STATE GOVERNMENT OF OSUN, NIGERIA.

REPORT OF

THE

AUDITOR-GENERAL

FOR

LOCAL GOVERNMENTS

ON THE ACCOUNTS OF

ATAKUNMOSA EAST LOCAL GOVERNMENT

IPERINDO

FOR THE YEAR ENDED

31ST DECEMBER, 2021.

**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 | AUDIT CERTIFICATE | **5** |
| 6 | STATEMENT OF RESPONSIBILITY OF THE AUDITOR-GENERAL | **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 | **14-17** |
| 12 | **CONSOLIDATED 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 | **18-37** |
| 13 | **FISCAL OPERATION REPORT**  i STATISTICAL AND ACCOUNTING RATIOS  ii NON-FINANCIAL DISCLOSURE | **38-40** |
| 14 | MANAGEMENT LETTER | **41-48** |
| 15 | LIST OF PROJECTS EXECUTED IN THE LOCAL GOVERNMENTS | **49-53** |

**LIST OF ABBREVIATIONS**

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





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

It is my responsibility as Auditor-General for Local Governments, 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, inclusive of Atakunmosa East Local Government, Iperindo and Atakunmosa East Central LCDA, Iwara.

**STATEMENT OF FINANCIAL RESPONSIBILITY**

The preparation and fair presentation of Financial Statements of Local Governments is the direct of responsibility of the Head of Finance and Supply in the Local Government 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.

The Heads of Finance of Atakunmosa East Local Governments is responsible for the consolidated of Financial Statements with the subsidiary Atakunmosa East LCDA,

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 Statements signed by Heads of Finance and Chairmen the Local Governments is attached.

**BASIS OF AUDIT OPINION**

In the course of auditing the accounts of Atakunmosa East Local Governments, Iperindo and Atakunmosa East LCDA, Iwara 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 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.

**STATEMENT OF COMPLIANCE**

The Accounting Policies have been consistently applied on preparation of the Financial Statements of Atakunmosa East 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 Atakumosa East Local Government are constituents.

The accounts of Atakumosa East Local Governments 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 2021 have been issued and forwarded to the appropriate quarters for responses and Audit Recommendations were made for compliance as required.

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

**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, 2021.

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

The Head of Finance of Atakunmosa East Local Government and Atakunmosa East Central LCDA 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, the subsidiary entity was Atakunmosa East Central which GPFS has been consolidated with that Atakunmosa East Local Government. by the Heads of Finance of the main Local Government.

***The duty of the Auditor-General for Local Governments is not to prepare or consolidate Local Governments’ accounts, but to Audit.***

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 recognized revenue from fees, taxes, and fines when the event occurred, and the asset recognition criteria are met.
3. **OTHER REVENUE**

Other Revenues are proceeds that arise outside the Ordinary course of governmental business. 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**

Contingent 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.

**GENERAL COMMENTS**

I have audited the accounts of Atakunmosa East Local Government, Iperindo for the financial year ended 31st December 2021, 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 Account Allocation Committee.

**FULL ADOPTION OF IPSAS ACCRUALS:** 2021 GPFS 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 and the 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 all contributions centrally executed Projects and programmes of Local Governments, and Statutory remittances to Traditional Councils by Atakunmosa East Local Government and Atakunmosa East Central LCDA.

**BUDGET PREPARATION / EXECUTION**

The Budget for 2021 for Atakunmosa East Local Government was prepared in compliance with new National Chart of Accounts. The 2021 Budget was an improvement on the previous Budgets as some of the obvious shortcomings observed by the Audit have been addressed.

**PROCUREMENT PRACTICES**

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**

The office of the Auditor-General for Local Governments embarked on verification exercise on valuation and Revaluation of Assets during the year, involving a team of 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 yearly.

**INTERNALLY REVENUE GENERATION AND FINANCIAL VIABILITY**

The Total Internally Generated Revenue realised by the Local Government for 2021 was N23,040,447.67 representing 1.5.% 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 improving on the poor revenue profile.

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

At the conclusion of the Audit, 13 nos of Audit Queries were issued in respect of 2021 Accounts, involving a total sum of N1,990,400.00.

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

**JOINTLY EXECUTED AND INDIVIDUAL PROJECTS AND PROGRAMMES:** In line with the best practices, the Audit has verified the jointly executed projects at the JAAC in collaboration with reputable expert cut access disciplines, within the service at both State and 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.

It was observed that Atakunmosa East Local Government collaborated with other Local Government to embark on some jointly executed projects and programmes. Report on the joint project are contained in the Aggregated Statutory Report of the Auditor General.

**COMMENTS ON FINANCIAL STATEMENTS**

1. **STATEMENT OF FINANCIAL PERFORMANCE**

**Share of FAAC and VAT:** The total sum of N894,639,874.73 was Share of FAAC and VAT amounted to N662,474,422.89

**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** |
| Atakumosa East | 845,951,123.04 | 405,443,101.05 | 27,433,380.56 | 22,977,524.36 | 696,291.66 | 12,270,384.96 | 19,068,153.90 | 1,418,081.75 | 11,921,608.27 | 1,347,179,649.55 |

**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. #23,040,447.67 as Fees, Taxes and Fines.

**SALARIES AND WAGES – N855,868,781.13**

Salaries and Wages which amounted to N855,868,781.13 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 2021.

**COMMENTS ON ITEMS OF FINANCIAL POSITION**

**CASH AND CASH EQUIVALENTS - ₦11,109,018.03**

The Cash and Cash equivalents amounted to **₦11,109,018.03** for the Local Governments. The Bank Statements and Bank Reconciliation Statements of all Local Governments and Local Government Development Areas as at 31st December, 2021 were verified/examined to ascertain the bank balances.

**RECEIVABLES - ₦17,262,259.79**

A total sum of Seventeen Million, Two Hundred and Sixty-Two Thousand, Two Hundred and Fifty-Nine Naira, Seventy-Nine Kobo only (₦17,262,259.79) was standing as Receivables as at 31st December, 2021. The Receivables include, Revenue Recognised in December 2021 but received in January, 2021 from Joint Allocation Account Committee (JAAC).

**INVENTORIES - ₦7,721,330.00**

The sum of ₦7,721,330.00represents inventories valued at historical cost in the Thirty (30) Local Governments as at 31st December, 2021. These include unallocated stores both expendable and non-expendable; and consumable items.

**INVESTMENTS - ₦51,257,085.33**

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)**

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 - ₦198,154,224.81**

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 2021.

**INVESTMENT PROPERTY - (N64,213,949.23)**

The carrying amount of Investment Properties of the Local Governments and Area Councils stood at N64,213,949.23. 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 - ₦944,765,498.14**

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, chlorination, etc aimed at preserving lives and environments
  3. Intervention Projects including Grading, access to rural areas, etc..
  4. Repayment of Bail Out.

**UNREMITTED DEDUCTIONS - ₦172,899,401.63**

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, 2021. 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 #98,477,368.09 was made to the Local Council Development Areas and Area Offices in the period under review and was set off in the Consolidated Account.

