000.00	0	20,000,000.00	105,203,541.78	(426)
76,846,355.24	Sub Total CRFC	965,000,000.00	0	965,000,000.00	1,120,069,365.73	(16)
345,020,672.77	Personnel Costs	460,000,000.00	0	460,000,000.00	381,831,190.94	17
117,222,685.76	Overhead Costs	250,000,000.00	0	250,000,000.00	101,177,104.50	60
539,089,713.77	Total Recurrent Expenditure	1,675,000,000.00	0	1,675,000,000.00	1,603,077,661.17	4
793,039,879.81	Operating Balance	545,000,000.00	0	545,000,000.00	747,345,982.92	
56,175,440.00	Transfer to Capital Dev. Fund	696,000,000.00	0	696,000,000.00	21,141,912.00	97
736,864,439.81	CLOSING BALANCE	(151,000,000.00)	0	(151,000,000.00)	726,204,070.92	

ONNA LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31STDECEMBER; 2020

ACTUAL 2019 ₦	DESCRIPTION	INITIAL BUDGET 2020 ₦	SUPP- BUDGET 2020 ₦	FINAL BUDGET 2020 ₦	ACTUAL 2020 ₦	VAR. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
56,175,440.00	Transfer from Cons. Rev Fund	696,000,000.00	0	696,000,000.00	21,141,912.00	(97)
0	Grant	130,000,000.00	0	130,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
56,175,440.00	Total Revenue available	847,000,000.00		847,000,000.00	21,141,912.00	(98)
	Less Capital Expenditure :					
5,450,000.00	Economic Sector	129,400,000.00	0	129,400,000.00	2,661,000.00	98
4,321,940.00	Social Sector	139,000,000.00	0	139,000,000.00	2,400,000.00	98
959,400.00	Environmental /Reg. Dev.	134,300,000.00	0	134,300,000.00	200,000.00	99
45,444,100.00	General Administration	293,300,000.00	0	293,300,000.00	15,880,912.00	95
56,175,440.00	Total	696,000,000.00	0	696,000,000.00	21,141,912.00	97
0	Closing Balance	151,000,000.00	0	151,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	149,126,127.04	0	149,126,127.04	1,578,377.23	150,704,504.27	59,991,889.41
February	133,432,995.66	0	133,432,995.66	1,578,377.23	135,011,372.89	49,474,666.08
March	125,340,137.02	0	125,340,137.02	1,578,377.23	126,918,514.25	44,300,678.24
April	138,348,592.47	0	138,348,592.47	1,578,377.23	139,926,969.70	43,549,888.37
May	127,771,107.59	0	127,771,107.59	1,578,377.23	129,349,484.82	43,540,323.81
June	115,464,788.19	0	115,464,788.19	1,578,377.23	117,043,165.42	41,304,037.62
July	140,498,879.01	0	140,498,879.01	1,578,377.23	142,077,256.24	54,601,043.47
August	144,505,839.09	0	144,505,839.09	1,578,377.23	146,084,216.32	58,479,133.83
September	148,739,260.21	6,627,083.41	142,112,176.80	1,578,377.23	143,690,554.03	55,720,287.89
October	139,529,377.98	6,627,083.41	132,902,294.57	1,578,377.23	134,480,671.80	55,358,005.60
November	126,101,653.83	6,627,083.41	119,474,570.42	1,578,377.23	121,052,947.65	53,431,447.83
December	128,171,078.07	6,627,083.41	121,543,994.66	1,578,377.23	123,122,371.89	54,485,183.67
Total	<u>1,617,029,836.16</u>	<u>26,508,333.64</u>	<u>1,590,521,502.52</u>	<u>18,940,526.76</u>	<u>1,609,462,029.28</u>	<u>648,616,296.73</u>

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
1001	Taxes	2,950,000.00	0	0
1002	Rates	9,050,000.00	3,237,125.00	750,000.00
1003	Local Licenses Fines and Fees	5,676,000.00	130,500.00	55,000.00
1004	Earnings from Commercial Undertaking	4,900,000.00	0	0
1005	Rent on Local Government Properties	4,424,000.00	0	0
1006	Interest on Dividends	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	13,000,000.00	729,550.00	1,401,650.00
	Total	40,000,000.00	4,097,175.00	2,206,650.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	61,273,008.38	76,846,355.24
Pension, 1% Training Fund, TRC	220,000,000.00	210,457,288.05	0
Funding of Primary Education	650,000,000.00	743,135,527.52	0
Administrative Charges	0	105,203,541.78	0
Internal Debt Servicing	20,000,000.00	0	0
TOTAL	965,000,000.00	1,120,069,365.73	76,846,355.24

NOTE 4: PERSONNEL COSTS

HEAD	Description	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2004	Administration	128,866,900.00	99,557,704.51	89,304,109.63
2005	Finance and Supplies	68,863,500.00	59,093,677.14	56,608,034.15
2006	Education	39,195,000.00	39,419,578.60	35,996,838.23
2007	Primary Health Care	149,740,200.00	127,207,034.37	124,483,821.36
2008	Agriculture and Natural Resources	13,275,670.00	11,727,161.38	9,295,402.71
2009	Works and Housing Lands & Survey	36,482,750.00	33,186,422.91	36,104,096.07
2010	Budget Planning Research and Statistics	19,240,000.00	11,639,612.03	9,994,070.64
2011	Traditional Rulers Office	4,335,980.00	0	505,680.00
	Total	460,000,000.00	381,831,190.94	362,292,052.79

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2019 ₦	ACTUAL 2019 ₦	ACTUAL 2018 ₦
2001A	Office of the Executive Chairman	41,000,000.00	30,691,500.00	40,570,950.00
2001B	Office of the Vice Chairman	10,600,000.00	3,182,000.00	0
2002A	Office of the Secretary	6,040,000.00	673,500.00	2,534,500.00
2002B	Office of the Supervisors	10,000,000.00	1,765,000.00	0
2002C	Office of the Special Advisers	6,600,000.00	255,000.00	0
2003A	Office of the Legislative/General Council	22,400,000.00	13,643,750.00	21,052,301.00
2003B	Office of the Leader	8,940,000.00	275,100.00	0
2003C	Office of the Deputy Leader	5,820,000.00	605,000.00	0
2003D	Office of the Majority Leader	6,000,000.00	1,770,000.00	0
2003E	Office of the Deputy Majority Leader	5,200,000.00	102,400.00	0
2003F	Office of the Chief Whip	3,800,000.00	0	0
2003G	Office of the Deputy Chief Whip	3,700,000.00	120,000.00	0
2003H	Office of the Clerk	3,500,000.00	300,000.00	0
2004A	Office of the Head of Local Government Service	10,500,000.00	2,176,000.00	4,183,300.00
2004B	Office of the Administration & General Services	13,500,000.00	2,280,550.00	0
2005	Finance and Supplies	11,500,000.00	5,520,545.24	5,753,584.76
2006	Education Information & Sports	5,100,000.00	110,000.00	663,500.00
2007	Health	12,500,000.00	1,638,500.00	926,000.00
2008	Agricultural/Natural Resources	4,500,000.00	1,000,000.00	357,000.00
2009	Works and Transport	8,300,000.00	2,087,150.00	312,800.00
2010	Budget, Planning, Research & Statistics	5,900,000.00	1,154,000.00	1,020,000.00
2011	Traditional Rulers Council	3,400,000.00	4,779,500.00	1,489,500.00
2012	Miscellaneous	41,200,000.00	27,047,609.26	38,359,250.00
	Total	250,000,000.00	101,177,104.50	117,222,685.76

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Economic Sector	129,400,000.00	2,661,000.00	5,450,000.00
Social Sector	139,000,000.00	2,400,000.00	4,321,940.00
Environmental Sector	134,300,000.00	200,000.00	959,400.00
Administration Sector			
General Administration (Executive)	211,860,000.00	3,260,000.00	45,444,100.00
General Administration (Legislative)	81,440,000.00	12,620,912.00	0
Total	696,000,000.00	21,141,912.00	56,175,440.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020		2019	
₦		₦	
Advances 2020	1,006,096,669.05	Advances 2019	1,009,118,898.00
Advances 2019	1,009,118,898.00	Advances 2018	957,140,534.05
	3,022,228.95		(51,978,363.95)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020		2019	
₦		₦	
2019 Deposits	289,083,789.51	2019 Deposits	289,062,685.65
2019 Deposits	289,062,685.65	2018 Deposits	287,515,080.98
	21,103.86		1,547,604.67

NOTE 9: CASH AND BANK BALANCES

Description	2020	2019
	₦	₦
Cash in Hand	685,520.21	204,872.38
Cash At Bank:		
(i) Zenith Bank – 1010915485	45.33	45.33
(ii) Zenith Bank – 1011731798	932.25	932.25
(iii) Zenith Bank – 1014046439	3,720,144.05	9,168,416.35
(iv) Zenith Bank – 1014046422	192,592.17	192,592.17
(v) Skye Bank – 4040014437	317,175.82	317,175.82
(vi) UBA PLC – 1006216255	268,819.41	268,819.41
(vii) Fidelity Bank – 5030040218	227,678.00	227,678.00
(viii) Zenith Bank – 1014557050	3,651,337.95	6,279,848.40
(ix) Zenith Bank – 1015487921	76,946.19	147,847.35
Sub Total	8,505,671.17	16,603,355.08
Total	9,191,191.38	16,808,227.46

NOTE 10: ADVANCES

S/N	Detail	2020	2019
		₦	₦
I	Purchases	510,570,159.05	514,467,388.00
II	Imprest	274,273,120.00	273,398,120.00
III	Touring	164,825,070.00	164,825,070.00
IV	Salary/Special	2,473,221.00	2,473,221.00
V	Motor Vehicle	37,800,099.00	37,800,099.00
VI	Fuelling /Car Maintenance	16,155,000.00	16,155,000.00
	Total	1,006,096,669.05	1,009,118,898.00

NOTE 11: DEPOSITS

Details	2020	2019
	₦	₦
(i) PAYE Tax	23,878,627.17	23,871,144.49
(ii) NULGE Dues State/Branch	1,704,298.37	1,704,298.37
(iii) NANNM	(2,077,244.97)	(2,079,540.51)
(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
(viii) Others	247,602,351.21	247,591,025.57
TOTAL	289,083,789.51	289,062,685.65

ORON LOCAL GOVERNMENT

AKWA IBOM STATE OF NIGERIA

Our Ref: OLG/S/163/VOL.II/292

Your Ref:



Administration
Oron Local Government
P.M.B. 3, Oron
Akwa Ibom State

(All replies to be addressed to the Executive Chairman)

Date: 15th April, 2021

The Auditor General,
Office of the Auditor General
For Local Government
No. 8 Okpon Street
Uyo.

RESPONSIBILITY FOR FINANCIAL STATEMENTS:

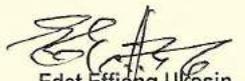
These Financial Statements have been prepared by the Director of Finance of Oron Local Government in accordance with the provision of the Model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting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

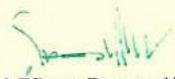
The Management of Oron Local Government Council is responsible for establishing and maintaining a system of Internal Control designed to provide reasonable assurance that the transactions recorded are within their statutory authority and properly recorded the use of all public financial resources by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

The Director of Finance has the 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 Standards (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, 2020 and its operation for the year ended on that date.


Edet Effiong Ukosin
Director of Finance
Date: 15-04-21


Hon. (Pst.) Efiang Bassey Ubokulo
Executive Chairman
Date: 15/04/21



GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Oron Local Government Council
Oron

AUDIT CERTIFICATE ON THE ACCOUNTS OF ORON LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Oron Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Oron Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) **General Information**

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) **Financial Accounting and Reporting Framework**

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) **Basis of Preparation and Legal Provisions**

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) **Accounting Period**

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) **Reporting Currency**

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) **Departments for Consolidation**

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) **Comparative Information**

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

(ix) **Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) **Revenues:**

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) **Payments:**

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) **External Assistance:**

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Federal Allocations	1	1,500,000,000.00	1,039,917,463.89	625,066,214.67
Value Added Tax (VAT)	1	350,000,000.00	408,821,891.29	0
Stabilization	1	0	4,433,795.27	0
Others	1	300,000,000.00	128,718,662.97	0
State Allocation	1	30,000,000.00	16,057,825.20	0
Sub Total – Stat. Allocation	1	2,180,000,000.00	1,597,949,638.62	625,066,214.67
Taxes	2	3,000,000.00	0	0
Rates	2	3,870,000.00	0	0
Local Licenses and fees	2	4,870,000.00	5,652,070.00	10,059,779.22
Earnings from Comm. Undertaking	2	8,550,000.00	0	0
Rent on Local Govt. Property	2	3,600,000.00	48,000.00	0
Interests & Dividends	2	200,000.00	0	0
Miscellaneous	2	5,910,000.00	3,953,123.70	12,555,315.12
TOTAL IGR	2	30,000,000.00	9,653,193.70	22,615,094.34
Capital Receipts: B/F		500,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
Total Revenue		2,330,500,000.00	1,607,602,832.32	647,681,309.01
EXPENDITURE				
Consolidated Revenue Fund Charge:				
Political/ Public Office Holders	3	70,000,000.00	58,123,760.56	68,010,214.92
Pension/Training Fund/ TRC		300,000,000.00	205,789,370.85	0
Funding of Prim. Education		750,000,000.00	793,718,764.96	0
Internal Debt Servicing/Admin Charges		10,000,000.00	109,364,959.02	0
Sub-Total Consolidated Revenue Fund Charge		1,130,000,000.00	1,166,996,855.39	68,010,214.92
Personnel Costs	4	450,000,000.00	323,816,840.71	318,931,707.74
Overhead Costs	5	250,000,000.00	164,015,587.36	127,175,297.12
Total Payments		1,830,000,000.00	1,654,829,283.46	514,117,219.78
Net Cash Flow From Operating Activities A		500,500,000.00	(47,226,451.14)	133,564,089.23
Cash Flow From Investing Activities				
Capital Expenditure	6	500,500,000.00	112,381,789.00	28,813,616.00
Net Cash Flow From Investing Activities B			(112,381,789.00)	(28,813,616.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		134,665,480.00	(107,261,700.00)
Increase/decrease in other Liabilities	8		22,557,566.00	8,552,269.83
Total Cash Flow From other Cash equivalent Accounts C			157,223,046.00	(98,709,430.17)
Net cash Flow for the year A+ B+ C			(2,385,194.14)	6,041,043.06
Cash and its equivalent as at 1 st January, 2020	9		14,611,257.76	8,570,214.70
Cash and its equivalent as at 31st December, 2020	9		12,226,063.62	14,611,257.76

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	Notes	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	789,754.08	1,892,213.56
Cash at Bank	9	<u>11,436,309.54</u>	<u>12,719,044.20</u>
TOTAL LIQUID ASSETS		12,226,063.62	14,611,257.76
Investment & Other Cash Assets:			
Advances	10	<u>339,136,847.94</u>	<u>473,802,327.94</u>
TOTAL ASSETS		<u>351,362,911.56</u>	<u>488,413,585.70</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		154,942,522.29	314,550,762.43
OTHER LIABILITIES			
Deposits	11	<u>196,420,389.27</u>	<u>173,862,823.27</u>
TOTAL LIABILITIES		<u>351,362,911.56</u>	<u>488,413,585.70</u>

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
209,800,289.20	Opening Balance	0	0	0	314,550,762.43	0
	ADD REVENUE:					
	Internally Generated Revenue:					
625,066,214.67	Statutory Allocations	1,500,000,000.00	0	1,500,000,000.00	1,039,917,463.89	(31)
0	Value Added Tax (VAT)	350,000,000.00	0	350,000,000.00	408,821,891.29	17
0	Stabilization	0	0	0	4,433,795.27	100
0	Others	300,000,000.00	0	300,000,000.00	128,718,662.97	(57)
0	Excess Crude	0	0	0	0	0
0	State Allocation	30,000,000.00	0	30,000,000.00	16,057,825.20	(46)
625,066,214.67	Sub Total – Statutory Allocation	2,180,000,000.00	0	2,180,000,000.00	1,597,949,638.62	(78)
0	Taxes	3,000,000.00	0	3,000,000.00	0	(100)
0	Rates	3,870,000.00	0	3,870,000.00	0	(100)
10,059,779.22	Local Licenses and fees	4,870,000.00	0	4,870,000.00	5,652,070.00	16
0	Earnings from Comm. Undertaking	8,550,000.00	0	8,550,000.00	0	(100)
0	Rent on Local Govt. Property	3,600,000.00	0	3,600,000.00	48,000.00	(99)
0	Interest & Dividends	200,000.00	0	200,000.00	0	(100)
12,555,315.12	Miscellaneous	5,910,000.00	0	5,910,000.00	3,953,123.70	(33)
22,615,094.34	Total IGR	30,000,000.00	0	30,000,000.00	9,653,193.70	(68)
857,481,598.21	Total Revenue	2,210,000,000.00	0	2,210,000,000.00	1,922,153,594.75	(13)
	EXPENDITURE					
	Consolidated Revenue Fund Charge:					
68,010,214.92	Political/ Public Office Holders	70,000,000.00	0	70,000,000.00	58,123,760.56	17
0	Pension/Training Fund/ TRC	300,000,000.00	0	300,000,000.00	205,789,370.85	31
0	Funding of Prim. Education	750,000,000.00	0	750,000,000.00	793,718,764.96	(6)
0	Internal Debt Servicing/ Admin. Charges	10,000,000.00	0	10,000,000.00	109,364,959.02	(994)
68,010,214.92	Sub Total- CRFC	1,130,000,000.00	0	1,130,000,000.00	1,166,996,855.39	(13)
318,931,707.74	Personnel Costs	450,000,000.00	0	450,000,000.00	323,816,840.71	28
127,175,297.12	Overhead Costs	250,000,000.00	0	250,000,000.00	164,015,587.36	34
514,117,219.78	Total Recurrent Expenditure	1,830,000,000.00	0	1,830,000,000.00	1,654,829,283.46	10
343,364,378.43	Operating Balance	380,000,000.00	0	380,000,000.00	267,324,311.29	
28,813,616.00	Transfer to Capital Dev. Fund	500,500,000.00	0	500,500,000.00	112,381,789.00	78
314,550,762.43	Closing Balance	(120,500,000.00)	0	(120,500,000.00)	154,942,522.29	

