



KINTAMPO MUNICIPAL ASSEMBLY (KMA)

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 DECEMBER 2022

GENERAL INFORMATION

MUNICIPAL CHIEF EXECUTIVE

Isaac Ameyaw Baffoe

Period Appointed: 28/09/2021

PRESIDING MEMBER

Mohammed Dauda

Period Elected: 26/10/2022

EXECUTIVE MANAGEMENT COMMITTEE

Isaac Ameyaw Baffoe, Municipal chief executive

Hon. Nana Niah Agyenda, member

Hon. Agyei fokuo, work ub committee chairman

Hon. Dauda Mariam, member

Hon. Dawuda Mohammed, F & A chairman

Hon. Mohammed Abdul-Aziz Sumaila, Agric Chairman

Hoahn. Issah Mubarack, social Services chairman

Hon. Daniel Amponah Nomafo, Justice & Security Chairman

Hon. Mohammed Umar, Dev't planning chairmana

MANAGEMENT

Sayibu Yarifa Inuah, Municipal Coordinating Director

Dari Haruna, Municipal Finance Officer

Blessed Konadu Acheampong, Municipal Budget Analyst

Daniel K Are, Municipal Human Resource Manager

Ricard Omari-Safo, Head of Works

Addae Kame, Procurement Officer

Thoma Atibilla, Municipal Planning Officer

Ali Mohammed Bairu, Municipal Internal Auditor

**BRIEF PROFILE OF Kintampo
Municipal ASSEMBLY**

Kintampo Municipal Assembly was established with L.I 1871 in 2007 with 25 administrative areas of authority. Due to the rapid growth of the municipality, the administrative areas of authority have expanded to 64. The Assembly has four sub structures namely, Kintampo zonal council, New Longoro zonal council, Babato zonal council and Kadelso zonal council.

The core functions of the assembly as contained in the L.I 1871 are to promote and safeguard the public health, provide security, and spearhead the provision of infrastructure for development.

The assembly has executed its functions successfully during the 2022 fiscal year despite the general challenging environment.

ADDRESS

Kintampo North Municipal Assembly
P.O. Box 20
Kintampo
Digital address-BK-00013-2638, opposite DVLA
Bono East Region, Ghana.

AUDITORS

Audit Service

BANKERS

Ghana Commercial Bank Limited- Kintampo
Bank of Ghana- Sunyani
NIB Bank – Kintampo


STATEMENT OF MANAGEMENT RESPONSIBILITIES

The Financial Report of Kintampo North Municipal Assembly (KMA) 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 KNMA.

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 KMA. 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 KNMA assets.

To the best of our knowledge, the financial statements fairly present KNMA's financial position as 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.


Isaac Ameyaw Baffoe
Municipal Chief Executive


Sayibu Yanifa Anusah
Municipal Coordinating Director,
KNMA


Dari Haruna
Municipal Finance Officer
KNMA

OPINION OF THE EXTERNAL AUDITOR



INDEPENDENT AUDITOR'S REPORT
TO THE DISTRICT CHIEF EXECUTIVE, KMA

AUDIT REPORT ON THE FINANCIAL STATEMENTS OF KINTAMPO MUNICIPAL ASSEMBLY (KMA)

Report on the financial statements

We have audited the accompanying financial statements of the Kintampo Municipal Assembly (KMA) 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 Kintampo Municipal Assembly 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, except for a liability on the MP share of the District Assembly Common Fund of GH¢97,173.84 held on Trust for the Member of Parliament for Kintampo North Constituency has not been disclosed on the face of the accounts.

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 KMA 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 Municipal Chief Executive (MCE) is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as the MCE 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 KMA.

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 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 KMA.
- 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 MCE; 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.


SAMUEL ETIAKO
AG. REGIONAL AUDITOR/DIRECTOR OF AUDIT
BONO EAST 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 KMA for the year ended 31 December 2022 are presented below:

Budget Performance

a. Budgeted receipts

In 2022, the total actual receipts of GH¢12,025,684.31 was marginally higher than the approved budget of GH¢10,509,988.00 in 2021. The total receipts of GH¢12,025,684.31 for 2022, compared with GH¢8,335,917.89 received in 2021, showed an increase of GH¢3,689,766.42 or 44.2 per cent over the prior year.

b. Budgeted payments

During the period under review, the KMA approved budget was GH¢15,708,215.00 to spend on approved activities as compared to GH¢10,509,998.00 in 2021. However, actual payments came to GH¢11,778,436.29 (GH¢8,275,786.00 in 2021), resulting in an overall surplus of GH¢3,502,650.29 compared to actual receipts of GH¢11,778,436.29. The Organization also operated within the approved budget line expenditures.

