



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 2020**



**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 2020

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

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



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



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



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

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 2020**

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 2020 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 2020*** 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, 2020, 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 2020 subject to the observations in the Management Reports.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL
CRS LOCAL GOVERNMENTS
19th September 2021

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE 18 LOCAL GOVERNMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

	Notes	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	1,545,784,766.02	(1,330,494,436.20)
Receivables	15	9,613,705,942.62	7,955,120,291.54
Inventories		0.00	-
Prepayments		0.00	-
Total Current Assets (A)		11,159,490,708.64	6,624,625,855.34
Non-Current Assets			
Investments	16	2,859,817,044.14	2,859,817,044.14
Property, Plant & Equipment		0.00	-
Contribution to CRS Reserve Fund	17	2,325,278,912.74	2,119,277,212.68
Total Non-Current Assets (B)		5,185,095,956.88	4,979,094,256.82
Total Assets (A) + (B)		16,344,586,665.52	11,603,720,112.16
LIABILITIES			
Current Liabilities			
Deposits	18	364,020,987.83	393,156,640.89
Short term Loans & Debts	19	12,625,488.70	10,743,977.21
Unremitted Deductions	20	11,569,201,427.59	10,491,263,272.11
Payables (Unremitted taxes)	21	229,603,730.71	185,565,759.99
Total Current Liabilities (C)		12,175,451,634.83	11,080,729,650.20
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	22	1,326,254,361.48	5,826,254,361.48
Internal Loans (Public Funds)		0.00	-
Long Term Provisions		0.00	-
Total Non-Current Liabilities (D)		1,326,254,361.48	5,826,254,361.48
Total Liabilities (C) + (D)		13,501,705,996.31	16,906,984,011.68
Net Assets (Total Assets - Total Liabilities)		2,842,880,669.21	(5,303,263,899.52)
NET ASSETS/EQUITY			
Reserves	23	14,897,354.22	2,810,521,826.43
Accumulated Surpluses/(Deficits)		(1,560,077,862.05)	(8,113,785,725.95)
Total Net Assets/Equity		2,842,880,669.21	(5,303,263,899.52)

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 2020

DETAILS	NOTES	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	33,279,343,712.9	35,542,092,362.25
Non-Tax Revenue	2	554,322,147.12	499,600,737.56
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts	3	2,672,873,917.23	95,065,842.36
Total Operating Revenue		36,506,539,777.2	36,136,758,942.1
EXPENDITURE			
Salaries Wages & Employee Benefits	4	25,532,284,268.3	22,938,505,303.14
Overhead Cost - General and Administrative Expenses	5	1,936,576,248.42	1,102,542,305.30
Transfer to Other Government Entities (Statutory	6	9,101,198,430.91	341,491,356.90
Total Operating Expenditure		25,532,284,268.3	22,938,505,303.14
Surplus/Deficit from Operating Activities before Capital		10,974,255,508.9	13,198,253,639.0
Capital Expenditure	7	7,141,942,157.27	4,680,124,720.02)
Public Debt Charges		0.00	
Depreciation		0.00	
Damaged Assets		0.00	
Net Surplus/(Deficit) for the Period		3,832,313,351.65	8,518,128,919.01

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS/EQUITY OF THE 18 LOCAL GOVERNMENTS FOR THE YEAR ENDED 31ST DECEMBER 2020

	RESERVE	ACCUMULATED SURPLUS/(DEFICIT)	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	(1,560,077,862.05)		(1,560,077,862.05)
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 2020	(1,560,077,862.05)	3,832,313,351.65	2,272,235,489.60

Correction of Prior year adjustments is as a result of understated FAAC revenue figures in the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for all 18 Local Government Councils.

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS
CONSOLIDATED CASHFLOW STATEMENT OF THE 18 LOCAL GOVERNMENTS FOR THE
YEAR ENDED 31ST DECEMBER 2020

	Notes	2020	2019
		₦	₦
CASH FLOW FROM OPERATING ACTIVITIES			
Inflows:			
Gross Statutory Allocation	1	22,552,079,639.95	26,933,543,626.73
Government Share of VAT	1	8,638,470,919.72	7,152,638,078.65
Share of Exchange Gain Difference	1	690,309,257.33	65,476,441.34
Other Revenue	1	2,029,838,965.83	795,767,635.61
Non-Tax Revenue	2	554,322,147.12	499,600,737.56
Capital Receipts	3	2,672,873,917.23	95,065,842.36
10% State IGR		0.00	-
Total Inflows from Operating Activities		37,137,894,847.18	35,542,092,362.25
Outflows:			
FAAC Deductions at Source	1	631,355,069.92	
Salaries and Wages (Social Benefits)	4	25,532,284,268.33	22,938,505,303.14
Overhead Cost	5	1,936,576,248.42	1,102,542,305.30
Statutory Deductions	6	9,101,198,430.91	341,491,356.90
JAAC Charges	7	-	5,497,878,952.43
Total Outflows from Operating Activities		37,201,414,017.58	29,880,417,917.77
Net Cashflow from Operating Activities		74,339,308,864.76	5,661,674,444.48
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE			-
Proceeds from Sale of Investment Property		0.00	-
Purchase/Construction of PPE	8	7,141,942,157.27	(4,680,124,720.02)
Investment Expenditure	9	0.00	-
Net Cashflow from Investing Activities		(7,141,942,157.27)	(4,680,124,720.02)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	169,869,313.94
Deposits Remitted		0.00	(73,067,091.53)
Taxes Received		0.00	115,656,743.72
Tax Remitted		0.00	(80,532,516.01)
Proceeds from Borrowings (CRSG Loan)	12	-4,500,000,000.00	-
Repayment of Borrowings		0.00	(4,000,000,000.00)
Overdraft Received		0.00	-
Overdraft Repayment	13	0.00	-
Net Cash Flow from Financing Activities		-4,500,000,000.00	(3,868,073,549.88)
Net Increase (Decrease) in Cash & its Equivalents		62,697,366,707.49	(2,886,523,825.02)
Prior Year Adjustment (understated FAAC)			-
Cash and its Equivalent as at 01 Jan 2020		(1,330,494,436.20)	1,556,029,389.22
Cash and its equivalent as at 31 Dec 2020	14	1,545,784,766.02	(1,330,494,436.20)

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 2020**

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	38,550,236.48	33,279,343,712.	5,270,892,899.58
Internally Generated Revenue	1,200,000,000.00	554,322,147.12	645,677,852.88
Capital Receipts	5,480,679.50	2,672,873,917.2	2,667,393,237.73
Cross River State Government Loan	900,000,000.00	0.00	900,000,000.00
Total Receipts	46,130,915,849.98	36,506,539,777.25	9,624,376,072.73
PAYMENTS			
Salaries and Wages	24,564,000.00	25,532,284,268.	-968,284,268.33
Statutory Deductions	944,000,000.87	9,101,198,430.9	-8,157,198,430.04
Overhead / Operating Expenditure	2,160,500.89	1,936,576,248.4	-1,934,415,747.53
Capital Expenditure	14,141,942,157.27	7,141,942,157.27	7,000,000,000.00
Investment Expenditure			
Total Payments	39,652,102,659.0	43,712,001,104.	-4,059,898,445.90
NET SURPLUS (DEFICIT)	6,478,813,190.95	-7,205,461,327.68	13,684,274,518.63

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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 o 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

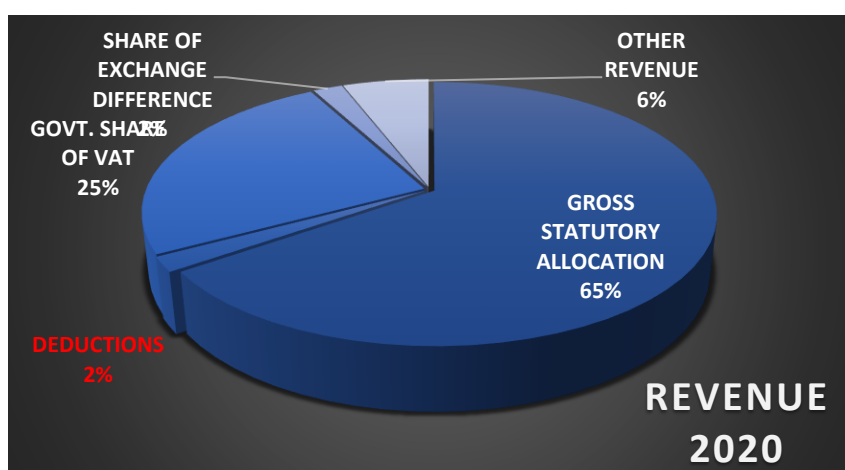
1. LGC - Local Government Council
2. FAAC - Federation Account Allocation Committee
3. VAT - Value Added Tax
4. IGR - Internally Generated Revenue
5. GAAP - Generally Accepted Accounting Principles
6. GPFS - General Purpose Financial Statements
7. IPSAS - International Public Sector Accounting Standards
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) ₦33,279,343,712.90

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 N33.2bn (approx.).

	2020	2019
	₦	₦
Abi Local Government	1,200,427,880.59	1,434,059,262.75
Akamkpa Local Government	1,508,923,282.98	1,802,492,691.76
Akpabuyo Local Government	1,444,483,913.77	1,725,530,793.75
Bakassi Local Government	932,006,315.19	1,113,488,335.05
Bekwarra Local Government	1,113,348,268.51	1,330,061,445.20
Biase Local Government	1,280,824,601.58	1,530,077,550.17
Boki Local Government	1,468,397,867.27	1,754,090,870.47
Calabar Municipal Local Government	1,163,197,156.12	1,389,595,035.89
Calabar South Local Government	1,239,824,792.44	1,481,108,692.41
Etung Local Government	970,831,130.14	1,159,956,663.59
Ikom Local Government	1,324,685,387.90	1,582,433,999.82
Obanliku Local Government	1,143,176,756.23	1,358,233,434.91
Obubra Local Government	1,259,953,517.83	1,505,149,154.22
Obudu Local Government	1,192,843,881.17	1,425,003,579.03
Odukpani Local Government	1,353,037,083.10	1,616,315,614.03
Ogoja Local Government	1,271,622,745.58	1,519,084,266.08
Yakurr Local Government	1,276,635,770.62	1,525,073,267.60
Yala Local Government	1,407,859,288.93	1,681,788,970.00
	22,552,079,639.95	26,933,543,626.73



Total Consolidated Revenue for the year from the Federation in respect of the 18 Local Governments amounted to 33.2bn (approx.) Statutory Allocation contributed the highest at 65% of the entire revenue, VAT at 25%, Exchange gain 2% and other revenue 6% of total revenue for the year. There were 2% worth of deductions at source.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1b. (B) DEDUCTIONS AT SOURCE - (N631,355,069.92)

This represents deductions made at source by the FAAC Allocation Committee against the 18 LGAs aggregated at a total of N631.3m (approx.) for the year.

	2020	2019
	N	N
Abi Local Government	(34,578,163.88)	-
Akamkpa Local Government	-36,686,147.12	-
Akpabuyo Local Government	-36,246,662.68	-
Bakassi Local Government	-32,743,123.12	-
Bekwarra Local Government	-33,982,932.32	-
Biase Local Government	-35,127,133.92	-
Boki Local Government	-36,410,120.08	-
Calabar Municipal Local Government	-34,323,725.56	-
Calabar South Local Government	-34,848,022.76	-
Etung Local Government	-33,008,356.36	-
Ikom Local Government	-35,435,544.04	-
Obanliku Local Government	-36,670,726.64	-
Obubra Local Government	-34,985,265.68	-
Obudu Local Government	-34,525,734.16	-
Odukpani Local Government	-35,622,132.20	-
Ogoja Local Government	-35,065,451.92	-
Yakurr Local Government	-35,098,977.00	-
Yala Local Government	-35,996,850.48	-
	(631,355,069.92)	-

1c. (C) GOVERNMENT SHARE OF VALUE ADDED TAX – N 8,638,470,919.72

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 N8.6bn (approx.)

	2020	2019
	N	N
Abi Local Government	463,768,705.26	383,906,730.47
Akamkpa Local Government	470,273,077.20	389,261,308.29
Akpabuyo Local Government	593,992,959.18	491,170,005.31
Bakassi Local Government	348,127,082.46	288,708,305.89
Bekwarra Local Government	423,670,584.36	350,897,213.06
Biase Local Government	488,849,061.47	404,553,616.31
Boki Local Government	506,293,492.83	418,914,027.95
Calabar Municipal Local Government	499,350,901.30	413,198,749.07
Calabar South Local Government	511,939,941.92	423,562,296.59
Etung Local Government	397,309,515.97	329,196,259.39
Ikom Local Government	481,854,007.04	398,794,959.12
Obanliku Local Government	428,301,721.87	354,709,657.19
Obubra Local Government	492,203,601.55	407,314,950.35
Obudu Local Government	479,511,692.48	396,866,719.37
Odukpani Local Government	512,777,291.08	424,251,619.11
Ogoja Local Government	491,645,025.88	406,855,119.79
Yakurr Local Government	516,898,201.10	430,644,033.85
Yala Local Government	531,704,056.77	439,832,507.54
	8,638,470,919.72	7,152,638,078.65

1d. (D) SHARE OF EXCHANGE DIFFERENCE – ₦ 690,309,257.33

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 690.3m (approx.).

	2020	2019
	₦	₦
Abi Local Government	36,744,570.43	23,938,428.44
Akamkpa Local Government	46,187,479.27	-
Akpabuyo Local Government	44,215,018.47	2,932,546.12
Bakassi Local Government	28,528,304.15	3,152,100.73
Bekwarra Local Government	34,079,101.74	-
Biase Local Government	39,205,478.77	-
Boki Local Government	44,947,014.09	-
Calabar Municipal Local Government	35,604,954.30	3,150,562.81
Calabar South Local Government	37,950,492.61	2,517,053.58
Etung Local Government	29,716,714.70	1,970,951.05
Ikom Local Government	40,548,038.18	2,689,334.91
Obanliku Local Government	34,992,138.65	-
Obubra Local Government	38,566,624.06	25,125,463.70
Obudu Local Government	36,512,427.54	-
Odukpani Local Government	41,415,871.13	-
Ogoja Local Government	38,923,814.00	-
Yakurr Local Government	39,077,260.49	-
Yala Local Government	43,093,954.78	-
	690,309,257.33	65,476,441.34

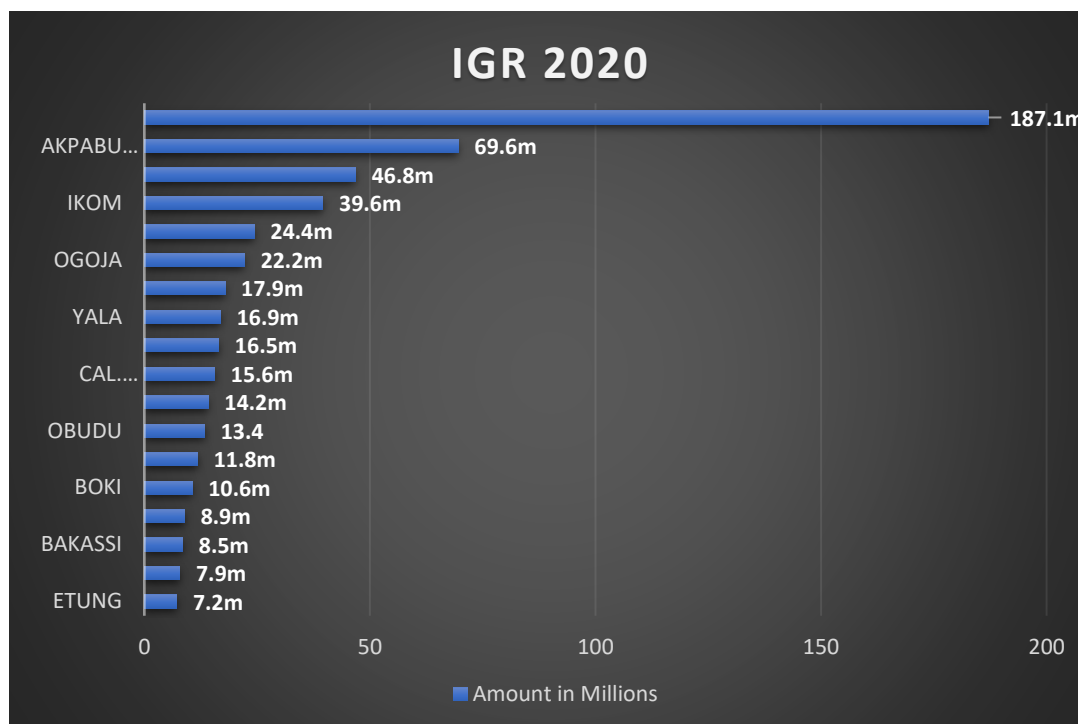
1e. (E) OTHER REVENUE – ₦ 2,029,838,965.83

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 ₦2.02bn (approx..) shown in table below:

	2020	2019
	₦	₦
Abi Local Government	108,046,589.34	21,905,117.26
Akamkpa Local Government	135,813,252.04	57,624,717.96
Akpabuyo Local Government	130,013,275.07	52,231,277.68
Bakassi Local Government	83,886,841.71	32,440,574.34
Bekwarra Local Government	100,208,838.12	42,517,986.60
Biase Local Government	115,282,835.39	48,909,761.93
Boki Local Government	132,165,691.86	56,077,080.87
Calabar Municipal Local Government	104,695,573.53	41,271,117.74
Calabar South Local Government	111,592,576.58	44,830,982.46
Etung Local Government	87,381,336.39	35,104,406.48
Ikom Local Government	119,230,601.38	47,899,467.54
Obanliku Local Government	102,893,602.79	43,657,115.58
Obubra Local Government	113,404,297.36	22,991,274.21
Obudu Local Government	107,363,978.35	45,553,868.14
Odukpani Local Government	121,782,444.79	51,671,533.73
Ogoja Local Government	114,454,606.41	48,562,377.49
Yakurr Local Government	114,905,812.40	48,753,820.39
Yala Local Government	126,716,812.32	53,765,155.21
	2,029,838,965.83	795,767,635.61

2. NON-TAX REVENUE (IGR) – ₦ 554,322,147.12

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of all 18 LGCs for the year amounting to N554.3m (approx..) as charted below from highest to lowest earners.



	2020	2019
	₦	₦
Abi Local Government	5,739,358.49	7,914,352.50
Akamkpa Local Government	199,538,385.01	187,145,015.25
Akpabuyo Local Government	100,575,541.64	69,596,516.84
Bakassi Local Government	8,543,121.12	8,490,200.00
Bekwarra Local Government	12,597,400.62	17,920,862.64
Biase Local Government	14,371,748.38	14,201,103.63
Boki Local Government	15,954,218.26	10,608,274.83
Calabar Municipal Local Government	63,005,779.05	46,766,414.57
Calabar South Local Government	11,869,224.25	15,589,693.00
Etung Local Government	13,410,951.58	7,157,214.92
Ikom Local Government	21,946,939.50	39,616,062.19
Obanliku Local Government	9,609,479.16	8,851,056.73
Obubra Local Government	15,601,273.58	11,815,955.55
Obudu Local Government	12,607,172.72	13,370,445.00
Odukpani Local Government	5,199,921.12	24,370,502.73
Ogoja Local Government	13,797,471.06	22,219,317.09
Yakurr Local Government	16,199,560.00	16,492,378.52
Yala Local Government	13,754,601.58	16,895,927.20
	554,322,147.12	539,021,293.19

3. CAPITAL RECEIPTS – ₦2,672,873,917.23

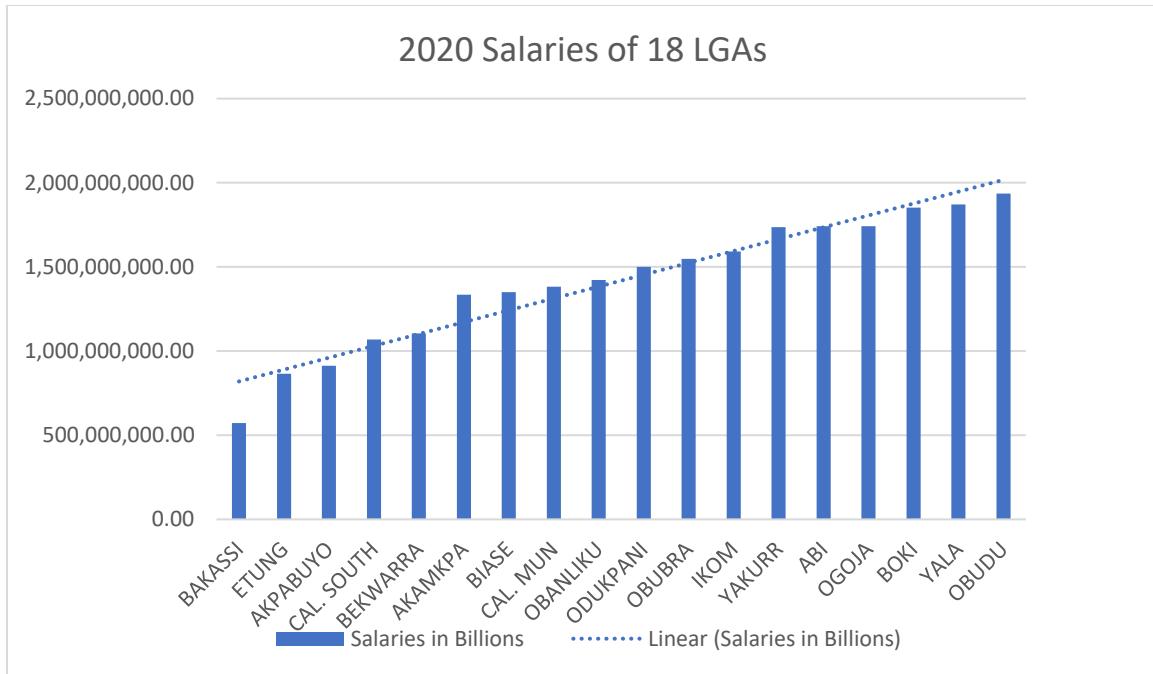
This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC. It amounted to ₦2.672bn. See Schedule A for details.

4. SALARIES AND WAGES – ₦25,532,284,268.33

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

	2020	2019
	₦	₦
Abi Local Government	1,741,859,971.59	1,230,754,587.54
Akamkpa Local Government	1,334,459,212.89	1,309,354,651.24
Akpabuyo Local Government	912,001,657.25	835,430,568.65
Bakassi Local Government	571,322,738.87	727,741,376.83
Bekwarra Local Government	1,105,623,834.04	1,038,224,515.44
Biase Local Government	1,350,578,707.91	1,223,036,706.85
Boki Local Government	1,852,863,136.31	1,569,425,313.13
Calabar Municipal Local Government	1,383,124,852.93	1,267,351,202.90
Calabar South Local Government	1,068,425,688.92	1,091,445,144.22
Etung Local Government	864,451,061.35	906,540,033.06
Ikom Local Government	1,592,044,982.36	1,350,045,209.92
Obanliku Local Government	1,421,826,659.43	1,363,891,108.84
Obubra Local Government	1,547,257,283.14	1,372,627,899.23
Obudu Local Government	1,936,751,496.18	1,565,457,769.66
Odukpani Local Government	1,499,977,402.16	1,254,966,345.58
Ogoja Local Government	1,741,859,971.59	1,444,476,459.21
Yakurr Local Government	1,736,092,435.64	1,384,561,217.27
Yala Local Government	1,871,763,175.77	1,452,016,376.24
	25,532,284,268.33	22,387,346,485.81

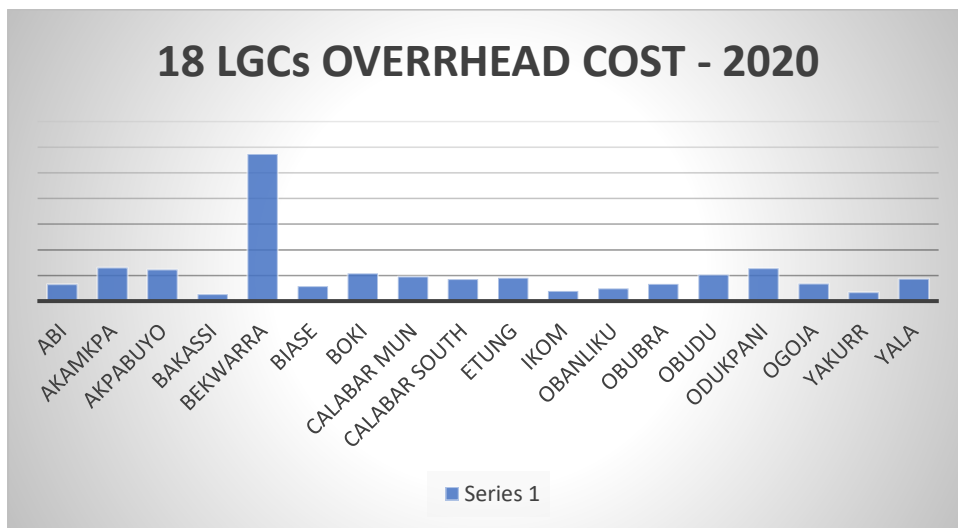
GOVERNMENT OF CROSS RIVER STATE OF NIGERIA



See Appendix B for details

5. OVERHEAD COST – ₦1,936,576,248.42

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

	2020	2019
	₦	₦
Abi Local Government	65,544,053.71	14,716,995.71
Akamkpa Local Government	130,341,663.41	133,286,761.04
Akpabuyo Local Government	123,742,423.21	15,275,820.79
Bakassi Local Government	27,697,289.18	36,858,575.26
Bekwarra Local Government	573,217,763.79	22,006,408.30
Biase Local Government	58,390,195.39	11,852,936.58
Boki Local Government	108,162,908.51	26,076,304.30
Calabar Municipal Local Government	95,315,735.45	12,869,487.32
Calabar South Local Government	85,243,961.14	32,066,977.37
Etung Local Government	91,420,131.71	12,879,122.45
Ikom Local Government	39,495,731.23	29,609,405.40
Obanliku Local Government	50,092,726.09	19,607,121.07
Obubra Local Government	67,094,951.38	22,576,050.06
Obudu Local Government	103,196,444.66	45,223,342.22
Odukpani Local Government	128,106,084.33	17,525,799.32
Ogoja Local Government	68,079,998.35	27,951,591.94
Yakurr Local Government	34,729,932.88	23,526,461.21
Yala Local Government	86,704,254.00	14,467,961.60
	1,936,576,248.42	518,377,121.94

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

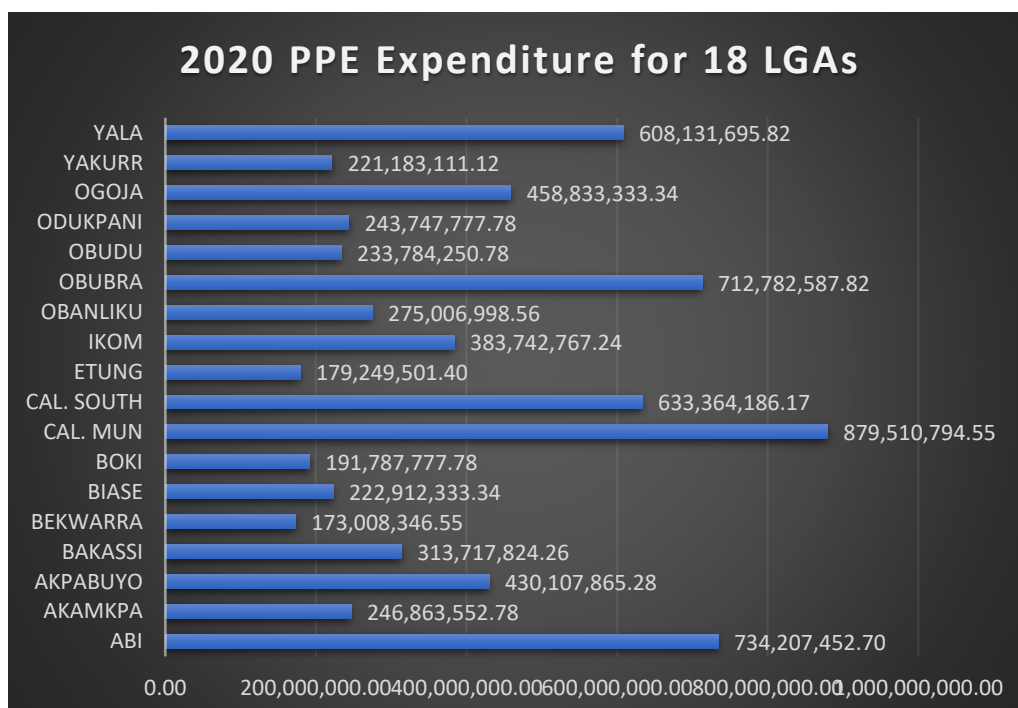
This is made up of 31% Statutory deductions from the 18 LGAs Allocations and paid to 13 State Agencies as stipulated in Cross River State Local Government Law 2007 (as amended). For the year under review, a total of ₦9.1Bn was paid.

S/N	LGC	DETAIL	AMOUNT (₦)
1	ABI	13 Statutory Agencies	408,787,610.62
2	AKAMKPA	13 Statutory Agencies	636,659,590.76
3	AKPABUYO	13 Statutory Agencies	670,732,118.34
4	BAKASSI	13 Statutory Agencies	425,382,252.99
5	BEKWARRA	13 Statutory Agencies	509,814,848.82
6	BIASE	13 Statutory Agencies	437,744,661.18
7	BOKI	13 Statutory Agencies	429,776,484.40
8	CALABAR MUN	13 Statutory Agencies	548,560,828.00
9	CALABAR SOUTH	13 Statutory Agencies	577,752,451.13
10	ETUNG	13 Statutory Agencies	409,846,154.23
11	IKOM	13 Statutory Agencies	479,812,028.24
12	OBANLIKU	13 Statutory Agencies	415,497,268.63
13	OBUBRA	13 Statutory Agencies	459,431,094.04
14	OBUDU	13 Statutory Agencies	522,196,152.82
15	ODUKPANI	13 Statutory Agencies	615,375,088.91
16	OGOJA	13 Statutory Agencies	564,968,689.34
17	YAKURR	13 Statutory Agencies	366,512,389.95
18	YALA	13 Statutory Agencies	622,348,718.51
		TOTAL	9,101,198,430.91

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

During the year under review, the 18 LGCs spent a total sum of ₦7.1bn (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below

	2020	2019
	₦	₦
Abi Local Government	734,207,452.70	285,681,960.82
Akamkpa Local Government	246,863,552.78	434,345,090.87
Akpabuyo Local Government	430,107,865.28	226,174,041.15
Bakassi Local Government	313,717,824.26	193,401,063.15
Bekwarra Local Government	173,008,346.55	194,080,408.16
Biase Local Government	222,912,333.34	457,020,920.97
Boki Local Government	191,787,777.78	203,809,888.89
Calabar Municipal Local Government	879,510,794.55	223,713,284.19
Calabar South Local Government	633,364,186.17	217,261,451.98
Etung Local Government	179,249,501.40	260,513,896.22
Ikom Local Government	383,742,767.24	260,547,106.31
Obanliku Local Government	275,006,998.56	237,567,357.67
Obubra Local Government	712,782,587.82	325,295,323.49
Obudu Local Government	233,784,250.78	152,738,886.75
Odukpani Local Government	243,747,777.78	254,848,287.15
Ogoja Local Government	458,833,333.34	220,604,303.68
Yakurr Local Government	221,183,111.12	202,164,555.56
Yala Local Government	608,131,695.82	330,356,893.01
	7,141,942,157.27	4,680,124,720.02



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 – ₦169,869,313.94 & ₦73,067,091.53

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.

DEPOSITS RECEIVED AND REMITTED			
S/N	LGC	DEPOSITS RECEIVED (N)	DEPOSITS REMITTED (N)
1	AKPABUYO		
2	BAKASSI		
3	BEKWARRA		
4	BIASE		
5	IKOM		
6	ODUKPANI		
7	OBUDU		
8	OGOJA		
9	YAKURR		
10	YALA		
	TOTAL		

11. TAXES RECEIVED ₦ 115,656,743.72. TAXES REMITTED - ₦80,532,516.01

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 – N4,500,000,000.00

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

REPAYMENT OF BORROWINGS AND REPAYMENTS			
S/NO	LGC	2020	2019
1	ABI	250,000,000.00	222,222,222.22
2	AKAMKPA	250,000,000.00	222,222,222.22
3	AKPABUYO	250,000,000.00	222,222,222.22
4	BAKASSI	250,000,000.00	222,222,222.22
5	BEKWARRA	250,000,000.00	222,222,222.22
6	BIASE	250,000,000.00	222,222,222.22
7	BOKI	250,000,000.00	222,222,222.22
8	CALABAR MUNICIPAL	250,000,000.00	222,222,222.22
9	CALABAR SOUTH	250,000,000.00	222,222,222.22
10	ETUNG	250,000,000.00	222,222,222.22
11	IKOM	250,000,000.00	222,222,222.22
12	OBANLIKU	250,000,000.00	222,222,222.22
13	OBUBRA	250,000,000.00	222,222,222.22
14	ODUKPANI	250,000,000.00	222,222,222.22
15	OBUDU	250,000,000.00	222,222,222.22
16	OGOJA	250,000,000.00	222,222,222.22
17	YAKURR	250,000,000.00	222,222,222.22
18	YALA	250,000,000.00	222,222,222.22
	TOTAL	4,500,000,000.00	4,000,000,000.00

REPAYMENT OF BORROWINGS	
	AMOUNT (₦)
Balance of Loan Brought Forward	5,826,254,361.48
2020 Additions	0.00
Total Loan	5,826,254,361.48
Repayment for the Period	(4,500,000,000.00)
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.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

	2020 (₦)	2019(₦)
14. CASH AND CASH EQUIVALENTS	1,545,784,766.02	-1,330,494,435.80
15. RECEIVABLES	9,613,705,942.62	7,955,120,291.54
16. INVESTMENTS	2,859,817,044.14	2,859,817,044.14
17. CONTRIBUTION TO CRS RESERVE FUND	2,325,278,912.74	2,119,277,212.68
18. DEPOSITS	364,020,987.83	393,156,640.89
19. SHORT TERM LOANS AND DEBTS	12,625,488.70	10,743,977.21
20. UNREMITTED DEDUCTIONS	11,569,201,427.59	10,491,63,272.11
21. PAYABLES	229,603,730.71	185,565,759.99
22. LONG TERM LOANS/BORROWINGS	1,326,254,361.48	5,826,254,361.48
23. RESERVES	14,897,354.22	2,810,521,826.43

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 2020

Local Government	Gross Statutory Allocation	Deductions	Govt. Share of VAT	Share of Exchange Gain Difference	Other Revenue	TOTAL FAAC	Non-Tax Revenue (IGR)	Capital Receipts	Total
ABI	1,200,427,880.59	-34,578,163.88	463,768,705.26	36,744,570.43	108,046,589.34	1,774,409,581.74	5,739,358.49	228,423,537.93	3,782,982,059.90
AKAMKPA	1,508,923,282.98	-36,686,147.12	470,273,077.20	46,187,479.27	135,813,252.04	2,124,510,944.37	199,538,385.01	224,923,537.93	4,673,483,811.68
AKPABUYO	1,444,483,913.77	-36,246,662.68	593,992,959.18	44,215,018.47	130,013,275.07	2,176,458,503.81	100,575,541.64	227,923,537.93	4,681,416,087.19
BAKASSI	932,006,315.19	-32,743,123.12	348,127,082.46	28,528,304.15	83,886,841.71	1,359,805,420.39	8,543,121.12	224,923,537.93	2,728,153,961.90
BEKWARRA	1,113,348,268.51	-33,982,932.32	423,670,584.36	34,079,101.74	100,208,838.12	1,637,323,860.40	12,597,400.62	230,423,537.93	3,517,668,659.36
BIASE	1,280,824,601.58	-35,127,133.92	488,849,061.47	39,205,478.77	115,282,835.39	1,889,034,843.29	14,371,748.38	380,423,537.93	4,172,864,972.89
BOKI	1,468,397,867.27	-36,410,120.08	506,293,492.83	44,947,014.09	132,165,691.86	2,115,393,945.97	15,954,218.26	224,923,537.93	4,246,742,110.20
CAL. MUN	1,163,197,156.12	-34,323,725.56	499,350,901.30	35,604,954.30	104,695,573.53	1,768,524,859.69	63,005,779.05	224,923,537.93	3,600,055,498.43
CAL. SOUTH	1,239,824,792.44	-34,848,022.76	511,939,941.92	37,950,492.61	111,592,576.58	1,866,459,780.78	11,869,224.25	224,923,537.93	3,744,788,785.82
ETUNG	970,831,130.14	-33,008,356.36	397,309,515.97	29,716,714.70	87,381,336.39	1,452,230,340.83	13,410,951.58	224,923,537.93	2,917,871,633.25
IKOM	1,324,685,387.90	-35,435,544.04	481,854,007.04	40,548,038.18	119,230,601.38	1,930,882,490.46	21,946,939.50	224,923,537.93	3,883,711,920.42
OBANLIKU	1,143,176,756.23	-36,670,726.64	428,301,721.87	34,992,138.65	102,893,602.79	1,672,693,492.91	9,609,479.16	235,423,537.93	3,590,420,002.90
OBUBRA	1,259,953,517.83	-34,985,265.68	492,203,601.55	38,566,624.06	113,404,297.36	1,869,142,775.12	15,601,273.58	227,923,537.93	3,981,810,361.75
OBUDU	1,192,843,881.17	-34,525,734.16	479,511,692.48	36,512,427.54	107,363,978.35	1,781,706,245.38	12,607,172.72	231,423,537.93	3,807,443,201.41
ODUKPANI	1,353,037,083.10	-35,622,132.20	512,777,291.08	41,415,871.13	121,782,444.79	1,993,390,557.90	5,199,921.12	227,923,537.93	4,219,904,574.85
OGOJA	1,271,622,745.58	-35,065,451.92	491,645,025.88	38,923,814.00	114,454,606.41	1,881,580,739.94	13,797,471.06	227,923,537.93	4,004,882,488.88
YAKURR	1,276,635,770.62	-35,098,977.00	516,898,201.10	39,077,260.49	114,905,812.40	1,912,418,067.61	16,199,560.00	224,923,537.93	3,841,035,695.22
YALA	1,407,859,288.93	-35,996,850.48	531,704,056.77	43,093,954.78	126,716,812.32	2,073,377,262.31	13,754,601.58	230,138,537.93	4,390,647,664.14
TOTAL	22,552,079,639.95	-631,355,069.92	8,638,470,919.72	690,309,257.33	2,029,838,965.83	33,279,343,712.90	554,322,147.12	2,672,873,917.23	69,785,883,490.16

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 2020

Local Government	Salaries & Wages	Overhead Cost	Statutory Deductions	Purchase/Construction of PPE (Capital Expenditure)	Total
ABI	1,741,859,971.59	65,544,053.71	408,787,610.62	734,207,452.70	2,950,399,088.62
AKAMKPA	1,334,459,212.89	130,341,663.41	636,659,590.76	246,863,552.78	2,348,324,019.84
AKPABUYO	912,001,657.25	123,742,423.21	670,732,118.34	430,107,865.28	2,136,584,064.08
BAKASSI	571,322,738.87	27,697,289.18	425,382,252.99	313,717,824.26	1,338,120,105.30
BEKWARRA	1,105,623,834.04	573,217,763.79	509,814,848.82	173,008,346.55	2,361,664,793.20
BIASE	1,350,578,707.91	58,390,195.39	437,744,661.18	222,912,333.34	2,069,625,897.82
BOKI	1,852,863,136.31	108,162,908.51	429,776,484.40	191,787,777.78	2,582,590,307.00
CAL. MUN	1,383,124,852.93	95,315,735.45	548,560,828.00	879,510,794.55	2,906,512,210.93
CAL. SOUTH	1,068,425,688.92	85,243,961.14	577,752,451.13	633,364,186.17	2,364,786,287.36
ETUNG	864,451,061.35	91,420,131.71	409,846,154.23	179,249,501.40	1,544,966,848.69
IKOM	1,592,044,982.36	39,495,731.23	479,812,028.24	383,742,767.24	2,495,095,509.07
OBANLIKU	1,421,826,659.43	50,092,726.09	415,497,268.63	275,006,998.56	2,162,423,652.71
OBUBRA	1,547,257,283.14	67,094,951.38	459,431,094.04	712,782,587.82	2,786,565,916.38
OBUDU	1,936,751,496.18	103,196,444.66	522,196,152.82	233,784,250.78	2,795,928,344.44
ODUKPANI	1,499,977,402.16	128,106,084.33	615,375,088.91	243,747,777.78	2,487,206,353.18
OGOJA	1,741,859,971.59	68,079,998.35	564,968,689.34	458,833,333.34	2,833,741,992.62
YAKURR	1,736,092,435.64	34,729,932.88	366,512,389.95	221,183,111.12	2,358,517,869.59
YALA	1,871,763,175.77	86,704,254.00	622,348,718.51	608,131,695.82	3,188,947,844.10
TOTAL	25,532,284,268.33	1,936,576,248.42	9,101,198,430.91	7,141,942,157.27	43,712,001,104.93

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 2020

Local Government	Cash & Cash Equivalents	Receivables (State Allocation)	Investments	Contribution to CRS Reserve Fund	Inventories	Property Plant & Equipment	Total
ABI	41,813,209.05	534,094,774.59	158,878,724.67	129,737,722.93	0	0	864,524,431.24
AKAMKPA	64,529,973.45	534,094,774.59	158,878,724.67	126,737,622.93	0	0	884,241,095.64
AKPABUYO	122,317,499.97	534,094,774.59	158,878,724.67	129,737,722.93	0	0	945,028,722.16
BAKASSI	55,691,253.40	534,094,774.59	158,878,724.67	127,737,722.93	0	0	876,402,475.59
BEKWARRA	16,874,544.57	534,094,774.59	158,878,724.67	124,737,722.93	0	0	834,585,766.76
BIASE	45,981,284.62	534,094,774.59	158,878,724.67	129,737,722.93	0	0	868,692,506.81
BOKI	101,477,797.22	534,094,774.59	158,878,724.67	129,737,722.93	0	0	924,189,019.41
CAL. MUN	69,307,433.61	534,094,774.59	158,878,724.67	129,737,722.93	0	0	892,018,655.80
CAL. SOUTH	39,126,393.37	534,094,774.59	158,878,724.67	129,737,722.93	0	0	861,837,615.56
ETUNG	36,457,472.16	534,094,774.59	158,878,724.67	129,737,722.93	0	0	859,168,694.35
IKOM	79,358,303.84	534,094,774.59	158,878,724.67	129,737,722.93	0	0	902,069,526.03
OBANLIKU	54,689,358.10	534,094,774.59	158,878,724.67	129,737,722.93	0	0	877,400,580.29
OBUBRA	12,955,532.80	534,094,774.59	158,878,724.67	129,737,722.93	0	0	835,666,754.99
OBUDU	300,195,391.18	534,094,774.59	158,878,724.67	129,737,722.93	0	0	1,122,906,613.37
ODUKPANI	67,385,617.89	534,094,774.59	158,878,724.67	129,737,722.93	0	0	890,096,840.08
OGOJA	326,998,905.84	534,094,774.59	158,878,724.67	129,737,722.93	0	0	1,149,710,128.03
YAKURR	38,655,187.51	534,094,774.59	158,878,724.67	129,737,722.93	0	0	861,366,409.70
YALA	71,969,607.44	534,094,774.59	158,878,724.67	129,737,722.93	0	0	894,680,829.63
TOTAL	1,545,784,766.02	9,613,705,942.62	2,859,817,044.06	2,325,278,912.74	0.00	0.00	16,344,586,665.44

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 2020

Local Government	Deposits	Short term Loans & Debts	Long Term Borrowings (CRSG loan)	Unremitted Deductions	Payables (Unremitted taxes)	Reserves	Accumulated Surplus/Deficit	TOTAL
ABI	7,799,980.54		73,680,797.86	724,127,854.95	22,522,600.33	827,630.79		
AKAMKPA	0.00		73,680,797.86	789,170,405.73	11,637,111.88	827,630.79		
AKPABUYO	11,953,620.88		73,680,797.86	582,847,959.56	14,511,047.35	827,630.79		
BAKASSI	18,472,008.21		73,680,797.86	558,924,414.74	6,853,398.34	827,630.79		
BEKWARRA	40,392,394.41	362,140.91	73,680,797.86	678,885,451.37		827,630.79		
BIASE	20,163,694.96	362,140.91	73,680,797.86	582,847,959.56		827,630.79		
BOKI	30,102,652.63	9,351,658.56	73,680,797.86	804,509,020.75	11,551,652.84	827,630.79		
CAL. MUN	670,017.15		73,680,797.86	760,930,397.18	48,620.00	827,630.79		
CAL. SOUTH		1,520,013.64	73,680,797.86	741,404,320.51	13,402,039.90	827,630.79		
ETUNG	8,393,924.24		73,680,797.86	582,847,959.56	55,240,985.69	827,630.79		
IKOM	96,740,007.16		73,680,797.86	582,847,959.56	6,121,714.95	827,630.79		
OBANLIKU	18,673,786.00		73,680,797.86	686,316,501.26	18,807,177.68	827,630.79		
OBUBRA	14,712,651.09		73,680,797.86	582,847,959.56	24,358,829.61	827,630.79		
OBUDU	6,858,251.99	725,973.45	73,680,797.86	623,049,587.73	0.00	827,630.79		
ODUKPANI	960,000.00	303,561.23	73,680,797.86	522,113,293.08	0.00	827,630.79		
OGOJA	36,550,487.51		73,680,797.86	582,847,959.56	8,513,943.81	827,630.79		
YAKURR	43,788,803.20		73,680,797.86	582,847,959.56	13,375,551.75	827,630.79		
YALA	7,788,707.86		73,680,797.86	599,834,463.37	22,659,056.58	827,630.79		
TOTAL	364,020,987.83	12,625,488.70	1,326,254,361.48	11,569,201,427.59	229,603,730.71	14,897,354.22		

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

APPENDIX E

SCHEDULE OF CONSOLIDATED PROPERTY, PLANT & EQUIPMENT FOR THE 18 LGCS OF CROSS RIVER STATE FOR THE YEAR ENDED 31ST DECEMBER 2020

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

Note: Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**AUDITOR-GENERAL'S INSPECTION REPORT ON THE CONSOLIDATED
ACCOUNTS OF THE 18 LOCAL GOVERNMENTS FOR THE YEAR
ENDED 31ST DECEMBER 2020.**

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 2020 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 2020 were submitted to the Cross River State House of Assembly in August 2020 and is being considered by the Public Accounts Committee of the Assembly; however, the final report of the Committee thereon is still being awaited.

3.0 FINANCIAL REPORTING STANDARDS

The Financial Statements for the financial year ended 31st December 2020 were prepared in line with the Standard templates for the General-Purpose Financial Statements (GPFs) 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 2020 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 only shortcoming towards the full implementation of the IPSAS Accrual basis in the year 2020 financial statements for all the 18 local Governments is the absence of valued Property, Plant and Equipment or Assets. However, plans are underway to speedily commence and conclude this exercise so that assets can be 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).

