

# OFFICE OF THE ASUTIFI SOUTH DISTRICT ASSEMBLY

IN CASE OF REPLY THE NUMBER  
AND DATE OF LETTER  
SHOULD BE QUOTED



POST OFFICE BOX 92,  
HWIDIEM - B/A  
TEL: 020 259 2040 / 055 059 9928  
E-mail: as.da2021@yahoo.com

Our Ref: ASDA-03/10/01/02 Your Ref: \_\_\_\_\_ Date: 23-04-2024

## SUBMISSION OF ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2022

With reference to your letter number CEO/TRD/FATIP/2/2024 dated 2<sup>nd</sup> April, 2024 requesting for 2022 financial statements of Asutifi South District Assembly.

Please, I submit herewith the financial statements of the Asutifi South District Assembly for the year ended 31<sup>st</sup> December, 2022 for your perusal and necessary action.

Thank you.

FOR: DISTRICT CHIEF EXECUTIVE  
(JOSEPH KWADWO ARMAH)  
DISTRICT COORDINATING DIRECTOR

THE CHIEF EXECUTIVE OFFICER  
THE INSTITUTE OF CHARTERED ACCOUNTANTS, GHANA (ICAG)  
ACCOUNTANCY HOUSE OFF TRINITY AVENUE OKPONGLO, EAST LEGON  
ACCRA-GHANA.

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## **GENERAL INFORMATION**

**DISTRICT CHIEF EXECUTIVE** Hon. Robert Dwomoh Mensah.  
Period Appointed: 29<sup>th</sup> September, 2021.

**PRESIDING MEMBER** Mr. Abraham Oppong Berko  
Period Elected: 21<sup>st</sup> July, 2022

**EXECUTIVE MANAGEMENT COMMITTEE** Hon. Robert Dwomoh Mensah - Chairman

Ms. Yvonne Opoku Kwarteng - Member  
Mr. Alhassan Mohammed, Social Services - Member  
Mr. Peter Kwasi Boakye, Works - Member  
Mr. Francis Dorgbadze, Justice and Security - Member  
Mr. Atta James, Finance & Administration - Member  
Mr. Osman Kofi Kusi, Dev't Planning -Member  
Mr. Agaani Morrison Kwame, Ad-hoc - Member  
Ms. Nana Ama Asiedua, Women Rep.- Member  
Mr. Joseph Kwadwo Armah, DCD - Secretary

**MANAGEMENT** Mr. Joseph Kwadwo Armah , District Coordinating Director

Mr. Alexander Agyemang Badu, District Finance Officer  
Mr. Abubakari Alidu Ibrahim, District Budget Officer  
Mr. Philip Adjei Mensah, District Administrator & HRD  
Mr. Adam Abubakari, Procurement Manager  
Mr. Francis Eshun, District Works Engineer  
Mr. Isaac K. Badu, Internal Auditor  
Ms. Obeng Sabina, District Planning Officer  
Mr. Darkwah Alexander, Physical Planning Officer  
Mr. Adusei Yaw, District Environmental Health Officer  
Ms. Martha Irene Plange, District Social Welfare Officer  
Mr. Ebo Cann Mensah, Agric. Director

**BRIEF PROFILE OF ASUTIFI SOUTH DISTRICT ASSEMBLY** The Asutifi South District Assembly (ASDA) is one of the Administrative Districts in the Ahafo Region of Ghana. The District was carved out from the then Asutifi District in July 2012 with Hwidiem as the District Capital. It was

established as District in 2012 by L.I. 2054. Agriculture is predominantly the local economic activity and constitutes over 80% of the population. The ASDA shares boundaries with Ahafo -Ano North Municipality in the Ashanti Region to the West, Asutifi North District in the Ahafo Region to the North, Asunafo South Municipality in the Ahafo Region to the East, Asunafo North Municipality in the Ahafo Region to the South. The ASDA has an estimated population of about 68,394, according to the 2021 population and housing census. Representing 3.8% of the total population of Ahafo Region. Males population, 34932 (51%) and females population, 33609 (49%)

**AREA COUNCILS**

The ASDA has an oversight responsibilities on the four area councils as follows: Hwidiem; Acherensua; Nkasiem; and Dadiesuaba.

**ADDRESS**

Asutifi South District Assembly  
P.O. Box 92  
Hwidiem  
Ahafo Region, Ghana.

**AUDITORS**

Ghana Audit Service

**BANKERS**

Bank of Ghana  
Agricultural Development Bank  
GCB Bank Plc  
Asutifi Rural Bank

## STATEMENT OF MANAGEMENT RESPONSIBILITIES

The Financial Report of Asutifi South District Assembly (ASDA) provides the financial information on a transparent and accessible basis as well as an important element in the overall framework of accountability and financial integrity of ASDA.

The financial statements and associated disclosures have been drawn up in accordance with, the Public Financial Management Act, 2016 Act 921, the Public Financial Management Regulations, 2019 L.I. 2378, the Local Governance Act, 2016 Act 936, as amended by Act 940, the International Public Sector Accounting Standards (IPSAS) and the relevant resolutions adopted by ASDA. Contributions from governments and other sources have been used solely for the purposes for which these were specifically designated. All transactions have been properly documented.

