

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF ADO LOCAL GOVERNMENT,

ADO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ado Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF ADO LOCAL GOVERNMENT, ADO-EKITI FOR THE YEAR ENDED
31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ado Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively, section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ado Local Government to prepare and present the Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N2,941,043,610.00 while actual Revenue recorded stood at N2,338,129,120.41. This is about 79.50% performance. Equally, the IGR of N28,948,401.78 represents only 1.24% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N2,940,871,610.00 only was budgeted for expenditure but only N2,319,076,433.19 was actually incurred, resulting to a saving of N621,795,176.81 for the period.

8. REVENUE ACCOUNT

A total sum of N2,338,129,120.41 was earned as total Revenue as at 31st December, 2020 out of which only 1.24% (N28,948,401.78) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a surplus of 20.77% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. AUTHORITY FOR EXPENDITURE

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10 of this report

10. EXPENDITURE CONTRARY TO LAW

The following expenditure appears to be contrary to law.

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/ADK/AQ/01/2020	Expenditure contrary to regulation	3,618,000.00
2	AUD/ADK/AQ/02/2020	Unretired security vote	8,500,000.00
3	AUD/ADK/AQ/03/2020	Unaudited expenditure	643,000.00
4	AUD/ADK/AQ/04/2020	Items not taken on ledger charge	1,079,500.00
5	AUD/ADK/AQ/05/2020	Unvouched expenditure	11,275,500.00

6	AUD/ADK/AQ/06/2020	Unproduced payment vouchers	15,082,431.00
7	AUD/ADK/AQ/06/2020	Unproduced revenue earning receipt	Various
	TOTAL		40,198,757.31

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Ado Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Ado Local Government, Ado-Ekiti. Particular attention is required to the followings:

- (i) Revenue Accounts
- (ii) Internal control and Internal check
- (iii) Attendance to Audit Report and Queries
- (iv) Fixed Assets Register
- (v) Capital Projects
- (vi) Outstanding Audit Queries and other matters

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15.	OUTSTANDING MATTERS FROM PREVIOUS REPORTS	N
a)	Loss of Fund (2015) involving Miss. Lola Oladepo	1,153,600.00
(b)	Loss of fund (2016)	9,228,710.00
c)	Receipt in custody of Political Office Holders and Consultant 2015	various
d)	Liquor License receipts not traceable to store 2015	various

(e) **AUDIT QUERIES**

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/ADK/AQ/06/2019	Unretired Security vote	13,000,000.00
2	AUD/ADK/AQ/15/2019	Unproduced revenue earning receipts	Various
3	AUD/ADK/AQ/06/2018	Unaudited unretired unreceipted	910,000.00
4	AUD/ADK/AQ/10/2018	Unproduced payment vouchers	1,000,000.00
		GRAND TOTAL	14,910,000.00



18/06/2021

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Auditor-General for Local Governments,
Ekiti State.
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RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ado Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ado Local Government as at the year ended 31st December, 2020.



9/4/2021

Hon. Motunde Fajuyi,
Executive Chairman.



9/4/2021

Mr. Agbaje S.A,
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(1) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and as events occurred whether expenses are paid or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

(8) EXPENSES.

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) STATEMENT OF CASH FLOW.

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and investment property were charged on a straight line basis over their expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as expenses in the Statement of Financial Performance.

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
3,410,753.43	Cash and Cash Equivalents	1	22,463,440.65	
272,200.00	Inventories	2	381,710.00	
-	WIP	3		
533,960,665.05	Receivables	4	404,127,067.61	
	Prepayments	5		
537,643,618.48	Total Current Assets			426,972,218.26
	Non-Current Assets			
	Loans Granted	6		
	Investments	7		
849,287,737.04	Fixed Assets-Property, Plant & Equipment	8	840,150,790.61	
	Investment Property	9		
	Biological Assets	10		
849,287,737.04	Total Non-Current Assets			840,150,790.61
1,386,931,355.52	Total Assets			1,267,123,008.87
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11		
-	Loans & Debts(Short-Term)	12		
-	Unremitted Deductions	13		
545,141,141.95	Payables	14	535,462,429.72	
545,141,141.95	Total Current Liabilities		535,462,429.72	
	Non-Current Liabilities			
-	Public Funds	15		
-	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,337.82	
545,141,141.95	Total Liabilities			621,967,767.54
841,790,213.57	Net Asset/Equity			645,155,241.33
	Financed By:			
913,913,342.33	Reserves	17		701,464,538.08
5,355,070.95	Capital Grant	18		5,355,070.95
-	Net Surplus/(Deficits)			
-77,478,199.71	Accumulated Surplus/(Deficits)	20		-61,664,367.70
841,790,213.57	Total Net Assets/Equity			645,155,241.33

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
1,029,650,718.36	Government Share of FAAC (Statutory Revenue)	21	2,309,180,718.63
154,614.56	Tax Revenue	22	572,171.78
23,816,079.93	Non-Tax Revenue	23	28,376,230.00
-	Aid & Grants	24	
-	Investment Income	25	
-	Expenditure Recovery	26	
-	Other Capital Receipts	27	
-	Debt Forgiveness	28	
1,053,621,412.85	Total Revenue		2,338,129,120.41
	<u>EXPENDITURE</u>		
921,802,338.17	Salaries & Wages	29	645,962,973.05
17,493,520.00	Social Contribution	30	36,685,630.90
12,042,343.49	Social Benefit	31	568,570.00
96,558,007.00	Overhead Cost	32	68,704,186.44
-	Gratuity	33	
-	Pension Allowance	34	
-	Stationeries	35	
-	Impairment Charges	36	
30,204,624.19	Depreciation Charges	37	20,470,619.02
-	Transfer to other Government Entities	38	1,549,923,308.99
-	Public Debt Charges	39	
-	Allowance(Leave Bonus)	40	
1,078,100,832.85	Total Expenditure		2,323,315,288.40
-24,479,420.00	Surplus/(Deficit) from Operating Activities for the Period		15,813,832.01
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
-	Gain/Loss on Disposal of Asset	41	
-	Refunded Revenue	42	
-	Revaluation Gain	43	
	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
-	Purchases/Construction of Assets	44	
-	Minority Interest Share of Surplus/(Deficits)	45	
-24,479,420.00	Net Surplus/(deficit) for the period		15,813,832.01

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020				
2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,029,650,718.36	Government Share of FAAC (Statutory Revenue)	21	2,309,180,718.63	
154,614.56	Tax Revenue	22	572,171.78	
23,816,079.93	Non-Tax Revenue	23	28,376,230.00	
-	Aid & Grants	24		
-	Investment Income	25		
-	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
1,053,621,412.85	Total inflow from operating Activities			2,338,129,120.41
	<u>Outflows</u>			
921,802,338.17	Salaries & Wages	29	645,962,973.05	
17,493,520.00	Social Contributions	30	36,685,630.90	
12,042,343.49	Social Benefit	31	568,570.00	
96,558,007.00	Overheads Cost	32	68,704,186.44	
-	Gratuity	33		
	Pension Allowance	34		
-	Transfer to other Government Entities	38	1,549,923,308.99	
-	Allowance	40		
-	Deductions	49		
-	Refund	50		
-	Inventory	51		
-	Loan	52		
1,047,896,208.66	Total Outflow from Operating Activities			2,301,844,669.38
5,725,204.19	Net Cash Inflow/(outflow) from Operating Activities			36,284,451.03
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
-	Proceeds from Sale of PPE	53		
-	Proceeds from Sale of Investment Property	54		
-	Proceeds from Sales of Intangible Assets	55		
-	Proceeds from Sale of Investment	56		

-	Dividends Received	57		
0.00	Total Inflow			
	Outflows			
15,653,360.34	Purchase/ Construction of PPE	58	11,333,672.59	
-	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-15,653,360.34	Total Outflow			11,333,672.59
-15,653,360.34	Net Cash Flow from Investing Activities			-11,333,672.59
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
5,355,070.95	Capital Grant Received	64		
-	Proceeds from Borrowings	65		
5,355,070.95	Total Inflow			
	Outflows			
-	Repayment of Borrowings	66	5,898,091.22	
-	Distribution of Surplus/Dividends Paid	67		
-	Total Outflow		5,898,091.22	-5,898,091.22
5,355,070.95	Net Cash Flow from Financing Activities			
-4,573,085.20	Net Cash Flow from all Activities			19,052,687.22
7,983,838.63	Cash and Its Equivalent as at 01/01/2020			3,410,753.43
3,410,753.43	Cash and Its Equivalent as at 31/12/2020	1		22,463,440.65

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA					
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST DECEMBER, 2020					
2019		Notes	Actual 2019	Final Budget 2020	Variance on Final in % Budget
N			N	N	N
	REVENUE				
1,029,650,718.36	Government Share of FAAC (Statutory Revenue)	21	2,309,180,718.63	2,857,524,000.00	-19.19
154,614.56	Tax Revenue	22	572,171.78	1,812,000.00	-68.43
23,816,079.93	Non-Tax Revenue	23	28,376,230.00	81,707,610.00	-65.28
-	Aid & Grants	24			
-	Investment Income	25			
-	Expenditure Recovery	26			
5,355,070.95	Other Capital Receipts	27			
-	Debt Forgiveness	28			
1,058,976,483.80	Total Revenue		2,338,129,120.41	2,941,043,610.00	-152.88
	EXPENDITURE				
921,802,338.17	Salaries & Wages	29	645,962,973.05	1,140,466,780.00	43.36
17,493,520.00	Social Contribution	30	36,685,630.90		-100.00
12,042,343.49	Social Benefit	31	568,570.00		-100.00
96,558,007.00	Overhead Cost	32	68,704,186.44	75,060,000.00	8.47
-	Gratuity	33			
-	Pension Allowance	34			
-	Stationeries	35			
-	Impairment Charges	36			
-	Transfer to other Government Entities	38	1,559,972,946.88	1,621,344,830.00	3.79
-	Public Debt Charges	39			
-	Allowance(Leave Bonus)	40			
15,653,360.34	Purchase of Assets	58	11,333,672.59	104,172,000.00	89.10
-	Acquisition of Investment	63	-		-
-	Repayment of Borrowing	66	5,898,091.22		-100.00
1,063,549,569.00	Total Expenditure		2,319,076,433.19	2,940,871,610.00	-154.67
-4,573,085.20	Net Surplus/(Deficit)		19,052,687.22	172,000.00	1.78

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARATION	ACCUMULATED SURPLUS/DEFIC IT (N)	RESERVES (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2020)	-77,478,199.71	913,913,342.33	5,355,070.95	841,790,213.57
2	Surplus for the year	15,813,832.01			15,813,832.01
3	Grant for the year				
4	Adjustment		-212,448,804.25		-212,448,804.25
	Closing Balance 31/12/2020	-61,664,367.70	701,464,538.08	5,355,070.95	645,155,241.33

NOTE 1**CASH AND CASH EQUIVALENTS FOR THE YEAR 2020**

S/N	BANK	ACCOUNT NAME	ACCOUNT NO	AMOUNT (N)
1	ZENITH BANK PLC	MAIN ACCOUNT	1017231702	16,338,480.59
2	STERLING BANK PLC	IGR ACCOUNT	0076920188	1,016,996.77
3	UNITY BANK PLC	SALARY ACCOUNT	0019711777	5,107,963.29
	TOTAL			22,463,440.65

NOTE 2**INVENTORIES**

S/N	MATERIALS	UNIT PRICE	BALANCE	FOLIO	AMOUNT (N)
1	FILE JACKET	60	1,576	7	94,560.00
2	SEALED STICKER	250	50	21	12,500.00
3	OKADA STICKER	60	300	24	13,000.00
4	TAXI STICKER	60	100	26	6,000.00
5	LORRIES STICKER	60	50	28	3,000.00
6	NAPEP STICKER	60	100	39	6,000.00
7	TIPPER STICKER	60	100	42	6,000.00
8	POLL STICKER	60	200	44	12,000.00
9	REVENUE CASH BOOK	2,400	16	49	38,900.00
10	ADVERTISEMENT/HACKNEY	60	200	54	12,000.00
11	BANK SCHEDULE	4,000	2	85	8,000.00
12	SMALL OFFICE LEDGER	1,628.87	35	118	57,000.00
13	PHOTO COPIER CARTRIDGE	25,000	4	196	100,000.00
14	A4 PAPER	1,400	6	3	8,400.00
15	BIRO	30	145	15	4,350.00
	TOTAL				381,710.00

NOTE 4**RECEIVABLE**

S/N	DETAILS	AMOUNT (#)
1	10% STATE IGR	376,075,466.07
2	NON-TAX REVENUE	28,051,601.54
	TOTAL	404,127,067.61

NOTES 37 & 58 PROPERTY, PLANT & EQUIPMENT

FIXED ASSETS PPE	20% VEHICLES & MACHINERIES	2% LAND AND BUILDING	15% AGRIC EQUIPMENT	15% FURNITURE & FITTINGS	TOTAL (#)
OPENING BALANCE 1/1/2020	16,099,947.91	832,037,006.83	10.00	1,150,722.30	849,287,727.04
ADDITIONS	-	9,713,672.59	-	1,620,000.00	11,333,672.59
COST AS AT 31/12/2020	16,099,947.91	841,750,679.42	10.00	2,770,772.30	860,621,409.63
DEPRECIATION AS AT 31/12/2020	40,720,912.09	73,048,568.71	1,363,186.00	2,410,974.40	117,543,641.20
DEPRECIATION FOR THE YEAR	3,219,989.58	16,835,013.59		415,615.85	20,470,619.02
ACCUM. DEP. AS AT 31/12/2020	43,940,901.67	89,883,582.30	1,363,186.00	2,826,590.25	138,014,260.22
NBV AS AT 31/12/2020	12,879,958.33	824,915,665.83	10.00	2,355,156.46	840,150,790.61

**NOTE 14
PAYABLE**

S/N	DETAILS	AMOUNT (#)
1	OVERHEAD	17,655,684.74
2	SALARY ARREARS	517,806,744.98
	TOTAL	535,462,429.72

**NOTE 16
BORROWING**

TOTAL LIABILITY	1,887,389,188.80
LESS PAYMENT	503,303,783.68
BALANCE	1,384,085,405.12

LIABILITY PER LOCAL GOVERNMENT 1,384,085,405.12

16

= 86,505,337.82

NOTE 21
MONTHLY STATUTORY ALLOCATION

MONTHS	AMOUNT (N)
JANUARY	207,583,837.27
FEBRUARY	206,040,176.68
MARCH	166,087,999.01
APRIL	195,984,329.44
MAY	192,666,749.27
JUNE	187,111,025.98
JULY	196,745,907.17
AUGUST	200,078,741.80
SEPTEMBER	203,411,595.22
OCTOBER	198,569,932.20
NOVEMBER	177,767,030.45
DECEMBER	177,133,394.14
TOTAL	2,309,180,718.63

NOTE 22
TAX REVENUE

2.5% CONTRACT	JAN.	FEB.	MAR.	APR.	MAY	JUNE	JULY	AUG	SEPT.	OCT.	NOV.	DEC.	TOTAL
	198,572.7	6,350.00	-	-	-	-	12,401.62	-	-	2,500.00	2,500.00	349,944.14	572,168.46

NOTE 23
NON TAX REVENUE

S/N	CLASSIFICATION	ECONOMIC CODE	BUDGET (#)	ACTUAL (#)
1	LICENSES	12020100	1,812,000.00	12,294,450.00
2	FEES	12020400	60,008,910.00	9,023,700.00
3	FINES	12020500	181,200.00	-
4	SALES	12020600	2,491,500.00	-
5	EARNINGS	12020700	9,966,000.00	537,880.00
6	RENT OF GOVERNMENT BUILDING	12020800	3,171,000.00	894,000.00
7	RENT OF LAND & OTHERS	12020900	4,077,000.00	1,303,500.00
8	INVESTMENT INCOME	120201100	-	-
9	PREPAYMENTS	120201000	-	-
10	INTEREST	120201200	-	-
11	TENEMENT			4,322,700.00
	TOTAL		81,707,610.00	28,376,230.00

NOTE 29
SALARIES & WAGES

MONTH	STAFF	POH	MIDWIVES	PALACE STAFF	LABOUR & SWEEPERS	EX-POH FUR. ALL.	TOTAL (#)
JAN.	48,696,148.87	2,664,450.56	120,000.00	443,744.61	585,000.00	1,001,409.82	53,510,753.86
FEB.	48,702,055.68	4,629,835.73	30,000.00	439,601.36	120,000.00	1,001,401.49	54,922,894.26
MARCH	48,811,334.37	5,049,843.13	30,000.00	439,601.36	150,000.00	1,001,401.49	55,482,180.35
APRIL	48,433,306.87	2,384,917.87	30,000.00	439,601.36	190,000.00	1,001,401.49	52,479,227.59
MAY	48,433,306.87	2,492,417.87	30,000.00	439,601.36	230,000.00	1,001,401.49	52,616,727.59
JUNE	46,251,469.63	2,482,417.87	30,000.00	439,601.36	240,000.00	1,001,401.49	50,444,590.05
JULY	46,490,010.19	2,588,970.57	30,000.00	439,601.36	240,000.00	1,001,401.49	50,779,983.61
AUG.	47,325,512.94	5,212,838.75	30,000.00	439,601.36	230,000.00	1,001,401.49	54,239,354.54
SEPT.	48,859,523.35	5,612,838.78	30,000.00	439,601.36	-	-	54,941,963.49
OCT.	48,514,323.64	5,412,835.78	30,000.00	439,601.36	440,000.00	-	54,836,760.78
NOV.	48,427,779.56	5,412,835.78	30,000.00	439,601.36	240,000.00	1,387,199.44	55,937,336.14
DEC.	46,374,373.57	8,092,054.68	30,000.00	439,601.36	240,000.00	594,871.18	55,770,900.79
TOTAL	575,309,145.54	52,026,257.07	450,000.00	5,279,359.57	2,905,000.00	9,993,290.87	645,962,973.05

NOTE 30**SOCIAL CONTRIBUTION**

	JAN.	FEB.	MAR.	APR.	MAY	JUNE	JULY	AUG	SEPT.	OCT.	NOV.	DEC.	TOTAL
CAPITAL	5,442,907.84	250,000.00	4,974,000.00	800,000.00	950,000.00	600,000.00	-	418,981.94	1,420,000.00	1,530,000.00	2,440,000.00	13,028,795.73	31,854,685.51
RECURENT	50,000.00	135,000.00	1,188,500.00	360,792.39	111,500.00	200,000.00	450,000.00	350,000.00	400,000.00	895,183.00	375,000.00	315,000.00	3,867,975.39
TOTAL	5,492,907.84	385,000.00	5,162,500.00	1,160,792.39	1,065,500.00	800,000.00	450,000.00	768,981.94	1,820,981.00	2,425,183.00	2,815,000.00	14,339,765.13	36,685,630.90

NOTE 31**SOCIAL BENEFITS**

	JAN.	FEB.	MAR.	APR.	MAY	JUNE	JULY	AUG	SEPT.	OCT.	NOV.	DEC.	TOTAL
RECURENT	-	100,000.00	-	70,000.00	20,000.00	-	-	68,570.00	150,000.00	60,000.00	75,000.00	25,000.00	568,570.00
TOTAL	-	100,000.00	-	70,000.00	20,000.00	-	-	68,570.00	150,000.00	60,000.00	75,000.00	25,000.00	568,570.00

NOTE 32**SUMMARY OF OVERHEAD COST**

S/N	CLASSIFICATION	ECONOMIC CODE	BUDGET (#)	ACTUAL (#)
1	TRAVELLING & TRANSPORT	220201	22,700,000.00	28,702,207.00
3	STATIONERY & PRINTING	22020301	5,400,000.00	3,582,400.00
4	MAINTENANCE OF VEHICLES	22020401	6,480,000.00	4,488,062.00
5	UTILITY SERVICES	220202	3,210,000.00	186,600.00
6	GRANTS & SUBVENTION	2202401	2,940,000.00	6,760,000.00
7	TRAINING & STAFF DEV.	22020501	9,600,000.00	3,363,000.66
8	REPAIR OF PLANT & GEN.	22020802	1,200,00.00	1,456,300.00
9	PUBLICITY & ADVERTS	2202103	3,300,000.00	65,000.00
10	FESTIVALS	22021007	-	5,340,000.00
11	MISCELLANEOUS	220201	-	1,964,608.00
12	CONSULTANCY SERVICES	220207	4,800,000.00	1,376,000.00
13	FUELLING & LUBRICANTS	220209	2,160,000.00	1,551,789.00
14	SECURITY VOTE	22020604	12,000.000.00	8,750,000.00
15	FINANCE CHARGE	220209	1,200,000.00	1,118,219.00
	Total		75,060,000.00	68,704,186.44

NOTE 37**DEPRECIATION CHARGES**

S/N	PPE	RATE	AMOUNT (#)
1	MOTOR VEHICLE	20%	3,219,989.58
2	LAND & BUILDING	2%	16,835,013.59
3	AGRI EQUIPMENT	15%	-
4	FURNIURE & FITTINGS	15%	415,615.85
	TOTAL		20,470,619.02

NOTE 38
TRANSFERS TO OTHER GOVERNMENT ENTITIES

MONTHS	TRADITIONAL	GRATUTITY & PENSION	PRIMARY EDU. SALARY	SUBEB O/H	TOTAL
JANUARY	7,626,804.64	38,549,785.50	94,239,841.56	685,000.00	141,101,431.70
FEBRUARY	6,839,735.84	38,818,124.10	94,719,655.10	685,000.00	141,062,516.04
MARCH	6,040,332.81	38,988,659.13	70,530,192.68	685,000.00	116,244,184.62
APRIL	6,120,645.70	38,195,719.16	95,071,339.09	685,000.00	140,072,703.95
MAY	4,773,218.70	36,477,223.90	93,993,891.73	685,000.00	135,929,334.33
JUNE	5,384,501.63	30,522,207.31	93,566,702.45	685,000.00	130,158,411.21
JULY	6,439,596.01	34,910,624.81	93,401,363.84	685,000.00	135,436,584.66
AUGUST	7,887,529.88	39,523,754.72	92,081,320.24	685,000.00	139,854,930.78
SEPTEMBER	6,630,189.50	34,523,754.72	93,010,552.17	685,000.00	134,849,496.39
OCTOBER	4,098,527.30	37,194,645.63	93,491,461.67	685,000.00	135,300,781.85
NOVEMBER	6,920,145.85	36,217,289.52	56,910,933.57	685,000.00	101,710,725.05
DECEMBER	4,868,740.39	36,217,289.52	56,431,179.32	685,000.00	98,202,209.23
TOTAL	73,629,968.25	440,624,907.32	1,027,448,433.42	8,220,000.00	1,549,923,308.99

NOTE 58
PURCHASE OF PPE

S/N	PPE	AMOUNT (#)
1	MOTOR VEHICLE	-
2	LAND & BUILDING	9,713,672.59
3	AGRIC EQUIPMENT	-
4	FURNITURE & FITTINGS	1,620,000.00
	TOTAL	11,333,672.59

NOTE 66
REPAYMENT OF BORROWING

TOTAL REPAYMENT	94,369,459.44
REPAYMENT PER LOCAL GOVERNMENT	94,369,459.44
	16
=	5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF EFON LOCAL GOVERNMENT,

EFON-ALAAYE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Efon Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EFON LOCAL GOVERNMENT, EFON-ALAAYE-EKITI FOR THE
YEAR ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Efon Local Government have been examined in accordance with, sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively and Section 26(2) of Ekiti State Audit Law, 2014 and section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Efon Local Government to prepare and present the General purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- iii. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for **N2,195,765,186.97**, while actual Revenue recorded stood at **N1,122,685,916.75**. This is about. **51.18%** performance. Equally, the IGR of **N6,669,552.00** represents only **0.59%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- iv. The sum of **N1,615,670,630.95** only was budgeted for expenditure but only **N1,118,266,347.47** was actually incurred, resulting to a saving of **N497,404,283.48** for the period.

8. REVENUE ACCOUNT

A total sum of **N1,122,685,916.75** was earned as total Revenue as at 31st December, 2020 out of which only **0.59% (N6,669,552.00)** was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a surplus of **114.02%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. AUTHORITY FOR EXPENDITURE

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10 of this report.

10. EXPENDITURE CONTRARY TO LAW

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT N
1	AUD/EFLG/AQ/01/20	Unproduced Revenue Earning Receipts	Assorted
2	AUD/EFLG/AQ/02/20	Expenditure not Supported with proper records	1,900,000.00
3	AUD/EFLG/AQ/03/20	Doubtful Expenditure	1,235,000.00
4	AUD/EFLG/AQ/04/20	Expenditure Contrary to Regulation	1,491,000.00
5	AUD/EFLG/AQ/05/20	Nugatory Payments	2,046,000.00
6	AUD/EFLG/AQ/06/20	Unreceipted/Unretired Expenditures	609,660.00
7	AUD/EFLG/AQ/07/20	Items not Taken on Ledger Charge	1,081,000.00
		TOTAL	8,362,660.00

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Efon Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Efon Local Government, Efon-Alaaye-Ekiti. Particular attention is required to the followings:

- (vii) Cash books and subsidiary ledgers
- (viii) Attendance to Audit Query.
- (ix) Loan Register.
- (x) Internal Generated Revenue.
- (xi) Capital Accounts.
- (xii) Fixed Assets Register.

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

The following matters remained outstanding in my previous report N

- | | |
|--|------------|
| (a) Loss of fund involving Mrs. Anjorin Stella | 101,400.00 |
|--|------------|

(b) Salary received from JAAC Palace Staff (Difference) 2015) 1,197,561.75

(c) **2019, AUDIT QUERIES**

S/N	QUERY NUMBER	SUBJECT	AMOUNT(N)
1	AUD/EFLG/AQ/04/2019	Unretired Security Vote	18,000,000.00



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance of Efon Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.


The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Efon Local Government as at the year ended 31st December, 2020.



4/3/2021

**Hon. (Engr) Stephen Olabobe Adetunji,
Executive Chairman.**



4/3/2021

**Mrs. Adeleye R.F.
Director of Finance.**

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(1) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

This presented both the exchange and non-exchange revenue from Internally Generated Revenue and Statutory Allocation from the Federation Account during the year.

- i. Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

- ii. Revenue from exchange transactions are recognized when the significant risks and rewards of ownership have been transferred to the buyer(s) usually when goods were delivered or services were rendered.

(8) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

All PPE are stated at historical cost less accumulated depreciation and any impairment losses.

Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and investment property were charged on a straight line basis over their

Expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020				
2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
2,206,908.30	Cash and Cash Equivalents	1	6,626,477.58	
536,200.00	Inventories	2	540,100.00	
	WIP	3		
343,075,893.58	Receivables	4	437,608,136.04	
	Prepayments	5		
345,819,001.88	Total Current Assets			444,774,713.62
	Non-Current Assets			
	Loans Granted	6		
526,209.00	Investments	7		
902,021,292.45	Fixed Assets-Property, Plant & Equipment	8	841,409,310.26	
113,716,680.00	Investment Property	9	165,012,976.80	
	Biological Assets	10	4,500,000.00	
1,016,264,181.45	Total Non-Current Assets			1,010,922,287.06
1,362,083,183.33	Total Assets			1,455,697,000.68
	LIABILITIES			
	Current Liabilities			
	Accumulated Depreciation	11		
7,876,229.72	Loans & Debts(Short-Term)	12		
264,900.00	Unremitted Deductions	13		
809,852,016.43	Payables	14	965,046,948.84	
817,993,146.15	Total Current Liabilities		965,046,948.84	
	Non-Current Liabilities			
	Public Funds	15		
84,719,423.07	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,337.82	
902,712,569.22	Total Liabilities			1,051,552,286.66
459,370,614.11	Net Asset/Equity			404,144,714.02
	Financed By:			
324,697,774.45	Reserves			339,700,971.25
-	Capital Grant	18		
-	Net Surpluses/(Deficits)	19		
134,672,839.66	Accumulated Surplus/(Deficits)	20		64,443,742.77
459,370,614.11	Total Net Assets/Equity			404,144,714.02

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020			
2019	DETAILS	NOTES	Actual 2020
N	REVENUE		N
1,498,291,658.40	Government Share of FAAC (Statutory Revenue)	21	1,116,016,364.75
520,000.00	Tax Revenue	22	1,360,852.00
2,488,300.00	Non-Tax Revenue	23	4,184,200.00
	Aid & Grants	24	
108,000.00	Investment Income	25	1,124,500.00
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
1,501,407,958.40	Total Revenue		1,122,685,916.75
	EXPENDITURE		
1,245,798,895.54	Salaries & Wages	29	318,967,888.77
	Social Contribution	30	
	Social Benefit	31	
78,328,320.43	Overhead Cost	32	59,782,923.29
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
100,224,588.05	Depreciation Charges	37	113,956,639.28
333,002,100.95	Transfer to other Government Entities	38	690,301,817.80
	Public Debt Charges	39	
11,496,651.23	Allowance(Leave Bonus)	40	8,305,744.50
1,768,850,556.20	Total Expenditure		1,191,315,013.64
-267,442,597.80	Surplus/(Deficit) from Operating Activities for the Period		-66,891,800.47
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	-1,600,000.00
	Revaluation Gain	43	
	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
-267,442,597.80	Net Surplus/(Deficit) for the period		-70,229,096.89

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,498,291,658.40	Government Share of FAAC (Statutory Revenue)	21	1,116,016,364.75	
520,000.00	Tax Revenue	22	1,360,852.00	
2,488,300.00	Non-Tax Revenue	23	4,184,200.00	
	Aid & Grants	24		
108,000.00	Investment Income	25	1,124,500.00	
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
1,501,407,958.40	Total inflow from operating Activities			1,122,685,916.75
	<u>Outflows</u>			
1,245,798,895.54	Salaries & Wages	29	318,967,888.77	
	Social Contributions	30		
	Social Benefit	31		
78,328,320.43	Overheads Cost	32	59,782,923.29	
	Gratuity	33		
	Pension Allowance	34		
333,002,100.95	Transfer to other Government Entities	38	690,301,817.80	
11,496,651.23	Allowance	40	8,305,744.50	
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
1,668,625,968.15	Total Outflow from Operating Activities			1,077,358,374.36
-167,218,009.75	Net Cash Inflow/(outflow) from Operating Activities			45,327,542.39
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		

	Proceeds from Sales of Intangible Assets	55		
	Proceeds from Sale of Investment	56		
	Dividends Received	57	-	
0.00	Total Inflow			
	Outflows			
111,380,880.50	Purchase/ Construction of PPE	58	35,009,881.89	
	Purchase/ Construction OF Investment Property	59	-	
	Investment in Private Companies	60	-	
	Loan Granted	61	-	
	Purchase of Intangible Assets	62	-	
	Acquisition of Investment	63	-	
111,380,880.50	Total Outflow		35,009,881.89	
-111,380,880.50	Net Cash Flow from Investing Activities		-	-35,009,881.89
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
	Total Inflow		0.00	
	Outflows			
	Repayment of Borrowings	66	5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
	Total Outflow		5,898,091.22	
12,556,190.14	Net Cash Flow from Financing Activities			-5,898,091.22
-278,598,890.25	Net Cash Flow from all Activities			4,419,569.28
280,805,798.55	Cash and Its Equivalent as at 01/01/2019			2,206,908.30
2,206,908.30	Cash and Its Equivalent as at 31/12/2019	1		6,626,477.58

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
1,498,291,658.40	Government Share of FAAC (Statutory Revenue)	21	1,116,016,364.75	2,185,885,186.97	-48.94
520,000.00	Tax Revenue	22	1,360,852.00	1,050,000.00	29.60
2,488,300.00	Non-Tax Revenue	23	4,184,200.00	6,330,000.00	-33.90
	Aid & Grants	24			
108,000.00	Investment Income	25	1,124,500.00	2,500,000.00	-55.02
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
1,501,407,958.40	Total Revenue		1,122,685,916.75	2,195,765,186.97	-108.26
	<u>EXPENDITURE</u>				
1,245,798,895.54	Salaries & Wages	29	318,967,888.77	1,096,509,269.24	70.91
	Social Contribution	30			
	Social Benefit	31			
78,328,320.43	Overhead Cost	32	59,782,923.29	134,250,400.00	55.47
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
333,002,100.95	Transfer to other Government Entities	38	690,301,817.80	384,910,961.71	-79.34
	Public Debt Charges	39			
11,496,651.23	Allowance(Leave Bonus)	40	8,305,744.50		-100.00
111,380,880.50	Purchase of Assets	58	35,009,881.89	0.00	-
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
1,780,006,848.65	Total Expenditure		1,118,266,347.47	1,615,670,630.95	-252.96
-278,598,890.25	Net Surplus/(Deficit) for the year		4,419,569.28	580,094,556.02	144.70

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020					
S/ N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	GRANT FOR THE YEAR	TOTAL
1	Opening Balance (1/1/2020)	134,672,839.66	324,697,774.45	-	459,370,614.11
2	Surplus for the year	-70,229,096.89		-	-70,229,096.89
3	Grant for the period			-	
4	Adjustment for the period		15,003,196.80	-	15,003,196.80
	Closing Balance 31/12/2020	64,443,742.77	339,700,971.25	-	404,144,714.02

NOTE 1**CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER, 2020**

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	Sunbeam Microfinance Ban, Efon Alaaye	Recurrent A/C	1100071342	3,648,343.97
2	"	IGR	1100136713	52,799.39
3	"	SALARY A/c	1100068375	2,925,329.55
4	"	CAPITAL A/C	1100068052	4.67
	TOTAL			6,626,477.58

NOTE 2**INVENTORIES**

S/N	DETAILS	VALUE (#)
1	STORE	206,500.00
2	MEDICAL STORE	318,100.00
3	MECHANICAL STORE (SCRAP)	15,500.00
	TOTAL	540,100.00

NOTE 4**RECEIVABLES**

#

1.	Capital Reserves with Accountant General as at December, 31 st 2020	61,532,669.97
2.	10% State IGR (6,017,207,459.12/16	<u>376,075,466.07</u>
	TOTAL	<u>437,608,136.04</u>

NOTES 8 & 37

PLANT, PROPERTY & EQUIPMENT SCHEDULE FOR THE YEAR 2020

DETAILS	LAND & BUILDING	MOTOR VEHICLE	PLANT & EQUIPMENT	TRANS EQUIPMENT	FURNITURE & FITTING	OFFICE EQUIPMENT	TOTAL
	N	N	N	N	N	N	
Rate of Depreciation	3%	25%	10%	20%	40%	20%	
Bal. b/f as at 1/1/2020	576,997,792.45	271,633,500.00	20,090,000.00	21,100,000.00	1,800,000.00	10,400,000.00	902,021,292.45
Acquisition during the year	30,484,755.40		4,450,126.49			75,000.00	35,009,881.89
Total	607,482,547.85	271,633,500.00	24,540,126.49	21,100,000.00	1,800,000.00	10,475,000.00	937,031,174.34
Disposal during the year	-	-	-	-	-	-	-
Bal. b/f as at 31/12/2020	607,482,547.85	271,633,500.00	24,540,126.49	21,100,000.00	1,800,000.00	10,475,000.00	937,031,174.34
ACCUMULATED DEPRECIATION	-	-	-	-	-	-	-
Current year change (N37)	18,224,476.44	67,908,375.00	2,454,012.65	4,220,000.00	720,000.00	2,095,000.00	95,621,864.08
Depreciation on Disposal	-	-	-	-	-	-	-
Ba/. b/f as at 31/12/2020	589,258,071.41	203,725,125.00	22,086,113.84	16,880,000.00	1,080,000.00	8,380,000.00	841,409,310.26

NOTE 9

INVESTMENT PROPERTY

S/N	DETAILS	AMOUNT (#)
1	Ekekesan Market, Efon with about 26 lockup shops & many open stalls.	52,060,800.00
2	Alajo Market (Open staff)	2,040,408.00
3	Alagbamesan Market (Open Stall)	2,040,408.00
4	Itawure Market (Open Stall)	2,040,408.00
5	Fayode market @ Ado-Ekiti (1 locked up shop)	1,642,608.00
6	Ita Ido Market (open Stall)	2,040,408.00
7	Neighbourhood modern market	80,000,000.00
8	Ojodi market (4 lockup shop)	5,528,400.00
9	Irayo market locked up shop	11,056,800.00
10	Grader	15,000,000.00
11	Revalued @ 5% (2019)	9,897,512.00
	Total	183,347,752.00
	Depreciation @ 10%	18,334,775.20
	TOTAL	165,012,976.80

NOTE 10**BIOLOGICAL ASSET**

S/N	DETAILS	AMOUNT (#)
1	TEAK PLANTATION AT OBAKE	4,500,000.00
	TOTAL	4,500,000.00

NOTE 14**PAYABLES****ACCRUED EXPENSES & OTHER PAYABLES**

S/N	DETAILS	AMOUNT (#)
1	STAF SALARIES (LG & PRY.SCHL. TEACHERS)	311,902,411.30
2	POH SALARIES & ALLOWANCES (CURRENT POH 2020-2021)	8,855,972.21
3	POH SALARIES & ALLOWANCES (PAST POH 1999-2019)	140,496,090.68
4	LEAVE BONUSES (LG & PRY. SCHOOL TEACHERS)	128,059,665.73
5	PENSION & GRATUITY	358,552,808.92
6	UTILITY (BEDC)	1,880,000.00
7	OUTSTANDING CONTRACTUAL OBLIGATIONS	14,000,000.00
8	OUTSTANDING CLAIMS	1,300,000.00
	Total	965,046,948.84

NOTE 16**LONG TERM BORROWING**

TOTAL LIABILITY	1,887,389,188.80
LESS PAYMENT	503,303,783.68
BALANCE	<u>1,384,085,405.12</u>
LIABILITY PER L.G (1,384,085,405.12 / 16)	<u>86,505,337.82</u>

NOTE 21**GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)**

S/N	MONTH	AMOUNT (N)
1	JANUARY	95,129,356.12
2	FEBRUARY	95,743,151.14
3	MARCH	91,124,770.96
4	APRIL	98,505,114.90
5	MAY	89,112,704.74
6	JUNE	85,232,801.22
7	JULY	96,984,395.12
8	AUGUST	106,403,620.99
9	SEPTEMBER	86,598,943.78
10	OCTOBER	91,656,993.80
11	NOVEMBER	98,005,717.67
12	DECEMBER	81,518,794.31
	TOTAL	1,116,016,364.75

NOTE 22**TAX REVENUE**

S/N	MONTH	AMOUNT (3)
1	TENEMENT RATES	520,800.00
2	LG TAX (2.5%)	840,052.00
	TOTAL	1,360,852.00

NOTE 23**NON TAX REVENUE**

S/N	CODE	DETAILS	AMOUNT (3)
1	120101-01	FLAT RATE	487,000.00
2	12201-05	RADIO/TEL. LICENCE FEE	15,400.00
3	120201-20	HACKNEY PERMIT	22,400.00
4	120204-19	ATTESTATION	1,868,000.00
5	120204-18	MARRIAGE FEES	408,000.00
6	120204-56	NAMING OF STREET	140,000.00
7	120201	COMMUNICATION OUTFIT	-
8	120201-09	CLUB REGISTRATION	15,000.00
9	120204-54	BLOCKING OF ROAD	26,200.00
10	120207-11	MARKET FEE	260,200.00
11	120204.48	SHOP PERMIT FEES	99,000.00

12	120201-	TRADING PERMIT	3,000.00
13	1020208-05	AMBULANCE RENTAGE	-
14	120204-51	FELLING/SELLING OF TREE	-
15	120207	HIRING OF LG GRADER	840,000.00
16	120207-	LOADING PERMIT FEES	-
17	120207-	RENT ON LG SHOP	-
18	102208-03	HALL RENTAGE	-
		TOTAL	4,184,200.00

NOTE 25

INVESTMENT INCOME

S/N	CODE	DETAILS	AMOUNT (3)
1	120207-11	MARKET	260,000.00
2	120207-	HIRING OF LG GRADER	840,000.00
3	120207	RENT ON LG SHOP	24,500.00
		TOTAL	1,124,500.00

NOTE 29

SALARIES & WAGES

S/N	CODE	DETAILS	AMOUNT (3)
1	112	LOCAL GOVERNMENT WORKERS	201,595,121.98
2		NEFT CHARGES ON SALARY (LG)	455,700.00
3		POLITICAL OFFICE HOLDERS	48,289,633.40
4		TRADITIONAL COUNCIL	50,303,813.02
5		SALARY ARREARS (PAST POH)	14,074,053.04
6		OTHERS (PALACE STAFF & MID-WIVES)	4,114,567.33
7		CASUAL WORKERS	135,000.00
		TOTAL	318,967,888.77

NOTE 32**OVERHEAD EXPENSES**

S/N	CODE	DETAILS	AMOUNT (3)
1	220201	TRAVELLING & TRANSPORT	7,716,400.00
2	22020301	STATIONERIES & PRINTING	1,918,960.00
3	220202	UTILITY	1,270,000.00
4	22021006	TELEPHONE & POSTAL SERVICE	-
5	22020402	MAINTENANCE OF OFFICE FURNITURE	321,285.71
6	22020401	MAINTENANCE OF VEHICLE & CAPITAL ASSET	4,514,477.58
7	220207	CONSULTANCY SERVICES	100,000.00
8	210202	GRANTS, CONTRIBUTION & SUBVENTION	1,400,000.00
9	210202	TRAINING & WORKSHOP, STAFF WELFARE & DEV.	1,307,700.00
10	220205	ENTERTAINMENT & HOSPITALITY	3,605,600.00
11	22021001	MISCELANEOUS EXPENSES –GENERAL	869,000.00
12	220210	PROVISION OF SERVICE MATERIALS	-
13	220203	IMPREST & SECURITY VOTE	35,759,500.00
14	22020604	CONSULTANCY SERVICES & SPECIAL COMMITTEE	-
15		CHRISTMAS GIFT	1,000,000.00
		TOTAL	59,782,923.29

NOTE 37**DEPRECIATION FOR THE YEAR**

S/N	DETAILS	AMOUNT (#)
1	PP&E	95,621,864.08
2	INVESTMENT PROPERTIES	18,334,775.20
	TOTAL	113,956,639.28

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIES**

S/N	DETAILS	AMOUNT (#)
1	TEACHER SALARY	239,531,244.8
2	GRATUITY	13,250,000.00
3	NEFT CHARGES/NIBSS CHARGES	884,700.00
4	PENSION FUND	340,062,889.36
5	CONTRIBUTORY PENSION	1,990,122.69
6	SUBEB OVERHEAD	4,200,000.00
7	TRADITIONAL & CHEIFTAINCY	50,303,813.02
8	LGSC & OTHERS GOVERNMENT AGENCIES	25,679,048.05
9	PEACE CORP	14,400,000.00
	TOTAL	690,301,817.80

NOTE 40**LEAVE BONUS, FURNITURE & SEVERANCE ALLOWANCE**

S/N	DETAILS	AMOUNT (#)
1	LEAVE BONUS	-
2	LEAVE BONUS (POH)	-
3	SEVERANCE ALLOWANCE (POH)	-
4	FURNITURE ALLOWANCE (POH)	8,305,744.50
	TOTAL	8,305,744.50

NOTE 42

	#
REFUNDED REVENUE	1,600,000.00

NOTE 58**PURCHASE/CONSTRUCTION OF PP&E**

S/N	DETAILS	AMOUNT (#)
1	ADMIN SECTOR	2,205,876.49
2	SOCIAL SECTOR	4,304,250.00
3	ECONOMIC SECTOR	28,499,755.40
	TOTAL	35,009,881.89

NOTE 66**REPAYMENT OF BORROWING**

	#
TOTAL REPAYMENT 12 X 7,864,121.62	94,369,459.44
REPAYMENT PER LOCAL GOVERNMENT 94,369,459.44/16	<u>5,898,091.22</u>

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE ACCOUNTS OF EMURE LOCAL

GOVERNMENT,

EMURE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Emure Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EMURE LOCAL GOVERNMENT, EMURE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Emure Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively Section 26(2) of Ekiti State Audit Law 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Emure Local Government to prepare and present the General purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs and Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i). The estimate made for Revenue in the 2019 budget recorded a low performance. An estimate was made for N2,185,418,772.00, while actual Revenue recorded stood at N923,793,532.00 This is about 42.27% performance. Equally, the IGR of N6,188,875.00 represents only 0.67% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N1,987,385,036.00 only was budgeted for expenditure but only N938,312,837.00 was actually incurred, resulting to saving of N1,049,072,199.00 for the period.

8. REVENUE ACCOUNT

A total sum of N923,793,532.00 was earned as total Revenue as at 31st December, 2020 out of which only 0.67% (N6,188,875.00) was generated as IGR, which showed that the Local Government solely depends on the Statutory Allocation.

On the basis of comparison, the IGR for the current year recorded a deficit of 14.02% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. AUTHORITY FOR EXPENDITURE

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10 of this report.

10. EXPENDITURE CONTRARY TO LAW

The following expenditure appears to be contrary to law.

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/EMLG/AQ/01/2020	Nugatory payments	19,429,413.79
2	AUD/EMLG/AQ/02/2020	Expenditure contrary to regulation	9,852,922.00
3	AUD/EMLG/AQ/03/2020	Unretired expenditure	1,082,500.00
4	AUD/EMLG/AQ/04/2020	Un-audited expenditure	1,872,000.00
5	AUD/EMLG/AQ/05/2020	Items not taken on store	4,65,000.00
6	AUD/EMLG/AQ/06/2020	Unvouched expenditure	10,523,957.77

7	AUD/EMLG/AQ/07/2020	Unproduced payment vouchers	5,342,500.00
8	AUD/EMLG/AQ/08/2020	Unproduced security vote	7,750,000.00
9	AUD/EMLG/AQ/09/2020	Unproduced revenue earning receipts	Various
	TOTAL		56,318,293.56

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanation or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Emure Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Emure Local Government, Emure - Ekiti. Your attention is invited to the following issues:

- (i) Internal Control.
- (ii) Lapses in the keeping of financial records
- (iii) Expenditure contrary to regulations

- (iv) Internally Generated Revenue
- (v) Attendance to audit queries
- (vi) Fixed Assets Register
- (vii) Capital Projects.
- (viii) Outstanding queries and other matters.

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. OUTSTANDING MATTERS FROM PREVIOUS REPORTS

- (A) Outstanding balance from GLO Networks 70,000.00
- (B) Outstanding balance of N70,000.00 that was not paid by GLO and Etisalat (2015)
- (C) **AUDIT QUERIES**

LIST OF OUTSTANDING QUERIES FOR 2019

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/EMLG/AQ/07/2019	Unretired security vote	15,849,000.00
2	AUD/EMLG/AQ/05/2019	Nugatory payment	639,000.00
		GRAND TOTAL	16,488,000.00

LIST OF OUTSTANDING QUERIES FOR 2018

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/EMLG/AQ/01/2018	Nugatory payments (A,B,C)	33,716,499.61
2	AUD/EMLG/AQ/02/2018	Items not taken on ledger charge	280,000.00
3	AUD/EMLG/AQ/03/2018	Expenditure not contrary to regulation	6,021,922.55
4	AUD/EMLG/AQ/04/2018	Un-audited payment vouchers	180,000.00

5	AUD/EMLG/AQ/05/2018	Unreceipted expenditure	150,000.00
6	AUD/EMLG/AQ/06/2018	Unretired Security vote	1,000,000.00
7	AUD/EMLG/AQ/07/2018	Unproduced revenue earning receipts	Various
		GRAND TOTAL	41,348,422.16

LIST OF OUTSTANDING QUERIES FOR 2017

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/EMLG/AQ/01/2017	Unproduced payment vouchers	5,132,000.00
2	AUD/EMLG/AQ/02/2017	Expenditure not accounted for	768,000.00
3	AUD/EMLG/AQ/03/2017	Expenditure contrary to regulation	12,981,609.39
4	AUD/EMLG/AQ/04/2017	Items not taken on ledger charge	1,938,000.00
5	AUD/EMLG/AQ/05/2017	Doubtful expenditure	1,586,500.00
6	AUD/EMLG/AQ/06/2017	Expenditure retired with fake receipts	980,000.00
7	AUD/EMLG/AQ/07/2017	Unretired expenditure	4,892,000.00
8	AUD/EMLG/AQ/08/2017	Expenditure not supported with proper records	980,000.000
9	AUD/EMLG/AQ/09/2017	Unreasonable expenditure	668,057.13
10	AUD/EMLG/AQ/10/2017	Expenditure not supported with proper records	8,750,000.00
11	AUD/EMLG/AQ/11/2017	Unproduced revenue earning receipts	Various
12	AUD/EMLG/AQ/12/2017	Expenditure not accounted for	131,064,877.00
		GRAND TOTAL	169,723,043.52

LIST OF OUTSTANDING QUERIES FOR 2016

S/N	QUERY NO	SUBJECT	AMOUNT ₦
-----	----------	---------	----------

1	AUD/EMLG/AQ/01/2016	Expenditure contrary regulation	9,759,949.01
2	AUD/EMLG/AQ/02/2016	Nugatory payment	530,000.00
3	AUD/EMLG/AQ/03/2016	Unreasonable expenditure	9,312,595.49
4	AUD/EMLG/AQ/04/2016	Unreasonable expenditure	233,000.00
5	AUD/EMLG/AQ/05/2016	Unproduced revenue earning receipts	Various
		GRAND TOTAL	19,835,544.50

LIST OF OUTSTANDING QUERIES FOR 2015

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/EMLG/AQ/01/2015	Expenditure not supported with proper records	777,000.00
2	AUD/EMLG/AQ/02/2015	Unvouched expenditures	275,000.00
3	AUD/EMLG/AQ/03/2015	Expenditure contrary to regulations	388,000.00
4	AUD/EMLG/AQ/04/2015	Nugatory payments	2,598,000.00
5	AUD/EMLG/AQ/05/2015	Doubtful payment	3,000,000.00
6	AUD/EMLG/AQ/06/2015	Missing items from D.F quarter	96,800.00
7	AUD/EMLG/AQ/07/2015	Illegal withdrawal / miss appropriation	10,647,000.00
8	AUD/EMLG/AQ/08/2015	Unproduced revenue earning receipts	1 Assorted
		GRAND TOTAL	17,776,823.00



18/06/2021

A.K. Fasakin,
**AUDITOR-GENERAL FOR LOCAL GOVERNMENTS,
EKITI STATE.**
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Emure Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

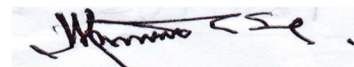
The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Emure Local Government as at the year ended 31st December, 2020.



01/3/2021

Hon. Awopetu Paul O ,
Executive Chairman.



01/3/2021

Mr. Oluwasanmi J.O
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(1) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events as occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council.

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

(8) EXPENSES.

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and Investment property were charged on a straight line basis over their expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as expenses in the Statement of Financial Performance.

