

STATE GOVERNMENT OF OSUN, NIGERIA.

REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS

ON THE ACCOUNTS OF
IREPODUN LOCAL GOVERNMENT

ILOBU

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	STATEMENT OF RESPONSIBILITY OF THE AUDITOR-GENERAL	5
6	AUDIT CERTIFICATE	6
7	BASIS OF AUDIT OPINION	7
8	STATEMENT OF COMPLIANCE	8
9	STATEMENT OF ACCOUNTING POLICIES	9-11
10	GENERAL COMMENTS	12-13
11	COMMENTS ON FINANCIAL STATEMENTS a. STATEMENT OF FINANCIAL PERFORMANCE b. STATEMENT OF FINANCIAL POSITION	14-18
12	AGGREGATE GENERAL PURPOSE FINANCIAL STATEMENTS i. CONSOLIDATED STATEMENT OF FINANCIAL POSITION. ii. CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE. iii. CONSOLIDATED STATEMENT OF CASH FLOW. iv. CONSOLIDATED STATEMENT OF COMPARISON OF FINANCIAL OPERATIONS. v. CONSOLIDATED STATEMENT OF NET ASSETS AND EQUITY vi. NOTES TO THE ACCOUNT	19-40
13	FISCAL OPERATION REPORT i STATISTICAL AND ACCOUNTING RATIOS ii NON-FINANCIAL DISCLOSURE	41-43
14	MANAGEMENT LETTER	44-55
15	LIST OF PROJECTS EXECUTED IN THE LOCAL GOVERNMENT	56

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 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:

Irepodun Local Government and Irepodun South 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 ***Irepodun 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 2021



Chairman
Irepodun Local Government

A handwritten signature in purple ink, appearing to be 'A. O. O.', written over a dotted line.

Head of Finance & supplies,
Irepodun Local Government



Chairman
Irepodun South L.C.D.A.

A handwritten signature in purple ink, appearing to be 'A. O. O.', written over a dotted line.

Head of Finance & supplies,
Irepodun South L.C.D.A.

A large, stylized handwritten signature in green ink, written over a dotted line.

Chairman
Irepodun Local Government

A handwritten signature in green ink, appearing to be 'K. O. O.', written over a dotted line.

Chairman
Irepodun South L.C.D.A.

STATEMENT OF FINANCIAL RESPONSIBILITY

The preparation and fair presentation of Financial Statements of Local Governments, is the direct 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 Head of Finance of Irepodun Local Governments is responsible for the consolidation of the Financial Statements with the subsidiary Irepodun South 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 of Irepodun 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 Irepodun Local Government.

BASIS OF AUDIT OPINION

In the course of auditing the accounts of Irepodun Local Governments and Irepodun South LCDA 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.

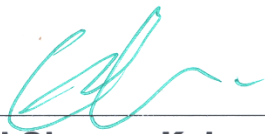
I have conducted Financial and Compliance audit on the Finances of the Local Governments and Projects and Programmes were reasonably evaluated and verified on the principle of Performance Auditing. All items of Revenue and Expenditure were captured in the course of the Audit and Audit Tests were conducted 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 Irepodun Local Government, Ilobu 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 Irepodun Local Government, Ilobu 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 OSun**

STATEMENT OF COMPLIANCE

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

The accounts of Irepodun 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 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.

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.
- b. Statements of Financial Position.
- c. Statements of Cash flow.
- d. Statements of Comparison of Budgeted and Actual Amounts
- e. Statements of Changes in Net Asset/Equity.
- f. Notes to the GPFS.

5. Consolidation Policy- IPSAS 6

The Heads of Finance of Irepodun Local Government and Irepodun South LCDA are 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 entity is Irepodun LCDA which had been consolidated with the Irepodun main Local Government, by the Head 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 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 Equipment, 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 COMMENT

I have audited the accounts of Irepodun Local Government, Ilobu 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 the Chairmen including the Chairman of Irepodun Local Government, and other Chairmen, all of whom were 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 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 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 Independent Revenue sources of the Local Governments while Expenditure covered included all Capital and Recurrent Expenditure Items, all contributions to centrally executed Projects and programmes of Local Governments, and Statutory remittances to Traditional Councils by Ila Local Government and Ila Central LCDA.

BUDGET PREPARATION / EXECUTION

The Budget for 2021 for Ila 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

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

VALUATION AND REVALUATION OF ASSETS

With the support of Governor Oyetola, the office of the Auditor-General for Local Governments was able to embark on verification exercise on valuation and Revaluation of Assets during the year. This involved Constitution of a standing multi-disciplinary team comprising seasoned and qualified professionals in the fields of valuation, engineering, town planning, medicine, etc. and others as were

necessary. The verification exercise is continuous and value of the Local Governments non-current Assets is being updated monthly.

INTERNALLY REVENUE GENERATION AND FINANCIAL VIABILITY

The Total Internally Revenue generated by the Local Government for 2021 was ₦27,252,448.09 representing 1.64% 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, 07 Nos of Audit Queries were issued in respect of 2021 Accounts, involving a total sum of ₦11,412,500.00

JOINTLY EXECUTED AND INDIVIDUAL PROJECTS AND PROGRAMMES:

It was observed that Irepodun 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 Irepodun 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 office of Accountant General of the Federation. The total sum of ₦1,009,514,358.34 was Share of FAAC and VAT amounted to ~~₦~~617,771,858.45.

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
Irepodun	950,860,606.93	454,161,408.62	30,801,250.32	25,798,369.18	781,772.18	13,776,763.66	21,409,063.31	1,592,173.11	13,385,169.19	1,512,566,576.50

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. #27,252,448.09 Fees, Taxes and Fines.

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 – #20,576,302.98

The Cash and Cash equivalents amounted to ₦20,576,302.98 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 - ₦107,736,413.61

A total sum of ₦107,736,413.61 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 - ₦28,277,220.00

The sum of ₦28,277,220.00 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 - ₦64,271,031.03

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 - ₦955,152,741.12

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

INVESTMENT PROPERTY - ₦260,277,061.54

The carrying amount of Investment Properties of the Local Governments stood at ₦260,277,061.54 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 - ₦768,298,723.08

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 - ₦249,723,620.33

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

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

TRANSFER FROM MAIN COUNCILS TO LOCAL COUNCIL DEVELOPMENT AREAS:

Transfer from main councils to the tune of #104,535,626.05 was made to the Local Council Development Areas and Area Offices in the period under review and was set off in the Consolidated Account.

