



**ADAMAWA STATE MINISTRY FOR LOCAL
GOVERNMENT AND CHIEFTAINCY AFFAIRS
(JOINT ACCOUNT)**

AUDITED FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31ST DECEMBER, 2019.**

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ADAMAWA STATE MINISTRY FOR LOCAL GOVERNMENT AFFAIRS (JOINT ACCOUNT)

CORPORATE INFORMATION

A. MANAGEMENT

1. Honourable Commissioner	Dr Aliyu Barkindo
2. Permanent Secretary	Mr Kenedy B.Dauda (JP)
3. Deputy Perm Sec	Hajiya Halima Isah Ahmadu
4. Special Adviser	Hon. Yahaya Hamman Julde
5. Director of Finance	Mr Japhet A. Gajere
6. Director of Local Govt	Al-Hassan M. Tahir
7. Director of Admin	Yakubu Sini
8. Dept Director Building	Abdulazeez Ardo

B. BANKERS

Keystone Bank Plc
Zenith Bank Plc
First Bank Plc
Eco Bank Plc

C. AUDITORS

Ahmed Bawa & Co
(Chartered Accountants)
Tinsy House
Opposite Adamawa State House of Assembly
Gibson Jalo Way Jimeta, Yola
Adamawa State

AUDITORS:

Ahmed Bawa & Co
(Chartered Accountants)



Ahmed Bawa & Co.

(Chartered Accountants, Tax Practitioners & Investment Consultants)

HEAD OFFICE: Tinsy House, Ground Floor (Centre), Gibson Jalo Way, Opp. Adamawa State House of Assembly, Jimeta-Yola.
P. O. Box 2589 Jimeta-Yola, Adamawa State. Tel: 08053472695, 07036942635 **EMAIL:** ahmedbawabello@yahoo.com

ABUJA OFFICE: Plot 1034 Cadestral Zone B 07 Old Katampe District, Close to BON Hotel by Aso Radio, Abuja. **Tel:** 08066251933, 08120638125

MAIDUGURI OFFICE: B1 No. 17, Open Air Theatre, Shehu Laminu Way, Maiduguri, Borno State. Tel: 07033278606, 08027100711

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ADAMAWA STATE MINISTRY FOR LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS

We have audited the financial Statements of the Ministry as at 31st December, 2019, set out on pages 4 to 6 which have been prepared on the basis of the accounting policies on page 7.

Ministry Responsibility for the Financial Statements:

The Ministry is responsible for the preparation and fair presentation of these Financial Statements. This responsibility includes, designing, implementing, and maintaining Internal Controls relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility:

Our responsibility is to express an opinion on these Financial Statements based on our audit.

Basis of Opinion

We conducted our audit in accordance with the International Standards on Auditing as well as the International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement, caused by error, other irregularities. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement, whether caused by fraud, other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the Financial Statements.

We have obtained all information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit. The Financial Statements have been prepared on the basis of the accounting policies

Opinion:

In our opinion, the Ministry has kept proper accounting records and the Financial Statements agree with the records in all material respects and given in the prescribed manner, information required. The Financial Statements give a true and fair view of the financial position of the Ministry as at 31st December, 2019 and of its financial performance and cash flows for the period ended on that date in accordance with the Statements of Accounting Standards issued by the International Public Sector Accounting Standards (IPSAS - Cash).

Ahmed Bawa & Co
(Chartered Accountants)
Engagement partner: Prof. Ahmed Bawa Bello FCA
FRC/2018/ICAN/00000018402



Yola, Nigeria
23 October, 2020

LEAD CONSULTANT:

Prof. Ahmed Bawa Bello B.Sc, MBA, M.Sc., PhD. FCA

CO-CONSULTANTS:

Dr. Adamu Saidu B.Sc, MBA, M.Sc., ACTI, ACA, PhD.
Alhaji Ahmed Jingi B.Sc, MBA, FCA
Mr. Isah Muhammed Abubakar B.Sc, ACA

ADAMAWA STATE MINISTRY FOR LOCAL GOVERNMENT AFFAIRS (JOINT ACCOUNT)
STATEMENT OF FINANCIAL POSITION AS AT 31st DECEMBER, 2019

	NOTES	2019	2018
CURRENT ASSETS			
Cash and Bank Balances	1	202,446,495	(1,700,000,000)
		202,446,495	(1,700,000,000)
FINANCED BY:			
Accumulated Fund	3	202,446,495	(1,700,000,000)
		202,446,495	(1,700,000,000)

 24/10/2020

DIRECTOR OF FINANCE

 24-10-2020

PERMANENT SECRETARY

ADAMAWA STATE MINISTRY FOR LOCAL GOVERNMENT AFFAIRS (JOINT ACCOUNT)**STATEMENT OF INCOME AND EXPENDITURE FOR THE****YEAR ENDED 31ST DECEMBER, 2019.**

