

GOVERNMENT OF ABIA STATE OF NIGERIA



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



**ON THE
ACCOUNTS OF OBINGWA LOCAL
GOVERNMENT, MGBOKO**

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



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

OBINGWA LOCAL GOVERNMENT MGBOKO

OBINGWA LOCAL GOVERNMENT AUDIT STATUTORY REPORTS

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GOVERNMENT OF ABIA STATE OF NIGERIA

Fax: 088-221621
GSM: 08033923315
09026442662
Email: logauditabia@gmail.com
Net: www.logauditabia.ngo.org



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

LOGAUD/AR/01/OBIN/10

June 26, 2024

AUDIT CERTIFICATE

The general purpose Financial Statements of **Obingwa Local Government** for year ended December 31, 2022 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 Standards. 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 Obingwa 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
OBINGWA LOCAL GOVERNMENT
MGBOKO**

RESPONSIBILITY FOR THE FINANCIAL STATEMENTS


The General Purpose financial statements have been prepared by the Treasurer of **Obingwa 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 Obingwa Local Government as at December 31, 2023.

Treasurer

Sign: 

Name: NIFEED MARTIN

Date: 26-6-2024

Chairman

Sign: 

Name: ACH. ERIC EKWUIBE

Date: 26/6/2024

REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF OBINGWA LOCAL GOVERNMENT, MGBOKO, FOR THE YEAR ENDED DECEMBER 31, 2023.

INTRODUCTION

The general purpose Financial Statements of **Obingwa 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 Obingwa 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 Obingwa 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 change in Net Assets/Equity, Statement of Cash Flow, and Statement of Comparison of Budget 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 31stDecember, 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 which was prepared and presented in compliance with IPSAS Accrual showed the following:

- i. The estimate made for Revenue in the 2023 budget recorded a very good performance. An estimate was made for ~~N~~3,075,236,370.00 while actual Revenue recorded stood at ~~N~~2,872,194,680.66. This is about 93.40% performance. But, the IGR of ~~N~~8,872,116.15 represents only 0.31% of the total Revenue for the period, meaning that the Local Government relied unduly on the Statutory allocation for survival.
- ii. The sum of ~~N~~3,075,236,370.00 only was budgeted for expenditure. But only ~~N~~2,637,140,538.62 was actually incurred, resulting to a saving of ~~N~~438,095,831.38 for the period.

8. REVENUE ACCOUNT

A total sum of ~~N~~2,872,194,680.66 was earned as total Revenue as at December 31, 2023 out of which only 0.31% (~~N~~8,872,116.15) 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 deficit of 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.

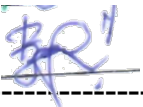
Dated this 26th Day of June, 2024

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)
	REVENUE						
1,542,748,052.50	Government Share of FAAC (Statutory Revenue)	1	1,192,857,164.28	1,981,336,370.00		1,981,36,370.00	788,479,205.72
856,464,958.40	Government Share of VAT	2	1,077,854,854.01	1,069,900,000.00		1,069,900,000.00	(7,954,854.01)
638,000.00	Tax Revenue	3	66,000.00	2,000,000.00		2,000,000.00	1,934,000.00
19,947,350.85	Non-Tax Revenue	4	8,806,116.15	18,000,000.00		18,000,000.00	9,193,883.85
2,588,000.00	Investment Income	5	-	4,000,000.00		4,000,000.00	4,000,000.00
	Interest Earned	6					
207,631,413.00	Aid & Grants (Sur-P)	7					
	Debt Forgiveness	8					
161,764,705.88	Other Capital Revenues	9	592,610,546.22				(592,610,546.22)
	Transfer from other Government Entities	10					
2,791,782,480.63	Total Revenue (a)		2,872,194,680.66	3,075,236,370.00		3,075,236,370.00	203,041,689.34
	EXPENDITURE						
396,220,815.21	Salaries & Wages	11	454,808,457.62	1,550,010,420.00		1,550,010,420.00	1,095,201,962.38
	Social Benefits	12					
320,799,000.02	Overhead Cost	13	369,808,018.90	335,634,270.00		335,634,270.00	(34,173,748.90)
	Grants & Contributions	14					
	Subsidies	15					
14,092,445.17	Depreciation Charges	16	13,180,895.90				(13,180,895.90)
	Impairment Charges	17					
	Amortization Charges	18					
	Bad Debts Charges	19					
	Public Debt Charges	20					
1,586,201,196.70	Transfer to other Government Entities	21	1,799,343,166.20	1,189,591,680.00		1,189,591,680.00	(609,751,486.20)
2,317,313,457.10	Total Expenditure (b)		2,637,140,538.62	3,075,236,370.00		3,075,236,370.00	438,095,831.38
	Surplus/(Deficit) from Operating Activities for the Period c=(a-b)		235,054,142.04				
474,469,023.53							
	Gain/ Loss on Disposal of Asset						
	Gain/Loss on Foreign Exchange Transaction						