IREPODUN LOCAL GOVERNMENT, ILOBU
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

POSITION

PARTICULAR	NOTE	IREPODUN CONSOLIDATED
ASSETS		
Current Assets		
Cash & Cash Equipments	1	20,576,302.98
Receivables	2	107,736,413.61
Prepayment/Advance	3	24,515,465.96
Inventories	4	28,277,220.00
Total Current Asset		181,105,402.55
Non-current Asset		-
Long Term Loan Granted		-
Investments	5	64,271,031.03
Property, Plant & Equipment	6	2,494,159,008.25
Investment Property	7	260,277,061.54
Biological Asset	8	21,599,592.00
Assets Under Construction (wip)	9	-
Total Non-Current Asset		2,840,306,692.58
Total Asset		3,021,412,095.36
LIABILITIES		-
Current Liabilities		-
Deposit		-
Short Term Loan & Debts	10	-
Unremitted Deduction	11	249,723,620.33
Payables	12	955,152,741.12
Short Terms Provisions		-
Total Current Liability		1,204,876,361.45
Non-Current Liabilities		-
Long Term Borrowing	13	768,298,723.08
Total Liabilities		1,793,175,084.53
Net Assets		1,048,237,010.83
Financed by		-
Reserve	14	982,924,800.96
Net Surplus/Deficit	15	(65,312,209.87)
Total		1,048,237,010.83

IREPODUN LOCAL GOVERNMENT, ILOBU
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

PARTICULAR	NOTE	IREPODUN	IREPODUN SOUTH	IREPODUN CONSOLIDATED
ASSETS				
Current Assets				
Cash & Cash Equipment	1	12,244,039.87	8,332,263.11	20,576,302.98
Receivables	2	99,172,859.11	8,563,554.50	107,736,413.61
Prepayment/Advance	3	24,515,465.96		24,515,465.96
Inventories	4	22,252,020.00	6,025,200.00	28,277,220.00
Total Current Asset		158,184,384.94	22,921,017.61	181,105,402.55
Non-current Asset				-
Long Term Loan Granted				-
Investments	5	51,521,031.03	12,750,000.00	64,271,031.03
Property, Plant & Equipment	6	2,087,232,050.68	406,926,957.57	2,494,159,008.25
Investment Property	7	147,957,061.54	112,320,000.00	260,277,061.54
Biological Asset	8	21,148,400.00	451,192.00	21,599,592.00
Assets Under Construction (wip)	9			-
Total Non-Current Asset		2,307,858,543.25	532,448,149.57	2,840,306,692.82
Total Asset		2,466,042,928.18	555,369,167.18	3,021,412,095.36
LIABILITIES				-
Current Liabilities				-
Deposit				-
Short Term Loan & Debts	10			-
Unremitted Deduction	11	175,575,795.17	74,147,825.16	249,723,620.33
Payables	12	892,026,205.29	63,126,535.83	955,152,741.12
Short Terms Provisions				-
Total Current Liability		1,067,602,000.46	137,274,360.99	1,204,876,361.45
Non-Current Liabilities				-
Long Term Borrowing	13	747,832,750.34	20,465,972.74	768,298,723.08
Total Liabilities		1,815,434,750.80	157,740,333.73	1,973,175,084.53
Net Assets		650,608,177.38	397,628,833.45	1,048,237,010.83
Financed by				-
Reserve	14	737,486,044.79	245,438,756.17	982,924,800.96
Net Surplus/Deficit	15	(86,877,867.41)	152,190,077.28	(65,312,209.87)
Total		650,608,177.38	397,628,833.45	1,048,237,010.83

IREPODUN LOCAL GOVERNMENT, ILOBU
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER,
2021

PERFORMANCE		
PARTICULAR	NOTE	IREPODUN CONSOLIDATED
DEPENDENT REVENUE		
Government share of FAAC (Statutory Revenue)	16	1,009,514,358.34
Government Share of VAT	17	617,771,858.45
Sub-Total Dependent Revenue	18	1,627,286,216.79
INDEPENDENT REVENUE		-
Argumentation	19	5,386,786.00
Transfer from main Council	20	
Tax Revenue	21	222,300.00
Non-Tax Revenue	22	21,643,362.09
Other Income		-
Overpayment Recovery		-
Sub-Total Independent Revenue		27,252,448.09
Total Revenue		1,654,538,664.88
EXPENDITURE		-
JOINTLY EXPENDED		-
Salaries & Wages	23	855,868,781.13
Social Benefits	24	-
Overhead Cost	25	27,323,083.25
Grants & Social Contribution	26	24,056,547.99
Transfer to other Agencies	27	478,682,595.32
L/GOVERNMENT EXPENDITURE		-
Social Benefits	28	922,000.00
Overhead Cost	29	45,280,983.64
Grants & Social Contribution	30	75,346,617.27
Depreciation	31	112,765,749.92
Allowances	32	56,920,018.80
Transfer to LCDA	33	
Impairment	34	-
Revenue Refunded	35	-
Public Debt Charges		
Stabilization Fund		
Refund to main Council		-
Stationeries		-
Severance Gratuity		-
Total Expenditures		1,677,166,377.32
Net Surplus/Deficit	36	(22,627,712.44)
Net Surplus/Deficit 01/01/2021	37	87,939,922.31
Net Surplus/Deficit 31/12/2021	38	(65,312,209.87)
Gain on Property (Building)	39	5,22,665,351.97
Surplus/Deficit from Non-operating activities for the period	40	587,977,561.84

IREPODUN LOCAL GOVERNMENT, ILOBU
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER,
2021

PERFORMANCE				
PARTICULAR	NOTE	IREPODUN	IREPODUN SOUTH	IREPODUN CONSOLIDATED
DEPENDENT REVENUE				
Government share of FAAC (Statutory Revenue)	16	1,009,514,358.34		1,009,514,358.34
Government Share of VAT	17	617,771,858.45		617,771,858.45
Sub-Total Dependent Revenue	18	1,627,286,216.79	-	1,627,286,216.79
INDEPENDENT REVENUE				-
Argumentation	19	5,386,786.00		5,386,786.00
Transfer from main Council	20		104,535,626.05	
Tax Revenue	21	199,800.00	22,500.00	222,300.00
Non-Tax Revenue	22	4,098,530.00	17,544,832.09	21,643,362.09
Other Income				-
Overpayment Recovery				-
Sub-Total Independent Revenue		9,685,116.00	122,102,958.14	27,252,448.09
Total Revenue		1,636,971,332.79	122,102,958.14	1,654,538,664.88
EXPENDITURE				-
JOINTLY EXPENDED				-
Salaries & Wages	23	855,868,781.13		855,868,781.13
Social Benefits	24			-
Overhead Cost	25	27,323,083.25		27,323,083.25
Grants & Social Contribution	26	24,056,547.99		24,056,547.99
Transfer to other Agencies	27	478,682,595.32		478,682,595.32
L/GOVERNMENT EXPENDITURE				-
Social Benefits	28	758,000.00	164,000.00	922,000.00
Overhead Cost	29	15,197,036.17	30,083,947.47	45,280,983.64
Grants & Social Contribution	30	17,305,907.48	58,040,709.79	75,346,617.27
Depreciation	31	75,003,595.45	37,762,154.47	112,765,749.92
Allowances	32	29,585,833.34	27,334,185.46	56,920,018.80
Transfer to LCDA	33	104,535,626.05		
Impairment	34			-