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021**

|  |  |  |
| --- | --- | --- |
|  |  |  |
| **PARTICULAR** | **NOTE** | **ATAKUNMOSA EAST CONSOLIDATED** |
| ASSETS |  |  |
| Current Assets |  |  |
| Cash & Cash Equipments | 1 | 11,109,018.03 |
| Receivables | 2 | 17,262,250.79 |
| Prepayment/Advance | 3 | 1,050,000.00 |
| Inventories | 4 | 7,721,330.00 |
| **Total Current Asset** |  | 37,142,607.82 |
| Non-current Asset |  |  |
| Long Term Loan Granted |  |  |
| Investments | 5 | 51,257,085.33 |
| Property, Plant & Equipment | 6 | 1,585,045,998.57 |
| Investment Property | 7 | 64,213,949.23 |
| Biological Asset | 8 | 20,212,800.00 |
| Assets Under Construction (wip) | 9 |  |
| Total Non-Current Asset |  | 1,720,729,833.13 |
| Total Asset |  | 1,757,872,440.95 |
| LIABILITIES |  |  |
| Current Liabilities |  |  |
| Deposit |  |  |
| Short Term Loan & Debts | 10 | 2,750,399.19 |
| Unremitted Deduction | 11 | 172,899,401.63 |
| Payables | 12 | 198,154,224.81 |
| Short Terms Provisions |  |  |
| Total Current Liability |  | 373,804,025.63 |
| Non-Current Liabilities |  |  |
| Long Term Borrowing | 13 | 944,765,498.14 |
| Total Liabilities |  | 1,318,509,523.77 |
| Net Assets |  | 439,302,917.18 |
| Financed by |  |  |
| Reserve | 14 | 265,149,096.60 |
| Net Surplus/Deficit | 15 | 174,153,820.58 |
| Total |  | 439,302,917.18 |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIADTED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **2020** | **PARTICULAR** | **NOTE** | **ATAKUNMOSA EAST** | **ATAKUNMOSA EAST CENTRAL** | **ATAKUNMOSA EAST CONSOLIDATED** |
|  | ASSETS |  |  |  |  |
|  | Current Assets |  |  |  |  |
|  | Cash & Cash Equipments | 1 | 7,918,565.19 | 3,190,452.84 | 11,109,018.03 |
|  | Receivables | 2 | 17,262,259.79 |  | 17,212,259.79 |
|  | Prepayment/Advance | 3 | 1,050,000.00 |  | 1,050,000.00 |
|  | Inventories | 4 | 7,096,530.00 | 624,800.00 | 7,721,330.00 |
|  | **Total Current Asset** |  | **33,327,354.98** | **3,815,252.84** | **37,142,607.82** |
|  | Non-current Asset |  |  |  | - |
|  | Long Term Loan Granted |  |  |  | - |
|  | Investments | 5 | 38,507,085.33 | 12,750,000.00 | 51,257,085.33 |
|  | Property, Plant & Wquipment | 6 | 990,412,088.59 | 594,633,909.98 | 1,585,045,998.57 |
|  | Investment Property | 7 | 38,528,369.54 | 25,685,579.69 | 64,213,949.23 |
|  | Biological Asset | 8 | 20,212,800.00 |  | 20,212,800.00 |
|  | Assets Under Construction (wip) | 9 |  |  | - |
|  | Total Non-Current Asset |  | **1,087,660,343.46** | **633,069,489.67** | **1,720,729,833.13** |
|  | Total Asset |  | **1,120,987,698.44** | **636,884,742.51** | **1,757,872,440.95** |
|  | LIABILITIES |  |  |  | - |
|  | Current Liabilities |  |  |  | - |
|  | Deposit |  |  |  | - |
|  | Short Term Loan & Debts | 10 | 2,750,399.19 |  | 2,750,399.19 |
|  | Unremitted Deduction | 11 | 167,098,220.05 | 5,801,181.58 | 172,899,401.63 |
|  | Payables | 12 | 171,425,169.62 | 26,729,055.19 | 198,154,224.81 |
|  | Short Terms Provisions |  |  |  | - |
|  | Total Current Liability |  | **341,273,788.86** | **32,530,236.77** | **373,804,025.63** |
|  | Non-Current Liabilities |  |  |  | - |
|  | Long Term Borrowing | 13 | 539,056,896.67 | 405,708,601.47 | 944,765,498.14 |
|  | Total Liabilities |  | **880,330,685.53** | **438,238,838.24** | **1,318,569,523.77** |
|  | Net Assets |  | **240,657,012.91** | **198,645,904.27** | **439,302,917.18** |
|  | Financed by |  |  |  | - |
|  | Reserve | 14 | 57,821,714.18 | 207,327,382.42 | 265,149,096.60 |
|  | Net Surplus/Deficit | 15 | 182,835,298.73 | (8,681,478.15) | 174,153,820.58 |
|  | Total |  | **240,657,012.91** | **198,645,904.27** | **439,302,917.18** |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER, 2021**

|  |  |  |
| --- | --- | --- |
| **PERFORMANCE** |  |  |
| **PARTICULAR** | **NOTE** | ATAKUNMOSA EAST CONSOLIDATED |
| **STATUTORY ALLOCATION** |  |  |
| Government share of FAAC (Statutory Revenue) | 16 | 894,639,874.73 |
| Government Share of VAT | 17 | 662,474,422.89 |
| **Sub-Total Statutory Revenue** | 18 | 1,557,114,297.62 |
| **INDEPENDENT REVENUE** |  |  |
| Augumentation | 19 | 5,386,786.00 |
| Transfer from main Council | 20 |  |
| Tax Revenue | 21 | 289,200.00 |
| Non-Tax Revenue | 22 | 17,364,461.67 |
| Other Income |  | 4,748,876.47 |
| Overpayment Recovery |  |  |
| **Sub-Total Independent Revenue** |  | 23,040,447.67 |
| **Total Revenue** |  | 1,580,154,745.29 |
| **EXPENDITURE** |  |  |
| **JOINTLY EXPENDED** |  |  |
| Salaries & Wages | 23 | 855,868,781.13 |
| Social Benefits | 24 | 100,000.00 |
| Overhead Cost | 25 | 27,323,083.25 |
| Grants & Social Contribution | 26 | 27,556,547.99 |
| Transfer to other Agencies | 27 | 405,996,976.98 |
| **L/GOVERNMENT EXPENDITURE** |  |  |
| Social Benefits | 28 | 5,748,250.00 |
| Overhead Cost | 29 | 47,690,062.87 |
| Grants & Social Contribution | 30 | 95,839,762.48 |
| Depreciation | 31 | 104,699,300.18 |
| Allowances | 32 | 69,671,463.82 |
| Transfer to LCDA | 33 |  |
| Impairment | 34 |  |
| Revenue Refunded | 35 |  |
| Public Debt Charges |  |  |
| Stabilization Fund |  |  |
| Refund to main Council |  |  |
| Stationeries |  |  |
| Severance Gratuity |  |  |
| **Total Expenditures** |  | 1,640,494,228.70 |
| **Net Surplus/Deficit** | 36 | (60,339,483.41) |
| **Net Surplus/Deficit 01/01/2021** | 37 | 234,493,303.99 |
| **Net Surplus/Deficit 31/12/2021** | 38 | 174,153,820.58 |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER, 2021**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **PERFORMANCE** |  |  |  |  |
| **PARTICULAR** | **NOTE** | **ATAKUNMOSA EAST** | **ATAKUNMOSA EAST CENTRAL** | **ATAKUNMOSA EAST CONSOLIDATED** |
| **STATURORY REVENUE** |  |  |  |  |
| Government share of FAAC (Statutory Revenue) | 16 | 894,639,874.73 |  | 894,639,874.73 |
| Government Share of VAT | 17 | 662,474,422.89 |  | 662,474,422.89 |
| **Sub-Total Statutory Revenue** | 18 | **1,557,114,297.62** | **-** | **1,557,114,297.62** |
| **INDEPENDENT REVENUE** |  |  |  | - |
| Grant & Aids | 19 | 5,386,786.00 |  | 5,386,786.00 |
| Transfer from main Council | 20 |  | 98,477,368.09 |  |
| Tax Revenue | 21 | 167,200.00 | 122,000.00 | 289,200.00 |
| Non-Tax Revenue | 22 | 9,878,970.20 | 7,485,491.47 | 17,364,461.67 |
| Other Income |  |  | 4,748,876.47 | 4,748,876.47 |
| Overpayment Recovery |  |  |  | - |
| **Sub-Total Independent Revenue** |  | **15,432,956.20** | **106,084,859.56** | **23,040,447.67** |
| **Total Revenue** |  | **1,572,547,253.82** | **106,084,859.56** | **1,580,154,745.29** |
| **EXPENDITURE** |  |  |  | - |
| **JOINTLY EXPENDED** |  |  |  | - |
| Salaries & Wages | 23 | 855,868,781.13 |  | 855,868,781.13 |
| Social Benefits | 24 | 100,000.00 |  | 100,000.00 |
| Overhead Cost | 25 | 27,323,083.25 |  | 27,323,083.25 |
| Grants & Social Contribution | 26 | 27,556,547.99 |  | 27,556,547.99 |
| Transfer to other Agencies | 27 | 405,996,976.98 |  | 405,996,976.98 |
| **L/GOVERNMENT EXPENDITURE** |  |  |  | - |
| Social Benefits | 28 | 3,326,250.00 | 2,422,000.00 | 5,748,250.00 |
| Overhead Cost | 29 | 24,776,712.40 | 22,913,350.47 | 47,690,062.87 |
| Grants & Social Contribution | 30 | 53,180,461.24 | 42,659,301.24 | 95,839,762.48 |
| Depreciation | 31 | 41,122,853.35 | 63,576,446.83 | 104,699,300.18 |
| Allowances | 32 | 42,911,425.17 | 26,760,038.65 | 69,671,463.82 |
| Transfer to LCDA | 33 | 98,477,368.09 |  |  |
| Impairment | 34 |  |  | - |
| Revenue Refunded | 35 |  |  | - |
| Public Debt Charges |  |  |  |  |
| Stabilization Fund |  |  |  |  |
| Refund to main Council |  |  |  | - |
| Stationeries |  |  |  | - |
| Severance Gratuity |  |  |  | - |
| **Total Expenditures** |  | **1,580,640,459.60** | **158,331,137.19** | **1,640,494,228.70** |
| **Net Surplus/Deficit** | 36 | **(8,093,205.78)** | **(52,246,277.63)** | **(60,339,483.41)** |
| **Net Surplus/Deficit 01/01/2021** | 37 | **190,928,504.51** | **43,564,799.48** | **234,493,303.99** |
| **Net Surplus/Deficit 31/12/2021** | 38 | **182,835,298.73** | **(8,681,478.15)** | **174,153,820.58** |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2021**