Thus, it is necessary to state that the following item was observably not recognized in the Year 2020 Financial Statements:

- Full valuation and recognition of Property Plant and Equipment (Assets)

6.0 IMPACTS OF COVID-19 PANDEMIC AND “ENDARS” PROTESTS

The scourge of COVID-19 Pandemic ravaged the entire world throughout the Year 2019 when it began and most especially in the accompanying year 2020 when we felt the brunt of its impact. The devastating and disruptive effects of the pandemic on economic and social existence and harmony have been colossal as the Nation, States and Local Governments were not left out in the impact of as witnessed in significant losses and a lull in economic activities and performances especially in the face of lockdowns and general restrictions in local and cross-border movements within and outside the State.

Similarly, towards the end of the Year 2020 while the rest of the world was gradually showing signs of gradual recovery from the novel corona virus pandemic and its attendant disruptions, the country and particularly Cross River State was hard hit by another calamitous occurrence style-named ‘ENDSARS’ protest which led to wanton destruction and looting of both private and especially public assets.

Some local government headquarters in Cross River State were utterly ransacked and completely looted of furniture, fittings and vital financial and official records, some of those worse hit LGAs were Bakassi, Akpabuyo and Calabar South Local Governments.

The totality of all these unsavory events during the financial year had significant effects on the Local Government’s financials, the results of which are reflected in this Year 2020 Financial Statements.

7.0 FINANCIAL SUMMARY

During the year 2020 the following financial summary of the 18 LGAs in terms of revenue, expenditure and budget performance are summarized as follows:

7.1 REVENUE

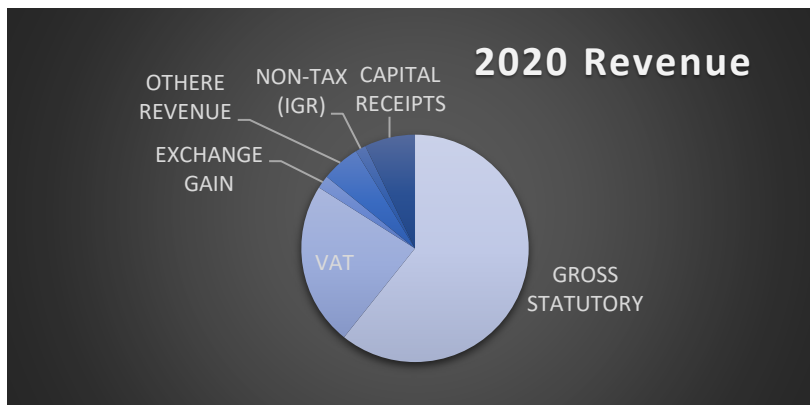
The sum of N33.27bn accrued to the 18 Local Government Councils as receipts for the year ended 31st December 2020 as revealed in the table below:

S/N	DETAILS	2020 (N)	2019 (N)
1	Gross Statutory Allocation	22,552,079,639.95	26,933,543,626.73
2	Govt. Share of VAT	8,638,470,919.72	7,152,638,078.65
3	Share of Exchange Gain	690,309,257.33	65,476,441.34
4	Other Revenue	2,029,838,965.83	499,600,737.56
5	Non-Tax Revenue (IGR)	554,322,147.12	795,767,635.61
6	Capital Receipts	2,672,873,917.23	95,065,842.36
		37,137,894,847.18	35,542,092,362.25

Government Share of FAAC or Statutory Allocation contributed the majority 60% of total revenue received by the Councils for the year, VAT contributed 23%, Exchange Gain 1.8% and Other Revenue a total of 5.4% of total revenue of councils. IGR of Councils contributed a paltry 1.49% 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; there is need to devise innovative means of generating revenue rather over depending on Federal revenue.

RECOMMENDATION

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



7.2 EXPENDITURE

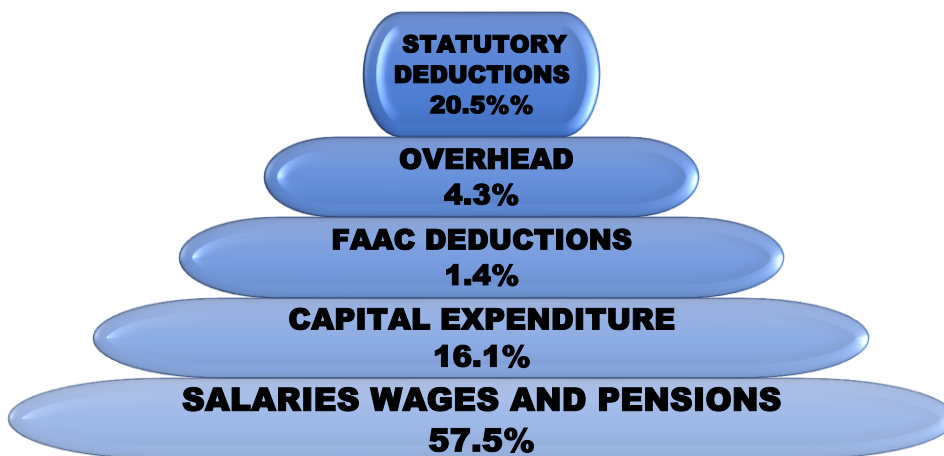
A total of **₦44.3bn** was expended by Councils during the year for various purposes as listed in the table below.

S/N	DETAILS	2020 ESTIMATES (N)	2020 ACTUAL (N)
1	Salaries and Wages	25,532,284,268.33	22,938,505,303.13
2	Overhead	1,936,576,248.42	1,102,542,305.30
3	Statutory Deductions	9,101,198,430.91	341,491,356.90
4	FAAC Deduction /JAAC Charges	631,355,069.92	5,497,878,952.03
5	Capital Expenditure	7,141,942,157.27	4,680,124,720.02
		44,343,356,174.85	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 GENERAL STATE OF THE ACCOUNTS AND RECORD KEEPING

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

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

RECOMMENDATION

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

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

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

9.0 CONTRACT AWARDS AND CAPITAL PROJECTS

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

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

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

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

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

RECOMMENDATION

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

Council Management need more education and orientation regarding Due Process laws and procedures with a view to forestalling breaches committed out of ignorance. We recommend and demand an immediate summons of all erring Contractors who failed to complete projects and pay taxes accruable to government and the setting up of functional Due Process Units in each of the 18 Councils.

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
19th September 2020

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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

ABI LOCAL GOVERNMENT, ITIGIDI
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

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


.....
HON. FARATHOR ROBINSON RIMAN
CHAIRMAN

30th June 2021
DATE


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

30th June 2021
.....
DATE



The Chairman,
Abi Local Government Council,
ITIGIDI.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF ABI 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) 58-60 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Abi Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	41,813,209.05	(177,733,298.58)
Receivables	15	534,094,774.59	441,951,127.31
Prepayments		0	-0.00
Total Current Assets (A)		575,907,983.64	264,217,828.73
Non-Current Assets			
Investments	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment		0	0.00
Financial Assets (CRS Reserve Fund)	17	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)		288,616,447.60	276,616,347.60
Total Assets (A) + (B)		864,524,431.24	540,834,176.33
LIABILITIES			
Current Liabilities			
Deposits	18	7,799,980.54	16,350,756.01
Public Debt (borrowings)		0	0.00
Unremitted Deductions	20	724,127,854.95	582,847,959.56
Payables (Unremitted Taxes)	23	22,522,600.33	22,522,600.32
Total Current Liabilities (C)		754,450,435.82	621,721,315.89
Non-Current Liabilities			
Payables		0	0.00
Finance Lease Obligation		0	0.00
Financial Liabilities Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Total Non-Current Liabilities (D)		73,680,797.86	323,680,797.86
Total Liabilities (C) + (D)		828,131,233.68	945,402,113.75
Net Assets (Total Assets - Total Liabilities)		36,393,197.56	(404,567,937.42)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surplus/(Deficit)		35,565,566.77	(560,708,038.89)
Total Net Assets/Equity		36,393,197.56	(404,567,937.42)

ABI LOCAL GOVERNMENT, ITIGIDI
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	1,774,409,581.7	1,863,809,538.92
Non-Tax Revenue	2	5,739,358.49	6,819,377.20
Aids and Grants		0.00	0
Investment Income		0.00	0
Other Capital Receipts	3	1,099,242,924.3	-
Total Operating Revenue		2,879,391,864.5	1,870,628,916.12
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,741,859,971.5	1,297,728,613.34
Overhead Cost - General and Administrative Expenses	5	65,544,053.71	17,057,195.12
Transfer to Other Government Entities (Statutory deductions)	6	408,787,610.62	18,971,724.05
Total Operating Expenditure		2,216,191,635.9	1,333,757,532.51
Surplus/Deficit from Operating Activities for the Period before Capital Items		663,200,228.61	536,871,383.61
Capital Expenditure	7	734,207,452.70	534,460,384.27
Public Debt Charges		0.00	0.00
Depreciation		0.00	0.00
Damaged Assets		0.00	0.00
Net Surplus/(Deficit) for the Period		(71,007,224.09)	2,410,999.34

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	53,855,156.22	-	53,855,156.22
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Abi Local government.

ABI LOCAL GOVERNMENT, ITIGIDI
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,200,427,880.59	1,434,059,262.75
Government Share of VAT	1	463,768,705.25	383,906,730.47
Share of Exchange Gain Difference	1	36,744,570.43	23,938,428.44
Other Revenue	1	108,046,589.34	21,905,117.26
Non-Tax Revenue	2	5,739,358.49	6,819,377.20
Capital Receipts	3	1,099,242,924.30	0.00
10% State IGR (Non-Tax Revenue)		0	0.00
Total Inflows from Operating Activities		2,913,970,028.40	1,870,628,916.12
Outflows:			
Deductions at Source	1	34,578,163.88	0.00
Salaries and Wages & Employee Benefits	4	1,741,859,971.59	1,297,728,613.34
Overhead Cost	5	65,544,053.71	18,971,742.05
Statutory Deductions	6	408,787,610.62	17,057,195.12
JAAC Charges		0.00	155,960,882.02
Total Outflows from Operating Activities		2,250,769,799.80	1,582,535,955.96
Net Cashflow from Operating Activities		663,200,228.60	288,092,960.16
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE	23	486,698,575.51	0.00
Proceeds from Sale of Investment Property		0	0.00
Purchase/Construction of PPE		0	(285,681,960.82)
Investment Expenditure	7	-734,207,452.70	0.00
Net Cashflow from Investing Activities		-247,508,877.19	(285,681,960.82)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	-
Deposits Remitted		0.00	-
Taxes Received		0.00	6,005,000.00
Tax Remitted		0.00	(2,779,558.65)
Proceeds from Borrowings (CRSG Loan)		0.00	-
Repayment of Borrowings		0.00	(222,222,222.22)
Overdraft Received	11	-250,000,000.00	-
Overdraft Repayment		0	-
Net Cash Flow from Financing Activities		-250,000,000.00	(218,996,780.87)
Net Cash Flow from All Activities		165,691,351.41	(216,585,781.53)
Cash and its Equivalent as at 01 Jan 2020		-177,733,298.58	38,852,482.95
Prior Year adjustment (Underreported FAAC)		53,855,156.22	-
Cash and its Equivalent as at 31 Dec 2020	13	41,813,209.05	(177,733,298.58)

ABI LOCAL GOVERNMENT, ITIGIDI
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE 2020
	₦	₦	₦
RECEIPTS			
Gross Statutory Allocation	2,722,419,738.00	1,774,409,581.74	948,010,156.26
Non Tax Revenue	35,018,877.00	5,739,358.49	29,279,518.51
Capital Receipts	0.00	1,099,242,924.30	(1,099,242,924.30)
Government Grant/Loan	50,000,000.00	0.00	50,000,000.00
Total Receipts	2,807,438,615.00	2,879,391,864.53	(71,953,249.53)
PAYMENTS			
Salaries and Wages	1,212,300,569.00	1,741,859,971.59	(529,559,402.59)
Statutory Deductions	1,029,270,612.00	408,787,610.62	620,483,001.38
Overhead / Operating Expenditure	112,422,187.00	65,544,053.71	46,878,133.29
Capital Expenditure	1,492,016,000.00	734,207,452.70	757,808,547.30
Investment Expenditure	0.00	0.00	0.00
Total Payments	3,846,009,368.00	2,950,399,088.62	895,610,279.38
NET RECEIPTS	(1,038,570,753.00)	(71,007,224.09)	(967,563,528.91)

ABI LOCAL GOVERNMENT, ITIGIDI

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS**1a. (A) GROSS STATUTORY ALLOCATION - N1,200,427,880.59**

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

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	128,544,113.46	36,126,702.08	262,035.75	0.00	(2,017,457.56)	162,915,393.73
2	FEB.	115,278,654.67	32,925,846.73	230,106.84	4,231,575.07	(2,017,457.56)	150,648,725.75
3	MARCH	101,805,311.91	31,490,504.99	166,045.38	3,299,735.23	(2,017,457.56)	134,744,139.95
4	APRIL	103,158,926.06	37,770,656.35	14,107,148.55	0.00	(2,017,457.56)	153,019,273.40
5	MAY	80,449,047.13	29,643,653.30	5,981,917.99	28,153,531.43	0.00	144,228,149.86
6	JUNE	90,751,765.71	32,619,059.69	6,250,411.69	253,006.74	0.00	129,874,243.84
7	JULY	95,329,779.18	40,471,712.96	9,746,904.23	12,477,312.80	0.00	158,025,709.17
8	AUG.	120,646,367.26	41,540,623.01	0.00	0.00	0.00	162,186,990.27
9	SEPT.	119,348,059.12	47,223,416.67	0.00	0.00	(6,627,083.41)	159,944,392.37
10	OCT.	76,327,713.96	44,591,549.70	0.00	35,445,943.08	(6,627,083.41)	149,738,123.33
11	NOV.	78,726,928.72	39,829,420.39	0.00	22,477,400.28	(6,627,083.41)	134,406,665.98
12	DEC.	90,061,213.40	49,535,559.38	0.00	1,708,084.72	(6,627,083.41)	134,677,774.10
	TOTAL	1,200,427,880.59	463,768,705.26	36,744,570.43	108,046,589.34	(34,578,163.88)	1,774,409,581.74

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) - N463,768,705.25

This represents Federal Revenue arising from Value Added Tax (VAT) shared to Abi Local Government Council monthly for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE - N36,744,570.43

This represents the Abi LGA's Share of Exchange Gain Difference as seen month on month as seen in the table above, for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1d. (D) OTHER REVENUE - N108,046,589.34

This represents Other Revenue other than statutory receipts from the Federation for Abi Local Government Council for the year ended 31st December 2020. Such as proceeds from excess bank charges, solid minerals, non-oil revenue, intervention funds etc.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	Distribution from Non Oil Revenue	FGN Intervention Fund	OTHER REVENUE
JAN.							-
FEB.			164,470.19		4,067,104.88		4,231,575.07
MARCH		3,299,735.23					3,299,735.23
APRIL							-
MAY			280,016.90	1,929,438.03	25,944,076.50		28,153,531.43
JUNE			253,006.74				253,006.74
JULY					12,477,312.80		12,477,312.80
AUG.							-
SEPT.							-
OCT.		8,584,784.09			11,229,581.52	15,631,577.47	35,445,943.08
NOV.	4,990,925.12	1,605,019.05	249,878.63			15,631,577.47	22,477,400.28
DEC.		1,708,084.72					1,708,084.72
TOTAL	4,990,925.12	15,197,623.09	947,372.46	1,929,438.03	53,718,075.69	31,263,154.94	108,046,589.34

1e. (E) DEDUCTIONS AT SOURCE - (N34,578,163.88)

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

2. NON-TAX REVENUE (IGR) – N5,739,358.49

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Abi Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	0.00
102000	RATES	1,254,558.49
103000	LOCAL LICENCE FEES	1,400,100.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	966,700.00
105000	RENT ON GOVERNMENT PROPERTY	69,500.00
106000	INTEREST ON DIVIDENDS	0.00
107000	REIMBURSEMENT	0.00
108000	MISCELLANEOUS	2,048,500.00
	TOTAL	5,739,358.49

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	102000	103000	104000	105000	108000	TOTAL
JAN		245,000.00	65,800.00	4,000.00	509,550.00	824,350.00
FEB	173,483.86	187,000.00	68,150.00	2,000.00	268,500.00	699,133.86
MAR	446,951.60	264,000.00	124,050.00	13,500.00	210,000.00	1,058,501.60
APR	-	19,000.00	89,050.00	8,000.00	58,000.00	174,050.00
MAY		14,000.00	37,900.00		198,000.00	249,900.00
JUN		72,000.00	53,600.00	20,000.00	35,000.00	180,600.00
JUL	120,000.00	33,000.00	50,600.00		206,000.00	409,600.00
AUG	414,123.03	69,000.00	60,650.00	-	334,500.00	878,273.03
HSEP	100,000.00	300,500.00	117,300.00	20,000.00	108,500.00	646,300.00
OCT.		83,000.00	77,550.00	2,000.00	25,000.00	187,550.00
NOV		33,100.00	106,600.00		50,500.00	190,200.00
DEC		80,500.00	115,400.00		45,000.00	240,950.00
TOTAL	1,254,558.49	1,400,100.00	966,650.00	69,500.00	2,048,550.00	5,739,358.49

3. CAPITAL RECEIPTS – N 228,423,537.93

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

4. SALARIES AND WAGES – N 1,410,072,251.02

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

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	29,325,000.00
2	Primary Health Care Salaries	160,609,110.32
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	269,748,670.00
5	Political Office Holders	31,850,300.81
6	Pension Allowances	334,138,156.02
7	SUBEB - Teacher's Salaries	572,401,013.87
	TOTAL	1,410,072,251.02

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

5. OVERHEAD COST – ₦65,544,053.71

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

CODE	DESCRIPTION	ACTUAL PAID	TOTAL
		₦	₦
431050	NON-PAYROLL ALLOWANCE	13,000,000.00	13,000,000.00
431200	TRAVEL AND TRANSPORT	801,000.00	801,000.00
431300	UTILITIES	240,000.00	240,000.00
431400	MATERIALS AND SUPPLIES	622,617.39	622,617.39
431500	MAINTENANCE, REPAIRS AND SERVICES	470,000.00	470,000.00
431600	TRAINING AND STAFF DEVELOPMENT	-	-
431700	CONSULTANCY AND PROFESSIONAL SERVICES	1,280,000.00	1,280,000.00
431800	FINANCE EXPENSES	2,545,104.00	2,545,104.00
431900	ENTERTAINMENT AND HOSPITALITY	1,498,200.00	1,498,200.00
432100	OTHER SERVICES	587,600.00	587,600.00
432200	GRANTS, CONTRIBUTION, SUBVENTION AND	-	-
115000	CRF CHARGES	31,015,732.32	31,015,732.32
TOTAL		65,544,053.71	65,544,053.71

6. STATUTORY DEDUCTIONS – ₦ 408,787,610.62

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. Paid as follows:

S/N	AGENCY	AMOUNT(₦)
1	1% Ministry of Local Government for Administration	17,497,687.85
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	127,962,559.21
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	67,771,412.29
4	JOINT SECURITY OPERATIONS 2.5%	15,557,947.96
5	JOINT SOCIAL WELFARE 2.5%	34,875,701.15
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	6,975,237.24
7	SPORT DEVELOPMENT 1%	8,119,886.08
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	30,892,272.82
9	CRHA OVERSIGHT FUNCTION 0.5%	9,216,066.10
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	6,975,105.24
11	INFRASTRUCTURAL FUNDS 4%	55,801,121.59
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	10,650,464.52
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	16,492,148.57
	TOTAL	408,787,610.62

7. PURCHASE/CONSTRUCTION OF PPE– ₦734,207,452.70

During the year under review, the Abi LGC spent a total sum of **₦734.2m** on Purchase and Construction of PPE (Property, Plant and Equipment).

HEAD	DETAILS	ACTUAL COUNCIL PAYMENT 2020	TOTAL(N)
16000	ENERGY FUEL AND POWER	6,990,412.29	6,990,412.29
17000	COMMERCE AND FINANCE	146,433,510.97	146,433,510.97
18000	TRANSPORT, ROAD AND BRIDGES	136,962,524.21	139,962,524.21
19000	CULTURE AND TOURISM	3,200,000.00	3,200,000.00
21000	EDUCATION	13,950,280.46	13,950,280.46
22000	HEALTH	50,000,000	50,000,000
24000	SOCIAL DEVELOPMENT YOUTH AND SPORT	56,145,829.64	56,145,829.64
33000	HOUSING	33,565,000.00	33,565,000.00
35000	ENVIROMENTAL AND REFUSE DISPOSAL	55,493,454.34	55,493,454.34
40000	GENERAL ADMINISTRATION	231,466,440.79	231,466,440.79
	TOTAL	734,207,452.70	737,207,452.70

8. INVESTMENT EXPENDITURE – NIL

There were no Investment expenditures for the year.

9. DEPOSITS RECEIVED AND REMITTED – NIL

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

10. TAXES RECEIVED AND REMITTED –~~₦~~ 22,522,600.32

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. However, for the year 2020, there was no tax deduction or remittances other than the brought forward of ₦22,522,600.32

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

TAXES RECEIVED AND REMITTED			
DETAIL	TAXES RECEIVED	TAXES REMITTED	N
BALANCE BROUGHT	22,522,600.32	-	22,522,600.32
ADDITIONS FOR THE YEARE	-	-	-
BALANCE CARRIED	22,522,600.32	-	22,522,600.32

11. REPAYMENT OF BORROWINGS – ₦250,000,000.00

In the year 2020, Abi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86

Repayment - 250,000,000.00

Balance = 73,680,797.86

12. OVERDRAFT RECEIVED NIL AND REPAID – NIL

This represents overdrafts taken by some Council during the year and the portions that have been repaid. Meanwhile, the status quo remains in 2020 as there was no overdraft collected.

13. CASH AND CASH EQUIVALENTS – ₦ 41,813,209.05

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

S/N	NAME OF BANK	CLOSING BALANCES AS 31 ST DEC. 2020
1	FIRST BANK OF NIG. PLC (SALARY AND OVERHEAD)	33,490,904.83
2	FIRST BANK OF NIG. PLC (REVENUE ACCOUNT)	133,335.63
3	FIRST BANK OF NIG. PLC (PROJECT ACCOUNT)	8,188,968.59
	TOTAL BAL AS 31ST DEC.2020	41,813,209.05

14. RECEIVABLES – ₦534,094,774.59

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

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

RECEIVABLES	AMOUNT (₦)
Balance Brought Forward	441,951,127.31
2020 Unpaid 10%	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

15. INVESTMENTS - N 158,878,724.67

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

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

16. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

17. DEPOSITS – ₦ 7,799,980.54

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 1/1/2020	ADDITION IN THE YEAR	PAYMENTS WITHIN THE YEAR	BALANCE AS AT 31/12/2020
		₦	₦	₦	₦
1	RETENTION DEPOSIT	12,263,900.00	-	-	12,263,900.00
2	NATIONAL HOUSING FUND	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

18. SHORT TERM LOANS AND DEBTS – NIL

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

19. UNREMITTED DEDUCTIONS – ₦ 724,127,854.95

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

DETAILS	AMOUNT(N)
Unremitted deductions brought forward	582,847,959.56
2020 Statutory deductions	550,066,970.34
	1,132,914,929.90
Actual Remittances for the year	(408,787,074.95)
BALANCE CARRIED FORWARD	724,127,854.95

20. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

21. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances found in the State Local Government Joint Account as at 31st December for the year 2020, apportioned equally to Abi Local Government in its Financial Statements for purposes of disclosure.

22. PAYABLES (UNREMITTED TAXES) – ₦22,522,600.33

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 2020.

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	WITHHOLDING TAX	11,534,115.73	-	-	11,534,115.73
2	VALUE ADDED TAX	10,485,984.60			10,485,984.60
3	PAYE	-	14,460,769.87	-14,460,769.87	0
4	STAMP DUTY	502,500.00			502,500.00
	TOTAL	22,522,600.33	14,460,769.87	-14,460,769.87	22,522,600.33

24. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF ABI LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020.**

Month	Land &	Computer	Furniture	Motor	Medical	Plant &	Total
	₦	₦	₦	₦		₦	₦
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported

**AKAMKPA LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

AKAMKPA LOCAL GOVERNMENT, AKAMKPA

RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

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



.....
HON. LINUS ETIM BASSEY
CHAIRMAN

30th June 2021
.....
DATE



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

30th June 2021
.....
DATE



The Chairman,
Akamkpa Local Government Council,
AKAMKPA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF AKAMKPA 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) 81 to 83 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

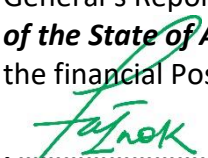
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the State of Affairs of Akamkpa Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	64,529,973.45	(155,363,633.78)
Receivables	15	534,094,774.59	441,951,127.31
Inventories		0.00	0.00
Prepayments		0.00	0.00
Total Current Assets (A)		598,624,748.04	286,587,493.53
Non-Current Assets			
Investments	16	158,878,724.67	158,878,724.60
Property, Plant & Equipment		0.00	0.00
Contribution to CRS Reserve Fund	19	126,737,622.93	117,737,622.93
Total Non-Current Assets (B)		285,616,347.60	276,616,347.53
Total Assets (A) + (B)		884,241,095.64	563,203,841.06
LIABILITIES			
Current Liabilities			
Deposits		0.00	11,631,511.88
Short term Loans & Debts		0.00	-
Unremitted Deductions	17	789,170,405.73	582,847,959.56
Payables (Unremitted Taxes)	23	11,637,111.88	-
Total Current Liabilities (C)		800,807,517.61	594,479,471.44
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	
Long Term Provisions		0.00	
Total Non-Current Liabilities (D)		73,680,797.86	323,680,797.86
Total Liabilities (C) + (D)		874,488,315.47	918,160,269.30
Net Assets (Total Assets - Total Liabilities)		<u>9,752,780.17</u>	<u>-354,956,428.24</u>
NET ASSETS / EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)		8,925,149.38	-511,096,529.71
Total Net Assets/Equity		<u>9,752,780.17</u>	<u>-354,956,428.24</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

AKAMKPA LOCAL GOVERNMENT, AKAMKPA

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	NOTES	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	2,124,510,944.38	2,249,378,718.01
Non-Tax Revenue	2	199,538,345.01	148,734,825.33
Aids and Grants		-	-
Investment Income		-	-
Other Capital Receipts	3	224,923,537.93	
Total Operating Revenue		2,548,972,827.	2,398,113,543.34
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,334,459,212.89	1,204,638,632.16
Overhead Cost - General and Administrative Expenses	5	130,341,663.41	59,651,734.61
Transfer to Other Government Entities (Statutory	6	636,659,590.76	18,971,742.05
Total Operating Expenditure		2,101,460,467.	1,283,262,108.82
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	8	246,863,552.78	434,345,090.87
Public Debt Charges		-	637,436,257.19
Depreciation		-	-
Damaged Assets		-	-
Net Surplus/(Deficit) for the Period		200,648,807.48	43,070,086.46

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-354,956,428.24	156,140,101.47	
Correction of Prior Year Errors (understated FAAC)	66,947,519.57	-	66,947,519.57
Adjustment of Payables			300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-		
Net Surplus for the Period		-	
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020		156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Akamkpa Local government.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

AKAMKPA LOCAL GOVERNMENT, AKAMKPA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,508,923,282.98	1,802,492,691.76
Government Share of VAT	1	470,273,077.20	389,261,308.29
Share of Exchange Gain Difference	1	46,187,479.27	-
Other Revenue	1	135,813,252.04	57,624,717.96
Non-Tax Revenue	2	199,538,345.01	148,734,825.33
Capital Receipts	3	224,923,537.93	-
10% State IGR (Non-Tax Revenue)		0.00	-
Total Inflows from Operating Activities		2,585,658,974.43	2,398,113,543.34
Outflows:			
FAAC Deductions at Source	1	36,686,147.12	-
Salaries, Wages & Employee Benefits	4	1,334,459,212.89	1,204,638,632.16
Overhead Cost	5	130,341,663.41	59,651,734.61
Statutory Deductions	6	636,659,590.76	18,971,742.05
JAAC Charges		-	637,436,257.19
Total Outflows from Operating Activities		2,138,146,614.18	1,920,698,366.01
Net Cashflow from Operating Activities		447,512,360.25	477,415,177.33
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE		-	-
Proceeds from Sale of Investment Property		-	-
Purchase/Construction of PPE	8	246,863,552.78	(434,345,090.87)
Investment Expenditure		-	-
Net Cashflow from Investing Activities		-246,863,552.78	(434,345,090.87)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	-
Deposits Remitted		0.00	-
Taxes Received		0.00	-
Tax Remitted		0.00	-
Proceeds from Borrowings (CRSG Loan)		0.00	-
Repayment of Borrowings	12	-250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	-
Overdraft Repayment		0.00	-
Net Cash Flow from Financing Activities		-250,000,000.00	(222,222,222.22)
Net Cash Flow from All Activities			(179,152,135.76)
Prior Year adjustment (Underreported FAAC)		66,947,519.57	
Cash and its Equivalent as at 01 Jan 2020		(155,363,633.78)	23,788,501.98
Cash and its Equivalent as at 31 Dec 2020			(155,363,633.78)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

AKAMKPA LOCAL GOVERNMENT, AKAMKPA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	5,283,851,714.00	2,124,510,944.38	
Internally Generated Revenue	180,044,114.00	199,538,345.01	
Capital Receipts	-	224,923,537.93	
Cross River State Government Loan	-	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,485,202,743.02	1,334,459,212.89	
Statutory Deductions	-	130,341,663.41	
Overhead / Operating Expenditure	367,954,869.00	636,659,590.76	
Capital Expenditure	2,243,568,112.00	246,863,552.78	
Investment Expenditure			
Total Payments			
NET SURPLUS (DEFICIT)			

AKAMKPA LOCAL GOVERNMENT, AKAMKPA

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 nit 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS

1a. (A) GROSS STATUTORY ALLOCATION) - ₦ 1,508,923,282.98

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

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	(E) DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	161,578,391.19	36,633,123.77	329,375.76		(2,544,453.37)	195,996,437.35
2	FEB.	144,903,870.42	33,387,949.08	289,241.51	5,319,038.52	(2,544,453.37)	181,355,646.16
3	MARCH	127,968,042.03	31,929,642.15	208,717.03	4,147,727.15	(2,544,453.37)	161,709,674.99
4	APRIL	129,669,518.59	38,301,176.31	17,732,514.58		(2,544,453.37)	183,158,756.11
5	MAY	101,123,476.28	30,060,487.04	7,519,198.35	35,388,647.46	-	174,091,809.13
6	JUNE	114,073,868.55	33,077,256.41	7,856,691.67	318,026.41	-	155,325,843.04
7	JULY	119,828,375.94	41,039,982.20	12,251,740.37	15,683,830.82	-	188,803,929.33
8	AUG.	151,651,020.03	42,125,624.45			-	193,776,644.48
9	SEPT.	150,019,062.44	47,886,100.85			(6,627,083.41)	191,278,079.88
10	OCT.	95,943,010.49	45,217,305.46		44,555,120.44	(6,627,083.41)	179,088,352.98
11	NOV.	98,958,794.33	40,387,265.97		28,253,819.47	(6,627,083.41)	160,972,796.36
12	DEC.	113,205,852.68	50,227,163.53		2,147,041.77	(6,627,083.41)	158,952,974.57
	TOTAL	1,508,923,282.98	470,273,077.20	46,187,479.27	135,813,252.04	(36,686,147.12)	2,124,510,944.38

1b. (B) GOVERNMENT SHARE OF VALUE ADDED TAX - N 470,273,077.20

This represents Federal Revenue arising from Value Added Tax (VAT) for Akamkpa Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE – N 46,187,479.27

This represents Akamkpa LGC’s portion of the 18 LGAs Share of Exchange Gain Difference as seen in table 1, for Akamkpa Local Government Council for the year ended 31st December 2020, it was a NIL balance.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1d. (D) OTHER REVENUE – ₦ 135,813,252.04

This represents revenue other than statutory receipts from the Federation for Akamkpa Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	Distribution from Non Oil Revenue	FGN Intervention Fund	TOTAL
JAN.	-	-	-	-	-	-	
FEB.	-	-	206,737.03	-	5,112,301.49	-	5,319,038.52
MARCH	-	4,147,727.15		-		-	4,147,727.15
APRIL	-	-				-	
MAY	-	-	351,977.84	2,425,280.20	32,611,389.42	-	35,388,647.46
JUNE	-	-	318,026.41	-		-	318,026.41
JULY	-	-	-	-	15,683,830.82	-	15,683,830.82
AUG.	-	-	-	-		-	
SEPT.	-	-	-	-		-	
OCT.	-	10,790,969.46	-	-	14,115,447.74	19,648,703.25	44,555,120.44
NOV.	6,273,532.33	2,017,489.48	314,094.41	-		19,648,703.25	28,253,819.47
DEC.	-	2,147,041.77					2,147,041.77
TOTAL	6,273,532.33	19,103,227.86	1,190,835.69	2,425,280.20	67,522,969.46	39,297,406.50	135,813,252.04

1e. (E) DEDUCTIONS AT SOURCE - (₦36,686,147.12)

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

2. NON-TAX REVENUE (IGR) – ₦199,538,385.01

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Akamkpa Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	696,451.58
102000	RATES	1,378,120.00
103000	LOCAL LICENCE FEES	3,000,533.95
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	193,591,739.48
105000	RENT ON GOVERNMENT PROPERTY	330,000.00
106000	INTEREST ON DIVIDENDS	0.00
107000	REIMBURSEMENT	0.00
108000	MISCELLANEOUS	541,500.00
	TOTAL	199,538,345.01

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	TAXES	RATES	LOCAL LICENCES FEE & FINES	EARNINGS FROM COMMERCIAL UNDERTAKINGS	RENT ON GOVERNMENT PROPERTY	INTEREST ON DIVIDENDS	RE-IMBURSEMENT	MISCELLANEOUS	TOTAL
JANUARY	2,000.00	-	239,433.95	6,264,136.45	30,000.00	-	-	38,000.00	6,573,570.40
FEBRUARY	600,467.72	20,000.00	181,600.00	13,038,100.00	30,000.00	-	-	88,000.00	13,958,167.72
MARCH	93,983.86	20,000.00	42,500.00	5,174,900.00	-	-	-	19,000.00	5,350,383.86
APRIL	-	1,338,120.00	500,000.00	1,140,100.00	5,000.00	-	-	26,500.00	3,009,720.00
MAY			2,006,000.00	2,881,700.00	200,000.00	-	-	61,000.00	5,148,700.00
JUNE			15,000.00	5,098,270.00	-	-	-	6,000.00	5,119,270.00
JULY		-		13,894,000.00	20,000.00	-	-	84,500.00	13,998,500.00
AUGUST				14,766,073.03	10,000.00	-	-	84,000.00	14,860,073.03
SEPTEMBER		-	8,000.00	8,996,950.00		-	-	31,500.00	9,036,450.00
OCTOBER				6,484,450.00	20,000.00	-	-	28,500.00	6,532,950.00
NOVEMBER			8,000.00	9,979,700.00	15,000.00	-	-	22,500.00	10,025,200.00
DECEMBER				105,873,400.00		-	-	52,000.00	105,925,400.00
TOTAL	696,451.58	1,378,120.00	3,000,533.95	193,591,779.48	330,000.00	-	-	541,500.00	199,538,385.01

3. CAPITAL RECEIPTS – ₦224,923,537.93

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

4. SALARIES AND WAGES – ₦ 1,334,459,212.89

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

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	15,920,000.00
2	Primary Health Care Salaries	223,869,753.77
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	259,186,532.19
5	Political Office Holders	31,850,300.81
6	Pension Allowances	122,829,540.72
7	SUBEB - Teacher's Salaries	668,803,085.40
	TOTAL	1,334,459,212.89

5. OVERHEAD COST – N130,347,663.41

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

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2020	TOTAL
		N	N
431200	TRAVEL AND TRANSPORT	19,609,054.78	19,609,054.78
431300	UTILITIES	-	-
431400	MATERIALS & SUPPLIES	3,842,706.66	3,842,706.66
431500	MAINTENANCE & SERVICES	2,823,900.00	2,823,900.00
431600	TRAINING & STAFF DEVELOP	1,100,000.00	1,100,000.00
431700	CONSULTANCY & PRO SERVICES	3,224,533.95	3,224,533.95
431800	FINANCE EXPENSES	110,549.02	110,549.02
431900	ENTERTAINMENT & HOSPITALITY		
432100	OTHER SERVICES	76,773,044.37	76,779,044.37
432200	GRANT & SUBVENTION	-	-
115000	CONSOLIDATED REV. FUND CH.	-	-
	TOTAL	130,341,663.41	130,347,663.41

6. STATUTORY DEDUCTIONS – N636,659,590.76

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

S/N	STATUTORY DEDUCTION	AMOUNT(N)
1	1% Ministry of Local Government for Administration	17,497,687.85
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	127,962,559.21
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	67,771,412.29
4	JOINT SECURITY OPERATIONS 2.5%	15,557,947.96
5	JOINT SOCIAL WELFARE 2.5%	34,875,701.15
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	6,975,237.24
7	SPORT DEVELOPMENT 1%	8,119,886.08
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	30,892,272.82
9	CRHA OVERSIGHT FUNCTION 0.5%	9,216,066.10
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	6,975,105.24
11	INFRASTRUCTURAL FUNDS 4%	55,801,121.59
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	10,650,464.52
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	16,492,148.57
	TOTAL	636,659,590.76

7. PURCHASE/CONSTRUCTION OF PPE - ₦246,863,552.78

During the year under review, the Akamkpa LGC spent a total sum of =N=246.8m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment).

HEAD	DETAILS	ACTUAL PAID BY COUNCIL 2020	OTHER COUNCILS COMMITMENTS PAID	TOTAL
		₦	₦	₦
10000	ECONOMIC SECTOR			
11000	Agriculture	562,000.00	-	545,000.00
12000	Livestock & veterinary	-	-	-
13000	Forestry	-	-	-
14000	Fisheries	-	-	-
15000	Energy (Fuel & Power)	15,215,200.00	-	15,215,200.00
16000	Commerce & Finance	42,307,075.00	-	42,307,075.00
17000	Transport, Road, Bridges	82,277,777.78	-	82,277,777.78
18000	Culture & Tourism	-	-	-
	Sub total	139,800,052.78	-	139,800,052.78
20000	SOCIAL SERVICE SECTOR			
21000	Education	-	-	-
22000	Health	50,000,000.00	-	50,000,000.00
23000	Information	-	-	-
24000	Social Dev. Youth & Sports	1,000,000.00	-	1,000,000.00
	Sub Total	51,000,000.00	-	51,000,000.00
30000	ENVIRONMENTAL & REGIONAL DEV.			
31000	Water Supply	-	-	-
33000	Housing	52,063,500.00	-	52,063,500.00
34000	Town & country planning	-	-	-
35000	Environment	4,000,000.00	-	4,000,000.00
	Sub Total	56,063,500.00	-	56,063,500.00
40000	General Administration	16,700,000.00	-	16,700,000.00
	GRAND TOTAL	246,863,552.78	-	246,863,552.78

8. INVESTMENT EXPENDITURE – NIL

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

9. DEPOSITS RECEIVED AND REMITTED – NIL

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

10. TAXES RECEIVED AND REMITTED – NIL

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

11. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Akamkpa Local Government repaid N250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan	- 323,680,797.86
Repayment	- <u>250,000,000.00</u>
Balance	= <u>73,680,797.86</u>

12. OVERDRAFT RECEIVED - NIL

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

14. RECEIVABLES – N 534,094,774.59

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	441,951,127.31
2020 Unpaid 10%	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

13. CASH AND CASH EQUIVALENTS – ₦64,529,973.45

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

NAME OF BANK	CLOSING BALANCE
FIRST BANK PLC- REVENUE ACCOUNT	31,929,787.00
FIRST BANK PLC-UNCLAIMED ACCOUNT	32,338.65
FIRST BANK PLC-OVERHEAD ACCOUNT	1,656,863.32
UNION BANK PLC-REVENUE ACCOUNT	513,052.41
FIRST INLAND BANK-DOMANT	231,194.40
ECOBANK PLC –DOMANT	3,973.44
UNION BANK PLC-DOMANT	24,500.00
ZENITH BANK SAL/OVERHEAD	15,685,458.76
SUB TOTAL	50,077,167.99
ZENITH BANK – CAPITAL	12,033,463.67
FIRST BANK- NEW A/C CAPITAL	1,913,865.34
SUB TOTAL	13,947,329.01
TOTAL CASH EQUIVALENT	64,024,497.00
CASH IN HAND	505,476.45
TOTAL CASH AND CASH EQUIVALENT	64,529,973.45

15. INVESTMENTS – ₦158,878,724.60

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

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

16. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 126,737,622.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
JAN	DEDUCTION FROM ALLOCATION	-
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	-
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	-
TOTAL AS IN CASHFLOW STATEMENT		9,000,000.00
Balance carried forward as at 31 Dec 2020		126,737,622.93

17. DEPOSITS – NIL

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

18. SHORT TERM LOANS AND DEBTS – NIL

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

19. UNREMITTED DEDUCTIONS – ₦ 798,170,959.59

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	582,847,959.59
ADD: Deductions during the year	653,646,094.80
	1,236,494,054.39
LESS: Actual Remittance during the	438,323,648.66
Balance Outstanding 31-12-2020	789,170,405.73

20. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

21. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Akamkpa Local Government in its Financial Statements for the purposes of disclosure.

22. PAYABLES – ₦11,631,511.88

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Akamkpa LGC as at 31st December 2020.

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2020	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2020 (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

23. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF AKAMKPA LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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


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

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

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


.....
HON. EMMANUEL OFFIONG BASSEY
CHAIRMAN

30th June 2021
.....
DATE


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

30th June 2021
.....
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 2020.**

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION


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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the State of Affairs of Akpabuyo Local Government Council as at 31st December 2020*** and the financial Position and Cashflows for the period ended on that date.


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



AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
ASSETS		N	N
Current Assets:			
Cash and Cash Equivalents	13	122,317,499.97	363,215,039.15
Receivables	14	534,094,774.59	441,951,127.31
Inventories		0.00	
Prepayments		0.00	
Total Current Assets (A)			805,166,166.46
Non-Current Assets			
Investments	15	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	
Contribution to CRS Reserve Fund	16	129,737,722.93	117,737,622.90
Total Non-Current Assets (B)			276,616,347.57
Total Assets (A) + (B)			1,081,782,514.03
LIABILITIES			
Current Liabilities			
Deposits	17	11,953,620.88	11,953,620.88
Short term Loans & Debts		0.00	643.06
Unremitted Deductions	19	582,847,959.56	582,847,959.56
Payables (Unremitted Taxes)	22	14,511,047.35	14,511,047.35
Total Current Liabilities (C)			609,313,270.85
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	20	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	
Long Term Provisions		0.00	
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			932,994,068.71
Net Assets (Total Assets - Total Liabilities)			148,788,445.32
NET ASSETS/EQUITY			
Reserves	21	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(7,351,656.15)
Total Net Assets/Equity			148,788,445.32

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	NOTES	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	2,176,458,503.79	2,741,864,622
Non-Tax Revenue	2	100,575,541.64	61,626,303.61
Aids and Grants		-	-
Investment Income		-	-
Other Capital Receipts	3	227,923,537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	912,001,657.25	806,019,134.0
Overhead Cost - General and Administrative Expenses	5	123,742,423.21	17,833,980.02
Transfer to Other Government Entities (Statutory deductions)	6	670,732,118.34	18,971,742.05
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	8	430,107,865.28	226,174,041.1
Public Debt Charges		-	572,523,324.9
Depreciation		-	-
Damaged Assets		-	-
Net Surplus/(Deficit) for the Period			

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020**

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year	65,070,933.03	-	65,070,933.03
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Akpabuyo Local government.