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	<u>ASSETS</u>			
	Current Assets			
19,120,436.87	Cash and Cash Equivalents	1	4,601,133.87	
1,904,000.00	Inventories	2	1,007,000.00	
	WIP	3		
310,756,987.37	Receivables	4	377,716,766.07	
58,000.00	Prepayments	5	20,600.00	
331,839,424.24	Total Current Assets			388,345,499.94
	Non-Current Assets			
	Loans Granted	6		
1,000,000.00	Investments	7	1,000,000.00	
638,490,817.20	Fixed Assets-Property, Plant & Equipment	8	647,579,805.00	
22,500,000.00	Investment Property	9	21,825,000.00	
4,490,000.00	Biological Assets	10	4,304,500.00	
666,480,817.20	Total Non-Current Assets			674,709,305.00
998,320,241.44	Total Assets			1,058,054,804.94
	<u>LIABILITIES</u>			
	Current Liabilities			
	Accumulated Depreciation	11	-	
3,220,000.00	Loans & Debts(Short-Term)	12	2,802,000.00	
6,749,000.00	Unremitted Deductions	13	6,036,828.00	
375,489,487.31	Payables	14	426,158,039.00	
385,458,487.31	Total Current Liabilities		434,996,867.00	
	Non-Current Liabilities			
1,463,063.85	Public Funds	15		
0.00	Borrowings	16	86,505,338.00	
	Total Non-Current Liabilities		86,505,338.00	
386,921,551.16	Total Liabilities			521,502,205.00
611,398,690.28	Net Asset/Equity			536,552,599.94
	Financed By:			
541,609,807.81	Reserves	17		491,470,724.24
26,719,399.69	Capital Grant	18		26,719,399.70
-	Net Surpluses/(Deficits)	19		
43,069,482.78	Accumulated Surplus/(Deficits)	20		18,362,476.00
611,398,690.28	Total Net Assets/Equity			536,552,599.94

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
864,540,838.88	Government Share of FAAC (Statutory Revenue)	21	917,604,657.00
393,850.00	Tax Revenue	22	1,314,275.00
2,805,640.00	Non-Tax Revenue	23	3,374,800.00
3,998,650.00	Aid & Grants	24	
	Investment Income	25	1,499,800.00
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
871,738,978.88	Total Revenue		923,793,532.00
	<u>EXPENDITURE</u>		
743,576,921.44	Salaries & Wages	29	367,665,321.00
	Social Contribution	30	
	Social Benefit	31	
43,987,405.69	Overhead Cost	32	39,282,500.00
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
32,261,516.80	Depreciation Charges	37	30,798,795.00
101,605,538.19	Transfer to other Government Entities	38	471,982,803.00
	Public Debt Charges	39	
20,310,643.52	Allowance(Leave Bonus)	40	38,771,120.00
941,742,025.64	Total Expenditure		948,500,539.00
	Surplus/(Deficit) from Operating Activities for the Period		-24,707,007.00
-70,003,046.76	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
-70,003,046.76	Surplus/(Deficit) for the year		-24,707,007.00

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
864,540,838.88	Government Share of FAAC (Statutory Revenue)	21	917,604,657.00	
393,850.00	Tax Revenue	22	1,314,275.00	
2,805,640.00	Non-Tax Revenue	23	3,374,800.00	
	Aid & Grants	24		
3,998,650.00	Investment Income	25	1,499,800.00	
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
871,738,978.88	Total inflow from operating Activities			923,793,532.00
	<u>Outflows</u>			
743,596,921.44	Salaries & Wages	29	367,665,321.00	
	Social Contributions	30		
	Social Benefit	31		
43,987,405.69	Overheads Cost	32	39,282,500.00	
	Gratuity	33		
	Pension Allowance	34		
101,605,538.19	Transfer to other Government Entities	38	471,982,803.00	
20,310,643.52	Allowance (Leave Bonus)	40	38,771,120.00	
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
909,480,508.84	Total Outflow from Operating Activities			917,701,744.00
-37,741,529.96	Net Cash Inflow/(outflow) from Operating Activities			6,091,788.00
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		

	Proceeds from Sale of Investment	56		
	Dividends Received	57		
0.00	Total Inflow			
-	Outflows			
10,619,000.00	Purchase/ Construction of PPE	58	-14,713,000.00	
	Purchase/ Construction OF Investment Property	59		
	Investment in Private Companies	60		
	Loan Granted	61		
	Purchase of Intangible Assets	62		
	Acquisition of Investment	63		
-10,619,000.00	Total Outflow		-14,713,000.00	
-10,619,000.00	Net Cash Flow from Investing Activities			-14,713,000.00
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
26,719,399.69	Capital Grant Received	64		
	Proceeds from Borrowings	65		
26,719,399.69	Total Inflow			
	Outflows			
	Repayment of Borrowings	66	-5,898,091.00	
	Distribution of Surplus/Dividends Paid	67		
0.00	Total Outflow		-5,898,091.00	
26,719,399.69	Net Cash Flow from Financing Activities			-5,898,091.00
-21,641,130.27	Net Cash Flow from all Activities			-14,519,303.00
40,761,567.14	Cash and Its Equivalent as at 01/01/2020			19,120,436.87
19,120,436.87	Cash and Its Equivalent as at 31/12/2020	1		4,601,133.87

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR
ENDE31ST DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
864,540,838.88	Government Share of FAAC (Statutory Revenue)	21	917,604,657.00	1,323,523,298.80	-30.67
393,850.00	Tax Revenue	22	1,314,275.00	2,050,000.00	-35.89
2,805,640.00	Non-Tax Revenue	23	3,374,800.00	5,500,000.00	-138.64
	Aid & Grants	24			
3,998,650.00	Investment Income	25	1,499,800.00	5,350,000.00	171.97
	Expenditure Recovery	26			
-	Other Capital Receipts	27		849,418,474.00	-100.00
	Debt Forgiveness	28			
871,738,978.88	Total Revenue		923,793,532.00	2,185,841,772.80	144.05
	<u>EXPENDITURE</u>				
743,576,921.44	Salaries & Wages	29	367,665,321.00	572,073,377.00	35.73
	Social Contribution	30			
	Social Benefit	31			
43,987,405.69	Overhead Cost	32	39,282,500.00	69,000,000.00	43.07
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
101,605,538.19	Transfer to other Government Entities	38	471,982,803.00	720,179,916.00	34.46
	Public Debt Charges	39			
20,310,643.52	Allowance(Leave Bonus)	40	38,771,120.00	50,000,000.00	22.46
10,619,000.00	Purchase of Assets	58	14,713,000.00	576,131,743.00	97.45
-	Acquisition of Investment	63			
-	Repayment of Borrowing	66	5,898,091.00		
920,099,508.84	Total Expenditure		938,312,837.00	1,987,385,036.00	133.17
-48,360,529.96	Surplus/(Deficit) for the year		-14,519,303.00	198,456,736.00	10.88

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2020)	43,069,483.00	541,609,807.00	26,719,399.70	611,398,689.70
2	Surplus for the period	-24,707,007.00			-24,707,007.00
3	Grant for the period				
4	Adjustment for the period		-50,139,082.76		-50,139,082.76
	Total	18,362,476.00	491,470,724.24	26,719,399.70	536,552,599.94

NOTES TO THE ACCOUNTS

NOTE 1

CASH AND CASH EQUIVALENT

ACCOUNT NAME	BANK NAME	ACCOUNT NO	N
Salary Account	First bank	2005070606	3,014,181.00
IGR Account	First Bank	2000617046	252,483.00
Running Account	Zenith Bank	1016250520	1,334,469.87
TOTAL			4,601,133.87

NOTE 2

INVENTORIES

DETAIL	OPENING BALANCE 1/1/020	PURHCASES	ISSUED/ CONSUMPTION	CLOSING BAL. 31/12/020
	#	#	#	#
Office Equipment	950,000.00	82,500.00	665,000.00	367,500.00
Loose Tools	140,000.00	32,500.00	102,000.00	60,500.00
Other store consumables	814,000.00	1,475,000.00	1,720,000.00	569,000.00
TOTAL	1,904,000.00	1,590,000.00	2,487,000.00	1,007,000.00

NOTE 4

RECEIVABLES

DETAILS	#	#
10% State IGR as at 2020 (6,017,207,457.12/16)	376,075,466.07	
Unpaid investment Revenue	97,500.00	

Unpaid pupils School Fees 2020	242,000.00	
Unpaid Secondary school students school fees	1,071,300.00	
Rent Arrears on LG Lock up Shops	203,000.00	
Revenue collected not yet remitted as at 31/12/2020	27,500.00	377,716,766.07

NOTE 5

PREPAYMENTS

DETAILS	#	#
DSTV subscription	14,700.00	
Recharge Cards	5,900.00	
Total	20,600.00	20,600.00

NOTE 7

INVESTMENT IN SECURITIES

DETAILS	#	#
Ordinary Shares in insurance Company	1,000,000.00	1,000,000.00

NOTES 8 and 37

PROPERTY, PLANT & EQUIPMENT ASSET SCHEDULE FOR THE YEAR 2020

DETAILS	LAND & BUILDING	MOTOR VEHICLE	PLANT & EQUIP	TRANSPORT EQUIP	FURN. & FITT.	OFFICE EQUIP	INFRA. ASSET	TOTAL
RATE OF DEPR	3%	25%	10%	20%	40%	20%	5%	
	N	N	N	N	N	N	N	N
COST/REVALUATION VALUE	920,000,000.00	112,708,334.00	24,666,660.00	107,100,000.00	5,800,000.00	35,633,334.00	24,500,000.00	1,230,408,328.00
Bal. b/f as at 1/1/2020	583,358,000.00	24,000,000.00	15,578,550.00	2,720,000.00	1,440,000.00	11,394,050.00	0.00	638,490,600.00
PP&E RECOGNISED DURING THE YEAR	14,713,000.00							14,713,000.00
Acquisition during the year	-	-	-	-	-	-	-	-
TOTAL	598,071,000.00	24,000,000.00	15,578,550.00	2,720,000.00	1,440,000.00	11,394,050.00	24,500,000.00	677,703,600.00
Disposal during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance c/f 31/12/2020	598,071,000.00	24,000,000.00	15,578,550.00	2,720,000.00	1,440,000.00	11,394,050.00	24,500,000.00	677,703,600.00
ACCUMULATED DEPRECIATION								
Balance as at 1/1/2020	336,642,000.00	111,208,334.00	-13,866,660.00	104,380,000.00	4,360,000.00	28,486,666.00	0.00	-598,943,660.00
Current year Charge (Note 37)	17,942,130.00	6,000,000.00	1,557,855.00	544,000.00	576,000.00	2,278,810.00	1,225,000.00	30,123,795.00
Depreciation on Disposal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance c/f 31/12/2020	318,699,870.00	105,208,334.00	-12,308,805.00	103,836,000.00	3,784,000.00	26,207,856.00	1,225,000.00	-568,819,865.00
ACCUMULATED IMPAIRMENT								

Balance b/f 1/1/2020	-	-	-	-	-	-	-	-
Additional during the year	-	-	-	-	-	-	-	-
impairment loss on Disposal	-	-	-	-	-	-	-	-
Balance c/f 31/12/2020	-	-	-	-	-	-	-	-
NET BOOK VALUE	580,128,870.00	18,000,000.00	14,020,695.00	2,176,000.00	864,000.00	9,115,240.00	23,275,000.00	647,579,805.00

NOTE 9
INVESTMENT PROPERTIES

DETAILS	HISTORIC COST	DEPRECIATION 3%	NET BOOK VALUE
Duplex structure @ Irewolede, Ado Ekiti	5,000,000.00	150,000.00	4,850,000.00
Fayose Market (A unit of Stall)	1,000,000.00	30,000.00	970,000.00
Lock up shop @ Eporo	2,000,000.00	60,000.00	1,940,000.00
lock up shop @ Idamudu Market	1,800,000.00	54,000.00	1,746,000.00
Lock up shop @ New Market	1,700,000.00	51,000.00	1,649,000.00
Open Market Stall @ Sabo	3,000,000.00	90,000.00	2,910,000.00
Open Market Stall @ New Market	2,500,000.00	75,000.00	2,425,000.00
Emure L.G Group of Schools	5,500,000.00	165,000.00	5,335,000.00
TOTAL	22,500,000.00	675,000.00	21,825,000.00

NOTE 10
BIOLOGICAL ASSET

DETAILS	#
Poultry House	1,200,000.00
Rabitary	4,500.00
Ose Oil Palm Plantation	2,700,000.00
Teak Plantations	400,000.00
TOTAL	4,304,500.00

NOTE 12
LOANS & DEBTS (ACCURED EXPENSES)

DETAILS	#
Utility Bill (BEDC)	100,000.00
Residential Staff Quarter's Rent Arrears	252,000.00
Legal	1,900,000.00
Retainer ship Unpaid fees	250,000.00

Outstanding Audit Logistics for 2018	300,000.00
Other unfulfilled obligation to Government Entities	
TOTAL	2,802,000.00

NOTE 13

UNREMITTED DEDUCTIONS

DETAILS	#
NULGE DUES	13,560.00
Iremide-Adewumi Multi Purpose Cooperative	2,900,300.00
Wema Bank LG Group Loan	2,281,268.00
PAYEE	565,700.00
Medical Health Worker Union	276,000.00
TOTAL	6,036,828.00

NOTE 14

PAYABLES

DETAILS	#
Outstanding Salaries (Staff & POH)	221,567,866.00
Outstanding Leave Bonus 2017 to 2020	79,764,900.00
Contractual & Supplies Obligations	51,125,300.00
General Staff Claims	67,092,093.00
Furniture Allowances	6,607,880.00
TOTAL	426,158,039.00

NOTE 16

Total Borrowing Liabilities of 16 Local Governments	#1,887,389,188.80
Total Payment for the year 2020 (16 LGS)	<u>503,303,783.68</u>
Total Outstanding Borrowings	#1,384,085,405.12
	=====
Liability Per LG	= #86,505,338.00

NOTE 21**STATUTORY ALLOCATION**

MONTHS	#
JANUARY	86,006,287.43
FEBRUARY	87,051,299.75
MARCH	79,187,329.55
APRIL	84,694,322.32
MAY	79,474,100.01
JUNE	69,704,283.51
JULY	73,900,129.41
AUGUST	73,648,031.42
SEPTEMBER	75,713,427.07
OCTOBER	82,306,929.00
NOVEMBER	63,813,699.55
DECEMBER	62,104,817.98
TOTAL	917,604,657.00

NOTE 22**TAX REVENUE**

DETAILS	#
Local/Flat Rate	587,400.00
Tenement Rate	461,600.00
LG 2.5% Tax on contracts	265,275.00
TOTAL	1,314,275.00

NOTE 23
NON TAX REVENUE

DETAILS	#
Hawkney Permit	202,200.00
Trader/club Registration	117,000.00
Marriage Registry	265,000.00
Local Government Attestation	1,483,000.00
Birth Registration	68,500.00
Trade/Shop Permit	294,300.00
Sawmill Loading/offloading permit	925,600.00
Road block permit	5,000.00
Other miscellaneous Earnings	14,200.00
TOTAL	3,374,800.00

NOTE 25
INVESTMENT INCOME

DETAILS	#
Earning from Farming Investment	146,000.00
Earning from invest in Group Schools	671,500.00
Rent on Building Investment	392,300.00
Rent on Landed Properties	290,000.00
TOTAL	1,499,800.00

NOTE 29
SALARIES & WAGES

DETAILS	#
Staff	274,535,204.00
Political Office Holder	43,025,134.00
Traditional Council	46,322,736.00
Palace Staff	3,542,247.00
Mid wives	240,000.00
TOTAL	367,665,321.00

DEPRECIATION FOR THE YEAR

NOTE 37

DETAILS	AMOUNT(N)
PPE	30,123,795.00
INVESTMENT PROPERTY	675,000.00
TOTAL	30,798,795.00

NOTE 38
TRANSFER TO OTHER GOVERNMENT ENTITIES

DETAILS	#
Gratuity & Pension Fund	208,725,800.00
Parastatal Funds	16,751,453.00
Primary School Fund	246,505,550.00
TOTAL	471,982,803.00

NOTE 40
OTHER ALLOWANCES

ITEM	#
Leave Bonus (2016)	31,654,890.00
Ex Political Office Holders Severance Allowance	6,735,304.00
Sundry Disturbance Allowances	380,926.00
TOTAL	38,771,120.00

NOTE 58
PURCHASE/CONSTRUCTION OF ASSET

DETAILS	#
Administrative sector	1,361,000.00
Social sector	605,000.00
Economic sector	12,397,000.00
Environmental sector	350,000.00
TOTAL	14,713,000.00

NOTE 66

BORROWING REPAYMENT

Monthly Repayment by Ekiti State (16) Local Govts for the year	#7,864,121.62
Total Repayment for the year 2020 by the Local Govts.	12 x #7,864,121.62
Total	94,369,459.44

Emure Local Govt. Share of the repayment (#94,369,459.44/16) #5,898,091.00

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF EKITI EAST LOCAL GOVERNMENT,


OMUO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ekiti East Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.


18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ekiti East Local Government have been examined in accordance with, sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively, section 26(2) of Ekiti State Audit Law, 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ekiti East Local Government to prepare and present the General Purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i). The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N1,278,528,110.00 while actual Revenue recorded stood at N1,265,076,879.17. This is about 98.95% performance. Equally, the IGR of N7,052,975.00 represents only 0.56% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

(ii). The sum of N2,070,732,336.00 only was budgeted for expenditure but only N1,262,494,624.84 was actually incurred, resulting to saving of N808,237,711.16 for the period.

8. **REVENUE ACCOUNT**

A total sum of N1,265,076,879.17 was earned as total Revenue as at 31st December, 2020 out of which only 0.56% (N7,052,975.00) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a deficit of 9.85% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10, of this report.

10. **EXPENDITURE CONTRARY TO LAW:**

The following expenditure appears to be contrary to Law.

S/N	QUERY NO	SUBJECT	AMOUNT (N)
1	AUD/EELG/AU/1/2020	Expenditure contrary to Financial Regulations	2,771,000.00
2	AUD/EELG/AU/2/2020	Nugatory/unretired payments	655,000.00
3	AUD/EELG/AU/3/2020	Items not taken on store ledger changes	1,322,500.00
4	AUD/EELG/AU/4/2020	Unritired/unaudited payment vouchers	1,102,000.00
5	AUD/EELG/AU/5/2020	Unproduced payment vouchers	3,103,800.00
6	AUD/EELG/AU/6/2020	Unretired security vote	8,000,000.00

7	AUD/EELG/AU/7/2020	Unvouched Expenditure	1,214,000.00
		TOTAL	19,160,300.00

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Ekiti East Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Ekiti East Local Government, Omuo-Ekiti. Particular attention is required to the followings:


- (i) Cash books and subsidiary ledgers
- (ii) Bank Reconciliation Statements
- (iii) Fixed Assets Register
- (iv) Attendance to Audit Query
- (v) Internally Generated Revenue

(vi) Capital Projects

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

	N
(a) Outstanding revenue from Petrol Station, 2016	190,000.00
(b) Outstanding revenue from Hotel, 2016	165,000.00
(c) Outstanding revenue from Sawmill, 2016	375,000.00
(d) Loss of fund involving Mr. Ajayi Adebawale (2015)	674,000.00
(e) Unproduced Revenue Earning Receipt (2015)	various
(f) Revenue Earning Receipt not traceable to store 2015	(26) booklets
(g) Revenue Earning Receipt paid for but not purchased (2015) Involving Bello Abdul	733,750.00
(h) Unproduced Treasury Receipt 345 101-348 150 involving Mr. Adediran A.A. (2015) 12 booklet	
(i) Non-salary related expenditure from salary accounts (2015)	3,543,690.00
(j) Revenue Earning Receipts not traceable to Store in 2016 involving Bello Abdul	
(k) 2019 AUDIT QUERIES	#
i. AUD/EELG/AQ/07/12019 Unretired Security Vote	16,500,000.00


18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ekiti East Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ekiti East Local Government as at the year ended 31st December, 2019.



3/3/2021

**Hon. Ogunjobi Esan Temitope,
Executive Chairman.**



3/3/2021

**Mr. Adesola F.O.
Director of Finance.**

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLINACE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chat of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

This presented both the exchange and non-exchange revenue from Internally Generated revenue and Statutory Allocation from the Federation Account during the year.

- (i). Revenue from non-exchange transactions such as fees, taxes, and fines are recognition when the events occurred and the assets recognized criteria are met.

(ii). Revenue from exchange transactions are recognized when the significant risks and rewards of ownership have been transferred to the buyer(s) usually when goods were delivered or services were rendered.

(8) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9). **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

All PPE are stated at historical cost less accumulated depreciation and any impairment losses.

Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and investment property were charged on a straight line basis over their

Expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	₦
	ASSETS			
	Current Assets			
3,961,602.76	Cash and Cash Equivalents	1	6,543,857.09	
127,500.00	Inventories	2	92,800.00	
0.00	WIP	3	34,519,497.20	
300,600,951.99	Receivables	4	376,640,466.07	
0.00	Prepayments	5		
304,690,054.75	Total Current Assets			417,796,620.36
	Non-Current Assets			
0.00	Loans Granted	6		
836,237.50	Investments	7	836,237.50	
500,636,894.78	Fixed Assets-Property, Plant & Equipment	8	485,453,796.34	
	Investment Property	9		
	Biological Assets	10	375,000.00	
501,473,132.28	Total Non-Current Assets			486,665,033.84
806,163,187.03	Total Assets			904,461,654.20
	LIABILITIES			
	Current Liabilities			
0.00	Accumulated Depreciation	11	18,932,618.24	
0.00	Loans & Debts(Short-Term)	12		
1,640,565.65	Unremitted Deductions	13	2,969,679.41	
304,267,976.99	Payables	14	342,878,332.89	
305,908,542.64	Total Current Liabilities		364,780,630.54	
	Non-Current Liabilities			
	Public Funds	15		
	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,337.82	
305,908,542.64	Total Liabilities			451,285,968.36
500,254,644.39	Net Asset/Equity			453,175,685.84
	Financed By:			
381,222,209.40	Reserves	17		306,326,506.54
-	Capital Grant	18		
-	Net Surpluses/(Deficits)	19		
119,032,434.99	Accumulated Surplus/(Deficits)	20		146,849,179.30
500,254,644.39	Total Net Asset/Equity			453,175,685.84

EKITI EAST LOCAL GOVERNMENT, OMOO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
₦	<u>REVENUE</u>		₦
679,755,788.86	Government Share of FAAC (Statutory Revenue)	21	1,258,023,904.17
1,652,680.00	Tax Revenue	22	1,918,375.00
6,171,350.00	Non-Tax Revenue	23	5,134,600.00
0.00	Aid & Grants	24	
0.00	Investment Income	25	
0.00	Expenditure Recovery	26	
0.00	Other Capital Receipts	27	
0.00	Debt Forgiveness	28	
687,579,818.86	Total Revenue		1,265,076,879.17
	<u>EXPENDITURE</u>		
553,568,011.60	Salaries & Wages	29	402,845,114.57
0.00	Social Contribution	30	7,129,220.96
12,255,450.00	Social Benefit	31	1,194,000.00
86,761,649.64	Overhead Cost	32	46,958,725.00
0.00	Gratuity	33	
0.00	Pension Allowance	34	
0.00	Stationeries	35	
0.00	Impairment Charges	36	
18,932,618.54	Depreciation Charges	37	17,442,098.44
42,676,030.89	Transfer to other Government Entities	38	761,690,975.89
0.00	Public Debt Charges	39	
11,751,962.77	Allowance(Leave Bonus)	40	
725,945,723.44	Total Expenditure		1,237,260,134.86
-38,365,904.58	Surplus/(Deficit) from Operating Activities for the Period		27,816,744.31
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
-38,365,904.58	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
-38,365,904.58	Net Surplus/(Deficit) for the year		27,816,744.31

NOTE:
CASTING ERROR:

The total expenditure for last year in the Statement of Financial Performance was overcast by **N30,000.00** which has been corrected in this year account. The correct total expenditure was **N725,915,723.44** instead of **N725,945,723.44** as reflected in the last year financial statement. This has increased the net Surplus/(Deficit) from **(N38,365,904.58)** to **(N38,335,904.58)**.

EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
679,755,788.86	Government Share of FAAC (Statutory Revenue)	21	1,258,023,904.17	
1,652,680.00	Tax Revenue	22	1,918,375.00	
6,171,350.00	Non-Tax Revenue	23	5,134,600.00	
	Aid & Grants	24		
	Investment Income	25		
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
687,579,818.86	Total inflow from operating Activities			1,265,076,879.17
	<u>Outflows</u>			
553,568,011.60	Salaries & Wages	29	402,845,114.57	
0.00	Social Contributions	30	7,129,220.96	
12,255,450.00	Social Benefit	31	1,194,000.00	
86,761,649.64	Overheads Cost	32	46,958,725.00	
0.00	Gratuity	33		
0.00	Pension Allowance	34		
42,676,030.89	Transfer to other Government Entities	38	761,690,975.89	
11,751,962.77	Allowance	40		
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
707,013,104.90	Total Outflow from Operating Activities			1,219,818,036.42
-19,433,286.04	Net Cash Inflow/(outflow) from Operating Activities			45,258,842.75
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		
	Proceds from Sale of Investment	56		
	Dividends Received	57		
			-	
	Total Inflow		0.00	

14,584,311.77	Outflows		-	
	Purchase/ Construction of PPE	58	36,778,497.20	
	Purchase/ Construction OF Investment Property	59	-	
	Investment in Private Companies	60	-	
	Loan Granted	61	-	
	Purchase of Intangible Assets	62	-	
	Acquisition of Investment	63	-	
-14,584,311.77	Total Outflow		36,778,497.20	-36,778,497.20
-14,584,311.77	Net Cash Flow from Investing Activities		-	-36,778,497.20
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
	Total Inflow		0.00	
	Outflows			
	Repayment of Borrowings	66	5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
	Total Outflow		5,898,091.22	
	Net Cash Flow from Financing Activities			-5,898,091.22
-34,017,597.81	Net Cash Flow from all Activities			2,582,254.33
37,979,200.57	Cash and Its Equivalent as at 01/01/2020			3,961,602.76
3,961,602.76	Cash and Its Equivalent as at 31/12/2020	1		6,543,857.09

EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
679,755,788.86	Government Share of FAAC (Statutory Revenue)	21	1,258,023,904.17	1,269,065,110.00	-0.87
1,652,680.00	Tax Revenue	22	1,918,375.00	3,750,000.00	-48.84
6,171,350.00	Non-Tax Revenue	23	5,134,600.00	5,713,000.00	-10.12
	Aid & Grants	24			
	Investment Income	25			
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
687,579,818.86	Total Revenue		1,265,076,879.17	1,278,528,110.00	-59.84
	<u>EXPENDITURE</u>				
553,568,011.60	Salaries & Wages	29	402,845,114.57	949,268,436.00	57.56
	Social Contribution	30	7,129,220.96	48,000,000.00	85.15
12,255,450.00	Social Benefit	31	1,194,000.00	15,000,000.00	92.04
86,761,649.64	Overhead Cost	32	46,958,725.00	95,000,000.00	50.57
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
42,676,030.89	Transfer to other Government Entities	38	761,690,975.89	882,463,900.00	13.69
	Public Debt Charges	39			
11,751,962.77	Allowance(Leave Bonus)	40			
14,584,311.77	Purchase of Assets	58	36,778,497.20	81,000,000.00	54.59
-	Acquisition of Investment	63			
-	Repayment of Borrowing	66	5,898,091.22		-100.00
721,597,416.67	Total Expenditure		1,262,494,624.84	2,070,732,336.00	253.60
34,017,597.81	Net Surplus/(Deficit) for the year		2,582,254.33	-792,204,226.00	-313.44

EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI, EKITI STATE, NIGERIA

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2020)	119,032,434.99	381,222,209.40	-	500,254,644.39
2	Net Surplus/(Deficit) for the year	27,816,744.31		-	27,816,744.31
3	Adjustment for the period		-74,859,702.86	-	-74,895,702.86
	Closing Balance 31/12/2020	146,849,179.30	306,326,506.54	-	453,175,685.84

NOTE 1**CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER, 2020**

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	WEMA BANK	SALARY	0122058257	889,126.90
2	WEMA BANK	IGR	0122058264	29,619.69
3	WEMA BANK	RECURRENT	0122108994	5,007,826.91
4	WEMA BANK	LOAN	0122740657	4,082.92
5	WEMA BANK	CAPITAL	0122161076	37,286.33
6	WEMA BANK	5KM	0122656732	55,296.88
7	WEMA BANK	FUND RECOVERY	0122263633	499,543.41
8	WEMA BANK		0122058271	21,074.05
	TOTAL			6,543,857.09

NOTE 2**INVENTORIES**

S/N	DETAILS	VALUE (#)
1	RCR (TENEMENT)	4,000.00
2	TREASURY RECEIPT	21,000.00
3	BEER LICENCE	6,000.00
4	LOCAL GOVERNMENT ORIGIN CERT.	16,000.00

5	FLAT RATE	5,000.00
6	MARKET TOLLS	40,800.00
	TOTAL	92,800.00

NOTE 3

WORK IN PROGRESS

CONSTRUCTION OF NEIGHBORHOOD MARKET	33,409,497.20
CONSTRUCTION OF LOCK UP AND OPEN STORES	1,110,000.00
TOTAL	34,519,497.20

NOTE 4

RECEIVABLES

OUTSTANDING OF CONSULTANT AS AT 31/12/2020	565,000.00
10% STATE IGR (6,017,207,457.12/16	376,075,466.07
TOTAL	376,640,466.07

NOTE 7

INVESTMENT = #836,237.50

NOTES 8, 11 & 37**PLANT, PROPERTY & EQUIPMENT SCHEDULE FOR THE YEAR 2020**

FIXED ASSETS (PPE)	VEHICLES & MACHINES 20%	F & E 15%	AGRIC EQUIP 15%	LAND & BUILDING 2%	TOTAL
	#	#	#	#	#
OPENING BAL 1/1/2020	23,736,310.56	20,926,728.00	-	455,973,856.22	500,636,894.78
ADDITIONAL DURING THE YEAR	1,950,000.00	-	309,000.00	-	2,259,000.00
T	-	-	-	-	-
COST @ 31/12/2020	25,686,310.56	20,926,728.00	309,000.00	455,973,856.22	502,895,894.78
DEPN for the year (NOTE 37)	5,137,262.11	3,139,009.20	46,350.00	9,119,477.12	17,442,098.44
ACCUMULATED DEPN (NOTE 11)	5,934,077.34	3,692,952.70	-	9,305,588.90	18,932,619.24
NBV 31/12/20 (NOTE 8)	20,549,048.45	17,787,718.80	262,650.00	446,854,379.10	485,453,796.34

NOTE 10**BIOLOGICAL ASSETS**

PLANTING OF MELINA TREE	=	375,000.00
TOTAL	=	375,000.00

NOTE 13**UNREMITTED DEDUCTIONS**

	AMOUNT (#)
VAT	2,168,658.90
EEF	281,559.51
WHT	204,250.00
LOCAL GOVERNMENT TAX	
TOTAL	2,969,679.41

NOTE 14
PAYABLES

S/N	DETAILS	AMOUNT (#)
1	DEBT SERVICING	3,307,025.00
2	6 MONTHS SALARY ARREARS	265,345,873.68
3	LEAVE BONUS (STAFF)	61,929,987.75
4	DECEMBER DEDUCTION	12,295,446.46
	TOTAL	342,878,332.89

NOTE 16
BORROWING

#

TOTAL LIABILITY	=	1,887,389,188.80
LESS PAYMENT	=	<u>503,303,783.68</u>
BALANCE	=	1,384,085,405.12

LIABILITY PER LOCAL GOVT.	=	<u>1,384,085,405.12</u>
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16

	=	#86,505,337.82
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NOTE 21
STATUTORY ALLOCATION

S/N	MONTH	AMOUNT (#)
1	JANUARY	108,521,790.97
2	FEBRUARY	133,336,883.74
3	MARCH	104,508,404.79
4	APRIL	109,269,057.17
5	MAY	103,438,291.23
6	JUNE	92,542,502.79
7	JULY	105,418,600.14
8	AUGUST	106,800,536.78
9	SEPTEMBER	101,668,258.60
10	OCTOBER	107,488,047.89
11	NOVEMBER	98,756,888.02
12	DECEMBER	86,265,462.05
	TOTAL	1,258,023,904.17

NOTE 22
TAX REVENUE

S/N	MONTH	AMOUNT (3)
1	TENEMENT RATE	1,051,800.00
2	MARKET RATE	625,000.00
3	FLAT RATE	112,000.00
4	L,G TAX 25%	105,125.00
	TOTAL	1,918,375.00

NOTE 23
NON TAX REVENUE

S/N		AMOUNT (3)
1	HAWKER'S PERMIT	15,200.00
2	TRADING PERMIT	126,500.00
3	MARRIAGE FEES	980,000.00
4	CLUB REGISTRATION	35,000.00
5	LIQUIOR LICENCE	55,000.00
6	BIRTH REGISRTRATION	413,000.00
7	EMBLEM ON ADVERT	205,000.00
8	ATTESTATION	1,536,000.00
9	LOADING PERMT	762,500.00
10	LOCK UP SHOP	714,900.00
11	SLAUGHTER FEES	64,000.00
12	PROCEEDS FROM AGRIC	197,500.00
13	NAMING OF STREET REG.	30,000.00
	TOTAL	5,134,600.00

NOTE 29
SALARIES AND WAGES.