ORON LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	500,000.00	0	500,000.00	0	0
	Add Revenue:					
28,813,616.00	Transfer from Con. Rev. Fund	500,500,000.00	0	500,500,000.00	112,381,789.00	(78)
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
0	Total Revenue available	621,000,000.00	0	621,000,000.00	112,381,789.00	(82)
	Less Capital Expenditure :					
200,000.00	Economic Sector	136,000,000.00	0	136,000,000.00	16,976,983.00	88
2,320,000.00	Social Sector	120,000,000.00	0	120,000,000.00	13,910,000.00	88
1,680,000.00	Environmental Sector	36,000,000.00	0	36,000,000.00	5,259,717.00	85
24,613,616.00	Admin. Sector	208,500,000.00	0	208,500,000.00	76,235,089.00	63
28,813,616.00	Total Expenditure	500,500,000.00	0	500,500,000.00	112,381,789.00	78
0	Closing Balance	120,500,000.00	0	120,500,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1 - STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 N	LESS DEDUCTION AT SOURCE 2020 N	GROSS ALLOCATION FROM FAAC 2020 N	10% (IGR) 2020 N	TOTAL REVENUE FROM SLGJAAC 2020 N	TOTAL REVENUE FROM SLGJAAC 2019 N
January	149,031,027.20	0	149,031,027.20	1,338,152.10	150,369,179.30	71,314,330.71
February	133,244,457.96	0	133,244,457.96	1,338,152.10	134,582,610.06	42,509,475.14
March	125,062,969.02	0	125,062,969.12	1,338,152.10	126,401,121.12	39,807,145.43
April	137,804,985.62	0	137,804,985.62	1,338,152.10	139,143,137.72	41,931,401.62
May	127,816,748.57	0	127,816,748.57	1,338,152.10	129,154,900.67	39,722,769.84
June	114,910,559.46	0	114,910,559.46	1,338,152.10	116,248,711.56	53,052,926.81
July	139,746,965.48	0	139,746,965.48	1,338,152.10	141,085,117.58	58,201,354.56
August	143,724,017.19	0	143,724,017.19	1,338,152.10	145,062,169.29	54,662,243.73
September	147,488,891.11	6,627,083.41	140,861,807.70	1,338,152.10	142,199,959.80	55,777,607.15
October	138,329,234.48	6,627,083.41	131,702,151.07	1,338,152.10	133,040,303.17	53,688,912.36
November	125,064,627.87	6,627,083.41	118,437,544.46	1,338,152.10	119,775,696.56	54,645,133.89
December	126,175,663.10	6,627,083.41	119,548,579.69	1,338,152.10	120,886,731.79	59,752,913.43
Total	<u>1,608,400,147.06</u>	<u>26,508,333.64</u>	<u>1,581,891,813.42</u>	<u>16,057,825.20</u>	<u>1,597,949,638.62</u>	<u>625,066,214.67</u>

NOTE 2. INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2020 N	ACTUAL 2020 N	ACTUAL 2019 N
1001	Taxes	3,000,000.00	0	15,000.00
1002	Rates	23,870,000.00	0	0
1003	Local Licenses Fines and Fees	4,870,000.00	5,652,070.00	6,176,360.00
1004	Earnings from Comm. Undertaking	8,550,000.00	0	518,000.00
1005	Rent on Local Government Properties	3,650,000.00	48,000.00	155,000.00
1006	Interest on Dividends	200,000.00	0	0
1007	Grants	0	0	0
1008	Miscellaneous	<u>5,910,000.00</u>	<u>3,953,123.70</u>	<u>4,856,268.39</u>
	Total	<u>30,000,000.00</u>	<u>9,653,193.70</u>	<u>11,720,628.39</u>

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 N	ACTUAL 2020 N	ACTUAL 2019 N
Political Office Holders	70,000,000.00	58,123,760.56	68,010,214.92
Pension, 1% Training Fund, TRC	300,000,000.00	205,789,370.85	0
Funding of Primary Education	750,000,000.00	793,718,764.96	0
Administrative Charges	0	109,364,959.02	0
Internal Debt Servicing	10,000,000.00	0	0
TOTAL	<u>1,130,000,000.00</u>	<u>1,166,996,855.39</u>	<u>68,010,214.92</u>

NOTE 4: PERSONNEL COSTS:

Head	DEPARTMENTS	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2001	Office of the Chairman	2,785,700.00	0	0
2002	Office of the secretary	2,532,150.00	0	0
2004A	Office of the Head of Service	6,567,460.00	0	0
2004	Administration	113,584,520.00	105,896,249.00	113,381,716.76
2005	Finance and Supplies	75,368,840.00	62,193,335.83	48,568,276.59
2006	Social Development, Information, Youth, Sports & Culture	63,603,180.00	45,326,535.48	45,891,060.14
2007	Primary Health Care	116,331,120.00	87,906,374.27	93,270,446.75
2008	Agriculture and Natural Resources	6,653,620.00	5,490,545.24	4,699,723.88
2009	Works and Housing, Lands & Survey	16,615,500.00	10,921,126.71	10,728,856.16
2010	Budget, Planning, Research and Statistics	10,794,600.00	6,082,674.18	2,391,627.46
2011	Traditional Rulers Office	4,163,310.00	0	0
	Arrears Of Leave Grant(2014-2018)	31,000,000.00	0	0
	Total	450,000,000.00	323,816,840.71	318,931,707.74

NOTE 5: OVERHEAD COSTS:

Head	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2001A	Office of the Executive Chairman	45,000,000.00	24,675,300.00	33,006,125.00
2001B	Office of the Vice Chairman	10,000,000.00	4,120,000.00	3,392,575.00
2002A	Office of the Secretary	5,000,000.00	2,954,000.00	1,347,575.00
2002B	Office of the Supervisors	6,000,000.00	5,607,800.00	3,298,100.00
2002C	Office of the Special Advisers	5,000,000.00	4,037,000.00	2,195,000.00
2003A	Office of the Legislative/General Council	25,000,000.00	11,799,700.00	7,315,500.00
2003B	Office of the Leader	4,000,000.00	1,610,000.00	1,800,000.00
2003C	Office of the Deputy Leader	3,000,000.00	1,555,000.00	1,685,000.00
2003D	Office of the Majority Leader	2,500,000.00	1,647,500.00	1,200,000.00
2003E	Office of the Deputy Majority Leader	2,000,000.00	200,000.00	0
2003F	Office of the Chief Whip	2,000,000.00	600,000.00	1,482,500.00
2003G	Office of the Deputy Chief Whip	2,000,000.00	612,500.00	1,350,000.00
2003H	Office of the Clerk	2,500,000.00	595,000.00	120,000.00
2004A	Office of the Head of Local Govt Service	6,000,000.00	3,104,500.00	760,000.00
2004B	Office of the Administration & General Services	6,000,000.00	4,486,200.00	5,871,625.00
2005	Finance and Supplies	7,000,000.00	6,041,300.00	4,407,445.90
2006	Education, Information & Sports	4,000,000.00	1,099,000.00	357,000.00
2007	Health	5,000,000.00	4,719,000.00	1,120,000.00
2008	Agriculture and Natural Resources	3,000,000.00	434,000.00	634,000.00
2009	Works and Transport	4,000,000.00	2,855,500.00	295,000.00
2010	Budget, Planning, Research & Statistics	4,000,000.00	1,577,000.00	570,500.00
2011	Traditional Rulers Council	3,000,000.00	25,000.00	125,000.00
2012	Miscellaneous	94,000,000.00	79,660,287.36	54,842,351.22
	Total	250,000,000.00	164,015,587.36	127,175,297.12

NOTE 6: CAPITAL EXPENDITURE

	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Economic Sector	136,000,000.00	16,976,983.00	200,000.00
Social Sector	120,000,000.00	13,910,000.00	2,320,000.00
Environmental Sector	36,000,000.00	5,259,717.00	1,680,000.00
Administration Sector			
General Administration (Executive)	153,500,000.00	57,404,405.00	22,863,616.00
General Administration (Legislature)	55,000,000.00	18,830,684.00	1,750,000.00
Total	500,500,000.00	112,381,789.00	28,813,616.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	339,136,847.94	2019 Advances	473,802,327.94
2019 Advances	473,802,327.94	2018 Advances	366,540,627.94
Total	134,665,480.00	Total	(107,261,700.00)

NOTE 8 : INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	196,420,389.27	2019 Deposits	173,862,823.27
2019 Deposits	173,862,823.27	2018 Deposits	165,310,553.44
Total	22,557,566.00	Total	8,552,269.83

NOTE 9: CASH ANDBANK BALANCES

DESCRIPTION	2020 ₦	2019 ₦
CASH IN HAND	789,754.08	1,892,213.56
BANKS:		
Zenith Bank A/c (Salary)-1014518327	7,730,989.60	12,217,541.54
Zenith Bank A/c (Project)-1012846147	3,699,421.94	413,456.67
Access Bank A/c No. 0019489180	5,898.00	88,045.99
Sub Total Bank Bal.	11,436,309.54	12,719,044.20
Total	<u>12,226,063.62</u>	<u>14,611,257.76</u>

NOTE 10: ADVANCES

Detail	2020 ₱	2019 ₱
i. Purchase Advances	307,936,204.94	387,857,984.94
ii Imprest	28,665,900.00	71,760,600.00
iii Touring	(1,222,700.00)	9,892,300.00
iv Upkeep	(1,015,000.00)	(1,015,000.00)
v. Motor Vehicle	4,003,150.00	4,543,150.00
vi Salary/ Special	769,293.00	763,293.00
Total	339,136,847.94	473,802,327.94

NOTE 11: DEPOSITS

Detail	2020 ₱	2019 ₱
I. PAYE Tax	1,506,355.75	1,506,355.75
ii. NULGE Dues-State/ Branch	1,650,744.69	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	0	0
vii. Others	189,531,838.37	166,974,277.32
Total	196,420,389.27	173,862,823.27



ORUK ANAM LOCAL GOVERNMENT

IKOT IBRITAM
AKWA IBOM STATE OF NIGERIA

Our Ref:

Your Ref:

*All correspondence to be addressed
to the Head of Council.*

Tel:

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Oruk Anam Local Government in accordance with the provisions of the Model Financial Memoranda.

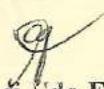
The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Principles (GAAP).

The management of Oruk Anam Local Government is responsible for establishing and maintaining a system of Internal Control designed to provide reasonable assurance that the transactions recorded are within their statutory authority and properly record the use of all public financial resources by the Local Government.

The Director of Finance has responsibility for ensuring that the internal control 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 Standards (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflects the Financial position of Oruk Anam Local Government as at 31st December, 2020 and its operations for the year ended on that date.


Mrs. NseAbasi Udo Ekpo

Director of Finance

*Oruk Anam Local Govt. Council
28th June, 2021*


Hon. Kingsley Frank Okon

Executive Chairman

*Oruk Anam Local Govt. Council
28th June, 2021*



GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Oruk Anam Local Government Council
Ikot Ebritam

AUDIT CERTIFICATE ON THE ACCOUNTS OF ORUK ANAM LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Oruk Anam Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Oruk Anam Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

ORUK ANAM LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS				
Statutory Allocation	1	1,500,000,000.00	1,229,977,532.39	664,481,375.58
Valued and Added Tax	1	350,000,000.00	496,458,607.89	0
Stabilization	1	0	5,223,993.03	0
Others	1	200,000,000.00	150,724,474.24	0
State Allocation	1	30,000,000.00	20,441,645.52	0
Sub Total Statutory Allocation		2,080,000,000.00	1,902,826,253.07	664,481,375.58
Taxes	2	2,800,000.00	0	0
Rates	2	1,700,000.00	3,985,625.00	1,300,000.00
Local License Fines and Fees	2	4,110,000.00	100,650.00	250,650.00
Earning From Commercial Undertaking	2	6,470,000.00	0	0
Rent on Local Govt. Property	2	2,300,000.00	0	0
Interest and Dividend Receivable	2	500,000.00	0	0
Grant	2	0	0	0
Miscellaneous	2	4,120,000.00	414,595.11	11,179,297.46
Sub Total IGR		22,000,000.00	4,500,870.11	12,729,947.46
Capital Receipts: B/F		1,000,000.00	0	0
Grants		200,000,000.00	0	0
Miscellaneous		0	0	0
TOTAL RECEIPTS		2,303,000,000.00	1,907,327,123.18	677,211,323.04
PAYMENTS				
Consolidated Revenue Fund Charge				
Political/ Public Office Holders	3	80,000,000.00	66,176,764.99	76,903,103.76
Pensions/ Training Fund/ Traditional Rulers Council	3	250,000,000.00	240,863,491.54	0
Funding Of Primary Education	3	830,000,000.00	1,028,985,378.85	0
Internal Debt Servicing/Admin. Charges etc	3	10,000,000.00	110,989,510.01	0
Total Consolidated Revenue Fund Charges		1,170,000,000.00	1,447,015,145.40	76,903,103.76
Personnel Costs	4	450,000,000.00	370,440,470.80	336,262,003.35
Overhead Costs	5	250,000,000.00	71,311,896.51	125,587,762.14
TOTAL PAYMENTS		1,870,000,000.00	1,888,767,512.71	538,752,869.25
Net Cash Flow from Operating Activities A		433,000,000.00	18,559,610.47	138,458,453.79
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	433,000,000.00	30,405,000.00	38,533,980.00
Net Cash Flow From Investing Activities B			(30,405,000.00)	(38,533,980.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans				
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(19,037,400.00)	(71,657,900.00)
Increase/decrease in other Liabilities	8		1,498,800.00	50,200.00
Total Cash Flow From other Cash equivalent Accounts C			(17,538,600.00)	(71,607,700.00)
NET CASH FLOW FROM FOR THE YEAR (A+B+C)			(29,383,989.53)	28,316,773.79
Cash and its equivalent as at 1 st January, 2020	9		44,692,316.58	16,375,542.79
Cash and its equivalent as at 31 st December, 2020	9		15,308,327.05	44,692,316.58

ORUK ANAM LOCAL GOVERNMENT COUNCIL STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	44,500.00	244,850.00
Cash at Bank	9	15,263,827.05	44,447,466.58
TOTAL LIQUID ASSETS		15,308,327.05	44,692,316.58
Investment & Other Cash Assets:			
Advances	10	1,765,872,840.98	1,746,835,440.98
TOTAL ASSETS		<u>1,781,181,168.03</u>	<u>1,791,527,757.56</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,603,805,496.27	1,615,650,885.80
OTHER LIABILITIES			
Deposits	11	177,375,671.76	175,876,871.76
TOTAL LIABILITIES		<u>1,781,181,168.03</u>	<u>1,791,527,757.56</u>

ORUK ANAM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 N	Description	Initial Budget 2020 N	Supp-Budget 2020 N	Final Budget 2020 N	Actual 2020 N	Var. %
1,515,726,412.01	Opening Balance				1,615,650,885.80	
	Add revenue:					
664,481,375.58	Statutory Allocation	1,500,000,000.00	0	1,500,000,000.00	1,229,977,532.39	(30)
0	Valued Added Tax	350,000,000.00	0	350,000,000.00	496,458,607.89	42
0	Stabilization	0	0	0	5,223,993.03	100
0	Others	200,000,000.00	0	200,000,000.00	150,724,474.24	(25)
0	State Allocation	30,000,000.00	0	30,000,000.00	20,441,645.52	(32)
664,481,375.58	Sub Total Statutory Allocation	2,080,000,000.00	0	2,080,000,000.00	1,902,826,253.07	(9)
0	Taxes	2,800,000.00	0	2,800,000.00	0	(100)
1,300,000.00	Rates	1,700,000.00	0	1,700,000.00	3,985,625.00	134
250,650.00	Local License, Fines And Fees	4,110,000.00	0	4,110,000.00	100,650.00	(98)
0	Earning From Commercial Undertaking	6,470,000.00	0	6,470,000.00	0	(100)
0	Rent On Local Govt. Property	2,300,000.00	0	2,300,000.00	0	(100)
0	Interest & Dividends Receivable	500,000.00	0	500,000.00	0	(100)
0	Grants	0	0	0	0	0
11,179,297.46	Miscellaneous	4,120,000.00	0	4,120,000.00	414,595.11	(90)
12,729,947.46	Sub. Total IGR	22,000,000.00	0	22,000,000.00	4,500,870.11	(80)
2,192,937,735.05	TOTAL REVENUE	2,102,000,000.00	0	2,102,000,000.00	3,522,978,008.98	142
	EXPENDITURE					
	Consolidated Rev. Fund Charges					
76,903,103.76	Political/Public Office Holders	80,000,000.00	0	80,000,000.00	66,176,764.99	17
0	Pension/Training Fund/Traditional Rulers Council	250,000,000.00	0	250,000,000.00	240,863,491.54	4
0	Funding Of Primary Education	830,000,000.00	0	830,000,000.00	1,028,985,378.85	(24)
0	Internal Debt Servicing/Admin Charges. etc	10,000,000.00	0	10,000,000.00	110,989,510.01	(1010)
76,903,103.76	Sub Total CRFC	1,170,000,000.00	0	1,170,000,000.00	1,447,015,145.40	(24)
336,262,003.35	Personnel Costs	450,000,000.00	0	450,000,000.00	370,440,470.80	18
125,587,762.14	Overhead Costs	250,000,000.00	0	250,000,000.00	71,311,896.51	71
538,752,869.25	Total Recurrent Expenditure	1,870,000,000.00	0	1,870,000,000.00	1,888,767,512.71	(1004)
1,654,184,865.80	Operating Balance	232,000,000.00	0	232,000,000.00	1,634,210,496.27	
38,533,980.00	Transfer to Capital Dev. Fund	433,000,000.00	0	433,000,000.00	30,405,000.00	93
1,615,650,885.80	CLOSING BALANCE	(201,000,000.00)	0	(201,000,000.00)	1,603,805,496.27	0

ORUK ANAM LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 N	Description	Initial Budget 2020 N	Supp- Budget 2020 N	Final Budget 2020 N	Actual 2020 N	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
38,533,980.00	Transfer from Consolidated Rev. Fund	433,000,000.00	0	433,000,000.00	30,405,000.00	(93)
0	Grant	200,000,000.00	0	200,000,000.00	0	(100)
0	Miscellaneous	0	0	0	0	0
38,533,980.00	Total Revenue available	634,000,000.00	0	634,000,000.00	30,405,000.00	(95)
	Less Capital Expenditure :					
350,000.00	Economic Sector	100,000,000.00	0	100,000,000.00	0	100
1,200,000.00	Social Sector	94,000,000.00	0	94,000,000.00	200,000.00	99.8
250,000.00	Environmental/Regional Development	35,000,000.00	0	35,000,000.00	-	100
36,733,980.00	General Administration	204,000,000.00	0	204,000,000.00	30,205,000.00	85
38,533,980.00	Total Expenditure B	433,000,000.00	0	433,000,000.00	30,405,000.00	93
0	Closing Balance A-B	201,000,000.00	0	201,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	176,763,388.39	0	176,763,388.39	1,730,470.46	178,466,858.85	74,058,610.14
February	157,784,783.74	0	157,784,783.74	1,730,470.46	159,488,254.20	45,011,176.23
March	147,646,934.59	0	147,646,934.59	1,730,470.46	149,350,405.05	42,492,603.42
April	163,519,356.65	0	163,519,356.65	1,730,470.46	165,222,827.11	45,283,154.24
May	151,574,771.19	0	151,574,771.19	1,730,470.46	153,275,241.66	43,422,076.40
June	136,574,771.19	0	136,574,771.19	1,730,470.46	138,185,660.71	56,832,618.29
July	166,015,507.52	0	166,015,507.52	1,730,470.46	167,718,977.98	61,827,796.89
August	170,707,606.21	0	170,707,606.21	1,730,470.46	172,411,076.67	58,184,804.07
September	175,313,582.27	6,627,083.41	168,686,498.86	1,730,470.46	170,389,969.32	58,329,179.08
October	164,457,128.41	6,627,083.41	157,830,055.00	1,730,470.46	159,533,525.46	56,424,620.99
November	148,604,134.39	6,627,083.41	141,977,050.98	1,730,470.46	143,680,521.44	57,412,997.43
December	150,023,547.58	6,627,083.41	143,396,464.17	1,730,470.46	145,099,934.63	65,201,738.40
Total	<u>1,908,892,941.19</u>	<u>26,508,333.64</u>	<u>1,882,384,607.55</u>	<u>20,441,645.52</u>	<u>1,902,826,253.07</u>	<u>664,481,375.58</u>

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Sub Head	DESCRIPTION	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	1-11	Taxes	2,800,000.00	0	0
1002	1-7	Rates	1,700,000.00	3,985,625.00	1,300,000.00
1003	1-97	Local Licenses, Fines & Fees	4,110,000.00	100,650.00	250,650.00
1004	1-9	Earning from Commercial Undertaking	6,470,000.00	0	0
1005	1-3	Rent on Local Govt. Property	2,300,000.00	0	0
1006	1-6	Interest and Dividends	500,000.00	0	0
1007	1-3	Grants	0	0	0
1008	1-9	Miscellaneous	4,120,000.00	414,595.11	11,179,297.46
		Total	22,000,000.00	4,500,870.11	12,729,947.46