Financial Performance

Revenue

During the period under review, total revenue received by the KMA amounted to GH¢12,056,794.31 compared with GH¢8,335,917.89 received in the previous year, showing an increase of 44.63 per cent. This increase is attributable to Internally Generated Funds and donor funded grants.

Expenditure

Total Expenses incurred by the KMA in 2022 amounted to GH¢11,835,863.34 as against GH¢8,275,786.00 for the previous year, showing an increase of GH¢3,560,077.34 or 43.02 per cent.

Operational results

During the year under review, KMA recorded a surplus of GH¢220,930.97 from its operations as compared to the reported surplus of GH¢60,131.89 in 2021. The increase

in the surplus recorded was primarily due to IGF of GH¢31,110.00 accrued during the year over the previous year. The net operational results were accordingly transferred to the Accumulated Fund Balances, resulting in an increase from GH¢60,131.89 in 2021 to GH¢398,445.52 as at the end of 2022.

Financial Position

Asset

As at 31 December, 2022, total assets of KMA stood at GH¢862,468.40 as against GH¢177,514.55 recorded in the previous year, representing an increase of GH¢684,953.85 or 385.86 per cent. Cash and cash equivalent amounting to GH¢6 constituted 46.19 per cent of the total assets.

Liabilities

Total liabilities stood at GH¢464,022.88 at the end of the year, compared with GH¢3,206.95 for the previous year, an increase of GH¢460,815.93 or 14,369.29 per cent. Outstanding commitments to suppliers of GH¢401,482.17 accounted for 86.52 per cent of the total Payables as the total liabilities. At a current ratio of 0.91:1, our analysis showed that the KMA will struggle to be able to meet its short-term obligations as and when they fall due.

Fund Balances

The KMA's Fund Balances stood at GH¢398,445.52 as at 31 December 2022, compared with GH¢177,514.55 as at 31 December 2021, registering an increase of GH¢224,137.92 translating to per cent. This was due to the reversal of stall cheques issued in 2021 totaling GH¢17,746.06.

KINTAMPO MUNICIPAL ASSEMBLY
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

	NOTES	2022	2021
ASSETS			
Current Assets			
Cash and Cash Equivalents	10	389,364.77	142,116.75
Receivables	11	31,110.00	0.00
Total		420,474.77	142,116.75
Non-Current Assets			
Investment	12	35,397.80	35,397.80
Property, plant, and Equipment	13	266,667.40	0.00
Work-In-Progress	14	139,928.43	0.00
Non-Current Assets		441,993.63	35,397.80
Total ASSETS		862,468.40	177,514.55
LIABILITIES			
Current Liabilities			
Accounts Payables	15	464,022.88	0.00
Bank Overdraft		0.00	-3,206.95
Total		464,022.88	-3,206.95
NON-CURRENT LIABILITIES			
Total Non-Current Liabilities		0.00	0.00
TOTAL LIABILITIES		464,022.88	-3,206.95
NET ASSETS/(LIABILITIES)		398,445.52	174,307.60
FINANCED BY:			
Accumulated fund b/f as adjusted	16	177,514.55	114,175.71
Surplus/ (deficit) for the year		220,930.97	60,131.89
NET WORTH		398,445.52	174,307.60

KINTAMPO MUNICIPAL ASSEMBLY
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER,
2022

