

AUDIT SERVICE

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Good Governance
and Accountability

P. O. Box 31
Tarkwa
.....
11 May 20
..... 20

The Presiding Member
Tarkwa Nsuaem Municipal Assembly
Tarkwa

Dear Sir,

ANNUAL AUDIT REPORT ON THE ACCOUNTS OF THE TARKWA NSUAEM MUNICIPAL ASSEMBLY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

Introduction

We have examined the accounts of the Tarkwa Nsuaem Municipal Assembly for the financial year ended 31 December 2019 in accordance with Section 80 (4) of the Public Financial Management Act, 2016(Act 921) and Section 11 of the Audit Service Act, 2000, (Act 584).

Accounts

2. The following accounts and annual financial statements are attached to this report:
- Comparative statement of the financial position as at 31 December 2019, and Cash flow statements.
 - Comparative statement of Receipts and Payments account for the financial year ended 31 December 2019.
 - Comparative statement of Revenue and Expenditure account for the financial year ended 31 December 2019;
 - Comparative statement of Revenue for the financial year ended 31 December 2019;
 - Comparative statement of Expenditure for the financial year ended 31 December 2019;
 - Comparative statement of Accumulated Fund and
 - Notes and Schedules to the accounts as at 31 December 2019.

OPINION OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS

Responsibility of management

Section 80 of the Public Financial Management Act, 2016, (Act 921) requires that the Assembly shall, immediately after the end of the financial year, prepare financial statements of its accounts in such form as the Auditor-General may direct, and submit such statements to the Auditor-General or his representative for audit.

Auditor-General's responsibility

Section 84 of the Public Financial Management Act, 2016, (Act 921) and Section II of the Audit Service Act 2000, (Act 584) require the Auditor-General to audit and report on the accounts of Metropolitan, Municipal and District Assemblies of Ghana. It is, therefore, the responsibility of the Auditor-General to express an independent opinion on the financial statements of the Assemblies.

Basis of opinion

We conducted the audit in accordance with Generally Accepted Auditing Standards and the auditing standards of the International Organization of Supreme Audit Institutions (INTOSAI). An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements.

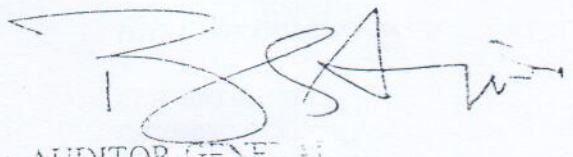
We planned and performed our audit so as to obtain all the information and explanation which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by error, fraud or any other irregularity and that, in all material respects, the revenue and expenditure have been applied for the purposes intended by Parliament, and the financial transactions conform to the authorities which govern them. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audit provide a reasonable basis for the audit opinion.

Opinion

We have examined the financial statements and the supporting schedules of the **TARKWA NSUAEM MUNICIPAL ASSEMBLY** under the historical cost convention for the financial year ended 31 December 2019.

LAKEVIEW TOWN MUNICIPAL ASSEMBLY
MINUTES OF FINANCIAL MATTERS OF THE YEAR 2019

In our opinion, the financial statements present fairly the financial position of the Assembly as at 31 December 2019 and the result of the operations for the year ended and that the transactions were in accordance with the Financial Laws.

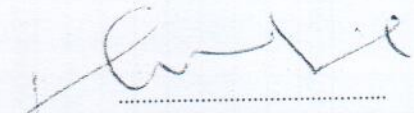


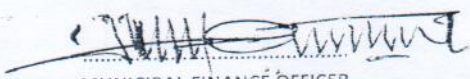
for: AUDITOR-GENERAL
BESTMAN HAMLET NOW
ASSISTANT AUDITOR-GENERAL

DATED THIS 11 DAY OF MAY 2020

TARKWA NSUAEM MUNICIPAL ASSEMBLY
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2019

	NOTES	2019	2018
ASSETS			
<i>NON CURRENT ASSETS</i>			
<i>FIXED DEPOSIT</i>			
INFRASTRUC. , PLANT & EQUIP.	1	8,152,964.09	4,770,717.86
WORK-IN-PROGRESS	1	1,144,251.98	167,140.31
TOTAL NON CURRENT ASSET		9,297,216.07¹	4,937,858.17
<i>CURRENT ASSETS</i>			
CASH AND BANK	2	2,867,198.13	786,000.51
RECEIVABLES	3	52,197.76	11,920.00
PREPAYMENTS		-	-
TOTAL CURRENT ASSETS		2,919,395.89	797,920.51
TOTAL ASSETS		12,216,611.96	5,735,778.68
LIABILITIES			
<i>CURRENT LIABILITIES</i>			
RETENTION	4	80,709.28	80,709.28
CREDITORS	5	313,313.38	339,313.38
DEPOSITS AND OTHER MONIES	6	100.00	100.00
SHORT-TERM BORROWINGS		-	-
TOTAL CURRENT LIABILITIES		394,122.66	420,122.66
TOTAL LIABILITIES		394,122.66	420,122.66
NET ASSETS		11,822,489.30	5,315,656.02
CONTRIBUTED BY			
SURPLUSES/(DEFICITS)	7	6,506,833.28	168,846.77
ACCUMULATED SURPLUSES B/F	7	5,315,656.02	5,146,809.25
NET WORTH		11,822,489.30	5,315,656.02


