

**GOVERNMENT OF ABIA STATE  
OF NIGERIA**



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



**ON THE**

**ACCOUNTS OF ISUIKWUATO LOCAL  
GOVERNMENT, MBALANO**

**FOR THE YEAR ENDED  
DECEMBER 31, 2023**

**OFFICE OF THE AUDITOR-GENERAL  
FOR LOCAL GOVERNMENTS  
ABIA STATE**

# **ISUIKWUATO LOCAL GOVERNMENT MBALANO**

## **ISUIKWUATO LOCAL GOVERNMENT AUDIT STATUTORY REPORTS**

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# GOVERNMENT OF ABIA STATE OF NIGERIA

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OFFICE OF THE AUDITOR-GENERAL  
FOR LOCAL GOVERNMENTS  
LOCAL GOVT. AUDIT HEADQUARTERS  
PRIVATE MAIL BAG 7030  
UMUAHIA, ABIA STATE

LOGAUD/AR/01/ISU/10

June 26, 2024

## AUDIT CERTIFICATE

The general purpose Financial Statements of **Isuikwuato Local Government** for year ended December 31, 2023 have been examined by me, in accordance with sections 125(2) of the constitution of Federal Republic of Nigeria 1999; 101(1) Of Abia State Local Government Law No 2 2006; and 30 (1) of Abia State Audit Law 2021.

The audit was conducted in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Guidelines. The Financial Statements were prepared in line with IPSAS Accrual Basis.

All funds, including allocation by the State/Local Government Joint Accounts Allocation Committee (SLGJAAC) as at December 31, 2023 was recognized in the financial statements. I confirm that the information in the State Local Government Joint Accounts Allocation Committee (SLGJAAC) records are in accordance with the FAAC receipts in the financial statements of Isuikwuato Local Government for the year 2023. Thus I attest the completeness of State/Local Government Joint Accounts Allocation Committee (SLGJAAC) funds as contained in the financial statements based on the available records.

I obtained all relevant information and explanations required for the purpose of the audit; and certify that in my opinion, the **General Purpose Financial Statements** give a **true and fair** view of the state of affairs and financial position of the **Local Government** as at December 31, 2023 in accordance with international Public Sector Accounting Standards Accrual basis, subject to observations in this report.

**SIR AMAJUOYI BARTHOLOMEW CHIDIEBERE** ACMA,CNA

Ag. Auditor General for Local Governments,  
Abia State.



# GOVERNMENT OF ABIA STATE NIGERIA

## ISUIKWUATO LOCAL GOVERNMENT MBALANO

### REPPONSIBILITY FOR THE FINANCIAL STATEMENTS

The General Purpose financial statements have been prepared by the Treasurer of **Isuikwuato Local Government** in accordance with the provisions of the Finance (control and management) Act 1958 as amended. The financial Statements comply with International Public Sector Accounting Standards Accrual Basis for Public Sector Entities (PSE) in Nigeria.

2. To the best of our knowledge, the system of internal control operated adequately throughout the reporting period and the financial statements represents true and fair view of financial position of the Local Government.

3. We accept responsibility for the integrity of these financial statements, the information they contain and their compliance with the Finance (Control and Management) Act 1958 as amended; International Public Sector Accounting Standards (IPSASs); and other extant financial regulations.

4. In our opinion, these financial statements fairly reflect the financial position of Isuikwuato Local Government as at December 31, 2023.

**Treasurer**

Sign: [Signature]

Name: Okwue Okwue

Date: 26-6-2024

**Chairman**

Sign: [Signature]

Name: A/M Chiowerda Onike

Date: 26/6/2024

# **REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF ISUIKWUATO LOCAL GOVERNMENT, MBALANO, FOR THE YEAR ENDED DECEMBER 31, 2023.**

## **INTRODUCTION**

The general purpose Financial Statements of **Isuikwuato Local Government** for year ended December 31, 2023 have been examined by me, in accordance with sections 125(2) of the constitution of Federal Republic of Nigeria 1999; 101(1) Of Abia State Local Government Law No 2 2006; and 30 (1) of Abia State Audit Law 2021. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the assets have also been substantiated. The audited financial statements and inspection reports were issued to Abia State House of Assembly, the Executive Governor and all concern authorities in accordance with relevant statutory provisions of the law.

## **2. STATEMENT OF FINANCIAL RESPONSIBILITY**

It is the responsibility of the Treasurer of Isuikwuato Local Government to prepare and present the Financial Statements to the Auditor-General in accordance with the appropriate section of the constitution of Federal Republic of Nigeria 1999 and Finance (Control and Management) Act 1958, as amended within 90 days after the expiration of the financial year.

## **3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL**

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Treasurer of Isuikwuato Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

## **4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)**

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Report of the Auditor-General with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

## **5. BASIS OF OPINION**

The Audit was conducted in accordance with International Standards on Auditing (ISA), Generally Accepted Public Sector and INTOSAI Auditing Standards. These standards require compliance with ethical requirements, to plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. Also, evaluation of the overall adequacy of the presentation of information in the financial statements. In the course of the

Audit, I obtained all the information and explanations that to the best of my knowledge and belief were necessary for the purpose of the audit and I believe that the audit evidence obtained is sufficient and appropriate to provide basis for independent opinion.

## **6. OPINION**

In my opinion, the Financial Statements which included Statement of Financial performance, Statement of Financial position, Statement of Cash Flow, Statement of change in Net Assets/Equity and Statement of Comparison of Budget and as at 31st December, 2023 with supporting notes, give a true and fair view of the State of Affairs and Financial Position of the Local Government for the fiscal year ended on 31<sup>st</sup>December, 2023 in line with IPSAS, subject to the observations and comments in the Audit Inspection Report.

