

STATE GOVERNMENT OF OSUN, NIGERIA.

REPORT OF

THE
AUDITOR-GENERAL
FOR
LOCAL GOVERNMENTS

ON THE ACCOUNTS OF

ORIADE LOCAL GOVERNMENT

IJEBU-JESA

FOR THE YEAR ENDED

31ST DECEMBER, 2021.

TABLE OF CONTENTS

	DETAILS	PAGE
1	TITLE PAGE	1
2	TABLE OF CONTENTS	2
3	LIST OF ABBREVIATIONS	3
4	STATEMENT OF RESPONSIBILITY FOR THE PREPARATION OF FINANCIAL STATEMENTS	4
5	AUDIT CERTIFICATE	5
6	STATEMENT OF RESPONSIBILITY OF THE AUDITOR-GENERAL	6
7	BASIS OF AUDIT OPINION	7
8	STATEMENT OF COMPLIANCE	8
9	STATEMENT OF ACCOUNTING POLICIES	9-11
10	GENERAL COMMENTS	12-13
11	COMMENTS ON FINANCIAL STATEMENTS a. STATEMENT OF FINANCIAL PERFORMANCE b. STATEMENT OF FINANCIAL POSITION	14-18
12	CONSOLIDATED 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	19-35
13	FISCAL OPERATION REPORT i STATISTICAL AND ACCOUNTING RATIOS ii NON-FINANCIAL DISCLOSURE	36-37
14	MANAGEMENT LETTER	38-43
15	LIST OF PROJECTS EXECUTED IN THE LOCAL GOVERNMENT	44

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:

Oriade Local Government and Oriade South LCDA have been prepared by the respective Heads of Finance and Supplies and subsequently Consolidated by the Head of Finance and Supplies of ***Oriade 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***

Chairman
Oriade Local Government



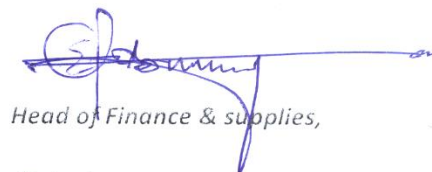
Head of Finance & supplies,

Oriade Local Government





Chairman
Oriade Local Government

Chairman
Oriade South LCDA


Head of Finance & supplies,

Oriade South LCDA




Chairman
Oriade South LCDA

AUDIT CERTIFICATE

I have audited the accounts of Oriade Local Government, Ijebu-Jesa 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 General Purpose Financial Statement comprising of Consolidated Statement of Financial Position, Consolidated Statement of Financial Performance, Consolidated Statement 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 Oriade Local Government, Ijebu-Jesa for the accounting year ended 31st December, 2021 subject to the observations and comments, and resulting reservations, and disallowance as contained in this report.



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

STATEMENT OF FINANCIAL RESPONSIBILITY

The preparation and fair presentation of Financial Statements of Local Governments is the direct of responsibility of the Head of Finance and Supply in the Local Governments. In compliance with the provisions of Finance Control and Management Act 1958 (as amended), the Model Financial Memoranda (1991 as amended), the Laws of Osun State 2002 (as amended) and with the provisions of the Constitution of the Federal Republic of Nigeria, 1999.

In the State of Osun, the Heads of Finance of Oriade Local Government is responsible for the consolidation of Financial Statements with the Financial Statement of the subsidiary Oriade 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 the Local Government 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 Government and various Institutions and all Agencies handling projects and Programmes funded by Local Government in the State inclusive of Oriade Local Government and Oriade South LCDA.

BASIS OF AUDIT OPINION

In the course of auditing the accounts of Oriade Local Government and Oriade 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.

Where paucity of available Audit resources warranted sampling, objective statistical sampling techniques were applied to ensure representativeness, completeness, relevance, and timeliness in the determination of sampling elements. This ensured reliability of Audit Opinion, giving due recognition to principle of materiality.

STATEMENT OF COMPLIANCE

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

The accounts of Oriade Local Governments, Ijebu-jesa 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. Consolidated Statement of Financial Performance.
- b. Consolidated Statement of Financial Position.
- c. Consolidated Statement of Cash flow.
- d. Consolidated Statement of Comparison of Budgeted and Actual Amounts.
- e. Consolidated Statement of Changes in Net Asset/Equity.
- f. Notes to the GPFS.

5. Consolidation Policy- IPSAS 6

The Heads of Finance of Oriade Local Governments, and Oriade South LCDA are required to prepare their individual GPFS at the end of the financial year on Accrual Basis of Accounting.

Each Local Government is a creation of the Constitution and none is subservient to the other. However in this situation, the subsidiary entity as Oriade South LCDA with GPFS has been consolidated with that of Oriade Local Government.

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

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

7.

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

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

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

10. 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%

11. REVALUATION

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

12. IMPAIRMENT

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

13. 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.

14. 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.

15. 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.

16. 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.

17. RESERVE

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

18. 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 Oriade Local Government, Ijebu Jesa (including elements of Local Government fund in various Agencies and Institutions of Government, comprising Traditional Councils, LGSPB, LGSC, SUBEB, O'Meals and other Jointly executed programmes and projects of Local Governments) 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 of Oriade 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 other dependent and Independent Revenue sources of the Local Governments while Expenditure covered included all Capital and Recurrent Expenditure Items, are contributions centrally executed Projects and programmes of Local Governments, and Statutory remittances to Traditional Councils by Oriade Local Government (and Oriade South LCDA).

BUDGET PREPARATION / EXECUTION

The Budget for 2021 for Oriade Local Governments was prepared in compliance with new National Chart of Accounts. The 2021 Budget was an improvement on the previous Budget of 2020 as some of the obvious shortcomings observed by the Audit have been addressed.

PROCUREMENT PRACTICES

The Audit observed that the Procurement Office needs to be strengthened to further assist in promoting sound and transparent procurement practices in the Local Government.

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 involving a team of a standing multi-disciplinary qualified professionals in the fields of valuation, engineering, town planning, medicine, etc. and others as were necessary. Consequently, the realism

of the values of non-current asset is enhanced for the year under review. The verification exercise is continuous and value of the Local Governments non-current Assets is being updated yearly.

INTERNALLY REVENUE GENERATION AND FINANCIAL VIABILITY

The total Internally Generated Revenue by the Local Government for 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 ₦49,410,329.02 representing 2.71% 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, 10 nos of Audit Queries were issued in respect of 2021 Accounts, involving a total sum of ₦7,7365,600.00

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

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

JOINTLY EXECUTED AND INDIVIDUAL PROJECTS AND PROGRAMMES:

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

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

COMMENTS ON FINANCIAL STATEMENTS

A. STATEMENT OF FINANCIAL PERFORMANCE

Share of FAAC AND VAT: The total sum of #1,112,269,061.85 was share of FAAC and VAT amounted to #659,906,158.81.

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
Oriade	1,042,438,342.01	492,899,487.67	33,751,694.25	28,269,588.40	856,657.93	15,096,436.34	23,459,832.04	1,744,686.97	14,667,331.15	1,653,184,056.76

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. #1,772,175,220.68.