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	80,000,000.00	66,176,764.99	76,903,103.76
Pension, 1% Training Fund, TRC	250,000,000.00	240,863,491.54	0
Funding of Primary Education	830,000,000.00	1,028,985,378.85	0
Administrative Charges	0	110,989,510.01	0
Internal Debt Servicing	10,000,000.00	0	0
TOTAL	1,170,000,000.00	1,447,015,145.40	76,903,103.76

NOTE 4 PERSONNEL COSTS

Head	DETAILS	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
------	---------	------------------	------------------	------------------

2004A	Head of Local Govt. Service	5,000,000.00	-	-
2004B	Administration	100,164,085.00	96,986,949.46	81,261,630.51
2005	Finance and Supplies	70,661,323.00	54,243,002.78	40,694,459.03
2006	Education	80,022,471.00	56,587,701.71	50,879,906.15
2007	Health	122,834,572.00	114,049,712.50	117,987,422.22
2008	Agriculture and Natural Resources	4,755,192.00	6,443,081.96	2,747,931.27
2009	Works And Housing, Land & Survey	55,632,318.00	33,437,977.13	33,047,691.19
2011	Budget, Planning, Research and Statistics	10,930,000.00	8,692,036.26	9,642,962.98
	Total	450,000,000.00	370,440,470.80	336,262,003.35

NOTE 5: OVERHEAD COSTS

Head	DESCRIPTION	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Chairman	40,000,000.00	17,785,000.00	29,212,000.00
2001B	Office of the Vice Chairman	10,000,000.00	2,350,000.00	7,625,000.00
2002A	Office of the Secretary	8,000,000.00	550,000.00	4,400,000.00
2002B	Office of the Supervisors	8,000,000.00	7,880,000.00	10,910,000.00
2002C	Office of the Special Advisers	5,000,000.00	1,680,000.00	4,370,000.00
2003A	General Council	2,000,000.00	360,000.00	16,734,000.00
2003B	Office of the Leader	4,000,000.00	2,775,000.00	2,880,000.00
2003C	Office of the Deputy Leader	3,000,000.00	675,000.00	2,240,000.00
2003D	Office of the Majority Leader	2,500,000.00	605,000.00	2,100,000.00
2003E	Office of the Dep. Majority Leader	2,000,000.00	690,000.00	2,251,000.00
2003F	Office of the Chief Whip	2,500,000.00	435,000.00	2,320,000.00
2003G	Office of the Dep. Chief Whip	2,000,000.00	435,000.00	2,235,000.00
2003H	Office of the Clerk	11,000,000.00	5,077,000.00	450,000.00
2004A	Head of Local Govt. Service	8,000,000.00	1,784,500.00	640,000.00
2004B	Administration Department	6,000,000.00	2,852,000.00	4,018,000.00
2005	Finance/Supplies Department	7,000,000.00	4,032,000.00	2,775,500.00
2006	Education information & Sport	4,000,000.00	155,000.00	790,000.00
2007	Medical and Health Department	5,000,000.00	2,110,000.00	1,170,000.00
2008	Agricultural and Natural Resources	3,000,000.00	330,000.00	225,000.00
2009	Works and Housing Department	4,000,000.00	650,000.00	1,485,000.00
2010	Budget, Planning, Research & Statistic	3,000,000.00	635,000.00	200,000.00
2011	Traditional Rulers Office	3,000,000.00	0	0
2012	Miscellaneous	117,000,000.00	17,466,396.51	26,557,262.14
	Total	260,000,000.00	71,311,896.51	125,587,762.14

NOTE 6: CAPITAL EXPENDITURE

DESCRIPTION	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	100,000,000.00	0	350,000.00
Social Sector	94,000,000.00	200,000.00	1,200,000.00
Environmental Sector	35,000,000.00	0	250,000.00
Administration Sector			
General Administration (Executive)	120,000,000.00	28,255,000.00	36,733,980.00
General Administration (Legislative)	84,000,000.00	1,950,000.00	0
Total	433,000,000.00	30,405,000.00	125,587,762.14

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

	2020	2019
--	------	------

	₦		₦
2020 Advances	1,765,872,840.98	2019 Advances	1,746,835,440.98
2019 Advances	1,746,835,440.98	2018 Advances	1,675,177,540.98
	(19,037,400.00)		(71,657,900.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

	2020 ₦		2019 ₦
2020 Deposits	177,375,671.76	2019 Deposits	175,876,871.76
2019 Deposits	175,876,871.76	2018 Deposits	175,826,671.76
	1,498,800.00		50,200.00

NOTE 9: CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
Cash in Hand	44,500.00	244,850.00
Cash at Bank:		
Zenith Bank A/c (Salary) 1014518334	11,534,454.58	31,461,638.43
Zenith Bank A/c (Main) 1010450304	3,729,372.47	12,985,828.15
UBA	0	0
Skye Bank	0	0
Sub Total	15,263,827.05	44,447,466.58
Total	15,308,327.05	44,692,316.58

NOTE 10: ADVANCES

		2020 ₦	2019 ₦
(1)	Purchases	1,317,748,783.98	1,296,807,383.98
(2)	Imprest	224,346,000.00	222,107,000.00
(3)	Touring	103,560,449.00	107,417,449.00
(4)	Salary/Special	22,417,208.00	22,387,208.00
(5)	Motor Vehicle	61,919,125.00	61,919,125.00
(6)	Project Advance	20,452,275.00	20,452,275.00
(7)	Upkeep	15,429,000.00	15,745,000.00
	TOTAL	1,765,872,840.98	1,746,835,440.98

NOTE 11: DEPOSITS

	2020 ₦	2019 ₦
PAYE Tax	5,481,441.14	5,973,758.00
NULGE Dues State/Branch	601,460.01	601,460.01
NANNM	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	136,378,598.14	134,387,481.28
Total	177,375,671.76	175,876,871.76

UDUNG UKO LOCAL GOVERNMENT COUNCIL

AKWA IBOM STATE OF NIGERIA

All replies to be address to:
(the Chairman of Council)



LOCAL GOVERNMENT OFFICE
P.M.B. 5, EYOFIN-ORON
AKWA IBOM STATE

Our Ref:.....

Your Ref:.....

Date:.....

STATEMENT OF RESPONSIBILITY:

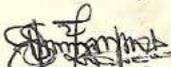
These Financial Statements of Udung Uko Local Government Council as at 31st December, 2020 have been prepared by the Director of Finance of Udung Uko Local Government Council in accordance with the provisions of 1999 Constitution of the Federal Republic of Nigeria, Finance control and management Act of 1958 as amended, and the model Financial Memoranda. The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and Generally Accepted Accounting Practice.

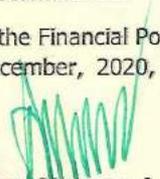
The Management of Udung Uko Local Government Council is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within their statutory authority, and properly recorded the use of all Public Financial resources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

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

We accept responsibility for the integrity of these Financial Statements. The information contain therein are in compliance with the International Public Sector Accounting Standards (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, 2020, and its operations for the year ended thus.


Mr. Okon E. Odusip
(Director Of Finance)
23rd August, 2021


Hon. Atanang A. Osung
(Executive Chairman)
23rd August, 2021



GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

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, 2020

I have examined the Financial Statements of Udung Uko Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Udung Uko Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/0000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

UDUNG UKO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) **General Information**

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) **Financial Accounting and Reporting Framework**

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) **Basis of Preparation and Legal Provisions**

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) **Accounting Period**

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	NOTES	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,300,000,000.00	909,456,416.80	518,411,836.65
Value Added Tax	1	320,000,000.00	373,658,369.86	0
Stabilization	1	0	3,891,387.43	0
Others	1	250,000,000.00	113,613,426.46	0
State Allocation	1	30,000,000.00	13,749,140.64	0
Sub Total Statutory Allocation		1,900,000,000.00	1,414,368,741.19	518,411,836.65
Taxes	2	1,275,000.00	0	0
Rates	2	900,000.00	0	0
Local License fines & fees	2	4,570,000.00	39,900.00	82,200.00
Earning from Commercial undertaking	2	4,905,000.00	104,000.00	211,110.00
Rent on Local Govt. Property	2	2,700,000.00	193,000.00	0
Interest and Dividends Receivable	2	100,000.00	0	0
Grants	2	1,350,000.00	0	0
Miscellaneous	2	4,200,000.00	291,800.00	395,500.00
Sub Total IGR		22,000,000.00	628,700.00	688,810.00
Capital Receipts: B/F		500,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		1,990,500,000.00	1,414,997,441.19	519,100,646.65
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political/Public Office Holders	3	70,000,000.00	60,045,395.93	68,409,659.72
Pension/Training Fund/Traditional Rulers Council	3	230,000,000.00	205,517,480.38	0
Funding of Primary Education	3	600,000,000.00	695,101,170.49	0
Administrative Charges	3	0	108,276,811.22	0
Internal Debt Servicing/Admin Charges etc	3	10,000,000.00	250,000.00	0
Total Consolidated Revenue Fund Charges		910,000,000.00	1,069,190,858.02	74,734,659.72
Personnel Costs	4	320,000,000.00	238,307,541.71	206,853,075.65
Overhead Costs	5	200,000,000.00	98,504,851.01	91,490,111.82
TOTAL PAYMENTS		1,430,000,000.00	1,406,003,250.74	373,077,847.19
Net Cash flow from Operating activities A		560,500,000.00	8,994,190.45	146,022,799.46
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	560,500,000.00	26,090,756.52	71,909,651.00
Net Cash flow From Investing Activities B			(26,090,756.52)	(71,909,651.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		2,940,339.15	(94,835,166.66)
Increase/decrease in other Liabilities	8		1,234,308.50	30,390,975.49
Total Cash Flow From other Cash equivalent Accounts C			4,174,647.65	(64,444,191.17)
Net Cash Flow For the Year (A+B+C)			(12,921,918.42)	9,668,957.29
Cash and its equivalents as at 1st January, 2020	9		25,615,470.16	15,946,512.87
Cash and its equivalents as at 31st December, 2020	9		12,693,551.74	25,615,470.16

UDUNG UKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2**STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020**

DESCRIPTION	Notes	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	730,963.79	4,616,352.35
Cash at Bank	9	11,962,587.95	20,999,117.81
TOTAL LIQUID ASSETS		12,693,551.74	25,615,470.16
Investment & Other Cash Assets:			
Advances	10	1,214,136,308.85	1,217,076,648.00
TOTAL ASSETS		<u>1,226,829,860.59</u>	<u>1,242,692,118.16</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		1,030,982,937.10	1,048,079,503.17
OTHER LIABILITIES			
Deposits	11	195,846,923.49	194,612,614.99
TOTAL LIABILITIES		<u>1,226,829,860.59</u>	<u>1,242,692,118.16</u>

UDUNG UKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 20

Actual 2019 N	Description	Initial Budget 2020 N	Supp- Budget 2020 N	Final Budget 2020 N	Actual 2020 N	Var. %
973,966,354.71	Opening Balance	0	0	0	1,048,079,503.17	
	ADD REVENUE:					
518,411,836.65	Statutory Allocation	1,300,000,000.00	0	1,300,000,000.00	909,456,416.80	(30)
0	Value Added Tax	320,000,000.00	0	320,000,000.00	373,658,369.86	17
0	Stabilization	0	0	0	3,891,387.43	100
0	Others	250,000,000.00	0	250,000,000.00	113,613,426.46	55
0	State Allocation	30,000,000.00	0	30,000,000.00	13,749,140.64	(57)
518,411,836.65	Sub Total Statutory Allocations	1,900,000,000.00	0	1,900,000,000.00	1,414,368,741.19	(26)
0	Taxes	1,275,000.00	0	1,275,000.00	0	(100)
0	Rates (Tenement)	900,000.00	0	900,000.00	0	(100)
82,200.00	Local License fines & fees	4,570,000.00	0	4,570,000.00	39,900.00	(99)
211,110.00	Earning from Commercial undertaking	4,905,000.00	0	4,905,000.00	104,000.00	(99)
0	Rent on Local Govt. Property	2,700,000.00	0	2,700,000.00	193,000.00	(93)
0	Interest & Dividends Receivable	100,000.00	0	100,000.00	0	(100)
0	Grants	1,350,000.00	0	1,350,000.00	0	(100)
395,500.00	Miscellaneous	4,200,000.00	0	4,200,000.00	291,800.00	(92)
688,810.00	Sub Total IGR	20,000,000.00	0	20,000,000.00	628,700.00	(97)
1,493,067,001.36	TOTAL REVENUE	1,920,000,000.00	0	1,920,000,000.00	2,463,076,944.36	28
	EXPENDITURE:					
	Consolidated Revenue Fund Charges:					
68,409,659.72	Political/Public Office Holders	70,000,000.00	0	70,000,000.00	60,045,395.93	2
0	Pensions/Training Fund/Traditional Rulers Council	230,000,000.00	0	230,000,000.00	205,517,480.38	100
0	Funding of Primary Education	600,000,000.00	0	600,000,000.00	695,101,170.49	100
0	Administrative Charges	0	0	0	250,000.00	100
6,325,000.00	Internal Debt Servicing	10,000,000.00	0	10,000,000.00	108,276,811.22	37
74,734,659.72	Sub Total CRFC	910,000,000.00	0	910,000,000.00	1,069,190,858.02	92
206,853,075.65	Personnel Costs	320,000,000.00	0	320,000,000.00	238,307,541.71	31
91,490,111.82	Overhead Costs	200,000,000.00	0	200,000,000.00	98,504,851.01	54
373,077,847.19	Total Recurrent Expenditure	1,430,000,000.00	0	1,430,000,000.00	1,406,003,250.74	73
1,119,989,154.17	Operating Balance	490,000,000.00	0	490,000,000.00	1,057,073,693.62	
71,909,651.00	Transfer to Capital Development Fund	560,500,000.00	0	560,500,000.00	26,090,756.52	89
1,048,079,503.17	Closing Balance	(70,500,000.00)	0	(70,500,000.00)	1,030,982,937.10	

UDUNG UKO LOCAL GOVERNMENT COUNCIL
STATEMENT NO.4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

Actual 2019 N	Description	Initial Budget 2020 N	Supp- Budget 2020 N	Final Budget 2020 N	Actual 2020 N	Var. %
	Opening balance	500,000.00	0	500,000.00	0	0
	Add Revenue:					
71,909,651.00	Transfer from Consolidated Fund	560,500,000.00	0	560,500,000.00	26,090,756.52	(95)
0	Grant	50,000,000.00	0	50,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
71,909,651.00	Total Revenue available	631,000,000.00	0	631,000,000.00	26,090,756.52	(96)
	Less Capital Expenditure :					
5,449,500.00	Economic Sector:-	162,950,000.00	0	162,950,000.00	0	100
120,000.00	Social Sector:-	98,800,000.00	0	98,800,000.00	100,000.00	99
7,000,000.00	Environmental/Regional Dev.	56,250,000.00	0	56,250,000.00	0	100
59,340,151.00	General Administration	242,500,000.00	0	242,500,000.00	25,990,756.52	89
71,909,651.00	Total Expenditure	560,500,000.00	0	560,500,000.00	26,090,756.52	95
0	Closing Balance	70,500,000.00	0	70,500,000.00	0	

**NOTES TO THE ACCOUNTS
NOTE 1: STATUTORY ALLOCATION**

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	131,940,822.02	0	131,940,822.02	1,145,761.72	133,086,583.74	60,417,259.44
February	118,175,040.12	0	118,175,040.12	1,145,761.72	119,320,801.84	33,800,309.63
March	111,248,196.31	0	111,248,196.31	1,145,761.72	112,393,958.03	31,256,693.32
April	122,192,614.63	0	122,192,614.63	1,145,761.72	123,338,376.35	34,035,365.71
May	113,110,381.55	0	113,110,381.55	1,145,761.72	114,256,143.27	32,234,827.56
June	101,863,907.55	0	101,863,907.55	1,145,761.72	103,009,669.27	44,951,032.98
July	123,899,195.74	0	123,899,195.74	1,145,761.72	125,044,957.46	50,225,149.20
August	127,449,715.69	0	127,449,715.69	1,145,761.72	128,595,477.41	46,745,986.75
September	130,935,724.68	6,627,083.41	124,308,641.27	1,145,761.72	125,454,402.99	46,818,677.42
October	122,798,885.23	6,627,083.41	116,171,801.82	1,145,761.72	117,317,563.54	44,142,868.56
November	111,050,072.26	6,627,083.41	104,422,988.85	1,145,761.72	105,568,750.57	45,104,275.80
December	112,463,378.41	6,627,083.41	105,836,295.00	1,145,761.72	106,982,056.72	48,679,392.28
Total	<u>1,427,127,934.19</u>	<u>26,508,333.64</u>	1,400,619,600.55	13,749,140.64	1,414,368,741.19	518,411,836.65

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	1,275,000.00	0	0
1002	Rates	900,000.00	0	0
1003	Local License ,fees and fines	4,570,000.00	39,900.00	82,200.00
1004	Earnings from Comm. Undertakings	4,905,000.00	104,000.00	211,110.00
1005	Rent on Local Government property	2,700,000.00	193,000.00	0
1006	Interest on Dividends	100,000.00	0	0
1007	Grants	1,350,000.00	0	0
1008	Miscellaneous	4,200,000.00	291,800.00	395,500.00
	TOTAL	20,000,000.00	628,700.00	688,810.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	60,045,395.93	68,409,659.72
Pension, 1% Training Fund, TRC	230,000,000.00	205,517,480.38	0
Funding of Primary Education	600,000,000.00	695,101,170.49	0
Administrative Charges	0	108,276,811.22	0
Internal Debt Servicing	10,000,000.00	250,000.00	6,325,000.00
TOTAL	910,000,000.00	1,069,190,858.02	68,409,659.72

NOTES 4: PERSONNEL COSTS

Head	Description	Budget 2020	Actual 2020	Actual 2019
------	-------------	-------------	-------------	-------------

		₦	₦	₦
2004A	Head of Local Government Service	13,611,563.42	3,369,197.03	2,765,643.57
2004B	Administration	79,809,111.44	64,010,643.89	54,590,350.42
2005	Finance and Supplies	60,794,670.28	44,154,376.44	35,373,240.52
2006	Education	40,517,310.79	29,426,400.57	12,900,996.45
2007	Health and Social Services	85,213,531.24	71,238,564.78	67,629,324.83
2008	Agric & Natural Resources	8,615,577.90	5,534,578.23	6,096,662.79
2009	Works and Housing	15,401,037.88	9,567,600.90	10,919,531.49
2010	Budget, Planning & Research	8,692,625.48	7,646,435.26	9,877,286.50
2011	Traditional Ruler's Council	7,344,571.57	3,359,744.61	6,700,039.08
	Total	320,000,000.00	238,307,541.71	206,853,075.65