## **7. BUDGET OVERVIEW AND PERFORMANCE**

The Statement of Comparison of Budget Estimates and Actual Performance for the year ended December 31, 2023 was prepared and presented in compliance with IPSAS Accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2023 budget recorded a good performance. An estimate was made for ₦2,386,979,020.00 while actual Revenue recorded stood at ₦2,616,296,870.45. This is about 109.61% performance. Rise, the IGR of ₦7,064,629.99 represents only 0.30% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.
- ii. The sum of ₦2,386,979,020.00 only was budgeted for expenditure. But only ₦2,501,801,225.33 was actually incurred, resulting to a excess of ₦114,822,205.33 for the period.

## **8. REVENUE ACCOUNT**

A total sum of ₦2,616,296,870.45 was earned as total Revenue as at December 31, 2022 out of which only 0.27% (₦7,064,629.99) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation. On the basis of comparison, the IGR for the current year recorded a surplus of 1.75% over that of previous year. **Details of this report is contained in the statement of Budget Comparison for the year 2023.**

## 9. AUTHORITY FOR EXPENDITURE

All expenditure reported in the statement of actual expenditure for the year under reference were authorized as provided by section 78(1) of the Local Government Law 2006 with the exceptions as contained in audit inspection report.



**SIR AMAJUOYI BARTHOLOMEW CHIDIEBERE** *ACMA, CNA*

Ag. Auditor General for Local Governments,  
Abia State.

***Dated this 26th Day of June 2024***


**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST  
DECEMBER, 2023**

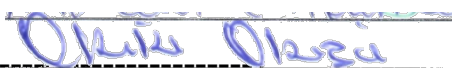
Previous Year Actual (2022)		Notes	Actual 2023	Final Budget 2023	Supplementary Budget 2023	Initial/ Original Budget 2023	Variance on Final Budget
₦			₦	₦	₦	₦	₦
			A	B(C+D)	C	D	E (B-A)
	<b>REVENUE</b>						
1,413,102,737.93	Government Share of FAAC (Statutory Revenue)	1	1,659,966,186.89	2,341,450,270.00	-	2,341,450,270.00	681,484,083.11
741,232,266.83	Government Share of VAT	2	945,596,493.07	-	-	-	(945,596,493.07)
218,600.00	Tax Revenue	3	130,400.00	4,300,000.00		4,300,000.00	4,169,600.00
18,307,308.11	Non-Tax Revenue	4	7,064,629.99	41,228,750.00	-	41,228,750.00	34,164,120.01
256,500.00	Investment Income	5			-		
	Interest Earned	6					
207,631,413.00	Aid & Grants	7					
	Debt Forgiveness	8	--	--	--		
161,764,705.88	Other Capital Revenue	9					
	Transfer from other Government Entities	10					
<b>2,542,513,531.75</b>	<b>Total Revenue (a)</b>		<b>2,612,757,709.95</b>	<b>2,386,979,120.00</b>		<b>2,386,979,120.00</b>	<b>(225,778,689.95)</b>
	<b>EXPENDITURE</b>						
622,922,685.29	Salaries & Wages	11	291,516,610.79	1,191,004,340.00		1,191,004,340.00	899,487,729.21
	Social Benefits	12					
303,725,900.00	Overhead Cost	13	430,503,722.14	119,348,950.00		119,348,950.00	(311,154,772.14)
	Inventory	14					
	Gratuity	15					
18,494,375.00	Depreciation Charges	16	16,629,556.25	-		-	(16,629,556.25)
	Impairment Charges	17					
	Amortization Charges	18					
	Bad Debts Charges	19					
	Public Debt Charges	20			-		
1,376,780,378.57	Transfer to other Government Entities	21	1,763,251,36.15	599,229,920.00		599,229,920.00	(1,164,021,416.15)
<b>2,321,923,338.86</b>	<b>Total Expenditure (b)</b>		<b>2,651,091,429.96</b>	<b>1,909,583,210.00</b>		<b>1,909,583,210.00</b>	<b>(741,508,219.96)</b>
220,590,192.89	<b>Surplus/(Deficit) from Operating Activities for the Period c=(a-b)</b>		<b>110,956,484.62</b>				--
	Gain/ Loss on Disposal of Asset						
	Gain/Loss on Foreign Exchange Transaction						



	Share of Surplus/(Deficit) in Associates & Joint Ventures						
220,590,192.89	<b>Total Non-Operating Revenue/(Expenses) (d)</b>		<b>110,956,484.62</b>				
220,590,192.89	<b>Surplus/(Deficit) from Ordinary Activities e=(c+d)</b>		<b>110,956,484.62</b>				
	Minority Interest Share of Surplus/ (Deficit) (f)						
220,590,192.89	<b>Net Surplus/ (Deficit) for the Period g=(e-f)</b>		<b>110,956,484.62</b>				

**Treasurer**

Sign: 

Name: 

Date: 26-6-2024

**Chairman**

Sign: 

Name: 