	Share of Surplus/(Deficit) in Associates & Joint Ventures						
	Total Non- Operating Revenue/(Expenses) (d)						
474,469,023.53	Surplus/(Deficit) from Ordinary Activities e=(c+d)		235,054,142.04				
	Minority Interest Share of Surplus/ (Deficit) (f)						
474,469,023.53	Net Surplus/ (Deficit) for the Period g=(e-f)		235,054,142.04				

Treasurer

Sign: 

Name: MIDEFF MARTANON

Date: 26-6-2024

Chairman

Sign: 

Name: ACHI ERIC EKWUIBE

Date: 26/6/2024

OBINGWA LOCAL GOVERNMENT

MGBOKO

STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2023


	Notes	2023		2022	
		₦	₦	₦	₦
<u>ASSETS</u>					
Current Assets					
Cash and Cash Equivalents	22	80,102,020.38		(17,934,979.25)	
Receivables	23	7,310,000.00		14,870,000.00	
Inventory	24	444,540,878.00		360,538,978.10	
Total Current Assets A			531,952,898.38		357,473,998.85
Non-Current Assets					
Property, Plant & Equipment	25	445,648,338.36		462,495,529.73	
Investment Property	26	39,475,350.00		43,861,500.00	
Long Term Loans	27				
Total Non-Current Assets B			485,123,688.36		506,357,029.73
Total Assets C = A + B			1,017,076,586.74		863,831,028.58
<u>LIABILITIES</u>					
Current Liabilities					
Deposit	28				
Unremitted Deductions	29				
Payables	30	84,218,692.51		84,218,692.51	
Current Portion of Borrowings	31			81,808,583.88	
Total Current Liabilities D			84,218,692.51		166,027,276.39
Total Liabilities: F = D + E			84,218,692.51		166,027,276.39
Net Assets: G = C – F			932,857,894.23		697,803,752.19
<u>NET ASSETS/EQUITY</u>					
Reserves	32	235,054,142.04		494,469,023.53	
Accumulated Surpluses/(Deficits)	33	697,803,752.19		223,334,728.66	
Minority Interest	34				
Total Net Assets/Equity: H=G			932,857,894.23		697,803,752.19

OBINGWA LOCAL GOVERNMENT MGBOKO

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

	Note	Capital Grant	Revaluation Reserve	Accumulated Surpluses/ (Deficits)	Total
		N	N	N	N
Balance as at 1st January 2022				697,803,752.19	697,803,752.19
Additional Capital Received					
Surplus on Revaluation of PPE					
Surplus/Deficit on Revaluation of Investments Property					
Net surplus for the period				235,054,142.04	235,054,142.04
Balance at 31 December 2022				932,857,894.23	932,857,894.23

Treasurer

Sign: 

Name: MIDEED MARTINDALE

Date: 26-6-2024

Chairman

Sign: 

