

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, 2021.

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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 RESPONSIBILITY FOR THE PREPARATION AND
PRESENTATION OF FINANCIAL STATEMENTS**

The Preparation and Presentation of the Financial Statements are responsibilities of the Head of Finance and Supplies and the Chairman of a Local Government in compliance with the provisions of the Financial Control and Management Act 1958 (as amended) and the Model Financial Memoranda.

Consequently, the General Purpose Financial Statement of:

Boripe Local Government and Boripe North L.C.D.A. have been prepared by the respective Heads of Finance and Supplies and subsequently Consolidated by the Head of Finance and Supplies of: **Boripe Local Government.**

We hereby claim responsibility for the contents and correctness of the Financial Statement of the under listed LG/LCDA, for the Accounting period ended **31st December, 2021**

APOSILE (HON) SAMSON OYEBUDE O. (P)
Chairman
Boripe

ADGWALE GBOLA ABEL
Chairman
Boripe North

ADENIRAN KOLAPO G.
Head of Finance & Supplies,
Boripe

GBADAMSI FAUSAT ADEOLA
Head of Finance & Supplies,
Boripe North



Chairman
Boripe



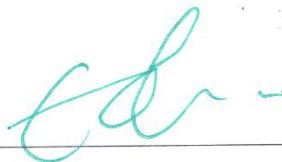
Chairman
Boripe North

AUDIT CERTIFICATE

I have audited the accounts of Boripe Local Government, Iragbiji for the Year ended 31st December, 2021.

I have obtained all necessary information and explanations required for my audit opinion except where reservations are expressed in this report.

Having regard to the basis of Audit opinion as stated below, I certify that the Financial Statements comprising of Consolidated Statement of Financial Position, Consolidated Statement of Financial Performance, Consolidated Statements of Cash Flow, Consolidated Statement of Net Assets and Equity of the Local Governments and Notes to the Account, give a true and fair view of the state of affairs of Boripe Local Government, Iragbiji for the accounting year ended 31st December, 2021, subject to the observations and comments, and resulting reservations, and disallowances as contained in this report.



Emmanuel Oluseun Kolapo FCA, CISA
**Auditor-General for Local Government,
State of Ogun**

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.

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 BOripe Local Governments is attached.

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.

AUDIT CERTIFICATE

I have audited the accounts of Boripe Local Government, Iragbiji for the Year ended 31st December, 2020.

I have obtained all necessary information and explanations required for my audit opinion except where reservations are expressed in this report.

Having regard to the basis of Audit opinion as stated below, I certify that the Financial Statements comprising of Consolidated Statement of Financial Position, Consolidated Statement of Financial Performance, Consolidated Statements of Cash Flow, Consolidated Statement of Net Assets and Equity of the Local Governments and Notes to the Account, give a true and fair view of the state of affairs of Boripe Local Government, Iragbiji for the accounting year ended 31st December, 2020, subject to the observations and comments, and resulting reservations, and disallowances as contained in this report.



**Emmanuel Oluseun Kolapo FCA, CISA
Auditor-General for Local Governments,
State of Osun.**

STATEMENT OF COMPLIANCE

The Accounting Policies have been consistently applied on preparation of the Financial Statements of Boriipe 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 Boriipe Local Governments are constituents.

The accounts of Boriipe 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 2021 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.

2. Accounting Period

The accounting year (fiscal year) to which the report relates is 1st January to 31st December, 2021.

3. Reporting Currency

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

4. Principal Statements in the General Purposes Financial Statements

- a. Statements of Financial Performance. (Aggregate and Consolidated)
- b. Statements of Financial Position. (Aggregate and Consolidated)
- c. Statements of Cash flow.(Aggregate and Consolidated)
- d. Statements of Comparison of Budgeted and Actual Amounts (Aggregate and Consolidated)
- e. Statements of Changes in Net Asset/Equity. (Aggregate and Consolidated)
- f. Notes to the GPFS.
- g. Financial Statement of Joint Accounts Allocation Committee (JAAC)

5. 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. Consequently, 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 the prepared Financial Statements.

6. **Statement of Cash Flow** was prepared using the direct method (IPSAS 2) and it consists of Operating, Investing and Financing activities.

7. **Inventories (IPSAS 12)** - Inventories were measured initially at cost, and subsequently measured using the FIFO method.

8. PROPERTY, PLANT & EQUIPMENT (PPE) – IPSAS 17

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

9. 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:

a. Furniture & Fittings	-	20%
b. Motor Vehicle	-	20%
c. Plant & Equipment	-	20%
d. Infrastructural Asset	-	10%
e. Building	-	2%
f. Office Equipment	-	20%

10. REVALUATION

- a. The Assets' residual values and useful lives are reviewed at the end of the year.

11. IMPAIRMENT

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

12. 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.

13. INDEPENDENT REVENUE FROM NON-EXCHANGE TRANSACTION (IPSAS 23)

1. Fees; taxes and fines: The Local Government recognised revenue from fees, taxes, and fines when the event occurred, and the asset recognition criteria are met.

14. 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. Disposal 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.

15. 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. CONTINGENT 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 Boriye Local Government, Iragbiji 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 chairmen including the chairman of Boriye local Government and other chairmen, all of whom are members of the Joint Account Allocation Committee.

FULL ADOPTION OF IPSAS ACCRUALS: 2021 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 2021 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 2021 for Boriye 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. 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 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 2021. 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 2021 was ₦23,144,621.40 representing 1.24% 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, 30 nos of Audit Queries were issued in respect of 2021 Accounts, involving a total sum of ₦1,557,500.00

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:

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

COMMENTS ON FINANCIAL STATEMENTS

A. STATEMENT OF FINANCIAL PERFORMANCE

Share of FAAC and VAT: To ensure completeness of Revenue, the total allocation received from the Federation Account in respect of Boripe Local Government as contained in JAAC Account was confirmed from the Accountant General of the State and further reference was made to data released by the office of Accountant General of the Federation. The total sum of ₦1,074,041,229.26 was Share of FAAC and VAT amounted to ₦646,509,225.09

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	1,074,041,229.26	646,509,225.09	-	-	-	-	-	-	-	1,720,550,454.35

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. #23,144,621.40

SALARIES AND WAGES – ₦855,868,781.13

Salaries and Wages which amounted to ₦855,868,781.13 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 - ₦17,680,087.84

The Aggregate closing cash and cash equivalents amounted to **₦17,680,087.84** 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. 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 - ₦17,289,103.22

A total sum of ₦17,289,103.22 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 - ₦1,973,222.15

The sum of ₦1,973,222.15 represents inventories valued at historical cost in the Local Governments as at 31st December, 2021. 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) - #2,685,413,700.54

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 - ₦917,944,966.24

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 31st December 2021.

INVESTMENT PROPERTY - ₦58,787,636.97

The carrying amount of Investment Properties of the Local Governments stood at ₦58,787,636.97 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 - ₦1,531,387,624.71

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

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

UNREMITTED DEDUCTIONS - ₦139,641,444.59

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, 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 #93,581,835.32 was made to the Local Council Development Areas and Area Offices in the period under review and was set off in the Consolidated Account.

