



GOVERNMENT OF CROSS RIVER STATE

REPORT OF THE AUDITOR-GENERAL

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

**FOR THE YEAR ENDED
31ST DECEMBER 2021**



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

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

ON THE

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

FOR THE YEAR ENDED 31ST DECEMBER 2021

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

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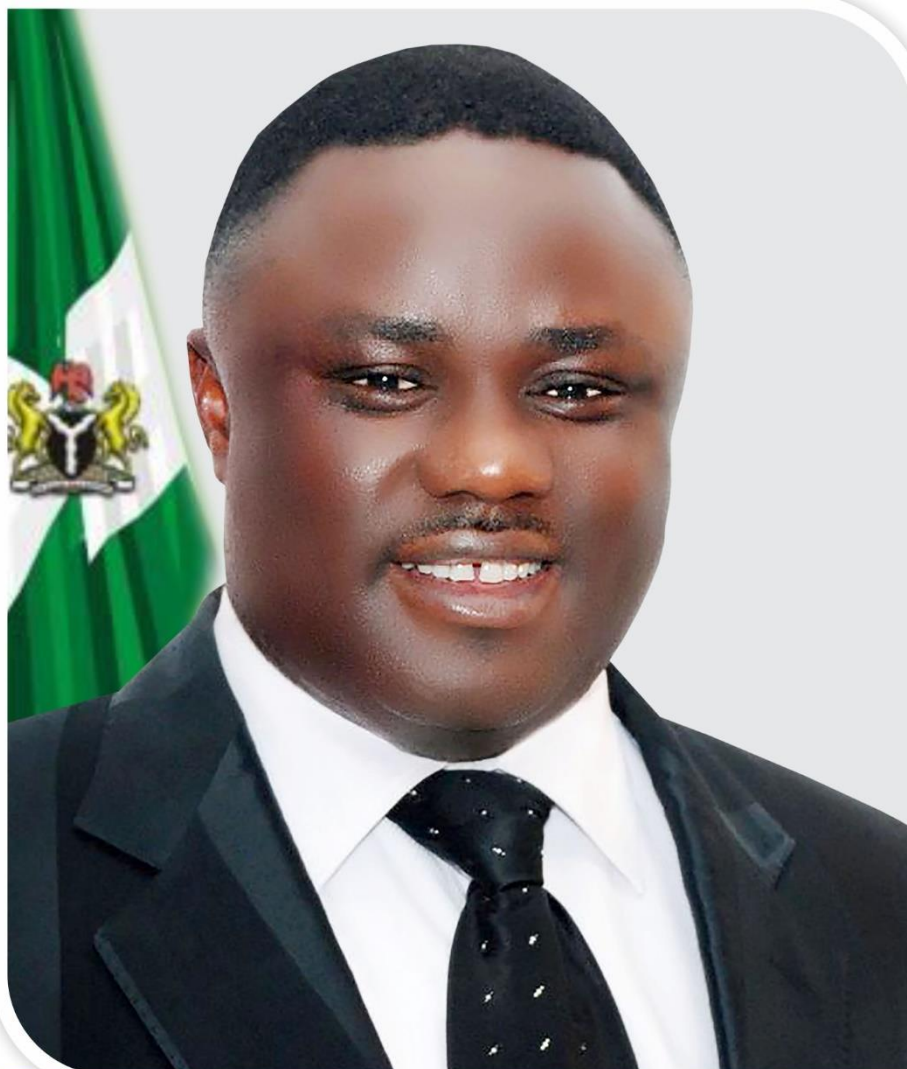
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HIS EXCELLENCY
SIR SEN. PROF. BENEDICT AYADE
GOVERNOR
CROSS RIVER STATE



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



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



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

GOVERNANCE, AUDITORS, BANKERS AND REGISTERED OFFICE

GOVERNANCE

His Excellency, Senator Prof. Ben Ayade

- Governor

His Excellency, Prof. Ivara E. Esu

- Deputy Governor

COUNCIL EXECUTIVES

Hon. Farathor Robinson Riman

- Chairman Abi Local Government

Hon. Linus Etim Bassey

- Chairman Akamkpa Local Government

Hon. Emmanuel Offiong Bassey

- Chairman Akpabuyo Local Government

Hon. Iyadim Amboni Iyadim

- Chairman Bakassi Local Government

Dr. Josephat Owan Emenka

- Chairman Bekwarra Local Government

Hon. Ada Charles Egwu

- Chairman Biase Local Government

Hon. Pastor John Ewa

- Chairman Boki Local Government

Hon. Effefiong Nta Eke

- Chairman Calabar Municipal Government

Hon. Mrs Esther Bassey

- Chairman Calabar South Local Government

Hon. John Nkum Etuk

- Chairman Etung Local Government

Hon. Kingsley Egumi

- Chairman Ikom Local Government

Hon. Mrs Margaret Indhe

- Chairman Obanliku Local Government

Hon. Bassey Agara Tom

- Chairman Obubra Local Government

Hon. Bonny Ewhe Eraye

- Chairman Obudu Local Government

Hon. Mrs Justina Edem

- Chairman Odukpani Local Government

Hon. Emmanuel Ishabor

- Chairman Ogoja Local Government

Hon. Ofem Ebri Obeten

- Chairman Yakurr Local Government

Hon. Barr. Fabian Odey Ogbeche

- Chairman Yala Local Government

AUDITOR GENERAL

Mrs. Franka Inok, FCA

Office of the Auditor General for Local Governments

JABENGO HOUSE

78 Murtala Mohammed Highway,

Calabar,

Cross River State

PRINCIPAL BANKERS

First Bank Nigeria Plc

Zenith Bank Plc

PART ONE

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF THE 18 LOCAL GOVERNMENTS OF CROSS RIVER STATE TO THE SPEAKER OF THE CROSS-RIVER STATE HOUSE OF ASSEMBLY FOR THE YEAR ENDED 31ST DECEMBER 2021

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

ATTENTION: PUBLIC ACCOUNTS COMMITTEE

INTRODUCTION

In compliance with the provisions of Section 125 (2) of the Constitution of the Federal Republic of Nigeria 1999 as (amended) and Section 56 (2) of Cross River State Local Government Law No. 7 of 2007 (as amended), I have examined the Accounts and Financial Statements of the 18 Local Government Councils of Cross-River State for the year ended 31st December 2021 in accordance with Public Finance (Control Management Act 1958), Model Financial Memoranda and Circular Guidance.

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

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

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

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

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

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

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed.

We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

AUDIT CERTIFICATION

I have examined the Financial Statements of all the eighteen (18) Local Government Councils of Cross River State as at 31st December, 2021, in accordance with Section 125(2)(4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria (as amended) and Section 52 – 54 of Cross River State Local Government Law No. 7 of 2007 (as amended). I have obtained all information and explanations that I required for my Audit.

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

In my opinion, the Financial Statements are stated correctly and show a true and fair view of the state of affairs of the 18 Local Government Councils of Cross River State as at 31st December 2021 subject to the observations in the Management Reports.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL
CRS LOCAL GOVERNMENTS
26th September 2022

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE 18 LOCAL
GOVERNMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	2021	2020
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	1,471,237,289.09	1,545,784,766.02
Receivables	15	11,904,934,059.90	9,613,705,942.62
Inventories		0.00	0.00
Prepayments		0.00	0.00
Total Current Assets (A)		13,376,171,348.99	11,159,490,708.64
Non-Current Assets			
Investments	16	2,859,817,044.06	2,859,817,044.14
Property, Plant & Equipment		10,743,505,621.92	0.00
Contribution to CRS Reserve Fund	17	2,509,268,917.73	2,325,278,912.74
Total Non-Current Assets (B)		16,112,591,583.71	5,185,095,956.88
Total Assets (A) + (B)		29,488,762,932.70	16,344,586,665.52
LIABILITIES			
Current Liabilities			
Deposits	18	414,881,073.04	364,020,987.83
Short term Loans & Debts	19	78,607,161.15	12,625,488.70
Unremitted Deductions	20	15,385,241,563.66	11,569,201,427.59
Payables (Unremitted taxes)	21	197,143,531.54	229,603,730.71
Total Current Liabilities (C)		16,075,873,329.39	12,175,451,634.83
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	22	1,326,254,361.48	1,326,254,361.48
Internal Loans (Public Funds)		0.00	0.00
Long Term Provisions		0.00	0.00
Total Non-Current Liabilities (D)		1,326,254,361.48	1,326,254,361.48
Total Liabilities (C) + (D)		17,402,127,690.87	13,501,705,996.31
Net Assets (Total Assets - Total Liabilities)		12,086,635,241.83	2,842,880,669.21
NET ASSETS/EQUITY			
Reserves	23	4,458,433,134.89	14,897,354.22
Accumulated Surpluses/(Deficits)		7,628,202,06.94	(1,560,077,862.05)
Total Net Assets/Equity		12,086,635,241.83	2,842,880,669.21

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE 18 LOCAL GOVERNMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021

DETAILS	NOTES	2021	2020
REVENUE		₦	₦
Statutory Revenue	1	36,804,565,311.21	33,279,343,712.90
Non-Tax Revenue	2	496,806,502.93	554,322,147.12
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts	3	9,574,158,068.60	2,672,873,917.23
Total Operating Revenue		46,875,529,882.74	36,506,539,777.25
EXPENDITURE			
Salaries Wages & Employee Benefits	4	28,755,178,566.74	25,532,284,268.33
Overhead Cost - General and Administrative Expenses	5	1,965,792,319.69	1,936,576,248.42
Transfer to Other Government Entities (Statutory	6	10,815,255,436.78	9,101,198,430.91
Total Operating Expenditure		41,536,226,323.21	25,532,284,268.33
Surplus/Deficit from Operating Activities before		5,339,303,559.53	10,974,255,508.92
Capital Expenditure	7	5,086,260,160.22	7,141,942,157.27
Public Debt Charges		0.00	0.00
Depreciation		1,090,132,859.50	0.00
Damaged Assets		0.00	0.00
		6,176,393,019.72	7,141,942,157.27
Net Surplus/(Deficit) for the Period		-837,089,460.19	3,832,313,351.65

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY OF THE 18 LOCAL GOVERNMENTS FOR THE YEAR ENDED 31ST DECEMBER

2021

	RESERVE	ACCUMULATED SURPLUS/(DEFICIT)	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2020	(1,560,077,862.05)	3,832,313,351.65	2,272,235,489.60
Prior Year Adjustment			
Restated Balance			
Net Surplus for the Period	-	3,832,313,351.65	3,832,313,351.65
Balance as at 31 Dec 2021	(1,560,077,862.05)	3,832,313,351.65	2,272,235,489.60

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED CASHFLOW STATEMENT OF THE 18 LOCAL GOVERNMENTS FOR THE
YEAR ENDED 31ST DECEMBER 2021

	Notes	2021	2020
		₦	₦
CASH FLOW FROM OPERATING ACTIVITIES			
Inflows:			
Gross Statutory Allocation	1	23,591,645,033.34	22,552,079,639.95
Government Share of VAT	1	11,993,065,871.16	8,638,470,919.72
Share of Exchange Gain Difference	1	129,363,330.79	690,309,257.33
Other Revenue	1	2,356,098,989.78	2,029,838,965.83
Non-Tax Revenue	2	496,806,502.93	554,322,147.12
Capital Receipts	3	9,574,158,068.60	2,672,873,917.23
10% State IGR		0.00	0.00
Total Inflows from Operating Activities		48,141,137,796.60	37,137,894,847.18
Outflows:			
FAAC Deductions at Source	1	(1,265,607,913.86)	(631,355,069.92)
Salaries and Wages (Social Benefits)	4	(28,755,178,566.74)	(25,532,284,268.33)
Administrative and Overhead Cost	5	(1,965,792,319.69)	(1,936,576,248.42)
Statutory Deductions	6	(10,815,255,436.78)	(9,101,198,430.91)
Total Outflows from Operating Activities		42,801,834,237.07	37,201,414,017.58
Net Cashflow from Operating Activities		5,339,303,559.53	74,339,308,864.76
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE		0.00	0.00
Proceeds from Sale of Investment Property		0.00	0.00
Purchase/Construction of PPE	8	5,086,260,160.22	7,141,942,157.27
Investment Expenditure	9	0.00	0.00
Net Cashflow from Investing Activities		(5,086,260,160.22)	(7,141,942,157.27)
CASH FLOW FROM FINANCING ACTIVITIES			
Cash Advances Granted		556,000,000.00	0.00
Cash Advances Repaid		(199,699,298.40)	0.00
Deposits Received		50,559,475.31	0.00
Tax Received		70,142,304.58	0.00
Tax Remitted		(70,998,351.52)	
Loan repayment		0.00	0.00
Overdraft Received		0.00	-4,500,000,000.00
Overdraft Repayment	13	0.00	0.00
Net Cash Flow from Financing Activities		406,004,129.97	-4,500,000,000.00
Net Increase (Decrease) in Cash & its Equivalents		667,924,472.35	62,697,366,707.49
Adjustment		(740,333,253.98)	
Cash and its Equivalent as at 01 Jan 2020		1,543,646,070.72	(1,330,494,436.20)
Cash and its equivalent as at 31 Dec 2020	14	1,471,237,289.09	1,543,646,070.72

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

**CONSOLIDATED STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE 18 LOCAL GOVERNMENTS FOR THE YEAR ENDED 31ST DECEMBER 2021**

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation		36,804,565,311.21	
Non-Tax Revenue		496,806,502.93	
Capital Receipts		9,574,158,068.60	
Cross River State Government Loan		0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages		28,755,178,566.74	
Statutory Deductions		10,815,255,436.78	
Overhead / Operating Expenditure		1,965,792,319.69	
Capital Expenditure		5,086,260,160.22	
Investment Expenditure		0.00	
Total Payments			
NET SURPLUS (DEFICIT)			

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

1 GENERAL INFORMATION

Cross River State is a State in South-South Nigeria, created on May 27, 1967, bounded in the North by Benue State, in the West by Ebonyi and Abia States and in the East by the Republic of Cameroon.

Cross River State consists of eighteen (18) local government areas with over seventy (70) languages. Cross River State has an estimated population of over 5 million, with a total area of 20,156 square kms. Its ranked as one of the cleanest and most peaceful States in Nigeria driven by a tourism, agricultural and industrial economy. It also houses one of the few remaining natural rain forests of the world.

2 LEGAL BASIS AND ACCOUNTING FRAMEWORK

The Financial Statements of the eighteen (18) local governments of Cross River State have been prepared using the Accrual Basis in accordance with the requirements of the International Public Sector Accounting Standards (IPSAS) and in accordance with the Cross River State Local Government Law (2007) as amended. The Accounting framework of the 18 LGAs focuses on reporting on budgetary activities of the government for the financial year as laid down in the Appropriation Law.

3 BASES OF PREPARATION

(a) Statement of Compliance

Cross River State Government fully adopted the Accrual basis of IPSAS in January 2018 and its 18 LGAs have since converted and prepared their financial statements using this basis. However, we are still within the 3-year transitional period to make the Statements fully compliant.

(a) Basis of Measurement

The financial Statements have been prepared on the basis of historical cost, unless otherwise stated.

The following Statements are presented:

Statement of Cash Flows for the year ended 31 December 2021

Statement of Financial Position as at 31 December 2021

Statement of Financial Performance for the year 31st December 2021

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2021

Statement of Changes in Net Assets for the year ended 31 December 2021

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

4 Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

5 Reporting Currency

The Financial Statements were prepared in Nigerian Naira.

6 Summary of Significant Accounting Policies

These are the specific principles, bases, conventions, rules, and practices adopted by the 18 LGAs in preparing and presenting their Financial Statements. CRS local governments have applied the following accounting policies in the preparation of the financial statements for the

year ended 31 December 2020. These policies have been consistently applied to all the years presented, unless otherwise stated.

7 General Purpose Financial Statements (GPFS)

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

7.1 Principal Statements contained in the IPSAS Financial Statements

- The Statement of Cash Flow
- The Statement of Financial Position
- The Statement of Financial Performance
- The Statement of Comparison of Budget and Actual
- The Statement of Changes in Net Assets and Equity
- Accounting Policies and Notes to the Financial Statements.

8 Fundamental Accounting Concepts

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

Accrual Basis of Accounting

Understandability

Materiality

Relevance

Going Concern Concept

Consistency Concept

Prudence

Completeness etc.

9 Comparative Information

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

10 Budget Figures

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

11 Revenue

Revenue includes only the gross inflow of economic benefits or service potential received or is receivable by the Councils on its own account. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenue is measured at the fair value of the consideration received or receivable. These revenue items include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

11.1 Statutory Allocation

Statutory Allocation is income from the Federal Account Allocation Committee whose duty it is to allocate revenue from the Federation Account to the 18 local governments based on certain predetermined criteria. It includes share of VAT, share of exchange gain difference, share of forex equalization, share of federal government intervention fund, share of excess bank charges, share of solid minerals fund etc. it is measured at fair value and recognized at the point of receipt.

11.2 Capital Receipts

These include grants and other capital receipts from redistributable funds after the SJAAC meeting shared or allocated to the 18 LGCs. It is measured at fair value or where there is an enforceable claim to receive the asset if it is free from conditions.

11.3 Investment Income

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort and Cross River Micro Finance bank. This income is recognized when CRSG's right to receive payment is established.

11.4 Government Aid and Grants

Aids and Grants to the Government are recognized as income when money is received, or entitlement to receive money is established, except where fulfillment of any restrictions attached to these monies is not probable.

12 Cash and Cash Equivalent

Cash and cash equivalents comprise of cash in hand or bank, deposit held on call with financial institutions and other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

13 Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

14 Expenses

All expenses shall be reported on an accrual basis, that is, all expenses are to be recognized in the period they are incurred or when the related services are enjoyed, irrespective of when the payments were made.

15 Interest Received

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

16 Loans

Loans granted to Local Governments especially by the State Government shall be categorized under loans in the Statement of Financial Position. Amount disclosed in the Statement of Cashflow shall be the actual, while

that of the Financial Position shall be cumulative including loan amounts outstanding from previous years.

17 Loan Repayments

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

18 Interest on Loans

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

19 Prepayments

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

20 Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

21 Leases

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

21 Other Borrowings

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

22 Property, Plant and Equipment (PPE)

These are assets that have been acquired or constructed and held for use from which benefits are derivable beyond a financial year.

PPE are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition or construction of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits or the service potentials, associated with the item will flow and its cost can be measured reliably.

Repairs and maintenance costs are charged to the Statement of Financial Performance during the period in which they are incurred

Finance costs attributable to amounts borrowed to fund the acquisition of PPE are expenses immediately they are incurred.

Assets under construction are not depreciated as these assets are not yet available for use. Depreciation on other assets is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives.

22.1 Depreciation Rates

Item	Depreciation Rate
Land	Not applicable
Buildings	2%
Plant and machinery	5%
Motor Vehicles	25%
IT and Office Equipment	25%
Furniture and Fittings	10%
Intangible Assets	25%

The following depreciation rates will also be used for constructed assets:

Bridges	2%
Roads	5%

Traffic Lights	5%
Streetlights	10%
Drainages	5%

Gains or losses on disposals are determined by comparing proceeds less selling expenses with the carrying amount of the disposed asset are included in the Statement of Financial Performance.

23 Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

24 Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows.

To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

25 Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

26 Reserves

Reserves are classified under equity in the Statement. Of Financial Position and include Statement of Financial Performance Surpluses/Deficit and the Revaluation Reserve.

Key to Abbreviations

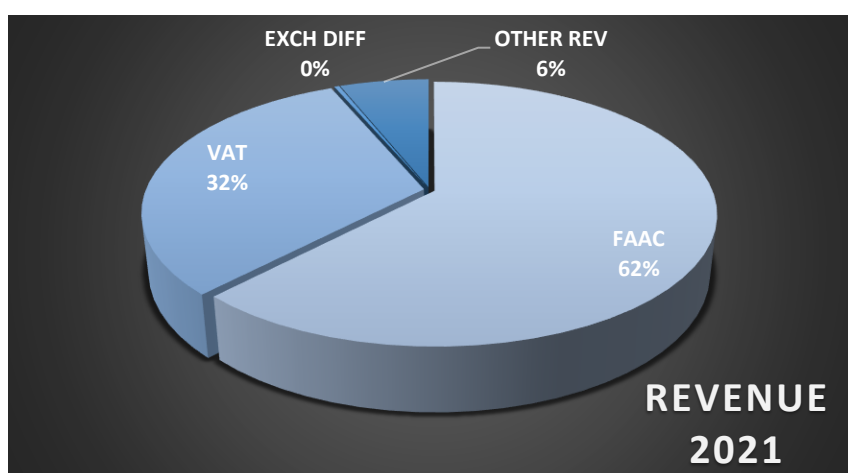
1. LGC - Local Government Council
2. FAAC - Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards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

NOTES TO THE FINANCIAL STATEMENTS

1a. **(A) GROSS STATUTORY ALLOCATION) ₦22,591,645,033.34**

This represents allocations received monthly by all 18 local government councils from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria. Below is a comprehensive table showing in column (A) the portions attributable to each council bringing the grand total for the year to N23.59bn (approx.).

	2021	2020
	₦	₦
Abi Local Government	1,247,688,529.34	1,200,427,880.59
Akamkpa Local Government	1,568,329,352.85	1,508,923,282.98
Akpabuyo Local Government	1,501,353,015.74	1,444,483,913.77
Bakassi Local Government	968,699,255.57	932,006,315.19
Bekwarra Local Government	1,157,180,612.79	1,113,348,268.51
Biase Local Government	1,331,250,462.44	1,280,824,601.58
Boki Local Government	1,529,086,435.46	1,468,397,867.27
Calabar Municipal Local Government	1,230,666,362.46	1,163,197,156.12
Calabar South Local Government	1,283,194,662.28	1,239,824,792.44
Etung Local Government	1,009,052,597.31	970,831,130.14
Ikom Local Government	1,376,838,040.94	1,324,685,387.90
Obanliku Local Government	1,188,183,443.33	1,143,176,756.23
Obubra Local Government	1,309,557,687.46	1,259,953,517.83
Obudu Local Government	1,239,805,955.70	1,192,843,881.17
Odukpani Local Government	1,398,265,984.64	1,353,037,083.10
Ogoja Local Government	1,391,997,881.61	1,271,622,745.58
Yakurr Local Government	1,326,896,716.88	1,276,635,770.62
Yala Local Government	1,533,598,036.54	1,407,859,288.93
	23,591,645,033.34	22,552,079,639.95



GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Total Consolidated Revenue for the year from the Federation in respect of the 18 Local Governments amounted to 23.5bn (approx.) Statutory Allocation contributed the highest at 62% of the entire revenue, VAT at 32%, Exchange gain less than 1% and other revenue 6% of total revenue for the year.

1b. **(B) DEDUCTIONS AT SOURCE - (N1,265,607,913.86)**

This represents deductions made at source by the FAAC Allocation Committee against the 18 LGAs aggregated at a total of N1.265bn (approx.) for the year.

	2021	2020
	N	N
Abi Local Government	-70,311,550.77	(34,578,163.88)
Akamkpa Local Government	-70,311,550.77	-36,686,147.12
Akpabuyo Local Government	-70,311,550.77	-36,246,662.68
Bakassi Local Government	-70,311,550.77	-32,743,123.12
Bekwarra Local Government	-70,311,550.77	-33,982,932.32
Biase Local Government	-70,311,550.77	-35,127,133.92
Boki Local Government	-70,311,550.77	-36,410,120.08
Calabar Municipal Local Government	-70,311,550.77	-34,323,725.56
Calabar South Local Government	-70,311,550.77	-34,848,022.76
Etung Local Government	-70,311,550.77	-33,008,356.36
Ikom Local Government	-70,311,550.77	-35,435,544.04
Obanliku Local Government	-70,311,550.77	-36,670,726.64
Obubra Local Government	-70,311,550.77	-34,985,265.68
Obudu Local Government	-70,311,550.77	-34,525,734.16
Odukpani Local Government	-70,311,550.77	-35,622,132.20
Ogoja Local Government	-70,311,550.77	-35,065,451.92
Yakurr Local Government	-70,311,550.77	-35,098,977.00
Yala Local Government	-70,311,550.77	-35,996,850.48
	-1,265,607,913.86	(631,355,069.92)

1c. **(C) GOVERNMENT SHARE OF VALUE ADDED TAX – N 11,993,065,871.16**

This represents Federal Revenue arising from Value Added Tax (VAT) that is shared proportionately to all 18 local government councils in line with the provisions of the VAT Act. Column B in table I above shows the portion of each LGC bringing the total to N11.9bn (approx.)

	2021	2020
	N	N
Abi Local Government	595,073,256.55	463,768,705.26
Akamkpa Local Government	667,887,620.97	470,273,077.20
Akpabuyo Local Government	841,852,410.15	593,992,959.18
Bakassi Local Government	496,135,903.47	348,127,082.46
Bekwarra Local Government	602,359,003.34	423,670,584.36
Biase Local Government	694,007,652.28	488,849,061.47
Boki Local Government	714,097,674.67	506,293,492.83
Calabar Municipal Local Government	709,630,039.21	499,350,901.30
Calabar South Local Government	724,924,773.71	511,939,941.92
Etung Local Government	565,292,222.80	397,309,515.97
Ikom Local Government	685,586,187.06	481,854,007.04
Obanliku Local Government	608,870,930.15	428,301,721.87

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Obubra Local Government	631,170,080.14	492,203,601.55
Obudu Local Government	680,878,206.94	479,511,692.48
Odukpani Local Government	727,550,384.41	512,777,291.08
Ogoja Local Government	631,659,937.20	491,645,025.88
Yakurr Local Government	733,448,060.59	516,898,201.10
Yala Local Government	682,641,527.52	531,704,056.77
	11,993,065,871.16	8,638,470,919.72

1d. (D) SHARE OF EXCHANGE DIFFERENCE – ₦ 129,363,330.79

This represents the 18 LGAs share of Federal Exchange Gain Difference revenue as seen in table 1, column C above. The grand total for the year for all 18 LGAs amounted to 129.3m (approx.).

	2021	2020
	₦	₦
Abi Local Government	5,711,477.21	36,744,570.43
Akamkpa Local Government	8,601,939.04	46,187,479.27
Akpabuyo Local Government	8,234,588.67	44,215,018.47
Bakassi Local Government	5,313,100.80	28,528,304.15
Bekwarra Local Government	5,295,163.91	34,079,101.74
Biase Local Government	7,944,047.18	39,205,478.77
Boki Local Government	8,393,146.72	44,947,014.09
Calabar Municipal Local Government	6,798,480.72	35,604,954.30
Calabar South Local Government	7,025,849.25	37,950,492.61
Etung Local Government	5,534,429.95	29,716,714.70
Ikom Local Government	9,562,541.21	40,548,038.18
Obanliku Local Government	7,090,315.15	34,992,138.65
Obubra Local Government	5,994,692.31	38,566,624.06
Obudu Local Government	5,675,393.54	36,512,427.54
Odukpani Local Government	7,651,170.43	41,415,871.13
Ogoja Local Government	7,886,974.58	38,923,814.00
Yakurr Local Government	7,918,066.82	39,077,260.49
Yala Local Government	8,731,953.30	43,093,954.78
	129,363,330.79	690,309,257.33

1e. (E) OTHER REVENUE – ₦ 2,326,098,989.78

This represents revenue other than statutory receipts from the Federation Account comprising of Stabilization fund, Share of Forex, Excess bank charges, share of solid minerals revenue, non-oil revenue and Federal Government Intervention fund amounting to ₦2.3bn (approx..) shown in table below:

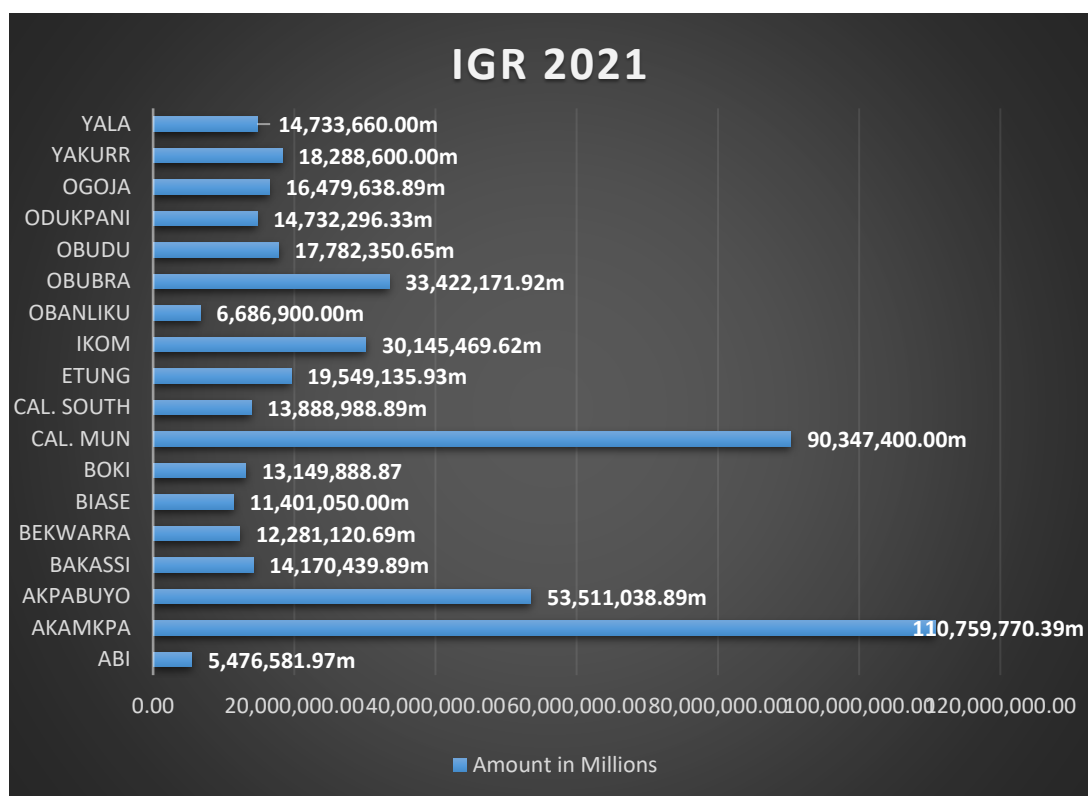
	2021	2020
	₦	₦
Abi Local Government	175,653,098.29	108,046,589.34
Akamkpa Local Government	124,093,901.17	135,813,252.04
Akpabuyo Local Government	139,925,077.68	130,013,275.07
Bakassi Local Government	85,301,924.66	83,886,841.71
Bekwarra Local Government	102,899,512.63	100,208,838.12
Biase Local Government	117,932,018.16	115,282,835.39
Boki Local Government	127,452,043.27	132,165,691.86
Calabar Municipal Local Government	116,677,490.87	104,695,573.53
Calabar South Local Government	120,102,308.99	111,592,576.58
Etung Local Government	93,923,369.25	87,381,336.39
Ikom Local Government	117,124,756.93	119,230,601.38

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Obanliku Local Government	104,135,248.85	102,893,602.79
Obubra Local Government	185,865,668.30	113,404,297.36
Obudu Local Government	114,020,006.22	107,363,978.35
Odukpani Local Government	124,422,212.82	121,782,444.79
Ogoja Local Government	184,292,978.76	114,454,606.41
Yakurr Local Government	121,897,957.33	114,905,812.40
Yala Local Government	200,379,415.60	126,716,812.32
	2,356,098,989.78	2,029,838,965.83

2. **NON-TAX REVENUE (IGR) – ₦ 496,806,502.93**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of all 18 LGCs for the year amounting to ₦496.8m (approx..) as charted below from highest to lowest earners.



	2021	2020
	₦	₦
Abi Local Government	5,476,581.97	5,739,358.49
Akamkpa Local Government	110,759,770.39	199,538,385.01
Akpabuyo Local Government	53,511,038.89	100,575,541.64
Bakassi Local Government	14,170,439.89	8,543,121.12
Bekwarra Local Government	12,281,120.69	12,597,400.62
Biase Local Government	11,401,050.00	14,371,748.38
Boki Local Government	13,149,888.87	15,954,218.26
Calabar Municipal Local Government	90,347,400.00	63,005,779.05
Calabar South Local Government	13,888,988.89	11,869,224.25
Etung Local Government	19,549,135.93	13,410,951.58
Ikom Local Government	30,145,469.62	21,946,939.50
Obanliku Local Government	6,686,900.00	9,609,479.16
Obubra Local Government	33,422,171.92	15,601,273.58

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Obudu Local Government	17,782,350.65	12,607,172.72
Odukpani Local Government	14,732,296.33	5,199,921.12
Ogoja Local Government	16,479,638.89	13,797,471.06
Yakurr Local Government	18,288,600.00	16,199,560.00
Yala Local Government	14,733,660.00	13,754,601.58
	496,806,502.93	554,322,147.12

3. CAPITAL RECEIPTS – ₦ 9,574,158,068.60

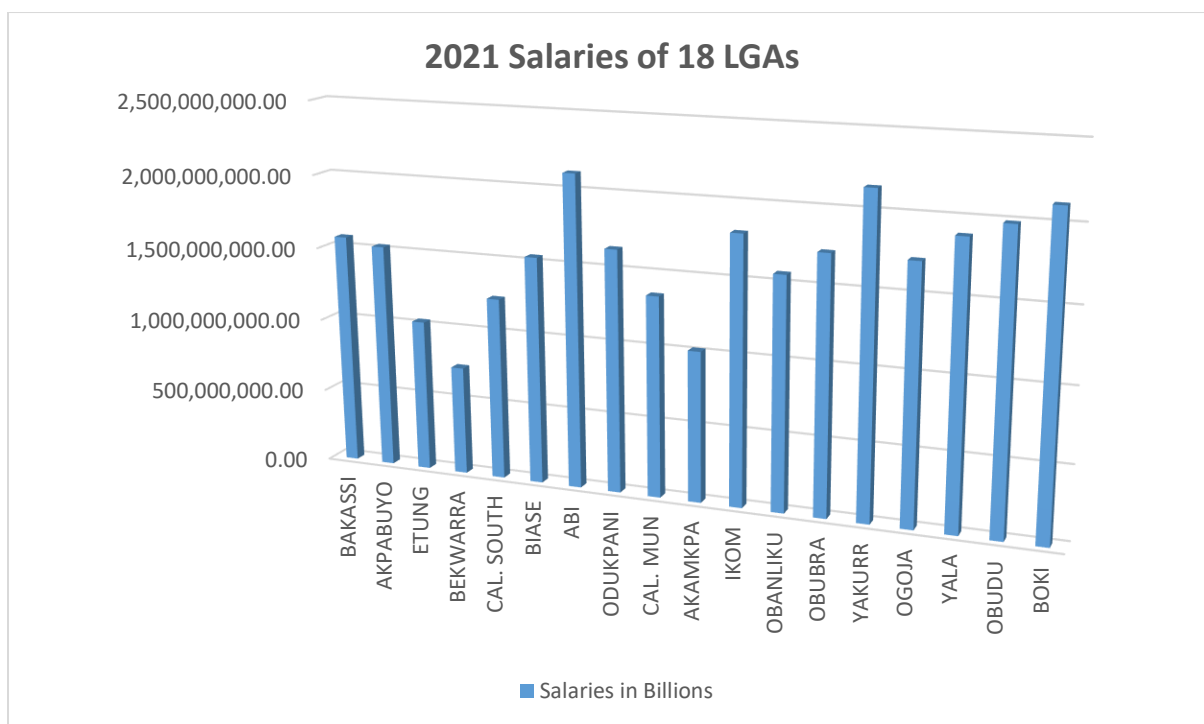
This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC. It amounted to ₦9.5bn. See Schedule A for details.

4. SALARIES, WAGES & EMPLOYEE BENEFITS – ₦28,755,178,566.74

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

	2021	2020
	₦	₦
Abi Local Government	1,573,175,549.71	1,741,859,971.59
Akamkpa Local Government	1,527,402,505.32	1,334,459,212.89
Akpabuyo Local Government	1,031,408,965.71	912,001,657.25
Bakassi Local Government	737,993,529.32	571,322,738.87
Bekwarra Local Government	1,238,428,858.16	1,105,623,834.04
Biase Local Government	1,543,142,441.68	1,350,578,707.91
Boki Local Government	2,114,349,558.08	1,852,863,136.31
Calabar Municipal Local Government	1,640,726,239.69	1,383,124,852.93
Calabar South Local Government	1,357,386,551.23	1,068,425,688.92
Etung Local Government	1,019,086,418.25	864,451,061.35
Ikom Local Government	1,807,682,306.68	1,592,044,982.36
Obanliku Local Government	1,568,015,376.99	1,421,826,659.43
Obubra Local Government	1,727,371,848.04	1,547,257,283.14
Obudu Local Government	2,147,983,158.45	1,936,751,496.18
Odukpani Local Government	1,721,864,858.28	1,499,977,402.16
Ogoja Local Government	1,892,759,250.78	1,741,859,971.59
Yakurr Local Government	1,988,486,151.02	1,736,092,435.64
Yala Local Government	2,117,914,999.35	1,871,763,175.77
	28,755,178,566.74	25,532,284,268.33

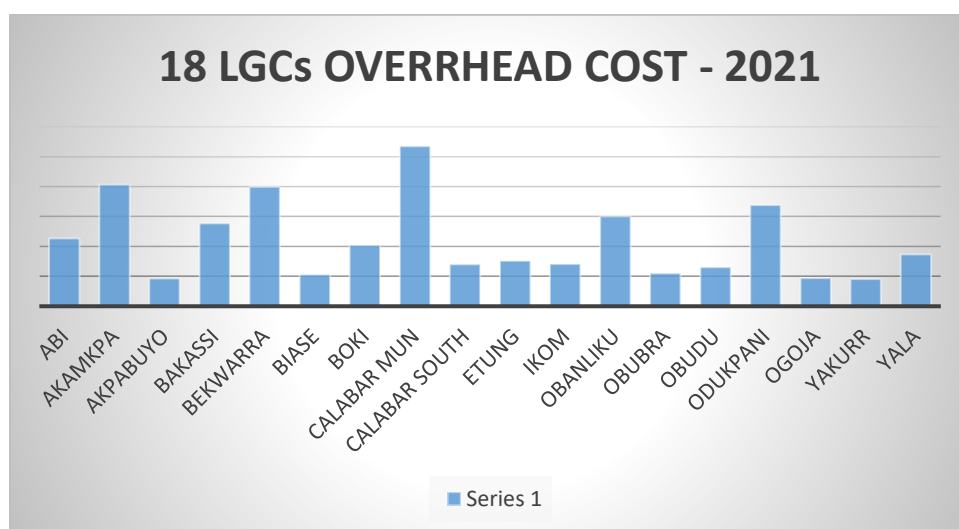
GOVERNMENT OF CROSS RIVER STATE OF NIGERIA



See Appendix B for details

5. OVERHEAD COST – ₦1,965,792,319.69

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



See Appendix B for details

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

	2021	2020
	N	N
Abi Local Government		65,544,053.71
Akamkpa Local Government		130,341,663.41
Akpabuyo Local Government		123,742,423.21
Bakassi Local Government		27,697,289.18
Bekwarra Local Government		573,217,763.79
Biase Local Government		58,390,195.39
Boki Local Government		108,162,908.51
Calabar Municipal Local Government		95,315,735.45
Calabar South Local Government		85,243,961.14
Etung Local Government		91,420,131.71
Ikom Local Government		39,495,731.23
Obanliku Local Government		50,092,726.09
Obubra Local Government		67,094,951.38
Obudu Local Government		103,196,444.66
Odukpani Local Government		128,106,084.33
Ogoja Local Government		68,079,998.35
Yakurr Local Government		34,729,932.88
Yala Local Government		86,704,254.00
		1,936,576,248.42

6. STATUTORY DEDUCTIONS – ₦9,101,198,430.91

This is made up of 31% Statutory deductions from the 18 LGAs Allocations and paid to 13 State Agencies as stipulated in Cross River State Local Government Law 2007 (as amended). For the year under review, a total of N10.8Bn was paid.

S/N	LGC	DETAIL	AMOUNT (₦)
1	ABI	13 Statutory Agencies	375,989,260.57
2	AKAMKPA	13 Statutory Agencies	712,569,801.55
3	AKPABUYO	13 Statutory Agencies	750,526,597.85
4	BAKASSI	13 Statutory Agencies	460,392,976.45
5	BEKWARRA	13 Statutory Agencies	578,997,630.72
6	BIASE	13 Statutory Agencies	583,512,152.07
7	BOKI	13 Statutory Agencies	715,702,502.29
8	CALABAR MUN	13 Statutory Agencies	617,970,875.34
9	CALABAR SOUTH	13 Statutory Agencies	640,130,195.79
10	ETUNG	13 Statutory Agencies	497,082,231.26
11	IKOM	13 Statutory Agencies	656,827,992.15
12	OBANLIKU	13 Statutory Agencies	569,770,196.89
13	OBUBRA	13 Statutory Agencies	376,015,855.46
14	OBUDU	13 Statutory Agencies	632,517,664.15
15	ODUKPANI	13 Statutory Agencies	678,149,242.47
16	OGOJA	13 Statutory Agencies	665,113,128.62

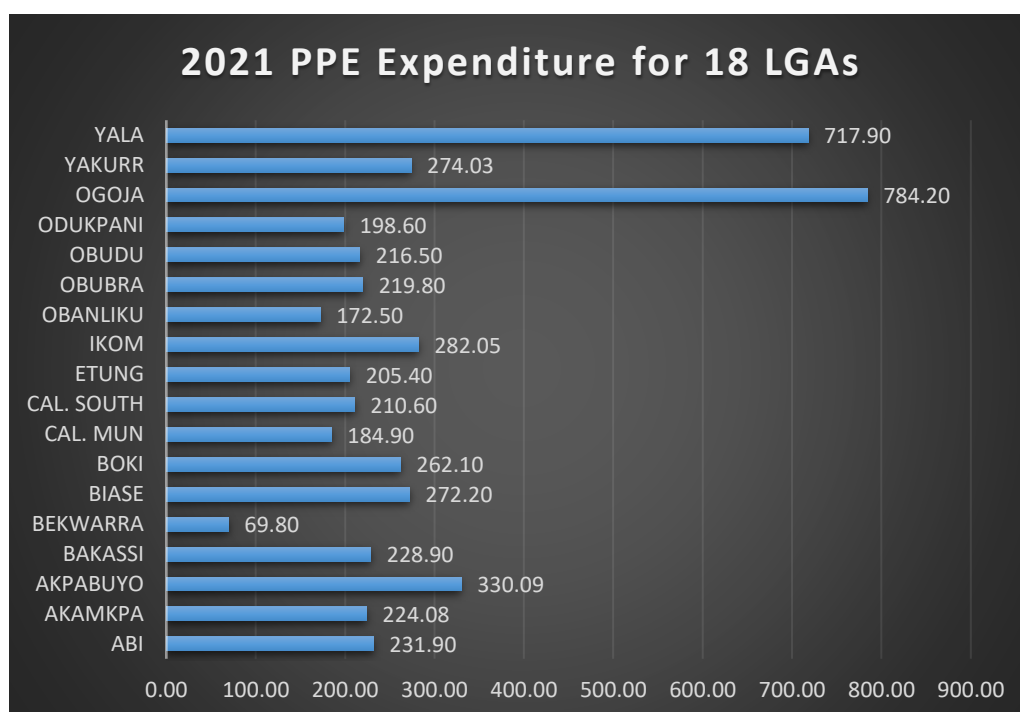
GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

17	YAKURR	13 Statutory Agencies	573,924,924.67
18	YALA	13 Statutory Agencies	730,062,208.48
		TOTAL	10,815,255,436.78

7. PURCHASE/CONSTRUCTION OF PPE - N7,141,742,157.27

During the year under review, the 18 LGCs spent a total sum of ₦5.08bn (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below

	2021	2020
	₦	₦
Abi Local Government	231,976,599.08	734,207,452.70
Akamkpa Local Government	224,080,000.00	246,863,552.78
Akpabuyo Local Government	330,096,444.00	430,107,865.28
Bakassi Local Government	228,928,255.72	313,717,824.26
Bekwarra Local Government	69,820,000.00	173,008,346.55
Biase Local Government	272,247,320.00	222,912,333.34
Boki Local Government	262,180,166.63	191,787,777.78
Calabar Municipal Local Government	184,974,450.00	879,510,794.55
Calabar South Local Government	210,630,806.39	633,364,186.17
Etung Local Government	205,438,799.99	179,249,501.40
Ikom Local Government	282,059,489.54	383,742,767.24
Obanliku Local Government	172,533,250.00	275,006,998.56
Obubra Local Government	219,859,099.96	712,782,587.82
Obudu Local Government	216,519,000.00	233,784,250.78
Odukpani Local Government	198,665,332.00	243,747,777.78
Ogoja Local Government	784,222,849.98	458,833,333.34
Yakurr Local Government	274,039,979.76	221,183,111.12
Yala Local Government	717,988,317.17	608,131,695.82
	5,086,260,160.22	7,141,942,157.27



9. INVESTMENT EXPENDITURE - NIL

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

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

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

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

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

12. REPAYMENT OF BORROWINGS – N 1,326,254,361.48

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

REPAYMENT OF BORROWINGS	
	AMOUNT (N)
Balance of Loan Brought Forward	1,326,254,361.48
2021 Additions	0.00
Total Loan	1,326,254,361.48
Repayment for the Period	0.00
Balance of Loan Carried Forward	1,326,254,361.48

13. OVERDRAFT RECEIVED AND REPAYED – NIL

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

		2021 (N)	2020(N)
14.	CASH AND CASH EQUIVALENTS	1,471,237,289.09	1,545,784,766.02
15.	RECEIVABLES	11,904,934,059.90	9,613,705,942.62
16.	INVESTMENTS	2,859,817,044.06	2,859,817,044.14
17.	CONTRIBUTION TO CRS RESERVE FUND	2,509,268,917.73	2,325,278,912.74
18.	DEPOSITS	414,881,073.04	364,020,987.83
19.	SHORT TERM LOANS AND DEBTS	78,607,161.15	12,625,488.70
20.	UNREMITTED DEDUCTIONS	15,385,241,563.66	11,569,201,427.59
21.	PAYABLES	197,143,531.54	229,603,730.71
22.	LONG TERM LOANS/BORROWINGS	1,326,254,361.48	1,326,254,361.48
23.	EQUITY	4,458,433,134.89	14,897,354.22
24.	COUNCILLOR'S LOANS	489,700,000.00	0.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

APPENDIX A

SCHEDULE OF CONSOLIDATED REVENUE FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31ST DECEMBER 2021

Local Government	Gross Statutory Allocation	Deductions at Source	Govt. Share of VAT	Share of Exchange Gain Difference	Other Revenue	TOTAL FAAC	Non-Tax Revenue (IGR)	Capital Receipts	Total
ABI	1,247,688,529.34	(70,311,550.77)	595,073,256.55	5,711,477.21	175,653,098.29	1,953,814,810.62	5,476,581.97	352,702,092.35	2,311,993,484.94
AKAMKPA	1,568,329,352.85	(70,311,550.77)	667,887,620.97	8,601,939.04	124,093,901.17	2,298,601,263.26	110,759,770.39	224,177,345.22	2,633,538,378.87
AKPABUYO	1,501,353,015.74	(70,311,550.77)	841,852,410.15	8,234,588.67	139,925,077.68	2,421,053,541.47	53,511,038.89	0.00	2,474,564,580.36
BAKASSI	968,699,255.57	(70,311,550.77)	496,135,903.47	5,313,100.80	85,301,924.66	1,485,138,633.73	14,170,439.89	106,992,709.16	1,606,301,782.78
BEKWARRA	1,157,180,612.79	(70,311,550.77)	602,359,003.34	5,295,163.91	102,899,512.63	1,797,422,741.90	12,281,120.69	313,798,635.83	2,123,502,498.42
BIASE	1,331,250,462.44	(70,311,550.77)	694,007,652.28	7,944,047.18	117,932,018.16	2,080,822,629.29	11,401,050.00	219,760,911.90	2,311,984,591.19
BOKI	1,529,086,435.46	(70,311,550.77)	714,097,674.67	8,393,146.72	127,452,043.27	2,308,717,749.35	13,149,888.87	887,117,642.85	3,208,985,281.07
CAL. MUN	1,230,666,362.46	(70,311,550.77)	709,630,039.21	6,798,480.72	116,677,490.87	1,993,460,822.49	90,347,400.00	634,404,938.09	2,718,213,160.58
CAL. SOUTH	1,283,194,662.28	(70,311,550.77)	724,924,773.71	7,025,849.25	120,102,308.99	2,064,936,043.46	13,888,988.89	207,119,520.41	2,285,944,552.76
ETUNG	1,009,052,597.31	(70,311,550.77)	565,292,222.8	5,534,429.95	93,923,369.25	1,603,491,068.54	19,549,135.93	186,994,247.53	1,810,034,452.00
IKOM	1,376,838,040.94	(70,311,550.77)	685,586,187.06	9,562,541.21	117,124,756.93	2,118,799,975.37	30,145,469.62	664,193,656.96	2,813,139,101.95
OBANLIKU	1,188,183,443.33	(70,311,550.77)	608,870,930.15	7,090,315.15	104,135,248.85	1,837,968,386.71	6,686,900.00	613,594,483.72	2,458,249,770.43
OBUBRA	1,309,557,687.46	(70,311,550.77)	631,170,080.14	5,994,692.31	185,865,668.30	2,062,276,577.44	33,422,171.92	352,600,718.27	2,448,299,467.63
OBUDU	1,239,805,955.70	(70,311,550.77)	680,878,206.94	5,675,393.54	114,020,006.22	1,970,068,011.63	17,782,350.65	1,144,805,478.21	3,132,655,840.49
ODUKPANI	1,398,265,984.64	(70,311,550.77)	727,550,384.41	7,651,170.43	124,422,212.82	2,187,578,201.53	14,732,296.33	547,938,738.45	2,750,249,236.31
OGOJA	1,391,997,881.61	(70,311,550.77)	631,659,937.20	7,886,974.58	184,292,978.76	2,145,526,221.38	16,479,638.89	1,080,852,379.90	3,242,858,240.17
YAKURR	1,326,896,716.88	(70,311,550.77)	733,448,060.59	7,918,066.82	121,897,957.33	2,119,849,250.85	18,288,600.00	773,751,191.19	2,911,889,042.04
YALA	1,533,598,036.54	(70,311,550.77)	682,641,527.52	8,731,953.30	200,379,415.60	2,355,039,382.19	14,733,660.00	1,263,353,378.56	3,633,126,420.75
TOTAL	23,591,645,033.34	(1,265,607,913.69)	11,993,065,871.16	129,363,330.79	2,356,098,989.78	36,804,565,311.21	496,806,502.93	9,574,158,068.60	46,875,529,882.74

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

APPENDIX B

SCHEDULE OF CONSOLIDATED EXPENDITURE FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31ST DECEMBER 2021

Local Government	Salaries & Wages	General Admin Exp/(Overhead) Cost	Statutory Deductions	Purchase/Construction of PPE (Capital Expenditure)	Depreciation of PPE	Total
ABI	1,573,175,549.71	113,445,895.66	375,989,260.57	231,976,599.08	91,857,182.90	2,386,444,487.92
AKAMKPA	1,527,402,505.32	203,305,157.82	712,569,801.55	224,080,000.00	94,976,927.39	2,762,334,392.08
AKPABUYO	1,031,408,965.71	46,740,108.42	750,526,597.85	330,096,444.00	40,868,782.10	2,199,640,898.08
BAKASSI	737,993,529.32	138,655,825.51	460,392,976.45	228,928,255.72	60,242,039.62	1,626,212,626.62
BEKWARRA	1,238,428,858.16	199,486,453.90	578,997,630.72	69,820,000.00	6,982,000.00	2,093,714,942.78
BIASE	1,543,142,441.68	52,843,396.91	583,512,152.07	272,247,320.00	27,247,320.00	2,478,992,630.66
BOKI	2,114,349,558.08	102,012,051.88	715,702,502.29	262,180,166.63	52,323,041.65	3,246,567,320.53
CAL. MUN	1,640,726,239.69	267,505,033.95	617,970,875.34	184,974,450.00	58,874,758.99	2,770,051,357.97
CAL. SOUTH	1,357,386,551.23	70,160,857.50	640,130,195.79	210,630,806.39	100,656,379.02	2,378,964,789.93
ETUNG	1,019,086,418.25	75,796,737.46	497,082,231.26	205,438,799.99	49,345,769.07	1,846,749,956.03
IKOM	1,807,682,306.68	70,726,223.94	656,827,992.15	282,059,489.54	179,745,797.35	2,997,041,809.66
OBANLIKU	1,568,015,376.99	150,181,172.17	569,770,196.89	172,533,250.00	27,392,222.50	2,487,892,218.55
OBUBRA	1,727,371,848.04	54,912,546.07	376,015,855.46	219,859,099.96	71,730,467.73	2,449,889,817.26
OBUDU	2,147,983,158.45	65,366,362.57	632,517,664.15	216,519,000.00	65,416,362.57	3,127,802,547.74
ODUKPANI	1,721,864,858.28	168,918,197.03	678,149,242.47	198,665,332.00	63,270,997.46	2,830,868,627.24
OGOJA	1,892,759,250.78	47,059,319.56	665,113,128.62	784,222,849.98	78,422,284.99s	3,389,154,548.94
YAKURR	1,988,486,151.02	45,369,965.65	573,924,924.67	274,039,979.76	27,403,979.98	2,909,225,001.08
YALA	2,117,914,999.35	93,307,013.69	730,062,208.48	717,988,317.17	71,798,831.17	3,731,071,369.86
TOTAL	28,755,178,566.74	1,965,792,319.69	10,815,255,436.78	5,086,260,160.22	1,090,132,859.50	47,712,619,342.93

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

APPENDIX C

SCHEDULE OF CONSOLIDATED ASSETS FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31ST DECEMBER 2021

Local Government	Cash & Cash Equivalents	Receivables (State Allocation)	Investments	Contribution to CRS Reserve Fund	Councilors' Loans	Property Plant & Equipment	Total
ABI	81,769,428.97	661,385,225.55	158,878,724.67	133,737,722.93	26,550,000.00	826,714,946.16	1,889,036,048.28
AKAMKPA	57,260,888.14	661,385,225.55	158,878,724.67	138,727,622.93	26,550,000.00	710,444,838.53	1,753,247,299.82
AKPABUYO	93,041,669.36	661,385,225.55	158,878,724.67	132,737,722.93	26,550,000.00	650,905,839.00	1,723,499,181.51
BAKASSI	47,950,243.32	661,385,225.55	158,878,724.67	132,737,722.93	26,550,000.00	545,178,357.07	1,572,680,273.54
BEKWARRA	28,630,353.48	661,385,225.55	158,878,724.67	136,737,722.93	26,550,000.00	444,891,557.34	1,457,073,583.97
BIASE	35,466,046.67	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	272,473,200.00	1,024,017,719.82
BOKI	119,718,799.42	661,385,225.55	158,878,724.67	141,737,722.92	26,550,000.00	595,725,209.12	1,703,995,681.68
CAL. MUN	141,344,696.82	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	529,872,830.92	1,659,769,200.89
CAL. SOUTH	74,597,605.84	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	507,940,920.29	1,571,090,199.28
ETUNG	63,637,737.27	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	467,217,921.67	1,519,407,332.09
IKOM	92,701,393.35	661,385,225.55	158,878,724.67	141,737,722.93	29,500,000.00	647,084,762.43	1,731,287,828.93
OBANLIKU	56,989,132.85	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	570,832,833.54	1,616,373,639.54
OBUBRA	104,577,640.90	661,385,225.55	158,878,724.67	133,737,727.93	26,550,000.00	645,575,467.73	1,730,704,786.78
OBUDU	113,463,113.58	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	588,747,279.95	1,690,762,066.68
ODUKPANI	74,518,896.88	661,385,225.55	158,878,724.67	141,737,722.93	35,400,000.00	569,438,977.11	1,641,359,547.14
OGOJA	165,090,097.07	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	1,068,703,116.70	2,222,344,886.92
YAKURR	71,233,858.53	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	274,039,979.76	1,333,825,511.44
YALA	49,245,686.64	661,385,225.55	158,878,724.67	141,737,722.93	26,550,000.00	1,100,190,784.60	2,137,988,144.39
TOTAL	1,471,237,289.09	11,904,934,059.90	2,859,817,044.06	2,509,268,917.73	489,700,000.00	10,743,505,621.92	29,978,462,932.70

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

APPENDIX D

SCHEDULE OF CONSOLIDATED LIABILITIES AND RESERVES FOR THE 18 LGCs OF CROSS RIVER STATE FOR THE YEAR ENDED 31ST DECEMBER 2021

Local Government	Deposits	Short term Loans & Debts	Long Term Borrowings (CRSG loan)	Unremitted Deductions	Payables (Unremitted taxes)	Equity	Accumulated Surplus/Deficit	TOTAL
ABI	7,799,980.54		73,680,797.86	991,247,978.02	22,522,600.33	684,331,628.34	684,331,628.34	2,463,914,613.43
AKAMKPA	7,799,980.54		73,680,797.86	1,134,312,728.88	11,637,111.88	37,105,408.57	435,621,278.09	1,700,157,305.82
AKPABUYO	11,953,620.88		73,680,797.86	939,218,453.59	14,511,047.35	185,245,510.04	498,884,520.79	1,723,493,950.51
BAKASSI	47,950,243.32		73,680,797.86	611,575,732.62	6,853,398.34	185,245,510.04	676,852,826.47	1,602,158,508.65
BEKWARRA	18,472,008.21	362,140.91	73,680,797.86	914,057,625.74		157,407,159.00	206,070,460.05	1,370,050,191.77
BIASE	20,163,694.96	29,862,140.91	73,680,797.86	582,847,959.56	15,151,785.23	472,179,289.09	1,020,413,830.39	2,214,299,498.00
BOKI	31,073,108.06	9,351,658.56	73,680,797.86	1,194,974,648.61	17,552,168.44	194,245,510.24	127,067,789.91	1,647,945,681.68
CAL. MUN	670,017.15		73,680,797.86	1,037,685,871.59	48,620.00	182,245,510.04	282,887,682.56	1,577,218,499.20
CAL. SOUTH		1,520,013.64	73,680,797.86	922,065,795.28	13,402,039.90	194,245,510.04	307,126,042.28	1,512,040,199.00
ETUNG	8,393,924.24		73,680,797.86	720,787,718.56	5,240,985.69	194,245,510.04	613,857,916.31	1,616,206,852.70
IKOM	96,740,007.16		73,680,797.86	870,270,923.01	6,121,714.95	194,245,510.04	431,228,875.91	1,672,287,828.93
OBANLIKU	15,162,651.09		73,680,797.86	809,162,868.12	18,807,177.68	194,245,510.04	452,123,634.75	1,563,182,639.54
OBUBRA	14,712,651.09		73,680,797.86	879,074,071.11	24,358,829.61	186,245,510.04	521,941,756.68	1,700,013,616.39
OBUDU	6,858,251.99	725,973.45	73,680,797.86	868,085,506.87		129,545,510.04	537,965,673.88	1,616,861,714.09
ODUKPANI	960,000.00	1,385,233.68	73,680,797.86	877,055,573.29		194,245,510.04	423,232,432.27	1,570,559,547.14
OGOJA	10,000,487.51		73,680,797.86	848,204,040.49	4,901,443.81	305,678,586.67	926,779,530.58	2,169,244,886.92
YAKURR	100,066,107.78	35,400,000.00	73,680,797.86	216,335,569.61	13,375,551.75	349,807,071.43	518,610,453.01	1,307,275,551.44
YALA	16,104,338.52		73,680,797.86	968,278,498.71	22,659,056.58	417,923,381.15	606,650,748.61	2,105,296,821.43
TOTAL	414,881,073.04	78,607,161.15	1,326,254,361.48	15,385,241,563.66	197,143,531.54	4,458,433,134.89	9,271,647,080.88	31,132,207,906.64

**SCHEDULE OF CONSOLIDATED PROPERTY, PLANT & EQUIPMENT FOR THE 18 LGCs OF CROSS RIVER
STATE FOR THE YEAR ENDED 31ST DECEMBER 2021**

Local Government	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical & Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
ABI	-	-	-	-		-	-
AKAMKPA	-	-	-	-		-	-
AKPABUY	-	-	-	-		-	-
BAKASSI	-	-	-	-		-	-
BEKWARR	-	-	-	-		-	-
BIASE	-	-	-	-		-	-
BOKI	-	-	-	-		-	-
CAL. MUN	-	-	-	-		-	-
CAL.	-	-	-	-		-	-
ETUNG	-	-	-	-		-	-
IKOM	-	-	-	-		-	-
OBANLIKU	-	-	-	-		-	-
OBUBRA	-	-	-	-		-	-
OBUDU	-	-	-	-		-	-
ODUKPAN	-	-	-	-		-	-
OGOJA	-	-	-	-		-	-
YAKURR	-	-	-	-		-	-
YALA	-	-	-	-		-	-

Note: Note: Cross River State Local Government Councils are still within the three-year plus extension transitional period for full adoption of Accrual basis IPSAS, PPE are currently being valued across the 18 LGAs for full disclosure

**AUDITOR-GENERAL'S INSPECTION REPORT ON THE CONSOLIDATED
ACCOUNTS OF THE 18 LOCAL GOVERNMENTS FOR THE YEAR
ENDED 31ST DECEMBER 2021.**

1.0 INTRODUCTION

In compliance with the provisions of Section 125 (2) of the Constitution of the Federal Republic of Nigeria 1999 as (amended) and Section 56 (2) of Cross River State Local Government Law No. 7 of 2007 (as amended), I have examined the Accounts and Financial Statements of 18 Local Government Councils of the State for the year ended 31st December 2021 in accordance with Public Finance (Control Management Act 1958), Model Financial Memoranda and Circular guidance.