|  |  |  |
| --- | --- | --- |
|  |  |  |
| **OPERATING ACTIVITIES** | **NOTE** | ATAKUNMOSA EAST CONSOLIDATED |
| **INFLOW** |  |  |
| Statutory Revenue (JAAC) | 39 | 953,456,916.74 |
| Value Added Tax | 40 | 717,440,476.58 |
| Receivable |  |  |
| **Sub Total Statutory Revenue** | 41 | 1,670,897,393.32 |
| Aids and Grants | 42 | 5,386,786.00 |
| Transfer from Main Council | 43 |  |
| Tax Revenue | 44 | 289,200.00 |
| Non Tax Revenue | 45 | 12,615,585.20 |
| Other Income |  | 4,748,876.47 |
| Overpayment Recovery |  |  |
| **Sub Total Independent Revenue** | 46 | 23,040,447.67 |
| **Total Inflow Operating Activities** | 47 | 1,693,937,840.99 |
| **OUTFLOW** |  |  |
| Salaries & Wages | 48 | 912,243,741.13 |
| Social Benefits | 49 | 5,848,250.00 |
| Overhead Cost | 50 | 42,288,803.05 |
| Social Contributions | 51 | 108,820,455.88 |
| Allowances | 52 | 69,172,374.18 |
| Modulated Salary Arrears | 53 | 13,333,333.28 |
| Inventories | 54 | 830,000.00 |
| Fund Conserved for Salary |  | 8,208,807.13 |
| Transfer to LCDA | 55 |  |
| Transfer to other Govt. Agencies | 56 | 447,904,436.02 |
| Refund to Main Councils |  |  |
| Revenue Refunded |  |  |
| Stabilization Fund |  |  |
| Tax Expenses | 57 |  |
| Severance Gratuity |  |  |
| Total Outflow from Operating Activities | 58 | 1,608,650,200.67 |
| Net Cashflow from Operating Activities | 59 | 85,287,640.32 |
| **INVESTING ACTIVITIES** |  |  |
| Proceed from Disposal of Asset |  |  |
| **Total Inflow from Investing Activities** |  |  |
| Cashflow from Investing Activities |  |  |
| Administrative Sector | 60 | 58,490,000.00 |
| Economic Sector |  |  |
| **Total Outflow from Investing Activities** | 61 | 58,490,000.00 |
| **Net Cashflow from Investing Activities** |  | (58,490,000.00) |
| Inflow from Financing Activities |  |  |
| Bank Overdraft |  |  |
| Soft Loan(Bank) |  |  |
| Deduction Received | 62 | 56,405,249.02 |
| **Total Inflow from Financing Activities** | 63 | 56,405,249.02 |
| **OUFLOW (PAYMENT)** |  |  |
| Bail Out Repayment |  |  |
| 10km Road | 64 | 11,538,910.20 |
| Water Project | 65 |  |
| Environmental Sanitation Loan | 66 | 2,914,565.04 |
| Loan Repayment (Inherited) | 67 |  |
| Bank Loan | 68 | 13,751,999.55 |
| Intervention Loan | 69 | 4,493,420.80 |
| Other Loan Repayment |  |  |
| Deduction Paid | 70 | 48,500,977.01 |
| **Total Outflow From Financing Activities** | 71 | 81,199,872.60 |
| **Net Cashflow from financing Activities** | 72 | ( 24,794,623.58) |
| **Cash and Cash Equivalent for the year** | 73 | 2,003,016.74 |
| **Cash and Cash Equivalent 01/01/2021** | 74 | 9,106,001.29 |
| **Cash and Cash Equivalent 31/12/2021** | 75 | 11,109,018.03 |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2021**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **OPERATING ACTIVITIES** | **NOTE** | **ATAKUNMOSA EAST** | **ATAKUNMOSA EAST CENTRAL** | **ATAKUNMOSA EAST CONSOLIDATED** |
| **INFLOW** |  |  |  |  |
| Statutory Revenue (JAAC) | 39 | 953,456,916.74 |  | 953,456,916.74 |
| Value Added Tax | 40 | 717,440,476.58 |  | 717,440,476.58 |
| Receivable |  |  | - | - |
| **Sub Total Dependent Revenue** | 41 | **1,670,897,393.32** | **-** | **1,670,897,393.32** |
| Aids and Grants | 42 | 5,386,786.00 |  | 5,386,786.00 |
| Transfer from Main Council | 43 |  | 98,477,368.09 |  |
| Tax Revenue | 44 | 167,200.00 | 122,000.00 | 289,200.00 |
| Non Tax Revenue | 45 | 9,878,970.20 | 2,736,615.00 | 12,615,585.20 |
| Other Income |  |  | 4,748,876.47 | 4,748,876.47 |
| Overpayment Recovery |  |  |  | - |
| **Sub Total Statutory Revenue** | 46 | **15,432,956.20** | **106,084,859.56** | **23,040,447.67** |
| **Total Inflow Operating Activities** | 47 | **1,686,330,349.52** | **106,084,859.56** | **1,693,937,840.99** |
| **OUTFLOW** |  |  |  | - |
| Salaries & Wages | 48 | 911,722,035.81 | 521,705.32 | 912,243,741.13 |
| Social Benefits | 49 | 3,426,250.00 | 2,422,000.00 | 5,848,250.00 |
| Overhead Cost | 50 | 19,375,452.58 | 22,913,350.47 | 42,288,803.05 |
| Social Contributions | 51 | 65,750,202.10 | 43,070,253.78 | 108,820,455.88 |
| Allowances | 52 | 42,934,040.86 | 26,238,333.32 | 69,172,374.18 |
| Modulated Salary Arrears | 53 | 13,333,333.28 |  | 13,333,333.28 |
| Inventories | 54 | 675,000.00 | 155,000.00 | 830,000.00 |
| Fund Conserved for Salary |  | 8,208,807.13 |  | 8,208,807.13 |
| Transfer to LCDA | 55 | 98,477,368.09 |  |  |
| Transfer to other Govt. Agencies | 56 | 447,904,436.02 |  | 447,904,436.02 |
| Refund to Main Councils |  |  |  | - |
| Revenue Refunded |  |  |  |  |
| Stabilization Fund |  |  |  |  |
| Tax Expenses | 57 |  |  | - |
| Severance Gratuity |  |  |  | - |
| Total Outflow from Operating Activities | 58 | **1,611,806,925.87** | **95,320,642.89** | **1,608,650,200.67** |
| Net Cashflow from Operating Activities | 59 | **74,523,423.65** | **10,764,216.67** | **85,287,640.32** |
| **INVESTING ACTIVITIES** |  |  |  | - |
| Proceed from Disposal of Asset |  |  |  | - |
| **Total Inflow from Investing Activities** |  | - | - | - |
| Cashflow from Investing Activities |  |  |  | - |
| Administrative Sector | 60 | 42,830,000.00 | 15,660,000.00 | 58,490,000.00 |
| Economic Sector |  |  |  | - |
| **Total Outflow from Investing Activities** | 61 | **42,830,000.00** | **15,660,000.00** | 58,490,000.00 |
| **Net Cashflow from Investing Activities** |  | **(42,830,000.00)** | **(15,660,000.00)** | **(58,490,000.00)** |
| Inflow from Financing Activities |  |  |  | - |
| Bank Overdraft |  |  |  |  |
| Soft Loan(Bank) |  |  |  |  |
| Deduction Received | 62 | 32,399,310.62 | 24,005,938.40 | 56,405,249.02 |
| **Total Inflow from Financing Activities** | 63 | **32,399,310.62** | **24,005,938.40** | **56,405,249.02** |
| **OUFLOW (PAYMENT)** |  |  |  | - |
| Bail Out Repayment |  |  |  | - |
| 10km Road | 64 | 11,538,910.20 |  | 11,538,910.20 |
| Water Project | 65 |  |  | - |
| Environmental Sanitation Loan | 66 | 2,914,565.04 |  | 2,914,565.04 |
| Loan Repayment (Inherited) | 67 |  |  | - |
| Bank Loan | 68 | 13,751,999.55 |  | 13,751,999.55 |
| Intervention Loan | 69 | 4,493,420.80 |  | 4,493,420.80 |
| Other Loan Repayment |  |  |  |  |
| Deduction Paid | 70 | 29,006,592.67 | 19,494,384.34 | 48,500,977.01 |
| **Total Otuflow From Financing Activities** | 71 | **61,705,488.26** | **19,494,384.34** | **81,199,872.60** |
| **Net Cashflow from financing Activities** | 72 | **(29,306,177.64)** | **4,511,554.06** | **(24,794,623.58)** |
| **Cash and Cash Equivalent for the year** | 73 | **2,387,246.01** | **(384,229.27)** | **2,003,016.74** |
| **Cash and Cash Equivalent 01/01/2021** | 74 | **5,531,319.18** | **3,574,682.11** | **9,106,001.29** |