Revenue Refunded	35			-
Public Debt Charges				
Stabilization Fund				
Refund to main Council				-
Stationeries				-
Severance Gratuity				-
Total Expenditures		1,628,317,006.18	153,384,997.19	1,677,166,377.32
Net Surplus/Deficit	36	(8,654,326.61)	(31,282,039.05)	(22,627,712.44)
Net Surplus/Deficit 01/01/2021	37	(95,532,194.02)	183,472,116.33	87,939,922.31
Net Surplus/Deficit 31/12/2021	38	(86,877,867.41)	152,190,077.28	(65,312,209.87)
Gain on Property(Building)	39	522,665,351.97		522,665,351.97
Surplus/Deficit from non- operating activities for the period	40	435,787,484.56	152,190,077.28	587,977,561.84

IREPODUN LOCAL GOVERNMENT, ILOBU
CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2021

CASHFLOW

OPERATING ACTIVITIES	NOTE	IREPODUN CONSOLIDATED
INFLOW		
Statutory Revenue (JAAC)	39	1,085,502,298.69
Value Added Tax	40	669,044,578.01
Receivable		-
Sub Total Dependent Revenue	41	1,754,546,876.70
Arugumentation	42	5,386,786.00
Transfer from Main Council	43	
Tax Revenue	44	222,300.00
Non Tax Revenue	45	6,104,379.00
Other Income		15,538,983.09
Overpayment Recovery		-
Sub Total Independent Revenue	46	27,252,448.09
Total Inflow Operating Activities	47	1,781,799,324.79
OUTFLOW		-
Salaries & Wages	48	974,920,633.91
Social Benefits	49	922,000.00
Overhead Cost	50	47,244,004.53
Social Contributions	51	100,297,305.72
Allowances	52	56,920,018.80
Modulated Salary Arrears	53	13,333,333.28
Inventories	54	8,196,480.00
Fund Conserved for Salary		-
Transfer to LCDA	55	
Transfer to other Govt. Agencies	56	478,682,595.32
Refund to Main Councils		-
Revenue Refunded		
Stabilization Fund		
Tax Expenses	57	-
Severance Gratuity		-
Total Outflow from Operating Activities	58	1,680,516,371.55
Net Cashflow from Operating Activities	59	101,282,953.24
INVESTING ACTIVITIES		-
Proceed from Disposal of Asset		-
Total Inflow from Investing Activities		-
Cashflow from Investing Activities		-

Administrative Sector	60	24,500,000.00
Economic Sector		38,756,292.00
Total Outflow from Investing Activities	61	63,256,292.00
Net Cashflow from Investing Activities		(63,256,292.00)
Inflow from Financing Activities		-
Bank Overdraft		
Soft Loan(Bank)		
Deduction Received	62	81,367,520.28
Total Inflow from Financing Activities	63	81,367,520.28
OUFLOW (PAYMENT)		-
Bail Out Repayment		-
10km Road	64	17,335,147.75
Water Project	65	-
Environmental Sanitation Loan	66	2,914,565.04
Loan Repayment (Inherited)	67	-
Bank Loan	68	-
Intervention Loan	69	1,759,234.45
Other Loan Repayment		
Deduction Paid	70	84,094,932.42
Total Outflow From Financing Activities	71	106,103,879.66
Net Cashflow from financing Activities	72	(24,736,359.38)
Cash and Cash Equivalent for the year	73	13,290,301.86
Cash and Cash Equivalent 01/01/2021	74	7,286,001.12
Cash and Cash Equivalent 31/12/2021	75	20,576,302.98

IREPODUN LOCAL GOVERNMENT, ILOBU
CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2021

OPERATING ACTIVITIES	NOTE	IREPODUN	IREPODUN SOUTH	IREPODUN CONSOLIDATED
INFLOW				
Statutory Revenue (JAAC)	39	1,085,502,298.69		1,085,502,298.69
Value Added Tax	40	669,044,578.01		669,044,578.01
Receivable				-
Sub Total Dependent Revenue	41	1,754,546,876.70	-	1,754,546,876.70
Argumentation	42	5,386,786.00		5,386,786.00
Transfer from Main Council	43		104,535,626.05	
Tax Revenue	44	199,800.00	22,500.00	222,300.00
Non Tax Revenue	45	4,098,530.00	2,005,849.00	6,104,379.00
Other Income			15,538,983.09	15,538,983.09
Overpayment Recovery				-
Sub Total Independent Revenue	46	9,685,116.00	122,102,958.14	27,252,448.09
Total Inflow Operating Activities	47	1,764,231,992.70	122,102,958.14	1,781,799,324.79
OUTFLOW				-
Salaries & Wages	48	974,920,633.91		974,920,633.91
Social Benefits	49	758,000.00	164,000.00	922,000.00
Overhead Cost	50	19,737,557.06	27,506,447.47	47,244,004.53
Social Contributions	51	50,800,595.93	49,496,709.79	100,297,305.72
Allowances	52	29,585,833.34	27,334,185.46	56,920,018.80
Modulated Salary Arrears	53	13,333,333.28		13,333,333.28
Inventories	54	5,618,980.00	2,577,500.00	8,196,480.00
Fund Conserved for Salary				-
Transfer to LCDA	55	104,535,626.05		
Transfer to other Govt. Agencies	56	478,682,595.32		478,682,595.32
Refund to Main Councils				-
Revenue Refunded				

Stabilization Fund				
Tax Expenses	57			-
Severance Gratuity				-
Total Outflow from Operating Activities	58	1,677,973,154.88	107,078,842.72	1,680,516,371.55
Net Cashflow from Operating Activities	59	86,258,837.82	15,024,115.42	101,282,953.24
INVESTING ACTIVITIES				
Proceed from Disposal of Asset				
Total Inflow from Investing Activities		-	-	
Cashflow from Investing Activities				
Administrative Sector	60	24,500,000.00		24,500,000.00
Economic Sector		24,873,292.00	13,883,000.00	38,756,292.00
Total Outflow from Investing Activities	61	49,373,292.00	13,883,000.00	63,256,292.00
Net Cashflow from Investing Activities		(49,373,292.00)	(13,883,000.00)	(63,256,292.00)
Inflow from Financing Activities				-
Bank Overdraft				
Soft Loan(Bank)				
Deduction Received	62	54,187,010.02	27,180,510.26	81,367,520.28
Total Inflow from Financing Activities	63	54,187,010.02	27,180,510.26	81,367,520.28
OUFLOW (PAYMENT)				
Bail Out Repayment				
10km Road	64	17,335,147.75		17,335,147.75
Water Project	65			-
Environmental Sanitation Loan	66	2,914,565.04		2,914,565.04
Loan Repayment (Inherited)	67			-
Bank Loan	68			-
Intervention Loan	69	1,759,234.45		1,759,234.45
Other Loan Repayment				
Deduction Paid	70	61,594,490.60	22,500,441.82	84,094,932.42
Total Outflow From Financing Activities	71	83,603,437.84	22,500,441.82	106,103,879.66
Net Cashflow from financing Activities	72	(29,416,427.82)	4,680,068.44	(24,736,359.38)
Cash and Cash Equivalent for the year	73	7,469,118.00	5,821,183.86	13,290,301.86
Cash and Cash Equivalent 01/01/2021	74	4,774,921.87	2,511,079.25	7,286,001.12
Cash and Cash Equivalent 31/12/2021	75	12,244,039.87	8,332,263.11	20,576,302.98