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

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

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



18 LGAS OF CROSS RIVER STATE

2.0 CONSIDERATION OF YEAR 2020 AUDITED FINANCIAL REPORT

The Audited Accounts of the 18 Local Governments for the year ended 31st December 2021 were submitted to the Cross River State House of Assembly in September 2021, for further consideration by the Public Accounts Committee of the Assembly.

3.0 FINANCIAL REPORTING STANDARDS

The Financial Statements for the financial year ended 31st December 2021 were prepared in line with the Standard templates for the General-Purpose Financial Statements (GPFSS) of the International Public Sector Accounting Standards (IPSAS) Accrual based Accounting and its attendant features.

4.0 AUDIT APPROACH

Audit adopts a risk-based approach and examination on a test basis of the evidence presented and its relevance to the balances, assertions and disclosures in the financial statements prepared by the various Treasurers of Councils. It also involves an assessment of the significant estimates and judgements contained in the financial statements as to whether they derive from the Accounting Policies modelled after IPSASs and the Cross River State Audit Law and Local Government Law.

The Audit was conducted in accordance with International Standards on Auditing which requires compliance with ethical requirements, planning and performing the audit to obtain reasonable assurance that the financial statements are free from material misstatements. As a result, I have obtained the necessary information and explanations that to the best of my knowledge and belief are necessary for the purpose of this audit. As such it is my belief that the audit evidence obtained is sufficient and appropriate to provide a reasonable basis for my opinion.

5.0 IPSAS IMPLEMENTATION IN CROSS RIVER STATE LOCAL GOVERNMENTS

The Cross River State Government has adopted the Accrual Basis of IPSAS for all its reporting entities and as a result the financial statements have been prepared in accordance with the accrual basis of IPSAS.

The implementation of IPSAS Accrual Basis of Accounting began with the 2018 financial year when all 18 Local Government Accounts were converted to IPSAS basis, thus the current Year 2021 Audited Financial Statements is the third in the series.

The IPSAS standard requires a full consolidation (aggregation) of all Local Government Accounts in its presentation and provision to also report on each entity separately; this consolidation is intended to give a holistic view of the financial performance and position of all the local governments that make up Cross River State.

The full implementation of the IPSAS Accrual basis in the year 2021 financial statements for all the 18 local Governments has commenced with the valuation of all Property, Plant and Equipment or Assets - Phase 1. Assets have been recognized, measured and reported preliminarily as:

- Land and Buildings
- Computer and Office Equipment
- Furniture and Fittings
- Motor Vehicles
- Medical and Laboratory Equipment
- Plant and Machinery

As implementation progresses, other valuable assets classifications will be recognized, measured and eventually brought into the Local government's financial statements namely:

Infrastructural Assets, Tourism (Stadia), Agricultural Lands, Intangible Assets, Investment Property, Heritage Assets, Biological Assets and Concession Assets (where applicable).

6.0 POOR CAPACITY BUILDING FOR PREPARERS OF FINANCIAL INFORMATION IN THE 18 LOCAL GOVERNMENTS

Audit observed with concern the lack and dearth of capacity in the Local Governments of well trained and sensitized preparers of financial information. Not only has there been no professional manpower training for the last 10 years, but there has also been no concerted effort to shore up the skills of those tasked with the mandate of preparing and presenting financial data.

The responsibility of continuous training of the Finance and Supplies and indeed all other Manpower at the Local Government lies with the Local Government Service Commission and indeed the entire Executive Council of each Local Government.

With the current Country wide mandate of the Federal Government to all tiers of Government to fully adopt the International Public Accounting Standards (IPSAS), there is an urgent need for training of all Accounting, Budget and Auditing Staff at the Local Government to adequately transit and adopt the new system of preparing financial information and reporting.

Recommendation

Audit therefore recommends an immediate two to three on-site professional crash course on IPSAS Budgeting and Financial reporting for all Accounting, Auditing and Budget and Planning staff of the 18 Local Government Councils, so as not to leave Cross River State behind in the global financial space as well as to enhance our accountability index.

7.0 FINANCIAL SUMMARY

During the year 2021 the following financial summary of the 18 LGAs in terms of revenue, expenditure and budget performance are summarized as follows:

7.1 REVENUE

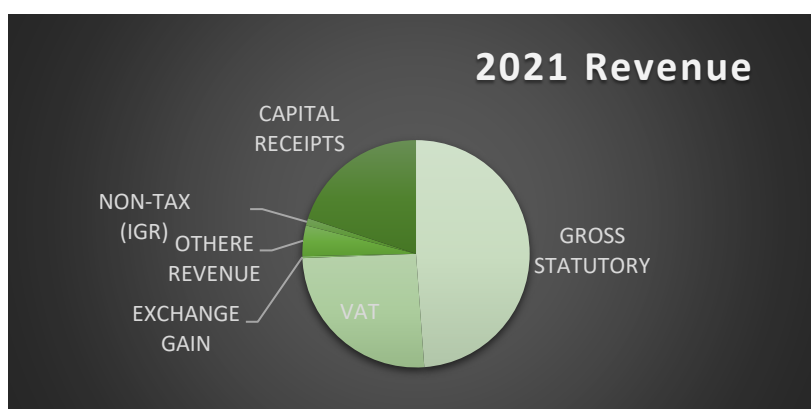
The sum of N47.99bn accrued to the 18 Local Government Councils as receipts for the year ended 31st December 2021 as revealed in the table below:

S/N	DETAILS	2021 (N)	2020 (N)
1	Gross Statutory Allocation	23,439,951,429.23	22,552,079,639.95
2	Govt. Share of VAT	12,266,016,783.36	8,638,470,919.72
3	Share of Exchange Gain	128,562,940.51	690,309,257.33
4	Other Revenue	2,092,547,912.20	2,029,838,965.83
5	Non-Tax Revenue (IGR)	496,806,502.93	554,322,147.12
6	Capital Receipts	9,574,158,068.60	2,672,873,917.23
		47,998,043,636.83	37,137,894,847.18

Government Share of FAAC or Statutory Allocation contributed the majority 62% of total revenue received by the Councils for the year, VAT contributed 32%, Exchange Gain less than 1% and Other Revenue a total of 2% of total revenue of councils. IGR of Councils contributed a paltry 1.3% to the revenue of Councils for the year, while Capital Receipts were 7.1%. Statutory Allocation continues to be the major source of Council revenue; the need for Councils to invest in infrastructure that will boost revenue cannot be overemphasized.

RECOMMENDATION

There is need to urgently deemphasize Federal Revenue and increase efforts to generate and declare accurately all Council revenue.



7.2 EXPENDITURE

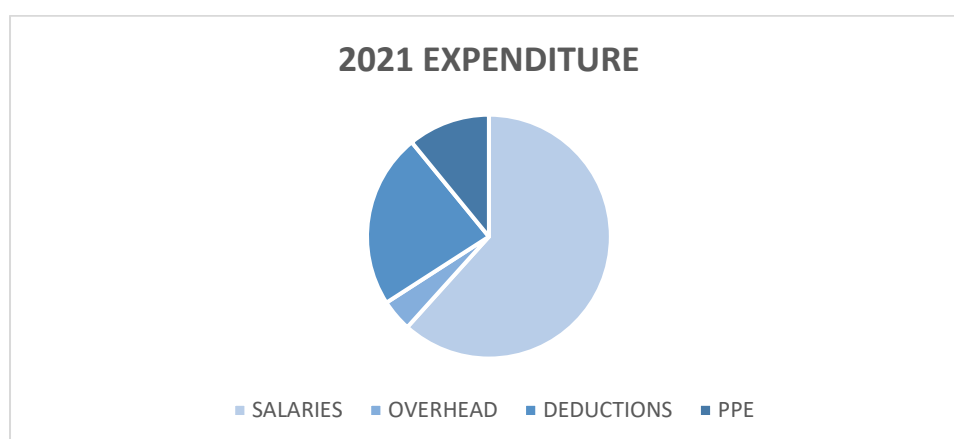
A total of **N46.6bn** was expended by Councils during the year for various purposes as listed in the table below.

S/N	DETAILS	2021 ACTUAL (N)	2020 ACTUAL (N)
1	Salaries and Wages	28,755,178,566.74	22,938,505,303.13
2	Overhead	1,965,792,319.69	1,102,542,305.30
3	Statutory Deductions	10,815,255,436.78	341,491,356.90
4	JAAC Charges	0.00	5,497,878,952.03
5	Property, Plant & Equipment	5,086,260,160.22	4,680,124,720.02
		44	34,560,542,637.38

57.5% of total expenditure was spent on Salaries, Wages and Pensions; 4.3% was spent on Overhead, only 20% on Statutory Deductions, 1% of revenue was deducted at source by FAAC while only 16.1% was spent on PPE. The Expenditure profile for the year shows that Council's major priority continues to be payment of Salaries and Pensions, council's expenditure on Capital Expenditure continues to be dismal which consequently affects meaningful development.

RECOMMENDATION

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



8.0 DWINDLING FEDERAL REVENUE AND INADEQUATE REVENUE GENERATING CAPACITY OF COUNCILS

During the year under review, Audit observed a huge drop in Internally Generated Revenue and poor Capital Expenditure performance as majority of Councils revenue is spent on salaries and overheads. The global recession and fall in oil prices as well as the Russian-Ukraine war is set to affect Government revenue more and more.

Councils over dependence on Federal Revenue in the midst of a rich Agrarian State as Cross RIVER STATE will only lead to underdevelopment because the resources needed for development are scarce and need to be generated.

RECOMMENDATION

Audit is therefore recommending to Chief Executives of Councils to return to the core mandate of Local Government Councils which is to build and maintain schools, markets, roads, bridges, farms and other low-cost infrastructure that will drive the local economy of their councils and boost their revenue base in the midst of the uncertain future global financial climate.

10.0 CONCLUSION

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

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

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


Franka Inok (Mrs.), FCA
AUDITOR-GENERAL
CRS LOCAL GOVERNMENTS
26th September 2022

PART TWO

COUNCIL'S FINANCIAL STATEMENTS

ABI LOCAL GOVERNMENT COUNCIL

FINANCIAL STATEMENTS AND
DISCLOSURES

ABI LOCAL GOVERNMENT, ITIGIDI

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

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

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Abi Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

MRS. FRANKA A. INOK, FCA

AUDITOR-GENERAL

ABI LOCAL GOVERNMENT, ITIGIDI
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Abi Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. FARATHOR ROBINSON RIMAN
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. CHRISTOPHER ISO ISO
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Abi Local Government Council,
ITIGIDI.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF ABI LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Abi Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



ABI LOCAL GOVERNMENT, ITIGIDI
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

Statement of Financial Position as at 31st December, 2021.			
ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	81,769,428.97	41,813,209.05
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		743,454,654.52	575,907,983.64
Non-Current Assets			
Investment	17	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	826,714,946.16	686,595,529.98
Contribution to CRS Reserve Fund	11	133,737,722.93	129,737,722.93
Total Non-Current Asset		1,119,331,393.76	975,211,977.58
Total Asset (A)		1,862,486,048.28	1,551,119,961.22
Current Liabilities			
Depositors	12	7,799,980.54	7,799,980.54
Unremitted Deductions	13	991,247,978.02	724,127,854.95
Payables (Unremitted Taxes)	14	22,522,600.33	22,522,600.33
Total Current Liabilities		1,021,570,558.89	754,450,435.82
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	15	73,680,797.86	73,680,797.86
Loan to Councilors		26,550,000.00	-
Total Non-Current Liabilities		100,230,797.86	73,680,797.86
Total Liabilities (B)		1,121,801,356.75	828,131,233.68
Net Asset (A - B)		<u>740,684,691.53</u>	<u>722,988,727.54</u>
NET ASSET AND EQUITY			
Reserve Fund	16	30,105,408.57	26,105,408.57
Accumulated Surplus/(Deficit)	16	710,579,282.96	696,883,318.97
Net Assets		<u>740,684,691.53</u>	<u>722,988,727.54</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

ABI LOCAL GOVERNMENT, ITIGIDI

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,024,126,361.39	1,774,409,581.00
Non-Tax Revenue	2	5,476,581.97	5,739,358.49
Other Capital Receipts	1b	352,702,092.35	1,099,242,924.00
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>2,509,595,486.67</u>	<u>2,971,535,510.77</u>
Expenditures			
Employees Benefits	3	1,573,175,549.71	1,410,072,251.02
General and Admin Expenses	4	113,445,895.66	43,746,604.90
Deduction at Source	1	70,311,550.77	
Transfer to Other Government Entities	5	371,989,260.57	149,422,174.28
Total Operating Expenses		2,128,922,256.71	1,603,241,030.20
Excess/(Deficit) of Revenue over Expenditures		380,673,229.96	1,368,294,480.57
Non-Cash Movement			
Depreciation of PP&E	7	91,857,182.90	22,842,353.79
Net Surplus/(Deficit)		288,816,047.06	<u>1,345,452,126.78</u>

ABI LOCAL GOVERNMENT, ITIGIDI

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021**

Details	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	696,883,318.97	26,105,408.57	722,988,727.54
Changes for the Year	288,816,047.06	4,000,000.00	292,816,047.06
Transfer to/(from) changes in Net Assets	(275,120,083.07)		(275,120,083.07)
Balance as at 31st December 2021.	<u>710,579,282.96</u>	<u>30,105,408.37</u>	<u>740,684,691.53</u>
Balance as at 1 January 2021	(26,247,654.62)	827,630.79	(25,420,023.83)
Changes for the Year	1,345,452,126.78	25,277,777.78	1,370,729,904.56
Transfer to/(from) changes in Net Assets	(622,321,153.19)	-	622,321,153.19)
Balance as at 31st December 2020.	<u>696,883,318.97</u>	<u>26,105,408.57</u>	<u>722,988,727.54</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

ABI LOCAL GOVERNMENT, ITIGIDI
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1b	1,247,688,529.34	1,200,427,880.59
Government Share of VAT	1b	595,073,256.55	247,463,768,705.26
Share of Exchange Gain Difference	1b	5,711,477.21	36,744,570.43
Other Revenue	1b	175,653,098.29	108,046,589.34
Non-Tax Revenue	2	5,476,581.97	5,739,358.49
Capital Receipts	1b	352,702,092.35	228,423,537.93
Total Inflows from Operating Activities		2,382,305,035.71	2,043,150,642.04
Outflows:			
Employees' Benefits	3	1,573,175,549.71	1,410,072,251.02
Admin (Overhead) Cost	4	113,445,895.66	43,746,604.90
Statutory Deductions	5	375,989,260.57	149,422,174.28
JAAC Charges		-	-
Deductions at Source	1	70,311,550.77	34,578,163.88
Total Outflows from Operating Activities		(2,132,922,256.71)	1,637,819,194.08
Net Cashflow from Operating Activities		<u>249,382,779.00</u>	<u>405,331,447.96</u>
CASHFLOW FROM INVESTING ACTIVITIES			
Purchase/Construction of PPE	7	(231,976,599.08)	(228,423,537.93)
Reserves	11	4,000,000.00	
Net Cashflow from Investing Activities		(235,976,559.08)	(228,423,537.93)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits	14		-
Deposits Payment	14		
Tax Remitted			-
Loan Repayment	17	(9,450,000.00)	(250,000,000.00)
Councilor's Vehicles	17	36,000,000.00	
Net Cash Flow from Financing Activities		26,550,000.00	(250,000,000.00)
Net Cash Flow from All Activities		39,956,219.92	<u>(73,092,089.97)</u>
Cash and Cash Equivalent as at 01/01/2021		41,813,209.05	(177,733,298.58)
Adjustment			292,638,597.60
Cash and Cash Equivalent as at 31 Dec 2021		<u>81,769,428.97</u>	<u>41,813,209.05</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

ABI LOCAL GOVERNMENT, ITIGIDI
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

Details	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE 2021
RECEIPTS	₦	₦	₦
Gross Statutory Allocation	1,924,125,189.00	2,024,126,361.39	100,001,172.39
Internally Generated Revenue	41,607,877.00	5,476,589.97	(36,131,295.03)
Capital Receipts	0.00	352,702,092.35	352,702,092.35
Cross River State Government Loan	50,000,000.00	0.00	77,2,450.96
Total Receipts	2,015,733,066.00	2,382,305,035.71	366,571,969.71
PAYMENTS			
Salaries and Wages	1,416,742,780.00	1,573,175,549.71	156,432,769.71
Statutory Deductions	1,348,575,303.00	375,989,260.57	972,586,042.43
Overhead / Operating Expenditure	130,192,142.00	113,445,895.66	16,746,248.34
Capital Expenditure	4,530,755,378.00	231,976,599.08	4,298,778,778.92
Investment Expenditure	0.00	36,000,000.00	36,000,000.00
Deduction at Source	0.00	70,311,550.77	70,311,550.77
Total Payments	7,426,265,603.00	2,400,898,855.79	5,025,366,747.21
NET RECEIPTS	(5,410,532,537.00)	(18,593,820.08)	(5,429,126,357.08)

ABI LOCAL GOVERNMENT, ITIGIDI
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Reporting Entities

Abi is one of the 18 Local Government Area in Cross River State, Nigeria Headquarters at Itigidi with population of about 200,000. It contains several Igbo and Bahumono villages and is home to an annual cultural festival. Abi is situated along the Cross River and it is bounded to the west by Ebonyi State, to the south by Biase Local Government and to the east by Yakurr local government. Communities of Abi include Ebijakara, Ediba, Usumutong and others.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

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

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. **Unremitted Deductions**

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS

Note 1.

Revenues

GROSS STATUTORY ALLOCATION)

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

	₦
Statutory Allocation	2,024,126,361.36
Internally Generated Revenue	5,476,581.97
Other Capital Receipts	352,702,092.35
Unremitted 10% State IGR	127,290,450.68
	<u>2,509,595,486.67</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	DEDUCTIONS	TOTAL GROSS ALLOCATION
		=N=	=N=	=N=	=N=	=N=	=N=
1	JAN.	97,131,270.46	49,846,186.61			-58,259.97	146,919,197.10
2	FEB.	82,312,602.66	49,455,032.61		4,475,429.85	-13,312,426.79	122,930,638.33
3	MARCH	85,250,320.21	57,563,241.38	658,531.54	10,127,859.20	-6,685,343.38	146,914,608.95
4	APRIL	95,419,358.52	57,929,535.39	483,434.06	8,008,433.10	-6,685,343.38	155,155,417.69
5	MAY	80,732,217.29	57,722,843.04	369,392.69	21,732,121.01	-6,685,343.38	153,871,230.65
6	JUNE	129,519,723.82	49,216,382.89	819,157.29	3,910,166.45	-6,685,343.38	176,780,087.07
7	JULY	137,513,160.99	47,360,052.53	523,754.89	4,141,107.50	-10,968,817.40	178,569,258.51
8	AUG.	108,738,006.90	56,528,121.27	613,592.52	14,142,754.76	-9,228,647.07	170,793,828.38
9	SEPT.	126,937,459.05	54,375,744.93	661,335.81	1,913,981.93	-3,460,295.05	180,428,226.67
10	OCT.	83,036,151.74	52,629,880.03	687,496.01	38,463,697.67	-2,199,996.98	172,617,228.47
11	NOV.	106,635,002.69	62,446,235.87	894,782.40	3,335,172.66	-2,199,996.98	171,111,196.64
12	DEC.	114,463,255.01	-		65,402,374.16	-2,141,737.01	177,723,892.16
	TOTAL	1,247,688,529.34	595,073,256.55	5,711,477.21	175,653,098.29	-70,311,550.77	1,953,814,810.62

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

(D) OTHER REVENUE

This represents revenue than statutory receipts from the Federation for Abi Local Government Council for the year ended 31st December 2021

MONTH	EXCHANGE DIFFERENCE	SHARE OF FOREX EQUAL.	Excess Bank Charges	Share of Solid Minerals	ECOLOGICAL FUND	NON-OIL REVENUE	AUGMENTATION	TOTAL
JAN.								
FEB.		1,822,265.09	125,357.98		2,527,806.78			4,475,429.85
MARCH					2,795,315.69	7,332,543.51		10,127,859.20
APRIL			136,334.13		3,026,540.60	4,845,558.37		8,008,433.10
MAY				1,673,616.36	2,992,040.43	4,845,558.37	12,220,905.85	21,732,121.01
JUNE					3,910,166.45			3,910,166.45
JULY					4,141,107.50			4,141,107.50
AUG.			98,403.35		1,823,445.56	12,220,905.85		14,142,754.76
SEPT.					1,913,981.93			1,913,981.93
OCT.					1,800,980.13	12,220,905.85	24,441,811.69	38,463,697.67
NOV.			106,096.21		3,229,076.45			3,335,172.66
DEC.	1,733,926.09				63,668,448.07			65,402,374.16
TOTAL	1,733,926.09	1,822,265.09	466,191.67	1,673,616.36	91,828,909.59	41,465,471.95	36,662,717.54	175,653,098.29

DEDUCTIONS AT SOURCE - (₦70,311,550.96)

This represents deductions made at source by the FAAC Allocation Committee against Abi Local Government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Abi Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021 ₦
101000	TAXES	
102000	RATES	452,888.89
103000	LOCAL LICENCE FEES	995,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	816,660.00
105000	RENT ON GOVERNMENT PROPERTY	60,000.00
106000	INTEREST ON DIVIDENDS	0.00
107000	REIMBURSEMENT	0.00
108000	MISCELLANEOUS	3,151,533.00
	T O T A L	5,476,581.97

MONTH	102000	103000	104000	105000	108000	TOTAL
JAN		379,000.00	73,320.00		139,500.00	591,820.00
FEB		45,000.00	111,850.00	5000.00	264,000.00	425,850.00
MAR	332,888.89	158,000.00	86,600.00	5,000.00	180,200.00	762,688.89
APR		41,000.00	63,750.00		626,000.00	730,750.00
MAY	12,000.00	24,000.00	65,390.00		123,000.00	224,390.00
JUN		36,000.00	41,800.00		130,000.00	207,800.00
JUL		35,000.00	61,400.00		228,000.00	324,400.00
AUG		25,000.00	105,200.00	50,000.00	377,000.00	557,200.00
SEP		7,500.00	48,350.00		297,000.00	352,850.00
OCT.		5,000.00	2,500.00		152,500.00	160,000.00
NOV		240,000.00	46,200.00		225,000.00	511,200.00
DEC		0.00	110,300.00		409,333.08	519,633.08
TOTAL	452,888.89	995,500	816,660.00	60,000.00	3,151,533.08	5,476,581.97

Note 3**CAPITAL RECEIPTS – ₦352,702,092.35**

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

Note 4**Employees Benefit**

Details	₦
Primary Health Care Salaries	160,860,291.00
Non-Pensionable Allowances	131,049,011.92
Council Staff Salaries	249,479,952.55
Political Office Holders	71,684,201.92
Pension Allowances	354,610,377.02
SUBEB - Teacher's Salaries	571,429,463.62
Traditional Rulers Allowances	26,212,500.00
TOTAL	1,573,175,549.71

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

DETAILS	
TRANSPORT AND TRAVELS	2,475,300.00
MATERIALS AND SUPPLIES	1,909,998.75
MAINTENANCE, REPAIRS AND SERVICES	1,199,000.00
UTILITIES	246,000.00
CONSULTANCY AND PROFESSIONAL SERVICES	7,560,000.00
ENTERTAINMENT AND HOSPITALITY	31,986,300.00
OTHER SERVICES	18,001,600.00
FINANCE EXPENSES	1,043,253.91
REFUND OF SALARIES	49,024,443
TOTAL	113,445,895.66

Note 6**Transfer to Other Government Agencies**

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

S/N	AGENCY	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	8,179,053.00
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	106,401,213.98
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	59,120,791.58
4	JOINT SECURITY OPERATIONS 2.5%	29,959,947.00
5	JOINT SOCIAL WELFARE 2.5%	29,555,892.80
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	5,911,178.59
7	SPORT DEVELOPMENT 1%	10,418,302.75
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	29,555,892.78
9	CRHA OVERSIGHT FUNCTION 0.5%	7,072,681.16
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	4,410,307.33
11	INFRASTRUCTURAL FUNDS 4%	53,351,488.42
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	11,822,357.16
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	11,822,357.11
14	MINISTRY OF INTL. DONOR COMM.	4,407,796.82
	Total	371,989,260.57

Note 7**Property, Plant and Equipment**

During the year under review, the Abi LGC spent a total sum of ₦231.9M on Purchase and Construction of PPE (Property, Plant and Equipment)

DETAILS	TOTAL(₦)
ECONOMIC SECTOR	
Agriculture	-
Energy (Fuel & Power)	600,000.00
Commerce & Finance	3,250,000.00
Road and Bridges	-
Culture & Tourism	-
SUB TOTAL	3,850,000.00
SOCIAL SECTOR	
Education	-
Health	5,000,000.00
Information & Comm. ICT	-
Social Dev. Youth & Sports	250,000.00
SUB TOTAL	5,250,000.00
ENVIRONMENTAL & REGIONAL DEV.	
Water Supply	
Housing	50,000,000.00
Environment	5,500,000.00
SUB TOTAL	55,500,000.00
General administration	167,376,599.08
Grand total	231,976,599.08

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8. Depreciation of Property, Plant and Equipment

	Building	Plants & Machinery	Motor Vehicle	IT & Office Equipment	Furniture & Fittings	Intangible Assets	Bridges	Road	Traffic Light	Streetlights	Drainages	Total
Cost	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
	2%	5%	25%	25%	10%	25%	2%	5%	5%	10%	5%	
As at 1/1/2020												<u>686,595,529.98</u>
Additions												231,976,599.08
Disposal												
Adjustments												
As at 31/12/2021(A)	-	-	-	-	-	-	-	-	-	-	-	<u>918,572,129.06</u>
Depreciation												
As at 1/1/2020												63,659,552.99
Charge for the year												23,197,659.91
Disposals												
Adjustments												
As at 31/12/2020 (B)	-	-	-	-	-	-	-	-	-	-	-	91,857,182.90
Net Book Value (A-B)	-	-	-	-	-	-	-	-	-	-	-	<u>826,714,946.16</u>

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Abi Local Government Council Cash Books as at 31st December 2021.

	NAME OF BANK	CLOSING BALANCES AS 31 ST DEC. 2021 (₦)
1.	FIRST BANK OF NIG. PLC (SALARY AND OVERHEAD)	24,580,195.03
2.	FIRST BANK OF NIG. PLC (REVENUE	34,895.32
3.	FIRST BANK OF NIG. PLC (PROJECT	87,154,338.62
4	CASH IN HAND	0.00
	TOTAL BAL AS 31ST DEC.2021	81,769,428.97

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10% (Revenue Arrear)	127,290,450.96
Remittance for the Period	0.00
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	
JUN	DEDUCTION FROM ALLOCATION	
JUL	DEDUCTION FROM ALLOCATION	
AUG	DEDUCTION FROM ALLOCATION	
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	
DEC	DEDUCTION FROM ALLOCATION	
	TOTAL AS IN CASHFLOW STATEMENT	4,000,000.00
	Balance carried forward as at 31 Dec 2021	133,737,722.93

Note 12:**DEPOSITS**

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

S/N	DESCRIPTION	BALANCE AS AT 1/1/2021	ADDITION IN THE YEAR	PAYMENTS WITHIN THE YEAR	BALANCE AS AT 31/12/2021
		₦	₦	₦	₦
1	RETENTION DEPOSIT	12,263,900.00	-	-	12,263,900.00
2	NATIONAL HOUSING FUND	(8,018,562.25)	-	-	(8,018,562.25)
3	UNCLAIMED SALARIES	3,554,642.79	-	-	3,554,642.79
		7,799,980.54	-	-	7,799,980.54

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 13:

UNREMITTED DEDUCTIONS

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

DETAILS	AMOUNT (₦)
Unremitted deductions brought forward	724,127,854.95
2021 Statutory deductions	639,109,383.64
Total	1,363,989,260.59
Actual Remittances for the year	(371,989,260.57)
BALANCE CARRIED FORWARD	991,247,978.02

Note 14:

PAYABLES

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Abi LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITION	REMITTAN CES DURING	BALANCE AS AT 31-12-2021
1	WITHHOLDING TAX	11,534,115.73	-	-	11,534,115.73
2	VALUE ADDED TAX	10,485,984.60			10,485,984.60
3	PAYE	-			0
4	STAMP DUTY	502,500.00			502,500.00
TOTAL		22,522,600.33			22,522,600.33

Note 15

LONG TERM LOANS/BORROWINGS (CRSG LOAN)

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	0.00
BALANCE CARRIED FORWARD	73,680,797.86

Note 16**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/2021	26,105,408.57	745,553,176.52	156,140,101.47	(26,247,654.62)
changes for the year	4,000,000.	288,816,047.06	0	710,579,282.96
Adjustment to Net Asset		(323,789,940.62)	0	0
Total Equity	<u>30,105.408.57</u>	<u>710,579,282.96</u>	<u>156,140,101.47</u>	<u>684,331,628.34</u>

Note 17**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 18**CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS**

Councilors in Abi Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	36,000,000.00
AMOUNT REPAID	<u>(9,450,000.00)</u>
BALANCE	26,550,000.00

**AKAMKPA LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURE**

AKAMKPA LOCAL GOVERNMENT, AKAMKPA

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

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

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

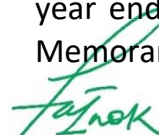
THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Akamkpa Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

AKAMKPA LOCAL GOVERNMENT, AKAMKPA

RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Akamkpa Local Government as at 31st December 2021 and its operations for the period ended on that date.



.....
HON. LINUS ETIM BASSEY
CHAIRMAN

30th June 2022
.....
DATE



.....
MRS. ANWUDUA RICHARD EFA, ACA.
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Akamkpa Local Government Council,
AKAMKPA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF AKAMKPA LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the State of Affairs of Akamkpa Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



AKAMKPA LOCAL GOVERNMENT, AKAMKPA
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

Statement of Financial Position as at 31st December, 2021			
ASSETS	NOTES	2021	2020
<u>Current Assets</u>		₦	₦
Cash and Cash Equivalent	8	57,260,888.14	64,529,973.45
Receivables	9	661,385,225.55	534,094,774.59
Total Current Asset		718,646,113.69	598,624,748.04
<u>Non-Current Assets</u>			
Investment	13	158,878,724.67	158,878,724.67
Property, Plant & Equipment	7	710,444,838.53	593,341,765.92
Contribution to CRS Reserve Fund	14	138,727,622.93	126,737,622.93
Total Non-Current Asset		1,008,061,181.13	878,958,113.52
Total Asset (A)		1,726,707,299.82	1,477,582,861.56
LIABILITIES AND EQUITY			
<u>Current Liabilities</u>			
Depositors		7,799,980.54	0.00
Unremitted Deductions	15	1,134,312,728.88	789,170,405.73
Payables (Unremitted Taxes)	16	11,637,111.88	11,637,111.88
Total Current Liabilities		1,153,749,821.30	800,807,517.61
<u>Non-Current Liabilities</u>			
Long Term Borrowings (CRSG loan)	10	73,680,797.86	73,680,797.86
Loan to Councilors	18	26,550,000.00	-
Total Non- Current Liabilities		100,230,791.86	73,680,797.86
Total Liabilities (B)		1,253,980,613.16	874,488,315.47
Net Asset (A - B)		472,726,686.66	<u>603,094,546.09</u>
NET ASSET AND EQUITY			
Reserve Fund	12	37,105,408.57	25,105,408.57
Accumulated Surplus/(Deficit)	12	435,621,278.09	577,989,137.52
Net Assets		472,726,686.66	<u>603,094,546.09</u>

AKAMKPA LOCAL GOVERNMENT, AKAMKPA

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,368,912,814.53	2,124,510,944.38
Internally Generated Revenue	2	110,759,770.39	199,538,345.01
Other Capital Receipts		224,177,345.22	224,923,537.93
10% State IGR	9	127,290,450.96	92,143,647.28
Total Revenue		<u>2,831,140,381.10</u>	<u>2,641,116,474.60</u>
Expenditures			
Employees Benefits	3	1,527,402,505.32	1,319,206,817.23
General and Admin Expenses (Overhead)	4	203,305,157.82	48,746,604.90
Transfer to Other Government Entities	5	712,569,801.55	548,504,895.79
Deduction at Source		70,311,550.76	0.00
Total Operating Expenses		<u>2,513,589,015.45</u>	<u>1,916,458,317.92</u>
Excess/(Deficit) of Revenue over Expenditures		<u>317,551,365.65</u>	<u>724,658,156.68</u>
Non-Cash Movement			
Depreciation of PP&E	7	94,976,927.39	22,492,353.79
Net Surplus/(Deficit)		<u>222,574,438.26</u>	<u>702,165,802.88</u>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021**

Details	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	577,989,137.52	25,105,408.57	603,094,546.09
Changes for the Year	222,574,438.26	12,000,000.00	234,574,438.26
Transfer to/(from) changes in Net Assets	(364,942,297.69)	-	(364,942,297.69)
Balance as at 31st December 2021.	<u>435,621,278.09</u>	<u>37,105,408.57</u>	<u>472,726,686.66</u>
Balance as at 1 January 2020	(76,751,438.77)	827,630.79	(75,923,807.98)
Changes for the Year	702,165,802.88	24,277,777.78	726,443,580.66
Transfer to/(from) changes in Net Assets	(47,425,226.59)	-	(47,425,226.59)
Balance as at 31st December 2020.	<u>577,989,137.52</u>	<u>25,105,408.57</u>	<u>603,094,546.09</u>

AKAMKPA LOCAL GOVERNMENT, AKAMKPA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1b	1,568,329,352.85	1,508,923,282.98
Government Share of VAT	1b	667,887,620.97	470,273,077.20
Share of Exchange Gain Difference	1b	8,601,939.04	46,187,479.27
Other Revenue	1b	124,093,901.17	135,813,252.04
Internally Generated Revenue	2	110,759,770.89	199,538,345.01
Capital Receipts	1b	224,177,345.22	224,923,537.93
Total Inflows from Operating Activities		2,703,849,930.14	2,585,658,974.43
Outflows:			
Employees' Benefits	3	1,527,402,505.32	1,319,206,817.23
Admin (Overhead) Cost	4	203,305,157.82	48,746,604.90
Statutory Deductions	5	712,569,810.55	548,504,895.79
Deductions at Source		70,311,550.76	-
JAAC Charges		-	-
Total Outflows from Operating Activities		2,513,589,015.45	1,916,458,317.92
Net Cashflow from Operating Activities		<u>190,260,914.69</u>	<u>669,200,656.51</u>
Cashflow From Investing Activities			
Proceeds from Sale of PPE			-
Purchase/Construction of PPE	7	212,080,000.00	(228,423,537.93)
Other Asset		12,000,000.00	
Net Cashflow from Investing Activities		<u>224,080,000.00</u>	<u>(228,423,537.93)</u>
Cash Flow from Financing Activities			
Loan to Councilors		36,000,000.00	-
Loan Repayment	10	(9,450,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		<u>26,550,000.00</u>	<u>(250,000,000.00)</u>
Net Cash Flow from All Activities		<u>(7,269,085.31)</u>	<u>190,777,118.58</u>
Cash and its Equivalent as at 01/01		64,529,973.45	(155,363,633.78)
Adjustment		-	29,116,488.65
Cash and its Equivalent as at 31 Dec 2021		<u>57,260,888.14</u>	<u>64,529,973.45</u>

AKAMKPA LOCAL GOVERNMENT, AKAMKPA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

Details	FINAL BUDGET	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	3,189,010,829.00	2,368,912,814.53	820,098,014.47
Internally Generated Revenue	109,020,789.00	110,759,770.39	-1,738,981.39
Capital Receipts	796,389,757.00	224,177,345.22	572,212,411.78
Cross River State Government Loan	-	-	-
Total Receipts	4,094,421,375.00	2,703,849,930.14	1,390,571,447.86
PAYMENTS			
Salaries and Wages	1,214,964,497.00	1,527,402,505.32	-312,438,008.32
Statutory Deductions	569,041,605.00	712,569,801.55	143,528,196.55
Overhead / Operating Expenditure	235,067,197.00	203,305,157.82	31,762,039.18
Capital Expenditure	6,395,366,441.00	212,080,000.00	6,163,286,441.00
Investment Expenditure	-	12,000,000.00	-12,000,000.00
Total Payments	8,414,439,740.99	2,737,669,015.45	5,676,770,725.54
NET SURPLUS (DEFICIT)	4,320,018,365.99	33,819,085.23	4,286,199,280.76

AKAMKPA LOCAL GOVERNMENT, AKAMKPA
STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

i. Reporting Entities

Akamkpa local government area is located in Cross River state, South-South Nigeria. Created in 1976, Akamkpa LGA has its headquarters in the town of Akamkpa. Prominent tribes in Akamkpa LGA include the Ejagham and the Dusaya Iyoung with the LGA consisting of towns and villages such as Uyanga, Ikpi, Awi, Mbarakon, Eku, Iko, and Oban. Akamkpa LGA shares boundaries with Odukpani LGA, Akpabuyo LGA, the Republic of Cameroon and Ikom. The population of Akamkpa LGA is estimated at 180,521 inhabitants.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as

incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. **Loan Repayments**

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

xv. **Interest on Loans**

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

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. **Investments**

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. **Leases**

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

xix. **Other Borrowings**

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****₦**

Gross Statutory Allocation	2,479,672,584.92
Internally Generated Revenue	110,759,770.39
Other Capital Receipts	224,177,345.22
Unremitted 10% State IGR	<u>127,290,450.96</u>
	<u>2,831,140,381.10</u>

1b. The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	122,092,828.63	50,540,283.09	-	-	172,633,111.72	-58,259.97	172,574,851.75
2	FEBRUARY	103,465,942.97	50,149,020.42		5,625,561.02	159,240,524.41	-13,312,426.79	145,928,097.62
3	MARCH	107,158,618.30	58,364,796.04	827,766.15	10,948,325.36	177,299,505.85	-6,685,343.38	170,614,162.47
4	APRIL	119,940,976.09	58,709,025.12	607,670.75	10,066,503.22	189,324,175.18	-6,685,343.38	182,638,831.80
5	MAY	101,479,417.73	58,521,600.41	464,322.12	24,346,561.16	184,811,901.42	(6,685,343.38)	178,126,558.04
6	JUNE	162,804,721.58	49,897,748.12	1,029,670.78	4,915,031.77	218,647,172.25	(6,685,343.38)	211,961,828.87
7	JULY	172,852,375.13	48,026,725.24	658,353.54	5,205,321.86	226,742,775.77	(10,968,817.40)	215,773,958.37
8	AUGUST	136,682,355.52	57,315,262.12	771,278.36	14,782,901.64	209,551,797.64	(9,228,647.07)	200,323,150.57
9	SEPTEMBER	159,558,846.09	55,130,358.53	831,291.09	2,405,852.06	217,926,347.77	(3,460,295.05)	214,466,052.72
10	OCTOBER	104,375,442.93	53,362,738.79	864,174.14	39,437,047.46	198,039,403.33	(2,199,996.98)	195,839,406.35
11	NOVEMBER	134,038,904.75	63,312,706.67	1,124,730.62	4,192,271.55	202,668,613.59	(2,199,996.98)	200,468,616.61
12	DECEMBER	143,878,922.94	64,557,356.42	1,422,681.48	2,179,524.07	212,038,484.91	-2,141,737.01	209,896,747.90
		1,568,329,352.66	667,887,620.97	8,601,939.04	124,104,901.16	2,368,923,813.83	(70,311,550.76)	2,298,612,263.07

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The details of Other Revenue sub-component is also disclosed in the table below:

(D) OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for Akamkpa Local Government Council for the year ended 31st December 2021.

S/N	MONTH	SHARE OF NON-OIL REVENUE	SHARE OF FOREX	SHARE OF EXCESS BANK CHARGES	SHARE OF ECOLOGICAL FUND	AUGMENTATION	SHARE OF SOLID MINERAL	TOTAL
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	-	-	-	-	-	-	-
2	FEBRUARY		2,290,565.11	157,573.46	3,177,422.45			5,625,561.02
3	MARCH	7,434,647.46			3,513,677.90			10,948,325.36
4	APRIL	6,090,808.08		171,370.34	3,804,324.80			10,066,503.22
5	MAY	6,090,808.08			3,760,958.51	12,391,079.10	2,103,715.47	24,346,561.16
6	JUNE				4,915,031.77			4,915,031.77
7	JULY				5,205,321.86			5,205,321.86
8	AUGUST	12,391,079.10		99,773.60	2,292,048.94			14,782,901.64
9	SEPTEMBER				2,405,852.06			2,405,852.06
10	OCTOBER	12,391,079.10			2,263,810.17	24,782,158.20		39,437,047.46
11	NOVEMBER			133,361.64	4,058,909.91			4,192,271.55
12	DECEMBER				2,179,524.07			2,179,524.07
		44,398,421.82	2,290,565.11	562,079.04	37,576,882.44	37,173,237.29	2,103,715.47	124,104,901.16

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Akamkpa Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		₦
101000	TAXES	-
102000	RATES	-
103000	LOCAL LICENCE FEES	418,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	109,916,770.39
105000	RENT ON GOVERNMENT PROPERTY	60,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	365,000.00
	TOTAL	110,759,770.39

MONTH	1001	1002	1003	1004	1005	1008	TOTAL
JANUARY	-	-	100,000.00	6,457,800.00	-	4,000.00	6,561,800.00
FEBRUARY	-	-	23,000.00	8,093,500.00	-	-	8,116,500.00
MARCH	-	-	16,000.00	8,079,038.89	-	47,000.00	8,142,038.89
APRIL	-	-	-	8,129,516.00	-	1,000.00	8,130,516.00
MAY	-	-	16,000.00	4,763,116.00	20,000.00	31,500.00	4,830,616.00
JUNE	-	-	-	5,313,525.00	20,000.00	71,500.00	5,405,025.00
JULY	-	-	-	3,566,382.50	-	30,000.00	3,596,382.50
AUGUST	-	-	-	5,446,541.50	-	-	5,446,541.50
SEPTEMBER	-	-	262,000.00	4,075,037.50	-	60,000.00	4,397,037.50
OCTOBER	-	-	-	43,590,975.00	-	-	43,590,975.00
NOVEMBER	-	-	-	8,712,248.00	10,000.00	30,000.00	8,752,248.00
DECEMBER	-	-	1,000.00	3,689,090.50	10,000.00	90,000.00	3,790,090.50
TOTAL	-	-	418,000.00	109,916,770.89	60,000.00	365,000.00	110,759,770.89

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Note 3

Employees Benefit

Details	₦
Traditional Rulers Allowances	16,650,000.00
Primary Health Care Salaries	245,826,804.00
Non-Pensionable Allowances	204,510,000.00
Council Staff Salaries	247,945,034.86
Political Office Holders	67,008,657.90
Pension Allowances	154,246,075.36
SUBEB - Teacher's Salaries	591,215,933.20
Total	1,527,402,505.00

MONTHS	TRC	PHC	NPA	COUNCIL STAFF	POL. OFFICE HOLDERS	PENSION	SUBEB	TOTAL
JANUARY	1,387,500.00	20,734,670.83	23,050,000.00	20,864,420.50	5,984,289.59	12,618,283.15	51,655,769.30	136,294,933.37
FEBRUARY	1,387,500.00	20,734,670.83	23,050,000.00	20,803,239.09	5,984,289.59	12,716,154.69	51,609,462.92	136,285,317.12
MARCH	1,387,500.00	20,591,991.53	23,050,000.00	20,766,161.34	4,961,622.80	12,642,154.02	50,800,232.92	134,199,662.61
APRIL	1,387,500.00	20,591,991.53	23,050,000.00	20,766,161.34	4,961,622.80	12,642,154.02	50,873,573.51	134,273,003.20
MAY	1,387,500.00	20,591,991.53		20,720,640.35	6,245,322.96	13,225,080.84	51,390,191.11	113,560,726.79
JUNE	1,387,500.00	20,591,991.53		20,720,640.35	5,553,072.88	12,738,957.70	50,952,146.22	111,944,308.68
JULY	1,387,500.00	20,431,395.21	22,050,000.00	20,626,519.32	5,553,072.88	12,847,019.48	50,651,837.43	133,547,344.32
AUGUST	1,387,500.00	20,431,395.21	22,050,000.00	20,626,519.32	5,553,072.88	12,847,019.48	50,656,159.00	133,551,665.89
SEPTEMBER	1,387,500.00	20,281,676.45	22,050,000.00	20,573,303.78	5,553,072.88	12,847,019.48	50,619,929.02	133,312,501.61
OCTOBER	1,387,500.00	20,281,676.45		20,492,476.49	5,553,072.88	12,913,319.48	50,825,397.42	111,453,442.72
NOVEMBER	1,387,500.00	20,281,676.45	4,145,639.51	20,492,476.49	5,553,072.88	13,104,456.51	50,572,797.42	115,537,619.26
DECEMBER	1,387,500.00	20,281,676.45	22,050,000.00	20,492,476.49	5,553,072.88	13,104,456.51	50,572,797.42	133,441,979.75
TOTAL	16,650,000.00	245,826,804.00	184,545,639.51	247,945,034.86	67,008,657.90	154,246,075.36	611,180,293.69	1,527,402,505.32

Note 4

General and Admin Expenses (OVERHEAD COST)

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

CODE	DETAILS	TOTAL OPERATING EXPENSES 2021
		N
431200	TRAVEL & TRANSPORT	15,375,000.00
431300	UTILITIES	-
431400	MATERIALS & SUPPLIES	9,626,000.00
431500	MAINTENANCE, REPAIRS & SERVICES	8,175,000.00
431600	TRAINING & STAFF DEVELOPMENT	280,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	8,000,000.00
431800	FINANCE EXPENSES	97,354.39
431900	ENTERTAINMENT & HOSPITALITY	36,059,021.29
432100	OTHER SERVICES	125,694,782.14
432200	GRANTS, CONTRIBUTION, SUBVENTION AND SUBSCRIPTION	-
115000	CONSOLIDATED REVENUE FUND CHARGES	-
	TOTAL	203,305,157.82

Note 5

Transfer to Other Government Agencies

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

S/N	AGENCY	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	22,986,122.63
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	206,875,163.67
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	114,930,613.15
4	JOINT SECURITY OPERATIONS 2.5%	57,465,306.58
5	JOINT SOCIAL WELFARE 2.5%	57,465,306.58
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	11,493,061.31
7	SPORT DEVELOPMENT 1%	22,986,122.63

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

8	ENVIROMENTAL MANAGEMENT & PROTECTION 2.5%	57,465,306.58
9	CRHA OVERSIGHT FUNCTION 0.5%	11,493,061.31
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	11,493,061.31
11	INFRACTURAL FUNDS 4%	91,994,490.52
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	22,986,122.63
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	22,986,122.63
	Total	712,569,801.55

Note 6

Property, Plant and Equipment

During the year under review, the Akamkpa LGC spent a total sum of ₦212.08m on Purchase and Construction of PPE (Property, Plant and Equipment).

DETAILS	TOTAL(N)
ECONOMIC SECTOR	-
Agriculture	-
Energy (Fuel & Power)	-
Commerce & Finance	2,000,000.00
Road and Bridges	73,200,000.00
Culture & Tourism	
SUB TOTAL	75,200,000.00
SOCIAL SECTOR	
Education	15,100,000.00
Health	
Information & Comm. ICT	
Social Dev. Youth & Sports	
SUB TOTAL	15,100,000.00
ENVIRONMENTAL & REGIONAL DEV.	
Water Supply	
Housing	9,901,085.63
Environment	
SUB TOTAL	9,901,085.63
General administration	111,878,914.37
Grand total	212,080,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 7

Depreciation of Property, Plant and Equipment

[illegible]

NOTE 8: Cash and Cash Equivalent

S/N	NAME OF BANK	CLOSING BALANCES AS 31ST DEC. 2021
		₦
1	FIRST BANK PLC- REVENUE ACCOUNT	1,907,226.08
2	FIRST BANK PLC-UNCLAIMED ACCOUNT	32,333.65
3	FIRST BANK PLC-OVERHEAD ACCOUNT	78.50
4	UNION BANK PLC-REVENUE ACCOUNT	152.41
5	FIRST INLAND BANK-DOMANT	231,194.40
6	ECOBANK PLC –DOMANT	3,973.44
7	UNION BANK PLC-DOMANT	24,500.00
8	ZENITH BANK SAL/OVERHEAD	18,016,048.08
10	ZENITH BANK – CAPITAL	37,006,070.33
11	FIRST BANK- NEW A/C CAPITAL	7,703.25
14	CASH IN HAND	29,603.00
	TOTAL CASH AND CASH EQUIVALENT	57,260,888.14

NOTE 9:**Receivables**

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

RECEIVABLES	AMOUNT (N)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	-
Balance Carried forward	661,385,225.55

Note 10.**Financial Liabilities Borrowings (CRSG loan)**

In the year 2021, Akamkpa Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

	₦
Outstanding Loan	73,680,797.86
Repayment	-
Balance	<u>73,680,797.86</u>

Note 12:**Equity**

Equity/Total	2021		2020	
Details	Reserve	Accumulated	Reserve	Accumulated Surplus
Accumulated	₦	₦	₦	₦
Balance as at 1/1/	25,105,408.57	577,989,137.52	827,630.79	- 76,751,438.77
changes for the	12,000,000.00	222,514,438.26	24,277,777.78	702,165,802.88
Adjustment to	-	(364,942,297.69)	0	47,425,226.59
Total Equity	<u>37,105,408.57</u>	<u>435,621,278.09</u>	<u>25,105,408.57</u>	<u>577,989,137.52</u>

Note 13**INVESTMENTS**

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

DETAILS	AMOUNT (N)
N)	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 14**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	2021 (₦)
	Balance brought forward 01 Jan 2021	126,737,622.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		12,000,000.00
Balance carried forward as at 31 Dec 2021		138,737,622.93

Note 15**UNREMITTED DEDUCTIONS**

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

UNREMITTED STATUTORY DEDUCTION	AMOUNT (₦)
Balance Brought Forward	789,170,405.73
ADD: Deductions during the year	712,569,801.55
	1,501,740,207.28
LESS: Actual Remittance during the year	367,427,478.40
Balance Outstanding 31-12-2021	1,134,312,728.88

Note 16**PAYABLES**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Akamkpa LGC as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2021 (AS IN BALANCE SHEET)
1	WITHHOLDING TAX (WHT)	5,620,434.39	-	-	5,620,434.39
2	VALUE ADDED TAX (VAT)	5,620,434.39	-	-	5,620,434.39
3	STAMP DUTY	396,243.10	-	-	396,243.10
	TOTAL	11,637,111.88	-	-	11,637,111.88

Note 17**DEPOSITS**

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

S/N	DESCRIPTION	BALANCE AS AT 1/1/2021	ADDITION IN THE YEAR	PAYMENTS WITHIN THE YEAR	BALANCE AS AT 31/12/2021
		₦	₦	₦	₦
1	RETENTION DEPOSIT	12,263,900.00	-	-	12,263,900.00
2	NATIONAL HOUSING	532,213.22	-	-8,550,775.47	-8,018,562.25
3	UNCLAIMED SALARIES	3,554,642.79	-	-	3,554,642.79
		16,350,756.01		-8,550,775.47	7,799,980.54

Note 18**CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS**

Councilors in Akamkpa Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	36,000,000.00
AMOUNT REPAID	<u>(9,450,000.00)</u>
BALANCE	26,550,000.00

**AKPABUYO LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

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

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors. In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Akpabuyo Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

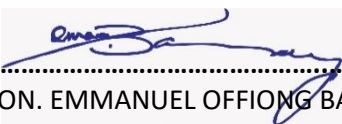
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Akpabuyo Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Accrual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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Akpabuyo Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. EMMANUEL OFFIONG BASSEY
CHAIRMAN

30th June 2022

.....
DATE


.....
MR. FRANCIS OGAG OBIE.
DIRECTOR OF FINANCE (TREASURER)

30th June 2022

.....
DATE



The Chairman,
Akpabuyo Local Government Council,
IKOT NAKANDA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF AKPABUYO LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

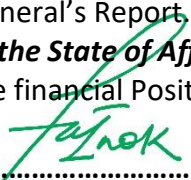
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report, I am of the opinion that the Financial Statements ***give a true and fair view of the State of Affairs of Akpabuyo Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.