| **Cash and Cash Equivalent 31/12/2021** | 75 | **7,918,565.19** | **3,190,452.84** | **11,109,018.03** |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIDATED STATEMENT OF COMPARISM AS AT 31ST DECEMBER, 2021**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  |  |
|  |  | ATAKUNMOSA EAST CONSOLIDATED | | |
| **PARTICULAR** | **NOTE** | FINAL BUDGET | ACTUAL | VARIANCE |
| DEPENDENT REVENUE |  |  |  |  |
| Government Share of FAAC(Statutory Revenue) | 16 | 1,148,623,433.66 | 894,639,874.73 | 836,455,926.98 |
| Government Share of VAT | 17 | 352,653,252.40 | 662,474,422.89 | 618,127,675.29 |
| **Sub-Total Dependent Revenue** | **18** | 1,501,276,686.06 | 1,557,114,297.62 | 1,454,583,602.27 |
| INDEPENDENT REVENUE |  | - | - | - |
| Grants & Aids | 19 | 47,250,000.00 | 5,386,786.00 | 41,863,214.00 |
| Transfer from Main Council | 20 | - | - | - |
| Tax Revenue | 21 | 22,887,000.00 | 289,200.00 | 22,597,800.00 |
| Non-Tax Revenue | 22 | 6,680,000.00 | 17,364,461.67 | 5,935,585.20 |
| Other Income |  | - | 4,748,876.47 | 4,748,876.47 |
| **Sub-Total Independent Revenue** |  | 76,817,000.00 | 23,040,447.67 | 75,145,475.67 |
| **Total Revenue** |  | 1,578,093,686.06 | 1,580,154,745.29 | 1,529,729,077.94 |
| EXPENDITURE |  | - | - | - |
| Salaries & Wages | 23 | 914,575,940.00 | 855,868,781.13 | 58,707,158.87 |
| Social Benefits | 24 | - | 5,848,250.00 | -5,848,250.00 |
| Overhead Cost | 25 | 161,050,000.00 | 75,013,146.12 | 86,036,853.88 |
| Grants & Social Contribution | 26 | 151,299,856.06 | 123,396,310.47 | 27,903,545.59 |
| Transfer to Other Agencies | 27 | - | 405,996,976.98 | - 405,996,976.98 |
| Depreciation | 31 | - | 104,699,300.18 | - 104,699,300.18 |
| Allowances | 32 | 104,387,890.00 | 69,671,463.82 | 34,716,426.18 |
| Transfer to LCDA | 33 | - | 98,477,368.09 | - 98,477,368.09 |
| Impairment | 34 | - | - | - |
| Revenue Refunded | 35 | - | - | - |
| Stationaries |  | - | - | - |
| **Total Expenditures** |  | 1,331,313,686.06 | 1,640,494,228.70 | 407,657,910.73 |
| **Net Surplus/Deficit** | **36** | 246,780,000.00 | (60,339,483.41) | 1,937,386,988.67 |
| **Net Surplus/Deficit 31/12/2020** | **37** | 99,842,326.00 | 234,493,303.99 | - |
| **Net Surplus/Deficit 31/12/2021** | **38** | 346,622,326.00 | 174,153,820.58 | 1,937,386,988.67 |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIDATED STATEMENT OF COMPARISM BUDGET AND ACTUAL AS AT 31ST DECEMBER, 2021**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | ATAKUMOSA EAST | | | ATAKUMOSA EAST CENTRAL | | | ATAKUNMOSA EAST CONSOLIDATED | | |
| **PARTICULAR** | **NOTE** | FINAL BUDGET | ACTUAL | VARIANCE | FINAL BUDGET | ACTUAL | VARIANCE | FINAL BUDGET | ACTUAL | VARIANCE |
| DEPENDENT REVENUE |  |  |  |  |  |  |  |  |  |  |
| Government Share of FAAC(Statutory Revenue) | 16 | 554,165,006.66 | 894,639,874.73 | 340,474,868.07 | 594,458,427.00 | 98,477,368.09 | 495,981,058.91 | 1,148,623,433.66 | 8,946,639,874.73 | 836,455,926.98 |
| Government Share of VAT | 17 | 198,500,000.00 | 662,474,422.89 | 463,974,422.89 | 154,153,252.40 |  | 154,153,252.40 | 352,653,252.40 | 662,474,422.89 | 618,127,675.29 |
| **Sub-Total Dependent Revenue** | **18** | **752,665,006.66** | **1,557,114,297.62** | **804,449,290.96** | **748,611,679.40** | **98,477,368.09** | **650,134,311.31** | **1,501,276,686.06** | **1,557,114,297.62** | **1,454,583,602.27** |
| INDEPENDENT REVENUE |  |  |  |  |  |  |  |  |  |  |
| Grants & Aids | 19 | 33,250,000.00 | 5,386,786.00 | 27,863,214.00 | 14,000,000.00 |  | 14,000,000.00 | 47,250,000.00 | 5,386,786.00 | 41,863,214.00 |
| Transfer from Main Council | 20 |  |  |  |  |  |  |  |  |  |
| Tax Revenue | 21 | 16,552,000.00 | 167,200.00 | 16,384,800.00 | 6,335,000.00 | 122,000.00 | 6,213,000.00 | 22,887,000.00 | 289,200.00 | 22,597,800.00 |
| Non-Tax Revenue | 22 | 5,630,000.00 | 9,878,970.20 | 4,248,970.20 | 1,050,000.00 | 2,736,615.00 | 1,686,615.00 | 6,680,000.00 | 12,615,585.20 | 5,935,585.20 |
| Other Income |  |  |  |  |  | 4,748,876.47 | 4,748,876.47 | - | 4,748,876.47 | 4,748,876.47 |
| **Sub-Total Independent Revenue** |  | 55,432,000.00 | 15,432,956.20 | 48,496,984.20 | 21,385,000.00 | 7,607,491.47 | 26,648,491.47 | 76,817,000.00 | 23,040,447.67 | 75,145,475.67 |
| **Total Revenue** |  | 808,097,006.66 | 1,572,547,253.82 | 852,946,275.16 | 769,996,679.40 | 106,084,859.56 | 676,782,802.78 | 1,578,093,686.06 | 1,580,754,745.29 | 1,529,729,077.94 |
| EXPENDITURE |  |  |  |  |  |  |  |  |  |  |
| Salaries & Wages | 23 | 488,017,870.00 | 855,868,781.13 | (367,850,911.13) | 426,558,070.00 |  | 426,558,070.00 | 914,575,940.00 | 855,868,781.13 | 58,707,158.87 |
| Social Benefits | 24 |  | 3,426,250.00 | (3,426,250.00) |  | 2,422,000.00 | (2,422,000.00) | - | 5,848,250.00 | (5,848,250.00) |
| Overhead Cost | 25 | 61,050,000.00 | 52,099,795.65 | 8,950,204.35 | 100,000,000.00 | 22,913,350.47 | 77,086,649.53 | 161,050,000.00 | 100,000.00 | 86,036,853.88 |
| Grants & Social Contribution | 26 | 106,703,446.66 | 80,737,009.23 | 25,966,437.43 | 44,596,409.40 | 42,659,301.24 | 1,937,108.16 | 151,299,856.06 | 27,556,547.99 | 27,903,545.59 |
| Transfer to Other Agencies | 27 |  | 405,996,976.98 | (405,996,976.98) |  |  | - | - | 405,996,976.98 | (405,996,976.98) |
| Depreciation | 31 |  | 41,122,853.35 | (41,122,853.35) |  | 63,576,446.83 | (63,576,446.83) | - | 104,699,300.18 | (104,699,300.18) |
| Allowances | 32 | 64,445,690.00 | 42,911,425.17 | 21,534,264.83 | 39,942,200.00 | 26,760,038.65 | 13,182,161.35 | 104,387,890.00 | 69,671,463.82 | 34,716,426.18 |
| Transfer to LCDA | 33 |  | 98,477,368.09 | (98,477,368.09) |  |  | - | - | 98,477,368.09 | (98,477,368.09) |
| Impairment | 34 |  |  |  |  |  |  |  |  |  |
| Revenue Refunded | 35 |  |  |  |  |  |  |  |  |  |
| Stationaries |  |  |  |  |  |  |  |  |  |  |
| **Total Expenditures** |  | **720,217,006.66** | **1,580,640,459.60** | **(860,423,452.94)** | **611,096,679.40** | **158,331,137.19** | **452,765,542.21** | **1,331,313,686.06** | **1,640,494,328.70** | **(407,657,910.73)** |
| **Net Surplus/Deficit** | **36** | **87,880,000.00** | **(8,093,205.78)** | **1,713,369,728.10** | **158,900,000.00** | **(52,246,277.63)** | **224,017,260.57** | **246,780,000.00** | **(60,339,483.41)** | **1,937,386,988.67** |
| **Net Surplus/Deficit 31/12/2020** | **37** | **99,842,326.00** | **190,928,504.51** |  |  | **43,564,799.48** |  | **99,842,326.00** | **234,493,303.99** | **-** |
| **Net Surplus/Deficit 31/12/2021** | **38** | **187,722,326.00** | **182,835,298.73** | **1,713,369,728.10** | **158,900,000.00** | **(8,681,478.15)** | **224,017,260.57** | **346,622,326.00** | **174,153,820.58** | **1,937,386,988.67** |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