	NOTE	BUDGET	2022	2021
		Ghc	Ghc	
REVENUE				
GoG Grants	2	14,151,215.00	10,594,326.57	7,095,450.98
IGF	3	1,557,000.00	1,313,280.73	1,024,668.83
Donor	4	-	149,187.01	215,798.08
TOTAL REVENUE		15,708,215.00	12,056,794.31	8,335,917.89
EXPENDITURE				
Compensation of Employees	5	8,357,485.92	8,161,478.97	4,445,194.77
Goods and Services	6	4,632,832.53	2,151,629.52	2,642,180.19
Social Benefits	7	8,150.00	1,400.00	3,500.00
Other Expenses	8	1,043,722.00	1,521,354.85	1,184,911.04
TOTAL EXPENDITURE		14,042,190.45	11,835,863.34	8,275,786.00
SURPLUS/(DEFICIT)			220,930.97	60,131.89

**KINTAMPO MUNICIPAL ASSEMBLY
STATEMENT OF CHANGES IN RESERVE FOR THE YEAR ENDED
31ST DECEMBER 2022**

	NOTES	2022 GH¢	2021 GH¢
Reserve at Start		177,514.55	99,636.60
Prior Year Adjustment	16		17,746.06
Adjusted balance		<u>177,514.55</u>	<u>117,382.66</u>
Surplus/ (Deficit)		<u>220,930.97</u>	<u>60,131.89</u>
RESERVE AT THE END		398,445.52	177,514.55

KINTAMPO MUNICIPAL ASSEMBLY
STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

	NOTES	2022 GHc	2021 GHc
CASH FLOW FROM OPERATING ACTIVITIES			
CASH RECEIPTS FROM OPERATING ACTIVITIES			
GoG Grant	2	10,594,326.57	7,095,450.98
IGF REVENUE	3	1,282,170.73	1,024,668.83
Donor	4	149,187.01	215,798.08
Other Receipt		0.00	17,746.06
Total Receipt		12,025,684.31	8,353,663.95
 CASH PAYMENT FOR OPERATING ACTIVITIES			
Compensation of Employees	5	-8,098,938.26	-4,445,194.77
Goods and Services	6	-2,004,839.79	-2,642,180.19
Other Expenses	8	-1,364,366.51	-1,184,911.04
Social Benefit	7	-1,400.00	-3,500.00
		-	-
Total Payment		11,469,544.56	8,275,786.00
NET CASHFLOW FROM OPERATING ACTIVITIES		556,139.75	77,877.95
 CASHFLOW FROM INVESTING IN NONFINANCIAL ASSETS			
Purchase of Non-financial assets			
Property, Plant and Equipment	13	-168,963.30	-
Work-In-Progress	14	-139,928.43	-

Total Acquisition of Asset
Disposal of Non-financial Asset
Net cashflow from investment in Non-Financial
Assets

-308,891.73 0.00

-308,891.73	0.00
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CASHFLOW FROM FINANCING ACTIVITY
BORROWINGS

247,248.02	77,877.95
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NET CHANGE IN STOCK OF CASH

142,116.75	64,238.80
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CASH AND CASH EQUIVALENT AT BEGINNING

389,364.77	142,116.75
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CASH AND CASH EQUIVALENT AT CLOSE

KINTAMPO MUNICIPAL AEMBLY
STATEMENT OF RECEIPTS AND PAYMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022
(TATEMENT OF COMPARION OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDEND 31/12/22)

		Budget 2022	Actual 2022	Budget variance	Actual 2021
	NOTE	GHC	GHC	GHC	
RECEIPTS					
GOG Grant	2	14,151,215.00	10,594,326.57	3,556,888.43	7,095,450.98
IGF	3	1,557,000.00	1,282,170.73	-274,829.27	1,024,668.83
Donor	4	0.00	149,187.01	149,187.01	215,798.08
		15,708,215.00	12,025,684.31	-3,682,530.69	8,335,917.89
PAYMENTS					
PAYMENTS					
Compensation of Employees	5	8,357,485.92	8,098,938.26	-258,547.66	4,445,194.77
Goods and Services	6	4,632,832.53	2,004,839.79	-2,627,992.74	1,152,449.12
Social Benefits	7	8150.00	1,400.00	6750	3,500.00
Other Expenses	8	1,043,722.00	1,364,366.51	320,644.51	1,184,911.04
Non-Financial Asset	9	1,666,024.55	308,891.73	-1,357,132.82	1,489,731.07
TOTAL PAYMENTS		15,708,215.00	11,778,436.29		8,275,786.00
NET RECEIPT/PAYMENT			247,248.02		60,131.89
Cash & Bank Bal as at 1/01/22			142,116.75		
Cash & Bank Bal as at 31/12/2022					