 MUNICIPAL CO-ORDINATING DIRECTOR
 MUNICIPAL CO-ORDINATING DIRECTOR
 TARKWA-NSUAEM MUNICIPAL ASSEMBLY
 TARKWA


 MUNICIPAL FINANCE OFFICER
 Municipal Finance Officer
 Tarkwa-Nsuaem Municipal Assembly
 Tarkwa

TARKWA NSUAEM MUNICIPAL ASSEMBLY

COMPARATIVE STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED DECEMBER, 2019

RECEIPT	ANNUAL	ACCUMULATED	ANNUAL	ACCUMULATED
	ESTIMATE 2019	TOTAL 2019	ESTIMATE 2018	TOTAL 2018
RATES	2,864,600.00	2,303,359.19	2,612,000.00	2,063,638.30
LAND AND CONCESSIONS	7,165,014.02	6,910,289.35	5,968,682.40	4,446,843.70
FEES AND FINES	524,800.00	419,757.50	477,500.00	406,918.04
LICENCES	1,253,500.00	1,166,014.66	922,710.00	880,676.15
RENT	40,000.00	48,847.50	30,000.00	25,679.00
GRANTS	8,346,914.42	5,220,217.74	7,168,246.58	5,309,945.79
INVESTMENT INCOME	5,000.00	-	-	-
MISCELLANEOUS	3,000.00	600.00	3,000.00	1,748.50
TOTAL RECEIPTS	20,202,828.44	16,069,085.94	17,182,138.98	13,135,449.48
PAYMENT				
COMPENSATION OF EMPLOYEES	4,037,121.89	2,584,550.78	3,667,458.18	3,175,907.10
GOODS AND SERVICES	6,426,269.71	6,250,263.22	3,490,122.51	3,471,538.46
INTEREST	-	-	492,425.95	788,545.06
OTHER GRANTS	-	-	5,000.00	3,645.00
SOCIAL BENEFITS	5,000.00	-	5,000.00	589,108.92
OTHER EXPENSES	741,137.93	688,234.68	724,917.00	4,770,717.86
NON-FINANCIAL ASSETS	1,083,090.00	2,930,853.38	8,529,915.94	167,140.31
OTHER PAYMENTS (WIP)	7,910,208.91	1,428,504.52	272,299.40	-
TOTAL PAYMENTS	20,202,828.44	13,882,406.58	17,182,138.98	12,966,602.71

EXCESS RECEIPTS OVER PAYMENTS

2,186,679.36

168,846.77

TARKWA NSUAEM MUNICIPAL ASSEMBLY

COMPARATIVE STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED DECEMBER, 2019

MAIN HEAD REVENUE	ANNUAL	ACCUMULATED	ANNUAL	ACCUMULATED
	ESTIMATE 2019	TOTAL 2019	ESTIMATE 2018	TOTAL 2018
RATES	2,864,600.00	2,722,920.76	2,612,000.00	2,063,638.30
LAND AND CONCESSIONS	7,165,014.02	6,501,226.54	5,968,682.40	4,446,843.70
FEES AND FINES	524,800.00	419,757.50	477,500.00	406,918.04
LICENCES	1,253,500.00	1,116,311.92	922,710.00	880,676.15
RENT	40,000.00	48,847.50	30,000.00	25,679.00
GRANTS	8,346,914.42	5,220,217.74	7,168,246.58	5,309,945.79
INVESTMENT INCOME	5,000.00	-	-	-
MISCELLANEOUS	3,000.00	600.00	3,000.00	1,748.50
TOTAL REVENUE	20,202,828.44	16,029,881.96	17,182,138.98	13,135,449.48
EXPENDITURE				
COMPENSATION OF EMPLOYEES	4,037,121.89	2,584,550.78	3,667,458.18	3,175,907.10
GOODS AND SERVICES	6,426,269.71	6,250,263.22	3,490,122.51	3,471,538.46
INTEREST	-	-	-	-
OTHER GRANTS	-	-	492,425.95	788,545.06
SOCIAL BENEFITS	5,000.00	-	5,000.00	3,645.00
OTHER EXPENSES	741,137.93	688,234.68	724,917.00	589,108.92
TOTAL EXPENDITURE	11,209,529.53	9,523,048.68	8,379,923.64	8,028,744.54

SURPLUS/(DEFICIT)