Name: ACHI ERIC EKWUIBE

Date: 26/6/2024


**OBINGWA LOCL GOVERNMENT
MGBOKO**

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

Description	Notes	2023		2022	
		N	N	N	N
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>					
<u>Inflows</u>					
Government Share of FAAC (Statutory Revenue)	1	1,192,857,164.28		1,542,748,052.50	
Government Share of VAT	2	1,077,854,854.01		856,464,958.40	
Tax Revenue	3	66,000.00		638,000.00	
Non-Tax Revenue	4	8,806,116.15		19,947,350.85	
Investment Income	5	--		2,588,000.00	
Interest Earned	6				
Aid & Grants (Sur-P)	7				
Debt Forgiveness	8				
Other Capital Revenue	9	592,610,546.22		369,396,118.88	
Transfer from other Government Entities	10	--			
Total Inflow from Operating Activities (A)			2,872,194,680.66		2,791,782,480.63
<u>Outflows</u>					
Salaries & Wages	11	454,808,457.62		396,220,815.21	
Social Benefits	12				
Overhead Cost	13	369,808,018.90		320,799,000.02	
Grants & Contributions	14				
Gratuity	15				
Finance Cost	16				
Interest on payment	17				
Dep Charges	18				
Bad debts	19				
Public debt charges	20				
Transfer to other Government Entities	21	1,799,343,166.20		1,586,201,196.70	
Total Outflow from Operating Activities (B)			2,623,959,642.72		2,303,221,011.93
Net Cash Inflow/(Outflow) From Operating Activities* C=(A-B)			248,235,037.94		488,561,468.70
CASH FLOW FROM INVESTING ACTIVITIES					488,561,468.70
Acquisition of Asset – PPE		(39,000,000.00)			(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					
Net Cash Flow from Investing Activities			(39,000,000.00)		(26,000,000.00)

<u>CASH FLOW FROM FINANCING ACTIVITIES</u>					
Capital Grant Received	22				
Proceeds from Borrowing					
Repayment of Borrowings	23		(111,198,038.31)	(534,940,433.55)	
Payable	24				
Distribution of Surplus/Dividends Paid					
Net Cash Flow from Financing Activities			(111,198,038.31)		(534,940,433.55)
Net Cash Flow from all Activities			98,036,999.63		(72,378,964.85)
Cash & Its Equivalent as at 1/1/2023	25		(17,934,979.25)		54,443,985.60
Cash & Its Equivalent as at 31/12/2023	26		80,102,020.38		(17,934,979.25)

Treasurer

Sign: -----

Name: MIDEED MARTINDALE

Date: 26-6-2024

Chairman

Sign: -----

Name: ACHI ERIC EKWUIBE

Date: 26/6/2024

**STATEMENT OF COMPARISON 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
		₱	₱	₱
1	REVENUE			
11	GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
1101	GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)			
	01 Statutory Allocation	1,981,236,370.00	1,785,467,710.50	195,868,659.50
	02 Value added Tax (VAT)	970,000,000.00	1,077,854,854.01	(7,954,854.01)
	03 Excess Crude/(Sur-P)	--		
	TOTAL GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)	3,051,236,370.00	2,863,322,564.51	187,913,805.49
	TOTAL GOVERNMENT SHARE OF FAAC (1101)	3,051,236,370.00	2,863,322,564.51	187,913,805.49
	TOTAL GOVERNMENT SHARE OF FAAC (11)	3,051,236,370.00	2,863,322,564.51	187,913,805.49
12	INDEPENDENT REVENUE			
1201	TAX REVENUE			
120101	PERSONAL TAXES			
	CAPITAL RATE (Current)			
	Capital Rate (Arrears)	1,000,000.00	66,000.00	934,000.00
	Property rate (Current)	1,000,000.00	--	1,000,000.00
	Property Rate (Arrears)			
	Other service taxes/property rate			
	Sub-Total TAX REVENUE (120101)	2,000,000.00	66,000.00	1,934,000.00
	TAX REVENUE (1201)			
1202	NON-TAX REVENUE			
120201	LICENCES			
	Liquor Licences	1,000,000.00	7,000.00	993,000.00
	Radio/Television			
	Hawkers Permit	--		
	Sub-Total Licences (120204)	1,000,000.00	7,000.00	993,000.00
120204	FEES			
	Issuance of LG of origin o certificate	1,000,000.00		1,000,000.00
	Contractor registration fees	1,000,000.00		1,000,000.00
	Bill board/advertisement fees	1,000,000.00		1,000,000.00
	Association club/culture registration	1,000,000.00		1,000,000.00
	Recovery of over payment	12,000,000.00	7,548,116.15	4,451,883.85