The system of internal control relating to financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the public financial management legal frameworks. This system includes relevant policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transaction; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of the financial statements and that receipts and expenditures are executed in accordance with authorizations of management in compliance with the public financial management legal frameworks; and (iii) provide reasonable assurance regarding the prevention or timely detection of unauthorized acquisition, use or disposition of ASDA's assets.

To the best of our knowledge, the financial statements fairly present ASDA's financial position at 31 December 2022. During the external audit process, Management

provided the Audit Service with all relevant information and access as agreed in the terms of the audit engagement.

HON. ROBERT DWOMOH MENSAH

**District Chief Executive**

JOSEPH KWADWO ARMAH

**District Coordinating Director  
ASDA**

ALEXANDER AGYEMANG BADU

**District Finance Officer  
ASDA**

## OPINION OF THE EXTERNAL AUDITOR

In case of reply the number and date of the letter should be quoted

*My Ref. No:* XXX  
Tel: 223 (0) 302 664920/28/29  
Fax: 233 (0) 302 6751495  
Website: [www.ghaudit.org](http://www.ghaudit.org)



P.O. Box M. 96  
Accra  
22 March, 2023

### INDEPENDENT AUDITOR'S REPORT TO THE DISTRICT CHIEF EXECUTIVE, ASDA

#### AUDIT REPORT ON THE FINANCIAL STATEMENTS OF ASUTIFI SOUTH DISTRICT ASSEMBLY

##### **Report on the financial statements**

We have audited the accompanying financial statements of the Asutifi South District Assembly (ASDA) which comprise the statement of financial position as at 31 December 2022, the statement of financial performance, the statement of changes in net assets, the statement of cash flows and the statement of comparison of budget and actual amounts for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies and supporting schedules.

##### **Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Asutifi South District Assembly (ASDA) as at 31 December 2022, and of its financial performance and cash flows for the year then ended

in accordance with the International Public Sector Accounting Standards (IPSAS) as adopted by the Government of Ghana.

### **Basis of Opinion**

We conducted our audit in accordance with the International Standards of Supreme Auditing Institutions (ISSAIs). Our responsibilities under those standards are described in the section below entitled “Auditor’s responsibilities for the audit of the financial statements”. We are independent of Asutifi South District Assembly in accordance with the ethical requirements relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of management and those charged with governance for the financial statements**

The District Chief Executive (DCE) is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as the DCE determines to be necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

Those charged with governance are responsible for overseeing the financial reporting process of ASDA.

### **Auditor’s responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance that the financial statements are free from material misstatements, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit, in accordance with the ISSAIs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- a. Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- b. Identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion;
- c. Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of ASDA;
- d. All public monies have been expended for the purposes for which they were appropriated and expenditures have been made as authorised;
- e. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the DCE; and
- f. Programmes and activities have been undertaken with due regard to economy, efficiency and effectiveness in relation to the resources utilised and results achieved.

We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls and compliance with other public legal frameworks that we identified during our audit in a separate audit Management Letter.

**FLORENCE ADANDIA  
ASSISTANT AUDITOR-GENERAL, AHAFO REGION  
FOR: AUDITOR-GENERAL**

## FINANCIAL HIGHLIGHTS

The Financial Statements for 2022 was presented in accordance with the public financial legislative requirements and other statutes and the format required under IPSAS. The financial statements also include supplementary information that further explains and supports the information in the financial statements.

The summary highlights and analysis of the Financial Statements of ASDA for the year ended 31 December 2022 are presented below:

### **Budget Performance**

#### *a. Budgeted receipts*

In 2022, the total actual receipts of GHC8,971,382.59 was marginally lower than the approved budget of GHC10,860,175.92 in 2021. The total receipts of GHC8,971,382.59 for 2022, compared with GHC6,638,178.91 received in 2021, showed an increase of GHC2,333,203.68 or 35.15 per cent over the prior year.

#### *b. Budgeted payments*

During the period under review, the ASDA approved budget was GHC10,860,175.92 to spend on approved activities as compared to GHC6,638,178.91 actual in 2021. However, actual payments came to GHC8,432,002.80 in 2022, resulting in an overall surplus of GHC539,379.79 compared to actual receipts of GHC8,971,382.59. The Organization also operated within the approved budget line expenditures.

### **Financial Performance**

#### *Revenue*

During the period under review, total revenue received by the ASDA amounted to GHC9,306,626.31 compared with GHC6,638,178.91 received in the previous year,

showing a significant increase of 40.20 per cent. This increase is attributable to the Decentralised Transfer and the Internally Generated Funds.

### *Expenses*

Total Expenses incurred by the ASDA in 2022 amounted to GHC7,101,418.89 as against GHC6,367,272.17 for the previous year, showing an increase of GHC734,146.72 or 11.53 per cent. Except for Non-Financial Asset expenditure, all other expenditure items registered increases when compared with those of the previous year.

### *Operational results*

During the year under review, ASDA recorded a surplus of GHC2,205,207.42 from its operations as compared to the reported surplus of GHC270,906.74 in 2021. The surplus recorded was primarily due to the Modified Accrual basis used in the preparation of the financial statements. The net operational results was accordingly transferred to the Accumulated Fund Balances, resulting in an increase from GHC353,061.87 in 2021 to GHC2,558,269.29 as at the end of 2022.