Date: 26/6/2024

**ISUIKWUATO LOCAL GOVERNMENT**  
**MBALANO**

**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2023**

	Notes	2023		2022	
		₦	₦	₦	₦
<b><u>ASSETS</u></b>					
<b>Current Assets</b>					
Cash and Cash Equivalents	22	68,706,745.69		(3,539,,100.50)	
Receivables	23	21,481,000.00		300,000.00	
Inventory	24	236,647,159.72		282,437,891.86	
<b>Total Current Assets</b> <b>A</b>			<b>326,834,905.41</b>		<b>279,198,731.36</b>
<b>Non-Current Assets</b>					
Property, Plant & Equipment	25	403,051,850.00		419,265,000.00	
Investment Property	26	1,071,718.75		1,123,125.00	
Intangible Assets	27				
<b>Total Non-Current Assets</b> <b>B</b>			<b>404,123,568.75</b>		<b>420,393,125.00</b>
<b>Total Assets C = A + B</b>			<b>730,958,474.16</b>		<b>699,591,856.36</b>
<b><u>LIABILITIES</u></b>					
<b>Current Liabilities</b>					
Deposit	28	2,218,717.06			
Unremitted deduction	29				
Payables	30	106,256,202.56		106,266,202.56	
Current Portion of Borrowings	31			81,808,583.83	
<b>Total Current Liabilities</b> <b>D</b>			<b>108,474,919.62</b>		<b>186,064,786.44</b>
<b>Total Liabilities: F = D + E</b>			<b>108,474,919.62</b>		<b>186,064,786.44</b>
<b>Net Assets: G = C – F</b>			<b>622,483,554.54</b>		<b>511,527,069.92</b>
<b><u>NET ASSETS/EQUITY</u></b>					
Surplus for the period	32				
Accumulated Surpluses/(Deficits)	33	622,483,554.54		511,527,069.92	
Minority Interest	34				
<b>Total Net Assets/Equity: H=G</b>			<b>622,483,554.54</b>		<b>511,527,069.92</b>


**ISUIKWUATO LOCAL GOVERNMENT**  
**MBALANO**

**STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2023**

Description	Notes	2023		2022	
		₦	₦	₦	₦
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>					
<b><u>Inflows</u></b>					
Government Share of FAAC (Statutory Revenue)	1	1,659,966,186.89		1,413,102,737.93	
Government Share of VAT	2	945,596,493.07		741,232,266.83	
Tax Revenue	3	130,400.00		218,600.00	
Non-Tax Revenue	4	7,064,629.99		18,307,308.11	
Investment Income	5			256,500.00	
Interest on Earned	6	--		--	
Aid & grant (Sur-p)	7			207,631,413.00	
Debt Forgiveness	8			-	
Other Revenue	9			161,764,705.88	
Transfer from other Government Entities	10				
<b>Total Inflow from Operating Activities (A)</b>			<b>2,612,757,709.95</b>		<b>2,542,513,531.75</b>
<b><u>Outflows</u></b>					
Salaries & Wages	11	291,516,610.79		622,922,685.29	
Social Benefits	12				
Overhead cost	13	430,503,722.14		303,725,900.00	
Grants & Contributions	14				
Gratuity	15				
Finance Cost	16				
Interest Payment	17				
Dep charge	18				
Bad debt	19				
Public debt charge	20				
Transfer to Government Entities	21	1,763,251,336.15		1,376,780,378.57	
<b>Total Inflow from Operating Activities (B)</b>			<b>2,485,271,669.08</b>		<b>2,303,428,963.86</b>
<b>Net Cash Inflow/(Outflow) From Operating Activities* C=(A-B)</b>			<b>127,486,040.87</b>		<b>239,084,567.89</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>					
Acquisition of Asset - PPE		(260,000.00)			(26,000,000.00)
Acquisition /Construction of Investment Property					
Acquisition of Investments					
Proceeds from Sale of PPE					
Proceeds from sale of Investment Property					

Proceeds from sale of Investment					
Dividend Received					
<b>Net Cash Flow from Investing Activities</b>			(260,000.00)		(26,000,000.00)
<b><u>CASH FLOWS FROM FINANCING ACTIVITIES</u></b>					
Proceeds from Borrowings/Receivable	22				
Repayment of Borrowings	23	(54,980,134.68)		(399,970,820.89)	
Payable -Deposit	24				
<b>Net Cash Flow from Financing Activities</b>			(54,980,134.68)		(399,970,820.89)
<b>Net Cash Flow from all Activities</b>			<b>72,245,906.19</b>		<b>(186,886,253.00)</b>
Cash & Its Equivalent as at 1/1/ 2023			(3,539,160.50)		183,347,092.50
Cash & Its Equivalent as at 31/12/ 2023	22		68,706,745.69		(3,539,160.50)


**Treasurer**

Sign: 

Name: Okwue Okwue

Date: 26-6-2024

**Chairman**

Sign: 

Name: A/M Chiowendu Onike


Date: 26/6/2024

**ISUIKWUATO LOCAL GOVERNMENT**  
**MBALANO**

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2023

	Note	Capital Grant	Revaluation Reserve	Accumulated Surpluses/ (Deficits)	Total
		₦	₦	₦	₦
<b>Balance as at 1st January 2022</b>				511,590,192.89	511,590,192.89
<b>Additional Capital Received</b>				--	--
				--	--
Surplus on Revaluation of PPE				--	--
Surplus/Deficit on Revaluation of Investments Property				--	--
				--	--
<b>Net surplus for the period</b>				110,956,484.62	110,956,484.62
<b>Balance at 31 December 2023</b>				<b>622,483,554.54</b>	<b>622,483,554.54</b>


**Treasurer**

Sign: 

Name: Okwue Okwue

Date: 26-6-2024

**Chairman**

Sign: 

