STATE GOVERNMENT OF OSUN, NIGERIA.

REPORT OF

THE

AUDITOR-GENERAL

FOR

LOCAL GOVERNMENTS

ON THE ACCOUNTS OF

BORIPE LOCAL GOVERNMENT

IRAGBIJI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

**TABLE OF CONTENTS**

|  |  |  |
| --- | --- | --- |
|  | **DETAILS** | **PAGE** |
| 1 | TITLE PAGE | **1** |
| 2 | TABLE OF CONTENTS | **2** |
| 3 | LIST OF ABBREVIATIONS | **3** |
| 4 | STATEMENT OF RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS | **4** |
| 5 | STATEMENT OF RESPONSIBILITY OF THE AUDITOR-GENERAL | **5** |
| 6 | AUDIT CERTIFICATE | **6** |
| 7 | BASIS OF AUDIT OPINION | **7** |
| 8 | STATEMENT OF COMPLIANCE | **8** |
| 9 | STATEMENT OF ACCOUNTING POLICIES | **9-11** |
| 10 | GENERAL COMMENTS | **12-13** |
| 11 | **COMMENTS ON FINANCIAL STATEMENTS**   1. STATEMENT OF FINANCIAL PERFORMANCE 2. STATEMENT OF FINANCIAL POSITION | **14-18** |
| 12 | **AGGREGATE GENERAL PURPOSE FINANCIAL STATEMENTS**   1. CONSOLIDATED STATEMENT OF FINANCIAL POSITION. 2. CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE. 3. CONSOLIDATED STATEMENT OF CASH FLOW. 4. CONSOLIDATED STATEMENT OF COMPARISON OF FINANCIAL OPERATIONS. 5. CONSOLIDATED STATEMENT OF NET ASSETS AND EQUITY 6. NOTES TO THE ACCOUNT | **19-34** |
| 13 | **FISCAL OPERATION REPORT**  i STATISTICAL AND ACCOUNTING RATIOS  ii NON-FINANCIAL DISCLOSURE | **35-36** |
| 14 | MANAGEMENT LETTER | **37-42** |
| 15 | LIST OF PROJECTS EXECUTED IN THE LOCAL GOVERNMENTS | **43** |

**LIST OF ABBREVIATIONS**

1. AGLG - AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
2. AO - AREA OFFICE/ADMINISTRATIVE OFFICE
3. FAAC - FEDERATION ACCOUNTS ALLOCATION COMMITTEE
4. F.M - FINANCIAL MEMORANDUM
5. FOR - FISCAL OPERATION REPORT
6. GPFS - GENERAL PURPOSE FINANCIAL STATEMENTS
7. IGR - INTERNALLY GENERATED REVENUE
8. ISSAI - INTERNATIONAL STANDARDS OF SUPREME AUDIT INSTITUTIONS
9. IPSAS - INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARD
10. JAAC - JOINT ACCOUNTS ALLOCATION COMMITTEE
11. LGA - LOCAL GOVERNMENT AREA
12. LCDA -LOCAL COUNCIL DEVELOPMENT AREA
13. LGSC - LOCAL GOVERNMENT SERVICE COMMISSION
14. LGSPB - LOCAL GOVERNMENTS STAFF PENSION BOARD
15. LGLB - LOCAL GOVERNMENT LOANS BOARD
16. NCOA - NATIONAL CHART OF ACCOUNTS
17. NBV - NET BOOK VALUE
18. MLGCA- MINISTRY OF LOCAL GOVERNMENT AND CHIEFTAINCY AFFAIRS
19. PPE - PROPERTY, PLANTS AND EQUIPMENT
20. PSE - PUBLIC SECTOR ENTITIES
21. PHCB - PRIMARY HEALTH CARE BOARD
22. VAT - VALUE ADDED TAX



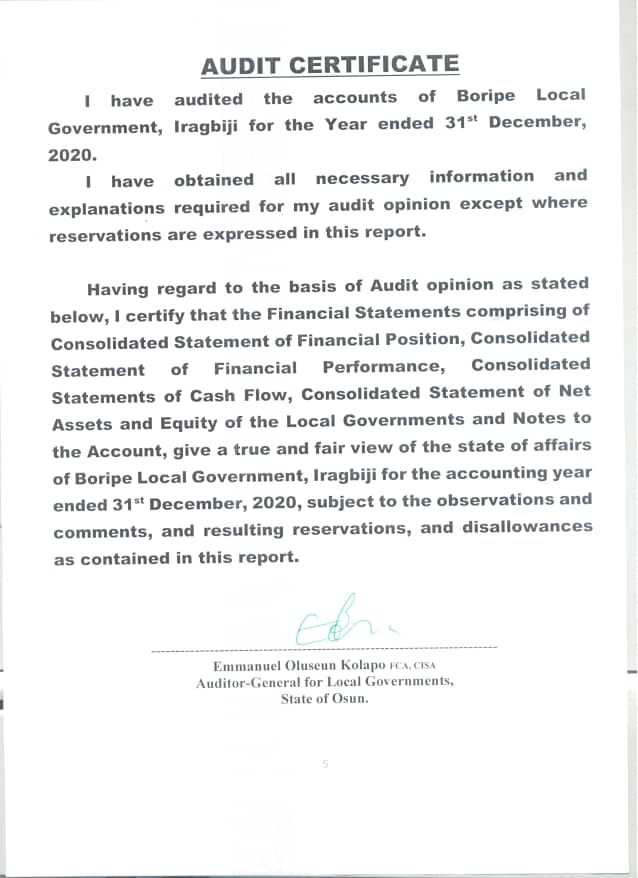
**STATEMENT OF FINANCIAL RESPONSIBILITY**

The preparation and fair presentation of Financial Statements of Local Governments, the State Joint Local Government Accounts, and offices administering elements of Local Governments Fund is the direct responsibility of the Heads of Finance and Supply in the Local Governments, the Accountant of the Ministry of Local Governments, and Directors of Finance in the Offices of the Local Governments, respectively, in compliance with the provisions of Finance Control and Management Act 1958 (as amended), the Model Financial Memoranda (1991 as amended), the Laws of Osun State 2002 (as amended) and with the provisions of the Constitution of the Federal Republic of Nigeria, 1999.

In the State of Osun, the Heads of Finance of main Local Governments are responsible for the consolidation of the respective Financial Statements with the subsidiary LCDAs, Area/Administrative offices, as may be applicable.

However, both the Head of Finance and Chairman of a Local Government, (the Accounting Officer) are responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance that the transactions and Financial Statements give a fair presentation of the financial operations of the Local Government.

The acknowledgment of responsibility for the preparation of Financial Statement signed by Heads of Finance and Chairmen of the respective Local Governments are attached to individual report.



**STATEMENT OF RESPONSIBILITY OF THE AUDITOR-GENERAL.**

It is my responsibility to Audit the accounts of the Local Governments, the State Joint Local Government Account, and all offices of the Local Government as stipulated by the Laws of Osun State and the Financial Memoranda; and to form an independent opinion based on the Audit of the Financial Statements and accompany notes submitted by the Head of Finance and Supply of Local Governments, the Head of Accounts in the Ministry of Local Governments and various Institutions and all agencies, handling projects and programmes funded by Local Governments in the state.

**BASIS OF AUDIT OPINION**

In the course of auditing the accounts of Local Governments in the State of Osun, I have complied with the requirement and stipulations of the International Standards on Auditing, the Generally Acceptable Auditing Standards, International Standards of Supreme Audit Institutions (ISSAI,) Laws of Osun State, International Public Sector Accounting Standards and Audit Guide of the Office of the Auditor-General for Local Governments, Osun State.

I have conducted Financial and Compliance audit on the Finances of Local Governments and JAAC. Projects and Programmes were reasonably evaluated and verified on the principle of Performance Auditing. All items of Revenue and Expenditure were captured in the course of the Audit and Audit Tests were conducted on procedures, transactions and balances. Consequently 100% Substantive Test was done on all items of Revenue and Expenditure; and Assets and Liabilities, and appropriate Audit Tests of Control were conducted on procedures and transactions.

Where paucity of available Audit resources warranted sampling, objective statistical sampling techniques were applied to ensure representativeness, completeness, relevance, and timeliness in the determination of sampling elements. This ensured reliability of Audit Opinion, giving due recognition to principle of materiality. For example, multi-layered and structural sampling method was applied for verification of numbers and Emoluments of Teaching and Non-Teaching staff of the State Universal Basic Education Board (SUBEB), Staffers of Local Governments and the State Primary Health Care Board.

**STATEMENT OF COMPLIANCE**

The Accounting Policies have been consistently applied on preparation of the Financial Statements of Boripe Local Government in the year under review. These have been prepared on the basis of Historical Cost and in accordance with IPSAS Accruals and other applicable standards. The Cash Flow Statement was prepared using the Direct Method. The basis of measurement is Naira and kobo which is the functional and reporting currency of the Federal Republic of Nigeria of which Osun State and Boripe Local Governments are constituents.

The accounts of Boripe Local Government have been audited and reported upon.

Audit noted some instances of non-compliance in the Local Governments, with the due process in revenue collection and payment procedure contrary to the provision of Financial Memoranda and relevant Guidelines. The associated internal control weaknesses have been addressed. The inspection reports (letters of Internal Control weaknesses) for the year 2020 have been issued and forwarded to the appropriate quarters for responses and compliance as required.