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

PARTICULAR	NOTE	BORIFE CONSOLIDATED
ASSETS		
Current Assets		
Cash & Cash Equivalents	1	17,680,087.84
Receivables	2	17,289,103.22
Prepayment/Advance	3	4,492,440.00
Inventories	4	1,973,222.15
Total Current Asset		41,434,853.21
Non-current Asset		
Long Term Loan Granted		
Investments	5	74,247,170.41
Property, Plant & Equipment	6	2,685,413,700.54
Investment Property	7	58,787,636.97
Biological Asset	8	866,250.00
Assets Under Construction (wip)	9	10,654,250.00
Total Non-Current Asset		2,829,969,007.92
Total Asset		2,871,403,861.13
LIABILITIES		
Current Liabilities		
Deposit		
Short Term Loan & Debts	10	
Unremitted Deduction	11	139,641,444.59
Payables	12	917,944,977.24
Short Terms Provisions		
Total Current Liability		1,057,586,410.83
Non-Current Liabilities		
Long Term Borrowing	13	1,531,387,624.71
Total Liabilities		2,588,974,035.54
Net Assets		282,429,825.59
Financed by		
Reserve	14	721,669,346.56
Net Surplus/Deficit	15	(439,239,520.97)
Total		282,429,825.59

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

PARTICULAR	NOTE	BORIFE	BORIFE NORTH	BORIFE CONSOLIDATED
ASSETS				
Current Assets				
Cash & Cash Equivalents	1	5,180,877.88	12,499,209.96	17,680,087.84
Receivables	2	17,262,259.79	26,843.43	17,289,103.22
Prepayment/Advance	3	3,100,000.00	1,392,440.00	4,492,440.00
Inventories	4	1,973,222.15		1,973,222.15
Total Current Asset		27,516,359.82	13,918,493.39	41,434,853.21
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	1,687,165,899.60	998,247,800.94	2,685,413,700.54
Investment Property	7	27,637,636.97	31,150,000.00	58,787,636.97
Biological Asset	8		866,250.00	866,250.00
Assets Under Construction (wip)	9		10,654,250.00	10,654,250.00
Total Non-Current Asset		1,757,351,838.82	1,070,617,169.10	2,829,969,007.92
Total Asset		1,786,868,198.64	1,084,535,662.49	2,871,403,861.13
LIABILITIES				
Current Liabilities				
Deposit				
Short Term Loan & Debts	10			
Unremitted Deduction	11	119,357,822.96	20,283,621.63	139,641,444.59
Payables	12	738,864,867.38	179,080,098.86	917,944,966.24
Short Terms Provisions				
Total Current Liability		858,222,690.34	199,363,720.49	1,057,586,410.83
Non-Current Liabilities				
Long Term Borrowing	13	883,027,099.64	648,360,525.07	1,531,387,624.71
Total Liabilities		1,741,249,789.98	847,724,245.56	2,588,974,035.54
Net Assets		45,618,408.66	236,811,416.93	282,429,825.59
Financed by				
Reserve	14	409,977,221.20	311,692,125.36	721,669,346.56
Net Surplus/Deficit	15	(364,358,812.54)	(74,880,708.43)	(439,239,520.97)
Total		(45,618,408.66)	236,811,416.93	282,429,825.59

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATE STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER, 2021

PERFORMANCE		
PARTICULAR	NOTE	BORIFE CONSOLIDATED
DEPENDENT REVENUE		
Government share of FAAC (Statutory Revenue)	16	1,074,041,229.26
Government Share of VAT	17	646,509,225.09
Sub-Total Dependent Revenue	18	1,720,550,454.35
INDEPENDENT REVENUE		-
Argumentation	19	5,386,786.00
Transfer from main Council	20	
Tax Revenue	21	346,250.00
Non-Tax Revenue	22	17,411,585.40
Other Income		-
Overpayment Recovery		-
Sub-Total Independent Revenue		23,144,621.40
Total Revenue		1,743,695,075.75
EXPENDITURE		
JOINTLY EXPENDED		
Salaries & Wages	23	855,868,781.13
Social Benefits	24	100,000.00
Overhead Cost	25	62,401,835.74
Grants & Social Contribution	26	4,147,666.67
Transfer to other Agencies	27	496,649,730.45
L/GOVERNMENT EXPENDITURE		
Social Benefits	28	2,282,420.00
Overhead Cost	29	31,272,372.19
Grants & Social Contribution	30	146,893,417.92
Depreciation	31	150,117,841.81
Allowances	32	40,329,416.70
Transfer to LCDA	33	
Impairment	34	
Revenue Refunded	35	
Public Debt Charges		
Stabilization Fund		
Refund to main Council		-
Stationeries		-
Severance Gratuity		-
Total Expenditures		1,810,792,363.93
Net Surplus/Deficit	36	(67,097,288.18)
Net Surplus/Deficit 01/01/2021	37	(372,142,232.79)
Net Surplus/Deficit 31/12/2021	38	(439,239,520.97)
Gain on Property (Building)		141,527,959.48
Surplus/(Deficit) from Non-Operating Activities for the period		(297,711,561.49)

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER,
2021

PERFORMANCE				
PARTICULAR	NOTE	BORIFE	BORIFE NORTH	BORIFE CONSOLIDATED
DEPENDENT REVENUE				
Government share of FAAC (Statutory Revenue)	16	1,074,041,229.26		1,074,041,229.26
Government Share of VAT	17	646,509,225.09		646,509,225.09
Sub-Total Dependent Revenue	18	1,720,550,454.35	-	1,720,550,454.35
INDEPENDENT REVENUE				-
Argumentation	19	5,386,786.00		5,386,786.00
Transfer from main Council	20		93,581,835.32	
Tax Revenue	21	240,700.00	105,550.00	346,250.00
Non-Tax Revenue	22	10,281,722.40	7,129,863.00	17,411,585.40
Other Income				-
Overpayment Recovery				-
Sub-Total Independent Revenue		15,909,208.40	100,817,248.32	23,144,621.40
Total Revenue		1,736,459,662.75	100,817,248.32	1,743,695,075.75
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	62,401,835.74		62,401,835.74
Grants & Social Contribution	26	24,876,547.99		24,876,547.99
Transfer to other Agencies	27	496,649,730.45		496,649,730.45
L/GOVERNMENT EXPENDITURE				-
Social Benefits	28	80,000.00	2,202,420.00	2,282,420.00
Overhead Cost	29	10,097,781.73	21,174,590.46	31,272,372.19
Grants & Social Contribution	30	95,417,733.92	51,475,684.00	146,893,417.97
Depreciation	31	18,243,279.89	131,874,562.12	150,117,841.81
Allowances	32	28,994,833.34	11,334,583.36	40,329,416.70
Transfer to LCDA	33	93,581,835.32		
Impairment	34			-
Revenue Refunded	35			-
Public Debt Charges				
Stabilization Fund				
Refund to main Council				-
Stationeries				-
Severance Gratuity				-
Total Expenditures		1,686,312,359.31	218,061,839.94	1,810,792,363.93
Net Surplus/Deficit	36	50,147,303.44	(117,244,591.62)	(67,097,288.18)
Net Surplus/Deficit 01/01/2021	37	(414,506,115.98)	42,363,883.19	(372,142,232.79)
Net Surplus/Deficit 31/12/2021	38	(364,358,812.54)	(74,880,708.43)	(439,239,520.97)
Gain on Property (Building)				141,527,959.48
Surplus/(Deficit) from Non-Operating Activities for the period				(297,711,561.49)