S/N	DETAILS	AMOUNT (3)
1	PALACE STAFF	14,468,577.12
2	MID WIVES	120,000.00
3	POLITICAL OFFICE HOLDERS	45,306,172.61
4	STAFF SALARY	310,879,043.33

5	SPECIAL ADVISER SALARY	1,470,000.00
6	ASSISTANT INTER GOVT.	1,267,500.00
7	NIBSS CHARGES	760,350.09
8	SALARY DEDUCTIONS	24,844,203.55
9	SA/SUPERVISORS	2,679,267.87
10	SPECAIL ADV./CHIEF OF STAFF	800,000.00
11	IYALOJA	250,000.00
	TOTAL	402,845,114.57

NOTE 30
SOCIAL CONTRIBUTIONS

S/N	DETAILS	AMOUNT (#)
1	STREET LIGHT FUELLING	200,000.00
2	FLAG OFF OF OMUO-AGBADO ROAD	35,000.00
3	BURSARY	1,643,250.00
4	TECHNICAL EDUCATION	240,000.00
5	CONSTRUCTION OF CULVERT	1,616,470.95
6	GRADING OF ROAD	2,899,500.00
7	ANNIVERSARIES AND CELEBRATION	405,000.00
	TOTAL	7,129,220.96

NOTE 31
SOCIAL BENEFIT

S/N	DETAILS	AMOUNT (#)
1	REHABILITATION AND REPAIRS OF GENERATOR	333,000.00

2	REHABILITATION AND REPAIRS OF MOTOR	530,000.00
3	ENUMERATION OF HOUSES	331,000.00
	TOTAL	1,194,000.00

NOTE 32
OVERHEAD COST

DESCRIPTION	AMOUNT (#)
WELFARE PACKAGES	25,834,325.00
OTHER MAINTENANCE SERVICES	925,500.00
HONORARIUM AND SITTING ALLOWANCE	5,476,000.00
PLANT & GEN. FUELLING	862,000.00
REFRESHMENT/MEALS	1,302,000.00
MAINTENANCE OF OFFICE	14,000.00
PRINTING OF NON-SECURITY DOCUMENTS	492,500.00
TRAINING/HOUSE GRANT	2,330,000.00
MAINTENANCE OF MOTOR VEHICLE	964,300.00
MAGAZINE AND PERIODICALS	30,000.00
SATELITEE ACCESS	20,000.00
OFFICE STATIONERIS	229,500.00
CLEANING AND FUMIGATION	993,000.00
MAINTENANCE OF PLANT AND MACHINES	43,000.00
MOTOR VEHICLE FUELLING	698,000.00
OFFICE RENT	15,600.00

MAINTENANCE OF IT EQUIPMENT	45,000.00
PRINTING OF SECURITY DOCUMENTS	169,000.00
LOCAL TRAINING	605,000.00
SUBSCRIPTION TO PROFESSIONAL BODIES	25,000.00
FINANCIAL CONSULTING	200,000.00
DEBT SERVICING	100,000.00
SPORTING ACTIVITIES	30,000.00
PUBLICITY AND ADVERTISEMENTS	275,000.00
ANNUAL BUDGET EXPENSES	60,000.00
NON REGULAR ALLOWANCE	70,000.00
BOOK	50,000.00
INSURANCE PREMIUM	100,000.00
SECURITY VOTE	5,000,000.00
TOTAL	46,958,725.00

NOTE 38

TRANSFER TO OTHER GOVERNMENT ENTITIES

S/N	DETAILS	AMOUNT (#)
1	SUBEB	371,564,500.97
2	PENSION	351,130,291.75
3	SUBEB O/H	5,820,000.00
4	PARASTATALS	18,776,183.17
5	PEACE CORPS	14,400,000.00
	TOTAL	761,690,975.89

NOTE 58**PURCHASE OF PPE**

1	CONSTRUCTION OF MODERN MARKET (WIP).	34,519,497.20
2	PURCHASE OF MOTOR VEHICLE	1,950,000.00
3	PURCHASE OF AGRIC EQUIP.	309,000.00
	TOTAL	36,778,497.20

NOTE 66**REPAYMENT OF BORROWING**

TOTAL REPAYMENT = 12 X 7,864,121.62

= **94,369,459.44**

REPAYMENT PER LOCAL GOVERNMENT 94,369,459.44

16

= **5,898,091.22**

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF EKITI SOUTH WEST

LOCAL GOVERNMENT, ILAWE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ekiti South West Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EKITI SOUTH WEST LOCAL GOVERNMENT, ILAWE-EKITI FOR
THE YEAR ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ekiti South West Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively Section 26(2) of Ekiti State Audit Law 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ekiti South West Local Government to prepare and present the General purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N1,951,247,250.00 while actual Revenue recorded stood at N1,383,349,505.86 This is about 70.90% performance. Equally, the IGR of N5,209,582.79 represents only 0.29% of the

total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N1,644,712,180.00 only was budgeted for expenditure but only N1,390,198,145.60 was actually incurred, resulting to saving of N254,514,034.40 for the period.

8. **REVENUE ACCOUNT**

A total sum of N1,383,349,505.86 was earned as total Revenue as at 31st December, 2020 out of which only 0.38% (N5,209,532.79) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a deficit of 19.32% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10 of this report.

10. **EXPENDITURE CONTRARY TO LAW**

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	QUERY TITLE	AMOUNT (N)
1.	AUD/EKSW/AQ/01/2020	Unproduced Revenue Earning Receipts	Assorted
2.	AUD/EKSW/AQ/02/2020	Doubtful Expenditure	800,000.00
3.	AUD/EKSW/AQ/03/2020	Unaudited Expenditure	2,619,886.61
4.	AUD/EKSW/AQ/04/2020	Expenditure Not Supported by Propose Records of Accounts	766,000.00

5.	AUD/EKSW/AQ/05/2020	Expenditure Contrary to Regulation II	460,000.00
6.	AUD/EKSW/AQ/06/2020	Expenditure Contrary to Regulation I	2,055,000.00
7.	AUD/EKSW/AQ/07/2020	Unretired Expenditure	5,795,000.00
		TOTAL	12,495,886.61

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Ekiti South West Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Ekiti South West Local Government, Ilawe-Ekiti. Particular attention is required to the followings:

- (i) Internally Generated Revenue
- (ii) Attendance to audit queries
- (iii) Unproduced Revenue Receipts
- (iv) Fixed Assets Register
- (v) All Outstanding matters from previous report

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

The following matters remained outstanding in my previous reports.

N

- a) Outstanding from GSM operators (2015) 160,000.00
- b) Missing revenue earning receipts (247751-247800 involving Mr. Agbaje (GRR) (2015)

(c) **2015 OUTSTANDING AUDIT QUERIES:**

S/N	QUERY NUMBER	SUBJECT	AMOUNT (N)
1	ESWLG/AQ/07/15	Illegal Withdrawal? Misappropriation of Fund	24,391,738.13
2	ESWLG/AQ/08/15	Double/Irregular Payment	5,000,000.00
3	ESWLG/AQ/010/15	Inflated Cost of Contract	1,467,709.13
	TOTAL		30,859,709.13

(d) **2017 OUTSTANDING AUDIT QUERIES**

S/N	QUERY NUMBER	SUBJECT	AMOUNT (N)
1	AQ/ESWLG/10/17	Expenditure not Supported with Proper Records	11,125,000.00
2	AQ/ESWLG/15/17	Expenditure Contrary to Regulations	35,290,850.54
3	AQ/ESWLG/16/17	Doubtful Payments	17,052,765.00
4	AQ/ESWLG/17/17	Doubtful Payments	20,105,867.95
5.	AQ/ESWLG/18/17	Expenditure Contrary to Regulations	15,625,000.00
6	AQ/ESWLG/19/17	Nugatory Payment	8,125,000.00
7	AQ/ESWLG/20/17	Expenditure not Retired	6,200,000.00

8	AQ/ESWLG/21/17	Expenditure Contrary to Regulations	22,810,000.00
9	AQ/ESWLG/22/17	Nugatory Payment	9,831,000.00
	TOTAL		146,165,483.69

(e)

S/N	QUERY NUMBER	QUERY SUBJECT	AMOUNT ON QUERY	AMOUNT ANSWERED	AMOUNT CLEARED	AMOUNT OUTSTANDING	REMARKS
1.	AUD/ESWLG/AQ/02/2019	Illegal withdrawal of fund from salary Account	650,000.00	NIL	NIL	650,000.00	Not cleared
2.	AUD/ESWLG/AQ/05/2019	Expenditure not supported with proper records	953,000.00	753,000.00	753,000.00	200,000.00	Under Correspondence
3.	AUD/ESWLG/AQ/09/2019	Unretired Security Vote	11,400,000.00	-	-	11,400,000.00	

(f) Illegal withdrawal from Salary Account - N650,000.00 2019

18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ekiti South West Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ekiti Southwest Local Government as at the year ended 31st December, 2020.



25/3/2021

Hon. Kola Amire Kolade,
Executive Chairman.



25/3/2021

Mr. Oluwasegun Olawuyi
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognized criteria are met.

(8) EXPENSES.

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and Investment property were charged on a straight line basis over their expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as expenses in the Statement of Financial Performance.

EKITI SOUTHWEST LOCAL GOVERNMENT, ILAWE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

	DETAILS	NOTE S	2020	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
9,326,649.74	Cash and Cash Equivalents	1	2,478,082.00	
2,547,850.00	Inventories	2		
	WIP	3		
377,646,618.74	Receivables	4	377,646,618.74	
	Prepayments	5		
389,521,118.48	Total Current Assets			380,124,700.74
	Non-Current Assets			
	Loans Granted	6		
	Investments	7		
477,653,775.00	Fixed Assets-Property, Plant & Equipment	8	463,407,350.00	
99,960,000.00	Investment Property	9	97,920,000.00	
	Biological Assets	10	520,000.00	
577,613,775.00	Total Non-Current Assets			561,847,350.00
967,134,893.48	Total Assets			941,972,050.74
	LIABILITIES			
	Current Liabilities			
	Accumulated Depreciation	11		
	Loans & Debts(Short-Term)	12		
1,377,980.00	Unremitted Deductions	13	1,377,980.00	
452,960,834.43	Payables	14	477,053,500.49	
454,338,814.43	Total Current Liabilities			
	Non-Current Liabilities			
	Public Funds	15		
	Borrowings	16	86,505,337.60	
	Total Non-Current Liabilities		86,505,337.60	
454,338,814.43	Total Liabilities			564,936,818.09
512,796,079.05	Net Asset/Equity			377,035,232.65
	Financed By:			
414,004,638.14	Reserves	17		294,960,765.26
	Capital Grant	18		-
	Net Surpluses/(Deficits)	19		-
98,791,440.91	Accumulated Surplus/(Deficits)	20		82,074,467.39
512,796,079.05	Total Net Assets/Equity			377,035,232.65

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EKITI SOUTHWEST LOCAL GOVERNMENT, ILAWE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	REVENUE		N
1,789,981,946.35	Government Share of FAAC (Statutory Revenue)	21	1,378,139,923.07
20,600.00	Tax Revenue	22	301,643.31
6,436,550.00	Non-Tax Revenue	23	4,907,939.48
	Aid & Grants	24	
	Investment Income	25	
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
1,796,439,096.35	Total Revenue		1,383,349,505.86
	EXPENDITURE		
861,309,786.52	Salaries & Wages	29	527,855,921.84
-	Social Contribution	30	
371,848,305.91	Social Benefit	31	
66,325,995.50	Overhead Cost	32	64,227,796.68
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
17,087,925.00	Depreciation Charges	37	17,196,425.00
465,097,421.29	Transfer to other Government Entities	38	790,786,335.86
	Public Debt Charges	39	
	Allowance(Leave Bonus)	40	
1,781,669,434.22	Total Expenditure		1,400,066,479.38
14,769,662.13	Surplus/(Deficit) from Operating Activities for the Period		-16,716,973.53
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
14,769,662.13	Net Surplus/(Deficit) from Ordinary Activities		-16,716,973.52
84,021,778.78	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
14,769,662.13	Net surplus/(Deficit) for the year		-16,716,973.52

**EKITI SOUTHWEST LOCAL GOVERNMENT, ILAWE-EKITI, EKITI-STATE,
NIGERIA**
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,789,981,946.35	Government Share of FAAC (Statutory Revenue)	21	1,378,139,923.07	
20,600.00	Tax Revenue	22	301,643.31	
6,436,550.00	Non-Tax Revenue	23	4,907,939.48	
	Investment Income	25		
	Aid & Grants	24		
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
1,796,439,096.35	Total inflow from operating Activities			1,383,349,505.86
	<u>Outflows</u>			
861,309,786.52	Salaries & Wages	29	527,855,921.84	
	Social Contributions	30		
371,848,305.91	Social Benefit	31		
66,325,995.50	Overheads Cost	32	64,227,796.68	
	Gratuity	33		
	Pension Allowance	34		
465,097,421.29	Transfer to other Government Entities	38	790,786,335.86	
	Allowance	40		
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
1,764,581,509.22	Total Outflow from Operating Activities			1,382,870,054.38
31,857,587.13	Net Cash Inflow/(outflow) from Operating Activities			479,451.48
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		
	Proceeds from Sale of Investment	56		
	Dividends Received	57	-	

	Total Inflow			
	Outflows		-	
-51,279,570.18	Purchase/ Construction of PPE	58	-910,000.00	
	Purchase/ Construction OF Investment Property	59	-	
	Investment in Private Companies	60	-	
	Loan Granted	61	-	
	Purchase of Intangible Assets	62	-	
	Acquisition of Investment	63	-520,000.00	
-51,279,570.18	Total Outflow			
-51,279,570.18	Net Cash Flow from Investing Activities		-	-1,430,000.00
	CASH FLOW FROM FINANCING ACTIVITIES			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
	Total Inflow		0.00	
	Outflows			
	Repayment of Borrowings	66	-5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
	Total Outflow		0.00	
	Net Cash Flow from Financing Activities			-5,898,091.22
-19,421,983.05	Net Cash Flow from all Activities			-6,848,567.74
28,748,632.79	Cash and Its Equivalent as at 01/01/2020			9,326,649.74
9,326,649.74	Cash and Its Equivalent as at 31/12/2020	1		2,478,082.00

EKITI SOUTHWEST LOCAL GOVERNMENT, ILAWE-EKITI, EKITI STATE, NIGERIA

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
1,789,981,946.35	Government Share of FAAC (Statutory Revenue)	21	1,378,139,923.07	1,933,172,250.00	-28.71
20,600.00	Tax Revenue	22	301,643.31		100.00
6,436,550.00	Non-Tax Revenue	23	4,907,939.48	18,075,000.00	-72.85
	Aid & Grants	24			
	Investment Income	25			
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
1,796,439,096.35	Total Revenue		1,383,349,505.86	1,951,247,250.00	-1.56
	<u>EXPENDITURE</u>				
861,309,786.52	Salaries & Wages	29	527,855,921.84	700,000,200.00	24.59
	Social Contribution	30			
371,848,305.91	Social Benefit	31			
66,325,995.50	Overhead Cost	32	64,227,796.68	94,212,000.00	31.83
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
465,097,421.29	Transfer to other Government Entities	38	790,786,335.86	820,499,980.00	3.62
	Public Debt Charges	39			
	Allowance(Leave Bonus)	40			
51,279,570.18	Purchase of PPE	58	910,000.00	30,000,000.00	96.97
-	Acquisition of Investment	63	520,000.00	-	-100.00
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
1,815,861,079.40	Total Expenditure		1,390,198,145.60	1,644,712,180.00	57.01
-19,421,983.05	Net Surplus/(Deficit)		-6,848,639.74	306,535,070.00	-158.56

EKITI SOUTH WEST LOCAL GOVERNMENT, ILAWE-EKITI, EKITI STATE, NIGERIA

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARRATION	ACCUMULATED SURPLUS/DEFI CIT	RESERVE	CAPITA L GRANT	TOTAL
1	Opening Balance (1/1/2020)	98,791,440.91	414,004,638.14	-	512,796,079.05
2	Net Surplus/(Deficit) for the year	-16,716,973.52		-	-16,716,973.52
3	Adjustment for the period	-	-119,043,872.88	-	-119,043,872.88
	Closing Balance 31/12/2020	82,074,467.39	294,960,765.26	-	377,035,232.65

NOTE 1**CASH AND CASH EQUIVALENTS FOR THE YEAR 2020**

S/N	BANK	ACCOUNT NAME	ACCOUNT NO	AMOUNT (N)
1	UNION BANK	SALARY ACCOUNT	0004102971	2,290,451.61
2	UNIION BANK	IGR ACCOUNT	0004071715	9,397.00
3	UNION BANK	MAIN	0004096862	41,063.46
4	WEMA BANK	IGR	0120238853	137,169.93
	TOTAL			2,478,082.00

NOTE 4
RECEIVABLE

4.2	RECEIVABLE	2020 (#)
10% STATE IGR	<u>(6,017,207,457.12)</u>	376,075,466.07
	<u>16</u>	
IGR		1,571,152.67
	TOTAL	377,646,618.74

NOTE 8 PROPERTY, PLANT & EQUIPMENT

	LAND & BUILDING	INFRASTRU-CTURE	PLANT & MACHINERY	TRANSPORTATION EQUIPMENT	OFFICE EQUIPMENT	OFFICE EQUIPMENT	TOTAL
COST/REVALUATION	#	#	#	#	#	#	#
BAL. B/F FORWARD 1/1/2020	326,500,000.00	150,000,000.00	650,000.00	12,100,000.00	1,323,500.00	2,128,200.00	492,701,700.00
ADDITIONAL DURING THE YEAR	100,000.00	400,000.00	160,000.00			250,000.00	910,000.00
DISPOSAL DURING THE YEAR							
BALANCE C/F FORWARD 31/12/2020	326,600,000.00	150,400,000.00	810,000.00	12,100,000.00	1,323,500.00	2,378,200.00	493,611,700.00
ACCUMULATED DEP @	2%	3%	20%	25%	25%	25%	
BAL. B/F FORWARD 1/1/2020	6,530,000.00	4,500,000.00	130,000.00	3,025,000.00	330,875.00	532,050.00	15,047,925.00
DEPRECIATION DURING THE YEAR	6,532,00.00	4,512,000.00	162,000.00	3,025,00.00	330,875.00	594,550.00	15,156,425.00
DISPOSAL DURING THE YEAR							
BALANCE C/F FORWARD 31/12/2020	13,062,000.00	9,012,000.00	292,000.00	6,050,000.00	661,750.00	1,126,600.00	30,204,350.00
NET BOOK VALUE:							
AS AT 31/12/2019	319,970,000.00	145,500,000.00	520,000.00	9,075,000.00	992,625.00	1,596,150.00	477,653,775.00
AS AT 31/12/2020	313,538,000.00	141,388,000.00	518,000.00	6,050,000.00	661,750.00	1,251,600.00	463,407,350.00

NOTE 9**INVESTMENT PROPERTY (LAND & BUILDING)**

S/N	DETAILS	AMOUNT (#)
1	BALANCE B/F FORWARD 1/1/2020	102,000,000.00
2	ADDITIONS DURING THE YEAR	0
	DISPOSAL DURING THE YEAR	0
	BALANCE C/F FORWARD 1/12/2020	102,000,000.00
	ACCUMULATED DEPRECIATION:	2,040,000.00
	DEPRECIATION DURING THE YEAR	2,040,000.00
	DISPOSAL DURING THE YEAR	
	BALANCE C/F FORWARD 1/12/2020	4,080,000.00
	NET BOOK VALUE 31/12/2020	97,920,000.00

NOTE 10**BIOLOGICAL ASSETS**

S/N	DETAILS	AMOUNT (#)
1	TEAK	520,000.00
	TOTAL	520,000.00

NOTE 13**UNREMITTED DEDUCTIONS**

S/N	DETAILS	AMOUNT (#)
1	UNREMITTED TAXES	-
2	PAYE	-
3	WITHHOLDING TAX	202,680.00
4	VALUE ADDED TAX	1,175,300.00
	TOTAL	1,377,980.00

NOTE 14**PAYABLES**

S/N	DETAILS	AMOUNT #
1	PERSONNEL EMOLUMENTS	374,646,618.74
2	PENSION & GRATUITY	
3	PROFESSIONAL FEES	800,000.00
4	GOODS & SERVICE	
5	UTILITIES	
6	STAFF CLAIMS	6,750,000.00
7	OTHER: LEAVE BONUS	94,855,881.75
	TOTAL	477,053,500.49

NOTE 16**LONG TERM BORROWINGS**

S/N	DETAILS	AMOUNT #
1	DOMESTIC BORROWINGS	
2	BAIL-OUT B/F	92,403,428.80
3	REPAYMENT FOR THE YEAR	5,898,091.20
	TOTAL	86,505,337.60

NOTE 21**GOVERNMENT SHARE OF FAAC**

NOTE	DETAILS	AMOUNT #
	Net share of Statutory Allocation from JAAC	581,455,496.01
	Add: Deduction at source for Loan Repayment	5,898,091.20
	Share of Statutory Allocation – other Agencies	790,786,335.86
	Share of Allocation from Excess Crude Oil	
	Total (Gross) FAAC/JAAC Allocation to FGN/SG/LG	1,378,139,923.07

NOTE 22**TAX REVENUE**

DETAILS	AMOUNT (#)
PERSONAL INCOME TAX	-
POLL TAXES	76,200.00
COMMUNITY DEVELOPMENT TAX	-
CORPORATE TAXES	225,443.31
TOTAL	301,643.31

NOTE 23**TAX REVENUE**

DETAILS	AMOUNT (#)
LICENCES	828,800.00
MINNING RENTS	-
ROYALTIES	-
FEES	2,149,889.49
FINES	40,000.00
SALES	152,500.00
EARNINGS	1,302,750.00
RENT OF GOVERNMENT BUILDING	434,000.00
GRAND-TOTAL NON-TAX REVENUE	4,907,939.48

NOTE 29
SALARIES AND WAGES

S/N	DETAILS	AMOUNT (#)
1	PUBLIC OFFICE HOLDERS	49,014,489.00
2	ACCOUNTING OFFICERS	1,225,404.00
3	DIRECTORS	22,152,206.00
4	OPERATIONAL MANAGEMENT CARDE	17,144,799.00
5	OTHER OFFICERS/STAFF	438,289,023.84
	TOTAL	527,855,921.84

NOTE 32
OVERHEAD COSTSS

S/N	DETAILS	AMOUNT (#)
1	TRAVEL & TRANSPORT	36,000.00
2	UTILITIES	450,000.00
3	MATERIALS & SUPPLIES	1,674,000.00
4	MAINTENANCE SERVICES	11,631,296.68
5	TRAINING	250,000.00
6	OTHER SERVICES	14,472,000.00
7	CONSULTING & PROFESSIONAL SERVICES	825,000.00
8	FULE & LIBRICANTS	1,272,000.00
9	BANK CHARGES & INSURANCE PREMIUM	10,000.00
10	MISCELANEOUS EXPENSES	33,279,500.00
	TOTAL	64,227,796.68

NOTE 37**DEPRECIATION CHARGES PPE**

	DETAILS	AMOUNT (#)
	DEPRECIATION CHARGES – LAND & BUILDING @ 2%	6,532,000.00
	DEPRECIATION CHARGES – INFRASTRUCTURE @ 3%	4,512,000.00
	DEPRECIATION CHARGES – TRANSPORTATION EQUIPMENT @ 2%	162,000.00
	DEPRECIATION CHARGES – OFFICE EQUIPMENT @ 25%	3,025,000.00
	DEPRECIATION CHARGES – FURNITURE & FITTINGS @ 25%	330,875.00
		594,550.00
	TOTAL	15,156,425.00
	DEPRECIATION CHARGES – INVESTMENT PROPERTY	
	DEPRECIATION CHARGES –LAND & BUILDING @ 2% (INVESTMENT PROPERTY)	2,040,000.00
	TOTAL	2,040,000.00
	GRAND TOTAL	17,196,425.00

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIES**

S/N	DETAILS	AMOUNT(#)
1	PEACE CORPS	1,440,000.00
2	PRIMARY EDUCATION BOARD	371,345,983.47
3	TRADITIONAL COUNCIL	47,998,010.76
4	PARASTATALS	19,908,820.81
5	SUBEB	6,180,000.00
6	CHIEFTAINCY	1,105,373.38
7	PENSION	341,347,847.44
	NIBBS CHARGES	1,460,300.00
	TOTAL	790,786,335.86

NOTE 58**PURCHASE OF PP&E**

S/N	DETAILS	AMOUNT (#)
1	LAND AND BUILDING	100,000.00
2	INFRASTRUCTURE	400,000.00
3	PLANT AND MACHINERY	160,000.00
4	FURNITURE AND FITTINGS	250,000.00
	TOTAL	910,000.00

NOTE 63**ACQUISITIONS OF INVESTMENTS (BIOLOGICAL ASSETS)**

S/N	DETAILS	AMOUNT(#)
1	TEAK	520,000.00
	TOTAL	520,000.00

NOTE 66**REPAYMENT OF BORROWING**

#

TOTAL REPAYMENT	12 X 7,864,121.62	94,369,459.44
REPAYMENT PER LOCAL GOVERNMENT	94,369,459.44 / 16	5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF EKITI WEST LOCAL GOVERNMENT,

ARAMOKO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ekiti West Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI FOR THE
YEAR ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ekiti West Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively Section 26(2) of Ekiti State Audit Law 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ekiti West Local Government to prepare and present the General purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i). The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for **N1,671,173,000.00**, while actual Revenue recorded stood at **N1,259,864,530.63**. This is about **75.39%** performance. Equally, the IGR of **N12,853,408.33** represents only **1.02%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

(ii). The sum of **N1,288,641,000.00** only was budgeted for expenditure but only **N1,268,007,688.88** was actually incurred, resulting to saving of **N20,633,311.12** for the period.