IREPODUN LOCAL GOVERNMENT, ILOBU
CONSOLIDATED STATEMENT OF COMPARISM AS AT 31ST DECEMBER, 2021

		IREPODUN CONSOLIDATED		
PARTICULAR	NOTE	Final Budget	Actual (N)	VARIANCE
DEPENDENT REVENUE				
Government Share of FAAC(Statutory Revenue)	16	1,475,353,352.93	1,009,514,358.34	732,628,531.02
Government Share of VAT	17	456,892,808.88	617,771,858.45	530,879,049.57
Sub-Total Dependent Revenue	18	1,932,246,161.81	1,027,286,216.79	1,263,507,580.59
INDEPENDENT REVENUE				
Argumentation	19	96,000,000.00	5,386,786.00	90,613,214.00
Transfer from Main Council	20			
Tax Revenue	21	2,350,000.00	222,300.00	2,127,700.00
Non-Tax Revenue	22	30,431,800.00	6,104,379.00	24,327,421.00
Other Income		58,818,853.59	15,538,983.09	74,357,836.68
Sub-Total Independent Revenue		187,600,653.59	27,252,448.09	191,426,171.68
Total Revenue		2,119,846,815.40	1,654,538,664.88	1,454,933,752.27
EXPENDITURE				
Salaries & Wages	23	1,334,074,830.00	855,868,781.13	478,206,048.87
Social Benefits	24	-	922,000.00	(922,000.00)
Overhead Cost	25	250,000,000.00	72,604,066.89	179,973,433.11
Grants & Social Contribution	26	276,201,225.40	99,403,165.26	176,798,060.14
Transfer to Other Agencies	27	-	478,682,595.32	(478,682,595.32)
Depreciation	31	-	182,760,941.19	(182,760,941.19)
Allowances	32	68,670,760.00	56,920,018.80	11,750,741.20
Transfer to LCDA	33	-	-	(104,535,626.05)
Impairment	34	-	-	-
Revenue Refunded	35	-	-	-
Stationaries		41,900,000.00	-	39,322,500.00
Total Expenditures		1,970,846,815.40	1,747,161,568.59	119,149,620.76
Net Surplus/Deficit	36	149,000,000.00	(92,622,903.71)	1,335,784,131.51
Net Surplus/Deficit 31/12/2020	37	-	87,939,922.31	-
Net Surplus/Deficit 31/12/2021	38	149,000,000.00	(4,682,981.40)	1,335,784,131.51

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

		IREPODUN LG			IREPODUN SOUTH LCDA			IREPODUN CONSOLIDATED		
PARTICULAR	NOTE	FINAL BUDGET	ACTUAL	VARIANCE	Final Budget	Actual (N)	VARIANCE	Final Budget	Actual (N)	VARIANCE
DEPENDENT REVENUE										
Government Share of FAAC(Statutory Revenue)	16	823,851,777.10	1,009,514,358.34	185,662,581.24	651,501,575.83	104,535,626.05	546,965,949.78	1,475,353,352.93	1,009,514,358.34	732,628,531.02
Government Share of VAT	17	271,892,808.88	617,771,858.45	345,879,049.57	185,000,000.00		185,000,000.00	456,892,808.88	617,771,858.45	530,879,049.57
Sub-Total Dependent Revenue	18	1,095,744,585.98	1,627,286,216.79	531,541,630.81	836,501,575.83	104,535,626.05	731,965,949.78	1,932,246,161.81	1,627,286,216.79	1,263,507,580.59
INDEPENDENT REVENUE								-	-	-
Argumentation	19	40,000,000.00	5,386,786.00	34,613,214.00	56,000,000.00		56,000,000.00	96,000,000.00	5,386,786.00	90,613,214.00
Transfer from Main Council	20							-	-	-
Tax Revenue	21	1,600,000.00	199,800.00	1,400,200.00	750,000.00	22,500.00	727,500.00	2,350,000.00	222,300.00	2,127,700.00
Non-Tax Revenue	22	16,181,800.00	4,098,530.00	12,083,270.00	14,250,000.00	2,005,849.00	12,244,151.00	30,431,800.00	6,104,379.00	24,327,421.00
Other Income		58,818,853.59		58,818,853.59		15,538,983.09	15,538,983.09	58,818,853.59	15,538,983.09	74,357,836.68
Sub-Total Independent Revenue		116,600,653.59	9,685,116.00	106,915,537.59	71,000,000.00	17,567,332.09	84,510,634.09	187,600,653.59	27,252,448.09	191,426,171.68
Total Revenue		1,212,345,239.57	1,636,971,332.79	638,457,168.40	907,501,575.83	122,102,958.14	816,476,583.87	2,119,846,815.40	1,654,538,664.88	1,454,933,752.27
EXPENDITURE								-	-	-
Salaries & Wages	23	768,442,060.00	855,868,781.13	(87,426,721.13)	565,632,770.00		565,632,770.00	1,334,074,830.00	855,868,781.13	478,206,048.87
Social Benefits	24		758,000.00	(758,000.00)		164,000.00	(164,000.00)	-	922,000.00	(922,000.00)
Overhead Cost	25	150,000,000.00	42,520,119.42	107,479,880.58	100,000,000.00	27,506,447.47	72,493,552.53	250,000,000.00	72,604,066.69	179,973,433.11
Grants & Social Contribution	26	144,423,809.57	41,362,455.47	103,061,354.10	131,777,415.83	58,040,709.79	73,736,706.04	276,201,225.40	99,403,165.26	176,798,060.14
Transfer to Other Agencies	27		478,682,595.32	(478,682,595.32)				-	478,682,595.32	(478,682,595.32)

Depreciation	31		144,998,786.72	(144,998,786.72)		37,762,154.47	(37,762,154.47)	-	182,760,941.19	(182,760,941.19)
Allowances	32	36,079,370.00	29,585,833.34	6,493,536.66	32,591,390.00	27,334,185.46	5,257,204.54	68,670,760.00	56,920,018.80	11,750,741.20
Transfer to LCDA	33		104,535,626.05	(104,535,626.05)				-	104,535,626.05	(104,535,626.05)
Impairment	34							-	-	-
Revenue Refunded	35							-	-	-
Stationaries		41,900,000.00		41,900,000.00		2,577,500.00	(2,577,500.00)	41,900,000.00	2,577,500.00	39,322,500.00
Total Expenditures		1,140,845,239.57	1,698,312,197.45	(557,466,957.88)	830,001,575.83	153,384,997.19	676,616,578.64	1,970,846,815.40	1,747,161,568.59	119,149,620.76
Net Surplus/Deficit	36	71,500,000.00	(61,340,864.66)	1,195,924,126.28	77,500,000.00	(31,282,039.05)	139,860,005.23	149,000,000.00	(92,622,903.71)	1,335,784,131.51
Net Surplus/Deficit 31/12/2020	37		(95,532,194.02)			183,472,116.33		-	87,939,922.31	-
Net Surplus/Deficit 31/12/2021	38	71,500,000.00	(156,873,058.68)	1,195,924,126.28	77,500,000.00	152,190,077.28	139,860,005.23	149,000,000.00	(4,682,981.40)	1,335,784,131.51