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2021

CASHFLOW

OPERATING ACTIVITIES	NOTE	BORIFE CONSOLIDATED
INFLOW		
Statutory Revenue (JAAC)	39	1,202,860,290.00
Value Added Tax	40	646,509,225.09
Receivable		
Sub Total Dependent Revenue	41	1,849,369,515.09
Aids and Grants	42	5,386,786.00
Transfer from Main Council	43	
Tax Revenue	44	346,250.00
Non Tax Revenue	45	17,411,585.40
Other Income		
Overpayment Recovery		
Sub Total Independent Revenue	46	23,144,621.40
Total Inflow Operating Activities	47	1,872,514,136.49
OUTFLOW		
Salaries & Wages	48	932,543,528.21
Social Benefits	49	2,382,420.00
Overhead Cost	50	76,727,607.53
Social Contributions	51	171,769,965.91
Allowances	52	38,809,416.70
Modulated Salary Arrears	53	13,333,333.33
Inventories	54	
Fund Conserved for Salary		
Transfer to LCDA	55	
Transfer to other Govt. Agencies	56	536,471,559.36
Refund to Main Councils		
Revenue Refunded		
Stabilization Fund		
Tax Expenses	57	
Severance Gratuity		
Total Outflow from Operating Activities	58	1,772,037,831.04
Net Cashflow from Operating Activities	59	100,476,305.45
INVESTING ACTIVITIES		
Proceed from Disposal of Asset		3,855,000.00
Total Inflow from Investing Activities		3,855,000.00
Cashflow from Investing Activities		
Administrative Sector	60	48,192,000.00

Economic Sector		19,065,307.13
Total Outflow from Investing Activities	61	67,257,307.13
Net Cashflow from Investing Activities		(63,402,307.13)
Inflow from Financing Activities		-
Bank Overdraft		
Soft Loan(Bank)		
Deduction Received	62	102,459,421.77
Total Inflow from Financing Activities	63	102,459,421.77
OUFLOW (PAYMENT)		
Bail Out Repayment		
10km Road	64	13,438,043.15
Water Project	65	
Environmental Sanitation Loan	66	2,914,565.04
Loan Repayment (Inherited)	67	49,444,448.33
Bank Loan	68	1,184,068.38
Intervention Loan	69	12,680,151.90
Other Loan Repayment		
Deduction Paid	70	51,469,072.51
Total Outflow From Financing Activities	71	131,130,349.31
Net Cashflow from financing Activities	72	(28,670,927.54)
Cash and Cash Equivalent for the year	73	8,403,070.78
Cash and Cash Equivalent 01/01/2021	74	9,277,017.06
Cash and Cash Equivalent 31/12/2021	75	17,680,087.84

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2021

OPERATING ACTIVITIES	NOTE	BORIFE	BORIFE NORTH	BORIFE CONSOLIDATED
INFLOW				
Statutory Revenue (JAAC)	39	1,202,860,290.00		1,202,860,290.00
Value Added Tax	40	646,509,225.09		646,509,225.09
Receivable				
Sub Total Dependent Revenue	41	1,849,369,515.09	-	1,849,369,515.09
Aids and Grants	42	5,386,786.00		5,386,786.00
Transfer from Main Council	43		93,581,835.32	
Tax Revenue	44	240,700.00	105,550.00	346,250.00
Non Tax Revenue	45	10,281,722.40	7,129,863.00	17,411,585.40
Other Income				-
Overpayment Recovery				-
Sub Total Independent Revenue	46	15,909,208.40	100,817,248.32	23,144,621.40
Total Inflow Operating Activities	47	1,865,278,723.49	100,817,248.32	1,872,514,136.49
OUTFLOW				
Salaries & Wages	48	931,023,528.21	1,520,000.00	932,543,528.21
Social Benefits	49	180,000.00	2,202,420.00	2,382,420.00
Overhead Cost	50	55,553,017.07	21,174,590.46	76,727,607.53
Social Contributions	51	120,294,281.91	51,475,684.00	171,769,965.91
Allowances	52	28,994,833.34	9,814,583.36	38,809,416.70
Modulated Salary Arrears	53	13,333,333.33		13,333,333.33
Inventories	54			-
Fund Conserved for Salary				-
Transfer to LCDA	55	93,581,835.32		
Transfer to other Govt. Agencies	56	536,471,559.36		536,471,559.36
Refund to Main Councils				-
Revenue Refunded				
Stabilization Fund				
Tax Expenses	57			-
Severance Gratuity				-
Total Outflow from Operating Activities	58	1,779,432,388.54	86,187,277.82	1,772,037,831.04
Net Cashflow from Operating Activities	59	85,846,334.95	14,629,970.50	100,476,305.45
INVESTING ACTIVITIES				-

Proceed from Disposal of Asset			3,855,000.00	3,855,000.00
Total Inflow from Investing Activities		-	3,855,000.00	3,855,000.00
Cashflow from Investing Activities				-
Administrative Sector	60	48,050,000.00	142,000.00	48,192,000.00
Economic Sector		8,208,807.13	10,856,500.00	19,065,307.13
Total Outflow from Investing Activities	61	56,258,807.13	10,998,500.00	67,257,307.13
Net Cashflow from Investing Activities		(56,258,807.13)	(7,143,500.00)	(63,402,307.13)
Inflow from Financing Activities				-
Bank Overdraft				
Soft Loan(Bank)				
Deduction Received	62	51,994,436.74	50,464,985.03	102,459,421.77
Total Inflow from Financing Activities	63	51,994,436.74	50,464,985.03	102,459,421.77
OUFLOW (PAYMENT)				
Bail Out Repayment				
10km Road	64	13,438,043.15	-	13,438,043.15
Water Project	65			-
Environmental Sanitation Loan	66	2,914,565.04		2,914,565.04
Loan Repayment (Inherited)	67		49,444,448.33	49,444,448.33
Bank Loan	68	1,184,068.38		1,184,068.38
Intervention Loan	69	12,680,151.90		12,680,151.90
Other Loan Repayment				
Deduction Paid	70	51,469,072.51		51,469,072.51
Total Outflow From Financing Activities	71	81,685,900.98	49,444,448.33	131,130,349.31
Net Cashflow from financing Activities	72	(29,691,464.24)	1,020,536.70	(28,670,927.54)
Cash and Cash Equivalent for the year	73	(103,936.42)	8,507,007.20	8,403,070.78
Cash and Cash Equivalent 01/01/2021	74	5,284,814.30	3,992,202.76	9,277,017.06
Cash and Cash Equivalent 31/12/2021	75	5,180,877.88	12,499,209.96	17,680,087.84