The queries were replied and appropriate recommendations were made as contained in the Management letter included.

**STATEMENT OF ACCOUNTING POLICIES**

1. **Basis of Preparation (IPSAS 1)**

The General Purposes Financial Statements were prepared under the historical cost convention and in accordance with IPSAS Accrual Basis and other applicable standards and conventions as may be defined by relevant Statutes.

1. **Accounting Period**

The accounting year (fiscal year) to which the report relates is 1st January to 31st December, 2020.

1. **Reporting Currency**

The General Purposes Financial Statements are prepared in the Nigerian Naira (NGN).

1. **Principal Statements in the General Purposes Financial Statements**
2. Statements of Financial Performance. (Aggregate and Consolidated)
3. Statements of Financial Position. (Aggregate and Consolidated)
4. Statements of Cash flow.(Aggregate and Consolidated)
5. Statementsof Comparison of Budgeted and Actual Amounts (Aggregate and Consolidated)
6. Statements of Changes in Net Asset/Equity. (Aggregate and Consolidated)
7. Notes to the GPFS.
8. Financial Statement of Joint Accounts Allocation Committee (JAAC)
9. **Consolidation Policy- IPSAS 6**

The Heads of Finance of the 69 Local Governments, LCDAs, and A/Cs and A/Os are required to prepare their individual GPFS at the end of the financial year on Accrual Basis of Accounting.

Each Local Government is a creation of the Constitution and none is subservient to the other. However in this situation, there are subsidiary entities such as LCDAs and Area offices, which are consolidated with the main Local Government. Consequentrly, the Heads of Finance of the 30 main Local Governments consolidate the GPFS of their respective main Local Government with the subsidiary LCDAs, AOs, and Ad. Os.

***The duty of the Auditor-General for Local Governments is not to prepare or consolidate Local Governments’ accounts, but to Audit and Aggregate the prepared Financial Statements in line with the Fiscal Operation Report Guideline.***

1. **Statement of Cash Flow** was prepared using the direct method (IPSAS 2) and it consists of Operating, Investing and Financing activities.
2. **Inventories (IPSAS 12) -** Inventories were measured initially at cost, and subsequently measured using the FIFO method.
3. **PROPERTY, PLANT & EQUIPMENT (PPE) – IPSAS 17**

All PPEs were stated at historical cost less accumulated depreciation and impairment losses.

1. **DEPRECIATION**

The cost of PPE shall be written off, from the time they are brought into use, on a straight line basis over their expected useful lives less any estimated residual value as follows:

1. Furniture & Fittings - 20%
2. Motor Vehicle - 20%
3. Plant & Equipment - 20%
4. Infrastructural Asset - 10%
5. Building - 2%
6. Office Equipment - 20%
7. **REVALUATION**
8. The Assets’ residual values and useful lives are reviewed at the end of the year.
9. **IMPAIRMENT**

Test for Impairment are done on Property, Plants and Equipments, where it is suspected that Impairment has occurred.

1. **INVESTMENT PROPERTIES – IPSAS 16**

The Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured using the cost model and are depreciated the same way as PPE.

1. **INDEPENDENT REVENUE FROM NON-EXCHANGE TRANSACTION (IPSAS 23)**
2. Fees; taxes and fines: The Local Government recognised revenue from fees, taxes, and fines when the event occured, and the asset recognition criteria are met.
3. **OTHER REVENUE**

Other Revenues are proceeds that arise outside the Ordinary course of governmental busineess. These include:

1. Gain on disposal of Property, Plant and Equipment

2. Dsiposal of Investment such as Shares, bond etc

Gain on disposal is recognized at the date of control of the asset is passed to the buyer and is determined after deducting the carrying value of the Asset at that time.

1. **UNREMITTED DEDUCTION**

Unremitted deductions are monies owned to the third parties such as tax authorities, associations and other Government Agencies. These include tax deductions and other deductions at source

This amount shall be stated in GPFS at their repayment value, which shall be treated as current liabilities in the Statement of Financial Position.

**16. RESERVE**

Reserves shall be classified under Equity in the Statement of Financial Position which includes Accumulated Surplus/Deficit and the Additional Reserve.

**17. CONTIGENT LIABILITY IPSAS 19**

Contigent liabilities are only disclosed in the Notes to GPFS. Contingent liability is possible obligation arising from past events whose exigencies will be confirmed only by uncertain future event(s) or present obligation arising from the past events that are not recognized because of either an outflow of economic benefit is not probable or this amount of obligation.

**EXECUTIVE SUMMARY**

I have audited the accounts of Boripe Local Government, Iragbiji for the financial year ended 31st December 2020, as required by Cap 72, Part 10 of the Laws of Osun State 2002, (as amended).

**AUTHORITY FOR DISBURSEMENTS FROM JAAC ACCOUNT:** Disbursements from JAAC accounts were made in consonance with the prescriptions of the House of Assembly while monthly distributions were collectively decided by all the members of the Joint Allocation Allocation Committee, inclusive of the Chiarman of Atakunmosa East, Local Government.

**FULL ADOPTION OF IPSAS ACCRUALS:** 2020 GPFS reports were prepared in compliance with IPSAS Accrual which was fully adopted by Local Governments in the State of Osun in 2017.

The previous accounting training on conversion to IPSAS Accruals, severally sponsored by the EU/SLOGOR, LGSC, SUBEB in collaboration with Office of the Auditor-General for Local Governments, with the approval of Mr. Governor, for upgrades and re-training in 2020 have collectively enhanced the proficiency of operators of Local Government accounts in the State

**SCOPE OF AUDIT COVERAGE**: The Audit scope has 100% coverage on all aspects of Revenue and Expenditure, as well as verification of Assets and Liabilities including JAAC Accounts. Revenue covered included all Allocations and VAT from the Federation Accounts and other dependent and Independent Revenue sources of the Local Governments while Expenditure covered included all Capital and Recurrent Expenditure Items in all Local Governments, and LCDAs, all centrally executed Projects and programmes of Local Governments, and Statutory remittances to Traditional Councils.

**BUDGET PREPARATION / EXECUTION**

The Budget for 2020 for Boripe Local Governments was prepared in compliance with new National Chart of Accounts. The 2020 Budget was an improvement on the previous Budget of 2019 as some of the obvious shortcomings observed by the Audit have been addressed.

**PROCUREMENT PRACTICES**

Osun State Public Procurement Law 2015 has been in force in line with global best practice. Procurement Officers was posted to the Local Governments and performed his duties. The Audit observed that the Offices need to be strengthened to further assist in promoting sound and transparent procurement practices in the Local Governments.

**VALUATION AND REVALUATION OF ASSETS**

With the support of Governor Oyetola, the office of the Auditor-General for Local Governments was able to embark on verification exercise on valuation and Revaluation of Assets during the year. This involved Constitution of a standing multi-disciplinary team comprising seasoned and qualified professionals in the fields of valuation, engineering, town planning, medicine, etc. and others as were necessary. Consequently, the realism of the values of non-current asset is enhanced for the year under review. The verification exercise is continuous and value of the Local Governments non-current Assets is being updated monthly.

**INTERNALLY REVENUE GENERATION AND FINANCIAL VIABILITY**

Of concern to the Audit is the paltry amount of revenue that was generated in the Financial Year 2020. Audit examination showed that none of the Local Governments improved significantly on their revenue drive. The Total Internally Revenue generated by the Local Government for 2020 was N10,623,955.15 representing 0.006% the Total Revenue. More efforts at blocking leakages coupled with adequate research by the relevant unit of the Auditor-General for Local Government on comparative revenue advantages of individual Local Government’s office will assist in curbing this unwholesome situation.

**INTERNAL CONTROL WEAKNESS IN THE LOCAL GOVERNMENT AND RELATED AGENCIES**

At the conclusion of the Audit, 28 nos of Audit Queries were issued in respect of 2020 Accounts, involving a total sum of N1,667,495.35.

Queries were issued in respect of irregularities observed in fund management by beneficiary agencies of transfers from Local Governments fund and this had been forwarded to the respective Accounting Officers for response.

The identified internal control weaknesses, the inherent risks, the management Responses and Audit Recommendations are highlighted in Management Letter contained in this Report.

Similarly, the office sought to enhance the performance of internal audit functions in the Local Government by ensuring adequately wide coverage and prompt rendition of Internal Audit Reports in line with the FM cap 39. Reports on Internal Audit Rendition is included.

**JOINTLY EXECUTED AND INDIVIDUAL PROJECTS AND PROGRAMMES:**

In line with the best practices, the Audit has verified the jointly executed projects at the JAAC level, in collaboration with reputable experts cut access disciplines, within the service at both State and Local Governments. It was claimed that the joint programmes/Projects were done to avail the Local Governments of the advantage of economies of large scale operations as they were able to secure the services of experts and incur lesser unit costs due to bulk purchases. Performance Audit was initiated on some joints projects and programmes during the year.