IREPODUN LOCAL GOVERNMENT, ILOBU

NET ASSET AND EQUITY	IREPODUN CONSOLIDATED		
DETAILS	RESERVES	Accumulated Surplus/Deficit	TOTAL
Opening Balance 1/1/2021	460,259,448.99	87,939,922.31	548,199,371.30
Adjusted Reserve	-	-	-
Adjusted Balance	460,259,448.99	87,939,922.31	548,199,371.30
Net Surplus Deficit for the year	-	(22,627,712.44)	(22,627,712.44)
Closing Balance as at 31/12/2021	460,259,448.99	(65,312,209.87)	1,048,237,010.83

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

DETAILS	IREPODUN			IREPODUN SOUTH			IREPODUN CONSOLIDATED		
	RESERVES	Accumulated Surplus/Deficit	TOTAL	RESERVES	Accumulated Surplus/Deficit	TOTAL	RESERVES	Accumulated Surplus/Deficit	TOTAL
Opening Balance 1/1/2021	214,820,692.82	(95,532,194.02)	119,288,498.80	245,438,756.17	183,472,116.33	428,910,872.50	460,259,448.99	87,939,922.31	548,199,371.30
Adjusted Reserve			-			-	-	-	-
Adjusted Balance	214,820,692.82	(95,532,194.02)	119,288,498.80	245,438,756.17	183,472,116.33	428,910,872.50	460,259,448.99	87,939,922.31	548,199,371.30
Net Surplus/ Deficit for the year		<u>(8,654,326.61)</u>	<u>(8,654,326.61)</u>	-	<u>(31,282,039.05)</u>	<u>(31,282,039.05)</u>	-	<u>(22,627,712.44)</u>	<u>(22,627,712.44)</u>
Revaluation surplus (Building)	522,665,351.97		522,665,351.97				522,665,351.97		522,665,351.97
Closing Balance as at 31/12/2021	737,486,044.79	(86,877,867.41)	650,608,177.38	245,438,756.17	152,190,077.28	397,628,833.45	982,924,800.96	(65,312,209.87)	1,048,237,010.83

IREPODUN LOCAL GOVERNMENT				
NOTE TO THE ACCOUNT				
NOTE 1				
	CASH AND CASH EQUIVALENT			
		N	N	
	IREPODUN LOCAL GOVT			
	Bal b/f	4,774,921.87		
	Total Revenue	<u>1,691,158,342.81</u>	1,695,933,264.68	
	IREPODUN LCDA			
	Bal b/f	2,511,079.25		
		<u>149,283,468.40</u>	<u>151,794,547.65</u>	
	TOTAL RECEIPT		1,847,727,812.33	
	EXPENDITURES			
	IREPODUN LOCAL GOVT	1,683,689,224.81		
	IREPODUN LCDA	143,462,284.54	<u>1,827,151,509.35</u>	
	Bal b/f		<u>20,576,302.98</u>	
	RECEIVABLES	NOTE 2		
	IREPODUN LOCAL GOVT			
	ALLOCATION			
	VAT	35,100,000.00	35,100,000.00	
	EXCHANGE RATE GAIN	72,636,413.61		
	CONSERVED IN JAAC ACCOUNT		-	
		<u>107,736,413.61</u>		
	PREPAYMENT/ADVANCE	NOTE 3		
		N	N	
	IREPODUN LOCAL GOVT			
	Housing Loan	8,850,000.00		
	IREPODUN LCDA			
	IREPODUN LOCAL GOVT			
	Addition (Vehicle)	<u>15,665,465.96</u>	24,515,465.96	

	INVENTORIES ACCOUNT	NOTE 4		
	IREPODUN LOCAL GOVT			
	Finance Materials	15,252,020.00		
	Admin store	<u>7,000,000.00</u>	22,252,020.00	
	IREPODUN south LCDA			
	Finance Materials	<u>6,025,200.00</u>	<u>6,025,200.00</u>	
			<u>28,277,220.00</u>	
	INVESTMENTS	NOTE 5		
	Irepodun Local Government			
	Omoluabi	13,132,942.00		
	Kajola Integrated	9,523,810.00		
	Osicol	267,000.00		
	Preference Shares	28,333,333.34		
	Others	<u>263,945.69</u>	51,521,031.03	
	IREPODUN south LCDA			
	Omoluabi	7,556,600.00		
	Kajola Integrated	4,523,810.00		
	Osicol	267,000.00		
	Preference Shares	402,590.00	<u>12,750,000.00</u>	
			<u>64,271,031.03</u>	
		NOTE 6		
	PROPERTY PLANT AND EQUIPMENT (PPE)			
	IREPODUN LOCAL GOVT			
	BUILDING	975,867,395.24		
	INFRASTRUCTURAL ASSET	1,060,267,699.44		
	PLANT & MACHINERY	15,640,000.00		
	MOTOR VEHICLE	29,027,840.00		
	EQUIPMENT	2,489,340.00		
	FURNITURE & FITTINGS	<u>3,939,776.00</u>	1,494,571,507.44	
	IREPODUN south LCDA			
	BUILDING	186,514,562.21		
	INFRASTRUCTURAL ASSET	156,275,758.54		
	PLANT & MACHINERY	12,670,300.00		
	MOTOR VEHICLE	42,468,000.82		
	EQUIPMENT	6,006,600.00		
	FURNITURE & FITTINGS	<u>2,991,736.00</u>	<u>406,926,957.57</u>	
			<u>2,494,159,008.25</u>	
		NOTE 7		

	INVESTMENT PROPERTY			
	Irepodun Local Government			
	Others	51,457,061.54		
	Open Market	28,000,000.00		
	Lock up shop	67,000,000.00		
	Shopping Complex	<u>1,500,000.00</u>	147,957,061.54	
	Irepodun South LCDA			
	Others	9,050,000.00		
	Open Market	5,770,000.00		
	Lock up shop	52,000,000.00		
	Shopping Complex	<u>45,500,000.00</u>	<u>112,320,000.00</u>	
			<u>260,277,061.54</u>	
		NOTE 8		
	BIOLOGICAL ASSET			
	Irepodun Local Government	₦	₦	
	Teak Plantation	9,250,000.00		
	Poultry	<u>11,898,400.00</u>	21,148,400.00	
	Irepodun South LCDA			
	Teak Plantation	125,000.00		
	Poultry	<u>326,192.00</u>	<u>451,192.00</u>	
			<u>21,599,592.00</u>	
	ASSET UNDER CONSTRUCTION (WIP)	NOTE 9		
	ASSET UNDER CONSTRUCTION (WIP)			
	UNREMMITTED DEDUCTION	NOTE 11		
	Irepodun Local Government			
	Balance b/f	180,000,774.76		
	DEPOSIT RECEIVED	25,967,078.02		
	DEPOSIT PAID	(30,392,057.61)		
	Irepodun South LCDA			
	Balance b/f	69,467,756.72		
	DEPOSIT RECEIVED	27,180,510.26		
	DEPOSIT PAID	<u>(22,500,441.82)</u>	249,723,620.33	