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Government Share of FAAC (Statutory Allocation)	1	1,444,483,913.77	1,725,530,793.75
Government Share of VAT	1	593,992,959.18	491,170,005.31
Share of Exchange Gain Difference	1	44,215,018.47	2,932,546.12
Other Revenue	1	130,013,275.07	52,231,277.68
Non-Tax Revenue	2	100,575,541.64	61,626,303.61
Capital Receipts	3	227,923,537.93	-
10% State IGR (Non-Tax Revenue)			-
Total Inflows from Operating Activities			2,333,490,926.47
Outflows:			
Deductions at Source	1	36,246,662.68	
Salaries and Wages	4	912,001,657.25	806,019,134.09
Overhead Cost	5	123,742,423.21	
Statutory Deductions	6	670,732,118.34	18,971,742.052
JAAC Charges		-	572,523,324.93
Total Outflows from Operating Activities			1,415,348,181.09
Net Cashflow from Operating Activities			918,142,745.38
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	430,107,865.28	(226,174,041.15)
Investment Expenditure		0.00	0.00
Net Cashflow from Investing Activities			(226,174,041.15)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	10,263,506.22
Deposits Remitted		0.00	-
Taxes Received		0.00	14,236,333.00
Tax Remitted		0.00	(10,106,666.64)
Proceeds from Borrowings (CRSG Loan)		0.00	-
Repayment of Borrowings	11	250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	-
Overdraft Repayment		0.00	-
Net Cash Flow from Financing Activities			(207,829,049.64)
Net Cash Flow from All Activities			484,139,654.59
Prior Year error (understated FAAC)		65,070,933.03	
Cash and its Equivalent as at 01 Jan 2020		363,215,039.15	(120,924,615.44)
Cash and its Equivalent as at 31 Dec 2020			363,215,039.15

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	N	N	N
RECEIPTS:			
Gross Statutory Allocation	3,922,263,336.00	2,176,458,503.79	
Internally Generated Revenue	66,598.746.00	100,575,541.64	
Capital Receipts	-	227,923,537.93	
Cross River State Government Loan	-	-	
Total Receipts			
PAYMENTS			
Salaries and Wages	830,631,880.00	912,001,657.25	
Statutory Deductions	373,782,749.00	123,742,423.21	
Overhead / Operating Expenditure	87,829,374.00	670,732,118.34	
Capital Expenditure	2,696,598,080.00	430,107,865.28	
Investment Expenditure			
Total Payments			
NET SURPLUS (DEFICIT)			

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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 o 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

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

AKPABUYO LOCAL GOVERNMENT, IKOT NAKANDA

NOTES TO THE FINANCIAL STATEMENTS**1a. A) GROSS STATUTORY ALLOCATION - N 1,444,483,913.77**

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	154,678,100.29	46,265,788.09	315,309.59		(2,434,582.26)	198,824,615.71
2	FEB.	138,715,673.77	42,177,613.65	276,889.29	5,091,886.16	(2,434,582.26)	183,827,480.61
3	MARCH	122,503,098.91	40,282,485.10	199,803.65	3,970,596.27	(2,434,582.26)	164,521,401.67
4	APRIL	124,131,913.02	48,392,214.62	16,975,238.14		(2,434,582.26)	187,064,783.52
5	MAY	96,804,944.58	37,989,095.74	7,198,086.99	33,877,356.50		175,869,483.81
6	JUNE	109,202,283.49	41,792,632.02	7,521,167.49	304,444.92		158,820,527.92
7	JULY	114,711,041.58	51,849,050.87	11,728,523.30	15,014,044.50		193,302,660.25
8	AUG.	145,174,682.78	53,252,956.82				198,427,639.60
9	SEPT.	143,612,418.80	60,491,039.47			(6,627,083.41)	197,476,374.86
10	OCT.	91,845,713.33	57,119,827.14		42,652,370.39	(6,627,083.41)	184,990,827.45
11	NOV.	94,732,706.52	50,998,065.94		27,047,225.12	(6,627,083.41)	166,150,914.17
12	DEC.	108,371,336.69	63,382,189.72		2,055,351.22	(6,627,083.41)	167,181,794.22
	TOTAL	1,444,483,913.77	593,992,959.18	44,215,018.47	130,013,275.07	-36,246,662.68	2,176,458,503.79

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N 593,992,959.18

This represents Federal Revenue arising from Value Added Tax (VAT) for Akpabuyo Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE – N 44,215,018.47

This represents the Akpabuyo LGA's Share of Exchange Gain Difference as seen month on month as seen in the table above, for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1d. (D) OTHER REVENUE – ₦ 130,013,275.07

This represents revenue other than statutory receipts from the Federation for Akpabuyo Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			197,908.21			4,893,977.95	5,091,886.16
MARCH		3,970,596.27					3,970,596.27
APRIL							
MAY			336,946.44	2,321,707.32		31,218,702.73	33,877,356.50
JUNE			304,444.92				304,444.92
JULY						15,014,044.50	15,014,044.50
AUG.							
SEPT.							
OCT.		10,330,135.38			18,809,594.95	13,512,640.05	42,652,370.39
NOV.	6,005,617.80	1,931,331.52	300,680.84		18,809,594.95		27,047,225.12
DEC.		2,055,351.22					2,055,351.22
TOTAL	6,005,617.80	18,287,414.38	1,139,980.42	2,321,707.32	37,619,189.91	64,639,365.24	130,013,275.07

1e. (E) DEDUCTIONS AT SOURCE - (₦36,246,662.68)

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

2. NON-TAX REVENUE (IGR) – ₦ 100,575,541.64

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Akpabuyo Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	294,951.64
102000	RATES	98,991,000.00
103000	LOCAL LICENCE FEES	183,750.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	862,840.00
105000	RENT ON GOVERNMENT PROPERTY	164,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	79,000.00
	TOTAL	100,575,541.64

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	TAXES	RATES	LOCAL LICENCES FEE & FINES	EARNINGS FROM COMMERCIAL UNDERTAKINGS	RENT ON GOVERNMENT PROPERTY	MISCELLANEOUS	TOTAL
JANUARY	-	-	-	72,000.00	-	11,500.00	83,500.00
FEBRUARY	-	-	-	101,000.00	-	13,000.00	114,000.00
MARCH	-	-	-	192,000.00	-	13,500.00	205,500.00
APRIL	294,951.64	-	-	-	-	-	294,951.64
MAY	-	-	15,500.00	11,090.00	44,000.00	-	70,590.00
JUNE	-	240,000.00	-	-	120,000.00	1,000.00	361,000.00
JULY	-	1,000.00	-	-	-	3,000.00	4,000.00
AUGUST	-	-	20,000.00	21,000.00	-	-	41,000.00
SEPTEMBER	-	200,000.00	103,000.00	-	-	-	303,000.00
OCTOBER	-	-	-	112,800.00	-	3,000.00	115,800.00
NOVEMBER	-	-	30,750.00	209,350.00	-	3,000.00	243,100.00
DECEMBER	-	98,550,000.00	14,500.00	143,600.00	-	31,000.00	98,739,100.00
TOTAL	294,951.64	98,991,000.00	183,750.00	862,840.00	164,000.00	79,000.00	100,575,541.64

3. CAPITAL RECEIPTS – 227,333,333.34

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

4. SALARIES AND WAGES – ₦ 912,001,657.25

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

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	10,380,000.00
2	Primary Health Care Salaries	180,968,427.46
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	151,419,204.94
5	Political Office Holders	31,850,300.81
6	Pension Allowances	209,133,172.49
7	SUBEB - Teacher's Salaries	316,250,551.55
	TOTAL	912,001,657.25

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

SALARIES AND WAGES								
MONTH	COUNCIL STAFF	TRADITIONAL RULERS	NON-PENSIONABLE ALLOWANCE	SUBEB	PUBLIC HEALTH CARE	POL. OFFICE HOLDERS	PENSION ALLOWANCE	TOTAL
JANUARY	12,196,784.36	952,500.00	1,000,000.00	22,639,651.25	13,895,900.59	-	17,146,217.78	67,831,053.98
FEBRUARY	11,864,184.84	952,500.00	1,000,000.00	22,755,087.87	13,895,900.59	-	17,146,217.78	67,613,891.08
MARCH	12,987,772.93	847,500.00	1,000,000.00	25,233,862.31	15,465,543.55	-	17,515,768.98	73,050,447.77
APRIL	13,001,074.19	847,500.00	1,000,000.00	24,855,471.02	15,465,543.55	-	17,515,768.98	72,685,357.74
MAY	12,844,934.79	847,500.00	1,000,000.00	24,855,471.02	15,350,434.71	-	17,627,599.05	72,525,939.57
JUNE	13,119,585.95	847,500.00	1,000,000.00	24,855,471.02	15,350,434.71	-	17,792,375.63	72,965,367.31
JULY	12,909,227.12	847,500.00	1,000,000.00	28,545,621.58	15,350,434.71	5,275,428.30	16,440,707.08	80,368,918.79
AUGUST	12,904,816.74	847,500.00	1,000,000.00	28,545,621.58	15,238,848.61	2,637,714.15	17,101,580.74	78,276,081.82
SEPTEMBER	12,461,764.81	847,500.00	1,000,000.00	28,545,621.58	15,238,848.61	2,637,714.15	17,394,020.96	78,125,470.11
OCTOBER	12,376,353.07	847,500.00	1,000,000.00	28,494,571.06	15,238,848.61	5,984,289.59	17,629,291.14	81,570,853.47
NOVEMBER	12,376,353.07	847,500.00	1,000,000.00	28,447,548.72	15,238,840.61	9,330,865.03	18,351,122.20	85,592,229.63
DECEMBER	12,376,353.07	847,500.00	1,000,000.00	28,476,552.54	15,238,848.61	5,984,289.59	17,472,502.17	81,396,045.98
TOTAL	151,419,204.94	10,380,000.00	12,000,000.00	316,250,551.55	180,968,427.46	31,850,300.81	209,133,172.49	912,001,657.25

5. OVERHEAD COST – N123,742,423.21

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

CODE	DETAILS	ACTUAL PAID BY COUNCIL 2020	TOTAL OPERATING EXPENSES 2020
		N	N
431200	TRAVEL & TRANSPORT	2,025,000.00	2,025,000.00
431300	UTILITIES	-	-
431400	MATERIALS & SUPPLIES	1,208,000.00	1,208,000.00
431500	MAINTENANCE, REPAIRS & SERVICES	5,500,000.00	5,500,000.00
431600	TRAINING & STAFF DEVELOPMENT	-	-
431700	CONSULTANCY & PROFESSIONAL SERVICES	510,000.00	510,000.00
431800	FINANCE EXPENSES	10,427,030.02	10,427,030.02
431900	ENTERTAINMENT & HOSPITALITY	167,000.00	167,000.00
432100	OTHER SERVICES	3,000,000.00	3,000,000.00
432200	GRANT & SUBVENTION	-	-
115000	CONSOLIDATED REVENUE FUND CHARGES	100,905,393.19	100,905,393.19
	TOTAL	123,742,423.21	123,742,423.21

6 STATUTORY DEDUCTIONS – ₦670,732,118.34

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

S/N	AGENCIES	AMOUNT (N)
1	Infrastructural Development Agency	84,341,431.59
2	Rural Development Agency, RUDA	189,768,221.07
3	State Electrification Agency Sea	105,426,789.48
4	Sport Development Fund	21,085,357.90
5	Border Commission Development Fund	10,542,678.95
6	Joint Security Operation	52,713,394.74
7	Environmental Management & Protection	52,713,394.74
8	CRSHA Oversight Function	10,542,678.95
9	Community & Social Development Agency	10,542,678.95
10	Cross River University of Tech, CRUTECH	21,085,357.90
11	Joint Social Welfare	52,713,394.74
12	Local Government Administration	21,085,357.90
13	Local Government Service Commission	21,085,357.90
TOTAL		670,732,118.34

8. PURCHASE/CONSTRUCTION OF PPE - ₦430,107,865.28

During the year under review, the Akpabuyo LGC spent a total sum of ₦434,5m (approx..) on Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	DETAILS	DIRECT COUNCIL EXPENDITURE JAAC	TOTAL CAPITAL EXPENDITURE
		N	N
15000	MANUFACTURING & CRAFTS		
16000	ENERGY (FUEL & POWER)	100,271,507.60	100,271,507.60
17000	COMMERCE & FINANCE	20,208,622.22	20,208,622.22
18000	TRANSPORT (ROADS & BRIDGES)	45,702,874.98	45,702,874.98
19000	CULTURE & TOURISM	-	-
21000	EDUCATION	4,4272,85.33	4,4272,85.33
22000	HEALTH	60,000,000.00	60,000,000.00
23000	INFORMATION & COMMUNICATION	-	-
24000	SOCIAL DEVELOPMENT, YOUTH &	46,920,152.55	46,920,152.55
31000	WATER SUPPLY	--	--
32000	SEWAGE AND DRAINAGE	-	-
33000	HOUSING	-	-
34000	TOWN & COUNTRY PLANNING	67,671,922.40	67,671,922.40
35000	ENVIRONMENT & REFUSE DISPOSAL	-	-
40000	GENERAL ADMINISTRATION SECTOR	89,332,785.53	89,332,785.53
TOTAL		430,107,865.28	430,107,865.28

9. DEPOSITS RECEIVED AND REMITTED –~~N~~ 10,263,506.22

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

DETAILS	AMOUNT
DEPOSITS RECEIVED BFWD 01-01-2020	10,263,506.22
ADDITION DURING THE YEAR	0.00
TOTAL	10,263,506.22

10. TAXES RECEIVED AND REMITTED –~~N~~4,129,666.36 & 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			
DETAIL	TAXES RECEIVED	TAXES REMITTED	₦
BALANCE BROUGHT FORWARD	4,129,666.36	-	4,129,666.36
ADDITIONS FOR THE YEAR	-	-	-
BALANCE CARRIED FORWARD	4,129,666.36	-	4,129,666.36

11. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Akpabuyo Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86

Repayment - 250,000,000.00

Balance = 73,680,797.86

12. OVERDRAFT RECEIVED - NIL

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

13. INVESTMENTS – ₦158,878,724.60

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

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

14. CASH AND CASH EQUIVALENTS – ₦122,317,499.97

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

S/N	DETAILS	2020
	REVENUE, SALARY & OVERHEAD ACCOUNTS:	N
1	ZENITH BANK PLC ACCT. 1012634951 - REVENUE ACCOUNT	30,910.02
2	FIRST BANK PLC - OVERHEAD ACCOUNT	6,193,719.40
3	EKONDO BANK PLC - REVENUE ACCOUNT	247,413.67
4	ZENITH BANK PLC ACCT. 1014805754 - SALARY & OVERHEAD	8,851.55
5	ZENITH BANK PLC -	78,726,304.23
	SUB-TOTAL OF REVENUE, SALARY & OVERHEAD ACCOUNTS BALANCES	85,207,198.87
	CAPITAL / PROJECT ACCOUNTS:	
1	FIRST BANK PLC 2017587378 - PROJECT ACCOUNT	1,853.00
2	FIRST BANK PLC - PROJECT ACCOUNT	24,588,978.04
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)	13,142.47
	SUB-TOTAL OF CAPITAL / PROJECT ACCOUNTS BALANCES	37,110,301.10
	TOTAL CLOSING BANK BALANCES	122,317,499.97

15. RECEIVABLES – ₦ 534,094,774.59

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	441,951,127.31
2020 Unpaid 10%	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

16. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND N 129,737,722.93

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

MONTH	DETAILS	AMOUNT (N)
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

17. DEPOSITS – N11,953,620.88

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

S/N	DESCRIPTION	BALANCE AS AT 1/1/2020	ADDITION IN THE YEAR	PAYMENTS WITHIN THE YEAR	BALANCE AS AT 31/12/2020
		N	N	N	N
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

18. SHORT TERM LOANS AND DEBTS – NIL

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

19. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward 01-01-2020	582,847,959.59
ADD: Deductions during the year	670,732,118.34
	1,253,580,077.93
LESS: Actual Remittance during the year	670,732,118.34
Balance Outstanding 31-12-2020	582,847,959.59

20. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

21. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Akpabuyo Local Government in its Financial Statements for the purposes of disclosure

22. PAYABLES – N14,511,047.35

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Akpabuyo LGCs as at 31st December 2020.

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	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

23. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF AKPABUYO LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N	N	N	N
January	-	-	-	-	-	-	-
February	-	-	-	-	-	-	-
March	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

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 2020*** 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

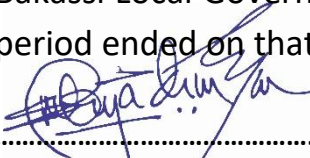
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Bakassi Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis)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

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

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

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

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


.....
HON. IYADIM AMBONI IYADIN
CHAIRMAN

30th June 2021
.....
DATE


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

30th June 2021
.....
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 2020.

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Bakassi Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	55,691,253.40	161,249,912.38
Receivables	15	534,094,774.59	441,951,127.31
Inventories		0.00	-
Prepayments		0.00	-
Total Current Assets (A)			603,201,039.69
Non-Current Assets			
Investments	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment		0.00	-
Contribution to CRS Reserve Fund	17	127,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			879,817,387.29
LIABILITIES			
Current Liabilities			
Deposits	18	18,472,008.21	18,472,008.21
Short term Loans & Debts		0.00	-
Unremitted Deductions	20	558,924,414.74	582,847,959.56
Payables (Unremitted Taxes)	23	6,853,398.34	6,853,398.34
Total Current Liabilities (C)			608,173,366.11
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)		73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		-	-
Long Term Provisions		-	-
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			931,854,163.97
Net Assets (Total Assets - Total Liabilities)			(52,036,776.68)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(208,176,878.15)
Total Net Assets/Equity			(52,036,776.68)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	NOTES	2020	2019
		₦	₦
REVENUE			
Statutory Revenue	1	1,359,805,420.39	1,437,789,316
Non-Tax Revenue	2	8,543,121.12	17,706,219.70
Aids and Grants		-	-
Investment Income		-	-
Other Capital Receipts	3	224,923,537.93	-
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	571,322,738.87	507,625,122.2
Overhead Cost - General and Administrative Expenses	5	27,697,289.18	540,389,735.5
Transfer to Other Government Entities (Statutory deductions)	6	425,382,252.99	23,584,197.28
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	7	313,717,824.26	193,401,063.1
Public Debt Charges		0.00	175,386,763.1
Depreciation		0.00	
Damaged Assets		0.00	
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	41,655,642.46	-	41,655,642.46
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Bakassi Local government.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	932,006,315.19	1,113,488,335.05
Government Share of VAT	1	348,127,082.46	288,708,305.89
Share of Exchange Gain Difference	1	28,528,304.15	3,152,100.73
Other Revenue	1	83,886,841.71	32,440,574.34
Non-Tax Revenue	2	8,543,121.12	17,706,219.70
Capital Receipts	3	224,923,537.93	-
10% State IGR (Non-Tax Revenue)			-
Total Inflows from Operating Activities			1,455,495,535.71
Outflows:			
Deductions at Source	1	32,743,123.12	
Salaries and Wages	4	571,322,738.87	507,625,122.28
Overhead Cost	5	27,697,289.18	540,389,735.53
Statutory Deductions	6	425,382,252.99	23,584,197.28
JAAC Charges		0.00	175,386,763.19
Total Outflows from Operating Activities			1,246,985,818.28
Net Cashflow from Operating Activities			208,509,717.43
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE		0.00	-
Proceeds from Sale of Investment Property		0.00	-
Purchase/Construction of PPE	7	313,717,824.26	193,401,063.15
Investment Expenditure		-	-
Net Cashflow from Investing Activities			193,401,063.15
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	14,607,747.53
Deposits Remitted		0.00	-
Taxes Received		0.00	(9,968,000.00)
Tax Remitted		0.00	12,014,000.00
Proceeds from Borrowings (CRSG Loan)		0.00	
Repayment of Borrowings	12	250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	-
Overdraft Repayment		0.00	-
Net Cash Flow from Financing Activities			(205,568,474.69)
Net Cash Flow from All Activities			196,342,305.89
Prior Year Adjustments (understated FAAC)		41,655,642.46	
Cash and its Equivalent as at 01 Jan 2020			(35,092,393.51)
Cash and its Equivalent as at 31 Dec 2020			161,249,912.38

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

**BAKASSI LOCAL GOVERNMENT, NEW OBUTONG
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020**

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	3,806,319,107.00	1,359,805,420.39	
Internally Generated Revenue	22,126,719	8,543,121.12	
Capital Receipts	-	224,923,537.93	
Cross River State Government Loan	110,000,000.00	-	
Total Receipts			
PAYMENTS			
Salaries and Wages	867,007,120.00	571,322,738.87	
Statutory Deductions	597,561,561.00	425,382,252.992	
Overhead / Operating Expenditure	170,363,527.00	27,697,289.18	
Capital Expenditure	2,510,723,675.00	313,717,824.26	
Investment Expenditure			
Total Payments			
NET SURPLUS (DEFICIT)			

BAKASSI LOCAL GOVERNMENT, NEW OBUTONG

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS

1a. (A) GROSS STATUTORY ALLOCATION - ₦ 932,006,315.19

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	99,801,018.84	27,123,000.20	203,443.27		(1,558,697.37)	125,568,764.94
2	FEB.	89,501,781.74	24,710,101.14	178,653.82	3,285,374.11	(1,558,697.37)	116,117,213.44
3	MARCH	79,041,144.54	23,683,058.86	128,916.82	2,561,898.24	(1,558,697.37)	103,856,321.09
4	APRIL	80,092,083.92	28,338,509.89	10,952,720.90		(1,558,697.37)	117,824,617.34
5	MAY	62,460,245.37	22,232,741.15	4,644,331.77	21,858,263.63	-	111,195,581.92
6	JUNE	70,459,225.52	24,472,752.38	4,852,788.96	196,433.19	-	99,981,200.05
7	JULY	74,013,572.71	30,368,419.77	7,567,448.61	9,687,324.42	-	121,636,765.51
8	AUG.	93,669,247.45	31,139,847.06	-		-	124,809,094.51
9	SEPT.	92,661,247.38	35,441,514.41	-		(6,627,083.41)	121,475,678.38
10	OCT.	59,260,462.53	33,466,200.24	-	27,520,056.25	(6,627,083.41)	113,619,635.61
11	NOV.	61,123,201.09	29,911,449.99	-	17,451,343.26	(6,627,083.41)	101,858,910.93
12	DEC.	69,923,084.10	37,239,487.38	-	1,326,148.60	(6,627,083.41)	101,861,636.67
	TOTAL	932,006,315.19	348,127,082.46	28,528,304.15	83,886,841.71	-32,743,123.12	1,359,805,420.39

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) – ₦348,127,082.46

This represents Federal Revenue arising from Value Added Tax (VAT) for Bakassi Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE – ₦ 28,528,304.15

This represents the 18 LGAs share of Exchange gain difference as seen in table 1, for Bakassi Local Government Council for the year ended 31st December 2020.

1d. (D) OTHER REVENUE – ₦ 83,886,841.71

This represents revenue other than statutory receipts from the Federation for Bakassi Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			127,693.85			3,157,680.27	3,285,374.11
MARCH		2,561,898.24					2,561,898.24
APRIL							
MAY			217,403.75	1,498,006.22		20,142,853.67	21,858,263.63
JUNE			196,433.19				196,433.19
JULY						9,687,324.42	9,687,324.42
AUG.							
SEPT.							
OCT.		6,665,184.24			12,136,280.03	8,718,591.98	27,520,056.25
NOV.	3,874,929.77	1,246,128.92	194,004.55		12,136,280.03		17,451,343.26
DEC.		1,326,148.60					1,326,148.60
TOTAL	3,874,929.77	11,799,359.99	735,535.33	1,498,006.22	24,272,560.07	41,706,450.34	83,886,841.71

1e. (E) DEDUCTIONS AT SOURCE - (₦32,743,123.12)

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

2. NON-TAX REVENUE (IGR) – ₦ 8,543,121.12

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Bakassi Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	588,999.00
102000	RATES	-
103000	LOCAL LICENCE FEES	1,423,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	4,161,000.00
105000	RENT ON GOVERNMENT PROPERTY	1,073,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	1,297,122.12
	TOTAL	8,543,121.12

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	TAXES	RATES	LOCAL LICENCES FEE & FINES	EARNINGS FROM COMMERCIAL UNDERTAKINGS	RENT ON GOVERNMENT PROPERTY	INTEREST ON DIVIDENDS	RE-IMBURSEMENT	MISCELLANEOUS	TOTAL
JANUARY	-	-	180,000.00	110,000.00	3,000.00	-	-	75,957.45	368,957.45
FEBRUARY	-	-	230,000.00	398,000.00	1,000,000.00	-	-	468,000.00	2,096,000.00
MARCH	-	-	105,000.00	294,000.00	-	-	-	23,500.00	422,500.00
APRIL	-	-	25,000.00	85,000.00	-	-	-	5,500.00	115,500.00
MAY	-	-	65,000.00	150,000.00	-	-	-	6,000.00	221,000.00
JUNE	-	-	8,000.00	79,000.00	-	-	-	19,500.00	106,500.00
JULY	388,999.00	-	-	-	-	-	-	40,500.00	429,499.00
AUGUST	200,000.00	-	80,000.00	277,000.00	-	-	-	264,623.03	821,623.03
SEPTEMBER	-	-	175,000.00	1,030,000.00	-	-	-	37,600.00	1,242,600.00
OCTOBER	-	-	145,000.00	555,000.00	-	-	-	352,941.64	1,052,941.64
NOVEMBER	-	-	230,000.00	818,000.00	-	-	-	-	1,048,000.00
DECEMBER	-	-	180,000.00	365,000.00	70,000.00	-	-	3,000.00	618,000.00
TOTAL	588,999.00	-	1,423,000.00	4,161,000.00	1,073,000.00	-	-	1,297,122.12	8,543,121.12

3. CAPITAL RECEIPTS – ₦ 224,923,537.93

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

4. SALARIES AND WAGES – ₦ 571,322,738.87

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	10,050,000.00
2	Primary Health Care Salaries	79,785,928.92
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	197,073,204.77
5	Political Office Holders	31,719,650.73
6	Pension Allowances	402,279,865.57
7	SUBEB - Teacher's Salaries	217,859,781.13
	TOTAL	571,322,738.87

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	COUNCIL STAFF	TRADITIONAL RULERS' COUNCIL	NON-PENSIONABLE ALLOWANCE	SUBEB	PUBLIC HEALTH CARE	POL. OFFICE HOLDERS	PENSION ALLOWANCE	TOTAL
JANUARY	15,263,827.96	937,500.00	1,000,000.00	16,082,970.21	6,246,116.84	-	1,829,984.87	41,360,399.88
FEBRUARY	15,197,766.44	937,500.00	1,000,000.00	16,072,580.99	6,374,171.68	-	1,829,984.87	41,412,003.98
MARCH	16,978,040.84	817,500.00	1,000,000.00	18,614,500.61	6,716,564.04	-	1,829,984.87	45,956,590.36
APRIL	17,028,878.30	817,500.00	1,000,000.00	18,614,500.61	6,716,564.04	-	1,829,984.87	46,007,427.82
MAY	16,860,615.47	817,500.00	1,000,000.00	18,614,500.61	6,716,564.04	-	1,829,984.87	45,839,164.99
JUNE	16,860,615.47	817,500.00	1,000,000.00	18,614,500.61	6,716,564.04	-	1,829,984.87	45,839,164.99
JULY	16,790,590.26	817,500.00	1,000,000.00	18,554,936.50	6,716,564.04	5,275,428.30	1,375,016.24	50,530,035.34
AUGUST	16,286,350.66	817,500.00	1,000,000.00	18,554,936.50	6,716,564.04	2,637,714.15	1,488,963.71	47,502,029.06
SEPTEMBER	16,530,514.40	817,500.00	1,000,000.00	18,554,936.50	6,716,564.04	5,951,627.07	1,661,023.55	51,232,165.56
OCTOBER	16,425,334.99	817,500.00	1,000,000.00	18,522,205.87	6,716,564.04	5,951,627.07	2,428,007.82	51,861,239.79
NOVEMBER	16,425,334.99	817,500.00	1,000,000.00	18,522,205.87	6,716,564.04	5,951,627.07	2,828,682.47	52,261,914.44
DECEMBER	16,425,334.99	817,500.00	1,000,000.00	18,537,006.25	6,716,564.04	5,951,627.07	2,072,570.31	51,520,602.66
TOTAL	197,073,204.77	10,050,000.00	12,000,000.00	217,859,781.13	79,785,928.92	31,719,650.73	22,834,173.32	571,322,738.87

5. OVERHEAD COST – N27,697,289.18

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

CODE	DETAILS	ACTUAL PAID BY COUNCIL 2020	TOTAL OPERATING EXPENSES 2020
		₦	₦
431200	TRAVEL & TRANSPORT	4,218,000.00	4,218,000.00
431300	UTILITIES	500,000.00	500,000.00
431400	MATERIALS & SUPPLIES	4,612,500.00	4,612,500.00
431500	MAINTENANCE, REPAIRS & SERVICES	3,779,000.00	3,779,000.00
431600	TRAINING & STAFF DEVELOPMENT	-	-
431700	CONSULTANCY & PROFESSIONAL SERVICES	3,700,000.00	3,700,000.00
431800	FINANCE EXPENSES	422,733.62	422,733.62
431900	ENTERTAINMENT & HOSPITALITY	3,164,500.00	3,164,500.00
432100	OTHER SERVICES	7,300,555.56	7,300,555.56
432200	GRANT & SUBVENTION	-	-
115000	CONSOLIDATED REVENUE FUND CHARGES	-	-
	TOTAL	27,697,289.18	27,697,289.18

6. STATUTORY DEDUCTIONS – ₦ 425,382,252.99

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	13,722,008.16
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	123498073.45
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	68610040.80
4	JOINT SECURITY OPERATIONS 2.5%	34305020.40
5	JOINT SOCIAL WELFARE 2.5%	34305020.40
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	6861004.08
7	SPORT DEVELOPMENT 1%	13,722,008.16
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	34305020.40
9	CRHA OVERSIGHT FUNCTION 0.5%	6861004.08
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	6861004.08
11	INFRASTRUCTURAL DEVELOPMENT AGENCY 4%	54888032.64
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	13,722,008.16
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	13,722,008.16
	TOTAL	425,382,252.99

7. PURCHASE/CONSTRUCTION OF PPE - ₦313,717,824.26

During the year under review, the Bakassi LGC spent a total sum of ₦313.7m on Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	DETAILS	COUNCIL'S COMMITMENTS PAID THROUGH JAAC	TOTAL CAPITAL EXPENDITURE
		₦	₦
15000	MANUFACTURING & CRAFTS	-	-
16000	ENERGY (FUEL & POWER)	7,614,975.61	7,614,975.61
17000	COMMERCE & FINANCE	9,313,480.49	9,313,480.49
18000	TRANSPORT (ROADS & BRIDGES)	6,706,956.11	6,706,956.11
19000	CULTURE & TOURISM	2,000,000.00	2,000,000.00
21000	EDUCATION	-	-
22000	HEALTH	50,000,000.00	50,000,000.00
23000	INFORMATION & COMMUNICATION	-	-
24000	SOCIAL DEVELOPMENT, YOUTH & SPORTS	44,992,596.39	44,992,596.39
31000	WATER SUPPLY	72,000.00	72,000.00
32000	SEWAGE AND DRAINAGE	-	-
33000	HOUSING	1,950,000.00	1,950,000.00
34000	TOWN & COUNTRY PLANNING	30,140,000.00	30,140,000.00
35000	ENVIRONMENT & REFUSE DISPOSAL	3,260,000.00	3,260,000.00
40000	GENERAL ADMINISTRATION SECTOR	157,667,815.66	157,667,815.66
	TOTAL	313,717,824.26	313,717,824.26

8. INVESTMENT EXPENDITURE – NIL

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

9. DEPOSITS RECEIVED AND REMITTED – ₦14,607,747.53 & NIL

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

DETAILS	AMOUNT
DEPOSIT RECEIVED BFWD 01-01-2020	14,607,747.53
ADDITION DURING THE YEAR	0.00
DEPOSIT RECEIVED CARRIED FORWARD	14,607,747.53

11. TAXES RECEIVED AND REMITTED – ₦ 9,968,000.00

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

TAXES RECEIVED AND REMITTED			
DETAIL	TAXES RECEIVED	TAXES REMITTED	₦
BALANCE BROUGHT FORWARD	9,968,000.00	0.00	9,968,000.00
ADDITIONS FOR THE YEAR	0.00	0.00	0.00
BALANCE CARRIED FORWARD	9,968,000.00	-	9,968,000.00

12. REPAYMENT OF BORROWINGS – ₦250,000,000.00

In the year 2020, Bakassi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86
 Repayment - 250,000,000.00
 Balance = 73,680,797.86

13. OVERDRAFT RECEIVED AND REPAID – NIL

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

14. CASH AND CASH EQUIVALENTS – ₦55,691,253.40

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

DETAILS	AMOUNT(₦)
FBN – OVERHEAD	13,837,486.34
FBN – CAPITAL	39,216,291.87
EKONDO BANK – REVENUE	136,027.11
ZENITH BANK – CAPAITAL	2,501,448.08
TOTAL	55,691,253.40

15. RECEIVABLES – ₦ 534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

16. INVESTMENTS – ₦158,878,724.67

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

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

17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND ₦ 127,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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	-
JUL	DEDUCTION FROM ALLOCATION	-
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		10,000,000.00
Balance carried forward as at 31 Dec 2020		127,737,722.93

18. DEPOSITS – ₦18,472,008.21

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

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2020	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12-2020
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

19. SHORT TERM LOANS AND DEBTS – NIL

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

20. UNREMITTED DEDUCTIONS – ₦ 558,924,414.74

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 01-01-2020	582,847,959.59
ADD: Deductions during the year	425,382,252.99
	1,008,230,212.58
LESS: Actual Remittance during the year	449,305,797.84
Balance Outstanding 31-12-2020	558,924,414.74

21. LONG TERM LOANS/BORROWINGS – ₦73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to Bakassi Local Government in its Financial Statements for the purposes of disclosure.

23. PAYABLES – ₦6,853,398.34

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Bakassi LGC as at 31st December 2020

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	5% WHT 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

24. PROPERTY, PLANT AND EQUIPMENT

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF BAKASSI LOCAL GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER 2020.

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	₦	₦	₦	₦		₦	₦
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**BEKWARRA LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURE**

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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

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

.....
DR. JOSEPHAT OWAN EMENKA
CHAIRMAN

..30th June 2021.....
DATE

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

30th June 2021
DATE



The Chairman,
Bekwarra Local Government Council,
ABUOCHICHE.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BEKWARRA 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) 146 to 148 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Bekwarra Local Government Council as at 31st December 2020*** 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

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	12	16,874,544.57	480,027,071.86
Receivables	13	534,094,774.59	441,951,127.31
Inventories		0.00	-
Prepayments		0.00	-
Total Current Assets (A)			921,978,199.17
Non-Current Assets			
Investments	14	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	-
Contribution to CRS Reserve Fund	16	124,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			1,198,594,546.77
LIABILITIES			
Current Liabilities			
Deposits	15	40,392,394.41	40,392,394.41
Short term Loans & Debts	17	362,140.91	362,140.91
Unremitted Deductions	18	678,885,451.37	582,847,959.56
Payables (Unremitted Taxes)		0.00	
Total Current Liabilities (C)			623,602,494.88
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	19	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	
Long Term Provisions		0.00	
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			947,283,292.74
Net Assets (Total Assets - Total Liabilities)			251,311,254.03
NET ASSETS/EQUITY			
Reserves	20	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			95,171,152.56
Total Net Assets/Equity			251,311,254.03

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	NOTES	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	1,637,323,860.41	1,723,476.6
Non-Tax Revenue	2	12,597,400.62	13,319,710.
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts	3	230,423,537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,105,623,834.04	999,909.07
Overhead Cost - General and Administrative Expenses	5	573,217,763.79	16,931,891.
Transfer to Other Government Entities (Statutory deductions)	6	509,814,848.82	70,842,548.
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	6	173,008,346.55	194,080.40
Public Debt Charges		0.00	447,752.34
Depreciation		0.00	0.00
Damaged Assets		0.00	0.00
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	49,878,806.99	-	49,878,806.99
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Bekwarra Local government.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,113,348,268.51	
Government Share of VAT	1	423,670,584.36	
Excess Crude	1	34,079,101.74	
Other Revenue	1	100,208,838.12	
Non-Tax Revenue	2	12,597,400.62	
Capital Receipts	3	230,423,537.93	
10% State IGR (Non-Tax Revenue)			
Total Inflows from Operating Activities			
Outflows:			
FAAC Deductions at Source	1	33,982,932.32	
Salaries and Wages	4	1,105,623,834.04	
Overhead Cost	5	573,217,763.79	
Statutory Deductions	6	509,814,848.82	
JAAC Charges		-	
Total Outflows from Operating Activities			1,535,435,859.94
Net Cashflow from Operating Activities			201,360,494.92
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE			-
Proceeds from Sale of Investment Property			-
Capital Expenditure (Purchase/Construction of PPE)	7	173,008,346.55	(194,080,408.16)
Investment Expenditure			
Net Cashflow from Investing Activities			(194,080,408.16)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	55,336,841.29
Deposits Remitted		0.00	(55,336,841.29)
Taxes Received		0.00	9,769,460.00
Tax Remitted		0.00	(9,769,460.00)
Proceeds from Borrowings (CRSG Loan)		0.00	-
Repayment of Borrowings	11	250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	-
Overdraft Repayment		0.00	-
Net Cash Flow from Financing Activities			(222,222,222.22)
Net Cash Flow from All Activities			(214,942,135.46)
Prior Year Adjustment (Understated FAAC)		49,878,806.99	
Cash and its Equivalent as at 01 Jan 2020		480,027,071.86	694,969,207.32
Cash and its Equivalent as at 31 Dec 2020			480,027,071.86

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BEKWARRA LOCAL GOVERNMENT, ABUOCHICHE
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	2,508,996,541.00	1,637,323,860.41	
Internally Generated Revenue	50,000,000.00	12,597,400.62	
Capital Receipts	-	230,423,537.93	
Cross River State Government Loan			
Total Receipts			
PAYMENTS			
Salaries and Wages	1,250,138,029.0	1,105,623,834.04	
Statutory Deductions	1,263,631,002.00	509,814,848.82	
Overhead / Operating Expenditure	43,287,447.00	573,217,763.79	
Capital Expenditure	1,789,998,086.00	173,008,346.55	
Investment Expenditure	0.00	0.00	
Total Payments			
NET SURPLUS (DEFICIT)			

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 nit 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS

1a. (A) GROSS STATUTORY ALLOCATION - ₦ 1,113,348,268.51

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	119,219,462.04	33,004,716.09	243,027.55		(1,868,649.67)	150,598,556.01
2	FEB.	106,916,285.97	30,077,080.41	213,414.78	3,924,614.59	(1,868,649.67)	139,262,746.08
3	MARCH	94,420,305.94	28,783,314.35	154,000.37	3,060,370.86	(1,868,649.67)	124,549,341.85
4	APRIL	95,675,728.27	34,500,109.47	13,083,809.25		(1,868,649.67)	141,390,997.32
5	MAY	74,613,234.81	27,073,958.72	5,547,986.80	26,111,260.81	-	133,346,441.14
6	JUNE	84,168,589.26	29,794,370.73	5,797,003.84	234,653.51	-	119,994,617.34
7	JULY	88,414,511.44	36,968,449.50	9,039,859.14	11,572,202.56	-	145,995,022.64
8	AUG.	111,894,622.13	37,934,208.98			-	149,828,831.11
9	SEPT.	110,690,493.88	43,138,104.39			(6,627,083.41)	147,201,514.86
10	OCT.	70,790,865.12	40,733,893.64		32,874,677.43	(6,627,083.41)	137,772,352.78
11	NOV.	73,016,039.69	36,390,416.62		20,846,878.92	(6,627,083.41)	123,626,251.82
12	DEC.	83,528,129.95	45,271,961.47		1,584,179.44	(6,627,083.41)	123,757,187.45
	TOTAL	1,113,348,268.51	423,670,584.36	34,079,101.74	100,208,838.12	-33,982,932.32	1,637,323,860.41

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) – ₦423,670,584.36

This represents Federal Revenue arising from Value Added Tax (VAT) for Bekwarra Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE – ₦34,079,101.74

This represents the 18 LGAs share of Exchange gain difference as seen in table 1, for Bekwarra Local Government Council for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CROSS RIVER STATE LOCAL GOVERNMENT COUNCILS

1d. (D) OTHER REVENUE – ₦ 100,208,838.12

This represents revenue other than statutory receipts from the Federation for Bekwarra Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			152,539.44			3,772,075.15	3,924,614.59
MARCH		3,060,370.86					3,060,370.86
APRIL							
MAY			259,704.34	1,789,475.68		24,062,080.79	26,111,260.81
JUNE			234,653.51				234,653.51
JULY						11,572,202.56	11,572,202.56
AUG.							
SEPT.							
OCT.		7,962,039.75			14,497,655.37	10,414,982.31	32,874,677.43
NOV.	4,628,881.03	1,488,590.20	231,752.32		14,497,655.37		20,846,878.92
DEC.		1,584,179.44					1,584,179.44
TOTAL	4,628,881.03	14,095,180.25	878,649.61	1,789,475.68	28,995,310.74	49,821,340.81	100,208,838.12

1e. (E) DEDUCTIONS AT SOURCE - (₦33,982,932.32)

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

2. NON-TAX REVENUE (IGR) – ₦12,597,400.62

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Bekwarra Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	-
102000	RATES	512,500.00
103000	LOCAL LICENCE FEES	1,998,096.45
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	5,803,200.00
105000	RENT ON GOVERNMENT PROPERTY	1,327,400.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	2,956,204.17
	TOTAL	12,597,400.62

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	TAXES	RATES	LOCAL LICENCES FEE & FINES	EARNINGS FROM COMMERCIAL UNDERTAKINGS	RENT ON GOVERNMENT PROPERTY	MISCELLANEOUS	TOTAL
JANUARY	-	-	680,946.45	780,700.00	120,000.00	956,000.00	2,537,646.45
FEBRUARY	-	-	57,000.00	596,900.00	-	82,000.00	735,900.00
MARCH	-	-	106,000.00	395,500.00	-	217,805.85	719,305.85
APRIL	-	492,500.00	118,000.00	601,500.00	1,101,900.00	152,205.79	2,466,105.79
MAY	-	-	-	745,800.00	105,500.00	213,000.00	1,064,300.00
JUNE	-	-	54,150.00	260,000.00		81,700.00	395,850.00
JULY	-	-	58,500.00	561,800.00		396,700.00	1,017,000.00
AUGUST	-	-	37,000.00	682,000.00		213,401.53	932,401.53
SEPTEMBER	-	-	-	470,500.00		-	470,500.00
OCTOBER	-	-	280,000.00	327,000.00		119,991.00	726,991.00
NOVEMBER	-	20,000.00	481,500.00	-		283,400.00	784,900.00
DECEMBER	-		125,000.00	381,500.00		240,000.00	746,500.00
TOTAL	-	512,500.00	1,998,096.45	5,803,200.00	1,327,400.00	2,956,204.17	12,597,400.62

3. CAPITAL RECEIPTS – ₦230,423,537.93

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

4. SALARIES AND WAGES – ₦1,105,623,834.04

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.

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	19,665,000.00
2	Primary Health Care Salaries	223,918,605.63
3	Non-Pensionable Allowances	37,800,000.00
4	Council Staff Salaries	184,783,464.76
5	Political Office Holders	31,850,300.81
6	Pension Allowances	197,865,650.53
7	SUBEB - Teacher's Salaries	409,740,812.31
	TOTAL	1,105,623,834.04

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

SALARIES AND WAGES								
MONTH	COUNCIL STAFF	TRADITIONAL RULERS' COUNCIL	NON-PENSIONABLE ALLOWANCE	SUBEB	PUBLIC HEALTH CARE	POL. OFFICE HOLDERS	PENSION ALLOWANCE	TOTAL
JANUARY	14,817,931.32	1,695,000.00	1,000,000.00	32,271,154.33	17,137,311.62	-	16,066,625.87	82,988,023.14
FEBRUARY	14,743,749.08	1,695,000.00	1,000,000.00	32,322,903.96	17,100,851.72	-	16,066,625.87	82,929,130.63
MARCH	16,043,096.01	1,627,500.00	1,000,000.00	35,522,932.83	19,212,919.02	-	16,252,628.00	89,659,075.86
APRIL	15,931,510.77	1,627,500.00	1,000,000.00	35,298,012.33	19,212,919.02	-	16,252,628.00	89,322,570.12
MAY	15,751,892.08	1,627,500.00	1,000,000.00	34,910,742.26	18,918,294.17	-	16,379,766.62	88,588,195.13
JUNE	15,341,129.64	1,627,500.00	1,000,000.00	34,708,021.52	18,918,294.17	-	16,548,628.62	88,143,573.95
JULY	15,279,948.23	1,627,500.00	1,000,000.00	34,386,679.06	18,918,294.17	5,275,428.30	15,573,050.23	92,060,899.99
AUGUST	15,530,259.39	1,627,500.00	1,000,000.00	34,386,679.06	18,918,294.17	2,637,714.15	16,306,281.55	90,406,728.32
SEPTEMBER	15,411,186.68	1,627,500.00	1,000,000.00	34,072,192.78	18,918,294.17	2,637,714.15	16,462,402.95	90,129,290.73
OCTOBER	15,364,164.33	1,627,500.00	1,000,000.00	34,072,192.78	18,918,294.17	5,984,289.59	16,876,289.19	93,842,730.06
NOVEMBER	15,314,889.32	1,627,500.00	13,900,000.00	33,957,120.50	18,918,294.17	9,330,865.03	17,896,004.42	110,944,673.44
DECEMBER	15,253,707.91	1,627,500.00	13,900,000.00	33,832,180.90	18,826,545.06	5,984,289.59	17,184,719.21	106,608,942.67
TOTAL	184,783,464.76	19,665,000.00	37,800,000.00	409,740,812.31	223,918,605.63	31,850,300.81	197,865,650.53	1,105,623,834.04

5. OVERHEAD COST –N573,217,763.79

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

CODE	DETAILS	DIRECT N	TOTAL OPERATING N
43120	TRAVEL & TRANSPORT	5,735,000.00	5,735,000.00
43130	UTILITIES	-	-
43140	MATERIALS & SUPPLIES	2,817,600.00	2,817,600.00
43150	MAINTENANCE, REPAIRS & SERVICES	2,329,600.00	2,329,600.00
43160	TRAINING & STAFF DEVELOPMENT	205,000.00	205,000.00
43170	CONSULTANCY & PROFESSIONAL SERVICES	4,514,400.00	4,514,400.00
43180	FINANCE EXPENSES	1,620,939.00	1,620,939.00
43190	ENTERTAINMENT & HOSPITALITY	15,220,500.00	15,220,500.00
43210	OTHER SERVICES	81,882,955.56	81,882,955.56
	CRF CHARGES	458,831,269.2	458,831,269.23
	TOTAL	573,217,763.7	573,217,763.79

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CODE	DETAILS	ACTUAL PAID BY COUNCIL 2020	JOINT COMMITMENT	TOTAL OPERATING EXPENSES 2020
		₦	₦	₦
431200	TRAVEL & TRANSPORT	5,735,000.00		5,735,000.00
431300	UTILITIES	-		-
431400	MATERIALS & SUPPLIES	2,817,600.00		2,817,600.00
431500	MAINTENANCE, REPAIRS & SERVICES	2,329,600.00		2,329,600.00
431600	TRAINING & STAFF DEVELOPMENT	205,000.00		205,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	4,514,400.00		4,514,400.00
431800	FINANCE EXPENSES	1,620,939.00		1,620,939.00
431900	ENTERTAINMENT & HOSPITALITY	15,220,500.00		15,220,500.00
432100	OTHER SERVICES	81,882,955.56		81,882,955.56
115000	GRANT & SUBVENTION	0.00		0.00
	CRF CHARGES	458,831,269.23		458,831,269.23
	TOTAL	573,217,763.79		573,217,763.79

6. STATUTORY DEDUCTIONS – ₦509,814,848.82

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)
2	RURAL DEVELOPMENT AGENCY, RUDA	148,010,762.56
3	STATE ELECTRIFICATION AGENCY SEA	82,228,201.42
4	SPORT DEVELOPMENT FUND	16,445,640.28
5	BORDER COMMISSION DEVELOPMENT FUND	8,222,820.14
6	JOINT SECURITY OPERATION	41,114,100.71
7	ENVIRONMENTAL MANAGEMENT & PROTECTION	41,114,100.71
8	GRSHA OVERSIGHT FUNCTION	8,222,820.14
9	COMMUNITY & SOCIAL DEVELOPMENT AGENCY	8,222,820.14
10	CROSS RIVER UNIVERSITY OF TECH, CRUTECH	16,445,640.28
11	JOINT SOCIAL WELFARE	41,114,100.71
12	LOCAL GOVERNMENT ADMINISTRATION	16,445,640.28
13	LOCAL GOVERNMENT SERVICE COMMISSION	16,445,640.28
	TOTAL	509,814,848.81

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

9. INVESTMENT EXPENDITURE – NIL

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

10. DEPOSITS RECEIVED AND REMITTED - NIL

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

8. PURCHASE/CONSTRUCTION OF PPE - N173,008,346.55

During the year under review, the Bekwarra LGC spent a total sum of ₦173.08m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment). Details are as presented below in the tabular and Chart format:

CODE	DETAILS	DIRECT COUNCIL'S EXPENDITURE	TOTAL CAPITAL EXPENDITURE 2020
		N	N
11000	AGRICULTURE	12,000.00	12,000.00
17000	COMMERCE & FINANCE		
18000	TRANSPORT (ROADS & BRIDGES)	4,700,000.00	4,700,000.00
19000	CULTURE & TOURISM	30,481,568.77	30,481,568.77
21000	EDUCATION		
22000	HEALTH	55,769,000.00	55,769,000.00
23000	INFORMATION & COMMUNICATION TECHNOLOGY		
24000	SOCIAL DEVELOPMENT, YOUTH & SPORTS	4,100,000.00	4,100,000.00
31000	WATER SUPPLY	250,000.00	250,000.00
32000	SEWAGE AND DRAINAGE		
33000	HOUSING	30,000.00	30,000.00
34000	TOWN & COUNTRY PLANNING		
35000	ENVIRONMENT & REFUSE DISPOSAL	350,000.00	350,000.00
40000	GENERAL ADMINISTRATION SECTOR	77,327,777.78	77,327,777.78
	TOTAL	173,008,346.55	173,008,346.55

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

9. TAXES RECEIVED AND REMITTED – NIL

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

10. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Bekwarra Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86

Repayment - 250,000,000.00

Balance = 73,680,797.86

11. OVERDRAFT RECEIVED NIL AND NIL

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

12. CASH AND CASH EQUIVALENTS – N16,874,544.57

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

S/N	DETAILS	AMOUNT(₦)
1	ZENITH BANK SAL & OH	393,925.27
2	ZENITH BANK CAPITAL	16,264,377.22
3	FBN IGR	16,241.32
	SUB TOTAL	16,674,543.81
4	CASH IN HAND	200,000.76
	TOTAL	16,874,544.57

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

13. RECEIVABLES – ₦ 534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

14. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

15. DEPOSITS – ₦40,392,394.41

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

DETAILS	AMOUNT
DEPOSITS BFWD 01-01-2020	40,392,394.41
ADDITION DURING THE YEAR	0.00
TOTAL	40,392,394.41

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

16. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦124,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
JAN	DEDUCTION FROM ALLOCATION	
FEB	DEDUCTION FROM ALLOCATION	
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	
SEP	DEDUCTION FROM ALLOCATION	
OCT	DEDUCTION FROM ALLOCATION	
NOV	DEDUCTION FROM ALLOCATION	1,000,000.00
DEC	DEDUCTION FROM ALLOCATION	1,000,000.00
TOTAL AS IN CASHFLOW STATEMENT		7,000,000.00
Balance carried forward as at 31 Dec 2020		124,737,722.93

17. SHORT TERM LOANS AND DEBTS – ₦362,140.91

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

18. UNREMITTED DEDUCTIONS – ₦ 678,885,451.38

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

UNREMITTED STATUTORY DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward	582,847,959.56
ADD: Deductions during the year	509,814,848.81
	1,092,662,808.37
Less : Actual Remittance during the year	413,777,357.00
Balance Outstanding 31-12-2000	678,885,451.37

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

19. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

20. RESERVES - ₦ 827,630.79

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

21. PAYABLES – NIL

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Bekwarra LGCs as at 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

22. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF BEKWARRA LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020.**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	₦	₦	₦	₦		₦	₦
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and repo

**BIASE LOCAL GOVERNMENT
COUNCIL**

**FINANCIAL STATEMENTS AND
DISCLOSURES**

BIASE LOCAL GOVERNMENT, AKPET CENTRAL

AUDIT OPINION

STATEMENT OF OPINION OF THE AUDITOR-GENERAL

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

RESPECTIVE RESPONSIBILITIES OF TREASURERS AND THE AUDITOR-GENERAL

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

THE SCOPE OF MY AUDIT

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

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

OUR OPINION

- (i) The books of Accounts had been properly kept.
- (ii) The Financial Statements referred to above which are in agreement with the Books of Account ***give a true and fair view of State of affairs of Biase Local Government Council as at 31st December 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

BIASE LOCAL GOVERNMENT, AKPET CENTRAL
RESPONSIBILITY FOR FINANCIAL STATEMENTS


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

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


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

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

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


.....
HON. ADA CHARLES EGWU
CHAIRMAN

.....30th June 2021...
DATE


.....
MR. GREGORY USUNGISE
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
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 2020.**

REPORT ON THE FINANCIAL STATEMENTS

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

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Biase Local Government Council as at 31st December 2020*** and the financial Position and Cashflows for the period ended on that date.