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATED STATEMENT OF COMPARISM AS AT 31ST DECEMBER, 2021

COMPARISM

		BORIFE CONSOLIDATED		
PARTICULAR	NOTE	FINAL BUDGET	ACTUAL	VARIANCE
DEPENDENT REVENUE				
Government Share of FAAC(Statutory Revenue)	16	1,653,337,019.32	1,074,041,229.26	809,851,136.62
Government Share of VAT	17	328,605,312.00	646,509,225.09	717,903,913.09
Sub-Total Dependent Revenue	18	1,981,942,331.32	1,814,132,289.67	1,527,755,049.71
INDEPENDENT REVENUE		-	-	-
Argumentation	19	26,000,000.00	5,386,786.00	20,613,214.00
Transfer from Main Council	20	-	-	-
Tax Revenue	21	1,538,500.00	346,250.00	1,192,250.00
Non-Tax Revenue	22	31,728,500.00	17,411,585.40	14,316,914.60
Other Income		-	-	-
Sub-Total Independent Revenue		59,267,000.00	23,144,621.40	36,122,378.60
Total Revenue		2,041,209,331.32	1,743,695,075.15	1,563,877,428.31
EXPENDITURE		-	-	-
Salaries & Wages	23	1,275,837,630.00	855,868,781.13	419,968,848.87
Social Benefits	24	6,000,000.00	2,382,420.00	3,617,580.00
Overhead Cost	25	244,000,000.00	93,674,207.73	150,325,792.27
Grants & Social Contribution	26	157,908,851.32	171,769,965.91	(13,861,114.59)
Transfer to Other Agencies	27	-	496,649,730.65	(496,649,730.65)
Depreciation	31	26,000,000.00	150,117,841.81	(260,169,748.83)
Allowances	32	55,362,850.00	40,329,416.70	15,033,433.30
Transfer to LCDA	33	-	93,581,835.32	(93,581,835.32)
Impairment	34	-	-	-
Revenue Refunded	35	-	-	-
Stationaries		-	-	-
Total Expenditures		1,765,109,331.32	1,810,792,363.93	(275,316,774.95)
Net Surplus/Deficit	36	276,100,000.00	(67,097,288.18)	1,839,194,203.26
Net Surplus/Deficit 31/12/2020	37	-	(372,142,232.79)	-
Net Surplus/Deficit 31/12/2021	38	276,100,000.00	(439,239,520.97)	1,839,194,203.26
Gains on Property (Building)			141,527,959.48	
Surplus/(Deficit) from Non-Operating Activities for the period			(297,711,561.49)	

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATED STATEMENT OF COMPARISM BUDGET AND ACTUAL AS AT 31ST DECEMBER, 2021

		BORIFE LG			BORIFE NORTH			BORIFE CONSOLIDATED		
PARTICULAR	NOTE	FINAL BUDGET	ACTUAL	VARIANCE	FINAL BUDGET	ACTUAL	VARIANCE	FINAL BUDGET	ACTUAL	VARIANCE
DEPENDENT REVENUE										
Government Share of FAAC(Statutory Revenue)	16	911,972,638.32	1,074,041,229.26	162,068,590.94	741,364,381.00		647,782,545.68	1,653,337,019.32	1,074,041,229.06	809,851,136.62
Government Share of VAT	17	128,605,312.00	646,509,225.09	517,903,913.09	200,000,000.00		200,000,000.00	328,605,312.00	646,509,225.09	717,903,913.09
Sub-Total Dependent Revenue	18	1,040,577,950.32	1,720,550,454.35	679,972,504.03	941,364,381.00		847,782,545.68	1,981,942,331.32	1,720,550,454.35	1,527,755,049.71
INDEPENDENT REVENUE								-	-	-
Argumentation	19	20,000,000.00	5,386,786.00	14,613,214.00	6,000,000.00		6,000,000.00	26,000,000.00	5,386,786.00	20,613,214.00
Transfer from Main Council	20					93,581,835.32		-	-	-
Tax Revenue	21	1,198,500.00	240,700.00	957,800.00	340,000.00	105,550.00	234,450.00	1,538,500.00	346,250.00	1,192,250.00
Non-Tax Revenue	22	22,568,500.00	10,281,722.40	12,286,777.60	9,160,000.00	7,129,863.00	2,030,137.00	31,728,500.00	17,411,585.40	14,316,914.60
Other Income								-	-	-
Sub-Total Independent Revenue		43,767,000.00	15,909,208.40	27,857,791.60	15,500,000.00	100,817,248.32	8,264,587.00	59,267,000.00	23,144,621.40	36,122,378.60
Total Revenue		1,084,344,950.32	1,736,459,662.75	707,830,295.63	956,864,381.00	100,817,248.32	856,047,132.68	2,041,209,331.32	1,743,695,075.75	1,563,877,428.31
EXPENDITURE								-	-	-
Salaries & Wages	23	658,297,280.00	855,868,781.13	(197,571,501.13)	617,540,350.00		617,540,350.00	1,275,837,630.00	855,868,781.13	419,968,848.87
Social Benefits	24	6,000,000.00	180,000.00	5,820,000.00		2,202,420.00	(2,202,420.00)	6,000,000.00	2,382,420.00	3,617,580.00
Overhead Cost	25	144,000,000.00	72,499,617.47	71,500,382.73	100,000,000.00	21,174,590.46	78,825,409.54	244,000,000.00	93,674,207.73	150,325,792.27
Grants & Social Contribution	26	71,011,000.32	24,876,547.99	(49,283,281.59)	86,897,851.00	51,475,684.00	35,422,167.00	157,908,851.32	171,769,965.91	(13,861,114.59)
Transfer to Other Agencies	27		496,649,730.65	(496,649,730.65)				-	496,649,730.65	(496,649,730.65)
Depreciation	31		18,243,279.69	(154,295,186.71)	26,000,000.00	131,874,562.12	(105,874,562.12)	26,000,000.00	150,117,841.81	(260,169,748.83)
Allowances	32	20,036,670.00	28,994,833.34	(8,958,163.34)	35,326,180.00	11,334,583.36	23,991,596.64	55,362,850.00	40,329,416.70	15,033,433.30
Transfer to LCDA	33		93,581,835.32	(93,581,835.32)				-		(93,581,835.32)
Impairment	34							-	-	-
Revenue Refunded	35							-	-	-

Stationaries								-	-	-
Total Expenditures		899,344,950.32	1,822,364,266.33	(923,019,316.01)	865,764,381.00	218,061,839.94	647,702,541.06	1,765,109,331.32	1,810,792,383.93	(275,316,774.95)
Net Surplus/Deficit	36	185,000,000.00	(85,904,603.58)	1,630,849,611.64	91,100,000.00	(117,244,591.62)	208,344,591.62	276,100,000.00	(67,097,288.180)	1,839,194,203.26
Net Surplus/Deficit 31/12/2020	37		(414,506,115.98)			42,363,883.19		-	(372,142,232.79)	-
Net Surplus/Deficit 31/12/2021	38	185,000,000.00	(500,410,719.56)	1,630,849,611.64	91,100,000.00	(74,880,708.43)	208,344,591.62	276,100,000.00	(439,239,520.97))	1,839,194,203.26
Gains on Property (Building)		-	-	-	-	-	-	-	141,527,959.48	
Surplus/(Deficit) from Non-Operating Activities for the period		-	-	-	-	-	-	-	(297,711,561.49)	-