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Chairman	39,000,000.00	26,437,500.00	27,180,925.89
2001B	Office of the Vice Chairman	10,700,000.00	3,868,650.00	4,435,000.00
2002A	Office of the Secretary	8,500,000.00	0	325,000.00
2002B	Office of the Supervisors	11,500,000.00	2,165,000.00	1,916,000.00
2002C	Office of the Special Advisers	8,000,000.00	4,523,000.00	1,720,000.00
2003A	Legislative Arm/General Council	18,340,000.00	11,260,000.00	6,397,500.00
2003B	Office of the Leader	6,540,000.00	1,915,000.00	2,277,500.00
2003C	The Office of the Deputy Leader	5,920,000.00	1,620,000.00	3,389,500.00
2003D	Office of the Majority Leader	3,800,000.00	800,000.00	1,277,000.00
2003E	Office of the Dep. Majority Leader	3,000,000.00	1,953,000.00	1,367,500.00
2003F	Office of the Chief Whip	3,300,000.00	800,000.00	1,150,000.00
2003G	Office of the Dep. Chief Whip	2,800,000.00	800,000.00	1,277,500.00
2003H	Office of the Clerk	2,000,000.00	1,600,000.00	1,247,500.00
2004A	Office of the HOS L/G	5,500,000.00	1,135,000.00	1,405,000.00
2004B	General Administration	5,255,000.00	515,000.00	4,589,500.00
2005	Finance and Supplies	3,000,000.00	2,025,000.00	2,539,400.00
2006	Education	2,900,000.00	0	296,000.00
2007	Health and Social Services	4,400,000.00	722,500.00	2,632,500.00
2008	Agriculture	2,950,000.00	255,000.25	1,495,000.00
2009	Works and Housing	3,800,000.00	910,000.00	1,150,000.00
2010	Budget, Planning & Research	3,200,000.00	60,000.00	100,000.00
2011	Traditional Rulers Council	2,900,000.00	600,000.00	675,000.00
2012	Miscellaneous	42,695,000.00	34,540,200.76	22,646,785.93
	Total	200,000,000.00	98,504,851.01	91,490,111.82

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	162,950,000.00	0	5,449,500.00
Social Sector	98,800,000.00	100,000.00	120,000.00
Environmental Sector	56,250,000.00	0	7,000,000.00
Administrative Sector:			
General Administration (Executive)	169,394,000.00	17,930,300.52	54,340,151.00
General Administration (Legislative)	73,106,000.00	8,060,456.00	5,000,000.00
Total	560,500,000.00	26,090,756.52	71,909,651.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 N		2019 N	
2020 Advances	1,214,136,308.85	2019 Advances	1,217,076,648.00
2019 Advances	1,217,076,648.00	2018 Advances	1,122,241,481.34
	2,940,339.15		(94,835,166.66)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 N		2019 N	
2020 Deposits	195,846,923.49	2019 Deposits	194,612,614.99
2019 Deposits	194,612,614.99	2018 Deposits	164,221,639.50
	1,234,308.50		30,390,975.49

NOTE 9: CASH AND BANK BALANCES

Description	2020 N	2019 N
Cash in Hand	730,963.79	4,616,352.35
Cash at Bank:		
Zenith Bank A/c – (Salary)	8,298,752.68	12,398,376.62
Zenith Bank A/c – (Project)	3,663,835.27	8,600,741.19
Sub Total Bank Balance	11,962,587.95	20,999,117.81
Total	12,693,551.74	25,615,470.16

NOTE 10: ADVANCES

Detail	2020 N	2019 N
Purchases Advance	759,354,264.26	758,416,400.00
Imprest Advance	300,919,980.25	305,208,480.00
Touring Advance	152,705,664.34	152,305,368.00
Salary Advance	1,156,400.00	1,146,400.00
Motor Vehicle	0	0
Others	0	0
TOTAL	1,214,136,308.85	1,217,076,648.00

NOTES 11: DEPOSITS

Detail	2020 N	2019 N
PAYE Tax	2,931,340.51	2,931,340.51
NULGE Dues-State/Branch	415,133.47	415,133.47
NANNM	482,000.00	2,931,340.51
VAT	908,454.00	908,454.00
Withholding Tax	1,055,854.00	1,055,854.90
Pension Fund	(468,394.75)	(468,394.75)
Others	190,522,536.26	186,838,886.35
TOTAL	195,846,923.49	194,612,614.99



UKANAFUN LOCAL GOVERNMENT COUNCIL

Akwa Ibom State, Nigeria

Our Ref: UKLG/TR/01-1/1
Your Ref:

Local Government Secretariat,
Ikot Akpa Nkuk

09-04-2021

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 statement 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 Statement, 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, 2020 and its operations for the year ended on that date.

Mrs. Rita A. Equere
Director of Finance

9-4-2021

Pst. (Hon) Godwin Matthew Inyieng
Executive Chairman

9-4-2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Ukanafun Local Government Council
Ikot Akpan Nkuk

AUDIT CERTIFICATE ON THE ACCOUNTS OF UKANAFUN LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Ukanafun Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Ukanafun Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

UKANAFUN LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation by law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

UKANAFUN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASH FLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECEIPTS:				
Statutory Allocation	1	1,600,000,000.00	1,121,928,058.55	606,369,905.15
Value Added Tax	1	350,000,000.00	449,528,993.45	0
Others	1	250,000,000.00	138,214,130.92	0
State Allocation	1	30,000,000.00	18,836,820.48	0
Sub Total Statutory Allocation		2,230,000,000.00	1,728,508,003.40	606,369,905.15
Taxes	2	1,000,000.00	0	156,200.00
Rates	2	3,500,000.00	2,935,625.00	1,110,000.00
Local License fines and fees	2	3,000,000.00	1,385,860.00	159,740.00
Earning from commercial undertaking	2	6,500,000.00	12,368,070.00	4,616,500.00
Rent on Local Govt. Property	2	2,000,000.00	0	5,000.00
Interest & Dividends Receivables	2	500,000.00	0	0
Grants	2	0	0	0
Miscellaneous	2	3,500,000.00	352,005.00	751,500.00
Sub Total IGR		20,000,000.00	17,041,560.00	6,798,940.00
Capital Receipts: B/F		1,000,000.00	0	0
Grants		100,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
Sub Total IGR		20,000,000.00	17,041,560.00	6,798,940.00
TOTAL RECEIPTS		2,401,000,000.00	1,750,324,327.56	613,168,845.15
PAYMENTS:				
Consolidated Rev. Fund Charges:				
Political/Public Office Holders	3	80,000,000.00	69,655,495.33	74,128,826.64
Pensions/Training Fund/Traditional Rulers Council	3	180,000,000.00	217,281,196.80	0
Funding of Primary Education	3	700,000,000.00	922,397,922.18	0
Internal Debt Servicing/Admin. Charges	3	20,000,000.00	110,069,918.43	0
Total Consolidated Revenue Fund Charges		980,000,000.00	1,319,404,532.74	74,128,826.64
Personnel Costs	4	420,000,000.00	349,319,226.45	303,304,626.62
Overhead Costs	5	220,000,000.00	43,999,993.13	103,313,880.23
TOTAL PAYMENTS		1,620,000,000.00	1,712,723,752.32	480,747,333.49
Net Cash Flow from Operating Activities A		781,000,000.00	37,600,575.24	132,421,511.66
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	781,000,000.00	24,126,824.00	88,124,538.00
Net Cash Flow from Investing Activities B			(24,126,824.00)	(88,124,538.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(12,001,676.00)	(49,664,279.83)
Increase/decrease in other Liabilities	8		(22,927,703.82)	22,590,273.74
Total Cash Flow From other Cash equivalent Accounts C			(39,929,379.82)	(27,074,006.09)
Net Cash Flow for The Year (A+B+C)			(26,455,628.58)	17,222,967.57
Cash and its equivalents as at 1 st January, 2020	9		40,930,869.01	23,707,901.44
Cash and its equivalents as at 31st December, 2020	9		14,475,240.43	40,930,869.01

UKANAFUN LOCAL GOVERNMENT COUNCIL
STATEMENT NO.2
STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	Notes	2020 N	2019 N
ASSETS			
Liquid Assets:			
Cash in Hand	9	46,130.66	3,359,730.59
Cash at Bank	9	14,429,109.77	37,571,138.42
TOTAL LIQUID ASSETS		14,475,240.43	40,930,869.01
Investment & Other Cash Assets:			
Advances	10	912,397,615.97	900,395,939.97
TOTAL ASSETS		<u>926,872,856.40</u>	<u>941,326,808.98</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		682,692,965.39	669,219,214.15
OTHER LIABILITIES			
Deposits	11	244,179,891.01	272,107,594.83
TOTAL LIABILITIES		<u>926,872,856.40</u>	<u>941,326,808.98</u>

UKANAFUN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp-Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
624,922,240.49	Opening Balances				669,219,214.15	
	Add: Revenue					
606,369,905.15	Statutory Allocation	1,600,000,000.00	0	1,600,000,000.00	1,121,928,058.55	(30)
0	Value Added Tax	350,000,000.00	0	350,000,000.00	449,528,993.45	28
0	Stabilization	0	0	0	4,774,764.16	100
0	Others	250,000,000.00	0	250,000,000.00	138,214,130.92	(45)
0	State Allocation	30,000,000.00	0	30,000,000.00	18,836,820.48	(37)
606,369,905.15	Sub Total Statutory Allocation	2,230,000,000.00	0	2,230,000,000.00	1,732,282,767.56	78
156,200.00	Taxes	1,000,000.00	0	1,000,000.00	0	(100)
1,110,000.00	Rates	3,500,000.00	0	3,500,000.00	2,935,625.00	(16)
159,740.00	Local license, fines & fees	3,000,000.00	0	3,000,000.00	1,385,860.00	(54)
4,616,500.00	Earnings from Commercial undertaking	6,500,000.00	0	6,500,000.00	12,368,070.00	(90)
5,000.00	Rent on Local Govt. Property	2,000,000.00	0	2,000,000.00	0	(100)
0	Interest & Dividends Receivable	500,000.00	0	500,000.00	0	(100)
0	Grants	0	0	0	0	0
751,500.00	Miscellaneous	3,500,000.00	0	3,500,000.00	352,005.00	(90)
6,798,940.00	Sub. Total IGR	20,000,000.00	0	20,000,000.00	17,041,560.00	(15)
1,238,091,085.64	TOTAL REVENUE	2,250,000,000.00	0	2,250,000,000.00	2,419,543,541.71	8
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
74,128,826.64	Political/Public Office Holders	80,000,000.00	0	80,000,000.00	69,655,491.33	13
0	Pensions/Training Fund/Traditional Rulers Council	180,000,000.00	0	180,000,000.00	217,281,196.80	(21)
0	Funding of Primary Education	700,000,000.00	0	700,000,000.00	922,397,922.18	(32)
0	Internal Debt Servicing/Admin Charges	20,000,000.00	0	20,000,000.00	110,069,918.43	(45)
74,128,826.64	Sub Total CRFC	980,000,000.00	0	980,000,000.00	1,319,404,532.74	(35)
303,304,626.62	Personnel Costs	420,000,000.00	0	420,000,000.00	349,319,226.45	17
103,313,880.23	Overhead Costs	220,000,000.00	0	220,000,000.00	43,999,993.13	80
480,747,333.49	Total Recurrent Expenditure	1,620,000,000.00	0	1,620,000,000.00	1,712,723,752.32	(6)
757,343,752.15	Operating Balance	630,000,000.00	0	630,000,000.00	706,819,789.39	12
88,124,538.00	Transfer to Capital Dev. Fund	781,000,000.00	0	781,000,000.00	24,126,824.00	97
669,219,214.15	Closing Balance	(151,000,000.00)	0	(151,000,000.00)	682,692,965.39	0

UKANAFUN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 N	Description	Initial Budget 2020 N	Supp- Budget 2020 N	Final Budget 2020 N	Actual 2020 N	Var. %
	Opening balance	1,000,000.00	0	1,000,000.00		
	Add Revenue:					
88,124,538.00	Transfer from Cons. Rev. Fund	781,000,000.00	0	781,000,000.00	24,126,824.00	96
0	Grant	100,000,000.00	0	100,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00	0	50,000,000.00	0	(100)
88,124,538.00	Total Revenue available	932,000,000.00	0	932,000,000.00	24,126,824.00	(97)
	Less Capital Expenditure :					
7,238,000.00	Economic Sector	191,600,000.00	0	191,600,000.00	0	(100)
7,070,000.00	Social Sector	183,300,000.00	0	183,300,000.00	1,740,000.00	99
0	Environmental/Reg. Dev.	57,625,000.00	0	57,625,000.00	0	(100)
73,816,538.00	General Administration	348,475,000.00	0	348,475,000.00	22,386,824.00	94
88,124,538.00	Total Expenditure B	781,000,000.00	0	781,000,000.00	24,126,824.00	96
0	Closing Balance	151,000,000.00	0	151,000,000.00	0	

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATIONS

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 N	LESS DEDUCTION AT SOURCE 2020 N	GROSS ALLOCATION FROM FAAC 2020 N	10% (IGR) 2020 N	TOTAL REVENUE FROM SLGJAAC 2020 N	TOTAL REVENUE FROM SLGJAAC 2019 N
January	161,222,659.71	0	161,222,659.71	1,569,735.04	162,792,394.75	68,601,007.16
February	144,039,027.35	0	144,039,027.35	1,569,735.04	145,608,762.39	40,423,854.59
March	135,003,161.58	0	135,003,161.58	1,569,735.04	136,572,892.62	37,602,577.45
April	149,136,590.79	0	149,136,590.79	1,569,735.04	150,706,325.83	45,023,461.35
May	138,253,627.94	0	138,253,627.94	1,569,735.04	139,823,362.98	38,658,196.84
June	124,422,405.75	0	124,422,405.75	1,569,735.04	125,992,140.79	53,352,754.78
July	151,334,461.70	0	151,334,461.70	1,569,735.04	152,904,196.74	56,499,184.53
August	155,627,494.49	0	155,627,494.49	1,569,735.04	157,197,229.53	52,608,232.54
September	159,789,842.28	6,627,083.41	153,162,758.87	1,569,735.04	154,732,493.91	52,354,628.16
October	149,881,605.66	6,627,083.41	143,254,522.25	1,569,735.04	144,824,257.29	51,275,377.34
November	135,469,915.55	6,627,083.41	128,842,832.14	1,569,735.04	130,412,567.18	51,881,842.66
December	136,773,487.92	6,627,083.41	130,146,404.51	1,569,735.04	131,716,139.55	58,158,787.75
Total	<u>1,740,954,280.72</u>	<u>26,508,333.64</u>	1,714,445,947.08	18,836,820.48	1,733,282,767.56	606,369,905.15

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	Budget 2020 N	Actual 2020 N	Actual 2019 N
1001 -	Taxes	1,000,000.00	0	156,200.00
1002 -	Rates	3,500,000.00	2,935,625.00	1,110,000.00
1003 -	Local License, Fines & Fees	3,000,000.00	1,385,860.00	159,740.00
1004 -	Earnings from Commercial Undertaking	6,500,000.00	12,368,070.00	4,616,500.00
1005 -	Rent on Local Government Properties	2,000,000.00	0	5,000.00
1006 -	Interest on Dividends	500,000.00	0	0
1007 -	Grants	0	0	0
1008 -	Miscellaneous	3,500,000.00	352,005.00	751,500.00
	Total	20,000,000.00	17,041,560.00	6,798,940.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 N	ACTUAL 2020 N	ACTUAL 2019 N
Political Office Holders	80,000,000.00	69,655,491.33	74,128,826.64
Pension, 1% Training Fund, TRC	180,000,000.00	217,281,196.80	0
Funding of Primary Education	700,000,000.00	922,397,922.18	0
Administrative Charges	0	110,069,918.43	0
Internal Debt Servicing	20,000,000.00	0	0
TOTAL	980,000,000.00	1,319,404,532.74	74,128,826.64

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	87,677,920.00	93,742,312.33	69,597,027.67
2005	Finance and Supplies	74,466,300.00	55,097,470.05	44,860,958.76
2006	Social Development, Information, Youth, Sports & Culture	44,360,710.00	32,068,417.70	31,670,006.76
2007	Primary Health Care	147,447,810.00	125,595,335.80	121,752,673.64
2008	Agriculture and Natural Resources	8,788,710.00	9,235,540.35	7,577,403.11
2009	Works and Housing, Lands & Survey	30,787,150.00	28,667,750.14	23,188,896.18
2010	Budget, Planning, Research and Statistics	6,471,400.00	4,912,400.08	4,657,660.50
2011	Traditional Rulers Office	-	-	-
	Total	400,000,000.00	349,319,226.45	303,304,626.62

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	35,000,000.00	16,020,000.00	28,399,500.00
2001B	Office of the Vice Chairman	8,000,000.00	2,000,000.00	3,170,000.00
2002A	Office of the Secretary	3,500,000.00	180,000.00	0
2002B	Office of the Supervisors	8,000,000.00	60,000.00	1,305,000.00
2002C	Office of the Special Advisers	4,800,000.00	0	160,000.00
2003A	Office of the Legislative/General Council	10,000,000.00	4,000,000.00	6,665,000.00
2003B	Office of the Leader	3,000,000.00	960,000.00	1,440,000.00
2003C	Office of the Deputy Leader	2,800,000.00	880,000.00	1,500,000.00
2003D	Office of the Majority Leader	2,650,000.00	800,000.00	1,200,000.00
2003E	Office of the Deputy Majority Leader	2,500,000.00	800,000.00	1,200,000.00
2003F	Office of the Chief Whip	2,650,000.00	800,000.00	1,200,000.00
2003G	Office of the Deputy Chief Whip	2,500,000.00	800,000.00	1,200,000.00
2003H	Office of the Clerk	2,000,000.00	0	0
2004A	Office of the Head of Local Government Service	8,500,000.00	501,000.00	5,858,900.00
2004B	Office of the Administration & General Services	5,000,000.00	162,000.00	2,025,000.00
2005	Finance and Supplies	7,000,000.00	362,272.06	3,766,800.00
2006	Education, Information & Sports	3,500,000.00	180,000.00	670,000.00
2007	Health	10,000,000.00	375,000.00	2,980,000.00
2008	Agriculture & Natural Resources	3,500,000.00	0	40,000.00
2009	Works & Transport	4,000,000.00	60,000.00	76,500.00
2010	Budget, Planning, Research & Statistics	3,500,000.00	13,000.00	700,000.00
2011	Traditional Rulers Council	3,500,000.00	0	450,000.00
2012	Miscellaneous	84,100,000.00	15,046,721.07	39,307,180.23
	Total	220,000,000.00	43,999,993.13	103,313,880.23

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	191,600,000.00	0	7,238,000.00
Social Sector	183,300,000.00	1,740,000.00	7,070,000.00
Environmental Sector	57,625,000.00	0	0
Administration Sector			
General Administration (Executive)	192,000,000.00	4,145,000.00	36,125,130.00
General Administration (Legislature)	156,475,000.00	18,241,824.00	37,691,408.00
Total	781,000,000.00	24,126,824.00	88,124,538.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	912,397,615.97	2019 Advances	900,395,939.97
2019 Advances	900,395,939.97	2018 Advances	850,731,660.14
	(12,001,676.00)		49,664,279.83

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	244,179,891.01	2019 Deposits	272,107,594.83
2019 Deposits	272,107,594.83	2018 Deposits	249,517,321.09
	(27,927,703.82)		22,590,273.74

NOTE 9: CASH AND BANK BALANCES

DESCRIPTION	2020 ₦	2019 ₦
CASH	46,130.66	3,359,730.59
BANK:		
UBA A/C – 1003849656	3,719,310.20	7,732,456.48
Zenith Bank A/c – 101458358	10,470,589.29	29,599,471.66
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.	14,429,109.77	37,571,138.42
Total	14,475,240.43	40,930,869.01

NOTE 10: ADVANCES

DEtail	2020 ₱	2019 ₱
Purchase Advances	573,047,936.97	555,220,514.97
Imprest	99,751,700.00	103,057,200.00
Touring	105,560,600.00	106,000,600.00
Salary / Special	130,307,379.00	132,387,379.00
Motor Vehicle/Fueling	2,400,000.00	2,400,000.00
Upkeep	1,330,000.00	1,330,000.00
Total	912,397,615.97	900,395,939.97

NOTE 11: DEPOSITS

Detail	2020 ₱	2019 ₱
PAYE Tax	0	0
NULGE Dues-State/Branch	724,446.04	724,446.04
NANNM	383,372.02	650,836.02
VAT	26,000.00	26,000.00
WITHHOLDING TAX	33,200.00	33,200.00
Pension Deductions	0	0
Others	243,012,872.95	270,673,112.77
Total	244,179,891.01	272,107,594.83

URUAN LOCAL GOVERNMENT AKWA IBOM STATE OF NIGERIA



Our Ref:

Your Ref:

All communications to be addressed to the
EXECUTIVE CHAIRMAN

Uruan Local Govern
Council Secretariat,
P.M.B. 1015 Nwanib
Akwa Ibom State,
Nigeria.