## **Financial Position**

### **Assets**

As at 31 December, 2022, total assets of ASDA stood at GHC20,795,220.59 as against GHC353,875.91 recorded in the previous year, representing an increase of GHC20,441,344.68 or 5776.42 per cent. Cash and cash equivalent amounting to GHC892,441.66 constituted 4.29 per cent of the total assets. Work-in-progress and Property, Plant and Equipment also stood at GHC3,472,145.97 and GHC16,430,298.76 representing 16.70 per cent and 79.01 per cent of the total assets respectively.

### **Liabilities**

Total liabilities stood at GHC303,104.90 at the end of the year, compared with GHC814.04 for the previous year, an increase of GHC302,290.86. Trust monies consists of MP's Common Fund and Free Water totaling GHC302,993.99 accounted for 99.96 per cent of

the total liabilities, whilst Payables of GH¢110.91 accounted for 0.04 per cent of the liabilities. At a current ratio of 2.95:1, our analysis showed that the ASDA will be able to meet its short-term obligations as and when they fall due.

### *Fund Balances*

The ASDA's Fund Balances stood at GH¢2,558,269.29 as at 31 December 2022, compared with GH¢353,061.87 as at 31 December 2021, registering an increase of GH¢2,205,207.42 translating to 624.60 per cent.

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

	NOTES	2022 GH¢	2021 GH¢
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Bank Balances	10	892,441.66	353,875.91
Receivables	11	334.20	-
<b>Total</b>		<b>892,775.86</b>	<b>353,875.91</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	12	16,430,298.76	-
Work-In-Progress	13	3,472,145.97	-
<b>Non-Current Assets</b>		<b>19,902,444.73</b>	<b>-</b>
<b>TOTAL ASSETS</b>		<b><u>20,795,220.59</u></b>	<b><u>353,875.91</u></b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payables	14	110.91	814.04
Trust Monies	15	302,993.99	-
<b>Total</b>		<b>303,104.90</b>	<b>814.04</b>
<b>TOTAL LIABILITIES</b>		<b><u>303,104.90</u></b>	<b><u>814.04</u></b>
<b>NET ASSETS/(LIABILITIES)</b>		<b><u>20,492,115.69</u></b>	<b><u>353,061.87</u></b>
<b>FINANCED BY:</b>			
Accumulated fund b/f		353,061.87	82,155.13
Revaluation Reserve		17,933,846.40	-
Surplus/ (deficit) for the year		2,205,207.42	270,906.74
<b>NET WORTH</b>		<b><u>20,492,115.69</u></b>	<b><u>353,061.87</u></b>

SIGNATURE:.....

(DISTRICT COORD. DIRECTOR)

NAME: JOSEPH KWADWO ARMAH

DATE:.....

**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED  
31 DECEMBER 2022**

INCOME	NOTE	BUDGET	ACTUAL	
			2022	2021
		GH¢	GH¢	GH¢
Decentralised Transfer/GOG Subvention	2a	7,805,515.91	8,027,135.87	4,136,350.57
Internally Generated Fund	3	1,261,700.00	1,196,392.68	973,831.61
Donations and Grants	4	1,792,960.01	83,097.76	1,527,996.73
<b>TOTAL REVENUE</b>		<b>10,860,175.92</b>	<b>9,306,626.31</b>	<b>6,638,178.91</b>
<b>EXPENDITURE</b>				
Compensation of Employees	6	2,807,138.25	4,107,687.68	3,038,162.00
Goods and Services	7	3,061,335.66	818,374.45	701,936.17
Other Expenses	8	761,712.00	2,175,356.76	790,297.11
Consumption of Fixed Asset	12	4,229,990.01	0.00	0.00
Non-Financial Asset	9	-	0.00	1,836,876.89
<b>TOTAL EXPENDITURE</b>		<b>10,860,175.92</b>	<b>7,101,418.89</b>	<b>6,367,272.17</b>
<b>Surplus/(Deficit) for the year</b>			<b>2,205,207.42</b>	<b>270,906.74</b>

**STATEMENT OF CHANGES IN NET ASSETS AND EQUITY FOR THE YEAR  
ENDED 31 DECEMBER 2022**

	NOTE	Accumulated Fund	Revaluation Reserve	TOTAL
2022		GH¢	GH¢	GH¢
Balance at 1 January		353,061.87	-	353,061.87
Surplus for the year		2,205,207.42	-	2,205,207.42
Revaluation surplus		-	17,933,846.40	17,933,846.40
	<b>16</b>			
Balance at 31 December		<b>2,558,269.29</b>	<b>17,933,846.40</b>	<b>20,492,115.69</b>
2021				
Balance at 1 January		82,155.13	0.00	82,155.13
Deficit for the year		270,906.74	-	270,906.74
Balance at 31 December		<b>353,061.87</b>	<b>0.00</b>	<b>353,061.87</b>