		NOTE 12		
	PAYABLES			
	Irepodun Local Government			
	Unpaid Salary Arrears	403,497,665.83		
	Unpaid Salary Vouchers	538,904,627.58		
	OVERHEAD	1,949,631.64		
	SALARY	73,701,792.19		
	MODULATED SALARY ARREAS	1,666,666.66		
	SOCIAL CONTRIBUTION	10,733,333.33		
	MODULATED SALARY ARREAS	(13,333,333.28)		
	CONSERVATION	10,208,807.13		
	TRANSFER TO OTHER AGENCIES (Dec 21)	46,875,402.82		
	Cash (Dec 2020)	<u>(119,051,852.78)</u>	955,152,741.12	
	Long Term Borrowing/Bank Loan	NOTE 13		
	Irepodun Local Government			
	Balance b/f	790,307,670.32		
	10km Road	(17,335,147.75)		
	Environmental	(2,914,565.04)		
	Intervention	(1,759,234.45)		
		768,298,723.08		
	RESERVES	NOTE 14		
	Irepodun Local Government	737,486,044.79		
	Irepodun South LCDA	<u>245,438,756.17</u>	982,924,800.96	
	Accumulated Surplus	NOTE 15		
	Net Surplus	(86,877,867.41)		
	Net Surplus (1/1/2021	<u><u>152,190,077.28</u></u>	(65,312,209.87)	
	Statutory Allocation	NOTE 16		
	Irepodun Local Government			
	Statutory Allocation (JAAC)		1,009,514,358.34	

	VAT	NOTE 17	617,771,858.45	
	Aids and Grant	NOTE 19	5,386,786.00	
	Transfer from Main Council	NOTE 20	104,535,626.05	
	TAX REVENUE	NOTE 21		
	Irepodun Local Government (Community Tax)	199,800.00		
	Irepodun South LCDA (Community Tax)	<u>22,500.00</u>	222,300.00	
	NON TAX	NOTE 22		
	Irepodun Local Government (Fine & Licences)	4,098,530.00		
	Irepodun South LCDA (Fine & Licences)	<u>17,544,832.09</u>	21,643,362.09	
	SALARY AND WAGES	NOTE 23		
	Salary and Wages (Cash)			
	SALARY TNT (ELEMENTARY)	257,112,710.42		
	SALARY SUBEB (ADMIN & MON)	407,867.49		
	SALARY TNT (MIDDLE)	98,411,854.38		
	SALARY PHC	182,227,151.33		
	SALARY LG	315,273,044.50		
	SALARY LOANS BOARD	1,003,950.06		
	SALARY PENSION BUREAU	<u>1,432,202.95</u>	855,868,781.13	
		NOTE 25		

	Jointly Expanded			
	Overhead Cost			
	Running cost to JAAC Secretariat	1,200,000.00		
	Algon Imprest	10,200,000.00		
	Bank Charges	1,475,879.05		
	Consultancy	6,001,319.28		
	Magnium Trust	3,979,218.25		
	SUBEB Matching grant	66,666.70		
	School Running Cost	2,999,999.97		
	Year 2021 Budget	1,400,000.00	27,323,083.25	
		NOTE 26		
	Grant & Social Contribution			
	SUBEB Special Needs School	1,983,214.66		
	2021 Xmas & New year gift	11,340,000.00		
	Grading & Others	10,733,333.33	24,056,547.99	
	TRANSFER TO OTHER GOVERNMENT ENTITY	NOTE 27		
	1% TRAINING FUND	10,511,616.18		
	5% TRADITIONAL RULER	56,551,283.43		
	5% STABILIZATION	48,698,707.76		
	AUDIT FEE	20,937,442.62		
	SUBEB CONTRACT STAFF	271,120.78		
	GRATUITY	46,666,666.64		
	MONTHLY PENSION	151,531,842.24		
	CONTRIBUTORY PENSION(TNT)	33,949,293.00		
	CONTRIBUTORY PENSION(LG)	24,752,414.40		
	OHIS	14,751,896.03		
	OMEAL	23,867,860.00		
	RAMP REFUND	7,386,282.06		
	SUBEB MATCHING GRANT	<u>38,806,170.18</u>	<u>478,682,595.32</u>	

	SOCIAL BENEFIT	NOTE 28		
	Irepodun Local Government	758,000.00		
	Irepodun South LCDA	<u>164,000.00</u>	922,000.00	
	OVERHEAD	NOTE 29		
	Imprest	21,450,000.00		
	Repair & Maintenance publicity & Entertainment	7,193,520.00		
	Printing & General Exp.	8,440,983.64		
	Stationeries	8,196,480.00		
	Irepodun South LCDA		45,280,983.64	
		NOTE 30		
	GRANT AND SOCIAL CONTRIBUTION			
	Ileya Festival	7,801,907.48		
	Xmas Festival	11,340,000.00		
	Gradings	25,733,333.33		
	Gifts	9,504,000.00		
	Sensitization & Others	20,967,376.46		
			75,346,617.27	
		NOTE 31		
	Depreciation	75,003,595.45		
		29,585,833.34	112,765,749.92	
	ALLOWANCE	NOTE 32		
	Allowances to Various Committee & Several Gratuity	29,585,833.34		
	Allowances to (NYSC O'Tech & Personal Assistant to Allowances)	27,334,185.46	56,920,018.80	
		NOTE 36		
	Net Surplus/Deficit	22,627,712.44		
	Net Surplus/Deficit 1/1/2021	87,939,922.31		

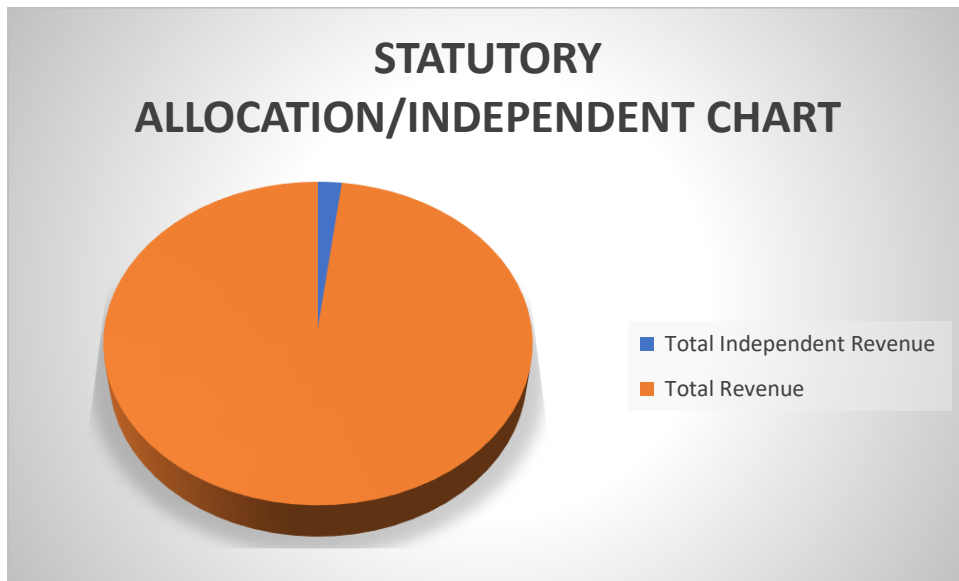
	Net Surplus/Deficit	65,312,209.87		
--	----------------------------	----------------------	--	--