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



GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
<u>Current Assets</u>			₦
Cash and Cash Equivalent	9	93,041,669.36	122,317,499.97
Receivables	10	661,385,225.55	534,094,774.59
Cash Advances	18	26,550,000.00	-
Total Current Asset		780,976,894.91	656,412,274.56
<u>Non-Current Assets</u>			
Investment	17	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	650,905,839.00	408,687,821.04
Contribution to CRS Reserve Fund	11	132,737,722.93	129,737,722.93
Total Non-Current Asset		942,522,036.60	697,304,268.64
Total Asset (A)		1,723,493,931.51	1,353,716,543.20
LIABILITIES AND EQUITY			
<u>Current Liabilities</u>			
Depositors	12	11,953,620.88	11,953,620.88
Short Term Loan and Debts		0.00	0.00
Unremitted Deductions	13	939,218,453.59	582,847,959.56
Payables (Unremitted Taxes)	14	14,511,047.35	14,511,047.35
Total Current Liabilities		965,683,120.82	609,312,627.79
<u>Non-Current Liabilities</u>			
Long Term Borrowings (CRSG loan)	15	73,680,797.86	73,680,797.86
Total Non- Current Liabilities		73,680,797.86	73,680,797.86
Total Liabilities (B)		1,039,363,918.68	682,993,425.65
Net Asset (A - B)		<u>684,130,012.83</u>	<u>670,723,117.55</u>
NET ASSET AND EQUITY			
Reserve Fund	16	185,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	16	498,884,520.79	488,477,607.51
Net Assets		<u>684,130,012.83</u>	<u>670,723,117.55</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	1,501,353,015.74	2,176,458,503.79
Internally Generated Revenue	2	53,511,038.89	100,575,541.64
Other Capital Receipts	3	990,012,076.50	227,923,537.93
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>2,672,166,583.09</u>	<u>2,597,101,230.64</u>
Expenditures			
Employees Benefits	4	1,031,408,965.71	912,001,657.25
General and Admin Expenses (Overhead)	5	46,740,108.42	28,746,604.90
Transfer to Other Government Entities	6	750,526,597.85	583,512,152.07
Deduction at Source		70,311,550.76	-
JAAC Charges		325,518,295.00	-
Total Operating Expenses		<u>2,224,505,517.74</u>	
Excess/(Deficit) of Revenue over		447,661,064.35	1,072,840,816.42
Non-Cash Movement			
Depreciation of PP&E	8	72,878,426.50	22,792,353.79
Net Surplus/(Deficit)		<u>374,782,637.85</u>	<u>1,050,048,462.62</u>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021**

Details	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	488,477,607.51	182,245,510.04	670,723,117.55
Changes for the Year	374,782,637.85	3,000,000.00	377,637.85
Transfer to/(from) changes in Net	(365,130,232.53)	-	(365,130,232.53)
Balance as at 31st December 2021	<u>498,130,012.83</u>	<u>185,245,510.05</u>	<u>684,130,012.83</u>
Balance as at 1 January 2020	217,994,754.06	156,967,732.26	374,962,486.32
Changes for the Year	1,050,048,462.62	25,277,777.78	988,106,274.14
Transfer to/(from) changes in Net	(779,565,609.18)	-	(692,345,642.91)
Balance as at 31st December 2020.	<u>488,477,607.51</u>	<u>182,245,510.04</u>	<u>670,723,117.55</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1b	1,501,353,015.74	1,444,483,913.77
Government Share of VAT	1b	841,852,410.15	593,992,959.18
Share of Exchange Gain Difference	1b	8,234,588.67	44,215,018.47
Other Revenue	1b	139,925,077.68	130,013,275.07
Internally Generated Revenue	2	53,511,038.89	100,575,541.64
Capital Receipts	1b	-	227,923,537.93
10% IGR from State		-	
Total Inflows from Operating Activities		2,544,876,131.13	2,541,204,246.06
Outflows:			
Employees' Benefits	4	(1,031,408,965.71)	912,001,657.25
Admin (Overhead) Cost	5	(46,740,108.42)	28,746,604.90
Statutory Deductions	6	(750,526,597.85)	583,512,152.07
Deduction at Source		(70,311,550.76)	-
Public Debt Charges		(325,518,295.00)	0.00
Total Outflows from Operating Activities		(2,224,505,517.74)	1,524,260,414.22
Net Cashflow from Operating Activities		<u>320,370,613.39</u>	<u>1,016,943,831.84</u>
Cashflow From Investing Activities			
Proceeds from Sale of PPE		-	-
Purchase/Construction of PPE	7	(330,096,444.00)	227,923,537.93
Others CRSG Reserved Fund		(3,000,000.00)	
Net Cashflow from Investing Activities		<u>(323,096,444.00)</u>	<u>227,923,537.93</u>
Cashflow From Financing Activities			
Cash Advances Granted	11	(36,000,000.00)	-
Cash Advances Repaid	11	9,450,000.00	
Deposits Received		-	-
Tax Remitted		-	-
Loan Repayment	10	-	(250,000,000.00)
Net Cash Flow from Financing Activities		<u>(26,550,000.00)</u>	<u>(250,000,000.00)</u>
Net Cash Flow from All Activities		<u>(29,275,830.61)</u>	<u>994,867,369.77</u>
Cash and its Equivalent as at 01/01		122,317,499.97	363,215,039.15
Adjustment		-	(1,235,764,908.95)
Cash and its Equivalent as at 31 Dec 2021		93,041,669.36	122,317,499.97

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,712,248,076.00	1,510,353,015.74	210,895,060.26
Internally Generated Revenue	166,598,746.00	53,511,038.89	113,087,707.11
Capital Receipts	2,295,121,035.00	990,012,076.50	1,466,350,308.32
Cross River State Government Loan	-	-	-
Total Receipts	4,183,967,857.00	2,544,876,131.13	1,305,108,958.50
PAYMENTS			
Salaries and Wages	1,459,050,676.00	1,031,408,965.71	427,641,710.29
Statutory Deductions	803,332,869.00	750,526,597.85	53,006,271.15
Overhead / Operating Expenditure	124,733,384.00	46,740,108.42	77,993,275.58
Capital Expenditure	(6,844,697,872.00)	330,096,444.00	6,514,601,428.00
Investment Expenditure	-	-	-
Total Payments	(9,231,814,801.00)	2,211,578,388.13	7,020,236,412.87
NET SURPLUS (DEFICIT)	(5,047,846,944.00)	333,297,743.00	4,714,549,201.00

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

i. Reporting Entities

Akpabuyo is a Local Government Area of Cross River State, Nigeria.^[1] Its headquarters are in the town of Ikot Nakanda. Akpabuyo Local Government Area is located in the town of Ikot Nakanda, and comprises of several towns which includes Atimbo, Eneyo, Ikang, Idundu, Ikot Edem Odo and Ikot Eyo. It has an area of 1,241 km² and a population of 271,395 at the 2006 census. Akpabuyo was established as a separate local government area in 1991. The local government area shares a boundary with Akampa LGA, the Republic of Cameroon, Bakassi LGA, and Calabar South to the North, East, South and West respectively.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort and Cross River Micro Finance bank. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. **Investments**

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. **Leases**

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

xix. **Other Borrowings**

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

xx. **Deposits**

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. **Employee Benefits**

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii.

Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****(A) GROSS STATUTORY ALLOCATION**

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

	₦
Statutory Allocation	1,501,353,015.74
Internally Generated Revenue	53,511,038.89
Other Capital Receipts	990,012,076.50
Unremitted 10% State IGR	127,290,450.96
	<u>2,672,166,582.09</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/NO	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	116,878,789.62	63,742,716.11		-	180,621,505.73	-58,259.97	180,563,245.76
2	FEBRUARY	99,047,375.00	63,349,386.26		5,385,318.44	167,782,079.70	-13,312,426.79	154,469,652.91
3	MARCH	102,582,352.66	73,611,194.82	792,415.96	12,740,394.65	189,726,358.09	-6,685,343.38	183,041,014.71
4	APRIL	114,818,833.08	73,535,726.08	581,719.85	9,636,607.86	198,572,886.87	-6,685,343.38	191,887,543.49
5	MAY	97,145,685.37	73,714,791.61	444,493.00	27,072,867.24	198,377,837.22	(6,685,343.38)	191,692,493.84
6	JUNE	155,852,059.58	62,858,019.70	985,698.14	4,705,132.72	224,400,910.14	(6,685,343.38)	217,715,566.76
7	JULY	165,470,622.76	60,707,529.76	630,238.21	4,983,025.82	231,791,416.55	(10,968,817.40)	220,822,599.15
8	AUGUST	130,845,263.03	72,287,495.42	738,340.50	17,947,953.22	221,819,052.17	(9,228,647.07)	212,590,405.10
9	SEPTEMBER	152,744,800.93	69,483,889.72	795,790.37	2,303,108.87	225,327,589.89	(3,460,295.05)	221,867,294.84
10	OCTOBER	99,918,034.28	67,302,470.46	827,269.13	49,050,984.14	217,098,758.01	(2,199,996.98)	214,898,761.03
11	NOVEMBER	128,314,702.22	79,793,877.55	1,076,698.40	4,013,238.36	213,198,516.53	(2,199,996.98)	210,998,519.55
12	DECEMBER	137,734,497.21	81,465,312.66	1,361,925.12	2,086,446.33	222,648,181.32	-2,141,737.01	220,506,444.31
	TOTAL	1,501,353,015.74	841,852,410.15	8,234,588.67	139,925,077.67	2,491,365,092.22	-70,311,550.76	2,421,053,541.46

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

(D) OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for Akpabuyo Local Government Council for the year ended 31st December 2021.

S/NO	MONTH	SHARE OF NON OIL REVENUE	SHARE OF FOREX =N=	SHARE OF EXCESS BANK CHARGES =N=	SHARE OF ECOLOGICAL FUND =N=	AUGMENTATION =N=	SHARE OF SOLID MINERAL =N=	TOTAL =N=
1	JANUARY	-	-	-	-	-	-	-
2	FEBRUARY		2,192,745.31	150,844.20	3,041,728.93			5,385,318.44
3	MARCH	9,376,770.24			3,363,624.41			12,740,394.65
4	APRIL	5,830,696.89		164,051.88	3,641,859.09			9,636,607.86
5	MAY	5,830,696.89			3,600,344.77	15,627,950.40	2,013,875.18	27,072,867.24
6	JUNE				4,705,132.72			4,705,132.72
7	JULY				4,983,025.82			4,983,025.82
8	AUGUST	15,627,950.40		125,837.05	2,194,165.77			17,947,953.22
9	SEPTEMBER				2,303,108.87			2,303,108.87
10	OCTOBER	15,627,950.40			2,167,132.95	31,255,900.80		49,050,984.14
11	NOVEMBER			127,666.36	3,885,572.00			4,013,238.36
12	DECEMBER				2,086,446.33			2,086,446.33
	TOTAL	52,294,064.82	2,192,745.31	568,399.49	35,972,141.68	46,883,851.20	2,013,875.18	139,925,077.67

DEDUCTIONS AT SOURCE - (₦70,311,550.76)

This represents deductions made at source by the FAAC Allocation Committee against Akpabuyo Local government revenue allocation for the year.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 2

INTERNALLY GENERATED REVENUE (IGR)

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Akpabuyo Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		~~N~~
101000	TAXES	
102000	RATES	44,964,888.89
103000	LOCAL LICENCE FEES	569,900.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	2,358,250.00
105000	RENT ON GOVERNMENT PROPERTY	-
108000	MISCELLANEOUS	5,568,000.00
	TOTAL	53,511,038.89

MONTH	1001	1002	1003	1004	1008	TOTAL
JANUARY		148,888.89	23,750.00	201,850.00	7,500.00	381,988.89
FEBRUARY	-	-	15,000.00	194,800.00	10,500.00	220,300.00
MARCH	-	201,000.00	65,000.00	377,600.00	5,007,500.00	5,651,100.00
APRIL	-	-	57,400.00	197,000.00	60,000.00	314,400.00
MAY	-	-	23,750.00	76,200.00	60,000.00	159,950.00
JUNE	-	240,000.00	140,000.00	283,100.00	60,000.00	723,100.00
JULY	-	4,375,000.00	70,000.00	52,000.00	62,500.00	4,559,500.00
AUGUST	-	-	50,000.00	321,500.00	60,000.00	431,500.00
SEPTEMBER	-	-	35,000.00	184,000.00	60,000.00	279,000.00
OCTOBER	-	40,000,000.00	30,000.00	184,000.00	60,000.00	40,274,000.00
NOVEMBER	-	-	25,000.00	107,200.00	60,000.00	192,200.00
DECEMBER	-	-	45,000.00	219,000.00	60,000.00	324,000.00
TOTAL	-	44,964,888.89	579,900.00	2,398,250.00	5,568,000.00	53,511,038.89

Note 3

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CAPITAL RECEIPTS =N= 828,770,726.68

This represents Value Added Tax, Share of Exchange Gain Difference and other Revenue from Federation Account.

Note 4

Employees Benefit

Details	₦
Traditional Rulers Allowances	10,170,000.00
Primary Health Care Salaries	182,277,098.02
Non-Pensionable Allowances	85,240,000.00
Council Staff Salaries	148,280,332.74
Political Office Holders	65,709,249.24
Pension Allowances	211,836,548.56
SUBEB - Teacher's Salaries	327,895,737.15
Total	1,031,408,965.71

MONTHS	TRC	PHC	NPA	COUNCIL STAFF	POL. OFFICE HOLDERS	PENSION	SUBEB	TOTAL
JAN	847,500.00	15,238,848.61	12,900,000.00	12,376,353.07	5,984,289.59	17,420,086.83	28,293,894.31	93,060,972.41
FEB	847,500.00	15,238,848.61	12,900,000.00	12,376,353.07	5,984,289.59	17,458,858.43	28,211,728.12	93,017,577.82
MAR	847,500.00	15,238,848.61	12,900,000.00	12,376,353.07	5,482,839.51	17,458,858.43	28,051,526.82	92,355,926.44
APR	847,500.00	15,238,848.61		12,376,353.07	5,136,714.47	17,458,858.43	27,485,179.00	78,543,453.58
MAY	847,500.00	15,238,848.61		12,376,353.07	5,259,376.99	17,809,581.10	27,470,842.00	79,002,501.77
JUN	847,500.00	15,238,848.61		12,376,353.07	5,504,702.03	17,488,824.12	27,189,890.11	78,646,117.94
JUL	847,500.00	15,238,848.61		12,376,353.07	5,392,839.51	17,828,250.47	27,057,720.79	78,741,512.45
AUGT	847,500.00	15,202,681.77	12,900,000.00	12,376,353.07	5,392,839.51	17,828,250.47	27,014,804.20	91,562,429.02
SEP	847,500.00	15,202,681.77	12,900,000.00	12,376,353.07	5,392,839.51	17,631,923.80	26,746,962.95	91,098,261.10
OCT	847,500.00	15,066,598.07	7,840,000.00	12,297,718.37	5,392,839.51	17,701,823.80	26,879,262.95	86,025,742.70
NOV	847,500.00	15,066,598.07		12,297,718.37	5,392,839.51	17,875,616.34	26,746,962.95	78,227,235.24
DEC	847,500.00	15,066,598.07	12,900,000.00	12,297,718.37	5,392,839.51	17,875,616.34	26,746,962.95	91,127,235.24
TOTAL	10,170,000.00	182,277,098.02	85,740,000.00	148,280,332.74	65,709,249.24	211,836,548.56	327,895,737.15	1,031,408,965.71

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

CODE	DETAILS	TOTAL OPERATING EXPENSES 2021
		N
431200	TRAVEL & TRANSPORT	7,553,287.00
431300	UTILITIES	50,000.00
431400	MATERIALS & SUPPLIES	2,238,500.00
431500	MAINTENANCE, REPAIRS & SERVICES	408,000.00
431600	TRAINING & STAFF DEVELOPMENT	70,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	4,250,000.00
431800	FINANCE EXPENSES	787,879.50
431900	ENTERTAINMENT & HOSPITALITY	6,920,000.00
432100	OTHER SERVICES	35,359,807.02
432200	GRANTS, CONTRIBUTION, SUBVENTION AND SUBSCRIPTION	-
115000	CONSOLIDATED REVENUE FUND CHARGES	-
	TOTAL	46,740,108.42

Note 6**Transfer to Other Government Agencies**

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

S/N	AGENCY	AMOUNT (₦)
1	1% MINISTRY OF LOCAL GOVERNMENT FOR ADMINISTRATION	24,210,535.14
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	217,894,818.73
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	121,052,677.07
4	JOINT SECURITY OPERATIONS 2.5%	60,526,338.53
5	JOINT SOCIAL WELFARE 2.5%	60,526,338.53
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	12,105,267.70
7	SPORT DEVELOPMENT 1%	24,210,535.14
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	60,526,338.53
9	CRSHA OVERSIGHT FUNCTION 0.5%	12,105,267.70
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	12,105,267.70
11	INFRASTRUCTURAL FUNDS 4%	96,842,141.66
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	24,210,535.14
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	24,210,535.14
	TOTAL	750,526,597.71

Note 7**Property, Plant and Equipment**

DETAILS	TOTAL =N=
ECONOMIC SECTOR	
Agriculture	27,300,000.00
Energy (Fuel & Power)	2,000,000.00
Commerce & Finance	37,496,400.00
Culture & Tourism	16,000,000.00
SUB TOTAL	82,796,400.00
SOCIAL SECTOR	
Education	6,500,000.00
Health	1,700,000.00
Information & Comm. ICT	4,110,000.00
Social Dev. Youth & Sports	5,950,000.00
SUB TOTAL	18,260,000.00
ENVIRONMENTAL & REGIONAL DEV.	
Water Supply	1,800,000.00
Housing	53,408,400.00
Environment	6,810,000.00
SUB TOTAL	62,018,400.00
General administration	167,021,644.00
Grand total	<u>330,096,444.00</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8. Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9: Cash and Cash Equivalent

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Akpabuyo Local Government Council Cash Books as at 31st December 2021.

S/N	DETAILS	2021
	REVENUE, SALARY & OVERHEAD ACCOUNTS:	₦
1	ZENITH BANK PLC ACCT. 1012634951 - REVENUE	30,910.02
2	FIRST BANK PLC - OVERHEAD ACCOUNT	47,847,932.61
3	EKONDO BANK PLC - REVENUE ACCOUNT	376,914.69
4	ZENITH BANK PLC ACCT. 1014805754 - SALARY &	8,702.55
5	ZENITH BANK PLC -	15,219,001.01
	SUB-TOTAL OF REVENUE, SALARY & OVERHEAD ACCOUNTS	63,483,460.88
	CAPITAL / PROJECT ACCOUNTS:	
1	FIRST BANK PLC 2017587378 - PROJECT ACCOUNT	1,853.00
2	FIRST BANK PLC - PROJECT ACCOUNT	17,036,880.41
3	HERITAGE BANK - PROJECT ACCOUNT	1,270.82
4	SPRING BANK	37,549.83
5	KEYSTONE BANK PLC (FMR. BANK PHB)	12,467,506.94
6	KEYSTONE BANK PLC (FMR. BANK PHB)	13,147.48
	SUB-TOTAL OF CAPITAL / PROJECT ACCOUNTS BALANCES	29,558,208.48
	TOTAL CLOSING BANK BALANCES	93,041,669.36

NOTE 10: Receivables

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

RECEIVABLES	AMOUNT (N)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	0.00
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	-
MAR	DEDUCTION FROM ALLOCATION	-
APR	DEDUCTION FROM ALLOCATION	-
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	-
JUL	DEDUCTION FROM ALLOCATION	-
AUG	DEDUCTION FROM ALLOCATION	-
SEP	DEDUCTION FROM ALLOCATION	-
OCT	DEDUCTION FROM ALLOCATION	-
NOV	DEDUCTION FROM ALLOCATION	-
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
	TOTAL AS IN CASHFLOW STATEMENT	3,000,000.00
	Balance carried forward as at 31 Dec 2021	132,737,722.93

Note 12:**DEPOSITS**

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

S/N	DESCRIPTION	BALANCE AS AT 1/1/2021	ADDITION IN THE YEAR	PAYMENTS WITHIN THE YEAR	BALANCE AS AT 31/12/2021
		₦	₦	₦	₦
1	RETENTION DEPOSIT	-	-	-	-
2	NATIONAL HOUSING FUND	-	-	--	-
3	UNCLAIMED SALARIES	11,953,620.88	-	-	11,953,620.88
	BALANCE CARRIED FORWARD	11,953,620.88	-	--	11,953,620.88

Note 13 - UNREMITTED DEDUCTIONS

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward	582,847,959.59
ADD: Deductions during the	750,526,597.85
	1,333,374,557.44
LESS: Actual Remittance	394,156,103.85
Balance Outstanding 31-12-	939,218,453.59

Note 14 - PAYABLES

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Akpabuyo LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2021
1	5% CONTRACTORS' TAX	6,320,041.02	-	-	6,320,041.02
2	5% VALUE ADDED TAX	5,858,006.33	-	-	5,858,006.33
3	1% STAMP DUTY	2,333,000.00	-	-	2,333,000.00
TOTAL		14,511,047.35	-	-	14,511,047.35

Note 15 - LONG TERM LOANS/BORROWINGS (CRSG LOAN)

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

DETAILS	AMOUNT (₦)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 16**EQUITY**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	<u>182,245,510.04</u>	<u>488,477,607.51</u>	156,967,732.26	217,994,754.06
changes for the year	3,000,000.00	374,782,637.85	25,277,777.78	1,050,048,462.62
Adjustment to Net Asset	-	(365,130,232.53)	0	- 779,565,609.18
Total Equity	<u>185,245,510.04</u>	<u>498,130,012.83</u>	<u>182,245,510.04</u>	<u>488,477,607.51</u>

Note 17**INVESTMENTS**

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

DETAILS	AMOUNT
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 18**CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS**

Councilors in Akpabuyo Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	36,000,000.00
AMOUNT REPAID	<u>(9,450,000.00)</u>
BALANCE	26,550,000.00

BAKASSI LOCAL GOVERNMENT COUNCIL
FINANCIAL STATEMENTS AND
DISCLOSURES

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

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

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors. In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Bakassi Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



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

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG
RESPONSIBILITY FOR FINANCIAL STATEMENTS

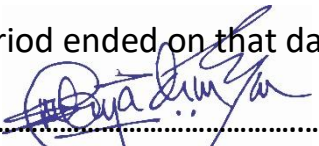
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Bakassi Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Accrual Basis)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

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

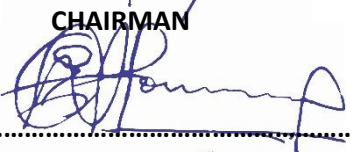
The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately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

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

In our opinion, these financial statements fairly reflect the financial position of Bakassi Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. IYADIM AMBONI IYADIN
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. OBASSE O. ETTA
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Bakassi Local Government Council,
NEW OBUTONG.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BAKASSI LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Bakassi Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

MRS FRANKA INOK, FCA
AUDITOR-GENERAL
CALABAR



BAKASSI LOCAL GOVERNMENT, NEW OBUTONG
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
<u>Current Assets</u>		₦	₦
Cash and Cash Equivalent	9	47,950,243.32	55,691,253.40
Receivables	10	661,385,225.55	534,094,774.59
Cash Advances	18	26,550,000.00	-
Total Current Asset		735,885,468.87	589,786,027.99
<u>Non-Current Assets</u>			
Investment	17	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	545,178,357.07	376,492,140.97
Contribution to CRS Reserve Fund	11	132,737,722.93	129,737,722.93
Total Non-Current Asset		836,794,804.67	665,108,588.57
Total Asset (A)		1,572,680,273.54	1,254,894,616.56
LIABILITIES AND EQUITY			
<u>Current Liabilities</u>			
Deposits	12	18,472,008.21	18,472,008.21
Unremitted Deductions	13	611,575,732.62	558,924,414.74
Payables (Unremitted Taxes)	14	6,853,398.34	6,853,398.34
Short term Loans & Debts		-	0.00
Total Current Liabilities		636,901,139.17	584,249,821.29
<u>Non-Current Liabilities</u>			
Long Term Borrowings (CRSG loan)	15	73,680,797.86	73,680,797.86
Total Non-Current Liabilities		73,680,797.86	73,680,797.86
Total Liabilities (B)		710,581,937.51	657,930,619.15
Net Asset (A - B)		<u>862,098,336.51</u>	<u>596,963,997.41</u>
NET ASSET AND EQUITY			
Reserve Fund	16	185,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	16	676,852,826.47	414,718,487.37
Net Assets		<u>862,098,336.51</u>	<u>596,963,997.41</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	968,699,255.57	1,359,805,420.39
Internally Generated Revenue	2	14,170,439.89	8,543,121.12
Other Capital Receipts	3	586,750,928.93	224,923,537.93
10% State IGR	10	127,290,450.96	92,143,647.28
Other Receipts		106,992,709.16	-
Total Revenue		<u>1,803,903,784.51</u>	<u>1,685,415,726.72</u>
Expenditures			
Employees Benefits	4	737,993,529.32	571,322,738.87
General and Admin Expenses (Overhead)	5	138,655,825.51	28,746,604.90
Transfer to Other Government Entities	6	460,392,976.45	425,382,252.99
Public Debt Charges		18,522,205.87	0.00
Total Operating Expenses		<u>1,355,564,537.15</u>	<u>1,025,451,596.76</u>
Excess/(Deficit) of Revenue over Expenditures		<u>447,339,247.36</u>	<u>659,964,129.96</u>
Non-Cash Movement			
Depreciation of PP&E	7	60,242,039.62	22,492,353.79
Net Surplus/(Deficit)		<u>507,584,286.98</u>	<u>637,471,776.17</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	414,718,487.37	182,245,510.04	596,963,997.41
Changes for the Year	507,584,286.98	3,000,000.00	510,584,286.98
Transfer to/(from) changes in Net Assets	(245,449,947.88)	-	(245,449,947.88)
Balance as at 31st December 2021.	<u>676,852,826.47</u>	<u>185,245,510.04</u>	<u>862,098,336.51</u>
Balance as at 1 January 2020	(15,604,088.88)	156,967,732.26	141,363,643.38
Changes for the Year	637,471,776.17	25,277,777.78	662,749,553.95
Transfer to/(from) changes in Net Assets	(207,149,199.92)	-	(207,149,199.92)
Balance as at 31st December 2020.	<u>414,718,487.37</u>	<u>182,245,510.04</u>	<u>596,963,997.41</u>

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	968,699,255.57	932,006,315.19
Government Share of VAT	1	496,135,903.47	348,127,082.46
Share of Exchange Gain Difference	1	5,313,100.80	28,528,304.15
Other Revenue	1	85,301,924.66	83,886,841.71
Internally Generated Revenue	2	14,170,439.89	8,543,121.12
Capital Receipts	3	106,992,709.16	224,923,537.93
Total Inflows from Operating Activities		1,676,613,333.55	1,626,015,202.56
Employees' Benefits	4	(737,993,529.32)	571,322,738.87
Admin (Overhead) Cost	5	(138,655,825.51)	28,746,604.90
Statutory Deductions	6	(460,392,976.45)	425,382,252.99
Deduction at Source	1	(70,311,550.76)	32,743,123.12
JAAC Charges	1	(18,522,205.87)	0.00
Total Outflows from Operating Activities		(1,425,876,887.91)	1,058,194,719.88
Net Cashflow from Operating Activities		<u>250,737,245.64</u>	<u>567,820,482.68</u>
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE			-
Purchase/Construction of PPE		(228,928,255.72)	224,923,537.93
Other CRSG Reserved Fund		(3,000,000.00)	
Net Cashflow from Investing Activities		<u>(231,928,255.72)</u>	<u>224,923,537.93</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		-	-
Taxes Received		-	-
Tax Remitted		-	-
Loan to Councilors		(36,000,000.00)	
Loan Repayment		9,450,000.00	- 250,000,000.00
Net Cash Flow from Financing Activities		<u>(26,550,000.00)</u>	<u>(250,000,000.00)</u>
Net Cash Flow from All Activities		<u>(7,741,010.08)</u>	<u>542,744,020.61</u>
Cash and its Equivalent as at 01/01/2021		55,691,253.40	161,249,912.38
Adjustment		-	(648,302,679.59)
Cash and its Equivalent as at 31 Dec 2021		<u>47,950,243.32</u>	<u>55,691,253.40</u>

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,936,189,681.00	968,699,255.57	967,490,425.43
Internally Generated Revenue	48,966,012.00	14,170,439.89	34,795,572.11
Capital Receipts	6,123,529,591.00	586,750,928.93	5,536,778,662.07
Cross River State Government Loan	1,500,000,000.00	127,290,450.96	1,372,709,549.04
Total Receipts	9,608,685,284.00	1,696,911,075.35	7,910,174,208.65
PAYMENTS			
Salaries and Wages	1,126,446,355.00	737,993,529.32	388,452,825.68
Statutory Deductions	848,309,701.00	447,938,346.60	400,371,354.40
Overhead / Operating Expenditure	145,226,527.00	138,655,825.51	6,570,701.49
Capital Expenditure	7,003,856,447.00	228,928,255.72	6,774,928,191.28
Investment Expenditure			
Total Payments	9,123,839,030.00	1,553,515,957.15	7,570,323,072.85
NET SURPLUS (DEFICIT)	(484,846,254.00)	115,187,352.88	369,859,901.12

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG
ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL
STATEMENTS

i. Reporting Entities

Bakassi is a local government area in the Cross Rivers State of South South Nigeria. The LGA shares boundary with the Republic of Cameroon, Equatorial Guinea, Bight of Bonny, and the Akpabuyo local government area. The LGA is home to a number of ethnic divisions which include the Efik, the Effiat, and the Oron. The Efik and Oron languages are among the commonly spoken in the area with Christianity and traditional religion are the widely practiced religions in the area. The population of Bakassi LGA is estimated at 106,771 inhabitants. Bakassi local government area falls within the Gulf of Guinea and consists of several low-lying Islands. The area consists of the Bakassi peninsula and the Bakassi deep seaport. Bakassi LGA covers a total area of 665 square kilometers with an average annual temperature of 25 degrees centigrade. The humidity level of Bakassi LGA is pegged at 94 percent while wind speed in the area averages 12km/h.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

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

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. **Unremitted Deductions**

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

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

₦

Statutory Allocation	968,699,255.57
Internally Generated Revenue	14,170,439.89
Other Capital Receipts	586,750,928.93
Unremitted 10% State IGR	127,290,450.96
	<u>1,696,911,075.35</u>

The monthly collections of revenue sub-components are detailed in the table below:

	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
	=N=	=N=	=N=	=N=	=N=	=N=	=N=
JANUARY	75,412,241.70	37,505,803.20	-	-	112,918,044.90	-58,259.97	112,859,784.93
FEBRUARY	63,907,100.74	37,116,581.40	-	3,474,701.77	104,498,383.91	-13,312,426.79	91,185,957.12
MARCH	66,187,930.23	43,312,352.45	511,280.65	7,687,500.53	117,699,063.86	-6,685,343.38	111,013,720.48
APRIL	74,083,121.67	44,070,940.21	375,335.83	6,217,708.15	124,747,105.86	-6,685,343.38	118,061,762.48
MAY	62,680,097.29	43,521,687.51	286,794.67	16,579,846.03	123,068,425.50	(6,685,343.38)	116,383,082.12
JUNE	100,558,477.93	37,102,349.05	635,989.70	3,035,834.03	141,332,650.71	(6,685,343.38)	134,647,307.33
JULY	106,764,543.32	35,507,238.02	406,640.73	3,215,135.53	145,893,557.60	(10,968,817.40)	134,924,740.20
AUGUST	84,423,654.90	42,533,496.26	476,390.22	10,685,141.15	138,118,682.52	(9,228,647.07)	128,890,035.46
SEPTEMBER	98,553,620.24	40,959,424.01	513,457.88	1,486,006.17	141,512,508.30	(3,460,295.05)	138,052,213.26
OCTOBER	64,468,865.35	39,600,339.71	533,768.53	28,984,427.91	133,587,401.50	(2,199,996.98)	131,387,404.52
NOVEMBER	82,790,892.76	47,041,198.99	694,704.66	2,589,411.67	133,116,208.08	(2,199,996.98)	130,916,211.10
DECEMBER	88,868,709.44	47,864,492.66	878,737.93	1,346,211.71	138,958,151.74	-2,141,737.01	136,816,414.73
TOTAL	968,699,255.57	496,135,903.47	5,313,100.80	85,301,924.66	1,555,450,184.49	-70,311,550.76	1,485,138,633.73

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Bakassi Local Government Council** for the year ended 31st December 2021.

		SHARE OF NON-OIL REVENUE	SHARE OF FOREX =N=	SHARE OF EXCESS BANK CHARGES =N=	SHARE OF ECOLOGICAL FUND =N=	AUGMENTATION =N=	SHARE OF SOLID MINERAL =N=	TOTAL =N=
1	JANUARY	-	-	-	-	-	-	-
2	FEBRUARY		1,414,797.67	97,327.32	1,962,576.78			3,474,701.77
3	MARCH	5,517,231.16			2,170,269.38			7,687,500.53
4	APRIL	3,762,067.74		105,849.15	2,349,791.26			6,217,708.15
5	MAY	3,762,067.74			2,323,005.50	9,195,385.26	1,299,387.53	16,579,846.03
6	JUNE				3,035,834.03			3,035,834.03
7	JULY				3,215,135.53			3,215,135.53
8	AUGUST	9,195,385.26		74,041.71	1,415,714.18			10,685,141.15
9	SEPTEMBER				1,486,006.17			1,486,006.17
10	OCTOBER	9,195,385.26			1,398,272.13	18,390,770.52		28,984,427.91
11	NOVEMBER			82,372.57	2,507,039.10			2,589,411.67
12	DECEMBER				1,346,211.71			1,346,211.71
								-
	TOTAL	31,432,137.15	1,414,797.67	359,590.75	23,209,855.78	27,586,155.78	1,299,387.53	85,301,924.66

DEDUCTIONS AT SOURCE - (~~₦~~70,311,550.76)

This represents deductions made at source by the FAAC Allocation Committee against Bakassi Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Bakassi** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		₦
101000	TAXES	560,000.00
102000	RATES	1,805,000.00
103000	LOCAL LICENCE FEES	7,737,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	3,679,000.00
105000	RENT ON GOVERNMENT PROPERTY	-
108000	MISCELLANEOUS	389,439.89
	TOTAL	14,170,439.89

MONTH	TAXES	RATES	LOCAL LICENCES FEE & FINES	EARNINGS FROM COMMERCIAL UNDERTAKINGS	RE- IMBURSEMENT	MISCELLANEOUS	TOTAL
JANUARY	-	-	419,500.00	616,500.00	-	166,939.89	1,202,939.89
FEBRUARY		110,000.00	1,126,500.00	450,500.00	-	26,500.00	1,713,500.00
MARCH	230,000.00	175,000.00	1,086,000.00	177,000.00	-	25,500.00	1,693,500.00
APRIL	115,000.00	385,000.00	570,000.00	230,000.00	-	16,500.00	1,316,500.00
MAY	125,000.00	125,000.00	630,000.00	-	-	21,000.00	901,000.00
JUNE	-	165,000.00	600,000.00	410,000.00	-	24,000.00	1,199,000.00
JULY	-	140,000.00	528,000.00	280,000.00	-	27,500.00	975,500.00
AUGUST	-	165,000.00	1,014,000.00	485,000.00	-	25,500.00	1,689,500.00
SEPTEMBER	-	65,000.00	343,000.00	225,000.00	-	16,500.00	649,500.00
OCTOBER	-	170,000.00	600,000.00	440,000.00	-	9,000.00	1,219,000.00
NOVEMBER	-	190,000.00	560,000.00	290,000.00	-	12,500.00	1,052,500.00
DECEMBER	90,000.00	115,000.00	260,000.00	75,000.00	-	18,000.00	558,000.00
TOTAL	560,000.00	1,805,000.00	7,737,000.00	3,679,000.00	-	389,439.89	14,170,439.89

Note 3**CAPITAL RECEIPTS – ₦106,993,709.16**

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

Note 4**Employees Benefit**

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

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	9,810,000.00
2	Primary Health Care Salaries	79,128,200.80
3	Non-Pensionable Allowances	136,950,000.00
4	Council Staff Salaries	193,457,852.78
5	Political Office Holders	70,885,675.96
6	Pension Allowances	28,809,580.50
7	SUBEB - Teacher's Salaries	218,952,219.28
	TOTAL	737,993,529.32

MONTH	COUNCIL STAFF	TRADITIONAL RULERS' COUNCIL	NON-PENSIONABLE ALLOWANCE	SUBEB	PUBLIC HEALTH CARE	POL. OFFICE HOLDERS	PENSION ALLOWANCE	TOTAL
JANUARY	16,368,128.46	817,500.00	15,550,000.00	18,537,006.25	6,716,564.04	5,951,627.07	2,474,300.79	66,415,126.61
FEBRUARY	16,269,100.60	817,500.00	15,550,000.00	18,537,006.25	6,716,564.04	5,951,627.07	2,244,320.49	66,086,118.45
MARCH	16,269,100.60	817,500.00	15,550,000.00	18,402,372.23	6,716,564.04	5,818,164.95	2,265,619.71	65,839,321.53
APRIL	16,269,100.60	817,500.00	15,550,000.00	18,237,574.24	6,716,564.04	5,684,702.03	2,265,619.71	65,541,060.62
MAY	16,223,579.61	817,500.00		18,277,432.63	6,573,663.67	5,818,164.95	3,081,375.54	50,791,716.40
JUNE	16,129,458.58	817,500.00		18,168,457.04	6,573,663.67	5,818,164.95	2,303,515.90	49,810,760.14
JULY	16,129,458.58	817,500.00	14,550,000.00	18,168,457.04	6,573,663.67	6,085,089.59	2,303,515.90	64,627,684.78
AUGUST	16,129,458.58	817,500.00	14,550,000.00	18,168,457.04	6,573,663.67	5,951,627.07	2,303,515.90	64,494,222.26
SEPTEMBER	16,129,458.58	817,500.00	14,550,000.00	18,090,464.14	6,573,663.67	5,951,627.07	2,303,515.90	64,416,229.36
OCTOBER	15,913,669.53	817,500.00		18,184,064.14	6,573,663.67	5,951,627.07	2,315,515.90	49,756,040.31
NOVEMBER	15,813,669.53	817,500.00	16,550,000.00	18,090,464.14	6,409,981.31	5,951,627.07	2,474,382.38	66,107,624.43
DECEMBER	15,813,669.53	817,500.00	14,550,000.00	18,090,464.14	6,409,981.31	5,951,627.07	2,474,382.38	64,107,624.43
TOTAL	193,457,852.78	9,810,000.00	136,950,000.00	218,952,219.28	79,128,200.80	70,885,675.96	28,809,580.50	737,993,529.32

Note 5 - General and Admin Expenses (OVERHEAD COST)

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

CODE	DETAILS	TOTAL OPERATING EXPENSES 2021
		N
431200	TRAVEL & TRANSPORT	6,574,000.00
431300	UTILITIES	250,000.00
431400	MATERIALS & SUPPLIES	3,323,000.00
431500	MAINTENANCE, REPAIRS & SERVICES	3,405,500.00
431600	TRAINING & STAFF DEVELOPMENT	2,060,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	1,645,200.00
431800	FINANCE EXPENSES	1,455,433.54
431900	ENTERTAINMENT & HOSPITALITY	24,217,300.00
432100	OTHER SERVICES	95,725,391.97
432200	GRANTS, CONTRIBUTION, SUBVENTION AND SUBSCRIPTION	-
115000	CONSOLIDATED REVENUE FUND CHARGES	-
	TOTAL	138,655,825.51

Note 6 - Transfer to Other Government Agencies

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

S/N	STATUTORY DEDUCTION	AMOUNT(₦)
1	1% Ministry of Local Government for Administration	14,851,386.34
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	134,330,789.42
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	74,256,931.68
4	JOINT SECURITY OPERATIONS 2.5%	37,128,465.84
5	JOINT SOCIAL WELFARE 2.5%	37,128,465.84
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	7,224,593.17
7	SPORT DEVELOPMENT 1%	14,851,386.34
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	37,128,465.84
9	CRHA OVERSIGHT FUNCTION 0.5%	7,224,593.17
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	7,224,593.17
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	59,405,545.34
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	14,851,386.34
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	14,851,386.34
	TOTAL	460,392,976.45

Note 7**Property, Plant and Equipment**

During the year under review, the Bakassi LGC spent a total sum of ₦228.9M on Purchase and Construction of PPE (Property, Plant and Equipment).

DETAILS	TOTAL =N=
Agriculture	-
Energy (Fuel & Power)	-
Commerce & Finance	1,021,501.30
Culture & Tourism	10,230,000.00
Education	-
Health	41,168,000.00
Information & Comm. ICT	-
Social Dev. Youth & Sports	2,710,000.00
Water Supply	430,000.00
Sewage & Drainages	1,650,000.00
Housing	-
Town & Country Planning	5,000,000.00
Environment	2,350,000.00
General administration	164,568,754.42
TOTAL	<u>228,928,255.72</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8

Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Bakassi Local Government Council Cash Books as at 31st December 2021.

DETAILS	AMOUNT (₦)
FBN – OVERHEAD	13,869,223.64
FBN – CAPITAL	17,218,587.89
EKONDO BANK – REVENUE	25,279.31
ZENITH BANK – CAPAITAL	16,837,152.48
TOTAL	47,950,243.32

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	-
Balance Carried forward	<u>661,385,225.55</u>

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	
MAR	DEDUCTION FROM ALLOCATION	
APR	DEDUCTION FROM ALLOCATION	
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	
JUL	DEDUCTION FROM ALLOCATION	
AUG	DEDUCTION FROM ALLOCATION	
SEP	DEDUCTION FROM ALLOCATION	
OCT	DEDUCTION FROM ALLOCATION	
NOV	DEDUCTION FROM ALLOCATION	
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
	TOTAL AS IN CASHFLOW STATEMENT	3,000,000.00
	Balance carried forward as at 31 Dec 2021	132,737,722.93

Note 12:**DEPOSITS**

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

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021 (₦)	CURRENT YEAR ADDITIONS (₦)	REMITTANCES DURING THE YEAR (₦)	BALANCE AS AT 31-12- 2021 (₦)
1	RETENTION DEPOSIT	16,746,579.21	-	-	16,746,579.21
2	NATIONAL HOUSING FUND (NHF)	1,725,429.00	-	-	1,725,429.00
	TOTAL	18,472,008.21	-	-	18,472,008.21

Note 13**UNREMITTED DEDUCTIONS**

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward 01-01-2021	558,924,414.74
ADD: Deductions during the year	406,392,976.45
	1,019,317,391.19
LESS: Actual Remittance during the year	407,741,658.57
Balance Outstanding 31-12-2021	<u>611,575,732.62</u>

Note 14**Payables**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Bakassi LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2021
1	5% CONTRACTORS' TAX	1,884,372.06	-	-	1,884,372.06
2	5% VALUE ADDED TAX (VAT)	1,884,372.06	-	-	1,884,372.06
3	PAY-AS YOU EARN (PAYE)	1,038,654.22			1,038,654.22
4	1% STAMP DUTY	938,000.00	-	-	938,000.00
5	INSPECTION /LEGAL	952,000.00			952,000.00
	TOTAL	6,853,398.34	-	-	6,853,398.34

Note 15**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT (₦)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 16**Equity**

Equity/Total Assets		2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus	
Accumulated Fund	₦	₦	₦	₦	
Balance as at 1/1/	182,245,510.04	488,477,607.51	156,967,732.26	217,994,754.06	
changes for the year	3,000,000.00	507,548,286.98	25,277,777.78	1,050,048,462.62	
Adjustment to Net Asset	-	(245,449,947.88)	0	(779,565,609.18)	
Total Equity	<u>185,245,510.04</u>	<u>676,852,826.47</u>	<u>182,245,510.04</u>	<u>488,477,607.51</u>	

Note 17**INVESTMENTS**

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

DETAILS	AMOUNT
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 18

CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS

Councillors in Akamkpa Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	36,000,000.00
AMOUNT REPAYED	<u>(9,450,000.00)</u>
BALANCE	26,550,000.00

BEKWARRA LOCAL GOVERNMENT COUNCIL
FINANCIAL STATEMENTS AND
DISCLOSURES

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

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

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Bekwarra Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
RESPONSIBILITY FOR FINANCIAL STATEMENTS

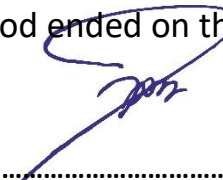
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Bekwarra Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Accrual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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Bekwarra Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
DR. JOSEPHAT OWAN EMENKA
CHAIRMAN

30th June 2022

.....
DATE


.....
MR. CLETUS ASHABUA BESHEL
DIRECTOR OF FINANCE (TREASURER)

30th June 2022

.....
DATE



The Chairman,
Bekwarra Local Government Council,
ABUOCHICHE.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BEKWARRA LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

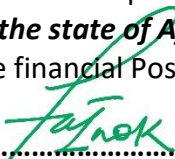
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing.

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Bekwarra Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.


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



BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
<u>Current Assets</u>		₦	₦
Cash and Cash Equivalent	9	28,630,353.48	16,874,544.57
Receivables	10	661,382,225.55	534,094,774.59
Total Current Assets		690,012,579.03	550,969,319.16
<u>Non-Current Assets</u>			
Investment	17	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	444,891,557.34	382,058,551.34
Financial Assets (CRS Reserve Fund)	11	136,737,722.93	124,737,722.93
Total Non-Current Asset		728,507,998.94	665,669,998.94
Total Asset		1,418,520,577.97	1,216,639,318.10
LIABILITIES AND EQUITY			
<u>Current Liabilities</u>			
Loan to Councilors	12	26,550,000.00	-
Deposits	13	40,392,394.41	40,392,394.41
Short term Loans & Debts	14	362,140.91	362,140.91
Unremitted Deductions	15	914,057,625.74	678,885,451.37
Total Current Liabilities		981,362,161.06	719,639,986.69
<u>Non-Current Liabilities</u>			
Financial Liabilities Borrowings (CRSG loan)	16	73,680,797.86	73,680,797.86
Total Liabilities		1,055,042,958.92	793,320,784.55
Net Asset (Total Asset - Total Liabilities)		<u>363,477,619.05</u>	<u>423,318,533.55</u>
NET ASSET AND EQUITY			
Reserve Fund	17	157,407,159.00	182,245,510.04
Accumulated Surplus/(Deficit)	17	206,070,460.05	241,073,023.51
Net Asset		<u>363,477,619.05</u>	<u>423,318,533.55</u>

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	1,867,734,292.67	1,637,323,860.41
Internally Generated Revenue	2	12,281,120.69	12,597,400.62
Other Capital Receipts	3	313,798,635.83	230,423,537.93
10% State IGR		127,290,450.96	92,143,647.24
Total Revenue		<u>2,321,104,500.15</u>	<u>1,972,488,446.24</u>
Expenditures			
Employees Benefits	4	1,238,428,858.16	1,105,623,834.04
General and Admin Expenses (Overhead)	5	199,486,453.90	54,746,604.90
Transfer to Other Government Entities	6	578,997,630.72	509,814,848.82
Total Operating Expenses		<u>2,016,912,942.78</u>	<u>1,670,185,287.76</u>
Excess/(Deficit) of Revenue over Expenditures		<u>304,191,557.37</u>	<u>302,303,158.48</u>
Non-Cash Movement			
Public Debt Charges			
Depreciation of PP&E	8	6,982,000.00	23,042,353.79
Net Surplus/(Deficit)		<u>297,209,557.37</u>	<u>279,260,804.69</u>

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	241,073,023.51	182,245,510.04	423,318,533.55
Changes for the Year	297,209,557.37	339,652,669.16	636,862,226.53
Transfer to/(from) changes in Net Assets	(323,212,120.83)	(364,491,020.20)	(696,703,141.03)
Balance as at 31st December 2021.	<u>206,070,460.05</u>	<u>157,407,159.00</u>	<u>363,477,619.50</u>
Balance as at 1 January 2020	289,251,560.56	156,140,101.47	445,391,662.03
Changes for the Year	279,260,804.69	25,277,777.78	304,538,582.47
Transfer to/(from) changes in Net Assets	(327,439,341.74)	827,630.79	(326,611,710.95)
Balance as at 31st December 2020.	<u>241,073,023.51</u>	<u>182,245,510.04</u>	<u>423,611,710.95</u>

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,157,180,612.79	1,113,348,268.51
Government Share of VAT	1	602,359,003.34	423,670,584.36
Excess Crude	1	-	34,079,101.74
Share of Exchange Gain Difference	1	5,295,163.91	36,744,570.43
Other Revenue	2	102,899,512.63	100,208,838.12
Internally Generated Revenue	3	12,281,120.69	12,597,400.62
Capital Receipts (Redistribution)		313,798,635.83	230,423,537.93
Total Inflows from Operating Activities		2,193,814,049.19	1,951,072,301.71
Outflows:			
Employees' Benefits	4	1,238,428,858.16	1,105,623,834.04
Admin (Overhead) Cost	5	199,486,453.90	573,217,763.79
Statutory Deductions	6	578,997,630.72	509,814,848.82
Deductions at Source	1	70,311,550.77	33,982,932.32
JAAC Charges		-	
Total Outflows from Operating Activities		2,087,224,493.55	2,222,639,378.97
Net Cashflow from Operating Activities		<u>106,589,555.64</u>	<u>(271,567,077.26)</u>
Cashflow From Investing Activities			
Future generation		(12,000,000.00)	
Purchase/Construction of PPE	7	(69,820,000.00)	<u>(230,423,537.93)</u>
Net Cashflow from Investing Activities		<u>(81,820,000)</u>	<u>(230,423,537.93)</u>
Cash Flow from Financing Activities			
Councilor's loan		36,000,000.00	
Councilor's loan repayment		(9,450,000.00)	
Taxes Received			
Tax Remitted			
Loan Repayment	15		(250,000,000.00)
Net Cash Flow from Financing Activities		<u>26,550,000.00</u>	<u>(250,000,000.00)</u>
Net Cash Flow from All Activities		<u>51,319,555.64</u>	<u>751,990,615.19</u>
Cash and its Equivalent as at 01/01/2021		16,874,544.57	(480,027,071.86)
Adjustment		(39,563,746.73)	(288,838,087.90)
Cash and its Equivalent as at 31 Dec 2021		<u>28,630,353.48</u>	<u>16,874,544.57</u>

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,936,790,976.00	1,867,734,292.67	69,056,683.33
Internally Generated Revenue	35,290,000.00	12,281,120.69	23,008,879.31
Capital Receipts	846,059,522.00	313,798,635.83	532,260,886.17
Cross River State Government Loan	-	-	-
Total Receipts	<u>2,818,140,498.00</u>	<u>2,193,814,049.17</u>	<u>624,326,448.83</u>
PAYMENTS			
Salaries and Wages	1,546,175,648.00	1,238,428,858.16	307,746,789.84
Statutory Deductions	1,213,095,061.00	578,997,630.72	634,097,430.28
Overhead Expenditure	93,707,300.00	199,486,453.90	(105,783,753.90)
Capital Expenditure	4,882,981,224.00	69,820,000=	4,813,161,244=
Investment Expenditure	0	0	0.00
Total Payments	<u>7,739,955,233.00</u>	<u>2,086,732,942.78</u>	<u>5,653,222,290.22</u>
NET SURPLUS (DEFICIT)	<u>(4,921,814,735.00)</u>	<u>107,081,106.39</u>	<u>(5028,895,841.39)</u>

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

i. Reporting Entities

Bekwarra is a Local Government Area in northern Cross River State, Nigeria. Its headquarters is Abuochiche (or AbuoChiche); a town on the A4 highway. Other towns in the LGA are Abuagbor-Iye, Nyanya-Ulim, Nyanya-Idigwe, Gakem, Itekpa, Ugboro, Ibiragidi, Utukwe, Afrike and Ukpah, ijibor, Beten, Ugboro, Anyikang, Ebegang, Utukpuru, Ebewo, and others. It has an area of 306 square kilometers (118 sq mi) and had a population of 105,822 as of the 2006 census.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (~~N~~), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to

ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

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

	₦
Statutory Allocation	1,867,734,292.67
Internally Generated Revenue	12,281,120.69
Other Capital Receipts	313,798,635.83
Unremitted 10% State IGR	<u>127,290,450.96</u>
	<u>2,321,104,500.15</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN	(D) OTHER REVENUE	FAAC DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	90,085,321.69	45,567,223.95	-	-	58,259.97	135,594,285.67
2	FEB.	76,341,607.13	45,176,739.93	1,690,077.10	4,150,780.00	13,312,426.79	112,356,700.27
3	MARCH	79,066,221.25	52,621,821.04	-	9,295,635.68	6,685,343.38	134,909,095.94
4	APRIL	88,497,592.67	53,124,140.83	-	7,427,497.50	6,685,343.38	142,812,253.14
5	MAY	74,875,863.67	52,789,667.50	-	19,993,089.64	6,685,343.38	141,324,814.19
6	JUNE	120,124,301.16	45,015,905.74	-	3,626,521.08	6,685,343.38	162,841,119.83
7	JULY	127,537,890.58	43,250,151.81	-	3,840,709.55	10,968,817.40	164,145,696.00
8	AUG.	100,850,099.92	51,675,559.08	-	12,952,950.61	9,228,647.07	156,819,044.76
9	SEPT.	117,729,355.11	49,723,706.63	-	1,775,140.75	3,460,295.05	166,381,269.64
10	OCT.	77,012,675.18	48,111,955.86	-	35,185,803.93	2,199,996.98	158,748,062.71
11	NOV.	98,899,648.64	57,104,620.83	-	3,093,237.62	2,199,916.98	157,727,384.56
12	DEC.	106,160,035.79	58,188,510.14	-	1,608,146.27	2,141,737.01	165,814,955.19
	TOTAL	1,157,180,612.79	602,359,003.34	1,690,077.10	102,949,512.63	70,311,550.77	1,797,422,741.90

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for Bekwarra Local Government Council for the year ended 31st December 2021.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges	Share of Solid Minerals	Augmentation	Distribution from Non-Oil Revenue	Ecology	TOTAL
JAN.	-	-	-	-	-	-	-	-
FEB.	-	1,690,077.10	116,264.45	-	-	-	2,344,438.45	4,150,780.00
MARCH	-	-	-	-	-	6,703,093.55	2,592,542.13	9,295,635.68
APRIL	-	-	126,444.38	-	-	4,494,059.25	2,806,993.87	7,427,497.50
MAY	-	-	-	1,552,211.43	11,171,822.59	4,494,059.25	2,774,996.37	19,993,089.64
JUNE	-	-	-	-	-	-	3,626,521.08	3,626,521.08
JULY	-	-	-	-	-	-	3,840,709.55	3,840,709.55
AUG.	-	-	89,956.08	-	-	11,171,822.59	1,691,171.94	12,952,950.61
SEPT.	-	-	-	-	-	-	1,775,140.75	1,775,140.75
OCT.	-	-	-	-	22,343,645.18	11,171,822.59	1,670,336.16	35,185,803.93
NOV.	-	-	98,399.94	-	-	-	2,994,837.68	3,093,237.62
DEC.	-	-	-	-	-	-	1,608,146.27	1,608,146.27
TOTAL	-	1,690,077.10	431,064.85	1,552,211.43	33,515,467.77	38,034,857.23	27,725,834.25	102,949,512.63

DEDUCTIONS AT SOURCE - (₦70,311,550.77)

This represents deductions made at source by the FAAC Allocation Committee against Bekwarra Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Bekwarra** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2020
		₦
101000	TAXES	22,000=
102000	RATES	780,000=
103000	LOCAL LICENCE FEES	885,500=
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	5,152,200=
105000	RENT ON GOVERNMENT PROPERTY	-
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	5,441,420.69
	TOTAL	12,281,120.69

MONTH	TAXES	RATES	LOCAL LICENCES FEE & FINES	EARNINGS FROM COMMERCIAL UNDERTAKINGS	RENT ON GOVERNMENT PROPERTY	MISCELLANEOUS	TOTAL
JANUARY	-	-	20,000=	789,000=	-	-	809,000=
FEBRUARY	-	-	30,000=	391,000=	-	120,000	421,000=
MARCH	22,000	-	71,500=	907,650=	-	1,091,788.89	2,092,938.89
APRIL	-	-	181,000=	1,020,400=	-	185,000=	1,386,400=
MAY	-	20,00=	71,000=	316,350=	-	216,800=	624,150=
JUNE	-	160,000=	43,000=	365,950=	-	306,000=	874,950=
JULY	-	-	22,000=	281,000=	-	382,131.80	685,131.80
AUGUST	-	80,000=	20,000=	305,700=	-	519,260=	924,960=
SEPTEMBER	-	120,000=	4,000=	215,800=	-	363,000=	702,800=
OCTOBER	-	80,000=	-	-	-	-	80,000=
NOVEMBER	-	320,000=	200,000=	319,750=	-	551,300=	1,391,050=
DECEMBER	-	-	223,000=	239,600=	-	1,706,140	2,168,740=
TOTAL	22,000	780,000	885,500=	5,152,200	-	5,441,420.69	12,281,120.69

Note 3**CAPITAL RECEIPTS – ₦313,798,635.83**

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

Note 4**Employees Benefit**

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

S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	19,530,000=
2	Primary Health Care Salaries	224,343,444.24
3	Non-Pensionable Allowances	128,910,000.00
4	Council Staff Salaries	182,599,239.11
5	Political Office Holders	69,275,687.20
6	Pension Allowances	214,616,381.23
7	SUBEB - Teacher's Salaries	399,154,106.38
	TOTAL	1,238,428,858.16

Employees' Benefits Breakdown

MONTH	COUNCIL STAFF	TRADITIONAL RULERS' COUNCIL	NON-PENSIONABLE ALLOWANCE	SUBEB	PUBLIC HEALTH CARE	POL. OFFICE HOLDERS	PENSION ALLOWANCE	TOTAL
JANUARY	15,084,788.53	1,627,500	14,650,000	33,663,261.52	18,826,545.06	5,984,289.59	17,466,765.71	107,303,150.40
FEBRUARY	15,276,395.24	1,627,500	14,650,000	33,562,666.39	18,826,545.06	5,984,289.59	17,497,902.56	107,425,298.84
MARCH	15,276,395.24	1,627,500	14,650,000	33,323,409.30	18,669,035.40	5,760,827.07	17,497,902.56	106,805,069.57
APRIL	15,276,395.24	1,627,500	14,650,000	33,238,698.93	18,669,035.40	5,627,364.55	17,497,902.56	106,586,896.68
MAY	15,276,395.24	1,627,500	-	33,426,701.75	18,669,035.40	5,897,364.55	17,945,505.97	92,842,502.91
JUNE	15,276,395.24	1,627,500	-	33,132,332.43	18,669,035.40	5,717,364.55	17,790,418.65	92,213,046.27
JULY	15,276,395.24	1,627,500	13,650,000	33,132,332.43	18,669,035.42	5,717,364.55	18,087,020.59	106,159,548.23
AUGUST	15,171,215.83	1,627,500	13,650,000	33,132,332.43	18,669,035.42	5,717,364.55	18,087,020.59	105,054,468.82
SEPTEMBER	15,171,215.83	1,627,500	13,650,000	33,132,332.43	18,669,035.42	5,717,364.55	18,087,020.59	106,054,468.82
OCTOBER	15,171,215.83	1,627,500	-	33,244,879.59	18,669,035.42	5,717,364.55	18,177,320.59	92,607,315.98
NOVEMBER	15,171,215.83	1,627,500	15,710,000	33,082,579.59	18,669,035.42	5,717,364.55	18,240,800.43	108,218,495.82
DECEMBER	15,171,215.83	1,627,500	13,650,000	33,082,579.59	18,669,035.42	5,717,364.55	18,240,800.43	106,158,495.85
TOTAL	182,599,239.11	19,530,000	128,910,000	399,154,106.38	224,343,444.24	69,275,687.20	214,616,381.23	1,238,428,858.16

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
SECURITY	159,749,892.77
FINANCES EXPENSES	20,619.50
TRAVEL AND TRANSPORT	8,786,486.83
MATERIALS AND SUPPLIES	4,488,440=
CONSULTANCY AND PROFESSIONAL SERVICES	895,000
MAINTAINANCES, REPAIRS AND SERVICES	2,184,040=
TRAINING AND STAFF DEVELOPMENT	432,000=
ENTERTAINMENT AND HOSPITALITY	22,923,974.80
JOINT COMMITMENT	6,000=
TOTAL	199,486,453.90

Note 6**Transfer to Other Government Agencies**

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

S/N	AGENCIES	AMOUNT (N)
1	INFRASTRUCTURAL DEVELOPMENT AGENCY0 4%	74,709,371.70
2	RURAL DEVELOPMENT AGENCY, RUDA 9%	150,726,086.34
3	STATE ELECTRIFICATION AGENCY SEA 5%	93,386,714.63
4	SPORT DEVELOPMENT FUND 1%	18,677,342.92
5	BORDER COMMISSION DEVELOPMENT FUND 0.5%	9,338,671.46
6	JOINT SECURITY OPERATION 2.5%	46,693,357.31
7	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	46,693,357.31
8	GRSHA OVERSIGHT FUNCTION 0.5%	9,338,671.46
9	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	9,338,671.46
10	CROSS RIVER UNIVERSITY OF TECH, CRUTECH 1%	18,677,342.46
11	JOINT SOCIAL WELFARE 2.5%	46,693,357.31
12	LOCAL GOVERNMENT ADMINISTRATION 1%	18,677,342.92
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	18,677,342.92
	TOTAL	578,997,630.72

Note 7**Property, Plant and Equipment**

During the year under review, the Bakassi LGC spent a total sum of ₦69.82m on Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	DETAILS	AMOUNT(N)
20000:	SOCIAL SERVICES SECTOR	
22000	HEALTH	20,000.00
24000	SOCIAL, DEV. YOUTH & SPORT	3,800,000.00
SUB-TOTAL		3,820,000.00
10000	ECONOMIC SECTOR	
19000	CULTURE & TOURISM	12,000,000.00
SUB-TOTAL		12,000,000.00
40000	GENERAL ADMINISTRATION	54,000,000.00
TOTAL		69,820,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8

Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Bekwarra Local Government Council Cash Books as at 31st December 2021.