**COMMENTS ON FINANCIAL STATEMENTS**

1. **STATEMENT OF FINANCIAL PERFORMANCE**

**Share of FAAC and VAT:** The total sum of N1,122,441,840.25 was Share of FAAC and VAT amounted to N480,576,046.84.

THE CONCEPT OF **DEPENDENT REVENUE.** The term IndependentRevenue or synonymous with Internally Generated Revenue in the IPSAS. However, the term Dependent Revenue is used in proportion in the Report as it depicts the items of Revenue other than Internally Generated Revenue (IGR), i.e. the revenue over which the reporting entirely has no control on its generation or collection.

Essentially the proportion of Dependent Revenue is a measure of the extent of its vulnerability or dependently of the Local Government on finances from sources over which it has no control.

**EXPENDITURE:** As part of the disclosure requirements, expenditures that were Jointly incurred at JAAC level were separately disclosed from those expended at each Local Government Level.

**SUMMARY OF REVENUE FROM JAAC**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **LOCAL GOVERNMENT** | **STATUTORY ALLOCATION** | **VAT** | **EX RATE GAIN** | **FEDERAL GOVT INTERVENTION** | **EXCESS BANK** | **FOREX EQUALISATION** | **ECO** | **ADD FUND FRM SOLID MIN** | **NON-OIL EXCESS REVENUE** | **TOTAL** |
| Boripe | 1,008,428,142.00 | 480,576,046.84 | 32,654,040.60 | 27,350,220.72 | 828,798.18 | 14,605,478.52 | 22,696,884.56 | 1,687,947.24 | 14,190,328.43 | 1,603,017,887.09 |

**INDEPENDENT REVENUE FROM NON-EXCHANGE TRANSACTION (IPSAS 23)**

Fees; taxes and fines: The Local Government recognised revenue from fees, taxes, and fines when the event occurs, and the asset recognition criteria are met. The Local Government earned and recognised. #10,623,955.15.

**SALARIES AND WAGES – N785,404,758.47**

Salaries and Wages which amounted to N785,404,758.47 comprised of salaries of Staff of the Local Governments, Teaching and Non-Teaching Staff of SUBEB, staff of Local Government Loans Board and the Primary Health Care Board. Salary Payment was centralised in the State of Osun for the year 2020.

**COMMENTS ON ITEMS OF FINANCIAL POSITION**

**CASH AND CASH EQUIVALENTS - ₦9,277,017.06**

The Aggregate closing cash and cash equivalents amounted to **₦9,277,017.06** for the Local Governments. The Bank Statements and Bank Reconciliation Statements of all Local Governments and Local Government Development Areas as at 31st December, 2020 were verified/examined to ascertain the bank balances. This balance does not include the balance in JAAC account which essentially should be a zero-balance account. Moreover any undistributed amount in the JAAC Account is treated as Receivable to the Local Governments.

**RECEIVABLES - ₦134,205,846.74**

A total sum of N134,205,846.74k was standing as Receivables as at 31st December, 2020. The Receivables include, Revenue Recognised in December 2020 but received in January, 2020 from Joint Allocation Account Committee (JAAC).

**INVENTORIES - ₦3,223,662.15**

The sum of ₦3,223,662.15represents inventories valued at historical cost in the Local Governments as at 31st December, 2020. These include unallocated stores both expendable and non-expendable; and consumable items.

**INVESTMENTS - ₦74,247,170.41**

All the Investments are classified as held-for-sale, while Equity Method is adopted in Recognition and Measurement. Most of the investments were in unquoted companies except for the Preference shares.

**PROPERTY, PLANT AND EQUIPMENT(PPE) - #2,671,702,082.87**

Items of Property, Plant and Equipment or other Non -Current Assets are stated at Historical Cost Less accumulated Depreciation. Depreciation on Non - Current Assets are calculated to write off cost on valuation in a straight-line basis over the expected useful life on the assets, as follows:

**Particulars Rate%**

Fixture and fitting 20

Motor Vehicle 20

Plant and Equipment 20

Infrastructural Asset 10

Buildings 2

Office Equipment 20

There is need to make adequate provision for depreciation. Accounting for PPE is an area of Audit emphasis where there seems to be a gap in knowledge exhibited by the operators of the Account vis-à-vis expectation.

**PAYABLES - ₦1,063,335,196.11**

These comprised largely of commitments all over the Local Governments such as allowances, sundry overheads, and unpaid salary and wages, arrears of salaries, unremitted deductions etc. outstanding as at 31stDecember 2020.

**INVESTMENT PROPERTY - ₦60,537,636.97**

The carrying amount of Investment Properties of the Local Governments stood at N60,537,636.97 in the Statement of Financial Position. However, there is no restriction on title or property pledge as securities for liabilities. Straight Line Method of depreciation was applied.

**LONG – TERM BORROWINGS - ₦1,560,420,384.80**

These are the cumulative amount of various outstanding loans obtained from different sources to finance the under-listed projects:

* 1. Construction of over 10 kilometers of roads, (tagged 10KM roads/Local Government), across all the main Local Governments across the state.
  2. Environmental Projects – includes channelization, chlorinization, etc aimed at preserving lives and environments
  3. Intervention Projects including Grading, access to rural areas, etc..
  4. Repayment of Bail Out

**UNREMITTED DEDUCTIONS - ₦134,875,112.59**

These include deductions received from Joint Accounts Allocation Committee (JAAC) and deposits which ought to have been remitted to the appropriate quarters on or before 31st December, 2020. The management of the Local Councils are hereby advised to ensure that all deposits/deductions received are remitted promptly to avert the possibility of unnecessary accumulation of liabilities on Councils financial position

DISCLOSURES: In the statement of Financial Performance the amounts jointly expended by the Local Government is separated from the amount spent in individual Local Government.

**TRANSFER FROM MAIN COUNCILS TO LOCAL COUNCIL DEVELOPMENT AREAS:**

Transfer from main councils to the tune of #63,357,775.82 was made to the Local Council Development Areas and Area Offices in the period under review and was set off in the Consolidated Account.

**BORIPE LOCAL GOVERNMENT, IRAGBIJI**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER 2020**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **FINANCIAL POSITION** | | | | |
| **PARTICULAR** |  | **BORIPE** | **BORIPE NORTH** | **BORIPE CONSOLIDATED** |
| **ASSETS** | **NOTE** |  |  |  |
| **Current Assets** |  |  |  |  |
| **Cash & Cash Equivalents** | **1** | 5,284,814.30 | 3,992,202.76 | 9,277,017.06 |
| **Receivables** | **2** | 134,205,846.74 |  | 134,205,846.74 |
| **Prepayment/Advance** | **3** | 3,100,000.00 |  | 3,100,000.00 |
| **Inventories** | **4** | 1,973,222.15 | 1,250,440.00 | 3,223,662.15 |
| **Total Current Asset** |  | 144,563,883.19 | 5,242,642.76 | 149,806,525.95 |
| **Non Current Asset:** |  |  |  | - |
| **Long Term Loan Granted** |  |  |  | - |
| **Investments** | **5** | 44,548,302.25 | 29,698,868.16 | 74,247,170.41 |
| **Property, Plant & Equipment** | **6** | 1,550,331,219.81 | 1,121,370,863.06 | 2,671,702,082.87 |
| **Investment Property** | **7** | 27,637,636.97 | 32,900,000.00 | 60,537,636.97 |
| **Biological Asset** | **8** |  | 866,250.00 | 866,250.00 |
| **Assets Under Construction(WIP)** | **9** |  |  | - |
| **Total Non-Current Asset** |  | **1,622,517,159.03** | **1,184,835,981.22** | **2,807,353,140.25** |
| **Total Asset** |  | **1,767,081,042.22** | **1,190,078,623.98** | **2,957,159,666.20** |
| **LIABILITIES** |  |  |  | - |
| **Current Liabilities:** |  |  |  | - |
| **Deposit** |  |  |  | - |
| **Unremitted Deductions** | **10** | 118,832,458.73 | 16,042,653.86 | 134,875,112.59 |
| **Short Term Loan & Debts** | **11** | 1,184,068.38 |  | 1,184,068.38 |
| **Payables** | **12** | 881,061509.61 | 182,273,686.50 | 1,063,335,196.11 |
|  |  |  |  | - |
| **Short Term Provisions** |  |  |  |  |
| **Total Current Liability** |  | 1,001,078,036.75 | 198,316,340.36 | 1,199,394,377.11 |
| **Non Current Liabilities:** |  |  |  | - |
| **Long Term Borrowing** | **13** | 912,059,859.73 | 648,360,525.07 | 1,560,420,384.80 |
| **Total Liabilities** |  | 1,913,137,896.48 | 846,676,865.43 | 2,759,814,761.91 |
| **Net Assets** |  | (146,056,854.26) | 343,401,758.55 | 197,344,904.29 |
| **Financed by** |  |  |  | - |
| **Reserve** | **14** | 268,449,261.72 | 301,037,875.36 | 569,487,137.08 |
| **Net Surplus/Deficit** | **15** | (414,506,115.98) | 42,363,883.19 | (372,142,232.79) |
| **Total** |  | (146,056,854.26) | 343,401,758.55 | 197,344,904.29 |