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Uruan Local Government in accordance with the provisions of the Model Financial Memoranda.

The Financial Statements comply with International Public Sector Accounting Standards (IPSAS) Cash Basis and General Accepted Accounting Principles (GAAP).

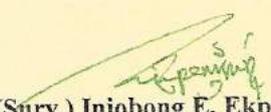
The management of Uruan Local Government is responsible for establishing and maintaining a system of Internal Control designed to provide reasonable assurance that the transactions recorded are within their statutory authority and properly record the use of all public financial resources by the Local Government.

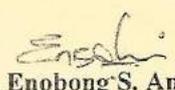
The Director of Finance has responsibility for ensuring that the internal control are functional throughout the year and that financial records are properly kept, appropriate financial statements are prepared. To the best of my knowledge, the system of internal controls has operated adequately throughout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

In our opinion, these Financial Statements fairly reflects the Financial position of Uruan Local Government as at 31st December, 2020 and its operations for the year ended on that date.




Hon. (Surv.) Inibong E. Ekpenyong, MNIS
Executive Chairman
Uruan Local Govt. Council


Mrs. Enobong S. Andrews, FCA
Director of Finance
Uruan Local Govt. Council

18th May 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams;

Telephone:

Our Ref:

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:

The Executive Chairman
Uruan Local Government Council
Idu

AUDIT CERTIFICATE ON THE ACCOUNTS OF URUAN LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Uruan Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Uruan Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

URUAN LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.
- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

URUAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020.

CASH FLOW FROM OPERATING ACTIVITIES	NOTE	BUDGET 2020	ACTUAL 2020	ACTUAL 2019
RECEIPTS				
Statutory Allocation	1	1,700,000,000.00	1,194,574,645.80	732,063,374.84
Value Added tax	1	380,000,000.00	440,545,491.88	0
Stabilization	1	0	5,076,801.20	0
Others	1	250,000,000.00	146,625,405.01	0
State Allocation	1	30,000,000.00	17,148,933.48	0
Sub Total Statutory Allocation		2,360,000,000.00	1,803,971,277.37	732,063,374.84
Taxes	2	600,000.00	0	0
Rates	2	3,500,000.00	3,515,625.00	1,905,000.00
Local License fines & fees	2	5,000,000.00	20,615,680.00	7,596,450.00
Earning from commercial undertaking	2	7,080,000.00	9,820,400.00	7,137,970.00
Rent on Local Government property	2	500,000.00	30,000.00	10,000.00
Interest and Dividends Receivable	2	300,000.00	2,000.00	0
Grants	2	0	0	0
Miscellaneous	2	9,020,000.00	3,012,368.54	1,519,000.00
Sub Total IGR		40,980,000.00	36,996,073.54	18,168,420.00
Capital receipts B/F		1,000,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		50,000,000.00	0	0
TOTAL RECEIPTS		2,487,000,000.00	1,840,967,350.91	750,231,794.84
PAYMENTS				
Consolidated Revenue Fund Charges :				
Political/public office holders	3	75,000,000.00	74,758,849.61	74,862,184.44
Pension training fund/traditional	3	200,000,000.00	208,513,262.67	0
Funding of Primary Education	3	750,000,000.00	892,727,671.29	0
Internal Debt servicing/Admin Charges	3	10,000,000.00	113,242,733.44	0
Total Consolidated Revenue Fund Charges	3	1,035,000,000.00	1,289,242,517.01	74,862,184.44
Personal Costs	4	500,000,000.00	428,980,500.00	455,947,953.68
Overhead Costs	5	200,000,000.00	82,139,633.74	85,975,919.45
TOTAL PAYMENTS		7,735,000,000.00	1,800,362,650.75	616,786,057.57
Net Cash flow from operating activities (A)		752,000,000.00	40,604,700.16	133,445,737.27
CASH FLOW FROM INVESTING ACTIVITIES				
Capital Expenditure	6	752,000,000.00	74,850,780.00	42,859,391.52
Net Cash flow from Investing Activities (B)			(74,850,780.00)	(42,859,391.52)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from internal loan			0	0
Net Cash flow Financing Activities			0	0
Movement in other Cash Equivalent Account				
Increase/decrease in other Cash Assets	7		(103,587,366.00)	(90,909,200.00)
Increase/decrease in other liabilities	8		103,920,744.06	31,254,409.91
Total Cash flow from other Cash (C)			333,378.06	59,654,790.09
Net Cash flow for the year (A + B – C)			(33,912,701.78)	30,931,555.66
Cash and its equivalent as at 1st January, 2020	9		43,699,579.41	12,768,023.75
Cash and its equivalent as at 31st December, 2020	9		9,786,877.63	43,699,579.41

URUAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 2020

DESCRIPTION	NOTE	2020 ₹	2019 ₹
ASSETS			
LIQUID ASSETS			
Cash in Hand	9	592,532.89	278,907.22
Cash at Bank	9	9,194,344.74	43,420,672.19
TOTAL LIQUID ASSET		9,786,877.63	43,699,579.41
Investment & Other Assets			
Advances	10	1,371,025,225.02	1,267,437,859.02
TOTAL ASSETS		1,380,812,102.65	1,311,137,438.43
LIABILITIES			
Public funds			
Consolidated Revenue fund		1,021,689,236.40	1,055,935,316.24
OTHER LIABILITIES :			
Deposits	11	359,122,866.25	255,202,122.19
TOTAL LIABILITIES		1,380,812,102.65	1,311,137,438.43

URUAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

ACTUAL 2019	DESCRIPTION	INITIAL BUDGET 2020	SUPPL. BUDGET 2020	FINAL BUDGET 2020	ACTUAL 2020	Variance %
₱		₱	₱	₱	₱	
965,348,976.49	Opening Balance	0	0	0	1,055,935,316.24	
	Add Revenue					
732,063,374.84	Statutory Allocation	1,700,000,000.00	0	1,700,000,000.00	1,194,574,645.80	(30)
0	Value Added Tax	380,000,000.00	0	380,000,000.00	440,545,491.88	16
0	Stabilization	0	0	0	5,076,801.20	100
0	Others	250,000,000.00	0	250,000,000.00	146,625,405.01	(41)
0	State Allocation	30,000,000.00	0	30,000,000.00	17,148,933.48	(43)
732,063,374.84	Sub-Total Statutory Allocation	2,360,000,000.00	0	2,360,000,000.00	1,803,971,277.37	(24)
0	Taxes	600,000.00	0	600,000.00	0	(100)
1,905,000.00	Rates	3,500,000.00	0	3,500,000.00	3,515,625.00	.4
7,596,450.00	Local License fine & fees	5,000,000.00	0	5,000,000.00	20,615,680.00	312
7,137,970.00	Earning from com. undertaking	7,080,000.00	0	7,080,000.00	9,820,400.00	39
10,000.00	Rent on local govt. pro.	500,000.00	0	500,000.00	30,000.00	(94)
0	Interest & Dividend	300,000.00	0	300,000.00	2,000.00	(99)
0	Grants	-	0	-	-	--
1,519,000.00	Miscellaneous	9,020,000.00	0	9,020,000.00	3,012,368.54	(67)
18,168,420.00	Sub Total IGR	40,980,000.00	0	40,980,000.00	36,996,073.54	(10)
1,715,580,765.33	Total Revenue	2,175,980,000.00	0	2,175,980,000.00	2,896,902,667.15	33
	Expenditure					
	Consolidated R. Fund charge					
74,862,184.44	Pol. Public Office holders	75,000,000.00	0	75,000,000.00	74,758,849.61	0.3
0	Pension Training fund/TR	200,000,000.00	0	200,000,000.00	208,513,262.67	(4)
0	Funding of Primary Education	750,000,000.00	0	750,000,000.00	892,727,671.29	(19)
0	Internal debt Services/Admin Charges	10,000,000.00	0	10,000,000.00	113,242,733.44	(1032)
74,862,184.44	Sub-Total CRFC	1,035,000,000.00	0	1,035,000,000.00	1,289,242,517.01	(25)
455,947,953.68	Personnel Costs	500,000,000.00	0	500,000,000.00	428,980,500.00	14
85,975,919.45	Overhead Costs	200,000,000.00	0	200,000,000.00	82,139,633.74	59
616,786,057.57	Total Recurrent Expenditure	1,735,000,000.00	0	1,735,000,000.00	1,800,362,650.75	(4)
1,098,794,707.76	Operating Balance	651,000,000.00	0	651,000,000.00	1,096,540,016.40	
42,859,391.52	Transfer to Cap Dev. Fund	752,000,000.00	0	752,000,000.00	74,850,780.00	90
1,055,935,316.24	Closing Balance	(101,000,000.00)	0	(101,000,000.00)	1,021,689,236.40	

URUAN LOCAL GOVERNMENT COUNCIL

STATEMENT NO.4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED DECEMBER, 2020

Actual 2019 ₱	Description	Initial Budget 2020 ₱	Suppl. Budget 2020 ₱	Final Budget 2020 ₱	Actual Budget 2020 ₱	Variance %
0	Opening Balance	1,000,000.00		1,000,000.00	0	0
	Add Revenue					
42,899,391.52	Transfer from Con. Rev. Fund	752,000,000.00		752,000,000.00	74,850,780.00	90
0	Grant	50,000,000.00		50,000,000.00	0	(100)
0	Miscellaneous	50,000,000.00		50,000,000.00	0	(100)
42,899,391.52	Total Revenue available	853,000,000.00		853,000,000.00	74,850,780.00	(91)
	Less Capital Expenditure					
9,782,000.00	Economic Sector	284,000,000.00		284,000,000.00	12,760,000.00	96
2,457,000.00	Social Sector	142,000,000.00		142,000,000.00	4,870,000.00	97
2,460,000.00	Environmental/Regional Dev.	73,000,000.00		73,000,000.00	4,750,000.00	93
28,160,391.52	General Administration	253,000,000.00		253,000,000.00	52,470,780.00	79
42,859,391.52	Total	752,000,000.00		752,000,000.00	74,850,780.00	90
0	Closing Balance	101,000,000.00		101,000,000.00	0	0

NOTES TO ACCOUNTS

NOTE 1: STATUTORY ALLOCATIONS

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	168,515,288.66	0	168,515,288.66	1,429,077.79	169,944,366.45	81,822,082.43
February	150,401,020.74	0	150,401,020.74	1,429,077.79	151,830,098.53	55,185,871.40
March	140,767,364.53	0	140,767,364.53	1,429,077.79	142,196,442.32	48,722,955.69
April	155,500,483.78	0	155,500,483.78	1,429,077.79	156,929,561.57	51,839,886.26
May	144,612,256.71	0	144,612,256.71	1,429,077.79	146,041,334.50	48,877,273.38
June	129,675,183.92	0	129,675,183.92	1,429,077.79	131,104,261.71	62,206,536.00
July	157,663,641.57	0	157,663,641.57	1,429,077.79	159,092,719.36	67,273,914.76
August	162,120,706.49	0	162,120,706.49	1,429,077.79	163,549,784.28	62,184,304.81
September	166,097,192.86	6,627,083.41	159,470,109.45	1,429,077.79	160,899,187.24	62,205,788.83
October	155,781,577.91	6,627,083.41	149,154,494.50	1,429,077.79	150,583,572.29	59,943,434.75
November	140,824,055.23	6,627,083.41	134,196,971.82	1,429,077.79	135,626,049.61	61,141,506.58
December	141,371,905.13	6,627,083.41	134,744,821.72	1,429,077.79	136,173,899.51	70,659,829.95
Total	<u>1,813,330,677.53</u>	<u>26,508,333.64</u>	<u>1,786,822,343.89</u>	<u>17,148,933.48</u>	<u>1,803,971,277.37</u>	<u>732,063,374.84</u>

NOTE 2: INTERNALLY GENERATED REVENUE

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
1001	Taxes	600,000.00	0	0
1002	Rates	3,500,000.00	3,515,625.00	1,905,000.00
1003	Local licence fees and fines	5,000,000.00	20,615,680.00	7,596,450.00
1004	Earning from com. Undertaking	7,080,000.00	9,820,400.00	7,137,970.00
1005	Rent on Local Govt. Property	500,000.00	30,000.00	10,000.00
1006	Interest and Divident Revenue	300,000.00	2,000.00	0
1007	Grants	0	0	0
1008	Miscellaneous	9,020,000.00	3,012,368.54	1,519,000.00
	Total	26,000,000.00	36,996,073.54	18,168,420.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	74,758,849.61	74,862,184.44
Pension, 1% Training Fund, TRC	200,000,000.00	208,513,262.67	0
Funding of Primary Education	750,000,000.00	892,727,671.29	0
Administrative Charges		113,242,733.44	0
Internal Debt Servicing	10,000,000.00		0
TOTAL	1,035,000,000.00	1,289,242,517.01	74,862,184.44

NOTE 4: PERSONNEL COSTS

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2004	Administration	130,000,000.00	120,070,227.61	117,358,086.68
2005	Finance and Supplies	100,000,000.00	86,079,738.45	81,666,127.83
2006	Education	45,000,000.00	40,071,168.30	40,440,353.74
2007	Health and Socials	145,000,000.00	108,166,789.71	151,677,535.70
2008	Agriculture and Natural Resources	15,000,000.00	12,099,889.86	10,706,787.01
2009	Works and Housing	50,000,000.00	51,183,574.00	44,604,154.60
2010	Budget, Planning & Research	15,000,000.00	11,309,112.07	9,494,908.12
2011	Traditional Rural	0	0	0
	TOTAL	500,000,000.00	428,980,500.00	455,947,953.68

NOTE 5: OVERHEAD COSTS

HEAD	DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
2001A	Office of the Executive Chairman	50,000,000.00	30,402,684.00	32,300,500.00
2001B	Office of the Vice Chairman	10,000,000.00	2,020,000.00	6,474,000.00
2002A	Office of the Secretary	5,000,000.00	1,597,500.00	2,563,500.00
2002B	Office of the Supervisors	7,000,000.00	2,085,000.00	3,875,000.00
2002C	Office of the Special Advisers	5,000,000.00	1,580,000.00	1,420,000.00
2003A	Office of the Legislative/General Council	19,000,000.00	7,830,000.00	12,040,000.00
2003B	Office of the Leader	5,000,000.00	1,710,000.00	1,980,000.00
2003C	Office of the Deputy Leader	4,000,000.00	2,008,000.00	1,715,000.00
2003D	Office of the Majority Leader	3,000,000.00	1,100,000.00	1,400,000.00
2003E	Office of the Deputy Majority Leader	0	0	0
2003F	Office of the Chief Whip	2,000,000.00	2,930,000.00	1,400,000.00
2003G	Office of the Deputy Chief Whip	2,000,000.00	2,765,000.00	1,400,000.00
2003H	Office of the Clerk	2,000,000.00	371,700.00	270,000.00
2004A	Office of the Head of Local Government Service	4,000,000.00	431,000.00	2,311,500.00
2004B	Office of the Administration	6,000,000.00	1,816,000.00	2,708,000.00
2005	Finance and Supplies	7,000,000.00	1,947,145.00	3,140,000.00
2006	Education	2,000,000.00	690,000.00	616,000.00
2007	Health and S. Services	3,000,000.00	2,317,000.00	2,386,500.00
2008	Agriculture	2,000,000.00	506,000.00	625,000.00
2009	Works and Housing	4,000,000.00	752,750.00	1,492,500.00
2010	Budget, Planning & Research	3,000,000.00	60,000.00	1,208,300.00
2011	Traditional Rulers	2,000,000.00	125,000.00	505,000.00
2012	Miscellaneous	53,000,000.00	17,094,854.74	4,151,119.45
	Total	200,000,000.00	82,139,633.74	85,975,919.45

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	284,000,000.00	12,760,000.00	9,782,000.00
Social Sector	142,000,000.00	4,870,000.00	2,457,000.00
Environment Sector	73,000,000.00	4,750,000.00	2,460,000.00
Administrative Sector			
Gen. Administration (Executive)	151,000,000.00	18,369,860.00	9,865,000.00
Gen. Administration (Legislature)	102,000,000.00	34,100,920.00	18,295,391.52
TOTAL	752,000,000.00	74,850,780.00	42,859,391.52

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,371,025,225.02	2019 Advances	1,267,437,859.02
2019 Advances	1,267,437,859.02	2018 Advances	1,176,528,659.02
	(103,587,366.00)		(90,909,200.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	359,122,866.25	2019 Deposits	255,202,122.19
2019 Deposits	255,202,122.19	2018 Deposits	223,947,702.28
	103,920,744.06		31,254,419.91

NOTE 9: BANKS AND CASH BALANCES

DESCRIPTION	2020 ₦	2019 ₦
CASH IN HAND	592,532.89	278,907.22
CASH AT BANK:		
Zenith Bank A/C (1014513676)	5,127,849.62	28,028,057.17
Zenith Bank A/C (1010452322)	3,666,510.46	14,847,080.48
Ecobank A/C (0026323564)	3,056.00	3,056.00
Ecobank A/C (2413010106)	8,137.00	8,137.00
UBA PLC A/C (10044666104)	4,938.29	150,488.17
FBN A/C (2010837737)	192,340.00	192,340.00
SKYE BANK A/C (4040013629)	191,513.37	191,513.37
Sub Total	9,194,344.74	43,420,672.19
Total	9,786,877.63	43,699,579.41

NOTE 10: ADVANCES

DETAIL	2020 ₱	2019 ₱
Purchase Advances	863,801,766.28	840,535,656.78
Imprest Advances	221,629,963.00	230,786,363.00
Touring Advances	207,549,935.74	116,593,879.24
Salary Advance	13,613,000.00	13,575,000.00
Motor Vehicle	64,430,560.00	65,946,960.00
Others	0	0
TOTAL	1,371,025,225.02	1,267,437,859.02

NOTE 11: DEPOSITS

DETAIL	2020 ₱	2019 ₱
Paye Tax	1,950,430.55	3,187,718.84
Nulge Dues	2,258,817.46	2,258,817.46
NANNM	6,620,525.69	6,620,525.69
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	339,342,367.21	234,184,334.86
TOTAL	359,122,866.25	255,202,122.19



URUE-OFFONG/ORUKO LOCAL GOVERNMENT AKWA IBOM STATE

**Urue-Offong
Akwa Ibom State
Nigeria**

RESPONSIBILITY FOR FINANCIAL STATEMENT

These financial statements have been prepared by the Director of Finance of Urue-Offong/Oruko Local Government Council in accordance with the provision of the model financial memoranda.

The financial statements comply with international public sector accounting standards (IPSAS) cash basis and generally accepted practice.

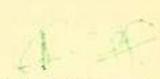
The Management of Urue Offong/Oruko Local Government Council is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance that the transaction recorded are within their statutory authority and properly recorded the use of all public financial resources 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 control has operated adequately throughout 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 Standards (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, 2020 and its operations for the year ended on that date.


