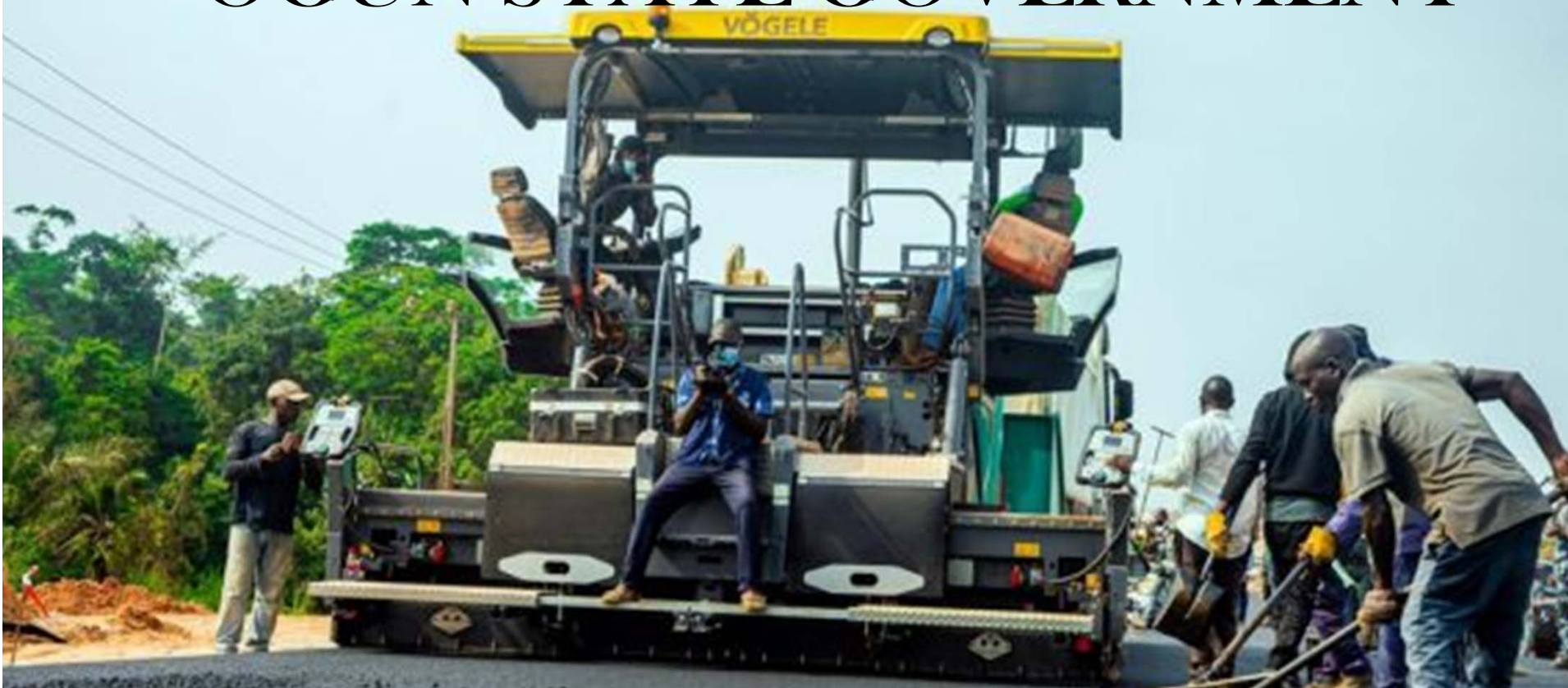


OGUN STATE GOVERNMENT



**ANNUAL REPORTS AND FINANCIAL
STATEMENTS FOR THE YEAR ENDED
31ST DECEMBER, 2020.**

TRANSITIONAL ACCRUAL BASIS.



TABLE OF CONTENTS

<u>No</u>	<u>Title</u>	<u>Page</u>
1.	Preliminary pages	i -ii
2.	Responsibility for Financial Statements	1
3.	Auditor General's Certificate	2
4.	Statement of Financial Performance	3
5.	Statement of Financial Position	4
6.	Statement of Changes in Equity/Net assets	5
7.	Statement of Cash Flow	6
8.	Statement of Comparison of Budget and Actual Amounts (Prepared on Cash Basis)	7
9.	Five Years Financial Summary	8
10.	Notes to the Financial Statements	
	- General Information	9
	- Statement of compliance with IPSAS and transitional explanations	9
	- Significant Accounting Policies	9-26
	- Other Notes	27-53
11.	SFTAS Program-For-Results (P For R) Disclosure Notes	54

RESPONSIBILITY FOR FINANCIAL STATEMENTS

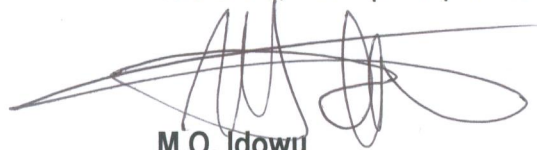
These Financial Statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB), provisions of the Finance (Control and Management) 2014 as revised and the Financial Reporting Council of Nigeria (FRCN).

As the Accountant-General, I have the responsibility over general supervision of accounts and the preparation of financial statements that is compliant with accounting standards.

In fulfilling this responsibility, I ensure that proper accounting records are maintained; applicable International Public Sector Accounting Standards are applied; judgements and estimates made are reasonable and prudent; and internal control procedures are instituted to provide reasonable assurances that financial transactions are validly recorded and resources are safeguarded.

These Financial Statements reflect the true and fair view of the financial position of the Government and its operations for the year ended 31st December, 2020 which complies with IPSAS 33 (First Time Adoption of Accrual Basis IPSAS).

Therefore, I accept responsibility for the integrity and objectivity of the Financial Statements and the information contained therein.



M.O. Idowu
(Permanent Secretary/Accountant-General)
Ogun State.

30th March, 2021

AUDIT CERTIFICATE

The Financial Statements and Accounts of the Government of Ogun State, Nigeria for the year ended 31st December, 2020 have been audited in accordance with section 125 (2) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended), and part 7 paragraphs 35-37 of the Public Administration Law of Ogun State of Nigeria, 2006 as well as the provision of IPSAS 33 (First Time Adoption of Accrual Basis IPSAS).

The audit was conducted in accordance with International Standards on Auditing and INTOSAI Auditing Standards.

In the course of the audit, I evaluated the overall adequacy of the information presented in the General-Purpose financial statements which were prepared in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis as described in Note 10.2.

I have obtained information and explanation that to the best of my knowledge was relevant and necessary for the purposes of the audit. This audit has provided me with reasonable evidences and assurances which formed the basis for my independent opinion.

In my opinion, the Financial Statements which are in agreement with the books of accounts and records show a true and fair view of the Financial Position of the Government of Ogun State for the year ended December 31, 2020 and the transactions for the fiscal year ended on that date.

Special Opinion:

The State is eligible to receive performance-based grant financing from the Federal Government subject to performance against predefined criteria in the World Bank Assisted States Fiscal Transparency, Accountability and Sustainability Program for Results (SFTAS P for R). The expenditure framework (and receipts) are detailed in Note 32 in the attached General-Purpose Financial Statements of Ogun State Government.

In my opinion, Note 32 presents fairly, in all material respects, the expenditures incurred (and funds received) against the SFTAS Program by the State for the year ended December 31, 2020 (2018, 2019 as required) in accordance with IPSAS as described in Note 10.2



S.B. Olubanjo

Auditor - General

Ogun State.

20th May, 2021

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD ENDED 31st December 2020

		31st December 2020	31st December 2019
Revenue	Notes	₦	₦
Government Share of FAAC (Statutory Allocation)	4A	34,577,106,463.13	40,497,703,648.18
Government Share of VAT	4A	16,517,951,378.02	13,700,584,447.97
Internally Generated Revenue	4A	50,561,119,457.28	81,420,131,107.30
Other Revenue	4A	7,467,727,979.18	60,150,885,295.77
Total Revenue (A)		109,123,905,277.61	195,769,304,499.22
Expenditure			
Employee Benefits (Salaries and Wages)	5	56,213,334,320.53	49,870,373,047.32
Social Benefits	6	15,788,261,867.62	13,323,359,801.07
Travel and Transport	7	846,966,269.60	1,038,623,869.14
Utilities	8	1,234,971,835.16	989,005,725.45
Materials and Supplies - General	9	1,627,046,929.40	1,264,832,199.91
Maintenance Service-General	10	2,266,624,885.44	1,787,019,680.45
Training and Capacity Building	11	155,740,519.25	236,284,604.54
Other Services	12	2,310,559,993.89	2,650,098,467.26
Consulting and Professional Services	13	1,616,948,098.81	2,326,264,214.34
Fuel and Lubricants	14	1,310,041,280.87	1,145,014,843.04
Depreciation Charges	21	9,524,602,051.25	6,535,779,688.35
Impairment Charges		-	-
Amortization Charges	23	12,697,502.27	-
Miscellaneous Expenses	15	12,866,966,540.57	20,024,572,514.99
Grants and Contributions-General	16	481,434,938.47	7,297,687,159.36
Finance and other Bank Charges	30	9,416,384,760.02	20,668,573,624.23
Total Expenditure (B)		115,672,581,793.14	129,157,489,439.45
Surplus/(Deficit) from Operating Activities for the Period C=(A-B)		(6,548,676,515.53)	66,611,815,059.77

STATEMENT OF FINANCIAL POSITION

AS AT 31st December 2020

DESCRIPTION	NOTES	31st December 2020	31st December 2019
ASSETS		₦	₦
CURRENT ASSETS			
Receivables	17	15,083,593,072.77	15,596,944,154.68
Reimbursables from the Federal Government	18	21,663,124,217.90	21,663,124,217.90
Inventory	19	1,496,461,832,417.00	1,496,461,832,417.00
Cash and Cash Equivalents	20	8,859,683,392.75	21,308,583,629.58
TOTAL CURRENT ASSETS		1,542,068,233,100.42	1,555,030,484,419.16
NON CURRENT ASSETS			
Property , Plant and Equipment	21	149,025,443,987.55	128,101,688,056.04
Investment Property	22	6,194,012,980.00	6,194,012,980.00
Intangible Assets	23	25,395,004.53	-
Available for sale financial assets	24	6,364,136,806.68	7,165,663,994.20
TOTAL NON CURRENT ASSETS		161,608,988,778.76	141,461,365,030.24
TOTAL ASSETS		1,703,677,221,879.18	1,696,491,849,449.41
LIABILITIES			
CURRENT LIABILITIES			
Liabilities and Accruals	25A	1,437,215,572.88	-
Financial Liabilities	26	11,745,680,162.47	8,763,819,483.09
TOTAL CURRENT LIABILITIES		13,182,895,735.35	8,763,819,483.09
NON CURRENT LIABILITIES			
Liabilities and Accruals	25B	12,363,906,480.17	10,962,797,685.78
Financial Liabilities	27	119,731,875,915.64	116,460,281,674.34
Public Funds	28	443,232,837.59	387,516,217.47
Employee Benefits	29	61,339,508,562.42	48,240,944,579.70
TOTAL NON CURRENT LIABILITIES		193,878,523,795.82	176,051,540,157.29
TOTAL LIABILITIES		207,061,419,531.17	184,815,359,640.38
NET ASSETS/EQUITY		1,496,615,802,348.01	1,511,676,489,809.03
NET ASSETS/EQUITY			
Accumulated Surplus/(Deficit)	31	1,496,615,802,348.01	1,511,676,489,809.03
Available for Sale Reserves		-	-
NET ASSETS/EQUITY		1,496,615,802,348.01	1,511,676,489,809.03

STATEMENT OF CHANGES IN EQUITY/NET ASSETS

AS AT 31st December 2020

	Notes	Accumulated Surplus	Available for Sale Financial Assets	Total
		₹	₹	₹
Opening balance	31	1,511,676,489,809.03		1,511,676,489,809.03
Surplus /(Deficit)for the period	31	(6,548,676,515.53)		(6,548,676,515.53)
Transitional Adjustments	32	(7,710,483,757.97)		(7,710,483,757.97)
Fair Value Change in Financial Assets	23	-	(801,527,187.52)	(801,527,187.52)
Closing Balance		1,497,417,329,535.53	(801,527,187.52)	1,496,615,802,348.01

AS AT 31 DECEMBER 2019

	Notes	Accumulated Surplus	Available for Sale Financial Assets	Total
			₹	₹
Opening balance		684,564,874,131.05		684,564,874,131.05
Surplus /(Deficit)for the period		66,611,815,059.77		66,611,815,059.77
Transitional Reserve		760,499,800,618.21		760,499,800,618.21
Closing Balance		1,511,676,489,809.03		1,511,676,489,809.03