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022**

	NOTES	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES		GH¢	GH¢
<b>CASH RECEIPTS FROM OPERATING ACTIVITIES</b>			
Decentralised Transfer/GoG Subvention	2b	7,612,410.12	5,591,542.57
Internally Generated Funds	3	1,196,392.68	973,831.61
Donations and Grants	4	83,097.76	72,804.73
Other Receipts	5	79,482.03	-
Compensation of Employees	6	(4,107,687.68)	(3,038,162.00)
Goods and Services	7	(818,374.45)	(701,936.17)
Other Expenses	8a	(1,537,933.09)	(791,047.53)
<b>NET CASHFLOW FROM OPERATING ACTIVITIES</b>		<b>2,507,387.37</b>	<b>2,107,033.21</b>
<b>CASHFLOW FROM INVESTING IN NONFINANCIAL ASSETS</b>			
<b>Purchase of Non-financial assets</b>			
Fixed Asset		(815,730.95)	(1,836,876.89)
Work-In-Progress		(1,153,090.67)	-
<b>Net cash flow from investment in Non - Financial Assets</b>		<b>(1,968,821.62)</b>	<b>(1,836,876.89)</b>
<b>Net cash flow from investment in financial assets</b>		<b>-</b>	<b>-</b>
<b>NET CASHFLOW FROM FINANCING ACTIVITY</b>		<b>-</b>	<b>-</b>
<b>NET CHANGE IN STOCK OF CASH</b>		<b>538,565.75</b>	<b>270,156.32</b>
<b>CASH AND CASH EQUIVALENT AT START</b>		<b>353,875.91</b>	<b>83,719.59</b>
<b>CASH AND CASH EQUIVALENT AT CLOSE</b>	10	<b>892,441.66</b>	<b>353,875.91</b>

**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022							
	Original Budget	Revision Budget	Update	2022 Actual	2022 Budget Variance	2021 Budget	2021 Actual	2021 Budget Variance
	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
<b>INCOME</b>								
Decentralised Transfer/GOG Subvention	7,805,515.91	-	7,805,515.91	8,027,135.87	221,619.96	7,410,227.00	4,136,350.57	(3,273,876.43)
					-			-
Internally Generated Fund	1,261,700.00	-	1,261,700.00	1,196,392.68	(65,307.32)	1,148,625.00	973,831.61	(174,793.39)
					-			-
Donations and Grants	1,792,960.01	-	1,792,960.01	83,097.76	(1,709,862.25)	3,189,817.85	1,527,996.73	(1,661,821.12)
					-			-
<b>TOTAL REVENUE</b>	10,860,175.92		10,860,175.92	9,306,626.31	(1,553,549.61)	11,748,669.85	6,638,178.91	(5,110,490.94)
<b>EXPENDITURE</b>								
Compensation of Employees	2,807,138.25	-	2,807,138.25	4,107,687.68	(1,300,549.43)	3,023,726.16	3,038,162.00	(14,435.84)
Goods and Services	3,061,335.66	-	3,061,335.66	818,374.45	2,242,961.21	4,386,500.84	701,936.17	3,684,564.67
Other Expenses	761,712.00	-	761,712.00	2,175,356.76	(1,413,644.76)	1,148,625.00	790,297.11	358,327.89
Consumption of Fixed Asset	4,229,990.01	-	4,229,990.01	-	4,229,990.01	-	-	-

Non-Financial Asset	-	-	-		-	3,189,817.85	1,836,876.89	1,352,940.96
<b>TOTAL EXPENDITURE</b>	10,860,175.92	-	10,860,175.92	7,101,418.89	3,758,757.03	11,748,669.85	6,367,272.17	5,381,397.68
<b>SURPLUS/(DEFICIT)</b>			-	2,205,207.42	(5,312,306.64)	-	270,906.74	(10,491,888.62)

## NOTES TO THE FINANCIAL STATEMENTS

### NOTE 1A: GENERAL STATEMENT

#### Reporting Entity

1. The Asutifi South District Assembly (ASDA) is one of the Administrative Districts in the Ahafo Region of Ghana. The District was carved out from the then Asutifi District in July 2012 with Hwidiem as the District Capital. It was established as District in 2012 by L.I. 2054. Agriculture is predominantly the local economic activity and constitutes over 80% of the population. The ASDA shares boundaries with Ahafo -Ano North Municipality in the Ashanti Region to the West, Asutifi North District in the Ahafo Region to the North, Asunafo South Municipality in the Ahafo Region to the East, Asunafo North Municipality in the Ahafo Region to the South. The ASDA has an estimated population of about 68,394, according to the 2021 population and housing census. Representing 3.8% of the total population of Ahafo Region. Males population, 34932 (51%) and females population, 33609 (49%).

2. In preparing the Financial Statements, Management of ASDA takes cognisance of the 1992 Constitution, the Public Financial Management Act 2016 (Act 921) and the Public Financial Management Regulations 2019 (LI 2378), the Local Governance Act, 2016 (Act 936) and as amended by Act 940, as well as any other relevant subsidiary legislations. The 2022 financial statements have been prepared on General Government based on the Appropriation Act 2021 (Act 1069), the resolutions approving the Composite Budget of the Metropolitan, Municipal and District Assemblies (MMDAs), pursuant to Article 179 (2) (a) of the 1992 Constitution of the Republic of Ghana.

## **NOTE 1B: SIGNIFICANT ACCOUNTING POLICIES**

### **Policy Statement on IPSAS adoption**

3. The adoption of IPSAS in Ghana was launched by the then Minister of Finance and a formal declaration was made in the 2015 budget and economic policy presented to Parliament in November, 2014. An implementation plan for IPSAS (Accrual basis) was launched on 24th November, 2018 in line with the Public Financial Management Act 2016 (Act 921).

4. The general Government of Ghana financial statement with the aim towards full accrual adopted and approved is the Modified Accrual Basis of accounting.