.....

MRS FRANKA INOK, FCA
AUDITOR-GENERAL
CALABA



GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BIASE LOCAL GOVERNMENT, AKPET CENTRAL
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	12	45,981,284.62	(198,105,341.89)
Receivables	13	534,094,774.59	441,951,127.31
Inventories		0.00	
Prepayments		0.00	
Total Current Assets (A)			243,845,785.42
Non-Current Assets			
Investments	14	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	
Contribution to CRS Reserve Fund	15	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			520,462,133.02
LIABILITIES			
Current Liabilities			
Deposits	16	20,163,694.96	20,163,694.58
Short term Loans & Debts		362,140.91	-
Unremitted Deductions	18	582,847,959.56	582,847,959.56
Payables (Unremitted Taxes)		0.00	15,151,785.23
Total Current Liabilities (C)	21		618,163,439.37
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	19	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	
Long Term Provisions (Taxes)		0.00	
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			941,844,237.23
Net Assets (Total Assets - Total Liabilities)			(421,382,104.21)
NET ASSETS/EQUITY			
Reserves	20	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(577,522,205.68)
Total Net Assets/Equity		0.00	(421,382,104.21)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

BIASE LOCAL GOVERNMENT, AKPET CENTRAL

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	NOTES	2020	2019
		₦	₦
REVENUE			
Statutory Revenue	1	1,889,034,843.29	1,983,540,9
Non-Tax Revenue	2	14,371,748.38	10,947,690.
Aids and Grants		-	-
Investment Income		-	-
Capital Receipts	3	225,308,333.35	-
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,350,578,707.91	1,230,853,8
Overhead Cost - General and Administrative Expenses	5	58,390,195.39	68,849,381.
Transfer to Other Government Entities (Statutory deductions)	6	437,744,661.18	16,931,189.
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	7	222,912,333.34	457,020,92
Public Debt Charges		-	221,285,67
Depreciation		-	-
Damaged Assets		-	-
Net Surplus/(Deficit) for the Period			

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020**

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	57,441,020.88	-	57,441,020.88
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Biase Local government.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

**BIASE LOCAL GOVERNMENT, AKPET CENTRAL
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020**

CASH FLOW FROM OPERATING ACTIVITIES		2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,280,824,601.58	
Government Share of VAT	1	488,849,061.47	
Share of Exchange Gain Difference	1	39,205,478.77	
Other Revenue	1	115,282,835.39	
Non-Tax Revenue	2	14,371,748.38	
Capital Receipts	3	225,308,333.35	
10% State IGR		0.00	
Total Inflows from Operating Activities			
Outflows:			
FAAC Deductions at Source	1	35,127,133.92	
Salaries and Wages	4	1,350,578,707.91	
Overhead Cost	5	58,390,195.39	
Statutory Deductions	6	437,744,661.18	
JAAC Charges		-	
Total Outflows from Operating Activities			1,537,920,105.70
Net Cashflow from Operating Activities			456,568,512.81
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE			
Proceeds from Sale of Investment Property			
Capital Expenditure (Purchase/Construction of PPE)	7	222,912,333.34	(457,020,920.97)
Investment Expenditure			
Net Cashflow from Investing Activities			(457,020,920.97)
CASH FLOW FROM FINANCING ACTIVITIES			
Miscellaneous Deposits Received			11,508,466.87
Miscellaneous Deposits Remitted			
Taxes Received			(5,098,770.72)
Tax Remitted			5,098,770.72
Proceeds from Borrowings (CRSG Loan)	10	250,000,000.00	
Repayment of Borrowings			(222,222,222.22)
Overdraft Received			
Overdraft Repayment			
Net Cash Flow from Financing Activities			(210,713,755.35)
Net Cash Flow from All Activities			(211,166,163.51)
Prior Year Adjustment (Understated FAAC)		57,441,020.88	
Cash and its Equivalent as at 01 Jan 2020		(198,105,341.89)	13,060,821.62
Cash and its Equivalent as at 31 Dec 2020			(198,105,341.89)

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 2020**

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	N	N	N
RECEIPTS:			
Gross Statutory Allocation	2,064,178,773.00	1,889,034,843.2	
Internally Generated Revenue	60,000,000.00	14,371,748.38	
Capital Receipts	-	225,308,333.35	
Cross River State Government Loan	-	-	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,254,558,895.00	1,350,578,707.9	
Statutory Deductions	1,042,685,421.00	437,744,661.18	
Overhead / Operating Expenditure	58,360,255.00	58,390,195.39	
Purchase/Construction of PPE	1,740,208,194.00	222,912,333.34	
Investment Expenditure			
Total Payments			
NET SURPLUS (DEFICIT)			

BIASE LOCAL GOVERNMENT, AKPET CENTRAL

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS

1a. (A) GROSS STATUTORY ALLOCATION - ₦1,280,824,601.58

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	137,153,148.11	38,079,425.02	279,585.17		(2,154,700.07)	173,357,458.23
2	FEB.	122,999,256.62	34,707,677.71	245,517.87	4,514,977.98	(2,154,700.07)	160,312,730.11
3	MARCH	108,623,558.47	33,183,783.98	177,166.00	3,520,729.67	(2,154,700.07)	143,350,538.05
4	APRIL	110,067,828.74	39,816,300.36	15,051,952.07		(2,154,700.07)	162,781,381.10
5	MAY	85,836,992.29	31,250,932.00	6,382,547.30	30,039,068.79	-	153,509,540.38
6	JUNE	96,829,718.84	34,385,830.89	6,669,022.94	269,951.46	-	138,154,524.13
7	JULY	101,714,337.37	42,662,915.28	10,399,687.42	13,312,960.69	-	168,089,900.76
8	AUG.	128,726,463.11	43,796,343.40			-	172,522,806.51
9	SEPT.	127,341,202.86	49,778,675.74			(6,627,083.41)	170,492,795.19
10	OCT.	81,439,639.49	47,004,415.60		37,819,877.94	(6,627,083.41)	159,636,849.62
11	NOV.	83,999,537.78	41,980,429.90		23,982,787.90	(6,627,083.41)	143,335,672.17
12	DEC.	96,092,917.90	52,202,331.59		1,822,480.94	(6,627,083.41)	143,490,647.02
	TOTAL	1,280,824,601.58	488,849,061.47	39,205,478.77	115,282,835.39	-35,127,133.92	1,889,034,843.29

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) – ₦488,849,061.47

This represents Federal Revenue arising from Value Added Tax (VAT) for Biase Local Government Council for the year ended 31st December 2020.

1c. ((C) SHARE OF EXCHANGE GAIN DIFFERENCE - ₦39,205,478.77

This represents Biase LGA's Share of Exchange Gain Difference as seen month on month as seen in the table above, for the year ended 31st December 2

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1d. (D) OTHER REVENUE – ₦ 115,282,835.39

This represents revenue other than statutory receipts from the Federation for Biase Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			175,485.31			4,339,492.67	4,514,977.98
MARCH		3,520,729.67					3,520,729.67
APRIL							
MAY			298,770.58	2,058,659.03		27,681,639.17	30,039,068.79
JUNE			269,951.46				269,951.46
JULY						13,312,960.69	13,312,960.69
AUG.							
SEPT.							
OCT.		9,159,736.16			16,678,477.16	11,981,664.63	37,819,877.94
NOV.	5,325,184.28	1,712,512.62	266,613.85		16,678,477.16		23,982,787.90
DEC.		1,822,480.94					1,822,480.94
TOTAL	5,325,184.28	16,215,459.39	1,010,821.21	2,058,659.03	33,356,954.32	57,315,757.16	115,282,835.39

1e. (E) DEDUCTIONS AT SOURCE - (₦35,127,133.92)

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

2. NON-TAX REVENUE (IGR) – ₦14,371,748.38

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Biase Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2019
		N
101000	TAXES	93,133.88
102000	RATES	1,671,983.86
103000	LOCAL LICENCE FEES	2,190,650.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	4,162,600.00
105000	RENT ON GOVERNMENT PROPERTY	3,637,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	2,616,380.64
	TOTAL	14,371,748.38

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MONTH	10100	10200	10300	10400	10500	10800	TOTAL
JANUARY	72,000	-	38,000	129,000	7,000	239,000	485,000.00
FEBRUARY	-	480,983.86	228,000	215,000	30,000	134,880.64	1,088,864.50
MARCH	21,133.88	20,000	99,000	177,000	-	63,000	380,133.88
APRIL	-	500,000	91,000	490,000	-	26,000	1,107,000.00
MAY	-	420,000	66,000	380,500	3,240,000	19,000	4,125,500.00
JUNE	-	-	40,000	125,000	-	36,000	201,000.00
JULY	-	201,000	94,000	473,000	-	100,000	868,500.00
AUGUST	-	-	161,500	379,000	-	159,000	669,500.00
SEPTEMBER	-	-	425,350	462,600	360,000	1,600,000	2,847,950
OCTOBER	-	-	265,000	319,800	-	40,000	624,800.00
NOVEMBER	-	50,000	487,200	673,900	-	138,500	1,349,600.00
DECEMBER	-	-	195,100	337,300	-	61,000	593,400.00
TOTAL	93,133.88	1,671,983.86	2,190,650	4,162,600	3,637,000	2,616,380.64	14,371,748.38

3. CAPITAL RECEIPTS – N380,423,537.93

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

4. SALARIES AND WAGES – N 1,350,578,707.91

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(N)
1	Traditional Rulers Allowances	18,472,000.00
2	Primary Health Care Salaries	177,972,638.14
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	177,347,653.01
5	Political Office Holders	33,369,905.18
6	Pension Allowances	263,449,802.72
7	SUBEB	667,966,708.86
	TOTAL	1,350,578,707.91

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MONTH	TRC	PHC	NPA	COUNCIL STAFF	POL OFFICE HOLDERS	PENSIONS	SUBEB	TOTAL
January	1,770,000	13,641,233.42	1,000,000	13,888,006.80	-	21,574,266.20	50,545,173.58	102,418,680.00
February	1,702,000	13,641,233.42	1,000,000	13,903,216.72	-	21,574,266.20	50,737,028.73	102,557,745.07
March	1,500,000	15,127,942.10	1,000,000	15,733,059.95	-	21,681,924.48	57,264,204.46	112,307,130.99
April	1,500,000	15,127,942.10	1,000,000	15,630,814.45	-	21,681,924.48	57,209,171.82	112,149,852.85
May	1,500,000	15,127,942.10	1,000,000	15,530,576.56	-	21,937,427.12	57,125,919.50	112,221,865.28
June	1,500,000	15,127,942.10	1,000,000	15,377,672.01	-	22,357,486.59	56,753,661.89	112,116,762.59
July	1,500,000	15,127,942.10	1,000,000	15,377,672.01	5,690,936.68	17,102,221.69	56,645,402.26	112,444,174.74
August	1,500,000	15,127,942.10	1,000,000	14,729,623.62	2,845,468.34	23,477,381.28	56,645,402.26	115,325,817.60
September	1,500,000	15,127,942.10	1,000,000	14,340,798.25	2,845,468.34	23,642,372.96	56,398,345.37	114,854,927.02
October	1,500,000	15,127,942.10	1,000,000	14,340,798.25	6,224,706.30	20,930,301.40	56,362,115.39	115,485,863.44
November	1,500,000	14,833,317.25	1,000,000	14,284,679.86	9,571,281.74	25,100,618.17	56,173,647.38	122,463,544.40
December	1,500,000	14,833,317.25	1,000,000	14,210,734.53	6,192,043.78	22,389,612.15	56,106,636.22	116,232,343.93
Total	18,472,000	177,972,638.14	12,000,000	177,347,653.01	33,369,905.18	263,449,802.72	667,966,708.86	1,350,578,707.91

5. OVERHEAD COST – N58,390,195.39

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

CODE	DETAILS	ACTUAL PAID BY COUNCIL 2020	TOTAL OPERATING EXPENSES 2020
		₦	₦
431200	TRAVEL & TRANSPORT	1,200,000.00	1,200,000.00
431300	UTILITIES	50,000.00	50,000.00
431400	MATERIALS & SUPPLIES	10,600,000.00	10,600,000.00
431500	MAINTENANCE, REPAIRS & SERVICES	4,850,300.00	4,850,300.00
431600	TRAINING & STAFF DEVELOPMENT	500,000.00	500,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	-	-
431800	FINANCE EXPENSES	180,500.00	180,500.00
431900	ENTERTAINMENT & HOSPITALITY	3,550,000.00	3,550,000.00
432100	OTHER SERVICES	-	-
432200	GRANT & SUBVENTION	-	-
115000	CONSOLIDATED REVENUE FUND CHARGES	37,459,395.39	37,459,395.39
	TOTAL	58,390,195.39	58,390,195.39

6. STATUTORY DEDUCTIONS – ₦437,744,661.18

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.

MONTH	DETAILS	AMOUNT (N)
JAN	Statutory Remittances	-
FEB	Statutory Remittances	22,550,744.76
MAR	Statutory Remittances	27,510,385.75
APR.	Statutory Remittances	73,301,052.07
MAY	Statutory Remittances	104,995,848.63
JUNE	Statutory Remittances	44,496,380.46
JULY	Statutory Remittances	21,690,315.62
AUG.	Statutory Remittances	-
SEPT.	Statutory Remittances	51,825,316.58
OCT	Statutory Remittances	2,689,121.11
NOV.	Statutory Remittances	88,685,496.20
DEC	Statutory Remittances	-
TOTAL		437,744,661.18

7 PURCHASE/CONSTRUCTION OF PPE - N 222,912,333.34

During the year under review, the Biase LGC spent a total sum of ₦ 222.9m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment).

HEAD	DETAILS	ACTUAL PAID BY COUNCIL 2020	TOTAL
		₦	₦
11000	Agriculture	100,000.00	100,000.00
12000	Livestock and veterinary	-	-
13000	Forestry	100,000.00	100,000.00
14000	Fisheries	-	-
15000	Energy (fuel and Power)	-	-
16000	Commerce and Finance	102,000.00	102,000.00
17000	Transport, Road, Bridges	68,351,177.78	68,351,177.78
18000	Culture and Tourism	2,030,000.00	2,020,000.00
	Sub total	70,683,177.78	70,683,177.78
20000			
21000	Education	350,000.00	350,000.00

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22000	Health	50,000,000.00	50,000,000.00
23000	Information	-	-
24000	Social Dev. Youth & Sports	500,000.00	500,000.00
	Sub Total	50,850,000.00	50,850,000.00
30000			
31000	Water supply	-	-
33000	Housing	20,150,000.00	20,150,000.00
34000	Town & country planning		-
35000	Environment	7,433,000.00	7,433,000.00
	Sub total	27,583,000.00	27,583,000.00
4000	General Administration	73,796,155.56	73,796,155.56
	Grand total	222,912,333.34	222,912,333.34

8. INVESTMENT EXPENDITURE – NIL

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

9. TAXES RECEIVED AND REMITTED – NIL

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

10. REPAYMENT OF BORROWINGS – ₦ 73,680,797.86

In the year 2020, Abi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86
 Repayment - 250,000,000.00
 Balance - 73,680,797.86

11. OVERDRAFT RECEIVED AND REPAYED - NIL

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

12. CASH AND CASH EQUIVALENTS – ₦ 45,981,284.62

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	17,750.26
2.	ZENITH BANK	4,230,588.36
3.	CRUTECH GMM, MFB	119,670.02
4.	FIRST BANK SAL/OH	41,557,598.74
5.	ZENITH BANK SAL/OH	55,677.25
	SUB TOTAL	45,981,284.62
6.	CASH IN HAND	NIL
	GRAND TOTAL	45,981,284.62

13. RECEIVABLES – ₦ 534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

14. INVESTMENTS – ₦158,878,724.67

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

15. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

16. DEPOSITS – N20,163,694.96

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

S/N	DESCRIPTION	BALANCE AS AT 1/1/2020	ADDITION IN THE YEAR	PAYMENTS WITHIN THE YEAR	BALANCE AS AT 31/12/2020
		₦	₦	₦	₦
1	SALARIES 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

17. SHORT TERM LOANS AND DEBTS – NIL

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

18. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56

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

19. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦78,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

20. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Biase Local Government in its Financial Statements for the purposes of disclosure

21. PAYABLES – ₦15,151,785.23

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Biase LGCs as at 31st December 2020.

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	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

22. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF BIASE LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020.**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

BOKI LOCAL GOVERNMENT, BOJE

RESPONSIBILITY FOR FINANCIAL STATEMENTS

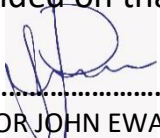
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Boki Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis)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

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


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

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

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


.....
HON. PASTOR JOHN EWA
CHAIRMAN

.....
~~30th June 2021~~
DATE


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

.....
30th June 2021
DATE



The Chairman,
Boki Local Government Council,
BOJE.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF BOKI 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) 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

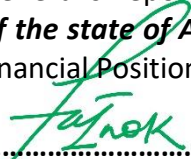
I have carried out the audit in accordance with Section 56, (2) to (4) of Cross River State Local Government Law, 2007, Nigerian Standards on Auditing, in compliance with the International Organization of Supreme Audit Institutions (INTOSAI) Guidelines and other International Standards on Auditing

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 2020*** 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 2020

		2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	101,477,797.22	(235,361,201.02)
Receivables	15	534,094,774.59	441,951,127.31
Inventories		0.00	-
Prepayments		0.00	-
Total Current Assets (A)			206,589,926.29
Non-Current Assets			
Investments	16	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	
Contribution to CRS Reserve Fund	18	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			483,206,273.89
LIABILITIES			
Current Liabilities			
Deposits	17	30,102,652.63	30,102,652.63
Short term Loans & Debts	19	9,351,658.56	9,351,658.56
Unremitted Deductions	20	804,509,020.75	582,847,959.56
Payables (Unremitted Taxes)	23	11,551,652.84	11,551,627.84
Total Current Liabilities (C)			633,853,898.59
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	-
Long Term Provisions (Taxes)		0.00	-
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			957,534,696.45
Net Assets (Total Assets - Total Liabilities)			(474,328,422.56)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(630,468,524.03)
Total Net Assets/Equity		0.00	(474,328,422.56)

BOKI LOCAL GOVERNMENT, BOJE

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	2,247,559,637.8	2,229,081,979.
Non-Tax Revenue	2	16,449,218.26	16,741,872.62
Aids and Grants			
Investment Income			
Capital Receipts	3	224,923,537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,852,863,136.3	1,658,921,972.
Overhead Cost - General and Administrative Expenses	5	108,162,908.51	16,931,891.14
Transfer to Other Government Entities (Statutory	6	429,776,484.40	138,858,725.96
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	7	191,787,777.78	203,809,888.89
Public Debt Charges			147,863,014.85
Depreciation			
Damaged Assets			
Net Surplus/(Deficit) for the Period			

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020**

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	65,500,272.30	-	65,500,272.30
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Boki Local government.

BOKI LOCAL GOVERNMENT, BOJE
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Government Share of FAAC (Statutory Allocation)	1	1,468,397,867.27	1,754,090,870.47
Government Share of VAT	1	506,293,492.83	418,914,027.95
Share of Exchange Gain Difference	1	44,947,014.09	-
Other Revenue	1	132,165,691.86	56,077,080.87
Non-Tax Revenue	2	16,449,218.26	16,741,872.62
Capital Receipts	3	224,923,537.93	-
10% State IGR (Non-Tax Revenue)			-
Total Inflows from Operating Activities			2,245,823,851.91
Outflows:			
Deductions at Source	1	36,410,120.08	-
Salaries and Wages	4	1,852,863,136.31	1,658,921,972.77
Overhead Cost	5	108,162,908.51	16,931,891.14
Statutory Deductions	6	429,776,484.40	138,858,725.96
JAAC Charges			147,863,014.85
Total Outflows from Operating Activities			1,962,575,604.72
Net Cashflow from Operating Activities			283,248,247.19
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE			-
Proceeds from Sale of Investment Property			-
Capital Expenditure (Purchase/Construction of PPE)	7	191,787,777.78	(203,809,888.89)
Investment Expenditure			-
Net Cashflow from Investing Activities			(203,809,888.89)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Sale of PPE			-
Proceeds from Sale of Investment Property			-
Taxes Received			4,400,000.00
Tax Remitted			(4,400,000.00)
Proceeds from Borrowings (CRSG Loan)	12	250,000,000.00	-
Repayment of Borrowings			(222,222,222.22)
Overdraft Received			-
Overdraft Repayment			-
Net Cash Flow from Financing Activities			(222,222,222.22)
Net Increase (Decrease) in Cash & Cash Equivalents			(142,783,863.92)
Prior Year Adjustments (Understated FAAC)		65,500,272.30	
Cash and its Equivalent as at 01 Jan 2020		(235,361,201.02)	(92,577,337.10)
Cash and its Equivalent as at 31 Dec 2020			(235,361,201.02)

BOKI LOCAL GOVERNMENT, BOJE
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation		2,247,559,637.8	
Internally Generated Revenue	39,459,040.00	16,449,218.26	
Capital Receipts		224,923,537.93	
Cross River State Government Loan	50,000,000.00		
Total Receipts			
PAYMENTS			
Salaries and Wages	1,867,977,000.00	1,852,863,136.3	
Statutory Deductions	-	429,776,484.40	
Overhead / Operating Expenditure	66,404,058.00	108,162,908.51	
Purchase/Construction of PPE	-	191,787,777.78	
Investment Expenditure			
Total Payments			
NET SURPLUS (DEFICIT)			

BOKI LOCAL GOVERNMENT, BOJE

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS**1a. (A) GROSS STATUTORY ALLOCATION - ₦1,468,397,897.27**

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	157,238,852.17	39,437,625.09	320,529.66		(2,475,446.61)	194,521,560.30
2	FEB.	141,012,161.91	35,947,015.30	281,473.30	5,176,184.18	(2,475,446.61)	185,117,572.26
3	MARCH	124,531,182.01	34,361,529.98	203,111.48	4,036,330.92	(2,475,446.61)	164,693,038.70
4	APRIL	126,186,961.72	41,239,130.89	17,256,269.35		(2,475,446.61)	182,206,915.35
5	MAY	98,407,585.44	32,368,861.21	7,317,253.93	34,438,208.39	-	206,970,117.36
6	JUNE	111,010,166.77	35,614,693.78	7,645,683.14	309,485.12	-	154,889,513.92
7	JULY	116,610,124.35	44,186,987.67	11,922,693.24	15,262,607.44	-	203,245,020.15
8	AUG.	147,578,102.15	45,365,290.78			-	192,943,392.93
9	SEPT.	145,989,974.33	51,555,964.75			(6,627,083.41)	190,918,855.67
10	OCT.	93,366,252.33	48,682,664.23		43,358,495.80	(6,627,083.41)	222,138,824.74
11	NOV.	96,301,040.74	43,476,546.52		27,495,001.71	(6,627,083.41)	188,140,507.27
12	DEC.	110,165,463.35	54,057,182.63		2,089,378.30	(6,627,083.41)	161,774,319.17
	TOTAL	1,468,397,867.27	506,293,492.83	44,947,014.09	132,165,691.86	-36,410,120.08	2,247,559,637.82

1b. (B) GOVERNMENT SHARE OF VALUE ADDED TAX –₦506,293,492.83

This represents Federal Revenue arising from Value Added Tax (VAT) for Boki Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –₦ 44,947,014.09

This represents the 18 LGAs share of Exchange Gain Difference as seen in table 1, for Boki Local Government Council for the year ended 31st December 2020.

1d. (D) OTHER REVENUE –₦132,165,691.86

This represents revenue other than statutory receipts from the Federation for Boki Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			201,184.66			4,974,999.52	5,176,184.18
MARCH		4,036,330.92					4,036,330.92
APRIL							
MAY			342,524.71	2,360,144.03		31,735,539.65	34,438,208.39
JUNE			309,485.12				309,485.12
JULY						15,262,607.44	15,262,607.44
AUG.							
SEPT.							
OCT.		10,501,154.51			19,120,994.60	13,736,346.69	43,358,495.80
NOV.	6,105,042.98	1,963,305.41	305,658.72		19,120,994.60		27,495,001.71
DEC.		2,089,378.30					2,089,378.30
TOTAL	6,105,042.98	18,590,169.14	1,158,853.21	2,360,144.03	38,241,989.20	65,709,493.30	132,165,691.86

1e. (E) DEDUCTIONS AT SOURCE - (₦36,410,120.08)

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

2. NON-TAX REVENUE (IGR) – ₦16,449,218.26

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Boki Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	-
102000	RATES	-
103000	LOCAL LICENCE FEES	387,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	2,678,000.00
105000	RENT ON GOVERNMENT PROPERTY	430,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	12,459,218.26
	TOTAL	16,449,218.26

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTHS	100300	100400	100500	100800	TOTAL
JANUARY	145,000.00	160,000.00	300,000.00	33,000.00	638,000.00
FEBRUARY	55,000.00	805,000.00	60,000.00		920,000.00
MARCH	52,000.00	333,000.00	15,000.00		400,000.00
APRIL	30,000.00	115,000.00		45,000.00	190,000.00
MAY	20,000.00	495,000.00		225,000.00	740,000.00
JUNE	35,000.00	465,000.00	550,000.00	53,000.00	1,103,000.00
JULY	50,000.00	230,000.00		250,000.00	530,000.00
AUGUST		75,000.00			75,000.00
SEPTEMBER					
OCTOBER					
NOVEMBER					
DECEMBER				11,853,218.26	11,853,218.26
TOTAL	387,000.00	2,678,000.00	925,000.00	12,459,218.26	16,449,218.26

3. CAPITAL RECEIPTS – ₦ 224,923,537.93

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

4. SALARIES AND WAGES – ₦ 1,852,863,136.31

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.

SALARIEWAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	35,400,000.00
2	Primary Health Care Salaries	291,825,199.27
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	234,082,737.30
5	Political Office Holders	33,244,506.59
6	Pension Allowances	377,516,235.48
7	SUBEB - Teacher's Salaries	868,794,457.67
	TOTAL	1,852,863,136.31

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

SALARIES AND WAGES								
MONTH	TRC	PHC	NPA	COUNCIL STAFF	POLITICAL OFFICE HOLDERS	PENSION	SUBEB	TOTALS
JANUARY	3,075,000.00	21,266,411.99	1,000,000.00	17,385,459.55		30,811,636.97	65,556,476.48	139,094,984.99
FEBRUARY	3,075,000.00	21,256,216.79	1,000,000.00	17,049,808.00		30,826,206.56	65,468,396.74	138,675,628.09
MARCH	2,925,000.00	25,290,179.89	1,000,000.00	19,750,122.42		31,070,929.79	76,087,960.38	156,124,192.48
APRIL	2,925,000.00	25,290,179.89	1,000,000.00	20,240,651.26		31,070,929.79	75,318,329.11	155,845,090.05
MAY	2,925,000.00	24,937,358.01	1,000,000.00	20,052,116.58		31,390,077.13	75,007,771.98	155,312,323.70
JUNE	2,925,000.00	24,937,358.01	1,000,000.00	19,749,639.79		31,737,767.80	74,449,807.18	154,799,572.78
JULY	2,925,000.00	24,937,358.01	1,000,000.00	19,600,094.29	5,673,201.38	29,307,367.54	74,046,386.42	157,489,407.64
AUGUST	2,925,000.00	24,937,358.01	1,000,000.00	20,124,970.09	2,838,600.69	31,179,860.46	73,550,082.59	156,555,871.84
SEPTEMBER	2,925,000.00	24,794,769.07	1,000,000.00	20,140,914.27	2,836,600.69	31,851,943.57	72,929,957.58	156,479,185.18
OCTOBER	2,925,000.00	24,726,003.20	1,000,000.00	20,140,914.27	6,183,176.13	32,318,854.17	72,488,818.49	159,782,766.26
NOVEMBER	2,925,000.00	24,726,003.20	1,000,000.00	19,924,023.39	9,529,751.57	33,307,898.18	71,918,227.18	163,330,904
DECEMBER	2,925,000.00	24,726,003.20	1,000,000.00	19,924,023.39	6,183,176.13	32,642,763.52	71,972,243.54	159,373,209.78
	35,400,000.00	291,825,199.27	12,000,000.00	234,082,737.30	33,244,506.59	377,516,235.48	868,794,457.67	1,852,863,136.31

5. OVERHEAD COST – N108,162,408.51

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

CODE	DETAILS	ACTUAL PAID BY COUNCIL 2020	JOINT COMMITMENT	TOTAL OPERATING EXPENSES 2020
		₦	₦	₦
431200	TRAVEL & TRANSPORT	59,484,643.95		59,484,643.95
431300	UTILITIES	248,000.00		248,000.00
431400	MATERIALS & SUPPLIES	2,205,500.00		2,205,500.00
431500	MAINTENANCE, REPAIRS & SERVICES	260,000.00		260,000.00
431600	TRAINING & STAFF DEVELOPMENT	160,000.00		160,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	200,000.00		200,000.00
431800	FINANCE EXPENSES	136,732.99		136,732.99
431900	ENTERTAINMENT & HOSPITALITY	6,973,000.00		6,973,000.00
432100	OTHER SERVICES	0.00		0.00
115000	GRANT & SUBVENTION	0.00		0.00
	TOTAL	108,162,908.51		108,162,908.51

6. STATUTORY DEDUCTIONS – ₦ 429,776,484.40

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	AGENCY	AMOUNT(₦)
1	RURAL DEVELOPMENT AGENCY	125,552,524.23
2	STATE ELECTRIFICATION AGENCY	69,191,002.60
3	JOINT SECURITY	46,925,876.49
4	COMMON SERVICES(MLGAS)	15,611,997.88
5	LOCAL GOVERNMENT SERVICE COMMISSION	12,356,909.13
6	JOINT SOCIAL SERVICES	22,825,525.80
7	SPORT DEVELOPMENT COMMISSION	12,597,657.75
8	BOARDER COMMUNITY	6,936,049.06
9	ENVIRONMENTAL MANAGEMENT AGENCY	34,875,701.14
10	OVERSIGHT FUNCTION (CRSHA)	6,975,140.12
11	SOCIAL DEVELOPMENT AGENCY	7,770,069.12
12	CRUTECH	12,356,909.13
13	INFRASTRUCTURAL DEVELOPMENT	55,801,121.83
	TOTAL	429,776,484.40

7. PURCHASE/CONSTRUCTION OF PPE - ₦ 191,787,777.78

During the year under review, the Boki LGC spent a total sum of ₦191.7m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	DETAILS	AMOUNT PAID BY COUNCIL	TOTAL CAPITAL EXPENDITURE
		N	N
15000	MANUFACTURING & CRAFTS		
16000	ENERGY (FUEL & POWER)	-	-
17000	COMMERCE & FINANCE	1,100,000.00	1,100,000.00
18000	TRANSPORT (ROADS & BRIDGES)	-	-
19000	CULTURE & TOURISM	-	-
21000	EDUCATION	5,620,000.00	5,620,000.00
22000	HEALTH	50,000,000.00	50,000,000.00
23000	INFORMATION & COMMUNICATION		
24000	SOCIAL DEVELOPMENT, YOUTH & SPORTS	1,000,000.00	1,000,000.00
31000	WATER SUPPLY	600,000.00	600,000.00
32000	SEWAGE AND DRAINAGE		
33000	HOUSING	46,590,000.00	46,590,000.00
34000	TOWN & COUNTRY PLANNING		
35000	ENVIRONMENT & REFUSE DISPOSAL		
40000	GENERAL ADMINISTRATION SECTOR	86,877,777.78	86,877,777.78
	TOTAL	191,787,777.78	191,787,777.78

8. INVESTMENT EXPENDITURE – NIL

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

10. DEPOSITS RECEIVED AND REMITTED – NIL

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

11. TAXES RECEIVED AND REMITTED – NIL

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

12. REPAYMENT OF BORROWINGS – ₦ 73,680,797.86

In the year 2020, Boki Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan	- 323,680,797.86
Repayment	- <u>250,000,000.00</u>
Balance	= <u>73,680,797.86</u>

13. OVERDRAFT RECEIVED AND REPAID - NIL

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

14. CASH AND CASH EQUIVALENTS – ₦ 101,477,797.22

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

BANK	ACCOUNT NUMBER	AMOUNT(N)
FIRST BANK - CAPITAL	2017381866	21,319.84
ZENITH BANK - REVENUE	1011492994	244,037.97
FBN SALARY & OVERHAED	2017480150	283,096.14
ZENITH BANK - CAPITAL	14011553178	1,017,842.42
ZENITH - SALARY & OVERHEAD		4,379.94
ZENITH - SALARY & OVERHEAD		4,203,829.83
ECOBANK- UNCLAIMED		530,822.20
ECOBANK		19,427.85
SPRING BANK		49,813.41
FCMB		134,448.75
FCMB		37,980.48
OSOKOM COMM BANK		918,278.99
FBN - SALARY & OVERHEAD	2032515491	59,181,728.52
UNION BANK		382,715.28
UNION BANK		134,882.29
ECOBANK		54,223.71
FBN		158,843.70
UNICAL MFB - UNCLAIMED		954,335.01
UNICAL MFB - UNCLAIMED		170,790.89
ZENITH - CAPITAL	1017366732	32,000,000.00
		100,502,797.22
CASH AT HAND		975,000.00
BALANCE C/D		101,477,797.22

15. RECEIVABLES – ₦ 534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

16. INVESTMENTS – ₦158,878,724.60

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

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

17. DEPOSITS – ₦31,073,108.06

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(N)
Deposits brought forward	30,102,652.63
Addition during the year	970,455.43
BALANCE CARRIED FORWARD	31,073,108.06

18. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	AMOUNT(N)
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

19. SHORT TERM LOANS AND DEBTS – N9,351,658.56

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

DETAILS	AMOUNT(N)
Short Term Loan brought forward	9,351,658.56
Addition during the year	-
BALANCE CARRIED FORWARD	9,351,658.56

20. UNREMITTED DEDUCTIONS – N 804,509,020.75

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

DETAILS	AMOUNT(N)
Unremitted deductions brought forward	582,847,959.56
Addition in the year	651,437,545.59
	1,234,285,505.15
Remittances during the year	(429,776,484.40)
BALANCE CARRIED FORWARD	804,509,020.75

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N 73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - N 827,630.79

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

23. PAYABLES – ₦11,551,657.84

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Boki LGCs as at 31st December 2020.

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	5% CONTRACTORS' TAX	7,478,484.44	-	-	7,478,484.44
2	5% VALUE ADDED TAX (VAT)	4,073,684.00	-	-	4,073,684.00
TOTAL		11,551,652.84	-	-	11,551,652.84

24. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF BOKI LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020.**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	₦	₦	₦	₦		₦	₦
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
RESPONSIBILITY FOR FINANCIAL STATEMENTS


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

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

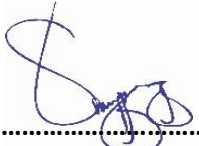
The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately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

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

In our opinion, these financial statements fairly reflect the financial position of Calabar Municipal Local Government as at 31st December 2020 and its operations for the period ended on that date.


.....
HON. EFFEFIONG NTA EKE
CHAIRMAN

30th June 2021.....
DATE


.....
MRS. GLORY TONY EFFIONG, ACA
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
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 2020.**

REPORT ON THE FINANCIAL STATEMENTS

I have examined the Financial Statements set out on page(s) 212 to 214 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Calabar Municipal Local Government Council as at 31st December 2020*** 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

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	12	69,307,433.61	(220,151,032.82)
Receivables	13	534,094,774.59	441,951,127.31
Inventories		0.00	-
Prepayments		0.00	-
Total Current Assets (A)			221,800,094.49
Non-Current Assets			
Investments	14	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	
Contribution to CRS Reserve Fund	15	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			498,416,442.09
LIABILITIES			
Current Liabilities			
Deposits	21	670,017.15	14,786,543.68
Short term Loans & Debts		0.00	-
Unremitted Deductions	19	760,930,397.18	582,847,959.56
Payables (Unremitted Taxes)	23	48,620.00	48,620.00
Total Current Liabilities (C)			597,683,123.24
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	19	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	-
Long Term Provisions (Taxes)		0.00	-
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			921,363,921.10
Net Assets (Total Assets - Total Liabilities)			(422,947,479.01)
NET ASSETS/EQUITY			
Reserves	20	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(579,087,580.48)
Total Net Assets/Equity			(422,947,479.01)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	NOTE	2020	2019
REVENUE		₦	₦
Statutory Revenue		1,768,524,859.69	1,847,215,465
Non-Tax Revenue		63,005,779.05	29,806,237.20
Aids and Grants			
Investment Income			
Other Capital Receipts		224,923,537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits		1,383,124,852.93	1,355,233,114
Overhead Cost - General and Administrative Expenses		95,315,735.45	69,394,769.56
Transfer to Other Government Entities (Statutory deductions)		548,560,828.06	16,931,891.49
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Purchase/Construction of PPE		879,510,794.55	223,713,284.1
Public Debt Charges		0.00	335,910,412.7
Depreciation		0.00	-
Damaged Assets		0.00	-
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	₦	₦	₦
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	53,855,156.22	-	53,855,156.22
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Calabar Municipal Local government.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation		1,163,197,156.12	
Government Share of VAT		499,350,901.30	
Share of Exchange Gain Difference		35,604,954.30	
Other Revenue		104,695,573.53	
Non-Tax Revenue		63,005,779.05	
Capital Receipts		224,923,537.93	
10% State IGR (Non-Tax Revenue)			
Total Inflows from Operating Activities			
Outflows:			
FAAC Deductions at Source		34,323,725.56	
Salaries and Wages		1,383,124,852.93	
Overhead Cost		95,315,735.45	
Statutory Deductions		548,560,828.06	
JAAC Charges		-	
Total Outflows from Operating Activities			1,777,470,188.06
Net Cashflow from Operating Activities			99,551,514.65
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE		0.00	-
Proceeds from Sale of Investment Property		0.00	-
Purchase/Construction of PPE		879,510,794.55	(223,713,284.19)
Investment Expenditure		0.00	-
Net Cashflow from Investing Activities			(223,713,284.19)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Sale of PPE			-
Proceeds from Sale of Investment Property			-
Taxes Received			-
Tax Remitted			-
Proceeds from Borrowings (CRSG Loan)	10	250,000,000.00	
Repayment of Borrowings			(222,222,222.22)
Overdraft Received			-
Overdraft Repayment			-
Net Cash Flow from Financing Activities			(222,222,222.22)
Net Increase (Decrease) in Cash & Cash Equivalents			(346,383,991.76)
Prior Year Adjustment (Understated FAAC)		52,541,244.14	
Cash and its Equivalent as at 01 Jan 2020		220,151,032.82	126,232,958.94
Cash and its Equivalent as at 31 Dec 2020			(220,151,032.82)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	3,030,133,572.00	1,768,524,859.6	
Non-Tax Revenue	151,537,500.00	63,005,779.05	
Capital Receipts	-	224,923,537.93	
Cross River State Government Loan	-	-	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,894,523,481.0	1,383,124,852.	
Statutory Deductions	799,311,146.00	548,560,828.06	
Overhead / Operating Expenditure	135,361,857.00	95,315,735.45	
Capital Expenditure	2,312,751,549.00	879,510,794.55	
Investment Expenditure	12,000,000.00		
Total Payments			
NET SURPLUS (DEFICIT)			

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CALABAR MUNICIPAL LOCAL GOVERNMENT, CALABAR

NOTES TO THE FINANCIAL STATEMENTS

1a. (A) GROSS STATUTORY ALLOCATION - ₦1,163,197,156.12

This represents allocations received monthly by Calabar Municipal Council from the Federation Account in line with the provisions of the Constitution of the Federal Republic of Nigeria.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	124,557,376.27	38,897,084.21	253,908.83		(1,953,847.98)	161,754,521.33
2	FEB.	111,703,339.65	35,453,779.70	222,970.18	4,100,334.69	(1,953,847.98)	149,526,576.24
3	MARCH	98,647,866.49	33,892,806.79	160,895.56	3,197,395.44	(1,953,847.98)	133,945,116.30
4	APRIL	99,959,498.91	40,672,868.17	13,669,621.75		(1,953,847.98)	152,348,140.85
5	MAY	77,953,956.54	31,923,944.11	5,796,391.53	27,280,362.46	-	142,954,654.64
6	JUNE	87,937,141.00	35,125,626.93	6,056,558.02	245,159.85	-	129,364,485.80
7	JULY	92,373,169.46	43,580,432.39	9,444,608.43	12,090,334.62	-	157,488,544.90
8	AUG.	116,904,575.08	44,740,876.00			-	161,645,451.08
9	SEPT.	115,646,533.37	50,848,633.49			(6,627,083.41)	159,868,083.45
10	OCT.	73,960,444.65	48,014,749.38		34,346,603.28	(6,627,083.41)	149,694,713.90
11	NOV.	76,285,248.85	42,881,117.16		21,780,273.94	(6,627,083.41)	134,319,556.54
12	DEC.	87,268,005.85	53,318,982.98		1,655,109.25	(6,627,083.41)	135,615,014.67
	TOTAL	1,163,197,156.12	499,350,901.30	35,604,954.30	104,695,573.53	-34,323,725.56	1,768,524,859.69

1b. (B) GOVERNMENT SHARE OF VALUE ADDED TAX –₦490,350,901.30

This represents Federal Revenue arising from Value Added Tax (VAT) for Calabar Municipal Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –₦35,604,954.30

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Calabar Municipal Council for the year ended 31st December 2020.