IREPODUN LOCAL GOVERNMENT FISCAL OPERATION REPORT

STATEMENT OF CASHFLOW RATIOS

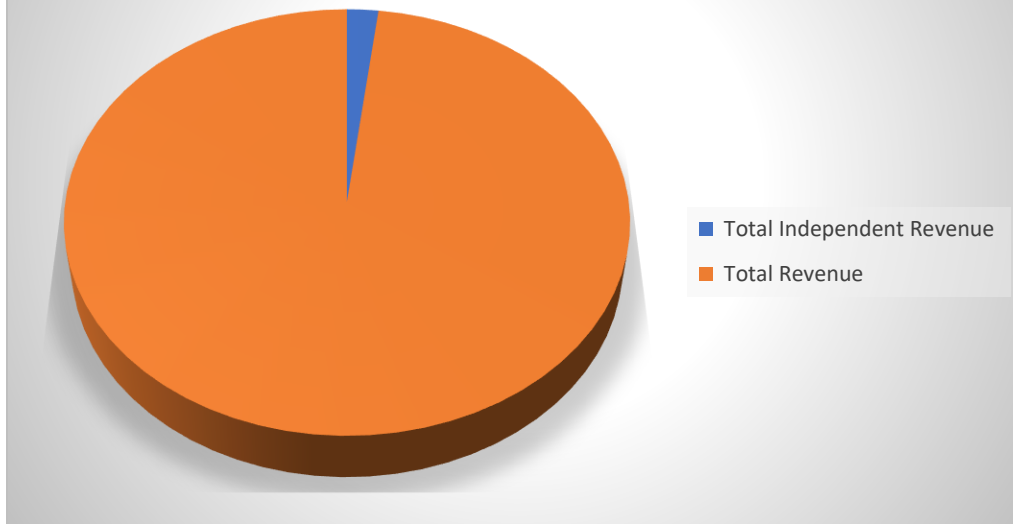
$$\begin{aligned} 1. \quad & \text{DEPENDENT REVENUE/TOTAL REVENUE} \times 100 \\ & = \frac{1,754,546,876.70}{1,781,799,324.79} = 98.47\% \end{aligned}$$

This indicated that Statutory Allocation took 98.47% of the Total Revenue of the Local Government and LCDA leaving 1.53% as Independence Revenue



$$\begin{aligned} 2. \quad & \frac{\text{TOTAL INDEPENDENT REVENUE}}{\text{TOTAL REVENUE}} \times 100 \\ & = \frac{27,252,448.09}{1,781,799,324.79} \times 100 = 1.53\% \end{aligned}$$

STATUTORY ALLOCATION/INDEPENDENT CHART



3. SALARY & WAGES : TOTAL RECURRENT EXPENDITURE

$$\frac{974,920,633.91}{1,680,516,371.55} \times 100 = 58.01\%$$

Therefore, the Salaries and Wages took about 58.01% out of the Recurrent Expenditure in the Local Government while the remaining 49.99% was expended on other expenditure.

STATEMENT OF FINANCIAL POSITION RATIOS

4 CURRENT ASSET : CURRENT LIABILITIES

$$\frac{181,105,402.55}{1,204,876,361.45} = 0.16 : 1$$

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

6. TOTAL ASSET : TOTAL LIABILITIES

$$\frac{3,021,412,095.36}{1,973,175,084.53} = 1.53 : 1$$

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

7. EQUITY : TOTAL ASSET

$$\frac{1,048,237,010.83}{3,021,412,095.3612} = 0.34 : 1$$

STATEMENT OF FINANCIAL PERFORMANCE RATIO

8. DEPENDENT REVENUE : TOTAL REVENUE

$$\frac{1,627,286,216.79}{1,654,538,664.88} \times 100 = 98.35\%$$

This indicated that the Dependent Revenue accounted for 98.35% of the Total Revenue of all the Local Government of the State leaving 1.65% as Independent Revenue.

9. INDEPENDENT REVENUE : TOTAL REVENUE

$$\frac{27,252,448.09}{1,654,538,664.88} \times 100 = 1.65\%$$

MANAGEMENT LETTER

IREPODUN LOCAL GOVERNMENT, ILOBU

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

1. UNRETIRED IMPREST TALLING [N67,500.00]: Audit inspection revealed that some of the imprest holder of the Local government and state security services and Nigeria Police Service did not attach importance to retirement of imprest before taking subsequent one contrary to Financial Memoranda 14:27 which states that “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 imprest shall automatically be retired at the end of each financial year”. The head of Finance is hereby mandated that a new imprest should not be given to any officer who fails to retire the previous one with relevant official receipts to justify authenticity of the expenses.

RISK:

Government fund might be diverted for personal use.

MANAGEMENT RESPONSE:

It was an oversight, the receipts had been obtained and attached to the payment vouchers which would be presented for further Audit Scrutiny.

RECOMMENDATION:

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

2. DOUBTFUL EXPENDITURE TALLING (₦5,135,000.00): - It was observed that a total sum of Five Million, One Hundred Thirty-five Thousand Naira was spent on empowering the Local agents against Fulani incursion and O'Clean technical for the month of January, 2021 and cost of entertainment that took place at Irepodun Local government secretariat, Ilobu and a day sensitization programme for secondary and primary schools in Irepodun Local Government. Further observation revealed that the payment vouchers used to effect those payment were not supported with enough documentary evidences to prove the genuineness of the expenditure which made it appeared doubtful contrary to Financial Memoranda 14:16.

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 use.

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 had been obtained which would be presented for further 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. However, such occurrences should be guided against in the future by notifying Audit at the instance of the exercise.

3. EXPENDITURE NOT CHECKED AND PASSED BY THE INTERNAL AUDITOR TALLING (₦1,050,000.00): It was observed that the payment vouchers used to effect the payments was not checked and passed by the Internal Auditor contrary to

Financial Memoranda No. 40:10 which says that “Before any payment is made, a prepayment audit vouchers and supporting documents shall be made by the Internal Auditor on all payment vouchers to verify that the provisions of the Financial Memoranda have been followed in all respect.