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 - ₦23,071,164.68

The Aggregate closing cash and cash equivalents amounted to **₦23,071,164.68** 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 - ₦87,297,385.32

A total sum of ~~₦87,297,385.32~~ 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 - ₦33,685.20

The sum of ~~₦33,685.20~~ 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 - ₦51,424,065.11

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) - ₦5,036,489,270.78

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

Particulars	Rate%
Fixture and fitting	20
Motor Vehicle	20

Plant and Equipment	20
Infrastructural Asset	10
Buildings	2
Office Equipment	20

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

PAYABLES - ₦1,091,488,910.57

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 - (₦38,130,759.83)

The carrying amount of Investment Properties of the Local Governments and Area Councils stood at ₦38,130,759.83 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 - ₦1,705,593,848.40

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

UNREMITTED DEDUCTIONS - ₦50,405,314.12

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 ₦92,309,723.71 was made to the Local Council Development Areas and Area Offices in the period under review and was set off in the Consolidated Account.

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

POSITION

PARTICULAR	NOTE	ORIADE CONSOLIDATED
ASSETS		
Current Assets		
Cash & Cash Equipments	1	23,071,164.68
Receivables	2	87,297,385.32
Prepayment/Advance	3	2,450,000.00
Inventories	4	3,368,520.00
Total Current Asset		116,187,070.00
Non-current Asset		
Long Term Loan Granted		
Investments	5	51,424,065.11
Property, Plant & Equipment	6	5,036,489,270.78
Investment Property	7	38,130,759.83
Biological Asset	8	10,380,000.00
Assets Under Construction (wip)	9	3,771,300.00
Total Non-Current Asset		5,140,195,395.72
Total Asset		5,256,382,465.72
LIABILITIES		
Current Liabilities		
Deposit		
Short Term Loan & Debts	10	
Unremitted Deduction	11	50,405,314.12
Payables	12	1,091,488,910.57
Short Terms Provisions		
Total Current Liability		1,141,894,224.69
Non-Current Liabilities		-
Long Term Borrowing	13	1,705,593,848.40
Total Liabilities		2,847,488,073.09
Net Assets		2,408,894,392.63
Financed by		
Reserve	14	3,397,797,353.46
Net Surplus/Deficit	15	(988,902,960.83)
Total		2,408,894,392.63

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2021

PARTICULAR	NOTE	ORIADE	ORIADE SOUTH	ORIADE CONSOLIDATED
ASSETS				
Current Assets				
Cash & Cash Equipments	1	7,560,707.62	15,510,457.06	23,071,164.68
Receivables	2	87,297,385.32	-	87,297,385.32
Prepayment/Advance	3	2,450,000.00	-	2,450,000.00
Inventories	4	2,713,296.00	655,224.00	3,368,520.00
Total Current Asset		100,021,388.94	16,165,681.06	116,187,070.00
Non-current Asset				
Long Term Loan Granted				
Investments	5	33,425,642.32	17,998,422.79	51,424,065.11
Property, Plant & Equipment	6	3,199,557,157.42	1,836,932,113.36	5,036,489,270.78
Investment Property	7	22,790,798.98	15,339,960.85	38,130,759.83
Biological Asset	8	6,787,950.00	3,592,050.00	10,380,000.00
Assets Under Construction (wip)	9	2,451,345.00	1,319,955.00	3,771,300.00
Total Non-Current Asset		3,265,012,893.72	1,875,182,502.00	5,140,195,395.72
Total Asset		3,365,034,282.66	1,891,348,183.06	5,256,382,465.72
LIABILITIES				
Current Liabilities				
Deposit				
Short Term Loan & Debts	10			
Unremitted Deduction	11	33,942,919.96	16,462,394.16	50,405,314.12
Payables	12	795,739,312.36	295,749,598.21	1,091,488,910.57
Short Terms Provisions		-	-	
Total Current Liability		827,682,232.32	312,211,992.37	1,141,894,224.69
Non-Current Liabilities				-
Long Term Borrowing	13	1,074,644,875.90	630,948,972.50	1,705,593,848.40
Total Liabilities		1,904,327,108.22	943,160,964.87	2,847,488,073.09
Net Assets		1,460,707,174.44	948,187,218.19	2,408,894,392.63
Financed by				
Reserve	14	2,338,035,709.25	1,059,761,644.21	3,397,797,353.46
Net Surplus/Deficit	15	(877,328,534.81)	(111,574,426.02)	(988,902,960.83)
Total		1,460,707,174.44	948,187,218.19	2,408,894,392.63

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER,
2021

PERFORMANCE		
PARTICULAR	NOTE	ORIADE CONSOLIDATED
STATUTORY ALLOCATION		
Government share of FAAC (Statutory Revenue)	16	1,112,269,061.85
Government Share of VAT	17	659,906,158.81
Sub-Total Statutory Allocation	18	1,772,175,220.66
INDEPENDENT REVENUE		
Augmentation	19	5,386,786.00
Transfer from main Council	20	
Tax Revenue	21	819,482.00
Non-Tax Revenue	22	15,882,430.00
Other Income		27,321,631.02
Overpayment Recovery		
Sub-Total Independent Revenue		49,410,329.02
Total Revenue		1,821,585,549.68
EXPENDITURE		
JOINTLY EXPENDED		
Salaries & Wages	23	855,868,781.13
Social Benefits	24	100,000.00
Overhead Cost	25	27,323,083.25
Grants & Social Contribution	26	28,376,547.99
Transfer to other Agencies	27	472,701,794.58
L/GOVERNMENT EXPENDITURE		-
Social Benefits	28	21,301,557.69
Overhead Cost	29	61,390,853.08
Grants & Social Contribution	30	186,925,849.75
Depreciation	31	264,534,094.16
Allowances	32	57,626,887.90
Transfer to LCDA	33	
Impairment	34	-
Revenue Refunded	35	-
Public Debt Charges		
Stabilization Fund		
Refund to main Council		-
Stationeries		-
Severance Gratuity		-
Total Expenditures		1,976,149,449.53
Net Surplus/Deficit	36	(154,563,899.85)
Net Surplus/Deficit 01/01/2021	37	(834,339,060.98)
Net Surplus/Deficit 31/12/2021	38	(988,902,960.83)