NOTES ON THE FINANCIAL STATEMENTS

NOTE 1: GENERAL STATEMENT

Reporting Entity

1. Kintampo Municipal Assembly was established with L.I 1871 in 2007 with 25 administrative areas of authority. Due to the rapid growth of the municipality, the administrative areas of authority have expanded to 64. The Assembly has four sub structures namely, Kintampo zonal council, New Longoro zonal council, Babato zonal council and Kadelso zonal council. The Kintampo South District Assembly was carved out of the Kintampo Municipal Assembly in 2018. The core functions of the assembly as contained in the L.I 1871 are to promote and safeguard the public health, provide security, and spearhead the provision of infrastructure for development.

2. In preparing the Financial Statements, Management of KMA 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) 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 2: 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 KMA, unless otherwise stated.

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

Going Concern

9. The going concern indication on the Kintampo Municipal Assembly, as the reporting entity, is one of the eleven (11) Districts of the Bono East Region under the Ministry of Local Government, Decentralisation and Rural Development (MLGDRD) and her net assets position and records of the Internally Generated Funds gives no indication that the Assembly will cease its operations.

Measurement base

10. 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.

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

Revenue

12. The KMA 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.

13. 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

14. The reported expenditure in the statement of 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.
15. 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.
16. Use of Goods and services comprise of recurrent expenses incurred because of goods received and services rendered to public entities.
17. Social benefits are expenses incurred because 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 KMA controlled accounts to maximize the interest-earning potential.

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 KMA 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 Position and depreciation is not charged in the year of acquisition and disposal. The non-current 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 BSDA; 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 GH¢5,000 or more, and internally developed software, which is capitalized if the total development cost is GH¢100,000 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.

ASSET CLASS	ESTIMATED USEFUL LIFE
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, KMA 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 on 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 10 : CASH & CASH EQUIVALENTS

NOTE 10	2022	2021
Cash and Cash Equivalents		
ACCOUNTS 1 (1431)	(914.76) ✓	4,337.25
ACCOUNTS 2 (1104-SN&F)	36,330.78 ✓	64,212.53
ACCOUNTS 3 (1111)	3,319.84 ✓	5,344.78
ACCOUNTS 4 (1558) - 1558	748.50 ✓	13,562.32
DACF ACCOUNTS (1448)	459.34 ✓	(3,206.95)
MP COMMON FUND (1213)	97,173.84 ✓	274.40
TOURISM ACCOUNT (2300)	102.06 ✓	8,682.42
HIV GARFUND ACCOUNTS (3514)	6,833.81 ✓	546.89
MARKET ACCOUNT (4250)	✓ 1,202.11	-
MKT. OPERATION & MAINT. ACCT.	✓ 188.09	-
SRWSP -IGF(NIB)	1,757.88 ✓	42.84
AFD-RSTWSSP	✓ 37.74	37.74
IDA- SRWSP	155.78 ✓	155.78
IDA- SRWSP-COUNTERPART FUND	63.00 ✓	63.00
SUB-CF-BOG	188,309.50 ✓	47,442.87
PWD ACCOUNTS (8532)	53,597.26 ✓	620.88
TOTAL	389,364.77	142,116.75