1d. (D) OTHER REVENUE – ~~N104,695,573.53~~

This represents revenue other than statutory receipts from the Federation for Calabar Municipal Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			159,369.22			3,940,965.47	4,100,334.69
MARCH		3,197,395.44					3,197,395.44
APRIL							
MAY			271,332.30	1,869,597.39		25,139,432.77	27,280,362.46
JUNE			245,159.85				245,159.85
JULY						12,090,334.62	12,090,334.62
AUG.							
SEPT.							
OCT.		8,318,530.92			15,146,771.21	10,881,301.16	34,346,603.28
NOV.	4,836,133.85	1,555,240.12	242,128.76		15,146,771.21		21,780,273.94
DEC.		1,655,109.25					1,655,109.25
TOTAL	4,836,133.85	14,726,275.73	917,990.13	1,869,597.39	30,293,542.42	52,052,034.02	104,695,573.53

1e. (E) DEDUCTIONS AT SOURCE - (~~N34,323,725.56~~)

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

2. NON-TAX REVENUE (IGR) – ~~N63,005,779.05~~

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Calabar Municipal Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	1,582,035.52
102000	RATES	7,496,000.00
103000	LOCAL LICENCE FEES	8,472,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	17,222,078.84
105000	RENT ON GOVERNMENT PROPERTY	21,361,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	6,872,164.69
	TOTAL	63,005,779.05

3. CAPITAL RECEIPTS – ₦224,923,537.93

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

4. SALARIES AND WAGES – ₦ 1,383,124,852.93

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

SALARIES AND WAGES & EMPLOYEE BENEFITS		
1	Traditional Rulers Allowances	11,115,000.00
2	Primary Health Care Salaries	294,785,667.47
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	242,227,218.20
5	Political Office Holders	31,946,360.37
6	Pension Allowances	270,661,068.46
7	SUBEB - Teacher's Salaries	520,389,538.43
	TOTAL	1,383,124,852.93

5. OVERHEAD COST – ₦95,315,735.45

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

CODE	DETAILS	ACTUAL PAID BY COUNCIL 2020	TOTAL OPERATING EXPENSES 2020
		₦	₦
431200	TRAVEL & TRANSPORT	7,408,000.00	7,408,000.00
431300	UTILITIES	245,500.00	245,500.00
431400	MATERIALS & SUPPLIES	4,348,000.00	4,348,000.00
431500	MAINTENANCE, REPAIRS & SERVICES	3,129,000.00	3,129,000.00
431600	TRAINING & STAFF DEVELOPMENT	-	-
431700	CONSULTANCY & PROFESSIONAL SERVICES	895,446.00	895,446.00
431800	FINANCE EXPENSES	96,525.30	96,525.30
431900	ENTERTAINMENT & HOSPITALITY	9,313,000.00	9,313,000.00
432100	OTHER SERVICES	67,880,264.15	67,880,264.15
432200	GRANT & SUBVENTION	0.00	0.00
115000	CRF CHARGES	2,000,000.00	2,000,000.00
	TOTAL	95,315,735.45	95,315,735.45

6. STATUTORY DEDUCTIONS – ₦548,560,828.06

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

S/N	STATUTORY DEDUCTION	AMOUNT(₦)
1	1% Ministry of Local Government for Administration	51,197,563.53
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	46,447,445.99
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	41,522,986.05
4	JOINT SECURITY OPERATIONS 2.5%	47,227,923.67
5	JOINT SOCIAL WELFARE 2.5%	44,374,188.53
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	40,102,990.60
7	SPORT DEVELOPMENT 1%	49,110,463.99
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	50,110,089.84
9	CRHA OVERSIGHT FUNCTION 0.5%	50,223,044.34
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	39,391,231.23
11	INFRASTRUCTURAL FUNDS 4%	46,812,245.74
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	42,040,654.55
	TOTAL	548,560,828.06

7. INVESTMENT EXPENDITURE – NIL

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

8. TAXES RECEIVED AND REMITTED. - N356,020.00 & (356,020.00)

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

TAXES RECEIVED AND REMITTED			
DETAIL	TAXES RECEIVED	TAXES REMITTED	₦
BALANCE BROUGHT FORWARD	356,020.00	(356,020.00)	0.00
ADDITIONS FOR THE YEAR	0.00	0.00	0.00
BALANCE CARRIED FORWARD	356,020.00	(356,020.00)	0.00

10. REPAYMENT OF BORROWINGS – ₦ 250,000,000.00

In the year 2020, Calabar Municipal Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86

Repayment - 250,000,000.00

Balance = 73,680,797.86

11. DEPOSITS RECEIVED AND REMITTED – NIL

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

12. PURCHASE/CONSTRUCTION OF PPE - ₦ 879,510,794.55

During the year under review, the Calabar Municipal Council LGC spent a total sum of ₦879.5m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	DETAILS	DIRECT COUNCIL'S EXPENDITURE	TOTAL CAPITAL EXPENDITURE
		N	N
11000	AGRICULTURE	45,026.50	45,026.50
16000	ENERGY (FUEL & POWER)	74,431,024.29	74,431,024.29
17000	COMMERCE & FINANCE	69,256,331.94	69,256,331.94
18000	TRANSPORT (ROADS & BRIDGES)	375,552,524.14	375,552,524.14
19000	CULTURE & TOURISM	612,000.00	612,000.00
21000	EDUCATION	9,130,210.24	9,130,210.24
22000	HEALTH	53,895,000.00	53,895,000.00
23000	INFORMATION & COMMUNICATION TECHNOLOGY	-	-
24000	SOCIAL DEVELOPMENT, YOUTH & SPORTS	63,866,246.97	63,866,246.97
31000	WATER SUPPLY	-	-
32000	SEWAGE AND DRAINAGE	-	-
33000	HOUSING	21,439,100	21,439,100
34000	TOWN & COUNTRY PLANNING	-	-
35000	ENVIRONMENT & REFUSE DISPOSAL	40,404,372.67	40,404,372.67
40000	GENERAL ADMINISTRATION SECTOR	170,878,957.80	170,878,957.80
TOTAL		879,510,794.55	879,510,794.55

13. CASH AND CASH EQUIVALENTS – ₦ 69,307,433.61

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

S/N	BANK	AMOUNT(N)
1	FIRST BANK (SALARIES AND OVERHEAD)	25,600,855.74
2	ZENITH BANK (SALARIES AND OVERHEAD)	1,790,530.04
3	ECOBANK (REVENUE)	103,408.69
4	ZENITH BANK (REVENUE)	849,332.13
5	UBA	10,261.00
6	CROSS RIVER MICRO FINANCE	285.00
7	FBN (CAPITAL)	37,398,207.49
8	ZENITH BANK (CAPITAL)	3,539,753.52
	SUB-TOTAL	69,292,633.61
9	CASH BALANCE	14,800.00
	TOTAL	69,307,433.61

14. OVERDRAFT RECEIVED NIL AND NIL

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

15. RECEIVABLES – ₦ 534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

16. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

17. SHORT TERM LOANS AND DEBTS – NIL

This represents loans owed to various banks by Calabar Municipal Council Local Governments.

18. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

19. UNREMITTED DEDUCTIONS – ₦ 760,930,397.18

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	582,847,959.56
Additions in the year	560,560,828.06
	1,143,408,787.62
2020 Remittances	(382,478,390.44)
BALANCE CARRIED FORWARD	760,930,397.18

20. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Calabar Municipal Council Local Government in its Financial Statements for the purposes of disclosure.

21. DEPOSITS – ₦ 670,017.15

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 2020	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31-12- 2020
		₦	₦	₦	₦
1	RETENTION DEPOSIT	3,192,203.98	-	(2,522,186.83)	670,017.15
2	UNCLAIMED SALARIES	11,594,339.70	-	(11,594,339.70)	0.00
TOTAL		14,786,543.68	-	-	670,017.15

23. PAYABLES – ₦ 48,620.00

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Calabar Municipal Council LGCs as at 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

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	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

24. PROPERTY, PLANT AND EQUIPMENT

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF CALABAR MUNICIPAL LOCAL GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER 2020.

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**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 2020*** 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

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 2020 and its operations for the period ended on that date.


.....
HON. MRS. ESTHER BASSEY
CHAIRMAN

..30th June 2021.....
DATE


.....
MRS. PATRICIA NJAR
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
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 converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Calabar South Local Government Council as at 31st December 2020*** 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

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents		39,126,393.37	(180,601,081.93)
Receivables	16	534,094,774.59	441,951,127.31
Inventories		0.00	-
Prepayments		0.00	-
Total Current Assets (A)			261,350,045.38
Non-Current Assets			
Investments		158,878,724.67	158,878,724.67
Property, Plant & Equipment	19	0.00	-
Contribution to CRS Reserve Fund		129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			537,966,392.98
LIABILITIES			
Current Liabilities			
Deposits		0.00	1,520,013.64
Short term Loans & Debts		1,520,013.64	-
Unremitted Deductions	18	741,404,320.51	582,847,959.56
Payables (Unremitted Taxes)		13,402,039.90	15,842,418.85
Total Current Liabilities (C)			600,210,392.05
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	
Long Term Provisions (Taxes)		0.00	
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			923,891,189.91
Net Assets (Total Assets - Total Liabilities)			(385,924,796.93)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(542,064,898.40)
Total Net Assets/Equity			(385,924,796.93)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA
STATEMENT OF FINANCIAL PERFORMANCE COUNCIL FOR THE YEAR ENDED 31ST
DECEMBER 2020

DETAILS	NOTES	2020	2019
REVENUE		₦	₦
Statutory Revenue		1,866,459,780.79	1,952,019,025.04
Non-Tax Revenue		11,869,224.25	17,580,865.00
Aids and Grants		224,923,537.93	
Investment Income			
Other Capital Receipts		224,923,537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits		1,068,425,688.92	1,012,685,388.56
Overhead Cost - General and Administrative Expenses		85,243,961.14	16,931,891.49
Transfer to Other Government Entities (Statutory		577,752,451.13	54,299,764.99
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure		633,364,186.17	217,261,451.98
Public Debt Charges			789,870,695.54
Depreciation			
Damaged Assets			
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	53,855,156.22	-	53,855,156.22
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Calabar South Local government.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation		1,239,824,792.44	
Government Share of VAT		511,939,941.92	
Share of Exchange Gain Difference		37,950,492.61	
Other Revenue		111,592,576.58	
Non-Tax Revenue		11,869,224.25	
Capital Receipts		224,923,537.93	
10% State IGR (Non-Tax Revenue)			
Total Inflows from Operating Activities			
Outflows:			
FAAC Deductions at Source		34,848,022.76	
Salaries and Wages		1,068,425,688.92	
Overhead Cost		85,243,961.14	
Statutory Deductions		577,752,451.13	
JAAC Charges			
Total Outflows from Operating Activities			1,873,787,740.58
Net Cashflow from Operating Activities			95,812,149.46
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE			-
Proceeds from Sale of Investment Property			-
Purchase/Construction of PPE		633,364,186.17	(217,261,451.98)
Investment Expenditure			
Net Cashflow from Investing Activities			(217,261,451.98)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received			
Deposits Remitted			
Taxes Received		9,757,000.00	9,757,000.00
Tax Remitted		(2,442,000.00)	
Proceeds from Borrowings (CRSG Loan)			
Repayment of Borrowings		250,000,000.00	(222,222,222.22)
Overdraft Received			
Overdraft Repayment			
Net Cash Flow from Financing Activities			(212,465,222.22)
Net Increase (Decrease) in Cash & Cash Equivalents			(333,914,524.74)
Prior Year Adjustment (Understated FAAC)		55,875,689.75	
Cash and its Equivalent as at 01 Jan 2020			153,313,442.81
Cash and its Equivalent as at 31 Dec 2020			(180,601,081.93)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

CALABAR SOUTH LOCAL GOVERNMENT, ANANTIGHA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	5,086,355,602.00	1,866,459,780.79	
Internally Generated Revenue	368,923,062.00	11,869,224.25	
Capital Receipts	-	224,923,537.93	
Cross River State Government Loan	950,000,000.00		
Total Receipts			
PAYMENTS			
Salaries and Wages	1,381,511,689.00	1,068,425,688.92	
Statutory Deductions	989,033,926.00	577,752,451.13	
Overhead / Operating Expenditure	136,871,559.00	85,243,961.14	
Capital Expenditure	1,612,256,708.00	633,364,186.17	
Investment Expenditure	12,000,000.00		
Total Payments			
NET SURPLUS (DEFICIT)			

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS

1a. (A) GROSS STATUTORY ALLOCATION - N1,239,824,792.44

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	132,762,810.13	39,877,250.05	270,635.52		(2,084,922.28)	170,825,773.42
2	FEB.	119,061,991.49	36,348,166.62	237,658.73	4,370,451.37	(2,084,922.28)	157,933,345.93
3	MARCH	105,146,466.32	34,742,745.20	171,494.83	3,408,029.43	(2,084,922.28)	141,383,813.50
4	APRIL	106,544,504.80	41,699,675.58	14,570,131.87		(2,084,922.28)	160,729,389.97
5	MAY	83,089,309.05	32,730,714.82	6,178,238.90	29,077,503.80	-	151,075,766.57
6	JUNE	93,730,153.15	36,012,454.62	6,455,544.32	261,310.19	-	136,459,462.28
7	JULY	98,458,412.70	44,680,302.53	10,066,788.44	12,886,806.44	-	166,092,310.11
8	AUG.	124,605,867.35	45,873,130.87			-	170,478,998.22
9	SEPT.	123,264,949.95	52,131,241.28			(6,627,083.41)	168,769,107.82
10	OCT.	78,832,717.61	49,225,883.16		36,609,245.52	(6,627,083.41)	158,040,762.88
11	NOV.	81,310,672.33	43,960,812.60		23,215,087.37	(6,627,083.41)	141,859,488.89
12	DEC.	93,016,937.56	54,657,564.59		1,764,142.45	(6,627,083.41)	142,811,561.19
	TOTAL	1,239,824,792.44	511,939,941.92	37,950,492.61	111,592,576.58	-34,848,022.76	1,866,459,780.79

1b. (B) GOVERNMENT SHARE OF VALUE ADDED TAX –N511,939,941.92

This represents Federal Revenue arising from Value Added Tax (VAT) for Calabar South Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN –N 37,950,492.61

This represents the 18 LGAs share of Exchange Gain Difference as seen in table 1, for Calabar South Local Government Council for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1d. (D) OTHER REVENUE –N111,592,576.58

This represents revenue other than statutory receipts from the Federation for Calabar South Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			169,867.94			4,200,583.43	4,370,451.37
MARCH		3,408,029.43					3,408,029.43
APRIL							
MAY			289,206.79	1,992,760.37		26,795,536.64	29,077,503.80
JUNE			261,310.19				261,310.19
JULY						12,886,806.44	12,886,806.44
AUG.							
SEPT.							
OCT.		8,866,528.61			16,144,591.11	11,598,125.80	36,609,245.52
NOV.	5,154,722.58	1,657,694.27	258,079.42		16,144,591.11		23,215,087.37
DEC.		1,764,142.45					1,764,142.45
TOTAL	5,154,722.58	15,696,394.76	978,464.33	1,992,760.37	32,289,182.22	55,481,052.31	111,592,576.58

1e. (E) DEDUCTIONS AT SOURCE - (N34,848,022.76)

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

2. NON-TAX REVENUE (IGR) – N11,869,224.25

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Calabar South Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020 N
101000	TAXES	-
102000	RATES	2,369,500.00
103000	LOCAL LICENCE FEES	2,334,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	6,865,492.20
105000	RENT ON GOVERNMENT PROPERTY	-
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	300,232.05
	TOTAL	11,869,224.25

3. CAPITAL RECEIPTS – ₦224,923,537.93

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

4. SALARIES AND WAGES – ₦ 1,068,425,688.92

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.

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	11,415,000.00
2	Primary Health Care Salaries	239,196,945.89
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	253,533,703.56
5	Political Office Holders	33,257,455.15
6	Pension Allowances	145,064,335.84
7	SUBEB - Teacher's Salaries	373,958,248.48
	TOTAL	1,068,425,688.92

MONTH	PERSONNEL COST COUNCIL	PERSONNEL COST PHC	PERSONNEL COST LGEA	POLITICAL OFFICE HOLDER'S	PENSION FUND	TOTAL SALARIES
JANUARY	21,903,251.16	19,062,558.88	28,809,799.50	0.00	12,196,121.53	81,971,731.07
FEBRUARY	21,903,251.16	18,913,595.09	29,070,798.36	0.00	12,217,984.13	82,105,628.74
MARCH	23,451,065.95	20,200,141.76	31,937,646.17	0.00	12,217,984.13	87,806,838.01
APRIL	23,357,732.97	20,200,141.76	31,836,313.68	0.00	12,217,984.13	87,612,172.54
MAY	23,357,732.97	20,200,141.76	31,729,171.73	0.00	12,247,690.24	87,534,736.70
JUNE	23,357,739.16	20,200,141.76	31,729,171.73	0.00	12,378,204.82	87,665,257.47
JULY	23,263,618.13	20,200,141.76	31,729,171.73	5,690,936.68	11,261,716.77	92,145,585.07
AUGUST	23,563,305.21	20,027,436.30	31,633,662.77	2,845,468.34	12,042,107.23	90,111,979.85
SEPTEMBER	23,308,491.92	20,027,436.30	31,633,662.77	2,845,468.34	12,042,107.23	89,857,166.56
OCTOBER	23,195,306.64	20,027,436.30	31,512,026.45	6,176,335.45	11,793,802.39	92,704,907.23
NOVEMBER	23,143,470.11	20,068,887.11	31,192,042.26	9,522,910.89	12,334,170.35	96,261,480.72
DECEMBER	23,143,738.18	20,068,887.11	31,144,781.31	6,176,335.45	12,114,462.89	92,648,204.94
	276,948,703.56	239,196,945.89	373,958,248.48	33,257,455.15	145,064,335.84	1,068,425,688.90

5. OVERHEAD COST – ₦85,243,961.14

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

CODE	DETAILS	ACTUAL PAID BY COUNCIL 2020	JOINT COMMITMEN T	TOTAL OPERATING EXPENSES 2020
		₦	₦	₦
431200	TRAVEL & TRANSPORT	5,713,777.78		5,713,777.78
431300	UTILITIES	-		-
431400	MATERIALS & SUPPLIES	4,221,600.00		4,221,600.00
431500	MAINTENANCE, REPAIRS &	1,658,000.00		1,658,000.00
431600	TRAINING & STAFF DEVELOPMENT	645,000.00		645,000.00
431700	CONSULTANCY & PROFESSIONAL	758,000.00		758,000.00
431800	FINANCE EXPENSES	118,768.61		118,768.61
431900	ENTERTAINMENT & HOSPITALITY	3,918,000.00		3,918,000.00
432100	OTHER SERVICES	67,185,814.75		67,185,814.75
43200	GRANT & SUBVENTION	-		-
115000	CRF CHARGES	1,025,000.00		1,025,000.00
	TOTAL	85,243,961.14		85,243,961.14

6. STATUTORY DEDUCTIONS – ₦577,752,451.13

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	AGENCIES	AMOUNT (N)
1	Rural Development Agency (RUDA)	167,734,582.59
2	State Electrification Agency (SEA)	93,185,879.21
3	Joint Security Operations	46,592,939.60
4	Local Government Administration	18,637,175.85
5	Local Government Service Commission	18,637,175.85
6	Joint Social Welfare Service	46,592,939.60
7	Border Comm. Dev. Fund	9,318,587.92
8	Sports Development	18,637,175.85
9	Environmental Man Protected	46,592,939.60
10	CRSHA Oversight Foundation	9,318,587.92
11	Community and Social Development	9,318,587.92
12	CRUTECH	18,637,175.85
13	Infrastructural Development Agency	74,548,703.37
	TOTAL	577,752,451.13

7. JAAC CHARGES – NIL

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

8. INVESTMENT EXPENDITURE – NIL

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

9. DEPOSITS RECEIVED AND REMITTED – NIL

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

10. PURCHASE/CONSTRUCTION OF PPE - ₦633,364,186.17

During the year under review, the Calabar South LGC spent a total sum of 452.1m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment).

HEAD		DETAILS	ACTUAL PAID BY COUNCIL (N)
ECONOMIC SECTOR			
11000	AGRICULTURE		35,000.00
16000	ENERGY (FUEL & POWER)		71,673,678.14
17000	COMMERCE & FINANCE		37,934,841.28
18000	TRANSPORT (ROADS AND BRIDGES)		-
19000	CULTURE & TOURISM		12,000,000.00
SOCIAL SERVICE SECTOR			
21000	EDUCATION		13,950,280.00
22000	HEALTH		52,330,000.00
23000	INFORMATION & COMMUNICATION TECHNOLOGY		-
24000	SOCIAL DEV. YOUTH & SPORT		60,586,092.00
ENV. & REGIONAL DEVELOPMENT SECTOR			
30000	ENV. & REGIONAL DEVELOPMENT		160,508,225.29
31000	WATER SUPPLY		-
32000	SEWAGE & DRAINAGE		125,000.00
35000	ENVIRONMENTAL & REFUSE DISPOSAL		350,000.00
GENERAL ADMINISTRATION			
4000	GENERAL ADMINISTRATION		223,871,069.46
GRAND TOTAL			633,364,186.17

11. REPAYMENT OF BORROWINGS – ₦250,000,000.00

In the year 2020, Calabar Municipal Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86
 Repayment - 250,000,000.00
 Balance = 73,680,797.86

12. TAXES RECEIVED AND REMITTED – ₦9,757,000.00 & (N 2,442,000.00)

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

TAXES RECEIVED AND REMITTED			
DETAIL	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

13. OVERDRAFT RECEIVED NIL

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

14. CASH AND CASH EQUIVALENTS – ₦ 39,126,393.37

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 2020.

S/N	BANK	STATUS	AMOUNT
1	FBN (SALARIES AND OVERHEAD)	ACTIVE	24,332,589.53
2	HERITAGE BANK (REVENUE)	ACTIVE	29,209.82
3	ZENITH BANK (REVENUE)	ACTIVE	110,202.88
4	CALABAR MICRO FINANCE BANK	ACTIVE	23,997.86

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

5	FIRST ROYAL MICRO FINANCE BANK	ACTIVE	14,274.50
6	EKONDO MICRO FINANCE BANK	ACTIVE	87,991.06
7	FBN (CAPITAL)	ACTIVE	10,973,775.61
8	ZENITH BANK (CAPITAL)	ACTIVE	3,541,852.11
	SUB-TOTAL		39,113,893.37
9	CASH BALANCE		12,500.00
	TOTAL		39,126,393.37

15. RECEIVABLES – ₦ 534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

16. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

17. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

18. DEPOSITS – NIL

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

19. SHORT TERM LOANS AND DEBTS – ₦1,520,013.64

This represents loans owed to various banks by Calabar South Local Governments.

20. UNREMITTED DEDUCTIONS – ₦ 741,404,320.51

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

DESCRIPTION	AMOUNT(N)
BALANCE AS AT 1/1/2020	582,847,959.56
ADDITION IN THE YEAR	589,752,451.13
	1,172,600,410.69
PREMITTANCES WITHIN THE YEAR	(431,196,090.18)
BALANCE AS AT 31/12/2020	741,404,320.51

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦ 73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - ₦ 827,630.79

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

23. PAYABLES – ₦13,402,039.90

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 2020.

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	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

24. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF CALABAR SOUTH LOCAL
GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	₦	₦	₦	₦		₦	₦
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and report

**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 2020*** 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

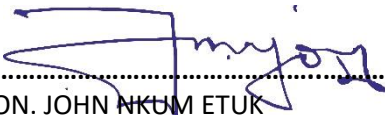
These Financial Statements have been prepared by the Director of Finance (Treasurer) of **Etung Local Government Council** in accordance with the Provisions of the Financial Memoranda (as amended). The Financial Statements comply with the (IPSAS) international Public Accounting Standards (Cash Basis) 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 2020 and its operations for the period ended on that date.


.....
HON. JOHN NKUM ETUK
CHAIRMAN

.....30th June 2021.....
DATE


.....
MR. ETIM OKON NYONG
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
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 converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Etung Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	36,457,472.16	(293,725,907.37)
Receivables	16	534,094,774.59	441,951,127.31
Inventories		0.00	0.00
Prepayments		0.00	0.00
Total Current Assets (A)			148,225,219.94
Non-Current Assets			
Investments		158,878,724.67	158,878,724.67
Property, Plant & Equipment		0.00	0.00
Contribution to CRS Reserve Fund	19	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			424,841,567.54
LIABILITIES			
Current Liabilities			
Deposits	20	8,393,924.24	8,393,924.24
Short term Loans & Debts		0.00	0.00
Unremitted Deductions	18	582,847,959.56	582,847,959.56
Payables (Unremitted Taxes)	23	55,240,985.69	5,240,985.69
Total Current Liabilities (C)			596,482,869.49
Non-Current Liabilities 9393924.24			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	0.00
Long Term Provisions (Taxes)		0.00	0.00
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			920,163,667.35
Net Assets (Total Assets - Total Liabilities)			(495,322,099.81)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(651,462,201.28)
Total Net Assets/Equity			(495,322,099.81)

ETUNG LOCAL GOVERNMENT, EFFRAYA
STATEMENT OF FINANCIAL PERFORMANCE COUNCIL FOR THE YEAR ENDED 31ST
DECEMBER 2020

DETAILS	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue		1,452,230,340.8	1,526,228,280.5
Non-Tax Revenue		13,410,951.58	8,439,165.00
Aids and Grants		0.00	0.00
0.00Investment Income		0.00	0.00
Capital Receipts		224,923.537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits		864,451,0611.35	761,354,433.45
Overhead Cost - General and Administrative Expenses		91,420,131.71	18,375,112.01
Transfer to Other Government Entities (Statutory		409,846,154.23	60,783,595.45
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure		179,249,501.40	260,513,896.22
Public Debt Charges		0.00	416,678,907.38
Depreciation		0.00	0.00
Damaged Assets		0.00	0.00
Net Surplus/(Deficit) for the Period			

ETUNG LOCAL GOVERNMENT, EFFRAYA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	970,831,130.14	1,159,956,663.59
Government Share of VAT	1	397,309,515.97	329,196,259.39
Share of Exchange Gain Difference	1	26,716,714.70	1,970,951.05
Other Revenue	1	87,381,336.39	35,104,406.48
Non-Tax Revenue	2	13,410,951.58	8,439,165.00
Capital Receipts	3	224,923.537.93	
10% State IGR (Non-Tax Revenue)		0.00	
Total Inflows from Operating Activities			
Outflows:			
FAAC Deductions at Source	1	33,008,3516.36	
Salaries and Wages	4	864,451,061.35	761,354,433.45
Overhead Cost	5	409,846,154.23	18,375,112.01
Statutory Deductions	6	91,420,131.71	60,783,595.45
JAAC Charges		0.00	416,678,907.38
Total Outflows from Operating Activities			1,257,192,048.29
Net Cashflow from Operating Activities			277,475,397.22
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE		0.00	-
Proceeds from Sale of Investment Property		0.00	-
Purchase/Construction of PPE	9	179,249,501.40	(260,513,896.22)
Investment Expenditure		0.00	
Net Cashflow from Investing Activities			(260,513,896.22)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	-
Deposits Remitted		0.00	-
Taxes Received		0.00	-
Tax Remitted		0.00	-
Proceeds from Borrowings (CRSG Loan)		0.00	-
Repayment of Borrowings	12	250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	-
Overdraft Repayment		0.00	-
Net Cash Flow from Financing Activities			(222,222,222.22)
Net Increase (Decrease) in Cash & Cash Equivalents			(205,260,721.22)
Prior Year Adjustment (Understated FAAC)		43,557,248.38	
Cash and its Equivalent as at 01 Jan 2020		(293,725,907.37)	(88,465,186.15)
Cash and its Equivalent as at 31 Dec 2020			(293,725,907.37)

ETUNG LOCAL GOVERNMENT, EFFRAYA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	2,593,027,908.00	1,4652,230,340.84	
Internally Generated Revenue	31,483,000.00	13,410,951.58	
Capital Receipts	1,200,000,000.00	224,923.537.93	
Cross River State Government Loan	-	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,068,082,580.99	864,451,061.35	
Statutory Deductions	560,349,500.00	409,846,154.23	
Overhead / Operating Expenditure	63,427,104.00	91,420,131.71	
Capital Expenditure	1,381,098,514.00	179,249,501.40	
Investment Expenditure			
Total Payments			
NET SURPLUS (DEFICIT)			

ETUNG LOCAL GOVERNMENT, EFFRAYA

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS**1a. (A) GROSS STATUTORY ALLOCATION - ₦970,831,130.14**

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	103,958,454.28	30,952,278.60	211,918.16		(1,625,005.68)	133,497,645.36
2	FEB.	93,230,179.34	28,204,261.39	186,096.05	3,422,233.75	(1,625,005.68)	123,417,764.85
3	MARCH	82,333,780.83	27,003,569.16	134,287.14	2,668,619.86	(1,625,005.68)	110,515,251.31
4	APRIL	83,428,499.45	32,350,005.96	11,408,981.07		(1,625,005.68)	125,562,480.80
5	MAY	65,062,167.09	25,384,605.38	4,837,801.84	22,768,818.67	-	118,053,392.98
6	JUNE	73,394,362.71	27,937,380.49	5,054,942.78	204,616.06	-	106,591,302.04
7	JULY	77,096,774.20	34,665,354.85	7,882,687.67	10,090,871.66	-	129,735,688.38
8	AUG.	97,571,250.19	35,563,301.69			-	133,134,551.88
9	SEPT.	96,521,259.61	40,452,362.67			(6,627,083.41)	130,346,538.87
10	OCT.	61,729,090.11	38,197,816.30		28,666,465.96	(6,627,083.41)	121,966,288.96
11	NOV.	63,669,425.23	34,129,567.20		18,178,318.14	(6,627,083.41)	109,350,227.16
12	DEC.	72,835,887.11	42,469,012.26		1,381,392.29	(6,627,083.41)	110,059,208.25
	TOTAL	970,831,130.14	397,309,515.97	29,716,714.70	87,381,336.39	-33,008,356.36	1,452,230,340.84

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –₦397,309,515.97

This represents Federal Revenue arising from Value Added Tax (VAT) for Etung Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –₦ 26,716,714.70

This represents the 18 LGAs share of exchange gain difference as seen in table 1, for Etung Local Government Council for the year ended 31st December 2020.

1d. (D) OTHER REVENUE –N87,381,336.39

This represents revenue other than statutory receipts from the Federation for Etung Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			133,013.22			3,289,220.53	3,422,233.75
MARCH		2,668,619.86					2,668,619.86
APRIL							
MAY			226,460.19	1,560,409.03		20,981,949.45	22,768,818.67
JUNE			204,616.06				204,616.06
JULY						10,090,871.66	10,090,871.66
AUG.							
SEPT.							
OCT.		6,942,837.45			12,641,844.02	9,081,784.50	28,666,465.96
NOV.	4,036,348.67	1,298,039.21	202,086.24		12,641,844.02		18,178,318.14
DEC.		1,381,392.29					1,381,392.29
TOTAL	4,036,348.67	12,290,888.81	766,175.71	1,560,409.03	25,283,688.04	43,443,826.14	87,381,336.39

1e. (E) DEDUCTIONS AT SOURCE - (N33,008,356.36)

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

2. NON-TAX REVENUE (IGR) – N13,410,951.58

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Etung Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	-
102000	RATES	481,951.58
103000	LOCAL LICENCE FEES	1,836,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	10,063,500.00
105000	RENT ON GOVERNMENT PROPERTY	-
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	1,029,000.00
	TOTAL	13,410,951.58

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	102000	103000	104000	108000	TOTAL
	₦	₦	₦	₦	₦
JANUARY	5,000.00	15,000.00	1,900,500.00	30,000.00	1,950,500.00
FEBRUARY	412,467.72	-	330,000.00	30,000.00	772,467.72
MARCH	62,483.86	157,000.00	316,000.00	-	535,483.86
APRIL	-	207,000.00	177,500.00	-	384,500.00
MAY	-	85,000.00	184,000.00	20,000.00	289,000.00
JUNE	-	13,000.00	461,500.00	35,000.00	509,500.00
JULY	-	-	347,000.00	-	347,000.00
AUGUST	2,000.00	1,263,500.00	5,097,500.00	264,000.00	6,627,000.00
SEPTEMBER	-	10,000.00	532,500.00	225,000.00	767,500.00
OCTOBER	-	10,000.00	270,000.00	247,000.00	527,000.00
NOVEMBER	-	36,000.00	59,000.00	8,000.00	103,000.00
DECEMBER	-	40,000.00	388,000.00	170,000.00	598,000.00
TOTAL	481,951.58	1,836,500.00	10,063,500.00	1,029,000.00	13,410,951.58

3. CAPITAL RECEIPTS - ₦ 224,923,537.93

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

4. SALARIES AND WAGES – ₦ 864,451,061.35

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

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	15,795,000.00
2	Primary Health Care Salaries	143,590,298.07
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	349,313,543.76
5	Political Office Holders	31,845,233.49
6	Pension Allowances	94,622,217.67
7	SUBEB - Teacher's Salaries	349,313,543.76
	TOTAL	864,451,061.35

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

LGA	PENSION	SUBEB	LGC STAFF	PHC	NPA	TRC	POLITICAL OFFICE HOLDERS	TOTAL
	N	N	N	N	N	N	N	N
JANUARY	7,251,189.31	26,540,571.10	16,622,913.17	10,653,874.32	1,000,000.00	1,372,500.00	0	63,441,047.90
FEBRUARY	7,251,189.31	26,502,362.15	16,582,627.51	10,653,874.82	1,000,000.00	1,372,500.00	0	63,362,553.79
MARCH	7,251,189.31	30,290,371.13	18,582,166.93	12,277,122.18	1,000,000.00	1,305,000.00	0	70,705,849.55
APRIL	7,251,189.31	30,244,258.47	18,509,734.19	12,222,825.25	1,000,000.00	1,305,000.00	0	70,533,007.22
MAY	7,363,535.56	29,958,805.24	18,574,158.20	12,222,825.25	1,000,000.00	1,305,000.00	0	70,424,324.25
JUNE	7,824,661.75	29,831,477.71	18,527,135.85	12,222,825.25	1,000,000.00	1,305,000.00	0	70,711,100.56
JULY	7,398,513.65	29,727,840.65	18,527,135.25	12,222,825.25	1,000,000.00	1,305,000.00	5,272,894.64	75,454,209.44
AUGUST	8,096,754.30	29,610,672.61	18,480,829.47	12,222,825.25	1,000,000.00	1,305,000.00	2,636,447.32	73,352,528.95
SEPTEMBER	8,245,099.74	29,302,335.98	18,194,036.20	12,222,825.25	1,000,000.00	1,305,000.00	2,636,447.32	72,905,744.49
OCTOBER	8,670,833.93	29,214,027.93	18,258,861.26	12,222,825.25	1,000,000.00	1,305,000.00	5,984,289.59	76,655,837.96
NOVEMBER	9,030,277.41	29,070,656.00	18,212,554.88	12,222,825.25	1,000,000.00	1,305,000.00	9,330,865.03	80,172,178.57
DECEMBER	8,987,784.09	29,020,164.79	18,212,554.88	12,222,825.25	1,000,000.00	1,305,000.00	5,984,289.59	76,732,618.60
TOTAL	94,622,217.67	349,313,543.76	217,284,707.79	143,590,298.57	12,000,000.00	15,795,000.00	31,845,233.49	864,451,001.28

5. OVERHEAD COST – N91,420,131.71

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

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2020	
		N	TOTAL
		N	N
431200	TRAVEL AND TRANSPORT	9,243,827.78	9,243,827.78
431300	UTILITES	-	-
431400	MATERIALS AND SUPPLIES	3,604,000.00	3,604,000.00
431500	MAINTENANCE, REPAIRS AND SERVICES	922,500.00	922,500.00
431600	TRAINING AND STAFF DEVELOPMENT	-	-
431700	CONSULTANCY AND PROFESSIONAL SERVICES	1,224,020.00	1,224,020.00
431800	FINANCE EXPENSES	13,030.51	13,030.51
431900	ENTERTAINMENT AND HOSPITALITY	8,503,000.00	8,503,000.00
432100	OTHER SERVICES	67,909,753.42	67,909,753.42
432000	GRANTS, CONTRIBUTION, SUBVENTION AND SUBSCRIPTION	-	-
115000	CRF CHARGES	-	-
	TOTAL	91,420,131.71	91,420,131.71

6. STATUTORY DEDUCTIONS – ₦ 409,846,154.23

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

S/N	AGENCIES	TOTAL DIRECT DEDUCTIONS
		N
1.	RURAL DEV. AGENCY (RUDA)	125,552,522.29
2.	STATE ELECTRIFICATION AGENCY (SEA)	69,751,402.29
3.	JOINT SECURITY OPERATIONS	34,875,701.15
4.	LOCAL GOVT. ADMIN.	10,977,565.48
5.	JOINT SOCIAL WELAFRE SERVICE	34,875,701.15
6.	LOCAL GOVT. SERVICE COMMISSION	13,950,280.46
7.	BORDER COMMISSION DEVELOPMENT	6,912,410.88
8.	SPORT DEV. FUND	13,952,280.46
9.	ENV. MANAGEMENT PROTECTION	31,172,472.67
10.	CRS HOUSE OF ASSEMBLY OVERSIGHT	9,385,175.31
11.	COMMUNITY AND SOCIAL DEV. AGENCY	4,565,105.17
12.	CRS UNIVERSITY OF TECHNOLOGY	9,354,669.06
13.	CRS INFRASTRUCTURAL DEV.	36,520,841.28
14.	FUTURE GENERATION	8,000,000.00
	TOTAL	409,846,154.23

7. INVESTMENT EXPENDITURE - NIL

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

8. DEPOSITS RECEIVED AND REMITTED – NIL

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

9. TAXES RECEIVED AND REMITTED – NIL

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

10. PURCHASE/CONSTRUCTION OF PPE - ₦179,249,501.40

During the year under review, the Etung LGC spent a total sum of ₦179.2m on purchase and construction of PPE (Property, Plant and Equipment).

HEAD	DETAILS	ACTUAL COUNCIL PAYMENT 2020	TOTAL
		=N=	=N=
17000	TRANSPORT, ROAD & BRIDGES	74,977,777.78	74,977,777.78
18000	CULTURE & TOURISM	-	-
	SUB-TOTAL	74,977,777.78	74,977,777.78
	SOCIAL SERVICE SECTOR		
21000	EDUCATION	-	-
22000	HEALTH	50,000,000.00	50,000,000.00
23000	INFORMATION	-	-
24000	SOCIAL DEV. YOUTH & SPORTS	1,500,000.00	1,500,000.00
	SUB-TOTAL	51,500,000.00	51,500,000.00
3000	ENVIRONMENTAL & REGIONA DEV		
31000	WATER SUPPLY	-	-
33000	HOUSING	30,500,000.00	30,500,000.00
34000	TOWN & COUNTRY PLANNING	100,000.00	100,000.00
35000	ENVIRONMENT	7,019,450.00	7,019,450.00
	SUB-TOTAL	37,619,450.00	37,619,450.00
40000	GENERAL ADMINISTRATION	11,152,273.62	11,152,273.62
	GRAND TOTAL	175,249,501.40	175,249,501.40

11. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Abi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86

Repayment - 250,000,000.00

Balance = 73,680,797.86

12. OVERDRAFT RECEIVED NIL AND NIL

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

13. CASH AND CASH EQUIVALENTS – ₦ 36,457,472.16

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

S/N	NAME OF BANK	AMOUNT (₦)
1	ZENITH BANK SALARY / OVERHEAD ACCOUNT	142,208.58
2	ZENITH BANK PLC CAPITAL ACCOUNT	36,295,259.83
3	ZENITH BANK PLC REVENUE ACCOUNT	20,003.75
	TOTAL	36,457,472.16

14. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

15. SHORT TERM LOANS AND DEBTS – NIL

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

16. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

17. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56

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

DETAILS	AMOUNT(N)
Unremitted deductions brought forward	582,847,959.56
2020 Unremitted deductions	
BALANCE CARRIED FORWARD	

18. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

19. DEPOSITS – N8,393,924.24

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

S/N	DETAILS	BALANCE B/FWD, 01/01/2020	ADDITION DURING THE YEAR AS PER CASHFLOW	PAYMENT DURING THE YEAR, 2016	BALANCE AS 31/12/2020
1	NHF	192,804.14	-	-	192,804.14
2	RETENTION FEE	3,175,440.22	-	-	3,175,440.22
3	UNCLAIMED SALARIES	5,025,679.88	-	-	5,025,679.88
	TOTAL	8,393,924.24	-	-	8,393,924.24

20. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

21. RESERVES - N 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Etung Local Government in its Financial Statements for the purposes of disclosure

22. PAYABLES – N5,240,985.69

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

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

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	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

24. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF ETUNG LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	₦	₦	₦	₦		₦	₦
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**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 2020*** 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 (Cash Basis) and Generally Accepted Accounting Practice.

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

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

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

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


.....
HON. KINGSLEY EGUMI
CHAIRMAN

..30th June 2021.....
DATE


.....
MR. EGUMA MICHAEL MONJOK, FCA
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
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 converted to IPSAS (Cash Basis) General Purpose Financial Statements for the first time in the interest of best practice.

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements **give a true and fair view of the state of Affairs of Ikom Local Government Council as at 31st December 2020** 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 2020

	Note	2020	2019
		₦	₦
ASSETS			
Current Assets:			
Cash and Cash Equivalents	14	79,358,303.84	(27,903,230.96)
Receivables	15	534,094,774.59	441,951,127.31
Inventories		0.00	0.00
Prepayments		0.00	0.00
Total Current Assets (A)			414,047,896.35
Non-Current Assets			0.00
Investments	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment		0.00	-
Contribution to CRS Reserve Fund	17	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			690,664,243.95
LIABILITIES			
Current Liabilities			
Deposits	18	96,740,007.16	68,406,549.16
Short term Loans & Debts		0.00	-
Unremitted Deductions	20	582,847,959.56	582,847,959.56
Payables (Unremitted Taxes)			6,121,714.95
Total Current Liabilities (C)			657,376,223.67
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	-
Long Term Provisions (Taxes)	23	6,121,714.95	-
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			981,057,021.53
Net Assets (Total Assets - Total Liabilities)			(290,392,777.58)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(446,532,879.05)
Total Net Assets/Equity			(290,392,777.58)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

IKOM LOCAL GOVERNMENT, IKOM

STATEMENT OF FINANCIAL PERFORMANCE COUNCIL FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	1,930,882,490.	2,031,817,761.3
Non-Tax Revenue	2	21,946,939.50	32,121,395.86
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts		224,923,537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,592,044,982.	1532824405.2
Overhead Cost - General and Administrative Expenses	5	39,495,731.23	16931896.99
Transfer to Other Government Entities (Statutory	6	479,812,028.2	45726701.44
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	9	383,742,767.2	260,547,106.31
Public Debt Charges		0.00	282,675,131.28
Depreciation		0.00	0.00
Damaged Assets		0.00	0.00
Net Surplus/(Deficit) for the Period			

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

IKOM LOCAL GOVERNMENT, IKOM

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,324,685,387.90	1,582,433,999.82
Government Share of VAT	1	481,854,007.04	398,794,959.12
Share of Exchange Gain Difference	1	40,548,038.18	2,689,334.91
Other Revenue	1	119,230,601.38	47,899,467.54
Non-Tax Revenue	2	21,946,939.50	32,121,395.86
Capital Receipts	3	224,923,537.93	-
10% State IGR (Non-Tax Revenue)		-	-
Total Inflows from Operating Activities			2,063,939,157.25
Outflows:			
Deductions at Source	1	35,435,544.04	
Salaries and Wages	4	1,592,044,982.36	1,532,824,405.29
Overhead Cost	5	39,495,731.23	16,931,896.99
Statutory Deductions	6	479,812,028.24	45,726,701.44
JAAC Charges		0.00	282,675,131.28
Total Outflows from Operating Activities			1,878,158,135.00
Net Cashflow from Operating Activities			185,781,022.25
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	9	383,742,767.24	(260,547,106.31)
Investment Expenditure		0.00	0.00
Net Cashflow from Investing Activities			(260,547,106.31)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received	10	2,980,000.00	2,980,000.00
Deposits Remitted	10	(2,980,000.00)	(2,980,000.00)
Taxes Received	11	7,400,000.00	7,400,000.00
Tax Remitted	11	(5,200,000.00)	(5,200,000.00)
Proceeds from Borrowings (CRSG Loan)		0.00	0.00
Repayment of Borrowings	12	250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	0.00
Overdraft Repayment		0.00	0.00
Net Cash Flow from Financing Activities			(220,022,222.22)
Net Increase (Decrease) in Cash & Cash Equivalents			(294,788,306.28)
Prior Year Adjustment (Understated FAAC)		59,266,740.34	
Cash and its Equivalent as at 01 Jan 2020		(27,903,230.96)	266,885,075.32
Cash and its Equivalent as at 31 Dec 2020			(27,903,230.96)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

IKOM LOCAL GOVERNMENT, IKOM
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	2,593,027,908.00	1,930,882,490.46	
Internally Generated Revenue	31,483,000.00	21,946,939.50	
Capital Receipts	-	224,923,537.93	
Cross River State Government Loan	-	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,068,082,580.99	1,592,044,982.36	
Statutory Deductions	-	479,812,028.24	
Overhead / Operating Expenditure	63,427,104.00	39,495,731.23	
Purchase/Construction of PPE	1,381,098,514.00	383,742,762.24	
Investment Expenditure	0.00	0.00	
Total Payments			
NET SURPLUS (DEFICIT)			

IKOM LOCAL GOVERNMENT, IKOM

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

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 nit 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS

1a. (A) GROSS STATUTORY ALLOCATION - N1,324,685,387.90

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	141,849,845.00	37,534,799.45	289,159.34		(2,231,802.60)	177,442,001.19
2	FEB.	127,211,265.12	34,210,714.89	253,925.43	4,669,589.69	(2,231,802.60)	164,113,692.53
3	MARCH	112,343,282.99	32,711,518.81	183,232.90	3,641,294.17	(2,231,802.60)	146,647,526.27
4	APRIL	113,837,011.11	39,245,758.58	15,567,393.80		(2,231,802.60)	166,418,360.89
5	MAY	88,776,409.58	30,802,652.80	6,601,112.39	31,067,732.02	-	157,247,906.79
6	JUNE	100,145,573.02	33,893,068.32	6,897,398.15	279,195.73	-	141,215,235.22
7	JULY	105,197,461.30	42,051,776.45	10,755,816.17	13,768,852.10	-	171,773,906.02
8	AUG.	133,134,595.09	43,167,210.11			-	176,301,805.20
9	SEPT.	131,701,897.75	49,065,999.41			(6,627,083.41)	174,140,813.75
10	OCT.	84,228,473.04	46,331,453.53		39,114,988.59	(6,627,083.41)	163,047,831.75
11	NOV.	86,876,032.95	41,380,501.08		24,804,058.78	(6,627,083.41)	146,433,509.40
12	DEC.	99,383,540.94	51,458,553.61		1,884,890.30	(6,627,083.41)	146,099,901.44
	TOTAL	1,324,685,387.90	481,854,007.04	40,548,038.18	119,230,601.38	-35,435,544.04	1,930,882,490.46

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N481,854,007.04

This represents Federal Revenue arising from Value Added Tax (VAT) for Ikom Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –N40,548,038.18

This represents the 18 LGAs share of exchange gain difference as seen in table 1, for Ikom Local Government Council for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1d. (D) OTHER REVENUE –N119,230,601.38

This represents revenue other than statutory receipts from the Federation for Ikom Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			181,494.66			4,488,095.03	4,669,589.69
MARCH		3,641,294.17					3,641,294.17
APRIL							
MAY			309,001.73	2,129,156.12		28,629,574.17	31,067,732.02
JUNE			279,195.73				279,195.73
JULY						13,768,852.10	13,768,852.10
AUG.							
SEPT.							
OCT.		9,473,403.80			17,249,617.91	12,391,966.89	39,114,988.59
NOV.	5,507,540.84	1,771,156.20	275,743.83		17,249,617.91		24,804,058.78
DEC.		1,884,890.30					1,884,890.30
TOTAL	5,507,540.84	16,770,744.47	1,045,435.95	2,129,156.12	34,499,235.82	59,278,488.18	119,230,601.38

1e. (E) DEDUCTIONS AT SOURCE - (N35,435,544.04)

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

2. NON-TAX REVENUE (IGR) – N21,946,939.50

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Ikom Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	853,951.58
102000	RATES	2,341,500.00
103000	LOCAL LICENCE FEES	6,887,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	8,237,000.00
105000	RENT ON GOVERNMENT PROPERTY	1,225,400.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	2,402,087.92
	TOTAL	21,946,939.50

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	101000	102000	103000	104000	105000	108000	TOTAL
	₦	₦	₦	₦	₦	₦	₦
JAN.	-	-	789,000.00	396,000.00	207,000.00	223,500.00	1,615,500.00
FEB.	616,967.72	-	402,000.00	631,000.00	-	142,000.00	1,791,967.72
MAR.	73,983.86	100,000.00	681,000.00	1,195,500.00	58,000.00	20,000.00	2,128,483.86
APR.	-	-	204,500.00	98,000.00	7,200.00	166,200.00	475,900.00
MAY	23,000.00	100,000.00	666,000.00	387,810.00	140,000.00	119,474.10	1,436,284.10
JUNE	-	5,000.00	438,000.00	221,000.00	178,100.00	79,000.00	921,100.00
JULY	-	1,916,500.00	672,900.00	1,036,000.00	72,200.00	84,000.00	3,781,600.00
AUG.	7,500.00	-	935,100.00	675,000.00	166,300.00	145,000.00	1,928,900.00
SEPT.	-	220,000.00	555,500.00	847,500.00	229,200.00	40,000.00	1,892,200.00
OCT.	-	-	483,500.00	13,725.00	107,400.00	88,000.00	2,051,400.00
NOV.	22,500.00	-	667,500.00	779,500.00	60,000.00	98,000.00	1,627,500.00
DEC.	-	190,000.00	387,000.00	767,000.00	-	952,210.82	2,296,103.82
TOTAL	743,951.58	2,531,500.00	6,882,000.00	8,406,810.00	1,225,400.00	2,157,277.92	21,946,439.50

3. CAPITAL RECEIPTS – ₦ 224,923,537.93

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

4. SALARIES AND WAGES – ₦ 1,592,044,982.36

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 AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	22,686,000.00
2	Primary Health Care Salaries	205,310,058.33
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	264,315,601.46
5	Political Office Holders	33,304,585.14
6	Pension Allowances	433,973,098.73
7	SUBEB - Teacher's Salaries	620,454,638.70
	TOTAL	1,592,043,982.36

5. OVERHEAD COST – ₦39,495,731.23

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

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2020	
		N	TOTAL N
431200	TRAVEL AND TRANSPORT	7,970,305.56	7,970,305.56
431300	UTILITES	236,000.00	236,000.00
431400	MATERIALS AND SUPPLIES	6,651,683.00	6,651,683.00
431500	MAINTENANCE, REPAIRS AND SERVICES	5,444,184.00	5,444,184.00
431600	TRAINING AND STAFF DEVELOPMENT	286,400.00	286,400.00
431700	CONSULTANCY AND PROFESSIONAL SERVICES	530,000.00	530,000.00
431800	FINANCE EXPENSES	51,412.67	51,412.67
431900	ENTERTAINMENT AND HOSPITALITY	12,073,500.00	12,073,500.00
432100	OTHER SERVICES	6,252,246.00	252,246.00
432200	GRANTS, CONTRIBUTION, SUBVENTION AND	-	-
115000	CRF CHARGES	-	-
	TOTAL	39,495,695.23	39,495,695.23

6. STATUTORY DEDUCTIONS – ₦ 479,812,028.24

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

S/N	AGENCIES	TOTAL DIRECT N
1.	RURAL DEV. AGENCY (RUDA)	83,171,892.90
2.	STATE ELECTRIFICATION AGENCY (SEA)	119,895,741.58
3.	JOINT SECURITY OPERATIONS	46,925,876.52
4.	LOCAL GOVT. ADMIN.	22,897,487.81
5.	JOINT SOCIAL WELAFRE SERVICE	22,825,525.81
6.	LOCAL GOVT. SERVICE COMMISSION	12,547,171.41
7.	BORDER COMMISSION DEVELOPMENT	6,975,140.21
8.	SPORT DEV. FUND	13,950,280.46
9.	ENV. MANAGEMENT PROTECTION	34,876,301.15
10.	CRS HOUSE OF ASSEMBLY OVERSIGHT FUNCTION	6,677,854.89
11.	COMMUNITY AND SOCIAL DEV. AGENCY	30,315,363.21
12.	CRS UNIVERSITY OF TECHNOLOGY	13,950,280.46
13.	CRS INFRASTRUCTURAL DEV.	52,803,111.83
14.	FUTURE GENERATION	12,000,000.00
	TOTAL	479,812,028.24

7. INVESTMENT EXPENDITURE – NIL

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

8. PURCHASE/CONSTRUCTION OF PPE - ₦ 383,742,767.24

During the year under review, the Ikom LGC spent a total sum of ₦383.7m on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment).