		Marriage/Divorce	--	--	--
		Stallage fees	1,000,000.00	721,000.00	279,000.00
		Unspecified revenue	1,000,000.00	130,000.00	870,000.00
		Business /trade operation fees	1,000,000.00	400,000.00	600,000.00
		Signature forms	1,000,000.00	--	1,000,000.00
		Sub-Total Fees I (120204)	21,000,000.00	8,799,116.15	12,200,883.85
		Non- Tax Revenue (1202)	22,000,000.00	8,806,116.15	13,193,883.85
		Investment income			
		Total INDEPENDENT REVENUE (12)	24,000,000.00	8,872,116.15	15,127,883.85
1401		Transfer from consolidated revenue fund			
1402		Other Capital Receipts			
1501		TRANSFERS			
		Transfer From Govt. Establishments			
		TOTAL REVENUE	3,075,236,370.00	2,872,194,680.66	203,041,689.34

**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
			₱	₱	₱
2		EXPENDITURES			
21		PERSONNEL COST			
2101		SALARY			
210101		SALARIES AND WAGES			
	01	Salary	1,550,010,420.00	454,808,457.62	1,095,201,962.38
	02	Over Time Payments			
	03	Consolidated Revenue Fund Charge – Sal.	1,550,010,420.00	454,808,457.62	1,095,201,962.38
		Sub-Total Salaries and Wages (210101)	1,550,010,420.00	454,808,457.62	1,095,201,962.38
		Sub-Total Salary (2101)	1,550,010,420.00	454,808,457.62	1,095,201,962.38
		TOTAL PERSONNEL COST(21)	1,550,010,420.00	454,808,457.62	1,095,201,962.38
220201		TRAVEL & TRANSPORT			
	01	Local travel & transport: training	11,000,000.00	10,200,000.00	800,000.00
	02	Local travel & transport Others	16,807,270.00	15,660,000.00	1,147,270.00
		Sub-Total Travel & Transport(220201)	27,807,270.00	25,860,000.00	1,947,270.00
220202		UTILITIES			
	01	Electricity Charges	400,000.00	300,000.00	100,000.00
		Sub-Total Utilities (220202)	400,000.00	300,000.00	100,000.00
220203		Materials & Supplies			
	01	Office Stationeries /Computer consumables	23,512,000.00	20,500,000.00	3,012,000.00
		Sub-Total Materials & Supplies (220203)	23,512,000.00	20,500,000.00	3,012,000.00
220204		Maintenance Services			
	01	Maintenance of motor vehicle / transport equipment	5,000,000.00	4,200,000.00	800,000.00
	02	Maintenance of Office Furniture	5,000,000.00	4,000,000.00	1,000,000.00
	03	Maintenance of Plant/Gen st	2,000,000.00	1,500,000.00	500,000.00
	10	Maintenance of Plant/Gen st	2,000,000.00	1,700,000.00	300,000.00
	12	Other Maintenance Services	830,000.00	20,000,000.00	(19,170,000.00)
	14	Maintenance of Market/Public Places	--	3,500,000.00	(3,500,000.00)
		Sub-Total Maintenance Services (220204)	14,830,000.00	34,900,000.00	(20,070,000.00)