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE AS AT 31ST DECEMBER,
2021

PERFORMANCE				
PARTICULAR	NOTE	ORIADE	ORIADE SOUTH	ORIADE CONSOLIDATED
STATUTORY ALLOCATION				
Government share of FAAC (Statutory Revenue)	16	1,112,269,061.85	-	1,112,269,061.85
Government Share of VAT	17	659,906,158.81	-	659,906,158.81
Sub-Total Statutory Allocation	18	1,772,175,220.66	-	1,772,175,220.66
INDEPENDENT REVENUE				-
Grant & Aids	19	5,386,786.00	-	5,386,786.00
Transfer from main Council	20	-	92,309,723.71	
Tax Revenue	21	280,000.00	539,482.00	819,482.00
Non-Tax Revenue	22	12,378,688.00	3,503,742.00	15,882,430.00
Other Income		9,454,083.33	17,867,547.69	27,321,631.02
Overpayment Recovery				-
Sub-Total Independent Revenue		27,499,557.33	114,220,495.40	49,410,329.02
Total Revenue		1,799,674,777.99	114,220,495.40	1,821,585,549.68
EXPENDITURE				-
JOINTLY EXPENDED				-
Salaries & Wages	23	855,868,781.13	-	855,868,781.13
Social Benefits	24	100,000.00	-	100,000.00
Overhead Cost	25	27,323,083.25	-	27,323,083.25
Grants & Social Contribution	26	28,376,547.99	-	28,376,547.99
Transfer to other Agencies	27	472,701,794.58	-	472,701,794.58
L/GOVERNMENT EXPENDITURE				-
Social Benefits	28	14,286,557.69	7,015,000.00	21,301,557.69
Overhead Cost	29	33,777,385.08	27,613,468.00	61,390,853.08
Grants & Social Contribution	30	148,169,748.75	38,756,101.00	186,925,849.75
Depreciation	31	264,534,094.16	-	264,534,094.16
Allowances	32	25,831,000.00	31,795,887.90	57,626,887.90
Transfer to LCDA	33	92,309,723.71	-	
Impairment	34			-
Revenue Refunded	35			-
Public Debt Charges				
Stabilization Fund				
Refund to main Council				-
Stationeries				-
Severance Gratuity		-		-
Total Expenditures		1,963,278,716.34	105,180,456.90	1,976,149,449.53
Net Surplus/Deficit	36	(163,603,938.35)	9,040,038.50	(154,563,899.85)
Net Surplus/Deficit 01/01/2021	37	(713,724,596.46)	(120,614,464.52)	(834,339,060.98)
Net Surplus/Deficit 31/12/2021	38	(877,328,534.81)	(111,574,426.02)	(988,902,960.83)

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2021

CASHFLOW

OPERATING ACTIVITIES	NOTE	ORIADE CONSOLIDATED
INFLOW		
Statutory Revenue (JAAC)	39	1,181,940,274.54
Value Added Tax	40	714,669,220.62
Receivable		-
Sub Total Statutory Allocation	41	1,896,609,495.16
Aids and Grants	42	13,595,593.13
Transfer from Main Council	43	
Tax Revenue	44	819,482.00
Non Tax Revenue	45	15,882,430.00
Other Income		26,579,631.02
Overpayment Recovery		-
Sub Total Independent Revenue	46	56,877,136.15
Total Inflow Operating Activities	47	1,953,486,631.31
OUTFLOW		-
Salaries & Wages	48	931,026,528.21
Social Benefits	49	21,401,557.69
Overhead Cost	50	57,444,996.62
Social Contributions	51	208,902,397.74
Allowances	52	57,649,503.59
Modulated Salary Arrears	53	13,333,333.28
Inventories	54	2,267,880.00
Fund Conserved for Salary		8,208,807.13
Transfer to LCDA	55	
Transfer to other Govt. Agencies	56	548,820,239.15
Refund to Main Councils		-
Revenue Refunded		
Stabilization Fund		
Tax Expenses	57	-
Severance Gratuity		-
Total Outflow from Operating Activities	58	1,849,055,243.41
Net Cashflow from Operating Activities	59	104,431,387.90
INVESTING ACTIVITIES		-
Proceed from Disposal of Asset		4,242,000.00
Total Inflow from Investing Activities		4,242,000.00

Cashflow from Investing Activities		-
Administrative Sector	60	61,600,000.00
Economic Sector		317,000.00
Total Outflow from Investing Activities	61	61,917,000.00
Net Cashflow from Investing Activities		(57,695,000.00)
Inflow from Financing Activities		-
Bank Overdraft		
Soft Loan(Bank)		
Deduction Received	62	24,990,486.12
Total Inflow from Financing Activities	63	24,990,486.12
OUFLOW (PAYMENT)		-
Bail Out Repayment		-
10km Road	64	14,559,039.80
Water Project	65	-
Environmental Sanitation Loan	66	2,914,565.04
Loan Repayment (Inherited)	67	1,500,000.00
Bank Loan	68	-
Intervention Loan	69	14,483,698.95
Other Loan Repayment		
Deduction Paid	70	25,011,588.22
Total Outflow From Financing Activities	71	58,468,892.01
Net Cashflow from financing Activities	72	(33,478,405.89)
Cash and Cash Equivalent for the year	73	13,277,982.01
Cash and Cash Equivalent 01/01/2021	74	9,793,182.67
Cash and Cash Equivalent 31/12/2021	75	23,071,164.68

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF CASHFLOW AS AT 31ST DECEMBER, 2021

OPERATING ACTIVITIES	NOTE	ORIADE	ORIADE SOUTH	ORIADE CONSOLIDATED
INFLOW				
Statutory Revenue (JAAC)	39	1,181,940,274.54	-	1,181,940,274.54
Value Added Tax	40	714,669,220.62	-	714,669,220.62
Receivable			-	-
Sub Total Statutory Allocation	41	1,896,609,495.16	-	1,896,609,495.16
Aids and Grants	42	13,595,593.13	-	13,595,593.13
Transfer from Main Council	43	-	92,309,723.71	
Tax Revenue	44	280,000.00	539,482.00	819,482.00
Non Tax Revenue	45	12,378,688.00	3,503,742.00	15,882,430.00
Other Income		8,712,083.33	17,867,547.69	26,579,631.02
Overpayment Recovery				-
Sub Total Independent Revenue	46	34,966,364.46	114,220,495.40	56,877,136.15
Total Inflow Operating Activities	47	1,931,575,859.62	114,220,495.40	1,953,486,631.31
OUTFLOW				
Salaries & Wages	48	931,026,528.21	-	931,026,528.21
Social Benefits	49	14,386,557.69	7,015,000.00	21,401,557.69
Overhead Cost	50	29,831,528.62	27,613,468.00	57,444,996.62
Social Contributions	51	178,546,296.74	30,356,101.00	208,902,397.74
Allowances	52	25,853,615.69	31,795,887.90	57,649,503.59
Modulated Salary Arrears	53	13,333,333.28	-	13,333,333.28
Inventories	54	2,022,880.00	245,000.00	2,267,880.00
Fund Conserved for Salary		8,208,807.13	-	8,208,807.13
Transfer to LCDA	55	92,309,723.71	-	
Transfer to other Govt. Agencies	56	548,820,239.15	-	548,820,239.15
Refund to Main Councils				

Revenue Refunded				
Stabilization Fund				
Tax Expenses	57			-
Severance Gratuity				-
Total Outflow from Operating Activities	58	1,878,839,510.22	97,025,456.90	1,849,055,243.41
Net Cashflow from Operating Activities	59	52,736,349.40	17,195,038.50	104,431,387.90
INVESTING ACTIVITIES				-
Proceed from Disposal of Asset		4,242,000.00	-	4,242,000.00
Total Inflow from Investing Activities		4,242,000.00	-	4,242,000.00
Cashflow from Investing Activities				-
Administrative Sector	60	21,100,000.00	6,000,000.00	61,600,000.00
Economic Sector		317,000.00	-	317,000.00
Total Outflow from Investing Activities	61	21,417,000.00	6,000,000.00	61,917,000.00
Net Cashflow from Investing Activities		(17,175,000.00)	(6,000,000.00)	(57,695,000.00)
Inflow from Financing Activities				-
Bank Overdraft				
Soft Loan(Bank)				
Deduction Received	62	-	24,990,486.12	24,990,486.12
Total Inflow from Financing Activities	63	-	24,990,486.12	24,990,486.12
OUFLOW (PAYMENT)				-
Bail Out Repayment				-
10km Road	64	14,559,039.80	-	14,559,039.80
Water Project	65	-	-	-
Environmental Sanitation Loan	66	2,914,565.04	-	2,914,565.04
Loan Repayment (Inherited)	67	1,500,000.00	-	1,500,000.00
Bank Loan	68	-	-	-
Intervention Loan	69	14,483,698.95	-	14,483,698.95
Other Loan Repayment				