Name: A/M Chionwende Onike

Date: 26/6/2024

**STATEMENT OF 1COMPARISON OF  
BUDGET AND ACTUAL AMOUNTS FOR  
THE YEAR ENDED DECEMBER 31, 2023**

**COMPARATIVE STATEMENT OF REVENUE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Econ Code		Details of Revenue	Final Budget	Actual Revenue	Variance
			₱	₱	₱
<b>1</b>		<b>REVENUE</b>			
<b>1.1</b>		<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>			
<b>1101</b>		<b>GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>			
<b>01</b>	1	Statutory Allocation	2,341,450,270.00	1,659,966,186.89	681,484,083.11
<b>02</b>	2	Value added Tax (VAT)	-	945,596,493.07	(945,596,493.07)
		<b>TOTAL GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)</b>	<b>2,341,450,270.00</b>	<b>2,605,562,679.96</b>	<b>(264,112,409.96)</b>
		<b>TOTAL GOVERNMENT SHARE OF FAAC (1101)</b>	<b>2,341,450,270.00</b>	<b>2,605,562,679.96</b>	<b>(264,112,409.96)</b>
		<b>TOTAL GOVERNMENT SHARE OF FAAC (11)</b>	<b>2,341,450,270.00</b>	<b>2,605,562,679.96</b>	<b>(264,112,409.96)</b>
<b>12</b>		<b>INDEPENDENT REVENUE</b>			
<b>1201</b>		<b>TAX REVENUE</b>			
<b>120101</b>		<b>PERSONAL TAXES</b>			
	<b>4</b>	<b>CAPITAL RATE (Current)</b>			
	<b>1</b>	Capital Rate (Arrears)	2,000,000.00	127,400.00	1,872,600.00
	<b>2</b>	Property rate (Current)	650,000.00	-	650,000.00
	<b>3</b>	Property Rate (Arrears)	1,200,000.00	3,000.00	1,197,000.00
	<b>4</b>	Other service taxes/property rate	450,000.00	-	450,000.00
		<b>Sub-Total TAX REVENUE (120101)</b>	<b>4,300,000.00</b>	<b>130,400.00</b>	<b>4,169,600.00</b>
		<b>TAX REVENUE (1201)</b>			
<b>1202</b>	<b>5</b>	<b>NON-TAX REVENUE</b>			
<b>120201</b>		<b>LICENCES</b>			
	1	Hawkers Permit licenses	72,500.00	-	72,500.00
	2	Liquor licenses licenses	906,000.00	-	906,000.00
	3	Eating House licenses	206,500.00	-	206,500.00
	4	Trade permit licenses	187,000.00	-	187,000.00
	31	Kiosk licenses licenses	80,000.00	-	80,000.00
	37	Private motor park licenses	112,000.00	-	112,000.00
	40	Mobile phone/Accessories shop lic	742,000.00	-	742,000.00
		<b>Sub-Total Licences (120204)</b>	<b>2,206,000.00</b>	<b>-</b>	<b>2,206,000.00</b>

120204		<b>FEES</b>			
	17	Contractor Reg. fee	736,000.00	-	736,000.00
	18	Marriage/divorce fees	193,000.00	2,000.00	191,000.00
	27	Tender fees	285,500.00	-	285,000.00
	36	Bill board advertisement fees	35,000.00	200,000.00	(165,500.00)
	48	Development fee	18,190,000.00	-	18,190,000.00
	49	Business/trade operating fees	117,000.00	608,327.64	(491,327.64)
	55	Naming of street Reg. fees	180,000.00	20,000.00	160,000.00
	59	Market Development fees	60,000.00	-	60,000.00
	62	Issuance of LG of origin/operational certificate	2,100,000.00	3,811,500.00	(1,711,500.00)
	63	Daily market toll ticket	860,000.00	-	860,000.00
	81	Stall age fees	20,000.00	-	20,000.00
	84	Motor park fees	20,000.00	85,000.00	(65,000.00)
		<b>Sub-Total Fees I (120204)</b>	<b>22,796,500.00</b>	<b>4,726,827.64</b>	<b>18,069,672.36</b>
120207		<b>EARNINGS</b>			
	1	Earnings from toll gates/Mkt Toll	540,000.00	100,000.00	440,000.00
	2	Earnings from temporary structure	362,000.00	1,427,802.35	(1,065,802.35)
		<b>Sub-Total Earnings (120207)</b>	<b>902,000.00</b>	<b>1,527,802.35</b>	<b>(625,802.35)</b>
120208		<b>RENT ON GOVERNMENT BUILDING</b>			
	01	Rent on government quarters	50,000.00	-	50,000.00
	02	Rent on Government land	450,000.00	-	450,000.00
	03	Annual rent on plots & sites services programme (GSM Service provider)	13,674,250.00	810,000.00	12,864,250.00
	06	Rent on Government property	200,000.00	-	200,000.00
		<b>Sub-Total Rent (120208)</b>	<b>14,374,250.00</b>	<b>810,000.00</b>	<b>13,564,250.00</b>
120211		<b>INVESTMENT INCOME</b>			
	01	Recovery Overpayment	250,000.00	-	250,000.00
	02	Unspecified Revenue	150,000.00	-	150,000.00
	03	Other investment income	550,000.00	-	550,000.00
		<b>Sub-Total Investment Income (120211)</b>	<b>950,000.00</b>	<b>-</b>	<b>950,000.00</b>
		<b>Non- Tax Revenue (1202)</b>	<b>41,228,750.00</b>	<b>7,064,629.99</b>	<b>34,164,120.01</b>
		<b>Total INDEPENDENT REVENUE (12)</b>	<b>45,528,750.00</b>	<b>7,195,029.99</b>	<b>38,333,720.01</b>
1401		Transfer from consolidated revenue fund	-	3,539,160.50	(3,539,160.50)
1402		Other Capital Receipts			
1501		<b>TRANSFERS</b>			
	21	Transfer From Govt. Establishments			
		<b>TOTAL REVENUE</b>	<b>2,386,979,020.00</b>	<b>2,616,296,870.45</b>	<b>(229,317,850.45)</b>