STATEMENT OF CASH FLOW

FOR THE PERIOD ENDED 31st December 2020

	31st December 2020	31st December 2019
CASH FLOW FROM OPERATING ACTIVITIES	₦	₦
Surplus/(Deficit) for the Period	(6,548,676,515.53)	66,611,815,059.77
Add Back:		
Depreciation Charges	9,524,602,051.25	6,535,779,688.35
Impairment Charges	-	-
Amortization Charges	12,697,502.27	-
Increase in Employee Benefits	13,098,563,982.72	3,609,977,156.52
Finance and other Bank Charges	9,416,384,760.02	20,668,573,624.23
Programme related expenses	-	(17,372,623,295.66)
Changes in Working Capital		
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Receivables	513,351,081.91	(10,863,464,666.36)
(Increase)/Decrease in Reimbursables	-	(21,663,124,217.90)
Increase/(Decrease) in Liabilities and Accruals	1,437,215,572.88	10,962,797,685.78
Cash Generated from Operations	27,454,138,435.51	58,489,731,034.73
Finance and other Bank Charges Paid	(9,416,384,760.02)	(20,668,573,624.23)
NET CASHFLOW FROM OPERATING ACTIVITIES (a)	18,037,753,675.49	37,821,157,410.49
CASHFLOW FROM INVESTING ACTIVITIES		
Property , Plant and Equipment	(30,448,357,982.75)	(18,045,658,085.82)
Investment Property	-	-
Intangible Assets	(38,092,506.80)	-
Available for sale financial assets	-	-
NET CASHFLOW FROM INVESTING ACTIVITIES (b)	(30,486,450,489.55)	(18,045,658,085.82)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from External Loans	2,214,475,688.00	-
Proceeds from Internal Loans	4,934,664,577.47	-
Repayment of External Loans	(766,379,131.94)	(645,673,248.62)
Repayment of Internal Loans	(6,438,681,176.43)	(7,976,545,883.14)
Public Funds	55,716,620.12	30,573,043.55
NET CASH FLOW FROM FINANCING ACTIVITIES (c)	(203,422.78)	(8,591,646,088.21)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS(a+b+c)	(12,448,900,236.84)	11,183,853,236.46
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	21,308,583,629.58	10,124,730,393.12
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	8,859,683,392.75	21,308,583,629.58

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS (PREPARED ON CASH BASIS)

FOR THE PERIOD ENDED 31 DECEMBER 2020

Actual 2019		Actual 2020	Revised/Final Budget 2020	Supplementary Budget 2020	Initial/Original Budget 2020	Variance on Final Budget 2020
₦		₦	₦	₦	₦	₦
	Revenue from Non Exchange Transactions					
40,210,325,354.99	Statutory Allocation	35,625,864,567.95	44,990,654,036.02	-	43,430,733,557.67	(9,364,789,468.07)
13,570,491,447.23	Value Added Tax Allocation	15,901,862,528.43	14,101,725,230.63	-	22,030,778,837.06	1,800,137,297.80
907,121,103.95	Aids and Grants	7,467,727,979.18	17,162,831,837.40	-	-	(9,695,103,858.22)
-	Other Capital Receipts	7,149,140,265.47	91,100,000,000.00	-	89,705,500,000.00	(83,950,859,734.53)
39,013,745,578.66	Direct Taxes	30,211,910,702.83	66,810,721,883.25	-	131,376,499,115.53	(36,598,811,180.42)
3,814,778,068.87	Licences	2,549,129,138.62	4,478,005,988.56	-	9,652,044,384.47	(1,928,876,849.94)
183,231,914.71	Fines	209,540,412.87	154,947,012.00	-	673,450,000.00	54,593,400.87
37,580,639,973.92	Other Revenue	-	-	-	39,860,254,766.25	-
135,280,333,442.33	Sut-Total (A)	99,115,175,595.35	238,798,885,987.86	-	336,729,260,660.98	(139,683,710,392.51)
	Revenue from Exchange Transactions					
18,559,566,050.12	Fees	10,999,969,052.22	28,910,210,100.39	-	71,329,315,206.86	(17,910,241,048.17)
4,309,811,548.94	Sales	2,482,829,687.95	2,504,473,082.66	-	13,673,223,346.15	(21,643,394.71)
2,535,014,061.35	Earnings	2,583,881,909.55	1,696,724,887.50	-	15,005,189,910.80	887,157,022.05
760,944,430.60	Rent of Government Building	241,577,799.95	757,722,902.56	-	855,575,000.00	(516,145,102.61)
186,158,481.12	Rent On Lands and Others	164,850,884.63	6,035,328,370.00	-	6,108,500,000.00	(5,870,477,485.37)
27,561,700.00	Investment Income	89,062,796.34	28,140,000.00	-	242,305,315.00	60,922,796.34
1,610,771,785.65	Extra-Ordinary income	1,164,349,321.64	2,176,053,045.50	-	6,030,320,836.00	(1,011,703,723.86)
27,989,828,057.78	Sub-Total (B)	17,726,521,452.28	42,108,652,388.61	-	113,244,429,614.81	(24,382,130,936.33)
163,270,161,500.11	Total Revenue C = (A+B)	116,841,697,047.63	280,907,538,376.47	-	449,973,690,275.79	164,065,841,328.84
	Less Expenditure budgeted by nature of cost					
50,414,971,601.01	Personel Cost	48,219,637,581.28	63,606,342,627.40	-	74,238,032,842.44	15,386,705,046.12
20,499,118,433.34	Overheads Charges	22,798,650,780.11	39,148,659,349.35	-	55,558,686,698.57	16,350,008,569.24
16,466,271,250.22	Consolidated Revenue Fund Charges	11,164,829,562.62	21,047,997,142.02	-	34,944,620,850.32	9,883,167,579.40
29,290,792,755.99	Public Debt Charges	16,621,445,068.39	15,678,052,005.76	-	28,945,819,853.63	(943,393,062.63)
116,671,154,040.57	Sub-Total (D)	98,804,562,992.40	139,481,051,124.53	-	193,687,160,244.96	40,676,488,132.13
	Less:Capital Expenditure budgeted by functions of Government					
4,679,794,653.69	General Public Services	4,130,798,948.25	18,162,113,126.06	-	11,201,397,252.75	14,031,314,177.81
117,949,800.00	Public Order and Safety	1,272,132,650.00	1,625,072,495.50	-	2,855,168,312.87	352,939,845.50
19,265,599,227.53	Economic Affairs	15,782,613,904.26	67,912,619,598.97	-	111,460,379,399.78	52,130,005,694.71
88,192,542.45	Environmental Protection	603,139,807.24	985,000,000.00	-	5,546,530,823.49	381,860,192.76
4,618,742,634.49	Housing and Community Amenities	4,217,137,157.87	8,170,453,553.30	-	37,886,004,140.46	3,953,316,395.43
3,773,052,579.16	Health	1,560,073,731.86	40,031,949,869.86	-	34,318,850,342.10	38,471,876,138.00
113,631,758.65	Recreation Culture and Religion	185,672,879.83	312,792,637.98	-	4,708,924,235.23	127,119,758.15
2,751,636,435.51	Educaton	2,714,062,088.58	4,141,955,845.27	-	47,755,474,957.92	1,427,893,756.69
9,681,750.00	Social Protection	20,819,321.66	84,530,125.00	-	553,800,566.23	63,710,803.34
35,418,281,381.48	Sub-Total (E)	30,486,450,489.55	141,426,487,251.94	-	256,286,530,030.83	110,940,036,762.39
152,089,435,422.05	Total Expenditure F = (D +E)	129,291,013,481.95	280,907,538,376.47	-	449,973,690,275.79	151,616,524,894.52
11,180,726,078.06	Budget Surplus/(Deficit) G = (C - F)	(12,449,316,434.32)	-	-	-	12,449,316,434.32

5 YEARS FINANCIAL SUMMARY 2016 - 2020					
	2016	2017	2018	2019	2020
	IPSAS CASH			IPSAS ACCRUAL	
REVENUE					
Statutory Allocation	23,740,950,872.06	29,914,458,128.96	41,342,345,369.49	40,497,703,648.18	34,577,106,463.13
Value Added Tax	8,876,553,048.51	10,891,870,463.29	12,776,510,583.78	13,700,584,447.97	16,517,951,378.02
Internally Generated Revenue	71,553,413,880.80	74,835,979,000.51	84,554,199,593.68	81,420,131,107.30	50,561,119,457.28
Other Receipts	10,709,672,060.30	38,744,167,011.08	22,950,187,056.78	59,243,764,191.82	-
Aids and Grants	2,414,076,538.58	209,775,822.50	2,171,639,546.63	907,121,103.95	7,487,727,979.18
Capital Receipts (External and Internal loans)	10,413,034,011.68	30,577,109,496.12	-	-	7,149,140,265.47
TOTAL REVENUE	127,707,700,411.93	185,173,359,922.46	163,794,882,150.36	195,769,304,499.22	116,293,045,543.08
EXPENDITURE					
Personnel Cost	39,567,459,292.41	45,806,090,274.10	44,915,179,988.18	49,870,373,047.32	56,213,334,320.53
Overhead Cost	30,436,706,203.63	37,169,721,556.09	36,176,443,205.75	58,618,542,767.90	50,042,862,712.59
Public Debt Charges	12,804,236,331.75	16,766,349,633.75	18,993,218,182.27	29,290,792,755.99	16,621,445,068.39
Capital Expenditure	40,188,835,419.81	73,213,197,541.98	76,430,169,255.94	35,418,281,381.48	30,486,450,489.55
TOTAL EXPENDITURE	122,997,237,247.60	172,955,359,005.92	176,515,010,632.14	173,197,989,952.69	153,364,092,591.06

In compliance with WB-SFTAS requirements, Ogun State prepared a five(5) year financial summary of its activities.

However, due to the adoption of a different accounting basis (IPSAS Accrual) in year 2019, the five year financial summary will be split between IPSAS CASH (2016-2018) and IPSAS Accrual (2019-2020).

NOTES TO THE FINANCIAL STATEMENTS

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

10.1. General information

The State financial statements for the year ended 31 December 2020 were authorized for issue by the Accountant General . Ogun State Government's (OGSG's) principal activities are the provision of social, infrastructure, educational, housing, justice, transport, agricultural and health services, waste management and emergency services.

10.2 Statement of compliance with IPSAS and transitional explanations

The financial statements have been prepared in accordance with accrual basis International Public Sector Accounting Standards (IPSASs). IPSAS 33 (First Time Adoption of Accrual Basis IPSAS) allows OGSG a period of up to three years to recognize and/or measure certain assets and/or liabilities. The Government views the exercise of identifying and measuring legacy assets as very strategic. Hence OGSG has chosen to be diligent in its approach and consequently require more time to fully accomplish the exercise.

In its transition to accrual basis IPSASs, OGSG took advantage of this transitional exemption for its yet-to-be-valued and yet-to-be-recognized assets and liabilities. Coordinated efforts are currently being made to establish *fair value assessment* of all immovable assets controlled by the State. This is to be achieved, in part, through the constitution of a technical committee of relevant and experienced professionals from the Ministry of Works, other Infrastructure related MDAs and finance.

As a result of the foregoing, OGSG is unable to make an explicit and unreserved statement of compliance with accrual basis IPSASs in preparing its transitional IPSAS financial statements for this reporting period.

The State financial statements are presented in Nigerian Naira, which is the functional and reporting currency. The accounting policies have been consistently applied to all the years presented.

The State financial statements are prepared on an accrual basis.

10.3 Summary of significant accounting policies

a) Consolidation

Controlled entities

The controlled entities are all those entities over which OGSG has the power to govern the financial and operating policies. These controlled entities are fully consolidated from the date in which control is attained by OGSG. They are de-consolidated from the date that control ceases.

Inter-entity transactions, balances and unrealized gains and losses on transactions between members of the State are eliminated in full. The accounting policies of the controlled entities are consistent with the policies adopted by OGS&G.

b) Interest in joint venture and associates

Where the State has an interest in a joint venture which is a Joint Arrangement, whereby the ventures have a binding arrangement that establishes joint control over the economic activities of the entity, the State recognizes its interest in the joint venture using the equity method of consolidation. Under the equity method, on initial recognition the investment in an associate or a joint venture is recognized at cost and the carrying amount is increased or decreased to recognize the investor's share of the surplus or deficit of the investee after the date of acquisition. The investor's share of the investee's surplus or deficit is recognized in the investor's surplus or deficit. Distributions received from an investee reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the investor's proportionate interest in the investee arising from changes in the investee's equity that have not been recognized in the investee's surplus or deficit. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The investor's share of those changes is recognized in net assets/equity of the investor.

OGS&G has neither associates nor joint ventures as at 31st December, 2020.

c) Current versus non-current classification

OGS&G presents assets and liabilities in the statement of financial position based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The State classifies all other liabilities as non-current.

d) Revenue recognition

Revenue from non-exchange transactions

Fees, taxes and fines

The State recognizes revenues from fees, taxes and fines when the event occurs and the asset recognition criteria are met. To the extent that there is a related condition attached that would give rise to a liability to repay the amount, deferred income is recognized instead of revenue. Other non-exchange revenues are recognized when it is probable that the future economic benefits or service potential associated with the asset will flow to the entity and the fair value of the asset can be measured reliably.

Transfers from other government entities

Revenues from non-exchange transactions with other government entities are measured at fair value and recognized on obtaining control of the asset (cash, goods, services and property) if the transfer is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the State and can be measured reliably.

Revenue from exchange transactions

Rendering of services

The State recognizes revenue from rendering of services by reference to the stage of completion when the outcome of the transaction can be estimated reliably. The stage of completion is measured by reference to labor hours or cost incurred to date as a percentage of total estimated labor hours or total cost.

Where the contract outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the State.

Interest income

Interest income is accrued using the effective yield method. The effective yield discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this yield to the principal outstanding to determine interest income each period.