8. REVENUE ACCOUNT

A total sum of **N1,259,864,530.63** was earned as total Revenue as at 31st December, 2020 out of which only **1.02% (N12,853,408.33)** was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a surplus of **41.02%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. AUTHORITY FOR EXPENDITURE

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10 of this report.

10. EXPENDITURE CONTRARY TO LAW

The following expenditure appears to be contrary to law.

S/N	Query Number	Subject	Amount ₦
1.	AUD/EWLG/AQ/01/2020	Unproduced Revenue Earning Receipts	Assorted
2.	AUD/EWLG/AQ/02/2020	Expenditure Contrary to Regulations I	3,400,000.00
3.	AUD/EWLG/AQ/03/2020	Expenditure Contrary to Regulations II	1,538,000.00

4.	AUD/EWLG/AQ/04/2020	Unaudited/Expenditure not Supported with proper Records of Accounts.	986,500.00
5.	AUD/EWLG/AQ/05/2020	Unaudited/Items not taken on Store Ledger Charge.	892,000.00
6.	AUD/EWLG/AQ/06/2020	Expenditure not Supported with proper Records of Accounts	1,335,000.00
7.	AUD/EWLG/AQ/07/2020	Unvouched Expenditure	643,033.93
8.	AUD/EWLG/AQ/08/2020	Unretired Security Vote.	8,500,000.00
	TOTAL		17,294,533.93

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Ekiti West Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government

Chairman and the Director of Administration, Ekiti West Local Government, Aramoko-Ekiti. Particular attention is required to the followings:

- (i) Prompt attention to Audit Queries
- (ii) Inventory Register/Cards
- (iii) Internally Generated Revenue
- (iv) Fixed Asset Register
- (v) Capital Projects

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

The following matters remained outstanding in my previous reports.

(i) **2019 AUDIT QUERIES**

S/N	QUERY NUMBER	SUBJECT	AMOUNT N
1.	AQ/EWLG/02/2019	Nugatory Payment I	170,000.00
2.	AQ/EWLG/06/2019	Unretired Security Vote	21,900,000.00
	TOTAL		22,070,000.00

(ii) **Audit Queries 2018**

- a. AQ/EWLG/01/18 Exp. Contrary to Reg 19,000.00
PV01/5/18
- b. AQ/EWLG/02/18 Exp NSWPR 2,437,500

	PV 18/2/18	
	25/3/18	
c. AQ/EWLG/06/18	Unproduced rev. Earning	27 receipts
(iii). Audit Queries 2017		
		N
a. AQ/EWLG/02/17	Expenditure not support with proper	
	Records PVs 5 &12	8,963,250.00
b. AQ/EWLG/07/17	Unproduced rev receipt	25 receipts
c. AQ/EWLG/07/17	Cash not accounted for	9,444,0501
d. AQ/EWLG/08/17	Exp. Contrary to regulation	15,523,785.00
	PVs 1,2,54 & 59	
e. AQ/EWLG/01/17	Nugatory & payment	2,350,000.00
f. AQ/EWLG/11/11	Nugatory & ECTR	7,580,000.00
	PVs 4,6-8,11-14	
g. AQ/EWLG/13/17	Nugatory & Exp	1,796,367
h. AQ/EWLG/16/17	Spurious /unapproved exp	875,000
	PVs 10&11	



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ekiti West Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

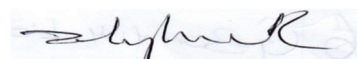
The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ekiti West Local Government as at the year ended 31st December, 2020.



15/4/2021

Hon. Kazeem Agunbiade,
Executive Chairman.



15/4/2021

Mr. Jegede M.A
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and as events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

This presented both the exchange and non-exchange revenue from Internally Generated revenue and Statutory Allocation from the Federation Account during the year.

(i). Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

(ii). Revenue from exchange transactions are recognised when the significant risks and rewards of ownership have been transferred to the buyer(s) usually when goods were delivered or services were rendered.

(8) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9). **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable Value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

All PPE are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and investment property were charged on a straight-line basis over their Expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost 1 incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI, EKITI STATE
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
18,948,416.48	Cash and Cash Equivalents	1	10,805,198.23	
12,776,800.00	Inventories	2	908,900.00	
	WIP	3		
1,580,901,182.95	Receivables	4	376,517.466.27	
	Prepayments	5		
1,612,626,399.43	Total Current Assets			388,231,564.50
	Non-Current Assets			
	Loans Granted	6		
1,650,000.00	Investments	7	1,650,000.00	
263,621,536.94	Fixed Assets-Property, Plant & Equipment	8	402,285,728.87	
75,969,510.19	Investment Property	9	68,321,231.02	
	Biological Assets	10		
341,241,047.13	Total Non-Current Assets			472,256,959.89
1,953,867,446.56	Total Assets			860,488,524.39
	LIABILITIES			
	Current Liabilities			
	Accumulated Depreciation	11	15,520,163.56	
	Loans & Debts(Short-Term)	12		
2,797,955.02	Unremitted Deductions	13	1,812,481.23	
1,465,825,646.59	Payables	14	577,695,748.96	
1,468,623,601.61	Total Current Liabilities		595,028,393.75	
	Non-Current Liabilities			
1,875,000.00	Public Funds	15		
	Borrowings	16	86,505,337.82	
1,875,000.00	Total Non-Current Liabilities		86,505,337.82	
1,468,623,601.61	Total Liabilities			681,533,731.57
485,243,844.95	Net Asset/Equity			178,954,792.82
	Financed By:			
532,353,204.22	Reserves	17		97,233,306.36
4,000,000.00	Capital Grant	18		4,000,000.00
-	Net Surpluses/(Deficits)	19		

-51,109,359.27	Accumulated Surplus/(Deficits)	20		77,721,486.46
485,243,844.95	Total Net Assets/Equity			178,954,792.82

EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI, EKITI STATE
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
723,827,629.55	Government Share of FAAC (Statutory Revenue)	21	1,247,011,122.30
2,816,197.00	Tax Revenue	22	6,027,375.00
5,667,194.00	Non-Tax Revenue	23	5,947,200.00
	Aid & Grants	24	
635,383.33	Investment Income	25	878,833.33
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
732,946,403.88	Total Revenue		1,259,864,530.63
	<u>EXPENDITURE</u>		
647,007,476.54	Salaries & Wages	29	411,976,706.80
1,860,000.00	Social Contribution	30	2,585,000.00
	Social Benefit	31	265,000.00
49,268,282.78	Overhead Cost	32	55,527,677.75
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
24,025,085.07	Depreciation Charges	37	25,377,036.50
40,024,532.35	Transfer to other Government Entities	38	635,302,263.85
	Public Debt Charges	39	
14,195,274.01	Allowance(Leave Bonus)	40	
776,380,650.75	Total Expenditure		1,131,033,684.90
-43,434,246.87	Surplus/(Deficit) from Operating Activities for the Period		128,830,845.73
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
-43,434,246.87	Net surplus/(Deficit) for the year		128,830,845.73

EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI, EKITI STATE
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
723,827,629.55	Government Share of FAAC (Statutory Revenue)	21	1,247,011,122.30	
2,816,197.00	Tax Revenue	22	6,027,375.00	
5,667,194.00	Non-Tax Revenue	23	5,947,200.00	
	Aid & Grants	24		
635,383.33	Investment Income	25	878,833.33	
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
732,946,403.88	Total inflow from operating Activities			1,259,864,530.63
	<u>Outflows</u>			
647,007,476.54	Salaries & Wages	29	411,976,706.80	
1,860,000.00	Social Contributions	30	2,585,000.00	
	Social Benefit	31	265,000.00	
49,268,282.78	Overheads Cost	32	55,527,677.75	
	Gratuity	33		
	Pension Allowance	34		
40,024,532.35	Transfer to other Government Entities	38	635,302,263.85	
14,195,274.01	Allowance (leave Bonus)	40		
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
752,355,565.68	Total Outflow from Operating Activities			1,105,656,648.40
-19,409,161.80	Net Cash Inflow/(outflow) from Operating Activities			154,207,822.23
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		
	Proceeds from Sale of Investment	56		
	Dividends Received	57		
	Total Inflow			
	Outflows			
25,880,063.23	Purchase/ Construction of PPE	58	156,452,949.26	
	Purchase/ Construction OF Investment Property	59		
	Investment in Private Companies	60		
	Loan Granted	61		

	Purchase of Intangible Assets	62		
	Acquisition of Investment	63		
-25,880,063.23	Total Outflow			-156,452,949.26
-25,880,063.23	Net Cash Flow from Investing Activities		-	
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
4,000,000.00	Capital Grant Received	64		
	Proceeds from Borrowings	65		
0.00	Total Inflow			
	Outflows			
	Repayment of Borrowings	66	5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
4,000,000.00	Total Outflow			
-	Net Cash Flow from Financing Activities			-5,898,091.22
-41,289,225.03	Net Cash Flow from all Activities			-8,143,218.25
60,237,641.51	Cash and Its Equivalent as at 01/01/2020			18,948,416.48
18,948,416.48	Cash and Its Equivalent as at 31/12/2020	1		10,805,198.23

EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI, EKITI STATE
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR
ENDED 31ST DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N	<u>REVENUE</u>		N	N	N
723,827,629.55	Government Share of FAAC (Statutory Revenue)	21	1,247,011,122.30	1,641,173,000.00	-24.02
2,816,197.00	Tax Revenue	22	6,027,375.00	15,000,000.00	-59.82
5,667,194.00	Non-Tax Revenue	23	5,947,200.00	7,000,000.00	-15.04
4,000,000.00	Aid & Grants	24		6,000,000.00	-100.00
635,383.33	Investment Income	25	878,833.33		100.00
	Expenditure Recovery	26		2,000,000.00	-100.00
	Other Capital Receipts	27			
	Debt Forgiveness	28			
736,946,403.88	Total Revenue		1,259,864,530.63	1,671,173,000.00	-198.87
	<u>EXPENDITURE</u>				
647,007,476.54	Salaries & Wages	29	411,976,706.80	455,000,000.00	9.46
1,860,000.00	Social Contribution	30	2,585,000.00	0.00	-100.00
	Social Benefit	31	265,000.00	30,000,000.00	99.12
49,268,282.78	Overhead Cost	32	55,527,677.75	80,000,000.00	30.59
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
40,024,532.35	Transfer to other Government Entities	38	635,302,263.85	650,000,000.00	2.26
	Public Debt Charges	39			
14,195,274.01	Allowance(Leave Bonus)	40			
25,880,063.23	Purchase of Assets	58	156,542,949.26	73,641,000.00	-112.58
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
778,235,628.91	Total Expenditure		1,268,007,688.88	1,288,641,000.00	-71.03
-41,289,225.03	Net Surplus /(Deficit) for the year		-8,143,158.25	382,532,000.00	-127.84

EKITI WEST LOCAL GOVERNMENT, ARAMOKO EKITI STATE NIGERIA
**STATEMENT OF CHANGES IN NET ASSET/EQUITY FOR THE YEAR ENDED 31ST,
DECEMBER, 2020**

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2020)	-51,109,359.27	532,353,204.22	4,000,000.00	485,243,844.95
2	Surplus/(Deficit) for the year	128,830,845.73			128,830,845.73
3	Grant for the period				
4	Adjustment for the period		-435,119,897.86		-435,119,897.86
	Closing Balance (31/12/2020)	77,721,486.46	97,233,306.36	4,000,000.00	178,954,792.82

NOTE 1**CASH AND CASH EQUIVALENT**

S/N	NAME OF BANK	ACCOUNT NAME	ACCOUNT NUMBER	AMOUNT (#)
1	UBA	RUNNINGS	1022112573	6,692,399.39
2	MICRO FINANCE	IGR	1040044680	(14,865.26)
3	WEMA	SALARY	0121524256	4,121,628.55
4	FIRST BANK	SALARY	2004981253	6,035.55
	TOTAL			10,805,198.23

NOTE 2**INVENTORIES**

S/N	ITEMS	OPENING BAL 10/10/2020	ADDITIONAL PURHCASES	ISSUED CONSUMED	BALANCE AS AT 31/12/2020
1	OFFICE EQUIP.	49,100.00	625,000.00	590,200.00	83,900.00
2	CONSUMABLES	117,700.00	5,442,602.50	5,345,302.50	215,000.00
3	MEDICAL EQUIP.	600,000.00	0.00	-	600,000.00
4	MECH. WORKSHOP MATERIALS	10,000.00	0.00	-	10,000.00
	TOTAL	0.00	0.00	0.0	908,900.00

NOTE 4**RECEIVABLES****AMOUNT #**

1. 10% State IGR (6,017,207,457.12)

16

#376,075,466.07

2 Demand Notice

442,000.20

TOTAL

#376,517,466.27

Note 7**INVESTMENT IN SECURITY****LOCAL GOVERNMENT INVESTMENT IN SECURITY**

WEMA BANK

1,000,000.00

HERITAGE BANK

650,000.00

TOTAL

1,650,000.00

NOTE 8**PP & E**

	INFRASTRUCTURE	LAND & BUILDING 2%	MOTOR VEHICLES 20%	PLANT & MACH. 10%	FURN. & EQUIP. 10%	TOTAL
BAL. 1/1/2020		178,390,343.68	16,855,764.26	1,884,465.00	66,430,964.00	263,561,536.94
Additional purchase for the year	27,639,857.40	128,813,091.86	0.00	0.00		156,452,949.26
Cost of as 31/12/2020	27,639,857.40	307,203,435.54	16,855,764.26	1,884,465.00	66,430,964.00	420,014,486.20
Depr. As 1/1/2020	-	3,640,619.26	4,288,941.07	209,385.00	7,381,218.23	15,520,163.56
Dcp for the year (B)	1,381,992.87	6,144,068.71	3,371,152.85	188,446.50	6,643,096.40	17,728,757.33
NBV (A-B)	26,257,864.43	301,059,366.83	13,484,611.41	1,696,018.50	59,787,867.60	402,285,728.87

NOTE 9**INVESTMENT PROPERTY**

S/N	ITEMS	OPENING BAL. 1/1/2020	DEPR. RATE %	DEPR #	NET BOOK VALUE # 31/12/2020
1	LOCK UP SHOPS	29,281,905.56	10	2,928,190.56	26,353,715.00
2	OPEN MARKET STALLS	22,098,723.02	10	2,209,872.30	19,888,850.72
3	POULTRY PENS	6,601,095.00	10	660,109.50	5,940,985.50
4	FILLING STATION	8,215,647.93	10	821,564.79	7,394,083.14
5	WOMEN DEV. CENTRE	2,439,546.01	10	243,954.60	2,195,591.41
6	FAYOSE MARKET STALL	7,332,592.67	10.7	784,587.42	6,548,005.25
	TOTAL	75,969,510.19		7,648,279.17	68,321,231.02

NOTE 11**ACCUMULATED DEPRECIATION**

S/N	DETAILS	AMOUNT (#)
1	INFRASTRUCTURE	-
2	LAND & BUILDING	3,640,619.26
3	MOTOR VEHICLE	4,288,941.07
4	PLANTS & MACHINERY	209,385.00
5	FURNITURE & EQUIPMENT	7,381,218.23
	TOTAL	15,520,163.56

NOTE 13**UNREMITTED DEDUCTION**

S/N	ITEM	OPENING BAL. 1/1/2020	ADD DEDUCTION	AMT. PAID	BALANCE AS AT 31/12/2020
1	5% VAT	850,516.20	9,475,145.04	9,765,145.04	560,516.20
2	5% WHT	1,231,714.92	6,310,471.53	6,980,471.53	561,714.92
3	2% EFT	55,494.00	2,524,243.90	2,524,243.90	55,494.00
4	CREDIT	30,135.00	120,540.00	146,530.00	4,145.00
5	DIRECT PAYE	630,611.11	3,894,456.97	3,894,456.97	630,611.11
	TOTAL	2,798,471.23	22,324,857.44	23,310,847.44	1,812,481.23

NOTE 14**PAYABLES**

ITEMS	OPENING BAL 1/1/2020	ADDITIONAL COMMITMENT	TOTAL	AMOUNT PAID	OUTSTADING 31/12/2020
Salary	288,714,588.04	411,556,70.80	700,271,294.84	411,556,706.80	288,714,588.04
Leave					
Allowance	59,094,458.98	32,776,512.17	91,870,971.15	0.00	91,870,971.15
Other	173,965,287.87	28,590,431.90	202,555,719.77	8,755,530.00	193,800,189.77
Allowance					
Audit fee to	0.00	450,000.00	450,000.00	450,000.00	0.00
safe	910,000.00	25,000.00	1,160,000.00	0.00	1,160,000.00
Professional	2,150,000.00	0.00	2,150,000.00	0.00	21,150,00.00
fee					
Utility fee					
Total	524,834,334.89	-	998,457,985.76	420,762,236.80	577,695,748.96

NOTE 16**BORROWING**

TOTAL LIABILITY	1,887,389,188.80
LESS PAYMENT	503,303,783.62
BALANCE	1,384,085,405.12

LIABILITY	PER	LOCAL	<u>1,384,085,405.12</u>
GOVERNMENT			

$$= 86,505,337.82$$

NOTE 21**STATUTORY ALLOCATION**

S/N	MONTHS	AMOUNT (#)
1	JANUARY	48,010,957.44
2	FEBRUARY	52,557,009.23
3	MARCH	48,683,469.42
4	APRIL	48,224,572.16
5	MAY	44,521,008.71
6	JUNE	55,162,113.69
7	JULY	58,000,632.25
8	AUGUST	49,272,874.13
9	SEPTEMBER	34,952,991.83
10	OCTOBER	46,938,308.03
11	NOVEMBER	88,640,510.33
12	DECEMBER	36,744,411.23
	ALLOCATION TO OTHER GOVERNMENT ENTITIES	635,302,263.85
	TOTAL	1,247,011,122.30

NOTE 22**TAX REVENUE**

#

1.	COMMERCIAL TAX	5,397,375.00
2.	TENEMENT RATE	<u>630,000.00</u>
		<u>6,027,375.00</u>

NOTE 23**NON TAX REVENUE**

LOCAL LICENSE, FINE & RATE	4,987,200.00
MISCELLANEOUS INCOME	<u>960,000.00</u>
	<u>5,947,200.00</u>

NOTE 25**INVESTMENT INCOME**

S/N	ITEMS	AMOUNT (#)
1	Proceed from the lease of petrol station attributable to 2017	208,333.33
2	Proceed from the lease of poultry pens for 2017	0.00
3	Dividend from shares	0.00
4	Rent from local Government investment properties	670,500.00
	Total	878,833.33

NOTE 29**SALARIES AND WAGES**

S/N	DETAILS	AMOUNT (#)
1	STAFF SALARY	347,234,900.61
2	POLITICAL OFFICE HOLDER SALARY	46,400,282.47
3	PALACE STAFF SALARY	17,921,523.72
4	MID WIVES SALARY	420,000.00
	TOTAL	411,976,706.80

NOTE 30**SOCIAL CONTRIBUTION**

S/N	DETAILS	AMOUNT (#)
1	P.S RETIREMENT (OWOSEN)	50,000.00
2	EKFEST	250,000.00
3	POLICE	100,000.00
4	COVID-19	500,000.00
5	MR. GOVERNOR'S BIRTHDAY & OTHER	325,000.00
6	NIGERIA ARMY & ARMY REMEMBRANCE DAY	175,000.00
7	"O YES" PROGRAMME	40,000.00
8	TRANSITION COMMITTEE	100,000.00
9	WOMEN PROGRAMME BY THE FIRST LADY	95,000.00
10	AMOTEKUN	400,000.00
11	HEALTH & WELFARE OF PEOPLE	550,000.00
	TOTAL	2,585,000.00

NOTE 31**SOCIAL BENEFIT**

ALGON DEBT

NULGE

#

65,000.00

200,000.00**265,000.00****NOTE 32****OVERHEAD COST**

S/N	DETAILS	AMOUNT (#)
1	SECURITY VOTE	8,000,000.00
2	TRANSPROT AND TRAVELLING	1,716,000.00
3	STATIONERY AND PRINTING	2,476,000.00
4	MAINTENANCE OF OFFICE/VEHICLE	11,336,197.75
5	ENTERTAINMENT AND HOSPITALITY	401,000.00
6	HOUSE GRANT	4,170,000.00
7	IMPREST	27,428,480.00
	TOTAL	55,527,677.75

NOTE 37**DEPRECIATION FOR THE YEAR**

INFRASTRUCTURE 5%	LAND & BUILDING 2%	PLANT MACHINERY 10%	MOTOR VEHICLE 20%	FURNITURE & EQUIP 10%	INVESTMENT PROPERTY	TOTAL
1,381,992.87	6,144,068.71	188,446.50	3,371,152.85	6,643,096.40	7,648,279.17	25,377,036.50

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIES**

S/N	MONTHS	AMOUNT (#)
1	JANUARY	62,674,188.74
2	FEBRUARY	51,303,219.59
3	MARCH	46,921,262.61
4	APRIL	44,812,353.39
5	MAY	45,681,697.19
6	JUNE	53,486,212.39

7	JULY	59,704,836.75
8	AUGUST	56,697,326.62
9	SEPTEMBER	54,026,717.42
10	OCTOBER	46,354,678.17
11	NOVEMBER	56,697,326.62
12	DECEMBER	56,942,444.36
	TOTAL	635,302,263.85

NOTED 58

PURCHASE OF PP & E

Infrastructure

27,639,859.44

Land and Building

128,813,089.82

156,452,949.26

NOTE 66

REPAYMENT OF BORROWING

#

TOTAL REPAYMENT

12 X 7,864,121.62

94,369,459.44

REPAYMENT PER LOCAL GOVERNMENT 94,369,459.44

16

= #5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF GBONYIN LOCAL GOVERNMENT,

ODE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Gbonyin Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF GBONYIN LOCAL GOVERNMENT, ODE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Gbonyin Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively Section 26(2) of Ekiti State Audit Law 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999, The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Gbonyin Local Government to prepare and present the General purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N1,767,069,185.56, while actual Revenue recorded stood at N1,201,708,754.21. This is about 68.01% performance. Equally, the IGR of N6,884,831.00 represents only 0.57% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory Allocation for survival.

- ii. The sum of N1,734,450,040.26 only was budgeted for expenditure but only N1,174,732,682.04 was actually incurred, resulting to a saving of N559,717,358.22 for the period.

8. REVENUE ACCOUNT

A total sum of N1,201,708,784.21 was earned as total Revenue as at 31st December, 2020 out of which only 0.57% (N6,884,831.00) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a deficit of 9.54% over that of previous year. Details of this is contained in the statement of Budget for the year 2020.

9. AUTHORITY FOR EXPENDITURE

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10 of this report.

10. EXPENDITURE CONTRARY TO LAW

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT
1	AUD/GBLG/AQ/01/2020	Unproduced Revenue Earing Receipt.	Assorted
2	AUD/GBLG/AQ/02/2020	Expenditure Contrary to Regulations.	2,475,000.00
3	AUD/GBLG/AQ/03/2020	Expenditure not Supported with Proper Records.	2,332,000.00
4	AUD/GBLG/AQ/04/2020	Doubtful Expenditure.	2,829,250.00
5	AUD/GBLG/AQ/05/2020	Items not Taken on Store Ledger.	755,000.00

6	AUD/GBLG/AQ/06/2020	Unretired Security Vote.	8,500,000.00
7	AUD/GBLG/AQ/07/2020	Unretired Expenditure.	2,039,000.00
	TOTAL		18,930,250.00

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Gbonyin Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Gbonyin Local Government, Ode-Ekiti. Particular attention is required to the followings:

- (i) Internally Generated Revenue.
- (ii) Attendance to audit queries.
- (iii) Fixed Assets Register.

- (iv) Unproduced Revenue Receipts.
- (v) All Outstanding matters from previous report.

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

The following matters remained outstanding in my previous reports.

- i. Loss of fund involving Mr. Olarewanju Oladimeji (2015) 4,881,128.88
- ii. Non-salary related Expenditure from salary account (2015) 6,633,000.00
- iii. Rehabilitation of Basic Health Centre (inflation of contract (2015) 1,700,000.00
- iv. Receipts purchased but not traceable to store (143) (2014) involving Mr. Peter Adelusi

(v) **2020 AUDIT QUERY**

S/N	QUERY NUMBER	SUBJECT	AMOUNT
1	AUD/GBLG/AQ/05/2019	Unretired Security Vote	8,500,000.00
	TOTAL		8,500,000.00

18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278


RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Gbonyin Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.


To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Gbonyin Local Government as at the year ended 31st December, 2020.


25/2/2021

Hon. Prince Fadumiye Ayodele,
Executive Chairman.


25/2/2021

Mr. Tunde Arowolaju
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(1) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

(8) EXPENSES.

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **DEPRECIATION**

Depreciation on PPE and Investment property were charged on a straight line basis over their expected useful lives less estimated residual value using the appropriate rates.

(15) **PAYABLES.**

Payables are recognized at fair value.

(16) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(17) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as expenses in the Statement of Financial Performance.