**STATEMENT OF COMPARISON OF  
BUDGET AND ACTUAL AMOUNTS FOR  
THE YEAR ENDED DECEMBER 31, 2023**

**COMPARATIVE STATEMENT OF EXPENDITURE  
FOR THE YEAR ENDED DECEMBER 31, 2023**

Econ Code		Details of Expenditure	Final Budget	Actual Expenditure	Variance
			₱	₱	₱
<b>2</b>		<b>EXPENDITURES</b>			
<b>2.1</b>		<b>PERSONNEL COST</b>			
<b>2101</b>		<b>SALARY</b>			
<b>210101</b>		<b>SALARIES AND WAGES</b>			
	01	Salary	1,191,004,340.00	291,516,610.79	899,,487,729.21
	02	Over Time Payments			
	03	Consolidated Revenue Fund Charge – Sal.			
		<b>Sub-Total Salaries and Wages (210101)</b>	1,191,004,340.00	<b>291,516,610.79</b>	899,,487,729.21
		<b>Sub-Total Salary (2101)</b>	1,191,004,340.00	<b>291,516,610.79</b>	899,,487,729.21
		<b>TOTAL PERSONNEL COST(21)</b>	1,191,004,340.00	<b>291,516,610.79</b>	899,,487,729.21
<b>220201</b>		<b>TRAVEL &amp; TRANSPORT</b>			
	01	Local travel & transport: training	4,275,000.00	3,750,000.00	525,000.00
	02	Local travel & transport Others	3,140,000.00	620,000.00	2,520,000.00
	03	Non Accident Bonus			
		<b>Sub-Total Travel &amp; Transport (220201)</b>	<b>7,415,000.00</b>	<b>4,370,000.00</b>	<b>3,045,000.00</b>
<b>220202</b>		<b>UTILITIES</b>			
	01	Electricity Charges	350,000.00	60,000.00	290,000.00
	02	Telephone Charges	30,000.00	-	30,000.00
	04	Water Rate And Supply	80,000.00	442,750.00	(362,750.00)
	06	Sewage Charges	600,000.00	-	600,000.00
	08	Software Charge/Renewal Lic	400,000.00	-	400,000.00
	09	Postage & Courier Services	100,000.00	-	100,000.00
		<b>Sub-Total Utilities (220202)</b>	<b>1,560,000.00</b>	<b>502,750.00</b>	<b>1,057,250.00</b>
<b>220203</b>		<b>Materials &amp; Supplies</b>			
	01	Office Stationeries /Computer consumables	2,050,000.00	2,093,650.00	(43,650.00)
	05	Printing & Non Security Documents	1,605,000.00	39,000.00	1,566,000.00
	08	Field and Camping Materials Suppl	780,000.00	-	780,000.00
	09	Uniform and Other Clothing	250,000.00	-	250,000.00
	10	Teaching Aids/Instructional Materials	350,000.00	-	350,000.00
		<b>Sub-Total Materials &amp; Supplies (220203)</b>	<b>5,035,000.00</b>	<b>2,132,650.00</b>	<b>2,902,350.00</b>
<b>220204</b>		<b>Maintenance Services</b>			
	01	Maintenance of motor vehicle / transport equipment	2,030,000.00	-	2,030,000.00



	02	Maintenance of Office Furniture	1,360,000.00	-	1,360,000.00
	03	Maintenance of Building/Residential Quarters	230,000.00	-	230,000.00
	04	Maintenance of Office /IT Equipment	520,000.00	-	520,000.00
	05	Maintenance of Plant/Gen st	180,000.00	-	180,000.00
	06	Other Maintenance Services	325,000.00	70,000.00	255,000.00
	12	Maintenance of Market/Public Places	200,200.00	-	200,200.00
	13	Minor Road Maintenance	500,000.00	-	500,000.00
		<b>Sub-Total Maintenance Services (220204)</b>	<b>5,345,200.00</b>	<b>70,000.00</b>	<b>5,275,200.00</b>
<b>220205</b>		<b>Training</b>			
	01	Local Training	3,300,000.00	-	3,300,000.00
	<b>02</b>	Conference	1,200,000.00	-	1,200,000.00
		<b>Sub-Total Training (220205)</b>	<b>4,500,000.00</b>	<b>-</b>	<b>4,500,000.00</b>
<b>220206</b>		<b>Other Service</b>			
	01	Security Services	220,000.00	1,500,000.00	(1,280,000.00)
	03	Residential Rent	150,000.00	-	150,000.00
	04	Security Vote (Including Operations)	4,000,000.00	13,500,000.00	(9,500,000.00)
	05	Clearing & Fumigation	580,000.00	-	580,000.00
	06	National Security & Civil Defence Services Corps	3,000,000.00	-	3,000,000.00
	07	Servicon Activities	120,000.00	-	120,000.00
		<b>Sub-Total Other Services (220206)</b>	<b>8,070,000.00</b>	<b>15,000,000.00</b>	<b>(6,930,000.00)</b>
<b>220207</b>		<b>Consulting &amp; Professional Services</b>			
	01	Agricultural Consulting	200,000.00	-	200,000.00
	02	Information Technology	500,000.00	-	500,000.00
	03	Finance (Audit Fees, etc)	9,476,640.00	1,250,000.00	8,226,640.00
	04	Engineering Services	300,000.00	-	300,000.00
	05	Architectural Services	10,000.00	-	10,000.00
	06	Survey Service	20,000.00	-	20,000.00
	07	Property Valuation Services	50,000.00	-	50,000.00
	08	Land use Officer	50,000.00	-	50,000.00
	09	Special Committee	200,000.00	-	200,000.00
	10	Preparation of Budget & Admins	1,800,000.00	850,000.00	950,000.00
	11	Statistical Survey & Data Collection	600,000.00	-	600,000.00
		<b>Sub-Total Consulting &amp; Professional Services(220207)</b>	<b>13,206,640.00</b>	<b>2,100,000.00</b>	<b>11,106,640.00</b>
<b>220208</b>		<b>FUEL &amp; LUBRICANTS</b>			
	01	Motor Vehicle Fuel Cost	5,125,000.00	280,000.00	4,845,000.00
	03	Plant/Gen Set Fuel Cost	1,740,000.00	20,000.00	1,720,000.00
		<b>Sub-Total Fuel &amp; Lubricants General (220208)</b>	<b>6,865,000.00</b>	<b>300,000.00</b>	<b>6,565,000.00</b>
<b>220209</b>		<b>FINANCIAL CHARGES</b>			
	01	Bank Charges (Other than Interest)	2,500,000.00	-	2,500,000.00
	04	Others Consolidated fund Bank Charges)	400,000.00	8,348,922.14	(7,948,922.14)
		<b>Sub-Total Financial Charges (220209)</b>	<b>2,900,000.00</b>	<b>8,348,922.14</b>	<b>(5,448,922.14)</b>