Dividends

Dividends or similar distributions are recognized when the shareholder's or the State's right to receive payments is established.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and included in revenue.

e) Investment property

Investment properties are measured initially at cost, including transaction costs. The carrying amount includes the replacement cost of components of an existing investment property at the time the cost is incurred if the recognition criteria are met and excludes the costs of day-to-day maintenance of an investment property. Investment properties primary comprise irrigation assets and other rental yielding buildings.

Investment property acquired through a non-exchange transaction is measured at its fair value at the date of acquisition. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated over a 40-year period.

Investment properties are derecognized either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit or service potential is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the surplus or deficit in the period of derecognition.

Transfers are made to or from investment property only when there is a change in use.

f) Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items. When significant parts of property, plant and equipment are required to be replaced at intervals, the State recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major overhaul is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in surplus or deficit as incurred. Where an asset is acquired in a non-exchange transaction for nil or nominal consideration the asset is initially measured at its fair value.

Depreciation on assets is charged on a straight-line basis over the useful life of the asset. Depreciation is charged at rates calculated to allocate the cost or valuation of the asset less any estimated residual value over its remaining useful life:

Buildings	33.33 – 55 years
Infrastructure assets – others	20 – 22 years
Plant & Machinery	5-10 years
Furniture & Fittings	3 - 5 years
Vehicles	3 - 5 years
Office & Other Equipment	3 – 4 years

The assets' residual values and useful lives are reviewed, and adjusted prospectively, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount, or recoverable service amount, if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.

The State derecognizes items of property, plant and equipment and/or any significant part of an asset upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the surplus or deficit when the asset is derecognized.

g) Leases

State as a lessee

Finance leases are leases that transfer substantially the entire risks and benefits incidental to ownership of the leased item to the State. Assets held under a finance lease are capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the future minimum lease payments. The State also recognizes the associated lease liability at the inception of the lease. The liability recognized is measured as the present value of the future minimum lease payments at initial recognition.

Subsequent to initial recognition, lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in surplus or deficit.

An asset held under a finance lease is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the State will obtain ownership of the asset by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating leases are leases that do not transfer substantially all the risks and benefits incidental to ownership of the leased item to the State. Operating lease payments are recognized as an operating expense in surplus or deficit on a straight-line basis over the lease term.

State as a lessor

Leases in which the State does not transfer substantially all the risks and benefits of ownership of an asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term.

Rent received from an operating lease is recognized as income on a straight-line basis over the lease term. Contingent rents are recognized as revenue in the period in which they are earned.

h) Intangible assets

Intangible assets acquired separately are initially recognized at cost. The cost of intangible assets acquired in a non-exchange transaction is their fair value at the date of the exchange. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in surplus or deficit in the period in which the expenditure is incurred.

The useful life of the intangible assets is assessed as either finite or indefinite.

Intangible assets with a finite life are amortized over its useful life:

Software 3-4 years

Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the asset may be impaired. Intangible assets with indefinite useful life are tested for impairment at least once year regardless of impairment indicators.

The amortization period and the amortization method, for an intangible asset with a finite useful life, are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on an intangible asset with a finite life is recognized in surplus or deficit as the expense category that is consistent with the nature of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the surplus or deficit when the asset is derecognized.

Research and development costs

The State expenses research costs as incurred. Development costs on an individual project are recognized as intangible assets when the State can demonstrate:

- The technical feasibility of completing the asset so that the asset will be available for use or sale
- Its intention to complete and its ability to use or sell the asset
- How the asset will generate future economic benefits or service potential
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Following initial recognition of an asset, the asset is carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. During the period of development, the asset is tested for impairment annually with any impairment losses recognized immediately in surplus or deficit.

i) Impairment of non-financial assets

Impairment of cash-generating assets

At each reporting date, the State assesses whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the State estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset or the cash-generating unit (CGU) exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations are recognized in the statement of financial performance in those expense categories consistent with the nature of the impaired asset.

Impairment of non-cash-generating assets

The State assesses at each reporting date whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the State estimates the asset's recoverable service amount. An asset's recoverable service amount is the higher of the non-cash-generating asset's fair value less costs to sell and its value in use.

Where the carrying amount of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount.

In assessing value in use, the State has adopted the depreciation replacement cost approach. Under this approach, the present value of the remaining service potential of an asset is determined as the depreciated replacement cost of the asset. The depreciated replacement cost is measured as the reproduction or replacement cost of the asset, whichever is lower, less accumulated depreciation calculated on the basis of such cost, to reflect the already consumed or expired service potential of the asset.

In determining fair value less costs to sell, the price of the assets in a binding agreement in an arm's length transaction, adjusted for incremental costs that would be directly attributed to the disposal of the asset is used. If there is no binding agreement, but the asset is traded on an active market, fair value less cost to sell is the asset's market price less cost of disposal. If there is no binding sale agreement or active market for an asset, the State determines fair value less cost to sell based on the best available information.

For each asset, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the State estimates the asset's recoverable service amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable service amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in surplus or deficit.

j) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IPSAS 29 Financial Instruments: Recognition and Measurement are classified as financial assets at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate. The State determines the classification of its financial assets at initial recognition.

The State's financial assets include: cash and short-term deposits; trade and other receivables; loans and other receivables; quoted and unquoted financial instruments.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification.

Financial assets at fair value through surplus or deficit

Financial assets at fair value through surplus or deficit include financial assets held for trading and financial assets designated upon initial recognition at fair value through surplus and deficit. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets at fair value through surplus or deficit are carried in the statement of financial position at fair value with changes in fair value recognized in surplus or deficit. OGSG does not have any 'financial assets at fair value through surplus or deficit' as at 31 December 2020.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Held-to-maturity

Non-derivative financial assets with fixed or determinable payments and fixed maturities are classified as held to maturity when the State has the positive intention and ability to hold it to maturity. After initial measurement, held-to-maturity investments are measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The losses arising from impairment are recognized in surplus or deficit. OGSG does not have any 'held to maturity' as at 31 December 2020.

Available-for-sale financial assets

The State classifies available-for-sale financial assets as non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity or financial assets at fair value through surplus or deficit.

After initial measurement, available-for-sale financial investments are subsequently measured at fair value with gains or losses recognized directly in net assets through the statement of changes in net assets until the financial asset is derecognized, at which time the cumulative gain or loss is recognized in surplus or deficit.

Derecognition

The State derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when:

- The rights to receive cash flows from the asset have expired or is waived
- The State has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either: (a) the State has transferred substantially all the risks and rewards of the asset; or (b) the State has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The State assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include the following indicators:

- The debtors or a group of debtors are experiencing significant financial difficulty
- Default or delinquency in interest or principal payments
- The probability that debtors will enter bankruptcy or other financial reorganization
- Observable data indicates a measurable decrease in estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults)

Financial assets carried at amortized cost

For financial assets carried at amortized cost, the State first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the State determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in surplus or deficit. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realized or transferred to the State. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance account. If a future write-off is later recovered, the recovery is credited to finance costs in surplus or deficit.

Available-for-sale financial assets

For available-for-sale financial assets, the State assesses at each reporting date whether there is objective evidence that an investment or a group of investments is impaired.

In the case of financial assets classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. 'Significant' is evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value was below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognized in the surplus or deficit – is removed from the reserve in net assets and recognized in surplus or deficit.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortized cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortized cost and the current fair value, less any impairment loss on that investment previously recognized in surplus or deficit.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate. The State determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, plus directly attributable transaction costs.

The State's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification.

Financial liabilities at fair value through surplus or deficit

Financial liabilities at fair value through surplus or deficit include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through surplus or deficit.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the State that are not designated as hedging instruments in hedge relationships as defined by IPSAS 29.

Gains or losses on liabilities held for trading are recognized in surplus or deficit.

Loans and borrowing

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in surplus or deficit when the liabilities are derecognized as well as through the effective interest method amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in surplus or deficit.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the State statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

k) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and cash at bank, deposits on call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. For the

purpose of the State statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

l) Inventories

Inventory is measured at cost upon initial recognition. To the extent that inventory was received through non-exchange transactions (for no cost or for a nominal cost), the cost of the inventory is its fair value at the date of acquisition.

Costs incurred in bringing each product to its present location and conditions are accounted for, as follows:

- Raw materials: purchase cost
- Finished goods and work in progress: cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs

After initial recognition, inventory is measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of operations, less the estimated costs of completion and the estimated costs necessary to make the sale, exchange, or distribution.

Inventories are recognized as an expense when deployed for utilization or consumption in the ordinary course of operations of the State.

m) Provisions

Provisions are recognized when the State has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the State expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

The expense relating to any provision is presented in the statement of financial performance net of any reimbursement. The provisions primarily arise from ongoing litigations and from long-term environmental obligations for which there is present obligations, outflow are probable and reliable estimates could be made.

Restoration / Decommissioning liability

Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of that particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the restoration/decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of financial

performance as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contingent liabilities

The State does not recognize a contingent liability, but discloses details of any contingencies in the notes to the financial statements, unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

Contingent assets

The State does not recognize a contingent asset, but discloses details of a probable asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the State in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits or service potential will arise and the asset's value can be measured reliably, the asset and the related revenue are recognized in the financial statements of the period in which the change occurs.

n) Changes in accounting policies and estimates

The State recognizes the effects of changes in accounting policy retrospectively. The effects of changes in accounting policy are applied prospectively if retrospective application is impractical.

The State recognizes the effects of changes in accounting estimates prospectively by including in surplus or deficit.

o) Employee benefits

Retirement benefit plans

The State provides retirement benefits for its employees and political officer holders.

Defined contribution plans are post-employment benefit plans under which an entity pays fixed contributions into a separate entity (a fund), and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. The contributions to fund obligations for the payment of retirement benefits are charged against income in the year in which they become payable.

Defined benefit plans are post-employment benefit plans other than defined-contribution plans. The defined-benefit funds are actuarially valued based on the projected unit credit method basis. Deficits identified are recovered through lump sum payments or increased future contributions on proportional basis. The contributions and lump sum payments reduce the post-employment benefit obligation.

Short and long-term employee benefits

The cost of all short-term employee benefits, such as leave pay, is recognized during the period in which the employee renders the related service. The State recognizes the expected cost of performance bonuses only when the State has a present legal or constructive obligation to make such payment, and a reliable estimate can be made.

The State provides long-term incentives to eligible employees, payable on completion of years of employment. The State's liability is based on an actuarial valuation. The projected unit credit method has been used to value the obligation. Actuarial gains and losses on the long-term incentives are fully accounted for in the statement of financial performance.

p) Foreign currency transactions

Transactions in foreign currencies are initially accounted for at the ruling rate of exchange on the date of the transaction. Payables and receivables denominated in foreign currency are reported at the statement of financial position reporting date by applying the exchange rate on that date. Exchange differences arising from the settlement of creditors, or from the reporting of creditors at rates different from those at which they were initially recorded during the period, are recognized as income or expenses in the period in which they arise.

q) Borrowing costs

Borrowing costs are incurred when acquiring qualifying assets as part of property, plant and equipment. Such borrowing costs are expenses in the year it occurred.

r) Related parties

The State regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the State, or vice versa. Members of key management are regarded as related parties and comprise the State Executive Committee Members and Heads of Ministries, Departments and Agencies.

s) Service concession arrangements

The State analyses all aspects of service concession arrangements that it enters into in determining the appropriate accounting treatment and disclosure requirements. In particular, where a private party contributes an asset to the arrangement, the State recognizes that asset when, and only when, it controls or regulates the services the operator must provide together with the asset, to whom it must provide them, and at what price. In the case of assets other than 'whole-of-life' assets, it controls, through ownership, beneficial entitlement or otherwise – any significant residual interest in the asset at the end of the arrangement. Any assets so recognized are measured at their fair value. To the extent that an asset has been recognized, the State also recognizes a corresponding liability, adjusted by a cash consideration paid or received.

t) Budget information

The State currently prepare cash basis budget and all planned costs and income are presented in a single statement to determine the needs of the State. When the State will transit to accrual basis for budgeting purposes, there would be no basis, timing or entity differences that would require reconciliation between the actual comparable amounts and the amounts presented as a separate additional financial statement in the statement of comparison of budget and actual amounts.

u) Significant judgments and sources of estimation uncertainty

The preparation of the State's financial statements in conformity with IPSAS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgments

In the process of applying the State's accounting policies, management has made judgments, which have the most significant effect on the amounts recognized in the State financial statements.

Estimates and assumptions

In accordance with IPSAS 1 P. 140, the key assumptions concerning the future and other key sources of estimating uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The State based its assumptions and estimates on parameters available when the State financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the State. Such changes are reflected in the assumptions when they occur.

Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the State
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes
- The nature of the processes in which the asset is deployed
- Availability of funding to replace the asset
- Changes in the market in relation to the asset

Impairment of non-financial assets – cash-generating assets

The recoverable amounts of cash-generating units and individual assets have been determined based on the higher of value-in-use calculations and fair values less costs to sell. These calculations require the use of estimates and assumptions. It is reasonably possible that the assumptions may change, which may then impact management's estimations and require a material adjustment to the carrying value of tangible assets.

The State reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. Cash-generating assets are stated at the lowest level for which identifiable cash flows are largely independent of cash flows of other assets and liabilities. If there are indications that impairment may have occurred, estimates of expected future cash flows are prepared for each group of assets. Expected future cash flows used to determine the value in use of tangible assets are inherently uncertain and could materially change over time.