Deduction Paid	70	-	25,011,588.22	25,011,588.22
Total Outflow From Financing Activities	71	33,457,303.79	25,011,588.22	58,468,892.01
Net Cashflow from financing Activities	72	(33,457,303.79)	(21,102.10)	(33,478,405.89)
Cash and Cash Equivalent for the year	73	2,104,045.61	11,173,936.40	13,277,982.01
Cash and Cash Equivalent 01/01/2021	74	5,456,662.01	4,336,520.66	9,793,182.67
Cash and Cash Equivalent 31/12/2021	75	7,560,707.62	15,510,457.06	23,071,164.68

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF COMPARISM AS AT 31ST DECEMBER, 2021

COMPARISM

		ORIADE CONSOLIDATED		
PARTICULAR	NOTE	FINAL BUDGET	ACTUAL	VARIANCE
STATUTORY ALLOCATION				
Government Share of FAAC(Statutory Revenue)	16	1,701,429,781.56	1,112,269,061.85	1,039,389,106.02
Government Share of VAT	17	421,490,068.00	659,906,158.81	647,396,226.81
Sub-Total Statutory Allocation	18	2,122,919,849.56	1,772,175,220.66	1,686,785,332.83
INDEPENDENT REVENUE		-	-	-
Grants & Aids	19	12,000,000.00	5,386,786.00	17,386,786.00
Transfer from Main Council	20	-	-	-
Tax Revenue	21	790,000.00	819,482.00	150,518.00
Non-Tax Revenue	22	20,165,000.00	15,882,430.00	5,419,946.00
Other Income		10,000,000.00	43,204,061.02	18,413,464.36
Sub-Total Independent Revenue		42,955,000.00	49,410,329.02	41,370,714.36
Total Revenue		2,165,874,849.56	1,821,585,549.68	1,728,156,047.19
EXPENDITURE		-	-	-
Salaries & Wages	23	1,343,456,200.00	855,868,781.13	487,587,418.87
Social Benefits	24	76,131,504.72	100,000.00	54,729,947.03
Overhead Cost	25	261,358,859.36	27,323,083.25	172,644,923.03
Augmentation	26	34,479,366.84	28,376,547.99	(180,823,030.90)
Transfer to Other Agencies	27	9,493,760.00	472,701,794.58	(463,208,034.58)
Depreciation	31	-	264,534,094.16	(264,534,094.16)
Allowances	32	89,969,660.64	57,626,887.90	32,342,772.74
Transfer to LCDA	33	-	-	(92,309,723.71)
Impairment	34	-	-	-
Revenue Refunded	35	-	-	-
Stationaries		-	-	-
Total Expenditures		1,814,889,351.56	1,976,149,449.53	(253,569,821.68)
Net Surplus/Deficit	36	350,985,498.00	(154,563,899.85)	1,981,725,868.87
Net Surplus/Deficit 31/12/2020	37	-	(834,339,060.98)	-
Net Surplus/Deficit 31/12/2021	38	350,985,498.00	(988,902,960.83)	1,981,725,868.87

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF COMPARISM BUDGET AND ACTUAL AS AT 31ST DECEMBER, 2021

		ORIADE			ORIADE SOUTH			ORIADE CONSOLIDATED		
PARTICULAR	NOTE	FINAL BUDGET	ACTUAL	VARIANCE	FINAL BUDGET	ACTUAL	VARIANCE	FINAL BUDGET	ACTUAL	VARIANCE
STATTUTORY ALLOCATION										
Government Share of FAAC(Statutory Revenue)	16	841,000,006.84	1,112,269,061.85	271,269,055.01	860,429,774.72		768,120,051.01	1,701,429,781.56	1,112,269,061.85	1,039,389,106.02
Government Share of VAT	17	217,000,000.00	659,906,158.81	442,906,158.81	204,490,068.00		204,490,068.00	421,490,068.00	659,906,158.81	647,396,226.81
Sub-Total Statutory Allocation	18	1,058,000,006.84	1,772,175,220.66	714,175,213.82	1,064,919,842.72	92,309,723.71	972,610,119.01	2,122,919,849.56	1,772,175,220.66	1,686,785,332.83
INDEPENDENT REVENUE								-	-	-
Grants & Aids	19		5,386,786.00	5,386,786.00	12,000,000.00		12,000,000.00	12,000,000.00	5,386,786.00	17,386,786.00
Transfer from Main Council	20					92,309,723.71		-	-	-
Tax Revenue	21	190,000.00	280,000.00	90,000.00	600,000.00	539,482.00	60,518.00	790,000.00	819,482.00	150,518.00
Non-Tax Revenue	22	11,810,000.00	12,378,688.00	568,688.00	8,355,000.00	3,503,742.00	4,851,258.00	20,165,000.00	15,882,430.00	5,419,946.00
Other Income		10,000,000.00	9,454,083.33	545,916.67		17,867,547.69	17,867,547.69	10,000,000.00	27,321,631.02	18,413,464.36
Sub-Total Independent Revenue		22,000,000.00	27,499,557.33	6,591,390.67	20,955,000.00	114,220,495.40	34,779,323.69	42,955,000.00	49,410,329.02	41,370,714.36
Total Revenue		1,080,000,006.84	1,799,674,777.99	720,766,604.49	1,085,874,842.72	114,220,495.40	1,007,389,442.70	2,165,874,849.56	1,821,585,549.68	1,728,156,047.19
EXPENDITURE								-	-	-
Salaries & Wages	23	657,572,890.00	855,868,781.13	(198,295,891.13)	685,883,310.00		685,883,310.00	1,343,456,200.00	855,868,781.13	487,587,418.87
Social Benefits	24	23,100,000.00	14,386,557.69	8,713,442.31	53,031,504.72	7,015,000.00	46,016,504.72	76,131,504.72	21,401,557.69	54,729,947.03
Overhead Cost	25	66,393,859.36	61,100,468.33	5,293,391.03	194,965,000.00	27,613,468.00	167,351,532.00	261,358,859.36	88,713,936.33	172,644,923.03
Grants & Social Contribution	26	17,675,486.84	176,546,296.74	(158,870,809.90)	16,803,880.00	38,756,101.00	(21,952,221.00)	34,479,366.84	215,302,397.74	(180,823,030.90)
Transfer to Other Agencies	27	9,493,760.00	472,701,794.58	(463,208,034.58)				9,493,760.00	472,701,794.58	(463,208,034.58)
Depreciation	31		264,534,094.16	(264,534,094.16)				-	264,534,094.16	(264,534,094.16)
Allowances	32	59,775,010.64	25,831,000.00	33,944,010.64	30,194,650.00	31,795,887.90	(1,601,237.90)	89,969,660.64	57,626,887.90	32,342,772.74
Transfer to LCDA	33		92,309,723.71	(92,309,723.71)				-		(92,309,723.71)

