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Good Governance
and Accountability

P. O. Box 44

Sunyani

7 June 22

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The Presiding Member
Dormaa West District Assembly
Nkrankwanta

**ANNUAL AUDIT REPORT ON THE ACCOUNTS OF DORMAA WEST DISTRICT
ASSEMBLY, NKRANKWANTA FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021**

Introduction

We have audited the accounts and Financial Statements of the Dormaa West District Assembly, Nkrankwanta for the financial year ended 31 December 2021. Attached to this report are the following financial statements and accounts for the financial year ended 31 December, 2021.

- i) Statement of Financial Position as at 31 December 2021;
- (ii) Statement of Revenue and Expenditure for the year ended 31 December 2021;
- (iii) Statement of Changes in Reserves for the year ended 31 December 2021;
- (iv) Statement Cash flows for the year ended 31 December 2021; and
- (v) Notes to the 2021 Financial Statements

Audit objectives

2. Our objectives were to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our report that includes our opinion on the financial statements for the financial year ended 31 December 2021. To achieve this, we carried out test checks on the financial statements to ensure that they are correctly stated. We also carried out other audit procedures and tests in accordance with Generally Accepted Auditing and Accounting Standards.

Manner in which the accounts were kept and rendered for audit

3. The accounts were satisfactorily kept. The financial statements were submitted to this office for audit certification on 23 February, 2022, in compliance with Section 80(1) of the Public Financial Management Act, 2016 Act 921.

Approved estimates

4 Revenue and expenditure for the year ended 31 December 2021 were supported by approved and supplementary Estimates. The Estimates were approved by the General Assembly 27 July, 2020.

Internal controls

5. Internal controls instituted by management for the administration of the Assembly were found to be fairly adequate. Lapses and other adverse findings that came to light in the course of our interim audit have been embodied in our management letters addressed to the District Chief Executive for remedial action.

Budget vs Actual

6. The Assembly budgeted for a total revenue of GH¢8,583,447.53 during the 2021 fiscal year. However, actual revenue received amounted to GH¢5,499,788.48, representing 64.07% realization of budgeted revenue. This resulted in an adverse variance of GH¢3,083,659.05 from the budgeted revenue. Details are shown below;

Source of Funds	Budget	Actual	Variance	%Received
GOG - Fund Grants	1,591,649.53	2,113,499.72	(521,850.19)	132.78
IGF	398,620.00	399,992.05	(1,372.05)	100.34
DACF	4,864,007.00	1,096,659.85	3,767,347.15	22.54
Donor Fund – Projects	1,537,417.00	1,754,539.87	(217,068.87)	114.11
Others	191,700.00	135,096.99	56,603.01	70.47
Total	8,583,447.53	5,499,788.48	3,083,659.05	64.07

7. The shortfall in the revenue target was mainly due to delay in release of DACF and reduction of Donor inflows. The Assembly depended heavily on Government grants and other Donor interventions to undertake most of its developmental activities.

8. We recommended to management to expand its traditional revenue base so as to reduce its over reliance on the Central Government and Donors. Meanwhile, the Administrator of District Assembly's Common Fund (ADACF) should ensure timely release of funds to the Assemblies.

FINANCIAL POSITION

9. The Assembly's financial position as at 31 December, 2021 is shown in the table below;

	2021 GH¢	2020 GH¢	% Change
Current Assets	689,350.27	86,270.02	699
Current Liabilities	0	0	0
Net Assets	689,350.27	86,270.02	699
Represented by: Accumulated Fund	689,350.27	86,270.02	699
Current ratio	-	-	

ASSETS

Cash at Bank – GH¢689,350.27

10. This represents the total balances of 16 bank accounts operated by the Assembly as at 31 December 2021. These balances were reconciled with the relevant certified bank statements. Note 14 to the accounts provide the details of the balances.

LIABILITIES

11. The Assembly had no liabilities at the close of the 2021 financial year.

Accumulated Fund – GH¢689,350.27

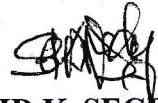
12. The favourable balance of GH¢86,270.02 carried forward from the 2020 financial year, increased to GH¢689,350.27 as a result of the current year's surplus of GH¢603,080.25. This is analyzed in the Statement of changes in net assets/equity attached to the financial statements.

Cash Flow

13. The cash balance of GH¢86,270.02 at the beginning of the year increased to GH¢689,350.27 at the year end, as a result of a favourable net cash movement of GH¢603,080.25 during the year.

Acknowledgement

14. We gratefully acknowledge the co-operation of the management and staff of the Assembly during the period of the audit.



DAVID K. SEGBENYA
ASST. AUDITOR-GENERAL
for: **AUDITOR-GENERAL**

**OPINION OF THE AUDITOR- GENERAL ON THE
FINANCIAL STATEMENTS OF DORMAA WEST DISTRICT ASSEMBLY,
NKRANKWANTA FOR THE YEAR ENDED 31 DECEMBER 2021**

Introduction

We have in accordance with Section 84 of the Public Financial Management Act, 2016 (Act, 921) and Section 11 of the Audit Service Act, 2000 (Act 584) and other applicable laws, audited the accounts and financial statements of Dormaa West District Assembly –Nkrankwanta for the year ended 31 December, 2021.

Audit Opinion

We have examined the financial statements, the accounts and the supporting schedules of the Dormaa West District Assembly –Nkrankwanta, which were prepared on Modified Cash basis for the year ended 31 December, 2021.