BORIPÉ LOCAL GOVERNMENT, IRAGBIJI

NET ASSE AND EQUITY	BORIPÉ CONSOLIDATED		
DETAILS	RESERVES	Accumulated Surplus/Deficit	TOTAL
Opening Balance 1/1/2021	569,487,137.08	(372,142,232.79)	197,344,904.29
Adjusted Reserve	-	-	-
Adjusted Balance	569,487,137.08	(372,142,232.79)	197,344,904.29
Net Surplus Deficit for the year	-	(67,097,288.18)	(203,149,195.20)
Revaluation Surplus (Building)	141,527,959.48		141,527,959.48
Closing Balance as at 31/12/2021	721,669,346.56	(575,291,427.99)	282,429,825.59

BORIFE LOCAL GOVERNMENT, IRAGBIJI
CONSOLIDATED STATEMENT OF NET ASSET/EQUITY AS AT 31ST DECEMBER, 2021

DETAILS	BORIFE			BORIFE NORTH			BORIFE CONSOLIDATED		
	RESERVES	Accumulated Surplus/Deficit	TOTAL	RESERVES	Accumulated Surplus/Deficit	TOTAL	RESERVES	Accumulated Surplus/Deficit	TOTAL
Opening Balance 1/1/2021	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	(372,142,232.79)	197,344,904.29
Adjusted Reserve			-	10,654,250.00		10,654,250.00	10,654,250.00	-	10,654,250.00
Adjusted Balance	268,449,261.72	(414,506,115.98)	(146,056,854.26)	311,692,125.36	42,363,883.19	354,056,008.55	580,141,387.08	(372,142,232.79)	207,999,154.29
Net Surplus Deficit for the year		50,147,303.44	50,147,303.44		(117,244,591.62)	(117,244,591.62)	-	(67,097,288.18)	(67,097,288.18)
Revaluation Surplus (Building)	141,527,959.48		141,527,959.48				141,527,959.48		141,527,959.48
Closing Balance as at 31/12/2021	409,977,221.20	(364,358,812.54)	45,618,408.66	311,692,125.36	(74,880,708.43)	236,811,416.93	721,669,346.56	439,239,520.97	282,429,825.59

BORIFE LOCAL GOVERNMENT, IRAGBIJI	
Consolidated Notes to the Account for the year Ended 31st December, 2021	
	CONSOLIDATED
NOTE 1	
Cash and Cash Equivalent	N
Balance b/f 01/01/2020	6,956,671.63
Add Receipt	1,947,371,693.55
Total Receipt	1,954,328,365.18
Deduct Payment	1,936,648,277.36
	17,680,087.82
NOTE 2	
RECEIVABLES	
Statutory Revenue Allocation	12,102,372.25
VAT	5,186,730.97
	17,289,103.22
NOTE 3	
Prepayment/Advance	N
Housing Loan	2,400,000.00
Vehicle Loan	2,092,440.00
	4,492,440.00
NOTE 4	
Inventory	N
Office Material	1,973,222.15
NOTE 5	
Investment	N
Omoluabi	74,247,170.41
Kajola Integrated	-
OSICOL	-
Preference Shares	-
Total	74,247,170.41
NOTE 6	
PROPERTY, PLANT & EQUIPMENT	
Building	174,444,763.23

Infrastructural	2,136,227,359.73
Plant & Machine	9,808,840.00
Motor Vehicle	58,159,818.84
Office Equipment	20,692,232.82
Furniture & Fitting	6,395,690.80
Landed Property	279,684,995.12
	2,685,413,700.54
NOTE 7	
Investment Property	N
Open Market	58,787,636.97
NOTE 8	
	N
Biological Asset	866,250.00
NOTE 11	
Unremitted Deduction	N
Bail B/F 1st Jan, 2021 & Additional Deduction	139,641,444.59
NOTE 12	
Payables	
Unpaid vouchears	228,400,000.00
Unpaid Salaries Arrears (Dc. 2021)	532,496,886.12
Transfer to Other Agencies (Dec. 2021)	64,569,580.12
Social Benefit (Dec. 2021)	-
Employee Benefit (Dec. 2021)	92,478,500.00
Overhead (Dec. 2021)	-
Social Contribution (Dec. 2021)	-
Others (Dec. 2021)	-
	917,944,966.24
NOTE 13	
Long Term Borrowing	N
Bal b/f	1,502,354,864.62
10km	13,438,043.15
Intervention	12,680,151.90

Environment	2,914,565.04
	1,531,387,624.71
NOTE 14	
RESERVES	
Long Term Borrowing	N
Bal b/f	721,669,346.56
NOTE 16	
STATUTORY REVENUE	
JAAC	1,028,329,794.21
Non Oil Revenue	32,200,206.92
Forex Equalization	1,594,188.19
Exchange Rate Gain	5,986,780.10
Eco Fund	4,466,115.32
Solid Minerals	1,464,144.52
	1,074,041,229.26
NOTE 17	
VAT (Government Share of Vat)	646,509,225.09
NOTE 19	
Other Dependent Revenue (Grant & Aid)	N
Added from O'meal	386,786.00
Added from Augment	5,000,000.00
	5,386,786.00
NOTE 21	
Tax Revenue	N
Comm. Tax	-
Other Tax Revenue	346,250.00
	346,250.00
NOTE 22	

Non Tax Revenue	N
Fees	-
Rental Income	-
Fines of Goods	10,281,722.40
Other Income	7,129,863.00
	17,411,585.40
NOTE 23	
Staff Salaries & Wages	N
Teaching & Non teaching (Elementary)	257,112,710.42
SUBEB Adm/mon	407,867.49
Teaching & Non Teaching (Middle)	98,411,854.38
PHC Salary	182,227,151.33
L.G Salary	315,273,044.50
Loan Board	1,003,950.06
Pension Bureau	1,432,202.95
	855,868,781.13
NOTE 24	
Social Benefit	N
Training of all driver	100,000.00
	100,000.00
NOTE 25	
Overhead	N
Running cost (JAAC)	31,272,372.19
Algon Imprest	10,200,000.00
Bank Charges	5,282,259.35
Consultancy Service	6,001,319.28
Magnum Trust	5,179,218.25
SUBEB Stipend	66,666.70
School Running Grant	2,999,999.97
Budget Fees	1,400,000.00
	62,401,835.74

NOTE 26	
Grant & Social Contribution	N
SUBEB Special Need	1,983,214.66
Xmas & New Year Gift	12,160,000.00
Grading Algon	10,733,333.33
	24,876,547.99
NOTE 27	
Transfer to Other Government	N
Traditional Council	53,757,123.90
SUBEB Matching Grant	38,806,170.18
Training Fund	9,992,244.35
O'meal	21,481,074.00
O'His	13,122,266.64
O'Ramp Refund	8,617,329.09
Monthly Pension	165,452,110.20
SUBEB Contract Staff	271,120.78
Audit Fees	21,143,492.17
Stabilization	48,698,707.76
Gratuity	46,666,666.64
Pension Contribution (TNT)	37,067,998.92
Pension Contribution (LG)	31,573,425.82
	496,649,730.45
NOTE 28	
Social Benefit	N
Finance to Local Government	2,282,420.00
	2,282,420.00
NOTE 29	
Overhead	N
Imprest	25,329,781.73
Purchase of Electricity Credit Unit	1,210,000.00
Purchase of Electricity Credit Unit	78,000.00
Fuelling of Generator	100,000.00
2021 Report Exercise	118,450.00