6,506,833.28

5,106,704.94

B

TARKWA NSUAEM MUNICIPAL ASSEMBLY
COMPARATIVE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019

DESCRIPTION	2019	2018
CASH RECEIPTS FROM OPERATING ACTIVITIES		
GRANTS	5,220,217.74	5,309,945.79
RATES	2,303,359.19	2,063,638.30
OTHER REVENUE	8,545,509.01	5,761,865.39
NET CASH RECEIPTS FROM OPERATING ACTIVITIES	16,069,085.94	13,135,449.48
CASH PAYMENT FROM OPERATING ACTIVITIES		
COMPENSATION OF EMPLOYEES	2,584,550.78	3,175,907.10
GOODS AND SERVICES	6,250,263.22	3,471,538.46
INTEREST	-	-
GRANTS	-	788,545.06
SOCIAL BENEFITS	-	3,645.00
OTHER EXPENSES	688,234.68	589,108.92
	9,523,048.68	8,028,744.54
NET CHANGE IN WORKING CAPITAL		
(INCREASE)/DECREASE IN ACCOUNT RECEIVABLE	11,920.00	300.00
INCREASE/(DECREASE) IN ACCOUNT PAYABLES	-	(854,940.47)
	11,920.00	(854,640.47)
NET CASH PAYMENT FROM OPERATING ACTIVITIES	9,523,048.68	8,883,385.01
NET CASH FLOW FROM OPERATING ACTIVITIES	6,546,037.26	4,252,064.47
PURCHASE/GRANTING OF NON-FINANCIAL ASSETS		
NON-FINANCIAL ASSETS	2,930,853.38	4,770,717.86
INVENTORY	-	-
WIP	1,428,504.52	167,140.31
CASH FLOW FROM INVESTING IN NON-FINANCIAL ASSETS	4,359,357.90	4,937,858.17
SALE/RECOVERY OF NON-FINANCIAL ASSETS		
NON-FINANCIAL ASSETS	-	-
INVENTORY	-	-
WIP	-	-
CASH FLOW FROM SALES OF NON-FINANCIAL ASSETS	-	-
NET CASH FLOW FROM INVESTMENT IN FINANCIAL ASSETS	4,359,357.90	4,937,858.17
CASH FLOW FROM FINANCIAL ACTIVITY		
DOMESTIC		
INFLOWS	-	-
OUTFLOWS	-	-
NET INCURRENCE OF DOMESTIC LIABILITY	-	-
FOREIGN		
INFLOWS	-	-
OUTFLOWS	-	-
NET INCURRENCE OF FOREIGN LIABILITY	-	-
NET CHANGES IN STOCK OF CASH	2,081,197.62	(685,793.70)
CASH AND CASH EQUIVALENT - OPENING	786,000.51	1,471,794.21
CASH AND CASH EQUIVALENT - CLOSING	2,867,198.13	786,000.51

NOTES TO THE ACCOUNTS

1) REPORTING ENTITY

The reporting entity is Tarkwa-Nsuaem Municipal Assembly (T.N.M.A.). The financial report is for activities that took place during the 2019 fiscal year. The entity is non-profit organization operating under the ministry of Local Government and Rural Development.

OUR MISSION

The Tarkwa-Nsuaem Municipal Assembly exists to improve the quality of life of its inhabitants through the provision of effective and efficient socio-economic services in collaboration with other stakeholders.

OUR VISION

To become a world class Municipality providing excellent socio-economic services for inhabitants.

2) ACCOUNTING POLICIES

a) *Statement Of Compliance*

The financial statement of the Assembly have been prepared in accordance with the accounting policies of the Government of Ghana to comply with the Public Financial Management (PFM) Act, 2016 (ACT 921), Financial Administration Regulation, 2004 (LI 1802) (FAR) Financial Memoranda for District Assembly 2004, Accounting Manuals and other Legislative and standard accounting documents developed and approved by Controller and Accountant General's Department in consultation with the Auditor-General and Ministry of Local Government and Rural Development.

b) *Basis of Preparation*

The annual financial statements have been prepared on accrual basis. The accounting policies adopted in preparing the financial statement have been consistency applied throughout all periods presented unless otherwise stated.

c) *Functional and Presentation Currency*

The functional currency is the currency that best reflects the primary economic environment in which the entity operates. The financial statements have been presented in Ghana Cedis (GH¢) which is the functional and presentation currency of the entity.

d) *Revenue*

The Assembly generates its revenue from the following sources which are used for the implementation of developmental projects and programmes. To this end income or revenue is recognized as and when it is earned.

- I. Internally Generated Fund (IGF) consisting:
 - I. Rates
 - II. Land and Concessions
 - III. Fees and Fines

- IV. Licenses
- V. Rent
- VI. Investment Income
- VII. Miscellaneous
- II. The District Assemblies and MP's Common Funds
- III. Other Donor Grants
 - i. Urban Development Grants
 - ii. Capacity Support Fund
 - iii. District Development Facilities
 - iv. CWSA (IDA)
 - v. CIDA etc.

e) *Expenditure*

The Municipal Assembly's expenditure has been categorized as follows:

- i. Compensation of Employees
- ii. Use of Goods and Services
- iii. Grants
- iv. Social Benefits
- v. Other Expenses
- vi. Capital Expenditure.