|  |  |  |  |
| --- | --- | --- | --- |
| **NET ASSET AND EQUITY** |  | ATAKUNMOSA EAST CONSOLIDATED |  |
| **DETAILS** | RESERVES | Accumulated Surplus/Deficit | TOTAL |
| **Opening Balance 1/1/2021** | 265,149,096.60 | 234,493,303.99 | 499,642,400.59 |
| **Adjusted Reserve** |  |  |  |
| **Adjusted Balance** | 265,149,096.60 | 234,493,303.99 | 499,642,400.59 |
| **Net Surplus Deficit for the year** | - | - 60,339,483.41 | - 60,339,483.41 |
| **Closing Balance as at 31/12/2021** | 265,149,096.60 | 174,153,820.58 | 439,302,917.18 |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**CONSOLIDATED STATEMENT OF NET ASSET/EQUITY AS AT 31ST DECEMBER, 2021**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **ATAKUNMOSA EAST** |  |  | **ATAKUNMOSA EAST CENTRAL** |  |  | ATAKUNMOSA EAST CONSOLIDATED | |
| **DETAILS** | **RESERVES** | **Accumulated Surplus/Deficit** | **TOTAL** | **RESERVES** | **Accumulated Surplus/Deficit** | **TOTAL** | **RESERVES** | **Accumulated Surplus/Deficit** | **TOTAL** |
| **Opening Balance 1/1/2021** | 57,821,714.18 | 190,928,504.51 | 248,750,218.69 | 207,327,382.42 | 43,564,799.48 | 250,892,181.90 | 265,149,096.60 | 234,493,303.99 | 499,642,400.59 |
| **Adjusted Reserve** |  |  | - |  |  | - |  |  |  |
| **Adjusted Balance** | **57,821,714.18** | **190,928,504.51** | **248,750,218.69** | **207,327,382.42** | **43,564,799.48** | **250,892,181.90** | **265,149,096.60** | **234,493,303.99** | **499,642,400.59** |
| **Net Surplus Deficit for the year** |  | (8,093,205.78) | (8,093,205.78) |  | (52,246,277.63) | (52,246,277.63) | - | (60,339,483.41) | (60,339,483.41) |
| **Closing Balance as at 31/12/2021** | **57,821,714.18** | **182,835,298.73** | **240,657,012.91** | **207,327,382.42** | **(8,681,478.15)** | **198,645,904.27** | **265,149,096.60** | **174,153,820.58** | **439,302,917.18** |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **ATAKUNMOSA EAST LOCAL GOVERNMENT** | | |
|  | **Consolidated Notes to the Account for the year Ended31st December, 2021** | | |
| **Notes** | |  |
|  |  | **ATAKUNMOSA EAST CONSOLIDATED** |
| **1** | **Cash and Cash Equivalent** | **N** |
|  | Balance b/f 01/01/2020 | 9,106,001.29 |
|  | Add Receipt | 1,848,820,458.10 |
|  | Total Receipt | 1,857,926,459.39 |
|  | Total Payment | 1,846,817,441.36 |
|  |  | **11,109,018.03** |
|  |  |  |
| **2** | **Receivables** | **N** |
|  | Statutory Revenue | 10,357,355.87 |
|  | VAT | 6,904,903.92 |
|  |  | **17,262,259.79** |
|  |  |  |
| **3** | **Prepayment/Advances** | **N** |
|  | Balance b/forward | 1,050,000.00 |
|  | Additional Prepament | - |
|  |  | 1,050,000.00 |
|  | Amount Utilized | - |
|  |  | **1,050,000.00** |
|  |  |  |
| **4** | **Inventory** | **N** |
|  | Bal b/f | 7,566,330.00 |
|  | Office Consumables | 155,000.00 |
|  |  | **7,721,330.00** |
|  |  |  |
|  |  |  |
| **5** | **Investment** | **N** |
|  | Omoluabi | 19,253,542.67 |
|  | Kajola Integrated | 7,701,417.07 |
|  | OSICOL | 1,925,354.27 |
|  | Preference Shares | 22,376,771.33 |
|  | **Total** | **51,257,085.33** |
|  |  |  |
| **6** | **PPE** |  |
|  | Land | 338,375,305.80 |
|  | Building | 524,123,035.96 |
|  | Plant and machinery | 29,957,137.76 |
|  | Infrastructure | 17,047,980.00 |
|  | Motor vehicle | 26,954,146.88 |
|  | Office Equipment | 33,389,232.96 |
|  | Furniture & Fitting | 615,199,159.21 |
|  | **Total** | **1,585,045,998.57** |
|  |  |  |
| **7** | **Investment property** |  |
|  | Petrol station | 11,760,000.00 |
|  | Open market | 8,085,000.00 |
|  | Lock up stall | 4,753,000.00 |
|  | Shoping complex | 39,615,949.23 |
|  |  | **64,213,949.23** |
|  |  |  |
| **8** | **Biological Asset** | **N** |
|  | Plantation | **20,212,800.00** |
|  |  |  |
| **10** | **Short term Loan & Debt** | **N** |
|  | Bank Overdraft | 16,502,398.74 |
|  | Loan Payable within 12 months | 13,751,999.55 |
|  |  | **2,750,399.19** |
|  |  |  |
|  |  |  |
| **11** | **Unremitted Deduction** | **N** |
|  | Balance as at 1st of Jan, 2021 | 169,506,683.68 |
|  | Deduction Received | 32,399,310.62 |
|  |  | 201,905,994.30 |
|  | Deduction Paid | 29,006,592.67 |
|  |  | **172,899,401.63** |
|  |  |  |
| **12** | **Payable** | **N** |
|  | Unpaid Vouchers | 79,547,031.09 |
|  | Salary Arrears | 139,992,654.62 |
|  | Overhead Cost Dec, 2021 | 1,949,631.64 |
|  | Employee Benefit Dec, 2021 | 73,781,792.19 |
|  | Transfer to Other Agencies Dec, 2021 | 41,608,768.23 |
|  | Modulated Salary Arrears | 1,666,666.66 |
|  |  | **338,546,544.43** |
|  | Less: Modulated Salary Arrears | 13,333,333.28 |
|  | Allowance Dec, 2020 | 5,000,675.29 |
|  | Overhead Cost Dec, 2020 | 20,753,000.00 |
|  | Employee Benefit Dec, 2020 | 55,853,254.68 |
|  | Transfer to Other Agencies Dec, 2020 | 39,217,768.19 |
|  | Loan | 2,734,288.18 |
|  | Social Contribution | 3,500,000.00 |
|  |  | **140,392,319.62** |
|  |  | **198,154,224.81** |
|  |  |  |
| **13** | **Loan Term Loan** | **N** |
|  | Balance b/f | 925,818,602.10 |
|  | 10km Road | 11,538,910.20 |
|  | Intervention | 4,493,420.80 |
|  | Environmental | 2,914,565.04 |
|  |  | **944,765,498.14** |
|  |  |  |
| **14** | **Reserve** | **N** |
|  | Balance b/f | 265,149,096.60 |
|  |  | **265,149,096.60** |
|  |  |  |
| **15** | **Accumulated Surplus/(Defict)** | **N** |
|  | Balance b/forward 01/01/2021 | 234,493,301.99 |
|  | Surplus during the year | (60,339,481.41) |
|  | Balance C/forward 31/12/2021 | **174,153,820.58** |
|  |  |  |
| **16** | **Statutory Allocation** | **N** |
|  | JAAC | 840,223,243.63 |
|  | Non-Oil Revenue | 29,289,826.76 |
|  | Forex Equalization | 1,339,312.70 |
|  | Exchange Rate Gain | 5,209,756.28 |
|  | Eco Fund | 3,752,082.09 |
|  | Solid Minerals | 1,230,060.14 |
|  | O'Meal | 386,786.00 |
|  | Argumentation | 5,000,000.00 |
|  | Conserved | 8,208,807.13 |
|  |  | **894,639,874.73** |
|  |  |  |
| **17** | **Government Share of VAT** |  |
|  | VAT | 662,474,422.89 |
|  |  | **662,474,422.89** |
|  |  |  |
| **18** | **Dependent Revenue** |  |
|  | JAAC | 894,639,874.73 |
|  | VAT | 662,474,422.89 |
|  | **Total** | **1,557,114,297.62** |
|  |  |  |
| **19** | **Other Dependent Revenue (Grants & Aids)** | **5,386,786.00** |
|  |  |  |
| **20** | **Transfer from Main Council** | **98,477,368.09** |
|  |  |  |
| **21** | **Tax Revenue** |  |
|  | Community Tax | 239,200.00 |
|  | Other Tax | 50,000.00 |
|  |  | **289,200.00** |
|  |  |  |
| **22** | **Non-Tax Revenue** |  |
|  | Fees | 12,615,585.20 |
|  | Rental Income | 4,748,876.47 |
|  |  | **17,364,461.67** |
|  |  |  |
| **23** | **Employee Benefit (Staff Salaries & Wages** |  |
|  | Teaching & Non teching Staff | 257,112,710.42 |
|  | SUBEB (Admin& Mon) | 407,867.49 |
|  | TNT Middle | 98,411,854.38 |
|  | PHC | 182,227,151.33 |
|  | Local Government Staff Salary | 315,273,044.50 |
|  | Loan's Board Staff Salary | 1,003,950.06 |
|  | Pension Board Salary | 1,432,202.95 |
|  |  | **855,868,781.13** |
|  |  |  |
| **24** | **Social Benefits** |  |
|  | Training of Staff (Drivers) | 100,000.00 |
|  |  | **100,000.00** |
|  |  |  |
| **25** | **Overhead** |  |
|  | Year 2021 Budget | 1,400,000.00 |
|  | Running Cost to JAAC Sec. | 1,200,000.00 |
|  | ALGON Imprest | 10,200,000.00 |
|  | Bank Charge | 1,475,879.05 |
|  | Consultancy Fees | 6,004,319.28 |
|  | Magnum Trust | 3,979,218.25 |
|  | SUBEB Stipends | 66,666.70 |
|  | School Running Grant | 2,996,999.97 |
|  |  | **27,323,083.25** |
|  |  |  |
| **26** | **Grant & Social Contribution** |  |
|  | SUBEB Special Need Sch | 1,983,214.66 |
|  | 2021 Xmas & New Year Gift | 11,340,000.00 |
|  | Iwude Debt Repmt | 3,500,000.00 |
|  | Other Expenditure (ALGON) | 10,733,333.33 |
|  |  | **27,556,547.99** |
|  |  |  |
| **27** | **Transfer to Other Agencies** |  |
|  | 1 % Training Fund | 8,821,283.92 |
|  | 5% Traditional Council | 47,457,490.46 |
|  | 5% Stabilization Fund | 48,698,707.76 |
|  | Audit Fees | 18,067,583.18 |
|  | SUBEB Contract Staff | 271,120.78 |
|  | Gratuity | 46,666,666.64 |
|  | Monthly Pension | 116,993,162.64 |
|  | Contributory Pension(TNT) | 26,211,224.64 |
|  | Contributory Pension(LG) | 24,921,722.52 |
|  | O'HIS | 9,068,969.23 |
|  | O'Meal | 19,094,288.00 |
|  | RAMP Refund | 7,386,282.06 |
|  | SUBEB Matching Grant | 32,338,475.15 |
|  |  | **405,996,976.98** |
|  |  |  |
| **28** | **Social Benefits** |  |
|  | **Local Govt Expenditure** |  |
|  | Financial Assistance to Local Govt Staff | 5,748,250.00 |
|  |  | **5,748,250.00** |
|  |  |  |
| **29** | **Overhead** |  |
|  | Repair and Maintenance of Vehicle | 26,246,206.67 |
|  | Publication & Advert | 6,873,697.38 |
|  | Printing and General Expenses | 7,810,546.00 |
|  | Bank Charges | 161,612.75 |
|  | Tax Expenses | 6,598,000.07 |
|  |  | **47,690,062.87** |
|  |  |  |
| **30** | **Grants and Social Contribution** |  |
|  | **Local Govt Expenditure** |  |
|  | Distilling of Culvets | 8,680,604.89 |
|  | Cleaning of Dumpsite | 15,252,819.92 |
|  | Sensitization & Workshop | 21,351,618.33 |
|  | Training and Entertainment | 20,997,853.67 |
|  | Ileya | 18,023,390.26 |
|  | Xmas Celebretion | 11,533,475.41 |
|  |  | **95,839,762.48** |
|  |  |  |
| **31** | **Depreciation Charge** |  |
|  | Building | 12,074,254.09 |
|  | Plants &Machineries | 7,489,284.44 |
|  | Infrastrual Assets | 6,174,019.13 |
|  | Motor Vehicle | 7,489,284.44 |
|  | Office Equipment | 7,724,246.72 |
|  | Furniture & Fittings | 5,255,119.80 |
|  | Investment Property | 1,310,488.76 |
|  | Biological Asset | 57,182,602.80 |
|  |  | **104,699,300.18** |
|  |  |  |
|  |  |  |
|  |  |  |
| **32** | **Allowance** |  |
|  | Various Committee | 42,091,855.10 |
|  | O' Tech Allowance | 19,924,570.07 |
|  | NYSC Allowance | 641,705.33 |
|  | Severance Gratuite | 7,013,333.32 |
|  |  | **69,671,463.82** |
|  |  |  |
|  |  |  |
| **33** | **Transfer to LCDA** | **98,477,368.09** |
|  |  |  |
| **36** | **NET SURPLUS/DEFICIT** |  |
|  | Total Revenue | 1,580,154,745.29 |
|  | Less |  |
|  | **Total Expenditure** | 1,640,494,228.70 |
|  |  | **(60,339,483.41)** |
|  |  |  |