Audit Report/IPSAS Report	400,000.00
Rent	1,500,000.00
Repair & Maintenance of Vehicle/building	1,542,700.00
Printing of file jacket & other materials	250,000.00
Running cost	14,000.00
Purchase of tonner cartridge	20,000.00
10% charge to Auctioneer	259,100.00
Entertainment	233,000.00
Bank Charges	217,340.46
	31,272,372.19
NOTE 30	
Argumentation	N
Festival (Ileya, Xmas & New Year)	37,651,239.00
Evacuation of Illegal dumpsite	26,540,000.00
Grading	52,406,733.92
Clearing of Water ways drainage	1,300,000.00
Dredging of Stream	2,800,000.00
Survey of Health Facilities	1,800,000.00
Coronation of Alada	1,760,000.00
Sensitization & Workshop	5,250,000.00
Donation	2,364,000.00
Financial Assistance	100,000.00
Trade Fair	950,000.00
Sensitization on Lasa Fever	4,300,000.00
Entertainment of PCRC CDC & Others	2,375,000.00
Re-enumeration Area Demarcation (EAD)	2,225,000.00
Sensitization of COVID-19	4,184,445.00
Sensitization on IGR	587,000.00
Entertainment of PCRC , CDC & Others	300,000.00
	146,893,417.92

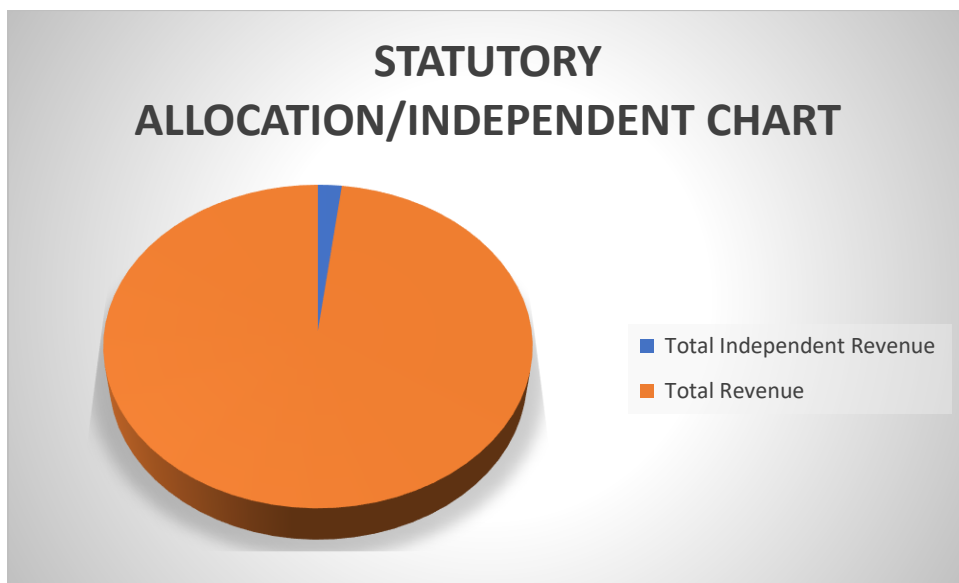
NOTE 31	
Depreciation	N
PPE	148,367,841.81
Investment Property	1,750,000.00
	150,117,841.81
NOTE 32	
Allowance	N
B/F	13,985,500.00
P.A Salary	1,520,000.00
Security Vote	900,000.00
Severance Gratuity Allowance	23,923,916.70
	40,329,416.70
NOTE 33	
Transfer to LCDA	93,581,835.32
	93,581,835.32
NOTE 36	
Total Revenue	1,743,695,075.75
Total Expenditure	(1,810,792,363.93)
	(67,097,288.18)

BORIPE LOCAL GOVERNMENT FISCAL OPERATION REPORT

STATEMENT OF CASHFLOW RATIOS

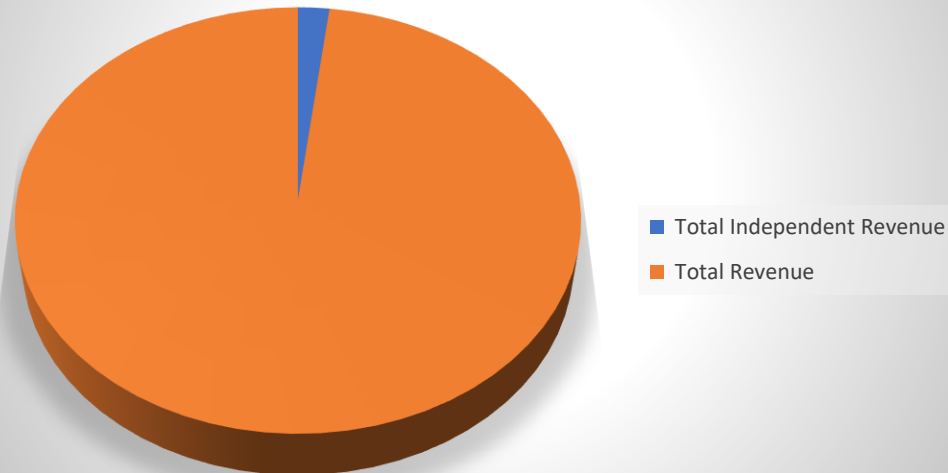
$$\begin{aligned}
 1. \quad & \text{DEPENDENT REVENUE/TOTAL REVENUE} \times 100 \\
 & = \frac{1,849,369,515.09}{1,872,514,136.49} = 98.76\%
 \end{aligned}$$

This indicated that Statutory Allocation took 98.76% of the Total Revenue of the Local Government and LCDA leaving 1.24% as Independence Revenue



$$\begin{aligned}
 2. \quad & \frac{\text{TOTAL INDEPENDENT REVENUE}}{\text{TOTAL REVENUE}} \times 100 \\
 & = \frac{23,144,621.40}{1,872,514,136.49} \times 100 = 1.24\%
 \end{aligned}$$

STATUTORY ALLOCATION/INDEPENDENT CHART



3. SALARY & WAGES : TOTAL RECURRENT EXPENDITURE

$$\frac{932,543,528.21}{1,772,037,831.04} \times 100 = 52.63\%$$

Therefore, the Salaries and Wages took about 52.63% out of the Recurrent Expenditure in the Local Government while the remaining 47.37% was expended on other expenditure.

STATEMENT OF FINANCIAL POSITION RATIOS

4 CURRENT ASSET : CURRENT LIABILITIES

$$\frac{41,434,853.21}{1,057,586,410.83} = 0.04 : 1$$

The Current ratio was not good enough for the system as the Current Liabilities was much higher than the Current Asset.