220205		Training			
	01	Local Training	5,000,000.00	4,550,000.00	450,000.00
	02	Conference			
		Sub-Total Training (220205)	5,000,000.00	4,550,000.00	450,000.00
220206		Other Service			
	01	Security Services	3,850,000.00	39,000,000.00	(35,150,000.00)
	03	Security Vote (Including Operations)	60,000,000.00	12,500,000.00	47,500,000.00
	04	Clearing & Fumigation	--	33,000,000.00	(33,000,000.00)
		Sub-Total Other Services (220206)	63,850,000.00	84,500,000.00	(20,650,000.00)
220208		FUEL & LUBRICANTS			
	01	Motor Vehicle Fuel Cost	2,000,000.00	1,750,000.00	250,000.00
	02	Other Transport Equipment Fuel Cost	2,000,000.00	1,850,000.00	150,000.00
	03	Plant/Gen Set Fuel Cost	1,525,000.00	1,250,000.00	275,000.00
		Sub-Total Fuel & Lubricants General (220208)	5,525,000.00	4,850,000.00	675,000.00
220209		FINANCIAL CHARGES			
	01	Bank Charges (Other than Interest)	3,710,000.00	3,548,018.90	161,981.10
	04	Others Consolidated fund Bank Charges)	--	--	--
		Sub-Total Financial Charges (220209)	3,710,000.00	3,548,018.90	161,981.10
220210		Miscellaneous expenses			
	01	Refreshment & meals	120,000,000.00	118,000,000.00	2,000,000.00
	2	Honorarium & Sitting Allowance	10,000,000.00	9,200,000.00	800,000.00
	03	Publicity & Adverts	6,000,000.00	5,100,000.00	900,000.00
	04	Postage & Courier Services	3,000,000.00		3,000,000.00
	05	Welfare Packages	10,000,000.00	9,500,000.00	500,000.00
	06	Legislative Council Maintenance	27,000,000.00	24,000,000.00	3,000,000.00
	07	Traditional Rulers/meeting	10,000,000.00	10,000,000.00	--
	08	Waste Disposal	5,000,000.00	15,000,000.00	(10,000,000.00)
		Sub-Total Miscellaneous expenses(220210)	191,000,000.00	190,800,000.00	200,000.00
		TOTAL OVERHEAD COST (2202)	335,634,270.00	369,808,018.90	(34,173,748.90)
2204		GRANTS & CONTRIBUTIONS			
226401		Grants & Contributions			
		Depreciation	--	13,180,895.90	(13,180,895.90)
2207		TRANSFERS			
220701		Transfer Payments to Govt. Establishments	1,189,591,680.00	1,799,343,166.20	(609,751,486.20)
		TOTAL OTHER RECURRENT EXP COSTS (22)	1,525,225,950.00	2,182,332,081.00	(657,106,131.00)
		CAPITAL EXPENDITURE			
		TOTAL EXPENDITURE	3,075,236,370.00	2,637,140,538.62	438,095,831.38

OBINGWA LOCAL GOVERNMENT MGBOKO

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

DETAILS

1	2023				2022
	Month	NET RECEIPT	DEDUCTION		TOTAL
	₦	₦	₦		₦
	January	152,838,479.82			117,005,757.77
	February	88,262,669.05			57,707,067.99
	March	84,002,868.85			77,686,259.48
	April	191,350,487.64			114,529,256.94
	May	81,337,595.17			102,209,848.89
	June	123,023,854.20			87,064,610.42
	July	68,971,248.91			137,644,576.88
	August	89,553,134.95			178,662,159.17
	Sept.	72,189,648.69			101,929,018.55
	October	89,721,571.54			109,501,074.27
	November	69,377,597.20			97,115,536.73
	December	82,228,008.26			151,893,067.24
	TOTAL	1,192,857,164.28			1,332,948,234.33

Note 1b

MONTH	Statutory Revenue	Non oil Revenue	Exchange Gain	Ecology	Electronic Transfer	Unclassified	Total
	₦	₦	₦	₦	₦	₦	₦
Jan	152,838,479.82	24,765,949.06	5,435,355.01	2,340,850.53	11,118,778.46	--	196,499,412.88
Feb	88,262,669.05	3,826,339.13	--	--	--	--	92,089,008.18
Mar	84,002,868.85	6,238,229.10	--	1,714,733.89	5,315,405.85	25,855,650.82	123,126,888.51
April	191,350,487.64		--	1,624,793.98	--	--	192,975,281.62
May	81,337,595.17	5,943,827.78	--	1,693,504.62	6,773,871.24	14,367,336.83	110,116,135.64
June	123,023,854.20		144,177.82	1,966,180.98	6,656,816.33	--	131,791,029.33
July	68,971,248.91		73,411,668.56	1,821,640.03	5,2000,649.05	--	149,405,206.55
Aug	89,553,134.95		66,417,790.80	2,572,464.91	5,838,546.91	--	164,381,937.57
Sept.	72,189,648.69	43,858,544.58	53,049,170.86	2,428,086.11	6,377,146.90	--	177,902,597.14
Oct	89,721,571.54		40,264,468.11	2,647,982.62	5,119,336.89	--	137,753,359.16
Nov	69,377,597.20	14,859,569.44	43,872,967.31	1,922,477.52	7,172,980.78	--	137,205,592.25
Dec	82,228,008.26		82,655,393.55	1,894,733.11	5,443,126.75	--	172,221,261.67
TOTAL	1,192,857,164.28	99,492,459.09	365,250,992.02	22,627,448.30	65,016,659.16	40,222,987.65	1,785,467,710.50