ATAKUNMOSA EAST

FISCAL OPERATION REPORT

**STATEMENT OF CASHFLOW RATIOS**

1. DEPENDENT REVENUE/TOTAL REVENUE x 100

**953,456,916.74 + 717,440,476.58**

**= 1,670,897,393.32**

**1,693,937,840.99 = 98.64%**

This indicated that Statutory Allocation took 98.64% of the Total Revenue of the Local Government and LCDA leaving 1.36% as Independence Revenue

2. TOTAL INDEPENDENT REVENUE

TOTAL REVENUE

**23,040,447.67 x 100**

**1,693,937,840.99 = 1.36%**

3. SALARY & WAGES: TOTAL RECURRENT EXPENDITURE

**912,243,741.13 x 100**

**1,608,650,200.67 = 56.71%**

**Therefore, the Salaries and Wages took about 50.71% out of the Recurrent Expenditure in the Local Government while the remaining 44.48% was expended on other expenditure.**

**4. INVENTORY: TOTAL RECURRENT EXPENDITURE**

**830,000.00 x 100**

**1,608,650,200.67 = 0.05%**

**5. TRANSFER TO OTHER AGENCIES : TOTAL RECURRENT EXPENDITURE**

**447,904,436.02 x 100**

**1,608,650,200.67 = 27.84%**

**STATEMENT OF FINANCIAL POSITION RATIOS**

**6 CURRENT ASSET : CURRENT LIABILITIES**

**37,142,607.82**

**373,804,025.63 = 0.10 : 1**

**The Current ratio was not good for the system as the Current Liabilities was much higher.**

**7 TOTAL ASSET : TOTAL LIABILITIES**

**1,757,872,440.95**

**1,318,509,523.77 = 1.33 : 1**

**To every liability there was more than 1 Asset to cover.**

**8. EQUITY : TOTAL ASSET**

**439,302,917.18**

**1,757,872,440.95 = 0.25 : 1**

**STATEMENT OF FINANCIAL PERFORMANCE RATIO**

**9. DEPENDENT REVENUE : TOTAL REVENUE**

**1,557,114,297.62 x 100**

**1,580,154,745.29 = 98.54%**

**This indicated that the Dependent Revenue accounted for 98.54% of the Total Revenue of all the Local Government of the State leaving 1.46% as Independent Revenue.**

**10. INDEPENDENT REVENUE : TOTAL REVENUE**

**23,040,447.67 x 100**

**1,580,154,745.29 = 1.46%**

**11. EQUITY : TOTAL ASSET**

**439,302,917.18**

**1,757,872,440.95 = 0.25 : 1**

**MANAGEMENT LETTER**

**OBSERVATION AND INTERNAL CONTROL REVIEW FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2021.  
ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**1. EXPENDITURE NOT ACCOUNTED FOR AMOUNTING TON925, 000:00:** During the Audit Inspection, It was revealed that the sum of nine hundred and twenty five thousand naira only (N925, 000:00) was approved and released for the commissioning of various viable projects, Repair of Iyaloja vehicle, Commencement of pre-census activities, Repair and servicing of official car attached to the office of HOD Admin and for the Repair of Nulge bus respectively in the Local Government. The officer failed to account for the expenditure by providing necessary documents to prove the genuiness of the expenditure contrary to financial memoranda 14:16-18 which states that “An official printed receipt must be obtained and attached to the Payment Voucher in respect of a payment to Government, Local Government or commercial firm. If the printed receipt cover more one payment Voucher, reference to the Payment Voucher to which the receipt is attached shall be entered on the other voucher.

***RISK:*** *Payment 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 receipts had been obtained and attached to the Payment Vouchers and would be presented for further audit scrutiny.*

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

**2. UNRETIRED IMPREST TOTALING TOTALLING ~~N~~182,500.00:** Payment vouchers for imprest totalling one hundred and eighty-two thousand five hundred naira only were not supported with necessary receipts to authenticate the genuineness of the expenditure contrary to the 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 be automatically be retired at the end of each financial year”.

***RISK:*** *Government fund might not have been used for official purpose*

***MANAGEMENT RESPONSE:*** *It was an oversight, and the receipt had been obtained and attached to the Payment Vouchers to be submitted for further audit scrutiny.*

***RECOMMENDATION:*** *The head of Finance and Internal Auditor should ensure proper recording of petty cash and also hold the effected officers responsible for proper accountability for all expenditure incurred. Imprest should not be released without the retirement of previous ones*

**3. UNPRODUCED REVENUE EARNING RECEIPT BOOKLETS AMOUNT TO N34,900.00:** It was observed that during the Audit Inspection that some Revenue Collectors did not produce Revenue Earning Receipts in their possession for Auditing.

***RISK:*** *It can lead to loss in the Internally Generated Revenue of the Local Government and opportunity for perpetration of fraud by the concerned Revenue Collectors.*

***MANAGEMENT RESPONSE:*** *The concerned Revenue Collectors had been called upon to immediately produce all the receipt booklets under their coffers and duly accounted for them to be presented for further audit verification.*

***RECOMMENDATION:*** *All the receipt booklets should be produced for audit check and verification.*

**4. VALUATION AND REVALUATION OF NON CURRENT ASSETS:** The Local Government did not have comprehensive and reliable inventory and fixed Assets Register.

***RISK:*** *Non availability of comprehensive and reliable inventory/fixed asset register could made the Local Government Asset prone to theft, expropriation of assets (i.e use of Local Government property without authorisation, pilfering, falsification of asset values in GPFS, duplication of service in term of repairs and obsolete parts replacements*

***MANAGEMENT RESPONSE:*** *A comprehensive asset register would be opened to capture all Assets of Local Government and would be updated on monthly basis by the Internal Audit unit of the Local Government*

***RECOMMENDATION:*** *The Internal Auditor must ensure that all assets are captured in the register by taking into cognisance the ownership, existence valuation and authorisation in order to give accurate reliable financial data of the assets*

**5. FINAL ACCOUNT:** The General Purpose Financial stated was submitted in 25th April, 2022 contrary to the March deadline given for its submission.