HEAD	DETAILS	ACTUAL COUNCIL PAYMENT 2020	TOTAL
		₦	₦
11000	AGRICULTURE	730,000.00	730,000.00
12000	LIVESTOCK & VETERINARY	3,239,800.00	3,239,800.00
13000	FORESTRY	-	-
14000	FISHERIES	-	-
15000	ENERGY (FUEL & POWER)	44,935,000.00	44,935,000.00
16000	COMMERCE & FINANCE	5,510,410.00	5,510,410.00
17000	TRANSPORT, ROAD & BRIDGES	76,277,777.78	76,277,777.78
18000	CULTURE & TOURISM	1,218,000.00	1,218,000.00
	SUB-TOTAL	131,910,987.78	131,910,987.78
	SOCIAL SERVICE SECTOR		
21000	EDUCATION	-	-
22000	HEALTH	61,775,000.00	61,775,000.00
23000	INFORMATION & COMMUNICATION TECHNOLOGY	631,000.00	631,000.00
24000	SOCIAL DEV. YOUTH & SPORTS	-	-
	SUB-TOTAL	62,406,000.00	62,406,000.00
30000	ENVIRONMENTAL & REGIONA DEV		
31000	WATER SUPPLY	14,000,000.00	14,000,000.00
33000	HOUSING	42,362,835.27	42,362,835.27
34000	TOWN & COUNTRY PLANNING	5,470,000.00	5,470,000.00
35000	ENVIRONMENT	17,770,750.00	17,770,750.00
	SUB-TOTAL	79,603,585.27	79,603,585.27
40000	GENERAL ADMINISTRATION	109,822,194.19	109,822,194.19
	GRAND TOTAL	383,742,767.24	383,742,767.24

9. DEPOSITS RECEIVED AND REMITTED – ₦2,980,000.00 & (₦2,980,000.00)

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

10. TAXES RECEIVED AND REMITTED – ₦7,400,000.00 & (5,200,000.00)

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

TAXES RECEIVED AND REMITTED			
S/N	LGC	TAXES RECEIVED	TAXES REMITTED
1	IKOM	7,400,000.00	(5,200,000.00)
	TOTAL	7,400,000.00	(5,200,000.00)

11. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Abi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86

Repayment - 250,000,000.00

Balance = 73,680,797.86

12. OVERDRAFT RECEIVED NIL AND NIL

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

13. CASH AND CASH EQUIVALENTS – ₦ 79,358,303.84

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

S/N	NAME OF BANK	CLOSING BALANCE 31/12/2020 ₦
1	ZENITH BANK CAPITAL A/C	34,338,114.05
2	FIRST BANK PLC SALARY OVERHEAD	299,514.85
3	FIRST CITY MONUMENT BANK -REVENUE	856,919.87
4	UNITED BANK FOR AFRICA (DORMANT)	950.17
5	FBN SALARY / OH A/C	43,841,901.90
6	ZENITH BANK – CAPITAL A/C2,302.50	302.50
7	CASH IN HAND	20,600.50
	GRAND TOTAL	79,358,303.84

14. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

15. INVESTMENTS - N 158,878,724.67

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

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

16. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

17. DEPOSITS – 96,740,007.16

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

S/NO	DETAILS	BALANCE B/FWD	ADDITION DURING THE YEAR	REMITANCES/AS IN CASHFLOW	BALANCE AS 31/12/2020
		₦	₦	₦	₦
1	UNCLAIMED SALARIES	68,392,909.34	26,648,970.01	-	68,392,909.34
2	RETENTION FEES	-	1,500,000.00	-	1,500,000.00
3	1% INSPECTION FEE	13,639.82	184,487.99	-	198,127.81
	TOTAL	68,406,549.16	28,333,458.00	-	96,740,007.16

18. SHORT TERM LOANS AND DEBTS – NIL

This represents loans owed to various banks by Ikom Local Government.

19. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56

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

DETAILS	AMOUNT(N)
Unremitted deductions brought forward	582,847,959.56
2020 Unremitted deductions	
BALANCE CARRIED FORWARD	

20. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

21. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Ikom Local Government in its Financial Statements for the purposes of disclosure

22. PAYABLES – ₦6,121,714.95

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Ikom LGCs as at 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

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	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

24. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF IKOM LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

OBANLIKU LOCAL GOVERNMENT, SANKWALA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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


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

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

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


.....
HON. MRS MARGARET INDHE
CHAIRMAN

~~30th June 2021~~
DATE


.....
MR. CLETUS OGAR ODEY
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
DATE



The Chairman,
Obanliku Local Government Council,
SANKWALA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBANLIKU 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) 300 to 302 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION


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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obanliku Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	54,689,358.10	(314,188,913.82)
Receivables	15	534,094,774.59	441,951,127.31
Inventories		0.00	-
Prepayments		0.00	-
Total Current Assets (A)			127,762,213.49
Non-Current Assets			
Investments	16	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	
Contribution to CRS Reserve Fund		129	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			404,378,561.09
LIABILITIES			
Current Liabilities			
Deposits	18	18,673,786.00	17,716,650.11
Short term Loans & Debts		0.00	-
Unremitted Deductions	20	686,316,501.26	582,847,959.56
Payables (Unremitted Taxes)	23	18,807,177.68	18,807,177.68
Total Current Liabilities (C)			619,371,787.35
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	-
Long Term Provisions (Taxes)			-
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			943,052,585.21
Net Assets (Total Assets - Total Liabilities)			(538,674,024.12)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(684,814,125.59)
Total Net Assets/Equity			(528,674,024.12)

OBANLIKU LOCAL GOVERNMENT, SANKWALA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	1,672,693,492.	1,756,600,207.6
Non-Tax Revenue	2	9,609,479.16	53,06,800
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts	3	235,423,537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,421,826,659.43	1,262,740,982.3
Overhead Cost - General and Administrative Expenses	5	50,092,726.09	20,340,993.47
Transfer to Other Government Entities (Statutory	6	415,497,268.63	96,931,891.49
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	8	275,006,998.56	237,567,357.67
Public Debt Charges		0.00	0.00
Depreciation		0.00	0.00
Damaged Assets		0.00	0.00
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	58,625,930.04	-	58,625,930.04
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Abi Local government.

OBANLIKU LOCAL GOVERNMENT, SANKWALA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,143,176,756.23	
Government Share of VAT	1	428,301,721.87	
Exchange Gain Difference	1	34992138.65	
Other Revenue	1	102,893,602.79	
Non-Tax Revenue	2	9,609,479.16	
Capital Receipts	3	235,423,537.93	
10% State IGR (Non-Tax Revenue)			
Total Inflows from Operating Activities			
Outflows:			
Deductions at Source			
Salaries and Wages	4	1,421,826,659.43	
Overhead Cost	5	50,092,726.09	
Statutory Deductions	6	415,497,268.63	
JAAC Charges		0.00	
Total Outflows from Operating Activities			1,596,357,423.38
Net Cashflow from Operating Activities			165,549,584.30
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE	24		
Proceeds from Sale of Investment Property		0.00	
Purchase/Construction of PPE		275,006,998.56	(237,567,357.67)
Investment Expenditure		0.00	
Net Cashflow from Investing Activities			(237,567,357.67)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	
Deposits Remitted		0.00	
Taxes Received		0.00	10,288,120.00
Tax Remitted		0.00	(2,750,000.00)
Proceeds from Borrowings (CRSG Loan)		0.00	-
Repayment of Borrowings	12	250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	
Overdraft Repayment		0.00	
Net Cash Flow from Financing Activities			(214,684,102.22)
Net Increase (Decrease) in Cash & Cash Equivalents			(286,701,875.59)
Prior-Year Adjustments (understated FAAC)		58,625,930.04	
Cash and its Equivalent as at 01 Jan 2020		(314,188,913.82)	(27,487,038.23)
Cash and its Equivalent as at 31 Dec 2020			(314,188,913.82)

OBANLIKU LOCAL GOVERNMENT, SANKWALA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	1,917,114,440.00	1,672,693,492.	
Internally Generated Revenue	30,560,029.00	9,609,479.16	
Capital Receipts	0.00	235,423,537.93	
Cross River State Government Loan	35,000,000.00	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,704,220,374.	1,421,826,659.43	
Statutory Deductions	1,223,222,935.	415,497,268.63	
Overhead / Operating Expenditure	70,382,603.00	50,092,726.09	
Purchase /Construction of PPE	1,558,116,063.	275,006,998.56	
Investment Expenditure	0.00	0.00	
Total Payments			
NET SURPLUS (DEFICIT)			

OBANLIKU LOCAL GOVERNMENT, SANKWALA

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

- LGC - Local Government Council

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

- 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

1a. (A) GROSS STATUTORY ALLOCATION - ₦1,143,176,756.23

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	122,413,553.56	33,365,290.25	249,538.67		(2,540,598.25)	153,487,784.23
2	FEB.	109,780,754.55	30,406,099.04	219,132.52	4,029,761.67	(2,540,598.25)	141,895,149.53
3	MARCH	96,949,986.02	29,095,981.67	158,126.30	3,142,363.38	(2,540,598.25)	126,805,859.12
4	APRIL	98,239,043.24	34,877,841.69	13,434,346.68		(2,540,598.25)	144,010,633.36
5	MAY	76,612,249.87	27,370,745.92	5,696,626.78	26,810,825.75	-	136,490,448.32
6	JUNE	86,423,608.47	30,120,608.53	5,952,315.41	240,940.28	-	122,737,472.69
7	JULY	90,783,286.11	37,373,059.35	9,282,052.29	11,882,241.49	-	149,320,639.24
8	AUG.	114,892,468.77	38,350,732.22			-	153,243,200.99
9	SEPT.	113,656,079.88	43,609,938.05			(6,627,083.41)	150,638,934.52
10	OCT.	72,687,472.42	41,179,434.11		33,755,445.77	(6,627,083.41)	140,995,268.89
11	NOV.	74,972,263.19	36,787,604.80		21,405,402.15	(6,627,083.41)	126,538,186.73
12	DEC.	85,765,990.17	45,764,386.24		1,626,622.29	(6,627,083.41)	126,529,915.29
	TOTAL	1,143,176,756.23	428,301,721.87	34,992,138.65	102,893,602.79	-36,670,726.64	1,672,693,492.90

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –₦428,301,721.87

This represents Federal Revenue arising from Value Added Tax (VAT) for Obanliku Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –₦34,992,138.65s

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Obanliku Local Government Council for the year ended 31st December 2020.

1d. (D) OTHER REVENUE –N102,893,602.79

This represents revenue other than statutory receipts from the Federation for Obanliku Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			156,626.23			3,873,135.44	4,029,761.67
MARCH		3,142,363.38					3,142,363.38
APRIL							
MAY			266,662.26	1,837,418.76		24,706,744.73	26,810,825.75
JUNE			240,940.28				240,940.28
JULY						11,882,241.49	11,882,241.49
AUG.							
SEPT.							
OCT.		8,175,356.29			14,886,072.14	10,694,017.34	33,755,445.77
NOV.	4,752,896.60	1,528,472.06	237,961.36		14,886,072.14		21,405,402.15
DEC.		1,626,622.29					1,626,622.29
TOTAL	4,752,896.60	14,472,814.03	902,190.13	1,837,418.76	29,772,144.28	51,156,139.00	102,893,602.79

1e. (E) DEDUCTIONS AT SOURCE - (N36,670,726.64)

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

2. NON-TAX REVENUE (IGR) – N9,609,479.16

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Obanliku Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	-
102000	RATES	742,708.40
103000	LOCAL LICENCE FEES	734,100.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	2,430,000.00
105000	RENT ON GOVERNMENT PROPERTY	25,000.00
106000	INTEREST ON DIVIDENDS	
107000	REIMBURSEMENT	
108000	MISCELLANEOUS	5,677,670.76
	TOTAL	9,606,479.16

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	102000	103000	104000	105000	108000	TOTAL
January	-	39,000.00	129,600.00	-	519,000.00	687,600.00
February	-	62,500.00	179,100.00	-	62,000.00	303,600.00
March	663,047.72	45,000.00	88,000.00	-	242,500.00	1,038,547.72
April	-	-	250,000.00	-	-	250,000.00
May	-	-	50,000.00	-	75,000.00	125,000.00
June	-	82,300.00	415,000.00	-	1,259,500.00	1,756,800.00
July	25,000.00	363,800.00	444,900.00	-	660,000.00	1,493,700.00
August	-	-	232,500.00	-	163,900.00	396,400.00
September	37,500.00	60,000.00	103,000.00	25,000.00	292,500.00	518,000.00
October	-	17,000.00	142,500.00	-	72,500.00	232,000.00
November	8,960.65	41,500.00	152,300.00	-	81,500.00	284,260.65
December	8,200.03	23,000.00	243,200.00	-	5,228,170.76	5,502,570.79
Total	742,708.40	734,100.00	2,430,100.00	25,000.00	5,677,670.76	9,609,579.16

3. CAPITAL RECEIPTS – N235,423,537.93

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

4. SALARIES AND WAGES – N 1,421,826,659.43

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 AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(N)
1	Traditional Rulers Allowances	17,115,000.00
2	Primary Health Care Salaries	255,658,014.45
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	249,976,284.80
5	Political Office Holders	31,850,300.81
6	Pension Allowances	113,220,187.62
7	SUBEB - Teacher's Salaries	742,006,871.75
	TOTAL	1,421,826,659.43

5. OVERHEAD COST – ₦ 50,092,726.09

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

CODE	DETAILS	DIRECT COUNCIL'S EXPENDITURE 2020
		₦
431200	TRAVEL & TRANSPORT	19,323,021.34
431300	UTILITIES	206,000.00
431400	MATERIALS & SUPPLIES	1,401,500.00
431500	MAINTENANCE, REPAIRS & SERVICES	2,584,000.00
431600	TRAINING & STAFF DEVELOPMENT	
431700	CONSULTANCY & PROFESSIONAL SERVICES	1,815,000.00
431800	FINANCE EXPENSES	127,965.35
431900	ENTERTAINMENT & HOSPITALITY	4,862,000.00
432100	OTHER SERVICES	19,773,239.40
432200	GRANTS, CONTRIBUTION, SUBVENTION & SUBSCRIPTION	-
115000	CONSOLIDATED REVENUE FUND CHARGES	=
	TOTAL:	50,092,726.09

6. STATUTORY DEDUCTIONS – ₦ 415,497,268.63

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	AGENCY	AMOUNT (₦)
1	RURAL DEVELOPMENT AGENCY	111,212,162.14
2	STATE ELECTRIFICATION AGENCY	84,231,612.70
3	JOINT SECURITY OPERATIONS	50,225,693.33
4	MINISTRY OF LOCAL GOVERNMENT AFFAIRS (COMMON SERVICES)	13,449,026.69
5	LOCAL GOVERNMENT SERVICE COMMISSION	9,247,355.47
6	JOINT SOCIAL SERVICE	34,875,701.15
7	BOARDER COMMUNITY	6,228,494.53
8	SPORTS DEVELOPMENT	10,660,464.52
9	ENVIRONMENTAL MANAGEMENT	38,175,461.09
10	CROSS RIVER HOUSE OF ASSEMBLY (OVERSIGHT FUNCTION)	6,975,140.24
11	COMMUNITY AND SOCIAL DEVELOPMENT	4,565,105.17
12	CRUTECH	5,830,394.38
13	INFRASTRUCTURAL DEVELOPMENT	39,820,657.22
	TOTAL	415,497,268.63

7. INVESTMENT EXPENDITURE – NIL

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

8. DEPOSITS RECEIVED AND REMITTED – NIL

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

9. OVERDRAFT RECEIVED AND REMITTED - NIL

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

10. PURCHASE/CONSTRUCTION OF PPE - ₦ 275,006,998.56

During the year under review, the Obanliku LGC spent a total sum of ₦275.0m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment).

SECTORAL CODE	DETAILS	DIRECT COUNCIL'S EXPENDITURE 2020
		₦
11000	AGRICULTURE	-
16000	ENERGY (FUEL & POWER)	-
17000	COMMERCE AND FINANCE	1,550,000.00
18000	TRANSPORT AND BRIDGES	
19000	CULTURE AND TOURISM	2,400,000.00
TOTAL ECONOMIC SECTOR		3,950,000.00
21000	EDUCATION	2,643,000.00
22000	HEALTH	50,200,000.00
23000	INFORMATION & TECH	1,000,000.00
24000	SOCIAL DEV. YOUTH & SPORT	25,00,000.00
TOTAL SOCIAL SERVICE SECTOR		78,843,000.00
33000	HOUSING	450,000.00
35000	ENVIRONMENTAL AND REF DISP.	6,000,000.00
TOTAL ENVIRONMENTAL & REF DISP.		6,450,000.00
40000	GENERAL ADMINISTRATION	185,763,998.56
TOTAL EXP. ADMINISTRATION		185,763,998.56
TOTAL CAPITAL EXPENDITURE		275,006,998.56

11. TAXES RECEIVED AND REMITTED – ₦ 7,538,120.00

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

TAXES RECEIVED AND REMITTED			
DETAIL	TAXES RECEIVED	TAXES REMITTED	N
BALANCE BROUGHT FORWARD	7,538,120.00	-	7,538,120.00
ADDITIONS FOR THE YEAR	0.00	0.00	0.00
BALANCE CARRIED FORWARD	7,538,120.00	-	7,538,120.00

12. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Abi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86

Repayment - 250,000,000.00

Balance = 73,680,797.86

13. CASH AND CASH EQUIVALENTS – N54,689,358.10

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

S/N	NAME OF BANK	ACCOUNT NUMBER	AMOUNT(N)
1	ZENITH CAPITAL	1016752969	7,633,102.03
2	ZENITH REV.	1017346453	163,268.14
3.	ECO BANK CAP	0982001638	4,547.99
4.	ECO BANK REV	0982037459	358,418.48
5.	UMFB	0610349824	18,370.00
6.	FIRST BANK SALARY & OVERHEAD	2010650293	46,511,651.46
	TOTAL		54,689,358.10

14. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

15. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

16. CONTRIBUTION TO CROSS RIVER RESERVE FUND- ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

18. DEPOSITS – ₦15,162,651.09

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

S/N	DETAILS	BAL. B/F AS AT 1 ST JANUARY 2020	CURRENT YEAR ADDITIONS	REMITTAN CES DURING THE YEAR	BALANCE AS AT 31-12-2020
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	15,612,651.09	-		15,612,651.09

19. SHORT TERM LOANS AND DEBTS – NIL

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

20. UNREMITTED DEDUCTIONS – ₦ 686,316,501.26

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	582,847,959.56
Additions during the year	518,965,810.33
Totsl	1,101,813,769.89
Remittances during the year	(415,497,268.63)
BALANCE CARRIED FORWARD	686,316,501.26

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to Obanliku Local Government in its Financial Statements for the purposes of disclosure.

23. PAYABLES – ₦18,807,177.68

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Obanliku LGCs as at 31st December 2020.

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	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

25. PROPERTY, PLANT AND EQUIPMENT

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF OBANLIKU LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

OBUBRA LOCAL GOVERNMENT, OBUBRA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

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

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


.....
HON. BASSEY AGARA TOM
CHAIRMAN

30th June 2021.....
DATE


.....
MRS. FLORENCE ELIAS EGOR
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
DATE



The Chairman,
Obubra Local Government Council,
OBUBRA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBUBRA 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) 323 to 325 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obubra Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	12,955,532.80	(166,133,412.25)
Receivables	16	534,094,774.59	441,951,127.31
Inventories		0.00	0.00
Prepayments		0.00	0.00
Total Current Assets (A)			275,817,715.06
Non-Current Assets			
Investments	17	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	0.00
Contribution to CRS Reserve Fund	18	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			552,434,062.66
LIABILITIES			
Current Liabilities			
Deposits	19	14,712,651.09	14,712,651.09
Short term Loans & Debts		0.00	0.00
Unremitted Deductions	20	582,847,959.56	582,847,959.56
Payables (Unremitted Taxes)	23	24,358,829.61	24,358,829.61
Total Current Liabilities (C)			621,919,440.26
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	0.00
Long Term Provisions		0.00	0.00
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			945,600,238.12
Net Assets (Total Assets - Total Liabilities)			(393,166,175.46)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(549,306,276.93)
Total Net Assets/Equity			(393,166,175.46)

OBUBRA LOCAL GOVERNMENT, OBUBRA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue		1,869,142,775.12	1,960,580,842.4
Non-Tax Revenue		15,601,273.58	11,815,955.55
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts		227,923,537.93	0.00
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits		1,547,257,283.14	1,403,219,604.6
Overhead Cost - General and Administrative Expenses		67,094,951.38	13,813,160.12
Transfer to Other Government Entities (Statutory		459,431,094.04	66,969,400.05
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure		712,782,587.82	325,295,323.49
Public Debt Charges		0.00	280,870,700.00
Depreciation		0.00	0.00
Damaged Assets		0.00	0.00
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	56,581,445.34	-	56,581,445.34
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Obubra Local government.

OBUBRA LOCAL GOVERNMENT, OBUBRA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,259,953,517.83	1,505,149,154.22
Government Share of VAT	1	492,203,601.55	407,314,950.35
Share of Exchange Gain Difference	1	38,566,624.06	25,125,463.70
Other Revenue	1	113,404,297.36	22,991,274.21
Non-Tax Revenue	2	1,501,273.58	28,150,787.20
Capital Receipts	3	227,923,537.93	-
10% State IGR (Non-Tax Revenue)			-
Total Inflows from Operating Activities			1,988,731,629.68
Outflows:			
Deductions at Source	1	34,985,265.68	
Salaries and Wages	4	1,547,257,283.14	1,403,219,604.62
Overhead Cost	5	67,094,951.38	13,813,160.12
Statutory Deductions	6	459,431,094.04	66,969,400.05
JAAC Charges		0.00	280,870,700.00
Total Outflows from Operating Activities			1,764,872,864.79
Net Cashflow from Operating Activities			223,858,764.89
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE			-
Proceeds from Sale of Investment Property			-
Capital Expenditure (Purchase/Construction of PPE)	9	715,782,587.82	(325,295,323.49)
Investment Expenditure			
Net Cashflow from Investing Activities			(325,295,323.49)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		14,712,651.09	-
Deposits Remitted		0.00	-
Taxes Received		24,358,829.61	-
Tax Remitted		0.00	-
Proceeds from Borrowings (CRSG Loan)		0.00	
Repayment of Borrowings	12	250,000,000.00	(222,222,222.22)
Overdraft Received			-
Overdraft Repayment			-
Net Cash Flow from Financing Activities			(222,222,222.22)
Net Increase (Decrease) in Cash & Cash Equivalents			(323,658,780.82)
Prior Year Adjustment (Understated FAAC)		56,581,445.34	
Cash and its Equivalent as at 01 Jan 2020		(166,133,412.25)	157,525,368.57
Cash and its Equivalent as at 31 Dec 2020			(166,133,412.25)

OBUBRA LOCAL GOVERNMENT, OBUBRA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	N	N	N
RECEIPTS:			
Gross Statutory Allocation	4,664,249,075.00	1,869,142,775.12	
Internally Generated Revenue	40,000,000.00	15,601,273.58	
Capital Receipts	336,525,714.97	227,923,537.93	
Cross River State Government Loan	50,972,120.00	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,628,541,226.00	1,547,257,283.14	
Statutory Deductions	1,794,970,030.00	459,431,094.04	
Overhead / Operating Expenditure	41,579,771.00	67,094,951.38	
Purchase / Construction of PPE	1,389,358,058.00	712,782,587.82	
Investment Expenditure	0.00	0.00	
Total Payments			
NET SURPLUS (DEFICIT)			

OBUBRA LOCAL GOVERNMENT, OBUBRA

NOTES TO THE FINANCIAL STATEMENTS**1a. (A) GROSS STATUTORY ALLOCATION - ₦1,259,953,517.83**

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	134,918,232.55	38,340,605.02	275,029.32		(2,119,233.01)	171,414,633.88
2	FEB.	120,994,979.23	34,946,000.62	241,517.15	4,441,406.25	(2,119,233.01)	158,504,670.24
3	MARCH	106,853,533.61	33,410,262.91	174,279.07	3,463,359.26	(2,119,233.01)	141,782,201.84
4	APRIL	108,274,269.44	40,089,908.71	14,806,679.96		(2,119,233.01)	161,051,625.10
5	MAY	84,438,275.36	31,465,908.25	6,278,543.46	29,549,581.06	-	151,732,308.13
6	JUNE	95,251,875.03	34,622,139.53	6,560,350.96	265,552.59	-	136,699,918.11
7	JULY	100,056,898.52	42,955,992.30	10,230,224.13	13,096,025.51	-	166,339,140.46
8	AUG.	126,628,860.68	44,098,049.81			-	170,726,910.49
9	SEPT.	125,266,173.30	50,120,445.96			(6,627,083.41)	168,759,535.85
10	OCT.	80,112,577.58	47,327,140.49		37,203,601.65	(6,627,083.41)	158,016,236.31
11	NOV.	82,630,762.24	42,268,131.06		23,591,987.50	(6,627,083.41)	141,863,797.39
12	DEC.	94,527,080.29	52,559,016.88		1,792,783.55	(6,627,083.41)	142,251,797.31
	TOTAL	1,259,953,517.83	492,203,601.55	38,566,624.06	113,404,297.36	-34,985,265.68	1,869,142,775.12

1b. (B) GOVERNMENT SHARE OF VALUE ADDED TAX –₦492,203,601.55

This represents Federal Revenue arising from Value Added Tax (VAT) for Obubra Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE - ₦38,566,624.06

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Obubra Local Government Council for the year ended 31st December 2020.

1d. (D) OTHER REVENUE – ₦113,404,297.36

This represents revenue other than statutory receipts from the Federation for Obubra Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			172,625.77			4,268,780.48	4,441,406.25
MARCH		3,463,359.26					3,463,359.26
APRIL							
MAY			293,902.10	2,025,113.11		27,230,565.85	29,549,581.06
JUNE			265,552.59				265,552.59
JULY						13,096,025.51	13,096,025.51
AUG.							
SEPT.							
OCT.		9,010,477.92			16,406,700.76	11,786,422.96	37,203,601.65
NOV.	5,238,410.21	1,684,607.16	262,269.37		16,406,700.76		23,591,987.50
DEC.		1,792,783.55					1,792,783.55
TOTAL	5,238,410.21	15,951,227.88	994,349.84	2,025,113.11	32,813,401.53	56,381,794.80	113,404,297.36

1e. (E) DEDUCTIONS AT SOURCE - (₦34,985,265.68)

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

2. NON-TAX REVENUE (IGR) – ₦15,601,273.58

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Obubra Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
10100	TAXES	1,376,451.58
10200	RATES	581,000.00
10300	LOCAL LICENCE FEES	3,788,569.48
10400	EARNINGS FROM COMMERCIAL UNDERTAKINGS	6,690,452.52
10500	RENT ON GOVERNMENT PROPERTY	510,300.00
10700	REINBURSEMENT	70,500.00
10800	MISCELLANEOUS	2,584,000.00
	TOTAL	15,601,273.58

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	10100	10200	10300	10400	10500	107000	10800	TOTAL
JAN	-	-	121,246.45	309,500.00	1,000.00	-	214,000.00	645,746.45
FEB	780,976.72	-	229,200.00	597,702.52	2,000.00	-	46,500.00	1,656,379.24
MAR	92,474.86	-	174,100.00	298,000.00	47,000.00	-	29,000.00	640,574.86
APR	5,000.00	-	89,995.00	204,100.00	176,000.00	-	7,500.00	482,595.00
MAY	9,000.00	-	715,700.00	316,000.00	-	-	7,000.00	1,047,700.00
JUN	42,000.00	558,000.00	218,000.00	636,000.00	24,600.00	-	43,000.00	1,521,600.00
JUL	320,000.00	-	346,200.00	885,650.00	3,800.00	-	192,000.00	1,747,650.00
AUG	28,000.00	-	530,128.03	616,500.00	23,800.00	-	309,500.00	1,507,928.03
SEP	25,000.00	20,000.00	299,000.00	632,500.00	49,200.00	-	98,500.00	1,124,200.00
OCT	37,000.00	3,000.00	240,400.00	694,000.00	37,100.00	70,500.00	134,000.00	1,216,000.00
NOV	28,000.00	-	251,300.00	634,300.00	66,400.00	-	390,000.00	1,370,000.00
DEC	9,000.00	-	573,300.00	866,200.00	79,400.00	-	1,113,000.00	2,640,900.00
TOTAL	1,376,451.58	581,000.00	3,788,569.48	6,690,452.52	510,300.00	70,500.00	2,584,000.00	15,601,273.58

3. CAPITAL RECEIPTS – N227,923,537.93

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

4. SALARIES AND WAGES – N 1,547,257,283.14

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 AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(N)
1	Traditional Rulers Allowances	24,660,000.00
2	Primary Health Care Salaries	205,992,935.28
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	296,575,836.38
5	Political Office Holders	33,310,580.14
6	Pension Allowances	315,972,720.95
7	SUBEB - Teacher's Salaries	658,745,210.39
	TOTAL	1,547,257,283.14

5. OVERHEAD COST – N66,969,400.05

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

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2019	TOTAL
		N	N
431200	TRAVEL AND TRANSPORT	6,715,305.56	6,715,305.56
431300	UTILITES	-	-
431400	MATERIALS AND SUPPLIES	4,997,919.50	4,997,919.50
431500	MAINTENANCE, REPAIRS AND SERVICES	5,238,865.19	5,238,865.19
431600	TRAINING AND STAFF DEVELOPMENT	570,000.00	570,000.00
431700	CONSULTANCY AND PROFESSIONAL SERVICES	4,212,011.11	4,212,011.11
431800	FINANCE EXPENSES	961,572.24	961,572.24
431900	ENTERTAINMENT AND HOSPITALITY	5,433,333.34	5,433,333.34
432100	OTHER SERVICES	14,743,444.44	14,743,444.44
432200	GRANTS, CONTRIBUTION, SUBVENTION AND	24,222,500.00	24,222,500.00
	TOTAL	67,094,951.38	67,094,951.38

6. STATUTORY DEDUCTIONS – N 459,431,094.04

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	AGENCY	AMOUNT (N)
1	Ministry of Local Government for Administration -1%	20,310,213.60
2	RURAL DEVELOPMENT AGENCY - 9%	125,552,524.14
3	STATE ELECTRIFICATION AGENCY - 5%	69,768,402.29
4	JOINT SECURITY OPERATION - 2.5%	31,685,135.68
5	LOCAL GOVERNMENT SERVICE OMISSION- 1%	13,950,280.46
6	JOINT WELFARE SERVICE - 2.5%	22,825,525.79
7	BORDER COMMUNITIES' DEVELOPMENT - 0.5%	4,565,305.17
8	SPORT DEVELOPMENT COMMISSION - 1%	45,467,105.01
9	ENVIROMENTAL MANAGEMENT AND PROTECTION- 2.5%	34,875,701.15
10	CRSHA OVERSIGHT FUNCTION - 0.5%	9,385,275.31
11	COMMUNITY AND SOCIAL DEV. AGENCY - 0.5%	4,565,105.17
12	CRUTECH SUBVENTION - 0.5%	12,679,398.44
13	CRS INFRASTRUCTURAL DEVELOPMENT - 4%	55,801,121.83
	TOTAL	459,431,094.04

8. INVESTMENT EXPENDITURE – NIL

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

9. PURCHASE/CONSTRUCTION OF PPE - N 712,782,587.82

During the year under review, the Obubra LGC spent a total sum of on Capital Expenditure/ Purchase and Construction of PPE. Details are as presented below:

HEAD	DETAILS	ACTUAL COUNCIL PAYMENT 2020	TOTAL (₦)
16000	ENERGY AND FUEL	69,768,402.29	69,768,402.29
17000	COMMERCE AND FINANCE	36,525,841.28	36,525,841.28
18000	TRANSPORT ROAD AND BRIDGES	375,802,524.14	375,802,524.14
19000	COULTURE AND TOURISM	2,000,000.00	2,000,000.00
21000	EDUCATION	12,409,398.44	12,409,398.44
22000	HEALTH	50,186,111.11	50,186,111.11
24000	SOCIAL DEVELOPMENT YOUTH AND SPORT	98,369,324.55	98,369,324.55
31000	WATER SUPPLY	3,000,000.00	3,000,000.00
320000	SEWAGE AND DRAINAGES	8,500,000.00	8,500,000.00
330000	HOUSING	35,645,000.00	35,645,000.00
350000	ENVIROMENT AND REFUSE DISPOSAL	20,575,986.01	20,575,986.01
	TOTAL	712,782,587.82	712,782,587.82

10. DEPOSITS RECEIVED AND REMITTED – N 14,712,651.09

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

11. TAXES RECEIVED AND REMITTED – N 24,358,829.61

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

12. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Obubra Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan	- 323,680,797.86
Repayment	- <u>250,000,000.00</u>
Balance	= <u>73,680,797.86</u>

13. OVERDRAFT RECEIVED NIL AND NIL

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

14. CASH AND CASH EQUIVALENTS – N 12,955,532.80

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

DESCRIPTION	BALANCE AS AT 31 ST DECEMBER 2020
FIRST BANK SALARY & OVERHEAD ACCT.	6,445,056.93
FIRST BANK REVENUE ACCT.	33,872.59
SUB- TOTAL	6,478,929.52
FBN CAPITAL PROJECT ACCT.	6,476,603.28
CASH IN HAND	0.00
GROSS TOTAL	12,955,532.80

15. SHORT TERM LOANS AND DEBTS – NIL

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

16. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

17. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

18. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

19. DEPOSITS – ₦ 14,712,651.09

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

S/N	DETAILS	BAL. B/F AS AT 1ST JANUARY 2020	CURRENT YEAR ADDITIONS (AS IN CASH FLOW STATEMENT)	REMITTANC ES DURING THE YEAR	BALANCE AS AT 31-12-2020 (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

20. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56

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

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

This represents Obubra 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(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances found in the State Local Government Joint Account as at 31st December for the year 2020, apportioned equally to Abi Local Government in its Financial Statements for purposes of disclosure.

23. PAYABLES – N24,358,829.61

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Obubra LGCs as at 31st December 2020.

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	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

24. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF OBUBRA LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**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 2020*** 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 (Cash Basis) and Generally Accepted Accounting Practice.

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

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

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

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


.....
HON. BONNY EWHE ERAYE
CHAIRMAN

..30th June 2021..
DATE


.....
MRS. AMBA CATHERINE OWAN
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
DATE



The Chairman,
Obudu Local Government Council,
OBUDU.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OBUDU 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) 344 to 347 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION


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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Obudu Local Government Council as at 31st December 2020*** and the financial Position and Cashflows for the period ended on that date.


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



GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

OBUDU LOCAL GOVERNMENT, OBUDU
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	15	300,195,391.18	(249,053,048.77)
Receivables	16	534,094,774.59	441,951,127.31
Inventories		0.00	0.00
Prepayments		0.00	0.00
Total Current Assets (A)			192,898,078.54
Non-Current Assets			
Investments	14	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	0.00
Contribution to CRS Reserve Fund		129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			469,514,426.14
LIABILITIES			
Current Liabilities			
Deposits	18	6,858,251.99	6,858,251.99
Short term Loans & Debts	19	725,973.45	725,973.45
Unremitted Deductions	20	623,049,587.73	582,847,959.56
Payables (Unremitted Taxes)			
Total Current Liabilities (C)			590,432,185.00
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	0.00
Long Term Provisions (Taxes)		0.00	0.00
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			914,112,982.86
Net Assets (Total Assets - Total Liabilities)			(444,598,556.72)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(600,738,658.19)
Total Net Assets/Equity			(444,598,556.72)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

OBUDU LOCAL GOVERNMENT, OBUDU

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	1,781,706,245.38	2,092,238,766.87
Non-Tax Revenue	2	12,607,172.72	10,875,621.84
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts	3	231,423,537.93	
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,936,751,496.18	1,377,748,594.41
Overhead Cost - General and Administrative Expenses	5	103,196,444.66	16,931,891.49
Transfer to Other Government Entities (Statutory	6	522,196,152.82	62,607,581.99
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Purchase / Construction of PPE		233,784,250.78	254,848,287.15
Public Debt Charges		0.00	
Depreciation		0.00	
Damaged Assets		0.00	
		0.00	
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	53,855,156.22	-	53,855,156.22
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Obudu Local government.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

OBUDU LOCAL GOVERNMENT, OBUDU
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,192,843,881.17	
Government Share of VAT	1	479,511,692.48	
Share of Exchange Gain Difference	1	36,512,427.54	
Other Revenue	1	107,363,978.35	
Non-Tax Revenue	2	12,607,172.72	
Capital receipts	3	231,423,537.93	
10% State IGR (Non-Tax Revenue)			
Total Inflows from Operating Activities			
Outflows:			
Deductions at Source	1	34,525,734.16	
Salaries and Wages	4	1,936,751,496.18	
Overhead Cost	5	103,196,444.66	
Statutory Deductions	6	522,196,152.82	
JAAC Charges		0.00	
Total Outflows from Operating Activities			1,881,385,794.97
Net Cashflow from Operating Activities			105,268,824.77
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE	24		-
Proceeds from Sale of Investment Property		0.00	-
Purchase/Construction of PPE	9	233,784,250.78	(152,738,886.75)
Investment Expenditure		0.00	-
Net Cashflow from Investing Activities			(152,738,886.75)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	27,110,826.66
Deposits Remitted		0.00	-
Taxes Received		0.00	9,674,060.00
Tax Remitted		0.00	(6,799,060.00)
Proceeds from Borrowings (CRSG Loan)	12	250,000,000.00	
Repayment of Borrowings		0.00	(222,222,222.22)
Overdraft Received		0.00	0.00
Overdraft Repayment		0.00	0.00
Net Cash Flow from Financing Activities			(185,437,335.56)
Net Increase (Decrease) in Cash & Cash Equivalents			(232,907,397.54)
Prior Year Adjustment (Understated FAAC)		53,647,900.34	
Cash and its Equivalent as at 01 Jan 2020		(249,053,048.77)	(16,145,651.23)
Cash and its Equivalent as at 31 Dec 2020			(249,053,048.77)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

OBUDU LOCAL GOVERNMENT, OBUDU
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	2,561,565,754.00	1,781,706,245.38	
Internally Generated Revenue	22,405,000.00	12,607,172.72	
Capital Receipts	-	231,423,537.93	
Cross River State Government Loan	15,000,000.00	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,629,879,222.00	1,936,751,496.18	
Statutory Deductions	568,884,048.00	552,196,152.82	
Overhead / Operating Expenditure	-	103,196,444.66	
Purchase/Construction of PPE	1,042,914,119.00	233,784,250.78	
Investment Expenditure	-	0.00	
Total Payments			
NET SURPLUS (DEFICIT)			

OBUDU LOCAL GOVERNMENT, OBUDU

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 nit 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS

1a. (A) GROSS STATUTORY ALLOCATION - N1,192,843,881.17

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	127,732,004.29	37,352,429.98	260,380.28		(2,004,350.13)	163,340,464.42
2	FEB.	114,550,353.32	34,044,305.42	228,653.08	4,204,841.05	(2,004,350.13)	151,023,802.74
3	MARCH	101,162,131.73	32,553,379.43	164,996.35	3,278,888.34	(2,004,350.13)	135,155,045.72
4	APRIL	102,507,194.08	39,054,710.98	14,018,023.15		(2,004,350.13)	153,575,578.08
5	MAY	79,940,790.42	30,652,545.19	5,944,125.75	27,975,664.55	-	144,513,125.91
6	JUNE	90,178,419.04	33,728,065.33	6,210,923.18	251,408.31	-	130,368,815.86
7	JULY	94,727,509.77	41,847,134.82	9,685,325.76	12,398,484.29	-	158,658,454.64
8	AUG.	119,884,154.06	42,956,542.98			-	162,840,697.04
9	SEPT.	118,594,048.30	48,827,357.64			(6,627,083.41)	160,794,322.53
10	OCT.	75,845,494.79	46,106,110.21		35,222,004.58	(6,627,083.41)	150,546,526.17
11	NOV.	78,229,551.92	41,179,613.15		22,335,393.75	(6,627,083.41)	135,117,475.41
12	DEC.	89,492,229.46	51,209,497.36		1,697,293.48	(6,627,083.41)	135,771,936.89
	TOTAL	1,192,843,881.17	479,511,692.48	36,512,427.54	107,363,978.35	-34,525,734.16	1,781,706,245.38

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N479,511,692.48

This represents Federal Revenue arising from Value Added Tax (VAT) for Obudu Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE - N36,512,427.54

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Obudu Local Government Council for the year ended 31st December 2020.

1d. (D) OTHER REVENUE –N107,363,978.35

This represents revenue other than statutory receipts from the Federation for Obudu Local Government Council for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			163,431.11			4,041,409.94	4,204,841.05
MARCH		3,278,888.34					3,278,888.34
APRIL							
MAY			278,247.82	1,917,248.33		25,780,168.39	27,975,664.55
JUNE			251,408.31				251,408.31
JULY						12,398,484.29	12,398,484.29
AUG.							
SEPT.							
OCT.		8,530,547.60			15,532,821.12	11,158,635.86	35,222,004.58
NOV.	4,959,393.72	1,594,878.95	248,299.96		15,532,821.12		22,335,393.75
DEC.		1,697,293.48					1,697,293.48
TOTAL	4,959,393.72	15,101,608.36	941,387.20	1,917,248.33	31,065,642.25	53,378,698.49	107,363,978.35

1e. (E) DEDUCTIONS AT SOURCE - (N34,525,734.16)

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

2. NON-TAX REVENUE (IGR) – N12,607,172.72

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Obudu Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	1,895,103.33
102000	RATES	3,098,600.00
103000	LOCAL LICENCE FEES	534,400.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	2,671,450.00
105000	RENT ON GOVERNMENT PROPERTY	322,000.00
106000	INTEREST ON DIVIDENDS	-
107000	RE-INBURSEMENT	-
108000	MISCELLANEOUS	4,085,619.39
	TOTAL	12,607,172.72

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	TAXES	RATES	LOCAL LICENCES FEE & FINES	EARNINGS FROM COMMERCIAL UNDERTAKINGS	RENT ON GOVERNMENT PROPERTY	MISCELLANEOUS	TOTAL
JANUARY	40,946.45	610,000.00	24,000.00	296,800.00		124,000.00	1,095,746.45
FEBRUARY	-	-	70,600.00	110,700.00		265,000.00	446,300.00
MARCH	6,800.00	20,000.00	36,000.00	451,200.00		100,000.00	614,000.00
APRIL	5,000.00	989,000.00	2,000.00	73,000.00		37,500.00	1,106,500.00
MAY	-	2,000.00	3,300.00	144,700.00		37,500.00	187,500.00
JUNE	-	311,600.00	-	246,400.00		167,500.00	725,500.00
JULY	59,000.00	781,000.00	115,000.00	238,100.00		802,500.00	1,995,600.00
AUGUST	-	130,000.00	42,500.00	184,900.00	300,000.00	440,000.00	1,097,400.00
SEPTEMBER	60,000.00	30,000.00	37,500.00	175,850.00	-	253,500.00	556,850.00
OCTOBER	-	90,000.00	22,000.00	203,100.00	-	979,999.00	1,295,099.00
NOVEMBER	1,720,356.88	135,000.00	15,000.00	305,200.00	-	343,040.13	2,518,597.01
DECEMBER	3,000.00	-	166,500.00	241,500.00	22,000.00	535,080.26	968,080.26
TOTAL	1,895,103.33	3,098,600.00	534,400.00	2,671,450.00	322,000.00	4,085,619.39	12,607,172.72

3. CCAPITAL RECEIPTS – ₦231,423,537.93

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

4. SALARIES AND WAGES – ₦ 1,936,751,496.18

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 AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	23,107,500.00
2	Primary Health Care Salaries	245,344,388.52
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	269,548,915.48
5	Political Office Holders	31,850,300.80
6	Pension Allowances	401,942,855.99
7	SUBEB - Teacher's Salaries	952,957,535.39
	TOTAL	1,936,751,496.18

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

SALARIES AND WAGES

MONTH	COUNCIL STAFF	TRADITIONAL RULERS' COUNCIL	NON-PENSIONABLE ALLOWANCE	SUBEB	PUBLIC HEALTH CARE	POL. OFFICE HOLDERS	PENSION ALLOWANCE	TOTAL
JANUARY	20,714,253.96	2,047,500.00	1,000,000.00	72,923,689.88	18,965,266.26	-	32,149,525.74	115,650,710.10
FEBRUARY	20,564,222.11	2,047,500.00	1,000,000.00	72,606,777.17	18,933,383.65	-	32,149,525.74	115,151,882.93
MARCH	23,498,293.90	2,047,500.00	1,000,000.00	82,152,087.12	21,045,792.08	-	32,547,073.39	129,743,673.10
APRIL	23,151,576.12	1,852,500.00	1,000,000.00	81,861,257.15	21,045,792.08	-	32,547,073.39	128,911,125.35
MAY	23,013,556.79	1,852,500.00	1,000,000.00	81,559,806.49	21,045,792.08	-	32,857,640.73	128,471,655.36
JUNE	22,924,979.20	1,852,500.00	1,000,000.00	81,129,016.72	20,847,419.56	-	33,065,756.57	127,753,915.48
JULY	22,924,979.20	1,852,500.00	1,000,000.00	80,809,871.55	20,847,419.56	5,275,428.30	31,361,536.81	132,710,198.61
AUGUST	22,762,518.91	1,852,500.00	1,000,000.00	80,519,340.78	20,701,109.54	2,637,714.15	33,260,087.93	129,473,183.38
SEPTEMBER	22,602,749.75	1,852,500.00	1,000,000.00	80,140,316.51	20,701,109.54	2,637,714.15	33,294,179.47	128,934,389.95
OCTOBER	22,521,456.64	2,145,000.00	1,000,000.00	79,945,184.29	20,701,109.54	5,984,289.58	34,432,191.78	132,297,040.05
NOVEMBER	22,521,456.64	1,852,500.00	1,000,000.00	79,752,173.93	20,561,616.99	9,330,865.03	37,792,195.39	135,018,612.59
DECEMBER	22,348,872.26	1,852,500.00	1,000,000.00	79,558,013.80	19,948,577.64	5,984,289.59	36,486,069.05	130,692,253.29
TOTAL	269,548,915.48	23,107,500.00	12,000,000.00	952,957,535.39	245,344,388.52	31,850,300.80	401,942,855.99	1,936,751,496.18

5. OVERHEAD COST – N103,196,444.66

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

CODE	DETAILS	DIRECT COUNCIL'S EXPENDITURE	TOTAL OPERATING EXPENSES 2020
CODE		N	N
431200	TRAVEL & TRANSPORT	6,705,460.00	6,705,460.00
431300	UTILITIES	100,000.00	100,000.00
431400	MATERIALS & SUPPLIES	3,611,500.00	3,611,500.00
431500	MAINTENANCE, REPAIRS & SERVICES	671,000.00	671,000.00
431600	TRAINING & STAFF DEVELOPMENT	900,000.00	900,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	240,000.00	240,000.00
431800	FINANCE EXPENSES	769,406.00	769,406.00
431900	ENTERTAINMENT & HOSPITALITY	8,825,500.00	8,825,500.00
432100	OTHER SERVICES	81,373,578.66	81,373,578.66
432200	GRANTS, CONTRIBUTION, SUBVENTION AND	-	-
115000	CONSOLIDATED REVENUE FUND CHARGES	-	-
TOTAL		103,196,444.66	103,196,444.66

6. STATUTORY DEDUCTIONS – ₦ 522,196,152.82

This is made up of 31% Statutory deductions made from Obudu Local Government Council Statutory Allocations and paid to various State Agencies.