**BORIPE LOCAL GOVERNMENT, IRAGBIJI**

**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER 2020**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **PERFORMANCE** | | | | |
| **PARTICULAR** | **NOTE** | BORIPE | BORIPE NORTH | BORIPE CONSOLIDATED |
| **Government Share of FAAC(Statutory Revenue)** | **16** | 1,008,428,142.03 |  | 1,008,428,142.03 |
| **Government Share of VAT** | **17** | 480,576,046.84 |  | 480,576,046.84 |
| **Additional Fund** | **18** | 1,687,947.24 |  | 1,687,947.24 |
| **Revenue Furniture Allowance** | **19** |  |  | - |
| **Ex Rate Gain** | **20** | 32,654,040.60 |  | 32,654,040.60 |
| **Augmentation** | **21** |  |  | - |
| **Federal Govt Intervention Fund** | **22** | 27,350,220.72 |  | 27,350,220.72 |
| **ECO** | **23** | 22,696,884.56 |  | 22,696,884.56 |
| **Solid Minerals** | **24** |  |  | - |
| **Non-Oil Revenue** | **25** | 14,190,328.43 |  | 14,190,328.43 |
| **Distributable from Goods & Valuables** | 26 |  |  | - |
| **Forex Equalisation** | **27** | 14,605,478.52 |  | 14,605,478.52 |
| **10% IGR** | **28** |  |  | - |
| **Excess Bank Charges** | **29** | 828,798.18 |  | 828,798.18 |
| **Aids & Grants** | 30 |  |  | - |
| **Overpayment Recovery** | 31 |  |  | - |
| **Sub-Total Dependent Revenue** |  | 1,603,017,887.09 | - | 1,603,017,887.09 |
| **Transfer from Main Council** | **32** |  | 63,357,775.82 | - |
| **Tax Revenue** | **33** | 178,900.00 | 286,800.00 | 465,700.00 |
| **Non-Tax Revenue** | **34** | 5,247,674.00 | 4,910,581.15 | 10,158,255.15 |
| **Other Income** | **35** |  |  |  |
| **Sub-Total Independent Revenue** |  | 5,426,574.00 | 68,555,156.97 | 10,623,995.15 |
| **Total Revenue** |  | 1,608,444,461.09 | 68,555,156.97 | 1,613,641,842.24 |
| **EXPENDITURE** |  |  |  | - |
| **JOINTLY EXPENDED** |  |  |  | - |
| **Salaries & Wages** | **36** | 785,404,758.47 |  | 785,404,758.47 |
| **Social Benefits** | **37** | 300,000.00 |  | 300,000.00 |
| **Overhead Cost** | **38** | 18,915,990.05 |  | 18,915,990.05 |
| **Grants & Social Contribution** | **39** | 29,641,494.02 |  | 29,641,494.02 |
| **Transfer to Other Agencies** | **40** | 515,755,227.68 |  | 515,755,227.68 |
| **Allowances** | **41** | 248,772.59 |  | 248,772.59 |
| **Stationaries** |  |  |  | - |
| **Public Debt Charge** |  |  |  | - |
| **L/GOVERNMENT EXPENDITURE** |  |  |  | - |
| **Social Benefits** | **42** | 1,239,400.00 | 3,144,000.00 | 4,383,400.00 |
| **Overhead Cost** | **43** | 31,589,998.52 | 16,287,774.76 | 47,877,773.28 |
| **Grants & Social Contribution** | **44** | 136,006,016.84 | 36,766,568.65 | 172,772,585.49 |
| **Depreciation** | **45** | 192,515,843.83 | 132,586,142.12 | 325,101,985.95 |
| **Transfer to LCDA** | **46** | 63,357,775.82 |  | - |
| **Allowances** | **47** | 32,826,500.00 | 9,049,000.00 | 41,875,500.00 |
| **Impairment** | **48** |  |  | - |
| **Tax Expenses** |  |  |  | - |
| **Bail-Out Repayment** |  |  |  | - |
| **Audit Fees** | **49** |  |  | - |
| **Stabilization Fund** | **50** |  |  | - |
| **Revenue Refunded** |  |  |  |  |
| **Total Expenditures** |  | 1,807,801,777.82 | 197,833,485.53 | 1,942,277,487.33 |
| **Net Surplus/Deficit** | **51** | (199,357,316.73) | (129,278,328.56) | (328,635,645.29) |
| **Net Surplus/Deficit 31/12/2019** |  | (215,148,799.25) | 171,642,211.75 | (43,506,587.50) |
| **Net Surplus/Deficit 31/12/2020** | **52** | (414,506,115.98) | 42,363,883.19 | (372,142,232.79) |

**BORIPE LOCAL GOVERNMENT, IRAGBIJI**

**CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER 2020**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **CASHFLOW STATEMENT** | | | | |
| **OPERATING ACTIVITIES** | **NOTE** | **BORIPE** | **BORIPE NORTH** | **BORIPE CONSOLIDATED** |
| **INFLOW** |  |  |  |  |
| **Statutory Revenue(JAAC)** | **53** | 1,048,588,562.47 |  | 1,048,588,562.47 |
| **Value Added Tax** | **54** | 426,929,149.60 |  | 426,929,149.60 |
| **Additional Fund** | **55** | 1,687,947.24 |  | 1,687,947.24 |
| **Furniture Allowance** |  |  |  | - |
| **Exchange Rate Gain** | **56** | 31,916,336.59 |  | 31,916,336.59 |
| **Others(Augmentation** |  |  |  | - |
| **Federal Govt Intervention Fund** | **57** | 29,350,220.72 |  | 29,350,220.72 |
| **Excess Crude Oil** | **58** | 22,696,884.56 |  | 22,696,884.56 |
| **Solid Minerals** | **59** |  |  | - |
| **Non-Oil Revenue** | **60** | 14,190,328.43 |  | 14,190,328.43 |
| **Distributable Good & Valuable** |  |  |  | - |
| **Forex Equalisation** | **61** | 13,295,470.24 |  | 13,295,470.24 |
| **10% IGR** | **62** |  |  | - |
| **Excess Bank Charges** | **63** | 828,798.18 |  | 828,798.18 |
| **Sub Total Dependent Revenue** |  | 1,589,483,698.03 | - | 1,589,483,698.03 |
| **Transfer from Main Council** | **64** |  | 63,357,775.82 |  |
| **Tax Revenue** | **65** | 178,900.00 | 286,800.00 | 465,700.00 |
| **Non-Tax Revenue** | **66** | 5,247,674.00 | 4,910,581.15 | 10,158,255.15 |
| **Aids and Grants** | **67** |  |  | - |
| **Overpayment Recovery** |  |  |  | - |
| **Other Income** | **68** |  |  |  |
| **Sub Total Independent Revenue** |  | 5,426,574.00 | 5,197,381.15 | 10,622,955.15 |
| **Total Inflow Operating Activities** |  | **1,594,910,272.03** | **68,555,156.97** | **1,600,107,653.18** |
| **OUTFLOW** |  |  |  | - |
| **Salaries & Wages** | **69** | 710,250,011.39 |  | 710,250,011.39 |
| **Overheads Cost** | **70** | 48,808,894.95 | 16,287,774.76 | 65,096,669.71 |
| **Allowances** | **71** | 33,075,272.59 | 9,049,000.00 | 42,124,272.59 |
| **Social Benefits** | **72** | 1,539,400.00 | 3,144,000.00 | 4,683,400.00 |
| **Social Contributions** | **73** | 136,006,016.84 | 36,766,568.65 | 172,772,585.49 |
| **Local Government Statutory Deduction** |  |  |  |  |
| **Inventories** | **74** |  | 371,000.00 | 371,000.00 |
| **Transfer to LCDA** | **75** | 63,357,775.82 |  | - |
| **Audit Fee** | **76** |  |  | - |
| **Transfer to Other Govt Agencies** | **77** | 509,718,586.61 |  | 509,718,586.61 |
| **Revenue Refunded** |  |  |  |  |
| **Total Outflow from Operating Activities** |  | **1,502,755,958.20** | **65,618,343.41** | **1,505,016,522.79** |
| **Net Cashflow from Operating Activities** |  | **92,154,313.83** | **2,936,813.56** | **95,091,127.39** |
| **INVESTING ACTIVITIES** |  |  |  | - |
| **Total Inflow from Investing Activities** |  |  |  | - |
| **CashFlow from Investing Activities:** |  |  |  | - |
| **Administrative Sector** | **78** | - | - | - |
| **Economic Sector** | **79** | 34,477,512.00 | 1,725,000.00 | 36,202,512.00 |
| **Total Outflow from Investing Activites** |  | 34,477,512.00 | 1,725,000.00 | 36,202,512.00 |
| **Net Cashflow from Investing Activities** |  | (34,477,512.00) | (1,725,000.00) | (36,202,512.00) |
| **Inflow from Financing Activities** |  |  |  | - |
| **Bank Overdraft** | **80** | 30,000,000.00 |  | 30,000,000.00 |
| **Total Inflow from Financing Activities** |  | 30,000,000.00 | - | 30,000,000.00 |
| **OUTFLOW(REPAYMENT)** |  |  |  | - |
| **Bail-Out Repayment** | **81** | 13,671,440.90 |  | 13,671,440.90 |
| **10km Road** | **82** | 19,900,869.04 |  | 19,900,869.04 |
| **Water Project** | **83** |  |  | - |
| **Environmental Sanitation Loan** | **84** | 3,886,086.72 |  | 3,886,086.72 |
| **Loan Repayment (Inherited)** | **85** | 28,815,931.62 |  | 28,815,931.62 |
| **Bank Loan** | **86** |  |  | - |
| **Intervention Loan** | **87** | 20,288,243.04 |  | 20,288,243.04 |
| **Total Outflow from Financing Activities** |  | **86,562,571.32** | **-** | **86,562,571.32** |
| **Net Cashflow from Financing Activities** | **88** | **(56,562,571.32)** | **-** | **(56,562,571.32)** |
| **Cash and Cash Equivalent for the year** |  | **1,114,230.51** | **1,211,813.56** | **2,326,044.07** |
| **Cash and Cash Equivalent 01/01/2020** |  | **4,170,583.79** | **2,780,389.20** | **6,950,972.99** |
| **Cash and Cash Equivalent 31/12/2020** | **89** | **5,284,814.30** | **3,992,202.76** | **9,277,017.06** |