GBONYIN LOCAL GOVERNMENT, ODE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
4,700,657.20	Cash and Cash Equivalents	1	31,676,729.37	
-	Inventories	2	216,250.00	
-	WIP	3		
420,768,987.27	Receivables	4	376,075,466.07	
-	Prepayments	5		
425,469,644.47	Total Current Assets			407,968,445.44
	Non-Current Assets			
-	Loans Granted	6		
1,000,000.00	Investments	7	1,000,000.00	
508,798,822.62	Fixed Assets-Property, Plant & Equipment	8	497,487,240.54	
-	Investment Property	9		
-	Biological Assets	10		
509,798,822.62	Total Non-Current Assets			498,487,240.54
935,268,467.09	Total Assets			906,455,685.98
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11	25,567,506.32	
-	Loans & Debts(Short-Term)	12		
-	Unremitted Deductions	13		
420,768,987.27	Payables	14	454,228,949.77	
420,768,987.27	Total Current Liabilities		479,796,456.09	
	Non-Current Liabilities			
-	Public Funds	15		
15,230,420.00	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,337.82	
435,999,407.27	Total Liabilities			566,301,793.91
499,269,059.82	Net Asset/Equity			340,153,892.07
	Financed By:			
447,418,816.86	Reserves	17		266,741,067.76
-	Capital Grant	18		
-	Net Surplus/(Deficits)	19		
51,850,242.96	Accumulated Surplus/(Deficits)	20		73,412,824.31
499,269,059.82	Total Net Assets/Equity			340,153,892.07

GBONYIN LOCAL GOVERNMENT, ODE-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
942,126,924.63	Government Share of FAAC (Statutory Revenue)	21	1,194,603,923.21
-	Tax Revenue	22	3,225,259.24
7,608,900.00	Non-Tax Revenue	23	3,657,571.76
-	Aid & Grants	24	
-	Investment Income	25	
-	Expenditure Recovery	26	222,000.00
-	Other Capital Receipts	27	
-	Debt Forgiveness	28	
949,735,824.63	Total Revenue		1,201,708,754.21
	<u>EXPENDITURE</u>		
611,731,340.14	Salaries & Wages	29	394,680,542.88
-	Social Contribution	30	
-	Social Benefit	31	
84,809,061.70	Overhead Cost	32	53,343,621.56
-	Gratuity	33	
-	Pension Allowance	34	
-	Stationeries	35	
-	Impairment Charges	36	
25,567,506.32	Depreciation Charges	37	25,323,238.77
310,909,490.35	Transfer to other Government Entities	38	701,512,632.77
-	Public Debt Charges	39	
12,269,729.44	Allowance(Leave Bonus)	40	5,286,136.88
1,045,287,127.95	Total Expenditure		1,180,146,172.86
	Surplus/(Deficit) from Operating Activities for the Period		
-95,551,303.32	Total Non-Operating Revenue/(Expenses)		21,562,581.35
	Non-Operating Activities		
-	Gain/Loss on Disposal of Asset	41	
-	Refunded Revenue	42	
-	Revaluation Gain	43	
	Net Surplus/(Deficit) from Ordinary Activities		
-95,551,303.32	Surplus/(Deficit) from Ordinary Activities		
-	Purchases/Construction of Assets	44	
-95,551,303.32	Net Surplus/(deficits) for the year		21,562,581.35

GBONYIN LOCAL GOVERNMENT, ODE-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
942,126,924.63	Government Share of FAAC (Statutory Revenue)	21	1,194,603,923.21	
-	Tax Revenue	22	3,225,259.24	
7,608,900.00	Non-Tax Revenue	23	3,657,571.76	
	Aid & Grants	24		
-	Investment Income	25		
-	Expenditure Recovery	26	222,000.00	
-	Other Capital Receipts	27		
-	Debt Forgiveness	28		
949,735,824.63	Total inflow from operating Activities			1,201,708,754.21
	<u>Outflows</u>			
611,731,340.14	Salaries & Wages	29	394,680,542.88	
-	Social Contributions	30		
-	Social Benefit	31		
84,809,061.70	Overheads Cost	32	53,343,621.56	
-	Gratuity	33		
-	Pension Allowance	34		
310,909,490.35	Transfer to other Government Entities	38	701,512,632.77	
12,269,729.44	Allowance	40	5,286,136.88	
-	Deductions	49		
-	Refund	50		
-	Inventory	51		
-	Loan	52		
1,019,719,621.63	Total Outflow from Operating Activities			1,154,822,934.09
-69,983,797.00	Net Cash Inflow/(outflow) from Operating Activities			46,885,820.12
	Net Surplus/(Deficit)			
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
-	Proceeds from Sale of PPE	53		
-	Proceeds from Sale of Investment Property	54		
-	Proceeds from Sales of Intangible Assets	55		
-	Proceeds from Sale of Investment	56		
-	Dividends Received	57		
0.00	Total Inflow			
-	Outflows			

23,016,202.50	Purchase/ Construction of PPE	58	14,011,656.73	
	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-23,016,202.50	Total Outflow		14,011,656.73	
-23,016,202.50	Net Cash Flow from Investing Activities			-14,011,656.73
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64		
-	Proceeds from Borrowings	65		
-	Total Inflow			
-	Outflows			
-	Repayment of Borrowings	66	5,898,091.22	
-	Distribution of Surplus/Dividends Paid	67		
-	Total Outflow			
	Net Cash Flow from Financing Activities			-5,898,091.22
-92,999,999.50	Net Cash Flow from all Activities			26,976,072.17
97,700,656.70	Cash and Its Equivalent as at 01/01/2019			4,700,657.20
4,700,657.20	Cash and Its Equivalent as at 31/12/2019	1		31,676,729.37

GBONYIN LOCAL GOVERNMENT, ODE-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
942,126,924.63	Government Share of FAAC (Statutory Revenue)	21	1,194,603,923.21	1,750,675,185.56	-31.76
-	Tax Revenue	22	3,225,259.24	6,625,000.00	-51.32
7,608,900.00	Non-Tax Revenue	23	3,657,571.76	8,569,000.00	-57.32
-	Aid & Grants	24			
-	Investment Income	25			
-	Expenditure Recovery	26	222,000.00	1,200,000.00	-81.50
-	Other Capital Receipts	27			
-	Debt Forgiveness	28			
949,735,824.63	Total Revenue		1,210,708,754.21	1,767,069,185.56	-221.90
	<u>EXPENDITURE</u>				
611,731,340.14	Salaries & Wages	29	394,680,542.88	773,791,800.90	48.99
-	Social Contribution	30			
	Social Benefit	31			
84,809,061.70	Overhead Cost	32	53,343,621.56	80,550,000.00	33.78
-	Gratuity	33			
-	Pension Allowance	34			
-	Stationeries	35			
-	Impairment Charges	36			
		37			
310,909,490.35	Transfer to other Government Entities	38	701,512,632.77	801,424,274.68	12.47
-	Public Debt Charges	39			
12,269,729.44	Allowance(Leave Bonus)	40	5,286,136.88	18,683,964.68	71.71
23,016,202.50	Purchase of Assets	58	14,011,656.73	60,000,000.00	76.65
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
1,042,735,824.13	Total Expenditure		1,174,732,682.04	1,734,450,040.26	143.59
-92,999,999.50	Surplus /(Deficit) for the year		26,976,072.17	32,619,145.30	-365.49

GBONYIN LOCAL GOVERNMENT, ODE-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARATION	ACCUMULATED SURPLUS/DEFICIT (N)	RESERVES (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2020)	51,850,242.96	447,418,816.86	-	499,269,059.82
2	Surplus for the year	21,562,581.35			-21,562,581.35
3	Adjustment		-180,677,749.10		-180,677,749.10
	Closing Balance 31/12/2020	73,412,824.31	266,741,067.76	-	340,153,892.07

NOTE 1**CASH AND CASH EQUIVALENTS FOR THE YEAR 2020**

S/N	BANK	ACCOUNT NAME	ACCOUN NO	AMOUNT (N)
1	United bank for African	Salary Account	1000709496	11,368,305.21
2	United bank for African	Main Account	1003570693	11,912,069.87
3	United bank for African	IGR Account	1014549383	60,628.71
4	United bank for African	Project Account	1000706103	8,281,669.17
5	United bank for African	Agric Account	1016992718	14,035.41
6	Fidelity Bank	Project Account	5030026560	40,02.00
	TOTAL			31,676,729.37

NOTE 2**INVENTORIES FOR THE YEAR ENDED 31ST DEC. 2020**

S/N	NAME OF ITEM	QUANTITY	UNIT PRICE	AMOUNT (#)
1	LIQUOR RECEIPT	50	500	25,000.00
2	TENEMENT RECEIPT	150	500	75,000.00
3	ATTESTATION	50	2,000.00	100,000.00
4	TR RECEIPT	150	100	15,000.00
5	MARKET RECEIPT	15	50	1,250.00
	TOTAL			216,250.00

NOTE 4**RECEIVABLES**

10% OF State Internally Generated Revenue (IGR)

Total State Revenue is	<u>6,017,207,457.12</u>
	16
Share per L.G	=376,075,466.07

NOTE 7

Investments	N1,000,000.00
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NOTES 8, 37 & 58**PROPERTY, PLAMNT AND EQUIPMENT FOR YEAR 2020**

FIXED ASSET PPE	INFRASTRUC TURE 5%	LAND AND BUILDING 2.5%	MOTOR VEHICLE 20%	FURNITURE & FITTINGS 25%	OFFICE EQUIPMENT 25%	TOTAL
OPENING BAL 1/1/2020	173,792,907.37	298,611,094.70	20,000,000.00	13,521,066.46	2,873,754.08	508,798,822.61
ADDITIONAL (NOTE 58)	3,197,000.00	7,725,570.00	1,113,000.00	50,000.00	1,926,840.81	14,011,656.73
COST AS AT 31/12/2020	176,989,907.37	306,336,664.70	21,113,000.00	13,571,066.46	4,799,840.81	522,810,479.34
DEP. FOR THE YEAR NOTE 37	8,849,495.36	7,658,416.60	4,222,600.00	3,392,766.61	1,199,960.20	25,323,238.80
ACCUMULATED DEP. 31/12/2020	8,849,495.36	7,658,416.60	4,222,600.00	3,392,766.61	1,444,227.75	25,567,506.32
NBV 31/12/2020 (NOTE 8)	168,140,412.01	298,678,248.10	16,890,400.00	10,178,299.85	3,599,880.61	497,487,240.54

NOTE 11**ACCUMULATED DEPRECIATION**

Accumulated Depreciation 25,567,506.32

NOTE 14**PAYABLES FOR 2020**

S/N	DETAILS	AMOUNT (N)
	Bal b/f	420,768,987.27
	Outstanding Salary deduction	33,459,962.50
	Total	454,228,949.77

NOTE 16**BORROWINGS**

Total Liability 1,887,389,188.80
 Less
 Payment to date 503,303,783.68
 Owing State Balance **1,384,085,405.12**

Liability per Local Government = 1,384,085,405.12
 16
 = 86,505,337.82

NOTE 21**STATUTORY ALLOCATION:**

S/N	MONTH ALLOCATION	AMOUNT (N)
1	JANUARY 2020	107,111,735.06
2	FEBRUARY 2020	107,916,738.93
3	MARCH 2020	101,525,617.64
4	APRIL 2020	106,762,652.70
5	MAY 2020	99,895,729.82
6	JUNE 2020	87,624,525.98
7	JULY 2020	109,670,480.33
8	AUGUST 2020	106,674,783.25
9	SEPTMBER 2020	93,728,585.02
10	OCTOBER 2020	102,932,734.20
11	NOVEMBER 2020	88,302,983.09
12	DECEMBER 2020	82,457,357.19
	TOTAL	1,194,603,923.21

NOTE 22**TAX REVENUE FOR 2020****INTERNAL GENERATED REVENUE FOR THE YEAR 2020 (IGR)**

S/N	PARTICULAR	HEAD	AMOUNT (#)
1	COMMUNITY POLL TAX	12010101	64,500.00
2	MARKET TOLLS	12020105	908,410.00
3	SLAUGHTER AND ABBARTOR FEES	12020109	8,300.00
4	HAWKING PERMIT	12020120	639,850.00
5	LOADING PERMIT	12020449	478,600.00
6	OPEN SHOP	12020104	185,099.24
7	TENEMENT RATE	12020449	573,500.00
8	FLAT RATE	12020202	276,900.00
9	TRADE PERMIT	12020120	36,600.00
10	LIQUOR LICENSE FEES	12020131	28,000.00
11	LOCAL GOVT. LEVY FEES	12020448	25,500.00
	TOTAL		3,225,259.24

NOTE 23**NON-TAX REVENUE FOR 2020**

S/N	PARTICULAR	HEAD	AMOUNT (#)
1	CONTRACT FEES	12020417	125,071.76
2	LOCAL GOVT IDENTIFICATION	12020419	958,000.00
3	LOCK UP SHOP	12020449	888,700.00
4	MARRIAGE/DIVORCE FEES	12020418	845,000.00
5	BIRTH CERTIFICATE	12020443	265,800.00
6	RENT ON LOCAL GOVT. PROPERTIES	12020109	565,000.00
7	REG. ON SOCIAL ORGANISATION	12020109	10,000.00
	TOTAL		3,657,571.76

NOTE 26

EXPENDITURE RECOVERY

222,000.00

NOTE 29**PERSONNEL COST:**

MONTH	STAFF SALARY	PALACE SALARY	MID WIFE SALARY	POLITICAL OFFICE SALARY	SPECIAL ADVICES SALARY
JANUARY 2020	35,946,775.92	658,187.93	30,000.00	2,254,143.03	-
FEBRUARY 2020	36,186,100.99	658,187.93	30,000.00	3,781,875.88	-
MARCH 2020	35,560,584.83	602,888.60	30,000.00	3,781,875.88	420,000.00
APRIL 2020	35,386,230.64	697,678.39	30,000.00	1,890,937.94	70,000.00
MAY 2020	35,226,145.70	697,678.39	30,000.00	1,890,937.94	70,000.00
JUNE 2020	21,255,626.96	596,164.98	30,000.00	1,890,937.94	70,000.00
JULY 2020	21,442,103.19	596,164.98	30,000.00	2,267,006.46	70,000.00
AUGUST 2020	21,691,487.60	552,360.12	30,000.00	4,284,842.99	-
SEPTEMBER 2020	22,536,444.95	552,360.00	30,000.00	4,519,744.99	200,000.00
OCTOBER 2020	35,586,954.04	526,193.75	30,000.00	4,519,744.99	-
NOVEMBER 2020	19,829,775.08	526,193.75	30,000.00	7,164,162.19	1,642,131.92
DECEMBER 2020	18,524,170.38	531,579.44	30,000.00	7,164,162.19	-
TOTAL	339,172,400.28	6,895,638.06	1,320,000.00	45,410,372.42	2,542,131.92
GRAND TOTAL					394,680,542.88

NOTE 32**OVERHEAD COST:**

S/N	PARTICULAR	CODES	AMOUNT (#)
1	TRANSPORT AND TRAVELLING	220201	30,096,417.32
2	MATERIAL AND SUPPLIES	220203	4,305,000.00
3	MAINTENANCE SERVICE GENERAL	220204	313,000.00
4	GRANT AND CONTRIBUTION GENERAL	220401	350,000.00
5	TRAINING GENERAL	2202005	130,000.00
6	MISCELLANEOUS EXPENSES	220204	13,498,000.00
7	OTHER SERVICES	220206	4,583,000.00
8	FINANCIAL CHARGES	220209	68,204.24
	TOTAL		53,343,621.56

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIES**

S/N	DETAILS	AMOUNT (#)
1	PARASTATAL	19,091,566.67
2	PEACE CORP	14,400,000.00
3	PRY EDUCATION	249,731,659.45
4	ASSIST. INTER GOVERNMENT	1,072,500.00
5	NIBSS (LG)	872,550.00
6	NIBSS (SUBEB)	398,650.00
7	SUBEB OVERHEAD	5,460,000.00
8	PENSION	356,559,623.20
9	TRADITIONAL;	51,705,317.56
10	CHEIFTANCY DEP.	1,086,515.89
11	BURSARY FUND TO LG.	1,034,250.00
12	COVID 19	100,000.00
	Total	701,512,632.77

NOTE 40**ALLOWANCE**

MONTH	FURNITURE ALLOWANCE
JANUARY 2020	660,767.11
FEBRUARY 2020	660,767.11
MARCH 2020	660,767.11
APRIL 2020	660,767.11
MAY 2020	660,767.11
JUNE 2020	660,767.11
JULY 2020	660,767.11
AUGUST 2020	-
SEPTEMBER 2020	-
OCTOBER 2020	-
NOVEMBER 2020	-
DECEMBER 2020	-
TOTAL	5,286,136.88

NOTE 58**PURCHASE OF PP & E FOR 2020**

S/N	DETAILS	AMOUNT (#)
1	INFRASTRUCTURE	3,197,000.00
2	LAND& BUILDING	7,725,570.00
3	MOTOR VEHICLE	1,113,000.00

4	FURNITURE & FITTINGS	50,000.00
5	OFFICE EQUIPMENT	1,926,086.73
	Total	14,011,656.73

NOTE 66

REPAYMENT OF BORROWING FOR 2020

12 Months Multiply by 7,864,121.62 = 94,369,459.44

Payment per Local Government: 94,369,459.44 = 5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE ACCOUNTS OF IDO/OSI LOCAL

GOVERNMENT,

IDO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ido/Osi Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IDO/OSI LOCAL GOVERNMENT, IDO-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ido/Osi Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively Section 26(2) of Ekiti State Audit Law 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ido/Osi Local Government to prepare and present the General purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for **N2,594,932,843.00**, while actual Revenue recorded stood at **N1,471,634,442.76**. This is about **56.71%** performance. Equally, the IGR of **N10,188,821.97** represents only 0.69% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of **N2,474,342,843.05** only was budgeted for expenditure but only **N1,487,989,645.63** was actually incurred, resulting to saving of **N986,353,197.42** for the period.

8. **REVENUE ACCOUNT**

A total sum of **N1,471,634,442.76** was earned as total Revenue as at 31st December, 2020 out of which only **0.69% (N10,188,821.97)** was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a saving of 54.01% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10 of this report.

10. **EXPENDITURE CONTRARY TO LAW**

The following expenditure appear to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1	AUD/IDLG/AQ/01/2020	Unproduced Revenue Earning Receipts	Assorted
2	AUD/IDLG/AQ/02/2020	Expenditure Contrary to Regulations I	2,560,971.23

3	AUD/IDLG/AQ/03/2020	Expenditure Contrary to Regulations II	993,000.00
4	AUD/IDLG/AQ/04/2020	Unaudited/Expenditure not Supported with proper Records of Accounts	2,528,250
5	AUD/IDLG/AQ/05/2020	Unaudited/Items not taken on Store Ledger Charge	970,700.00
6	AUD/IDLG/AQ/06/2020	Unretired Security Vote	9,250,000.00
7	AUD/IDLG/AQ/07/2020	Unproduced Payment Vouchers	770,000.00
8	AUD/IDLG/AQ/08/2020	Expenditure not Accounted for	781,374.84
	TOTAL		17,854,296.07

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. STATE OF ACCOUNT

The Accounts of Ido/Osi Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Ido/Osi Local Government, Ido-Ekiti. Particular attention is required to the followings:

- (i) Attendance to Audit Query
- (ii) Inventory Register/Cards
- (iii) Internally Generated Revenue
- (iv) Capital Projects
- (v) Fixed Assets Register

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. OUTSTANDING MATTERS FROM PREVIOUS REPORTS

The following matters remained outstanding in my previous reports.

(A) (i) LOSS OF FUND INVOLVING MR AJAYI OLUBAYO AND MR VICTOR OGUNJE IN 2015

Amounts involved (₦)	Amount recovered (₦)	Outstanding balance	Remark
1,907,357.48	300,000.00	1,607,357.48	Not yet recovered

ii) Outstanding bills of MTN, Airtel and Glo (2015) 600,000.00

(B) AUDIT QUERIES 2019

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1	AQ/IDLG/02/2019	Nugatory Payment	120,000.00
2	AQ/IDLG/05/2019	Unproduced Payment Vouchers	555,000.00
3	AQ/IDLG/09/2019	Unretired Security Vote	24,000,000.00
	TOTAL		24,675,000.00



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ido/Osi Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ido/Osi Local Government as at the year ended 31st December, 2019.



25/3/2021

Hon. Adeola Ayodimeji ,
Executive Chairman.



25/3/2021

Mr. Akintunde Cosmas Adebayo
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council.

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

This presented both the exchange and non-exchange revenue from Internally Generated revenue and Statutory Allocation from the Federation Account during the year.

- (i). Revenue from non-exchange transactions such as fees, taxes, and fines are recognition when the events occurred and the assets recognition criteria are met.

(ii). Revenue from exchange transactions are recognised when the significant risks and rewards of ownership have been transferred to the buyer(s) usually when goods were delivered or services were rendered.

(8) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

All PPE are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and Investment property were charged on a straight-line basis over their Expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost 1 incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	₦
	ASSETS			
	Current Assets			
25,082,512.08	Cash and Cash Equivalents	1	8,727,309.21	
1,220,322.00	Inventories	2		
-	WIP	3		
810,346,822.79	Receivables	4	376,390,466.07	
-	Prepayments	5		
836,649,656.87	Total Current Assets			385,117,775.28
	Non-Current Assets			
-	Loans Granted	6		
1,650,000.00	Investments	7	1,650,000.00	
1,180,813,114.41	Fixed Assets-Property, Plant & Equipment	8	1,140,231,330.35	
201,595,228.34	Investment Property	9	187,738,761.84	
-	Biological Assets	10	10,200,000.00	
1,384,058,342.75	Total Non-Current Assets			1,339,820,092.19
2,220,707,999.62	Total Assets			1,724,937,867.47
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11	134,935,218.20	
-	Loans & Debts(Short-Term)	12		
23,411,180.47	Unremitted Deductions	13		
1,458,258,987.22	Payables	14	1,084,360,534.17	
1,481,670,167.69	Total Current Liabilities		1,219,295,752.37	
	Non-Current Liabilities			
-	Public Funds	15	-	
-	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,336.82	
1,481,670,167.69	Total Liabilities			1,305,801,090.19
739,037,831.99	Net Asset/Equity			419,136,777.28
	Financed By:			
759,295,265.05	Reserves	17		494,264,511.35
-	Capital Grant	18	-	

-	Net Surpluses/(Deficits)	19		
-20,257,433.06	Accumulated Surplus/(Deficits)	20		-75,127,734.07
739,037,831.99	Total Net Assets/Equity			<u>419,136,777.28</u>

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
766,156,447.48	Government Share of FAAC (Statutory Revenue)	21	1,461,445,620.79
1,007,385.00	Tax Revenue	22	2,273,643.97
4,029,540.00	Non-Tax Revenue	23	6,028,928.00
-	Aid & Grants	24	
1,578,975.00	Investment Income	25	1,886,250.00
-	Expenditure Recovery	26	
-	Other Capital Receipts	27	
-	Debt Forgiveness	28	
772,772,347.48	Total Revenue		1,471,634,442.76
	<u>EXPENDITURE</u>		
668,647,705.96	Salaries & Wages	29	477,344,620.16
-	Social Contribution	30	
-	Social Benefit	31	
75,000,000.00	Overhead Cost	32	34,339,524.16
-	Gratuity	33	
-	Pension Allowance	34	
-	Stationeries	35	
-	Impairment Charges	36	
46,369,261.37	Depreciation Charges	37	76,435,945.57
-	Transfer to other Government Entities	38	887,736,099.63
-	Public Debt Charges	39	
-	Allowance(Leave Bonus)	40	50,648,554.25
790,016,967.33	Total Expenditure		1,526,504,743.77
-17,244,619.85	Surplus/(Deficit) from Operating Activities for the Period		-54,870,301.01
-	Total Non-Operating Revenue/(Expenses)		
-	Non-Operating Activities		
-	Gain/Loss on Disposal of Asset	41	
-	Refunded Revenue	42	
-	Revaluation Gain	43	
-17,244,619.85	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
-	Minority Interest Share of Surplus/(Deficits)	45	-54,870,301.01
-17,244,619.85	Net Surplus/(Deficit) for the year		

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
766,156,447.48	Government Share of FAAC (Statutory Revenue)	21		1,461,445,620.79
1,007,385.00	Tax Revenue	22		2,273,643.97
4,029,540.00	Non-Tax Revenue	23		6,028,928.00
	Aid & Grants	24		
1,578,975.00	Investment Income	25		1,886,250.00
-	Expenditure Recovery	26		
-	Other Capital Receipts	27		
-	Debt Forgiveness	28		
772,772,347.48	Total inflow from operating Activities			1,471,634,442.76
	<u>Outflows</u>			
668,647,705.96	Salaries & Wages	29	477,344,620.16	
-	Social Contributions	30		
-	Social Benefit	31		
75,000,000.00	Overheads Cost	32	34,339,524.16	
-	Gratuity	33		
--	Pension Allowance	34		
-	Transfer to other Government Entities	38	887,736,099.63	
-	Allowance	40	50,648,554.25	
-	Deductions	49		
-	Refund	50		
-	Inventory	51		
-	Loan	52		
743,647,705.96	Total Outflow from Operating Activities			1,450,068,798.20
29,124,641.52	Net Cash Inflow/(outflow) from Operating Activities			21,565,644.56
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
-	Proceeds from Sale of PPE	53		
-	Proceeds from Sale of Investment Property	54		
-	Proceeds from Sales of Intangible Assets	55		
-	Proceeds from Sale of Investment	56		
-	Dividends Received	57		

-	Total Inflow			
	Outflows			
31,355,468.28	Purchase/ Construction of PPE	58	32,022,756.21	
	Purchase/ Construction OF Investment Property	59		
	Investment in Private Companies	60		
	Loan Granted	61		
	Purchase of Intangible Assets	62		
	Acquisition of Investment	63		
-31,355,468.28	Total Outflow		32,022,756.21	
-31,355,468.28	Net Cash Flow from Investing Activities			-32,022,756.21
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
	Total Inflow			
	Outflows			
	Repayment of Borrowings	66	5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
	Total Outflow		5,898,091.22	
	Net Cash Flow from Financing Activities			-5,898,091.22
-2,230,826.76	Net Cash Flow from all Activities			-16,355,202.87
27,313,338.84	Cash and Its Equivalent as at 01/01/2020			25,082,512.08
25,082,512.08	Cash and Its Equivalent as at 31/12/2020	1		8,727,309.21

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
₦			₦	₦	₦
	<u>REVENUE</u>				
766,156,447.48	Government Share of FAAC (Statutory Revenue)	21	1,461,445,620.79	2,568,182,843.00	-43.09
1,007,385.00	Tax Revenue	22	2,273,643.97	4,040,000.00	-43.72
4,029,540.00	Non-Tax Revenue	23	6,028,928.00	17,980,000.00	-66.47
-	Aid & Grants	24			
1,578,975.00	Investment Income	25	1,886,250.00	4,730,000.00	-60.12
-	Expenditure Recovery	26			
-	Other Capital Receipts	27			
-	Debt Forgiveness	28			
772,772,347.48	Total Revenue		1,471,634,442.76	2,594,932,843.00	-213.41
	<u>EXPENDITURE</u>				
668,647,705.96	Salaries & Wages	29	477,344,620.16	1,076,377,903.78	55.65
-	Social Contribution	30			
-	Social Benefit	31			
75,000,000.00	Overhead Cost	32	34,339,524.16	72,659,875.03	52.74
-	Gratuity	33			
-	Pension Allowance	34			
-	Stationeries	35			
-	Impairment Charges	36			
-	Transfer to other Government Entities	38	887,736,099.63	1,141,866,921.62	22.26
-	Public Debt Charges	39			
-	Allowance(Leave Bonus)	40	50,648,554.25	138,438,144.62	63.41
31,355,468.28	Purchase of Assets	58	32,022,756.21	45,000,000.00	28.84
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
775,003,174.24	Total Expenditure		1,487,989,645.63	2,474,342,843.05	122.90
-2,230,826.76	Accumulated Surplus/(Deficit) 31/12/2020		-6,355,202.87	120,589,999.95	-336.31

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER,
2020

S/N	NARRATION	ACCUMULATED SURPLUS/DEFIC IT (N)	RESERVES (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2020)	-20,257,433.06	759,295,264.99	-	739,037,831.93
2	Surplus for the year	-54,870,301.01			-54,870,301.01
3	Grant for the year				
4	Adjustment		-265,032,753.64		-328,108,015.07
	Closing Balance 31/12/2020	-75,127,734.06	494,262,511.35		419,134,777.28

NOTE 1**CASH AND CASH EQUIVALENS FOR THE YEAR ENDED 31ST DECEMBER 2020**

S/N	BANK	ACCOUNT NAME	ACCOUNT NO	AMOUNT (#)
1	FIRST BANK	SALARY	2008656902	4,194,955.89
2	ZENITH BANK	MAIN ACCOUNT	1016251709	4,504,477.68
3`	UBA	IGR	1000532825	27,875.64
	TOTAL			8,727,309.21