S/N	DETAILS	AMOUNT (₦)
1	ZENITH BANK SAL & OH	26,825,505.39
2	ZENITH BANK CAPITAL	1,804,848.09
3	FBN IGR	-
	SUB TOTAL	28,630,353.48
4	CASH IN HAND	NIL
	TOTAL	28,630,353.48

Note10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,091,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	0.00
Balance Carried forward	661,382,225.555

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	124,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		12,000,000.00
Balance carried forward as at 31 Dec 2021		136,737,722.93

Note 12:

DEPOSITS

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

DETAILS	AMOUNT (₦)
DEPOSITS BFWD 01-01-2021	40,392,394.41
ADDITION DURING THE YEAR	0.00
TOTAL	40,392,394.41

Note 13

UNREMITTED DEDUCTIONS

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward 01-01-2021	678,885,451.37
ADD: Deductions during the year	578,997,630.72
	1,257,883,082.09
LESS: Actual Remittance during the year	343,825,456.35
Balance Outstanding 31-12-2021	914,052,625.74

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 14

SHORT TERM LOANS AND DEBTS

This represents the sum of ₦362,140.91 the Council's short-term facility owed to various commercial banks within the territory of the Bekwarra Local Governments area.

Note 15

LONG TERM LOANS/BORROWINGS (CRSG LOAN)

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

DETAILS	AMOUNT (₦)
Long term Loan brought forward	73,680,797.86
Repayment during the year	NIL
BALANCE CARRIED FORWARD	73,680,797.86

Note 16

Equity

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated	Reserve	Accumulated Surplus
	₦	₦	₦	₦
Accumulated Fund				
Balance as at 1/1/2021	182,245,510.04	241,073,023.51	156,140,101.47	289,251,560.56
changes for the year	339,652,669.16	297,209,557.37	25,277,777.78	279,260,804.69
Adjustment to Net Asset	(364,491,020.20)	(332,212,120.83)	827,630.79	(327,439,341.74)
Total Equity	<u>157,407,159=</u>	<u>206,070,460.05</u>	<u>182,245,510.04</u>	<u>241,073,023.51</u>

Note 16

Equity

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

BIASE LOCAL GOVERNMENT COUNCIL
FINANCIAL STATEMENTS AND
DISCLOSURE

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

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

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

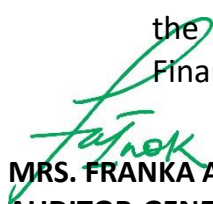
THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Biase Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BIASE LOCAL GOVERNMENT, AKPET CENTRAL
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Biase Local Government as at 31st December 2021 and its operations for the period ended on that date.



.....
HON. ADA CHARLES EGWU

CHAIRMAN



.....
MR. EFFIOM OFEM UBI

DIRECTOR OF FINANCE (TREASURER)

30th June 2022

.....
DATE

30th June 2022

.....
DATE



The Chairman,
Biase Local Government Council,
AKPET CENTRAL.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BIASE LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 168 to 170 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Biase Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BIASE LOCAL GOVERNMENT, AKPET CENTRAL

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
<u>Current Assets</u>		₦	₦
Cash and Cash Equivalent	9	35,466,046.67	45,981,284.62
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		696,851,272.22	580,076,059.21
<u>Non-Current Assets</u>			
Investment	18	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	272,473,200.00	753,700,012.14
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		573,089,647.60	1,042,316,459.74
Total Asset (A)		1,269,940,919.82	1,622,392,518.95
<u>LIABILITIES AND EQUITY</u>			
<u>Current Liability</u>			
Deposits	12	20,163,694.96	20,163,694.96
Unremitted Deductions	13	582,847,959.56	582,847,959.56
Payables (Unremitted Taxes)	14	15,151,785.23	15,151,785.23
Short term Loans & Debts	16	29,862,140.91	362,140.91
Total Current Liabilities		648,025,580.66	618,525,580.66
<u>Non-Current Liabilities</u>			
Long Term Borrowings (CRSG loan)	15	<u>73,680,797.86</u>	<u>73,680,797.86</u>
Total Non- Current Liabilities		73,680,797.86	73,680,797.86
Total Liabilities (B)		721,706,378.52	692,206,378.52
Net Asset (A - B)		<u>548,234,541.30</u>	<u>930,186,140.43</u>
<u>NET ASSET AND EQUITY</u>			
Reserve Fund	17	472,179,289.09	182,245,510.04
Accumulated Surplus/(Deficit)	17	1,020,413,830.39	747,940,630.39
Net Assets		<u>548,234,541.30</u>	<u>930,186,140.43</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BIASE LOCAL GOVERNMENT, AKPET CENTRAL

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		#	₦
Statutory Revenue	1	2,080,822,629.27	1,889,034,843.29
Internally Generated Revenue	2	11,401,050.00	14,371,748.38
Other Capital Receipts	3	219,760,911.90	14,371,748.38
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>2,439,275,042.13</u>	<u>2,375,973,776.88</u>
Expenditures			
Employees Benefits	4	1,543,142,441.68	1,350,578,707.91
General and Admin Expenses (Overhead)	5	52,843,396.91	28,746,604.90
Transfer to Other Government Entities	6	583,512,152.07	583,512,152.07
Public Debt Charges			0.00
Total Operating Expenses		<u>2,179,497,990.66</u>	<u>1,962,837,464.88</u>
Excess/(Deficit) of Revenue over Expenditures		<u>259,777,051.47</u>	<u>413,136,312.00</u>
Non-Cash Movement			
Depreciation of PP&E	8	27,247,320.00	38,042,353.79
Net Surplus/(Deficit)		<u>232,529,731.47</u>	<u>375,093,958.20</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	763,092,415.62	182,245,530.04	945,337,925.66
Changes for the Year	232,529,031.47	50,283,521.43	282,812,552.90
Transfer to/(from) changes in Net Assets	(679,915,957.26)	-	(679,915,937.26)
Balance as at 31st December 2021.	<u>315,705,509.83</u>	<u>232,529,031.47</u>	<u>548,234,541.30</u>
Balance as at 1 January 2020	(121,328,916.88)	156,967,732.26	35,638,815.38
Changes for the Year	375,093,958.20	25,277,777.78	400,371,735.98
Transfer to/(from) changes in Net Assets	(989,216,258.14)	-	509,327,374.29
Balance as at 31st December 2020.	<u>(121,328,916.88)</u>	<u>182,245,510.04</u>	<u>945,337,925.66</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BIASE LOCAL GOVERNMENT, AKPET CENTRAL
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

Cash Flow from Operating Activities	NOTES	2021	2020
		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,331,250,462.44	1,280,824,601.58
Government Share of VAT	1	694,007,652.28	488,849,061.47
Share of Exchange Gain Difference	1	7,944,047.18	39,205,478.77
Other Revenue	1	117,932,018.16	115,282,835.39
Internally Generated Revenue	2	11,401,050.00	14,371,748.38
Capital Receipts	3	219,760,911.90	380,423,537.93
Total Inflows from Operating Activities		2,382,296,141.96	2,318,957,263.52
Outflows:			
Employees' Benefits	4	1,543,142,441.68	1,350,578,707.91
Admin (Overhead) Cost	5	52,843,396.91	28,746,604.90
Statutory Deductions	6	583,512,152.07	583,512,152.07
Deduction at Source	1	70,311,550.77	35,127,133.92
JAAC Charges			0.00
Total Outflows from Operating Activities		2,249,809,541.43	1,997,964,598.80
Net Cashflow from Operating Activities		132,486,600.53	320,992,664.72
Cashflow from Investing Activities			
Proceeds from Sale of PPE (CRS Reserve Fund		(12,000,000.00)	-
Purchase/Construction of PPE	7	(272,247,320.00)	(380,423,537.93)
Net Cashflow from Investing Activities		(284,247,320.00)	(380,423,537.93)
Cash Flow from Financing Activities			
Deposits received		-	
Loan to Councilors		40,000,000.00	
Loan Repayment	15	(10,500,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		(29,500,000.00)	(250,000,000.00)
Net Cash Flow from All Activities		(181,260,719.47)	(309,430,873.21)
Cash and its Equivalent as at 01/01/2021		45,981,284.62	(198,105,341.89)
Adjustment		170,745,481.52	553,517,499.72
Cash and its Equivalent as at 31 Dec 2021		35,466,046.67	45,981,284.62

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BIASE LOCAL GOVERNMENT, AKPET CENTRAL
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,300,000,000.00	1,543,142,441.68	(243,142,441.68)
Internally Generated Revenue	30,000,000.00	11,401,050.00	18,598,950.00
Capital Receipts		380,589,115.13	(380,423,537.93)
	1,840,433,771.00		
Total Receipts	3,170,433,771.00	1,935,132,606.81	(604,967,029.61)
PAYMENTS			-
Salaries and Wages	964,170,882.00	1,543,142,441.68	(96,019,812.91)
Statutory Deductions	801,922,542.00	583,512,152.07	459,173,268.93
Overhead / Operating Expenditure	120,000,000.00	52,843,396.91	29,613,650.10
Purchase/Construction of PPE	6,497,541,225.00	272,473,200.00	1,359,784,656.07
Investment Expenditure	-	-	-
Total Payments	8,383,634,649.00	2,399,127,793.75	1,752,551,762.09
NET SURPLUS (DEFICIT)	(3,327,107,454.00)	(15,143,902.58)	(1,719,385,623.98)

BIASE LOCAL GOVERNMENT, AKPET CENTRAL

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

i. Reporting Entities

Biase local government area is in Cross river state, South- South geopolitical zone of Nigeria. The headquarters of the LGA are in the town of Akpet and consists of several towns and villages which include Akpet, Ubaghara, Okurike, Agwagune, Obum, Umuolor, Egbor, and Akparavuni. The population of Biase LGA is put at 127,482 inhabitants with the major tribes in the area being the Efik and the Ukpét. Christianity and traditional religion are the major religious affiliations in Biase LGA while the Efik language is widely spoken in the area.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

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

xix. **Other Borrowings**

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

xx. **Deposits**

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. **Employee Benefits**

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. **Unremitted Deductions**

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

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

	₦
Statutory Allocation	2,080,822,629.27
Internally Generated Revenue	11,401,050.00
Other Capital Receipts	219,760,911.90
Unremitted 10% State IGR	127,290,450.96
	<u>2,439,275,042.13</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	103,636,480.63	52,522,569.08		1,597,716.04	(58,259.97)	156,100,789.74
2	FEB.	87,825,356.45	52,130,996.03			(13,312,426.79)	13,1419,090.20
3	MARCH	90,959,822.90	60,653,974.30	702,635.63	2,078,061.97	(6,685,343.39)	156,339,865.34
4	APRIL	101,809,916.14	60,935,187.64	515,811.28		(6,685,343.38)	165,120,356.63
5	MAY	86,139,127.32	60,802,789.79	394,132.17	5,315,546.70	(6,685,343.38)	163,676,000.10
6	JUNE	138,194,098.40	51,843,674.66	874,019.03	10,078,595.33	(6,685,343.38)	188,398,492.22
7	JULY	146,722,883.14	49,930,691.05	558,832.53		(10,968,817.40)	190,662,040.77
8	AUG.	116,020,559.51	59,563,275.67	654,686.89	4,322,097.11	(9,228,647.07))	181,936,210.56
9	SEPT.	135,438,890.61	57,285,476.73	705,627.71	14,932,419.32	(3,460,295.05)	192,011,867.77
10	OCT.	88,597,370.47	55,455,726.86	733,539.94		(2,199,996.98)	183,139,480.48
11	NOV.	113,776,709.99	65,787,280.41	954,709.00	40,655,306.74	(2,199,996.98)	181,877,242.86
12	DEC.	122,129,246.99	67,096,010.06	1,850,053.00	3,483,407.11	(2,141,737.01)	190,141,192.6
	TOTAL	1,331,250,462.44	694,007,652.28	7,944,047.18	117,932,018.16	(70,311,550.77)	2,080,822,629.27

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-components are also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for Biase Local Government Council for the year ended 31st December 2021.

MONTH	Excess Bank Charges	Share of Forex Equalization	Augmentation	Share of Solid Minerals	Ecological Fund	Share from Non-Oil Revenue	TOTAL
JAN.							
FEB.	133,753.62	1,944,308.35			2,697,102.54		4,755,164.51
MARCH					2,982,527.43	7,726,248.47	10,708,775.90
APRIL	145,464.88				3,229,238.25	5,170,081.82	8,544,784.95
MAY			12,877,080.78	1,785,704.12	3,192,427.49	5,170,081.82s	23,025,294.21
JUNE					4,172,043.51		4,172,043.51
JULY					4,418,451.45		4,418,451.45
AUG.	103,686.91				1,945,567.87	12,877,080.78	14,926,336.56
SEPT.					2,042,167.77		2,042,167.77
OCT.			25,754,161.56		1,921,597.85	12,877,080.78	40,552,840.19
NOV.	113,201.83				3,445,338.61		3,558,540.44
DEC.					1,207,619.67		1,207,619.67
TOTAL	496,107.24	1,944,308.35	38,631,242.34	1,785,704.12	31,254,082.44	43,820,573.67	117,932,018.16

DEDUCTIONS AT SOURCE - (N38,026,405.16)

This represents deductions made at source by the FAAC Allocation Committee against Biase Local government revenue allocation for the year.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 2

INTERNALLY GENERATED REVENUE (IGR)

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Biase Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		₦
101000	TAXES	5,500,000.00
102000	RATES	420,000.00
103000	LOCAL LICENCE FEES	1,209,200.00
104000	EARNINGSFROM COMMERCIAL UNDERTAKINGS	3,707,850.00
105000	RENT ON GOVERNMENT PROPERTY	-
108000	MISCELLANEOUS	564,000.00
	TOTAL	11,401,050.00

MONTH	10100	10200	10300	10400	10500	10800	TOTAL
JANUARY	-	-	37,600.00	512,250.00	-	-	549,850.00
FEBRUARY	-	-	83,600.00	316,800.00	-	-	400,400.00
MARCH	-	-	261,900.00	776,800.00	-	136,000.00	1,174,700.00
APRIL	-	-	135,500.00	334,600.00	-	56,000.00	526,100.00
MAY	-	420,000.00	182,600.00	369,000.00	-	33,000.00	1,004,600.00
JUNE	-	-	60,000	300,900.00	-	275,000.00	635,900.00
JULY	-	-	208,500.00	313,000.00	-	37,000.00	558,500.00
AUGUST	5,500,000.00	-	-	-	-	-	5,500,000.00
SEPTEMBER	-	-	96,000.00	254,600.00	-	2,000.00	352,600.00
OCTOBER	-	-	85,500.00	228,200.00	-	7,000.00	320,700.00
NOVEMBER	-	-	26,000.00	168,900.00	-	9,000.00	203,900.00
DECEMBER	-	-	32,000.00	132,800.00	-	9,000.00	173,800.00
TOTAL	5,500,000.00	420,000.00	1,209,200.00	3,707,850.00	-	564,000.00	11,401,050.00

Note 3

CAPITAL RECEIPTS – ₦219,760,911.90

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

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 4

Employees Benefits

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

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	18,000,000.00
2	Primary Health Care Salaries	177,999,807.00
3	Non-Pensionable Allowances	170,880,000.00
4	Council Staff Salaries	166,152,699.77
5	Political Office Holders	74,304,525.36
6	Pension Allowances	267,141,986.19
7	SUBEB - Teacher's Salaries	668,663,423.36
	TOTAL	1,543,142,441.68

MONTH	TRC	PHC	NPA	COUNCIL STAFF	POL OFFICE HOLDERS	PENSIONS	SUBEB	TOTAL
January	1,500,000.00	14,833,317.25	19,300,000.00	14,116,613.50	6,192,043.78	22,402,249.46	56,106,636.22	134,450,860.21
February	1,500,000.00	14,833,317.25	19,300,000.00	13,975,003.38	6,192,043.78	22,047,051.80	56,106,636.22	133,954,052.43
March	1,500,000.00	14,833,317.25	19,300,000.00	13,975,003.38	6,192,043.78	22,047,051.80	56,106,636.22	133,954,052.43
April	1,500,000.00	14,833,317.25	19,300,000.00	13,927,871.77	6,192,043.78	22,047,051.80	55,653,741.76	133,454,026.36
May	1,500,000.00	14,833,317.25	-	13,876,749.02	6,192,043.78	22,322,942.72	55,519,357.11	114,244,409.88
June	1,500,000.00	14,833,317.25	-	13,802,803.69	6,192,043.78	22,078,648.09	55,735,103.04	114,141,915.85
July	1,500,000.00	14,833,317.25	18,300,000.00	13,802,803.69	6,192,043.78	22,153,381.11	55,644,091.83	132,425,637.66
August	1,500,000.00	14,833,317.25	18,300,000.00	13,802,803.69	6,192,043.78	22,153,381.11	55,594,816.83	132,376,362.66
September	1,500,000.00	14,833,317.25	18,300,000.00	13,753,528.66	6,192,043.78	22,153,381.11	55,549,022.83	132,281,293.63
October	1,500,000.00	14,833,317.25		13,706,506.33	6,192,043.78	22,268,281.11	55,736,127.10	114,236,275.57
November	1,500,000.00	14,833,317.25	20,480,000.00	13,706,506.33	6,192,043.78	22,734,283.04	55,455,627.10	134,901,777.50
December	1,500,000.00	14,833,317.25	18,300,000.00	13,706,506.33	6,192,043.78	22,734,283.04	55,455,627.10	132,721,777.50
Total	18,000,000.00	177,999,807.00	170,880,000.00	166,152,699.77	74,304,525.36	267,141,986.19	668,663,423.36	1,542,142,441.68

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 5

General and Admin Expenses (OVERHEAD COST)

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

ADMIN EXPENSES (OVERHEAD COST)		₦
CODE	DETAILS	
431200	TRAVEL AND TRANSPORT	3,464,120.00
431300	UTILITIES	90,000.00
431400	MATERIAL SUPPLIES	2,979,000.00
431600	TRAINING	6,969,500.00
431700	CONSULTANCY AND PROF.	4,095,000.00
431800	FINANCE EXPENCES	2,446,030.42
431900	ENTERAINMENT AND HOSPITALITY	5,190,000.00
432100	OTHER SERVICES	27,609,746.49
TOTAL		52,843,396.91

Note 6

Transfer to Other Government Agencies

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	18,822,972.65
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	169,406,753.83
3	STATE ELECTRIFUCATION AGENCY (SEA) 5%	94,114,863.24
4	JOINT SECURITY OPERATIONS 2.5%	47,057,431.62
5	JOINT SOCIAL WELFARE 2.5%	47,057,431.62
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	9,411,486.32
7	SPORT DEVELOPMENT 1%	18,822,972.65
8	ENVIROMENTAL MANAGEMENT & PROTECTION 2.5%	47,057,431.62
9	CRHA OVERSIGHT FUNCTION 0.5%	9,411,486.32
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	9,411,486.32
11	INFRASTRUTURAL DEVELOPMENT AGENCY 4%	75,291,890.59
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	18,822,972.65
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	18,822,972.65
	TOTAL	583,512,152.07

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 7

Property, Plant and Equipment

During the year under review, the Biase LGC spent a total sum of ₦272S.4m on Purchase and Construction of PPE (Property, Plant and Equipment).

Property, Plant and Equipment		₦
CODE	DETAILS	
11000	AGRICULTURE	409,500.00
17000	ENERGY, FUEL AND POWER	60,412,400.00
18000	TRANSPORT	65,011,611
19000	CULTURE AND TOURISM	-
22000	HEALTH	6,450,000.00
23000	INFORMATION	-
24000	SOCIAL DEV., YOUTH AND SPORT	2,500,000.00
31000	WATER SUPPLY	10,000,000.00
33000	HOUSING	43,000,000.00
35000	ENVIRON. AND REFUSE DISPOSAL	5,728,000.00
40000	GENERAL ADMINISTRATION	53,942,977.00
12000	LIVESTOCK/VETERINARY	10,000,000.00
16000	ENERGY (FUEL AND POWER)	15,018,712.24
TOTAL		272,473,200.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

PROPERTY, PLANT AND EQUIPMENT												
	Building	Plants & Machinery	Motor Vehicle	IT & Office Equipment	Furniture & Fittings	Intangible Assets	Bridges	Road	Traffic Light	Streetlights	Drainages	Total
Cost	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
	2%	5%	25%	25%	10%	25%	2%	5%	5%	10%	5%	
As at 1/1/2020												747,940,630.39
Additions												272,473,200.00
Disposal												-
Adjustments												
As at 31/12/2020 (A)	-	-	-	-	-	-	-	-	-	-	-	<u>1,02,041,830.39</u>
Depreciation												
As at 1/1/2020												74,794,063.04
Charge for the year												27,247,320.00
Disposals												-
Adjustments												
As at 31/12/2020 (B)	-	-	-	-	-	-	-	-	-	-	-	102,041,383.04
Net Book Value (A-B)	-	-	-	-	-	-	-	-	-	-	-	<u>1,020,413,830.39</u>

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Biase Local Government Council Cash Books as at 31st December 2020.

S/N	DETAILS	BALANCES (₦)
1.	FIRST BANK	16,121,962.42
2.	ZENITH BANK	1,111,415.69
3.	CRUTECH GMM, MFB	66,743.40
4.	FIRST BANK SAL/OH	18,162,977.92
5.	ZENITH BANK SAL/OH	2,947.24
6.	CASH AT HAND	20,845.00
	TOTAL	35,466,042.67

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	0.00
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2020	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		12,000,000.00
Balance carried forward as at 31 Dec 2021		141,737,722.93

Note 12:

DEPOSITS

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

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2020 (₦)	CURRENT YEAR ADDITIONS (₦)	REMITTANCES DURING THE YEAR (₦)	BALANCE AS AT 31-12- 2020 (₦)
1	SALARY DEPOSIT	11,508,466.87	-	-	11,508,466.87
2	UNCLAIMED SALARIES	8,655,227.71	-	-	8,655,227.71
TOTAL		20,163,694.58	-	-	20,163,694.58

Note 13

UNREMITTED DEDUCTIONS - ₦582,847,959.59

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

Note 14**Payables**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Biase LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2021
1	WITHOLDING TAX	8,056,908.58	-	-	8,056,908.58
2	VALUE ADDED TAX	6,702,976.65	-	-	6,702,976.65
3	PAYE	340,000.00	-	-	340,000.00
4	STAMP DUTY	51,900.00	-	-	51,900.00
	TOTAL	15,151,785.23	-	-	15,151,785.23

Note 15**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT (₦)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 16**SHORT TERM LOANS**

The sum of ₦73,680,797.86 represents short term facilities the Council is indebted to financial institutions.

Note 17**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated	Reserve	Accumulated
Accumulated	₦	₦	₦	₦
Balance as at	156,967,732.26	(121,328,916.88)	156,967,732.26	0.00
changes for	25,277,777.78	375,093,958.20	0	867,887,341.26
Adjustment		494,175,589.06	0	(989,216,258.14)
Total Equity	<u>182,245,510.04</u>	<u>747,940,630.39</u>	<u>156,967,732.26</u>	<u>-121,328,916.88</u>

Note 18**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

BOKI LOCAL GOVERNMENT COUNCIL
FINANCIAL STATEMENTS AND
DISCLOSURES

BOKI LOCAL GOVERNMENT, BOJE

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Boki Local Government Council found on pages 190-192 have been examined under my direction, which have been prepared under the accounting policies set out on pages 184-189.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Boki Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

BOKI LOCAL GOVERNMENT, BOJE

RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Boki Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. PASTOR JOHN EWA
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. MARTIN OBI OTUK
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Boki Local Government Council,
BOJE.

AUDIT CERTIFICATE ON THE ACCOUNTS OF BOKI LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 190 to 192 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Boki Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.


.....

MRS FRANKA INOK, FCA
AUDITOR-GENERAL
CALABAR



BOKI LOCAL GOVERNMENT, BOJE**STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021**

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	119,718,799.42	101,477,797.22
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		781,104,024.97	635,572,571.81
Non-Current Assets			
Investment	18	135,261,863.68	158,878,724.67
Property, Plant & Equipment	8	595,725,209.12	385,860,084.14
Contribution to CRS Reserve Fund	11	141,737,722.92	129,737,722.93
Total Non-Current Asset		896,341,656.71	674,476,531.74
Total Asset (A)		1,677,445,681.68	1,310,049,103.55
LIABILITIES			
Current Liabilities			
Deposits	12	31,073,108.06	30,102,652.63
Unremitted Deductions	13	1,194,974,648.61	804,509,020.75
Payables (Unremitted Taxes)	14	17,552,168.44	11,551,652.84
Short term Loans & Debts	15	9,351,658.56	9,351,658.56
Total Current Liabilities		1,252,951,583.67	856,485,440.21
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	16	73,680,797.86	73,680,797.86
Loan to Councilors	18	29,500,000.00	-
Total Non-Current Liabilities		103,180,797.86	73,680,797.86
Total Liabilities (B)		1,356,132,381.53	930,166,238.07
Net Asset (A - B)			
		<u>321,313,300.15</u>	<u>379,882,865.48</u>
NET ASSET AND EQUITY			
Reserve Fund	17	194,245,510.24	182,245,510.04
Accumulated Surplus/(Deficit)	17	127,067,789.91	<u>197,637,355.44</u>
Net Assets		<u>321,313,300.15</u>	<u>379,882,865.48</u>

BOKI LOCAL GOVERNMENT, BOJE**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021**

Revenue	NOTES	2021	2020
		₦	₦
Statutory Revenue	1	2,379,029,300.12	2,247,559,637.82
Internally Generated Revenue	2	13,149.888.87	16,449,218.26
Other Capital Receipts	3	887,117,642.85	224,923,537.93
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>3,406,587,282.80</u>	<u>2,581,076,041.29</u>
Expenditures			
Employees Benefits	4	2,114,349,558.08	1,852,861,136.30
General and Admin Expenses (Overhead)	5	176,867,208.97	28,746,604.90
Transfer to Other Government Entities	6	715,702,502.29	583,512,152.07
Public Debt Charges			0.00
Total Operating Expenses		3,006,919,269.34	2,465,119,893.27
Excess/(Deficit) of Revenue over Expenditures		(399,668,013.46)	115,956,148.02
Non-Cash Movement			
Depreciation of PP&E	8	52,323,041.65	38,042,353.79
Net Surplus/(Deficit)		<u>(347,435,971.81)</u>	<u>77,913,794.22</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	197,637,355.44	182,245,510.04	359,435,971.81
Changes for the Year	(347,435,971.81)	12,000,000.00	(359,435,971.81)
Transfer to/(from) changes in Net Assets	(418,005,537.34)		(418,005,537.34)
Balance as at 31st December 2021.	<u>127,067,789.91</u>	<u>194,245,510.04</u>	<u>(58,569,565.53)</u>
Balance as at 1 January 2020	(427,486,290.96)	156,967,732.26	(270,518,558.70)
Changes for the Year	77,913,794.22	25,277,777.78	103,191,572.00
Transfer to/(from) changes in Net Assets	547,209,852.18	-	547,209,852.18
Balance as at 31st December 2020.	<u>197,637,355.44</u>	<u>182,245,510.04</u>	<u>379,882,865.48</u>

BOKI LOCAL GOVERNMENT, BOJE
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

Cash Flow from Operating Activities	NOTES	2021	2020
		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,529,086,435.46	1,468,397,867.27
Government Share of VAT	1	714,097,674.67	506,293,492.83
Share of Exchange Gain Difference	1	8,393,146.72	44,947,014.09
Other Revenue	1	127,452,043.27	132,165,691.86
Internally Generated Revenue	2	13,149,888.87	16,449,218.26
Capital Receipts	3	887,117,642.85	224,923,537.93
Total Inflows from Operating Activities		3,279,296,831.84	2,393,176,822.24
Outflows:			
Employees' Benefits	4	2,114,349,558.08	1,852,861,136.30
Admin (Overhead) Cost	5	102,012,051.88	28,746,604.90
Statutory Deductions	1	715,702,502.29	583,512,152.07
Deduction at Source	1	70,311,550.76	36,410,120.08
JAAC Charges		0.00	0.00
Total Outflows from Operating Activities		3,002,375,063.01	2,501,530,013.35
Net Cashflow from Operating Activities		276,921,168.83	(108,353,191.11)
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	(262,180,166.63)	(224,923,537.93)
Investment		12,000,000.00	
Net Cashflow from Investing Activities		(274,180,166.63)	(224,923,537.93)
Cash Flow from Financing Activities			
Taxes Received		6,000,000.00	-
Loan to Councilors		40,000,000.00	
Tax Remitted		-	-
Loan Repayment	10	(10,500,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		35,500,000.00	(250,000,000.00)
Net Cash Flow from All Activities		(18,241,002.20)	(583,276,729.04)
Cash and its Equivalent as at 01/01/2021		101,477,794.22	(235,361,201.02)
Adjustment		-	920,115,727.28
Cash and its Equivalent as at 31 Dec 2021		119,718,799.42	101,477,797.22

BOKI LOCAL GOVERNMENT, BOJE
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	3,439,543,097.00	2,319,029,300.12	1,060,513,796.88
Internally Generated Revenue	39,459,040.00	13,149,888.87	26,309,151.13
Capital Receipts		887,110,642.85	(887,110,642.85)
Total Receipts	3,479,002,137.00	3,279,276,831.84	199,705,305.16
PAYMENTS			
Salaries and Wages	1,842,292,238.00	2,114,349,558.08	272,057,320.08
Statutory Deductions	1,095,693,337.00	715,702,502.29	379,990,834.71
Overhead / Operating Expenditure	313,691,560.00	102,012,051.88	221,679,508.12
Purchase/Construction of PPE	3,878,704,769.00	262,180,166.63	3,616,524,602.37
Investment Expenditure			
Total Payments	7,130,381,904.00	2,478,541,776.59	4,651,840,127.41
NET SURPLUS (DEFICIT)	3,651,379,767.00	800,755,055.25	2,850,624,711.75

BOKI LOCAL GOVERNMENT, BOJE

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

i. Reporting Entities

Boki local government area is located in Cross River state, Southern Nigeria and has its headquarters in the town of Boje. Boki LGA shares borders with the Republic of Cameroon and the Ikom, obudu, and ogoja LGAs. Boki LGA has a population of about 143,980 inhabitants with the vast majority being members of the Boki ethnic sub-division. The Boki dialect is largely spoken in Boki LGA while Christianity is the widely practiced religion in the area. Boki LGA consists of several towns and villages which include Ntamante, Borum, Kakwagom-Irruan, Bunyia, Nkim Osokom, Boje, Dadi, Iman, and Okundi. Boki LGA is home to a number of important festivals which include the New Yam, the Alobe, and the Etcen festivals while interesting landmarks in the LGA include the Afi Mountain Wildlife Sanctuary and the Borum Oil palm estate.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in

the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost.

Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

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

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. **Unremitted Deductions**

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS

Note 1.

Revenues

GROSS STATUTORY ALLOCATION)

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

₦

Statutory Allocation	2,379,029,300.11
Internally Generated Revenue	13,149,888.87
Other Capital Receipts	887,117,642.85
Unremitted 10% State IGR	127,290,450.96
	<u>3,406,587,282.79</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	118,813,760.24	54,384,104.45	-	-	173,197,864.69	-58,259.97	173,139,604.72
2	FEBRUARY	100,687,140.10	53,992,239.93	-	5,474,474.34	160,153,854.37	-13,312,426.79	146,841,427.58
3	MARCH	107,158,618.30	58,364,796.04	827,766.15	10,948,325.36	177,299,505.85	-6,685,343.38	170,614,162.47
4	APRIL	116,719,700.38	63,025,743.84	591,350.43	9,796,145.40	190,132,940.05	-6,685,343.38	183,447,596.67
5	MAY	98,753,967.31	62,945,020.90	451,851.74	24,967,869.34	187,118,709.29	(6,685,343.38)	180,433,365.91
6	JUNE	158,432,246.79	53,671,065.40	1,002,016.73	4,783,027.91	217,888,356.83	(6,685,343.38)	211,203,013.45
7	JULY	168,210,048.75	51,718,677.11	640,672.03	5,065,521.63	225,634,919.52	(10,968,817.40)	214,666,102.12
8	AUGUST	133,011,453.66	61,674,351.85	750,564.00	15,671,330.57	211,107,700.08	(9,228,647.07)	201,879,053.01
9	SEPTEMBER	155,273,546.34	59,309,316.27	808,964.96	2,341,237.67	217,733,065.24	(3,460,295.05)	214,272,770.20
10	OCTOBER	101,572,213.46	57,421,220.91	840,964.87	42,203,443.86	202,037,843.10	(2,199,996.98)	199,837,846.12
11	NOVEMBER	130,438,998.51	68,111,115.92	1,094,523.53	4,079,678.99	203,724,316.95	(2,199,996.98)	201,524,319.97
12	DECEMBER	140,014,741.62	69,480,022.05	1,384,472.28	2,120,988.21	213,000,224.16	-2,141,737.01	210,858,487.15
		1,529,086,435.46	714,097,674.67	8,393,146.72	127,452,043.27	2,379,029,300.12	(70,311,550.76)	2,308,717,749.35

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for Boki Local Government Council for the year ended 31st December 2021.

S/N	MONTH	SHARE OF NON-OIL REVENUE	SHARE OF FOREX	SHARE OF EXCESS BANK CHARGES	SHARE OF ECOLOGICAL FUND	AUGMENTATION	SHARE OF SOLID MINERAL	TOTAL
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	-	-	-	-	-	-	-
2	FEBRUARY		2,229,047.00	153,341.48	3,092,085.86			5,474,474.34
3	MARCH	7,434,647.46			3,513,677.90			10,948,325.36
4	APRIL	5,927,226.19		166,767.82	3,702,151.39			9,796,145.40
5	MAY	5,927,226.19			3,659,949.79	13,333,477.75	2,047,215.61	24,967,869.34
6	JUNE				4,783,027.91			4,783,027.91
7	JULY				5,065,521.63			5,065,521.63
8	AUGUST	13,333,477.75		107,361.84	2,230,490.99			15,671,330.57
9	SEPTEMBER				2,341,237.67			2,341,237.67
10	OCTOBER	13,333,477.75			2,203,010.62	26,666,955.49		42,203,443.86
11	NOVEMBER			129,779.93	3,949,899.06			4,079,678.99
12	DECEMBER				2,120,988.21			2,120,988.21
								-
		45,956,055.33	2,229,047.00	557,251.07	36,662,041.02	40,000,433.24	2,047,215.61	127,452,043.27

DEDUCTIONS AT SOURCE - (~~N~~70,311,550.96)

This represents deductions made at source by the FAAC Allocation Committee against Boki Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Boki Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
101000	TAXES	671,000.00
102000	RATES	
103000	LOCAL LICENCE FEES	1,630,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	9,384,388.87
105000	RENT ON GOVERNMENT PROPERTY	
106000	INTEREST ON DIVIDENDS	
107000	REIMBURSEMENT	
108000	MISCELLANEOUS	1,414,000.00
	T O T A L	13,149,888.87

MONTHS	100300	100400	10100	100800	TOTAL
JANUARY	221,000.00	403,888.87		44,000.00	668,000.87
FEBRUARY	98,500.00	1,590,000.00		45,000.00	1,733,500.00
MARCH	520,000.00	408,000.00	251,000.00	54,000.00	1,233,000.00
APRIL	54,000.00	850,000.00		48,000.00	952,000.00
MAY	50,000.00	467,000.00		-	517,500.00
JUNE	50,000.00	745,000.00	420,000.00	40,000.00	1,255,000.00
JULY		335,000.00		172,000.00	507,000.00
AUGUST		390,000.00		38,000.00	428,000.00
SEPTEMBER		575,000.00		245,000.00	820,000.00
OCTOBER		505,000.00		490,000.00	995,000.00
NOVEMBER		335,000.00			335,000.00
DECEMBER	687,000.00	2,780,000.00		410,000.00	3,877,000.00
TOTAL	1,680,500.00	9,384,388.87	671,000.00	1,586,000.00	13,321,888.87

Note 3**CAPITAL RECEIPTS – N887,117,642.85**

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

Note 4**Employees Benefit**

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

SALARIES WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	35,100,000.00
2	Primary Health Care Salaries	296,270,234.20
3	Non-Pensionable Allowances	236,040,000.00
4	Council Staff Salaries	211,252,322.01
5	Political Office Holders	71,528,863.16
6	Pension Allowances	420,177,489.95
7	SUBEB - Teacher's Salaries	843,980,648.76
	TOTAL	2,114,349,558.08

SALARIES AND WAGES								
MONTH	TRC	PHC	NPA	COUNCIL STAFF	POLITICAL OFFICE HOLDERS	PENSION	SUBEB	TOTALS
JANUARY	2,925,000.00	24,726,002.20	26,500,000.00	19,677,700.60	6,183,176.13	33,445,367.75	71,599,534.75	185,056,782.43
FEBRUARY	2,925,000.00	24,726,003.20	26,530,000.00	19,363,689.83	6,183,176.13	34,519,048.67	71,303,648.11	185,550,565.94
MARCH	2,925,000.00	24,681,822.78	26,530,000.00	19,004,996.04	5,916,251.09	34,519,048.67	71,120,626.14	185,550,565.94
APRIL	2,925,000.00	24,681,822.78	26,530,000.00	19,004,996.04	5,916,251.09	34,505,754.56	71,027,609.22	184,591,433.69
MAY	2,925,000.00	24,681,822.78		18,958,290.15	5,916,251.09	35,942,444.26	70,734,385.17	195,158,193.45
JUNE	2,925,000.00	24,681,822.78		18,958,290.15	5,916,251.09	34,904,970.94	70,534,755.95	157,921,090.91
JULY	2,925,000.00	24,681,822.78	26,530,000.00	18,877,462.86	5,916,251.09	35,209,826.79	70,493,966.05	158,104,329.57
AUGUST	2,925,000.00	24,681,822.78	26,530,000.00	18,830,440.51	5,916,251.09	35,209,826.79	70,952,725.94	184,046,067.11
SEPTEMBER	2,925,000.00	24,681,822.78	26,530,000.00	18,830,440.51	5,916,251.09	35,209,826.79	70,952,725.95	184,046,067.11
OCTOBER	2,925,000.00	24,681,822.78	25,800,000.00	18,830,440.51	5,916,251.09	35,265,364.47	71,278,848.02	158,997,726.87
NOVEMBER	2,925,000.00	24,681,822.78	27,830,000.00	18,830,440.51	5,916,251.09	35,723,005.13	70,906,848.02	186,813,367.53
DECEMBER	2,925,000.00	24,681,822.78	26,530,000.00	18,830,440.51	5,916,251.09	35,723,005.13	70,906,848.02	184,513,367.53
	35,100,000.00	296,270,234.20	236,040,000.00	211,252,322.01	71,528,863.16	420,177,489.95	843,980,648.67	2,114,349,558.08

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
DETAILS	
TRAVEL & TRANSPORT	9,330,000.00
MATERIALS & SUPPLIES	407,000.00
MAINTENANCE & REPAIRS	541,000.00
TRAINING & STAFF DEVELOPMENT	789,888.00
CONSULTANCY & PROFESSIONAL SERVICES	1,190,000.00
FINANCE CHARGE	84,311.51
ENTERTAINMENT AND HOSPITALITY	6,747,000.00
OTHER SERVICES	82,871,852.31
CRFC	-
TOTAL	102,012,051.88

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	23,087,177.49
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	207,874,597.44
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	115,435,887.46
4	JOINT SECURITY OPERATIONS 2.5%	57,717,943.73
5	JOINT SOCIAL WELFARE 2.5%	57,717,943.73
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	11,543,588.74
7	SPORT DEVELOPMENT 1%	23,087,177.49
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	57,717,943.73
9	CRHA OVERSIGHT FUNCTION 0.5%	11,543,588.74
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	11,543,588.74
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	92,348,709.97
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	23,087,177.49
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	23,087,177.49
	TOTAL	715,702,502.29

Note 7**Property, Plant and Equipment**

During the year under review, the Boki LGC spent a total sum of ₦262.1M on Purchase and Construction of PPE (Property, Plant and Equipment).

Property, Plant and Equipment	₦
AGRICULTURE	8,500,000.00
ENERGY AND FUEL	-
COMMERCE & FINANCE	20,000.00
TRANSPORT (ROADS/BRIDGES)	60,350,000.00
CULTURE & TOURISM	10,500,000.00
EDUCATION	250,000.00
HEALTH	4,500,000.00
INFORMATION & COMMUNICATION	-
SOCIAL DEV	2,100,000.00
HOUSING	-
ENVIROMENTAL & REFUSAL DESPOSAL	5,760,000.00
GENERAL ADMIN.	170,000.00
	262,180,166.63

C

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

PROPERTY, PLANT AND EQUIPMENT												
	Building	Plants & Machinery	Motor Vehicle	IT & Office Equipment	Furniture & Fittings	Intangible Assets	Bridges	Road	Traffic Light	Streetlights	Drainages	Total
Cost	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
	2%	5%	25%	25%	10%	25%	2%	5%	5%	10%	5%	
As at 1/1/2021												= 385,860,084.14
Additions						196,070,166.		60,350,000.			5,760,000.	262188,166.63
Disposal	-	-										
Adjustments												
As at 31/12/2021 (A)	-	-	-	-	-	- 196,070,166	-	- 60,350,000	-	-	- 5,760,000.00	
Depreciation												
As at 1/1/2020												
Charge for the year												
Disposals						49,017,541.65		3,071,500			282,000.00	52,323,041.65
Adjustments												
As at 31/12/2021 (B)	-	-	-	-	-	-	-	-	-	-	-	595,725,209.12
Net Book Value (A-B)	-	-	-	-	-	- 147,052,624.97	-	- 57,332,500	-	-	- 5,472,000.00	

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Boki Local Government Council Cash Books as at 31st December 2021.

BANK	ACCOUNT NUMBER	AMOUNT(N)
ZENITH BANK - REVENUE	1011492994	9,351,658.56
FBN SALARY & OVERHAED	2032515491	900,956.21
ZENITH BANK - CAPITAL	14011553178	4,159,2291.50
ZENITH - SALARY & OVERHEAD	1017366732	72,000,882.50
UNICAL MFB - UNCLAIMED	0410326069	77,914.26
UNICAL MFB - REVENUE	041033022	381,902.64
TOTAL BANK		118,377,299.42
CASH AT HAND		1,341,500.00
BALANCE C/D		119,718,799.42

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	0.00
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2020	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		12,000,000.00
Balance carried forward as at 31 Dec 2021		141,737,722.92

Note 12:

DEPOSITS

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

DETAILS	AMOUNT (₦)
Deposits brought forward	31,073,108.06
Addition during the year	
BALANCE CARRIED FORWARD	31,073,108.06

Note 13

UNREMITTED DEDUCTIONS

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

DETAILS	AMOUNT (₦)
Unremitted deductions brought forward	804,509,020.75
Addition in the year	715,702,502.29
	1,520,211,523.04
Remittances during the year	(325,236,874.43)
BALANCE CARRIED FORWARD	1,194,974,648.61

Note 14**Payables**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Boki LGCs as at 31st December 2021

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2021
1	5% CONTRACTORS' TAX	7,478,484.44	3,000,000.00	-	10,478,484.44
2	5% VALUE ADDED TAX (VAT)	4,073,684.00	3,000,000.00	-	7,073,684.00
TOTAL		11,551,652.84	6,000,000.00	-	17,552,168.44

Note 15**SHORT TERM LOANS AND DEBTS**

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

DETAILS	AMOUNT (₦)
Short Term Loan brought forward	9,351,685.56
Addition during the year	'00
BALANCE CARRIED FORWARD	9,351,658.56

Note 16**LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 17**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	197,637,355.44	156,967,732.26	(427,486,290.96)
changes for the year	12,000,000.00	347,435,971.81	25,277,777.78	77,913,794.22
Adjustment to Net	194,245,510.04	(418,005,537.34)		547,209,852.18
Total Equity	194,245,510.04	127,067,789.91	182,245,510.04	197,637,355.44

Note 18**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS

Councilors in BOKI Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	36,000,000.00
AMOUNT REPAID	(9,450,000.00)
BALANCE	26,550,000.00

**CALABAR MUNICIPAL LOCAL
GOVERNMENT COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Calabar Municipal Local Government Council found on pages 212-214 have been examined under my direction, which have been prepared under the accounting policies set out on pages 206-211.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Calabar Municipal Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Calabar Municipal Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. EFFEYONG NTA EKE
CHAIRMAN

30th June 2022
.....
DATE


.....
MRS. GLORY TONY EFFIONG, ACA
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Calabar Municipal Local Government Council,
CALABAR.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF CALABAR MUNICIPAL LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 212 to 214 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Calabar Municipal Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	141,344,696.82	69,307,433.61
Receivables	10	661,385,225.46	534,094,774.59
Total Current Asset		802,729,922.28	603,402,208.20
Non-Current Assets			
Investment	17	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	529,872,830.92	403,773,139.91
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		830,489,278.52	692,389,587.51
Total Asset (A)		1,633,219,200.80	1,295,791,795.71
LIABILITIES			
Current Liabilities			
Deposits	12	670,017.15	670,017.15
Unremitted Deductions	13	1,037,685,871.59	760,930,397.18
Payables (Unremitted Taxes)	14	48,620.00	48,620.00
Total Current Liabilities		1,038,404,508.74	761,649,034.33
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	15	73,680,797.86	73,680,797.86
Loan to Councilors		65,000,701.60	
Total Non-Current Liabilities		138,681,499.46	73,680,797.86
Total Liabilities (B)		1,177,086,008.20	835,329,832.19
Net Asset (A - B)		<u>465,133,192.60</u>	<u>460,461,963.52</u>
NET ASSET AND EQUITY			
Reserve Fund	16	182,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	16	282,887,682.56	278,216,453.48
Net Assets		<u>465,133,192.60</u>	<u>460,461,963.52</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,063,772,373.26	1,768,524,859.69
Internally Generated Revenue	2	90,347,400.00	63,005,779.05
Other Capital Receipts	3	634,404,938.09	224,923,537.93
10% State IGR	10	127,290,450.68	92,143,647.28
Total Revenue		<u>2,915,815,162.03</u>	<u>2,148,597,823.95</u>
Expenditures			
Employees Benefits	4	1,640,726,239.69	1,432,086,234.63
General and Admin Expenses (Overhead)	5	267,505,033.95	28,746,604.90
Transfer to Other Government Entities	6	617,970,875.34	583,512,152.07
Deduction at Source		70,311,550.76	0.00
Total Operating Expenses		2,596,513,699.74	2,044,344,991.60
Excess/(Deficit) of Revenue over Expenditures		319,301,462.29	104,252,832.35
Non-Cash Movement			
Depreciation of PP&E	7	58,874,758.99	22,492,353.79
Net Surplus/(Deficit)		<u>260,426,703.30</u>	<u>81,760,478.55</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	278,216,453.48	182,245,510.04	460,461,963.52
Changes for the Year	260,426,703.30	-	260,426,703.30
Transfer to/(from) changes in Net Assets	(255,755,474.22)	-	(255,755,474.22)
Balance as at 31st December 2021.	<u>282,887,682.56</u>	<u>182,245,510.04</u>	<u>465,133,192.60</u>
Balance as at 1 January 2020	(356,201,927.11)	156,967,732.26	(199,234,194.85)
Changes for the Year	81,760,478.55	25,277,777.78	107,038,256.33
Transfer to/(from) changes in Net Assets	552,657,902.03	-	552,657,902.03
Balance as at 31st December 2020.	<u>278,216,453.48</u>	<u>182,245,510.04</u>	<u>460,461,963.52</u>

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation		1,230,666,362.46	1,163,197,156.12
Government Share of VAT		709,630,039.21	499,350,901.30
Share of Exchange Gain Difference		6,798,480.72	35,604,954.30
Other Revenue		116,677,490.87	104,695,573.53
Internally Generated Revenue		90,347,400.00	63,005,779.05
Capital Receipts		634,404,938.09	224,923,537.93
Total Inflows from Operating Activities		2,788,524,711.35	2,090,777,902.23
Outflows			
Employees' Benefits	3	1,640,726,239.69	1,432,086,234.63
Admin (Overhead) Cost	4	267,505,033.95	28,746,604.90
Statutory Deductions	5	617,970,875.34	583,512,152.07
Deduction at Source		70,311,550.76	34,323,725.56
Total Outflows from Operating Activities		2,596,513,699.74	2,078,668,717.16
Net Cashflow from Operating Activities		<u>192,011,011.61</u>	<u>12,109,185.07</u>
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	184,974,450.00	(224,923,537.93)
Net Cashflow from Investing Activities		<u>184,974,450.00</u>	<u>(224,923,537.93)</u>
Cash Flow from Financing Activities			
Loan from Ekondo & Councilors		144,000,000.00	(250,000,000.00)
Loan Repayment	10	<u>78,999,298.40</u>	-
Net Cash Flow from Financing Activities		<u>65,000,701.60</u>	<u>(250,000,000.00)</u>
Net Cash Flow from All Activities			
Net Cash Flow from All Activities		<u>72,037,263.21</u>	<u>(462,814,352.86)</u>
Cash and its Equivalent as at 01/01		69,307,433.61	(220,151,032.82)
Adjustment		-	752,272,819.29
Cash and its Equivalent as at 31 Dec 2021		<u>141,344,696.82</u>	<u>69,307,433.61</u>

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	3,126,803,573.00	2,063,772,373.26	1,063,031,199.74
Internally Generated Revenue	155,867,500.00	90,347,400.00	65,520,100.00
Capital Receipts	-	634,404,938.09	634,404,938.09
Total Receipts	3,282,671,073.00	2,788,524,711.35	494,146,361.65
PAYMENTS			
Salaries and Wages	2,804,754,607.00	1,640,726,252.39	1,164,028,354.61
Statutory Deductions	785,361,146.00	617,970,875.34	167,390,270.66
Overhead / Operating Expenditure	213,221,857.00	267,505,033.95	(54,286,176.95)
Deduction at Source	-	70,311,550.76	70,311,550.76
Purchase/Construction of PPE	2,014,861,053.00	184,974,450.00	1,829,886,603.00
Investment Expenditure			
Total Payments	5,830,198,663.00	2,781,488,149.74	3,048,710,513.26
NET SURPLUS (DEFICIT)	2,547,527,590.00	7,036,561.61	2,540,491,028.00

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL
STATEMENTS

i. Reporting Entities

Calabar Municipal is a Local Government Area located in the Southern Senatorial District of Cross River State. The headquarter is located in the city of Calabar. Its Southern shore are bounded by the Calabar River 5 miles upstream from that river's entrance into the Cross River estuary and Calabar South Local Government Area. It has an area of 331.551 square kilometers. Two ethnic groups form the indigenous population. These are the Quas and the Efiks. However, because of its cosmopolitan status, there abound people from all parts of the state and Nigeria in the city.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and Cash Equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost.

Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not

materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

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

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the

entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

This represents allocations received monthly by Calabar Municipal Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

	₦
Statutory Allocation	2,063,772,373.26
Internally Generated Revenue	90,347,400.00
Other Capital Receipts	634,404,938.09
Unremitted 10% State IGR	127,290,450.68
	<u>2,915,815,162.03</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
		=N=	=N=				=N=	=N=
1	JANUARY	94,118,788.31	53,643,244.55		-	147,762,032.86	-58,259.97	147,703,772.89
2	FEBRUARY	79,759,714.75	53,251,496.02		4,336,626.43	137,347,837.20	-13,312,426.79	124,035,410.41
3	MARCH	104,280,640.60	62,803,707.65	805,534.69	11,419,397.09	179,309,280.03	-6,685,343.38	172,623,936.65
4	APRIL	92,459,970.54	62,193,737.49	468,440.57	7,760,055.18	162,882,203.78	-6,685,343.38	156,196,860.40
5	MAY	78,228,344.30	62,092,448.79	357,936.14	22,368,068.55	163,046,797.78	(6,685,343.38)	156,361,454.40
6	JUNE	125,502,728.52	52,943,794.49	793,751.50	3,788,894.42	183,029,168.93	(6,685,343.38)	176,343,825.55
7	JULY	133,248,252.88	51,007,088.60	507,510.87	4,012,672.93	188,775,525.28	(10,968,817.40)	177,806,707.88
8	AUGUST	105,365,547.10	60,834,178.89	594,562.23	15,024,630.91	181,818,919.12	(9,228,647.07)	172,590,272.06
9	SEPTEMBER	123,000,551.52	58,503,862.03	640,824.78	1,854,620.65	183,999,858.98	(3,460,295.05)	180,539,563.94
10	OCTOBER	80,460,829.10	56,638,987.20	666,173.64	41,200,641.75	178,966,631.68	(2,199,996.98)	176,766,634.70
11	NOVEMBER	103,327,766.61	67,186,268.30	867,031.13	3,231,733.80	174,612,799.84	(2,199,996.98)	172,412,802.86
12	DECEMBER	110,913,229.24	68,531,225.20	1,096,715.17	1,680,149.17	182,221,318.78	-2,141,737.01	180,079,581.77
	TOTAL	1,230,666,363.47	709,630,039.21	6,798,480.72	116,677,490.87	2,063,772,374.27	(70,311,550.76)	1,993,460,823.51

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for Calabar Municipal Local Government Council for the year ended 31st December 2021.