**BORIPE LOCAL GOVERNMENT, IRAGBIJI**

**CONSOLIDATED STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AS AT 31ST DECEMBER 2020**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **BORIPE** | | | **BORIPE NORTH** | | | **BORIPE CONSOLIDATED** | | |
| **PARTICULAR** | **NOTE** | **ACTUAL** | **FINAL BUDGET** | **VARIANCE** | **ACTUAL** | **FINAL BUDGET** | **VARIANCE** | **ACTUAL** | **FINAL BUDGET** | **VARIANCE** |
| **Government Share of FAAC(Statutory Revenue)** |  | 1,008,428,142.00 | 920,136,082.50 | 88,292,059.50 | - | 306,712,027.50 | 1,008,428,142.00 | **1,008,428,142.03** | **1,226,848,110.00** | **(218,419,968.80)** |
| **Government Share of VAT** |  | 480,576,046.84 | 128,489,427.27 | 352,086,619.57 | - | 42,827,809.10 | (42,827,809.10) | **480,576,046.84** | **171,317,236.37** | **309,258,810.47** |
| **Additional Fund** |  | 1,687,947.24 | - | 1,687,947.24 | - | - | - | **1,687,947.24** | **-** | **1,687,947.24** |
| **Exchange Rate Gain** |  | 32,654,040.60 | - | 32,654,040.60 | - | - | - | **32,654,040.60** |  | **32,654,040.60** |
| **Forex Equalisation** |  | 14,605,478.52 | - | 14,605,478.52 | - | - | - | **14,605,478.52** | **-** | **14,605,478.52** |
| **Augmentation** |  | - | - | - | - | - | - | **-** | **-** | **-** |
| **ECO** |  | 22,696,884.56 | 75,300,000.00 | (52,603,115.44) | - | 25,100,000.00 | (25,100,000.00) | **22,696,884.56** | **100,400,000.00** | **(77,703,115.44)** |
| **Federal Govt Intervention Fund** |  | 27,350,220.72 | - | 27,350,220.72 | - | - | - | **27,350,220.72** | **-** | **27,350,220.72** |
| **Non-Oil Revenue** |  | 14,190,328.43 | - | 14,190,328.43 | - | - | - | **14,190,328.43** | **-** | **14,190,328.43** |
| **Excess Bank Charges** |  | 828,798.18 | - | 828,798.18 | - | - | - | **828,798.18** | **-** | **828,798.18** |
| **Sub-Total Dependent Revenue** |  | **1,603,017,887.09** | **1,123,925,509.77** | **479,092,377.32** | **-** | **374,639,836.60** | **(374,639,836.60)** | **1,603,017,887.09** | **1,498,565,346.37** | **104,452,540.72** |
| **Transfer from Main Council** |  |  |  | **-** | **63,357,775.82** | **-** | **63,357,775.82** | **63,357,775.82** | **-** | **63,357,775.82** |
| **Tax Revenue** |  | 178,900.00 | 2,500,650.00 | (2,321,750.00) | 286,800.00 | 833,550.00 | (546,750.00) | **465,700.00** | **3,334,200.00** | **(2,868,500.00)** |
| **Non-Tax Revenue** |  | 5,247,674.00 | 49,081,875.00 | (43,834,201.00) | 4,910,581.15 | 16,360,625.00 | (11,450,043.85) | **10,158,255.15** | **65,442,500.00** | **(55,284,244.85)** |
| **Other Income** |  |  |  | - | - | - | - | **-** | **-** | **-** |
| **Sub-Total Independent Revenue** |  | **5,426,574.00** | **51,582,525.00** | **(46,155,951.00)** | **5,197,381.15** | **17,194,175.00** | **(11,996,793.85)** | **10,623,955.15** | **68,776,700.00** | **(58,152,744.85)** |
| **Total Revenue** |  | **1,608,444,461.09** | **1,175,508,034.77** | **432,936,426.32** | **68,555,156.97** | **391,834,011.60** | **(323,278,854.63)** | **1,676,999,618.06** | **1,567,342,046.37** | **109,657,571.69** |
| **EXPENDITURE** |  |  |  |  |  |  |  | **-** | **-** | **-** |
| **JOINTLY EXPENDED** |  |  |  |  |  |  |  | **-** | **-** | **-** |
| **Salaries & Wages** |  | 785,404,758.47 | 445,795,027.50 | (339,609,730.97) | - | 148,598,362.50 | 148,598,362.50 | **785,404,758.47** | **594,393,390.00** | **(191,011,368.47)** |
| **Social Benefits** |  | 300,000.00 | 87,000,000.00 | 86,700,000.00 | - | 29,000,000.00 | 29,000,000.00 | **300,000.00** | **116,000,000.00** | **115,700,000.00** |
| **Overhead Cost** |  | 18,915,990.05 | 183,975,000.00 | 165,059,009.95 | - | 61,325,000.00 | 61,325,000.00 | **18,915,990.05** | **245,300,000.00** | **226,384,009.95** |
| **Grants & Social Contribution** |  | 29,641,494.02 | 57,688,969.78 | 28,047,475.76 | - | 19,229,658.59 | 19,229,658.59 | **29,641,494.02** | **76,918,628.37** | **47,277,134.35** |
| **Transfer to Other Agencies** |  | 515,755,227.68 | - | (515,755,227.68) | - | - | - | **515,755,227.68** | **-** | **(515,755,227.68)** |
| **Allowances** |  | 248,772.59 | 14,799,022.50 | 14,550,249.91 | - | 4,933,007.50 | 4,933,007.50 | **248,772.59** | **19,732,030.00** | **19,483,257.41** |
| **Stationaries** |  | - | - | - |  |  | - | **-** | **-** | **-** |
| **Public Debt Charge** |  | - | - | - |  |  | - | **-** | **-** | **-** |
| **L/GOVERNMENT EXPENDITURE** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Social Benefits** |  | 1,239,400.00 | 61,500,000.00 | 60,260,600.00 | 3,144,000.00 | - | (3,144,000.00) | **4,383,400.00** | **61,500,000.00** | **57,116,600.00** |
| **Overhead Cost** |  | 31,589,998.52 | 313,248,641.78 | 281,658,643.26 | 16,287,774.76 | - | (16,287,774.76) | **47,877,773.28** | **313,248,641.78** | **265,370,868.50** |
| **Grants & Social Contribution** |  | 136,006,016.84 | 53,384,003.79 | (82,622,013.05) | 36,766,568.65 | - | (36,766,568.65) | **172,772,585.49** | **53,384,003.79** | **(119,388,581.70)** |
| **Depreciation** |  | 192,515,843.83 | 53,384,003.79 | (139,131,840.04) | 132,586,142.12 | - | (132,586,142.12) | **325,101,985.95** | **53,384,003.79** | **(271,717,982.16)** |
| **Transfer to LCDA** |  | 63,357,775.82 | 18,609,765.00 | (44,748,010.82) |  | - | - | **63,357,775.82** | **18,609,765.00** | **(44,748,01.82)** |
| **Unpaid Contract** |  | - | - | - |  |  | - | **-** | **-** | **-** |
| **Legal Fees** |  |  | - | - |  |  | - | **-** | **-** | **-** |
| **Allowances** |  | 32,826,500.00 | - | (32,826,500.00) | 9,049,000.00 |  | (9,049,000.00) | **41,875,500.00** | **-** | **(41,875,500.00)** |
| **Stationaries** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Assets Devaluation** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Impairment** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Tax Expenses** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Bail-Out Repayment** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Audit Fees** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Stabilization Fund** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Disposal of Assets** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Revenue Refunded** |  |  |  | - |  |  | - | **-** | **-** | **-** |
| **Total Expenditures** |  | **1,807,801,777.82** | **1,289,384,434.14** | **(518,417,343.68)** | **197,833,485.53** | **263,086,028.59** | **65,252,543.06** | **2,005,635,263.35** | **1,552,470,462.73** | **(453,164,800.62)** |
| **Net Surplus/Deficit** |  | **(199,357,316.70)** | **(113,876,399.37)** | **(85,480,917.33)** | **(129,278,328.56)** | **128,747,983.01** | **(258,026,311.57)** | **(328,635,645.29)** | **14,871,583.64** | **(343,507,228.93)** |
| **Net Surplus/Deficit 31/12/2019** |  | (215,148,799.25) | (802,499,296.75) | 587,350,497.50 | 171,642,211.75 | (1,256,147,875.25) | 1,427,790,087.00 | (43,506,587.50) | (2,058,647,172.00) | 2,015,140,584.50 |
| **Net Surplus/Deficit 31/12/2020** |  | **(414,506,115.95)** | **(916,375,696.12)** | **501,869,580.17** | **42,363,883.19** | **(1,127,399,892.24)** | **1,169,763,775.43** | **(372,142,232.76)** | **(2,043,775,588.36)** | **1,671,633,355.57** |