NOTE 4**RECEIVABLE**

S/N	DETAILS	AMOUNT (#)
1	LOCAL GOVERNMENT IGR OUTSTANDIN	315,000.00
2	10% STATE IGR	376,075,466.07
	TOTAL	376,390,466.07

NOTE 7**INVESTMENTS**

S/N	DETAILS	AMOUNT (#)
1	Investment in share at Wema Bank	1,000,000.00
2	Investment in share at Heritage Bank	650,000.00
	TOTAL	1,650,000.00

Notes 8 & 37

PROPERTY, PLANT & EQUIPMENT

FIXED ASSET	5%	20%	15%	15%	15%	TOTAL
PPE	LAND & BUILDING	VEHICLE	PLANT & EQUIPMENT	AGRIC EQUIPMENT	F & F	TOTAL
OPENING BAL. 1/1/2020	1,074,883,124.98	25,869,679.25	17,246,452.83	34,010,182.72	28,803,674.63	1,180,813,114.41
ADDITIONAL	31,424,617.83	329,000.00	269,138.38	-	-	32,022,756.21
COST AS AT 31/12/2020	1,106,307,742.81	26,198,679.25	17,515,591.21	34,010,182.72	28,803,674.63	1,212,835,870.62
DEPRECIATION FOR THE YEAR	55,315,387.14	5,239,735.85	2,627,338.68	5,101,527.41	4,320,551.19	72,604,540.27
ACUMULATED DEP. 31/12/2020	99,807,899.89	11,707,155.66	7,814,731.45	1,203,593.90	14,401,837.30	134,935,218.20
NBV 31/12/2020	1,050,992,355.67	20,958,943.40	14,888,252.53	28,908,655.31	24,483,123.44	1,140,231,330.35

NOTE 9

INVESTMENT PROPERTY

S/N	DETAILS	AMOUNT (#)
1	LOCK UP SHOP	106,055,412.22
2	OPEN MARKET STALLS	15,312,736.12
3	POULTRY PEN	4,525,740.00
4	FAYOSE MARKET SHOP	3,258,532.80
5	IREWOLEDE ESTATE	25,344,144.00
6	NEIGHBOURHOOD MARKET	37,073,600.00
		191,570,165.14
	20% CURRENT DEPRECIATION (37b)	3,831,403.30
	NBV	187,738,761.84

NOTE 10

BIOLOGICAL ASSETS

S/N	DETAILS	AMOUNT (#)
1	TEAK PLANTATION	10,200,000.00

NOTE 11**ACCUMULATED DEPRECIATION**

S/N	DETAILS	AMOUNT(#)
1	LAND AND BUILDING	99,807,899.89
2	VEHICLE	1,707,155.66
3	PLANT AND EQUIPMENT	7,814,731.45
4	AGRIC EQUIPMENT	1,203,593.90
5	FURNITURE AND FITTINGS	14,401,837.30
	TOTAL	134,935,218.20

NOTE 14**PAYABLE**

S/N	DETAILS	AMOUNTS (#)
1	STAFF SALARIES	330,290,591.70
2	PHO SALARIES AND ALLOWANCES	33,024,084.84
3	LEAVE BONUS	147,653,554.42
4	MID WIVES	900,000.00
5	PALACE STAFF	9,848,806.40
6	FORMER POLITICAL OFFICE HOLDERS	258,819,791.99
7	UTILITY (BEDC)	1,132,547.73
8	OUTSTANIDNG CONTRACTUAL OBLIGATION	270,013,539.45
9	OUTSTANDING CLAIMS	32,677,616.64
	TOTAL	1,084,360,534.17

NOTE 16**BOROWINGS**

10% OF STAFF REVENUE TO LOCAL GOVERNMENT

TOTAL LIABILITY

1,887,389,188.80

LESS PAYMENT

503,303,783.68

BALANCE

1,384,085,405.12

LIABILITY PER LOCAL GOVERNMENT

1,384,085,405.12

16

= #86,505,337.82

NOTE 21**SHARE OF STATUTORY ALLOCATION**

S/N	MONTH	AMOUNTS (#)
1	JANUARY	142,250,063.41
2	FEBRUARY	131,362,916.61
3	MARCH	117,976,331.69
4	APRIL	127,761,443.12
5	MAY	120,274,290.92
6	JUNE	114,743,844.78
7	JULY	133,642,740.89
8	AUGUST	136,721,272.22
9	SEPTEMBER	116,420,545.78
10	OCTOBER	124,902,609.31
11	NOVEMBER	98,373,290.85
12	DECEMBER	97,016,271.21
	TOTAL	1,461,445,620.79

NOTE 22**TAX REVENUE**

S/N	DETAILS	AMOUNT (#)
1	LOCAL GOVERNMENT TAX (IGR) 2.5%	2,150,743.97
2	TENEMENT RATE	122,900.00
	TOTAL	2,273,643.97

NOTE 23**NON TAX REVENUE**

S/N	DETAILS	AMOUNT (#)
1	LOCAL LICENSE, FINE AND RATE	747,628.00
2	MARKET TOLLS	1,438,100.00
3	LOCAL GOVERNMENT ATTESTATION	2,044,900.00
4	BIRTH AND DEATH REGISTRATION	111,700.00
5	MARRIAGES	1,322,000.00
6	REGISTRATION OF SOCIAL ORGANIZATION	22,000.00
7	TENEMENT RAE	122,900.00
8	COMMUNITY FLAT RATE	152,350.00
9	BURIAL FEES	5,000.00
10	LOADING FEES	20,900.00
11	STICERS	45,400.00
12	HACKNING PERMIT	1,550.00
13	NAMING OF STREET REGISTRATION	20,000.00
14	LIQUIOR LICENCE	4,500.00
15	TEAK FEES	10,000.00
	TOTAL	6,028,928.00

NOTE 25**INVESTMENT INCOME**

S/N	DETAILS	AMOUNT (#)
1	RENT FROM LOCAL GOVERNMENT PROPERTY	1,205,750.00
2	HIRING OF LOCAL GOVERNMENT PROPERTIES	680,500.00
	TOTAL	1,886,250.00

NOTE 29**SALARIES AND WAGES**

S/N	DETAILS	AMOUNT (#)
1	STAFF SALARIES	416,702,826.16
2	POLITICAL OFFICE HOLDER	43,479,958.60
3	PALACE STAFF	1,681,835.40
4	MID WIVES	480,000.00
	TOTAL	477,344,620.16

NOTE 32**OVERHEAD COST**

S/N	DETAILS	AMOUNT (#)
1	TRAVELLING AND TRANSPROT	13,991,936.26
2	UTILITIES	1,880,000.00
3	MAINTENANCE SERVICE	2,773,420.00
4	TRAVELLING	1,465,100.00
5	CONSULTANC AND PROFESSIONAL SERVICE	1,600,000.00
6	FUEL AND LUBRICANTS	2,777,600.00
7	FINANCIAL CHARGE	82,667.90
8	OTHER SERVICES	9,768,800.00
	TOTAL	34,339,524.16

NOTE 37**DEPRECIATION CHARGES**

S/N	DETAILS	AMOUNT (#)
1	LAND AND BUILDING	55,315,387.14
2	VEHICLE	5,239,735.85
3	PLANT AND EQUIPMENT	2,627,338.68
4	AGRIC EQUIPMENT	5,101,527.41
5	FURNITURE AND FITTINGS	4,320,551.19
	SUB-TOTAL	72,604,540.27
	INVESTMENT PROPERTY	3,831,405.30
	TOTAL	76,435,945.57

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITY**

S/N	DETAILS	AMOUNT (#)
1	PARASTATA;S	20,421,503.14
2	PEACE CORPS AND OTHERS	101,945,515.55
3	BUSARY FUND	929,250.00
4	PRIMARY EDUCATION	311,991,883.07
5	SUBEB OVERHEAD	5,460,000.00
6	PENSION FUND	361,882,234.31
7	TRADITIONAL	85,105,713.56
	TOTAL	887,736,099.63

NOTE 40**ALLOWANCES**

S/N	DETAILS	AMOUNT (#)
1	LEAVE BONUS	48,582,435.35
2	FURNITURE ALLOWANCE	2,066,118.90
	TOTAL	50,648,554.25

NOTE 58**PURCHASE OF PROPOERTY, PLANT AND EQUIPMENT**

S/N	DETAILS	AMOUNT (#)
1	LAND AND BUILDING	31,424,617.83
2	VEHICLE	329,000.00
3	PLANT AND EQUIPMENT	269,138.38
	TOTAL	32,022,756.21

NOTE 66**REPAYMENT OF BORROWING**

TOTAL REPAYMENT (12 X 7,864,121.62)

#94,369,459.44

REPAYMENT PER LOCAL GOVERNMENT = 94,369,459.44

16

= #5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF IJERO LOCAL GOVERNMENT,

IJERO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ijero Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IJERO LOCAL GOVERNMENT, IJERO-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ijero Local Government have been examined in accordance with, sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively, section 26(2) of Ekiti State Audit Law, 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ijero Local Government to prepare and present the General Purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N1,594,420,000.00, while actual Revenue recorded stood at N1,343,578,562.78. This is about 84.27% performance. Equally, the IGR of N12,721,880.00 represents only 0.95% of

the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N1,591,000.000.00 only was budgeted for expenditure but N1,329,081,105.12 was actually incurred, resulting to a deficit of N261,918,894.88 for the period.

8. **REVENUE ACCOUNT**

A total sum of N1,343,578,562.78 was earned as total Revenue as at 31st December, 2020 out of which only 0.95% (N12,721,880.00) was generated as IGR, which showed that the Local Government solely depends on the Statutory Allocation.

On the basis of comparison, the IGR for the current year recorded a surplus of 78.35% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10, of this report.

10. **EXPENDITURE CONTRARY TO LAW:**

The following expenditure appears to be contrary to Law.

S/N	QUERY NO	QUERY SUBJECT	AMOUNT (₦)
1	AUD/IJLG/AQ/01/2020	Expenditure Contrary to Regulation	2,161,800.00
2	AUD/IJLG/AQ/02/2020	Items not taken on store ledger charge	2,297,900.00
3	AUD/IJLG/AQ/03/2020	Security vote	8,500,000.00

4	AUD/IJLG/AQ/04/2020	Nugatory Payment	376,500.00
5	AUD/IJLG/AQ/05/2020	Unaudited Expenditure	2,173,000.00
6	AUD/IJLG/AQ/06/2020	Expenditure not Supported with proper Records	627,500.00
7	AUD/IJLG/AQ/07/2020	Unvouched Expenditure	5,452,200.00
8	AUD/IJLG/AQ/08/2020	Unproduced Revenue Earning Receipts	Various
	TOTAL		21,588,900.00

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Ijero Local Government have been examined up to 31st December, 2019 and detailed observations have been forwarded to the Local Government Chairman

and the Director of Administration, Ijero Local Government, Ijero-Ekiti. Particular attention is required to the followings:

- (i) Cash books and subsidiary ledgers
- (ii) Bank Reconciliation Statement
- (iii) Attendance of Audit Queries
- (iv) Internally Generated Revenue
- (v) Fixed Asset Register.

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

The following matters remained outstanding in my previous reports.

S/N	QUERY NO	SUBJECT	AMOUNT (N)
1.	AUD/IJLG/AQ/10/19	Unretired Security Vote/ Responsibility allowance	14,200,000.00
2.	AUD/IJLG/AQ/12/19	Unvouched Expenditure	3,251,075.00
		TOTAL	17,451,075.00

18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ijero Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ijero Local Government as at the year ended 31st December, 2020.



04/3/2021

Hon. Ropo Ige,
Executive Chairman.



04/3/2021

Mr. Falayi Tope
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

Revenue from non-exchange transactions such as fees, taxes, and fines are recognition when the events occurred and the assets recognized criteria are met.

(8) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and investment property were charged on a straight line basis over their expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N			N	N
	ASSETS			
	Current Assets			
953,983.27	Cash and Cash Equivalents	1	15,451,440.93	
-	Inventories	2		
-	WIP	3		
394,478,045.22	Receivables	4	376,075,466.07	
-	Prepayments	5		
395,432,028.49	Total Current Assets			391,526,907.00
	Non-Current Assets			
-	Loans Granted	6		
-	Investments	7		
724,705,950.23	Fixed Assets-Property, Plant & Equipment	8	679,238,411.46	
-	Investment Property	9		
-	Biological Assets	10		
724,705,950.23	Total Non-Current Assets			679,238,411.46
1,120,137,978.72	Total Assets			1,070,765,318.46
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11		
-	Loans & Debts(Short-Term)	12		
73,422.05	Unremitted Deductions	13		
398,285,297.99	Payables	14	320,629,119.82	
398,358,720.04	Total Current Liabilities		320,629,119.82	
	Non-Current Liabilities			
-	Public Funds	15		
-	Borrowings	16	86,505,337.82	
-	Total Non-Current Liabilities		86,505,337.82	
398,358,720.04	Total Liabilities			407,134,457.64
721,779,258.68	Net Asset/Equity			663,630,860.82
102,805,291.17	Reserves	17		69,728,883.20
-	Capital Grant	18		
	Net Surpluses/(Deficits)	19		
618,973,967.51	Accumulated Surplus/(Deficit)	20		593,901,977.62
721,779,258.68	Total Net Assets/Equity			663,630,860.82

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
1,266,353,665.93	Government Share of FAAC (Statutory Revenue)	21	1,330,856,682.78
3,095,900.00	Tax Revenue	22	1,900,800.00
4,037,210.00	Non-Tax Revenue	23	10,821,080.00
-	Aid & Grants	24	
-	Investment Income	25	
-	Expenditure Recovery	26	
-	Other Capital Receipts	27	
-	Debt Forgiveness	28	
1,273,486,775.93	Total Revenue		1,343,578,562.78
	<u>EXPENDITURE</u>		
610,122,062.64	Salaries & Wages	29	366,669,477.23
-	Social Contribution	30	4,067,750.00
	Social Benefit	31	1,131,000.00
61,003,279.84	Overhead Cost	32	66,157,162.12
-	Gratuity	33	
-	Pension Allowance	34	
-	Stationeries	35	
-	Impairment Charges	36	
55,806,650.99	Depreciation Charges	37	46,934,238.77
602,268,257.74	Transfer to other Government Entities	38	883,690,924.55
-	Public Debt Charges	39	
-	Allowance(Leave Bonus)	40	
1,329,200,251.21	Total Expenditure		1,368,650,552.67
-55,713,475.28	Surplus/(Deficit) from Operating Activities for the Period		-25,071,989.89
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
-	Gain/Loss on Disposal of Asset	41	
-	Refunded Revenue	42	
-	Revaluation Gain	43	
-55,713,475.28	Net Surplus/(Deficit)		

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,266,353,665.93	Government Share of FAAC (Statutory Revenue)	21	1,330,856,682.78	
3,095,900.00	Tax Revenue	22	1,900,800.00	
4,037,210.00	Non-Tax Revenue	23	10,821,080.00	
	Aid & Grants	24		
-	Investment Income	25		
-	Expenditure Recovery	26		
-	Other Capital Receipts	27		
-	Debt Forgiveness	28		
1,273,486,775.93	Total inflow from operating Activities			1,343,578,562.78
	<u>Outflows</u>			
610,122,062.64	Salaries & Wages	29	366,669,477.23	
-	Social Contributions	30	4,067,750.00	
-	Social Benefit	31	1,131,000.00	
61,003,279.84	Overheads Cost	32	66,157,162.12	
-	Gratuity	33		
-	Pension Allowance	34		
602,268,257.74	Transfer to other Government Entities	38	883,690,924.55	
-	Allowance	40		
-	Deductions	49		
-	Refund	50		
-	Inventory	51		
-	Loan	52		
1,273,393,600.22	Total Outflow from Operating Activities			1,321,716,313.90
93,175.71	Net Cash Inflow/(outflow) from Operating Activities			21,862,248.88
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
-	Proceeds from Sale of PPE	53		
-	Proceeds from Sale of Investment Property	54		

-	Proceeds from Sales of Intangible Assets	55		
-	Proceeds from Sale of Investment	56		
-	Dividends Received	57		
-	Total Inflow			
-	Outflows			
-	Purchase/ Construction of PPE	58	1,466,700.00	
	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-	Total Outflow		1,466,700.00	
-	Net Cash Flow from Investing Activities			-1,466,700.00
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64		
-	Proceeds from Borrowings	65		
-	Total Inflow			
-	Outflows			
-	Repayment of Borrowings	66	5,898,091.22	
-	Distribution of Surplus/Dividends Paid	67		
-	Total Outflow			
93,175.71	Net Cash Flow from Financing Activities			-5,898,091.22
860,807.56	Net Cash Flow from all Activities			14,497,457.66
953,983.27	Cash and Its Equivalent as at 01/01/2020			953,983.27
93,175.71	Cash and Its Equivalent as at 31/12/2020	1		15,451,440.93

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
1,266,353,665.93	Government Share of FAAC (Statutory Revenue)	21	1,330,856,682.78	1,586,290,000.00	-16.10
3,095,900.00	Tax Revenue	22	1,900,800.00	3,000,000.00	-36.64
4,037,210.00	Non-Tax Revenue	23	10,821,080.00	5,130,000.00	110.94
-	Aid & Grants	24			
-	Investment Income	25			
-	Expenditure Recovery	26			
-	Other Capital Receipts	27			
-	Debt Forgiveness	28			
1,273,486,775.93	Total Revenue		1,343,578,562.78	1,594,420,000.00	58.20
	<u>EXPENDITURE</u>				
610,122,062.64	Salaries & Wages	29	366,669,477.23	561,000,000.00	34.64
-	Social Contribution	30	4,067,750.00	10,000,000.00	59.32
	Social Benefit	31	1,131,000.00	20,000,000.00	94.35
61,003,279.84	Overhead Cost	32	66,157,162.12	100,000,000.00	33.84
-	Gratuity	33			
-	Pension Allowance	34			
-	Stationeries	35			
-	Impairment Charges	36			
	Depreciation Charges	37			
602,268,257.74	Transfer to other Government Entities	38	883,690,924.55	900,000,000.00	1.81
	Public Debt Charges	39			
	Allowance(Leave Bonus)	40			
	Purchase of Assets	58	1,466,700.00		-100.00
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
1,273,393,600.22	Total Expenditure		1,323,183,013.90	1,591,000,000.00	23.96
93,175.71	Surplus/(Deficit) for the period		20,395,548.88	3,420,000.00	34.23

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARATION	ACCUMULATED SURPLUS/DEFICIT (N)	RESERVES (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2020)	618,973,967.51	102,805,291.17	-	721,779,258.68
2	Surplus for the year	-25,071,989.89			-25,071,989.89
3	Grant for the year				
4	Adjustment		-33,076,407.97		-33,076,407.97
	Closing Balance 31/12/2020	593,901,977.62	69,728,883.20		663,630,860.82

NOTE 1
CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER, 2020

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	ACCESS BANK	IGR	0009560347	22,061.59
2	ACCESS BANK	RECURRENT	0027088074	3,152.66
3	WEMA BANK	RECURRENT	0123114828	9,291,736.88
4	HERITAGE BANK	SALARY	6002279302	6,130,064.95
5	HERITAGE BANK	IGR	6002279364	4,424.85
	TOTAL			15,451,440.93

NOTE 4
RECEIVABLES

#

10% STATE IGR: ($\#6,017,207,457.12 \div 16$) = **#376,075,466.07**

NOTE 8
PROPERTY, PLANTS & EQUIPMENT AND DEPRECIATION CHARGE FOR 2020

ASSETS	LAND & BUILDING	MOTOR VEHICLES	FURNITURE & FITTINGS	PLANTS & MACHINERY	OFFICE EQUIPMENT	TOTAL
BALANCE 01/01/2020	535,431,644.43	62,441,008.10	33,171,785.55	63,641,008.58	30,020,503.57	724,705,950.23
PURCHASE FOR THE YEAR	1,466,700.00					1,466,700.00
TOTAL	536,898,344.43	62,441,008.10	33,171,785.55	63,641,008.58	30,020,503.57	726,172,650.23
DEPRECIATION RATE	2%	20%	15%	20%	20%	
DEPRCIATION CHARGES	10,737,966.89	12,488,201.62	4,975,767.83	12,728,201.72	6,004,100.71	46,934,238.77
NBV	526,160,377.54	49,952,806.48	28,196,017.72	50,912,806.86	24,016,402.86	679,238,411.46

NOTE 14
PAYABLES

OUTSTANDING SALARIES AND WAGES = **320,629,119.82**

NOTE 16
BORROWING

#

TOTAL LIABILITY	18,873,879,188.80
LESS: REPAYMENT	<u>503,303,783.68</u>
BALANCE (31/12/2020)	1,384,085,405.12
	=====

LIABILITY PER LOCAL GOVERNMENT

#1,384,085,405.12 ÷ 16

= **#86,505,337.82**

NOTE 21
STATUTORY ALLOCATION FOR THE YEAR

MONTH	AMOUNT(N)
JANUARY	119,954,813.95
FEBRUARY	121,582,700.00
MARCH	107,637,903.74
APRIL	117,872,791.71
MAY	111,480,319.40
JUNE	100,465,431.05
JULY	114,322,321.67
AUGUST	119,374,586.72
SEPTEMBER	107,471,142.38
OCTOBER	114,444,189.12

NOVEMBER	97,605,315.47
DECEMBER	98,645,167.57
TOTAL	1,330,856,682.78

NOTE 22
TAX REVENUE

S/N	DETAILS	AMOUNT (#)
1	LOCAL/FLATS/RATE	372,800.00
2	TENEMENT RATE	1,528,000.00
	TOTAL	1,900,800.00

NOTE 23
NON TAX REVENUE

S/N	DETAILS	AMOUNT (#)
1	HACKNEY PERMIT	26,000.00
2	TRADE/CLUB REGISTRATION	63,600.00
3	MARRIAGE REGISTRATION	601,000.00
4	LOCAL GOVERNMENT ORIGIN	3,889,500.00
5	TRADE/SHOP PERMIT	459,700.00
6	ROAD BLOCK PERMIT	613,510.00
7	LOADING/OFFLOADING PERMIT	846,500.00
8	MARKET FEES	381,500.00
9	EARNING FROM OTHER COMMERCIAL ACTIVITIES	2,303,000.00
10	GOVERNMENT PROPERTES	1,541,970.00
11	LIQUOR FEES	94,800.00
	TOTAL	10,821,080.00

NOTE 29
SALARIES AND WAGES

S/N	DETAILS	AMOUNT (#)
1	PALACE STAFF	26,112,337.11
2	MID-WIVE	270,000.00
3	POLITICAL OFFICE HOLDERS	51,523,940.00
4	STAFF SALARIES	288,763,199.64
	TOTAL	366,669,477.23

NOTE 30**SOCIAL CONTRIBUTION**

S/N	MONTH	DETAILS	AMOUNT(#)
1	JANUARY	FOOTBALL COMPETITION	157,000.00
2	FEBRUARY	TOWN HALL MEETING	590,000.00
3	MARCH	STUDENT UNION AWARD	790,250.00
4	APRIL	EMPOWERMENT	350,000.00
5	MAY		-
6	JUNE		-
7	JULY	EMPOWERMENT	350,000.00
8	AUGUST		250,000.00
9	SEPTEMBER	FOOTBALL COMPETITION	320,000.00
10	OCTOBER	MEETINGS	276,500.00
11	NOVEMBER	EMPOWERMENT	819,000.00
12	DECEMBER	EMPOWERMENT	165,000.00
TOTAL			4,067,750.00

NOTE 31**SOCIAL BENEFIT**

S/N	MONTHS	DETAILS	AMOUNT (#)
1	JANUARY	STAFF CLAIMS	320,000.00
2	FEBRUARY		-
3	MARCH	STAFF CLAIMS	405,000.00
4	APRIL		-
5	MAY		-
6	JUNE		-
7	JULY	FINANCIAL ASSISTANCE	25,000.00
8	AUGUST	STAFF CLAIMS	121,000.00
9	SEPTEMBER	STAFF CLAIMS	190,000.00
10	OCTOBER		-
11	NOVEMBER	STAFF CLAIMS	60,000.00
12	DECEMBER	STAFF CLAIMS	10,000.00
	TOTAL		1,131,000.00

NOTE 32
OVERHEAD COST

S/N	DETAILS	AMOUNT (#)
1	JANUARY	6,311,500.00
2	FEBRUARY	9,631,617.06
3	MARCH	8,618,250.00
4	APRIL	4,621,000.00
5	MAY	5,058,500.00
6	JUNE	5,601,500.00
7	JULY	5,171,500.00
8	AUGUST	5,397,095.06
9	SEPTEMBER	7,268,200.00
10	OCTOBER	3,960,817.06
11	NOVEMBER	4,631,500.00
12	DECEMBER	3,846,500.00
	Total	66,157,162.12

NOTE 37
DEPRECIATION FOR THE YEAR

S/N	MONTH	AMOUNT (#)
1	LAND & BUILDING	10,737,966.89
2	MOTOR VEHICLE	12,488,201.62
3	FURNITURE & FITTING	4,975,767.83
4	PLANTS & MACHINERY	12,728,201.72
5	OFFICE EQUIPMENT	6,004,100.71
	TOTAL	46,934,238.77

NOTE 38
TRANSFER TO OTHER GOVERNMENT ENTITIES

S/N	DETAILS	AMOUNT (#)
1	TRADITIONAL COUNCIL	61,035,280.11
2	PARASTATALS RUNNING GRANTS TO PEACE CORPS	22,043,183.90
3	PRIMARY EDUCATION SALARY	14,400,000.00
4	FUND	367,015,156.43
5	SUBEB OVER HEAD	7,320,000.00
6	PENSION FUND	411,787,304.11
	TOTAL	883,690,924.55

NOTE 58
PURCHASE OF PP&E

	#
LAND AND BUILDING	1,466,700.00

NOTE 66
REPAYMENT OF BORROWING

	AMOUNT (N)
TOTAL REPAYMENT (7,864,121.62x12)	94,369,459.44

REPAYMENT PER LOCAL GOVERNMENT 94,369,459.44/16	<u>5,898,091.22</u>
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REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF IKERE LOCAL GOVERNMENT,

IKERE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ikere Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IKERE LOCAL GOVERNMENT, IKERE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ikere Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively, Section 26(2) of Ekiti State Audit Law, 2014 and section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ikere Local Government to prepare and present the Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year, and the section was adhered to by the Local Government.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS actual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for **N1,749,663,700.00**, while actual Revenue recorded stood at **N1.711,737,375.23**. This is about **97.83%** performance. Equally, the IGR of **N12,602,900.00** represents only **0.74%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of **N1,713,000,000.00** only was budgeted for expenditure but only **N1,718,406,928.54** was actually incurred, resulting to deficit of **(N5,405,928.54)** for the period.

8. **REVENUE ACCOUNT**

A total sum of **N1,711,737,375.23** was earned as total Revenue as at 31st December, 2020 out of which only **0.74% (N12,602,900.00)** was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a deficit of **4.43%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraphs 10 of this report.

10. **EXPENDITURE CONTRARY TO LAW**

The following expenditure appears to be contrary to law.