<b>220210</b>		<b>Miscellaneous expenses</b>			
	01	Refreshment & meals	10,610,000.00	6,949,400.00	3,660,600.00
	02	Honorarium & Sitting Allowance	3,418,830.00	-	3,418,830.00
	03	Publicity & Adverts	1,260,000.00	1,480,000.00	(220,000.00)
	04	Medical Expenses Local	2,970,000.00	-	2,970,000.00
	06	Postage & Courier Services	500,000.00	-	500,000.00
	07	Welfare Packages	1,270,000.00	4,550,000.00	(3,280,000.00)
	09	Sport Activities	200,000.00	350,000.00	(150,000.00)
	21	Special Days/Celebration	770,000.00	-	770,000.00
	22	Mass Literacy Programme	2,200,000.00	-	2,200,000.00
	23	Abia State Loan Scheme (co-ordinator)	600,000.00	-	600,000.00
	26	Nigeria National Volunter Scheme	500,000.00	-	500,000.00
	27	NEPAD	600,000.00	-	600,000.00
	28	Legislative Council Maintenance	24,000,000.00	-	24,000,000.00
	29	Maintenance Traditional Rulers	2,200,000.00	1,350,000.00	850,000.00
	30	Maintenance of ALGON	4,953,280.00	383,000,000.00	(378,046,720.00)
	31	NYSC	5,000,000.00	-	5,000,000.00
	32	Postal Agency	2,000,000.00	-	2,000,000.00
	33	Economice/Statistical Survey Exp	1,400,000.00	-	1,400,000.00
		<b>Sub-Total Miscellaneous expenses(220210)</b>	<b>64,452,110.00</b>	<b>397,679,400.00</b>	<b>333,227,290.00</b>
		<b>Total OVERHEAD COST (2202)</b>	<b>119,348,950.00</b>	<b>430,503,722.14</b>	<b>(311,154,772.14)</b>
<b>2204</b>		<b>GRANTS &amp; CONTRIBUTIONS</b>			
226401		Grants & Contributions			
		Depreciation	-	16,529,556.25	(16,529,556.25)
2207		<b>TRANSFERS</b>			
220701		<b>Transfer Payments to Govt. Establishments</b>	<b>599,229,920.00</b>	<b>1,763,251,336.15</b>	<b>(1,164,021,416.15)</b>
		<b>TOTAL OTHER RECURRENT EXP COSTS (22)</b>			
		<b>CAPITAL EXPENDITURE</b>	<b>477,395,810.00</b>	<b>-</b>	<b>477,395,810.00</b>
		<b>TOTAL EXPENDITURE</b>	<b>2,386,979,020.00</b>	<b>2,501,801,225.33</b>	<b>(114,822,205.33)</b>

# ISIKWUATO LOCAL GOVERNMENT MBALANO

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023

### DETAILS NOTE (1)

1a	2023			2022
	Month	NET RECEIPT	DEDUCTION	TOTAL
	₦	₦	₦	₦
	January	139,601,193.04		106,871,930.39
	February	80,618,270.45		52,709,079.20
	March	76,727,410.03		70,957,879.97
	April	191,350,487.64		104,494,796.40
	May	74,292,974.76		93,357,489.96
	June	112,368,801.52		79,523,975.25
	July	62,997,673.39		125,723,228.67
	August	81,796,969.55		163,188,292.64
	Sept.	72,189,648.69		93,100,982.24
	October	81,950,817.91		100,017,224.69
	November	63,368,828.00		88,704,394.38
	December	75,106,269.49		138,737,662.31
	<b>TOTAL</b>	<b>1,112,369,344.57</b>		<b>1,217,386,936.30</b>