**BORIPE LOCAL GOVERNMENT, IRAGBIJI**

**CONSOLIDATED STATEMENT OF NET ASSET/EQUITY AS AT 31ST DECEMBER 2020**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **PARTICULAR** | **BORIPE** | | | **BORIPE NORTH LCDA** | | | **BORIPE CONSOLIDATED** | | |
|  | **RESERVE** | **ACCUMULATED SURPLUS** | **TOTAL** | **RESERVE** | **ACCUMULATED SURPLUS** | **TOTAL** | **RESERVE** | **ACCUMULATED SURPLUS** | **TOTAL** |
| **OPENING BALANCE AS AT 1/1/2020** | **268,449,261.72** | **(215,148,799.25)** | **53,300,462.47** | **301,037,875.36** | **171,642,211.75** | **472,680,087.11** | **569,487,137.08** | **(43,506,587.50)** | **525,980,549.58** |
| **Adjusted Reserve** | **-** | **-** | **-** |  | **-** | **-** | **-** | **-** | **-** |
| **Adjusted Balance** | **-** | **(215,148,799.25)** | **53,300,462.47** | **301,037,875.36** | **171,642,211.75** | **472,680,087.11** | **569,487,137.08** | **(43,506,587.50)** | **525,980,549.58** |
| **NET SURPLUS FOR THE YEAR** | **-** | **(199,357,316.73)** | **(199,357,316.73)** | **(129,278,328.56)** |  | **-** | **-** | **(328,635,645.29)** | **(328,635,645.29)** |
| **CLOSING BALANCE AS AT 31/12/2020** | **268,449,261.72** | **(414,506,115.98)** | **(146,056,854.26)** | **301,037,875.36** | **42,363,883.19** | **343,401,758.55** | **569,487,137.08** | **(372,142,232.76)** | **197,344,904.29** |

**BORIPE LOCAL GOVERNMENT, IKIRUN**

NOTE 1

CASH AND CASH EQUIVALENT

Polaris 261,548.35

United Bank for Africa (UBA) 244,220.73

Microfinance Bank 5,154.84

Access Bank 3,272.12

Wema Bank 9,024,369.37

9,277,017.26

NOTE 2

RECEIBABLES

JAAC 134,205,846.74

NOTE 3

PREPAYMENTS/ADVANCES

Housing Loan 2,400,000.00

Vehicle Loan 700,000.00

3,100,000.00

NOTE 4

INVENTORIES

Finances Materials 3,223,662.15

NOTE 5

INVESTMENTS

Omoluabi 13,132,942.00

Kajola Intergrated 9,523,810.00

Osicol 267,000.00

Preference Shares 28,333,333.33

Others 22,990,085.08

74,247,170.41

NOTE 6

PROPERTY, PLANTS AND EQUIPMENTS (PPE)

Buildings 178,917,768.64

Infrastructural facilities 2,401,290,094.81

Plants and Machinery 10,848,170.00

Motor Vehciles 47,156,315.86

Equipment 23,924,376.14

Furniture & Fittings 7,460,228.80

Land 2,105,128.62

**2,671,702,082.87**

NOTE 7

INVESTMENT PROPERTY

Open Market 15,427,000.00

Lock up Stall 19,685,636.97

Shopping Complex 25,425,000.00

60,537,646.97

NOTE 8

BIOLOGY ASSETS

Poultry 866,250.00

NOTE 9

ASSETS UNDER CONSTRUCTION -

NOTE 10

UNREMITTED DEDUCTION

Balance as at 1st January, 2020 132,215,458.50

Unpaid Deduction 2,659,654.09

134,875,112.59

NOTE 11

SHORT-TERM BORROWINGS

Bank Loan 1,184,068.38

NOTE 12

PAYABLES 1,063,335,196.14

NOTE 13

LONG TERM LOAN

B/F 1,620,901,312.68

10KM (19,900,869.04)

Intervention (20,288,243.04)

Environment (3,886,082.72)

Bailout (13,671,440.90)

December 2020 Payables (Bailout) (2,734,288.18)

1,560,620,384.80

NOTE 14

RESERVES 569,487,137.08

NOTE 15

ACCUMULATED SURPLUS/DEFICIT

Net Surplus (1st January, 2020) (328,635,645.29)  
Additional Net Surplus/Deficit for the year (43,506,587.50)

(372,142,232.79)

NOTE 16

STATUTORY ALLOCATION

JAAC 1,008,428,142.00

NOTE 17

VALUE ADDED TAX

Value Added Tax 480,576,046.84

NOTE 18

Additional Fund 1,687,947.24

NOTE 19

REVENUE FURNITURE ALLOWANCE NIL

NOTE 20

EX-RATE GAIN 32,654,040.60

NOTE 21

Federal Government Intervention Fund 27,350,220.72

NOTE 22

ECO 22,696,884.56

NOTE 23

SOLID MINERALS NIL

NOTE 24

NON-OIL REVENUE 14,190,328.43

NOTE 25

Distribution from goods & valuables NIL

NOTE 26

Forex Equalisation 14,605,478.52

NOTE 27

10% IGR NIL

NOTE 28

Excess Bank Charges 828,798.18

NOTE 29

DEPENDENT REVENUE

JAAC 1,008,428,142.00

VAT 480,576,046.84

ADDITIONAL FUND 1,687,947.24

EX-RATE GAIN 32,654,040.60

FEDERAL GOVERNMENT INTERVENTION FUND 27,350,220.72

ECO 22,696,884.56

NON-OIL REVENUE 14,190,328.43

FOREX EQUALISATION 14,605,478.52

EXCESS BANK CHARGES 828,798.18

1,603,017,887.09

NOTE 30

COMMUNITY TAX 465,700.00

NOTE 31

LICENSE FEES 10,157,255.15

NOTE 32

OTHER INCOME NIL

NOTE 33

INDEPENDENT REVENUE

Tax Revenue 465,700.00

Non-tax Revenue 10,158,225.15

Other Income -

10,623,955.15

NOTE 34

TOTAL REVENUE

Dependent Revenue 1,603,017,887.09

Independent Revenue 10,623,955.15

1,613,641,842.24

NOTE 35

SALARY AND WAGES

RECURRENT EXPENDITURE

(CENTRALLY EXECUTED)

Local Government Staff 320,044,251.75

Teaching & Non-Teaching Staff Middle 226,928,446.74

Teaching & Non-Teaching Staff Middle 82,140,615.80

Local Government Staff Loans Board 803,604.83

Local Government Pension Board 1,094,377.13

PHC Staff 154,393,462.22

785,404,758.47

NOTE 36

SOCIAL BENEFIT

Human Resources 100,000.00

Training & Workshop 200,000.00

300,000.00

NOTE 37

OVERHEAD

Running Cost (ALGON Secretariat) General Expenses 18,915,990.05

NOTE 38

GRANTS AND SOCIAL CONTRIBUTION

Grading (Joint Project) 29,641,494.02

NOTE 39

Traditional Council 47,217,470.07

Training Fund (LGSC) 9,443,494.23

SUBEB Grant 45,273,865.21

O’MEAL 21,481,092.00

O’YES 40,000,000.00

O’HIS 10,921,991.40

O’RAMP 11,079,423.09

SUBEB (ADMIN) 407,600.04

Pension 274,093,834.92

SUBEB Contract 271,388.28

Local Statutory Deduction 33,135,417.05

Audit Fees 22,429,651.39

515,755,227.68

NOTE 40

O’CLEAN ALLOWANCE 248,772.59

NOTE 41

PUBLIC DEBT CHARGE

Finance Cost NIL

NOTE 42

SOCIAL BENEFITS #

Training & Workshop 1,632,000.00

Financial Assistance 1,751,400.00

Gift to Staff During Celebration 892,000.00

Non-Accident Bonus 108,000.00

4,383,400.00

NOTE 43

OVERHEAD COST

Repair & Maintenance 736,000.00

Utility 93,000.00

Stationeries 497,000.00

Imprest 12,264,000.00

Bank Charges 328,524.76

Publicity & Advancement 56,250.00

47,877,773.28

NOTE 44

GRANT & SOCIAL CONTRIBUTION

Empowerment Programmes 40,150,017.84

Ileya Gift & Others 18,000,000.00

Christmas Celebration 18,000,000.00

Borehole 1,870,000.00

Electrification 570,000.00

Gradings 20,268,920.00

Cleaning of Debris 27,740,648.25

Sensitization & Training 25,248,000.00

Palliative Materials (COVID’19) 20,925,000.00

172,772,585.49

NOTE 45

DEPRECIATION

Buildings 3,745,350.99

Infrastructural Asset 301,890,274.15

Biological Asset -

Plant & Machinery 3,407,150.00

Motor Vehicles 4,002,714.99

Office Equipment 6,593,756.79

Furniture & Fittings 2,057,864.00

Investment Properties 3,404,875.03

325,101,985.95

NOTE 46

ALLOWANCES

Committee Allowance 32,826,500.00

Furniture Allowance 7,704,000.00

Casual Workers Allowance 1,095,000.00

O’Technical 250,000.00

41,875,500.00

NOTE 47

IMPAIRMENT NIL

NOTE 48

STABILISATION FUND NIL

NOTE 49

REVENUE REFUNDED NIL

NOTE 50-51

NET SURPLUS/DEFICIT

Total Revenue 1,613,641,842.24

Total Expenditure 1,942,277,487.53

Net Surplus/Deficit (328,635,645.29)