MONTH	SHARE OF NON-OIL REVENUE	SHARE OF FOREX	SHARE OF EXCESS BANK CHARGES	SHARE OF ECOLOGICAL FUND	AUGMENTATION	SHARE OF SOLID MINERAL	TOTAL
		=N=	=N=	=N=			=N=
JANUARY	-	-	-	-	-	-	-
FEBRUARY		1,765,748.36	121,470.06	2,449,408.01			4,336,626.43
MARCH	8,000,086.65			3,419,310.44			11,419,397.09
APRIL	4,695,275.58		132,105.78	2,932,673.82			7,760,055.18
MAY	4,695,275.58			2,899,243.66	13,151,839.40	1,621,709.91	22,368,068.55
JUNE				3,788,894.42			3,788,894.42
JULY				4,012,672.93			4,012,672.93
AUGUST	13,151,839.40		105,899.28	1,766,892.23			15,024,630.91
SEPTEMBER				1,854,620.65			1,854,620.65
OCTOBER	13,151,839.40			1,745,123.55	26,303,678.80		41,200,641.75
NOVEMBER			102,805.68	3,128,928.12			3,231,733.80
DECEMBER				1,680,149.17			1,680,149.17
TOTAL	43,694,316.60	1,765,748.36	462,280.80	29,677,917.01	39,455,518.19	1,621,709.91	116,677,490.87

DEDUCTIONS AT SOURCE - (N70,311,550.96)

This represents deductions made at source by the FAAC Allocation Committee against Calabar Municipal Local government revenue allocation for the year.

Note 2

INTERNALLY GENERATED REVENUE (IGR)

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Calabar Municipal Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
101000	TAXES	20,000.00
102000	RATES	2,638,000.00
103000	LOCAL LICENCE FEES	7,716,900
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	16,565,000.00
105000	RENT ON GOVERNMENT PROPERTY	54,805,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	8,602,500.00
	TOTAL	90,347,400.00

MONTH	1001	1002	1003	1004	1005	1008	TOTAL
JANUARY		132,000.00	215,500.00	50,000.00	2,400,000.00	148,888.39	2,946,388.39
FEBRUARY		150,000.00	628,000.00	4,929,000.00	8,420,000.00	41,500.00	14,168,500.00
MARCH	20,000.00		733,000.00	1,059,000.00	6,250,000.00	1,851,000.00	9,893,000.00
APRIL			631,500.00	698,000.00	1,093,000.00	902,000.00	3,324,500.00
MAY			1,154,000.00	421,000.00	1,900,000.00	1,030,000.00	4,505,000.00
JUNE			753,200.00	661,000.00	9,265,111.61	245,000.00	10,924,311.61
JULY		100,000.00	975,000.00	120,000.00	1,200,000.00	235,000.00	2,630,000.00
AUGUST			6,452,000.00	1,300,000.00	1,800,000.00		9,552,000.00
SEPTEMBER		2,140,000.00	593,500.00	1,386,000.00	1,900,000.00	299,000.00	6,318,500.00
OCTOBER			516,000.00	4,573,000.00	7,627,000.00	1,188,000.00	13,904,000.00
NOVEMBER			453,700.00	86,000.00	1,650,000.00	450,000.00	2,639,700.00
DECEMBER		300,000.00	545,500.00	138,000.00	2,800,000.00	5,758,000.00	9,541,500.00
TOTAL	20,000.00	2,822,000.00	13,650,900.00	15,421,000.00	46,305,111.61	12,148,388.39	90,347,400.00

Note 3**CAPITAL RECEIPTS – ₦634,404,938.09**

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

Note 4**Employees Benefit**

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

EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	10,800,000.00
2	Primary Health Care Salaries	309,927,446.68
3	Non-Pensionable Allowances	195,150,000.00
4	Council Staff Salaries	266,480,978.52
5	Political Office Holders	71,544,550.04
6	Pension Allowances	265,438,992.52
7	SUBEB - Teacher's Salaries	521,384,270.93
	TOTAL	1,640,726,239.20

MONTH	COUNCIL SALARIES	PHC	LGEA	PENSION	NPA	TRC	POLITICAL OFFICE	TOTAL
JANUARY	22,014,037.77	26,403,654.21	43,196,833.32	21,790,889.65	22,000,000.00	900,000.00	5,984,289.59	142,289,704.54
FEBRUARY	22,264,348.93	26,282,797.19	43,327,216.19	21,977,868.13	22,000,000.00	900,000.00	5,984,289.59	142,736,520.03
MARCH	22,264,348.93	26,282,797.19	43,580,223.66	21,977,868.13	22,000,000.00	900,000.00	5,984,289.59	142,989,527.50
APRIL	22,264,348.93	26,282,797.19	43,591,703.92	21,977,868.12	22,000,000.00	900,000.00	5,850,827.07	142,867,545.23
MAY	22,264,348.93	25,685,283.32	43,575,721.61	22,376,675.23	-	900,000.00	5,850,827.07	120,652,856.16
JUNE	22,264,348.93	25,685,283.32	43,426,297.37	21,977,868.12	-	900,000.00	5,850,827.07	120,104,624.81
JULY	22,264,348.93	25,550,805.71	43,466,357.89	22,101,257.53	21,000,000.00	900,000.00	6,117,752.11	141,400,522.17
AUGUST	22,264,348.93	25,550,805.71	43,280,301.52	22,101,257.53	21,000,000.00	900,000.00	5,984,289.59	141,081,003.28
SEPTEMBER	22,154,124.56	25,550,805.71	43,492,958.05	22,101,257.33	21,000,000.00	900,000.00	5,984,289.59	141,183,435.24
OCTOBER	22,154,124.56	25,550,805.71	43,700,912.20	22,325,919.85	-	900,000.00	5,984,289.59	120,616,051.91
NOVEMBER	22,154,124.56	25,550,805.71	43,372,872.60	22,365,131.45	23,150,000.00	900,000.00	5,984,289.59	143,477,223.91
DECEMBER	22,154,124.56	25,550,805.71	43,372,872.60	22,365,131.45	21,000,000.00	900,000.00	5,984,289.59	141,327,223.91
TOTAL	266,480,978.52	309,927,446.68	521,384,270.93	265,438,992.52	195,150,000.00	10,800,000.00	71,544,550.04	1,640,726,239.20

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
DETAILS	
TRAVEL AND TRANSPORT	12,616,900
UTILITIES	2,020,000.00
MATERIALS & SUPPLIES	3,308,950.00
MAINTENANCE & SERVICES	3,587,100
TRAINING & STAFF DEVELOPMENT	150,000.00
CONSULTANCES & PROF. SERVICES	1,150,000.00
OTHER SERVICES	221,111,166.71
FINANCE EXPENSES	790,567.24
ENTERTAINMENT & HOSPITALITY	22,770,350.00
TOTAL	267,505,033.95

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	19,934,608.23
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	179,411,474.11
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	99,673,041.18
4	JOINT SECURITY OPERATIONS 2.5%	49,836,520.58
5	JOINT SOCIAL WELFARE 2.5%	49,836,520.58
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	9,967,304.12
7	SPORT DEVELOPMENT 1%	19,934,608.23
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	49,836,520.58
9	CRHA OVERSIGHT FUNCTION 0.5%	9,967,304.12
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	9,967,304.12
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	79,738,432.94
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	19,934,608.23
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	19,934,608.23
	TOTAL	617,970,875.34

Note 7**Property, Plant and Equipment**

During the year under review, the Calabar Municipal LGC spent a total sum of ₦184.9m on Purchase and Construction of PPE (Property, Plant and Equipment).

Property, Plant and Equipment	₦
Commerce / Finance	112,295,850.00
Culture / Tourism	10,000,000.00
Health	12,050,000.00
Social Development Youth & Sport	5,725,500.00
Water Supply	-
Environmental & Refuse Disposal	14,310,000.00
Town & Regional Planning	26,778,100.00
General Administration	3,815,000.00
Total	184,974,450.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Calabar Municipal Local Government Council Cash Books as at 31st December 2021.

S/N	BANK	AMOUNT(N)
1	FIRST BANK (SALARIES AND OVERHEAD)	48,416,036.93
2	ZENITH BANK (SALARIES AND OVERHEAD)	405,483.68
3	ECOBANK (REVENUE)	71,802.89
4	ZENITH BANK (REVENUE)	356,606.53
5	UBA	-
6	CROSS RIVER MICRO FINANCE	285.00
7	FBN (CAPITAL)	-
8	ZENITH BANK (CAPITAL)	6,372,041.82
9	CASH BALANCE	26,000.00
10	FIRST BANK (SALARIES AND OVERHEAD)	85,678,517.72
11	EKONDO	17,462,341.80
12	KEY STONE BANK	30,922.25
	TOTAL	141,344,696.82

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.50
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	
Balance Carried forward 2021	661,385,225.46

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
	TOTAL AS IN CASHFLOW STATEMENT	12,000,000.00
	Balance carried forward as at 31 Dec 2021	141,737,722.93

Note 12:**DEPOSITS**

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

S/N	DETAILS	BAL. B/F AS AT 1 ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2021
		₦	₦	₦	₦
1	RETENTION DEPOSIT	3,192,203.98	-	(2,522,186.83)	670,017.15
2	UNCLAIMED	11,594,339.70	-	(11,594,339.70)	0.00
	TOTAL	14,786,543.68	-	-	670,017.15

Note 13**UNREMITTED DEDUCTIONS**

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

DETAILS	AMOUNT (₦)
Unremitted deductions brought forward	760,930,397.18
Additions in the year	617,970,875.35
	1,378,901,272.52
2021 Remittances	341,215,400.93
BALANCE CARRIED FORWARD	1,037,685,871.59

Note 14**Payables**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Calabar Municipal Council LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2021
1	5% CONTRACTORS' TAX (WHT) BFWD	24,310.00	-	-	24,310.00
2	5% VALUE ADDED TAX (VAT) BFWD	24,310.00	-	-	24,310.00
	TOTAL	48,620.00	-	-	48,620.00

Note 15**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 16**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	278,216,453.48	156,967,732.26	- 356,201,927.11
changes for the year		260,426,703.30	25,277,777.78	81,760,478.55
Adjustment to Net Asset		(255,755,474.22)		552,657,902.03
Total Equity	<u>182,245,510.04</u>	<u>282,887,682.56</u>	<u>182,245,510.04</u>	<u>278,216,453.48</u>

Note 17**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 18**CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS**

Councilors in Calabar Municipal Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	36,000,000.00
AMOUNT REPAYED	<u>(9,450,000.00)</u>
BALANCE	26,550,000.00

**CALABAR SOUTH LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Calabar South Local Government Council found on pages 234-236 have been examined under my direction, which have been prepared under the accounting policies set out on pages 228-233.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors. In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Calabar South Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

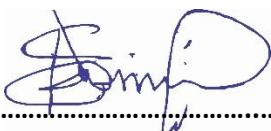
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Calabar South Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Calabar South Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. MRS. ESTHER BASSEY
CHAIRMAN

30th June 2022
.....
DATE


.....
MRS. PATRICIA NJAR
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Calabar South Local Government Council,
ANANTIGHA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF CALABAR SOUTH LOCAL GOVERNMENT FOR
THE YEAR ENDED 31ST DECEMBER 2020.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 234 to 236 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007 and Generally Accepted Auditing Standards.

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Calabar South Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	74,597,605.84	39,126,393.37
Receivables	10	661,385,225.27	534,094,774.59
Total Current Asset		735,982,831.11	573,221,167.96
Non-Current Assets			
Investment	17	158,878,724.67	158,878,724.67
Property, Plant & Equipment	7	507,940,920.29	397,966,490.92
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		88,557,367.87	686,582,938.52
Total Asset (A)		1,544,540,199.00	1,259,804,106.48
LIABILITIES			
Current Liabilities			
DepositS		0.00	0.00
Short Term Loans & Debts	12	1,520,013.64	1,520,013.64
Unremitted Deductions	13	922,065,795.28	741,404,320.51
Payables (Unremitted Taxes)	14	13,402,039.90	13,402,039.90
Total Current Liabilities		936,987,848.82	756,326,374.05
Non-Current Liabilities			
Long Term Borrowings (CRSG)	15	73,680,797.86	73,680,797.86
Loan to Councilors		32,500,000.00	-
Total Non-Current Liabilities		106,180,797.86	73,680,797.86
Total Liabilities (B)		1,043,168,646.68	830,007,171.91
Net Asset (A - B)		<u>501,371,552.32</u>	<u>429,796,934.57</u>
NET ASSET AND EQUITY			
Reserve Fund	16	194,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	16	307,126,042.28	247,551,424.53
Net Assets		<u>501,371,552.32</u>	<u>429,796,934.57</u>

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA
STATEMENT OF FINANCIAL PERFORMANCE COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,135,267,666.22	1,866,459,780.79
Internally Generated Revenue	2	13,888,988.89	11,869,224.25
Other Capital Receipts	3	207,119,520.41	224,923,537.93
10% State IGR	10	127,290,450.00	92,143,647.28
Total Revenue		<u>2,483,566,625.52</u>	<u>2,195,396,190.25</u>
Expenditures			
Employees Benefits	4	1,357,386,551.23	1,068,425,688.92
General and Admin Expenses (Overhead)	5	70,160,857.50	28,746,604.90
Transfer to Other Government Entities	6	640,130,195.79	583,512,152.07
Deduction at source		70,311,550.76	0.00
Total Operating Expenses		<u>2,137,989,154.63</u>	<u>1,680,684,445.89</u>
Excess/(Deficit) of Revenue over Expenditures		<u>345,577,470.89</u>	<u>514,711,744.36</u>
Non-Cash Movement			
Depreciation of PP&E	8	100,656,379.02	22,492,353.79
Net Surplus/(Deficit)		<u>244,921,091.87</u>	<u>492,219,390.56</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	247,551,424.53	182,245,510.04	429,796,934.57
Changes for the Year	244,921,091.87	12,000,000.00	256,921,091.87
Transfer to/(from) changes in Net Assets	(185,346,474.12)	-	(185,346,474.12)
Balance as at 31st December 2021.	<u>307,126,042.28</u>	<u>194,245,510.04</u>	<u>501,371,552.32</u>
Balance as at 1 January 2020	(325,631,077.24)	156,967,732.26	(168,663,344.98)
Changes for the Year	492,219,390.56	25,277,777.78	517,497,168.34
Transfer to/(from) changes in Net Assets	80,963,111.21	-	80,963,111.21
Balance as at 31st December 2020.	<u>247,551,424.53</u>	<u>182,245,510.04</u>	<u>429,796,934.57</u>

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,283,194,662.28	1,239,824,792.44
Government Share of VAT	1	724,924,773.71	511,939,941.92
Share of Exchange Gain Difference	1	7,025,849.25	37,950,492.61
Other Revenue	1	120,102,308.99	111,592,576.58
Internally Generated Revenue	2	13,888,988.89	11,869,224.25
Capital Receipts	3	207,119,520.41	224,923,537.93
Total Inflows from Operating Activities		2,356,276,175.52	2,138,100,565.73
Outflows			
Employees' Benefits	4	1,357,386,551.23	1,068,425,688.92
Admin (Overhead) Cost	5	70,160,857.50	28,746,604.90
Statutory Deductions	6	640,130,195.79	583,512,152.07
Deduction at Source	1	70,311,550.76	34,848,022.76
Total Outflows from Operating Activities		2,137,989,154.63	1,715,532,468.65
Net Cashflow from Operating Activities		218,287,020.86	422,568,097.08
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	210,630,806.39	(224,923,537.93)
Investment		12,000,000.00	-
Net Cashflow from Investing Activities		222,630,806.39	(224,923,537.93)
Cash Flow from Financing Activities			
Taxes Received	18	7,315,000.00	9,757,000.00
Taxes Remitted	18	-	(2,442,000.00)
Loan to Councilors		(44,000,000.00)	
Loan Repayment		(11,500,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		39,815,000.00	(250,000,000.00)
Net Cash Flow from All Activities		35,471,212.47	(52,355,440.85)
Cash and its Equivalent as at 01/01		39,126,393.37	(180,601,081.93)
Adjustment		-	272,082,916.15
Cash and its Equivalent as at 31 Dec 2021		74,597,605.84	39,126,393.37

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	4,329,696,775.00	2,135,267,666.22	2,194,020,108.78
Internally Generated Revenue	280,318,712.00	13,888,988.89	266,429,723.11
Capital Receipts	-	207,119,520.41	207,119,520.41
Cross River State Government Loan	950,000,000.00	-	950,000,000.00
Total Receipts	5,559,015,487.00	2,356,276,175.52	3,202,739,311.48
PAYMENTS			
Salaries and Wages	1,096,559,267.00	1,357,386,551.23	(260,827,284.23)
Statutory Deductions	997,641,927.00	640,130,195.79	357,511,731.21
Overhead / Operating Expenditure	139,473,356.00	70,160,857.50	68,732,498.50
Deduction at source		70,311,550.76	70,311,550.76
Purchase/Construction of PPE	1,616,418,333.00	210,630,808.39	1,405,787,524.61
Investment Expenditure	12,000,000.00	-	12,000,000.00
Total Payments	3,862,092,883.00	2,348,599,961.02	1,513,452,921.98
NET SURPLUS (DEFICIT)	1,696,922,604.00	7,676,214.50	1,689,246,389.95

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

i. Reporting Entities

Calabar South local government area is found in Cross River state, South-south geopolitical zone of Nigeria. The headquarters of the area are in the town of Anantigha and the LGA is made up of several districts which include Henshaw town, Effut Uwanse, and Efut Ebua. The area is home to about 93,104 inhabitants with the majority of the area's inhabitants being from the Efik and the Qua ethnic affiliations. The Efik and English languages are widely spoken within the LGA. The popular Calabar carnival is held within and around the Calabar south LGA.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost.

Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not

materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. **Leases**

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

xix. **Other Borrowings**

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

xx. **Deposits**

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. **Employee Benefits**

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is

anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. **Unremitted Deductions**

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

This represents allocations received monthly by Calabar South Local Government council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

₦

Statutory Allocation	2,135,267,666.22
Internally Generated Revenue	13,888,988.89
Other Capital Receipts	207,119,520.41
Unremitted 10% State IGR	<u>127,290,450.96</u>
	<u>2,483,566,626.48</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	100,319,027.23	54,986,650.01		-	155,305,677.24	-58,259.97	155,247,417.27
2	FEBRUARY	85,014,024.72	54,594,691.15		4,622,309.21	144,231,025.08	-13,312,426.79	130,918,598.29
3	MARCH	82,606,320.32	61,948,149.78	638,107.48	10,599,723.89	155,792,301.47	-6,685,343.38	149,106,958.09
4	APRIL	98,550,931.95	63,702,419.34	499,299.91	8,271,262.29	171,023,913.49	-6,685,343.38	164,338,570.11
5	MAY	83,381,772.58	63,638,422.64	381,515.81	23,304,569.51	170,706,280.54	(6,685,343.38)	164,020,937.16
6	JUNE	133,770,439.10	54,262,558.97	846,041.26	4,038,494.39	192,917,533.72	(6,685,343.38)	186,232,190.34
7	JULY	142,026,213.35	52,297,416.08	540,944.03	4,277,014.70	199,141,588.16	(10,968,817.40)	188,172,770.76
8	AUGUST	112,306,685.82	62,357,669.29	633,730.05	15,473,045.91	190,771,131.06	(9,228,647.07)	181,542,484.00
9	SEPTEMBER	131,103,426.84	59,964,396.78	683,040.23	1,976,797.00	193,727,660.85	(3,460,295.05)	190,267,365.80
10	OCTOBER	85,761,326.20	58,057,416.03	710,058.98	42,303,702.33	186,832,503.54	(2,199,996.98)	184,632,506.56
11	NOVEMBER	110,134,663.00	68,863,299.73	924,148.31	3,444,629.85	183,366,740.89	(2,199,996.98)	181,166,743.91
12	DECEMBER	118,219,831.17	70,251,683.91	1,168,963.19	1,790,831.92	191,431,310.18	-2,141,737.01	189,289,573.17
		1,283,194,662.28	724,924,773.71	7,025,849.25	120,102,380.99	2,135,247,666.23	(70,311,550.76)	2,064,936,115.46

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Calabar South** Local Government Council for the year ended 31st December 2021.

S/N	MONTH	SHARE OF NON-OIL REVENUE	SHARE OF FOREX	SHARE OF EXCESS BANK CHARGES	SHARE OF ECOLOGICAL FUND	AUGMENTATION	SHARE OF SOLID MINERAL	TOTAL
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	-	-	-	-	-	-	-
2	FEBRUARY		1,882,070.11	129,472.10	2,610,767.00			4,622,309.21
3	MARCH	7,891,103.64			2,708,620.25			10,599,723.89
4	APRIL	5,004,585.03		140,808.48	3,125,868.78			8,271,262.29
5	MAY	5,004,585.03			3,090,236.35	13,481,205.25	1,728,542.88	23,304,569.51
6	JUNE				4,038,494.39			4,038,494.39
7	JULY				4,277,014.70			4,277,014.70
8	AUGUST	13,481,205.25		108,551.35	1,883,289.31			15,473,045.91
9	SEPTEMBER				1,976,797.00			1,976,797.00
10	OCTOBER	13,481,205.25			1,860,086.59	26,962,410.50		42,303,702.33
11	NOVEMBER			109,578.18	3,335,051.67			3,444,629.85
12	DECEMBER				1,790,831.92			1,790,831.92
		44,862,684.19	1,882,070.11	488,410.11	30,697,057.96	40,443,615.74	1,728,542.88	120,102,380.99

DEDUCTIONS AT SOURCE - (₦70,311,550.76)

This represents deductions made at source by the FAAC Allocation Committee against **Calabar South** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Calabar South** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2020 ₦
101000	TAXES	-
102000	RATES	2,232,000.00
103000	LOCAL LICENCE FEES	2,897,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	8,362,000.00
106000	INTEREST ON DIVIDENDS	-
108000	MISCELLANEOUS	397,988.89
	TOTAL	13,888,988.89

MONTH	1001	1002	1003	1004	1005	1008	TOTAL
JANUARY	-	-				163,889.89	163,889.89
FEBRUARY	-	100,000.00	120,000.00	370,000.00		18,500.00	608,500.00
MARCH	-	-	110,000.00	130,000.00		7,500.00	247,500.00
APRIL	-	1,182,000.00		293,000.00		84,100.00	1,559,100.00
MAY	-	250,000.00	384,000.00	151,000.00		17,500.00	802,500.00
JUNE	-	150,000.00	100,000.00			7,500.00	257,500.00
JULY	-	-	145,000.00	208,000.00		11,500.00	364,500.00
AUGUST	-	250,000.00	300,000.00	395,000.00		38,000.00	983,000.00
SEPTEMBER	-	-	300,000.00			4,000.00	304,000.00
OCTOBER	-	-	285,000.00	5,135,000.00		20,000.00	5,440,000.00
NOVEMBER	-	100,000.00	225,000.00	1,570,000.00		7,500.00	1,902,500.00
DECEMBER	-	200,000.00	928,000.00	110,000.00		18,000.00	1,256,000.00
TOTAL	-	2,232,000.00	2,897,000.00	8,362,000.00	-	397,989.89	13,888,989.89

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 3

CAPITAL RECEIPTS – ₦207,119,520.41

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

Note 4

Employees Benefit

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

EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	10,980,000.00
2	Primary Health Care Salaries	239,026,990.76
3	Non-Pensionable Allowances	260,160,000.00
4	Council Staff Salaries	246,463,049.06
5	Political Office Holders	75,291,125.24
6	Pension Allowances	152,424,381.12
7	SUBEB - Teacher's Salaries	373,041,005.05
	TOTAL	1,357,386,551.23

MONTHS	TRC	PHC	NPA	COUNCIL STAFF	POL. OFFICE HOLDERS	PENSION	SUBEB	TOTAL
JANUARY	915,000.00	20,068,887.11	29,200,000.00	21,132,079.02	6,176,335.45	12,324,737.03	31,013,050.68	120,830,089.29
FEBRUARY	915,000.00	20,068,887.11	29,200,000.00	20,602,545.06	6,176,335.45	12,464,134.95	30,914,669.09	120,341,571.66
MARCH	915,000.00	20,068,887.11	29,200,000.00	20,536,214.81	6,176,335.45	12,482,796.98	30,955,458.99	120,334,693.34
APRIL	915,000.00	20,068,887.11	29,200,000.00	20,536,214.81	6,086,335.45	12,482,796.98	30,985,664.43	120,274,898.78
MAY	915,000.00	19,843,930.29		20,444,499.42	6,334,472.93	13,149,950.19	31,313,970.72	92,001,823.55
JUNE	915,000.00	19,843,930.29		20,444,499.42	6,334,472.93	12,710,680.21	31,274,057.69	91,522,640.54
JULY	915,000.00	19,843,930.29	28,200,000.00	20,444,499.42	6,334,472.93	12,689,628.02	31,166,915.74	119,594,446.40
AUGUST	915,000.00	19,843,930.29	28,200,000.00	20,444,499.42	6,334,472.93	12,689,628.02	31,166,915.74	119,594,446.40
SEPTEMBER	915,000.00	19,843,930.29	28,200,000.00	20,444,499.42	6,334,472.93	12,689,628.02	31,166,915.74	119,594,446.40
OCTOBER	915,000.00	19,843,930.29		20,544,499.42	6,334,472.93	12,738,828.02	31,195,505.35	91,572,236.01
NOVEMBER	915,000.00	19,843,930.29	30,560,000.00	20,444,499.42	6,334,472.93	13,000,786.35	30,943,940.44	122,042,629.43
DECEMBER	915,000.00	19,843,930.29	28,200,000.00	20,444,499.42	6,334,472.93	13,000,786.35	30,943,940.44	119,682,629.43
TOTAL	10,980,000.00	239,026,990.76	260,160,000.00	246,463,049.06	75,291,125.24	152,424,381.12	373,041,005.05	1,357,386,551.23

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
TRAVEL AND TRANSPORT	13,126,676.92
UTILITIES	-
MATERIALS & SUPPLIES	3,692,000.00
MAINTENANCE & SERVICES	1,113,000.00
TRAINING & STAFF DEVELOPMENT	250,000.00
CONSULTANCES & PROF. SERVICES	13,400,000.00
FINANCE EXPENSES	878,788.05
ENTERTAINMENT & HOSPITALITY	4,720,000.00
OTHER SERVICES	33,080,392.53
GRANT & SUBVENTION	-
DEBT SERVICING	-
TOTAL	70,160,857.50

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	20,649,361.15
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	185,844,250.39
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	103,246,805.77
4	JOINT SECURITY OPERATIONS 2.5%	51,623,402.88
5	JOINT SOCIAL WELFARE 2.5%	51,623,402.88
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	10,324,680.57
7	SPORT DEVELOPMENT 1%	20,649,361.15
8	ENVIROMENTAL MANAGEMENT & PROTECTION 2.5%	51,623,402.88
9	CRHA OVERSIGHT FUNCTION 0.5%	10,324,680.57
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	10,324,680.57
11	INFRASTRUTURAL DEVELOPMENT AGENCY 4%	82,597,444.61
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	20,649,361.15
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	20,649,361.15
	TOTAL	640,130,195.79

Note 7**Property, Plant and Equipment**

During the year under review, the Calabar Municipal LGC spent a total sum of ₦132.6m on Purchase and Construction of PPE (Property, Plant and Equipment).

Property, Plant and Equipment	₦
MANUFACTURING & CRAFT	20,000.00
ENERGY (FUEL & POWER)	4,567,536.53
COMMERCE & FINANCE	3,473,000.00
TRANSPORTATION	42,100,000.00
HEALTH	850,000.00
INFORMATION	20,000.00
WATER SUPPLY	2,780,000.00
SEWAGE & DRAINAGE	2,500,00.00
ENVIRONMENTAL & REFUSE DISPOSAL	34,160,259.99
GENERAL ADMINISTRATION	120,209,691.87
Total	210,630,808.39

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Calabar South Local Government Council Cash Books as at 31st December 2021.

S/N	BANK	STATUS	AMOUNT
1	FBN (SALARIES AND OVERHEAD)	ACTIVE	31,152,110.76
2	HERITAGE BANK (REVENUE)	ACTIVE	25,397.71
3	ZENITH BANK (REVENUE)	ACTIVE	5,871.77
4	CALABAR MICRO FINANCE BANK	ACTIVE	324,383.53
5	FIRST ROYAL MICRO FINANCE BANK	ACTIVE	1,231,226.00
6	EKONDO MICRO FINANCE BANK	ACTIVE	3,642,279.56
7	FBN (CAPITAL)	ACTIVE	36,691,018.81
8	ZENITH BANK (CAPITAL)	ACTIVE	999,950.50
9	FCMB (REVENUE ACCOUNT)		69,312.75
10	FBN (REVENUE ACCOUNT)		36,686.77
11	FCMB – OVERHEAD & SALARIES		976
12	SPRING BANK		90,476.82
13	FIDELITY BANK		215,249.22
14	ECO BANK		32,714.60
15	STANBIC IBTC		4,668.94
16	FBN – EPZ (CAPITAL)		76,288.10
	SUB TOTAL		74,548,549.40
17	CASH BALANCE		49,056.44
	TOTAL		74,597,605.84

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.65
Remittance for the Period	
Balance Carried forward	661,385,225.27

Note 11**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
	TOTAL AS IN CASHFLOW STATEMENT	12,000,000.00
	Balance carried forward as at 31 Dec 2021	141,737,722.93

Note 12:**SHORT TERM LOANS AND DEBTS – ₦1,520,013.64**

This represents loans owed to various banks by Calabar South Local Governments

Note 13**UNREMITTED DEDUCTIONS**

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

DETAILS	AMOUNT (₦)
Unremitted deductions brought forward	741,404,320.51
Additions in the year	640,130,195.79
	1,381,534,516.30
Remittances within the year	459,468,721.02
BALANCE CARRIED FORWARD	922,065,795.28

Note 14**Payables**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Calabar South LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2020 1
1	WHT	7,478,519.95	-	1,585,000.0	5,893,519.95
2	VAT	7,478,519.95	-	540,000.00	6,938,519.95
3	STAMP DUTY	887,000.00	-	317,000.00	570,000.00
TOTAL		15,842,418.85	-	2,442,000.00	13,402,039.90

Note 15**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward 01-01-2021	73,680,797.86
Repayment during the year	
BALANCE CARRIED FORWARD	73,680,797.86

Note 16**Equity**

Equity/Total Details	2021		2020	
	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	247,551,424.53	156,967,732.26	(325,631,077.24)
changes for the	12,000,000.00	244,921,091.87	25,277,777.78	492,219,390.56
Adjustment to Net	0	(185,346,474.12)	0	80,963,111.21
Total Equity	194,245,510.04	307,126,042.28	182,245,510.04	247,551,424.53

Note 17**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 18**TAXES RECEIVED AND REMITTED – ₦7,315,000.00 & (NIL)**

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

TAXES RECEIVED AND REMITTED			
DETAILS	TAXES RECEIVED	TAXES REMITTED	N
BALANCE BROUGHT FORWARD	9,757,000.00	0.00	9,757,000.00
ADDITIONS FOR THE YEAR	0.00	(2,442,000.00)	(2,442,000.00)
BALANCE CARRIED FORWARD	9,757,000.00	(2,442,000.00)	7,315,000.00

CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS

Councilors in Calabar South Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	36,000,000.00
AMOUNT REPAYED	(9,450,000.00)
BALANCE	26,550,000.00

**ETUNG LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

ETUNG LOCAL GOVERNMENT, EFFRAYA

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Etung Local Government Council found on pages 256-258 have been examined under my direction, which have been prepared under the accounting policies set out on pages 250-257.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Etung Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

ETUNG LOCAL GOVERNMENT, EFFRAYA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

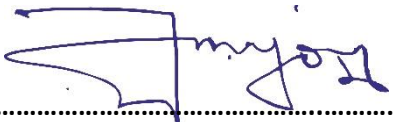
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Etung Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis)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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Etung Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. JOHN NKUM ETUK
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. EDEM EFFIONG
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Etung Local Government Council,
EFFRAYA.

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

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 256 to 258 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007 and Generally Accepted Auditing Standards.

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Etung Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



ETUNG LOCAL GOVERNMENT, EFFRAYA
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	63,637,737.27	36,457,472.16
Receivables	10	661,385,225.55	534,094,774.59
Advance to Councilors	17	26,550,000.00	-
Total Current Asset		751,572,962.82	570,552,246.75
Non-Current Assets			
Investment	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	467,217,921.67	436,893,690.74
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		767,834,369.27	725,510,138.34
Total Asset (A)		1,519,407,332.09	1,296,062,385.09
LIABILITIES			
Current Liabilities			
Deposits		8,393,924.24	8,393,924.24
Unremitted Deductions	12	720,787,718.56	582,847,959.56
Payables (Unremitted Taxes)	13	5,240,985.69	5,240,985.69
Total Current Liabilities		734,422,628.49	596,482,869.49
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	14	73,680,797.86	73,680,797.86
Total Non- Current Liabilities		73,680,797.86	73,680,797.86
Total Liabilities (B)		783,639,783.73	670,163,667.35
Net Asset (A - B)		<u>808,103,426.35</u>	<u>625,898,717.74</u>
NET ASSET AND EQUITY			
Reserve Fund	15	194,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	15	613,857,916.31	443,653,207.70
Net Assets		<u>808,103,426.35</u>	<u>625,898,717.74</u>

ETUNG LOCAL GOVERNMENT, EFFRAYA
STATEMENT OF FINANCIAL PERFORMANCE COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	1,673,802,619.38	1,452,230,340.84
Internally Generated Revenue	2	19,549,135.93	13,410,951.58
Other Capital Receipts	3	183,994,247.53	224,923,537.93
10% State IGR		127,290,450.96	92,143,647.28
Total Revenue		<u>2,007,636,453.80</u>	<u>1,782,708,477.63</u>
Expenditures			
Employees Benefits	4	1,019,086,418.25	864,451,061.35
General and Admin Expenses (Overhead)	5	75,796,737.46	28,746,604.90
Transfer to Other Government Entities	6	497,082,231.26	583,512,152.07
Public Debt Charges		-	0.00
Total Operating Expenses		<u>1,567,636,489.35</u>	<u>1,476,709,818.32</u>
Excess/(Deficit) of Revenue over Expenditures		<u>439,999,964.45</u>	<u>305,998,659.31</u>
Non-Cash Movement			
Depreciation of PP&E	8	(49,345,769.07)	22,492,353.79
Net Surplus/(Deficit)		<u>390,654,195.38</u>	<u>283,506,305.51</u>

ETUNG LOCAL GOVERNMENT, ITIGIDI
STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	443,653,207.70	182,245,510.04	625,898,717.74
Changes for the Year	390,654,195.38	12,000,000.00	402,654,195.38
Transfer to/(from) changes in Net Assets	(220,449,486.77)	-	(220,449,486.77)
Balance as at 31st December 2021.	<u>613,857,916.31</u>	<u>194,245,510.04</u>	<u>808,103,426.35</u>
Balance as at 1 January 2020	(391,775,935.88)	156,967,732.26	(234,808,203.62)
Changes for the Year	283,506,305.51	25,277,777.78	308,784,083.29
Transfer to/(from) changes in Net Assets	551,922,838.06	-	551,922,838.06
Balance as at 31st December 2020.	<u>443,653,207.70</u>	<u>182,245,510.04</u>	<u>625,898,717.74</u>

ETUNG LOCAL GOVERNMENT, EFFRAYA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation		1,009,052,597.31	970,831,130.14
Government Share of VAT		565,292,222.87	397,309,515.97
Share of Exchange Gain Difference		5,534,429.95	26,716,714.70
Other Revenue		93,923,369.25	87,381,336.39
Internally Generated Revenue		19,549,135.93	13,410,951.58
Capital Receipts		186,994,247.53	224,923,537.93
Total Inflows from Operating Activities		1,880,346,002.84	1,720,573,186.71
Outflows			
Employees' Benefits		1,019,086,418.25	864,451,061.35
Admin (Overhead) Cost		75,796,737.46	28,746,604.90
Statutory Deductions		497,082,231.26	583,512,152.07
Deduction at Source		70,311,550.76	330,083,516.36
JAAC Charges		-	0.00
Total Outflows from Operating Activities		1,662,276,937.73	1,806,793,334.68
Net Cashflow from Operating Activities		<u>218,069,065.10</u>	<u>(86,220,147.97)</u>
Cashflow From Investing Activities			
Purchase/Construction of PPE		(205,438,799.99)	(224,923,537.93)
Other Asset		(12,000,000.00)	
Net Cashflow from Investing Activities		<u>(217,438,799.99)</u>	<u>(224,923,537.93)</u>
Cash Flow from Financing Activities			
Loan to Councilors		36,000,000.00	-
Loan Repayment	10	(9,450,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		<u>26,550,000.00</u>	<u>(250,000,000.00)</u>
Net Cash Flow from All Activities		<u>27,180,265.11</u>	<u>(561,143,685.90)</u>
Cash and its Equivalent as at 01/01		36,457,472.16	(293,725,907.37)
Adjustment		-	891,327,065.43
Cash and its Equivalent as at 31 Dec 2021		<u>63,637,737.27</u>	<u>36,457,472.16</u>

ETUNG LOCAL GOVERNMENT, EFFRAYA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,982,292.245.00	1,673,802,619.38	308,489,625.62
Internally Generated Revenue	50,000,000.00	19,549,135.93	30,450,864.07
Capital Receipts	127,374,301.00	186,994,347.53	(59,619,946.53)
Total Receipts	2,159,666,546.00	1,880,346,002.84	279,320,543.16
PAYMENTS			
Salaries and Wages	948,475,438.00	1,019,086,418.25	-70,610,980.25
Statutory Deductions	684,754,618.00	497,082,231.26	187,672,380.74
Overhead / Operating Expenditure	100,000,000.00	75,296,737.46	24,703,262.54
Purchase/Construction of PPE	4,634,519,494.00	205,438,799.99	4,429,080,694.01
Total Payments	6,367,749,550.00	1,796,904,186.96	4,570,845,363.04
NET SURPLUS (DEFICIT)	4,208,083,004.00	83,441,815.88	4,124,641,188.12

ETUNG LOCAL GOVERNMENT, EFFRAYA

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

i. Reporting Entities

Etung local government area is located within Cross river state, South-south geopolitical zone of Nigeria with the headquarters of the LGA domiciled in the town of Effraya. Etung local government area shares boundaries with the Republic of Cameroon and with the Ikom, Obubra, and the Akamkpa LGAs. A number of towns and villages make up the Etung LGA and these include Abijang, Nsofang, Itaka, Effraya, Etomi, Mkpot, Agbokim, and Ajassor. The estimated population of Etung LGA is put at 124,556 inhabitants with the majority of the area's inhabitants being members of the Ejagham tribal sub-division. The widely spoken language in Etung LGA is the Etung dialect of the Ejagham language. Notable landmarks in the Etung LGA include the Cocoa research Institute of Nigeria.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognises such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

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

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. **Unremitted Deductions**

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

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

	₦
Statutory Allocation	1,009,052,597.31
Internally Generated Revenue	19,549,135.93
Other Capital Receipts	664,750,022.07
Unremitted 10% State IGR	127,290,450.96
	<u>1,820,642,206.27</u>

The monthly collections of revenue sub-components are detailed in the table below:

MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
	=N=	=N=	=N=	=N=	=N=	=N=	=N=
JANUARY	78,553,707.89	42,754,173.74		-	121,307,881.63	-58,259.97	121,249,621.66
FEBRUARY	66,569,294.46	42,364,130.18		3,619,448.28	112,552,872.92	-13,312,426.79	99,240,446.13
MARCH	68,945,137.02	49,373,261.84	532,579.20	8,549,961.14	127,400,939.20	-6,685,343.38	120,715,595.82
APRIL	77,169,220.38	49,965,006.89	390,971.29	6,476,720.75	134,001,919.31	-6,685,343.38	127,316,575.93
MAY	65,291,177.43	49,561,445.26	298,741.74	18,174,217.58	133,325,582.01	(6,685,343.38)	126,640,238.63
JUNE	104,747,467.04	42,254,453.02	662,483.28	3,162,298.53	150,826,701.87	(6,685,343.38)	144,141,358.49
JULY	111,212,060.01	40,548,245.28	423,580.26	3,349,069.23	155,532,954.78	(10,968,817.40)	144,564,137.38
AUGUST	87,940,511.73	48,485,416.48	496,235.33	12,041,232.18	148,963,395.72	(9,228,647.07)	139,734,748.65
SEPTEMBER	102,659,092.49	46,665,391.25	534,847.12	1,547,909.11	151,407,239.97	(3,460,295.05)	147,946,944.92
OCTOBER	67,154,460.64	45,141,808.99	556,003.86	32,902,941.82	145,755,215.31	(2,199,996.98)	143,555,218.33
NOVEMBER	86,239,733.22	53,592,968.02	723,644.14	2,697,279.45	143,253,624.83	(2,199,996.98)	141,053,627.85
DECEMBER	92,570,735.00	54,585,921.91	915,343.73	1,402,291.18	149,474,291.82	-2,141,737.01	147,332,554.81
	1,009,052,597.31	565,292,222.86	5,534,429.95	93,923,369.24	1,673,802,619.37	-70,311,550.76	1,603,491,068.61

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Etung** Local Government Council for the year ended 31st December 2021.

S/N	MONTH	SHARE OF NON-OIL REVENUE	SHARE OF FOREX	SHARE OF EXCESS BANK CHARGES	SHARE OF ECOLOGICAL FUND	AUGMENTATION	SHARE OF SOLID MINERAL	TOTAL
			=N=	=N=	=N=			=N=
1	JANUARY	-	-	-	-	-	-	-
2	FEBRUARY		1,473,734.24	101,381.71	2,044,332.33			3,619,448.28
3	MARCH	6,289,284.30			2,260,676.83			8,549,961.14
4	APRIL	3,918,785.11		110,258.53	2,447,677.11			6,476,720.75
5	MAY	3,918,785.11			2,419,775.52	10,482,140.51	1,353,516.44	18,174,217.58
6	JUNE				3,162,298.53			3,162,298.53
7	JULY				3,349,069.23			3,349,069.23
8	AUGUST	10,482,140.51		84,402.73	1,474,688.94			12,041,232.18
9	SEPTEMBER				1,547,909.11			1,547,909.11
10	OCTOBER	10,482,140.51			1,456,520.30	20,964,281.01		32,902,941.82
11	NOVEMBER			85,803.99	2,611,475.46			2,697,279.45
12	DECEMBER				1,402,291.18			1,402,291.18
								-
		35,091,135.54	1,473,734.24	381,846.96	24,176,714.55	31,446,421.52	1,353,516.44	93,923,369.24

DEDUCTIONS AT SOURCE - (N70,311,550.76)

This represents deductions made at source by the FAAC Allocation Committee against **Etung** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Etung** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2020
		₦
101000	TAXES	15,000.00
102000	RATES	637,000.00
103000	LOCAL LICENCE FEES	1,091,388.89
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	12,668,050.00
105000	RENT ON GOVERNMENT PROPERTY	1,220,0200.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	3,917,497.04
	TOTAL	19,549,135.93

MONTH	1001	1002	1003	1004	1005	1008	TOTAL
JANUARY			923,888.89	67,100.00		20,000.00	1,010,988.89
FEBRUARY	-			10,910,150.00		287,465.68	11,197,615.68
MARCH	-	367,000.00		102,000.00		15,000.00	481,000.00
APRIL	-		15,000.00	122,500.00		239,515.68	383,015.68
MAY	-			77,600.00		239,515.68	317,115.68
JUNE	15,000.00	180,000.00	10,000.00	441,000.00	1,140,200.00		1,389,300.00
JULY	-		10,000.00	20,000.00	60,000.00	15,000.00	105,000.00
AUGUST	-	90,000.00	105,000.00	70,500.00	20,000.00	225,000.00	511,000.00
SEPTEMBER	-			42,500.00			42,500.00
OCTOBER	-		10,000.00	13,300.00		34,000.00	57,300.00
NOVEMBER	-			882,800.00		16,000.00	898,800.00
DECEMBER	-		20,000.00	306,500.00		2,826,000.00	3,152,500.00
TOTAL	15,000.00	637,000.00	1,094,388.89	12,665,050.00	1,220,200.00	3,917,497.04	19,549,135.93

Note 3**CAPITAL RECEIPTS – ₦186,994,247.53**

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

Note 4**Employees Benefit**

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

SALARIES, WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	15,660,000.00
2	Primary Health Care Salaries	146,426,299.22
3	Non-Pensionable Allowances	111,060,000.00
4	Council Staff Salaries	214,986,868.28
5	Political Office Holders	69,977,237.44
6	Pension Allowances	117,080,019.02
7	SUBEB - Teacher's Salaries	343,895,994.29
	TOTAL	1,019,086,418.25

MONTHS	TRC	PHC	NPA	COUNCIL STAFF	POL. OFFICE HOLDERS	PENSION	SUBEB	TOTAL
JANUARY	1,305,000.00	12,222,825.25	11,500,000.00	18,142,529.67	5,984,289.59	9,364,384.83	28,913,022.84	87,432,052.18
FEBRUARY	1,305,000.00	12,222,825.25	11,500,000.00	18,142,529.67	5,984,289.59	9,581,235.79	28,841,648.80	87,577,529.10
MARCH	1,305,000.00	12,222,825.25	22,000,000.00	18,096,417.01	5,894,289.59	9,581,235.79	28,776,267.01	97,876,034.65
APRIL	1,305,000.00	12,283,529.29	11,500,000.00	18,096,417.01	5,894,289.59	9,581,235.79	28,721,399.05	87,381,870.73
MAY	1,305,000.00	12,283,529.29		18,004,663.81	5,894,289.59	9,761,359.95	28,721,399.05	75,970,241.69
JUNE	1,305,000.00	12,170,109.27		18,004,663.81	5,760,827.07	9,851,883.35	28,653,797.47	75,746,280.97
JULY	1,305,000.00	12,170,109.27	10,500,000.00	17,754,352.65	5,760,827.07	9,865,186.02	28,559,676.44	85,915,151.45
AUGUST	1,305,000.00	12,170,109.27	10,500,000.00	17,754,352.65	5,760,827.07	9,865,186.02	28,559,676.44	85,915,151.45
SEPTEMBER	1,305,000.00	12,170,109.27	10,500,000.00	17,754,352.65	5,760,827.07	9,865,186.02	28,559,676.44	85,915,151.45
OCTOBER	1,305,000.00	12,170,109.27		17,812,196.45	5,760,827.07	9,914,986.02	28,630,410.25	75,593,529.06
NOVEMBER	1,305,000.00	12,170,109.27	12,560,000.00	17,712,196.45	5,760,827.07	9,924,069.72	28,479,510.25	87,911,712.76
DECEMBER	1,305,000.00	12,170,109.27	10,500,000.00	17,712,196.45	5,760,827.07	9,924,069.72	28,479,510.25	85,851,712.76
TOTAL	15,660,000.00	146,426,299.22	111,060,000.00	214,986,868.28	69,977,237.44	117,080,019.02	343,895,994.29	1,019,086,418.25

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
DETAILS	
TRAVEL & TRANSPORT	4,466,000.00
MATERIALS AND SUPPLIES	1,966,283.01
MAINTENANC, REPAIRS AND SERVICES	2,118,000.00
FINANCE COST	228,474.45
ENTERTAINMENT & HOSPITALITY	19,295,000.00
OTHER SERVICES	47,294,980.00
TOTAL	75,796,737.46

Note 6**Transfer to Other Government Agencies**

This is made up of 31% Statutory deductions made from Etung Local Government Council Statutory Allocations for various Government Agencies for Development and General Administration.

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	16,034,910.69
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	144,314,196.17
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	80,174,553.43
4	JOINT SECURITY OPERATIONS 2.5%	40,087,276.71
5	JOINT SOCIAL WELFARE 2.5%	40,087,276.71
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	8,017,455.34
7	SPORT DEVELOPMENT 1%	16,034,910.69
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	40,087,276.71
9	CRHA OVERSIGHT FUNCTION 0.5%	8,017,455.34
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	8,017,455.34
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	64,139,642.74
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	16,034,910.69
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	16,034,910.69
	TOTAL	497,082,231.58

Note 7**Property, Plant and Equipment**

During the year under review, the Etung LGC spent a total sum of ₦205.4m on Purchase and Construction of PPE (Property, Plant and Equipment).

DETAILS	TOTAL =N=
ECONOMIC SECTOR	
Agriculture	-
Energy (Fuel & Power)	50,000,000.00
Commerce & Finance	-
Road and Bridges	1,200,000.00
Culture & Tourism	-
SUB TOTAL	51,200,000.00
SOCIAL SECTOR	
Education	500,000.00
Health	150,000.00
Information & Comm. ICT	-
Social Dev. Youth & Sports	1,100,000.00
SUB TOTAL	1,750,000.00
ENVIRONMENTAL & REGIONAL DEV.	
Water Supply	900,000.00
Housing	27,570,000.00
Environment	5,500,000.00
SUB TOTAL	33,970,000.00
General administration	118,515,799.99
Grand total	<u>205,435,799.99</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8. Depreciation of Property, Plant and Equipment

PROPERTY, PLANT AND EQUIPMENT												
	Building	Plants & Machinery	Motor Vehicle	IT & Office Equipment	Furniture & Fittings	Intangible Assets	Bridges	Road	Traffic Light	Streetlights	Drainages	Total
Cost	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
	2%	5%	25%	25%	10%	25%	2%	5%	5%	10%	5%	
As at 1/1/2021												436,893,690.74
Additions	27,570,000.00							1,200,000.		50,000,000	900,000	79,670,000.00
Disposal												
Adjustments												
As at 31/12/2021 (A)	-	-	-	-	-	-	-	-	-	-	-	<u>516,563,690.74</u>
Depreciation												
As at 1/1/2021												
Charge for the year	551,400.00							60,000		5,000,000	45,000	5,656,500.00
Disposals												43,689,369.07
Adjustments												
As at 31/12/2021 (B)	-	-	-	-	-	-	-	-	-	-	-	49,345,769.07
Net Book Value (A-B)	27,818,600	-	-	-	-	-	-	1,140,000	-	45,000,000	855,000	<u>467,217,921.67</u>

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Etung Local Government Council Cash Books as at 31st December 2021.

S/N	NAME OF BANK	AMOUNT (₦)
1	ZENITH BANK SALARY / OVERHEAD ACCOUNT	4,447,816.72
2	ZENITH BANK PLC CAPITAL ACCOUNT	59,000,790.01
3	ZENITH BANK PLC REVENUE ACCOUNT	189,130.54
	TOTAL	63,637,737.27

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2020 Unpaid 10%	127,290,450.96
Remittance for the Period	-
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		12,000,000.00
Balance carried forward as at 31 Dec 2021		141,737,722.93

Note 12:

UNREMITTED DEDUCTIONS

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

DETAILS	AMOUNT(N)
Unremitted deductions brought forward	582,847,959.56
2021 Deductions	497,082,231.26
2021 Remittance	(359,149,472.26)
BALANCE CARRIED FORWARD	720,780,718.56

Note 13

Payables

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Etung LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCE S DURING THE YEAR	BALANCE AS AT 31-12-2021
1	5% CONTRACTORS' TAX	2,512,935.14	-	-	2,512,935.14
2	UNCLAIMED SALARIES	2,512,935.14	-	-	2,512,935.14
3	5% VALUE ADDED TAX (VAT)	215,115.41	-	-	215,115.41
TOTAL		5,240,985.69	-	-	5,240,985.69

Note 14**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 15**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	443,653,207.70	156,967,732.26	(391,775,935.88)
changes for the year	12,000,000.00	390,654,195.38	25,277,777.78	283,506,305.51
Adjustment to Net Asset		(220,449,486.77)	0	(551,922,838.06)
Total Equity	<u>194,245,510.04</u>	<u>613,857,916.31</u>	<u>182,245,510.04</u>	<u>443,653,207.70</u>

Note 16**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 17**CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS**

Councillors in Akamkpa Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	36,000,000.00
AMOUNT REPAYED	<u>(9,450,000.00)</u>
BALANCE	26,550,000.00

**IKOM LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

IKOM LOCAL GOVERNMENT, IKOM

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Ikom Local Government Council found on pages 278-280 have been examined under my direction, which have been prepared under the accounting policies set out on pages 272-277

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Ikom Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

IKOM LOCAL GOVERNMENT, IKOM
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Ikom Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. KINGSLEY EGUMI
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. EGUMA MICHAEL MONJOK, FCA
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Ikom Local Government Council,
IKOM.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF IKOM LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2020.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 278 to 280 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements **give a true and fair view of the state of Affairs of Ikom Local Government Council as at 31st December 2021** and the financial Position and Cashflows for the period ended on that date.

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



GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

IKOM LOCAL GOVERNMENT, IKOM

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	92,701,393.35	79,358,303.84
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		754,086,618.90	613,453,078.43
Non-Current Assets			
Investment	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	647,084,762.43	436,923,579.82
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		947,701,210.03	725,540,027.42
Total Asset (A)		1,701,787,828.93	1,338,993,105.85
LIABILITIES			
Current Liabilities			
Deposits	17	96,740,007.16	96,740,007.16
Unremitted Deductions	12	870,270,923.01	582,847,959.56
Payables (Unremitted Taxes)	13	-	0.00
Total Current Liabilities		967,010,930.17	679,587,966.72
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	14	73,680,797.86	73,680,797.86
Loan to Councilors	18	29,500,000.00	-
Long Term Provisions (Taxes)	13	6,121,714.95	6,121,714.95
Total Non-Current Liabilities		109,302,512.81	79,802,512.81
Total Liabilities (B)		1,076,313,442.98	759,390,479.53
Net Asset (A - B)		<u>625,474,385.95</u>	<u>579,602,626.32</u>
NET ASSET AND EQUITY			
Reserve Fund	15	194,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	15		443,653,207.70
Net Assets		<u>625,474,385.95</u>	<u>625,898,717.74</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

IKOM LOCAL GOVERNMENT, IKOM

STATEMENT OF FINANCIAL PERFORMANCE COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2021
Revenue		₦	₦
Statutory Revenue	1	2,189,111,526.14	1,930,882,490
Internally Generated Revenue	2	30,145,469.62	21,946,939.50
Other Capital Receipts	3	664,193,656.96	224,923,537.93
10% State IGR		127,290,450.96	92,143,647.28
Total Revenue		<u>3,010,741,103.68</u>	<u>2,269,896,614.71</u>
Expenditures			
Employees Benefits	4	1,807,682,306.68	1,648,039,390.34
General and Admin Expenses (Overhead)	5	70,726,223.94	28,746,604.90
Transfer to Other Government Entities	6	656,827,992.15	583,512,152.07
Deduction at Source		70,311,550.76	
Total Operating Expenses		<u>2,605,548,073.53</u>	<u>2,260,298,147.31</u>
Excess/(Deficit) of Revenue over Expenditures		<u>405,193,030.15</u>	<u>9,598,467.40</u>
Non-Cash Movement			
Depreciation of PP&E	8	179,745,797.35	22,492,353.79
Net Surplus/(Deficit)		<u>225,447,232.80</u>	<u>(12,893,886.40)</u>

IKOM LOCAL GOVERNMENT, IKOM

STATEMENT OF CHANGES IN NET ASSETS AND EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	<u>397,357,116.28</u>	<u>182,245,510.04</u>	<u>579,602,626.32</u>
Changes for the Year	225,447,232.80	12,000,000.00	237,447,232.80
Transfer to/(from) changes in Net Assets	(191,575,473.17)	-	(191,575,473.17)
Balance as at 31st December 2021.	<u>431,228,875.91</u>	<u>194,245,510.04</u>	<u>625,474,385.95</u>
Balance as at 1 January 2020	(186,813,403.56)	156,967,732.26	(29,845,671.30)
Changes for the Year	(12,893,886.40)	25,277,777.78	12,383,891.38
Transfer to/(from) changes in Net Assets	597,064,406.23	-	597,064,406.23
Balance as at 31st December 2020.	<u>397,357,116.28</u>	<u>182,245,510.04</u>	<u>579,602,626.32</u>

IKOM LOCAL GOVERNMENT, IKOM
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,376,838,040.94	1,324,685,387.90
Government Share of VAT	1	685,586,187.06	481,854,007.04
Share of Exchange Gain Difference	1	9,562,541.21	40,548,038.18
Other Revenue	1	117,124,756.93	119,230,601.38
Internally Generated Revenue	2	30,145,469.62	21,946,939.50
Capital Receipts	3	664,193,656.96	224,923,537.93
Total Inflows from Operating Activities		2,883,450,652.72	2,213,188,511.93
Outflows:			
Employees' Benefits	4	1,807,682,306.68	1,648,039,390.34
Admin (Overhead) Cost	5	70,726,223.94	28,746,604.90
Statutory Deductions	6	656,827,992.15	583,512,152.07
Deduction at Source	1	70,311,550.76	35,435,544.04
JAAC Charges		-	0.00
Total Outflows from Operating Activities		2,605,548,073.53	2,295,733,691.35
Net Cashflow from Operating Activities		277,902,579.19	(82,545,179.42)
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	(282,059,489.54)	(224,923,537.93)
Investment		(12,000,000.00)	-
Net Cashflow from Investing Activities		(294,059,484.54)	(224,923,537.93)
Cash Flow from Financing Activities			
Deposit Received		0.00	2,980,000.00
Deposit Remitted		0.00	(2,980,000.00)
Taxes Received		0.00	7,400,000.00
Taxes Remitted		0.00	(5,200,000.00)
Councilors Loan		40,000,000.00	
Loan Repayment	10	(10,500,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		29,500,000.00	(247,800,000.00)
Net Cash Flow from All Activities			
Net Cash Flow from All Activities		13,343,089.51	(555,268,717.35)
Cash and its Equivalent as at 01/01		79,358,303.84	(27,903,230.96)
Adjustment		-	662,530,252.15
Cash and its Equivalent as at 31 Dec 2021		92,701,393.35	79,358,303.84

IKOM LOCAL GOVERNMENT, IKOM
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,992,461,697.00	2,189,111,526.14	196,649,829.14
Internally Generated Revenue	49,403,533.00	30,145,469.62	19,258,063.38
Capital Receipts	86,500,450.00	664,193,656.96	577,693,206.96
Total Receipts	2,128,365,680.00	2,883,450,652.72	755,084,972.72
PAYMENTS			
Salaries and Wages	1,377,728,645.00	1,807,682,306.68	429,953,661.68
Statutory Deductions	655,395,743.00	656,827,992.15	1,432,249.15
Overhead / Operating Expenditure	58,565,743.00	70,726,223,.94	12,160,480.94
Deduction at Source	-	70,311,550.76	70,311,550.76
Purchase/Construction of PPE	700,030,771.00	282,059,489.54	417,971,281.46
Total Payments	2,791,720,902.00	2,887,607,563.07	95,886,661.07
NET SURPLUS (DEFICIT)	(663,355,222.00)	4,156,910.35	

IKOM LOCAL GOVERNMENT, IKOM
ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL
STATEMENTS

i. Reporting Entities

Ikom local government area is found in Cross River state, South-south geopolitical enclave of Nigeria. Ikom LGA is bordered by the Ogoja, Boki, Etung, and Obubra LGAs with the LGA comprising of a number of towns and villages such as Bisiri, Abakpa, Ukelle, Ukwel, Okuku, Udama Ubug, Akparabong, Abanyum, and Olulumo. The estimated population of Ikom LGA is 124,881 inhabitants with the area hosting members of different ethnic affiliations such as the Ejagham and the Yakum. The Ofutop Bakor, Yala, and Ejagham languages are spoken in the LGA. Notable landmarks in Ikom LGA include the Ikom Town Beach while popular festivals held in the area include the New Yam festival.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognised when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to

ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

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

₦

Statutory Allocation	2,189,111,526.14
Internally Generated Revenue	30,145,469.62
Other Capital Receipts	664,193,656.96
Unremitted 10% State IGR	127,290,450.96
	<u>3,010,741,107.68</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/NO	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	107,185,426.77	51,776,110.74		-	158,961,537.51	-58,259.97	158,903,277.54
2	FEBRUARY	90,832,863.64	51,384,654.54	2,010,889.59	2,927,796.53	147,156,204.30	-13,312,426.79	133,843,777.51
3	MARCH	94,074,667.31	59,791,951.25	726,696.80	10,701,103.55	165,294,418.91	-6,685,343.38	158,609,075.53
4	APRIL	105,296,313.09	60,096,894.08	533,474.81	8,837,394.12	174,764,076.10	-6,685,343.38	168,078,732.72
5	MAY	89,088,890.97	59,943,775.07	407,628.90	23,189,800.53	172,630,095.47	(6,685,343.38)	165,944,752.09
6	JUNE	142,926,441.78	51,110,907.99	903,949.09	4,314,911.73	199,256,210.59	(6,685,343.38)	192,570,867.21
7	JULY	151,747,287.74	49,213,725.30	577,969.29	4,569,757.72	206,108,740.05	(10,968,817.40)	195,139,922.65
8	AUGUST	119,993,588.27	58,716,753.79	677,106.11	14,808,475.40	194,195,923.57	(9,228,647.07)	184,967,276.50
9	SEPTEMBER	140,076,884.16	56,473,935.93	729,791.35	2,112,100.13	199,392,711.57	(3,460,295.05)	195,932,416.53
10	OCTOBER	91,631,314.64	54,667,582.06	758,659.42	40,069,610.94	187,127,167.06	(2,199,996.98)	184,927,170.08
11	NOVEMBER	117,672,899.96	64,855,444.03	987,402.23	3,680,399.75	187,196,145.97	(2,199,996.98)	184,996,148.99
12	DECEMBER	126,311,462.61	67,554,452.28	1,248,973.62	1,913,406.54	197,028,295.05	-2,141,737.01	194,886,558.04
		1,376,838,040.94	685,586,187.06	9,562,541.21	117,124,756.93	2,189,111,526.14	-70,311,550.76	2,118,799,975.38

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Ikom** Local Government Council for the year ended 31st December 2021.