### **Basis of preparation**

5. The financial statements and accompanying schedules and notes are prepared on the Modified Accrual basis of accounting, in accordance with the IPSAS.

6. The preparation of financial statements in conformity with IPSAS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

7. The statements, accompanying notes and appendices consolidate the administrative and operational activities of ASDA, unless otherwise stated.

8. The Financial Statements are presented in Ghana Cedis and all values are rounded to the nearest Ghana Cedi.

## **Measurement base**

9. The accounting principles adopted for the measurement and reporting of the financial performance and financial position on a modified accrual basis use historical costs or fair values, as appropriate, in the preparation of these statements.

10. The following specific accounting policies that materially affect the measurement of financial performance and the financial position are applied.

## **Revenue**

11. The ASDA reports revenue in the period in which they are earned. Revenues from non-exchange transactions, such as direct and indirect taxes are recognized when earned. Non-exchange transaction is one in which the reporting entity receives something of value without directly giving value in exchange. However, exchange transactions are those in which the entities sell goods or services in exchange for a consideration. Revenue comprises the fair value of consideration received or receivable for the sale of goods or services.

12. The reported revenue in the Statement of financial performance is the principal sources, comprising the Decentralised Transfers, Internally Generated Funds, Donations and Grants as provided in Section 124 of the Local Governance Act, 2016 (Act 936).

## **Expenditure**

13. The reported expenditure in the financial performance is recognised when incurred and are recognized on an accrual basis when goods are delivered and services are rendered, regardless of the terms of payment.

14. Compensation of employees include international, national and general temporary staff salaries of public sector employees. The allowances and benefits include

other staff entitlements, such as pension contributions and payments and other salary related allowances.

15. Use of Goods and services comprise of recurrent expenses incurred as a result of goods received and services rendered to public entities.

16. Interest expenses are finance costs incurred on loans acquired on domestic and external debts for the period.

17. Social benefits are expenses incurred as a result of social interventions carried out to benefit certain persons, communities and class of people in the society.

18. Other expenditure includes contributions, professional fees, donations, court expenses, scholarships, bursaries, awards and rewards.

### **Foreign currency transactions**

19. All transactions occurring in other currencies are translated into Ghana cedis using the exchange rates prevailing at the date of the transaction. Both realized and unrealized gains and losses resulting from the settlement of such transactions and from the currency translation at the reporting date are recognised in the financial statements.

### **Cash and cash equivalents**

20. Cash and cash equivalents include cash on hand and deposits held at call with banks for periods of less than 90 days. As a rule, cash is held in the ASDA controlled accounts to maximize the interest-earning potential. Interest earned is credited to the appropriate source of revenue.

## **Short-term investments**

21. Financial assets recognition and measurement, including cash, short-term deposits and investments are classified as fair value through surplus or deficit and measured at fair value as at the reporting date. Realized and unrealized gains or losses arising from the change of market value of investments and revenue from interest and dividends are recognized in the consolidated statement of financial performance in the period in which they arise. The interest earned is credited to the appropriate source of revenue. Financial assets with maturities of more than 12 months or not expected to be realized within 12 months at the reporting date are categorized as non-current assets.

## **Receivables**

22. Receivables are recorded at their estimated realisable value after providing for doubtful and uncollectible debts. A provision for doubtful receivables related to is determined and where a request is made to Parliament for write off. Amounts due for more than 12 months after the reporting date in accordance with payment plans are classified as non-current receivables.

23. Any advances (or down payments) paid to suppliers, implementing partners, staff and others are recorded as receivables to ASDA until the goods are received, services performed, or the amounts repaid, as appropriate.

## **Inventory**

24. The cost of inventory is valued at the lower of cost or current replacement cost.

## Property, plant and equipment

25. Property, plant and equipment acquired during the year are capitalised and shown in the Statement of Financial Performance and depreciation is not charged in the year of acquisition and disposal. The fixed assets capitalized must have been depreciated using the straight-line method with the approved depreciation policy rates.

26. Depreciation of assets (other than land) is calculated on a straight-line (i.e. even) basis over their estimated useful lives, as shown in the table below.

Asset class	Estimated useful life
Land	No depreciation
Buildings	50 years
Other Structures – Lorry Park/Drainage/Roads	20 years
Vehicles	5 years
Office Equipment/Communications and IT	7 years
Furniture and fixtures	10 years
Computer Software/Accessories	5 years
Other Machinery & Equipment- Plants/Earthmoving machinery and equipment	10 years

## Investment Property

27. Investment property is property (land or a building – or part of a building – or both) held to earn rentals or for capital appreciation, or both, rather than for:

- (a) Use in the production or supply of goods or services, or for administrative purposes;  
or
- (b) Sale in the ordinary course of operations.

28. Therefore, investment property generates cash flows largely independently of the other assets held by an entity. This distinguishes investment property from other land or buildings controlled by Central Government entities, including owner-occupied property. The production or supply of goods or services (or the use of property for administrative purposes) can also generate cash flows.

29. Investment property should be recognized as an asset when and only when:

- (a) it is probable that the future economic benefits will flow to ASDA; and
- (b) the cost or fair value of the investment property can be measured reliably.

30. Investment property should be measured initially at cost (which includes transaction costs). Where an investment property is acquired at no cost, or for a nominal cost, its cost is its fair value as at the date of acquisition.