5 TOTAL ASSET : TOTAL LIABILITIES

$$\frac{2,871,403,861.13}{2,588,974,035.54} = 1.11 : 1$$

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

STATEMENT OF FINANCIAL PERFORMANCE RATIO

6. DEPENDENT REVENUE : TOTAL REVENUE

$$\frac{1,720,550,454.35}{1,743,695,075.75} \times 100 = 98.67\%$$

This indicated that the Dependent Revenue accounted for 98.67% of the Total Revenue of all the Local Government of the State leaving 1.33% as Independent Revenue.

7. INDEPENDENT REVENUE : TOTAL REVENUE

$$\frac{23,144,621.40}{1,743,695,075.75} \times 100 = 1.33\%$$

MANAGEMENT LETTER

BORIPÉ LOCAL GOVERNMENT, IRAGBIJI

OBSERVATIONS AND INTERNAL CONTROL REVIEW FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2021

1. **DOUBTFUL EXPENDITURE TALLING (N30,000:00):** It was observed that the sum of N30,000.00 was released to some members of staff of the Local Government for the purchase of sanitation, removal of decomposing corpse. Audit Scrutiny of the records attached to the payment vouchers showed that the amount on the receipt and payment voucher did not correspond with each other.

RISK:

The implication of this expenditure was that the services might not have been performed, thus the public fund might have been diverted for personal purposes.

MANAGEMENT RESPONSE:

Receipts, Sub-receipts, list of beneficiaries and photographs were not readily available before the arrival of the Audit team. However, supporting evidences such as sub-receipts, photographs, video tapes would be presented for Audit scrutiny.

RECOMMENDATION:

The recipients must attach all necessary supporting evidence such as sub-receipts, evidence of participation, or video coverage to prove genuineness of the expenditure.

2. **UNRETIRED IMPREST (#82,500.00)** Payment Vouchers amounting to N82,500.00 was released and paid as imprest for the month of May and June 2021. The Payment Vouchers were not retired with necessary receipt and

documents which is 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 receipts had been obtained and would be attached to the payment vouchers for Audit Verification.

RECOMMENDATION:

The Head of Finance and the internal Auditor should ensure proper recording of petty cash and also hold the affected officers responsible for proper accountability for all expenditure incurred. New imprest should not be released without the retirement of previous ones.

3. UNRECEIPTED EXPENDITURE TALLING (₦500,000:00):It was observed that the payment voucher raised for the sensitization of woman advancement and national development during a day seminar was not attached with any document like receipts, invoices, sub-receipts etc. to ascertain that the payment was actually made contrary to Financial Memoranda 14:16 & 14:17 which states that Payment Vouchers shall be receipted by the payee or authorized agent, and the receipt must state clearly in words and figure the actual amount received and not “Simply received the above amount” and paragraph 14:17 stipulate that “An official receipt must be obtained and attached to payment voucher in respect of a payment to Government, another Local Government or a commercial firm.”

RISK:

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

MANAGEMENT RESPONSE:

It was an oversight the receipts, sub-receipts signed by beneficiaries photographs, video clips had been obtained and would be attached to the payment vouchers for further Audit Verification.

RECOMMENDATION:

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

4. UNCLAIMED ALLOWANCE AMOUNTING (N420,000.00): - It was observed that the payment vouchers raised for the payment of O'clean Technical committee and casual workers of staff of Boripe Local Government, Boripe in respect of monthly stipend in the months of June and September, 2021 respectively were not signed by the recipients. They were neither acknowledged nor claimed. This was contrary to Financial Memoranda 14:13 which states that, "Payment shall as far as possible, be made to the person to whom it is due, payment for a third party shall only be made on production of a written authority from the person to whom payment is due, such authority being attached to the payment voucher after payment".

RISK:

This was an indication that purported recipient might not have been paid thereby resulting to loss of Local Government fund.

MANAGEMENT RESPONSE:

The Sub-receipt for the payment had not been signed by all recipients as at the time of Audit exercise, upon which Auditor issued a query and all the recipients had been called upon to append their signatures on the receipt which would be presented for further Audit Verification.

RECOMMENDATION:

Duly signed sub-receipt must be obtained and attached to the payment voucher as this proved the authenticity that the payment made.

5. **UNPRODUCED REVENUE EARNING RECEIPT BOOKLETS AMOUNTING TO ₦60,000.00 FOR THE YEAR 2019 AND 2021:** It was observed during the Audit Inspection that some Revenue Collectors did not produce their Revenue Earning Receipts on their possession for Audit Inspection and indication that shows that fraudulent act had taken place contrary to FM 6:7 which states that “When making payment to the Treasury or presenting to the Treasury a paying-in-slip in respect of cash paid direct to a bank. The Revenue Collector shall produce all receipt books, his revenue collector cash book and revenue collector’s summary cashbook”.

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 coffer which would be presented for Audit Scrutiny.

RECOMMENDATION:

The officers will be surcharged if all the receipt booklets should be produced for Audit check and verification.

6. **LATE PAYMENT ₦1,246,688.94:** It was revealed during the period under review that there was a total sum of ₦1,246,688.94 for the year 2019, 2020 and 2021 that stood as late payment. The Director of Finance of Boriye Local Government, Iragbiji is hereby advised to be alive to his responsibility and ensure that all Revenue generated in the Local Government are paid to the coffer of the Local Government at the appropriate time. See the list of the Officers involved attached to this report.

RISK:

It signified loose monitory of Revenue collectors and could lead to loss in the Internally Generated Revenue of the Local Government. It provided opportunity for perpetration of fraud by the concerned Revenue collectors.

MANAGEMENT RESPONSE:

The Revenue collectors concerned had been issued queries and sanctioned accordingly.

RECOMMENDATION:

Both head of Finance and Internal Auditor should be alive to their responsibilities of proper monitoring of revenue collectors and auditing of

Receipt book register and Revenue cashbook on weekly basis. Sanction should be issued to any officer that failed to remit money in the custody after seven days of receipt.

7. VALUATION AND REVALUATION OF NON-CURRENT ASSETS: It should be noted that the Office of the Auditor General for Local Governments had embarked on verification and compilation of all Non-Current Asset of the Local Government to ensure their existence, completeness of the lists of Assets and correctness of the provisional values of the Financial Position in the General Purpose Financial Statement.

Furthermore, the Local Government did not have comprehensive and reliable inventory/fixed Asset Register. The Internal Auditor is expected to maintain a Standard Assets Register of both serviceable and non-serviceable assets, updating necessary and safeguarding the assets as its being used by various departments of the Local Government.

RISK:

Non availability of comprehensive and reliable inventory/fixed asset register could make the Local Government Asset prone to theft and misappropriation of assets.

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 of the ownership, existence valuation and authorisation order to give accurate reliable Financial data of the assets.

8. **FINAL ACCOUNT:** The Head of Finance is admonished to be alive to his responsibility by ensuring adequate supervision of his subordinate towards ensuring timely preparation and presentation of Financial Statement henceforth.

RISK:

This was an indication that the delaying in the preparation of financial statement may likely affect the timely presentation of the statement to the end users.

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.