The Head of Finance is charge to be alive to his/her responsibility by ensuring adequate supervision of its subordinate towards ensuring timely preparation and presentation of their financial statement henceforth.

***MANAGEMENT RESPONSE:*** *The General Purpose Financial Statement was submitted late due to delay in checking and corrections of the accounts*

***RECOMMENDATION:*** *The Director of Finance and Supplies should make sure that the General Purpose Financial Statement are submitted before the speculated time to avoid sanction by the Auditor General*

**OBSERVATION AND INTERNAL CONTROL REVIEW FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2021.  
ATAKUNMOSA EAST CENTRAL LOCAL COUNCIL DEVELOPMENT AREA, IWARA**

**1. EXPENDITURE NOT SUPPORTED WITH PROPER RECORDS OR ACCOUNTS TOTALLING N425,000:00:** It was observed that the sum of four hundred and twenty-five thousand naira only (N425,000:00) representing payment for sanitation as approved by his Excellency, Production of internal audit report for 3rd quarter and servicing and replacement of some spare parts of vehicle was not supported with required official receipts and invoice to authenticate the genuineness of the expenditure which was against the Provision of Financial Memoranda No. 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, Local Government or commercial firm. If the printed receipt cover more one payment Voucher, reference to the Payment Voucher to which the receipt is attached shall be entered on the other voucher”

***RISK:*** *Payment 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 receipts had been obtained and attached to the Payment Vouchers which would be presented for further audit verification.*

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

**2. UNRETIRED IMPREST TOTALING TOTALLING** (**N80,000.00**): -Payment voucher for Imprest amounting eighty thousand naira only (~~N~~80,000.00) was not supported with necessary receipt to authenticate the genuineness of the expenditure 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 be automatically be retired at the end of each financial year”.

***RISK:*** *Government fund might not have been used for official purpose*

***MANAGEMENT RESPONSE:*** *It was an oversight, and the receipt had been obtained and attached to the Payment Vouchers to be presented for further audit verification.*

***RECOMMENDATION:*** *The head of Finance and Internal Auditor should ensure proper recording of petty cash and also hold the effected officers responsible for proper accountability for all expenditure incurred. Imprest should not be released without the retirement of previous ones*

**3. STORE ITEMS NOT TAKEN ON CHARGE AMOUNTING TO ~~N~~270,000.00:** It was observed that a number of materials totalling ~~N~~270,000.00 were not charged to store before usage which is contrary to the provision of Financial Memoranda 34:17 (1-2) which states that, “All stores should be examined immediately they are received by the store keeper or other official responsible for the stores. The stores must be checked for quantities, weights etc. against the local purchase order, invoices and store issue voucher; if the store delivered are found to be correct and in good condition, they will be taken on charge and entered as a receipt in the appropriate store ledger”.

***RISK:*** *This is an indication that purported items might not have been purchased, thereby resulting to loss of Local Government fund*

***MANAGEMENT RESPONSE:*** *It was an oversight and items procured had been taken to the store for record purpose and the store receipts vouchers had been issued and attached to the payment vouchers and would be presented for further audit scrutiny.*

***RECOMMENDATION:*** *Necessary supporting document such as store receipt vouchers and store issued voucher should be attached to the payment voucher before put into use*

**4. VALUATION AND REVALUATION OF NON CURRENT ASSETS:** It should be noted that the office of Auditor General for Local Government has embarked on verification/combination of all Non-Current Asset of the Local Government to ensure their existence and completeness.

It was observed that the Local Government did not have comprehensive and reliable inventory and fixed Assets Register.

Furthermore, the Internal Auditor should be alive to his/her duties.

***RISK:*** *Non availability of comprehensive and reliable inventory/fixed asset register could made the Local Government Asset prone to theft, expropriation of assets (i.e use of Local Government property without authorisation, pilfering, falsification of asset values in GPFS, duplication of service in term of repairs and obsolete parts replacements*

***MANAGEMENT RESPONSE:*** *A comprehensive asset register should be opened to capture all Assets of Local Government and would be updated on monthly basis and monitoring by the Internal Audit unit of the Local Government*

***RECOMMENDATION:*** *The management must ensure that all assets are captured in the register by taking into cognisance the ownership, existence valuation and authorisation in order to give accurate reliable financial data of the assets*

**5. FINAL ACCOUNT:** The Head of Finance is charge to be alive to his/her responsibility by ensuring adequate supervision of its subordinate towards ensuring timely preparation and presentation of their financial statement henceforth

**REPORT ON INTERNAL AUDITOR’S REPORT**

1. The Internal Auditor failed to submit the quarterly report very late and there is no means of measuring the Internal Control Mechanism either effective or not during the 2nd quarter. The quarterly report never reflected the IGR progress for the progress of the activities of the Council.

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S/N** | **SUBJECT** | **QUERIES** | **NO OF OFFICE QUERIED** | **AMOUNT** | **REMARKS** |
| 1 | Expenditure not properly accounted for | LQ/AUD/ATE/O1/2021 | 4 | 275,000 |  |
| 2 | Unreceipted voucher | LQ/AUD/ATE/O2/2021 | 2 | 500,000 |  |
| 3 | Non preparation of bank reconciliation statement | LQ/AUD/ATE/O3/2021 | 1 |  |  |
| 4 | Expenditure not supported with proper records or accounts | LQ/AUD/ATE/O4/2021 | 3 | 150,000 |  |
| 5 | Unretired Imprest | LQ/AUD/ATE/O5/2021 | 4 | 182,500 |  |
| 6 | Unproduced Earning Receipts | LQ/AUD/ATE/O6/2021 | 2 | 34,900 |  |

**ATAKUNMOSA EAST CENTRAL, LOCAL COUNCIL DEVELOPMENT AREA, IWARA**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **S/N** | **SUBJECT** | **QUERIES** | **NO OF OFFICE QUERIED** | **AMOUNT** | **REMARKS** |
| 1 | Store items not taken on charge | LQ/AUD/ATEC/O1/2021 | 2 | 55,000 |  |
| 2 | Expenditure not supported with proper records or accounts | LQ/AUD/ATEC/O2/2021 | 2 | 125,000 |  |
| 3 | Non preparation of bank reconciliation statement | LQ/AUD/ATEC/O3/2021 | 1 |  |  |
| 4 | Expenditure not supported with proper records | LQ/AUD/ATEC/O4/2021 | 3 | 300,000 |  |
| 5 | Unretired Imprest | LQ/AUD/ATEC/O5/2021 | 1 | 80,000 |  |
| 6 | Store items not taken on charge | LQ/AUD/ATEC/O6/2021 | 2 | 215,000 |  |