Impairment of non-financial assets – cash generating assets

The State reviews and tests the carrying value of non-cash-generating assets when events or changes in circumstances suggest that there may be a reduction in the future service potential that can reasonably be expected to be derived from the asset. Where indicators of possible impairment are present, the State undertakes impairment tests, which require the determination of the fair value of the asset and its recoverable service amount. The estimation of these inputs into the calculation relies on the use estimates and assumptions. Any subsequent changes to the factors supporting these estimates and assumptions may have an impact on the reported carrying amount of the related asset.

Fair value estimation – financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, judgment is required in establishing fair values. Judgment includes the consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Provisions

Provisions were raised and management determined an estimate based on the information available.

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

Provision is made for the estimated cost to be incurred on the long-term environmental obligations, comprising expenditure on pollution control and closure over the estimated life of the landfill. The provision is based on the advice and judgment of qualified engineers.

The increase in the restoration provision due to passage of time is recognized as finance cost in the statement of financial performance.

The cost of ongoing programs to prevent and control pollution and rehabilitate the environment is recognized as an expense when incurred.

Held-to-maturity investments and loans and receivables

The State assesses its loans and receivables and its held-to-maturity investments at the end of each reporting period. In determining whether an impairment loss should be recorded in surplus or deficit, the State evaluates the indicators present in the market to determine if those indicators are indicative of impairment in its loans and receivables or held-to-maturity investments.

Where specific impairments have not been identified the impairment for receivables, held-to-maturity investments and loans and receivables is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting date that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

NOTE 3			
REVENUE FROM NON-EXCHANGE TRANSACTIONS			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Gross Allocation from Federation Accounts		30,473,026,273.17	38,455,629,059.80
Excess Petroleum Profit Tax		1,007,910,187.80	313,243,285.72
NNPC Refund		130,927,183.16	56,953,324.68
Exchange Gain		979,169,024.36	65,086,711.83
Excess Bank Charges Refund		24,852,468.24	90,957,570.51
Good and Valuable Consideration		-	85,429,987.02
Solid Minerals		301,852,628.77	403,752,469.60
Forex Equalization		437,962,098.61	1,026,651,239.02
Non Oil Proceed		401,278,723.68	-
Interventon Fund		820,127,875.34	-
Value Added Tax		16,517,951,378.02	13,700,584,447.97
FAAC - Total		51,095,057,841.15	54,198,288,096.15
FG Refund on Road Construction		-	59,210,934,737.98
Exchange Gain Refund		-	32,829,453.84
Aids and Grants		7,467,727,979.18	907,121,103.95
Other Revenue - Total		7,467,727,979.18	60,150,885,295.77
Direct Taxes			
Ministry of Agriculture		34,345,089.76	25,845,084.51
Internal Revenue Service		30,016,007,100.00	49,400,973,051.43
Forestry Plant. Proj. (Area J4)		2,383,550.00	488,350.00
Bureau of Transportation		23,192,713.75	4,986,580.00
Miscellaneous		-	-
Direct Taxes - Total		30,075,928,453.51	49,432,293,065.94
Licenses			
Internal Revenue Service		1,529,147,971.95	2,568,331,923.55
Ministry of Agriculture		966,857.39	-
Min. of Forestry		11,807,125.00	10,720,000.00
Min. of Commerce & Industries		731,337,970.00	752,335,951.70
Bureau of Transportation		-	-
Ministry of Environment		11,066,080.00	22,420,000.00
Min. of Community Devp. & Co-op		10,213,580.00	8,836,610.00
Ogun State Housing Corporation		17,838,622.04	23,562,219.99
Ogun State Urban & Regional Planning Board		29,594,401.56	147,869,228.56

Ogun State Water Corporation		5,691,513.00	7,274,725.04
Min. of Health		5,030,605.00	8,614,000.00
College of Health Tech, Ilese		15,900,652.20	59,908,077.00
Ministry of Culture and Tourism		7,048,100.00	782,000.00
Min. of Youth & Sports		1,053,228.48	1,622,531.34
Ministry of Information and Strategy		171,500.00	261,111.25
Gateway ICT Institute Itori		66,831,867.00	60,847,329.94
Min. of Education, Science & Technology		101,039,965.00	135,544,360.50
Ogun State Library Board		197,000.00	276,000.00
Min. of Women Affairs, SW & CD		4,192,100.00	5,572,000.00
Licenses - Total		2,549,129,138.62	3,814,778,068.87
Fines			
Judiciary		63,985,483.00	97,318,866.95
Traffic Compliance & Enforcement.		58,728,459.62	42,365,377.01
Min. of Forestry		6,504,405.00	6,284,911.00
Forestry Plant. Proj. (Area J4)		688,700.00	534,500.00
Ministry of Environment		57,951,800.25	16,489,259.75
Ogun State Environmental Protection Agency		21,500,000.00	20,100,000.00
Ogun State Water Corporation		181,565.00	139,000.00
Min. of Health		-	-
Min. of Education, Science & Technology		-	-
Fines - Total		209,540,412.87	183,231,914.71
Total Non - Exchange Revenue		91,397,383,825.33	167,779,476,441.44

NOTE 4			
REVENUE FROM EXCHANGE TRANSACTIONS			
DETAILS	REF. NOTE	31st December 2020 N	31st December 2019 N
Fees			
Ogun State liaison Office		-	-
Min. of Finance		-	535,581.24
Office of the Accountant-General		245,491,548.26	301,641,436.79
Office of Auditor General (State)		3,260,400.00	1,991,100.00
Office of Auditor General (L/Govt.)		80,000.00	5,524,285.68
Bureau of Estab.and Training		36,774,811.00	3,205,200.00
Civil Service Commission		919,000.00	3,426,000.00
House of Assembly Service Commission		-	-
Judiciary		4,888,550.00	586,500.00
Judicial Service Commission		-	-
Min. of Agriculture		26,642,020.79	21,440,152.10
Min. of Forestry		14,329,367.80	10,957,481.00
O.G.A.D.E.P		-	-
Forestry Plant. Proj. (Area J4)		8,653,000.00	1,830,000.00
Min. of Commerce & Industries		58,978,500.00	16,413,805.00
Ministry of Works		305,807,715.01	479,069,408.01
Bureau of Transportation		1,114,000.00	1,077,500.00
Parks & Garages Board		5,640,000.00	-
Ministry of Environment		49,013,828.33	44,904,821.76
Ogun State Environmental Protection Agency		33,650,000.00	39,325,000.00
Min. of Community Devp. & Co-op		3,193,500.00	3,442,000.00
Ogun State Housing Corporation		299,033,972.63	248,167,988.18
OPIC		287,281,711.34	530,378,270.37
Bureau of Lands and Survey		3,522,794,911.03	3,707,843,917.49
Ogun State Urban & Regional Planning Board		1,492,922,758.17	1,328,172,296.27
Ministry of Physical Planning		301,529,981.68	229,721,244.54
Olabisi Onabanjo Univ.Teaching Hosp.		4,060,843.06	3,762,169.49
State Hospital Sokenu, Abeokuta		60,472,958.00	62,518,460.00
State Hospital Ota		54,605,100.00	52,013,275.00
State Hospital Isara		9,677,010.50	15,513,190.00
Min. of Health		25,191,574.00	33,586,473.01
Christian Pilgrims welfare Board		-	-
Ministry of Culture and Tourism		-	77,800.00
Ogun State Sports Council		-	141,772.50
Ministry of Information and Strategy		-	-
State Universal Basic Education Board		-	25,700,000.00
Olabisi Onabanjo University		658,304,056.75	5,081,159,254.54
Tai Solarin University of Education		343,241,704.71	2,754,428,873.03
Moshood Abiola Polytechnic		805,262,405.35	754,968,419.01
Gateway Stadium Ilaro		-	-
Gateway Stadium Sagamu		-	-

MAUSTECH		-	-
Ogun State Polytechnic Ipokia		-	-
Gateway Polytechnic Igbesa		484,655,849.76	691,967,964.60
Gateway Polytechnic Sapaade		552,113,510.00	595,017,089.00
Abraham Adesanya Polytechnic Ijebu Igbo		265,306,758.28	287,608,479.00
Gateway ICT Institute Itori		181,244,413.27	262,969,626.91
College of Health Technology		108,497,052.60	265,991,659.73
Tai Solarin College of Education,Omu		90,762,320.00	61,435,100.50
Gateway Industrial & Petro - Gas Institute		2,644,352.00	4,387,862.50
Min. of Education, Science & Technology		649,923,567.90	625,887,052.87
Min. of Women Affairs, SW & CD		2,006,000.00	777,540.00
Fees - Total		10,999,969,052.22	18,559,566,050.12
Sales			
Min. of Finance		-	-
Ministry of Budget and Planning		15,000.00	1,087,500.00
Bureau of Estab.and Training		5,884,003.00	3,398,277.01
Civil Service Commission		1,068,500.00	2,042,000.00
House of Assembly Service Commission		-	86,220.00
Judiciary Service Commission		2,750,000.00	1,140,000.00
Min. of Agriculture		2,516,650.54	3,325,479.39
Min. of Forestry		89,276,061.85	45,787,953.45
Agricultural Development Corporation		1,208,003.63	32,521,344.09
Agro services Corporation		16,540,520.00	40,459,160.00
Forestry Plant. Proj. (Area J4)		619,000.00	2,448,200.00
Cassava Rev. Programme.		-	-
Min. of Community Devp. & Co-op		15,000.00	699,500.00
Housing Project		25,886,350.00	118,368,707.47
Ogun State Housing Corporation		387,214,165.27	710,267,553.77
OPIC		1,004,016,114.48	2,312,419,075.74
Bureau of Lands and Survey		13,135,000.00	29,029,611.00
Hospital Management Board		1,025,000.00	820,000.00
Olabisi Onabanjo Univ.Teaching Hosp.		3,603,790.00	6,911,315.00
State Hospital Sokenu, Abeokuta		100,185,270.00	102,498,289.00
State Hospital Ijebu Ode		94,003,039.47	67,749,419.70
State Hospital Ota		95,056,571.00	113,262,981.00
State Hospital Ilaro		13,605,175.50	16,002,752.85
State Hospital Isara		23,782,915.00	22,002,586.50

Min. of Health		9,750,000.00	11,004,000.00
Christian Pilgrims welfare Board		148,500.00	1,333,000.00
Muslim Pilgrims welfare Board		3,750,650.00	7,150,550.00
Gateway Football Club		-	350,000.00
Teaching Service Commission		1,054,700.00	1,367,817.01
Ogun State Broadcasting Corp.		114,526,124.97	120,082,754.84
Ogun State Television		146,507,622.41	155,717,409.38
Ogun State Printing Corporation		652,100.00	863,050.00
State Universal Basic Education Board		5,832,550.00	533,500.00
Olabisi Onabanjo University		2,231,439.23	3,043,942.09
Tai Solarin University of Education		25,256,661.09	71,774,837.15
Moshood Abiola Polytechnic		32,372,976.50	35,289,905.50
Ogun State Polytechnic Ipokia		-	-
Gateway Polytechnic Igbesa		25,731,856.00	8,409,175.00
Abraham Adesanya Polytechnic Ijebu Igbo		6,434,860.00	5,268,000.00
College of Health Technology		20,706,828.80	35,123,500.00
Tai Solarin College of Education, Omu		703,600.20	1,224,500.00
Gateway Industrial & Petro - Gas Institute		41,010.00	115,636.00
Min. of Education, Science & Technology		204,713,754.01	217,318,046.00
Ogun State Water Corporation		1,008,325.00	1,514,000.00
Sales - Total		2,482,829,687.95	4,309,811,548.94
Earnings			
Office of the Governor		121,277,223.61	6,253,724.11
Civil Service Commission		315,000.00	2,240,000.00
Ministry of Justice		122,939,627.16	121,505,627.95
Judiciary		46,169,226.34	121,346,970.85
Min. of Agriculture		45,336,519.81	66,849,309.72
Min. of Forestry		29,869,550.00	58,547,775.17
Agricultural Development Corporation		179,330,008.55	147,826,259.10
Agro services Corporation		22,114,400.00	70,959,950.00
Forestry Plant. Proj. (Area J4)		75,260,400.00	33,896,500.00
O.G.A.D.E.P		-	10,000.00
OSAMCA		-	-
Bureau of Transportation		-	300,000.00
Parks & Garages Board		8,920,500.00	3,688,475.00
Ogun State Environmental Protection Agency		17,780,000.00	124,053,240.60
Min. of Community Devp. & Co-op		180,000.00	190,000.00
Ogun State Housing Corporation		5,915,000.00	3,460,000.00
OPIC		612,756,669.91	374,112,200.88