### **Intangible assets**

31. Intangible assets principally consist of purchased computer software, which is capitalized if the total cost of acquisition is GHC5,000 or more, and internally developed software, which is capitalized if the total development cost is GHC100,000 or more. Intangible assets have been recognized prospectively as of 1 January 2012 in accordance with the transition provisions in IPSAS. Costs incurred prior to this date were previously expensed.

32. Intangible assets are carried at cost less accumulated amortization and impairment. Donated intangible assets, if any, are recognized at cost, using the fair value at acquisition date.

33. Amortization is calculated on a straight-line basis over the estimated useful lives of the intangible assets, as shown in the table below.

<b>Asset class</b>	<b>Estimated useful life</b>
Purchased software	7 years
Internally developed software	7 years
Software under development	Not amortized

34. Amortization is calculated from the date of acquisition for purchased software and from the date of roll-out for internally developed software. Gains or losses on disposal, determined by comparing the proceeds, if any, with the carrying amounts, are recognized in the Statement of financial performance.

### **Payables to suppliers**

35. As a rule, ASDA pays for goods and services after the goods are received and services provided. They are recorded simultaneously as an expense and an obligation payable to the supplier. This payable category includes accrued expense provisions raised for material consumption-based services (e.g. communications and utilities costs) for which the billing is received beyond 31 December and the costs can be reliably estimated based on recent supplier billings.

### **Work-in-Progress**

36. Work-in progress (WIP) and preliminary expenditure is the accumulated historical cost of various capital related projects. The interim completion certificates prepared to confirm progress of work at predetermined and paid shall be recognise as the WIP cost and upon completion of the asset it is transferred to property, plant and equipment.

## **Borrowings**

37. Borrowings Loans are recognised when received and interests are accrued as per the terms and conditions of the loan. Domestic loans are classified into short term (less than one year), medium term (more than one year but less or equal to four years) and long term (more than four years) according to the date of maturity or repayment.

## **Heritage assets**

38. Heritage assets are recognized in the financial statements, but significant heritage asset transactions are disclosed in the notes thereto. Assets are categorized as heritage assets because of their cultural, educational, religious or historical significance. The Government of Ghana heritage assets comprise but not limited to works of art, culture, historical monuments, books and a statue. They were acquired over many years by various means, including purchase, donation and bequest. The heritage assets are not used in the delivery of services relating to the Government of Ghana's institutes or programmes; in accordance with the accounting policy of government, heritage assets are recognized and presented separately on the statement of financial position when the appropriate valuation can be ascertained.

## **Advance receipts and other liabilities**

39. Advance receipts and other liabilities consist of payments received in advance relating to exchange transactions, liabilities for conditional funding arrangements and other deferred revenue. For example, trust funds, donor or grant funds with conditions.

## NOTE 2: DECENTRALISED TRANSFER / GOG SUBVENTION

		2022	2021
		GH¢	GH¢
	NOTES		
<b>Decentralised Transfer/GoG Subvention (Warrant)</b>			
Compensation of Employees		4,012,957.23	2,907,428.68
<b>Goods and Services</b>			
GOG Decentralised Dept		25,011.17	43,027.84
<b>Asset-Grant(DACF-RFG, DACF, M-SHARP, PWD)</b>			
DACFat Gross & DACF-RFG and Utilised MPCF		3,791,526.18	2,162,304.67
M-SHARP		13,653.34	1,927.53
PLWD		183,987.95	82,201.78
<b>TOTAL REVENUE</b>	<b>2a</b>	<b>8,027,135.87</b>	<b>5,196,890.50</b>
<i>LESS:</i>			
Deducted at Source (Zoomlion & Nalag)		638,237.71	-
		<b>7,388,898.16</b>	<b>5,196,890.50</b>
<b>Add Un-utilised Trust Money (MPCF)</b>		<b>223,511.96</b>	<b>394,652.07</b>
<b>TOTAL RECEIPT (BTA)</b>	<b>2b</b>	<b>7,612,410.12</b>	<b>5,591,542.57</b>

## NOTE 3: INTERNALLY GENERATED FUND

	2022	2021
	GH¢	GH¢
Lands and Royalties	545,228.63	493,075.11
Rates	194,875.00	98,788.00
Rents of Land, Buildings and Houses	500.00	2,980.00
Licenses	364,621.05	322,174.00
Fee	43,868.00	26,428.00
Fines, penalties, and forfeits	300.00	29,854.00
Miscellaneous revenue	47,000.00	532.50
<b>TOTAL</b>	<b>1,196,392.68</b>	<b>973,831.61</b>

**NOTE 4: DONATIONS AND GRANTS**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Central Government ( MAG , UNICEF)	83,097.76	72,804.73

**NOTE 5: OTHER RECEIPT**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Deposits/Trust monies ( free water )	79,482.03	-

**NOTE 6: COMPENSATION OF EMPLOYEES**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Established Position	4,012,957.23	2,907,428.68
Non Established Post	64,374.88	63,657.38
13.5% SSF Contribution	2,577.64	9,738.14
Transfer grant	27,777.93	23,337.80
End of Service Benefit (ESB) EX-Gratia	-	34,000.00
<b>TOTAL EXPENDITURE</b>	<b>4,107,687.68</b>	<b>3,038,162.00</b>