Mr. Wilson Edet Wilson Uya
Director of Finance
19th May, 2021


Rt. Hon. (Mrs.) Precious A. Solong
Executive Chairman, Urue Offong
19th May, 2021

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

The Executive Chairman
UrueOffong/Oruko Local Government Council
Urueoffong

AUDIT CERTIFICATE ON THE ACCOUNTS OF ORUEOFFONG/ORUKO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Orueoffong/Oruko Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Urueoffong/Oruko Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

URUE-OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria. In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) **Fundamental Accounting Concepts**

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) **Reporting Currency**

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) **Departments for Consolidation**

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) **Comparative Information**

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

(ix) **Budget Figures**

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation by law of the Local Governments.

(x) **Revenues:**

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) **Payments:**

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) **External Assistance:**

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Cash Balances

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

(xvii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xviii) Deposits:

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

URUE OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITES	Notes	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
RECIEPTS:				
Statutory Allocation	1	1,400,000,000.00	983,877,720.23	567,094,002.82
Value Added Tax	1	200,000,000.00	392,052,276.96	0
Stabilization	1	0	4,200,803.07	0
Others	1	200,000,000.00	122,230,183.31	0
State Allocation	1	30,000,000.00	15,390,348.72	0
Sub Total Statutory Allocation		1,830,000,000.00	1,517,751,332.29	567,094,002.82
Taxes	2	5,000,000.00	2,665,625.00	0
Rates	2	4,500,000.00	198,010.00	470,000.00
Local License fines and fees	2	10,000,000.00	0	64,590.00
Earning from commercial undertaking	2	25,000,000.00	0	349,850.00
Rent on Local Govt. Property	2	7,000,000.00	0	360,000.00
Interest & Dividends Receivable	2	0	0	0
Grants	2	0	0	0
Miscellaneous	2	8,500,000.00	202,500.00	249,600.00
Sub Total IGR		60,000,000.00	3,066,135.00	1,494,040.00
Capital Receipts: B/F		500,000.00	0	0
Grants		50,000,000.00	0	0
Miscellaneous		20,000,000.00	0	0
TOTAL RECEIPTS		1,960,500,000.00	1,520,817,467.29	568,588,042.82
PAYMENTS:				
Consolidated Revenue Fund Charges:				
Political / Public Office Holders	3	70,000,000.00	56,757,523.90	65,159,930.04
Pensions/ Training Fund/ Traditional Rulers Council	3	160,000,000.00	210,941,694.55	0
Funding of Primary Education	3	650,000,000.00	746,452,962.55	0
Internal Debt Servicing/Admin Charges	3	20,000,000.00	109,796,135.49	0
Total Consolidated Revenue Fund Charges		900,000,000.00	1,123,948,316.49	65,159,930.04
Personnel Costs	4	380,000,000.00	287,862,520.94	266,358,048.27
Overhead Costs	5	200,000,000.00	66,110,700.80	118,695,427.78
TOTAL PAYMENTS		1,480,000,000.00	1,477,921,538.23	450,213,406.09
Net Cash Flow From Operating Activities A		480,500,000.00	42,895,929.06	118,374,636.73
CASH FLOW FROM INVESTING ACTIVITES				
Capital Expenditure	6	480,500,000.00	13,524,168.00	37,788,430.00
Net Cash Flow From Investing Activities B			(13,524,168.00)	(37,788,430.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		(48,139,867.00)	(65,427,300.00)
Increase/decrease in other Liabilities	8		8,863,468.56	746,144.82
Total Cash Flow From other Cash equivalent Accounts C			(39,276,398.44)	(64,681,155.18)
Net Cash Flow For The Year (A+B+C)			(9,904,637.38)	15,905,051.55
Cash and its equivalents as at 1 st January, 2020	9		32,629,603.86	16,724,552.31
Cash and its equivalents as at 31st December,2020	9		22,724,966.48	32,629,603.86

URUE- OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 2

STATEMENT OF ASSESTS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	NOTES	2020 ₦	2019 ₦
ASSETS			
Liquid Assets:			
Cash in Hand	9	8,790,458.25	9,067,474.70
Cash at Bank	9	13,934,508.23	23,562,129.16
TOTAL LIQUID ASSETS		22,724,966.48	32,629,603.86
Investment & Other Cash Assets:			
Advances	10	1,286,840,002.85	1,238,700,135.85
TOTAL ASSETS		<u>1,309,564,969.33</u>	<u>1,271,329,739.71</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		814,043,267.98	784,671,506.92
OTHER LIABILITIES			
Deposits	11	495,521,701.35	486,658,232.79
TOTAL LIABILITIES		<u>1,309,564,969.33</u>	<u>1,271,329,739.71</u>

URUE-OFFONG/ ORUKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.3

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2020

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
704,085,300.19	Opening Balances	0	0	0	784,671,506.92	
	Add Revenue					
567,094,002.82	Statutory Allocation	1,400,000,000.00	0	1,400,000,000.00	983,877,720.23	(30)
0	Value Added Tax	200,000,000.00	0	200,000,000.00	392,052,276.96	(96)
0	Stabilization	0	0	0	4,200,803.07	100
0	Others	200,000,000.00	0	200,000,000.00	122,230,183.31	(39)
0	State Allocation	30,000,000.00	0	30,000,000.00	15,390,348.72	(49)
567,094,002.82	Sub-Total Statutory Allocation	1,830,000,000.00	0	1,830,000,000.00	1,517,751,332.29	(17)
0	Taxes	5,000,000.00	0	5,000,000.00	0	(100)
470,000.00	Rates	4,500,000.00	0	4,500,000.00	2,665,625.00	(41)
64,590.00	Local License fines and fees	10,000,000.00	0	10,000,000.00	198,010.00	(98)
349,850.00	Earning from commercial undertaking	25,000,000.00	0	25,000,000.00	0	(100)
360,000.00	Rent on Local Govt. Property	7,000,000.00	0	7,000,000.00	0	(100)
0	Interest & Dividends Receivable	0	0	0	0	0
0	Grants	0	0	0	0	0
249,600.00	Miscellaneous	8,500,000.00	0	8,500,000.00	202,500.00	(98)
1,494,040.00	Sub. Total IGR	60,000,000.00	0	60,000,000.00	3,066,135.00	(95)
1,272,673,343.01	TOTAL REVENUE	1,890,000,000.00	0	1,890,000,000.00	2,305,488,974.21	22
	EXPENDITURE					
	Consolidated Rev. Fund Charges:					
65,159,930.04	Political /Public Office Holders	70,000,000.00	0	70,000,000.00	56,757,523.90	19
0	Pension / Training Fund /Traditional Rulers Council	160,000,000.00	0	160,000,000.00	210,941,694.55	(32)
0	Funding Of Primary Education	650,000,000.00	0	650,000,000.00	746,452,962.55	(15)
0	Internal Debt Servicing/Admin. Charges	20,000,000.00	0	20,000,000.00	109,796,135.49	(449)
65,159,930.04	Sub. Total CRFC	900,000,000.00	0	900,000,000.00	1,123,948,316.49	(25)
266,358,048.27	Personnel Costs	380,000,000.00	0	380,000,000.00	287,862,520.94	24
118,695,427.78	Overhead Costs	200,000,000.00	0	200,000,000.00	66,110,700.80	67
450,213,406.09	Total Recurrent Expenditure	1,480,000,000.00	0	1,480,000,000.00	1,477,921,538.23	0.1
822,459,936.92	Operating balance	410,000,000.00	0	410,000,000.00	827,567,435.98	
37,788,430.00	Transfer to Capital Dev. Fund	480,500,000.00	0	480,500,000.00	13,524,168.00	97
784,671,506.92	CLOSING BALANCE	(70,500,000.00)	0	(70,500,000.00)	814,043,267.98	

URUE-OFFONG/ORUKO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

Actual 2019 ₦	Description	Initial Budget 2020 ₦	Supp- Budget 2020 ₦	Final Budget 2020 ₦	Actual 2020 ₦	Var. %
0	Opening balance	500,000.00	0	500,000.00	0	0
	Add Revenue:					
37,788,430.00	Transfer from consolidated Fund	480,500,000.00	0	480,500,000.00	13,524,168.00	(97)
0	Grant	50,000,000.00	0	50,000,000.00	0	(100)
0	Miscellaneous	20,000,000.00	0	20,000,000.00	0	(100)
37,788,430.00	Total Revenue available	551,000,000.00	0	551,000,000.00	13,524,168.00	(98)
	Less Capital Expenditure :					
5,757,500.00	Economic Sector	130,000,000.00	0	130,000,000.00	3,490,000.00	97
3,230,930.00	Social Sector	112,000,000.00	0	112,000,000.00	1,365,000.00	99
650,000.00	Environmental/Reg. Dev.	35,500,000.00	0	35,500,000.00	1,960,000.00	94
28,150,000.00	General Administration	203,000,000.00	0	203,000,000.00	6,709,168.00	97
37,788,430.00	Total Expenditure	480,500,000.00	0	480,500,000.00	13,524,168.00	97
0	Closing Balance	70,500,000.00	0	70,500,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE 1. STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	141,560,261.18	0	141,560,261.18	1,282,529.06	142,842,790.24	65,681,057.50
February	126,653,069.92	0	126,653,069.92	1,282,529.06	127,935,598.98	37,841,686.51
March	119,016,394.79	0	119,016,394.79	1,282,529.06	120,298,923.85	35,091,013.04
April	130,962,873.91	0	130,962,873.91	1,282,529.06	132,245,402.97	37,580,519.18
May	121,392,898.00	0	121,392,898.00	1,282,529.06	122,675,427.06	35,171,464.42
June	109,189,053.71	0	109,189,053.71	1,282,529.06	110,471,582.77	48,501,374.11
July	132,794,058.22	0	132,794,058.22	1,282,529.06	134,076,587.28	53,686,177.18
August	136,583,608.21	0	136,583,608.21	1,282,529.06	137,866,137.27	50,490,026.35
September	140,208,809.09	6,627,083.41	133,581,725.68	1,282,529.06	134,864,254.74	50,357,127.98
October	131,497,958.66	6,627,083.41	124,870,875.25	1,282,529.06	126,153,404.31	48,447,725.46
November	118,901,848.19	6,627,083.41	112,274,764.78	1,282,529.06	113,557,293.84	49,746,207.28
December	120,108,483.33	6,627,083.41	113,481,399.92	1,282,529.06	114,763,928.98	54,499,623.81
Total	<u>1,528,869,317.21</u>	<u>26,508,333.64</u>	1,502,360,983.57	15,390,348.72	1,517,751,332.29	567,094,002.82

NOTE 2. INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	5,000,000.00	0	0
1002	Rates	4,500,000.00	2,665,625.00	470,000.00
1003	Local Licenses Fines and Fees	10,000,000.00	198,010.00	64,590.00
1004	Earnings from Commercial Undertaking	25,000,000.00	0	349,850.00
1005	Rent on Local Government Properties	7,000,000.00	0	360,000.00
1006	Interest on Dividends	0	0	0
1007	Grants	0	0	0
1008	Miscellaneous	8,500,000.00	202,500.00	249,600.00
	Total	60,000,000.00	3,066,135.00	1,494,040.00

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	70,000,000.00	56,757,523.90	65,159,930.04
Pension, 1% Training Fund, TRC	160,000,000.00	210,941,694.55	0
Funding of Primary Education	650,000,000.00	746,452,962.55	0
Administrative Charges		109,796,135.49	0
Internal Debt Servicing	20,000,000.00	0	0
TOTAL	900,000,000.00	1,123,948,316.49	65,159,930.04

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	124,355,671.00	99,751,234.17	92,965,758.40
2005	Finance and Supplies	65,378,602.00	53,087,011.07	52,439,381.45
2006	Education	27,006,116.00	16,748,520.40	15,502,353.36
2007	Primary Health Care	112,085,388.00	0	78,132,959.54
2008	Agriculture and Natural Resources	7,242,310.00	4,384,919.01	2,917,917.72
2009	Works and Housing , Lands & Survey	33,649,815.00	24,876,437.99	20,450,176.20
2010	Budget, Planning, Research and Statistics	6,846,128.00	3,405,770.05	3,949,501.60
2011	Traditional Rulers Office	3,435,970.00	85,608,628.25	0
	TOTAL	380,000,000.00	287,862,520.94	266,358,048.27

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001 A	Office of the Executive Chairman	35,000,000.00	22,046,000.00	34,845,000.00
2001 B	Office of the Vice Chairman	6,000,000.00	2,100,000.00	2,600,000.00
2002	Office of the Secretary	4,000,000.00	5,000.00	1,800,000.00
2001C	Office of the Supervisors	10,000,000.00	2,158,570.00	6,395,000.00
2001 D	Office of the Special Advisers	7,000,000.00	763,000.00	4,280,000.00
2003 A	Office of the Legislative/ General Council	10,000,000.00	6,690,000.00	4,590,000.00
2003 B	Office of the Leader	4,000,000.00	1,080,000.00	3,170,000.00
2003 C	Office of the Deputy Leader	3,500,000.00	980,000.00	1,040,000.00
2003 D	Office of the Majority Leader	2,500,000.00	0	2,320,000.00
2003 E	Office of the Deputy Majority Leader	2,500,000.00	0	1,040,000.00
2003 F	Office of the Chief Whip	2,500,000.00	1,400,000.00	1,650,000.00
2003 G	Office of the Deputy Chief Whip	2,500,000.00	750,000.00	1,295,000.00
2003 H	Office of the Clerk	2,500,000.00	1,750,000.00	2,320,000.00
2004 A	Office of the Head of Local Government Service	4,000,000.00	715,000.00	3,701,530.00
2004 B	Office of the Administration & General Service	5,000,000.00	565,000.00	4,171,200.00
2005	Finance and Supplies	5,000,000.00	2,052,000.00	4,490,540.24
2006	Education, Information & Sport	3,000,000.00	100,000.00	2,770,000.00
2007	Health	3,000,000.00	1,736,400.00	2,821,550.00
2008	Agriculture and Natural Resources	3,000,000.00	105,000.00	1,642,000.00
2009	Works and Transport	3,000,000.00	281,000.00	1,196,000.00
2010	Budget, Planning, Research & Statistics	3,000,000.00	325,000.00	1,370,000.00
2011	Traditional Rulers Council	3,000,000.00	0	225,000.00
2012	Miscellaneous	76,000,000.00	20,508,730.80	28,962,607.54
	TOTAL	200,000,000.00	66,110,700.80	118,695,427.78

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	130,000,000.00	3,490,000.00	5,757,500.00
Social Sector	112,000,000.00	1,365,000.00	3,230,930.00
Environmental Sector	35,500,000.00	1,960,000.00	650,000.00
Administration Sector			
General Administration (Executive)	133,000,000.00	4,150,000.00	20,650,000.00
General Administration (Legislature)	70,000,000.00	2,559,168.00	7,500,000.00
TOTAL	480,500,000.00	13,524,168.00	37,788,430.00

NOTE 7: INCREASE/ DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,286,840,002.85	2019 Advances	1,238,700,135.85
2019 Advances	1,238,700,135.85	2018 Advances	1,173,272,835.85
	(48,139,867.00)		(65,427,300.00)

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	495,521,701.35	2019 Deposits	486,658,232.79
2019 Deposits	486,658,232.79	2018 Deposits	485,912,087.97
	8,863,468.56		746,144.82

NOTE 9. CASH AND BANK BALANCES

Description	2020 ₦	2019 ₦
CASH	8,790,458.25	9,067,474.70
BANKS:		
UBA PLC	3,661,511.30	0
UBA PLC A/C 2	50,434.06	0
Zenith Bank A/C No. 1014513968	10,220,100.37	12,561,352.92
Zenith Bank A/C No. 1014604590	2,462.50	11,000,776.24
SUB TOTAL BANK	13,934,508.23	23,562,129.16
TOTAL	22,724,966.48	32,629,603.86

NOTE 10: ADVANCES

Detail	2020 ₦	2019 ₦
i. Purchases	512,617,330.00	475,587,130.00
ii. Imprest	285,666,926.56	275,141,426.56
iii. Touring	201,483,379.90	200,895,875.90
iv. Special / Salary	2,331,780.69	2,331,780.69
v. Motor Vehicle	54,367,179.08	54,367,179.08
vi. Miscellaneous	213,321,456.62	213,324,793.62
vii. Upkeep	17,051,950.00	17,051,950.00
TOTAL ADVANCES	1,286,840,002.85	1,238,700,135.85

NOTE 11: DEPOSITS

Detail	2020 ₦	2019 ₦
i. PAYE Tax	6,878,429.24	6,878,429.24
ii NULGE Dues State / Branch	12,921,430.35	15,054,824.07
iii NANNM	3,785,786.79	3,785,786.79
iv VAT	16,920.00	16,920.00
v. WITHHOLDING TAX	0	0
vi. Pension Deductions	11,850,591.88	11,850,591.88
vii Others	460,068,543.09	449,071,680.81
TOTAL	495,521,701.35	486,658,232.79



UYO LOCAL GOVERNMENT

Akwa Ibom State Of Nigeria

LOCAL GOVERNMENT SECRETARIAT:
1, Uyo Village Road, Uyo-Akwa Ibom State.



Our Ref: ULG/TR/F/VOL.I/004/7

Your Ref:.....

18th June, 2021.

Date:.....

Office of the Auditor General
For the Local Government
Uyo.

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared by the Director of Finance of Uyo Local Government 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 Principles (GAAP).

The management of Uyo Local Government is responsible for establishing and maintaining a system of Internal Control designed to provide reasonable assurance that the transactions recorded are within their statutory authority and properly record the use of all public financial resources by the Local Government.

The Director of Finance has responsibility for ensuring that the internal control 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 Standards (IPSAS) and the Financial Memoranda.

In our opinion, these Financial Statements fairly reflects the Financial position of Uyo Local Government as at 31st December, 2020 and its operations for the year ended on that date.

Mr. Victor Isukete John
Director of Finance
Uyo Local Govt. Council

Hon. Dr. Uwemedimo Udo
Executive Chairman
Uyo Local Govt. Council

GOVERNMENT OF AKWA IBOM STATE OF NIGERIA

Telegrams:

Telephone:

Our Ref:

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:

The Executive Chairman
Uyo Local Government Council
Uyo

AUDIT CERTIFICATE ON THE ACCOUNTS OF UYO LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2020

I have examined the Financial Statements of Uyo Local Government Council for the year ended 31st December, 2020 in accordance with Section 22 (3) of Akwa Ibom State Audit Law 2021.

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 22 (3) of Akwa Ibom State Audit Law 2021, International Standards on Auditing and INTOSAI 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 IPSAS Cash Basis reporting framework.

Audit Opinion

The Financial Statements give a true and fair view of the financial position of Uyo Local Government Council as at 31st December, 2020 and of its operations for the year ended on that date.


FRANCIS UDOFA OKON
FRC/2014/ICAN/00000009474
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
AKWA IBOM STATE
22nd September, 2021

UYO LOCAL GOVERNMENT COUNCIL

STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST DECEMBER 2020

(i) General Information

Nigeria, constitutionally, is a federation with three (3) tiers of government – Federal, States and Local Governments. Akwa Ibom State is one of the thirty-six states in the Federation and is divided into thirty-one (31) Local Governments out of the seven hundred and seventy-four (774) Local areas/ area councils recognized by the 1999 Constitution of the Federal Republic of Nigeria. Local Governments exist to bring governance to the grass roots through the maintenance of law and order and provision of social amenities.

(ii) Financial Accounting and Reporting Framework

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

The Standardized GPFS is hereby adopted by Local Governments in Akwa Ibom State to comply with FAAC directive to harmonize Public Sector Financial Reporting in Nigeria.