Ogun State Water Corporation		38,109,350.22	69,692,473.94
Hospital Management Board		14,268,772.75	19,201,086.41
Min. of Health		-	-
Olabisi Onabanjo Univ. Teaching Hosp.		470,238,057.83	450,675,278.90
State Hospital Sokenu, Abeokuta		130,712,815.00	133,431,020.00
State Hospital Ijebu Ode		188,024,018.40	174,192,733.92
State Hospital Ota		67,935,472.86	71,060,925.00
State Hospital Ilaro		30,709,250.00	30,239,150.00
State Hospital Isara		9,039,535.00	6,672,040.00
Primary Health Care Devt. Board		-	-
Ministry of Culture and Tourism		1,259,000.00	4,745,000.00
Ogun State Sports Council		448,455.00	274,000.00
M K O Abiola Stadium		1,600,000.00	2,105,000.00
Otunba Dipo Dina Int'l Stadium Ijebu Ode		938,247.50	2,345,000.00
Gateway Stadium Ilaro		102,432.50	145,845.00
Gateway Stadium Sagamu		260,765.00	2,229,020.00
Ministry of Information and Strategy		8,826,170.00	10,530,000.00
Bureau of Information Technology		-	-
Ogun State Television		148,500.00	1,996,970.91
Ogun State Signage and Advertising Agency		152,873,707.39	157,923,500.00
Teaching Service Commission		6,521,606.00	1,519,900.00
Ogun State Printing Corporation		32,430,025.02	23,440,636.27
Olabisi Onabanjo University		61,525.00	10,917,463.60
Moshood Abiola Polytechnic		74,587,258.20	87,530,854.83
MAUSTECH		-	-
Ogun State Polytechnic Ipokia		-	-
Gateway Polytechnic Igbesa		8,327,492.70	7,018,238.19
Gateway Polytechnic Sapaade		30,703,935.00	42,857,500.00
Abraham Adesanya Polytechnic Ijebu Igbo		3,698,550.00	8,716,450.00
College of Health Technology		9,666,842.80	33,493,273.00
Min. of Education, Science & Technology		14,011,000.00	46,623,168.00
Ogun State Library Board		215,000.00	197,500.00
Human Capital Develop. Programme		-	-
Earnings - Total		2,583,881,909.55	2,535,014,061.35
Rent on Government Buildings			
Office of the Governor		-	-
Office of the Head of Service		6,408,999.88	9,005,636.42
Min. of Forestry		900,269.39	-
Min. of Health		2,448,000.00	-

Agro services Corporation		1,397,700.00	1,606,200.00
Forestry Plant. Proj. (Area J4)		453,700.00	5,493,500.00
Ogun State Market Development Board		42,193,083.33	29,557,742.01
Ogun State Environmental Protection Agency		-	-
Ogun State Housing Corporation		38,764,627.77	66,917,713.76
OPIC		145,770,568.58	600,869,219.66
Bureau of Lands and Survey		-	-
Olabisi Onabanjo Univ.Teaching Hosp.		1,150,081.00	41,900,306.25
OGEPA		-	720,000.00
Ogun State Sports Council		98,400.00	458,800.00
M K O Abiola Stadium		1,387,092.50	2,491,092.50
Otunba Dipo Dina Int'l Stadium Ijebu Ode		481,277.50	1,894,220.00
Gateway Stadium Sagamu		124,000.00	-
Gateway Polytechnic Sapaade		-	30,000.00
Rent on Government Buildings - Total		241,577,799.95	760,944,430.60
Rent On Lands and Others			
Min. of Agriculture		32,923,066.41	51,582,950.78
Ministry of Information and Strategy		-	263,000.00
Olabisi Onabanjo University		4,005,050.00	13,879,191.75
Bureau of Lands and Survey		123,010,768.22	116,289,069.20
Min. of Health		-	3,540,000.00
Min. of Forestry		-	604,269.39
M K O Abiola Stadium		444,000.00	-
Otunba Dipo Dina Int'l Stadium Ijebu Ode		-	-
Ministry of Information and Strategy		468,000.00	-
Ogun State Environmental Protection Agency		4,000,000.00	-
Rent on Government Land - Total		164,850,884.63	186,158,481.12
Investment Income			
Office of the Accountant-General		60,453,366.57	-
OPIC		7,434,396.97	-
M K O Abiola Stadium		-	70,000.00
Tai Solarin College of Education,Omu		21,175,032.80	27,486,000.00
Agro services Corporation		-	5,700.00
Investment Income - Total		89,062,796.34	27,561,700.00
Extra-Ordinary Items			
Min. of Finance		640,905,896.25	997,720,376.48
Miscellaneous		213,109,735.22	86,036,044.18
Ogun State Environmental Protection Agency		26,065,756.92	6,327,362.50

Olabisi Onabanjo Univ. Teaching Hosp.		-	-
Min. of Community Devp. & Co-op		-	1,674,250.00
Olabisi Onabanjo University		11,331,808.15	32,264,185.44
Tai Solarin University of Education		20,708,554.70	23,790,578.03
Gateway Polytechnic Igbesa		-	-
Gateway Polytechnic Saapade		148,214,300.00	175,640,678.50
Abraham Adesanya Polytechnic Ijebu Igbo		27,327,450.00	38,310,200.00
College of Health Technology		64,517,970.40	219,333,804.52
Tai Solarin College of Education, Omu		8,154,700.00	11,581,581.00
Gateway Industrial & Petro - Gas Institute		4,013,150.00	18,092,725.00
Extra-Ordinary Items - Total		1,164,349,321.64	1,610,771,785.65
Total Exchange Revenue		17,726,521,452.28	27,989,828,057.78
Total Revenue		109,123,905,277.61	195,769,304,499.22

NOTE 4A

Revenue Breakdown Between Allocations and IGR

DETAILS	REF. NOTE	31st December 2020 N	31st December 2019 N
Cash Internally Generated Revenue		48,686,087,968.72	71,001,583,620.02
Accrued Internally Generated Revenue	4B	1,875,031,488.56	10,418,547,487.28
Sub Total of Internally Generated Revenue		50,561,119,457.28	81,420,131,107.30
Statutory Allocation	4C	34,577,106,463.13	40,497,703,648.18
Value Added Tax	4C	16,517,951,378.02	13,700,584,447.97
Sub Total of Allocation		51,095,057,841.15	54,198,288,096.15
FG Refund on Road Construction		-	59,210,934,737.98
Exchange Gain Refund		-	32,829,453.84
Grants, Subventions & Donations	4D	7,467,727,979.18	907,121,103.95
Sub Total of Other Revenue		7,467,727,979.18	60,150,885,295.77
GRAND TOTAL OF REVENUE		109,123,905,277.61	195,769,304,499.22

NOTE 4B

MDA/CLASS OF REVENUE		31st December 2020	31st December 2019
Internal Revenue SUBEB (Pry Sch Teachers)		1,299,278,525.76	-
Internal Revenue Service Political Functionaries		32,390,547.62	-
Internal Revenue Service Local Government Staff		543,362,415.18	-
Internal Revenue Service -Federal MDAs Unremitted PAYE - IPPIS		-	5,844,890,920.52
Internal Revenue Service -Federal MDAs Unremitted PAYE - Non-IPPIS		-	4,573,656,566.76
Total		1,875,031,488.56	10,418,547,487.28

4C												
SCHEDULE OF FAAC ALLOCATION FOR THE PERIOD ENDED DECEMBER,2020												
MONTH	STATUTORY ALLOCATION N	EXCESS PPT/ AUGUMENTATION N	NNPC REFUND/ ADDITIONAL DISTRIBUTION N	EXCHANGE GAIN N	EXCESS BANK CHARGES REFUND N	SOLID MINERALS N	FOREX EQUALIZATION N	NON OIL PROCEEDS N	INTERVENTION FUND	SUB TOTAL	VAT N	TOTAL
JANUARY	3,024,110,596.00	-	-	6,036,404.00	4,314,554.46	-	-	106,692,561.56	-	3,141,154,116.02	1,189,268,938.38	4,330,423,054.40
FEBRUARY	2,670,663,735.37	-	-	4,355,876.54	-	-	86,562,115.96	-	-	2,761,581,727.87	1,127,296,444.75	3,888,878,172.62
MARCH	2,706,173,161.59	-	-	370,073,518.99	-	-	-	-	-	3,076,246,680.58	1,274,644,356.08	4,350,891,036.66
APRIL	2,110,423,794.92	680,592,229.89	-	156,923,947.79	7,345,697.01	301,852,628.77	-	-	-	3,257,138,298.38	967,814,200.60	4,224,952,498.98
MAY	2,380,695,516.34	-	-	163,967,356.23	6,637,138.30	-	-	-	-	2,551,300,010.87	1,097,211,307.19	3,648,511,318.06
JUNE	2,500,790,767.87	327,317,957.91	-	255,691,016.19	-	-	-	-	-	3,083,799,741.97	1,375,331,107.11	4,459,130,849.08
JULY	3,164,922,063.45	-	-	-	-	-	-	-	-	3,164,922,063.45	1,409,413,743.06	4,574,335,806.51
AUGUST	3,130,863,482.21	-	-	-	-	-	-	-	-	3,130,863,482.21	1,597,662,825.03	4,728,526,307.24
SEPTEMBER	2,002,308,660.05	-	-	-	-	-	225,205,061.64	294,586,162.12	410,063,937.67	2,932,163,821.48	1,515,680,521.50	4,447,844,342.98
OCTOBER	2,065,247,378.32	-	130,927,183.16	-	6,555,078.47	-	42,104,543.45	-	410,063,937.67	2,654,898,121.07	1,344,199,726.71	3,999,097,847.78
NOVEMBER	2,362,580,223.78	-	-	-	-	-	44,808,270.20	-	-	2,407,388,493.98	1,673,739,759.76	4,081,128,253.74
DECEMBER	2,354,246,893.27	-	-	22,120,904.62	-	-	39,282,107.36	-	-	2,415,649,905.25	1,945,688,447.85	4,361,338,353.10
TOTAL	30,473,026,273.17	1,007,910,187.80	130,927,183.16	979,169,024.36	24,852,468.24	301,852,628.77	437,962,098.61	401,278,723.68	820,127,875.34	34,577,106,463.13	16,517,951,378.02	51,095,057,841.15

NOTE 4D			
Grants, Subventions & Donations			
		31st December 2020	31st December 2019
State Fiscal, Transparency, Accountability And Sustainability Program For Result [SFTAS P4R]		5,488,000,000.00	-
COVID-19 Grants		1,723,849,463.05	-
WHO/UNICEF		110,034,675.00	168,337,172.20
Value Chain Development Programme (VCDP)		56,301,243.77	-
Ogun State Economic Transformation Project [OGSTEP]		-	138,783,931.75
Conditional Cash Transfer		31,081,087.36	-
State Operations Coordinating Unit [SOCU]		58,461,510.00	-
FGN Grants		-	600,000,000.00
Total		7,467,727,979.18	907,121,103.95

NOTE 5			
EMPLOYEE BENEFITS			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Salary		52,142,825,765.22	45,950,346,295.41
Non-Regular Allowances		-	136,536,213.97
Leave Bonus		1,010,661,459.88	1,048,193,950.56
Wardrobe/Outfit Allowance		-	12,125,000.00
Furniture Allowance		-	21,753,742.50
Contributory Pension		3,059,847,095.43	2,701,417,844.88
Total		56,213,334,320.53	49,870,373,047.32

Employee benefits are establishment cost for all employees, including political office holders.

Salary is the composition of Basic pay and other allowances (Rent allowance, Transport allowance, Meal allowance and Utility allowance)

Contributory Pension is the employee and employer's share of pension paid/due to Pension Fund Administrators

NOTE 6			
SOCIAL BENEFITS			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Gratuity		5,104,867,243.47	4,154,575,710.21
Civilian Pension		10,683,394,624.15	9,168,584,090.86
Death Benefit		-	200,000.00
Total		15,788,261,867.62	13,323,359,801.07

NOTE 7			
TRAVEL AND TRANSPORT			
DETAILS	REF. NOTE	ACTUAL	ACTUAL
		31st December 2020 N	31st December 2019 N
Local Travel &Transport: Training		175,187,538.06	189,254,112.37
Local Travel &Transport: Others		438,344,562.04	396,952,010.23
International Travel & Transport: Training		120,898,211.00	159,820,532.50
International Travel & Transport: Others		112,535,958.50	292,597,214.04
Total		846,966,269.60	1,038,623,869.14

NOTE 8			
UTILITIES			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Electricity Charges		237,894,799.93	246,992,568.66
Telephone Charges		94,371,983.60	54,480,524.00
Internet Access Charges		83,089,539.32	68,976,026.13
Satellite Broadcasting Access Charges		856,975.00	40,000.00
Water Rates		12,994,650.00	10,254,480.00
sewage charges /waste management		793,201,502.00	581,423,854.00
Leased Communication Lines (s)		980,000.00	1,368,000.00
software charges		11,582,385.31	25,470,272.66
Total		1,234,971,835.16	989,005,725.45

NOTE 9			
MATERIALS AND SUPPLIES - GENERAL			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Office Stationeries/Computer Consumable		620,865,812.08	421,506,726.24
Books		6,245,000.00	13,136,543.98
Newspapaers		28,355,433.69	26,333,640.00
Magazines & Periodicals		271,544,698.08	204,498,796.37
Printing of Non-Security Documents (Hanzards, Bills)		140,526,357.22	129,679,204.25
Printing of Security Documentnts		151,276,108.61	220,438,425.00
Drugs/Laboratory/Medical Supplies		216,739,014.32	48,477,486.07
Uniform & Other Clothing		34,494,243.75	25,062,385.00
Field &Camping materials supplies		-	-
Teaching Aids/Instruction Materials		22,208,111.65	40,470,762.00
Food stuff/catering materials		100,640,275.00	56,252,900.00
Supplies of Chemicals		34,151,875.00	78,975,331.00
Total		1,627,046,929.40	1,264,832,199.91