In our opinion, the financial statements present fairly in all material respects fairly, the financial position of the Assembly as at 31 December, 2021 and the result of its operations for the year then ended and that the transactions were in accordance with the Financial Regulations and Ministerial Guidelines.

Basis of Opinion

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

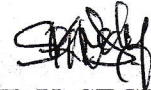
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by error, fraud or any other irregularity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

Responsibility of Management

Section 80(1) of the Public Financial Act 2016 (Act 921) requires a Principal Spending Officer of a covered entity shall, within two months after the end of each financial year, prepare and submit to the Auditor-General and Accountant – General, the accounts and information set out in the Schedule.

Auditor-General's Responsibility

Section 11 of the Audit Service Act, 2000 (Act 584)/ Section 176 of the Local Governance Act 2016 (Act 936) require the Auditor-General to audit and report on the accounts of public institutions of Ghana. It is therefore the responsibility of the Auditor-General or his representative to express an independent opinion on the financial statements of the Dormaa West District Assembly.



DAVID K. SEGBENYA
ASST. AUDITOR-GENERAL
for: AUDITOR-GENERAL

DATED THIS 8TH DAY OF JUNE 2022

Cc:

The Auditor-General (2)

Audit Service

Accra

The District Auditor

Audit Service

Dormaa Ahenkro

The Regional Coordinating Director
Bono Regional Coordinating Council
Sunyani

The District Coordinating Director
Dormaa West District Assembly
Nkrankwanta

The District Chief Executive ✓
Dormaa West District Assembly
Nkrankwanta


The District Finance Officer
Dormaa West District Assembly
Nkrankwanta

DORMAA WEST DISTRICT ASSEMBLY
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER, 2021
BROAD BASED ACCOUNT

	NOTE	APPROVED BUDGET EST. 2021 GH¢	REVISED EST. FOR THE YEAR GH¢	ACTUAL CURRENT YEAR (2021) GH¢	ACTUAL LAST YEAR (2020) GH¢
REVENUE					
GOG Fund - Grants (Salaries & Wages)	2a	1,591,649.53	1,591,649.53	2,113,499.72	1,369,559.22
Internally Generated Fund (IGF) Retained	3	398,620.00	398,620.00	399,992.05	379,562.29
Donor Funds	4	1,537,471.00	1,537,471.00	1,754,539.87	497,235.04
Common Fund	5	4,864,007.00	4,864,007.00	1,096,659.85	2,916,622.05
Other Funds (MAG)	6.a	93,744.00	93,744.00	62,963.94	393,777.22
GOG fund-Decentralized	6.b	97,956.00	97,956.00	72,133.05	0.00
Total Revenue		8,583,447.53	8,583,447.53	5,499,788.48	5,556,755.82
EXPENDITURE					
GOG Fund - Grants (Salaries & Wages)	7a	1,591,649.53	1,591,649.53	2,113,499.72	1,369,559.22
GOG fund-Decentralized	7b	97,956.00	97,956.00	72,133.05	24,283.39
Internally Generated Fund Expenditure	8(a,b,c)	398,620.00	398,620.00	391,628.71	441,282.53
Donor Fund - Programme (DDF Capacity & CWSA)	9(a,b,c,d)	51,859.00	51,859.00	69,097.26	65,766.99
Donor Fund - Project (DDF Investment)	10(a,b,c)	1,385,612.00	1,385,612.00	839,527.99	723,042.98
Donor Fund- MP SIF	11(a,b,c)	50,000.00	50,000.00	7.00	47,531.61
Common Fund (CF, MSHAP, MPS & PWD)	12(a,b)	4,864,007.00	4,864,007.00	1,310,696.72	3,311,867.74
Other Funds (MAG & UNICEF)	13	143,744.00	143,744.00	100,117.78	298,687.75
Total Expenditure		8,583,447.53	8,583,447.53	4,896,708.23	6,282,022.21
surplus/ (Deficit)		-	-	603,080.25	-725,266.39

DORMAA WEST DISTRICT ASSEMBLY
STATEMENT OF CHANGES IN EQUITY/NET ASSET AS AT 31ST DECEMBER, 2021

	CURRENT YEAR (2021) GH¢	LAST YEAR (2020) GH¢
Reserve at the beginning 01/01/2021	86,270.02	811,536.41
Surplus/(Deficit) Transferred from Financial Performance	603,080.25	(725,266.39)
Prior Year Adjustment as at 31/12/2020	0.00	0.00
Reserve at the end of December, 2021	689,350.27	86,270.02


DISTRICT FINANCE OFFICER
(FREDERICK ZAATO)

CASH FLOW FROM FINANCING ACTIVITIES
Cash Inflow

NOTE	ACTUAL CURRENT YEAR(2021) GH¢	ACTUAL LAST YEAR(2020) GH¢
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Total Cash Outflow	0.00	0.00
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Net Cash from Financing Activities	0.00	0.00
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Net Increase/(Decrease) in Cash and Cash Equivalent Increase/Decrease/overdraft	603,080.25 0.00	(725,266.39) 0.00
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Cash at the beginning of reporting year	<u>86,270.02</u>	<u>811,536.41</u>
Cash at the end of reporting year	<u><u>689,350.27</u></u>	<u><u>86,270.02</u></u>