**ATAKUNMOSA EAST LOCAL GOVERNMENT, IPERINDO**

**LIST OF PROJECT EXECUTED DURING THE PERIOD OF JANUARY – DECEMBER, 2021**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **MONTHS** | **DESCRIPTION** | **LOCATION** | **MODE OF EXECUTION** | **PROJECT COST** | **AMOUNT RELEASED** | **BALANCE** | **REMARK** |
| 1. | February | Grading of road | Fajuke/Ogundele/Sokoto/Owada/Onigbogi/Alaka road | Direct Labour | 1,000,000.00 | 1,000,000.00 | …….. | Completed |
| 2 | February | Grading of road | Iperindo road junction to Idado and Ipole Ile to Ilaye | Direct Labour | 1,014,250 | 1,014,250 | …….. | Completed |
| 3 | March | Grading of reserve junction, Alaka-Lobosipo | Reserve junction to Labosipo | Direct labour | 710,000 | 710,000 | …….. | Completed |
| 4 | March | Grading of Wakajaye to Oloruntedo | Wakajaye to Oloruntedo | Direct labour | 710,000 | 710,000 | …….. | Completed |
| 5 | May | Grading of Ago-Boryo Olorunda Ajala Bolorunduro | Ago Baryo Olorunda – Ajola Bolorunduro | Direct labour | 680,000 | 680,000 | …….. | Completed |
| 6 | May | Grading of Ilesa Exours way Ikinwa to Idodo | Ikinwa to Idodo | Direct labour | 1,050,000 | 1,050,000 | …….. | Completed |
| 7 | August, 2021 | Maintenance of east road Idiroko, Iperindo | Iperindo | Direct labour | 1,846,000 | 1,846,000 | …….. | Completed |
| 8 | August, 2021 | Grading of road at Orisunbare | Orisunbare | Direct labour | 1,370,000 | 1,370,000 | …….. | Completed |
| 9 | August, 2021 | Grading of road at Ajebamidele village | Ajebamidele | Direct labour | 1,310,000 | 1,310,000 | …….. | Completed |
| 10 | September, 2021 | Purchase of official vehicle | Secretariat | Direct labour | 4,000,000 | 4,000,000 | …….. | Completed |
| 11 | September, 2021 | Grading of road along resume junction |  | Direct labour | 640,000 | 640,000 | …….. | Completed |
| 12 | September, 2021 | Grading of road at Ajebamidele to Adedara | Ajebamidele to Adedara | Direct labour | 556,000 | 556,000 | …….. | Completed |
| 13 | September, 2021 | Grading of road from Ita merin to Odo-oja | Ita merin to Odo-oja | Direct labour | 804,000 | 804,000 | …….. | Completed |
| 14 | October, 2021 | Grading of road Ago Bayo Olorunda, Ajala, Oloruntedo road | Bayo Olorunda, Ajala, Oloruntedo road | Direct labour | 1,272,000 | 1,272,000 | …….. | Completed |
| 15 | October, 2021 | Grading of road Wakajaye junction to Oloruntedo road | Wakajaye junction to Oloruntedo road | Direct labour | 972,000 | 972,000 | …….. | Completed |
| 16 | October, 2021 | Grading of Agbon-Obembe to Eti Oni road | Agbon-Obembe to Eti Oni road | Direct labour | 652,000 | 652,000 | …….. | Completed |
| 17 | October, 2021 | Grading of road Temidire to Ilaro road | Temidire to Ilaro road | Direct labour | 814,000 | 814,000 | …….. | Completed |
| 18 | November, 2021 | Grading of road from junction owode to olowu road | owode to olowu road | Direct labour | 810,000 | 810,000 | …….. | Completed |
| 19 | November, 2021 | Grading of road from Afibiojo to Sajuku road | Afibiojo to Sajuku road | Direct labour | 1,190,000 | 1,190,000 | …….. | Completed |
| 20 | November, 2021 | Grading of Faro-gbese-Akanni olowu, road | Faro-gbese-Akanni olowu, road | Direct labour | 2,600,000 | 2,600,000 | …….. | Completed |
| 21 | November, 2021 | Maintenance of earth road | Eti-oni temidire | Direct labour | 2,500,000 | 2,500,000 | …….. | Completed |
| 22 | November, 2021 | Grading of road from odun to owada road within Local Government | odun to owada road | Direct labour | 1,000,000 | 1,000,000 | …….. | Completed |
| 23 | November, 2021 | Grading of Agbon Obembe to Eti-Oni road | Agbon Obembe to Eti-Oni road | Direct labour | 290,000 | 290,000 | …….. | Completed |
| 24 | November, 2021 | Dredging of stream (Olulode) beside local government secretariat | Iperindo/ secretariat road | Direct labour | 500,000 | 500,000 | …….. | Completed |
| 25 | December, 2021 | Grading of earth road from idi-iroko to iperindo | idi-iroko to iperindo | Direct labour | 1,588,750 | 1,588,750 | …….. | Completed |
| 26 | December, 2021 | Dredging of stream (Olubode) local government secretariat | local government secretariat | Direct labour | 424,000 | 424,000 | …….. | Completed |
| 27 | December, 2021 | Grading of ipetu-ijesa express junction to ijemba village | ipetu-ijesa express junction to ijemba village | Direct labour | 150,000 | 150,000 | …….. | Completed |
| 28 | December, 2021 | Grading of road of mobayoje jako road | mobayoje jako road | Direct labour | 2,750,000 | 2,750,000 | …….. | Completed |
| 29 | December, 2021 | Bull dozening/ widening of road | Ipetu-Ijesa junction to lawaye village | Direct labour | 1,895,000 | 1,895,000 | …….. | Completed |
| 30 | December, 2021 | Clearing of road verges | Ipetu-Ijesa road | Direct labour | 1,405,000 | 1,405,000 | …….. | Completed |

**ATAKUNMOSA EAST CENTRAL, LCDA, IWARA**

**LIST OF PROJECTS EXECUTED JANUARY - DECEMBER, 2021.**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **S/N** | **MONTHS** | **DESCRIPTION** | **LOCATION** | **MODE OF EXECUTION** | **PROJECT COST** | **AMOUNT RELEASED** | **BALANCE** | **REMARKS** |
| 1 | Jan-Mar | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 2 | May | Cutting of under-growth vegetation of power line | Owode Kajola Alaago | Direct labour | 250,000 | 250,000 | --- | Completed |
| 3 | May | Clearing of root verges of Atorin Tobalase | Atorin Tobalase | Direct labour | 350,000 | 350,000 | --- | Completed |
| 4 | June | Dredging of stream of Olorunsogo, Ayinrin Adedeji | Olorunsogo Ayinrin Adedeji | Direct labour | 400,000 | 400,000 | --- | Completed |
| 5 | May | Repair of roofing secretariat Iwara | Secretariat Iwara | Direct labour | 160,000 | 160,000 | --- | Completed |
| 6 | June | Cutting of Hills of Atorin/ Tobalase | Atorin Tobalase road | Direct labour | 1,100,000 | 1,100,000 | --- | Completed |
| 7 | July 2021 | Cutting of under growth vegetation of power line of Olowu (Oloko rebate and Erinburo/Ajebamidele | Erinburo/Ajebamidele | Direct labour | 310,000 | 310,000 | --------- | Completed |
| 8 | July 2021 | Dredging of streams at Tobalase, BisiAgbera and Erubeliya | Tobalase, BisiAgbera and Erubeliya | Direct labour | 330,000 | 330,000 | --------- | Completed |
| 9 | July 2021 | Line drainage and other sitted structure of various community | Various community | Direct labour | 410,000 | 410,000 | --------- | Completed |
| 10 | July 2021 | Clearing of road verges of Iwara | Iwara | Direct labour | 310,000 | 310,000 | --------- | Completed |
| 11 | September 2021 | Clearing of road verge of Ifewara/Ajebamidele road | Ifewara/Ajebamidele | Direct labour | 400,000 | 400,000 | --------- | Completed |
| 12 | September 2021 | Dredging of stream of osogbo irole/ ipole road | osogbo irole/ ipole | Direct labour | 1,100,000 | 1,100,000 | --------- | Completed |
| 13 | September 2021 | Cutting of under growth of power line on LT pola of olopon / Atiboja and Abaoje road | pola of olopon / Atiboja and Abaoje | Direct labour | 1,080,000 | 1,080,000 | --------- | Completed |
| 14 | September 2021 | Provision of earth drain of Abapomu / oke – eta and arode | Abapomu / oke – eta and arode | Direct labour | 2,200,000 | 2,200,000 | --------- | Completed |
| 15 | September 2021 | Clearing of verges along owode, oko ago road | owode, oko ago | Direct labour | 165,000 | 165,000 | --------- | Completed |
| 16 | September 2021 | Desitting and court away of blocked line drain at Igun Ijesa | Igun Ijesa | Direct labour | 740,000 | 740,000 | --------- | Completed |
| 17 | September 2021 | Desting and earth away of blocked line drain of Owode, oke ayo road | Owode, oke ayo | Direct labour | 630,000 | 630,000 | --------- | Completed |
| 18 | September 2021 | Desitng and court away of blocked line drain of olopan ijesa | olopan ijesa | Direct labour | 630,000 | 630,000 | --------- | Completed |
| 19 | September 2021 | Purchase of Toyota Camry (Muscle 2011 model) for office of chairman | Secretariat | Direct labour | 4,000,000 | 4,000,000 | --------- | Completed |
| 20 | October, 2021 | Dredging and chammelization of Oke-Oto stream | Oke odo | Direct labour | 850,000 | 850,000 | --------- | Completed |
| 21 | October, 2021 | Dredging and chammelization of Elejigun stream | Elejigun Aba-oje | Direct labour | 850,000 | 850,000 | --------- | Completed |
| 22 | October, 2021 | Dredging and chammelization of Aye stream | Aye Aluko | Direct labour | 900,000 | 900,000 | --------- | Completed |
| 23 | October, 2021 | Dredging and chammelization of Elegudu stream | Oke-efa community Iwara | Direct labour | 600,000 | 600,000 | --------- | Completed |
| 24 | October, 2021 | Dredging and chammelization of Asuku stream | Asaku community, Iwara | Direct labour | 1,000,000 | 1,000,000 | --------- | Completed |
| 25 | November, 2021 | Cutting of hills at Elun-oke | Elun-Oke, Iwara | Direct labour | 470,000 | 470,000 | --------- | Completed |
| 26 | November, 2021 | Stabilization of Owode Alaago road | Iwara | Direct labour | 1,000,000 | 1,000,000 | --------- | Completed |
| 27 | November, 2021 | Rehabilitation of Faforiji/Omi odo road | Iwara | Direct labour | 1,000,000 | 1,000,000 | --------- | Completed |
| 28 | November, 2021 | Purchase of vehicle, Toyota corolla 2005/2006 model | Iwara | Direct labour | 3,000,000 | 3,000,000 | --------- | Completed |
| 29 | November, 2021 | Purchase of vehicle | Iwara | Direct labour | 3,000,000 | 3,000,000 | --------- | Completed |
| 30 | November, 2021 | Rehabilitation of Awosi-fila/ife south LG Road | Iwara | Direct labour | 1,000,000 | 1,000,000 | --------- | Completed |
| 31 | November, 2021 | Construction of 2 units prototypes office complex | Iwara | Direct labour | 25,714,222.90 | 13,000 ,000 ( year 2019)  942,000 (year 2020)  1,500 (year 2021) | 10,272,022.90 | On-going |
| 32 | December, 2021 | Rehabilitation of Oke eta/Ayinrin road | Iwara | Direct labour | 2,700,000 | 2,700,000 | --------- | Completed |