NOTE 10			
MAINTENANCE SERVICE-GENERAL			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Maintenance of Motor Vehicle/Transport Equipment		602,961,210.50	442,076,533.31
Maintenance of Office Furniture		70,367,500.68	94,218,993.25
Maintenance of Office Building/Residential Quarters		184,556,460.22	159,513,391.93
Maintenance of Office/IT Equipment		181,945,613.66	126,231,132.12
Maintenance of Plants/Generators		144,535,303.72	184,146,055.66
Other Maintenance Services		591,746,563.91	404,538,538.40
Maintenance of Street Lightings		4,830,250.00	23,957,300.00
Maintenance of Communication Equipt.		5,198,250.00	2,297,000.00
Maintenance of Market/Public Places		4,300,000.00	3,000,000.00
Minor Road Maintenance		1,297,800.00	6,319,500.00
Maintenance of rising /distribution Mains		5,403,350.00	10,947,311.00
Maint.of Plantation & Pasture		15,323,900.00	6,196,600.00
Maintenance of Public Schools		412,505,790.00	177,354,833.33
Maintenance of Borehole Schemes		1,469,302.75	2,306,741.45
Maintenance of Govt. Chapel & Mosque		1,918,000.00	3,300,000.00
Maintenance of Govt. House Clinic		-	-
Maintenance of Presidential & Other Lodges		38,265,590.00	140,615,750.00
Total		2,266,624,885.44	1,787,019,680.45

NOTE 11			
TRAINING AND CAPACITY BUILDING			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Local Training		137,855,219.25	189,471,806.54
International Training		17,885,300.00	46,812,798.00
Total		155,740,519.25	236,284,604.54

NOTE 12			
OTHER SERVICES			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Security Services		2,155,567,168.16	2,400,091,368.53
Office Rent		20,821,556.54	20,231,299.41
Residential Rent		400,000.00	1,040,000.00
Cleaning and Fumigation Services		133,771,269.19	228,735,799.32
Total		2,310,559,993.89	2,650,098,467.26

NOTE 13			
CONSULTING AND PROFESSIONAL SERVICES			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Information Technology Consulting		550,000.00	
Legal Services		25,376,307.00	46,737,792.39
Architectural Services		-	550,000.00
Surveying Services		11,529,125.25	8,024,500.00
Consultancy Services/Fees		1,518,778,050.00	2,180,100,623.95
External Audit Fees		16,843,150.00	18,118,500.00
Professional Fees		43,871,466.56	72,732,798.00
Total		1,616,948,098.81	2,326,264,214.34

NOTE 14			
FUEL AND LUBRICANTS			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Motor Vehicle Fuel Cost		582,242,987.17	647,623,301.41
Other Transport/Equipment Fuel Cost		47,352,977.62	64,599,973.69
Plant/Generator Fuel Cost		625,484,330.55	390,014,294.51
Cooking Gas/Fuel Cost		322,500.00	469,300.00
Bank Charges		11,293,564.20	7,362,220.73
Insurance Premium		43,344,921.33	34,759,672.70
Other CRF Bank Charges		-	186,080.00
Total		1,310,041,280.87	1,145,014,843.04

NOTE 15			
MISCELLANEOUS EXPENSES			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Refreshment & Meals		484,627,209.15	413,519,576.42
Honorarium & Sitting Allowance		455,723,398.42	159,637,605.37
Publicity & Advertisements		151,353,808.22	313,251,884.72
Medical Expenses - Local		85,771,218.50	50,513,538.22
Postages & Courier Services		62,318,571.20	49,467,847.38
Welfare Packages		2,536,019,476.96	1,329,593,896.19
Subscription to Professional Bodies		10,002,055.04	36,092,100.00
Sporting Activities		41,966,800.00	77,703,200.00
Direct Teaching & Laboratory Cost		4,542,437.00	13,427,441.50
Recruitment and Appointment (Serv. Wide)		5,500,000.00	243,600.00
Discipline and Appointment (Service Wide)		2,143,200.00	1,022,000.00
Promotion (Service wide)		3,298,750.00	3,909,600.00
Medical Expenses-International		20,000,000.00	19,850,000.00
Special Days/Celebrations		216,150,551.23	161,441,543.01
Planning, Monitoring and Evaluation		79,293,016.25	103,617,000.00
Research and Documentation		16,407,221.38	31,407,195.00
Pilgrimage and Religious Festivals		18,457,495.00	66,945,864.00
Accreditation & Subscription to Educational Bodies		29,061,532.05	40,978,805.13
Examination Expenses		92,428,552.55	129,397,682.00
Disaster Management		34,634,730.00	22,868,512.50
Sports Academy/Sign-on- fees		1,000,000.00	2,686,500.00
Other Expenses		1,543,172,341.14	2,416,575,827.59
Other Expenses - Unremitted WHT and VAT		1,437,215,572.88	10,962,797,685.78
Public Enlightenment Programme		245,411,641.98	103,902,767.00
Conduct of Survey		1,375,000.00	450,000.00
Fair, Festival and Expo		22,518,100.00	128,129,000.00
Contingencies-Other recurrent cost		5,265,423,861.62	3,373,951,843.18
Refurbishing Advances		-	1,560,000.00
Motor Vehicle Advances		1,000,000.00	-
Grants to Communities/NGOs		150,000.00	9,630,000.00
Total		12,866,966,540.57	20,024,572,514.99

NOTE 16			
GRANTS AND CONTRIBUTIONS GENERAL			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Grants to Local Governments		481,434,938.47	7,297,687,159.36
Total		481,434,938.47	7,297,687,159.36

Grants to Local Governments are grants made by the State Government to the Local Governments for the augmentation of recurrent expenditures.

NOTE 17			
RECEIVABLES			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Statutory Allocation		2,354,246,893.27	3,372,104,026.34
Excess PPT		-	-
NNPC Refund		-	-
Exchange Gain		22,120,904.62	6,873,996.71
Excess Bank Charges Refund		-	-
Good and Valuable Consideration		-	85,429,987.02
Solid Minerals		-	-
Forex Equalization		39,282,107.36	-
Non Oil Proceed		-	-
Interventon Fund		-	-
Sub Total		2,415,649,905.25	3,464,408,010.07
Value Added Tax		1,945,688,447.85	1,329,599,598.26
Internal Revenue Service -Federal MDAs Unremitted PAYE-IPPIS		3,833,877,182.64	5,844,890,920.52
Internal Revenue Service -Federal MDAs Unremitted PAYE- Non IPPIS		4,573,656,566.76	4,573,656,566.76
Internal Revenue SUBEB (Pry Sch Teachers)		1,299,278,525.76	-
Internal Revenue Service Political Functionaries		32,390,547.62	-
Internal Revenue Service Local Government Staff		543,362,415.18	-
Advances		439,689,481.71	384,389,059.07
Sub Total		12,667,943,167.52	12,132,536,144.61
Total		15,083,593,072.77	15,596,944,154.68

These are earned revenues and staff related advances not yet collected as at year end.

NOTE 18			
REIMBURSABLES FROM FEDERAL GOVERNMENT			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Refund for the Construction of Federal Government Roads		21,663,124,217.90	21,663,124,217.90
Total		21,663,124,217.90	21,663,124,217.90

Reimbursables from Federal Government include amount still outstanding in respect of re-construction of Federal Government roads by the State Government.

NOTE 19			
INVENTORY			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Land		1,494,103,832,417.00	1,494,103,832,417.00
Building		2,358,000,000.00	2,358,000,000.00
Total		1,496,461,832,417.00	1,496,461,832,417.00

NOTE 20		
CASH AND CASH EQUIVALENTS		
DETAILS	REF. NOTE	31st December 2020 N
SUBEB FGN-UBEC STERLING A/c		952,654,043.50
Ministry of Budget & Planning FGN CGS		283,296,861.71
Water Corporation(Urban Water Supply Reform)		1,063,239,333.05
Save One Million Lives		296,862.71
State Operations Coordinating Unit		19,797,971.50
Conditional Cash Transfer		7,512,933.76
Excess of Revenue Over Expenditure Boards Institutions and Corporations		5,457,625,999.60
Abestone MFB		62,580.06
Abigi MFB		2.67
Access Bank		108,467,791.91
Alekun MFB		216,667.73
Astra Polaris MFB		1,942,172.09
Diamond Bank		111,602,721.90
Eco Bank		68,289,864.74
FCMB		89,772,446.67
Fidelity Bank		53,138,282.63
First Bank		(3,769,182,723.30)
GTB		35,600,243.11
Gateway Savings and Loans		76,936,199.42
Heritage Bank		31,210,645.33
Keystone Bank		5,728,259.32
Lavender MFB		42,724,648.81
Polaris (Skye) Bank		33,522,805.72
Providus Bank		295,539,181.71
Stanbic Bank		75,124,946.53
Sterling Bank		84,644,071.31
Trust Microfinance Bank		18,490,967.61
UBA		39,162,284.82
Union Bank Plc		122,498,526.34
Unity Bank Plc		79,548,616.88
Wema Bank (SFTAS)		3,602,064,875.41
Wema Bank		1,152,218,062.50
Zenith Bank		118,284,443.50
Unpresented Cheques		(1,405,892,554.39)
Sub-Total (a)		8,856,140,036.87
Cash Balances of Other Funds of Government		
Access Bank - Motor Vehicle Revolving		936,763.36
UBA- Agric Revolving		2,606,592.52
Sub-Total (b)		3,543,355.88
Total		8,859,683,392.75

Property, Plant and Equipment (PPE) represent tangible items used in the production or supply of goods or services, for rental to others or for administrative purposes that are expected to be used by more than one accounting period. The schedule below shows the beginning balances of the various classes of PPE, accumulated depreciation, charge for the year and closing balances. Certain PPE have been grouped together as "Infrastructure assets" and they include road networks and bridges.

NOTE 21						
	Land	Building	Plant & Equipment	Furniture & Fittings	Infrastructure Assets- Roads and Bridges	TOTAL
Deemed Cost	₱	₱	₱	₱	₱	₱
2019 Opening Balance	3,519,609,332.00	17,951,076,400.03	384,273,001.09	-	94,736,850,925.45	116,591,809,658.57
						-
Addition (2019)	-	1,962,120,000.00	1,603,000,000.00	400,000,000.00	14,080,538,085.82	18,045,658,085.82
						-
Reclassification	-				-	-
						-
Retirement	-				-	-
						-
2019 Closing Balance	3,519,609,332.00	19,913,196,400.03	1,987,273,001.09	400,000,000.00	108,817,389,011.27	134,637,467,744.39
ACCUMULATED DEPRECIATION						
2019 Opening Balance	-	-	-	-	-	-
						-
Charge in the Year	-	(597,455,637.56)	(397,454,600.22)	(100,000,000.00)	(5,440,869,450.56)	(6,535,779,688.35)
						-
Reclassification	-	-	-	-	-	-
						-
Retirement	-	-	-	-	-	-
						-
2019 Closing Balance	-	(597,455,637.56)	(397,454,600.22)	(100,000,000.00)	(5,440,869,450.56)	(6,535,779,688.35)
						-
2019 Carrying Amount	3,519,609,332.00	19,315,740,762.47	1,589,818,400.87	300,000,000.00	103,376,519,560.71	128,101,688,056.04

NOTE 21

	Land	Building	Plant & Equipment	Furniture & Fittings	Infrastructure Assets- Roads and Bridges	Infrastructure Assets- Others	Motor Vehicle	TOTAL
Deemed Cost	N	N	N	N	N			N
2020 Opening Balance	3,519,609,332.00	19,913,196,400.03	1,987,273,001.09	400,000,000.00	108,817,389,011.27	-	-	134,637,467,744.39
Addition (2020)	-	2,672,464,244.53	2,568,868,225.29	382,877,310.38	14,101,128,359.18	7,337,018,930.23	3,386,000,913.14	30,448,357,982.75
Reclassification	-				-			-
Retirement	-				-			-
31st Dec,2020 Closing Bal.	3,519,609,332.00	22,585,660,644.56	4,556,141,226.38	782,877,310.38	122,918,517,370.45	7,337,018,930.23	3,386,000,913.14	165,085,825,727.14
ACCUMULATED DEPRECIATION								
2020 Opening Balance	-	(597,455,637.56)	(397,454,600.22)	(100,000,000.00)	(5,440,869,450.56)	-	-	(6,535,779,688.35)
Charge in the Year	-	(677,637,583.10)	(911,228,245.28)	(260,959,103.46)	(6,145,925,868.52)	(366,850,946.51)	(1,128,666,971.05)	(9,491,268,717.91)
Reclassification	-	-	-	-	-			-
Retirement	-	-	-	-	-			-
Adjustment	-	-	-	(33,333,333.33)	-			(33,333,333.33)
31st Dec,2020 Closing Bal.	-	(1,275,093,220.66)	(1,308,682,845.49)	(394,292,436.79)	(11,586,795,319.09)	(366,850,946.51)	(1,128,666,971.05)	(16,060,381,739.59)
31st Dec,2020 Carrying Amt.	3,519,609,332.00	21,310,567,423.90	3,247,458,380.89	388,584,873.59	111,331,722,051.36	6,970,167,983.72	2,257,333,942.09	149,025,443,987.55

NOTE 22			
INVESTMENT PROPERTY			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Building		6,194,012,980.00	6,194,012,980.00
Total		6,194,012,980.00	6,194,012,980.00

Investment property is land or a building (or part of a building – or both) held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for administrative purposes; or sale in the ordinary course of operations

NOTE 23			
INTANGIBLE ASSETS			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Accounting and Financial Management Software		38,092,506.80	-
Gross Carrying Amount		38,092,506.80	
Amortisation			
Opening Balance		-	
Charge for the year		12,697,502.27	
Accumulated amortization		12,697,502.27	
Carrying amount		25,395,004.53	-

Intangible assets are identifiable non-monetary assets without physical substance. Intangible assets are amortized over the period of agreement or if shorter, over its useful life. Included above is One Book IPSAS Accrual Software. This is an upgrade of the existing IPLUS4G (IPSAS Cash), a software for budgeting, accounting and treasury management. The amortization expense is recognized in the Statement of Financial Performance under the heading Amortization'

NOTE 24			
FINANCIAL ASSETS			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Gateway Holdings Limited (Shares)		60,000,000.00	60,000,000.00
Gateway Holdings Limited		2,432,530,205.22	2,432,530,205.22
Plant Gate Limited		500,000,000.00	500,000,000.00
Crown Agents		71,368,281.90	71,368,281.90
Wema Bank/Odua Groups		1,290,000,000.00	1,290,000,000.00
Recognition of Investment in Nigeria Sovereign Investment Authority		2,811,765,507.08	2,811,765,507.08
Gain on Financial Asset (Crown Agents)		21,803,812.48	-
Impairment on Financial Asset (Wema Bank/Odua Groups)		(823,331,000.00)	-
Total		6,364,136,806.68	7,165,663,994.20

Financial assets are investments and instruments that entitle the government to receive cash or the equity instruments of other entities.