NOTE 11 -Appendix A

Rent Receivable

Appendix A						
NTANKORO STATION						
S/NO.	NAME	STORE NO/	TENANCY PERIOD	RENT DUE	PAID	OUTSTAIING RENT
			GHS	GHS	GHS	GHS
1	NAOIMI BAFFOE	KIMA/NS/03	1/09/21- 31/08/23	1,280.00		1,280.00
2	AMOAH JOB	KIMA/NS/11	1/09/21- 31/08/23	1,280.00	0.00	1,280.00
3	YAW EFFAH	KIMA/NS/11	1/09/21- 31/08/23	1,280.00	0.00	1,280.00
4	EMMANUEL ADU	KIMA/NS/14	1/09/21- 31/08/23	1,280.00	1,000.00	280.00
5	COMFORT DAPAAH	KIMA/NS/15	1/09/21- 31/08/23	1,280.00	500.00	780.00
6	JANET OWUSU	KIMA/NS/16	1/09/21- 31/08/23	1,280.00	500.00	780.00
					0.00	0.00
TAMALE STATION						
7	HAJAI AMINI MOHAMMED	KIKMA/TS/S/03	1/11/18- 01/12/24	4,250.00	0.00	4,250.00
8	HAJAI AMINI MOHAMMED	KIKMA/TS/S/04	1/11/18- 01/12/24	4,250.00	0.00	4,250.00
9	HAJAI AMINI MOHAMMED	KIKMA/TS/S/05	1/11/18- 01/12/24	4,250.00	0.00	4,250.00
10	ABUBAKARI SADICK	KIKMA/TS/S/12	1/11/18- 01/12/24	4,250.00		4,250.00
11	ABDUL RAHIM ADU	KIKMA/TS/S/21	1/11/18- 01/12/24	4,250.00	1,440.00	2,810.00
12	ROSE MARY EFFAH	KIKMA/TS/S/24	1/11/18- 01/12/24	4,250.00	1,440.00	2,810.00
13	KINTAMPO MUNICIPAL ASSEMBLY	KIKMA/TS/S/24	1/11/18- 01/12/24	4,250.00	1,440.00	2,810.00
TOTAL				37,430.00	6,320.00	31,110.00

NOTE 12 : Investment

Investments	110.00	110.00
(Poverty alleviation Fund (loan)	35,287.80	35,287.80
TOTAL	35,397.80	35,397.80

-NOTE 13: PROPERTY, PLANT & EQUIPMENT SEE APPENDIX C FOR DETAILS

2022

Property, Plant and Equipment						
Dwellings		0.00	0.00	0.00	0.00	0.00
Non Residential Buildings		19,362.76	8,372.76	27,735.52	8,372.76	0.00
Other structures		4,900.00	0.00	4,900.00	0.00	0.00
Computer & Assessories		15,000.00	0.00	15,000.00	0.00	0.00
Furniture, Fittings & Fixtures		178,078.14	36,474.04	214,552.18	178,078.14	0.00
Infrastructure Assets		85,216.550	80,216.50	165,433.00	80,216.50	0.00
TOTAL		302,557.40	125,063.30	427,620.70	266,667.40	0.00
LESS:						
Current yr Depreciation		0.00	0.00	0.00	0.00	0.00
Accumulated Depreciation		0.00	0.00	0.00	0.00	0.00
NET BOOK VALUE		302,557.40	125,063.30	427,620.70	266,667.40	0.00

NOTE 14: Work in progress

Work - In - Progress	4		
Other structure		5000.00	
Non-Residential Buildings		134,628.43	0.00
TOTAL		139,628.43	0.00

NOTE 15. Accounts Payable -See Appendix B1 & B2 for details

Supplier Liability- Appendix B2	401,482.17	0.00
Compensation-Appendix B1	62,540.71	0.00
TOTAL	464,022.88	0.00

NOTE 16

Stales Cheques 2021 & Reversed 2021

	CHQ No	2022 GH¢	2021 GH¢
Selcal Ltd	659864		5,228.09
GRA	630323	-	929.40
GRA	630326	-	1,700.00
Alai Nkrumah	657639	-	1,653.75
Mun. Cord. Director	600267	-	2,101.80
Michael Senyo	600268	-	2,010.46
Otis Gray	659362	-	1,500.00
SSNIT	552273	-	2,150.00
Mun. Finance Officer	552272	-	198.78
Unrecorded Closing Balance NIB Account		-	273.78
Total			17,746.06

Appendix C

PROPERTY, PLANT AND EQUIPMENT								
Dwellings								
Bungalows/Palace	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Residential Buildings								
Clinics	0.00	0.00	8,372.76	0.00	0.00	0.00	0.00	8,372.76
Office Buildings	0.00	0.00	10,990.00	0.00	0.00	0.00	0.00	10,990.00
School Buildings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	19,362.76	0.00	0.00	0.00	0.00	19,362.76
Other structures								
Roads	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	4,900.00
Toilets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Markets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Car/Lorry Park	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Furniture & Fittings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.00	0.00	4,900.00	0.00	0.00	0.00	0.00	4,900.00
Transport Equipment								
Motor vehicle	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00