Impairment	34							-	-	-
Revenue Refunded	35							-	-	-
Stationaries								-	-	-
Total Expenditures		834,011,006.84	1,963,278,716.34	(1,129,267,709.50)	980,878,344.72	105,180,456.90	875,697,887.82	1,814,889,351.56	1,976,149,449.53	(253,569,821.68)
Net Surplus/Deficit	36	245,989,000.00	(163,603,938.35)	1,850,034,313.99	104,996,498.00	9,040,038.50	131,691,554.88	350,985,498.00	(154,563,899.85)	1,981,725,868.87
Net Surplus/Deficit 31/12/2020	37		(713,724,596.46)			(120,614,464.52)		-	(834,339,060.98)	-
Net Surplus/Deficit 31/12/2021	38	245,989,000.00	(877,328,534.81)	1,850,034,313.99	104,996,498.00	(111,574,426.02)	131,691,554.88	350,985,498.00	(988,902,960.83)	1,981,725,868.87

ORIADE LOCAL GOVERNMENT, IJEBU-JESA

NET ASSET AND EQUITY	ORIADE CONSOLIDATED		
DETAILS	RESERVES	Accumulated Surplus/Deficit	TOTAL
Opening Balance 1/1/2021	3,397,797,353.46	(834,339,060.98)	2,563,458,292.48
Adjusted Reserve	-	-	-
Adjusted Balance	3,397,797,353.46	(834,339,060.98)	2,563,458,292.48
Net Surplus Deficit for the year	-	(154,563,899.85)	(154,563,899.85)
Closing Balance as at 31/12/2021	3,397,797,353.46	(988,902,960.83)	2,408,894,392.63

ORIADE LOCAL GOVERNMENT, IJEBU-JESA
CONSOLIDATED STATEMENT OF NET ASSET/EQUITY AS AT 31ST DECEMBER, 2021

DETAILS	ORIADE			ORIADE SOUTH			ORIADE CONSOLIDATED		
	RESERVES	Accumulated Surplus/Deficit	TOTAL	RESERVES	Accumulated Surplus/Deficit	TOTAL	RESERVES	Accumulated Surplus/Deficit	TOTAL
Opening Balance 1/1/2021	2,338,035,709.25	(713,724,596.46)	1,624,311,112.79	1,059,761,644.21	(120,614,464.52)	939,147,179.69	3,397,797,353.46	(834,339,060.98)	2,563,458,292.48
Adjusted Reserve			-			-	-	-	-
Adjusted Balance	2,338,035,709.25	(713,724,596.46)	1,624,311,112.79	1,059,761,644.21	(120,614,464.52)	939,147,179.69	3,397,797,353.46	(834,339,060.98)	2,563,458,292.48
Net Surplus Deficit for the year	-	(163,603,938.35)	(163,603,938.35)	-	9,040,038.50	9,040,038.50	-	(154,563,899.85)	(154,563,899.85)
Closing Balance as at 31/12/2021	2,338,035,709.25	(877,328,534.81)	1,460,707,174.44	1,059,761,644.21	(111,574,426.02)	948,187,218.19	3,397,797,353.46	(988,902,960.83)	2,408,894,392.63

ORIADE LOCAL GOVERNMENT	
NOTE TO THE ACCOUNTS	
NOTE 01	
Cash & Cash Equivalents:-	
Balance b/ forward 01/01/2021	
9,793,182.67	
Add Receipt	2,075,028,841.14
	2,084,822,023.81
Deduct Payments	2,061,750,859.13
Balance C/forward 31/12/2021.	23,071,164.68
NOTE 02	
Receivables:-	
Allocation	105,623,568.01
VAT	118,680,242.85
Exchange Rate Gain	1,023,442.09
General Conservation	24,000,000.00
Conserved in JAAC Acct.	34,500,000.00
	283,827,252.95
Deduct Dec. 2020 (Cash)	138,029,867.63
	145,797,385.32
NOTE 03	
Prepayment / Advance:-	
Balance B/ forward	2,450,000.00
NOTE 04	
Inventories:-	
Office Consumables	1,100,640.00
Office Materials	2,267,880.00
Unissued Equipments	-
Bal, as @ 31/12/2021	3,368,520.00
NOTE 05	
Investment:-	
Omoluabi Holdings	13,132,942.00
Kajola Integrated	9,523,810.00
OSICOL	267,000.00
Preference Shares	28,333,333.33
Others	166,979.78
	51,424,065.11

NOTE 06	
Property, Plants & Equipments:-	
Building	1,853,944,198.39
Plant & Machinery	170,800,488.14
Infrastructural Asset	2,938,738,172.54
Motor vehicles	66,079,878.69
Office equipment	3,043,985.18
Furniture & fitting	3,882,547.84
Total PPE	5,036,489,270.78
NOTE 08	
Biological Assets:-	
Teak Plantation	3,592,050.00
Poultry house	774,950.00
Palm Tree	6,013,000.00
Cashew Plantation	-
	10,380,000.00
NOTE 09	
Assets Under Construction(WIP):-	
Building	-
Shopping Complex	3,771,300.00
Offices	-
Others	-
	3,771,300.00
NOTE 10	
Shot- Term Loan & Debt:-	
Bank Overdraft	-
Loan payable within 12 months	-
NOTE 11	
Unremitted Deduction :-	
Balance B/forward	50,426,416.22
Addition-- Deduction Received	24,990,486.12
	75,416,902.34
Deduct- Deduction Paid	25,011,588.22
Balance C /forward	50,405,314.12
NOTE 12	
Payables:-	
Balance B/forward	1,142,802,775.88
Unpaid Salaries Arrears	73,701,792.19

Transfer to other Agencies Dec'21	46,347,543.41
Social Benefit -Dec 2021	
Employees Benefit	
Overheads Dec 2021	1,949,631.64
Social Contribution-Dec 2021	
Others -Dec.2021	58,500,000.00
	1,321,352,111.48
Deduct- Modulated Sal. Arrears	(13,333,333.28)
Dec. 2020 Salary & co.	(158,029,867.63)
Balance C/ forward	1,149,988,910.57
NOTE 13	
Long -Term Borrowings:-	
Balance B/ forward	1,737,551,152.19
10KM Road project	(14,559,039.80)
Bail out	-
Environmental project	(2,914,565.04)
Intervention project	(14,483,698.95)
Balance C /forward	1,705,593,848.40
NOTE 14	
Reserves:-	
Balance B/forward	3,397,797,353.46
Revaluation Surplus- PPE	-
Revaluation Surplus- Inv. Prop.	-
Balance C /forward	3,397,797,353.46
NOTE 15	
Accumulated Surplus /Deficit:-	
Balance B/ forward 01/01/2021	(988,902,960.83)
Surplus during the year	2,408,894,392.63
Balance C / forward 31/12/2021	1,419,991,431.80
NOTE 16	
Statutory Allocation-FAAC:-	
JAAC	1,051,425,460.30
Non-Oil Revenue	46,878,198.50
Forex Equalization	1,647,776.24
Exchange Rate Gain	6,188,023.47
Eco Fund	4,616,242.14
Solid Minerals	1,513,361.20
	1,112,269,061.85