### Note 1b

MONTH	Statutory Revenue	Valued Added Tax	Non oil Revenue	Exchange Gain	Electronic Transfer	Forex Equalization	Solid Minerals	Ecology	Total
	₦	₦	₦	₦	₦	₦	₦	₦	₦
Jan	139,601,193.04	73,659,479.39	22,620,978.96	4,964,600.83	9,896,784.66			2,340,850.53	253,083,887.41
Feb	80,618,270.45	73,080,440.58	3,494,941.25	-					157,193,652.28
Mar	76,727,410.03	70,980,521.56	6,238,229.10		4,730,168.54	23,616,302.02		1,714,733.89	184,007,365.14
April	191,350,487.64	-	-					1,624,793.98	192,975,281.62
May	74,292,974.76	63,548,503.97	5,429,034.95		6,044,307.93	9,840,125.85	3,282,861.01	1,693,504.62	164,131,313.09
June	112,368,801.52	78,899,652.02	-	131,690.63	5,934,596.20			1,966,180.98	199,300,921.35
July	62,997,673.39	85,976,553.83	-	67,053,509.87	4,625,875.81			1,821,640.03	222,475,252.93
Aug	81,796,969.55	85,818,432.51	-	60,665,369.39	5,193,273.51			2,572,464.91	236,046,509.87
Sept.	72,169,648.69	114,123,453.30	40,059,971.52	53,049,170.86	6,377,146.90			2,428,086.11	288,227,477.38
Oct	81,950,817.91	91,787,230.61	-	36,777,176.74	5,567,011.35			2,647,982.61	218,730,219.22
Nov	63,368,828.00	101,704,953.26	13,572,587.32	40,073,145.10	6,391,410.51			1,922,477.52	227,033,401.91
Dec	75,106,269.49	106,017,172.49	-	75,496,639.09	4,842,484.06			1,894,733.11	263,357,298.24
<b>TOTAL</b>	<b>1,112,369,344.57</b>	<b>945,596,493.07</b>	<b>91,415,743.15</b>	<b>338,211,302.51</b>	<b>58,603,059.47</b>	<b>33,456,427.88</b>	<b>3,282,861.01</b>	<b>22,627,448.30</b>	<b>2,606,562,580.24</b>

## Note 2

2b	Value Added TAX			
			2023	2022
	This represents allocation made to the three tiers of Government from the Federal Account in line with the provision of the VAT Act		945,596,493.07	741,232,266.83
	Share of Value Added Tax (VAT		<b>945,596,493.07</b>	741,232,266.83

2b	2023				2022
	Month	NET RECEIPT	DEDUCTION	TOTAL	TOTAL
	₦	₦	₦	₦	₦
	January	73,659,479.39			61,545,680.95
	February	73,080,440.58			56,557,873.08
	March	70,980,521.56			52,504,860.62
	April	-			69,389,953.39
	May	63,548,503.97			55,686,056.19
	June	78,899,652.02			64,361,877.75
	July	85,976,553.83			61,354,998.82
	August	85,818,432.51			57,479,008.85
	Sept.	114,123,453.30			68,162,518.84
	October	91,787,230.61			60,869,888.33
	November	101,704,953.26			68,644,633.60
	December	106,017,172.49			64,674,915.81
	<b>TOTAL</b>	<b>945,596,493.07</b>			<b>741,232,266.83</b>

NOTE	PARTICULARS	AMOUNT	TOTAL
		₦	₦

<b>3</b>	<b>Tax Revenue</b>		
	Other service taxes	130,400.00	
	<b>Total Tax Revenue</b>		130,400.00
<b>4</b>	<b>Non – Tax Revenue</b>		
	<b>FEES</b>		
	<i>Marriage/divorcé</i>	2,000.00	
	<i>Billboard Advert fee</i>	200,000.00	
	<i>Issuance of Local of origin</i>	3,811,500.00	
	<i>Businee/Trade Operating</i>	608,327.64	
	<i>Motor Park</i>	85,000.00	
	<i>Naming of Street Reg.</i>	20,000.00	
	<b>Sub - Total</b>		4,726,827.64
	<b>EARNING</b>		
	Earning from toll gate/market toll	100,000.00	
	<i>Earnings from temporary structure</i>	1,427,802.35	
	<b>RENT ON GOVT BUILDING</b>		
	<b>Annual rent plot &amp; site service program (GSM service provider)</b>	810,000.00	
	<b>Sub - Total</b>		2,237,802.35
<b>11</b>	<b>SALARY</b>		
	<b>SALARIES AND WAGES</b>		
	Salary	291,516,610.79	
	Sub- Total Salaries and Wages		291,516,610.79
	Housing fund Contirbution		
	<b>Sub – Total Allowance &amp; Social Contribution</b>		
<b>13</b>	<b>OVERHEAD COSTS BY FUNCTION</b>		

	Travel and Transport	4,370,000.00	
	Materials & Supplies	2,132,650.00	
	Maintenance Services	70,000.00	
	Other Services	15,000,000.00	
	Consulting and Professional Service	2,100,000.00	
	Fuel/Lubricant	300,000.00	
	Financial Charges	8,348,922.14	
	Miscellaneous Expenses	397,679,400.00	
	<b>TOTAL</b>		430,503,722.14
	<b>TRANSFER TO OTHER GOVT. ENTITIES- DEDUCTION BY JOINT ACCOUNT &amp; ALLOCATION COMMITTEE (JAAC)</b>		
	Education (Primary School)	354,870,727.43	
	Health	165,595,745.12	
	Covid 19 Programme & Project	477,236,000.00	
	Joint Project	765,548,863.60	
	<b>Total</b>		1,763,251,336.15