**BORIPE NORTH LOCAL COUNCIL DEVELOPMENT AREA, IREE
OBSERVATIONS AND INTERNAL CONTROL REVIEW FOR THE
FINANCIAL YEAR ENDED 31ST DECEMBER, 2021**

1. UNRETIRED IMPREST TOTALLING (N375,000.00):- It was observed that the sum of Three Hundred and Seventy-five Thousand Naira (N375,000.00) was paid as monthly Imprest from February to July, 2021. The payment voucher was not supported with the required official receipt, sub receipts 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 impests 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 receipts had been obtained and would be re-attached to the P.V. for further Audit Verification.

RECOMMENDATION:

The Head of Finance and the internal Auditor should ensure proper recording of petty cash and also hold the affected officers responsible for proper accountability for all expenditure incurred. New imprest should not be released without the retirement of previous ones.

2. EXPENDITURE NOT SUPPORTED WITH PROPER RECORDS OR ACCOUNTS AMOUNTING TO (N150,000.00) :- It was observed that the payment vouchers raised for 3-days sensitization workshop organized by the budget department and printing of General Receipts were not supported with necessary documents such as sub-receipt contrary to Financial Memoranda 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 a commercial firm. If the printed receipt covers more than one payment voucher, reference to the number of payment voucher to which the receipt is attached, shall be entered on the other vouchers”.

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, the receipts had been obtained and would be re-attached to the payment vouchers to be present for further Audit Verification.

RECOMMENDATION

The recipient/authorizing officer should present official and verifiable receipts and other necessary documents to prove the authenticity of the expenditure or should make a refund.

3. **LATE PAYMENT ₦450,530.00:** It was revealed during the period under review that there was a total sum of ₦450,530.00 for the year 2021 that stood as late payment. The Director of Finance of Boriye North Local Council Development Area, Iree is hereby advised to be alive to his responsibility and ensure that all Revenue generated in the Local Government are paid to the coffer of the Local Government at the appropriate time. See the list of the Officers involved attached to this report.

RISK:

It signified loose monitory of Revenue collectors and could lead to loss in the Internally Generated Revenue of the Local Government. It provided opportunity for perpetration of fraud by the concerned Revenue collectors.

MANAGEMENT RESPONSE:

The Revenue collectors concerned had been issued queries and sanctioned accordingly.

RECOMMENDATION:

Both head of Finance and Internal Auditor should be alive to their responsibilities of proper monitoring of revenue collectors and auditing of Receipt book register and Revenue cashbook on weekly basis. Sanction should be issued to any officer that failed to remit money in the custody after seven days of receipt.

4. VALUATION AND REVALUATION OF NON-CURRENT ASSETS:

It should be noted that the Office of the Auditor General for Local Governments had embarked on verification and compilation of all Non-Current Asset of the Local Government to ensure their existence, completeness of the lists of Assets and correctness of the provisional values of the Financial Position in the General Purpose Financial Statement.

Furthermore, the Local Government did not have comprehensive and reliable inventory/fixed Asset Register. The Internal Auditor is expected to maintain a Standard Assets Register of both serviceable and non-serviceable assets, updating necessary and safeguarding the assets as its being used by various departments of the Local Government.

RISK:

Non availability of comprehensive and reliable inventory/fixed asset register could make the Local Government Asset prone to theft, misappropriation of assets i.e. use of Local Government property without authorisation, pilfering, falsification of asset values in GPFS, duplication of services in terms 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 of the ownership, existence valuation and authorisation order to give accurate reliable Financial data of the assets.

5. FINAL ACCOUNT:

The Head of Finance should ensure adequate supervision of his subordinate towards ensuring timely preparation and presentation of Financial Statement henceforth, to avoid sanction.

REPORT ON INTERNAL AUDITOR'S REPORT

1. The Internal Control Mechanism is observed to be very effective. The management did not support the Internal Control Unit properly. Other departments' activities were not directed towards the IGR of the Local Government, particularly, Marriage Unit, TPL, WES and Agric Departments.

2. The Internal Audit is very weak and not up to task. The management did not feel the impacts of the Internal Control and the contributions of other Departments were not effected positively on the IGR generation of the Local Government. Specifically, marriage unit, WES, Agric and Town Planning Department.

BORİPE OCAL GOVERNMENT, IRAGBIJI
LIST OF PROJECT EXECUTED FOR YEAR 2021

S/N	DESCRIPTION	LOCATION	MODE OF EXECUTION	PROJECT COST	AMT RELEASE	BALANCE	REMARK
1	Renovation of Town Planning	Iragbiji	Direct	1,765,462.00			Complete
2	Grading of road at Alaba community phase	Iragbiji	Direct	1,200,000.00			Complete
3	Grading of road at Alaba community phase I	Iragbiji	Direct	1,150,000.00			Complete
4	Purchase and Rehabilitation skin, chet and tuberculosis clinic at Isale-Oyo	Iragbiji	Direct	1,900,000.00			Complete
5	De-sitting of line drainage from Anaye market and Otapete	Iragbiji	Direct	660,000.00			Complete
6	Purchase of official vehicle to the Chairman	Iragbiji	Direct	4,000,000.00			Complete
7	De- sitting of Lagbua	Iragbiji	Direct	1,000,000.00			Complete
8	De-sitting of Oke-Aagbo	Iragbiji	Direct	1,000,000.00			Complete
9	Purchase of official vehicle to Secretary of the council	Iragbiji	Direct	3,000,000.00			Complete
10	Purchase of office vehicle to the vice - chairman	Iragbiji	Direct	3,000,000.00			Complete
11	De-sitting of Kola - Atan River	Iragbiji	Direct	1,002,000.00			Complete
12	Clearing of road Veger Iragbiji to Osogbo	Iragbiji	Direct	928,500.00			Complete
13	Grading of Eseke to Adikoko	Iragbiji	Direct	2,000,000.00			Complete

14	De-sitting line drainage Isale-Oyo Eesade	Iragbiji	Direct	1,350,000.00			Complete
15	De-sitting fowan to Iragbiji bond	Iragbiji	Direct	1,350,000.00			Complete
16	Repair and services of Local Government Grader	Iragbiji	Direct	3,850,000.00			Ongoing

BORIPE LOCAL GOVERNMENT, IRAGBIJI

S/N	SUBJECT	QUERIES NOS	NO. OF OFFICERS QUERIED	AMOUNT (₦)	REMARKS
1.	Doubtful Expenditure	LQ/AUD/BOR/01/2021	2	30,000.00	
2.	Unretired Imprest	LQ/AUD/BOR/02/2021	6	82,500.00	
3.	Unclaimed Allowances	LQ/AUD/BOR/03/2021	5	420,000.00	
4.	Unreceipted Expenditure	LQ/AUD/BOR/04/2021	2	500,000.00	
	TOTAL		15	1,032,500.00	

BORIPE NORTH LCDA, IREE

S/N	SUBJECT	QUERIES NOS	NO. OF OFFICERS QUERIED	AMOUNT (₦)	REMARKS
1.	Unretired Imprest	LQ/AUD/BORN/02/2021	10	375,000.00	
4.	Expenditure not Supported with Proper Record	LQ/AUD/BORN/03/2021	5	150,000.00	
	TOTAL		15	525,000.00	