In order to ensure an effective and efficient utilization of the GPFS, the Accounting Policies have been developed as a set of guidelines to direct the processes and procedures relating to financial reporting in Akwa Ibom State. These policies shall form part of the universally agreed framework for financial reporting in Akwa Ibom State. The accounting framework integrates the accounting principle with the financial reporting requirements and the detailed accounting procedures in the Financial Memoranda.

The current year's Financial Statements have been prepared using the Cash Basis of Accounting and National Format of General Purpose Financial Statements (GPFS) of International Public Sector Accounting Standards (IPSAS). Statements presented include:

- Statement 1: Statement of Cash Flow
- Statement 2: Statement of Assets and Liabilities
- Statement 3: Statement of Consolidated Revenue Fund
- Statement 4: Statement of Capital Development Fund
- Notes to the Financial Statements

(iii) Basis of Preparation and Legal Provisions

These Financial Statements have been prepared using the cash basis of accounting which recognizes transactions and events only when cash is received or paid by the entity. The GPFS are prepared under the historical cost convention and in accordance with International Public Sector Accounting Standards (IPSAS) and other applicable standards as defined by the Fiscal Responsibility Law (FRL) and the Financial Reporting Council of Nigeria. In addition, the GPFS are in compliance with the provision of other financial regulations of the state.

(iv) Accounting Period

The Accounting year of the Local Governments in Akwa Ibom State (fiscal year) is 1st January to 31st December.

(v) Fundamental Accounting Concepts

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

- Cash Basis Accounting;
- Understandability;
- Materiality;
- Relevance;
- Going concern concept;
- Consistency Concept;
- Prudence;
- Completeness; etc.

(vi) Reporting Currency

The reporting currency of these financial statements is the Nigerian Naira. Transactions in foreign currencies are converted into Naira at the spot rate at the time the activities occur. Balances in foreign currencies are translated at the exchange rate ruling at the date of the statements of Assets and Liabilities.

(vii) Departments for Consolidation

The Consolidation of the GPFS is based on the cash transactions of all departments in each Local Government except Government Business Enterprises (GBEs).

(viii) Comparative Information

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

(ix) Budget Figures

These are figures from the approved annual budget and supplementary budget as approved in accordance with the Appropriation bye law of the Local Governments.

(x) Revenues:

These are cash inflows within the financial year. They comprise of receipts from FAAC Monthly allocation, 10% IGR from the State Government, rates, fines, licenses, levies, permits, rent, earnings from commercial activities, and other cash receipts.

These items are disclosed at the face of the statement of consolidated Revenue Fund for the year in accordance with the standardized GPFS. Notes shall be provided as per Standardized Notes to GPFS.

(xi) Payments:

These are recurrent and capital cash outflows made during the financial year and are categorized either by function and/or by sector in the Statement of Cash Receipts and Payments.

Payments for purchase of items of capital nature (e.g PPE) are expensed in the year in which the item has been purchased. They are disclosed under capital payments. Investments in PPE shall also be treated in the same way as capital purchases.

(xii) External Assistance:

- Receipts from loans are funds received from external sources to be paid back at an agreed period.

- External loans receipts are disclosed separately under Statement of Consolidated Revenue Fund.

(xiii) Other Borrowings/Grants & Aid Received:

These shall be categorized as either short or long-term loans. Short-term loans are those repayable within one calendar year (12 months), while long-term loans and debts shall fall due beyond one calendar year (above 12 months).

Loans shall be disclosed separately and Grants shall also be separately disclosed under Statements of Capital Development Fund for the year.

(xiv) Interest Received:

Interests actually received during the financial year are treated as receipt under item “Other Receipts.”

(xv) Government Business Activities:

Cash receipts from trading activities are received net (after deducting direct expenses). Total receipts from all trading activities are disclosed in the Statement of Consolidated Revenue Fund under ‘Trading Activities’ item.

Where gross revenue is received, corresponding payments are charged under a corresponding payment head ‘Government Business Activities’ in the Statement of Consolidated Revenue Fund.

(xvi) Prepayments

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

(xvii) Cash Balances

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

(xviii) Advances

All Cash Advances are retired before the end of the financial year. However, should circumstances occur (including an Emergency) where either an advance is given out close to the financial year end or an advance already given could not be accounted for, such an advance (or balance outstanding) are treated as cash equivalent since there shall be no proof that such funds have been utilized.

(xix) Deposits:

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

UYO LOCAL GOVERNMENT COUNCIL
STATEMENT NO.1

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

CASHFLOW FROM OPERATING ACTIVITIES	Notes	Budget 2020 ₱	Actual 2020 ₱	Actual 2019 ₱
RECEIPTS:				
Statutory Allocation	1	1,800,000,000.00	1,500,739,455.35	798,795,913.03
Value Added Tax	1	250,000,000.00	637,305,057.72	0
Stabilization	1	0	6,349,718.70	0
Others	1	200,000,000.00	182,074,229.77	0
State Allocation	1	30,000,000.00	23,927,978.52	0
Sub Total Statutory Allocation		2,280,000,000.00	2,350,396,440.06	798,795,913.03
Taxes	2	36,000,000.00	0	6,300,000.00
Rates	2	47,000,000.00	19,328,115.00	17,596,000.00
Local License, Fees & Fines	2	165,900,000.00	6,720,915.43	37,380,471..57
Earning from commercial undertakings	2	40,500,000.00	940,000.00	14,656,000.00
Rent on Local Government Property	2	3,000,000.00	0	200,000.00
Interest, Repayment and Dividends Receivable	2	400,000.00	0	0
Grants	2	0	0	0
Miscellaneous	2	26,200,000.00	3,705,936.91	10,085,638.63
Sub Total IGR		319,000,000.00	30,694,967.34	48,837,638.63
Capital Receipts: B/F		1,000,000.00	0	0
Grants		200,000,000.00	0	0
Miscellaneous		100,000,000.00	0	0
TOTAL RECEIPTS		2,900,000,000.00	2,381,091,407.40	885,014,023.23
Consolidated Revenue Fund Charges:				
Political and Public Office Holders	3	75,000,000.00	42,554,211.77	70,974,511.20
Pensions and Training Fund/Traditional Rulers Council	3	150,000,000.00	222,101,552.24	0
Funding of Primary Education	3	1,000,000,000.00	1,370,030,730.86	0
Internal Debt Servicing/Admin. Charges	3	25,000,000.00	80,784,253.91	0
Total Consolidated Revenue Fund Charges	3	1,250,000,000.00	1,715,470,748.78	70,974,511.20
Personnel Costs	4	650,000,000.00	380,125,681.18	503,005,693.22
Overhead Costs	5	300,000,000.00	260,044,964.93	222,323,714.81
TOTAL PAYMENTS		2,200,000,000.00	2,355,641,394.89	796,303,919.23
Net Cash follow from Operative Activities A		700,000,000.00	25,450,012.51	88,710,104.00
CASH FLOW FROM INVESTING ACTIVITIES				
Capital expenditure	6	700,000,000.00	79,301,425.00	90,518,312.00
Net Cash Flow From Investing Activities B			(79,301,425.00)	(90,518,312.00)
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Internal Loans			0	0
Net Cashflow from Financing Activities			0	0
Movement in other Cash equivalent Accounts				
Increase/decrease in other Cash Assets	7		27,190,154.07	(13,524,200.00)
Increase/decrease in other Liabilities	8		16,666,458.15	36,280,192.39
Total Cash Flow From other Cash equivalent Accounts C			43,856,612.22	22,755,992.39
Net Cash Flow for the Years (A+B+C)			(9,994,800.27)	20,947,784.39
Cash and its Equivalent as at 1 st January, 2020	9		33,790,150.88	12,842,366.49
Cash and its Equivalent as at 31st December, 2020	9		23,795,350.61	33,790,150.88

UYO LOCAL GOVERNMENT COUNCIL

STATEMENT NO.2

STATEMENT OF ASSETS AND LIABILITIES AS AT 31ST DECEMBER, 2020

DESCRIPTION	Notes	2020 ₱	2019 ₱
ASSETS			
Liquid Assets:			
Cash in Hand	9	236,400.00	341,125.37
Cash at Bank	9	23,558,950.61	33,449,025.51
TOTAL LIQUID ASSETS		<u>23,795,350.61</u>	<u>33,790,150.88</u>
Investment & Other Cash Assets:			
Advances	10	1,250,499,224.21	1,277,689,378.28
TOTAL ASSETS		<u>1,274,294,574.82</u>	<u>1,311,479,529.16</u>
LIABILITIES:			
PUBLIC FUNDS:			
Consolidated Revenue Fund		766,428,259.67	820,279,672.16
OTHER LIABILITIES			
Deposits	11	507,866,315.15	491,199,857.00
TOTAL LIABILITIES		<u>1,274,294,574.82</u>	<u>1,311,479,529.16</u>

UYO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 3

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

Actual 2019 ₱	Description	Initial Budget 2020 ₱	Supp- Budget 2020 ₱	Final Budget 2020 ₱	Actual 2020 ₱	Var. %
822,087,880.16	Opening Balance	0	0	0	820,279,672.16	0
	Add Revenue:					
798,795,913.03	Statutory Allocation	1,800,000,000.00	0	1,800,000,000.00	1,500,739,455.35	(17)
0	Value Added Tax	250,000,000.00	0	250,000,000.00	637,305,057.72	155
0	Stabilization	0	0	0	6,349,718.70	100
0	Others	200,000,000.00	0	200,000,000.00	182,074,229.77	(9)
0	State Allocation	30,000,000.00	0	30,000,000.00	23,927,978.52	(20)
798,795,913.03	Sub Total Statutory Allocation	2,280,000,000.00	0	2,280,000,000.00	2,350,396,440.06	3
6,300,000.00	Taxes	36,000,000.00	0	36,000,000.00	0	(100)
17,596,000.00	Rates	47,000,000.00	0	47,000,000.00	19,328,115.00	(59)
37,380,471.57	Local License, Fine & Fees	165,900,000.00	0	165,900,000.00	6,720,915.43	(96)
14,656,000.00	Earning from commercial undertaking	40,500,000.00	0	40,500,000.00	940,000.00	(98)
200,000.00	Rent on Local Government Property	3,000,000.00	0	3,000,000.00	0	(100)
0	Interest and Dividends Receivable	400,000.00	0	400,000.00	0	(100)
0	Grants	0	0	0	0	0
10,085,638.63	Miscellaneous	26,200,000.00	0	26,200,000.00	3,705,936.91	(86)
86,218,110.20	Sub Total IGR	319,000,000.00	0	319,000,000.00	30,694,967.34	(90)
1,707,101,903.39	TOTAL REVENUE	2,599,000,000.00	0	2,599,000,000.00	3,201,371,079.56	23
	EXPENDITURE:					
	Consolidated Revenue Fund Charges:					
70,974,511.20	Political and Public Office Holders	75,000,000.00	0	75,000,000.00	42,554,211.77	43
0	Pensions and Training Fund/Traditional Rulers Council	150,000,000.00	0	150,000,000.00	222,101,552.24	(48)
0	Funding of Primary Education	1,000,000,000.00	0	1,000,000,000.00	1,370,030,730.86	(37)
0	Internal Debt Servicing/Admin. Charges	25,000,000.00	0	25,000,000.00	80,784,253.91	(223)
70,974,511.20	Sub Total CRFC	1,250,000,000.00	0	1,250,000,000.00	1,715,470,748.78	(37)
503,005,693.22	Personnel Costs	650,000,000.00	0	650,000,000.00	380,125,681.18	42
222,323,714.81	Overhead Costs	300,000,000.00	0	300,000,000.00	260,044,964.93	13
796,303,919.23	Total Recurrent Expenditure	2,200,000,000.00	0	2,200,000,000.00	2,355,641,394.89	(7)
910,797,984.16	Operating balance	399,000,000.00	0	399,000,000.00	845,729,684.67	
90,518,312.00	Transfer to Capital Dev Fund	700,000,000.00	0	700,000,000.00	79,301,425.00	89
820,279,672.16	Closing Balance	(301,000,000.00)	0	(301,000,000.00)	766,428,259.67	

UYO LOCAL GOVERNMENT COUNCIL

STATEMENT NO. 4

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

Actual 2019 ₱	Description	Initial Budget 2020 ₱	Supp- Budget 2020 ₱	Final Budget 2020 ₱	Actual 2020 ₱	Var. %
0	Opening balance	1,000,000.00	0	1,000,000.00	0	0
	Add Revenue:					
90,518,312.00	Transfer from Consolidated Rev. Fund	700,000,000.00	0	700,000,000.00	79,301,425.00	(89)
0	Grant	200,000,000.00	0	200,000,000.00	0	(100)
0	Miscellaneous	100,000,000.00	0	100,000,000.00	0	(100)
90,518,312.00	Total Revenue available	1,001,000,000.00	0	1,001,000,000.00	79,301,425.00	(92)
	Less Capital Expenditure :					
42,211,000.00	Economic Sector	151,000,000.00	0	151,000,000.00	31,576,200.00	79
4,047,500.00	Social Sector	183,000,000.00	0	183,000,000.00	5,315,000.00	97
2,280,000.00	Environmental Sector	28,500,000.00	0	28,500,000.00	1,780,000.00	94
41,979,812.00	General Admin Sector	337,500,000.00	0	337,500,000.00	40,630,225.00	88
90,518,312.00	Total Expenditure B	700,000,000.00	0	700,000,000.00	79,301,425.00	89
0	Closing Balance A – B	301,000,000.00	0	301,000,000.00	0	0

NOTES TO THE ACCOUNTS

NOTE 1: STATUTORY ALLOCATION

MONTHS	TOTAL STATUTORY ALLOCATION FROM FAAC 2020 ₦	LESS DEDUCTION AT SOURCE 2020 ₦	GROSS ALLOCATION FROM FAAC 2020 ₦	10% (IGR) 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2020 ₦	TOTAL REVENUE FROM SLGJAAC 2019 ₦
January	217,516,848.29	0	217,516,848.29	1,993,998,.20	219,510,846.49	93,961,275.24
February	193,881,822.46	0	193,881,822.46	1,993,998,.20	195,875,820.66	61,025,602.60
March	180,900,432.98	0	180,900,432.98	1,993,998,.20	182,894,431.18	58,155,609.56
April	201,457,191.46	0	201,457,191.46	1,993,998,.20	203,451,189.66	61,454,239.76
May	186,445,988.81	0	186,445,988.81	1,993,998,.20	188,439,987.01	59,124,472.10
June	168,340,382.48	0	168,340,382.48	1,993,998,.20	170,334,380.68	72,454,629.06
July	204,835,711.78	0	204,835,711.78	1,993,998,.20	206,829,709.98	76,627,756.11
August	210,587,629.71	0	210,587,629.71	1,993,998,.20	212,581,627.91	66,227,857.15
September	216,582,918.11	6,627,083.41	209,955,834.70	1,993,998,.20	211,949,832.90	65,812,699.83
October	203,218,381.02	6,627,083.41	196,591,297.61	1,993,998,.20	198,585,295.81	64,572,281.23
November	183,510,882.39	6,627,083.41	176,883,798.98	1,993,998,.20	178,877,797.18	63,871,900.29
December	185,698,605.69	6,627,083.41	179,071,522.28	1,993,998,.32	181,065,520.60	55,507,590.10
Total	<u>2,352,976,795.18</u>	<u>26,508,333.64</u>	2,326,468,461.54	23,927,978.52	2,350,396,440.08	798,795,913.03

NOTE 2: INTERNALLY GENERATED REVENUE

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
1001	Taxes	36,000,000.00	-	6,300,000.00
1002	Rates	47,000,000.00	19,328,115.00	17,596,000.00
1003	Local License Fees & Fines	165,900,000.00	6,720,915.43	37,380,471.57
1004	Earnings from Commercial Undertakings	40,500,000.00	940,000.00	14,656,000.00
1005	Rent on Local Government Property	3,000,000.00	0	200,000.00
1006	Interest Payment & Dividend	400,000.00	0	0
1007	Grants	0	0	0
1008	Miscellaneous	26,200,000.00	3,705,936.91	10,085,638.63
	TOTAL	319,000,000.00	30,694,967.34	86,218,110.20

NOTE 3: CONSOLIDATED REVENUE FUND CHARGES

DESCRIPTION	BUDGET 2020 ₦	ACTUAL 2020 ₦	ACTUAL 2019 ₦
Political Office Holders	75,000,000.00	42,554,211.77	70,974,511.20
Pension, 1% Training Fund, TRC	150,000,000.00	222,101,552.24	0
Funding of Primary Education	1,000,000,000.00	1,370,030,730.86	0
Administrative Charges		80,784,253.91	0
Internal Debt Servicing	25,000,000.00		0
TOTAL	1,250,000,000.00	1,715,470,748.78	70,974,511.20

NOTE 4: PERSONNEL COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2004	Administration	163,642,534.73	110,061,146.79	118,433,399.72
2005	Finance and Supplies	72,352,236.53	50,508,345.32	56,578,314.95
2006	Social Development, Information, Youth, Sports & Culture	72,946,730.69	29,254,743.23	44,480,952.41
2007	Primary Health Care	225,661,093.47	125,881,512.92	205,996,437.77
2008	Agriculture & National Resources	24,068,734.63	12,871,715.54	15,960,679.48
2009	Works and Housing, Lands & Survey	53,763,078.20	33,124,127.82	35,726,547.59
2010	Budget, Planning & Research & Statistic	37,565,591.75	18,424,089.56	25,829,361.30
	Total	650,000,000.00	380,125,681.18	503,005,693.22

NOTE 5: OVERHEAD COSTS

Head	Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
2001A	Office of the Executive Chairman	35,100,000.00	29,438,225.00	31,650,000.00
2001B	Office of the Vice Chairman	6,700,000.00	4,782,100.00	8,309,950.00
2002A	Office of the Secretary	4,900,000.00	4,460,000.00	7,688,980.00
2002B	Office of the Supervisors	5,800,000.00	4,760,000.00	2,697,500.00
2002C	Office of the Special Adviser	5,300,000.00	3,400,000.00	1,613,000.00
2003A	Office of the Legis/General Council	6,000,000.00	5,984,000.00	9,659,000.00
2003B	Office of the Leader	5,000,000.00	4,036,800.00	4,344,000.00
2003C	Office of the Deputy Leader	5,200,000.00	3,745,000.00	1,641,000.00
2003D	Office of the Majority Leader	4,900,000.00	2,700,000.00	1,642,000.00
2003E	Office of the Deputy Majority Leader	5,200,000.00	4,750,000.00	2,409,700.00
2003F	Office of the Chief Whip	4,900,000.00	2,700,000.00	1,540,000.00
2003G	Office of the Deputy Chief Whip	21,000,000.00	18,325,000.00	1,685,000.00
2003H	Office of the Clerk	2,000,000.00	1,160,600.00	834,200.00
2004A	Office of the Head or L Gov. Service	4,900,000.00	3,366,290.00	6,492,749.21
2004B	Office of the Administration and General Service Dept	4,000,000.00	3,857,500.00	3,334,200.00
2005	Finance & Supplies	3,900,000.00	3,723,100.00	5,771,040.00
2006	Education, Information & Sports	2,000,000.00	1,920,000.00	1,198,800.00
2007	Health	2,350,000.00	2,292,500.00	1,776,500.00
2008	Agriculture & Natural Resources	2,000,000.00	2,500,000.00	0
2009	Works and Transport	2,600,000.00	2,496,450.00	20,000.00
2010	Budget, Planning, Research & Statistics	2,800,000.00	2,310,500.00	1,046,000.00
2011	Traditional Rulers Council	2,600,000.00	2,250,000.00	3,545,500.00
2012	Miscellaneous	160,850,000.00	145,086,899.93	123,424,595.60
	Total	300,000,000.00	260,044,964.93	222,323,714.81