Net Surplus/Deficit 1/1/2020 (43,506,587.50)

Net Surplus Deficit **(372,142,232.79)**

**BORIPE LOCAL GOVERNMENT, IRAGBIJI**

**STATUTORY FISCAL OPERATIONS REPORT FOR THE YEAR ENDED 31ST DECEMBER, 2020**

**STATEMENT OF CASHFLOW RATIO**

1. FEDERAL STATUTORY ALLOCATION + STATE STATUTORY ALLOCATION: TOTAL REVENUE

1,589,483,698.03 X 100

1,600,107,653.18 1 = **99.34%**

2. TOTAL INDEPENDENT REVENUE = TOTAL REVENUE

10,623,955.15 \* 100

1,600,107,653.18 1 = **0.66%**

3. PERSONNEL: TOTAL RECURRENT EXPENDITURE

710,250,011.39 \* 100

1,505,016,525.79 1 = **47.20%**

**STATEMENT OF FINANCIAL POSITION RATIO**

4. CURRENT RATIO = CURRENT ASSETS = 149,806,525.55

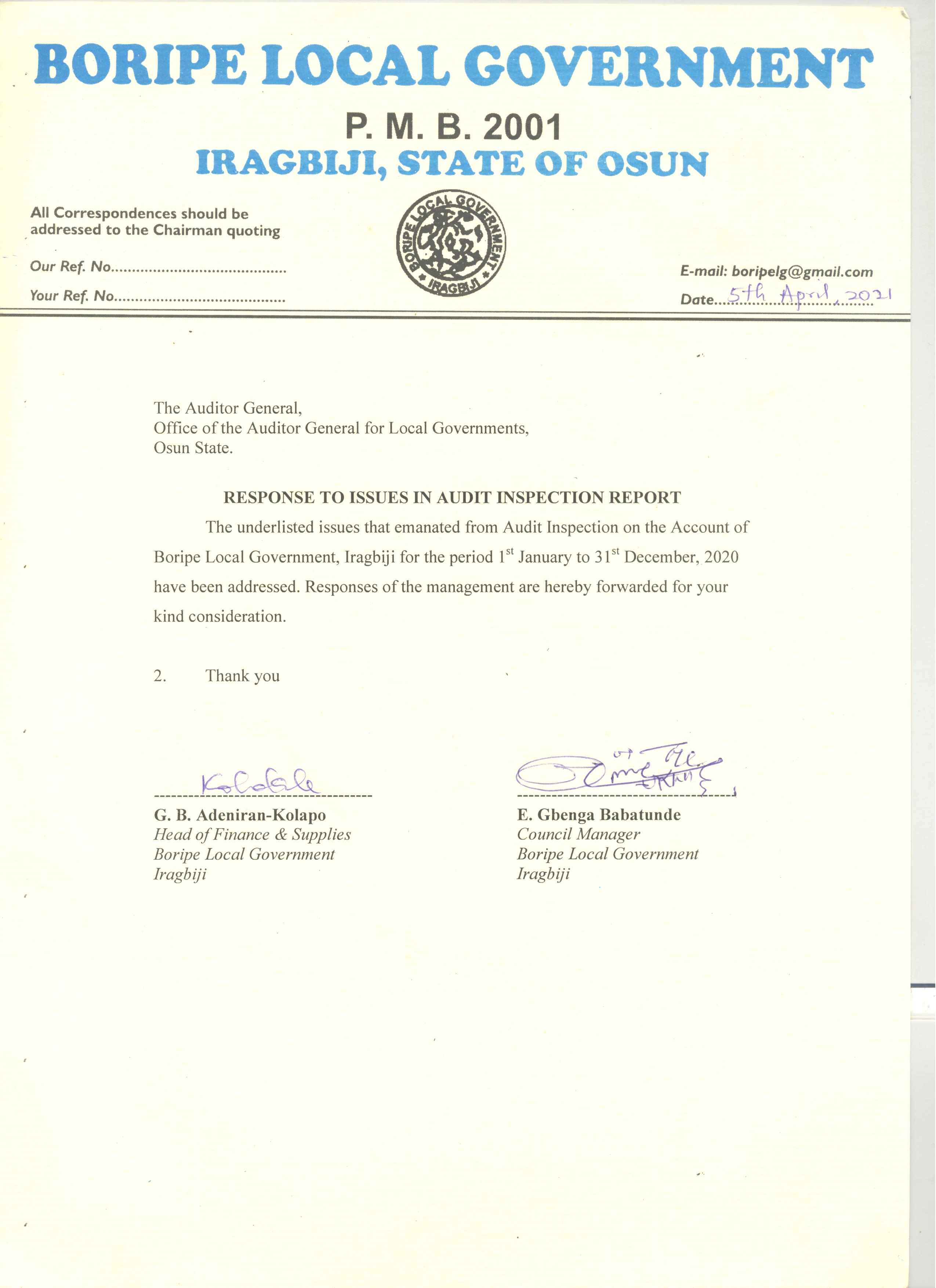
CURRENT LIABILITIES 1,199,394,377.11 = **0.12:1**

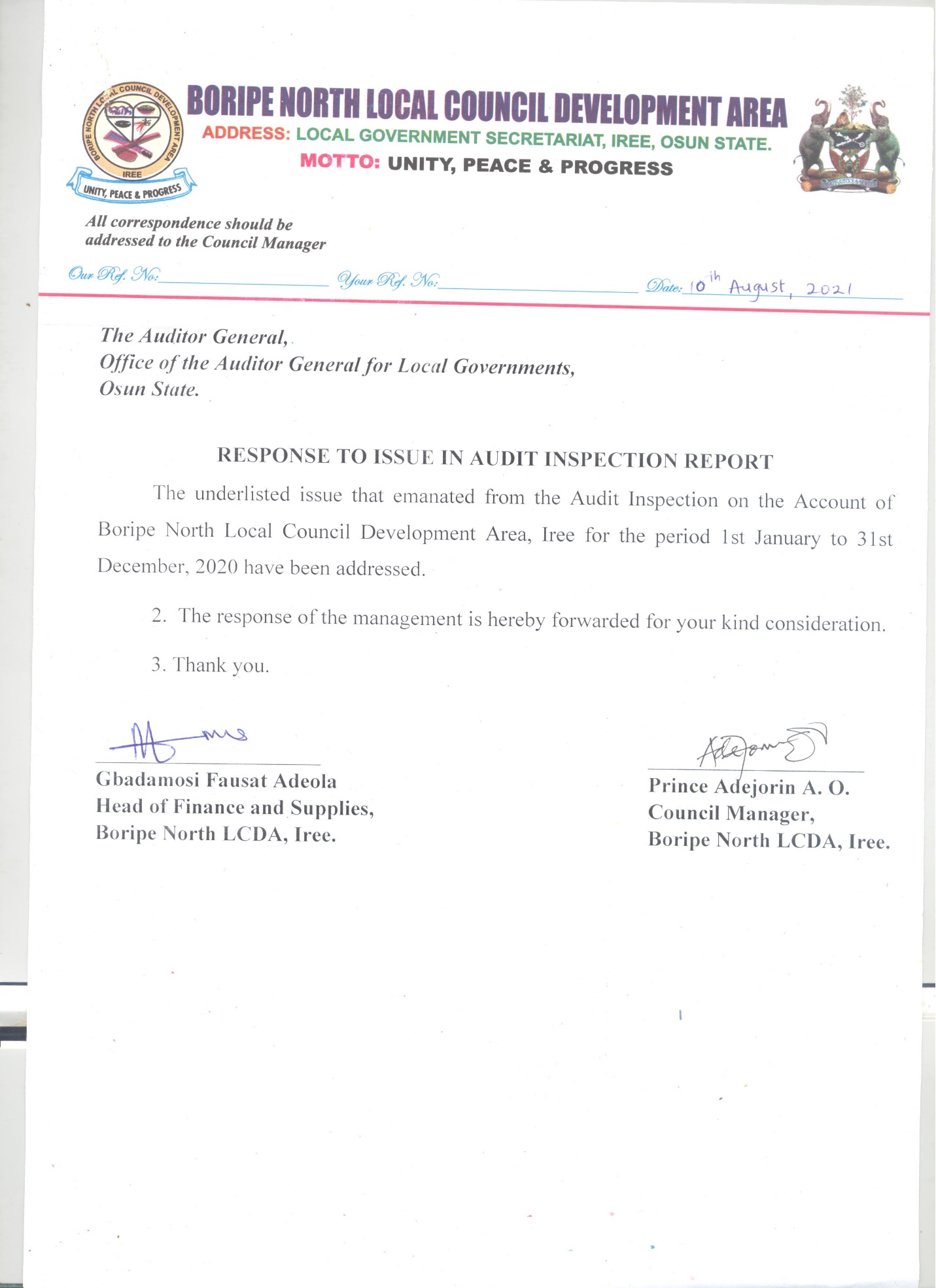
3. TOTAL ASSET: TOTAL LIABILITIES = 2,957,159,666.20