### NOTES TO THE ACCOUNTS THE YEAR ENDED DECEMBER 31, 2023

PROPERTY PLANT/ EQUIPMENT	LAND /BUILDING 2%	TRANSPORT ATION / EQUIPMENT 20%	OFFICE EQUIPMENT 15%	FURNITURE/ FITTINGS 10%	PLANT/ MACHINERY 15%	INVESTMENT 5%	INFRASTRUCTURE 15%	TOTAL
<b>Cost/ valuation</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
Balance as at 1/1/2023	376,000,000	30,000,000	15,000,000	10,000,000	25,000,000	1,250,000	2,000,000	459,250,000
Acquisition during the year			260,000					260,000
<b>TOTAL ASSETS</b>	<b>376,000,000</b>	<b>30,000,000</b>	<b>15,260,000</b>	<b>10,000,000</b>	<b>25,000,000</b>	<b>1,250,000</b>	<b>2,000,000</b>	<b>459,510,000</b>
Disposal during the year								
Balance as at 1/1/2023	376,000,000	30,000,000	15,260,000	10,000,000	25,000,000	1,250,000	2,000,000	459,510,000
Accumulated Depreciation	14,380,000	10,800,000	3,762,500	1,900,000	6,937,500	121,875	555,000	38,456,875

Current year Depreciation	7,232,400	3,840,000	1,664,625	810,000	2,709,375	56,406.25	216,750	16,529,556.25
Depreciation on Disposal	-	-	-	-	-	-	-	-
Carrying Value as at 31/12/2023	354,387,600	15,360,000	9,432,875	7,290,000	15,353,125	1,071,718.75	1,228,250	404,123,568.75

#### NOTE 22: CASH AND BANK BALANCES

S/N	DETAILS	A/C NO	AMOUNT ₦	TOTAL ₦
A	CASH- IN- HAND			-
B	CASH AT BANKS:			
1.	Zenith	1016432227	462.94	
2.	Zenith	1016432234	357,357.40	
3.	Zenith	1016432210	9,017,653.40	
4.	Frist Bank	2013335588	12,884.58	
5.	UBA	1023124375	41,023,526.77	
6.	Union Bank	0185815995	15,576.50	50,427,461.59
<b>C</b>	<b>BALANCE ATJAAC</b>			<b>18,279,284.10</b>
	<b>TOTAL</b>			<b>68,706,745.69</b>

#### NOTE 23 OUTSTANDING ADVANCES AS AT DECEMBER 31, 2023

S/N	FOILO	NAME	AMOUNT ₦	TOTAL ₦
1.	6	Chimezie Adindu	20,881,000.00	
2.	81	Damian Maduikie E.	600,000.00	
		<b>Total</b>		<b>21,481,000.00</b>

#### NOTE 24 INVENTORIES AS AT DECEMBER 31, 2022

S/N	MATERIALS	UNIT PRICE (₦)	BAL (QTY)	FOLO	AMOUNT ₦
1.	A4 Paper	6,000	110		660,000.00
2.	Biro	1,000	550		1,100,000.00
3.	File Jacket	400	2,000		800,000.00
4.	Treasury Cashbook	3,000	100		300,000.00
5.	Treasury Receipt book	1,500	1,500		2,250,000.00
6.	Revenue Receipt book	5,000	150		750,000.00

7.	Abstract/Ledgers	5,000	150		750,000.00
8.	Computer Consumables	200,000	10		2,000,000.00
9	Unserviceable				228,037,159.52
	<b>Total</b>				<b>236,647,159.72</b>

#### **NOTE 26 INVESTMENT PROPERTY**

	<b>N</b>	<b>N</b>
Land and Building (open shed) market	1,000,284.00	
Land and (Building lock) shed market	128,125.00	
<b>Total</b>		<b>1,128,125.00</b>

#### **NOTE 28 DEPOSITS**

##### **OUTSTANDING DEPOSIT AS AT DECEMBER 31, 2023**

<b>S/N</b>	<b>FOLIO</b>	<b>DETAILS</b>	<b>AMOUNT</b>	<b>TOTAL</b>
		<b>UNION DUES</b>		
1	1	LOGLA	2,300.00	
2	43	PAYE	2,177,128.96	
3	60	Federal Mortgage Bank (FMB)	38,288.10	
		<b>Total</b>		<b>2,218,717.06</b>

#### **NOTE 30 PAYABLE**

November 2021 salary (Arrears)	45,638,491.50	
December 2021 salary (Arrears)	46,000,321.71	
Other allowance 2021	14,617,389.28	
<b>Total</b>		<b>106,256,202.49</b>



## **STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)**

### **(1) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE**

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual accounting basis that recognizes transactions as events occurred whether expenses are paid or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standards Board for Public Sector Reporting.

### **(2) BASIS OF MEASUREMENT**

These General Purpose Financial Statements have been prepared under the historical cost convention.

### **(3) REPORTING CURRENCY**

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

### **(4) COMPARATIVE INFORMATION**

The Financial statements presented contained the last year actual figures for ease of comparison.

### **(5) BUDGET INFORMATION**

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

### **(6) GOING CONCERN**

The General Purpose Financial Statements have been prepared on a going concern basis.

### **(7) REVENUE**

Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

### **(8) EXPENSES.**

All expenses are recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

### **(9) STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

**(10) CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

**(11) RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

**(12) INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

**(13) PROPERTY, PLANT & EQUIPMENT (PPE)**

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

**(14) INVESTMENT PROPERTY**

These are cost generating property owned by the Local Government and were treated the same with PPE.

**(15) DEPRECIATION**

Depreciation on PPE and investment property were charged on a straight line basis over their expected useful lives less estimated residual value using the appropriate rates.

**(16) UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owed to third parties such as tax authorities, schemes, and associations and other government agencies. These included tax deductions and other deductions at source.

**(17) PAYABLES.**

Payables are recognized at fair value.

**(18) BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

**(19) TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as expenses in the Statement of Financial Performance.