NOTE 6: CAPITAL EXPENDITURE

Description	Budget 2020 ₦	Actual 2020 ₦	Actual 2019 ₦
Economic Sector	151,000,000.00	31,576,200.00	42,211,000.00
Social Sector	183,000,000.00	5,315,000.00	4,047,500.00
Environment Sector:	28,500,000.00	1,780,000.00	2,280,000.00
Administration Sector:			
General Administration (Executive)	298,500,000.00	40,630,225.00	39,479,812.00
General Administration (Legislature)	39,000,000.00	0	2,500,000.00
Total	700,000,000.00	79,301,425.00	90,518,312.00

NOTE 7: INCREASE/DECREASE IN OTHER CASH ASSETS

2020 ₦		2019 ₦	
2020 Advances	1,250,499,224.21	2019 Advances	1,277,689,378.28
2019 Advances	1,277,689,378.28	2018 Advances	1,264,165,178.28
	27,190,154.07		13,524,200.00

NOTE 8: INCREASE/DECREASE IN OTHER LIABILITIES

2020 ₦		2019 ₦	
2020 Deposits	507,866,315.15	2019 Deposits	491,199,857.00
2019 Deposits	491,199,857.00	2018 Deposits	454,919,664.61
	16,666,458.15		36,280,192.39

NOTE 9: CASH AND BANKS BALANCES

Description	2020 ₦	2019 ₦
Cash	236,400.00	341,125.37
BANKS:		
Globus Bank	201,427.72	0
Zenith Bank 1014518365	13,689,878.48	24,232,848.29
Zenith Bank 1014876551	29,797.66	65,881.45
Zenith Bank 1010734211	36,000,810.04	3,113,259.24
Eco Bank, Uyo 0302007289	109,866.54	109,866.54
Heritage Bank, Uyo A/c 6001026932	1,106.06	1,106.06
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 Reinvestment Programme A/C	81,003.80	81,003.80
Project Account II FBN	(42,464.20)	(42,464.20)
Sub Total Bank Balance	23,558,950.61	33,449,025.51
Total	23,795,350.61	33,790,150.88

NOTE 10: ADVANCES

Detail	2020 ₦	2019 ₦
i. Purchases Advances	951,667,925.50	968,354,642.50
ii. Imprest	181,160,145.10	184,757,648.10
iii. Touring	104,070,953.18	104,520,953.18
iv. Salary/Special	3,339,226.96	3,342,826.96
v. Motor Vehicles	3,100,100.00	9,039,400.55
vi. Car Loan	7,160,873.47	7,673,906.99
Total	1,250,499,224.21	1,277,689,378.28

NOTE 11: DEPOSITS

Detail	2020 ₦	2019 ₦
(i) PAYE Tax	12,645,110.59	12,645,110.59
(ii) NULGE Dues/State/Branch	15,345,651.92	14,810,715.01
(iii) NANNM Dues	4,364,855.50	3,564,855.50
(Iv) VAT	6,429,433.79	6,429,433.79
(v) Withholding Tax	13,261,018.24	13,261,018.24
(vi) 15% Contributory Pension Deductions	16,893,941.00	16,893,941.00
(vii) Others	438,926,304.11	423,594,782.87
Total	507,866,315.15	491,199,857.00

SUPPLEMENTARY NOTES

(I) SUMMARY/DETAILS OF REVENUE DISTRIBUTION TO THE 31 LOCAL GOVERNMENT COUNCILS FROM JAN. - DEC. 2020

A S/No	B LOCAL GOVERNMENT COUNCILS	C STATUTORY ALLOCATION TO LOCAL GOVERNMENT COUNCIL					D STATUTORY STATE (IGR) 10% ₦	E TOTAL SLGJAAC (C+D) ₦
		C1	C2	C3	C4	C5		
		STATUTORY ALLOCATION ₦	VALUE ADDED TAX ₦	STABILISATION (NOV. 2020) ₦	OTHERS ₦	TOTAL FAAC ₦		
1	Abak	1,150,709,048.95	461,931,842.14	4,894,416.33	141,546,262.35	1,759,081,569.77	19,980,194.04	1,779,061,763.81
2	Eastern Obolo	892,659,647.17	381,131,762.56	3,821,552.83	111,668,638.12	1,389,281,600.68	12,978,763.92	1,402,260,364.60
3	Eket	1,187,053,798.01	496,358,825.52	5,045,532.37	145,754,615.21	1,834,212,771.11	17,901,637.56	1,852,114,408.67
4	Nsit Atai	903,824,880.52	395,586,836.83	3,867,973.65	112,961,387.64	1,416,241,078.64	15,590,272.44	1,431,831,351.08
5	Essien Udim	1,223,706,740.59	517,046,699.03	5,197,921.43	149,998,420.16	1,895,949,781.21	20,370,746.76	1,916,320,527.97
6	Etim Ekpo	1,063,193,936.49	427,293,978.45	4,530,574.07	131,413,806.11	1,626,432,295.12	17,008,513.32	1,643,440,808.44
7	Etinan	1,209,404,992.82	492,991,941.24	5,138,460.05	148,342,510.67	1,855,877,904.78	18,809,979.48	1,874,687,884.26
8	Ibeno	963,766,031.28	396,394,354.14	4,117,186.29	119,901,582.21	1,484,179,153.92	14,962,239.24	1,499,141,393.16
9	Ibesikpo Asutan	1,122,739,330.04	459,885,788.73	4,778,137.14	138,308,062.87	1,725,711,318.78	17,686,785.36	1,743,398,104.14
10	Ibiono Ibom	1,223,819,921.32	513,931,842.43	5,198,392.00	150,011,524.63	1,892,961,680.38	18,793,858.08	1,911,755,538.46
11	Ika	935,778,913.80	393,883,335.34	4,000,826.43	116,661,136.57	1,450,324,212.14	15,432,450.84	1,465,756,662.98
12	Ikono	1,111,704,563.30	454,539,715.50	4,732,258.75	137,030,419.15	1,708,006,956.70	18,674,443.56	1,726,681,400.26
13	Ikot Abasi	1,112,025,474.57	454,662,128.94	4,733,592.97	137,067,575.39	1,708,488,771.87	17,507,321.76	1,725,996,093.63
14	Ikot Ekpene	1,147,719,920.36	466,033,207.16	4,881,996.98	141,200,402.27	1,759,835,526.77	18,597,362.64	1,778,432,889.41
15	Ini	1,046,264,249.43	420,893,503.64	4,460,182.66	129,453,512.38	1,601,071,448.11	16,433,836.68	1,617,505,284.79
16	Itu	1,068,856,515.46	449,528,993.41	4,554,071.19	132,068,165.57	1,655,007,745.63	17,892,433.08	1,672,900,178.71
17	Mbo	995,940,307.14	425,847,648.07	4,250,954.76	123,626,831.57	1,549,665,741.54	17,122,021.08	1,566,787,762.62
18	Mkpat Enin	1,243,776,559.79	501,994,987.76	5,281,405.74	152,323,331.35	1,903,376,284.64	19,946,982.36	1,923,323,267.00
19	Nsit Ibom	1,033,458,702.65	430,578,567.97	4,406,942.06	127,970,841.74	1,596,415,054.42	16,770,650.28	1,613,185,704.70
20	Nsit Ubium	1,088,742,719.55	450,761,357.40	4,636,837.82	134,373,090.79	1,678,514,005.56	17,927,841.36	1,696,441,846.92
21	Obot Akara	1,133,536,186.73	471,386,481.17	4,822,984.78	139,557,002.51	1,749,302,655.19	17,962,025.64	1,767,264,680.83
22	Okobo	970,571,698.37	425,893,938.88	4,145,481.68	120,689,565.97	1,521,300,684.90	16,739,601.00	1,538,040,285.90
23	Onna	1,014,637,184.08	445,764,008.23	4,328,689.31	125,791,620.90	1,590,521,502.52	18,940,526.76	1,609,462,029.28
24	Oron	1,039,917,463.89	408,821,891.29	4,433,795.27	128,718,662.97	1,581,891,813.42	16,057,825.20	1,597,949,638.62
25	Oruk Anam	1,229,977,532.39	496,458,607.89	5,223,993.03	150,724,474.24	1,882,384,607.55	20,441,645.52	1,902,826,253.07
26	Udung Uko	909,456,416.80	373,658,369.86	3,891,387.43	113,613,426.46	1,400,619,600.55	13,749,140.64	1,414,368,741.19
27	Ukanafun	1,121,928,058.55	449,528,993.45	4,774,764.16	138,214,130.92	1,714,445,947.08	18,836,820.48	1,733,282,767.56
28	Esit Eket	909,789,725.28	384,380,348.17	3,892,773.20	113,652,018.14	1,411,714,864.79	16,326,340.20	1,428,041,204.99
29	Uruan	1,194,574,645.80	440,545,491.88	5,076,801.20	146,625,405.01	1,786,822,343.89	17,148,933.48	1,803,971,277.37
30	Urue Offong/ Oruko	983,877,720.23	392,052,276.96	4,200,803.07	122,230,183.31	1,502,360,983.57	15,390,348.72	1,517,751,332.29
31	Uyo	1,500,739,455.35	637,305,057.72	6,349,718.70	182,074,229.77	2,326,468,461.54	23,927,978.52	2,350,396,440.06
	TOTAL	33,734,152,340.71	13,917,072,781.76	143,670,407.35	4,163,572,836.95	51,958,468,366.77	545,909,520.00	52,504,377,886.77

(II) SUMMARY OF SLGJAAC RECEIPTS, DISBURSEMENT AND TRANSFERS TO COUNCILS FOR 2020

S/N	LOCAL GOVT. COUNCIL	STATUTORY REVENUE N	10% IGR FROM STATE N	TOTAL REVENUE N	1% TRAINING FUND, TRC STIPEND AND L GOVT. PENSION FOR 2020 N	PRIMARY EDUCATION FUNDING (TEACHER S SALARIES & PENSIONS) N	STATE - L/ GOVT JOINT PROJECT /GEN ADM/ CONSULTANCY/BANK CHARGES ETC N	L.G C. SALARIES, ALLOWANCES & OTHER CHARGES N	TOTALS N
1	Abak	1,759,081,569.77	19,980,194.04	1,779,061,763.81	223,740,366.75	1,149,446,440.23	- 148,784,496.30	554,659,453.22	1,779,061,763.81
2	Eastern Obolo	1,389,281,600.68	12,978,763.92	1,402,260,364.60	202,757,512.77	671,102,208.87	102,338,670.83	426,061,972.13	1,402,260,364.60
3	Eket	1,834,212,771.11	17,901,637.56	1,852,114,408.67	214,091,854.30	916,822,108.09	108,541,666.21	612,658,780.07	1,852,114,408.67
4	Esit Eket	1,411,714,864.79	18,836,820.48	1,428,041,204.99	211,341,165.13	671,052,767.96	91,290,409.93	486,139,072.69	1,428,041,204.99
5	Essien Udim	1,895,949,781.21	20,370,746.76	1,916,320,527.97	236,135,183.73	912,845,027.78	96,960,641.20	670,379,675.26	1,916,320,527.97
6	Etim Ekpo	1,626,432,295.12	17,008,513.32	1,643,440,808.44	218,037,255.57	788,781,633.10	21,441,395.27	615,180,524.40	1,643,440,808.44
7	Etinan	1,855,877,904.78	18,809,979.48	1,874,687,884.26	218,126,566.13	1,041,275,574.29	108,938,770.09	506,346,973.75	1,874,687,884.26
8	Ibeno	1,484,179,153.92	14,962,239.24	1,499,141,393.16	206,017,376.52	697,167,765.94	109,278,563.43	486,677,687.27	1,499,141,393.16
9	Ibesikpo Asutan	1,725,711,318.78	17,686,785.36	1,743,398,104.14	219,928,709.50	808,832,056.42	108,686,097.45	605,951,240.77	1,743,398,104.14
10	Ibiono Ibom	1,892,961,680.38	18,793,858.08	1,911,755,538.46	245,630,715.42	1,086,178,439.44	110,143,488.69	469,802,894.91	1,911,755,538.46
11	Ika	1,450,324,212.14	15,432,450.84	1,465,756,662.98	217,862,785.34	721,346,498.42	107,911,426.66	418,635,952.56	1,465,756,662.98
12	Ikono	1,708,006,956.70	18,674,443.56	1,726,681,400.26	235,178,361.84	792,812,826.15	111,392,560.41	587,297,651.86	1,726,681,400.26
13	Ikot Abasi	1,708,488,771.87	17,507,321.76	1,725,996,093.63	218,851,970.95	877,153,809.31	109,394,303.35	520,596,010.04	1,725,996,093.63
14	Ikot Ekpene	1,759,835,526.77	18,597,362.64	1,778,432,889.41	212,646,115.41	1,077,577,015.92	- 126,205,657.56	614,415,415.64	1,778,432,889.41
15	Ini	1,601,071,448.11	16,433,836.68	1,617,505,284.79	223,829,558.70	699,975,101.83	74,029,052.91	619,671,571.35	1,617,505,284.79
16	Itu	1,655,007,745.63	17,892,433.08	1,672,900,178.71	219,616,681.36	927,570,082.57	- 41,122,503.20	566,835,917.98	1,672,900,178.71
17	Mbo	1,549,665,741.54	17,122,021.08	1,566,787,762.62	217,172,719.29	745,682,663.24	25,968,242.77	577,964,137.32	1,566,787,762.62
18	Mkpat Enin	1,903,376,284.64	19,946,982.36	1,923,323,267.00	222,243,081.81	1,145,290,135.27	110,505,807.00	445,284,242.92	1,923,323,267.00
19	Nsit Atai	1,416,241,078.64	16,326,340.20	1,431,831,351.08	212,119,103.24	724,850,445.13	117,524,876.12	431,912,541.87	1,431,831,351.08
20	Nsit Ibom	1,596,415,054.42	15,590,272.44	1,613,185,704.70	213,367,943.41	911,222,312.19	109,536,628.55	566,679,527.78	1,613,185,704.70
21	Nsit Ubium	1,678,514,005.56	16,770,650.28	1,696,441,846.92	220,718,278.08	932,795,780.21	110,403,551.41	461,448,039.91	1,696,441,846.92
22	Obot Akara	1,749,302,655.19	17,927,841.36	1,767,264,680.83	215,249,233.20	676,673,602.32	110,185,200.25	503,565,422.29	1,767,264,680.83
23	Okobo	1,521,300,684.90	17,962,025.64	1,538,040,285.90	210,457,288.05	743,135,527.52	108,826,316.28	537,291,134.10	1,538,040,285.90
24	Onna	1,590,521,502.52	16,739,601.00	1,609,462,029.28	205,789,370.85	793,718,764.96	105,203,541.78	550,665,671.93	1,609,462,029.28
25	Oron	1,581,891,813.42	18,940,526.76	1,597,949,638.62	240,863,491.54	1,028,985,378.86	109,364,959.02	489,076,543.79	1,597,949,638.62
26	Oruk Anam	1,882,384,607.55	16,057,825.20	1,902,826,253.07	205,517,480.38	695,101,170.49	110,989,510.01	521,987,872.66	1,902,826,253.07
27	Udung Uko	1,400,619,600.55	20,441,645.52	1,414,368,741.19	217,281,196.80	922,397,922.18	108,276,811.22	405,473,279.10	1,414,368,741.19
28	Ukanafun	1,714,445,947.08	13,749,140.64	1,733,282,767.56	206,212,013.47	644,399,708.90	110,069,918.43	483,533,730.15	1,733,282,767.56
29	Uruan	1,786,822,343.89	17,148,933.48	1,803,971,277.37	208,513,262.67	892,727,671.29	113,242,733.44	589,487,609.97	1,803,971,277.37
30	Urue Offong/ Oruko	1,502,360,983.57	15,390,348.72	1,517,751,332.29	210,941,694.55	746,452,962.55	109,796,135.49	450,560,539.70	1,517,751,332.29
31	Uyo	2,326,468,461.54	23,927,978.52	2,350,396,440.06	222,101,552.24	1,370,030,730.86	80,784,253.91	677,479,903.05	2,350,396,440.06
	TOTAL	51,958,468,366.77	545,909,520.00	52,504,377,886.77	6,752,339,888.99	26,813,404,132.32	2,484,912,875.05	16,453,720,990.44	52,504,377,886.77

(III) SUMMARY OF SALARIES, ALLOWANCES AND OTHER CHARGES TO 31 LOCAL GOVERNMENT COUNCILS

S/N	LOCAL GOVT. COUNCIL	SALARY & ALLOWANCES ₦	OTHER CHARGES ₦	BONUS/ LEAVE GRANT ₦	L.G C. SALARIES, ALLOWANCES & OTHER CHARGES ₦
1	Abak	451,075,320.37	103,584,132.85	0	554,659,453.22
2	Eastern Obolo	304,754,544.68	112,497,281.26	8,810,146.19	426,061,972.13
3	Eket	499,971,259.46	112,687,520.61	0	612,658,780.07
4	Esit Eket	367,225,723.66	118,913,349.03	0	486,139,072.69
5	Essien Udim	559,917,849.97	110,461,825.29	0	670,379,675.26
6	Etim Ekpo	519,531,206.98	95,649,317.42	0	615,180,524.40
7	Etinan	395,752,554.18	110,594,419.57	0	506,346,973.75
8	Ibena	374,643,861.12	112,033,826.15	0	486,677,687.27
9	Ibesikpo Asutan	495,555,089.63	108,396,151.14	2,000,000.00	605,951,240.77
10	Ibiono Ibom	361,450,375.82	108,352,519.09	0	469,802,894.91
11	Ika	308,416,593.35	110,219,359.21	0	418,635,952.56
12	Ikono	481,565,095.52	105,732,556.34	0	587,297,651.86
13	Ikot Abasi	409,232,649.19	111,363,360.85	0	520,596,010.04
14	Ikot Ekpene	512,244,149.30	102,171,266.34	0	614,415,415.64
15	Ini	512,477,747.73	107,193,823.62	0	619,671,571.35
16	Itu	462,737,961.65	104,097,956.33	0	566,835,917.98
17	Mbo	383,750,506.19	194,213,631.13	0	577,964,137.32
18	Mkpat Enin	330,208,021.73	115,076,221.19	0	445,284,242.92
19	Nsit Atai	332,621,359.54	99,291,182.33	0	431,912,541.87
20	Nsit Ibom	460,199,314.74	106,480,213.04	0	566,679,527.78
21	Nsit Ubium	353,889,727.62	107,558,312.29	0	461,448,039.91
22	Obot Akara	391,957,542.57	111,607,879.72	0	503,565,422.29
23	Okobo	426,764,210.73	110,526,923.37	0	537,291,134.10
24	Onna	439,968,245.50	110,697,426.43	0	550,665,671.93
25	Oron	378,028,539.54	111,048,004.25	0	489,076,543.79
26	Oruk Anam	411,017,213.69	110,970,658.97	0	521,987,872.66
27	Udung Uko	294,485,803.95	110,987,475.15	0	405,473,279.10
28	Ukanafun	372,989,599.37	110,544,130.78	0	483,533,730.15
29	Uruan	478,798,726.60	110,688,883.37	0	589,487,609.97
30	Urue/Offong Oruko	339,856,258.34	110,704,281.36	0	450,560,539.70
31	Uyo	549,889,742.71	107,516,647.42	20,073,512.92	677,479,903.05
	TOTAL	12,960,976,795.43	3,461,860,535.90	30,883,659.11	16,453,720,990.44