		2019	2018
INCOME RECEIVED			
Statutory Allocation	4	41,017,426,577	41,692,522,329
Other Income	5	3,510,387,079	5,000,000,000
		44,527,813,656	46,692,522,329
EXPENDITURE			
Miscellaneous		31,527,724	-
Gift & Donations		-	33,000,000
Repairs & Maintenance		6,500,000	-
Wages & Allowances		16,418,578	-
Salary Arrears		-	4,947,500,000
Union & Association Dues		5,600,000	-
Interest & Loan Repayments		1,724,565,921	2,360,374,530
Bank Charges		15,122	668,530
Interest on Bank Overdraft		64,575,000	556,069,317
Workshops & Training		-	5,664,200
		1,849,202,345	7,903,276,577
ALLOCATION/INTERVENTIONS			
Grants to Other Government - Current		40,000,000	7,577,000
Contribution to State University		-	1,610,653,755
Grants/Allocation to Development Areas		-	393,071,128
Contribution to Traditional Councils		27,123,427	2,254,914,925
Contribution to Ministry for Local Government Affairs		-	470,206,149
Contribution to Local Government Education Authority		-	9,828,712,714
Contribution to Primary Health Care Development Agency		-	3,852,110,482
Contribution to Local government Staff Pension Board		-	1,247,125,485
Contribution to Local Government Service Commission		-	322,130,757
Contribution to Auditor General Local Government		-	121,036,655
Transfer to Local Government Councils		40,684,041,389	20,507,321,775
		40,751,164,816	40,614,860,825
CAPITAL EXPENDITURE		25,000,000	95,243,885
TOTAL EXPENDITURE		42,625,367,161	48,613,381,287
SURPLUS/(DEFICIT)		1,902,446,495	(1,920,858,958)

AUDITORS:Ahmed Bawa & Co
(Chartered Accountants)

ADAMAWA STATE MINISTRY FOR LOCAL GOVERNMENT AFFAIRS (JOINT ACCOUNT)
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019.

		2019	2018
CASH FLOW FROM OPERATING ACTIVITIES	NOTES		
RECEIPTS			
Statutory Allocation	6	41,017,426,577	41,692,522,329
Other Income	7	3,510,387,079	5,000,000,000
		44,527,813,656	46,692,522,329
PAYMENTS			
Total for Operating Activities		(60,046,302)	(4,986,164,200)
Net Cash flow from Operating Activities (A)		44,467,767,355	41,706,358,129
CASH FLOW FROM INVESTING ACTIVITIES			
Purchases/Construction of Assets		(25,000,000)	(95,243,885)
Investment		-	-
Allocations and Interventions		(40,751,164,816)	(40,614,860,825)
Disposal of Fixed Assets		-	-
Net Cash flow from Investing Activities (B)		(40,776,164,816)	(40,710,104,710)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from Internal Loan/Overdraft		-	-
Loan Repayment		(1,724,565,921)	(2,360,374,530)
Overdraft Repayment		(64,575,000)	(556,069,317)
Bank Charges		(15,122)	(668,530)
Net Cash flow from Financing Activities (C)		(1,789,156,044)	(2,917,112,377)
Net Increase/Decrease in Cash and Cash Equivalent	(A+B+C)	1,902,446,495	(1,920,858,958)
Cash and Cash Equivalent at Beginning		(1,700,000,000)	220,858,958
Cash and Cash Equivalent at End		202,446,495	(1,700,000,000)

AUDITORS:

Ahmed Bawa & Co
(Chartered Accountants)

ADAMAWA STATE MINISTRY FOR LOCAL GOVERNMENT AFFAIRS (JOINT ACCOUNT)
NOTES TO THE ACCOUNTS FOR THE YEAR
ENDED 31st DECEMBER, 2019.

1. STATEMENT OF ACCOUNTING POLICY

Accounting policies

The following is the summary of the significant Accounting policies adopted by the Bureau in preparation of these Accounts.

BASIS OF PREPARATION OF ACCOUNTS

These Accounts have been prepared under historical cost convention, cash basis guidelines of the financial memoranda and explanatory notes on the overhead expenditure sub-heads issued by the Adamawa State Ministry of Finance as approved in the estimate. No adjustments have been made to reflect the impact on the accounts of any changes in the price level.

INCOME

This represents the total recurrent subvention actually received from Adamawa State Government through State Ministry of Finance for recurrent expenditure during the period.

FIXED ASSETS AND DEPRECIATION

Depreciation of fixed assets has not been provided for since assets purchases are treated as expenses in the year of purchase.

STOCKS

Stocks held at the date of the Statement of Financial Position were valued at lower of cost and net realizable value.

ADAMAWA STATE MINISTRY FOR LOCAL GOVERNMENT AFFAIRS (JOINT ACCOUNT)
NOTES TO THE ACCOUNTS FOR THE YEAR
ENDED 31st DECEMBER, 2019 CONT'D

1	Cash and Bank Balances		
	Cash at Hand	-	-
	UBA PLC	202,446,495	(1,700,000,000)
		202,446,495	(1,700,000,000)
2	Bank Overdraft		
	Bank PHB	-	-
	Zenith Bank	-	-
	Keystone Bank	-	-
	First Bank	-	-
	First Bank	-	-
		-	-
3	Accumulated Fund		
	Balance Brought Forward	(1,700,000,000)	220,858,958
	Surplus/ (Deficit) for the Year	1,902,446,495	(1,920,858,958)
		202,446,495	(1,700,000,000)
4	INCOME		
	STATUTORY ALLOCATION	31,516,557,519	32,545,965,852
	VAT	8,181,634,962	7,632,294,547
	EXCHANGE GAIN DIFFERENCE	990,783,877	1,353,648,639
	FOREX EQUALISATION	328,450,219	
	EXCESS BANK CHARGES	-	16,244,887
	EXCESS PETROLEUM PROFIT TAX (PPT REVENUE)	-	144,368,405
		41,017,426,577	41,692,522,329
5	OTHER INCOME		
	INTERNAL LOANS	3,510,387,079	5,000,000,000
		3,510,387,079	5,000,000,000

AUDITORS:

Ahmed Bawa & Co
(Chartered Accountants)

6	CAPITAL EXPENDITURE			
	AGRIC INPUTS		-	-
	ROAD CONSTRUCTION & MAINTENANCE		25,000,000	95,243,885
	LAND & BUILDING			
	SECURITY			
			25,000,000	95,243,885