NOTE 17	
Government Share of VAT:-	
VAT	659,906,158.81
NOTE 18	
Sub-Total Dependent Revenue:-	
Statutory Allocation	1,112,269,061.85
VAT	659,906,158.81
	1,772,175,220.66
NOTE 19	
Grants & Aids:-	
Added from O"Meals	386,786.00
Added from Augumentation	5,000,000.00
Balance C /forward	5,386,786.00
NOTE 20	
Transfer from Main Council	92,309,723.71
NOTE 21	
Tax Revenue:-	
Community Tax	819,482.00
Other Tax	-
NOTE 22	
Non- Tax Revenue:-	
Fees	10,258,955.00
Rental Income	5,623,475.00
	15,882,430.00
CENTRALLY EXPENDED:-	
NOTE 23	
Employees Benefit(staff sal./wag)	:-
Teaching & Non-Teaching staff	355,932,432.29
Local Govt staff salaries	315,273,044.50
Pension Board Salary	1,432,202.95
PHC Staff salary	182,227,151.33
Loan Board staff salary	1,003,950.06
	855,868,781.13
NOTE 24	
Social Benefit:-	
Training of Staff (Drivers)	100,000.00

NOTE 25	
Overhead cost:-	
Running Cost (JAAC)	1,200,000.00
Algon Imprest	10,200,000.00
Bank charges	1,475,879.05
Consultancy fees	6,001,319.28
Magnum Trust -Insurance	3,979,218.25
SUBEB stipends	66,666.70
School running grants	2,999,999.97
Budget fees 2021	1,400,000.00
	27,323,083.25
NOTE 26	
Grants & Social Contribution :-	
Iwo Day celebration	-
Xmas & New year gifts	12,160,000.00
Olojo festival	-
Grading (Algon)	10,733,333.33
Subeb Special needs	1,983,214.66
Xtian Pilgrim Welfare	-
Iwude Celebration	3,500,000.00
Others	-
	28,376,547.99
NOTE 27	
Transfer to other Agencies:-	
Traditional Council	54,531,314.32
Local Govt Service Commission	10,136,148.86
SUBEB Matching grant	38,806,170.18
O"Meal	23,867,860.00
O"HIS	11,759,352.36
Ramp	7,386,282.06
Pension	208,650,924.36
SUBEB Admin	-
SUBEB Contract	271,120.78
Stabilization	48,698,707.76
Audit fees	21,927,247.26
Gratuity	46,666,666.64
	472,701,794.58

LOCAL GOVERNMENT EXPEND:-	
NOTE 28	
Social Benefit:-	
Financial Assistance to LG staff	8,799,557.69
Others	12,502,000.00
	21,301,557.69
NOTE 29	
Overhead cost:-	
Repair & Maintenance of vehicles	44,318,068.00
Publication & Adverts	-
Printing & General expenses	5,933,000.00
Hospitality & Entertainment	11,139,785.08
Bank charges	-
Tax expense	-
	61,390,853.08
NOTE 30	
Grants& SOCIAL Contribution:-	
Sinking of Boleholes	64,217,175.28
Distilling of CULVERTS	73,934,320.14
Clearing of dumpsite	5,400,000.00
Sensitization & Workshop	5,180,000.00
Training & Entertainment	11,600,000.00
Ileya	4,000,000.00
Xmas celebration	9,076,101.00
Distribution of Agric Inputs	13,518,253.33
	186,925,849.75
NOTE 31	
Depreciation Charges:-	
Land & Building	32,168,635.30
Infrastructural Assets	184,527,734.03
Plants & Machinery	32,781,045.36
Motor Vehicles	13,573,310.23
Office Equipment	551,235.27
Furniture & Fittings	362,364.00
Investment Property	569,769.97
	264,534,094.16

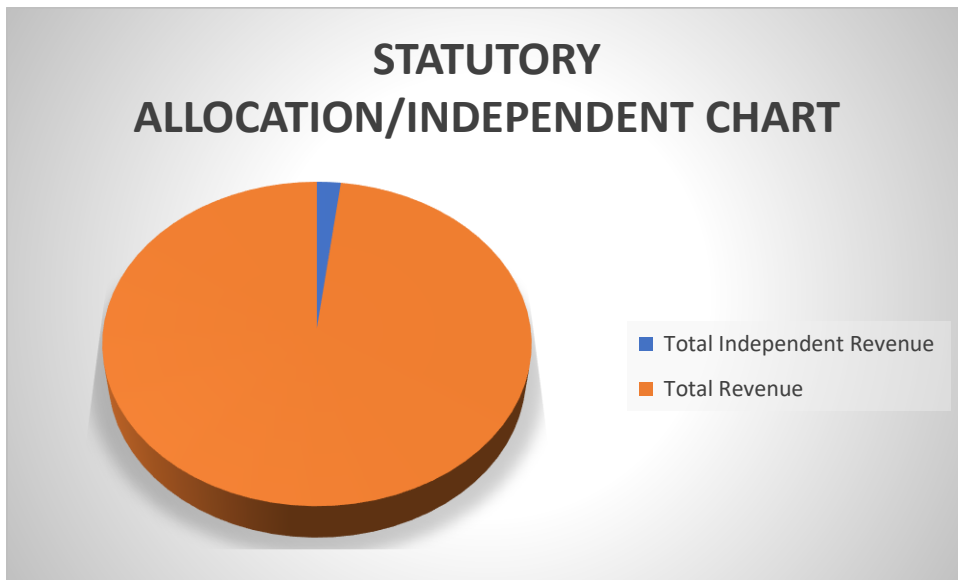
NOTE 32	
Allowances:-	
Allowances to various Committee	8,823,000.00
NYSC Allowances	11,000,000.00
O"Technical Allowances	10,008,000.00
Personal Assistant Allowances	10,060,000.00
Others	17,735,887.90
	57,626,887.90
NOTE 33	
Transfer to LCDA	92,309,723.71
NOTE 34	
Impairment	-
NOTE 35	
Revenue Refunded	-
NOTE 36	
Total Revenue	1,976,149,449.53
Total Expenditure	(154,563,899.85)
Net Surplus / Deficit	(834,339,060.98)

ORIADE LOCAL GOVERNMENT FISCAL OPERATION REPORT

STATEMENT OF CASHFLOW RATIOS

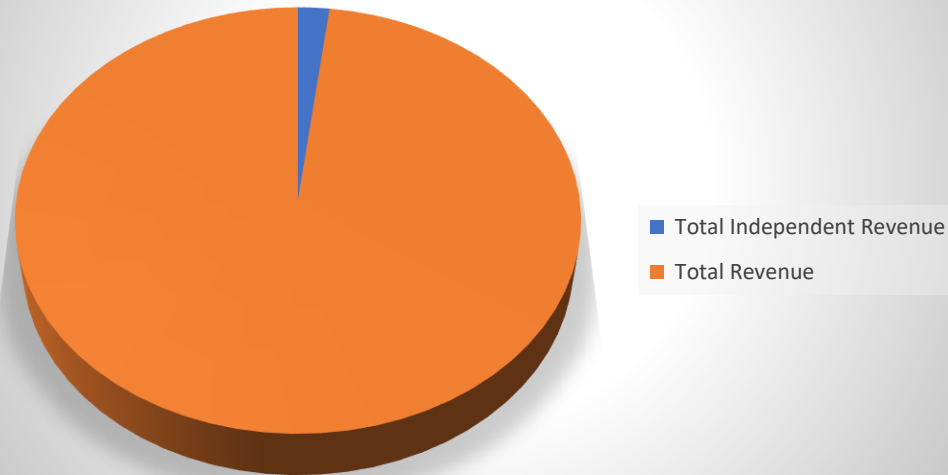
1.
$$\begin{aligned} &\text{STATUTORY ALLOCATION/TOTAL REVENUE} \times 100 \\ &= \frac{1,896,609,495.16}{1,953,486,631.31} \\ &= 97.07\% \end{aligned}$$