S/N	STATUTORY DEDUCTION	AMOUNT(₦)
1	Ministry of Local Government for Administration 1%	51,689,205.88
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	46,880,448.42
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	41,898,064.17
4	JOINT SECURITY OPERATIONS 2.5%	47,608,429.20
5	JOINT SOCIAL WELFARE 2.5%	44,841,658.96
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	40,414,332.92
7	SPORT DEVELOPMENT 1%	49,377,609.62
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	50,480,616.08
9	CRHA OVERSIGHT FUNCTION 0.5%	50,510,178.45
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	39,383,918.63
11	INFRASTRUCTURAL FUNDS 4%	47,021,390.03
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	42,089,300.44
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	
	TOTAL	552,195,152.82

8. PURCHASE/CONSTRUCTION OF PPE - ₦233,784,250.78

During the year under review, the Obudu LGC spent a total sum of ₦233.7m (approx..) on purchase and construction of PPE (Property, Plant and Equipment).

CODE	DETAILS	DIRECT COUNCIL'S EXPENDITURE	TOTAL CAPITAL EXPENDITURE 2020
		N	N
10000	FORESTRY	1556,500.00	1556,500.00
16000	ENERGY (FUEL & POWER)	380,000.00	380,000.00
17000	COMMERCE & FINANCE	652,073.00	652,073.00
18000	TRANSPORT (ROADS & BRIDGES)	70,855,777.78	70,855,777.78
19000	CULTURE & TOURISM	652,700.00	652,700.00
21000	EDUCATION	5,874,300.00	5,874,300.00
22000	HEALTH	53,950,000.00	53,950,000.00
24000	SOCIAL DEVELOPMENT, YOUTH & SPORTS	3,735,000.00	3,735,000.00
31000	WATER SUPPLY		
33000	HOUSING	23,144,900.00	23,144,900.00
34000	TOWN & COUNTRY PLANNING	17,775,000.00	17,775,000.00
35000	ENVIRONMENT & REFUSE DISPOSAL	260,000.00	260,000.00
40000	GENERAL ADMINISTRATION SECTOR	54,948,000.00	54,948,000.00
	TOTAL	233,784,250.78	233,784,250.78

9. INVESTMENT EXPENDITURE – NIL

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

10. DEPOSITS RECEIVED AND REMITTED – ₦27,110,826.66

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

DETAILS	AMOUNT(N)
DEPOSITS RECEIVED BFWD 01-01-2020	27,110,826.66
ADDITION DURING THE YEAR	0.00
DEPOSITS RECEIVED CARRIED FORWARD	27,110,826.66

11. TAXES RECEIVED AND REMITTED – ₦ 2,875,000.00

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

TAXES RECEIVED AND REMITTED			
DETAIL	TAXES RECEIVED	TAXES REMITTED	BALANCE-(N)
BALANCE BROUGHT FORWARD	2,875,000.00	-	2,875,000.00
ADDITIONS FOR THE YEAR	0.00	0.00	0.00
BALANCE CARRIED FORWARD	2,875,000.00	-	2,875,000.00

12. REPAYMENT OF BORROWINGS – ₦ 250,000,000.00

In the year 2020, Obudu Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86
 Repayment - 250,000,000.00
 Balance = 73,680,797.86

13. OVERDRAFT RECEIVED NIL AND NIL

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

14. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

15. CASH AND CASH EQUIVALENTS – ₦ 300,195,391.18

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

S/N	DETAILS	ACCOUNT TYPE	AMOUNT
			N
1	FIRST BANK PLC CAPITAL PROJECT	CAPITAL	210,369,797.38
2	ZENITH BANK PLC	CAPITAL	19,082,336.17
	SUB TOTAL A		229,452,133.55
3	FIRST BANK PLC	SAL/OVERHEAD	3,507.15
4	ECOBANK PLC	REVENUE	207,964.65
5	ZENITH BANK PLC	OVERHEAD	69,426,987.95
	UMFB	REVENUE	187,424.88
	DORMANT ACCOUNTS:		
6	FIRST BANK PLC	REVENUE	46,679.27
7	UNITED BANK FOR AFRICA		162,100.00
8	UNITED BANK FOR AFRICA		25,160.03
9	UNITED BANK FOR AFRICA		181,974.24
10	OBUDU MICROFINANCE BANK		36,190.96
11	OBUDU MICROFINANCE BANK		400,000.00
12	GUARRANTY TRUST BANK		834.77
13	ECOBANK PLC	SAL/OVERHEAD	64,433.73
	SUB TOTAL B		70,707,257.63
	GRAND TOTAL		300,195,391.18

16. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

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.

19. SHORT TERM LOANS AND DEBTS – N725,973.45

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

20. UNREMITTED DEDUCTIONS – N 623,049,587.73

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

UNREMITTED STATUTORY DEDUCTIONS	AMOUNT (N)
Balance Brought Forward	582,847,959.56
ADD: Deductions during the year	552,196,162.82
	1,135,044,122.38
Less: Actual Remittance during the year	511,994,534.65
Balance Outstanding 31-12-2000	623,049,587.73

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) N73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - N 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Obudu Local Government in its Financial Statements for the purposes of disclosure

23. PAYABLES – NIL

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Obudu LGCs as at 31st December 2020.

24. PROPERTY, PLANT AND EQUIPMENT**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF OBUDU LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

**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 2020*** 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 (Cash Basis) and Generally Accepted Accounting Practice.

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

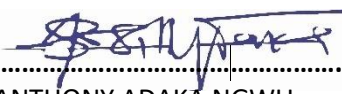
The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately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

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

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


.....
HON. MRS. JUSTINA EDEM
CHAIRMAN

...30th June 2021.....
DATE


.....
MR. ANTHONY ADAKA NGWU
DIRECTOR OF FINANCE (TREASURER)

.....30th June 2021.....
DATE



The Chairman,
Odukpani Local Government Council,
ODUKPANI.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF ODUKPANI 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) 365 to 367 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Odukpani Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	18	67,385,617.89	196,247,397.54
Receivables	14	534,094,774.59	441,951,127.31
Inventories		0.00	
Prepayments		0.00	
Total Current Assets (A)			638,198,524.85
Non-Current Assets			
Investments	15	158,878,724.60	158,878,724.67
Property, Plant & Equipment	16	0.00	0.00
Contribution to CRS Reserve Fund	17	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			914,814,872.45
LIABILITIES			
Current Liabilities			
Deposits		960,000.00	-
Short term Loans & Debts	19	303,561.23	303,561.23
Unremitted Deductions	20	522,113,293.08	582,847,959.56
Payables (Unremitted Taxes)		0.00	
Total Current Liabilities (C)			583,151,520.79
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	0.00
Long Term Provisions (Taxes)		0.00	0.00
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			906,832,318.65
Net Assets (Total Assets - Total Liabilities)			7,982,553.80
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(148,157,547.67)
Total Net Assets/Equity			7,982,553.80

ODUKPANI LOCAL GOVERNMENT, ODUKPANI
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	NOTE	2020	2019
		₦	₦
REVENUE			
Statutory Revenue	1	1,993,390,557.9	2,092,238,766.8
Non-Tax Revenue	2	5,199,921.12	10,875,621.84
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts		227,923,537.93	0.00
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,499,977,402.1	1,377,748,594.4
Overhead - General and Administrative Expenses	5	128,106,084.33	16,931,891.49
Transfer to Other Government Entities (Statutory	6	615,375,088.91	62,607,581.99
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	9	243,747,777.78	254,848,287.15
Public Debt Charges		0.00	267,406,892.91
Depreciation		0.00	0.00
Damaged Assets		0.00	0.00
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	60,670,559.51	-	60,670,559.51
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Odukpani Local government.

ODUKPANI LOCAL GOVERNMENT, ODUKPANI
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,353,037,083.10	1,616,315,614.03
Government Share of VAT	1	512,777,291.08	424,251,619.11
Share of Exchange difference	1	41,415,571.03	-
Other Revenue	1	121,782,444.79	51,671,533.73
Non-Tax Revenue	2	5,199,921.12	10,875,621.84
Capital Receipts	3	227,923,537.93	-
10% State IGR (Non-Tax Revenue)			-
Total Inflows from Operating Activities			2,103,114,388.71
Outflows:			
Deductions at Source	1	35,622,132.20	
Salaries and Wages	4	1,499,977,402.16	1,377,748,594.41
Overhead Cost	5	128,106,084.33	16,931,891.49
Statutory Deductions	6	615,375,088.91	62,607,581.99
JAAC Charges		0.00	267,406,892.91
Total Outflows from Operating Activities			1,724,694,960.80
Net Cashflow from Operating Activities			378,419,427.91
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE	24		-
Proceeds from Sale of Investment Property		0.00	-
Purchase/Construction of PPE	7	243,747,777.78	(254,848,287.15)
Investment Expenditure		0.00	-
Net Cashflow from Investing Activities			(254,848,287.15)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	1,710,000.00
Deposits Remitted		0.00	-750,000.00
Taxes Received		0.00	6,250,000.00
Tax Remitted		0.00	-8,550,000.00
Proceeds from Borrowings (CRSG Loan)	12	250,000,000.00	
Repayment of Borrowings		0.00	-222,222,222.22
Overdraft Received		0.00	
Overdraft Repayment			
Net Cash Flow from Financing Activities			(223,562,222.22)
Net Increase (Decrease) in Cash & Cash Equivalents			(99,991,081.46)
Prior Year Adjustment (Understated FAAC)		60,670,559.51	
Cash and its Equivalent as at 01 Jan 2020		196,247,397.54	296,238,479.00
Cash and its Equivalent as at 31 Dec 2020			196,247,397.54

ODUKPANI LOCAL GOVERNMENT, ODUKPANI
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	₦	₦	₦
RECEIPTS:			
Gross Statutory Allocation	2,850,075,670.00	1,993,390,557.90	
Internally Generated Revenue	17,208,082.00	35,622,132.20	
Capital Receipts	-	227,923,537.93	
Cross River State Government Loan	35,000,000.00	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,727,697,309	1,499,977,402.16	
Statutory Deductions	759,580,097.00	615,375,088.91	
Overhead / Operating Expenditure	115,125,720.00	128,106,084.33	
Purchase/Construction of PPE	2,267,120,801.00	243,747,777.78	
Investment Expenditure	0.00	0.00	
Total Payments			
NET SURPLUS (DEFICIT)			

ODUKPANI LOCAL GOVERNMENT, ODUKPANI

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS**1a. (A) GROSS STATUTORY ALLOCATION - ₦1,353,037,083.10**

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	144,885,798.75	39,942,444.94	295,348.10		(2,278,449.64)	182,845,142.15
2	FEB.	129,933,915.38	36,407,655.99	259,360.09	4,769,531.00	(2,278,449.64)	169,092,012.82
3	MARCH	114,747,719.96	34,799,278.12	187,154.56	3,719,227.29	(2,278,449.64)	151,174,930.29
4	APRIL	116,273,417.73	41,767,972.78	15,900,576.31		(2,278,449.64)	171,663,517.18
5	MAY	90,676,454.48	32,784,376.48	6,742,393.28	31,732,661.88	-	161,935,886.12
6	JUNE	102,288,947.43	36,071,441.20	7,045,020.32	285,171.24	-	145,690,580.19
7	JULY	107,448,959.19	44,753,459.44	10,986,018.47	14,063,541.16	-	177,251,978.26
8	AUG.	135,984,019.94	45,948,441.83			-	181,932,461.77
9	SEPT.	134,520,659.17	52,216,552.83			(6,627,083.41)	180,110,128.59
10	OCT.	86,031,180.32	49,306,440.68		39,952,150.57	(6,627,083.41)	168,662,688.16
11	NOV.	88,735,404.87	44,032,627.61		25,334,929.82	(6,627,083.41)	151,475,878.89
12	DEC.	101,510,605.89	54,746,599.19		1,925,231.83	(6,627,083.41)	151,555,353.50
	TOTAL	1,353,037,083.10	512,777,291.08	41,415,871.13	121,782,444.79	-35,622,132.20	1,993,390,557.90

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –₦512,777,291.08

This represents Federal Revenue arising from Value Added Tax (VAT) for Odukpani Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –₦41,415,871.13

This represents the 18 LGAs share of Federal Excess Crude revenue as seen in table 1, for Odukpani Local Government Council for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1d. (D) OTHER REVENUE –N121,782,444.79

This represents revenue other than statutory receipts from the Federation for Odukpani Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			185,379.12			4,584,151.88	4,769,531.00
MARCH		3,719,227.29					3,719,227.29
APRIL							
MAY			315,615.17	2,174,725.57		29,242,321.14	31,732,661.88
JUNE			285,171.24				285,171.24
JULY						14,063,541.16	14,063,541.16
AUG.							
SEPT.							
OCT.		9,676,159.15			17,618,804.37	12,657,187.05	39,952,150.57
NOV.	5,625,416.46	1,809,063.53	281,645.46		17,618,804.37		25,334,929.82
DEC.		1,925,231.83					1,925,231.83
TOTAL	5,625,416.46	17,129,681.81	1,067,810.98	2,174,725.57	35,237,608.74	60,547,201.22	121,782,444.79

1e. (E) DEDUCTIONS AT SOURCE - (N35,622,132.20)

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

2. NON-TAX REVENUE (IGR) – N5,199,921.12

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Odukpani Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	737,451.64
102000	RATES	425,946.45
103000	LOCAL LICENCE FEES	284,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	2,070,400.00
105000	RENT ON GOVERNMENT PROPERTY	400,000.00
106000	INTEREST ON DIVIDENDS	147,000.00
107000	REIMBURSEMENT	0.00
108000	MISCELLANEOUS	1,135,123.03
	TOTAL	5,199,921.12

3. CAPITAL RECEIPTS – ₦ 227,923,537.93

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

4. SALARIES AND WAGES – ₦1,499,977,402.16

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 AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	18,007,500.00
2	Primary Health Care Salaries	167,564,910.09
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	208,611,228.20
5	Political Office Holders	36,213,138.80
6	Pension Allowances	377,355,446.83
7	SUBEB - Teacher's Salaries	680,225,178.24
	TOTAL	1,499,977,402.16

5. OVERHEAD COST – ₦128,106,084.33

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

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2020	TOTAL
		₦	₦
431200	TRAVEL AND TRANSPORT	7,637,777.78	7,637,777.78
431300	UTILITIES	136,000.00	136,000.00
431400	MATERIALS & SUPPLIES	838,400.00	838,400.00
431500	MAINTENANCE & SERVICES	473,000.00	473,000.00
431600	TRAINING & STAFF DEVELOP	100,000.00	100,000.00
431700	CONSULTANCY & PRO SERVICES	3,797,910.00	3,797,910.00
431800	FINANCE EXPENSES	1,427,374.46	1,427,374.46
431900	ENTERTAINMENT & HOSPITALITY	2,361,000.00	2,361,000.00
432100	OTHER SERVICES	72,356,537.37	72,356,537.37
432200	GRANT & SUBVENTION	-	-
115000	CONSOLIDATED REV. FUND CHARGES	38,972,084.72	38,972,084.72
	TOTAL	128,106,084.33	128,106,084.33

6. STATUTORY DEDUCTIONS – ₦ 615,375,088.91

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	57,735,655.98
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	52,313,343.55
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	46,864,228.39
4	JOINT SECURITY OPERATIONS 2.5%	53,215,690.33
5	JOINT SOCIAL WELFARE 2.5%	50,157,743.78
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	45,164,079.86
7	SPORT DEVELOPMENT 1%	54,625,434.31
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	56,399,063.15
9	CRHA OVERSIGHT FUNCTION 0.5%	56,498,078.33
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	43,533,583.59
11	INFRASTRUCTURAL FUNDS 4%	51,886,028.06
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	46,982,159.59
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	
	TOTAL	615,375,088.91

8. INVESTMENT EXPENDITURE – NIL

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

10. DEPOSITS RECEIVED AND REMITTED – ₦960,000.00

Deposits received represent the retention fees and unpaid contract sums for contracts awarded by Odukpani council during the year while Deposits remitted are the actual amounts remitted to the relevant Agency.

DETAILS	AMOUNT
DEPOSITS BFWD 01-01-2020	960,000.00
ADDITION DURING THE YEAR	0.00
TOTAL	960,000.00

9. PURCHASE/CONSTRUCTION OF PPE - N243,747,777.78

During the year under review, the Odukpani LGC spent a total sum of =N=254.8m (approx..) on Capital Expenditure/ Purchase and Construction of PPE (Property, Plant and Equipment).

HEAD	DETAILS	ACTUAL PAID BY COUNCIL 2020	TOTAL
		N	N
	ECONOMIC SECTOR		
11000	AGRICULTURE	-	-
13000	Forestry	-	-
16000	Energy (Fuel & Power)	68,820,000.00	68,820,000.00
17000	Commerce & Finance	-	-
18000	Transport, Road, Bridges	2,000,000.00	2,000,000.00
19000	Culture & Tourism	-	-
	Sub total	70,820,000.00	70,820,000.00
20000	SOCIAL SECTOR		
22000	Health	52,000,000.00	52,000,000.00
23000	Information	-	-
24000	Social Dev. Youth & Sports	-	-
	Sub Total	52,000,000.00	52,000,000.00
30000	ENVIRONMENTAL & REGIONAL DEV.		
31000	Water Supply	2,500,000.00	2,500,000.00
33000	Housing	26,150,000.00	26,150,000.00
34000	Town and Country Planning	-	-
35000	Environment	6,000,000.00	6,000,000.00
	Sub Total	8,500,000.00	8,500,000.00
40000	General administration	86,277,777.78	86,277,777.78
	Grand total	243,747,777.78	243,747,777.78

11. TAXES RECEIVED AND REMITTED – NIL

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

12. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Abi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86
 Repayment - 250,000,000.00
 Balance = 73,680,797.86

13. OVERDRAFT RECEIVED NIL AND NIL

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

14. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

16. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

17. DEPOSITS – NIL

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

15. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

18. CASH AND CASH EQUIVALENTS – ₦67,385,617.89

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

S/N	NAME OF BANK	AMOUNT (₦)
1	ZENITH BANK – SALARY & OVERHEAD	5,404,263.70
2	ZENITH BANK – CAPITAL ACCOUNT II	259,546.50
3	ZENITH BANK – LG ACCOUNT	43,965.94
4	FIRST BANK – SALARY & OVERHEAD	52,921,461.46
5	FIRST BANK – CAPITAL ACCOUNT	7,630,127.21
6	FIRST BANK – CAPITAL ACCOUNT	29,721.99
7	FIRST BANK – SALARY & OVERHEAD	2,417.99
8	EKONDO BANK ACCOUNT I	340,554.79
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	66,740,631.95
	CASH IN HAND	644,985.94
		67,385,617.89

19. SHORT TERM LOANS AND DEBTS – ₦ 303,561.23

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

DETAILS	AMOUNT
SHORT TERM LOANS BFWD 01-01-2020	0.00
ADDITION DURING THE YEAR	303,561.23
TOTAL	303,561.23

20. UNREMITTED DEDUCTIONS – ₦ 522,113,293.08

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 01-01-2020	582,847,959.56
ADD: Deductions during the year	615,375,088.91
	1,198,223,048.47
LESS: Actual remittances during the year	676,109,755.39
Balance Outstanding 31-12-2020	522,113,293.08

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Odukpani Local Government in its Financial Statements for the purposes of disclosure.

23. PAYABLES – NIL

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Odukpani LGCs as at 31st December 2020.

24. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT FOR ODUKPANI LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020.**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	₦	₦	₦	₦		₦	₦
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.


MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

OGOJA LOCAL GOVERNMENT, OGOJA
RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

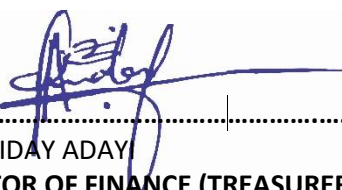
The Director of Finance (Treasurer) has responsibility for ensuring the internal controls are functional throughout the year and that financial records are properly kept, and appropriate financial statements are prepared. To the best of my knowledge, this system of internal control has operated adequately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

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

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


.....
HON. EMMANUEL ISHABOR
CHAIRMAN

...30th June 2021....
DATE


.....
MR. FRIDAY ADAY
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
DATE



The Chairman,
Ogoja Local Government Council,
OGOJA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF OGOJA 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) 387 to 389 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Ogoja Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	326,998,905.84	3,590,420.37
Receivables	15	534,094,774.59	441,951,127.31
Inventories		0.00	0.00
Prepayments		0.00	0.00
Total Current Assets (A)			445,541,547.68
Non-Current Assets			-
Investments	16	158,878,724.60	158,878,724.67
Property, Plant & Equipment		0.00	0.00
Contribution to CRS Reserve Fund		129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			722,157,895.28
LIABILITIES			
Current Liabilities			
Deposits		36,550,487.51	-
Short term Loans & Debts		0.00	30,743,234.73
Unremitted Deductions		582,847,959.56	582,847,959.56
Payables (Unremitted Taxes)		8,513,943.81	8,513,943.81
Total Current Liabilities (C)			622,105,138.10
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)		73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	-
Long Term Provisions (Taxes)		0.00	-
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			945,785,935.96
Net Assets (Total Assets - Total Liabilities)			(223,628,040.68)
NET ASSETS/EQUITY			
Reserves		827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(379,768,142.15)
Total Net Assets/Equity			(223,628,040.68)

OGOJA LOCAL GOVERNMENT, OGOJA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	1,881,580,739.9	1,974,501,763.3
Non-Tax Revenue	2	13,797,471.06	16,462,702.20
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts		227,923,537.93	0.00
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits		1,741,859,971.59	1,577,850,462.0
Overhead Cost - General and Administrative Expenses		68,079,998.35	71,155,229.48
Transfer to Other Government Entities (Statutory		564,968,689.34	84,194,497.30
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Purchase / Construction of PPE		458,833,333.34	220,604,303.68
Public Debt Charges		0.00	76,941,134.72
Depreciation			
Damaged Assets			
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	-248,427,835.95
Correction of Prior Year Errors (understated FAAC)	57,072,137.23	-	57,072,137.23
Adjustment of Payables	300,317,839.80		300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020	-50,394,941.40		105,745,160.07
Net Surplus for the Period	(71,007,224.09)	-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Ogoja Local government.

OGOJA LOCAL GOVERNMENT, OGOJA
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,271,622,745.58	1,519,084,266.08
Government Share of VAT	1	491,645,025.88	406,855,119.79
Share of Exchange Gain Difference	1	38,923,814.00	-
Other Revenue	1	114,454,606.41	48,562,377.49
Non-Tax Revenue	2	13,797,471.06	16,462,702.20
Capital Receipts	3	227,923,537.93	-
10% State IGR (Non-Tax Revenue)			-
Total Inflows from Operating Activities			1,990,964,465.56
Outflows:			
Deductions at Source	1	35,065,451.92	0.00
Salaries and Wages	4	1,741,859,971.59	1,577,850,462.08
Overhead Cost	5	68,079,998.35	71,155,229.48
Statutory Deductions	6	564,968,689.34	84,194,497.30
JAAC Charges		0.00	76,941,134.72
Total Outflows from Operating Activities			1,810,141,323.58
Net Cashflow from Operating Activities			180,823,141.98
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE	24		0.00
Proceeds from Sale of Investment Property		0.00	0.00
Purchase/Construction of PPE	9	458,833,333.34	(220,604,303.68)
Investment Expenditure		0.00	
Net Cashflow from Investing Activities			(220,604,303.68)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		30,743,234.73	14,807,252.78
Deposits Remitted		0.00	(9,000,000.00)
Taxes Received		8,513,943.81	4,560,000.00
Tax Remitted		0.00	(3,800,000.00)
Proceeds from Borrowings (CRSG Loan)		0.00	
Repayment of Borrowings		250,000,000	(222,222,222.22)
Overdraft Received			
Overdraft Repayment			
Net Cash Flow from Financing Activities			(215,654,969.44)
Net Increase (Decrease) in Cash & Cash Equivalents			(255,436,131.14)
Prior Year Adjustment (Understated FAAC)		57,072,137.23	
Cash and its Equivalent as at 01 Jan 2020			259,026,551.51
Cash and its Equivalent as at 31 Dec 2020			3,590,420.37

OGOJA LOCAL GOVERNMENT, OGOJA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE
	N	N	N
RECEIPTS:			
Gross Statutory Allocation	1,997,326,625.00	1,881,580,739.95	
Internally Generated Revenue	35,000,000.00	13,797,471.06	
Capital Receipts		227,923,537.93	
Cross River State Government Loan	80,000,000.00	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	1,985,679,550.00	1,741,859,971.59	
Statutory Deductions	844,295,402.00	564,968,689.34	
Overhead / Operating Expenditure	50,003,947.00	68,968,689.34	
Purchase / Construction of PPE	2,965,883,498.00	458,833,333.34	
Investment Expenditure	0.00	0.00	
Total Payments			
NET SURPLUS (DEFICIT)			

OGOJA LOCAL GOVERNMENT, OGOJA

NOTES TO THE FINANCIAL STATEMENTS**1a. (A) GROSS STATUTORY ALLOCATION - N1,271,622,745.58**

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	136,167,795.77	38,297,115.07	277,576.54		(2,139,279.57)	172,603,207.81
2	FEB.	122,115,590.39	34,906,316.68	243,753.99	4,482,540.93	(2,139,279.57)	159,608,922.42
3	MARCH	107,843,171.88	33,372,551.15	175,893.18	3,495,435.62	(2,139,279.57)	142,747,772.26
4	APRIL	109,277,066.04	40,044,349.27	14,943,814.00		(2,139,279.57)	162,125,949.74
5	MAY	85,220,311.73	31,430,111.83	6,336,693.03	29,823,258.45	-	152,810,375.04
6	JUNE	96,134,062.99	34,582,790.99	6,621,110.53	268,012.04	-	137,605,976.55
7	JULY	100,983,588.85	42,907,191.07	10,324,972.72	13,217,316.10	-	167,433,068.74
8	AUG.	127,801,650.78	44,047,811.67			-	171,849,462.45
9	SEPT.	126,426,342.70	50,063,536.66			(6,627,083.41)	169,862,795.95
10	OCT.	80,854,550.92	47,273,402.49		37,548,167.77	(6,627,083.41)	159,049,037.77
11	NOV.	83,396,058.08	42,220,224.98		23,810,487.84	(6,627,083.41)	142,799,687.49
12	DEC.	95,402,555.47	52,499,624.02		1,809,387.65	(6,627,083.41)	143,084,483.73
	TOTAL	1,271,622,745.58	491,645,025.88	38,923,814.00	114,454,606.41	-35,065,451.92	1,881,580,739.95

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) –N491,645,025.88

This represents Federal Revenue arising from Value Added Tax (VAT) for Ogoja Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –N38,923,814.00

This represents the 18 LGAs share of exchange gain difference as seen in table 1, for Ogoja Local Government Council for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1d. (D) OTHER REVENUE –N114,454,606.41

This represents revenue other than statutory receipts from the Federation for Ogoja Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			174,224.57			4,308,316.36	4,482,540.93
MARCH		3,495,435.62					3,495,435.62
APRIL							
MAY			296,624.11	2,043,868.97		27,482,765.37	29,823,258.45
JUNE			268,012.04				268,012.04
JULY						13,217,316.10	13,217,316.10
AUG.							
SEPT.							
OCT.		9,093,929.67			16,558,653.61	11,895,584.49	37,548,167.77
NOV.	5,286,926.44	1,700,209.37	264,698.41		16,558,653.61		23,810,487.84
DEC.		1,809,387.65					1,809,387.65
TOTAL	5,286,926.44	16,098,962.31	1,003,559.14	2,043,868.97	33,117,307.23	56,903,982.32	114,454,606.41

1e. (E) DEDUCTIONS AT SOURCE - (N35,065,451.92)

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

2. NON-TAX REVENUE (IGR) – N13,797,471.06

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Ogoja Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	10,000.00
102000	RATES	2,310,898.03
103000	LOCAL LICENCE FEES	3,497,500.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	6,217,950.00
105000	RENT ON GOVERNMENT PROPERTY	124,200.00
106000	INTEREST ON DIVIDENDS	
107000	REIMBURSEMENT	
108000	MISCELLANEOUS	1,636,923.03
	TOTAL	13,797,471.06

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Months	101000	102000	103000	104000	105000	108000	TOTA (N)
January	-	210,946.45	279,500.00	883,000.00	-	159,800.00	1,533,246.45
February	10,000.00	-	107,000.00	1,096,000.00	-	263,000.00	1,476,000.00
March	-	763,951.58	240,000.00	487,000.00	-	82,000.00	1,572,951.58
April	-	-	8,000.00	599,900.00	-	9,000.00	616,900.00
May	-	-	94,500.00	222,500.00	-	21000	338,000.00
June	-	-	1,201,500.00	789,950.00	-	242,000.00	2,233,450.00
July	-	-	720,000.00	142,000.00	-	43,000.00	905,000.00
August	-	686,000.00	165,000.00	461,500.00	-	530,623.03	1,843,123.03
September	-	200,000.00	225,000.00	352,300.00	78,600.00	117,500.00	973,400.00
October	-	-	169,000.00	347,200.00	30,000.00	24,000.00	570,200.00
November	-	450,000.00	120,000.00	411,500.00	15,600.00	-	997,100.00
December	-	-	168,000.00	425,100.00	-	145,000.00	738,100.00
TOTAL	10,000.00	2,310,898.03	3,497,500.00	6,217,950.00	124,200.00	1,636,923.03	13,797,471.06

3. CAPITAL RECEIPTS – ₦227,923,537.93

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

4. SALARIES AND WAGES – ₦ 1,741,859,971.59

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.

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	34,380,000.00
2	Primary Health Care Salaries	259,525,658.10
3	Non-Pensionable Allowances	49,320,000.00
4	Council Staff Salaries	265,399,990.01
5	Political Office Holders	31,817,900.81
6	Pension Allowances	402,279,865.57
7	SUBEB - Teacher's Salaries	699,136,557.10
	TOTAL	1,741,859,971.59

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTHS	TRC	PHC	NPA	COUNCIL STAFF	POL. OFFICER HOLDER	SUBEB	PENSION ALLOWANCE	TOTAL
JANUARY	3,127,500.00	22,087,887.26	1,000,000.00	20,084,015.57	-	54,485,568.58	33,242,211.60	134,027,183.01
FEBURARY	3,127,500.00	22,033,590.56	1,000,000.00	20,054,197.98	-	54,351,793.90	33,242,211.60	133,809,294.04
MARCH	2,812,500.00	21,829,999.24	1,000,000.00	22,652,234.92	-	60,651,077.60	33,509,107.54	142,454,919.30
APRIL	2,812,500.00	21,588,101.72	1,000,000.00	22,652,234.92	-	60,408,665.82	33,509,107.54	141,970,610.00
MAY	2,812,500.00	21,644,409.80	1,000,000.00	22,652,234.92	-	59,946,046.90	34,146,789.70	142,201,981.32
JUNE	2,812,500.00	21,477,381.36	1,000,000.00	22,532,682.94	-	59,462,627.75	34,780,611.36	142,065,803.41
JULY	2,812,500.00	21,477,381.36	1,000,000.00	22,660,384.31	5,275,428.30	59,035,890.12	30,725,617.43	142,987,201.52
AUGUST	2,812,500.00	21,477,381.36	1,000,000.00	22,694,644.47	2,637,714.15	58,613,345.94	31,933,971.07	141,169,556.99
SEPTEMBER	2,812,500.00	21,477,381.36	1,000,000.00	22,491,870.12	2,637,714.15	58,504,680.69	33,181,374.35	142,105,520.67
OCTOBER	2,812,500.00	21,477,381.36	1,000,000.00	22,436,631.45	5,973,489.59	58,140,746.35	34,614,674.02	146,455,422.77
NOVEMBER	2,812,500.00	21,477,381.36	19,660,000.00	22,291,489.72	9,320,065.03	57,835,105.20	35,311,106.01	168,707,647.32
DECEMBER	2,812,500.00	21,477,381.36	19,660,000.00	22,197,368.69	5,973,489.59	57,701,008.25	34,083,083.35	163,904,831.24
TOTAL	34,380,000.00	259,525,658.10	49,320,000.00	265,399,990.01	31,817,900.81	699,136,557.10	402,279,865.57	1,741,859,971.59

5. OVERHEAD COST – ₦ 68,079,998.35

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

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL	TOTAL
		₦	₦
431200	TRAVELLING AND TRANSPORT	4,793,133.34	4,793,133.34
431300	UTILITY SERVICES		
431400	MATERIALS AND SUPPLIES	5,630,150.00	5,630,150.00
431500	REPAIRS AND MAINTENANCE	1,508,000.00	1,508,000.00
431600	TRAINING AND STAFF	205,000.00	205,000.00
431700	CONSULTANCY/PROFESSIONAL	3,975,000.00	3,975,000.00
431800	OTHER CHARGES (FINANCE)	78,315.01	78,315.01
431900	ENTERTAINMENT AND HOSPITAL	6,177,900.00	6,177,900.00
432100	OTHER SERVICES	17,025,000.00	17,025,000.00
115000	DEBT SERVICING	28,687,500.00	28,687,500.00
	TOTAL	68,079,998.35	68,079,998.35

6. STATUTORY DEDUCTIONS – N564,968,689.34

This is made up of 31% Statutory deductions made from Ogoja Local Government Council Statutory Allocations and paid to various State Agencies.

S/N	STATUTORY DEDUCTION	AMOUNT(₦)
1	1% Ministry of Local Government for Administration	54,560,656.34
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	48,143,187.88
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	44,251,809.40
4	JOINT SECURITY OPERATIONS 2.5%	50,259,044.40
5	JOINT SOCIAL WELFARE 2.5%	46,708,039.60
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	42,657,852.73
7	SPORT DEVELOPMENT 1%	47,806,883.32
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	53,273,333.36
9	CRHA OVERSIGHT FUNCTION 0.5%	52,657,466.75
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	37,665,269.70
11	INFRASTRUCTURAL FUNDS 4%	42,628,955.92
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY 1%	44,356,189.96
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	
	TOTAL	564,968,689.36

8. PURCHASE/CONSTRUCTION OF PPE - N458,833,333.34

During the year under review, the Ogoja LGC spent a total sum of N458.3m on Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 2020	TOTAL
11000	AGRICULTURE		
12000	LIVES/STOCK/VETERINARY	-	-
113000	FORESTRY		
15000	MANUFACTURING AND CRAFT		
16000	ENERGY (FUEL AND POWER)		
17 000	COMMERCE AND FINANCE		
18000	TRANSPORTATION ROAD AND BRIDGES)	295,777,777.78	295,777,777.78
19000	CULTURE AND TOURISM		
21000	EDUCATION		
22000	HEALTH	50,000,000.00	50,000,000.00
23000	INFORMATION AND COMMUNICATION TECHNOLOGY		
24000	SOCIAL DEVELOPMENT YOUTH AND SPORT		
31000	WATER SUPPLY	-	-
33000	HOUSING	20,000,000.00	20,000,000.00
34000	TOWN & COUNTRY PLANNING	-	-
35000	ENVIRONMENT/REFUSE DISPOSAL	6,000,000.00	6,000,000.00
40000	GENERAL ADMINISTRATION	87,055,555.56	87,055,555.56
Total		458,833,333.34	458,833,333.34

9. INVESTMENT EXPENDITURE – NIL

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

10. DEPOSITS RECEIVED AND REMITTED – ₦36,550,487.51

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
DEPOSITS RECEIVED BFWD 01-01-2020	5,807,252.78
ADDITION DURING THE YEAR	30,743,234.73
DEPOSITS RECEIVED CARRIED FORWARD	36,550,487.51

11. TAXES RECEIVED AND REMITTED – ₦ 9,273,943.81

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			
DETAIL	TAXES RECEIVED	TAXES REMITTED	AMOUNT (N)
BALANCE BROUGHT FORWARD	760,000.00	-	760,000.00
ADDITIONS FOR THE YEAR	8,513,943.81	-	8,513,943.81
BALANCE CARRIED FORWARD	9,273,943.81	-	9,273,943.81

12. REPAYMENT OF BORROWINGS – ₦250,000,000.00

In the year 2020, Ogoja Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86
 Repayment - 250,000,000.00
 Balance = 73,680,797.86

13. OVERDRAFT RECEIVED - NIL

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

14. CASH AND CASH EQUIVALENTS – ₦326,998,905.84

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

NAME OF BANK	ACCOUNT NO.	BALANCE AS AT 31-
		₦
ECO BANK	SALARY ACCOUNT	43.74
ECO BANK	CHIEFTANCY	1,087.60
ECO BANK	REVENUE	34,518.86
FIRST BANK NIG. PLC	SALARY	17,586.69
ZENITH BANK	SALARY	52,967,941.06
FIRST BANK NIG. PLC	REVENUE	1,047.95
ECO BANK	CAPITAL	476,456.42
UNION BANK	-	5,071.99
ECO BANK UNPAID	SALARY ACCOUNT	6,546.20
ZENITH BANK	CAPITAL	150,786,940.89
ACCESS BANK	REVENUE	301,839.79
ZENITH BANK	CAPITAL	100,000,000.00
TOTAL CASH AT BANK		304,599,081.02
TOTAL CASH IN HAND		22,399,824.64
CASH AND CASH EQUIVALENT AS AT		326,998,905.84

15. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

16. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

17. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward 01-01-2020	582,847,959.56
ADD: Deductions during the year	564,968,698.34
	1,147,816,648.93
LESS: Actual Remittance during the year	564,968,698.93
Balance Outstanding 31-12-2020	582,847,959.59

18. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND ₦ 129,737,722.93

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

MONTH	DETAILS	2020
	Balance brought forward 01 Jan 2020	117,737,722.93
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	129,737,722.93

19. DEPOSITS – N30,743,234.73

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

S/N	DETAILS	BALANCE AS AT 01-01-2020	ADDITIONS DURING THE YEAR	REMITTANCES	BALANCE AS AT 31-12-20
1	RETENTION FEE	1,229,517.70			1,229,517.70
2	PROJECT MONITORING LEVY (2%)	1,762,853.11	-		1,762,853.11
3	UNCLAIMED SALARIES	8,514,650.02			8,514,650.02
4	SALARIES DEPOSIT	19,236,183.90	-	-	19,236,183.90
	TOTAL	30,743,234.73	-	-	30,743,234.73

20. SHORT TERM LOANS AND DEBTS – NIL

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

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – N73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - N 827,630.79

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

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

23. PAYABLES – N8,531,943.81

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Ogoja LGCs as at 31st December 2020.

S/N	DETAILS	BALANCE AS AT 01-01-2020	ADDITIONS DURING THE YEAR	REMITTANCES	BALANCE AS AT 31-12-20
1	WITHHOLDING TAX	3,910,584.00	-	-	3,910,584.00
2	VALUE ADDED TAX	3,910,584.00	-	-	3,910,584.00
3	1% STAMP DUTY	502,685.80	-	-	502,685.80
4	PAYEE	190,090.00	-	-	190,090.00
	TOTAL	8,513,943.81			8,513,943.81

24. PROPERTY, PLANT AND EQUIPMENT

**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF OGOJA LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

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 2020*** and its surplus / (deficit) for the year ended on that date comply with the provisions of the Model Financial Memoranda.



MRS. FRANKA A. INOK, FCA
AUDITOR-GENERAL

YAKURR LOCAL GOVERNMENT, YAKURR
RESPONSIBILITY FOR FINANCIAL STATEMENTS


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

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


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

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

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


.....
HON. OFEM EBRI OBETEN
CHAIRMAN

30th June 2021
.....
DATE


.....
MR. WILLIE IKPI
DIRECTOR OF FINANCE (TREASURER)

30th June 2021
.....
DATE



The Chairman,
Yakurr Local Government Council,
YAKURR.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF YAKURR 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) 409 to 411 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION


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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Yakurr Local Government Council as at 31st December 2020*** 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 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	15	38,655,187.51	(365,858,678.25)
Receivables	14	534,094,774.59	441,951,127.31
Inventories		0.00	0.00
Prepayments		0.00	0.00
Total Current Assets (A)			76,092,449.06
Non-Current Assets			
Investments	16	158,878,724.00	158,878,724.67
Property, Plant & Equipment			
Contribution to CRS Reserve Fund	19	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)			276,616,347.60
Total Assets (A) + (B)			352,708,796.66
LIABILITIES			
Current Liabilities			
Deposits	20	43,788,803.20	73,163,475.79
Short term Loans & Debts		0.00	-
Unremitted Deductions	18	582,847,959.56	582,847,959.56
Payables (Unremitted Taxes)	23	13,375,551.75	13,375,551.75
Total Current Liabilities (C)			669,386,987.10
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	0.00
Long Term Provisions (Taxes)			
Total Non-Current Liabilities (D)			323,680,797.86
Total Liabilities (C) + (D)			993,067,784.96
Net Assets (Total Assets - Total Liabilities)			(640,358,988.30)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(796,499,089.77)
Total Net Assets/Equity			(640,358,988.30)

YAKURR LOCAL GOVERNMENT, YAKURR
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	NOTES	2020	2019
		₦	₦
REVENUE			
Statutory Revenue	1	1,912,418,067.61	2,004,471,121.84
Non-Tax Revenue	2	16,599,560.00	31,702,146.66
Aids and Grants		0.00	0.00
Investment Income		0.00	0.00
Other Capital Receipts	3	224,923,537.93	0.00
Total Operating Revenue			
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,736,092,435.64	1,607,906,864.31
Overhead Cost - General and Administrative Expenses	5	34,729,932.88	72,029,721.27
Transfer to Other Government Entities (Statutory	6	366,512,389.95	18,971,742.05
Total Operating Expenditure			
Surplus/Deficit from Operating Activities before Capital			
Capital Expenditure	9	221,183,111.12	202,164,555.56
Public Debt Charges		0.00	232,197,188.35
Depreciation			
Damaged Assets			
Net Surplus/(Deficit) for the Period			

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	-404,567,937.42	156,140,101.47	
Correction of Prior Year Errors (understated FAAC)	54,467,006.95	-	54,467,006.95
Adjustment of Payables			300,317,839.80
Adjusted Opening Balance as at 01 Jan 2020			105,745,160.07
Net Surplus for the Period		-	(71,007,224.09)
Addition to Reserves	0.00	827,630.79	827,630.79
Balance as at 31 Dec 2020	-121,402,165.49	156,967,732.26	35,565,566.77

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Yakurr Local government.