S/NO	MONTH	SHARE OF ECOLOGICAL FUND	SHARE OF NON-OIL REVENUE	AUGMENTATION	SHARE OF SOLID MINERAL	TOTAL
		=N=	=N=	=N=		
1	JANUARY	-	-	-	-	-
2	FEBRUARY	138,333.91	2,789,462.62			2,927,796.53
3	MARCH	7,616,441.91	3,084,661.64			10,701,103.55
4	APRIL	150,446.21	5,347,127.03	3,339,820.88		8,837,394.12
5	MAY	3,301,749.56	5,347,127.03	12,694,069.85	1,846,854.09	23,189,800.53
6	JUNE		4,314,911.73			4,314,911.73
7	JULY			4,569,757.72		4,569,757.72
8	AUGUST		12,694,069.85	102,213.29	2,012,192.26	14,808,475.40
9	SEPTEMBER			2,112,100.13		2,112,100.13
10	OCTOBER		12,694,069.85	1,987,401.40	25,388,139.69	40,069,610.94
11	NOVEMBER	117,078.33		3,563,321.42		3,680,399.75
12	DECEMBER	1,913,406.54				1,913,406.54
						-
		13,237,456.46	46,271,429.74	28,368,684.69	29,247,186.04	117,124,756.93

DEDUCTIONS AT SOURCE - (₦70,311,550.76)

This represents deductions made at source by the FAAC Allocation Committee against **Ikom** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Ikom Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
101000	TAXES	1,053,000.00
102000	RATES	652,500.00
103000	LOCAL LICENCE FEES	7,848,388.89
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	18,072,500.00
105000	RENT ON GOVERNMENT PROPERTY	17,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	2,502,080.73
	TOTAL	30,145,469.62

Note 3**CAPITAL RECEIPTS – ₦664,193,656.96**

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

Note 4**Employees Benefit**

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

SALARIES, WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	19,500,000.00
2	Primary Health Care Salaries	204,946,823.88
3	Non-Pensionable Allowances	143,210,000.00
4	Council Staff Salaries	247,761,124.36
5	Political Office Holders	74,096,771.17
6	Pension Allowances	464,067,107.12
7	SUBEB - Teacher's Salaries	654,070,480.15
	TOTAL	1,807,682,306.68

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
DETAILS	
TRAVEL & TRANSPORT	17,813,888.89
UTILITIES	363,000.00
MATERIALS & SUPPLIES	8,451,000.00
MAINTENANCES	1,954,000.00
TRAINING & DEVELOPMENT	346,000.00
CONSULTANCY	2,760,000.00
FINANCE COST	716,827.29
ENTERTAINMENT & SUPPLIES	19,316,000.00
OTHER SERVICES	19,005,507.68
TOTAL	70,726,223.93

Note 6**Transfer to Other Government Agencies**

This is made up of 31% Statutory deductions made from Ikom Local Government Council Statutory Allocations and paid to State Agencies for General Administration.

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	21,187,999.75
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	190,691,997.78
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	105,939,998.77
4	JOINT SECURITY OPERATIONS 2.5%	52,969,999.38
5	JOINT SOCIAL WELFARE 2.5%	52,969,999.38
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	10,593,999.87
7	SPORT DEVELOPMENT 1%	21,187,999.75
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	52,969,999.38
9	CRSHA OVERSIGHT FUNCTION 0.5%	10,593,999.87
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	10,593,999.87
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	84,751,999.01
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	21,187,999.75
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	21,187,999.75
	TOTAL	656,827,992.15

Note 7**Property, Plant and Equipment**

During the year under review, the Ikom LGC spent a total sum of ₦282.059m on Purchase and Construction of PPE (Property, Plant and Equipment).

Property, Plant and Equipment		=N=
11000	Agriculture	-
12000	Livestock /veterinary	-
13000	Forestry	-
14000	Fisheries	-
15000	Manufacture & Craft	-
16000	Energy (Fuel & Power)	300,000.00
17000	Commerce & Finance	10,035,733.33
18000	Transport, Road, Bridges	16,594,181.96
19000	Culture & Tourism	11,450,000.00
	SUB TOTAL	38,379,915.29
	SOCIAL SECTOR	
21000	Education	-
22000	Health	5,550,000.00
23000	Information & Comm. ICT	280,000.00
24000	Social Dev. Youth & Sports	3,800,000.00
	SUB TOTAL	9,630,000.00
	ENVIRONMENTAL & REGIONAL DEV.	
31000	Water Supply	9,102,635.00
32000	Sewage & Drainage	-
33000	Housing	50,536,939.29
34000	Town and Country Planning	-
35000	Environment	1,525,000.00
	SUB TOTAL	61,164,574.29
40000	General administration	172,884,999.96
	Grand total	282,059,489.54

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8. Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Ikom Local Government Council Cash Books as at 31st December 2021

S/N	NAME OF BANK	CLOSING BALANCE 31/12/2021 N
1	ZENITH BANK CAPITAL A/C	54,903,736.64
2	FIRST BANK PLC SALARY OVERHEAD	44.20
3	FIRST CITY MONUMENT BANK -REVENUE	715,564.65
4	UNITED BANK FOR AFRICA (DORMANT)	950.17
5	FBN SALARY / OH A/C	37,068,845.19
6	ZENITH BANK – CAPITAL A/C2,302.50	2,302.50
7	CASH IN HAND	9,850.00
	GRAND TOTAL	92,701,393.35

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (N)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (N)
	Balance brought forward 01 Jan 2020	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		12,000,000.00
Balance carried forward as at 31 Dec 2021		141,737,722.93

Note 12:

UNREMITTED DEDUCTIONS

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

DETAILS	AMOUNT(N)
Unremitted deductions brought forward	582,847,959.56
2021 Unremitted deductions	656,827,992.15
2021 Remittances	(369,405,028.70)
BALANCE CARRIED FORWARD	870,270,923.01

Note 13

Payables

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Ikom LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2021
1	WITHHOLDING TAX (WHT)	4,179,946.66	-	-	4,179,946.66
2	VALUE ADDED TAX (VAT)	1,941,768.29	-	-	1,941,768.29
TOTAL		6,121,714.95	-	-	6,121,714.95

Note 14**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 15**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	397,357,116.28	156,967,732.26	(186,813,403.56)
changes for the year	12,000,000.00	255,447,232.80	25,277,777.78	(12,893,886.40)
Adjustment to Net Asset	0	(191,575,473.17)	0	(191,575,473.17)
Total Equity	<u>194,245,510.00</u>	<u>431,228,875.91</u>	<u>182,245,510.04</u>	<u>397,357,116.28</u>

Note 16**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 17**Depositors**

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

S/NO	DETAILS	BALANCE B/FWD	ADDITION DURING THE YEAR	REMITANCES/AS IN CASHFLOW	BALANCE AS 31/12/2021
		N	N	N	N
1	UNCLAIMED SALARIES	68,392,909.34		-	68,392,909.34
2	RETENTION FEES	1,500,000.00		-	1,500,000.00
3	1% INSPECTION FEE	198,127.81		-	198,127.81
	TOTAL	96,740,007.16		-	96,740,007.16

Note 18**CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS**

Councillors in Akamkpa Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	40,000,000.00
AMOUNT REPAYED	(10,500,000.00)
BALANCE	29,500,000.00

**OBANLIKU LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

OBANLIKU LOCAL GOVERNMENT, SANKWALA

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Obanliku Local Government Council found on pages 300-302 have been examined under my direction, which have been prepared under the accounting policies set out on pages 294-299.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Obanliku Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

OBANLIKU LOCAL GOVERNMENT, SANKWALA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Obanliku Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. MRS MARGARET INDHE
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. CLETUS OGAR ODEY
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Obanliku Local Government Council,
SANKWALA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBANLIKU LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 300 to 302 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obanliku Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



OBANLIKU LOCAL GOVERNMENT, SANKWALA
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	56,989,132.85	54,689,358.10
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		718,283,358.40	588,784,132.69
Non-Current Assets			
Investment	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	570,832,833.54	425,691,806.04
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		871,449,281.14	714,308,253.64
Total Asset (A)		1,589,732,639.54	1,303,092,386.33
LIABILITIES			
Current Liabilities			
Deposits	17	15,162,651.09	15,162,651.09
Unremitted Deductions	12	809,162,868.12	686,316,501.26
Payables (Unremitted Taxes)	13	18,807,177.68	18,807,177.68
Total Current Liabilities		843,132,696.89	720,286,330.03
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	14	73,680,797.86	73,680,797.86
CRSG Councilors		26,550,000	
Total Non-Current Liabilities		100,230,797.86	73,680,797.86
Total Liabilities (B)		943,363,494.75	793,967,127.89
Net Asset (A - B)		<u>646,369,144.79</u>	<u>509,125,258.44</u>
NET ASSET AND EQUITY			
Reserve Fund	15	194,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	15	452,123,634.75	326,879,748.40
Net Assets		<u>646,369,144.79</u>	<u>509,125,258.44</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

OBANLIKU LOCAL GOVERNMENT, SANKWALA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	1,908,279,937.84	1,672,693,492
Internally Generated Revenue	2	6,686,900.00	9,609,479.16
Other Capital Receipts	3	613,594,483.72	235,423,537.93
10% State IGR		127,290,450.96	92,143,647.28
Total Revenue		<u>2,655,851,772.52</u>	<u>2,009,870,156.37</u>
Expenditures			
Employees Benefits	4	1,568,015,376.99	1,446,726,659.43
General and Admin Expenses (Overhead)	5	150,181,172.17	53,746,604.90
Transfer to Other Government Entities	6	569,770,196.89	583,512,152.07
Deduction at source		70,311,550.76	
Total Operating Expenses		<u>2,358,278,296.81</u>	<u>2,083,985,416.40</u>
Excess/(Deficit) of Revenue over Expenditures		<u>297,573,475.71</u>	<u>(74,115,260.03)</u>
Non-Cash Movement			
Depreciation of PP&E	8	27,392,222.50	23,542,353.79
Net Surplus/(Deficit)		<u>270,181,253.21</u>	<u>(97,657,613.83)</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	<u>323,368,613.49</u>	<u>182,245,510.04</u>	<u>505,614,123.53</u>
Changes for the Year	270,181,253.21	12,000,000.00	282,181,253.21
Transfer to/(from) changes in Net Assets	(141,426,231.95)		(141,426,231.95)
Balance as at 31st December 2021.	<u>452,123,634.75</u>	<u>194,245,510.01</u>	<u>646,369,144.79</u>
Balance as at 1 January 2020	(458,074,398.74)	156,967,732.26	(301,106,666.48)
Changes for the Year	(97,657,613.83)	25,277,777.78	(72,379,836.05)
Transfer to/(from) changes in Net Assets	879,100,626.06	-	879,100,626.06
Balance as at 31st December 2020.	<u>323,368,613.49</u>	<u>182,245,510.04</u>	<u>505,614,123.53</u>

OBANLIKU LOCAL GOVERNMENT, SANKWALA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,188,183,443.33	1,143,176,756.23
Government Share of VAT	1	608,870,930.15	428,301,721.87
Share of Exchange Gain Difference	1	7,090,315.15	34992138.65
Other Revenue	1	104,135,248.85	102,893,602.79
Internally Generated Revenue	2	6,686,900.00	9,609,479.16
Capital Receipts	3	613,594,483.72	235,423,537.93
Total Inflows from Operating Activities		2,528,561,331.56	1,954,397,236.63
Outflows			
Employees' Benefits	4	1,568,015,376.99	1,446,726,659.43
Admin (Overhead) Cost	5	150,181,172.17	53,746,604.90
Statutory Deductions	6	569,770,196.89	583,512,152.07
Deduction at source		70,311,186.77	
Total Outflows from Operating Activities		2,358,278,296.81	2,083,985,416.40
Net Cashflow from Operating Activities		<u>170,283,024.75</u>	<u>(129,588,179.77)</u>
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	(172,533,250.00)	(235,423,537.93)
Other Investment		12,000,000.00	
Net Cashflow from Investing Activities		<u>(194,533,250.00)</u>	<u>(235,423,537.93)</u>
Cash Flow from Financing Activities			
Taxes Received			
Taxes Remitted		36,000,000.00	
Loan Repayment	10	(9,450,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		<u>26,550,000.00</u>	<u>(250,000,000.00)</u>
Net Cash Flow from All Activities			
Net Cash Flow from All Activities		<u>2,299,774.75</u>	<u>(615,011,717.70)</u>
Cash and its Equivalent as at 01/01		54,689,358.10	(314,188,913.82)
Adjustment			983,889,989.62
Cash and its Equivalent as at 31 Dec 2021		<u>56,989,132.85</u>	<u>54,689,358.10</u>

OBANLIKU LOCAL GOVERNMENT, SANKWALA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,300,000,000.00	1,908,279,937.84	(608,279,937.84)
Internally Generated Revenue	22,374,012.00	6,686,900.00	15,687,112.00
Capital Receipts	100,000,000.00	613,594,483.72	(513,594,112.00)
Total Receipts	1,422,374,012.00	2,528,561,321.12	1,106,187,309.12
PAYMENTS			
Employees Benefits	1,437,390,325.00	1,568,015,376.00	(130,625,051.99)
Statutory Deductions	608,767,461.00	569,770,196.89	38,997,264.11
Overhead / Operating Expenditure	120,973,614.00	150,181,172.17	(29,207,558.17)
Purchase/Construction of PPE	4,918,506,037.00	172,533,250.00	4,745,972,787.00
Total Payments	7,085,637,437.00	2,460,499,996.65	4,615,637,441.00
NET SURPLUS (DEFICIT)	5,663,263,425.00	(68,061,325.00)	(5,595,202,100.00)

OBANLIKU LOCAL GOVERNMENT, SANKWALA

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

i. Reporting Entities

Obanliku local government area is found in Cross River state, South-south geopolitical zone of Nigeria with the headquarters of the LGA in the town of Sankwala. Towns and villages that make Up Obanliku LGA include Utanga, Sankwala, Busi, Basang, Bendi, Bebi, Bishiri and Amana. The estimated population of Obanliku LGA is put at 164,903 inhabitants with the area mostly inhabited by members of the Becheve ethnic group. The Becheve language is commonly spoken in the LGA. Popular festivals held in Obanliku LGA include the New Yam Festival.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to

ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

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

₦

Statutory Allocation	1,908,279,937.84
Internally Generated Revenue	6,686,900.00
Other Capital Receipts	613,594,483.72
Unremitted 10% State IGR	127,290,450.96
	2,655,851,772.52

The monthly collections of revenue sub-components are detailed in the table below:

The details of Other Revenue sub-component is also disclosed in the table below:

S/NO	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
1	JANUARY	92,498,860.19	46,061,423.28		-	138,560,283.47	-58,259.97	138,502,023.50
2	FEBRUARY	78,386,928.22	45,670,861.88		4,261,986.45	128,319,776.55	-13,312,426.79	115,007,349.76
3	MARCH	81,184,539.37	53,192,531.00	627,124.68	9,437,792.70	144,441,987.75	-6,685,343.38	137,756,644.37
4	APRIL	90,868,593.21	53,679,140.48	460,377.99	7,626,492.76	152,634,604.44	-6,685,343.38	145,949,261.06
5	MAY	76,881,915.00	53,367,385.77	351,775.51	20,350,590.34	150,951,666.62	(6,685,343.38)	144,266,323.24
6	JUNE	123,342,634.85	45,501,040.38	780,089.82	3,723,681.74	173,347,446.79	(6,685,343.38)	166,662,103.41
7	JULY	130,954,846.90	43,724,825.31	498,775.83	3,943,608.68	179,122,056.72	(10,968,817.40)	168,153,239.32
8	AUGUST	103,552,045.08	52,236,006.36	584,328.90	13,120,399.60	169,492,779.94	(9,228,647.07)	160,264,132.87
9	SEPTEMBER	120,883,524.14	50,260,994.38	629,795.22	1,822,699.79	173,597,013.53	(3,460,295.05)	170,136,718.48
10	OCTOBER	79,075,975.32	48,633,754.08	654,707.77	35,594,047.07	163,958,484.24	(2,199,996.98)	161,758,487.26
11	NOVEMBER	101,549,337.91	57,721,551.33	852,108.20	3,176,110.71	163,299,108.15	(2,199,996.98)	161,099,111.17
12	DECEMBER	109,004,243.14	58,821,416.26	1,651,231.23	1,077,839.03	170,554,729.66	-2,141,737.01	168,412,992.65
	TOTAL	1,188,183,443.33	608,870,930.51	7,090,315.15	104,135,248.85	1,908,279,937.84	- 70,311,550.76	1,837,968,387.08

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Obanliku** Local Government Council for the year ended 31st December 2021.

S/NO	MONTH	SHARE OF NON-OIL REVENUE	SHARE OF FOREX	SHARE OF EXCESS BANK CHARGES	SHARE OF ECOLOGICAL FUND	AUGMENTATION	SHARE OF SOLID MINERAL	TOTAL
1	JANUARY							-
2	FEBRUARY		1,735,357.14	119,379.37	2,407,249.94			4,261,986.45
3	MARCH	6,775,791.95		2,662,000.74				9,437,792.70
4	APRIL	4,614,462.71		129,832.04	2,882,198.01			7,626,492.76
5	MAY	4,614,462.71			2,849,343.23	11,292,986.59	1,593,797.81	20,350,590.34
6	JUNE				3,723,681.74			3,723,681.74
7	JULY				3,943,608.68			3,943,608.68
8	AUGUST	11,292,986.59		90,931.70	1,736,481.31			13,120,399.60
9	SEPTEMBER				1,822,699.79			1,822,699.79
10	OCTOBER	11,292,986.59			1,715,087.30	22,585,973.18		35,594,047.07
11	NOVEMBER			101,036.24	3,075,074.47			3,176,110.71
12	DECEMBER				1,077,839.03			1,077,839.03
		38,590,690.56	1,735,357.14	3,103,180.09	25,233,263.48	33,878,959.77	1,593,797.81	104,135,248.85

DEDUCTIONS AT SOURCE - (N70,311,186.77)

This represents deductions made at source by the FAAC Allocation Committee against **Obanliku** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Obanliku** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
101000	TAXES	
102000	RATES	
103000	LOCAL LICENCE FEES	607,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	3,139,900.00
105000	RENT ON GOVERNMENT PROPERTY	10,000.00
106000	INTEREST ON DIVIDENDS	
107000	REIMBURSEMENT	
108000	MISCELLANEOUS	2,929,500.00
	TOTAL	6,686,900.00

MONTH	102000	103000	104000	105000	108000	TOTAL
January		88,000.00	189,000.00		371,500.00	648,500.00
February		20,000.00	618,700.00		127,500.00	766,200.00
March		54,000.00	143,000.00	10,000.00	150,500.00	357,500.00
April		115,000.00	594,500.00		159,000.00	868,500.00
May		20,500.00	534,350.00		256,000.00	810,850.00
June		5,000.00	102,900.00		374,000.00	481,900.00
July			423,300.00		60,000.00	483,300.00
August		278,000.00	43,500.00		412,650.00	734,150.00
September		24,000.00	25,000.00		393,000.00	442,000.00
October			450,000.00		120,000.00	570,000.00
November						
December		3,000.00	15,000.00		506,000.00	524,000.00
Total		607,500.00	3,139,900.00	10,000.00	2,929,500.00	6,686,900.00

Note 3**CAPITAL RECEIPTS – ₦**

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

Note 4**Employees Benefit**

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

SALARIES, WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	16,920,000.00
2	Primary Health Care Salaries	260,636,597.88
3	Non-Pensionable Allowances	110,220,000.00
4	Council Staff Salaries	241,936,392.38
5	Political Office Holders	67,485,716.98
6	Pension Allowances	123,407,701.55
7	SUBEB - Teacher's Salaries	747,408,968.20
	TOTAL	1,568,015,376.99

MONTHS	TRC	PHC	NPA	COUNCIL STAFF	POL. OFFICE HOLDERS	PENSION	SUBEB	TOTAL
JANUARY	1,410,000.00	21,719,716.49	12,580,000.00	20,596,445.39	5,984,289.59	10,111,877.92	62,866,698.83	135,269,028.22
FEBRUARY	1,410,000.00	21,719,716.49	12,580,000.00	20,457,663.56	5,984,289.59	10,076,910.91	62,581,834.23	134,810,414.78
MARCH	1,410,000.00	21,719,716.49	12,580,000.00	20,353,104.85	5,776,535.40	10,076,910.91	62,443,312.31	134,359,579.96
APRIL	1,410,000.00	21,719,716.49	12,580,000.00	20,110,751.91	5,170,522.54	10,076,910.91	62,400,052.85	133,467,954.70
MAY	1,410,000.00	21,719,716.49		20,110,751.91	5,793,785.11	10,483,853.38	62,435,375.97	121,953,482.86
JUNE	1,410,000.00	21,719,716.49		20,110,751.91	5,378,276.73	10,178,617.94	62,198,870.35	120,996,233.42
JULY	1,410,000.00	21,719,716.49	11,580,000.00	20,110,751.91	5,623,521.77	10,292,936.80	62,163,487.96	132,900,414.93
AUGUST	1,410,000.00	21,719,716.49	11,580,000.00	20,110,751.91	5,500,899.25	10,292,936.80	62,097,157.87	132,711,462.32
SEPTEMBER	1,410,000.00	21,719,716.49	11,580,000.00	20,064,445.53	5,500,899.25	10,260,944.71	62,097,157.87	132,633,163.85
OCTOBER	1,410,000.00	21,719,716.49		19,970,324.50	5,590,899.25	10,326,644.71	62,258,673.32	121,276,258.27
NOVEMBER	1,410,000.00	21,719,716.49	13,580,000.00	19,970,324.50	5,590,899.25	10,614,578.28	61,933,173.32	134,818,691.84
DECEMBER	1,410,000.00	21,719,716.49	11,580,000.00	19,970,324.50	5,590,899.25	10,614,578.28	61,933,173.32	132,818,691.84
TOTAL	16,920,000.00	260,636,597.88	110,220,000.00	241,936,392.38	67,485,716.98	123,407,701.55	747,408,968.20	1,568,015,376.99

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
DETAILS	
Travel and Transport	14,904,500.00
Utilities	108,000.00
Materials and supplies	12,906,050.00
Maintenance and Repair	1,103,000.00
Training and Staff Dev.	1,555,000.00
Consultancy	
Finance Charge	810,824.89
Entertainment and Hospitality	17,777,500.00
Other Services	91,016,297.28
TOTAL	150,181,172.17

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	18,379,683.77
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	165,417,153.93
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	91,898,418.10
4	JOINT SECURITY OPERATIONS 2.5%	45,848,209.42
5	JOINT SOCIAL WELFARE 2.5%	45,848,209.42
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	9,189,841.88
7	SPORT DEVELOPMENT 1%	18,379,683.77
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	45,848,209.42
9	CRHA OVERSIGHT FUNCTION 0.5%	9,189,841.88
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	9,189,841.88
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	73,518,735.08
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	18,379,683.77
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	18,379,683.77
	TOTAL	569,770,196.89

Note 7

During the year under review, the Obanliku LGC spent a total sum of ₦172,533,250 on Purchase and Construction of PPE (Property, Plant and Equipment).

Property, Plant and Equipment	₦
Agriculture	5,500,000.00
Energy (fuel/power)	21,500,000.00
Commerce and finance	1,150,000.00
Transport (Road and Bridges)	50,233,750.00
Culture and Tourism	10,500,000.00
Housing	24,758,000.00
General Administration	58,891,500.00
Total	172,533,250.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

PROPERTY, PLANT AND EQUIPMENT												
	Building	Plants & Machinery	Motor Vehicle	IT & Office Equipment	Furniture & Fittings	Intangible Assets	Bridges	Road	Traffic Light	Streetlights	Drainages	Total
Cost	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
	2%	5%	25%	25%	10%	25%	2%	5%	5%	10%	5%	
As at 1/1/2020												425,691,806.04
Additions	24,758,000					97,541,500		50,233,750				
Disposal												172,533,250.00
Adjustments												
As at 31/12/2020 (A)	-	-	-	-	-	-	-	-	-	-	-	
Depreciation												
As at 1/1/2020												
Charge for the year	495,160					24,385,375		2,511,687.				27,392,222.50
Disposals												
Adjustments												
As at 31/12/2020 (B)	-	-	-	-	-	-	-	-	-	-	-	
Net Book Value (A-B)	- 24,626,840	-	-	-	-	-73,156,125	-	- 47,722,063	-	-	-	<u>570,832,833.54</u>

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Obanliku Local Government Council Cash Books as at 31st December 2021.

S/N	NAME OF BANK	ACCOUNT	AMOUNT(N)
1	ZENITH CAPITAL	101,6752969	26,661,155.46
2	ZENITH REV.	1017346453	4,483.64
3.	ECO BANK CAP	0982001638	2,026.19
4.	ECO BANK REV	0982037459	5,419.15
5.	UMFB	0610349824	29,383.50
6.	FIRST BANK SALARY & OVERHEAD	201650293	30,286,664.91
	TOTAL		56,989,132.85

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2020	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		12,000,000.00
Balance carried forward as at 31 Dec 2021		141,737,722.93

Note 12:**UNREMITTED DEDUCTIONS**

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

DETAILS	AMOUNT(N)
Unremitted deductions brought forward	686,316,501.26
Additions during the year	569,770,196.89
Total	1,256,086,698.15
Remittances during the year	446,923,829.52
BALANCE CARRIED FORWARD	809,162,868.63

Note 13**Payables**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Obanliku LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2021
1	5% CONTRACTORS' TAX	12,134,308.79			12,134,308.79
2	5% VALUE ADDED TAX (VAT)	6,476,409.35			6,476,409.35
3	1% STAMP DUTY	196,459.54			196,459.54
TOTAL		18,807,177.68	-	-	18,807,177.68

Note 14**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	
BALANCE CARRIED FORWARD	73,680,797.86

Note 15**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	323,368,613.49	156,967,732.26	(458,074,398.74)
changes for the year	12,000,000.00	270,181,253.21	25,277,777.78	(97,657,613.83)
Adjustment to Net Asset		(141,426,231.95)	0	879,100,626.06
Total Equity	<u>194,245,510.04</u>	<u>452,123,634.75</u>	<u>182,245,510.04</u>	<u>323,368,613.49</u>

Note 16**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 17**Deposits**

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

S/N	DETAILS	BAL. B/F AS AT 1 ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTAN CES DURING THE YEAR	BALANCE AS AT 31-12-2021
1	Unclaimed Salaries I	2,901,388.51	-	-	2,901,388.51
2	Unclaimed Salaries II	5,614,540.38	-	-	5,614,540.38
3	Retention Fee	2,636,219.46	-	-	2,636,219.46
4	National Housing Fund	90,502.74	-	-	90,502.74
5	Unclaimed Stipends	3,920,000.00	-		3,920,000.00
TOTAL		15,162,651.09	-		15,162,651.09

**OBUBRA LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

OBUBRA LOCAL GOVERNMENT, OBUBRA

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Obubra Local Government Council found on pages 323-325 have been examined under my direction, which have been prepared under the accounting policies set out on pages 317-322.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Obubra Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

OBUBRA LOCAL GOVERNMENT, OBUBRA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Obubra Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. BASSEY AGARA TOM
CHAIRMAN

30th June 2022
.....
DATE


.....
MRS. FLORENCE ELIAS EGOR
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Obubra Local Government Council,
OBUBRA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBUBRA LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 323 to 325 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

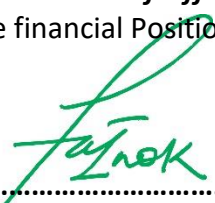
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obubra Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.


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



OBUBRA LOCAL GOVERNMENT, OBUBRA
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 202

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	104,577,640.90	12,955,532.80
Receivables	10	662,385,225.55	534,094,774.59
Total Current Asset		766,962,866.45	547,050,307.39
Non-Current Assets			
Investment	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	645,575,467.73	497,446,975.28
Contribution to CRS Reserve Fund	11	133,737,727.93	129,737,722.93
Total Non-Current Asset		938,191,920.33	786,063,422.88
Total Asset (A)		1,705,154,786.78	1,333,113,730.27
LIABILITIES			
Current Liabilities			
Deposits	17	14,712,651.09	14,712,651.09
Unremitted Deductions	12	879,074,071.11	582,847,959.56
Payables (Unremitted Taxes)	13	24,358,829.61	24,358,829.61
Total Current Liabilities		893,786,722.20	621,919,440.26
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	14	73,680,797.86	73,680,797.86
Councilors Car loan	17	29,500,000.00	
Total Non-Current Liabilities		103,180,797.86	73,680,797.86
Total Liabilities (B)		996,967,520.06	695,600,238.12
Net Asset (A - B)		<u>708,187,266.72</u>	<u>637,513,492.15</u>
NET ASSET AND EQUITY			
Reserve Fund	15	186,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	15	521,941,756.68	455,267,982.11
Net Assets		<u>708,187,266.72</u>	<u>637,513,492.15</u>

OBUBRA LOCAL GOVERNMENT, OBUBRA

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	1,946,704,459.91	1,869,142,775.12
Internally Generated Revenue	2	33,422,171.92	15,601,273.58
Other Capital Receipts	1b	185,865,668.30	227,423,537.93
10% State IGR	1	127,290,450.96	92,143,647.28
Capital Receipts	3	<u>352,600,718.27</u>	
TOTAL REVNUUE		<u>2,645,883,469.36</u>	<u>2,204,311,233.91</u>
Expenditures			
Employees Benefits	4	1,727,371,848.04	1,510,591,283.14
General and Admin Expenses (Overhead)	5	54,912,546.07	28,746,604.90
Transfer to Other Government Entities	6	376,015,855.46	583,512,152.07
Deduction at Source	1	70,311,550.77	
Public Debt Charges			0.00
Total Operating Expenses		<u>2,228,611,800.34</u>	<u>2,122,850,040.11</u>
Excess/(Deficit) of Revenue over Expenditures		<u>417,271,669.02</u>	<u>81,461,193.80</u>
Non-Cash Movement			
Depreciation of PP&E	8	71,730,467.73	22,742,353.79
Net Surplus/(Deficit)		<u>345,541,201.29</u>	<u>58,718,840.00</u>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	<u>455,267,982.11</u>	<u>182,245,510.04</u>	<u>637,513,492.15</u>
Changes for the Year	345,541,201.29	4,000,000.00	349,541,201.29
Transfer to/(from) changes in Net Assets	(278,867,426.72)		(278,867,426.72)
Balance as at 31st December 2021.	<u>521,941,756.68</u>	<u>186,245,510.04</u>	<u>708,187,266.72</u>
Balance as at 1 January 2019	(224,838,584.26)	156,967,732.26	(67,870,852.00)
Changes for the Year	58,718,840.00	25,277,777.78	83,996,617.78
Transfer to/(from) changes in Net Assets	621,387,726.36	-	621,387,726.36
Balance as at 31st December 2021	<u>455,267,982.11</u>	<u>182,245,510.04</u>	<u>637,513,492.15</u>

OBUBRA LOCAL GOVERNMENT, OBUBRA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,309,557,687.46	1,259,953,517.83
Government Share of VAT	1	631,170,080.14	492,203,601.55
Share of Exchange Gain Difference	1	5,994,692.31	38,566,624.06
Other Revenue	1	185,865,668.30	113,404,297.36
Internally Generated Revenue	2	33,422,171.92	9,609,479.16
Capital Receipts	3	352,600,718.27	227,423,537.93
CRSG 10% IGR	1	0.00	0.00
Total Inflows from Operating Activities		2,518,593,018.40	2,141,161,057.89
Outflows			
Employees' Benefits	4	1,727,371,848.04	1,510,591,283.14
Admin (Overhead) Cost	5	54,912,546.07	28,746,604.90
Statutory Deductions	6	376,015,855.46	583,512,152.07
Deduction at Source	1	70,311,550.77	
Total Outflows from Operating Activities		(2,232,641,800.34)	2,122,850,040.11
Net Cashflow from Operating Activities		<u>285,981,218.06</u>	<u>18,311,017.78</u>
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	219,859,099.96	(227,423,537.93)
Reserves (future generation)	11	4,000,000.00	
Net Cashflow from Investing Activities		<u>223,859,099.96</u>	<u>(227,423,537.93)</u>
Cash Flow from Financing Activities			
Deposits Received		0.00	14,712,651.09
Deposits Remitted		0.00	(24,358,829.61)
Councilors Loan	18	40,000,000.00	
Loan Repayment	18	(10,500,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		<u>29,500,000.00</u>	<u>(259,646,178.52)</u>
Net Cash Flow from All Activities		<u>91,622,117.10</u>	<u>(468,758,698.67)</u>
Cash and its Equivalent as at 01/01		12,955,532.80	(166,133,412.25)
Adjustment			647,847,643.72
Cash and its Equivalent as at 31 Dec 2021		<u>104,577,649.90</u>	<u>12,955,532.80</u>

OBUBRA LOCAL GOVERNMENT, OBUBRA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	2,988,106,223.00	2,132,570,128.21	855,536,094.79
Internally Generated Revenue	41,010,000.00	33,422,171.92	7,587,828.08
Capital Receipts	1,552,258,120.00	352,600,718.27	1,199,657,401.73
GRSG 10%IGR	50,972,120.00	0.00	76,318,330.96
Total Receipts	4,632,346,463.00	2,518,593,018.40	2,113,753,444.60
PAYMENTS			
Employees Benefits	1,400,207,136.00	1,727,371,848.04	(327,164,712.04)
Statutory Deductions	1,740,408,567.00	376,015,855.46	1,364,392,711.54
Overhead / Operating Expenditure	120,000,000.00	54,912,546.07	65,087,453.93
Purchase/Construction of PPE	4,530,755,378.00	219,859,099.96	4,310,896,278.04
Deduction at source		70,311,550.77	70,311,550.77
Total Payments	7,791,371,081.00	2,228,611,800.34	5,562,759,280.66
NET SURPLUS (DEFICIT)		289,981,218.06	

OBUBRA LOCAL GOVERNMENT, OBUBRA
ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL
STATEMENTS

i. Reporting Entities

Obubra local government area is found in Cross River state, South-South geopolitical zone of Nigeria. The headquarters of Obubra LGA are in the town of Obubra and the LGA is made up of a number of towns and villages which include Ababene, Iyamitet, Okom, Osopong, Iyalla, Ofat, Ofodua, and Ofombo-Ngha. The estimated population of Obubra LGA is put at 169,703 inhabitants with the LGA hosting members of diverse ethnic groups which include the Isobo and Mbembe ethnic affiliations. The Isobo and Mbembe languages are among those spoken in Obubra LGA. A number of colourful festivals are held in Obubra LGA and these include the Otaba and Owakande festivals while the notable landmarks in the LGA include the NYSC permanent orientation camp and the IBB college of Agriculture.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognises such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to

ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS

Note 1.

Revenues

GROSS STATUTORY ALLOCATION)

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

	₦
Statutory Allocation	2,132,570,128.21
Internally Generated Revenue	33,422,171.92
Other Capital Receipts	352,600,718.27
Unremitted 10% State IGR	<u>127,290,450.96</u>
	2,645,883,469.36

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	101,947,720.38	52,880,539.76			(58,259.97)	154,770,000.17
2	FEB.	86,394,239.06	52,488,910.66		4,697,353.03	(13,312,426.79)	130,268,075.96
3	MARCH	89,477,629.25	61,067,365.06	691,186.15	10,712,834.21	(6,685,343.38)	155,263,671.29
4	APRIL	100,150,919.84	61,337,198.71	507,406.11	8,405,547.38	(6,685,343.38)	163,715,728.66
5	MAY	84,735,487.08	61,214,737.87	387,709.77	22,947,693.21	(6,685,343.38)	162,600,284.55
6	JUNE	135,942,220.51	52,195,079.38	859,776.86	4,104,059.91	(6,685,343.38)	186,415,793.28
7	JULY	144,332,028.39	50,274,518.30	549,726.33	4,346,452.63	(10,968,817.40)	188,533,908.25
8	AUG.	114,130,000.26	59,969,232.70	644,018.75	14,983,103.65	(9,228,647.07)	180,497,708.29
9	SEPT.	133,231,908.94	57,674,658.28	694,129.48	2,008,890.57	(3,460,295.05)	190,149,292.22
10	OCT.	87,153,673.08	55,833,688.65	721,586.88	40,784,821.21	(2,199,996.98)	182,293,772.84
11	NOV.	111,922,714.34	66,234,150.77	939,151.98	3,500,553.90	(2,199,996.98)	180,396,574.01
12	DEC.	120,139,146.33	0.00		69,374,358.60	(2,141,737.01)	187,371,767.92
	TOTAL	1,309,557,687.46	631,170,080.14	5,994,692.31	185,865,668.30	(70,311,550.77)	2,062,276,577.44

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Obubra** Local Government Council for the year ended 31st December 2021.

	EXCHANGE DIFFERENCE	SHARE OF FOREX EQUAL.	Excess Bank Charges	Share of Solid Minerals	ECOLOGICAL FUND	NON-OIL REVENUE	AUGMENTA TION	TOTAL
JAN.								
FEB.		1,912,625.77	131,574.10		2,653,153.16			4,697,353.03
MARCH					2,933,927.04	7,778,907.17		10,712,834.21
APRIL			143,094.53		3,176,617.70	5,085,835.15		8,405,547.38
MAY				1,756,606.01	3,140,406.77	5,085,835.15	12,964,845.28	22,947,693.21
JUNE					4,104,059.91			4,104,059.91
JULY					4,346,452.63			4,346,452.63
AUG.			104,393.59		1,913,864.78	12,964,845.28		14,983,103.65
SEPT.					2,008,890.57			2,008,890.57
OCT.					1,890,285.35	12,964,845.29	25,929,690.57	40,784,821.21
NOV.			111,357.20		3,389,196.70			3,500,553.90
DEC.	1,819,906.32				67,554,452.28			69,374,358.60
TOTAL	1,819,906.32	1,912,625.77	490,419.42	1,756,606.01	97,111,306.89	43,880,268.04	38,894,535.85	185,865,668.30

DEDUCTIONS AT SOURCE - (N70,311,550.77)

This represents deductions made at source by the FAAC Allocation Committee against **Obubra** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Obubra** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
10100	TAXES	231,500
10200	RATES	24,000.00
10300	LOCAL LICENCE FEES	3,666,088.89
10400	EARNINGS FROM COMMERCIAL UNDERTAKINGS	15,438,800.00
10500	RENT ON GOVERNMENT PROPERTY	4,335,700.00
10700	REINBURSEMENT	0.00
10800	MISCELLANEOUS	9,717,083.03
	TOTAL	33,422,171.92

MONTH	10100	10200	10300	10400	10500	10800	TOTAL
JAN			610,700	673,400	47,000	231,000	1,562,100
FEB	14,000	24,000	119,000	389,000			546,000
MAR	16,000		151,888.89	1,543,500	600,000	855,773.20	3,167,162.09
APR			101,000	72,000		1,679,523.01	1,852,523.01
MAY	12,000		87,000	1,465,300	10,000	384,843.55	1,959,143.55
JUN	31,000		198,000	1,169,600	16,000	682,000	2,096,600
JUL	3,000		509,000	737,800	11,800	536,987.01	1,798,587.01
AUG	4,000		153,500	899,000	8,300	238,000	1,302,800
SEP	23,000		146,000	6,310,700	159,800	354,600	6,994,100
OCT	2,000		97,000	640,500	73,800	70,241.25	883,541.25
NOV	32,000		138,000	765,000	3,285,800	81,000	4,301,800
DEC	94,500		355,000	773,000	123,200	4,612,115.01	6,957,815.50
TOTAL	231,500	24,000	3,666,088.89	15,438,800	4,335,700	9,717,083.03	33,422,171.92

Note 3**CAPITAL RECEIPTS – ₦352,600,718.27**

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

Note 4**Employees Benefit**

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

SALARIES, WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	23,670,000.00
2	Primary Health Care Salaries	209,674,017.21
3	Non-Pensionable Allowances	171,160,000.00
4	Council Staff Salaries	252,249,358.70
5	Political Office Holders	74,304,525.36
6	Pension Allowances	347,418,656.92
7	SUBEB - Teacher's Salaries	648,895,289.85
	TOTAL	1,727,371,848.04

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
DETAILS	
MATERIAL SUPPLY	12,203,660.00
LEGAL SUIT	1,200,000.00
VICE CHAIRMAN'S CONFERENCE	700,000.00
TRAVEL AND TRANSPORT	9,919,488.89
OTHER SERVICES	16,771,155.56
VERIFICATION OF APC.	1,680,000.00
ENTERTAINMENT AND HOSPITALITY	7,958,000.00
MAINTENANCE, REPAIRS AND SERVICES	1,529,300.00
TRAINING AND DEV.	760,000.00
CONSULTANCY AND PROFF SERVICE	2,088,800.00
FINANCE EXPENSES	102,141.62
TOTAL	54,912,546.07

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	13,316,069.42
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	106,401,214.04
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	59,121,785.58
4	JOINT SECURITY OPERATIONS 2.5%	29,555,892.80
5	JOINT SOCIAL WELFARE 2.5%	29,555,892.80
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	8,321,213.59
7	SPORT DEVELOPMENT 1%	11,822,357.09
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	29,555,892.78
9	CRHA OVERSIGHT FUNCTION 0.5%	5,911,178.57
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	7,110,419.29
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	47,289,428.48
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	11,822,357.11
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	11,822,357.11
14	MINISTRY OF INTERNATIONAL DEV. 1%	4,407,796.82
	TOTAL	376,015,855.46

Note 7**Property, Plant and Equipment**

During the year under review, the Obubra LGC spent a total sum of ₦219,859,009.96m on Purchase and Construction of PPE (Property, Plant and Equipment).

DETAILS	TOTAL =N=
ECONOMIC SECTOR	
Agriculture	-
Energy (Fuel & Power)	-
Commerce & Finance	7,227,000.00
Road and Bridges	13,000,000.00
Culture & Tourism	-
SUB TOTAL	20,227,000.00
SOCIAL SECTOR	
Education	-
Health	2,500,000.00
Information & Comm. ICT	-
Social Dev. Youth & Sports	990,000.00
SUB TOTAL	3,490,000.00
ENVIRONMENTAL & REGIONAL DEV.	
Water Supply	3,600,000.00
Housing	41,292,100.00
Environment	6,350,000.00
SUB TOTAL	51,242,100.00
General administration	144,899,999.96
Grand total	219,859,099.96

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Obubra Local Government Council Cash Books as at 31st December 2021.

DESCRIPTION	BALANCE AS AT 31 ST DECEMBER 2021
FIRST BANK SALARY & OVERHEAD ACCT.	57,710,467.79
FIRST BANK REVENUE ACCT.	1,107,492.50
SUB- TOTAL	58,817,960.29
FBN CAPITAL PROJECT ACCT.	45,759,680.61
CASH IN HAND	0.00
GROSS TOTAL	104,577,640.90

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	535,094,774.59
2020 Unpaid 10%	53,409,477.45
Remittance for the Period	127,290,450.96
Balance Carried forward	460,213,801.08

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MAR	DEDUCTION FROM ALLOCATION	
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	
JUN	DEDUCTION FROM ALLOCATION	
JUL	DEDUCTION FROM ALLOCATION	
AUG	DEDUCTION FROM ALLOCATION	
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	
DEC	DEDUCTION FROM ALLOCATION	
TOTAL AS IN CASHFLOW STATEMENT		4,000,000.00
Balance carried forward as at 31 Dec 2021		133,737,722.93

Note 12

Deposits

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

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANC ES DURING THE YEAR	BALANCE AS AT 31-12-2021 (AS IN BALANCE SHEET)
1	RETENTION FEE	2,636,219.46	-	-	2,636,219.46
2	UNCLAIMED SALARY	5,164,540.38			5,164,540.38
3	UNCLAIMED SALARY DEPOSIT	2,901,388.51			2,901,388.51
4	UNCLAIMED TRC	3,920,000.00			3,920,000.00
5	NATIONAL HOUSING FUND	90,502.74			90,502.74
1	RETENTION FEE	2,636,219.46			2,636,219.46
TOTAL		14,712,651.09			14,712,651.09

Note 13:**UNREMITTED DEDUCTIONS**

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

DETAILS	AMOUNT(N)
Unremitted deductions brought forward	582,847,959.56
Additions during the year	672,241,967.01
Remittances for the period	(376,015,855.46)
BALANCE CARRIED FORWARD	879,074,071.11

Note 14**Payables**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Obubra LGCs as at 31st December 2021.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2021
1	5% CONTRACTORS' TAX	14,273,909.09			14,273,909.09
2	5% VALUE ADDED TAX	10,084,920.52			10,084,920.52
	TOTAL	24,358,829.61			24,358,829.61

Note 15**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	0.00
BALANCE CARRIED FORWARD	73,680,797.86

Note 16
Equity

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	455,267,982.11	156,967,732.26	(224,838,584.26)
changes for the year	4,000,000.00	345,541,201.29	25,277,777.78	58,718,840.00
Adjustment to Net Asset		(278,867,426.72)	0	621,387,726.36
Total Equity	<u>186,245,510.04</u>	<u>521,941,756.68</u>	<u>182,245,510.04</u>	<u>455,267,982.11</u>

Note 17

INVESTMENTS

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 18**CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS**

Councillors in Obubra Local Government obtained the sum of N36,000,000.00 from the council

TOTAL LOAN	40,000,000.00
AMOUNT REPAYED	<u>(10,500,000.00)</u>
BALANCE	29,500,000.00

**OBUDU LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

OBUDU LOCAL GOVERNMENT, OBUDU

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Obudu Local Government Council found on pages 344-346 have been examined under my direction, which have been prepared under the accounting policies set out on pages 338-343.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Obudu Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

OBUDU LOCAL GOVERNMENT, OBUDU
RESPONSIBILITY FOR FINANCIAL STATEMENTS

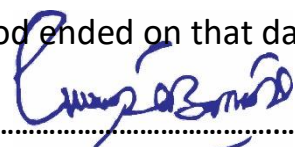
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Obudu Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Accrual Basis)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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Obudu Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. BONNY EWHE ERAYE
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. ISHUL GODWIN
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Obudu Local Government Council,
OBUDU.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBUDU LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 344 to 347 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

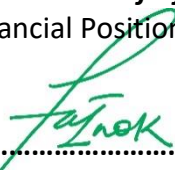
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obudu Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.


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



OBUDU LOCAL GOVERNMENT, OBUDU
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	113,463,113.58	300,195,391.18
Receivables	10	661,185,225.55	534,094,774.59
Total Current Asset		774,648,339.13	834,290,165.77
Non-Current Assets			
Investment	16	158,878,724.57	158,878,724.67
Property, Plant & Equipment	8	588,747,279.95	437,644,642.57
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		889,363,727.45	726,261,090.17
Total Asset (A)		1,664,012,066.58	1,560,551,255.94
LIABILITIES			
Current Liabilities			
Deposits	17	6,858,251.99	6,858,251.99
Short Term Loans & Debts	13	725,973.45	725,973.45
Unremitted Deductions	12	868,085,506.87	623,049,587.73
Total Current Liabilities		875,669,732.31	630,633,813.17
Non-Current Liabilities			
Loan to Councilors	14	26,550,000	-
Long Term Borrowings (CRSG loan)	15	73,680,797.86	73,680,797.86
Total Non-Current Liabilities		100,230,797.86	73,680,797.86
Total Liabilities (B)		996,500,882.66	704,314,611.03
Net Asset (A - B)		<u>667,511,183.92</u>	<u>856,236,644.91</u>
NET ASSET AND EQUITY			
Reserve Fund	16	129,545,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	16	537,965,673.88	673,991,134.87
Net Assets		<u>667,511,183.92</u>	<u>856,236,644.91</u>

OBUDU LOCAL GOVERNMENT, OBUDU
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,040,379,561.78	1,781,706,245.38
Internally Generated Revenue	2	17,782,350.65	12,607,172.72
Other Capital Receipts	3	1,144,805,478.21	231,423,537.93
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>3,330,257,841.60</u>	<u>2,117,880,603.31</u>
Expenditures			
Employees Benefits	4	2,147,983,158.45	1,971,731,495.16
General and Admin Expenses (Overhead)	5	65,366,362.57	58,746,604.90
Transfer to Other Government Entities	6	632,517,664.15	583,512,152.07
Total Operating Expenses		<u>2,845,867,185.17</u>	<u>2,613,990,252.13</u>
Excess/(Deficit) of Revenue over Expenditures		<u>418,974,293.86</u>	<u>(496,109,648.82)</u>
Non-Cash Movement			
Depreciation of PP&E	8	65,416,362.57	23,142,353.79
Net Surplus/(Deficit)		<u>418,974,293.86</u>	<u>(519,252,002.62)</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	673,991,134.87	182,245,510.04	856,236,644.91
Changes for the Year	418,974,293.86	(52,700,000=)	366,274,293.86
Transfer to/(from) changes in Net Assets	(554,999,754.85)	-	(554,999,754.85)
Balance as at 31st December 2021.	<u>537,965,673.88</u>	<u>129,545,510.04</u>	<u>667,511,183.92</u>
Balance as at 1 January 2020	(346,718,001.86)	156,967,732.26	(189,750,269.60)
Changes for the Year	(519,252,002.60)	25,277,777.78	(493,974,224.84)
Transfer to/(from) changes in Net Assets	1,539,961,139.35	-	1,539,961,139.35
Balance as at 31st December 2020.	<u>673,991,134.87</u>	<u>182,245,510.04</u>	<u>856,236,644.91</u>

OBUDU LOCAL GOVERNMENT, OBUDU
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,239,805,955.70	1,192,843,881.17
Government Share of VAT	1	680,878,206.94	479,511,692.48
Share of Exchange Gain Difference	1	5,675,393.54	36,512,427.54
Other Revenue	1	114,020,006.22	107,363,978.35
Internally Generated Revenue	2	17,782,350.65	12,607,172.72
Capital Receipts (REDISTRIBUTION)	3	1,144,805,478.21	231,423,537.93
Total Inflows from Operating Activities		3,202,967,390.63	2,060,262,690.19
Employees' Benefits	4	2,147,983,158.45	1,971,731,495.16
Admin (Overhead) Cost	5	65,366,362.57	58,746,604.90
Deductions at Source	1	70,311,550.77	34,525,734.16
Statutory Deductions	6	632,517,664.15	583,512,152.07
Total Outflows from Operating Activities		2,916,178,735.94	2,648,515,986.29
Net Cashflow from Operating Activities		286,788,654.64	(588,253,296.10)
Cashflow from Investing Activities		(12,000,000.00)	-
Purchase/Construction of PPE	7	(216,519,000.00)	(231,423,537.93)
Net Cashflow from Investing Activities		(228,519,000.00)	(231,423,537.93)
Cash Flow from Financing Activities			
Councilor's Loan	14	36,000,000.00	-
Repayments - Loan	14	(9,450,000.00)	0.00
Taxes Received		17,400,000.00	0.00
Tax Remitted		(17,400,000.00)	0.00
Loan Repayment		-	(250,000,000.00)
Net Cash Flow from Financing Activities		26,550,000.00	(250,000,000.00)
Net Cash Flow from All Activities		84,819,654.69	(1,069,676,834.03)
Cash and its Equivalent as at 01/01/21		300,195,391.18	(249,053,048.77)
Adjustment		(271,551,932.29)	1,618,925,273.98
Cash and its Equivalent as at 31 Dec 2021		113,463,113.58	300,195,391.18

OBUDU LOCAL GOVERNMENT, OBUDU
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,865,365,879.00	2,040,379,561.78	(175,013,682.78)
Internally Generated Revenue	22,000,000.00	17,782,350.65	4,217,649.35
Capital Receipts	1,172,682,793.00	1,144,805,478.21	27,877,314.79
Total Receipts	3,060,048,672.00	3,202,967,390.64	(142,918,718.64)
PAYMENTS			
Employees Benefits	1,588,822,280.00	2147,983,158.45	(559,160,878.45)
Statutory Deductions	872,155,547.00	632,517,664.15	239,637,882.85
Overhead / Operating Expenditure	603,035,300.00	65,366,362.57	537,668,937.43
Purchase/Construction of PPE	3,158,951,202.00	216,519,000.00	2,942,432,202
Total Payments	6,222,964,329.00	3,062,386,185.17	3,160,578,145.83
NET SURPLUS (DEFICIT)	(3,162,915,657)	140,581,205.47	(3,303,496,862.47)

OBUDU LOCAL GOVERNMENT, OBUBRA
ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL
STATEMENTS

i. Reporting Entities

Obudu local government area is situated in Cross River state, South-south geopolitical zone of Nigeria and has its headquarters in the town of Bette. Obudu LGA shares boundaries with the Boki and Bekwarra LGAs and with parts of Benue state and the Republic of Cameroon. Towns and villages that make up Obudu LGA include Bette, Okpe, Alege, Becheve, Unpe, Utanga, Ugang, and Utugwang. The estimated population of Obudu LGA is put at 174,700 inhabitants with the vast majority of the area's dwellers being members of the Bette ethnic group. The Bette language is commonly spoken in the LGA. Popular landmarks in Obudu LGA include the Obudu cattle Ranch and Mountain Resort and the Obudu Dam while the popular Events in the LGA include the Obudu international Mountain Race. Prominent traditional rulers in Obudu LGA include the Uti Ukani of Obudu.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

Cash Payment for Finance Leases, which effectively transfer to the Government substantially all the risks and benefits incidental to

ownership of the leased item, are treated as capital payments and disclosed in the Statement of Cash Receipts and payments.