DETAILS OF VAT RECEIPT

2b	2023				2022
	Month	NET RECEIPT	DEDUCTION	TOTAL	TOTAL
	₱	₱	₱	₱	₱
	January	85,383,346.42			70,964,341.83
	February	84,780,777.16			65,506,966.11
	March	82,249,816.31			60,829,224.62
	April	--			79,662,656.99
	May	73,738,775.90			64,054,989.99
	June	91,544,755.52			74,338,557.43
	July	99,708,181.17			71,096,210.41
	August	99,485,741.15			66,382,914.18
	Sept.	114,123,453.30			78,981,234.41
	October	105,993,225.80			70,415,161.47
	November	117,960,466.99			79,363,643.00
	December	122,886,314.29			74,869,057.96
	TOTAL	1,077,854,854.01			856,464,958.40

NOTE	PARTICULARS	AMOUNT	TOTAL
		₱	₱
3	Tax Revenue		
	Other service taxes		
	Capital Rate (Arrears)	66,000.00	
	Total Tax Revenue		66,000.00
4	Non - Tax Revenue		
	LICENCES		
	Liquor licences	7,000.00	
	FEES		
	Recovery of over payment	7,548,116.15	
	Stallage fees	721,000.00	
	Unspecified revenue	130,000.00	
	Stallage fees	721,000.00	
	Unspecified revenue	130,000.00	
	Business/trade operation fees	400,000.00	
	Sub-Total Fees		8,799,116.15
	SALARY		
11	SALARIES AND WAGES		
	Salary (Staff)	451,429,367.04	
	Salary (Political)	3,379,090.58	
	Sub-Total Salaries and Wages		454,808,457.62
	Sub-Total Allowances & Social Contributions		

13	OVERHEAD COSTS		
	OVERHEAD COSTS BY FUNCTION		
	Travel & Transport	25,860,000.00	
	Utilities	300,000.00	
	Materials & Supplies	20,000,000.00	
	Maintenance Services	34,900,000.00	
	Training	4,550,000.00	
	Other services	84,500,000.00	
	Fuel & Lubricants	4,850,000.00	
	Financial Charges	3,548,018.90	
	Miscellaneous Expenses	190,800,000.00	
	TOTAL		369,808,018.90

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Note 2				
2a	Value Added Tax			
			2023	2022
	This represents allocation made to the three tiers of Government from the Federation Account in line with the provisions of the VAT Act		1,077,854,854.01	856,464,958.40
	Share of Value Added Tax (VAT)			
			1,077,854,854.01	856,464,958.40

	TRANSFER TO OTHER GOVT. ENTITIES – DEDUCTIONS BY JOINT ACCOUNTS & ALLOCATION COMMITTEE (JAAC)		
	Transfer to other Local Govts	--	
	Education	839,377,034.10	
	Health	589,688,517.05	
	Ndi Eze	10,466,568.75	
	Others	359,811,046.30	
	Total		1,799,343,166.20

NOTE 22: CASH AND BANK BALANCES

S/N	DETAILS	A/C NO	AMOUNT ₦	TOTAL ₦
A	CASH- IN- HAND			
B	CASH AT BANKS:			
1.	UBA	1023124344	50,773,926.90	
2.	Fidelity Bank	5030140785	10,000,000.00	
3.	Union bank	0178379583	16,317.90	
4.	Union bank	0178391268	942,776.16	
5.	Union Bank	0178437625	242.70	
6	Zenith Bank	1221206910	18,812.21	
7	Zenith Bank	1214089290	70,660.41	
	JAAC		18,279,284.10	
	TOTAL CASH AT BANKS			80,102,020.38

NOTE 23 OUTSTANDING ADVANCES AS AT DECEMBER 31, 2023

S/N	FOILO NO	NAME	AMOUNT ₦	TOTAL ₦
1.	11	Edede Okechukwu	30,000.00	
2	16	Ezeribe Udo	50,000.00	
3	24	Ibe Onyedikachi	30,000.00	
4	28	Emelogu Chidinma	80,000.00	
5	33	ThankGod Chijioke	120,000	
6	41	Onwukwe Chidiebee	15,000.00	
7	45	Ukaegbu Nwabueze	25,000.00	
8	49	Onumaegbu Nwanyieze	50,000.00	
9	55	Onuoha C.I.	45,000.00	
10	58	Kenneth Nwasuka	25,000.00	
11	62	David Chinanu	7,000.00	