2,759,814,761.91 = **1.07:1**

4. EQUITY : TOTAL ASSET = 197,344,904.29

2,957,159,666.20 = **0.06:1**

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**MANAGEMENT LETTER**

**BORIPE LOCAL GOVERNMENT, IRAGBIJI**

**OBSERVATIONS AND INTERNAL CONTROL REVIEW FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2020**

**1.** **EXPENDITURE NOT SUPPORTED BY PROPER RECORDS OR ACCOUNTS TOTALING (N50,000.00)** It was observed that the sum of Fifty Thousand Naira N50,000.00 was paid for the purchase of Laboratory materials, but necessary documents like receipts and invoices were not attached to authenticate that the amount was actually spent on behalf of the Local Government contrary to the provision of Financial Memoranda 14:16 which states that, “Payment vouchers shall be receipted by the payee or his authorized agent, and the receipt must state clearly in words and figures the actual amount received and not simply “Received the above amount”.

***RISK:***

*Payments made without supporting documents could imply non-execution of all or part of the services/purchases, or conceal inflation of prices.*

***MANAGEMENT RESPONSE:***

*It was an oversight and the receipt would be produced.*

***RECOMMENDATION:***

*The recipient/authorizing officer should ensure that all supporting documents were collected while incurring the expenditure.*

**2.** **UNRECEIPTED AND EXPENDITURE NOT TAKEN ON CHARGE AMOUNTING TO N50,000.00:** It was observed that the requisition of Iron-Cabinet for the Department of Town Planning and Land Services claimed to have been bought for the sum of Fifty Thousand Naira Only (N50,000.00) was neither receipted non taken on charge by the Store Keeper contrary to Financial Memoranda 34:17(3) which states that, “ When the stores have been taken on charge, a store receipt voucher shall be prepared in triplicate by the store keepers. The copies of the store receipt voucher shall be distributed as follow:

(a) The original shall be sent to the officer who authorized the purchase together with the original Local purchase order”. This had been made a subject of Audit Query LQ/AUD/BLG/04/2020.

***RISK:***

*This was an indication that the purported items might not have been purchased thereby resulting to loss of Local Government fund.*

***MANAGEMENT RESPONSE:***

*It was an oversight, and the receipt would be produced.*

***RECOMMENDATION-***

*All necessary supporting documents such as store receipt voucher and store issued vouchers should be attached to the payment vouchers before put into use.*

3. **ACCUMULATED BANK CHARGES TO THE TUNE OF #220,125.05:** It was observed that dismay that the bank charges has accumulated to the tune of #220,125.05 by the Local Government as at 31st December, 2020. It should be noted that Payment Vouchers should be raised at the end of the month for any charge shown in the bank statement that has not been brought to account in the Cash book and it shall entered at once into the Cash book for the next month in compliance with provision of the Financial Memoranda 19:27.

***RECOMMENDATION:***

*The Head of Finance should raise and process payment voucher to wipe off the accumulated bank charges. Also the Bank Reconciliation Statement should be re-prepared with necessary and proper documentation as required.*

**BORIPE NORTH LOCAL COUNCIL DEVELOPMENT AREA, IREE**

**OBSERVATIONS AND INTERNAL CONTROL REVIEW FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2020**

**1.** **UNRETIRED IMPREST:** Audit Inspection showed that the sum of Ten Thousand Naira (N10,000.00) was released as Monthly imprest during the month of November 2020 to one of the officers of the Council. It was further observed that the Officer had not retired the imprest collected contrary to Financial Memoranda 14:27 which states that, “Imprest shall be retired when the purpose for which the imprest was granted is completed or at such intervals as are prescribed when the imprest is approved. However, all imprests shall automatically be retired at the end of each financial year”. This had been made a subject of Audit Query LQ/AUD/BNLCDA/03/2020.

***RISK:***

*Government Fund might not have been used for official purpose.*

***MANAGEMENT RESPONSE:*** *It was an oversight and the receipts were eventually presented.*

***RECOMMENDATION-***

*Proper recording of petty cash should be done and all payments must be retired immediately and presented for audit verification.*

**2. EXPENDITURE NOT SUPPORTED BY PROPER RECORD OR ACCOUNT AMOUNTING TO N500,000.00:** It was observed that the total sum of Five Hundred Thousand Naira N500,000.00 were not supported with the required official receipts, invoices and documents contrary to the provision of the Financial Memoranda Chapter 14:17 which states that, “An official printed receipt must be obtained and attached to the payment voucher in respect of a payment to Government, another Local Government or Commercial firm. If the printed receipt covers more than one payment voucher, reference to the number of the payment voucher to which the receipt is attached, shall be entered on the other voucher”.

***RISK:***

*Payments made without supporting documents could imply non-execution of all or part of the services/purchases, or conceal inflation of prices.*

***MANAGEMENT RESPONSE:***

*It was an oversight and the receipt would be produced.*

***RECOMMENDATION:***

*The recipient/authorizing officer should ensure that all supporting documents were collected while incurring the expenditure.*

**INTERNAL AUDITOR’S REPORT**

**1.** The Internal Control mechanism failed to properly check the Revenue collectors and the Revenue Returns to the Office of the Auditor-General. Also, other revenue generating Departments have relaxed on IGR during the last two (2) quarters.

**2.** The Internal Audit unit is very weak. The pre and post audit exercises were of no effects on the activities of the Council. The Internal Auditor failed to submit his quarterly reports timely.

**LIST OF PROJECTS EXECUTED BY BORIPE LOCAL GOVERNMENT, IRAGBIJI [JANUARY – DECEMBER 2020]**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **DESCRIPTION** | **LOCATION** | **MODE OF EXECUTION** | **PROJECT COST (N)** | **AMOUNT RELEASED** | **BALANCE** | **REMARKS** |
| 1 | Renovation of Oke Agbo Primary Health Centre Iragbiji | Iragbiji | Direct Labour | 500,960.00 | 500,960.00 | - | Completed |
| 2 | The Clearing Of Road Verges In Boripe Local Government Iragbiji | Iragbiji | Direct Labour | 750,000.00 | 750,000.00 | - | Completed |
| 3 | Renovation of Magistrate Court Iragbiji | Iragbiji | Direct Labour | 683,100.00 | 683,100.00 | - | Completed |
| 4 | Renovation of Customary Court Iragbiji | Iragbiji | Direct Labour | 731,300.00 | 731,300.00 | - | Completed |
| 5 | De-silting of Drainage along Aliwayi to Otapeete | Iragbiji | Direct Labour | 900,000.00 | 900,000.00 | - | Completed |
| 6 | Construction of Shopping complex | Iragbiji | Direct Labour | 25,317,512.50 | 25,317,512.50 | - | Completed |
| 7 | Grade and back filling of forwan community | Iragbiji | Direct Labour | 1,000,000.00 | 1,000,000.00 | - | Completed |
| 8 | Grading of road in Isale – Egudu to Idikoko | Iragbiji | Direct Labour | 1,000,000.00 | 1,000,000.00 | - | Completed |
| 9 | Grading of Sangoyin phase two | Iragbiji | Direct Labour | 1,000,000.00 | 1,000,000.00 | - | Completed |
| 10 | Purchase of some part, repair and servicing of XCMG 125 Grader | Iragbiji | Direct Labour | 2,500,000.00 | 2,500,000.00 | - | Completed |
| 11. | Renovation of Town Planning Building | Iragbiji | Direct Labour | 1,750,000.00 | 1,750,000.00 | - | Completed |
|  | **TOTAL** |  |  | **36,132,872.50** | **36,132,872.50** |  |  |

**LIST OF PROJECTS EXECUTED BY BORIPE NORTH LOCAL COUNCIL DEVELOPMENT AREA, IREE [JANUARY – DECEMBER 2020]**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **DESCRIPTION** | **LOCATION** | **MODE OF EXECUTION** | **PROJECT COST (N)** | **AMOUNT RELEASED (N)** | **BALANCE** | **REMARKS** |
| 1 | Laterite filling at Agbeyangi-Ayedaade Baptist Road. | Ada | Direct | 1,550,000.00 | 1,550.00.00 | - | Completed |
| 2. | Construction of Shopping complex | Ororuwo | Direct | 4,910,000.00 | 1,400,000.00 | 3,510,000.00 | On-Going |
| 3 | Clearing of permanent site | Iree | Direct | 15,000.00 | 15,000.00 | - | Completed |
| 4 | Construction of retaining wall and patching with lateritic material of Olona Palace road. | Ada | Direct | 158,000.00 | 158,000.00 | - | Completed |
|  | **TOTAL** |  |  | **6,633,000.00** | **3,123,000.00** | **3,510,000.00** |  |