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. Unremitted Deductions

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

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

	₦
Statutory Allocation	2,040,379,561.78
Internally Generated Revenue	17,782,350.65
Other Capital Receipts	1,144,805,478.21
Unremitted 10% State IGR	<u>3,330,257,841.60</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	96,517,619.69	51,526,156.97	-	-	58,259.97	147,985,516.69
2	FEB.	81,792,572.48	51,134,739.93	-	4,447,155.20	13,312,426.79	124,062,040.82
3	MARCH	84,711,730.27	59,503,300.30	654,311.10	10,357,328.43	6,685,343.38	148,541,386.72
4	APRIL	94,816,523.17	59,816,189.01	480,379.85	7,957,837.82	6,685,343.38	156,385,586.47
5	MAY	80,222,171.58	59,656,131.46	367,058.96	22,082,913.79	6,685,343.38	155,643,932.41
6	JUNE	128,701,451.00	50,865,538.92	813,982.06	3,885,462.98	6,685,343.38	177,581,091.58
7	JULY	136,644,387.66	48,973,647.21	520,445.94	4,114,944.99	10,968,817.40	179,284,608.40
8	AUG.	108,051,027.70	58,433,293.45	609,716.00	14,546,433.43	9,228,647.07	172,411,823.52
9	SEPT.	126,135,500.32	56,202,189.11	657,157.66	1,901,889.86	3,460,295.05	181,436,441.90
10	OCT.	82,511,556.32	54,403,669.46	683,152.58	39,687,966.27	2,199,996.98	175,086,347.65
11	NOV.	105,961,309.74	64,543,415.88	889,129.39	3,314,101.86	2,199,996.98	172,507,959.89
12	DEC.	113,740,105.14	65,819,935.24	-	1,722,971.59	2,141,737.01	179,141,274.96
	TOTAL	1,239,805,955.07	680,878,206.94	5,675,393.54	114,020,006.22	70,311,550.77	1,970,068,011.01

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Obudu** Local Government Council for the year ended 31st December 2021.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Solid Minerals	Distribution from Non Oil Revenue	Ecology	Augmentation	TOTAL
JAN.	-	-	-	-	-	-	-	-
FEB.	-	1,810,752.48	124,566.00	-	-	2,511,836.72	-	4,447,155.20
MARCH	-	-	-	-	7,579,672.86	2,777,655.57	-	10,357,328.43
APRIL	-	-	135,472.80	-	4,814,945.36	3,007,419.66	-	7,957,837.82
MAY	-	-	-	1,663,042.88	4,814,945.36	2,973,137.45	12,632,788.10	22,083,913.79
JUNE	-	-	-	-	-	3,885,462.98	-	3,885,462.98
JULY	-	-	-	-	-	4,114,944.99	-	4,114,944.99
AUG.	-	-	101,719.85	-	12,632,788.10	1,811,925.48	-	14,546,433.43
SEPT.	-	-	-	-	-	1,901,889.86	-	1,901,889.86
OCT.	-	-	-	-	12,632,788.10	1,789,601.98	25,265,576.19	39,687,966.27
NOV.	-	-	105,425.92	-	-	3,208,675.94	-	3,314,101.86
DEC.	-	-	-	-	-	1,722,971.59	-	1,722,971.59
TOTAL	-	1,810,752.48	467,184.57	1,663,042.88	42,475,139.78	29,705,522.22	37,898,364.29	114,020,006.22

DEDUCTIONS AT SOURCE - (N70,311,550.77)

This represents deductions made at source by the FAAC Allocation Committee against **Obudu** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Obudu** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
101000	TAXES	694,800=
102000	RATES	5,379,900=
103000	LOCAL LICENCE FEES	4,262,700=
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	3,606,050=
105000	RENT ON GOVERNMENT PROPERTY	135,000=
106000	INTEREST ON DIVIDENDS	-
107000	RE-INBURSEMENT	-
108000	MISCELLANEOUS	3,899,700.65
	TOTAL	17,978,150.65

MONTH	TAXES	RATES	LOCAL LICENCES FEE & FINES	EARNINGS FROM COMMERCIAL UNDERTAKINGS	RENT ON GOVERNMENT PROPERTY	MISCELLANEOUS	TOTAL
JANUARY	130,000	582,400	642,500=	1,126,750=	10,000=	380,000=	2,871,650=
FEBRUARY	-	50,000	55,000=	170,900=	-	336,040.13	611,940.13=
MARCH	108,800	1,715,500	256,000=	276,400=	-	390,000=	2,779,700=
APRIL	29,000	2,442,000	136,500=	436,900=	-	390,000=	3,434,400=
MAY	30,000	210,000	40,000=	118,250=	-	338,040.13	736,290.13
JUNE	-	70,000	238,000=	300,150=	10,000=	276,240.13	8,943,70.13
JULY	342,000	240,000	1,280,000=	404,800=	100,000=	353,190.13	2,719,990.13
AUGUST	-	-	40,000=	263,000=	-	285,000=	588,000=
SEPTEMBER	-	-	4,500=	153,900=	-	148,190.13	3,065,90.13
OCTOBER	-	20,000	-	172,400=	-	250,000=	442,400=
NOVEMBER	-	10,000	70,000=	23,600=	-	-	103,600=
DECEMBER	15,000	40,000	1,226,000=	242,400=	-	770,000=	2,293,400=
TOTAL	654,800	5,379,900	3,988,500=	3,689,450=	120,000=	3,949,700.65	17,782,350.65

Note 3**CAPITAL RECEIPTS – ₦1,144,805,478.21**

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

Note 4**Employees Benefit**

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

SALARIES, WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	22,230,000=
2	Primary Health Care Salaries	239,382,931.68
3	Non-Pensionable Allowances	164,440,000=
4	Council Staff Salaries	262,756,870.28
5	Political Office Holders	70,231,524.84
6	Pension Allowances	444,378,436.25
7	SUBEB - Teacher's Salaries	944,563,395.40
	TOTAL	2,147,983,158.45

SALARIES AND WAGES								
MONTH	COUNCIL STAFF	TRADITIONAL RULERS' COUNCIL	NON-PENSIONABLE ALLOWANCE	SUBEB	PUBLIC HEALTH CARE	POL. OFFICE HOLDERS	PENSION ALLOWANCE	TOTAL
JANUARY	22,304,506.18	1,852,500=	18,490,000=	79,435,824.56	19,948,577.64	5,984,289.59	36,346,901.64	184,362,599.61
FEBRUARY	22,199,421.08	1,852,500=	18,580,000=	79,060,569.13	19,948,577.64	5,984,289.59	36,666,602.91	184,291,960.35
MARCH	22,105,539.60	1,852,500=	18,580,000=	78,983,101.18	19,948,577.64	5,850,827.07	36,674,168.98	183,994,714.48
APRIL	21,913,116.63	1,852,500=	18,580,000=	78,931,370.98	19,948,577.64	5,605,502.03	36,674,168.98	183,505,236.26
MAY	21,864,693.78	1,852,500=	-	78,762,100.17	19,948,577.64	5,605,502.03	37,273,050.94	165,306,424.16
JUNE	21,817,671.43	1,852,500=	-	78,737,479.93	19,948,577.64	6,096,152.11	36,982,143.04	165,434,524.15
JULY	21,817,671.43	1,852,500=	17,580,000=	78,621,560.65	19,948,577.64	5,850,827.07	37,108,163.33	182,779,300.12
AUGUST	21,771,365.05	1,852,500=	17,580,000=	78,463,412.91	19,948,577.64	5,850,827.07	37,108,163.33	182,463,412.91
SEPTEMBER	21,771,365.05	1,852,500=	17,580,000=	78,290,818.97	19,948,577.64	5,850,827.07	37,108,163.33	182,402,252.06
OCTOBER	21,871,365.05	1,852,500=	-	78,695,518.97	19,948,577.64	5,850,827.07	37,286,663.33	165,505,452.06
NOVEMBER	21,660,077.50	1,852,500=	19,890,000=	78,290,818.97	19,948,577.64	5,850,827.07	37,575,123.42	185,067,924.60
DECEMBER	21,660,077.50	1,852,500=	17,580,000=	78,290,818.97	19,948,577.64	5,850,827.07	37,575,123.42	182,757,924.50
TOTAL	262,756,870.28	22,230,000=	164,440,000=	944,563,395.40	239,382,931.64	70,231,524.84	444,378,436.25	2,147,983,158.45

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
DETAILS	
431200 TRANSPORT & TRAVEL	4,314,429.59
431400 MATERIALS & SUPPLIES	7,933,400=
431500 MAINTENANCE REPAIRS & SERVICES	6,721,700=
431600 TRAINING & STAFF DEVELOPMENT	220,000=
431900 ENTERTAINMENT & HOSPITALITY	6,917,000=
432100 OTHER SERVICES	16,706,971.81
115000 CONSOLIDATION REV. FUND CHARGES	20,460,000.00
431800 FINANCE EXPENSES	226,861.17
431300 UTILITIES	400,000=
431700 CONSULTANCY & PROFESSIONAL SERV.	1,516,000=
TOTAL	65,416,362.57

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	20,403,795.61
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	183,634,160.56
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	102,018,978.08
4	JOINT SECURITY OPERATIONS 2.5%	51,009,489.04
5	JOINT SOCIAL WELFARE 2.5%	51,009,489.04
6	BORDER COMMUNITY DEVELOPMENT FUND 0.5%	10,201,897.80
7	SPORT DEVELOPMENT 1%	20,403,795.61
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	51,009,489.04
9	CRHA OVERSIGHT FUNCTION 0.5%	10,201,897.80
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	10,201,897.80
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	81,615,182.47
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	20,403,795.61
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	20,403,795.61
	TOTAL	632,517,664.15

Note 7**Property, Plant and Equipment**

During the year under review, the Obudu LGC spent a total sum of ₦216.5m on Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	SECTORAL DETAIL	AMOUNT (N)
20000:	SOCIAL SERVICES SECTOR	
22000	HEALTH	100,000.00
24000	YOUTH SOCIAL DEVELOPMENT AND SPORTS	2,300,000.00
SUB-TOTAL		2,400,000.00
10000	ECONOMIC SECTOR	
16000	ENERGY (FUEL & POWER)	50,238,000.00
17000	COMMERCE AND FINANCE	1,314,000.00
18000	TRANSPORT, ROAD & BRIDGES	129,042,000.00
19000	CULTURE & TOURISM	16,000,000.00
SUB-TOTAL		196,594,000.00
30000	ENVIRONMENTAL & REG. DEV.	
33000	HOUSING	1,710,000.00
34000	TOWN & COUNTRY PLANNING	835,000.00
35000	ENVIROMENT & REFUSE DISPOSAL	10,730,000.00
SUB-TOTAL		13,275,000.00
40000	GENERAL ADMINISTRATION	4,250,000.00
TOTAL		216,519,000.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Obudu Local Government Council Cash Books as at 31st December 2021.

S/N	DETAILS	ACCOUNT TYPE	AMOUNT
			N
1	FIRST BANK PLC CAPITAL PROJECT	CAPITAL	60,365,420.94
2	ZENITH BANK PLC	CAPITAL	1,240,883.67
	SUB TOTAL A		61,606,304.61
3	FIRST BANK PLC	SAL/OVERHEAD	2,332.65
4	ECOBANK PLC	REVENUE	727,021.05
5	ZENITH BANK PLC	SAL/OVERHEAD	49,933,246.85
6	UMFB	REVENUE	276,835.42
	SUB-TOTAL B		50,939,435.97
	DORMANT ACCOUNTS:		
7	FIRST BANK PLC	REVENUE	46,679.27
8	UNITED BANK FOR AFRICA		162,100=
9	UNITED BANK FOR AFRICA		25,160.03
10	UNITED BANK FOR AFRICA		181,974.24
11	OBUDU MICROFINANCE BANK		36,190.96
12	OBUDU MICROFINANCE BANK		400,000=
13	GUARRANTY TRUST BANK		843.77
14	ECOBANK PLC	SAL/OVERHEAD	64,433.73
	SUB TOTAL C		917,373
	TOTAL		113,463,113.58
	CASH AT HAND		NIL
	GRAND TOTAL		113,463,113.58

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10% OF CRS IGR	127,290,450.96
Remittance for the Period	0.00
Balance Carried forward	661,185,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND (FUTURE GENERATION)**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000
FEB	DEDUCTION FROM ALLOCATION	1,000,000
MAR	DEDUCTION FROM ALLOCATION	1,000,000
APR	DEDUCTION FROM ALLOCATION	1,000,000
MAY	DEDUCTION FROM ALLOCATION	1,000,000
JUN	DEDUCTION FROM ALLOCATION	1,000,000
JUL	DEDUCTION FROM ALLOCATION	1,000,000
AUG	DEDUCTION FROM ALLOCATION	1,000,000
SEP	DEDUCTION FROM ALLOCATION	1,000,000
OCT	DEDUCTION FROM ALLOCATION	1,000,000
NOV	DEDUCTION FROM ALLOCATION	1,000,000
DEC	DEDUCTION FROM ALLOCATION	1,000,000
	TOTAL AS IN CASHFLOW STATEMENT	12,000,000
	Balance carried forward as at 31 Dec 2020	141,737,722.95

Note 12:**UNREMITTED DEDUCTIONS**

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

UNREMITTED STATUTORY	AMOUNT (₦)
Balance Brought Forward 01/01/2021	623,049,587.73
ADD: Deductions during the year	632,517,664.15
Sub-Total	1,255,567,251.88
Less: Actual Remittance during the year	366,881,392.52
Balance Outstanding 31-12-2021	888,685,859.36

Note 13**SHORT TERM LOANS AND DEBTS – ₦725,973.45**

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

Note 14**LOAN TO COUNCILLORS**

This represents motor vehicle loan of 4 million Naira each totaling N36million given to nine councilors and their outstanding as at 31st December, 2021.

DETAILS	AMOUNT ₦
Loan	36,000,000.00
Repayments	9,450,000.00
Outstanding (Bal. carried forward	26,550,000.00

Note 15**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	NIL
BALANCE CARRIED FORWARD	73,680,797.86

Note 16**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	673,991,134.87	156,967,732.26	(346,718,001.86)
changes for the year	(52,700,000.00)	411,242,422.23	25,277,777.78	(519,252,002.62)
Adjustment to Net Asset	-	(526,667,530.73)	0	1,539,961,139.35
Total Equity	<u>129,545,510.04</u>	<u>558,566,026.37</u>	<u>182,245,510.04</u>	<u>673,991,134.87</u>

Note 17**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 18**Deposits- ₦6,858,251.99**

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

**ODUKPANI LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

ODUKPANI LOCAL GOVERNMENT, ODUKPANI

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Odukpani Local Government Council found on pages 365-367 have been examined under my direction, which have been prepared under the accounting policies set out on pages 359-364.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors. In affirming our opinion, we evaluated the preparation of the information in the Financial Statements and assessed whether the Councils' books and Accounts had been properly kept.

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Odukpani Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

ODUKPANI LOCAL GOVERNMENT, ODUKPAN
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

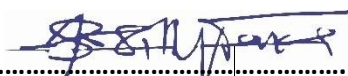
In our opinion, these financial statements fairly reflect the financial position of Odukpani Local Government as at 31st December 2021 and its operations for the period ended on that date.



.....
HON. MRS. JUSTINA EDEM
CHAIRMAN

30th June 2022

.....
DATE



.....
MR. ANTHONY ADAKA NGWU
DIRECTOR OF FINANCE (TREASURER)

30th June 2022

.....
DATE



The Chairman,
Odukpani Local Government Council,
ODUKPANI.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF ODUKPANI LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 365 to 367 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

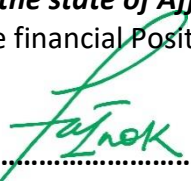
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Odukpani Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.


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



ODUKPANI LOCAL GOVERNMENT, ODUKPANI
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	74,518,896.88	67,385,617.89
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		735,904,122.43	601,480,392.48
Non-Current Assets			
Investment	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	569,438,977.11	434,044,642.57
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		870,055,424.71	722,661,090.17
Total Asset (A)		1,605,959,547.14	1,324,141,482.65
LIABILITIES			
Current Liabilities			
Deposits	17	960,000.00	960,000.00
Short Term Loans & Debts	12	1,385,233.68	303,561.23
Unremitted Deductions	13	877,055,573.29	522,113,293.08
Total Current Liabilities		879,400,806.97	523,376,854.31
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	14	73,680,797.86	73,680,797.86
Loan to Councilors		35,400,000.00	-
Total Non-Current Liabilities		109,080,797.86	73,680,797.86
Total Liabilities (B)		988,481,604.83	597,057,652.17
Net Asset (A - B)		<u>617,477,942.31</u>	<u>727,083,830.48</u>
NET ASSET AND EQUITY			
Reserve Fund	15	194,245,510.04	182,245,510.04
Accumulated Surplus/(Deficit)	15	423,232,432.27	544,838,320.44
Net Assets		<u>617,477,942.31</u>	<u>727,083,830.48</u>

ODUKPANI LOCAL GOVERNMENT, ODUKPANI
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,257,889,752.30	1,993,390,557.90
Internally Generated Revenue	2	14,732,296.33	5,199,921.12
Other Capital Receipts	3	547,938,738.45	227,423,537.93
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>2,947,851,238.04</u>	<u>2,318,157,664.23</u>
Expenditures			
Employees Benefits	4	1,721,864,858.28	1,515,534,699.58
General and Admin Expenses (Overhead)	5	168,918,197.03	28,746,604.90
Transfer to Other Government Entities	6	678,149,242.47	583,512,152.07
Deduction at Source		70,311,550.76	
Total Operating Expenses		<u>2,639,243,848.34</u>	<u>2,127,793,456.55</u>
Excess/(Deficit) of Revenue over Expenditures		<u>308,607,389.53</u>	<u>190,364,207.68</u>
Non-Cash Movement			
Depreciation of PP&E	8	63,270,997.46	22,742,353.79
Net Surplus/(Deficit)		<u>245,336,392.07</u>	<u>167,621,853.88</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	544,838,320.44	182,245,510.04	727,083,830.48
Changes for the Year	245,336,392.07	12,000,000.00	257,336,392.07
Transfer to/(from) changes in Net Assets	(366,942,280.24)		(366,942,280.24)
Balance as at 31st December 2021.	<u>423,232,432.27</u>	<u>194,245,510.04</u>	<u>617,477,942.31</u>
Balance as at 1 January 2020	105,863,108.66	156,967,732.26	262,830,840.92
Changes for the Year	167,621,853.9	25,277,777.78	192,899,631.66
Transfer to/(from) changes in Net Assets	271,353,357.90	-	271,353,357.90
Balance as at 31st December 2020.	<u>544,838,320.44</u>	<u>182,245,510.04</u>	<u>727,083,830.48</u>

ODUKPANI LOCAL GOVERNMENT, ODUKPANI
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,398,265,984.64	1,353,037,083.10
Government Share of VAT	1	727,550,384.41	512,777,291.08
Share of Exchange Gain Difference	1	7,651,170.43	41,415,571.03
Other Revenue	1	124,422,212.82	121,782,444.79
Internally Generated Revenue	2	14,732,296.33	5,199,921.12
Capital Receipts	3	547,938,738.45	227,423,537.93
Total Inflows from Operating Activities		2,820,560,787.08	2,261,635,849.05
Employees' Benefits	4	1,721,864,858.28	1,515,534,699.58
Admin (Overhead) Cost	5	168,918,197.03	28,746,604.90
Deductions at Source		70,311,550.76	35,622,132.20
Statutory Deductions	6	678,149,242.47	583,512,152.07
JAAC Charges		-	0.00
Total Outflows from Operating Activities		2,639,243,848.54	2,163,415,588.75
Net Cashflow from Operating Activities		181,316,938.54	98,220,260.30
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	198,665,332.00	(227,423,537.93)
Other Asset		12,000,000.00	
Net Cashflow from Investing Activities		210,665,332.00	(227,423,537.93)
Cash Flow from Financing Activities			
Deposits Received		0.00	-
Overdraft		1,081,672.45	-
Deposits Remitted		0.00	0.00
Taxes Received		0.00	0.00
Tax Remitted		0.00	0.00
Loan to Councilors		48,000,000.00	-
Loan Repayment	10	(12,600,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		36,481,672.45	(250,000,000.00)
Net Cash Flow from All Activities		7,133,278.99	(379,203,277.63)
Cash and its Equivalent as at 01/01		67,385,617.09	196,247,397.54
Adjustment		-	250,341,497.98
Cash and its Equivalent as at 31 Dec 2021		74,518,896.88	67,385,617.89

ODUKPANI LOCAL GOVERNMENT, ODUKPANI
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,582,219,712.20	2,257,889,752.30	675,670,040.10
Internally Generated Revenue	5,616,421.12	14,732,296.33	9,115,875.21
Capital Receipts	615,149,256.34	547,938,738.45	67,210,517.89
Cross River State Government Loan	-	-	-
Total Receipts	2,202,985,389.66	2,820,560,787.08	617,575,397.42
PAYMENTS			
Employees Benefits	1,515,347,199.58	1,721,864,858.28	(206,017,658.75)
Statutory Deductions	434,722,131.38	678,149,242.47	243,427,111.09
Overhead / Operating Expenditure	45,090,658.30	168,918,197.03	(123,827,538.73)
Deduction at Source		70,311,550.76	70,311,550.76
Purchase/Construction of PPE	6,507,812,822.00	198,665,332.00	6,309,147,490.00
Total Payments	8,502,972,817.26	2,837,909,180.54	5,665,063,636.72
NET SURPLUS (DEFICIT)	6,299,987,427.60	17,348,393.40	6,282,639,034.14

ODUKPANI LOCAL GOVERNMENT, ODUKPANI

ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL STATEMENTS

i. Reporting Entities

Odukpani local government area is found in Cross River state, South-south geopolitical zone of Nigeria. Towns and villages that make up Odukpani LGA include Ikot Nyong, Eki, Ito, Idere, Inuakpa, Okoyong, Okurikang, Akpap Oko, Odo, and Adiabo Efut. The current estimated population of Odukpani LGA is put at 104,333 inhabitants with the majority of the area's populace constituted by members of the Efik ethnic affiliation. The Efik language is predominantly spoken in the LGA. Notable landmarks in Odukpani LGA include the General Hospital at Ukem.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

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

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. **Unremitted Deductions**

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

NOTES TO THE FINANCIAL STATEMENTS**Note 1.****Revenues****GROSS STATUTORY ALLOCATION)**

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

	₦
Statutory Allocation	2,272,622,048.63
Internally Generated Revenue	14,732,296.33
Other Capital Receipts	547,938,738.45
Unremitted 10% State IGR	<u>127,290,450.96</u>
	<u>2,947,851,238.04</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	GROSS FAAC	VAT	SHARE OF EXCHANGE GAIN DIFFERENCE	OTHER REVENUE	TOTAL GROSS ALLOCATION	DEDUCTIONS	NET FAAC
		=N=	=N=	=N=	=N=	=N=	=N=	=N=
1	JANUARY	109,479,472.27	55,076,005.47	-	-	164,555,477.74	-58,259.97	164,497,217.77
2	FEBRUARY	92,776,921.97	54,684,032.61		5,044,386.78	152,505,341.36	-13,312,426.79	139,192,914.57
3	MARCH	88,048,155.39	63,499,537.73	680,143.92	10,975,778.44	163,203,615.48	-6,685,343.38	156,518,272.10
4	APRIL	107,549,926.67	63,802,768.01	544,892.55	9,026,537.22	180,924,124.45	-6,685,343.38	174,238,781.07
5	MAY	90,995,623.77	63,741,251.75	416,353.21	24,223,479.21	179,376,707.94	(6,685,343.38)	172,691,364.56
6	JUNE	145,985,437.49	54,350,275.45	923,295.94	4,407,262.01	205,666,270.89	(6,685,343.38)	198,980,927.51
7	JULY	154,995,072.38	52,383,241.10	590,339.33	4,667,562.36	212,636,215.17	(10,968,817.40)	201,667,397.77
8	AUGUST	122,561,761.56	62,459,002.94	691,597.93	15,667,098.86	201,379,461.29	(9,228,647.07)	192,150,814.23
9	SEPTEMBER	143,074,891.96	60,061,542.99	745,410.78	2,157,304.55	206,039,150.28	(3,460,295.05)	202,578,855.23
10	OCTOBER	93,592,461.89	58,151,761.61	774,896.69	42,539,275.14	195,058,395.33	(2,199,996.98)	192,858,398.35
11	NOVEMBER	120,191,404.52	68,974,846.02	1,008,535.19	3,759,169.83	193,933,955.56	(2,199,996.98)	191,733,958.58
12	DECEMBER	129,014,854.77	70,366,118.73	1,275,704.89	1,954,358.39	202,611,036.78	-2,141,737.01	200,469,299.77
	TOTAL	1,398,265,984.64	727,550,384.41	7,651,170.43	124,422,212.82	2,257,889,752.30	(70,311,550.76)	2,187,578,201.53

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Odukpani** Local Government Council for the year ended 31st December 2021.

S/N	MONTH	SHARE OF NON-OIL REVENUE =N=	SHARE OF FOREX =N=	SHARE OF EXCESS BANK CHARGES =N=	SHARE OF ECOLOGICAL FUND =N=	AUGMENTA TION =N=	SHARE OF SOLID MINERAL =N=	TOTAL =N=
1	JANUARY	-	-	-	-	-	-	-
2	FEBRUARY		2,053,927.83	141,294.61	2,849,164.34			5,044,386.78
3	MARCH	8,088,723.15			2,887,055.29			10,975,778.44
4	APRIL	5,461,569.38		153,666.15	3,411,301.69			9,026,537.22
5	MAY	5,461,569.38			3,372,415.55	13,503,112.73	1,886,381.55	24,223,479.21
6	JUNE				4,407,262.01			4,407,262.01
7	JULY				4,667,562.36			4,667,562.36
8	AUGUST	13,503,112.73		108,727.75	2,055,258.38			15,667,098.86
9	SEPTEMBER				2,157,304.55			2,157,304.55
10	OCTOBER	13,503,112.73			2,029,936.94	27,006,225.47		42,539,275.14
11	NOVEMBER			119,584.11	3,639,585.72			3,759,169.83
12	DECEMBER				1,954,358.39			1,954,358.39
								-
	TOTAL	46,018,087.38	2,053,927.83	523,272.62	33,431,205.24	40,509,338.20	1,886,381.55	124,422,212.82

DEDUCTIONS AT SOURCE - (₦70,311,550.76)

This represents deductions made at source by the FAAC Allocation Committee against **Odukpani** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Odukpani** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		₦
101000	TAXES	-
102000	RATES	485,000.00
103000	LOCAL LICENCE FEES	30,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	3,193,000.00
105000	RENT ON GOVERNMENT PROPERTY	-
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	11,024,296.93
	TOTAL	14,732,296.93

Note 3**CAPITAL RECEIPTS – ₦547,938,738.45**

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

Note 4**Employees Benefit**

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

SALARIES, WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	17,820,000.00
2	Primary Health Care Salaries	183,853,256.39
3	Non-Pensionable Allowances	181,055,438.72
4	Council Staff Salaries	187,437,613.17
5	Political Office Holders	76,217,125.44
6	Pension Allowances	396,980,683.59
7	SUBEB - Teacher's Salaries	678,500,746.97
	TOTAL	1,721,864,858.28

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTHS	TRC	PHC	NPA	COUNCIL STAFF	POL. OFFICE HOLDERS	PENSION	SUBEB	TOTAL
JANUARY	1,485,000.00	15,462,907.67	22,750,000.00	15,730,232.26	6,607,552.16	32,593,082.27	57,298,923.12	151,927,697.48
FEBRUARY	1,485,000.00	15,308,213.52	22,750,000.00	15,686,987.47	6,607,552.16	32,454,987.86	57,251,900.78	151,544,641.79
MARCH	1,485,000.00	15,308,213.52	22,750,000.00	15,686,987.47	6,095,302.08	32,584,258.27	56,999,441.73	150,909,203.07
APRIL	1,485,000.00	15,308,213.52	22,750,000.00	15,624,535.42	6,095,302.08	32,584,258.27	56,600,160.78	150,447,470.07
MAY	1,485,000.00	15,308,213.52		15,578,229.04	6,351,427.12	35,494,820.06	56,519,883.01	130,737,572.75
JUNE	1,485,000.00	15,308,213.52		15,527,106.29	6,351,427.12	32,552,266.18	56,445,443.73	127,669,456.84
JULY	1,485,000.00	15,308,213.52	22,750,000.00	15,527,106.29	6,351,427.12	32,842,946.05	56,488,360.32	150,753,053.30
AUGUST	1,485,000.00	15,308,213.52	22,750,000.00	15,527,106.29	6,351,427.12	32,842,946.05	56,387,373.08	150,652,066.06
SEPTEMBER	1,485,000.00	15,308,213.52	22,750,000.00	15,637,330.66	6,351,427.12	32,874,938.14	56,205,023.19	150,611,932.63
OCTOBER	1,485,000.00	15,308,213.52	-	15,637,330.66	6,351,427.12	33,018,038.14	56,291,010.41	128,091,019.85
NOVEMBER	1,485,000.00	15,308,213.52		15,637,330.66	6,351,427.12	33,569,071.15	56,006,610.41	128,357,652.86
DECEMBER	1,485,000.00	15,308,213.52	21,805,438.72	15,637,330.66	6,351,427.12	33,569,071.15	56,006,610.41	150,163,091.58
	17,820,000.00	183,853,256.39	181,055,438.72	187,437,613.17	76,217,125.44	396,980,683.59	678,500,746.97	1,721,864,858.28

Note 5

General and Admin Expenses (OVERHEAD COST)

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

CODE	DETAILS	TOTAL OPERATING EXPENSES 2021
		N
431200	TRAVEL & TRANSPORT	4,222,000.00
431300	UTILITIES	114,000.00
431400	MATERIALS & SUPPLIES	593,000.00
431500	MAINTENANCE, REPAIRS & SERVICES	1,282,000.00
431600	TRAINING & STAFF DEVELOPMENT	160,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	6,172,000.00
431800	FINANCE EXPENSES	555,690.04
431900	ENTERTAINMENT & HOSPITALITY	5,462,000.00
432100	OTHER SERVICES	106,851,506.99
432200	GRANTS, CONTRIBUTION, SUBVENTION AND SUBSCRIPTION	-
115000	CONSOLIDATED REVENUE FUND CHARGES	43,500,000.00
	TOTAL	168,918,197.03

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	21,875,782.02
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	196,882,038.14
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	109,378,910.07
4	JOINT SECURITY OPERATIONS 2.5%	54,689,455.04
5	JOINT SOCIAL WELFARE 2.5%	54,689,455.04
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	10,937,891.00
7	SPORT DEVELOPMENT 1%	21,875,782.02
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	54,689,455.04
9	CRHA OVERSIGHT FUNCTION 0.5%	10,937,891.00
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	10,937,891.00
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	87,503,128.06
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	21,875,782.02
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	21,875,782.02
	TOTAL	678,149,242.47

Note 7**Property, Plant and Equipment**

During the year under review, the Odukpani LGC spent a total sum of ₦198.6m on Purchase and Construction of PPE (Property, Plant and Equipment).

Property, Plant and Equipment	₦
Social Services	16,822,000.00
Environmental & Regional Development	49,640,000.00
General Administration	132,203,332.00
Total	198,665,332.00

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8. Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Odukpani Local Government Council Cash Books as at 31st December 2021.

S/N	NAME OF BANK	AMOUNT (₦)
1	ZENITH BANK – SALARY & OVERHEAD	12,725,881.40
2	ZENITH BANK – CAPITAL ACCOUNT II	259,546.50
3	ZENITH BANK – LG ACCOUNT	43,965.94
4	FIRST BANK – SALARY & OVERHEAD	224,660.95
5	FIRST BANK – CAPITAL ACCOUNT	604,681.05
6	FIRST BANK – CAPITAL ACCOUNT	7,630,127.21
7	FIRST BANK – SALARY & OVERHEAD	52,921,461.46
8	EKONDO BANK ACCOUNT I	-
9	EKONDO BANK ACCOUNT II	5,150.00
10	EKONDO BANK HEAD OFFICE	1,865.37
11	EKONDO BANK - SAL /OVERHEAD	8,224.67
12	FIDELITY BANL SAL/OVERHEAD	93,332.33
	SUB TOTAL	74,518,986.88
	CASH IN HAND	-
	GRAND TOTAL	74,518,896.88

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	-
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
	TOTAL AS IN CASHFLOW STATEMENT	12,000,000.00
	Balance carried forward as at 31 Dec 2021	141,737,722.93

Note 12:**UNREMITTED DEDUCTIONS**

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Opening Balance B/F 01-01-2021	522,113,293.08
ADD: Deductions during the year	678,149,242.47
	1,200,262,535.55
LESS: Actual remittances during the year	323,206,962.26
Balance Outstanding 31-12-2021	877,055,573.29

Note 13**SHORT TERM LOANS AND DEBTS**

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

DETAILS	AMOUNT
SHORT TERM LOANS BFWD 01-01-2021	303,561.23
ADDITION DURING THE YEAR (EKONDO BANK OVERDRAFT)	1,081,672.45
TOTAL	1,385,233.68

Note 14**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 15**Equity**

Equity/Total	2021		2020	
Details	Reserve	Accumulated	Reserve	Accumulated
Accumulated	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	544,838,320.13	156,967,732.26	105,863,108.66
changes for the	12,000,000.00	245,336,392.07	25,277,777.78	167,621,853.88
Adjustment to	-	(366,942,279.93)	0	271,353,357.90
Total Equity	194,245,510.04	<u>423,232,432.27</u>	<u>182,245,510.04</u>	<u>544,838,320.44</u>

Note 16**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 17**Deposits- ₦960,000.00**

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

Note 18**CROSS RIVER STATE GOVERNMENT LOAN TO COUNCILLORS**

Councilors in Odukpani Local Government obtained the sum of ~~N~~48,000,000.00 from the council

TOTAL LOAN	48,000,000.00
AMOUNT REPAYED	(12,600,000.00)
BALANCE	35,400,000.00

OGOJA LOCAL GOVERNMENT COUNCIL
FINANCIAL STATEMENTS AND
DISCLOSURES

OGOJA LOCAL GOVERNMENT, OGOJA

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Ogoja Local Government Council found on pages 387-389 have been examined under my direction, which have been prepared under the accounting policies set out on pages 381-386.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Ogoja Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

OGOJA LOCAL GOVERNMENT, OGOJA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

In our opinion, these financial statements fairly reflect the financial position of Ogoja Local Government as at 31st December 2021 and its operations for the period ended on that date.

.....
HON. EMMANUEL ISHABOR
CHAIRMAN

30th June 2022
.....
DATE

.....
MR. FRIDAY ADAY
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Ogoja Local Government Council,
OGOJA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OGOJA LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 387 to 389 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Ogoja Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



OGOJA LOCAL GOVERNMENT, OGOJA
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	165,090,097.07	326,998,905.84
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		826,475,322.62	861,093,680.43
Non-Current Assets			
Investment	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment	8	1,068,703,116.70	403,225,057.45
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		1,369,319,564.30	691,841,505.05
Total Asset (A)		2,195,794,886.92	1,552,935,185.48
Current Liabilities			
Deposits	17	10,000,487.51	36,550,487.51
Short Term Loans & Debts	13	-	0.00
Unremitted Deductions	12	848,204,040.49	582,847,959.56
Payables (Unremitted Taxes)		4,901,443.81	8,513,943.81
Total Current Liabilities		863,105,971.81	628,215,952.11
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	14	73,680,797.86	73,680,797.86
Councilor's Loan	14B	26,550,000.0	-
Total Non-Current Liabilities		100,230,797.86	73,680,797.86
Total Liabilities (B)		963,336,769.67	701,896,749.97
Net Asset (A - B)		<u>1,232,458,117.25</u>	<u>851,341,996.74</u>
NET ASSET AND EQUITY			
Reserve Fund	15	305,678,586.67	182,245,510.04
Accumulated Surplus/(Deficit)	15	926,779,530.58	669,096,486.70
Net Assets		<u>1,232,458,117.25</u>	<u>851,341,996.74</u>

OGOJA LOCAL GOVERNMENT, OGOJA

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,145,526,221.38	1,881,580,739.95
Internally Generated Revenue	2	16,479,638.89	13,797,471.06
Other Capital Receipts (Redistribution)	3	1,080,852,379.90	227,423,537.93
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>3,370,148,691.13</u>	<u>2,214,945,396.22</u>
Expenditures			
Employees Benefits	4	1,892,759,250.78	1,741,859,971.59
General and Admin Expenses (Overhead)	5	47,059,319.56	28,746,604.90
Transfer to Other Government Entities	6	665,113,128.62	583,512,152.07
Total Operating Expenses		<u>2,604,931,698.96</u>	<u>2,354,118,728.56</u>
Excess/(Deficit) of Revenue over Expenditures		<u>765,216,992.17</u>	<u>(139,173,332.34)</u>
Non-Cash Movement			
Depreciation of PP&E	8	78,422,284.99	22,742,353.79
Net Surplus/(Deficit)		<u>686,794,707.18</u>	<u>(161,915,686.14)</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	669,096,486.70	182,245,510.04	851,341,996.74
Changes for the Year	686,794,707.18	123,433,076.63	810,227,783.81
Transfer to/(from) changes in Net Assets	(429,111,663.30)	-	(429,111,663.30)
Balance as at 31st December 2021.	<u>926,779,530.58</u>	<u>305,678,586.67</u>	<u>1,232,458,117.25</u>
Balance as at 1 January 2020		182,245,510.04	182,245,510.04
Changes for the Year	(161,915,686.14)	-	(161,915,686.14)
Transfer to/(from) changes in Net Assets	831,021,172.84	-	831,021,172.84
Balance as at 31st December 2020.	<u>669,096,486.70</u>	<u>182,245,510.04</u>	<u>851,341,996.74</u>

OGOJA LOCAL GOVERNMENT, OGOJA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,391,997,881.61	1,271,622,745.58
Government Share of VAT	1	631,659,937.20	491,645,025.88
Share of Exchange Gain Difference	1	7,886,974.58	38,923,814.00
Other Revenue	1	184,292,978.76	114,454,606.41
Internally Generated Revenue	2	16,479,638.89	13,797,471.06
Capital Receipts	3	1,080,852,379.90	227,423,537.93
Total Inflows from Operating Activities		3,313,169,790.94	1,930,443,662.93
Outflows:			
Employees' Benefits	4	1,892,759,250.78	1,741,859,971.59
Admin (Overhead) Cost	5	47,059,319.56	28,746,604.90
Deductions at Source		70,311,550.77	35,065,451.92
Statutory Deductions	6	665,113,128.62	583,512,152.07
JAAC Charges		-	0.00
Total Outflows from Operating Activities		2,675,243,249.73	2,389,184,180.48
Net Cashflow from Operating Activities		<u>637,926,541.21</u>	<u>(458,740,517.55)</u>
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	784,222,849.98	(227,423,537.39)
Investment	11	12,000,000.00	
Net Cashflow from Investing Activities		<u>(796,222,849.98)</u>	<u>(227,423,537.93)</u>
Cash Flow from Financing Activities			
Deposits Received		-	30,743,234.73
Deposits Remitted		(26,550,000.00)	0.00
Taxes Received		550,000.00	8,513,943.81
Tax Remitted		(4,162,500.00)	0.00
CRSG loan to councilors		36,000,000.00	
Loan repayment to councilors		(9,450,000.00)	
Loan Repayment			(250,000,000.00)
Net Cash Flow from Financing Activities		<u>(3,612,500.00)</u>	<u>(210,742,821.46)</u>
Net Cash Flow from All Activities		<u>(161,908,808.77)</u>	<u>(896,906,876.94)</u>
Cash and its Equivalent as at 01/01		326,998,905.84	3,590,420.37
Adjustment			1,220,315,362.41
Cash and its Equivalent as at 31 Dec 2021		<u>165,090,097.07</u>	<u>326,998,905.84</u>

OGOJA LOCAL GOVERNMENT, OGOJA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,997,326,625.00	2,145,526,221.38	148,199,596.38
Internally Generated Revenue	95,193,119.00	16,479,638.89	(78,713,480.11)
Redistribution	-	1,080,852,379.90	1,080,852,379.90
Cross River State Government Loan	-	0.00	
Total Receipts	2,092,519,744.00	3,242,858,240.17	1,150,338,496.17
PAYMENTS			
Employees Benefits	2,360,414,793.00	1,892,759,250.78	467,655,542.22
Statutory Deductions	848,373,505.00	665,113,128.62	183,260,376.38
Overhead / Operating Expenditure	82,703,577.00	47,059,319.56	35,644,257.44
Purchase/Construction of PPE	7,495,009,225.00	784,222,849.98	6,710,786,375.02
Total Payments	10,786,501,100.00	3,389,154,548.94	7,397,346,551.06
NET SURPLUS (DEFICIT)	(8,693,981,356)	(146,296,308.77)	(6,247,008,054.89)

NOTES TO THE FINANCIAL STATEMENTS

Note 1.

Revenues

GROSS STATUTORY ALLOCATION)

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

	₦
Statutory Allocation	2,145,526,221.38
Internally Generated Revenue	16,479,638.89
Capital Receipts/Redistribution	1,080,852,379.90
Unremitted 10% State IGR	<u>127,290,450.96</u>
	<u>3,370,148,691.13</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	102,950,182.78	52,820,932.87	-	-	(58,259.97)	155,712,855.68
2	FEB.	100,506,817.63	52,429,313.10	-	4,740,858.21	(13,312,426.79)	144,364,562.15
3	MARCH	96,991,681.65	60,998,529.98	697,587.66	10,731,238.79	(6,685,343.38)	162,733,694.70
4	APRIL	107,763,824.33	61,276,258.51	512,105.52	8,483,396.48	(6,685,343.38)	171,344,241.46
5	MAY	92,205,619.49	61,146,143.02	391,306.59	23,025,536.73	(6,685,343.38)	170,083,256.45
6	JUNE	143,886,610.92	52,136,565.80	867,739.79	4,142,070.22	(6,685,343.38)	194,347,643.35
7	JULY	156,637,596.14	50,217,266.48	554,817.70	4,386,707.89	(10,968,817.40)	200,827,570.81
8	AUG.	124,415,677.56	59,901,135.45	649,983.41	14,986,097.53	(9,228,647.07)	190,724,746.88
9	SEPT.	137,926,149.10	57,609,854.36	700,558.26	2,027,496.18	(3,460,295.04)	194,803,762.85
10	OCT.	90,160,855.44	55,770,752.98	728,269.96	40,758,486.45	(2,199,996.98)	185,218,367.85
11	NOV.	115,159,298.48	661,159,740.90	947,850.07	3,532,974.75	(2,199,996.98)	183,599,867.22
12	DEC.	123,393,568.09	1,198,943.75	1,836,761.62	67,478,115.53	(2,141,737.01)	191,765,651.98
	TOTAL	1,391,997,881.61	631,659,937.20	7,886,974.58	184,292,978.76	(70,311,550.77)	2,145,526,221.38

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Ogoja** Local Government Council for the year ended 31st December 2021.

MONTH	Share of Forex Equalization Account	Ecology fund	Share of Solid Minerals	Augmentation	Distribution from Non Oil Revenue	SHARE OF EXCESS BANK CHARGES	TOTAL
JAN.		-			-	-	-
FEB.	1,930,339.81	2,677,725.70			-	132,792.70	4,740,858.21
MARCH		2,961,100.00			7,770,138.79		10,731,238.79
APRIL		3,206,038.37			5,132,938.29	144,419.82	8,483,396.48
MAY		3,169,492.07	1,772,875.05	12,950,231.32	5,132,938.29		23,025,536.73
JUNE		4,142,070.22					4,142,070.22
JULY		4,386,767.89					4,386,707.89
AUG.		1,931,590.29			12,950,231.32	104,275.92	14,986,097.53
SEPT.		2,027,496.18					2,027,496.18
OCT.		1,907,792.48		25,900,462.65	12,950,231.32		40,758,486.45
NOV.		3,420,586.20				112,388.55	3,532,974.75
DEC.		67,478,115.53					67,478,115.53
TOTAL	1,930,339.81	97,308,714.93	1,772,875.05	38,850,693.97	43,936,478.01	493,876.99	184,292,978.76

DEDUCTIONS AT SOURCE - (N70,311,550.77)

This represents deductions made at source by the FAAC Allocation Committee against **Ogoja** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of **Ogoja** Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
101000	TAXES	-
102000	RATES	2,796,000.00
103000	LOCAL LICENCE FEES	5,792,700.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	6,765,250.00
105000	RENT ON GOVERNMENT PROPERTY	178,800.00
106000	INTEREST ON DIVIDENDS	-
107000	RE-INBURSEMENT	-
108000	MISCELLANEOUS	946,888.89
	TOTAL	16,479,638.89

MONTH	102000	103000	104000	105000	108000	TOTAL(N)
JANUARY		1,378,000.00	255,650.00	-	148,888.89	1,782,538.89
FEBRUARY		30,000.00	446,900.00	11,800.00	135,000.00	623,700.00
MARCH	650,000.00	638,000.00	508,000.00	51,000.00	180,000.00	2,027,000.00
APRIL	450,000.00	676,000.00	736,500.00	-	-	1,862,500.00
MAY	1,696,000.00	513,000.00	639,500.00	-	-	2,848,500.00
JUNE	-	713,700.00	397,700.00	72,000.00	30,000.00	1,213,400.00
JULY	-	700,000.00	417,000.00	44,000.00	30,000.00	1,191,000.00
AUGUST	-	40,000.00	647,500.00	-	45,000.00	732,500.00
SEPTEMBER	-	157,000.00	574,500.00	-	30,000.00	761,500.00
OCTOBER	-	345,000.00	772,000.00	-	-	1,117,000.00
NOVEMBER	-	109,000.00	177,500.00	-	40,000.00	326,500.00
DECEMBER	-	493,000.00	1,192,500.00	-	308,000.00	1,993,000.00
TOTAL	2,796,000.00	5,792,700.00	6,765,250.00	178,800.00	946,888.89	16,479,038.89

Note 3**CAPITAL RECEIPTS/REDISTRIBUTION – ₦1,080,852,379.90**

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

Note 4**Employees Benefit**

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

EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	33,750,000.00
2	Primary Health Care Salaries	255,056,672.47
3	Non-Pensionable Allowances	170,430,000.00
4	Council Staff Salaries	261,868,860.64
5	Political Office Holders	70,577,912.40
6	Pension Allowances	417,726,099.41
7	SUBEB - Teacher's Salaries	683,349,705.86
	TOTAL	1,892,759,250.78

MONTH	STAFF SALARIES	T.R.C	PHCDA	NPA	SUBEB	PENSION	POLITICAL OFFICE HOLDERS	MONTHLY TOTAL
JANUARY	22,151,891.5	2,812,500.00	21,477,381.36	19,210,000.00	57,642,286.69	34,658,768.64	5,973,489.59	163,926,317.78
FEBRUARY	22,064,779.27	2,812,500.00	21,477,381.36	19,270,000.00	57,642,286.69	34,432,328.31	5,973,489.59	163,672,765.22
MARCH	21,831,435.87	2,812,500.00	21,305,667.63	19,270,000.00	57,361,874.75	34,432,328.31	5,850,827.07	162,864,633.63
APRIL	21,831,435.87	2,812,500.00	21,305,667.63	19,270,000.00	57,128,129.93	34,432,328.31	5,850,827.07	162,630,888.81
MAY	21,831,435.87	2,812,500.00	21,305,667.63	-	57,008,919.41	34,971,616.84	5,850,827.07	143,780,966.82
JUNE	21,787,510.18	2,812,500.00	21,305,667.00	-	56,862,908.68	35,144,017.64	5,850,827.07	143,763,431.20
JULY	22,151,891.5	2,812,500.00	21,477,381.00	19,210,000.00	57,642,286.69	34,658,768.64	5,973,489.59	162,926,317.78
AUGUST	21,787,510.18	2,812,500.00	21,141,985.27	18,270,000.00	56,647,364.30	35,232,488.60	5,850,827.07	161,562,675.42
SEPTEMBER	21,787,510.18	2,812,500.00	21,064,968.15	18,270,000.00	56,647,364.30	35,232,488.60	5,850,827.07	161,485,658.30
OCTOBER	21,671,824.54	2,812,500.00	21,064,968.15	-	56,741,264.30	35,411,288.60	5,850,827.07	143,552,672.66
NOVEMBER	21,485,817.84	2,812,500.00	21,064,968.15	20,390,000.00	56,378,409.71	35,550,605.77	5,850,827.07	163,533,128.54
DECEMBER	21,485,817.84	2,812,500.00	21,064,968.15	18,270,000.00	56,006,610.41	33,569,071.15	5,850,827.07	159,059,794.625
TOTAL	261,868,860.64	33,750,000.00	255,056,672.47	170,430,000.00	683,349,705.86	417,726,099.41	70,557,912.40	1,892,759,250.78

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)	₦
DETAILS	
431200 TRANSPORT & TRAVEL	5,292,888.89
431400 MATERIALS & SUPPLIES	7,041,700.00
431500 MAINTENANCE REPAIRS & SERVICES	2,567,100.00
431600 TRAINING & STAFF DEVELOPMENT	53,000.00
431900 ENTERTAINMENT & HOSPITALITY	7,544,500.00
432100 OTHER SERVICES	23,135,000.00
115000 CONSOLIDATION REV. FUND CHARGES	-
431800 FINANCE EXPENSES	60,130.67
431300 UTILITIES	-
431700 CONSULTANCY & PROFESSIONAL SERV.	1,365,000.00
TOTAL	47,059,319.56

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	21,455,262.21
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	193,097,359.93
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	107,276,311.07
4	JOINT SECURITY OPERATIONS 2.5%	53,638,155.53
5	JOINT SOCIAL WELFARE 2.5%	53,638,155.53
6	BORDER COMMUNITY DEVELOPMENT FUND 0.5%	10,727,631.11
7	SPORT DEVELOPMENT 1%	21,455,262.21
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	53,638,155.53
9	CRHA OVERSIGHT FUNCTION 0.5%	10,727,631.11
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	10,727,631.11
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	85,821,048.86
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	21,455,262.21
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	21,455,262.21
	TOTAL	665,113,128.62

Note 7**Property, Plant and Equipment**

During the year under review, the Ogoja LGC spent a total sum of ₦784.2m on Purchase and Construction of PPE (Property, Plant and Equipment).

HEAD	DETAILS	ACTUAL PAID BY COUNCIL
	ECONOMIC SECTOR	
11000	AGRICULTURE	7,021,000.00
12000	LIVESTOCK VETERINARY	32,751,875.00
16000	ENERGY (FUEL & POWER)	90,760,914.13
17000	COMMERCE & FINANCE	55,026,970.49
18000	TRANSPORT (ROAD & BRIDGES)	170,629,195.46
19000	CULTURE & TOURISM	26,860,000.00
	SUB TOTAL	383,049,954.95
	SOCIAL SERVICE SECTOR	
21000	EDUCATION	18,068,923.05
22000	HEALTH	7,044,000.00
23000	INFORMATION & COMM. TECHNOLOGY	8,833,333.33
24000	SOCIAL DEV. YOUTH & SPORTS	76,719,934.19
	SUB TOTAL	110,666,190.57
	ENVIRONMENTAL & REG. DEVELOPMENT	
31000	WATER SUPPLY	3,000,000.00
33000	HOUSING	8,950,000.00
35000	ENVIRONMENT & REFUSE DISPOSAL	33,113,665.42
	SUB TOTAL	45,063,665.42
	GENERAL ADMINISTRATION	245,443,038.91
	GRAND TOTAL	784,222,849.98

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

PROPERTY, PLANT AND EQUIPMENT												
	Building	Plants & Machinery	Motor Vehicle	IT & Office Equipment	Furniture & Fittings	Intangible Assets	Bridges	Road	Traffic Light	Streetlights	Drainages	Total
Cost	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
	2%	5%	25%	25%	10%	25%	2%	5%	5%	10%	5%	
As at 1/1/2021												403,225,057.45
Additions												784,222,849.98
Disposal	-	-	--	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/12/2021 (A)	-	-	-	-	-	-	-	-	-	-	-	<u>1,187,447,907.43</u>
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
As at 1/1/2020		-	-	-	-	-	-		-	-	-	40,322,505.74
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	78,422,284.99
Disposals	-	-	-	-	-	-	-	-	-	-	-	
Adjustments												
As at 31/12/2021 (B)	-	-	-	-	-	-	-	-	-	-	-	118,744,790.73
Net Book Value (A-B)	-	-	-	-	-	-	-	-	-	-	-	<u>1,068,703,116.70</u>

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Ogoja Local Government Council Cash Books as at 31st December 2021.

S/N	DETAILS	ACCOUNT TYPE	AMOUNT
			N
1	ECO BANK	SALARY	43.74
2	ECO BANK	CHIEFTANCY	1087.60
3	ECO BANK	REVENUE	34,518.86
4	FIRST BANK NIG. PLC	SALARY	17,586.69
5	ZENITH BANK	SALARY	19,127,954.84
6	FIRST BANK	REVENUE	1,047.95
7	ECO BANK	CAPITAL	476,456.42
8	UNION BANK	-	5,071.99
9	ECO BANK	SALARY	6,546.20
10	ZENITH BANK	CAPITAL	44,851,119.52
11	ACCESS BANK	REVENUE	266,163.26
12	ZENITH BANK	CAPITAL	100,000,000.00
	TOTAL CASH AT BANK		164,787,597.07
	TOTAL CASH IN HAND		302,500.00
	CASH AND CASH EQUIVALENT AT		165,090,097.07

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10% OF CRS IGR	127,298,450.96
Remittance for the Period	0.00
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
	TOTAL AS IN CASHFLOW STATEMENT	12,000,000.00
	Balance carried forward as at 31 Dec 2020	141,737,722.93

Note 12:**UNREMITTED DEDUCTIONS**

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

UNREMITTED STATUTORY	AMOUNT (₦)
Balance Brought Forward 01-01-2021	582,847,959.56
ADD: Deductions during the year	677,113,128.62
	1,259,961,088.18
Less: Actual Remittance during the year	411,757,047.69
Balance Outstanding 31-12-2021	848,204,040.49

Note 13

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

DETAILS	AMOUNT(N)
DEPOSITS RECEIVED BFWD 01-01-2021	36,550,487.51
ADDITION DURING THE YEAR	NIL
REMITTANCE DURING YEAR	(26,550,000.00)
FORWARD BALANCE	10,000,487.54

Note 14**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	NIL
BALANCE CARRIED FORWARD	73,680,797.86

NOTE 14**LONG TERM LOAN TO COUNCILLORS**

DETAILS	AMOUNT(N)
LONG TERM LOAN DURING THE YEAR	36,000,000.00
REPAYMENT DURING THE YEAR	(9,450,000.00)
BALANCE CARRIED FORWARD	26,550,000.00

Note 15**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/21	182,245,510.04	669,096,486.70	182,245,510.04	0.00
changes for the year	123,433,076.63	686,794,707.18	0	(161,915,686.14)
Adjustment to Net Asset	0	(429,111,663.30)	0	831,012,172.84
Total Equity	<u>305,678,586.67</u>	<u>926,779,530.58</u>	<u>182,245,510.04</u>	<u>669,096,486.70</u>

Note 16**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 17**PAYABLES**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by Ogoja LGCs as at 31st December 2021

S/N	DETAILS	BALANCE AS AT 01-01-2021	ADDITIONS DURING THE YEAR	REMITTANCES	BALANCE AS AT 31-12-21
1	WITHHOLDING TAX	3,910,584.00	150,000.00	2,081,250.00	1,979,334.00
2	VALUE ADDED TAX	3,910,584.00	225,000.00	2,081,250.00	2,054,334.00
3	1% STAMP DUTY	502,685.80	-	-	502,685.80
4	PAYEE	190,090.00	-	-	190,090.00
5	2% SUPERVISOR FEE	-	60,000.00	-	60,000.00
6	1% LEGAL FEE	-	30,000.00	--	30,000.00
7	OTHERS	-	85,000.00	-	85,000.00
	TOTAL	8,513,943.81	550,000.00	4,162,500.00	4,901,443.81

YAKURR LOCAL GOVERNMENT COUNCIL

FINANCIAL STATEMENTS AND **DISCLOSURES**

YAKURR LOCAL GOVERNMENT, YAKURR

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Yakurr Local Government Council found on pages 409-411 have been examined under my direction, which have been prepared under the accounting policies set out on pages 403-408.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Yakurr Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.

MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

YAKURR LOCAL GOVERNMENT, YAKURR
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

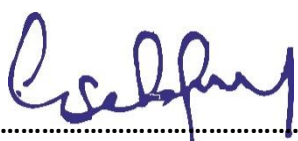
The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately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

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

In our opinion, these financial statements fairly reflect the financial position of Yakurr Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. OFEM EBRI OBETEN
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. GREGORY USUNGISE
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Yakurr Local Government Council,
YAKURR.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF YAKURR LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 409 to 411 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Yakurr Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.