## NOTE 7: GOODS AND SERVICES

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Materials and Office Consumables	30,369.00	48,215.54
Utilities	16,017.43	16,844.83
General Expenses	132,200.00	60,896.42
Rentals	15,141.08	8,739.50
Travel and Transport	172,592.23	210,597.53
Repairs and Maintenance	1,835.00	62,079.50
Training, Seminar and Conference	120,669.75	129,370.00
Commissions and other expenses on collectors	38,219.96	33,681.60
Special Services	104,399.00	4,480.00
Other Charges and Fees	583.00	737.50
Emergency services	186,348.00	126,293.75
<b>TOTAL EXPENDITURE</b>	<b>818,374.45</b>	<b>701,936.17</b>

## NOTE 8: OTHER EXPENSES

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
DACF	906,973.30	510,636.88
M-SHARP	11,806.00	4,186.00
Zoom lion/NALAG/SIP	638,237.71	-
MPCF	231,454.09	74,975.00
DACF-RFG	65,110.73	45,859.00
PWD	226,166.00	25,522.97
GOG	25,011.17	56,312.53
MAG/UNICEF	70,597.76	72,804.73
<b>TOTAL</b>	<b>2,175,356.76</b>	<b>790,297.11</b>
<i>LESS:</i>		
Expenses Deducted at Source	(638,237.71)	-
<b>TOTAL PAYMENT</b>	<b>1,537,119.05</b>	<b>790,297.11</b>

**NOTE 9: NON-FINANCIAL ASSETS (ACQUISITIONS FOR THE YEAR)**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Property, Plant & Equipment	815,730.95	1,836,876.89
Work In Progress	1,153,090.67	-
<b>Total</b>	<b>1,968,821.62</b>	<b>1,836,876.89</b>

**NOTE 10: CASH & CASH EQUIVALENTS**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
AMSEC-ASUTIFI RURAL BANK	697.67	2,527.67
IGF	94,784.59	(814.04)
GSFP	185.95	185.95
SUB-CF-GOG	477,921.50	206,396.97
PLWD ACCOUNT	89,631.27	56,809.32
DACF-RFG ACCOUNT	1,590.43	22,487.09
MP CF ACCOUNT	223,511.96	65,170.31
MSHARP ACCOUNT(HIV)	3,920.14	100.45
GCHARHP(ADOLESCENT)	198.15	198.15
<b>TOTAL</b>	<b>892,441.66</b>	<b>353,061.87</b>

**NOTE 11: RECEIVABLES**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Other Receivables	334.20	0

## NOTE 12: PROPERTY, PLANT AND EQUIPMENT

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Dwellings	4,962,568.48	4,962,568.48
Non Residential Buildings	8,488,027.12	8,133,615.63
Other structures	396,416.50	200,000.00
Transport Equipment	1,360,300.27	1,360,300.27
Other machinery and equipment	65,170.31	-
Infrastructure Assets	1,157,816.08	892,913.12
<b>TOTAL</b>	<b>16,430,298.76</b>	<b>15,549,397.50</b>

## NOTE 13: WORK - IN - PROGRESS

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Dwellings	391,878.49	-
Non Residential Buildings	2,626,885.61	2,384,448.90
Other structures	56,235.77	-
Infrastructure Assets	211,335.00	-
Other structures MPCF	185,811.10	-
<b>TOTAL</b>	<b>3,472,145.97</b>	<b>2,384,448.90</b>

## NOTE 14: ACCOUNTS PAYABLE

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Payables	110.91	-

**NOTE 15: TRUST MONIES**

	<b>2022</b>	<b>2021</b>
	<b>GH¢</b>	<b>GH¢</b>
Deposits/Trust monies ( free water )	79,482.03	
Other Funds (MPCF)	223,511.96	65,170.31
<b>TOTAL</b>	<b>302,993.99</b>	<b>65,170.31</b>

**NOTE 16: CHANGES IN EQUITY**

	<b>Accumulated Fund</b>	<b>Revaluation Reserve</b>	<b>TOTAL</b>
<b>2022</b>	<b>GH¢</b>	<b>GH¢</b>	<b>GH¢</b>
Balance at 1 January	353,061.87	-	353,061.87
Surplus for the year	2,205,207.42	-	2,205,207.42
Revaluation surplus	-	17,933,846.40	17,933,846.40
Balance at 31 December	<b>2,558,269.29</b>	<b>17,933,846.40</b>	<b>20,492,115.69</b>

SCHEDULES TO THE FINANCIAL STATEMENTS

APPENDIX 'A'

SCHEDULE OF WORK-IN-PROGRESS ASSET AS AT 31ST DECEMBER, 2022.