This indicated that Statutory Allocation took 97.07% of the Total Revenue of the Local Government and LCDA leaving 2.91% as Independence Revenue



2.
$$\begin{aligned} &\frac{\text{TOTAL INDEPENDENT REVENUE}}{\text{TOTAL REVENUE}} \times 100 \\ &= \frac{56,877,136.15}{1,953,486,631.31} \times 100 \\ &= 2.91\% \end{aligned}$$

STATUTORY ALLOCATION/INDEPENDENT CHART



3. SALARY & WAGES : TOTAL RECURRENT EXPENDITURE

$$\frac{931,026,528.21}{1,849,055,243.41} \times 100 = 50\%$$

Therefore, the Salaries and Wages took about 50% out of the Recurrent Expenditure in the Local Government while the remaining 50% was expended on other expenditure.

4 TRANSFER TO OTHER AGENCIES : TOTAL RECURRENT EXPENDITURE

$$\frac{543,820,239.15}{1,849,055,243.41} \times 100 = 29.68\%$$

It means that Transfer to Other Agencies took about 29.68% out of the recurrent expenditure.

STATEMENT OF FINANCIAL POSITION RATIOS

6 CURRENT ASSET : CURRENT LIABILITIES

$$\frac{116,187,070.00}{1,849,055,243.41} = 0.10 : 1$$

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

7. TOTAL ASSET : TOTAL LIABILITIES

$$\frac{5,256,382,465.72}{2,847,488,073.09} = 1.84 : 1$$

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

8. EQUITY : TOTAL ASSET

$$\frac{2,408,894,392.63}{5,256,382,465.02} = 0.45 : 1$$

STATEMENT OF FINANCIAL PERFORMANCE RATIO

9. STATUTORY ALLOCATION : TOTAL REVENUE

$$\frac{1,772,175,220.06}{1,821,585,549.68} \times 100 = 97.29\%$$

This indicated that the Dependent Revenue accounted for 97.29% of the Total Revenue of all the Local Government of the State leaving 2.71% as Independent Revenue.

10. INDEPENDENT REVENUE : TOTAL REVENUE

$$\frac{49,410,329.02}{1,821,585,549.68} \times 100 = 2.71$$

MANAGEMENT LETTER
ORIADE LOCAL GOVERNMENT, IJEBU JESA

Observation and internal control review for the financial year ended 31st December, 2021.

1. EXPENDITURE NOT SUPPORTED WITH PROPER RECORDS OR ACCOUNTS TALLING ₦2,420,000:00: Audit Scrutiny of records showed that some payment vouchers were not supported with relevant documents such as official receipts, invoice, store receipt voucher and store issue vouchers contrary to Financial Memoranda 14:17 which states 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: *Payment made without supporting documents could imply non-execution of all or part of the services/purchases or conceal inflation of prices*

MANAGEMENT RESPONSE: *It was an oversight, and the receipts had been obtained and attached to the Payment Vouchers which was later submitted to the office of the Auditor General for further verification.*

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

2. UNRETIRED MONTHLY IMPREST TALLING ₦155, 000.00: It was observed that some monthly holders of imprest failed to retire the imprest received before collecting the subsequent ones which was contrary to the Financial Memoranda 14:27 which states that “Imprest shall be retired when the purpose for which the imprest was granted is completed or at such intervals as are prescribed when the imprest is approved. However, all imprest shall be automatically retired at the end of each financial year”.

The Head of Finance is therefore advised to comply with the financial Memorandum quoted above and inform the affected officers to retire the imprest before collecting the subsequent ones.

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

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

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

3. UNCLAIMED ALLOWANCE/EXPENDITURE AMOUNTING ₦ 570,000:00: This amount represents payments as the monthly payment of O’clean Technical committee allowance. It was observed that the sub-receipt was not signed by the recipients to prove that the fund was disbursed to the beneficiaries nor remitted into government coffers contrary to the Financial Memoranda 14:13 which states that “Payment shall be receipted by the Payee or his authorized agent and the receipt must state clearly in words and figures the actual amount received and not simply received the above amount.

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

MANAGEMENT RESPONSE: Action had been taken, the sub-receipt attached to the Payment Voucher had been signed by the recipients and would be presented for further audit scrutiny.

RECOMMENDATION: The sub-receipt must be obtained and attached to the payment voucher as to prove the authenticity that the expenditure was carried out.

4. EXPENDITURE NOT TAKEN ON CHARGE (₱570,000.00): Audit Inspection of records shows that a sum of ₱570,000.00 was released to the staffer of the council for the procurements of four dozen of chairs and water treatment chemical. Audit Observation showed that the purportedly purchased items could not be traced nor verified into store contrary to the financial memoranda 34:17(1-2) which state that, "All stores should be examined immediately they are received by the store keeper or other official responsible for the stores. The stores must be checked for quantities, weights etc against the local purchase order, invoice or government store issue voucher; if the stores delivered are found to be correct and in good condition, they will be taken on charge and entered as a receipt in the appropriate store ledger".

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

MANAGEMENT RESPONSE: It was an oversight and items procured had been taken on charge by recording them in the appropriate store ledgers, store receipt voucher and store issued vouchers had been issued and attached to the payment vouchers to be presented for further audit scrutiny.

RECOMMENDATION: When items were bought and brought to the store, proper recording in the appropriate ledgers must be done by following laid down procedures

5. UNPRODUCED REVENUE EARNING RECEIPT ₱207,600:00: Back duty investigation on the revenue checking revealed that one of the Revenue Collector of the council failed to submit the Revenue Earning Booklet in his possession for audit checking. The Head of Finance should ensure prompt payment for all receipt issued, checked and passed by the Internal Auditor and returned to store for safe keeping before issuance of a new ones. This had been made subject of Audit Query No LQ/AUD/ORD/07/2021.

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

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

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

6. FINAL ACCOUNTS: Balancing error are observed in the statement of comparison of Budget and Actual in the period under review. However, this was being corrected in the instance of Audit officer. The Head of Finance and Supplies is admonished to ensure proper and adequate supervision of his subordinate towards ensuring error free financial statement.

RISK: *This can affect the reliability of the statement to the end users*

MANAGEMENT RESPONSE: *The officer in charge of the preparation of General Purpose Financial Statement will be supervised thoroughly and checked work done before the presentation of General Purpose Financial Statement for audit verification*

RECOMMENDATION: *The Director of Finance and Supplies should make sure the statement are well prepared in order to avoid sanction from Auditor.*

7. ASSET LISTING VALUATION AND REVALUATION: Kindly note that the office of the Auditor-General for the Local Governments is embarking on verification exercise of non-current Assets of the Local Government to substantiate the existences of assets, completeness of listing and the correctness of the provision values stated in your council GPFS.