IPSAS 29 requires Financial assets to be designated subsequent to initial recognition at Held to maturity, Available for sale, Loans and receivables and Fair value through surplus or deficit.

The investments listed above are designated at "Available for sale financial assets" and are recognized at fair value and with fair value changes recognized in net assets/equity in accordance with IPSAS 29

NOTE 25A			
LIABILITIES AND ACCRUALS - WHT & VAT			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Current			
Opening balance		-	-
Additions for the period		1,719,431,781.38	-
Remittance		(282,216,208.50)	-
Closing balance		1,437,215,572.88	-

NOTE 25B			
LIABILITIES AND ACCRUALS - WHT & VAT			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Non - Current			
Opening balance		10,962,797,685.78	10,962,797,685.78
Transitional Adjustments		1,401,108,794.39	
Closing balance		12,363,906,480.17	10,962,797,685.78

Liabilities and accruals which consist of unpaid bills to third parties.

Withholding Tax and Value Added Tax Arrears represent amount deducted at source not yet remitted to appropriate authorities

NOTE 26			
FINANCIAL LIABILITIES-LOAN			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Current			
FG-Restructured Loan		5,529,172,640.08	4,771,434,918.60
FBN- Salary Bailout		953,363,952.89	925,291,361.84
Access Bank- Infrastructural Loan		974,251,164.96	929,974,662.30
Sterling Bank- CACS		2,582,799,447.91	2,014,366,641.06
Federal Government Budget Support Facility		126,476,092.56	122,751,899.29
Sterling Bank- Restructured O/D		1,253,449,485.87	-
Wema Bank- Accelerated Agric Development Scheme		326,167,378.20	-
Sub-Total		11,745,680,162.47	8,763,819,483.09
External Loans			
Foreign Loan		-	-
TOTAL		11,745,680,162.47	8,763,819,483.09

NOTE 27			
FINANCIAL LIABILITIES-LOAN			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Non-Current			
Internal Loans			
FG-Restructured Loan		31,517,969,757.85	37,047,142,397.93
FBN- Salary Bailout		5,780,620,583.26	5,722,810,707.30
Access Bank- Infrastructural Loan		5,993,511,239.57	6,068,739,523.96
Sterling Bank- CACS		17,240,406,914.61	18,635,420,255.82
Federal Government Budget Support Facility		17,373,816,866.71	17,417,241,693.61
Sterling Bank- Restructured O/D		1,325,319,316.48	-
Wema Bank- Accelerated Agric Development Scheme		1,173,832,621.80	-
Sub-Total		80,405,477,300.28	84,891,354,578.62
External Loans			
Foreign Loan		39,326,398,615.36	31,568,927,095.72
TOTAL		119,731,875,915.64	116,460,281,674.34

NOTE 27A

FINANCIAL LIABILITIES-MOVEMENT

		31st December 2020 N	31st December 2019 N
FG-Restructured Loan			
Opening balance		41,818,577,316.53	45,936,117,618.55
Interest based on effective rate		5,886,004,316.88	6,539,898,933.46
Total Repayment		(10,657,439,235.48)	(10,657,439,235.48)
Closing balance		37,047,142,397.93	41,818,577,316.53

FBN- Salary Bailout			
Opening balance		6,648,102,069.14	7,494,038,736.60
Addition		309,486,375.00	-
Interest based on effective rate		148,046,859.97	642,313,165.36
Total Repayment		(371,650,767.96)	(1,488,249,832.82)
Closing balance		6,733,984,536.15	6,648,102,069.14

Access Bank- Infrastructural Loan			
Opening balance		6,998,714,186.26	7,860,336,451.68
Addition		289,187,630.84	-
Interest based on effective rate		165,182,764.01	594,310,499.85
Total Repayment		(485,322,176.58)	(1,455,932,765.27)
Closing balance		6,967,762,404.53	6,998,714,186.26

Sterling Bank- CACS			
Opening balance		20,649,786,896.88	22,772,227,138.02
Interest based on effective rate		1,096,679,501.12	1,292,898,931.87
Total Repayment		(1,923,260,035.48)	(3,415,339,173.01)
Closing balance		19,823,206,362.52	20,649,786,896.88

Federal Government Budget Support Facility			
Opening balance		17,539,993,592.90	14,160,000,000.00
Addition		-	3,409,000,000.00
Interest based on effective rate		570,568,084.01	653,936,900.88
Total Repayment		(610,268,717.64)	(682,943,307.98)
Closing balance		17,500,292,959.27	17,539,993,592.90

Sterling Bank- Restructured O/D			
Opening balance		-	-
Addition		2,835,990,571.63	-
Interest based on effective rate		371,553,989.40	-
Repayment		(628,775,758.68)	-
Closing balance		2,578,768,802.35	-

Wema Bank- Accelerated Agric Development Scheme			
Opening balance		-	-
Addition		1,500,000,000.00	-
Interest based on effective rate		56,806,090.43	-
Total Repayment		(56,806,090.43)	-
Closing balance		1,500,000,000.00	-

Foreign Loans			
Opening balance		31,568,927,095.72	32,214,600,344.34
Exchange Rate Adjustment to Opening Balance	27C & 32	6,309,374,963.58	-
Addition		2,214,475,688.00	-
Interest		303,631,961.64	259,851,727.90
Total Repayment		(1,070,011,093.58)	(905,524,976.52)
Closing balance		39,326,398,615.36	31,568,927,095.72

NOTE 27B				
DETAILS OF INTERNAL LOANS & BORROWINGS				
DESCRIPTION	BALANCE B/F	ADDITION	PRINCIPAL	CLOSING
	01/01/2020		REPAYMENT	31/12/2020
	N	N	N	N
FG-Restructured Loan	41,818,577,316.53	-	4,771,434,918.60	37,047,142,397.93
FBN- Salary Bailout	6,648,102,069.14	309,486,375.00	223,603,907.99	6,733,984,536.15
Access Bank- Infrastructural Loan	6,998,714,186.26	289,187,630.84	320,139,412.57	6,967,762,404.53
Sterling Bank- CACS	20,649,786,896.88	-	826,580,534.36	19,823,206,362.52
Federal Government Budget Support Facility	17,539,993,592.90	-	39,700,633.63	17,500,292,959.27
Sterling Bank- Restructured O/D	-	2,835,990,571.63	257,221,769.28	2,578,768,802.35
Wema Bank- Accelerated Agric Development Scheme	-	1,500,000,000.00	-	1,500,000,000.00
Total	93,655,174,061.71	4,934,664,577.47	6,438,681,176.43	92,151,157,462.75

Financial liabilities above are measured at initial recognition at fair value, which is the net amount received after deducting any directly related transaction cost.

Due to exchange rate differences, an end of the year reconciliation of Ogun State Government external debt stock with the Debt Management Office (DMO) was conducted. The reconciliation exercise resulted in an increase of #6.3billion in the carrying amount of the external debt stock as at 31st December,2019. This difference has been accommodated and adjusted for in the Year 2020 Statement of Changes in Net Assets and Equity. The schedule below shows the DMO reconciled Foreign loan stock as at 31st December, 2020.

NOTE 27C							
DETAILS OF EXTERNAL LOANS & BORROWINGS							
DESCRIPTION	BALANCE B/F 01/01/2020 N	EXCHANGE RATE DIFFERENCE N	ADDITION N	PRINCIPAL REPAYMENT N	CLOSING 31/12/2020 N	EXCHANGE RATE N	CLOSING 31/12/2020 \$
OGUN STATE SMALL EARTH DAM	113,275,226.42	(5,352,854.18)	-	23,672,250.00	84,250,122.24	380.00	221,710.85
OGUN HEALTH SYSTEMS REHAB. PROJ (ADF) 1	150,188,761.02	44,066,551.20	-	7,896,802.00	186,358,510.22	380.00	490,417.13
OGUN HEALTH SYSTEMS REHAB. PROJ (ADF) 2	14,922,799.01	4,616,672.75	-	786,953.43	18,752,518.33	380.00	49,348.73
OGUN HEALTH SYSTEMS REHAB. PROJ (ADF) 3	232,526,144.39	71,936,094.04	-	12,261,942.04	292,200,296.39	380.00	768,948.15
OGUN HEALTH SYSTEMS REHAB. PROJ (ADF) 4	1,177,518,537.64	166,532,699.56	-	57,505,008.60	1,286,546,228.60	380.00	3,385,647.97
OGUN HEALTH SYSTEMS REHAB. PROJ (ADF) 5	989,266,270.91	306,045,402.87	-	52,148,405.01	1,243,163,268.77	380.00	3,271,482.29
HEALTH SYSTEMS DEV. PROJECT-IDA	277,756,493.16	69,183,852.90	-	14,031,213.22	332,909,132.84	380.00	876,076.67
COMM. BASED URBAN DEV. PROJECT-IDA	2,950,982,422.22	736,592,077.82	-	82,955,843.14	3,604,618,656.90	380.00	9,485,838.57
NATIONAL FADAMA II-IDA	1,546,326,327.09	359,737,133.86	-	62,688,145.80	1,843,375,315.15	380.00	4,850,987.67
NAT. URBAN WATER SECTOR REFORM-IDA	11,401,726,454.00	2,844,212,844.87	-	395,251,387.86	13,850,687,911.01	380.00	36,449,178.71
HIV / AIDS PROGRAMME	492,152,666.01	129,166,581.40	-	19,029,887.67	602,289,359.74	380.00	1,584,972.00
HEALTH SYSTEMS PROJECT ADD. FUND.	536,832,539.24	133,919,730.13	-	13,669,945.04	657,082,324.33	380.00	1,729,164.01
NATIONAL FADAMA III	1,071,857,174.48	259,232,442.62	-	24,481,348.13	1,306,608,268.97	380.00	3,438,442.81
NAT. URBAN WATER SECTOR REFORM ADD. FUND	7,764,098,573.91	(7,764,098,573.91)	-	-	-	380.00	-
HIV / AIDS (ADDITIONAL FUNDING) II	1,233,089,866.22	8,351,551,147.65	-	-	9,584,641,013.87	380.00	25,222,739.51
OGUN STATE URBAN WATER SUPPLY REFORM AFD	1,616,406,840.00	602,033,160.00	-	-	2,218,440,000.00	380.00	5,838,000.00
OGUN STATE URBAN WATER SUPPLY REFORM AFD	-	-	1,140,000,000.00	-	1,140,000,000.00	380.00	3,000,000.00
OGUN STATE VALUE CHAIN DEVELOPMENT PROGRAMME	-	-	1,074,475,688.00	-	1,074,475,688.00	380.00	2,827,567.60
Total	31,568,927,095.72	6,309,374,963.58	2,214,475,688.00	766,379,131.94	39,326,398,615.36		103,490,522.67

NOTE 28**PUBLIC FUNDS**

DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Agric Revolving Scheme		63,372,270.50	63,342,334.50
Teachers Motor Vehicle		44,933,831.62	16,877,358.74
Govt Staff Motor Vehicle		334,926,735.47	307,296,524.23
TOTAL		443,232,837.59	387,516,217.47

These are balances of funds created by Ogun State Government at the end of the financial year

NOTE 29**EMPLOYEE BENEFITS**

DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Gratuities		25,809,642,832.13	20,704,775,588.66
Contributory Pension		24,689,976,236.68	21,630,129,141.25
Leave Bonus		5,657,380,510.53	4,646,719,050.65
Outstanding Deductions		6,441,829,782.22	1,259,320,799.14
Payment of Outstanding Deductions		(1,259,320,799.14)	-
TOTAL		61,339,508,562.42	48,240,944,579.70

NOTE 30**FINANCE AND OTHER BANK CHARGES**

DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Interest on Domestic Loan		8,294,841,605.82	-
Interest on Foreign Loan		303,631,961.64	-
Other Bank Charges		817,911,192.56	-
TOTAL		9,416,384,760.02	-