RISK:

Not subjecting payment vouchers to Internal Audit check before payment was an indication of weak Internal Control System which could result to misappropriation of public fund.

MANAGEMENT RESPONSE:

The voucher was not checked and passed by the Internal Auditor due to exigence of the expenditure as at the time the Payment Voucher was raised. The approval for the expenditure had been sought in file before payment was effected. However, the Payment Voucher had now been processed with necessary attachment and submitted to the Office of the Auditor General for Local Government for further scrutiny.

RECOMMENDATION:

The Internal Auditor Should ensure that prepayment and post payment audit were carried out on all transactions of the Local Government.

4. **UNCLAIMED ALLOWANCES WORTH (N480,000.00):** It was observed that a total sum of Two Hundred and Ninety Thousand Naira (N290,000.00) claimed to have been paid to the O’clean Technical and Marshall for monthly allowances were not supported with sub-receipts to affirm the genuineness of the disbursement of the expenditure which made it to appear unclaimed.

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 due process was duly followed appropriately & necessary documents had been attached to be presented for further Audit Scrutiny.

RECOMMENDATION:

An official printed 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 ₦30,000.00:** 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 in their possession and duly account for them to be presented for further Audit Verification.

RECOMMENDATION:

All the receipt booklets should be produced for Audit check and verification.

6. SUBMISSION OF REVENUE RETURNS: It was observed that your Local Government failed to remit quarterly returns on Internal Generated Revenue profile for the period of 1st, 2nd and 4th quarter 2021. Despite several effort made by the Director of Revenue of Office of the Auditor-General for Local Government.

RISK:

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

MANAGEMENT RESPONSE:

The preparation was in progress as at the time of Audit exercise and it had been prepared accordingly for further Audit verification.

RECOMMENDATION:

All the receipts booklets should be produced for audit check and verification.

IREPODUN SOUTH LOCAL COUNCIL DEVELOPMENT AREA, ERIN-OSUN

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

1. EXPENDITURE NOT CHECKED AND PASSED BY THE INTERNAL AUDITOR [N2,120, 000:00]: It was observed that the sum of Two Million, One Hundred and Twenty Thousand Naira (N1,120,000:00) was paid to Mrs. Alaje Folasade O. as monthly office imprest for the month of March, 2021 and for the cost of conducting of a two day Training/workshop on indepth knowledge that are empirically important in solving modern security problems and challenges in the LCDA. It was observed that the payment voucher was not checked and passed by the Internal Auditor contrary to Financial Memoranda No 40:10 which says that “Before any payment is made, a prepayment audit of vouchers and supporting documents shall be made by the Internal Auditor on all payment vouchers to verify that the provisions of these Financial Memoranda have been followed in all respects, the payment is one properly authorized and correctly charged to the stated sub-head or accounts and that sufficient funds are available to meet it”.

RISK:

Not subjecting payment vouchers to Internal Audit check before payment was an indication of weak Internal Control System which could result to misappropriation of public fund.

MANAGEMENT RESPONSE:

The voucher was not checked and passed by the Internal Auditor due to exigence of the expenditure as at the time the Payment Voucher was raised. The approval for the expenditure had been sought in file before payment was effected. However, the Payment Voucher had now been processed with necessary attachment and submitted to the Office of the Auditor General for Local Government for further scrutiny.

RECOMMENDATION:

The Internal Auditor Should ensure that prepayment and post payment audit were carried out on all transactions of the Local Government.

2 DOUBTFUL EXPENDITURE TALLING (₦2,550,000.00): It was observed that a total sum of Two Million, Five Hundred and Fifty Thousand Naira (₦2,550,000.00) was spent on workshop program for the security agencies, sensitization program on implication of Drug abuse and addiction, organization of an enlightenment program for youths and sensitization and mobilization program against child abuse menace etc. it was observed that the payment vouchers used to effect those payments were not supported with enough or adequate documents to prove the genuineness of the expenditure, thus, this made the expenditure appeared to be doubtful contrary to Financial Memoranda 14:16.

RISK:

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

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 had been obtained and 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. However, such occurrences should be guided against in the future by notifying Audit at the instance of the exercise.

3. UNRECEIPTED EXPENDITURE TALLING - ₦10,000: It was observed during the Audit inspection that the sum of Ten Thousand Naira (₦10,000) was released for the monthly running cost of salary officer in the month of September, 2021. The payment voucher used to effect the payment was not supported with official documents like receipts, invoice, etc.,

to authenticate that the expenditure was actually incurred by the recipient on behalf of the Local Government, 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”.

RISK:

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

MANAGEMENT RESPONSE:

It was an oversight, and the receipts had been obtained and attached to the payment vouchers to be presented for Audit Scrutiny.

RECOMMENDATION:

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

4. UNPRODUCED REVENUE EARNING RECEIPT BOOKLETS AMOUNTING TO ₦120,000.00 FOR THE YEAR 2019 :

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 and duly account for them which would be presented for further Audit Scrutiny.

RECOMMENDATION:

All the receipt booklets should be produced for Audit check and verification.

6. 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 purported 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.

6. SUBMISSION OF REVENUE RETURNS: It was observed that your Local Government failed to remit quarterly returns on Internal Generated Revenue profile for the

period of 3rd and 4th quarter 2021. Despite several effort made by the Director of Revenue of Office of the Auditor-General for Local Government.

RISK:

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

MANAGEMENT RESPONSE:

The preparation was in progress as at the time of Audit exercise and it had been prepared accordingly for further Audit verification.

RECOMMENDATION:

All the receipts booklets should be produced for audit check and verification.

REPORT ON INTERNAL AUDITOR'S REPORT

1. The Internal Audit could have function more effectively if the management of the Council gave the required logistics and supports due to it. The Rate Section could not generate higher revenue due to lack of political will and the IGR of the Council is decreasing monthly.

IREPODUN LOCAL GOVERNMENT

S/N	SUBJECT	QUERIES NOS	NO. OF OFFICERS QUERIED	AMOUNT (₦)	REMARKS
1.	Unretired Imprest	LQ/AUD/IRP/01/2021	4	67,500.00	
2.	Doubtful Expenditure	LQ/AUD/IRP/02/2021	6	5,135,000.00	
3.	Unclaimed Expenditure	LQ/AUD/IRP/03/2021	2	480,000.00	
4.	Expenditure not Checked by Passed	LQ/AUD/IRP/04/2021	2	1,050,000.00	
	TOTAL		14	6,732,500.00	

IREPODUN SOUTH LCDA, ERIN-OSUN

S/N	SUBJECT	QUERIES NOS	NO. OF OFFICERS QUERIED	AMOUNT (₦)	REMARKS
1.	Expenditure not Checked and Passed	LQ/AUD/IRPLCDA/01/2021	3	2,120,000.00	
2.	Doubtful Expenditure	LQ/AUD/IRPLCDA/02/2021	4	2,550,000.00	
3.	Unreceipted Expenditure	LQ/AUD/IRPLCDA/03/2021	2	10,000.00	
	TOTAL		09	4,680,000.00	