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



YAKURR LOCAL GOVERNMENT, YAKURR
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	71,233,858.53	38,655,187.51
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		732,619,084.08	572,749,962.10
Non-Current Assets			
Investment	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment	7	274,039,979.76	384,379,284.14
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		574,656,427.36	672,995,731.74
Total Asset (A)		1,307,275,511.44	1,245,745,693.84
Current Liabilities			
Deposits	13	100,066,107.78	43,788,803.20
Short Term Loans & Debts	18	35,400,000.00	0.00
Unremitted Deductions	12	216,335,569.61	582,847,959.56
Payables (Unremitted Taxes)	17	13,375,551.75	13,375,551.75
Total Current Liabilities		365,177,229.14	640,012,314.51
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	14	73,680,797.86	73,680,797.86
Total Non-Current Liabilities		73,680,797.86	73,680,797.86
Total Liabilities (B)		438,858,027.00	713,693,112.37
Net Asset (A - B)			
		<u>868,417,524.44</u>	<u>532,052,581.47</u>
NET ASSET AND EQUITY			
Reserve Fund	15	349,807,071.43	182,245,510.04
Accumulated Surplus/(Deficit)	15	518,610,453.01	349,807,071.43
Net Assets		<u>868,417,524.44</u>	<u>532,052,581.47</u>

YAKURR LOCAL GOVERNMENT, YAKURR

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTE	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,119,849,250.84	1,912,418,067.61
Internally Generated Revenue	2	18,288,600.00	16,599,560.00
Other Capital Receipts	3	773,751,191.19	224,923,537.93
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>3,039,179,492.99</u>	<u>2,246,084,812.82</u>
Expenditures			
Employees Benefits	4	1,988,486,151.02	1,736,092,435.64
General and Admin Expenses (Overhead)	5	45,369,965.65	28,746,604.90
Transfer to Other Government Entities	6	334,289,447.08	583,512,152.07
Public Debt Charges			
Total Operating Expenses		2,368,145,563.75	2,348,351,192.61
Excess/(Deficit) of Revenue over Expenditures		671,033,929.24	(102,266,379.79)
Non-Cash Movement			
Depreciation of PP&E	8	27,403,979.98	22,492,353.79
Net Surplus/(Deficit)		<u>643,629,949.26</u>	<u>(124,758,733.59)</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	349,807,071.43	182,245,510.04	532,052,581.47
Changes for the Year	778,272,923.64	(441,907,592.67)	336,384,97
Transfer to/(from) changes in Net Assets	(518,610,453.05)	518,610,453.05	-
Balance as at 31st December 2021.	<u>609,469,552.06</u>	<u>258,947,972.38</u>	<u>868,417,524.44</u>
Balance as at 1 January 2020	(595,162,165.03)	156,967,732.26	(438,194,432.77)
Changes for the Year	(124,758,970.60)	25,277,777.78	(99,480,955.81)
Transfer to/(from) changes in Net Assets	1,069,727,970.05	-	1,069,727,970.05
Balance as at 31st December 2021.	<u>349,807,071.43</u>	<u>182,245,510.04</u>	<u>532,052,581.47</u>

YAKURR LOCAL GOVERNMENT, YAKURR
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,326,896,716.88	1,276,635,770.62
Government Share of VAT	1	733,448,060.59	516,898,201.10
Share of Exchange Gain Difference	1	7,918,066.82	39,077,260.49
Other Revenue	1	121,897,957.33	114,905,812.40
Internally Generated Revenue	2	18,288,600.00	16,599,560.00
Capital Receipts	3	773,751,191.19	224,923,537.93
Total Inflows from Operating Activities		2,982,200,592.81	1,964,116,604.61
Outflows			
Employees' Benefits	4	1,988,486,151.02	1,736,092,435.64
Admin (Overhead) Cost	5	45,369,965.65	28,746,604.90
Deductions at Source	1	70,311,550.77	35,098,977.00
Statutory Deductions	6	573,924,924.67	583,512,152.07
JAAC Charges			0.00
Total Outflows from Operating Activities		2,678,092,592.11	2,383,450,169.61
Net Cashflow from Operating Activities		<u>304,108,000.70</u>	<u>(419,333,565.00)</u>
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	(274,039,979.76)	(224,923,537.93)
Net Cashflow from Investing Activities		<u>(286,039,979.76)</u>	<u>(224,923,537.93)</u>
Cash flow From Financing Activities			
Deposits Received		56,277,304.58	0.00
Deposits Remitted		48,000,000.00	0.00
Taxes Received		0.00	0.00
Tax Remitted		0.00	0.00
Loan Repayment	10	(12,600,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		<u>91,677,304.58</u>	<u>(250,000,000.00)</u>
Net Cash Flow from All Activities		<u>109,745,325.52</u>	<u>(894,257,102.92)</u>
Cash and its Equivalent as at 01/01		36,516,496.01	(365,858,678.25)
Adjustment		(75,027,963.00)	1,298,770,068.69
Cash and its Equivalent as at 31 Dec 2021		<u>71,233,858.53</u>	<u>38,655,187.51</u>

YAKURR LOCAL GOVERNMENT, YAKURR
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2021

	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS			
Gross Statutory Allocation	2,458,932,890.00	2,119,849,250.84	339,083,639.16
Internally Generated Revenue	62,183,000.00	18,288,600.00	43,894,400.00
Capital Receipts	1,949,374,863.00	907,905,175.52	1,041,469,087.48
Cross River State Government Loan	-		-
Total Receipts	4,470,490,753.00	3,144,865,315.28	1,325,625,437.72
PAYMENTS			-
Employees Benefits	1,407,327,500.00	1,988,486,151.02	(581,158,651.02)
Statutory Deductions	953,100,751.00	334,289,447.08	618,811,303.92
Overhead / Operating Expenditure	120,000,000.00	45,369,965.65	74,630,034.35
Purchase/Construction of PPE	6,028,844,417.00	274,039,979.76	5,754,804,437.24
Total Payments	8,509,272,668.00	2,596,815,577.86	5,792,531,720.49
NET SURPLUS (DEFICIT)	(4,038,781,915)		

YAKURR LOCAL GOVERNMENT, YAKURR
ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL
STATEMENTS

i. Reporting Entities

Yakurr local government area is situated in Cross River state, South-south geopolitical zone of Nigeria. The headquarters of the LGA are in the town of Ugep and the LGA shares boundaries with the Biase, Abi, Obubra, and Akamkpa LGAs. Towns and villages that make up Yakurr LGA include Ugep, Mkpani, Nko, Inyima, Ekorì, Idomi, AgoiEfreke, Ibami Assign, and Ntan. The estimated population of Yakurr LGA is put at 195,338 inhabitants with the area predominantly occupied by members of the Yako ethnic group. The Lokaa language is commonly spoken in the LGA. Prominent traditional rulers in Yakurr LGA include the Obol Lapon of Ugep while the festivals held in the area include the Leboku and the New Yam festivals. Notable landmarks in Yakurr LGA include the Ekorì cave.

ii. Basis of Preparation – Statement of Compliance

This Financial Statements have been prepared in accordance with International Public Sector Accounting Standards (IPSAS) as required and in accordance with the Cross River State Local Government Law (2007) as amended. The Council's Accounting Framework focuses on reporting on budgetary activities of the government for the year under review.

The Financial Statements are presented in Naira (₦), which is the functional and reporting currency of the LG. The accounting policies have been consistently applied.

iii. Accounting Period

The accounting year to which the Financial Statements relate is from 1st January to 31st December.

iv. Relevant Standards and Policies

The Council follows the Standards of accounting and financial reporting as prescribed by the International Public Sector Accounting Standards (IPSAS) and the Financial Reporting Council of Nigeria, established under the FRC Act, 2011.

v. Allocation of Expenses

Expenses are allocated between government program and supporting services directly or on the basis of time records and utilization estimated made by the Council's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Council.

vi. Revenue Recognition

Revenues are recognized when earned but not when cash is received and measured at fair value. Those amounts collected as an agent of government or on behalf of third parties are not considered as revenue. Revenues include taxes, levies, fees, fines, rent on property, interests and other earnings from commercial activities.

vii. Investment Property

This is dividend income expected from the 18 LGCs investments in certain State Enterprises such as Tinapa Resort, Obudu Resort, Cross River Micro Finance bank and Cally Air. This income is recognized when CRSG's right to receive payment is established. Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time that the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition. The Council did not acquire investment properties during the year under review.

viii. Property, Plant and Equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the Council recognizes such parts as individual assets with specific useful lives and depreciated them accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the PP&E as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. When asset is acquired in a non-exchange transaction for nil or nominal consideration, the asset is initially measured at its fair value.

ix. Depreciation and Amortization

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at a flat rate of 10% of all assets at adoption of IPSAS accrual to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life.

x. Cash and cash equivalents

Cash and cash equipment comprise cash at hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

xi. Inventory

Inventories are stated at the lower of cost and net realizable value. Net realizable value is the estimated selling. Price in the ordinary course of business, less any applicable completion and selling expenses. When inventories are held for distribution at no charge or for a nominal charge, they're measured at the lower of cost and current replacement cost. Current replacement cost is the cost the CRSG LGAs will incur to acquire the asset at the reporting date.

xii. Interest Received

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

xiii. Loans

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

xiv. Loan Repayments

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

xv. Interest on Loans

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

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. Investments

These are valued at cost except for Government Stock, Treasury Bills and Certificates of Deposit, which are valued at face value, which is not materially different from cost. Revenue and expenses in relation to all investments are recognized in the Statement of Financial Performance.

xviii. Leases

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

xix. Other Borrowings

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

xx. Deposits

Deposits are amounts received in advance in respect of goods or services provided. Deposits can represent payments received early in the year for goods/services to be offered in the latter part of the year, or payments received in one year for services to be offered in subsequent years. Deposits for which the services are to be offered in the following 12 months shall be classified as Current Liabilities, where the services are expected to span beyond the next 12 months shall be classified as Non-current Liabilities.

xxi. Employee Benefits

Provision has been made, where applicable using an actuarial valuation or retirement gratuities. The actuarial valuation determines the extent of anticipated entitlements payable under employment contracts and brings to account a liability. Using the present value measurement basis, which discounts expected future cash outflows. To the extent that it is anticipated that the liability will arise during the following year the entitlements are recorded as Current Liabilities. The remainder of the anticipated entitlements are recorded as Non-Current Liabilities.

xxii. **Unremitted Deductions**

Unremitted Deductions are monies owed to third parties such as statutory deductions owed to certain State government agencies. These amounts shall be stated in the GPFS at their repayment value, which shall be treated as Current Liabilities in the Statement of Financial Position.

Key to Abbreviations

- LGAC - Local Government Area Council
- FAAC - Federation Account Allocation Committee
- VAT - Value Added Tax
- IGR - Internally Generated Revenue
- GAAP - Generally Accepted Accounting Principles
- GPFS - General Purpose Financial Statements
- IPSAS - International Public Sector Accounting Standards
- PPE - Property, Plant and Equipment
- JAAC - Joint Account Allocation Committee
- CRSG - Cross River State Government

YAKURR LOCAL GOVERNMENT, YAKURR
ACCOUNTING POLICIES AND NOTES TO THE FINANCIAL
STATEMENTS

Note 1**Revenues****GROSS STATUTORY ALLOCATION)**

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

	₦
Statutory Allocation	2,119,849,250.84
Internally Generated Revenue	18,288,600.00
Other Capital Receipts	773,751,191.19
Unremitted 10% State IGR	<u>127,290,450.96</u>
	<u>3,039,179,492.99</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	103,297,546.08	55,515,757.25	-		(58,259.97)	158,755,043.36
2	FEB.	87,538,130.89	55,123,715.54	-	4,759,547.74	(13,312,426.79)	134,108,967.38
3	MARCH	90,662,346.32	64,110,559.95	700,337.71	11,139,329.94	(6,685,343.38)	159,927,230.55
4	APRIL	101,476,955.23	64,296,621.54	514,124.36	8,516,839.95	(6,685,343.38)	168,119,197.70
5	MAY	85,857,415.42	64,247,312.48	392,843.19	23,725,952.24	(6,685,343.38)	167,538,179.95
6	JUNE	137,742,146.03	54,781,961.22	871,160.62	4,158,399.19	(6,685,343.38)	190,868,323.68
7	JULY	146,243,038.08	54,805,619.27	557,004.91	4,404,001.28	(10,968,817.40)	193,040,845.14
8	AUG.	115,641,123.87	62,957,703.92	652,545.80	15,659,728.64	(9,228,647.07)	185,682,455.16
9	SEPT.	134,995,948.92	60,539,636.00	703,320.01	2,035,489.03	(3,460,295.98)	194,814,098.91
10	OCT.	88,307,620.10	58,616,071.62	731,140.96	42,748,096.54	(2,199,996.98)	188,202,932.24
11	NOV.	113,404,612.67	69,523,807.28	951,586.71	3,546,902.53	(2,199,996.98)	185,226,912.21
12	DEC.	121,729,833.27	70,929,295.52	1,844,002.55	1,203,870.25	(2,141,737.01)	193,565,064.60
	TOTAL	1,326,896,716.88	733,448,060.59	7,918,066.82	121,897,957.32	(70,311,550.77)	2,119,849,250.84

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Yakurr** Local Government Council for the year ended 31st December 2021.

ONTH	Ecology	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	Augmentation	Share of Mineral Oil Revenue	TOTAL
JAN.							
FEB.	2,688,281.90	1,937,949.65	133,316.19				4,759,547.74
MARCH	2,972,773.32					8,166,556.62	11,139,329.94
APRIL	3,218,677.30		144,989.15			5,153,173.50	8,516,839.95
MAY	3,181,986.92				13,610,927.70	5,153,173.50	23,725,952.24
JUNE	4,158,399.19			1,779,864.12			4,158,399.19
JULY	4,404,001.28						4,404,001.28
AUG.	1,939,205.06		109,595.88			13,610,927.70	15,659,728.64
SEPT.	2,035,489.03						2,035,489.03
OCT.	1,915,313.43				27,221,855.41	13,610,927.70	42,748,096.54
NOV.	3,434,070.92		112,831.61				3,546,902.53
DEC.	1,203,670.25						1,203,670.25
TOTAL	31,151,868.60	1,937,949.65	500,732.83	1,779,864.12	40,832,783.11	45,694,759.02	121,897.957.33

DEDUCTIONS AT SOURCE - (₦70,311,550.77)

This represents deductions made at source by the FAAC Allocation Committee against **Yakurr** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Yakurr Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
101000	TAXES	1,019,000.00
102000	RATES	-
103000	LOCAL LICENCE FEES	2,848,050.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	9,779,350.00
105000	RENT ON GOVERNMENT PROPERTY	42,400.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	4,599,800.00
	TOTAL	18,288,600.00

MONTH	101000	102000	103000	104000	105000	108000	TOTAL
JANUARY	-	-	184,500.00	461,000.00	-	159,000.00	804,500.00
FEBRUARY	500,000.00	-	115,000.00	619,600.00	2,400.00	607,500.00	1,844,500.00
MARCH	519,000.00	-	106,050.00	605,850.00	20,000.00	285,500.00	1,536,400.00
APRIL	-	-	1,454,000.00	614,150.00	12,000.00	194,500.00	4,024,650.00
MAY	-	-	150,500.00	860,900.00	-	266,000.00	1,277,400.00
JUNE	-	-	67,000.00	557,200.00	-	410,000.00	1,034,200.00
JULY	-	-	112,500.00	567,650.00	-	125,000.00	805,150.00
AUGUST	-	-	48,000.00	657,000.00	-	257,500.00	962,500.00
SEPTEMBER	-	-	204,000.00	489,000.00	8,000.00	354,800.00	1,055,800.00
OCTOBER	-	-	130,500.00	250,500.00	-	21,000.00	402,000.00
NOVEMBER	-	-	158,500.00	3,233,000.00	-	62,000.00	3,453,500.00
DECEMBER	-	-	117,500.00	863,500.00	-	107,000.00	1,088,000.00
TOTAL	1,019,000.00	-	2,848,050.00	9,779,350.00	42,400.00	4,599,800.00	18,288,600.00

Note 3**CAPITAL RECEIPTS – ₦773,751,191.19**

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

Note 4**Employees Benefit**

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

EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	19,890,000.00
2	Primary Health Care Salaries	263,968,826.52
3	Non-Pensionable Allowances	213,880,000.00
4	Council Staff Salaries	264,735,133.00
5	Political Office Holders	78,089,463.24
6	Pension Allowances	492,714,995.74
7	SUBEB - Teacher's Salaries	655,207,732.52
	TOTAL	1,988,486,151.02

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

ADMIN EXPENSES (OVERHEAD COST)		₦
CODE	DETAILS	
431200	TRAVEL AND TRANSPORT	
431300	UTILITIES	90,000.00
431400	MATERIAL SUPPLIES	2,979,000.00
431500	MAINTENANCE AND REPAIRS	-
431600	TRAINING	6,868,500.00
431700	CONSULTANCY AND PROF.	4,095,000.00
431800	FINANCE EXPENSES	1,601,333.42
431900	ENTERTAINMENT AND HOSPITALITY	
432100	OTHER SERVICES	
TOTAL		45,369,965.65

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT(₦)
1	1% Ministry of Local Government for Administration	6,235,381.26
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	106,401,219.03
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	55,937,242.46
4	JOINT SECURITY OPERATIONS 2.5%	18,447,814.34
5	JOINT SOCIAL WELFARE 2.5%	29,555,593.00
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	5,911,478.52
7	SPORT DEVELOPMENT 1%	9,110,029.42
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	29,555,892.80
9	CRHA OVERSIGHT FUNCTION 0.5%	5,911,478.57
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	2,353,616.57
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	47,289,7992.49
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	9,830,597.50
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	7,749,611.12
	TOTAL	334,289,447.08

Note 7**Property, Plant and Equipment**

During the year under review, the Yakurr LGC spent a total sum of ₦274.03m on Purchase and Construction of PPE (Property, Plant and Equipment).

Property, Plant and Equipment		₦
CODE	DETAILS	
11000	AGRICUTURE	4,407,787.82
17000	COMMERCE AND FINANCE	10,167,469.42
18000	TRANSPORT	38,756,290.42
19000	CULTURE AND TOURISM	7,696,973.00
22000	HEALTH	12,169,000.00
23000	INFORMATION AND COMM.	300,000.00
24000	SOCIAL DEV. YOUTH AND SPORT	24,058,912.22
31000	WATER SUPPLY	1,200,000.00
33000	HOUSING	82,000,000.00
35000	ENVIRONMENT AND REFUSE DISP.	5,550,000.00
40000	GENERAL ADMINISTRATION	87,733,546.93
Total		274,039,979.81

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

[illegible]

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Yakurr Local Government Council Cash Books as at 31st December 2021.

S/N	DETAILS	AMOUNT(N)
1	Zenith Bank capital/project Account	36,480.97
2	First Bank Project Account	50,300,830.62
3	First Bank Revenue Account	92,937.65
4	Zenith Bank Salaries/overhead Account	19,532,555.00
5	First Bank Salaries/overhead Account	1,220,609.29
6	Cash in Hand	50,445.00
	TOTAL	71,233,858.53

Note10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10%	127,290,450.96
Remittance for the Period	0.00
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
	TOTAL AS IN CASHFLOW STATEMENT	12,000,000.00
	Balance carried forward as at 31 Dec 2021	141,737,722.93

Note 12:**UNREMITTED DEDUCTIONS**

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward 01-01-2021	216,335,569.61
Addition for the year	
LESS: Actual Remittance during the year	-
Balance Outstanding 31-12-2021	216,335,569.61

Note 13**Deposits**

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

S/N	DETAILS	BALANCE B/FWD 1/1/2021	CURRENT YEAR ADDITION AS IN CASH FLOW STATEMENT	REMITTANCE DURING THE YEAR	BALANCE AS AT 31/12/2021
		₦	₦	₦	₦
1	5% RETENTION DEPOSIT	12,025,264.87	-	-	12,025,264.87
2	1% STAMP DUTIES	1,082,467.00	-	-	1,082,467.00
3	UNCLAIMED SALARIES	36,681,071.33	-	-	36,681,071.33
4	SALARIES DEPOSITS	22,374,672.59	56,277,304.58	-	78,651,977.17
5	INSPECTION FEE	1,000,000.00	-	-	1,000,000.00
TOTAL		73,163,475.79	56,277,304.58	-	129,440,780.37

Note 14**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	-
BALANCE CARRIED FORWARD	73,680,797.86

Note 15**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
	₦	₦	₦	₦
Accumulated Fund				
Balance as at 1/1/	182,254,510.04	(595,162,165.03)	156,967,732.26	(595,162,165.03)
changes for the year		(124,758,733.59)	25,277,777.78	(124,758,733.59)
Adjustment to Net Asset	0	1,069,727,970.05	0	1,069,727,970.05
Total Equity	182,245,510.04	349,807,071.43	182,254,510.04	349,807,071.43

Note 16**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

NOTE 17**PAYABLES**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Yakurr LGCs as at 31st December 2021.

S/N	DETAILS	BALANCE B/F AS AT JAN. 2021	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31/12/2021
		₦	₦	₦	₦
1	5% CONTRACTORS' TAX	8,128,961.00	-	-	8,128,961.00
2	5% VALUE ADDED TAX (VAT)	5,246,590.75	-	-	5,246,590.75
	TOTAL	13,375,551.75	-	-	13,375,551.75

YALA LOCAL GOVERNMENT COUNCIL
FINANCIAL STATEMENTS AND
DISCLOSURES

YALA LOCAL GOVERNMENT, OKPOMA

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

The Accounts of the Yala Local Government Council found on pages 431-433 have been examined under my direction, which have been prepared under the accounting policies set out on pages 425-430.

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed.

We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Yala Local Government Council as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

YALA LOCAL GOVERNMENT, OKPOMA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

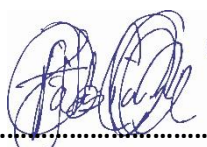
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Yala Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Accrual Basis)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

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

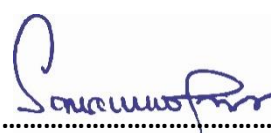
The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately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

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

In our opinion, these financial statements fairly reflect the financial position of Yala Local Government as at 31st December 2021 and its operations for the period ended on that date.


.....
HON. BARR. FABIAN OGBECHE
CHAIRMAN

30th June 2022
.....
DATE


.....
MR. STEPHEN O. OGARI
DIRECTOR OF FINANCE (TREASURER)

30th June 2022
.....
DATE



The Chairman,
Yala Local Government Council,
OKPOMA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF YALA LOCAL GOVERNMENT COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2021.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 431 to 433 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

Council's Budget was not prepared based on the New National Charts of Accounts (NCOA) and hence not fully IPSAS compliant, however by the insistence of my Office, Councils Financial Statements were presented in compliance with IPSAS (Accrual Basis) General Purpose Financial Statements.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Yala Local Government Council as at 31st December 2021*** and the financial Position and Cashflows for the period ended on that date.

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



YALA LOCAL GOVERNMENT, OKPOMA
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2021

Statement of Financial Position as at 31st December, 2021.			
ASSETS	NOTES	2021	2020
Current Assets		₦	₦
Cash and Cash Equivalent	9	49,245,686.64	71,969,607.44
Receivables	10	661,385,225.55	534,094,774.59
Total Current Asset		710,636,912.19	606,064,382.03
Non-Current Assets			
Investment	17	158,878,724.67	158,878,724.67
Property, Plant & Equipment	7	1,100,190,784.60	504,445,887.93
Contribution to CRS Reserve Fund	11	141,737,722.93	129,737,722.93
Total Non-Current Asset		1400,807,232.20	793,062,335.53
Total Asset (A)		2,111,438,144.39	1,399,126,717.56
Current Liabilities			
Deposits	12	(16,104,338.52)	7,788,707.86
Short Term Loans & Debts		-	0.00
Unremitted Deductions	13	968,278,498.71	599,834,463.37
Payables (Unremitted Taxes)		22,659,056.58	22,659,056.58
Total Current Liabilities		974,833,216.77	630,282,227.81
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	15	73,680,797.86	73,680,797.86
Long Term Borrowings to Councilors	18	38,350,000.00	-
Total Non-Current Liabilities		112,030,797.86	73,680,797.86
Total Liabilities (B)		1,086,864,014.63	703,963,025.67
Net Asset (A - B)		<u>1,024,574,129.76</u>	<u>695,163,691.89</u>
NET ASSET AND EQUITY			
Reserve Fund	16	417,923,381.15	182,245,510.04
Accumulated Surplus/(Deficit)	16	606,650,748.61	512,918,181.85
Net Assets		<u>1,024,574,129.76</u>	<u>695,163,691.89</u>

YALA LOCAL GOVERNMENT, OKPOMA**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2021**

Statement of Financial Performance for the year Ended 31st December, 2021.			
	NOTES	2021	2020
Revenue		₦	₦
Statutory Revenue	1	2,355,039,382.19	2,073,377,262.32
Internally Generated Revenue	2	14,733,660.00	13,754,601.58
Other Capital Receipts	3	1,263,353,378.56	330,356,893.10
10% State IGR	10	127,290,450.96	92,143,647.28
Total Revenue		<u>3,760,416,871.71</u>	<u>2,509,632,404.28</u>
Expenditures			
Employees Benefits	4	2,117,914,999.35	1,736,092,435.64
General and Admin Expenses (Overhead)	5	93,307,013.69	89,746,604.90
Transfer to Other Government Entities	6	730,062,208.48	583,512,152.07
Total Operating Expenses		<u>2,941,284,221.52</u>	<u>2,409,351,192.61</u>
Excess/(Deficit) of Revenue over Expenditures		<u>819,132,650.19</u>	<u>100,281,211.67</u>
Non-Cash Movement			
Depreciation of PP&E	8	71,798,831.17	23,013,853.79
Net Surplus/(Deficit)		<u>747,333,819.02</u>	<u>77,267,357.87</u>

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2021

Statement of Changes in Net Asset/Equity as at 31st December, 2021.			
	Accumulated Surplus	Reserves	Total
	₦	₦	₦
Balance as at 1 January 2021	512,918,181.85	182,245,510.04	695,163,691.89
Changes for the Year	747,333,819.02	(235,677,871.11)	983,011,690.13
Transfer to/(from) changes in Net Assets	(653,601,252.26)	-	(653,601,252.26)
Balance as at 31st December 2021.	<u>606,650,748.61</u>	<u>417,923,381.15</u>	<u>1,024,574,129.76</u>
Balance as at 1 January 2020	-	182,245,510.04	182,245,510.04
Changes for the Year	77,267,357.87	-	77,267,357.87
Transfer to/(from) changes in Net Assets	435,650,823.98	-	435,650,823.98
Balance as at 31st December 2020.	<u>512,918,181.85</u>	<u>182,245,510.04</u>	<u>695,163,691.89</u>

YALA LOCAL GOVERNMENT, OKPOMA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER 2021

	NOTES	2021	2020
Cash Flow from Operating Activities		₦	₦
Inflows:			
Gross Statutory Allocation	1	1,533,598,036.54	1,407,859,288.93
Government Share of VAT	1	682,641,527.52	531,704,056.77
Share of Exchange Gain Difference	1	8,731,953.30	43,093,954.78
Other Revenue	1	200,379,415.60	126,716,812.32
Internally Generated Revenue	2	14,733,660.00	13,754,601.58
Capital Receipts	3	1,263,353,378.56	230,138,537.93
Total Inflows from Operating Activities		3,703,437,971.52	2,353,267,252.31
Employees' Benefits	4	2,117,914,999.35	1,736,092,435.64
Admin (Overhead) Cost	5	93,307,013.69	89,746,604.90
Deductions at Source		70,311,550.77	35,996,850.48
Statutory Deductions	6	730,062,208.48	583,512,152.07
JAAC Charges		-	0.00
Total Outflows from Operating Activities		3,011,595,772.29	2,445,348,043.09
Net Cashflow from Operating Activities		<u>691,842,199.23</u>	<u>(92,080,790.78)</u>
Cashflow From Investing Activities			
Purchase/Construction of PPE	7	717,988,317.17	(230,138,537.93)
Investment		12,000,000.00	-
Net Cashflow from Investing Activities		<u>729,988,317.17</u>	<u>(230,138,537.93)</u>
Cash Flow from Financing Activities			
Deposits Received			0.00
Deposits Remitted		(22,927.802.86)	0.00
Taxes Received			3,985,000.00
Tax Remitted		52,000,000.00	0.00
Loan Repayment		(13,650,000.00)	(250,000,000.00)
Net Cash Flow from Financing Activities		<u>15,422,197.14</u>	<u>(246,015,000.00)</u>
Net Cash Flow from All Activities		(22,723,920.80)	568,234,328.71
Cash and its Equivalent as at 01/01/2021		71,969,607.44	(131,246,577.59)
Adjustment		-	771,450,513.74
Cash and its Equivalent as at 31 Dec 2021		49,245,686.64	71,969,607.44

YALA LOCAL GOVERNMENT, OKPOMA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL THE YEAR ENDED 31ST
DECEMBER 2021

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL			
FOR THE YEAR ENDED 31ST DECEMBER 2021			
	FINAL BUDGET 2021	ACTUAL 2021	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	2,110,858,916 .00	1,463,286,485.77	(647,572,430.23)
Internally Generated Revenue	35,030,000 .00	14,733,660 .00	(20,296,340.00)
Capital receipts	6,446,457,153.00	891,752,896.42	(5,554,704,256.58)
CRSG Allocation.	50,000,000.00	-	(50,000,000)
Redistribution	-	1,263,353,378.56	1,263,353,378.56
Total Receipts	8,642,346,069.00	3,633,126,420.75	(5,009,219,648.25)
PAYMENTS			
Employees Benefits	2,223,971,138.00	2,117,914,999.35	106,056,138.65
Statutory Deductions	767,875,502.00	730,062,208.48	37,813,293.52
Overhead / Operating Expenditure	79,267,000.00	93,307,013.69	(14,040,013.69)
Purchase/Construction of PPE	5,148,537,960.00	717,988,317.17	4,430,549,642.83
Total Payments	8,219,651,600.00	3,659,272,538.69	4,560,379,061.31
NET SURPLUS (DEFICIT)	422,694,469.00	(26,146,117.94)	(9,569,598,709.56)

NOTES TO THE FINANCIAL STATEMENTS

Note 1.

Revenues

GROSS STATUTORY ALLOCATION)

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

	₦
Statutory Allocation	2,355,039,382.19
Internally Generated Revenue	14,733,660.00
Redistribution	1,263,353,378.56
Unremitted 10% State IGR	127,290,450.96
	<u>3,760,416,871.71</u>

The monthly collections of revenue sub-components are detailed in the table below:

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	113,913,609.30	57,095,724.14	-	-	(58,259.97)	171,011,073.47
2	FEB.	109,848,473.75	56,703,435.05	-	5,248,774.68	(13,312,426.97)	158,488,256.69
3	MARCH	106,666,739.29	65,935,733.14	772,324.40	11,677,315.46	(6,685,343.38)	178,366,168.91
4	APRIL	118,592,965.99	66,070,968.48	566,970.45	9,392,273.45	(6,685,343.38)	187,937,834.99
5	MAY	101,367,917.70	66,065,518.19	433,222.96	2,513,024.96	(6,685,343.38)	186,334,340.43
6	JUNE	158,585,802.56	56,332,948.07	960,705.94	4,585,834.96	(6,685,343.38)	213,779,948.15
7	JULY	172,243,903.40	54,323,160.63	614,258.63	4,856,682.13	(10,968,817.40)	221,069,247.39
8	AUG.	136,756,352.44	64,749,467.06	719,620.02	16,249,539.93	(9,228,647.07)	209,246,332.38
9	SEPT.	152,332,279.55	62,257,357.58	775,613.25	2,244,713.97	(3,460,295.05)	214,149,669.30
10	OCT.	99,584,627.82	60,284,272.81	806,293.87	44,107,061.31	(2,199,996.98)	202,582,258.83
11	NOV.	127,261,303.45	71,496,148.62	1,049,398.91	3,911,483.46	(2,199,996.98)	201,518,337.46
12	DEC.	136,384,001.29	1,327,393.75	2,033,544.87	72,952,711.29	(2,141,737.010)	210,555,914.19
	TOTAL	1,533,598,036.54	682,641,527.52	8,731,953.30	200,379,415.60	(70,311,550.77)	2,355,039,382.19

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

The details of Other Revenue sub-component is also disclosed in the table below:

OTHER REVENUE

This represents revenue other than statutory receipts from the Federation for **Yala** Local Government Council for the year ended 31st December 2021.

MONTH	SHARE OF EXCESS BANK CHARGES	Share of Forex Equalization Account	Ecology fund	Share of Solid Minerals	Augmentation	Distribution from Non-Oil Revenue	TOTAL
JAN.							-
FEB.	147,019.57	2,137,148.65	2,964,606.46				5,248,774.68
MARCH			3,278,340.34			8,398,975.12	11,677,315.46
APRIL	159,892.38		3,549,520.43			5,682,860.64	9,392,273.45
MAY			3,509,058.70	1,962,813.75	13,998,291.75	5,682,860.64	25,152,024.96
JUNE			4,585,834.96				4,585,834.96
JULY			4,856,682.13				4,856,682.13
AUG.	112,714.95		2,138,533.11			13,998,291.87	16,249,539.93
SEPT.			2,244,713.97				2,244,713.97
OCT.			2,112,185.70		27,996,583.74	13,998,291.87	44,107,061.31
NOV.	124,429.41		3,787,054.05				3,911,483.46
DEC.			72,952,711.29				72,952,711.29
TOTAL	544,056.31	2,137,148.65	105,979,241.14	1,962,813.75	41,994,875.61	47,761,280.14	200,379,415.60

DEDUCTIONS AT SOURCE - (N70,311,550.77)

This represents deductions made at source by the FAAC Allocation Committee against **Yala** Local government revenue allocation for the year.

Note 2**INTERNALLY GENERATED REVENUE (IGR)**

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Yala Local Government Council for the year ended 31st December 2021.

CODE	DETAILS	ACTUAL 2021
		N
101000	TAXES	5,000.00
102000	RATES	100,000.00
103000	LOCAL LICENCE FEES	1,757,160.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	6,967,910.00
105000	RENT ON GOVERNMENT PROPERTY	-
106000	INTEREST ON DIVIDENDS	-
107000	RE-INBURSEMENT	-
108000	MISCELLANEOUS	5,903,650.00
	TOTAL	14,733,660.00

MONTH	101000	102000	103000	104000	105000	106000	TOTAL(N)
JANUARY	5000.00	-	581,200.00	659,100.00	-	345,000.00	1590,300.00
FEBRUARY	-	-	650,600.00	594,310.00	-	948,500.00	2193,410.00
MARCH	-	-	145,000.00	1575,300.00	-	457,000.00	2,177,300.00
APRIL	-	-	58,000.00	1301,100.00	-	270,000.00	1,629,100.00
MAY	-	-	20,000.00	1,143,400.00	-	618,000.00	1781,400.00
JUNE	-	-	158,300.00	286,000.00	-	305,000.00	749,300.00
JULY	-	50,000.00	20,000.00	175,700.00	-	840,000.00	1085,700.00
AUGUST	-	50,000.00	18,000.00	155,000.00	-	60,000.00	233,000.00
SEPTEMBER	-	-	38,000.00	445,000.00	-	120,000.00	653,000.00
OCTOBER	-	-	10,000.00	127,000.00	-	80,500.00	217,500.00
NOVEMBER	-	-	25,000.00	207,000.00	-	10,000.00	242,000.00
DECEMBER	-	-	33,000.00	299,000.00	-	1,849,650.00	2,181,650.00
TOTAL	5,000.00	100,000.00	1,757,100.00	6,967,910.00	-	5,903,650.00	14,733,660.00

Note 3**REDISTRIBUTION – ₦1,263,353,378.56**

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

Note 4**Employees Benefit**

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

EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT (₦)
1	Traditional Rulers Allowances	46,890,000.00
2	Primary Health Care Salaries	278,139,972.27
3	Non-Pensionable Allowances	260,520,000.00
4	Council Staff Salaries	178,340,364.67
5	Political Office Holders	74,524,529.22
6	Pension Allowances	400,877,675.62
7	SUBEB - Teacher's Salaries	878,622,457.57
	TOTAL	2,117,914,999.35

MONTH	T.R.C	PHC	NPA	COUNCIL	POL. OFFICE HOLDERS	PENSION	SUBEB	TOTAL
JANUARY	3,907,500.00	23,244,912.73	29,200,000.00	14,935,942.06	6,815,306.35	32,941,244.29	74,116,348.18	185,160,803.61
FEBRUARY	3,907,500.00	23,244,912.73	29,200,000.00	14,935,942.06	6,815,306.35	32,539,809.23	74,024,101.49	184,667,121.86
MARCH	3,907,500.00	23,244,912.73	29,200,000.00	14,935,942.06	6,692,643.83	32,673,748.67	73,535,724.16	184,190,021.45
APRIL	3,907,500.00	23,244,912.73	29,200,000.00	14,889,614.12	5,860,777.04	32,673,748.67	73,223,059.84	182,999,612.40
MAY	3,907,500.00	23,244,912.73		14,889,614.12	5,860,777.04	35,709,850.68	73,157,262.56	156,769,917.13
JUNE	3,907,500.00	23,244,912.73		14,843,736.18	5,860,777.04	33,043,866.94	73,079,262.66	153,980,062.55
JULY	3,907,500.00	23,244,912.73	29,200,000.00	14,843,736.18	6,276,285.42	33,373,856.34	72,906,867.98	182,753,158.65
AUGUST	3,907,500.00	23,128,129.32	29,200,000.00	14,843,736.18	6,068,531.23	33,373,856.34	72,762,637.62	182,284,390.69
SEPTEMBER	3,907,500.00	23,074,363.46	29,200,000.00	14,843,736.18	6,068,531.23	33,373,856.34	72,928,867.10	182,396,854.31
OCTOBER	3,907,500.00	23,074,363.46		14,793,238.51	6,068,531.23	33,373,856.34	73,323,967.10	154,706,156.64
NOVEMBER	3,907,500.00	23,074,363.46	30,920,000.00	14,793,238.51	6,068,531.23	33,817,640.89	72,782,175.94	185,363,450.03
DECEMBER	3,907,500.00	23,074,363.46	28,200,000.00	14,793,238.51	6,068,531.23	33,817,640.89	72,782,175.94	182,643,450.03
TOTAL	46,890,000.00	278,139,972.27	260,520,000.00	178,340,364.67	74,524,529.22	400,877,675.62	878,622,457.57	2,117,914,99.35

Note 5**General and Admin Expenses (OVERHEAD COST)**

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

CODE	DESCRIPTION	TOTAL
431200	Travel & Transport	10,087,000.00
431400	Materials & Supplies	1,200,000.00
431500	Maintenance & Services	2,616,500.00
431600	Training & Staff Development	780,000.00
431700	Consultancy & Professional Services	2,000,000.00
431800	Finance Expenses	842,913.73
431900	Entertainment & Hospitality	57,775,000.00
432100	Other Services	15,290,000.00
11500	Consolidates Rev. Fund Charge	2.715,599.96
	TOTAL	93,307,013.69

Note 6**Transfer to Other Government Agencies**

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

S/N	STATUTORY DEDUCTION	AMOUNT (₦)
1	1% Ministry of Local Government for Administration	23,550,393.82
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	211,953,544.40
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	117,751,969.10
4	JOINT SECURITY OPERATIONS 2.5%	58,875,984.56
5	JOINT SOCIAL WELFARE 2.5%	58,875,984.56
6	BORDER COMMUNITY DEVELOPMENT FUND 0.5%	11,775,196.91
7	SPORT DEVELOPMENT 1%	23,550,393.82
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	58,875,984.56
9	CRHA OVERSIGHT FUNCTION 0.5%	11,775,196.91
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	11,775,196.91
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	94,201,575.29
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	23,550,393.82
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	23,550,393.82
	TOTAL	730,062,208.48

Note 7**Property, Plant and Equipment**

During the year under review, the Yala LGC spent a total sum of ₦224.9m on Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	DETAILS	TOTAL
	<u>ECONOMIC SECTOR</u>	
11000	AGRICULTURE	12,888,000.00
16000	ENERGY (FUEL & POWER)	59,111,725.58
17000	COMMERCE & FINANCE	41,361,374.86
18000	TRANSPORT (ROAD & BRIGDES	106,401,214.04
19000	CULTURE & TOURISM	13,350,000.00
	SUB TOTAL	<u>133,112,314.48</u>
	<u>SOCIAL SERVICES SECTOR</u>	
21000	EDUCATION	25,066,911.60
22000	HEALTH	128,000.00
24000	SOCIAL DEV. TOURIST & SPORTS	52,784,888.18
	SUB TOTAL	<u>77,979,799.78</u>
	<u>ENVIRONMENTAL & REGIONAL DEVELOPMENT</u>	
31000	WATER SUPPLY	2,661,250.00
33000	HOUSING	15,950,500.00
35000	ENVIRONMENTAL & REFUSE DISPOSAL	39,560,617.12
	SUB TOTAL	<u>58,172,372.12</u>
40000	GENERAL ADMINISTRATION	<u>348,723,835.79</u>
	GRAND TOTAL	<u>717,988,317.17</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Note 8.

Depreciation of Property, Plant and Equipment

PROPERTY, PLANT AND EQUIPMENT												
	Building	Plants & Machinery	Motor Vehicle	IT & Office Equipment	Furniture & Fittings	Intangible Assets	Bridges	Road	Traffic Light	Streetlights	Drainages	Total
Cost	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
	2%	5%	25%	25%	10%	25%	2%	5%	5%	10%	5%	
As at 1/1/2021												504,445,887.43
Additions												717,988,317.17
Disposal	-	-	--	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
As at 31/12/2021 (A)	-	-	-	-	-	-	-	-	-	-	-	<u>1,222,434,205.10</u>
Depreciation	-	-	-	-	-	-	-	-	-	-	-	-
As at 1/1/2020		-	-	-	-	-	-		-	-	-	50,444,588.79
Charge for the year	-	-	-	-	-	-	-	-	-	-	-	71,798,831.71
Disposals	-	-	-	-	-	-	-	-	-	-	-	
Adjustments												
As at 31/12/2021 (B)	-	-	-	-	-	-	-	-	-	-	-	122,243,420.50
Net Book Value (A-B)	-	-	-	-	-	-	-	-	-	-	-	<u>1,100,190,784.60</u>

NOTE 9**Cash and Cash Equivalent**

Cash and Cash equivalents for the period represents aggregate cash and bank balances of Yala Local Government Council Cash Books as at 31st December 2021.

S/N	NAME OF BANK	BALANCE AS AT 31-12-21 AMOUNT
		N
1	ZENITH, YALA –IGR (REVENUE)	63,043.49
2	ECOBANK, YALA -IGR ACCOUNT	7,190.13
3	FIRST BANK PLC, YALA -UNCLAIMED SALARIES	2,022.17
4	FIRST BANK PLC, YALA -SALARIES & OVERHEAD	13,738,312.39
	SUB TOTAL	13,810,568.18
5	ECOBANK, YALA -CAPITAL ACCOUNT	72,411.55
6	ZENITH, YALA -CAPITAL ACCOUNT	34,641,406.33
	SUB TOTAL	34,713,817.88
	TOTAL CASH AT BANK	48,524,386.06
7	TOTAL CASH IN HAND	721,300.58
	CASH AND CASH EQUIVALENT AT	49,245,686.64

Note 10:**Receivables**

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

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	534,094,774.59
2021 Unpaid 10% OF CRS IGR	127,290,450.96
Remittance for the Period	-
Balance Carried forward	661,385,225.55

Note 11.**CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND**

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

MONTH	DETAILS	AMOUNT (₦)
	Balance brought forward 01 Jan 2021	129,737,722.93
JAN	DEDUCTION FROM ALLOCATION	1,000,000.00
FEB	DEDUCTION FROM ALLOCATION	1,000,000.00
MAR	DEDUCTION FROM ALLOCATION	1,000,000.00
APR	DEDUCTION FROM ALLOCATION	1,000,000.00
MAY	DEDUCTION FROM ALLOCATION	1,000,000.00
JUN	DEDUCTION FROM ALLOCATION	1,000,000.00
JUL	DEDUCTION FROM ALLOCATION	1,000,000.00
AUG	DEDUCTION FROM ALLOCATION	1,000,000.00
SEP	DEDUCTION FROM ALLOCATION	1,000,000.00
OCT	DEDUCTION FROM ALLOCATION	1,000,000.00
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
	TOTAL AS IN CASHFLOW STATEMENT	12,000,000.00
	Balance carried forward as at 31 Dec 2020	141,737,722.95

Note 12**DEPOSITS**

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

S/N	DETAILS	BALANCE AS AT 01-01-2021	ADDITIONS DURING THE YEAR	REMITTANCES	BALANCE AS AT 31-12-21
1	UNCLAIMED	4,812,443.09	-	-	4,812,443.09
2	SALARIES DEPOSIT	134,254.70	-	22,927,802.86	(22,793,548.16)
3	RETENTION FEE	1,876,766.55	-	-	1,876,766.55
	TOTAL	7,788,707	-		(16,104,338.52)

Note 13:**UNREMITTED DEDUCTIONS**

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

UNREMITTED STATUTORY	AMOUNT (₦)
Balance Brought Forward 01-01-2020	599,834,463.37
ADD: Deductions during the year	742,062,208.48
	1,341,896,671.85
Less: Actual Remittance during the year	373,618,173.14
Balance Outstanding 31-12-2021	968,278,498.71

Note 14**PAYABLES**

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by Yala LGCs as at 31st December 2021

S/N	DETAILS	BALANCE AS AT 01-01-2021	ADDITIONS DURING THE YEAR	REMITTANCES	BALANCE AS AT 31-12-21
1	5% CONTRACTORS	11,329.528	-	-	11,329.58
2	5% VALUE ADDED	11,329.528	-	-	11,329,528.29
	TOTAL	22,659.059	-	-	22,659,056.58

Note 15**LONG TERM LOANS/BORROWINGS (CRSG LOAN)**

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	73,680,797.86
Repayment during the year	NIL
BALANCE CARRIED FORWARD	73,680,797.86

Note 16**Equity**

Equity/Total Assets	2021		2020	
Details	Reserve	Accumulated Surplus	Reserve	Accumulated Surplus
Accumulated Fund	₦	₦	₦	₦
Balance as at 1/1/	182,245,510.04	512,918,181.85	182,245,510.04	0.00
changes for the year	235,677,871.11	747,333,819.02	0	(77,267,357.87)
Adjustment to Net Asset	0	(653,601,252.26)	0	435,650,823.98
Total Equity	<u>417,923,381.15</u>	<u>606,650,748.61</u>	<u>182,245,510.04</u>	<u>512,918,181.85</u>

Note 17**INVESTMENTS**

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

DETAILS	AMOUNT (₦)
INVESTMENT TOTAL BFWD 01-01-2021	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

Note 18**LONG TERM BORROWINGS (CRSG LOAN TO COUNCILLORS)**

DETAILS	AMOUNT(N)
Long term Loan for the year	52,000,000.00
Repayment during the year	(13,650,000.00)
BALANCE CARRIED FORWARD	38,350,000.00

PART THREE
STATEMENTS OF JAAC RECEIPTS &
DISBURSEMENTS



The Commissioner,
Ministry of Local Government Affairs,
CALABAR.

AUDIT CERTIFICATE ON THE STATE JOINT ACCOUNT ALLOCATION COMMITTEE (SJAAC)
ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2021.

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Accounts of the Cross River State Local Government Joint Account set out on page(s) 445 to 468 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

It is the responsibility of the Director of Accounts to prepare the JAAC accounts in accordance with the provisions of the Financial Memoranda and Cross River State Local Government Law 2007 (as amended). It is my responsibility to audit and form an independent opinion on these Statements.

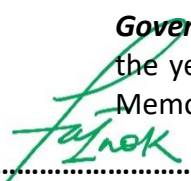
THE SCOPE OF MY AUDIT

We conducted our Audit in accordance with Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing. An Audit includes examination on test basis of evidence related to the Accounts and disclosure judgements made by the Councils in the preparation of the Financial Statements and whether the accounting policies were appropriate in the Council's circumstances, consistently applied and adequately disclosed. We planned and performed our Audit so as to obtain all information and explanations we considered necessary and to provide sufficient evidence to give reasonable assurances that the Financial Statements are free from material misstatements whether by fraud or other irregularities or errors.

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

AUDIT OPINION

- (i) The Financial Statements and Notes to the Accounts have been properly kept and completely reported.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Cross River State Local Government Joint Account as at 31st December 2021*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


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



GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS
JOINT ACCOUNTS ALLOCATION COMMITTEE (JAAC) INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2021

DETAILS	NOTES	2021	2020
INCOME			
BALANCE BROUGHT FORWARD		8,006,014,844.08	
GROSS STATUTORY ALLOCATION	1	23,439,951,429.23	22,552,079,639.94
VALUE ADDED TAX	1	12,266,016,783.36	8,638,470,919.74
EXCESS BANK CHARGES	1	8,742,015.79	17,798,003.19
SHARE OF EXCHANGE DIFFERENCE	1	128,562,940.51	8,638,470,919.74
SHARE OF FOREX EQUALIZATION	1	34,234,349.26	285,513,200.68
NON-OIL REVENUE	1	773,772,477.07	1,009,185,425.18
SHARE OF SOLID MINERAL FUND	1	31,441,730.19	36,247,775.41
ECOLOGICAL FUND	1	561,616,918.92	587,331,543.58
STABILIZATION FUND	1	682,740,420.96	93,763,017.81
NON-TAX REVENUE		496,806,502.93	
LOAN FROM CRSG	2	0.00	-
TOTAL (A)		46,429,900,412.30	41,858,860,445.26
EXPENDITURE			
FAAC DEDUCTIONS AT SOURCE	1	(1,265,607,913.72)	(631,355,069.92)
WAGES, SALARIES & EMPLOYEE BENEFITS	3	(28,755,178,566.74)	(25,507,529,738.17)
CAPITAL RELEASES TO COUNCILS	4	(9,574,158,068.60)	(3,759,055,787.02)
OVERHEAD	5	(1,965,792,319.69)	(718,549,999.99)
STATUTORY DEDUCTIONS	6	(10,815,255,436.78)	(10,503,218,737.32)
TOTAL (B)		(52,375,992,305.53)	(41,119,709,332.42)
Deficit/surplus		(5,946,091,893.23)	739,151,112.84
BANK BALANCE C/F		3,975,850,219.55	15,276,573,531.10

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

NOTES TO THE ACCOUNTS

1. SCHEDULE OF FAAC STATUTORY ALLOCATION - N 36,661,471,151.58

This represents the gross statutory allocation shared to the 18 LGAs of Cross River State received by JAAC for the 12months of the year from the Federation Account, it is made up of VAT, Exchange Gain difference, Excess bank charges, non-oil revenue, Solid minerals share, Ecological funds and deductions at source of ₦1.26bn, bringing the total actual net received by the 18 LGCs of Cross River State to ₦36.6bn.

MONTH	GROSS	VAT	EXCHANGE GAIN	EXCESS BANK CHARGES	NON-OIL REVENUE	SHARE OF FOREX	SOLID MINERALS	ECOLOGICAL FUND	STABILIZATION FUND	DEDUCTIONS	TOTAL ALLOCATION
	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
JAN	1,824,776,133.92	928,245,605.27								-1,048,679.46	2,751,973,059.73
FEB	1,546,382,253.04	921,199,977.24		2,355,062.83		34,234,349.26		47,489,149.95		-239,623,682.22	2,312,037,110.10
MAR	1,601,572,274.21	1,071,954,134.67	12,371,635.07		136,548,084.19			52,514,759.81		-120,336,180.84	2,754,624,707.11
APR	1,792,614,956.19	1,077,561,501.65	9,082,131.13	2,561,268.45	91,032,056.12			56,858,713.00		(120,336,180.84)	2,909,374,445.70
MAY	1,516,692,025.54	1,074,701,973.06	6,939,669.93		91,032,056.12		31,441,730.19	56,210,568.66	227,580,140.32	(120,336,180.84)	2,884,261,982.98
JUN	2,433,248,322.30	916,340,269.25	15,389,263.06					73,459,127.56		(120,336,180.84)	3,318,100,801.33
JUL	2,583,418,636.80	882,269,818.09	9,839,626.51					77,797,747.88		(197,438,713.20)	3,355,887,116.08
AUG	2,042,828,420.69	1,052,677,922.00	11,527,379.24	1,832,486.81	227,580,140.32			34,256,526.41		(166,115,647.21)	3,204,587,228.26
SEPT	2,384,736,086.12	1,012,481,735.51	12,424,318.16					35,957,406.06		(62,285,310.81)	3,383,314,235.04
OCT	1,559,975,466.00	980,084,098.11	12,915,781.94		227,580,140.32			33,834,475.03	455,160,280.64	(39,599,945.64)	3,229,950,296.41
NOV	2,003,319,909.50	1,162,748,677.12	16,810,009.32	1,993,197.70				60,663,693.50		(39,599,945.64)	3,205,935,541.50
DEC	2,150,386,944.92	1,185,751,071.39	21,263,126.15					32,574,751.07		(38,551,266.18)	3,351,424,627.34
	23,439,951,429.23	12,266,016,783.36	128,562,940.51	8,742,015.79	773,772,477.07	34,234,349.26	31,441,730.19	561,616,918.92	682,740,420.96	(1,265,607,913.72)	36,661,471,151.58

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

2. SCHEDULE OF WAGES, SALARIES & EMPLOYEE BENEFITS

Salaries, wages, and employee benefits are the cumulative gross amounts released by JAAC to the 18 LGAs and deducted as a first line charge from statutory allocation and paid into the Council accounts.

COUNCILS	GROSS SALARY
	₦
ABI	1,573,175,549.71
AKAMKPA	1,527,402,505.32
AKPABUYO	1,031,408,965.71
BAKASSI	737,993,529.32
BEKWARRA	1,238,428,858.16
BIASE	1,543,142,441.68
BOKI	2,114,349,558.08
CALABAR MUNICIPAL	1,640,726,239.69
CALABAR SOUTH	1,357,386,551.23
ETUNG	1,019,086,418.25
IKOM	1,807,682,306.68
OBANLIKU	1,568,015,376.99
OBUBRA	1,727,371,848.04
OBUDU	2,147,983,158.45
ODUKPANI	1,721,864,858.28
OGOJA	1,892,759,250.78
YAKURR	1,988,486,151.02
YALA	2,117,914,999.35
TOTAL	28,755,178,566.74

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

3. SCHEDULE OF CAPITAL RELEASES TO COUNCILS

This comprises of all the Capital releases made to the 18 LGAs in various months for purchase and construction of PPEs and other capital projects.

COUNCILS	CAPITAL RELEASES
	₦
ABI	352,702,092.35
AKAMKPA	224,177,345.22
AKPABUYO	0.00
BAKASSI	106,992,709.16
BEKWARRA	313,798,635.83
BIASE	219,760,911.90
BOKI	887,117,642.85
CALABAR MUNICIPAL	634,404,938.09
CALABAR SOUTH	207,119,520.41
ETUNG	186,994,247.53
IKOM	664,193,656.96
OBANLIKU	613,594,483.72
OBUBRA	352,600,718.27
OBUDU	1,144,805,478.21
ODUKPANI	547,938,738.45
OGOJA	1,080,852,379.90
YAKURR	773,751,191.19
YALA	1,263,353,378.56
TOTAL	9,574,158,068.60

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

4. SCHEDULE OF STATUTORY DEDUCTIONS FROM COUNCILS

This is made up of all the releases made from JAAC to the 18 LGAs in various months for the payment of and transfers to 13 State Agencies are prescribed in the Cross River State Local Government Law 2007 (as amended) for the execution of certain joint State and Local Government projects and services.

COUNCIL	AMOUNT (₦)
ABI	375,989,260.57
AKAMKPA	712,569,801.55
AKPABUYO	750,526,597.85
BAKASSI	460,392,976.45
BEKWARRA	578,997,630.72
BIASE	583,512,152.07
BOKI	715,702,502.29
CAL. MUN	617,970,875.34
CAL. SOUTH	640,130,195.79
ETUNG	497,082,231.26
IKOM	656,827,992.15
OBANLIKU	569,770,196.89
OBUBRA	376,015,855.46
OBUDU	632,517,664.15
ODUKPANI	678,149,242.47
OGOJA	665,113,128.62
YAKURR	573,924,924.67
YALA	730,062,208.48
TOTAL	10,815,255,436.78

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

5. **BANK BALANCES AS AT 31ST DECEMBER 2021**

S/N	DETAILS	TOTAL(₦)
1	CRS JOINT LOCAL GOVTS ACCOUNT	3,239,964,797.16
2	CRS JOINT LOCAL GOVTS ACCOUNT- SALARY	58,286,537.67
3	CRS JOINT LOCAL GOVTS ACCOUNT - SPECIAL PROJECT	674,850,377.55
4	CRS JOINT LOCAL GOVTS ACCOUNT - REVENUE	2,748,507.17
	TOTAL	3,975,850,219.55





OUR VISION

TO BE A FIRST CLASS AGENT OF
ACCOUNTABILITY AND ENSURING
VALUE FOR MONEY ON EVERY
PUBLIC EXPENDITURE