12	65	Isikaku Rose	18,000.00	
13	73	Onyeri Victor	10,000.00	
14	76	Anaba Steven	5,000.00	
15	80	Eziaku Chide E.	50,000.00	
16	84	Edith Agomuo	10,000.00	
17	92	Nwobilor Ekeledirichi	5,000.00	
18	95	Chibuike Njoku	3,025,000.00	
19	100	Hon. Enyinnaya Nwamaghinna	300,000.00	
20	114	Hon. George Ubani C.	700,000	
21	115	Hon. Chigbu Monday	100,000.00	
22	122	Ogbonna Chigozirim	10,000	
23	123	Akwarandu Chinyere	2,600,000.00	
				7,310,000.00

NOTE 24 INVENTORIES AS AT DECEMBER 31, 2023

S/N	MATERIALS	UNIT PRICE (N)	BAL (QTY)	FOLO	AMOUNT N
1.	A4 Paper	6,500.00	100		650,00.00
2.	Fire extinguisher	30,000.00	20		600,000.00
3.	File Jacket	250,000	5000		1,250,000.00
4.	Treasury Cashbook	10,000.00	20		200,000.00
5.	Treasury Receipt book	1,000.00	200		200,000.00
6.	Revenue Receipt books	1,000.00	300		300,000.00
7.	Abstract/Ledgers	10,000.00	20		200,000.00
8.	Computer consumables	50,000.00	1,000		1,000,000.00
9.	Unserviceable	--	various		434,620,878.00
10	Street plate numbers	1,000.00	2000		2,000,000.00
11	Tryes	--			
12	Photo albums	5,000.0	30		150,000.00
13	Photocopying machine	200,000.00	3		600,000.00
14	Destop computer	150,000.00	5		750,000.00
15	Property rate receipts	1,000.00	100		100,000.00
16	motor parktoll receipts	1,000.00	150		150,000.00
17	Liquor ordinance	1,000.00	50		50,000.00
18	Market toll ticket	1,000.00	200		200,000.00
19	Marriage receipts	1,000.00	20		20,000.00
20	General receipts	1,000.00	500		1,150,000.00
21	Capitation tickets	1,000.00	1000		1,000,000.00
	Total				444,540,878.00

NOTE 30 PAYABLE

	₦	₦
November 2022 salary (Arrears)	33,511,616.50	
December 2022 salary (Arrears)	33,601,173.10	
Other allowance 2021	17,105,902.91	
Total		84,218,692.51

NOTES ON DEPRECIATION OF ASSETS FOR THE YEAR ENDED DECEMBER 31, 2023

PROPERTY PLANT/ EQUIPMENT	LAND /BUILDING 2%	TRANSPORTATION / EQUIPMENT 20%	Borehole 10%	FURNITURE/ FITTINGS 10%	PLANT/ MACHINERY 15%	INVESTMENT 5%	TOTAL
Cost/ valuation	₦	₦	₦	₦	₦	₦	
Balance as at 1/1/2023	448,854,657.15	7,552,000.00	--	5,184,567.00	904,305.58	43,861,500.00	506,357,029.73
Acquisitions during the year	--		6,040,000.00				6,040,000.00
Total Assets	448,854,657.15	7,552,000.00	6,040,000.00	5,184,567.00	904,305.58	43,861,500.00	512,397,029.73
Disposal during the year	--	--	--	--	--	--	--
Bal 31/12/23	448,854,657.15	7,552,000.00	6,040,000.00	5,184,567.00	904,305.58	43,861,500.00	512,397,029.73
Accumulate Depreciation	9,160,299.13	1,888,000.00		576,063.00	159,583.34	2,308,500.00	14,092,445.47
Current Year Depr.	8,793,887.16	1,132,800.00	6,040,000.00	460,850.40	111,708.34	2,077,650.00	13,180,895.90
Depr. On disposal	--	--	--	--	--	--	--
Balance as at 31/12/2023	430,900,470.86	4,531,200.00	5,436,000.00	4,147,653.60	633,013.90	39,475,350.00	485,123,688.36

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.