The Internal Auditor is expected to maintain comprehensive and reliable assets Register of both serviceable and non-serviceable assets, updating when necessary and safeguarding the assets as its being used by various department of the Local Government.

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

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

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

MANAGEMENT LETTER

ORIADE SOUTH LOCAL COUNCIL DEVELOPMENT AREA, IPETU - IJESA

Observation and internal control review for the financial year ended 31st December, 2021.

1. EXPENDITURE NOT TAKEN ON CHARGE ₦150,000:00: Audit examination of records showed that One Hundred and Fifty Thousand Naira Only was released to a staffer of the Council vide Payment Voucher No 01/ March/2021 for the production of the year 2021 approved estimates, the purportedly year 2021 approved estimate could not be traced nor verified into store Contrary to Provision of Financial Memoranda 34:17(1-2) which states that "All stores should be examined immediately they are received by the store keeper or other official responsible for the stores. The stores must be checked for quantities, weights etc against the Local purchase order, invoice of Government store issue voucher; if the stores delivered are found to be correct and in good condition, they will be taken on charge and entered as a receipt in the appropriate stores ledger".

RISK: *This was an indication that purported document might not have been printed, thereby resulting to loss of Local Government fund*

MANAGEMENT RESPONSE: *It was an oversight and document printed had been taken to the store for record purpose and the store receipts vouchers had been issued and attached to the payment vouchers for Audit verification.*

RECOMMENDATION: *When items were printed and brought to the store, proper recording in the appropriate ledgers must be done by following laid down procedures*

2. EXPENDITURE NOT SUPPORTED WITH PROPER RECORDS OR ACCOUNTS TALLING ₦700, 000:00: Audit Scrutiny of records showed that some of the payment vouchers were not supported with receipt and other relevant documents contrary to Financial Memoranda 14:17 which states 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: *Payment made without supporting documents could imply non-execution of all or part of the services/purchases or conceal inflation of prices*

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

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

3. UNRETIRED IMPREST AMOUNTING TO ₦105,000.00: It was observed that some monthly imprest holders failed to retire the imprest received before collecting subsequent ones 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 receipt had been obtained and attached to the Payment Vouchers and would be presented for further audit verification.*

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

4. UNPRODUCED REVENUE EARNING RECEIPT BOOKLET ₦2,575,600.00: It was observed that Revenue Collectors of the Council (See the attached list/Appendix B) failed to submit the Revenue Earning Receipt booklet in their possession for audit checking for the period under review. The Head of Finance should ensure prompt payment for all Receipts issued, checked and passed by the Internal Auditor and returned to store for safe keeping before issuance of a new one.

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 by presenting them for further audit checking/verification.*

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

5. VALUATION AND REVALUATION OF NON-CURRENT ASSETS: Audit examination of the Assets Register submitted to the office of the Auditor General for Local Government showed that your council devoid of comprehensive/detailed fixed asset register. To this end, this office is embarking on verification exercise on the non-current assets of your council to substantiate the existence, completeness of compilation and correctness of their disclosure as stated in your GPFS

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

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

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

6. SUBMISSION OF REVENUE RETURNS: It was observed that the Finance Department (Rate officer) have failed to remit to the Auditor-General the correct Internally Generated Revenue profile for the period of 3rd and 4th quarter inspite of all the effort made by the Director on Revenue for the Auditor-General for Local Governments.

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

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

REPORT ON INTERNAL AUDITOR'S REPORT

- i. The Local Government Internal Control Unit seems to be very effective. The Management of the Council should try to block all leakages and encourage other stakeholders to put more efforts on revenue generation to the coffers of the Local Government.
- ii. The Internal Control is functioning well. The Management of the Council should continue to put more efforts on revenue generation and rely less on monthly State Allocation.

ORIADE LOCAL GOVERNMENT, IJEBU-JESA

S/N	SUBJECT	QUERIES NO	NO OF OFFICER QUERIED	AMOUNT	REMARKS
1	Expenditure not supported with proper records or accounts	LQ/AUD/ORD/01A/2021	1	730,000	
2	Unretired Imprest	LQ/AUD/ORD/02/2021	6	155,000	
3	Expenditure not supported with proper records or accounts	LQ/AUD/ORD/03/2021	1	750,000	
4	Expenditure not supported with proper records or accounts	LQ/AUD/ORD/04/2021	3	950,000	
5	Unclaimed allowance	LQ/AUD/ORD/05/2021	1	570,000	
6	Expenditure not taken on charge	LQ/AUD/ORD/06/2021	4	570,000	

ORIADE SOUTH LOCAL COUNCIL DEVELOPMENT AREA, IPETU-JESA

S/N	SUBJECT	QUERIES NO	NO OF OFFICER QUERIED	AMOUNT	REMARKS
1	Expenditure not taken on charge	LQ/AUD/ORD/LCDA/01/2021	1	150,000	
2	Expenditure not supported with proper records or accounts	LQ/AUD/ORD/LCDA/02/2021	2	190,000	
3	Unretired Monthly Imprest	LQ/AUD/ORD/LCDA/03/2021	6	105,000	
4	Unreceipted Expenditure	LQ/AUD/ORD/LCDA/04/2021	2	40,000	
5	Unproduced Revenue Earning Receipt	LQ/AUD/ORD/LCDA/05/2021	5	2,555,600	
6	Expenditure not supported with proper records or accounts	LQ/AUD/ORD/LCDA/06/2021	2	470,000	

ORIADE LOCAL GOVERNMENT, IJEBU JESA.
LIST OF PROJECTS FROM JANUARY – DECEMBER 2021

S/N	DESCRIPTION OF PROJECT	LOCATION	MODE OF EXECUTION	AMOUNT APPROVED (₦ : K)	PAYMENT TO DATE (₦ : K)	REMARKS
1,	Procurement of a Toyota Camry for the Local Government	Local Government Secretariat	Direct Purchases	3,800,000.00	3,800,000.00	Supplied
2,	Procurement of a Toyota Camry for the Local Government	Local Government Secretariat	Direct Purchases	3,800,000.00	3,800,000.00	Supplied
3,	Procurement of a Toyota Camry for the Local Government	Local Government Secretariat	Direct Purchases	3,800,000.00	3,800,000.00	Supplied
4,	Procurement of a Toyota Corolla for the Local Government	Local Government Secretariat	Direct Purchases	2,800,000.00	2,800,000.00	Supplied

ORIADE SOUTH LOCAL COUNCIL DEVELOPMENT AREA, IPETU - IJESA
LIST OF PROJECTS FROM JANUARY – DECEMBER 2021

S/N	DESCRIPTION OF PROJECT	LOCATION	MODE OF EXECUTION	AMOUNT UP APPROVED (₦ : K)	PAYMENT TO DATE (₦ : K)	REMARKS
1,	Construction of classrooms and an office at bolorunduro (Roofing stage)	bolorunduro, ipetu	Direct Labour	850,000.00	600,000.00	Roofing completed Project still on going
2,	Procurement of Toyota Muscle Camry	LG Secretariat	Direct Purchases	4,000,000.00	4,000,000.00	Supplied
3,	Procurement of Toyota Corolla Car	LG Secretariat	Direct Purchases	3,000,000.00	3,000,000.00	Supplied
4.	Procurement of Toyota Corolla Car	LG Secretariat	Direct Purchases	3,000,000.00	3,000,000.00	Supplied