	BEGINNING	ADDITIONS		COMPLETED	CLOSSING
	BALANCES	FOR		WIP.	BALANCES
	GH¢	THE	GH¢	GH¢	GH¢
	(a)	PERIOD	(b)	(c)	d =a+b-c
		GH¢	a+b		
<b>DWELLINGS</b>					
WIP - Buildings	-	-		-	-
WIP - Bungalows/Flat	4,962,568.48	74,728.02	5,037,296.50	4,962,568.48	74,728.02
WIP-Barracks	-	317,150.47	317,150.47	-	317,150.47
<b>TOTAL</b>	<b>4,962,568.48</b>	<b>391,878.49</b>	<b>5,354,446.97</b>	<b>4,962,568.48</b>	<b>391,878.49</b>
<b>NON RESIDENTIAL BUILDINGS</b>					
WIP - Clinics	-	354,411.49	354,411.49	354,411.49	-
WIP - Health Centres	-	-	-	-	-
WIP - Court Building	511,770.50	-	511,770.50	-	511,770.50
WIP - Office Buildings	6,835,725.43	-	6,835,725.43	4,963,047.03	1,872,678.40
WIP - School Buildings	-	242,436.71	242,436.71	-	242,436.71
WIP - Slaughter House	3,170,568.60	-	3,170,568.60	3,170,568.60	-
<b>TOTAL</b>	<b>10,518,064.53</b>	<b>596,848.20</b>	<b>11,114,912.73</b>	<b>8,488,027.12</b>	<b>2,626,885.61</b>
<b>OTHER STRUCTURES</b>					
Land	200,000.00	-	200,000.00	200,000.00	-
WIP - Markets	-	56,235.77	56,235.77	-	56,235.77

WIP-Feeder Roads	-	196,416.50	196,416.50	196,416.50	-
<b>TOTAL</b>	<b>200,000.00</b>	<b>252,652.27</b>	<b>452,652.27</b>	<b>396,416.50</b>	<b>56,235.77</b>
<b>OTHER MACHINERY &amp; EQUIPMENT</b>					
Machines	-	-	-	65,170.31	
<b>TOTAL</b>				<b>65,170.31</b>	
<b>TRANSPORT EQUIPMENT</b>					
WIP - Motor Vehicles	1,360,300.27	-	1,360,300.27	1,360,300.27	-
<b>TOTAL</b>	<b>1,360,300.27</b>	<b>-</b>	<b>1,360,300.27</b>	<b>1,360,300.27</b>	<b>-</b>
<b>INFRASTRUCTURE ASSETS</b>					
WIP - Electrical Networks	-	-	-	-	-
WIP - Office Equipment	43,245.64	-	43,245.64	43,245.64	-
WIP - Furniture and Fittings	-	187,585.00	187,585.00	-	187,585.00
WIP - Water Systems	-	288,652.96	288,652.96	264,902.96	23,750.00
WIP- Electrical Equipment	849,667.48	-	849,667.48	849,667.48	-
<b>TOTAL</b>	<b>892,913.12</b>	<b>476,237.96</b>	<b>1,369,151.08</b>	<b>1,157,816.08</b>	<b>211,335.00</b>
<b>GRAND TOTAL</b>	<b>17,933,846.40</b>	<b>1,717,616.92</b>	<b>19,651,463.32</b>	<b>16,430,298.76</b>	<b>3,286,334.87</b>

**APPENDIX 'B'**

<b>2022 SCHEDULE FOR MP-CF RELEASES AND OTHER FUNDS</b>				
<b>DATE</b>	<b>RECEIPT NUMBER</b>	<b>AMOUNT</b>	<b>REMARKS</b>	
16/02/2022	3152716	120,000.00	CHEQUE DEPOSITED BY HON. MP	
12/04/2022	3152717	95,182.62	3RD QTR. 2021 RELEASE FROM DACF ADMINISTRATOR	
13/06/2022	3152771	83,579.31	4TH QTR. 2021 RELEASE FROM DACF ADMINISTRATOR	
08/08/2022	3152772	60,000.00	CHEQUE DEPOSITED BY HON. MP	
01/11/2022	3152757	78,182.23	1ST QTR. 2022 RELEASE FROM DACF ADMINISTRATOR	
01/11/2022	3152758	106,945.82	2ND QTR. 2022 RELEASE FROM DACF ADMINISTRATOR	
23/12/2022	3157197	96,887.17	3RD QTR. 2022 RELEASE FROM DACF ADMINISTRATOR	
	<b>TOTALS</b>	<b>640,777.15</b>		

<b>2022 SCHEDULE FOR DEDUCTIONS OF DACF AT SOURCE</b>				
DATE	YEAR	ITEM	AMOUNT	REMARKS
	<b>2ND QTR. 2021</b>	FUMIGATION	25,156.25	50% OF 50,312.50
		NALAG DUES	616.81	50% OF 1,233.62
		SIP	26,593.75	50% OF 53187.50
			<b>52,366.81</b>	
	<b>3RD QTR. 2021</b>	FUMIGATION	50,312.50	
		NALAG DUES	1,233.62	
		SIP	53,187.50	
			<b>104,733.62</b>	
	<b>4TH QTR. 2022</b>	FUMIGATION	50,312.50	
		NALAG DUES	1,233.62	
		SIP	53,187.50	
			<b>104,733.62</b>	
	<b>1ST QTR. 2022</b>	FUMIGATION	50,312.50	
		NALAG DUES	1,233.62	
		SIP	53,187.50	
			<b>104,733.62</b>	
	<b>2ND QTR. 2022</b>	FUMIGATION	50,312.50	
		NALAG DUES	1,233.62	
		SIP	53,187.50	
			<b>104,733.62</b>	

	<b>3RD QTR. 2022</b>	FUMIGATION	80,500.00	65,406.25+15093.75
		NALAG DUES	1,336.42	
		SIP	85,100.00	69,143.75+15956.25
			<b>166,936.42</b>	
		<b>GRAND TOTAL</b>	<b>638,237.71</b>	