YAKURR LOCAL GOVERNMENT, YAKURR
STATEMENT OF CASHFLOWS FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,276,635,770.62	1,525,073,267.60
Government Share of VAT	1	516,898,201.10	430,644,033.85
Share of Exchange Gain Difference	1	39,077,260.49	
Other Revenue	1	114,905,812.40	48,753,820.39
Non-Tax Revenue	2	16,599,560.00	31,702,146.66
Capital Receipts	3	224,923,537.93	
10% State IGR (Non-Tax Revenue)		0.00	
Total Inflows from Operating Activities			
Outflows:			
Deductions at Source	1	35,098,977.00	
Salaries and Wages (Social Benefits)	4	1,736,092,435.64	1,607,906,864.31
Overhead Cost	5	34,729,832.88	72,029,721.27
Statutory Deductions	6	366,512,389.95	18,971,742.05
JAAC Charges		0.00	232,197,188.35
Total Outflows from Operating Activities			1,931,105,515.98
Net Cashflow from Operating Activities			105,067,752.52
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE	24	0.00	-
Proceeds from Sale of Investment Property		0.00	-
Purchase/Construction of PPE	9	221,183,111.12	(202,164,555.56)
Investment Expenditure		0.00	-
Net Cashflow from Investing Activities			(202,164,555.56)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	29,374,672.59
Deposits Remitted		0.00	-
Taxes Received		0.00	5,000,000.00
Tax Remitted		0.00	
Proceeds from Borrowings (CRSG Loan)		0.00	
Repayment of Borrowings	12	250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	
Overdraft Repayment		0.00	
Net Cash Flow from Financing Activities			(187,847,549.63)
Net Increase (Decrease) in Cash & Cash Equivalents			(284,944,352.67)
Prior Year Adjustment (Understated FAAC)		54,467,006.95	
Cash and its Equivalent as at 01 Jan 2020		9365,858,678.25)	(80,914,325.58)
Cash and its Equivalent as at 31 Dec 2020			(365,858,678.25)

YAKURR LOCAL GOVERNMENT, YAKURR
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	FINAL BUDGET 2020	ACTUAL 2020	DIFFERENCE 2020
	₦	₦	₦
RECEIPTS:			
Government Share of FAAC (Statutory	2,252,250,296.00	1,912,418,067.61	
Internally Generated Revenue	78,729,671.00	16,599,560.00	
Capital Receipts		224,923.537.93	
Cross River State Government Loan	80,000,000.00	0.00	
Total Receipts			
PAYMENTS			
Salaries and Wages	173,321,624.00	1,736,092,435.64	
Statutory Deductions	858,530,952.00	366,512,389.95	
Overhead / Operating Expenditure	110,139,992.00	34,729,932.88	
Purchase /Construction of PPE	1,315,003,207.00	221,183,111.12	
Total Payments			
NET SURPLUS (DEFICIT)			

YAKURR LOCAL GOVERNMENT, YAKURR

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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

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

NOTES TO THE FINANCIAL STATEMENTS**1a. (A) GROSS STATUTORY ALLOCATION - ₦1,276,635,770.62**

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	136,704,600.08	40,263,293.47	278,670.81		(2,147,660.84)	175,098,903.52
2	FEB.	122,596,997.72	36,700,425.56	244,714.93	4,500,212.12	(2,147,660.84)	161,894,689.49
3	MARCH	108,268,314.10	35,077,497.86	176,586.59	3,509,215.42	(2,147,660.84)	144,883,953.13
4	APRIL	109,707,861.00	42,104,089.02	15,002,725.90		(2,147,660.84)	164,667,015.08
5	MAY	85,556,269.51	33,048,465.66	6,361,673.71	29,940,828.49	-	154,907,237.37
6	JUNE	96,513,045.25	36,361,736.33	6,647,212.45	269,068.61	-	139,791,062.64
7	JULY	101,381,689.04	45,113,492.11	10,365,676.10	13,269,421.76	-	170,130,279.01
8	AUG.	128,305,473.85	46,319,075.35			-	174,624,549.20
9	SEPT.	126,924,743.99	52,636,403.03			(6,627,083.41)	172,934,063.61
10	OCT.	81,173,297.88	49,702,894.51		37,696,191.16	(6,627,083.41)	161,945,300.14
11	NOV.	83,724,824.24	44,386,056.27		23,904,354.18	(6,627,083.41)	145,388,151.28
12	DEC.	95,778,653.96	55,184,771.92		1,816,520.67	(6,627,083.41)	146,152,863.14
	TOTAL	1,276,635,770.62	516,898,201.10	39,077,260.49	114,905,812.40	-35,098,977.00	1,912,418,067.61

1b. (B) GOVERNMENT SHARE OF VALUE ADDED TAX –₦516,898,201.10

This represents Federal Revenue arising from Value Added Tax (VAT) for Yakurr Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –₦39,077,260.49

This represents Yakurr LGA's share of Exchange gain difference revenue as seen month by month in the table above for the year ended 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

1d. (D) OTHER REVENUE – ₦114,905,812.40

This represents revenue other than statutory receipts from the Federation for Yakurr Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			174,911.40			4,325,300.72	4,500,212.12
MARCH		3,509,215.42					3,509,215.42
APRIL							
MAY			297,793.47	2,051,926.36		27,591,108.66	29,940,828.49
JUNE			269,068.61				269,068.61
JULY						13,269,421.76	13,269,421.76
AUG.							
SEPT.							
OCT.		9,129,780.00			16,623,931.58	11,942,479.58	37,696,191.16
NOV.	5,307,768.70	1,706,911.98	265,741.91		16,623,931.58		23,904,354.18
DEC.		1,816,520.67					1,816,520.67
TOTAL	5,307,768.70	16,162,428.07	1,007,515.40	2,051,926.36	33,247,863.16	57,128,310.72	114,905,812.40

1e. (E) DEDUCTIONS AT SOURCE - (₦35,098,977.00)

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

2. NON-TAX REVENUE (IGR) – ₦16,599,560.00

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Yakurr Local Government Council for the year ended 31st December 2020.

CODE	DETAILS	ACTUAL 2020
		N
101000	TAXES	666,967.72
102000	RATES	519,000.00
103000	LOCAL LICENCE FEES	2,879,950.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	7,697,200.00
105000	RENT ON GOVERNMENT PROPERTY	1,154,500.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	3,681,943.18
	TOTAL	16,599,560.90

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	101000	102000	103000	104000	105000	108000	TOTAL
JANUARY	-	-	368,700.00	395,150.00	10,000.00	1,164,630.00	1,038,480.00
FEBRUARY	657,967.72	-	261,200.00	828,700.00	27,500.00	305,800.00	2,081,167.72
MARCH	-	-	34,900.00	385,360.00	30,000.00	164,500.00	921,760.00
APRIL	-	-	311,650.00	73,500.00	-	28,000.00	413,150.00
MAY	9,000.00	-	236,500.00	418,050.00	205,000.00	112,000.00	980,550.00
JUNE	-	-	145,000.00	1,345,200.00	317,000.00	138,000.00	1,945,200.00
JULY	-	469,000.00	129,350.00	890,000.00	50,000.00	319,500.00	1,857,850.00
AUGUST	-	-	183,500.00	943,300.00	-	471,500.00	1,598,300.00
SEPTEMBER	-	50,000.00	335,550.00	826,350.00	112,000.00	176,000.00	1,499,900.00
OCTOBER	-	-	170,000.00	538,650.00	-	262,893.18	971,543.18
NOVEMBER	-	-	214,700.00	623,450.00	400,000.00	217,500.00	1,455,650.00
DECEMBER	-	-	182,900.00	429,490.00	3,000.00	321,600.00	935,990.00
TOTAL	666,967.72	519,000.00	2,879,950.00	7,697,200.00	1,154,500.00	3,681,943.18	16,599,560.90

3. CAPITAL RECEIPTS – N224,923,537.93

This represents the positive inflows to Councils after Salaries, Statutory deductions and Joint Commitments were made by JAAC. 224,923.537.93

4. SALARIES AND WAGES – N 1,736,092,435.64

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.

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	20,385,000.00
2	Primary Health Care Salaries	264,188,688.30
3	Non-Pensionable Allowances	12,000,000.00
4	Council Staff Salaries	271,042,494.55
5	Political Office Holders	36,213,138.80
6	Pension Allowances	473,256,265.08
7	SUBEB - Teacher's Salaries	659,006,848.91
	TOTAL	

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

5. OVERHEAD COST – N 34,729,932.88

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

CODE	DETAILS	DIRECT COUNCIL'S EXPENDITURE 2020	TOTAL OPERATING EXPENSES 2020
		₦	₦
431200	TRAVEL & TRANSPORT	6,353,055.56	6,353,055.56
431300	UTILITIES	23,000.00	23,000.00
431400	MATERIALS & SUPPLIES	4,001,500.00	4,011,500.00
431500	MAINTENANCE, REPAIRS & SERVICES	2,356,000.00	2,356,000.00
431600	TRAINING & STAFF DEVELOPMENT	15,000.00	15,000.00
431700	CONSULTANCY & PROFESSIONAL SERVICES	1,275,000.00	1,275,000.00
431800	FINANCE EXPENSES	776,989.91	776,989.91
431900	ENTERTAINMENT & HOSPITALITY	2,206,500.00	2,206,500.00
432100	OTHER SERVICES	17,722,887.41	17,722,887.41
432200	GRANTS, CONTRIBUTION, SUBVENTION &	-	-
115000	CONSOLIDATED REVENUE FUND CHARGES	-	-
	TOTAL	34,729,932.88	34,729,932.88

6. STATUTORY DEDUCTIONS – N366,512,389.95

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	-
2	RURAL DEVELOPMENT AGENCY (RUDA) 9%	1,720,858.29
3	STATE ELECTRIFICATION AGENCY (SEA) 5%	96,401,402.75
4	JOINT SECURITY OPERATIONS 2.5%	27,713,494.82
5	JOINT SOCIAL WELFARE 2.5%	99,265,081.55
6	BORDER COMMUNITY DEVELOPMENT FUND .05%	43,122,483.95
7	SPORT DEVELOPMENT 1%	-
8	ENVIRONMENTAL MANAGEMENT & PROTECTION 2.5%	50,635,053.98
9	CRHA OVERSIGHT FUNCTION 0.5%	6,857,864.58
10	COMMUNITY & SOCIAL DEVELOPMENT AGENCY 0.5%	-
11	INFRASTRUCTURAL FUNDS 4%	38,254,281.92
12	CROSS RIVER STATE UNIVERSITY OF TECHNOLOGY	2,541,868.11
13	LOCAL GOVERNMENT SERVICE COMMISSION 1%	
	TOTAL	366,512,389.95

7. INVESTMENT EXPENDITURE – NIL

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

9. PURCHASE/CONSTRUCTION OF PPE –N 221,183,111.12

During the year under review, the Yakurr LGC spent a total sum of =N=202.1m on Purchase and Construction of PPE (Property, Plant and Equipment).

HEAD	DETAILS	ACTUAL PAID BY COUNCIL 2020	TOTAL
		N	N
11000	Agriculture	-	-
12000	Livestock and veterinary	-	-
13000	Forestry	-	-
14000	Fisheries	-	-
15000	Energy (fuel and Power)	2,000,000.00	2,000,000.00
16000	Commerce and Finance	-	-
17000	Transport, Road, Bridges	67,777,777.78	67,777,777.78
18000	Culture and Tourism	5,900,000.00	5,900,000.00
	Sub total	75,677,777.78	75,677,777.78
20000	SOCIAL WERVICE SECTOR		
21000	Education	-	-
22000	Health	50,000,000.00	50,000,000.00
23000	Information & Communication technology	-	-
24000	Social Dev. Youth & Sports	3,079,000.00	3,079,000.00
	Sub total	53,079,000.00	53,079,000.00
3000	ENVIRONMENTAL & REGIONAL DEV.		
31000	Water supply	1,000,000.00	1,000,000.00
33000	Housing	20,000,000.00	20,000,000.00
34000	Town & country planning		
35000	Environment	6,000,000.00	6,000,000.00
	Sub total	27,000,000.00	27,000,000.00
4000	General Administration	65,426,333.34	65,426,333.34
	Grand total	221,183,111.12	221,183,111.12

10. DEPOSITS RECEIVED AND REMITTED – N29,374,672.59 & NIL

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

DETAILS	AMOUNT(N)
DEPOSITS RECEIVED BFWD 01-01-2020	29,374,672.59
ADDITION DURING THE YEAR	0.00
DEPOSITS RECEIVED CARRIED FORWARD	29,374,672.59

11. TAXES RECEIVED AND REMITTED – N5,000,000.00

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

TAXES RECEIVED AND REMITTED			
DETAIL	TAXES RECEIVED	TAXES REMITTED	AMOUNT (N)
BALANCE BROUGHT FORWARD	5,000,000.00	-	5,000,000.00
ADDITIONS FOR THE YEAR	0.00	0.00	0.00
BALANCE CARRIED FORWARD	5,000,000.00	NIL	5,000,000.00

12. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Abi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan - 323,680,797.86

Repayment - 250,000,000.00

Balance = 73,680,797.86

13. OVERDRAFT RECEIVED NIL AND NIL

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

14. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

15. CASH AND CASH EQUIVALENTS – ₦ 38,655,187.51

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

S/N	DETAILS	AMOUNT(N)
1	Zenith Bank capital/project Account	1,238,317.97
2	First Bank Project Account	1,725.62
3	First Bank Revenue Account	835,011.08
4	Zenith Bank Salaries/overhead Account	36,516,496.01
5	First Bank Salaries/overhead Account	59,136.83
6	Cash in Hand	4,500.00
	TOTAL	38,655,187.51

16. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

17. SHORT TERM LOANS AND DEBTS – NIL

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

18. UNREMITTED DEDUCTIONS – ₦ 582,847,959.56

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward 01-01-2020	582,847,959.56
Addition for the year	
LESS: Actual Remittance during the year	(366,512,389.95)
Balance Outstanding 31-12-2020	

19.

CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

20. DEPOSITS – ₦43,788,803.20

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 1/1/2020	CURRENT YEAR ADDITION AS IN CASH FLOW STATEMENT	REMITTANCE DURING THE YEAR	BALANCE AS AT 31/12/2020
		₦	₦	₦	₦
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	-	-	22,374,672.59
5	INSPECTION FEE	1,000,000.00	-	-	1,000,000.00
	TOTAL	43,788,803.20	-	-	43,788,803.20

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - ₦ 827,630.79

This represents the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to each Yakurr Local Government in its Financial Statements for the purposes of disclosure

23. PAYABLES – ₦13,375,551.75

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Yakurr LGCs as at 31st December 2020.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

S/N	DETAILS	BALANCE B/F AS AT JAN. 2020	CURRENT YEAR ADDITIONS	REMITTANCES DURING THE YEAR	BALANCE AS AT 31/12/2020
		₦	₦	₦	₦
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

24. PROPERTY, PLANT AND EQUIPMENT

SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF YAKURR LOCAL GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER 2020

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	₦	₦	₦	₦		₦	₦
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

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 2020*** 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

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 (Cash Basis) and Generally Accepted Accounting Practice.

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

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


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

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

.....

HON. BARR. FABIAN OGBECHE
CHAIRMAN

.....
~~30th June 2021~~
DATE

.....

MR. STEPHEN O. OGAR
DIRECTOR OF FINANCE (TREASURER)

.....
30th June 2021
DATE



The Chairman,
Yala Local Government Council,
OKPOMA.

**AUDIT CERTIFICATE ON THE ACCOUNTS OF YALA 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) 431 to 433 in accordance with Section 56 (2) to (4) of the Cross-River State Local Government Law, 2007 (as amended).

MANAGEMENT'S AND AUDITORS' RESPONSIBILITIES:

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

BASIS OF AUDIT OPINION

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

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

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

AUDIT OPINION

Except for the limitations above and specific comments in the notes to the Accounts/Auditor General's Report. I am of the opinion that the Financial Statements ***give a true and fair view of the state of Affairs of Yala Local Government Council as at 31st December 2020*** 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

YALA LOCAL GOVERNMENT, OKPOMA

STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31ST DECEMBER 2020

	Note	2020	2019
ASSETS		₦	₦
Current Assets:			
Cash and Cash Equivalents	14	71,969,607.44	(131,246,577.59)
Receivables	15	534,094,774.59	441,951,127.31
Inventories			
Prepayments			
Total Current Assets (A)		606,064,382.03	310,704,549.72
Non-Current Assets			
Investments	16	158,878,724.67	158,878,724.67
Property, Plant & Equipment			
Contribution to CRS Reserve Fund	17	129,737,722.93	117,737,622.93
Total Non-Current Assets (B)		288,616,447.60	276,616,347.60
Total Assets (A) + (B)		894,680,829.63	587,320,897.32
LIABILITIES			
Current Liabilities			
Deposits	18	7,788,707.86	7,788,707.86
Short term Loans & Debts	19	0.00	
Unremitted Deductions	20	599,834,463.37	582,847,959.56
Payables (Unremitted Taxes)	23	22,659,056.58	22,666,058.57
Total Current Liabilities (C)		630,282,227.81	613,302,725.99
Non-Current Liabilities			
Long Term Borrowings (CRSG loan)	21	73,680,797.86	323,680,797.86
Internal Loans (Public Funds)		0.00	0.00
Long Term Provisions (Taxes)		0.00	0.00
Total Non-Current Liabilities (D)		73,680,797.86	323,680,797.86
Total Liabilities (C) + (D)			936,983,523.85
Net Assets (Total Assets - Total Liabilities)			(349,662,626.53)
NET ASSETS/EQUITY			
Reserves	22	827,630.79	156,140,101.47
Accumulated Surpluses/(Deficits)			(505,802,728.00)
Total Net Assets/Equity			(349,662,626.53)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

YALA LOCAL GOVERNMENT, OKPOMA

STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	Note	2020	2019
REVENUE		₦	₦
Statutory Revenue	1	2,073,377,262.32	2,175,386,632.75
Non-Tax Revenue	2	13,754,601.58	31,702,146.66
Other Revenue			53,765,155.21
Investment Income			
Other Capital Receipts	3	230,138,537.93	
Total Operating Revenue		2,317,270,401.83	2,260,853,934.62
EXPENDITURE			
Salaries Wages & Employee Benefits	4	1,871,763,175.77	1,588,048,264.23
Overhead Cost - General and Administrative Expenses	5	86,704,254.00	84,383,333.33
Transfer to Other Government Entities (Statutory deductions)	6	622,348,718.51	240,776,066.84
Total Operating Expenditure		2,580,816,148.28	1,913,207,664.40
Surplus/Deficit from Operating Activities before Capital Items		-263,545,746.45	347,646,270.22
Purchase / Construction of PPE	7	608,131,695.82	330,356,893.10
Public Debt Charges		0.00	
Depreciation		0.00	0.00
Damaged Assets		0.00	0.00
Net Surplus/(Deficit) for the Period		344,585,949.37	17,289,377.12

STATEMENT OF CHANGES IN NET ASSETS/EQUITY
FOR THE YEAR ENDED 31ST DECEMBER 2020

DETAILS	ACCUMULATED SURPLUS/(DEFICIT)	RESERVE	TOTAL
	=N=	=N=	=N=
Balance as at 31 Dec 2019	(505,802,728.00)	156,140,101.47	
Correction of Prior Year Errors (understated FAAC)	63,127,621.20	-	63,127,621.20
Adjustment of Payables			
Adjusted Opening Balance as at 01 Jan 2020			
Net Surplus for the Period			
Addition to Reserves			
Balance as at 31 Dec 2020			

Correction of Prior year adjustments is as a result of understated FAAC revenue figures for the year 2019. Adjustment of Payables is as a result of under-reported statutory deduction remittances for Yala Local government.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

YALA LOCAL GOVERNMENT, OKPOMA

STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER 2020

CASH FLOW FROM OPERATING ACTIVITIES	Note	2020	2019
Inflows:		₦	₦
Gross Statutory Allocation	1	1,407,859,288.93	1,681,788,970.00
Government Share of VAT	1	531,704,056.77	439,832,507.54
Share of Exchange Gain Difference	1	43,093,954.78	-
Other Revenue	1	126,716,812.32	53,765,155.21
Non-Tax Revenue	2	13,754,601.58	31,702,146.66
Capital Receipts	3	230,138,537.93	-
10% State IGR (Non-Tax Revenue)			-
Total Inflows from Operating Activities		2,353,267,252.31	2,207,088,779.41
Outflows:			
Deductions at Source	1	35,996,850.48	
Salaries and Wages (Social Benefits)	4	1,871,763,175.77	1,588,048,264.23
Overhead Cost	5	86,704,254.00	84,383,333.33
Statutory Deductions	6	622,348,718.51	18,971,742.05
JAAC Charges		0.00	240,776,066.84
Total Outflows from Operating Activities		2,616,812,998.76	1,932,179,406.45
Net Cashflow from Operating Activities		4,970,080,251.07	274,909,372.96
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of PPE	24		0.00
Proceeds from Sale of Investment Property		0.00	0.00
Purchase/Construction of PPE	9	608,131,695.82	330,356,893.10
Investment Expenditure		0.00	0.00
Net Cashflow from Investing Activities		-608131695.8	(330,356,893.10)
CASH FLOW FROM FINANCING ACTIVITIES			
Deposits Received		0.00	2,170,000.00
Deposits Remitted		0.00	(5,000,250.24)
Taxes Received		3,985,000.00	13,250,000.00
Tax Remitted		0.00	(9,265,000.00)
Proceeds from Borrowings (CRSG Loan)		0.00	0.00
Repayment of Borrowings	12	250,000,000.00	(222,222,222.22)
Overdraft Received		0.00	-
Overdraft Repayment		0.00	-
Net Cash Flow from Financing Activities		-246,015,000.00	(221,067,472.46)
Net Increase (Decrease) in Cash & Cash Equivalents		4,115,933,555.25	(276,514,992.60)
Prior Year Adjustment (Understated FAAC)		63,127,621.20	
Cash and its Equivalent as at 01 Jan 2020		(131,246,577.59)	145,268,415.01
Cash and its Equivalent as at 31 Dec 2020			(131,246,577.59)

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

YALA LOCAL GOVERNMENT, OKPOMA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL
FOR THE YEAR ENDED 31ST DECEMBER 2020

	ORIGINAL AND FINAL BUDGET 2020	ACTUAL ON COMPARABLE BASIS 2020	DIFFERENCE 2020
	N	N	N
RECEIPTS:			
Gross Statutory Allocation	2,219,571,968.0	2,073,377,262.32	
Internally Generated Revenue	37,000,000.00	13,754,601.58	
Capital Receipts		230,138,537.93	
Cross River State Government Loan	50,000,000.00	0.00	
Total Receipts	2,306,571,968.	2,317,270,401.83	
PAYMENTS			
Salaries and Wages	1,570,947,814.0	1,871,763,175.77	
Statutory Deductions	841,048,073.00	622,348,718.51	
Overhead / Operating Expenditure	69,547,000.00	86,704,254.00	
Purchase/Construction of PPE	1,741,576,266.0	608,131,695.82	
Investment Expenditure	12,000,000.00	0.00	
Total Payments	4,235,121,153.	3,188,947,844.10	
NET SURPLUS (DEFICIT)	-1,928,549,185.00	-871,677,442.27	

YALA LOCAL GOVERNMENT, OKPOMA

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 2020

Statement of Financial Position as at 31 December 2020

Statement of Financial Performance for the year 31st December 2020

Statement of Comparison of Budget and Actual Information for the year ended 31 December 2020

Statement of Changes in Net Assets for the year ended 31 December 2020

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, Cross River Micro Finance bank and Cally Air. 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 o 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.

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Key to Abbreviations

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

NOTES TO THE FINANCIAL STATEMENTS

(A) GROSS STATUTORY ALLOCATION - ₦1,407,859,288.93

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.

S/N	MONTH	(A) STATUTORY ALLOCATION	(B) VAT	(D) SHARE OF EXCHANGE GAIN DIFFERENCE	(D) OTHER REVENNUE	DEDUCTIONS AT SOURCE	TOTAL
1	JAN.	150,756,265.41	41,416,057.56	307,314.98		(2,372,129.21)	190,107,508.74
2	FEB.	135,198,563.29	37,752,305.85	269,868.82	4,962,782.32	(2,372,129.21)	175,811,391.07
3	MARCH	119,397,055.30	36,077,102.66	194,737.67	3,869,922.52	(2,372,129.21)	157,166,688.94
4	APRIL	120,984,571.12	43,311,707.83	16,544,834.09		(2,372,129.21)	178,468,983.83
5	MAY	94,350,472.96	33,997,301.33	7,015,580.82	33,018,402.34	-	168,381,757.45
6	JUNE	106,433,479.61	37,404,726.28	7,330,469.67	296,725.78	-	151,465,401.34
7	JULY	111,802,564.15	46,407,039.34	11,431,148.74	14,633,366.16	-	184,274,118.39
8	AUG.	141,493,805.31	47,650,709.96			-	189,144,515.27
9	SEPT.	139,971,152.25	54,144,866.34			(6,627,083.41)	187,488,935.18
10	OCT.	89,516,982.11	51,127,297.89		41,570,927.35	(6,627,083.41)	175,588,123.94
11	NOV.	92,330,776.12	45,655,876.20		26,361,447.68	(6,627,083.41)	157,721,016.59
12	DEC.	105,623,601.31	56,759,065.53		2,003,238.16	(6,627,083.41)	157,758,821.59
	TOTAL	1,407,859,288.93	531,704,056.77	43,093,954.78	126,716,812.32	-35,996,850.48	2,073,377,262.32

1b. (B) GOVERNMENT SHARE OF VAT (VALUE ADDED TAX) – ₦531,704,056.77

This represents Federal Revenue arising from Value Added Tax (VAT) for Yala Local Government Council for the year ended 31st December 2020.

1c. (C) SHARE OF EXCHANGE GAIN DIFFERENCE –N43,093,954.78

This represents the 18 LGAs share of Exchange Gain Difference as seen in table 1, for Yala Local Government Council for the year ended 31st December 2020.

1d. (D) OTHER REVENUE – ₦126,716,812.32

This represents revenue other than statutory receipts from the Federation for Yala Local Government Council for the year ended 31st December 2020.

MONTH	Share of Stabilization Fund	Share of Forex Equalization Account	Distribution of Excess Bank Charges Recovered	Share of Solid Minerals	FGN Intervention Fund	Distribution from Non Oil Revenue	TOTAL
JAN.							
FEB.			192,890.29			4,769,892.03	4,962,782.32
MARCH		3,869,922.52					3,869,922.52
APRIL							
MAY			328,403.23	2,262,840.86		30,427,158.25	33,018,402.34
JUNE			296,725.78				296,725.78
JULY						14,633,366.16	14,633,366.16
AUG.							
SEPT.							
OCT.		10,068,216.69			18,332,681.12	13,170,029.54	41,570,927.35
NOV.	5,853,346.46	1,882,362.96	293,057.14		18,332,681.12		26,361,447.68
DEC.		2,003,238.16					2,003,238.16
TOTAL	5,853,346.46	17,823,740.34	1,111,076.43	2,262,840.86	36,665,362.24	63,000,445.98	126,716,812.32

1e. (E) DEDUCTIONS AT SOURCE - (₦35,996,850.48)

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

2. NON-TAX REVENUE (IGR) – ₦13,754,601.58

Non-tax revenue comprises of the Internally Generated Revenue (IGR) of Yala Local Government Council for the year ended 31st December 2020; summarized and detailed monthly as seen below.

CODE	DETAILS	ACTUAL 2020
		₦
101000	TAXES	0.00
102000	RATES	915,451.58
103000	LOCAL LICENCE FEES	1,494,000.00
104000	EARNINGS FROM COMMERCIAL UNDERTAKINGS	9,218,650.00
105000	RENT ON GOVERNMENT PROPERTY	30,000.00
106000	INTEREST ON DIVIDENDS	-
107000	REIMBURSEMENT	-
108000	MISCELLANEOUS	2,096,500.00
	TOTAL	13,754,601.58

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

Month	101000	102000	103000	104000	105000	108000	TOTAL
January	-	-	301,000	700,850	-	152,500	1,533,246.45
February	-	779,467.72	154,000	866,000	-	-	1,476,000.00
March	-	135,983.86	101,000	775,500	-	60,000	1,572,951.58
April	-	-	-	241,000	-	-	616,900.00
May	-	-	76,000	710,000	-	-	338,000.00
June	-	-	-	892,350	-	22,500	2,233,450.00
July	-	-	9,000	1,732,500	25,000	147,500	905,000.00
August	-	-	32,000	493,000	-	309,500	1,843,123.03
September	-	-	311,500	938,000	5,000	152,500	973,400.00
October	-	-	188,000	414,500	-	451,000	570,200.00
November	-	-	176,000	606,850	-	315,000	997,100.00
December	-	-	145,500	848,100	-	486,000	738,100.00
TOTAL	-	915,451.58	1,494,000	9,218,650	30,000	2,096,500	13,754,601.58

3. CAPITAL RECEIPTS – ₦230,138,537.93

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

4. SALARIES AND WAGES – ₦ 1,871,763,175.77

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.

SALARIES AND WAGES & EMPLOYEE BENEFITS		
S/N	DESCRIPTION	AMOUNT(₦)
1	Traditional Rulers Allowances	47,370,000.00
2	Primary Health Care Salaries	278,764,624.54
3	Non-Pensionable Allowances	68,460,000.00
4	Council Staff Salaries	185,998,019.48
5	Political Office Holders	37,678,218.13
6	Pension Allowances	380,045,942.15
7	SUBEB - Teacher's Salaries	873,446,371.47
	TOTAL	1,871,763,175.77

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

MONTH	COUNCIL STAFF	TRADITIONAL RULERS COUNCIL	NON PENSIONABLE ALLOWANCE	SUBEB	PUBLIC HEALTH CARE	POL. OFFICE HOLDERS	SOCIAL BENEFITS	TOTAL
JANUARY	14,632,635.19	4,147,500.00	1,000,000.00	65,368,402.56	20,882,742.35	-	29,860,248.00	135,891,528.10
FEBRUARY	14,536,555.69	4,147,500.00	1,000,000.00	65,247,401.29	20,882,742.35	-	29,860,248.00	135,674,447.33
MARCH	16,392,676.79	3,907,500.00	1,000,000.00	73,615,149.29	24,066,384.72	-	29,957,792.90	148,939,503.70
APRIL	16,068,675.11	3,907,500.00	1,000,000.00	73,325,023.40	24,015,877.02	-	29,957,792.90	148,274,868.43
MAY	16,188,833.23	3,907,500.00	1,000,000.00	73,223,370.19	24,015,877.02	-	30,418,446.92	148,754,027.36
JUNE	15,961,680.36	3,907,500.00	1,000,000.00	72,946,793.08	23,858,367.38	-	30,829,942.27	148,504,283.09
JULY	15,961,680.36	3,907,500.00	1,000,000.00	75,579,433.80	23,575,918.10	6,937,461.82	10,176,611.17	137,138,605.25
AUGUST	15,931,456.90	3,907,500.00	1,000,000.00	75,492,722.58	23,515,214.06	3,468,730.91	41,337,611.44	164,653,235.89
SEPTEMBER	15,218,085.19	3,907,500.00	1,000,000.00	75,236,541.21	23,588,093.67	6,826,106.35	45,282,184.50	171,058,510.92
OCTOBER	15,153,929.25	3,907,500.00	1,000,000.00	74,856,913.72	23,588,093.67	6,815,306.35	34,807,847.22	160,129,590.21
NOVEMBER	15,016,319.35	3,907,500.00	29,230,000.00	74,407,410.87	23,530,401.47	6,815,306.35	35,892,225.00	188,799,163.04
DECEMBER	14,935,492.06	3,907,500.00	29,230,000.00	74,147,209.48	23,244,912.73	6,815,306.35	31,664,991.83	183,945,412.45
TOTAL	185,998,019.48	47,370,000.00	68,460,000.00	873,446,371.47	278,764,624.54	37,678,218.13	380,045,942.15	1,871,763,175.77

5. OVERHEAD COST – N86,704,254.00

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

CODE	DESCRIPTION	ACTUAL PAID BY COUNCIL 202	TOTAL
		N	N
431200	TRAVEL AND TRANSPORT	9,101,500.00	9,101,500.00
431300	UTILITES	14,277,000.00	14,277,000.00
431400	MATERIALS AND SUPPLIES	1,381,400.00	1,381,400.00
431500	MAINTENANCE, REPAIRS AND SERVICES	2,640,850.00	2,640,850.00
431600	TRAINING AND STAFF DEVELOPMENT	-	
431700	CONSULTANCY AND PROFESSIONAL SERVICES	5,850,000.00	5,850,000.00
431800	FINANCE EXPENSES	33,006.52	33,006.52
431900	ENTERTAINMENT AND HOSPITALITY	4,342,500.00	4,342,500.00
432100	OTHER SERVICES	30,726,270.82	30,726,270.82
432200	GRANTS, CONTRIBUTION, SUBVENTION AND SUBSCRIPTION		
115000	CRF CHARGES	18,351,726.66	18,351,726.66
	TOTAL	86,704,254.00	86,704,254.00

6. STATUTORY DEDUCTIONS – N622,348,718.51

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	DETAILS REMMITANCE TO AGENCIES	AMOUNT (₦)
1	RUDA DEVELOPMENT AGENCY	59,986,989.63
2	STATE ELECTRICIFICATION AGENCY	53,022,864.70
3	JOINT ISSUE SECURITY	48,721,673.57
4	LOCAL GOVERNMENT ADMINISTRATION	55,325,385.24
5	LOCAL GOVERNMENT SERVICE COMMISSION	45,240,762.75
6	JOINT SOCCIAL WELFARE	40,732,052.41
7	BOARDER COMMUNITY DEVELOPMENT	46,366,411.19
8	SPORTS DEVELOPMENT	52,412,577.73
9	ENVIRONMENTAL MANAGEMENT AND	51,899,347.91
10	OVERSIGHT FUNCTION (CRSHA)	35,323,108.94
11	COMMUNITY AND SOCIALDEVELOPMENT	40,856,755.75
12	CRUTECH	42,683,012.69
13	INSFACTRUTURE FUND	49,777,776.00
	TOTAL	622,348,718.51

7. JAAC CHARGES – NIL

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

8. INVESTMENT EXPENDITURE – NIL

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

9. PURCHASE/CONSTRUCTION OF PPE -N 608,131,695.82

During the year under review, the Yala LGC spent a total sum of N689.4mm on Purchase and Construction of PPE (Property, Plant and Equipment).

CODE	DETAILS	ACTUAL COUNCIL PAYMENT 2020	TOTAL
17000	COMMERCE AND FINANCE	14,763,150.90	14,763,150.00
18000	TRANSPORTATION ROAD AND BRIDGES)	106,877,107.32	106,877,107.32
19000	CULTURE AND TOURISM	28,055,000.00	28,055,000.00
21000	AGRICULTURE	7,727,101.27	7,727,101.27
22000	FORESTRY	63,879,262.75	63,879,262.75s
23000	ENERGY (FUEL AND POWER)	200,000.00	200,000.00
24000	COMMERCE AND FINANCE	67,321,604.12	67,321,604.12
30000	WATER SUPPLY	214,900.00	214,900.00
32000	SEWAGE AND DRAINAGE	32,000.00	32,000.00
33000	HOUSING	11,847,000.00	11,847,000.00
34000	TOWN & COUNTRY PLANNING	2,520,000.00	2,520,000.00
35000	ENVIRONMENT/REFUSE DISPOSAL	35,035,701.15	35,035,701.15
40000	GENERAL ADMINISTRATION	269,658,868.31	269,658,868.31
	GRAND TOTAL	608,131,695.82	608,131,695.82

10. DEPOSITS RECEIVED AND REMITTED – NIL

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.

11. TAXES RECEIVED AND REMITTED –N 3,985,000.00

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

TAXES RECEIVED AND REMITTED			
DETAIL	TAXES RECEIVED	TAXES REMITTED	AMOUNT (N)
BALANCE BROUGHT FORWARD	3,985,000.00	-	3,985,000.00
ADDITIONS FOR THE YEAR	0.00	0.00	0.00
BALANCE CARRIED FORWARD	3,985,000.00	NIL	3,985,000.00

12. REPAYMENT OF BORROWINGS – N250,000,000.00

In the year 2020, Abi Local Government repaid 250m of its outstanding loan to the State government, advanced to offset salary shortfalls.

Outstanding Loan	- 323,680,797.86
Repayment	- <u>250,000,000.00</u>
Balance	= <u>73,680,797.86</u>

13. OVERDRAFT RECEIVED NIL AND NIL

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

14. CASH AND CASH EQUIVALENTS – N 71,969,607.44

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

S/N	NAME OF BANK	BALANCE AS AT 31-12-20
1	ZENITH, OGOJA- IGR(REVENUE)	131,751.21
2	ECOBANK, OGOJA - IGR ACCOUNT	7,190.13
3	FIRST BANK PLC, OGOJA - UNCLAIMED SALARIES A/C	2,022.17
4	FIRST BANK PLC, OGOJA - SALARIES & OVERHEAD A/C	64,426,474.76
	SUB TOTAL	65,567,438.27
5	ECOBANK, OGOJA - CAPITAL ACCOUNT	72,411.55
6	ZENITH, OGOJA - CAPITAL ACCOUNT	6,359,207.04
	SUB TOTAL	6,431,618.59
	CASH AT BANK	70,999,056.86
7	CASH AT HAND	970,550.58
	CASH AND CASH EQUIVALENT AS AT 31/12/2020	71,969,607.44

15. RECEIVABLES – ₦534,094,774.59

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	441,951,127.31
10% State IGR	92,143,647.28
Remittance for the Period	0.00
Balance Carried forward	534,094,774.59

16. INVESTMENTS – ₦158,878,724.60

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

DETAILS	AMOUNT
INVESTMENTS BFWD 01-01-2020	158,878,724.67
ADDITION DURING THE YEAR	0.00
TOTAL	158,878,724.67

17. CONTRIBUTION TO CROSS RIVER STATE RESERVE FUND - ₦ 129,737,722.93

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

MONTH	DETAILS	2020
Balance brought forward 01 Jan 2020		117,737,722.93
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		129,737,722.93

18. DEPOSITS – ₦7,788,707.86

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

S/N	DETAILS	BALANCE AS AT 01-01-2020	ADDITIONS DURING THE YEAR	PAYMENTS/R EMISSANCE	BALANCE AS AT 31-12-20
		₦	₦	₦	₦
1	UNCLAIMED SALARIES	4,812,443.09	-	-	4,812,443.09
2	SALARIES DEPOSIT	134,254.70	-	-	134,254.70
3	RETENTION FEE	1,876,766.55	-	-	1,876,766.55
	TOTAL	7,788,707.86			7,788,707.86

19. SHORT TERM LOANS AND DEBTS – NIL

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

20. UNREMITTED DEDUCTIONS – ₦ 599,834,463.37

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

UNREMITTED DEDUCTIONS	AMOUNT (₦)
Balance Brought Forward 01-01-2020	582,847,959.56
Addition for the year	639,335,222.32
	1,222,183,181.88
LESS: Actual Remittance during the year	(622,348,718.51)
Balance Outstanding 31-12-2020	599,834,463.37

21. LONG TERM LOANS/BORROWINGS (CRSG LOAN) – ₦73,680,797.86

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

DETAILS	AMOUNT(N)
Long term Loan brought forward	323,680,797.86
Repayment during the year	(250,000,000.00)
BALANCE CARRIED FORWARD	73,680,797.86

22. RESERVES - ₦ 827,630.79

This represents Yala LGC's share of the cumulative total amounts of undistributed balances on the State Local Government Joint Account as at 31st December for the year 2020, apportioned to Yala Local Government in its Financial Statements for the purposes of disclosure.

23. PAYABLES – ₦22,659,056.58

This represents the total amount of unremitted taxes, staff claims, salaries and other contractual obligations unpaid and owed by the Yala LGCs as at 31st December 2020.

S/N	DETAILS	BAL B/F 01-01-2020	CURRENT YEAR ADDITIONS	REMITTANCE S DURING THE YEAR	BALANCE AS AT 31-12-2020
1	5% CONTRACTORS' TAX	11,329,528.29	-	-	11,329,528.29
2	5% VALUE ADDED TAX	11,329,528.29	-	-	11,329,528.29
	TOTAL	22,659,056.58	-	-	22,659,056.58

24. PROPERTY, PLANT AND EQUIPMENT**SCHEDULE OF PROPERTY, PLANT & EQUIPMENT OF YALA LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020**

Month	Land & Buildings	Computer & Office Equipment	Furniture & Fittings	Motor Vehicles	Medical and Laboratory Equipment	Plant & Machinery	Total
	N	N	N	N		N	N
January	-	-	-	-		-	-
February	-	-	-	-		-	-
March	-	-	-	-		-	-
April	-	-	-	-		-	-
May	-	-	-	-		-	-
June	-	-	-	-		-	-
July	-	-	-	-		-	-
August	-	-	-	-		-	-
September	-	-	-	-		-	-
October	-	-	-	-		-	-
November	-	-	-	-		-	-
December	-	-	-	-		-	-
TOTAL							

Note: Cross River State Local Government Councils are still within the three-year transitional period after the first-time adoption of Accrual basis IPSAS, PPE are yet to be fully valued and reported.

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 2020.

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 2020*** 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 2020

INCOME	NOTES	2020	2019
GROSS STATUTORY ALLOCATION	1	22,552,079,639.94	26,933,543,825.69
VALUE ADDED TAX	1	8,638,470,919.74	7,149,577,899.45
EXCESS BANK CHARGES	1	17,798,003.19	65,138,927.60
SHARE OF EXCHANGE DIFFERENCE	1	8,638,470,919.74	45,784,526.86
SHARE OF FOREX EQUALIZATION	1	285,513,200.68	233,533,459.55
NON-OIL REVENUE	1	1,009,185,425.18	224,328,020.12
DISTRIBUTION OF SOLID MINERAL	1	36,247,775.41	216,170,637.56
FGN INTERVENTION FUND	1	587,331,543.58	40,786,912.15
STABILISATION FUND	1	93,763,017.81	35,485,560.38
LOAN FROM CRSG	2	-	5,000,000,000.00
TOTAL (A)		41,858,860,445.26	39,944,349,769.36
EXPENDITURE			
FAAC DEDUCTIONS AT SOURCE	1	631,355,069.92	
WAGES, SALARIES & EMPLOYEE BENEFITS	3	25,507,529,738.17	22,915,032,607.67
CAPITAL RELEASES TO COUNCILS	4	3,759,055,787.02	5,286,318,897.41
OVERHEAD	5	718,549,999.99	174,570,455.09
STATUTORY DEDUCTIONS	6	10,503,218,737.32	2,844,953,610.40
TOTAL (B)		41,119,709,332.42	31,220,875,570.57
NET SURPLUS/DEFICIT (A) - (B)		739,151,112.84	8,723,474,198.79
BALANCE B/FWD 01-01-2020		15,276,573,531.10	6,553,099,332.22
BALANCE C/FWD 31-12-2020		<u>16,015,724,643.94</u>	<u>15,276,573,531.01</u>

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

NOTES TO THE ACCOUNTS

1. SCHEDULE OF FAAC STATUTORY ALLOCATION - N 33,279,343,712.93

This represents the gross statutory allocation shared to the 18 LGAs of Cross River State received by JAAC in various months from the Federation Account, it includes VAT, Exchange gain difference, Excess bank charges, non-oil revenue, solid minerals share, Federal Government intervention and stabilization funds and deductions of N631.5m were also made at source.

MONTH	GROSS	VAT	EXCHANGE GAIN	EXCESS BANK CHARGES	NON-OIL REVENUE	FOREX EQUALISATION	SOLID MINERALS	FGN INTERVENTION FUND	STABILISATION FUND	DEDUCTIONS	TOTAL ALLOCATION
	N	N	N	N	N	N	N	N	N	N	N
JAN	2,414,919,822.20	672,909,028.93	4,922,787.31							-38,551,266.10	3,054,200,372.34
FEB	2,165,705,614.58	613,313,315.78	4,322,948.39	3,089,852.22	76,407,483.22					-38,551,266.10	2,824,287,948.09
MAR	1,912,585,953.04	586,451,013.17	3,119,444.86			61,991,139.08				-38,551,266.10	2,525,596,284.05
APR	1,938,015,897.25	703,576,986.46	265,026,781.41							-38,551,266.10	2,868,068,399.02
MAY	1,511,372,192.49	552,211,100.95	112,380,504.61	5,260,593.74	487,403,607.35		36,247,775.41				2,704,875,774.55
JUN	1,704,926,285.82	607,616,634.44	117,424,615.51	4,753,162.04							2,434,720,697.81
JUL	1,790,932,055.87	753,882,752.91	183,112,175.23		234,407,544.53						2,962,334,528.54
AUG	2,266,547,226.01	773,870,776.98									3,040,418,002.99
SEPT	2,242,156,299.07	879,632,153.64								-119,287,501.38	3,002,500,951.33
OCT	1,433,945,938.66	830,608,478.75			210,966,790.08	161,279,771.67		293,665,771.79		-119,287,501.38	2,811,179,249.57
NOV	1,479,019,268.88	741,855,727.45		4,694,395.19		30,153,013.01		293,665,771.79	93,763,017.81	-119,287,501.38	2,523,863,692.75
DEC	1,691,953,086.07	922,542,950.28				32,089,276.92				-119,287,501.38	2,527,297,811.89
	22,552,079,639.94	8,638,470,919.74	690,309,257.32	17,798,003.19	1,009,185,425.18	285,513,200.68	36,247,775.41	587,331,543.58	93,763,017.81	-631,355,069.92	33,279,343,712.93

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	ADHOC ALLOWANCES	ADHOC ALLOWANCES	TOTAL
	₦	₦	₦	₦
ABI	1,410,072,251.02			1,410,072,251.02
AKAMKPA	1,319,206,817.23			1,319,206,817.23
AKPABUYO	912,001,657.25			912,001,657.25
BAKASSI	571,322,738.87			571,322,738.87
BEKWARRA	1,105,623,834.04	13,650,000.00	13,650,000.00	1,132,923,834.04
BIASE	1,350,579,207.91			1,350,579,207.91
BOKI	1,852,861,136.30			1,852,861,136.30
CALABAR MUNICIPAL	1,432,086,234.63			1,432,086,234.63
CALABAR SOUTH	1,068,425,688.92			1,068,425,688.92
ETUNG	864,451,061.35			864,451,061.35
IKOM	1,648,039,390.34			1,648,039,390.34
OBANLIKU	1,446,726,659.43	11,580,000.00	11,580,000.00	1,469,886,659.43
OBUBRA	1,510,591,283.14			1,510,591,283.14
OBUDU	1,971,731,495.16	17,580,000.00	17,580,000.00	2,006,891,495.16
ODUKPANI	1,515,534,699.58			1,515,534,699.58
OGOJA	1,741,859,971.59	18,270,000.00	18,270,000.00	1,778,399,971.59
YAKURR	1,736,092,435.64			1,736,092,435.64
YALA	1,871,763,175.77	28,200,000.00	28,200,000.00	1,928,163,175.77
TOTAL	25,328,969,738.17	89,280,000.00	89,280,000.00	25,507,529,738.17

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.

MONTH	AMOUNT (₦)
JANUARY	65,000,000.00
FEBRUARY	45,000,000.00
MARCH	57,600,000.00
APRIL	984,500,000.00
MAY	98,000,000.00
JUNE	145,523,684.05
JULY	370,717,103.00
AUGUST	1,603,000,000.00
SEPTEMBER	112,500,000.00
OCTOBER	115,215,000.00
NOVEMBER	150,000,000.00
DECEMBER	12,000,000.00
TOTAL	3,759,055,787.05

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

4. SCHEDULE OF OVERHEAD EXPENDITURE RELEASES TO COUNCILS

This comprises of all the releases made from JAAC to the 18 LGAs in various months for overhead expenditure and general and administrative expenses.

MONTH	AMOUNT (₦)
JANUARY	-
FEBRUARY	39,600,000.00
MARCH	-
APRIL	-
MAY	5,350,000.00
JUNE	18,600,000.00
JULY	88,000,000.00
AUGUST	21,000,000.00
SEPTEMBER	210,000,000.00
OCTOBER	31,000,000.00
NOVEMBER	
DECEMBER	305,000,000.00
TOTAL	718,550,000.00

5. SCHEDULE OF STATUTORY DEDUCTIONS TO 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.

MONTH	AMOUNT (₦)
NOV, DEC 2019 & JAN 2020	2,689,299,137.01
FEB & MARCH 2020	1,841,297,293.74
APRIL 2020	782,934,848.04
MAY 2020	889,101,203.74
JUNE 2020	826,560,597.59
JULY 2020	755,063,416.28
AUGUST 2020	845,657,365.08
SEPTEMBER 2020	942,529,580.93
OCTOBER 2020	930,775,294.91
TOTAL	10,503,218,737.32

GOVERNMENT OF CROSS RIVER STATE OF NIGERIA

5. BANK BALANCES AS AT 31ST DECEMBER 2020

S/N	DETAILS	TOTAL(N)
1	CRS JOINT LOCAL GOVTS ACCOUNT	2,528,650,438.07
2	CRS JOINT LOCAL GOVTS ACCOUNT- SALARY	14,897,354.29
3	CRS JOINT LOCAL GOVTS ACCOUNT - SPECIAL PROJECT	5,459,718,544.55
4	CRS JOINT LOCAL GOVTS ACCOUNT - REVENUE	2,748,507.17
	TOTAL	8,006,014,844.08





OUR VISION

TO BE A FIRST CLASS AGENT OF
ACCOUNTABILITY AND ENSURING
VALUE FOR MONEY ON EVERY
PUBLIC EXPENDITURE