NOTE 31			
ACCUMULATED SURPLUS/(DEFICIT)			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
Balance as at 1 January 2020		1,511,676,489,809.03	684,564,874,131.05
Surplus for the period Jan- Dec 2020		(6,548,676,515.53)	66,611,815,059.77
Transitional Reserve		-	760,499,800,618.21
Net Transitional Adjustments	32	(7,710,483,757.97)	-
Balance as at December 2020		1,497,417,329,535.53	1,511,676,489,809.03

NOTE 32			
TRANSITIONAL ADJUSTMENTS			
DETAILS	REF. NOTE	31st December 2020	31st December 2019
		N	N
WHT & VAT Arrears	31	(1,401,108,794.39)	-
Exchange Rate Adjustment to Opening Balance	27 & 27C	(6,309,374,963.58)	-
Total		(7,710,483,757.97)	-

WHT & VAT arrears for 2019 which were not previously recognised have been treated as an adjustment to the accumulated surplus.(See Note 31)

NOTE 33**SFTAS PROGRAM-FOR-RESULTS (P for R) DISCLOSURE NOTES**

Ogun State participated in the World Bank assisted States Fiscal Transparency, Accountability and Sustainability Program for Results (SFTAS PforR) having met the Eligibility Criteria for 2019. The amount of Grant earned is determined by Disbursement Linked Results achieved by the State as defined in Subsidiary Grant Agreement dated 24th December, 2019

The achievement of performance by the State is verified by an Independent Verification Agent. The Program Expenditure Framework for SFTAS Program comprises expenditures incurred in the following budget lines:

	2020			2019			2018		
	Personnel	Overheads	Total	Personnel	Overheads	Total	Personnel	Overheads	Total
	Naira '000								
Ministry of Finance	195,478,846.53	1,858,168,582.97	2,053,647,429.50	182,632,141.15	2,646,868,292.65	2,829,500,433.80	186,501,585.47	4,448,551,454.53	4,635,053,040.00
Ministry of Budget and Planning	69,269,668.13	161,632,725.75	230,902,393.88	90,226,053.49	146,586,667.06	236,812,720.55	77,913,201.58	336,199,600.00	414,112,801.58
State Board of Internal Revenue	412,885,293.08	752,500,000.00	1,165,385,293.08	469,561,607.23	905,140,000.00	1,374,701,607.23	372,106,222.16	1,195,044,431.30	1,567,150,653.46
Office of the Accountant -General	221,186,370.70	185,956,853.44	407,143,224.14	198,706,298.60	58,799,182.00	257,505,480.60	165,934,382.54	62,492,580.00	228,426,962.54
TOTAL	898,820,178.44	2,958,258,162.16	3,857,078,340.60	941,126,100.47	3,757,394,141.71	4,698,520,242.18	802,455,391.75	6,042,288,065.83	6,844,743,457.58

The State was found eligible to participate in the Program for 2018 and 2019 for verification and disbursements occurred during the year. Verification and disbursement for 2020 is to occur in 2021. The disbursements below were received as grants from the Federal Government in the State's (Consolidated Revenue Fund) and are reflected in the activity and balances under Note 20

	2020	2019
Amount earned for 2018 performance	1,080,000,000.00	-
Amount earned for 2019 performance	4,408,000,000.00	-
TOTAL	5,488,000,000.00	-



OGUN STATE GOVERNMENT STATE TREASURY OFFICE

YEAR 2020 AUDITED FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE PERIOD ENDED 31st December 2020

Revenue	Notes	31st December 2020	31st December 2019
		₦	₦
Government Share of FAAC (Statutory Allocation)	4A	34,577,106,463.13	40,497,703,648.18
Government Share of VAT	4A	16,517,951,378.02	13,700,584,447.97
Internally Generated Revenue	4A	50,561,119,457.28	81,420,131,107.30
Other Revenue	4A	7,467,727,979.18	60,150,885,295.77
Total Revenue (A)		109,123,905,277.61	195,769,304,499.22
Expenditure			
Employee Benefits (Salaries and Wages)	5	56,213,334,320.53	49,870,373,047.32
Social Benefits	6	15,788,261,867.62	13,323,359,801.07
Travel and Transport	7	846,966,269.60	1,038,623,869.14
Utilities	8	1,234,971,835.16	989,005,725.45
Materials and Supplies - General	9	1,627,046,929.40	1,264,832,199.91
Maintenance Service-General	10	2,266,624,885.44	1,787,019,680.45
Training and Capacity Building	11	155,740,519.25	236,284,604.54
Other Services	12	2,310,559,993.89	2,650,098,467.26
Consulting and Professional Services	13	1,616,948,098.81	2,326,264,214.34
Fuel and Lubricants	14	1,310,041,280.87	1,145,014,843.04
Depreciation Charges	21	9,524,602,051.25	6,535,779,688.35
Impairment Charges		-	-
Amortization Charges	23	12,697,502.27	-
Miscellaneous Expenses	15	12,866,966,540.57	20,024,572,514.99
Grants and Contributions-General	16	481,434,938.47	7,297,687,159.36
Finance and other Bank Charges	30	9,416,384,760.02	20,668,573,624.23
Total Expenditure (B)		115,672,581,793.14	129,157,489,439.45
Surplus/(Deficit) from Operating Activities for the Period C=(A-B)		(6,548,676,515.53)	66,611,815,059.77

STATEMENT OF FINANCIAL POSITION

AS AT 31st December 2020

DESCRIPTION	NOTES	31st December 2020	31st December 2019
		₦	₦
ASSETS			
CURRENT ASSETS			
Receivables	17	15,083,593,072.77	15,596,944,154.68
Reimbursables from the Federal Government	18	21,663,124,217.90	21,663,124,217.90
Inventory	19	1,496,461,832,417.00	1,496,461,832,417.00
Cash and Cash Equivalents	20	8,859,683,392.75	21,308,583,629.58
TOTAL CURRENT ASSETS		1,542,068,233,100.42	1,555,030,484,419.16
NON CURRENT ASSETS			
Property, Plant and Equipment	21	149,025,443,987.55	128,101,688,056.04
Investment Property	22	6,194,012,980.00	6,194,012,980.00
Intangible Assets	23	25,395,004.53	-
Available for sale financial assets	24	6,364,136,806.68	7,165,663,994.20
TOTAL NON CURRENT ASSETS		161,608,988,778.76	141,461,365,030.24
TOTAL ASSETS		1,703,677,221,879.18	1,696,491,849,449.41
LIABILITIES			
CURRENT LIABILITIES			
Liabilities and Accruals	25A	1,437,215,572.88	-
Financial Liabilities	26	11,745,680,162.47	8,763,819,483.09
TOTAL CURRENT LIABILITIES		13,182,895,735.35	8,763,819,483.09
NON CURRENT LIABILITIES			
Liabilities and Accruals	25B	12,363,906,480.17	10,962,797,685.78
Financial Liabilities	27	119,731,875,915.64	116,460,281,674.34
Public Funds	28	443,232,837.59	387,516,217.47
Employee Benefits	29	61,339,508,562.42	48,240,944,579.70
TOTAL NON CURRENT LIABILITIES		193,878,523,795.82	176,051,540,157.29
TOTAL LIABILITIES		207,061,419,531.17	184,815,359,640.38
NET ASSETS/EQUITY		1,496,615,802,348.01	1,511,676,489,809.03
NET ASSETS/EQUITY			
Accumulated Surplus/(Deficit)	31	1,496,615,802,348.01	1,511,676,489,809.03
Available for Sale Reserves		-	-
NET ASSETS/EQUITY		1,496,615,802,348.01	1,511,676,489,809.03

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These Financial Statements have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB), provisions of the Finance (Control and Management) 2014 as revised and the Financial Reporting Council of Nigeria (FRCN).

As the Accountant-General, I have the responsibility over general supervision of accounts and the preparation of financial statements that is compliant with accounting standards.

In fulfilling this responsibility, I ensure that proper accounting records are maintained; applicable International Public Sector Accounting Standards are applied; judgements and estimates made are reasonable and prudent; and internal control procedures are instituted to provide reasonable assurances that financial transactions are validly recorded and resources are safeguarded.

These Financial Statements reflect the true and fair view of the financial position of the Government and its operations for the year ended 31st December, 2020 which complies with IPSAS 33 (First Time Adoption of Accrual Basis IPSAS).

Therefore, I accept responsibility for the integrity and objectivity of the Financial Statements and the information contained therein.

M.O. Idowu
(Permanent Secretary/Accountant-General)
Ogun State.
30th March, 2021

STATEMENT OF CASH FLOW

FOR THE PERIOD ENDED 31st December 2020

CASH FLOW FROM OPERATING ACTIVITIES	31st December 2020	31st December 2019
	₦	₦
Surplus/(Deficit) for the Period	(6,548,676,515.53)	66,611,815,059.77
Add Back:		
Depreciation Charges	9,524,602,051.25	6,535,779,688.35
Impairment Charges	-	-
Amortization Charges	12,697,502.27	-
Increase in Employee Benefits	13,098,563,982.72	3,609,977,156.52
Finance and other Bank Charges	9,416,384,760.02	20,668,573,624.23
Programme related expenses	-	(17,372,623,295.66)
Changes in Working Capital		
(Increase)/Decrease in Inventories	-	-
(Increase)/Decrease in Receivables	513,351,081.91	(10,863,464,666.36)
(Increase)/Decrease in Reimbursables	-	(21,663,124,217.90)
Increase/(Decrease) in Liabilities and Accruals	1,437,215,572.88	10,962,797,685.78
Cash Generated from Operations	27,454,138,435.51	58,489,731,034.73
Finance and other Bank Charges Paid	(9,416,384,760.02)	(20,668,573,624.23)
NET CASHFLOW FROM OPERATING ACTIVITIES (a)	18,037,753,675.49	37,821,157,410.49
CASHFLOW FROM INVESTING ACTIVITIES		
Property, Plant and Equipment	(30,448,357,982.75)	(18,045,658,085.82)
Investment Property	-	-
Intangible Assets	(38,092,506.80)	-
Available for sale financial assets	-	-
NET CASHFLOW FROM INVESTING ACTIVITIES (b)	(30,486,450,489.55)	(18,045,658,085.82)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from External Loans	2,214,475,688.00	-
Proceeds from Internal Loans	4,934,664,577.47	-
Repayment of External Loans	(766,379,131.94)	(645,673,248.62)
Repayment of Internal Loans	(6,438,681,176.43)	(7,976,545,883.14)
Public Funds	55,716,620.12	30,573,043.55
NET CASH FLOW FROM FINANCING ACTIVITIES (c)	(203,422.78)	(8,591,646,088.21)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS(a+b+c)	(12,448,900,236.84)	11,183,853,236.46
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	21,308,583,629.58	10,124,730,393.12
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	8,859,683,392.75	21,308,583,629.58

STATEMENT OF CHANGES IN EQUITY/NET ASSETS

AS AT 31st December 2020				
	Notes	Accumulated Surplus	Available for Sale Financial Assets	Total
		₦	₦	₦
Opening balance	31	1,511,676,489,809.03		1,511,676,489,809.03
Surplus/(Deficit) for the period	31	(6,548,676,515.53)		(6,548,676,515.53)
Transitional Adjustments	32	(7,710,483,757.97)		(7,710,483,757.97)
Fair Value Change in Financial Assets	23	-	(801,527,187.52)	(801,527,187.52)
Closing Balance		1,497,417,329,535.53	(801,527,187.52)	1,496,615,802,348.01
AS AT 31 DECEMBER 2019				
	Notes	Accumulated Surplus	Available for Sale Financial Assets	Total
		₦	₦	₦
Opening balance		684,564,874,131.05		684,564,874,131.05
Surplus/(Deficit) for the period		66,611,815,059.77		66,611,815,059.77
Transitional Reserve		760,499,800,618.21		760,499,800,618.21
Closing Balance		1,511,676,489,809.03		1,511,676,489,809.03

AUDIT CERTIFICATE

The Financial Statements and Accounts of the Government of Ogun State, Nigeria for the year ended 31st December, 2020 have been audited in accordance with section 125 (2) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended), and part 7 paragraphs 35-37 of the Public Administration Law of Ogun State of Nigeria, 2006 as well as the provision of IPSAS 33 (First Time Adoption of Accrual Basis IPSAS).

The audit was conducted in accordance with International Standards on Auditing and INTOSAI Auditing Standards.

In the course of the audit, I evaluated the overall adequacy of the information presented in the General-Purpose financial statements which were prepared in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis as described in Note 10.2.

I have obtained information and explanation that to the best of my knowledge was relevant and necessary for the purposes of the audit. This audit has provided me with reasonable evidences and assurances which formed the basis for my independent opinion.

In my opinion, the Financial Statements which are in agreement with the books of accounts and records show a true and fair view of the Financial Position of the Government of Ogun State for the year ended December 31, 2020 and the transactions for the fiscal year ended on that date.

Special Opinion:
The State is eligible to receive performance-based grant financing from the Federal Government subject to performance against predefined criteria in the World Bank Assisted States Fiscal Transparency, Accountability and Sustainability Program for Results (SFTAS P for R). The expenditure framework (and receipts) are detailed in Note 32 in the attached General-Purpose Financial Statements of Ogun State Government.

In my opinion, Note 32 presents fairly, in all material respects, the expenditures incurred (and funds received) against the SFTAS Program by the State for the year ended December 31, 2020 (2018, 2019 as required) in accordance with IPSAS as described in Note 10.2

S.B. Olubanjo
Auditor - General
Ogun State.
20th May, 2021