S/N	AUERY NO	QUERY SUBJECT	AMOUNT IN QUERY (N)
1	AQ/IKLG/01/2020	Unaudited Expenditure	2,584,115.56
2	AQ/IKLG/02/2020	Unretired Security votes	9,500,000.00
3	AQ/IKLG/03/2020	Expenditure not supported with proper Records	94,400.00
4	AQ/IKLG/04/2020	Nugatory Payment	1,671,000.00

5	AQ/IKLG/05/2020	Expenditure Contrary to Regulations	5,548,750.00
6	AQ/IKLG/06/2020	Items Not taken on store ledger charge.	187,000.00
7	AQ/IKLG/07/2020	Unvouched Expenditure	6,039,950.00
8	AQ/IKLG/08/2020	Unproduced Earning Receipts	Various
		TOTAL	25,625,215.56

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Ikere Local Government have been examined up to 31st December 2019 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Ikere Local Government, Ikere Ekiti.

Your attention is invited to the following issues:

- Non adherence to Financial Memoranda
- Fixed Assets Register
- Internally Generated Revenue
- Traditional Council's Accounts
- Attendance to Audit Queries
- Capital Projects

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

The following matters remained outstanding in my previous reports.

- | | | | |
|-----|---|---|----------------|
| (a) | Difference in JAAC releases (2015) | - | N11,715,250.57 |
| (b) | Loss of fund involving Mr. Fasanmi Oluremi (2015) | | 257,000.00 |
| (c) | Unremitted Revenue | | 25,300.00 |
| (d) | Audit Queries 2019. | | |

S/NO	QUERY NO	SUBJECT	AMOUNT OUTSTANDING
1	AUD/IKELG/AQ/03/2019	Nugatory Expenditure	3,677,500.00
2	AUD/IKELG/AQ/06/2019	Unretired Security vote	20,000,000.00

3	AUD/IKELG/AQ/08/2019	Expenditure Contrary to Regulation	2,917,135.00
4	AUD/IKELG/AQ/09/2019	Unproduced payment Vouchers	551,000.00
5	AUD/IKELG/AQ/10/2019	Unvouched Expenditure	1,739,000.00
		Total	28,884,635.00



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ikere Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ikere Local Government as at the year ended 31st December, 2020.



25/3/2021

Hon. Ayodele Oluwafemi,
Executive Chairman.



25/3/2021

Mr. Ojo G.A,
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and as events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

This presented both the exchange and non-exchange revenue from Internally Generated revenue and Statutory Allocation from the Federation Account during the year.

- iii. Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.
- iv. Revenue from exchange transactions are recognized when the significant risks and rewards of ownership have been transferred to the buyer(s) usually when goods were delivered or services were rendered.

(8) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

All PPE are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and Investment property were charged on a straight line basis over their Expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
13,627,723.35	Cash and Cash Equivalents	1	6,958,170.22	
50,500.00	Inventories	2	10,000.00	
	WIP	3		
37,793,785.14	Receivables	4	376,961,331.21	
	Prepayments	5		
51,472,008.49	Total Current Assets			383,929,501.43
	Non-Current Assets			
	Loans Granted	6		
11,381,242.65	Investments	7	11,381,242.65	
905,010,265.26	Fixed Assets-Property, Plant & Equipment	8	843,370,493.94	
	Investment Property	9	67,801,616.96	
87,978,000.00	Biological Assets	10	87,978,000.00	
1,004,369,507.91	Total Non-Current Assets			1,010,531,353.55
1,055,841,516.40	Total Assets			1,394,460,854.98
	LIABILITIES			
	Current Liabilities			
	Accumulated Depreciation	11		
	Loans & Debts(Short-Term)	12		
7,526,880.45	Unremitted Deductions	13	7,526,880.45	
555,056,670.45	Payables	14	647,957,168.98	
562,583,550.90	Total Current Liabilities		655,484,049.43	
	Non-Current Liabilities			
4,000,000.00	Public Funds	15	3,000,000.00	
	Borrowings	16	86,505,337.82	
4,000,000.00	Total Non-Current Liabilities		89,505,337.82	
566,583,550.90	Total Liabilities			744,989,387.25
489,257,965.50	Net Asset/Equity			649,471,467.73
	Financed By:			
408,996,711.04	Reserves	17		563,819,380.54
-	Capital Grant	18		
-	Net Surpluses/(Deficits)	19		
80,261,254.46	Accumulated Surplus/(Deficits)	20		85,652,087.19
489,257,965.50	Total Net Assets/Equity			649,471,467.73

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	REVENUE		N
1,804,328,493.45	Government Share of FAAC (Statutory Revenue)	21	1,699,134,405.23
3,693,300.00	Tax Revenue	22	3,083,850.00
5,881,530.00	Non-Tax Revenue	23	5,524,350.00
	Aid & Grants	24	
3,612,761.42	Investment Income	25	3,994,770.00
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
1,817,516,084.87	Total Revenue		1,711,737,375.23
	EXPENDITURE		
912,727,781.38	Salaries & Wages	29	733,117,853.51
38,926,802.97	Social Contribution	30	28,263,450.59
	Social Benefit	31	26,181,594.86
102,397,140.00	Overhead Cost	32	67,122,342.15
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
23,823,458.21	Depreciation Charges	37	21,396,122.04
686,036,639.22	Transfer to other Government Entities	38	830,265,179.35
	Public Debt Charges	39	
17,650,348.83	Allowance(Leave Bonus)	40	
1,781,562,170.61	Total Expenditure		1,706,346,542.50
35,953,914.26	Surplus/(Deficit) from Operating Activities for the Period		5,390,832.73
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
35,953,914.26	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
35,953,914.26	Net surplus/(Deficit) for the year		5,390,832.73

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,804,328,493.45	Government Share of FAAC (Statutory Revenue)	21	1,699,134,405.23	
3,693,300.00	Tax Revenue	22	3,083,850.00	
5,881,530.00	Non-Tax Revenue	23	5,524,350.00	
	Aid & Grants	24		
3,612,761.42	Investment Income	25	3,994,770.00	
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
1,817,516,084.87	Total inflow from operating Activities			1,711,737,375.23
	<u>Outflows</u>			
912,727,781.38	Salaries & Wages	29	733,117,852.51	
38,926,802.97	Social Contributions	30	28,263,450.59	
	Social Benefit	31	26,181,594.86	
102,397,140.00	Overheads Cost	32	67,122,342.15	
	Gratuity	33		
	Pension Allowance	34		
686,036,639.22	Transfer to other Government Entities	38	830,265,179.35	
17,650,348.83	Allowance	40		
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
1,757,738,712.40	Total Outflow from Operating Activities			1,684,950,419.46
59,777,372.47	Net Cash Inflow/(outflow) from Operating Activities			26,786,955.77
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		

	Proceeds from Sales of Intangible Assets	55		
	Proceeds from Sale of Investment	56		
-	Dividends Received	57		
0.00	Total Inflow			
-	Outflows			
-34,021,858.55	Purchase/ Construction of PPE	58	27,558,417.68	
-	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-34,021,858.55	Total Outflow		-	-27,558,417.68
-34,021,858.55	Net Cash Flow from Investing Activities		-	
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
0.00	Total Inflow			
	Outflows			
	Repayment of Borrowings	66	5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
0.00	Total Outflow			-5,898,091.22
0.00	Net Cash Flow from Financing Activities			
25,755,513.92	Net Cash Flow from all Activities			-6,669,553.13
-12,127,790.57	Cash and Its Equivalent as at 01/01/2020			13,627,723.35
13,627,723.35	Cash and Its Equivalent as at 31/12/2020	1		6,958,170.22

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR

ENDED 31ST DECEMBER, 2020.

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	REVENUE				
1,804,328,493.45	Government Share of FAAC (Statutory Revenue)	21	1,699,134,405.23	1,734,103,000.00	2.02
3,693,300.00	Tax Revenue	22	3,083,850.00	1,150,000.00	168.16
5,881,530.00	Non-Tax Revenue	23	5,524,350.00	12,332,700.00	-55.21
	Aid & Grants	24			
3,612,761.42	Investment Income	25	3,994,770.00	2,078,000.00	92.24
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
1,817,516,084.87	Total Revenue		1,711,737,375.23	1,749,663,700.00	203.18
	EXPENDITURE				
912,727,781.38	Salaries & Wages	29	733,117,852.51	763,000,000.00	3.92
38,926,802.97	Social Contribution	30	28,263,450.59	0.00	-100.00
	Social Benefit	31	26,181,594.86	0.00	-100.00
102,397,140.00	Overhead Cost	32	67,122,342.15	68,000,000.00	1.29
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
686,036,639.22	Transfer to other Government Entities	38	830,265,179.35	852,000,000.00	2.55
	Public Debt Charges	39			
17,650,348.83	Allowance(Leave Bonus)	40			
34,021,858.55	Purchase of Assets	58	27,558,417.86	30,000,000.00	8.14
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
1,791,760,570.95	Total Expenditure		1,718,406,928.54	1,713,000,000.00	-284.10
25,755,513.92	Net Surplus/(Deficit) for the year		6,669,553.31	36,663,700.00	487.28

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR
ENDED 31ST DECEMBER, 2020.

S/ N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2020)	80,261,254.46	408,996,711.04	-	489,257,965.50
2	Surplus/(Deficit) for the year	5,390,832.73	-		5,390,832.73
3	Adjustment for the period	-	154,822,669.50		154,822,669.50
	Closing Balance (31/12/2020)	85,652,087.19	563,819,380.54		649,471,467.73

NOTE 1
CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER, 2020

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	FIRST BANK	SALARY ACCOUNT	2003886588	2,049,522.04
2	WEMA BANK	RUNNING GRANT	0122884481	4,851,762.34
3	AMOYE MICRO FINANCE	REVENUE ACCOUNT	20100051	56,063.22
4	ACCESS BANK	REVENUE ACCOUNT	0053602170	822.62
	TOTAL			6,958,170.22

NOTE 2

INVENTORIES

S/N	DETAILS	VALUE (#)
1	STATIONERY	10,000.00
	TOTAL	10,000.00

NOTE 4

RECEIVABLES

DETAILS	AMOUNT (#)
SALARY ADVANCE 2016 (OLADUNJOYE)	353,785.14
STATE IGR 10% According to pg 12 on Auditor General's Report State IGR 10% per 2020	376,607,546.07
TOTAL	376,961,331.21

NOTE 7

INVESTMENTS

INVESTMENT FIGURE FROM PREVIOUS YEAR **11,381,242.65**

NOTES 8 & 9**ASSETS SCHEDULE****NON-CURRENT ASSET SCHEDULE AS AT 31ST DECEMBER, 2020**

DESCRIPTION	LAND & BUILDING (8A)	PLANT MOTOR VEHICLES (8B)	ROAD INFRASTRUCTURE (8C)	INVESTMENT PROPERTY (9)	
	#	#	#	#	
BALANCE B/F	784,710,356.27	50,981,843.15	-	69,318,065.84	905,010,265.26
ASSET REC.	-	-	-	-	-
SUB TOTAL	784,710,356.27	50,981,843.15	-	69,318,065.84	905,010,265.26
ADDITION FOR THE YEAR	--	-	27,558,417.68	-	27,558,417.68
TOTAL	784,710,356.27	50,981,843.15	27,558,417.68	69,318,065.84	905,010,265.26
DEPREIATION FOR THE YEAR	16,185,063.84	2,493,409.32	1,201,200.00	1,516,448.88	21,396,122.04
NET BOOK VALUE	768,525,292.43	48,488,433.83	26,357,217.68	67,801,616.96	911,172,560.90

NOTE: Investment property (Lock up shops) which amounted to N69,318,065.84 was separated from Land & Building in this year which later amounted to N784,710,356.27 and the total of the two value properties is N854,028,422.11

DETAILS	AMOUNT (#)
LAND & BUILDING	768,525,292.43
PLANT & MOTOR VEHICLES	48,488,433.83
ROAD INFRASTRUCTURE	26,357,217.68
TOTAL	843,370,943.94

NOTE 13**UNREMITTED DEDUCTION****(A) FIRST GROUP ASSOCIATION AND BOARD OF INTERNAL REVENUE**

S/N	DETAILS	AMOUNT (#)
1	OCTOBER 2014	133,151.87
2	NOVEMBER 2014	129,222.80
3	DECEMBER 2012	147,353.58
4	JANUARY 2015	135,702.20
5	PAYEE 2018/2019	6,808,450.00
6	EEF 2018	173,000.00
	TOTAL	7,526,880.45

NOTE 14
PAYABLE ANALYSIS

DETAILS	OPENING BAL 1/1/2020	ADDITION 2020	TOTAL	PAYMENT FOR THE YEAR	OUTSTANDING PAYABLE
SALARY	427,069,876.92	734,087,882.80	1,161,157,759.72	679,595,444.74	481,562,314.98
LEAVE BOUNS	73,636,878.66	38,426,596.92	112,063,475.36	-	112,063,475.58
FURNITURE ALLWANCE	35,868,861.80	3,912,584.88	39,781,446.68	3,912,584.88	35,868,861.80
CONTRACTUAL	18,469,053.00	6,547,315.62	25,016,368.62	6,553,853.00	18,462,516
					647,957,168.98

NOTE 15
PUBLIC FUN

S/N	#	AMOUNT (#)
PETROL FILLING STATION (PREPAYMENT)		4,000,000.00
LESS FOR THE YEAR 2020	(4,000,000.00)/4	(1,000,000.00)
BALANCE FOR THE REMAINING YEARS		3,000,000.00

NOTE 16
BORROWING

DETAILS	AMOUNT (#)
TOTAL LIABILITIES	1,887,389,188.80
REPAYMENT UP TO DATE	503,303,783.68
TOTAL BALANCE	1,384,085,405.12

LIABILITY PER LOCAL GOVT

1,384,085,405.12 / 16

=

86,505,337.82

NOTE 21**STATUTORY ALLOCATION FOR THE YEAR 2020**

S/N	MONTH	AMOUNT RECEIVED (#)
1	JANUARY	146,580,999.24
2	FEBRUARY	154,656,465.37
3	MARCH	133,079,853.21
4	APRIL	142,704,332.32
5	MAY	141,506,409.03
6	JUNE	119,426,575.75
7	JULY	162,902,891.94
8	AUGUST	174,103,260.01
9	SEPTEMBER	134,342,279.32
10	OCTOBER	159,996,845.41
11	NOVEMBER	117,641,517.06
12	DECEMBER	112,192,976.57
	TOTAL	1,699,134,405.23

NOTES 22, 23 AND 25**DETAILS OF INTERNALLY GENERATED REVENUE**

MONTH	A22 TAX REVENUE	B 23 NON-TAX	C 25 INCOME	TOTAL (#)
JANUARY	43,500.00	776,000.00	809,500.00	1,629,000.00
FEBRUARY	1,550,500.00	670,550.00	410,470.00	2,631,520.00
MARCH	601,000.00	-	-	601,000.00
APRIL	68,700.00	-	400,000.00	468,700.00
MAY	7,500.00	94,000.00	-	101,500.00
JUNE	6,007,700.00	261,400.00	505,900.00	1,368,000.00
JULY	27,850.00	520,000.00	594,300.00	1,142,150.00

AUGUST	88,600.00	675,400.00	250,100.00	1,014,100.00
SEPTEMBER	32,100.00	720,000.00	481,000.00	1,233,200.00
OCTOBER	38,600.00	644,600.00	267,500.00	950,700.00
NOVEMBER	15,500.00	804,000.00	187,200.00	1,004,700.00
DECEMBER	9,300.00	358,400.00	90,800.00	458,500.00
TOTAL	3,083,850.00	5,524,350.00	3,994,770.00	12,602,970.00

NOTE 29
SALARY AND WAGES

MONTH	SALARIES TRADITIONAL RULERS	SALARIES CHEIFTANCY	STAFF SALARY	POLITICAL SALARY	PALACE	TOTAL (#)
JANUARY	5,734,163.99	117,023.75	50,022,528.26	2,390,911.54	216,538.36	58,481,165.90
FEBRUARY	5,142,411.37	104,947.17	50,629,195.11	4,064,527.99	216,538.36	60,157,620.00
MARCH	4,541,385.35	92,681.33	51,261,350.19	4,064,527.99	216,538.36	60,176,483.22
APRIL	4,501,768.09	93,913.63	51,261,350.19	4,064,527.99	216,538.36	60,138,098.26
MAY	3,588,713.76	117,023.75	50,822,827.67	4,064,527.99	216,538.36	58,809,631.53
JUNE	4,048,302.90	82,618.74	52,176,876.78	3,600,615.84	216,538.36	60,124,952.62
JULY	4,252,521.35	86,785.65	49,743,015.61	3,626,943.10	216,538.36	57,925,804.07
AUGUST	5,381,857.14	109,833.82	54,812,446.76	5,567,360.19	216,538.36	66,088,036.27
SEPTEMBER	5,009,676.14	102,238.29	54,238,403.77	5,637,147.26	216,538.36	65,204,003.82
OCTOBER	3,081,451.37	62,886.76	54,430,297.12	5,567,360.19	216,538.36	63,358,533.80
NOVEMBER	3,188,476.81	65,070.96	55,406,124.93	5,562,360.19	216,538.36	64,438,571.25
DECEMBER	3,660,531.13	74,704.72	48,690,818.37	5,572,360.19	216,538.36	58,214,952.77
TOTAL	52,131,259.40	1,109,728.57	623,495,234.76	53,783,170.46	2,598,460.32	733,117,853.51

NOTE 30
SOCIAL CONTRIBUTION

MONTH	NIBBS CHARGES (SUBEB)	NIBBS CHARGES (LG)	COVID -19 CONTRIBUTION	FURNITURE ALLOWANCE	SUBVENTION TO PARASTATAL (LGSC & OTHERS)	TOTAL (#)
JANUARY				652,097.45	2,106,427.59	2,758,525.04
FEBRUARY					1,889,049.17	1,889,049.17
MARCH					1,668,264.00	1,668,264.00
APRIL			100,000.00	625,097.45	1,699,445.42	2,451,542.87
MAY				625,097.45	2,106,427.59	2,758,525.04

JUNE	197,350.00	127,500.00		625,097.45	1,487,131.68	2,464,079.13
JULY	97,200.00	127,500.00	2,308,696.61	625,097.45	1,788,953.01	4,974,447.07
AUGUST	96,900.00	129,900.00		625,097.45	2,064,825.98	2,943,773.25
SEPTEMBER	96,300.00	130,200.00			1,840,289.19	2,066,789.19
OCTOBER	95,850.00	130,650.00			1,132,297.86	1,358,797.86
NOVEMBER	95,700.00	129,300.00			1,132,297.86	1,357,297.86
DECEMBER	95,400.00	120,000.00			1,357,009.93	1,572,409.93
TOTAL	774,700.00	895,050.00	2,408,691.61	3,912,584.70	20,272,419.28	28,263,450.59

NOTE 31
SOCIAL BENEFIT

MONTH	SECURITY FUND	PEACE CORP	BURSARY INTERVENTION	CAPITAL INTERVENTION	SALAH GIFT	TOTAL (#)
JANUARY	697,173.86	1,200,000.00				697,173.86
FEBRUARY	697,173.86	1,200,000.00		3,125,000.00		5,022,173.86
MARCH	697,173.86	1,200,000.00	1,191,720.00			3,088,893.86
APRIL	697,173.86	1,200,000.00				1,897,173.86
MAY	697,173.86	1,200,000.00				1,897,173.86
JUNE	697,173.86	1,200,000.00				1,897,173.86
JULY	697,173.86	1,200,000.00			298,788.54	1,897,173.86
AUGUST	697,173.86	1,200,000.00				1,897,173.86
SEPTEMBER	697,173.86	1,200,000.00				1,897,173.86
OCTOBER	697,173.86	1,200,000.00				1,897,173.86
NOVEMBER	697,173.86	1,200,000.00				1,897,173.86
DECEMBER	697,173.86	1,200,000.00				1,897,173.86
TOTAL	8,366,086.32	13,200,000.00	1,191,720.00	3,125,000.00	298,788.54	26,181,594.86

NOTE 32
OVERHEADS CAREER OFFICERS
OVERHEAD COST

HEAD	EXPENDITURE CENTRE	ACTUAL 2020	FIRST DEBT	TOTAL (#)
12500100100	ADMIN	40,232,928.59	622,476.13	40,855,404.72
22000100100	FINANCE & SUPPLY	3,230,700.00	622,476.13	3,853,176.13
22000300100	PLANNING AND BUDGET	375,000.00	622,476.13	997,476.13
	-	-	622,476.13	622,476.13
52100100100	MEDICAL & HEALTH	260,000.00	622,476.13	882,476.13
53500100100	ENVIRONMENTAL	850,000.00	622,476.13	1,472,476.13
050510030010	COMMUNITY DEVELOPMENT	1,947,950.00	622,476.13	2,570,426.13
23400100100	WORKS & HOUSING	2,463,700.00	622,476.13	3,086,176.13
21500100100		20,000.00	622,476.13	642,476.13

	AGRICULTURE & NATURAL RESOURCE POLITICAL	10,272,350.00	622,476.13 622,476.13 622,476.13	10,894,826.13 622,476.13 622,476.13
	TOTAL	59,652,628.59	7,469,713.56	67,122,342.15

NOTE 37

DEPRECIATION CHARGE

INVESTMENT PROPERTIES	1,516,488.88
BUILDING	16,185,023.84
PLANT MOTOR	2,493,409.32
ROAD INFRASTRUCTURE	1,201,200.00
TOTAL	21,396,122.04

NOTE 38

TRANSFER TO OTHER GOVT. AGENCY

MONTH	PRIMARY SCHL TEACHERS	SUBEB OVERHEAD	GRATUTITY	SUBENTION TO PENSION	TOTAL
JANUARY	42,618,567.66	435,000.00	1,369,447.49	23,028,798.26	6,451,813.41
FEBRUARY	43,215,910.52	435,000.00	1,369,447.49	23,234,614.23	68,254,972.24
MARCH	26,949,796.81	435,000.00	-	21,461,708.95	48,846,505.76
APRIL	43,087,901.36	435,000.00	622,471.12	22,457,923.34	66,603,295.82
MAY	42,829,161.48	435,000.00	622,471.12	20,427,798.34	64,314,430.94
JUNE	42,518,236.69	435,000.00	15,561,190.33	1,487,131.68	60,001,558.70
JULY	42,467,687.21	435,000.00	15,561,190.33	23,343,077.93	81,806,955.47
AUGUST	41,726,177.84	435,000.00	15,561,190.33	22,529,154.11	80,251,522.28
SEPTEMBE R	43,240,157.75 42,891,562.30	435,000.00 435,000.00	15,561,190.33 15,561,190.33	22,776,015.09 23,161,939.58	82,012,363.17 82,049,692.21
OCTOBER	24,862,837.75	435,000.00	15,561,190.33	23,619,758.80	64,478,786.88
NOVEMBER	24,577,333.34	435,000.00	15,561,190.33	23,619,758.80	64,193,282.47
DECEMBER					
TOTAL	460,985,330.7 1	5,220,000.0 0	112,912,169.5 3	251,748,679.1 1	830,265,179.3 5

NOTE 58**PURCHASE/CONSTRUCTION OF ASSETS**

S/N	DETAILS	ACTUAL 2020
1	ADMINISTRATIVE SECTOR	9,850,119.60
2	ECONOMIC	15,200,417.68
3	SOCIAL SERVICE	2,506,880.40
	TOTAL	27,558,417.68

NOTE 66**BAILOUT REPAYMENT**

MONTHS	AMOUNT (#)
JANUARY	491,507.60
FEBRUARY	491,507.60
MARCH	491,507.60
APRIL	491,507.60
MAY	491,507.60
JUNE	491,507.60
JULY	491,507.60
AUGUST	491,507.60
SEPTEMBER	491,507.60
OCTOBER	491,507.60
NOVEMBER	491,507.60
DECEMBER	491,507.62
TOTAL	5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF IKOLE LOCAL GOVERNMENT,

IKOLE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ikole Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IKOLE LOCAL GOVERNMENT, IKOLE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ikole Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively, section 26(2) of Ekiti State Audit Law, 2014 and section 32(2) of the Local Government Administration Law No 2 of 1999,. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ikole Local Government to prepare and present the General Purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N2,265,500,000.00, while actual Revenue recorded stood at N1,494,113,683.10. This is about 65.95% performance. Equally, the IGR of N11,917,141.84 represents only 0.80% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N2,089,666,700.00 only was budgeted for expenditure but only N1,483,761,412.25 was actually incurred, resulting to a saving of N605,905,287.75 for the period.

8. **REVENUE ACCOUNT**

A total sum of N1,494,113,683.10 was earned as total Revenue as at 31st December, 2020 out of which only 0.80% (N11,917,141.84) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a surplus of 3.60% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10, of this report.

10. **EXPENDITURE CONTRARY TO LAW:**

The following expenditure appears to be contrary to Law.

S/N	QUERY NUMBER	QUERY TITLE	AMOUNT (N)
1.	AUD/IKLG/AQ/01/20	Unproduced Revenue Earning Receipt	Assorted
2.	AUD/IKLG/AQ/02/20	Double/Irregular Payments	930,000.00
3.	AUD/IKLG/AQ/03/20	Expenditure Contrary to Regulation	1,050,000.00
4.	AUD/IKLG/AQ/04/20	Items not taken on Ledger Charge	326,000.00
5.	AUD/IKLG/AQ/05/20	Doubtful Payment	4,841,000.00
6.	AUD/IKLG/AQ/06/20	Unaudited/Unauthorised Expenditures	2,107,000.00
7.	AUD/IKLG/AQ/06/20	Expenditure not Supported with proper records	1,985,000.00
	TOTAL		11,239,000.00

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. STATEMENTS OF ASSETS AND LIABILITIES

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. DISALLOWANCE

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. STATE OF ACCOUNT

The Accounts of Ikole Local Government have been examined up to 31st December, 2018 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Ikole Local Government, Ikole-Ekiti. Particular attention is required to the followings:

- (i) Cash books and subsidiary ledgers
- (ii) Attendance to Audit Query
- (iii) Loan Register
- (iv) Internal Generated Revenue
- (v) Capital Accounts

14. RECEIPTS FROM JAAC: It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. OUTSTANDING MATTERS FROM PREVIOUS REPORTS

The following matters remained outstanding from my previous report

N

- a) Loss of Fund (IGR) Involving Mr. Omole M.A. &
Mrs Rufai M.A (2015) 1,111,000.00
- b) Loss of revenue earning receipts/unremitted (2015) 458,950.00
- c) 86 Booklets involving Mrs. Ipinlaye L.A (2015)
Outstanding from telecommunication companies (2015) 270,000.00

d) **2019 AUDIT QUERIES**

S/N	QUERY NUMBER	SUBJECT	AMOUNT	REMARKS
1.	AQ/IKLG/06/2019	Unretired Security Vote	18,300,000.00	Outstanding
	TOTAL		18,300,000.00	

18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ikole Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ikole Local Government as at the year ended 31st December, 2020.



26/2/2021

Hon. Sola Olominu,
Executive Chairman.



26/2/2021

Mr. Olawumi Jacob
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

1) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and as events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council.

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

This presented both the exchange and non-exchange revenue from Internally Generated revenue and Statutory Allocation from the Federation Account during the year.

- (i). Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.
- (ii). Revenue from exchange transactions are recognised when the significant risks and rewards of ownership have been transferred to the buyer(s) usually when goods were delivered or services were rendered.

(8) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

All PPE are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and Investment property were charged on a straight line basis over their Expected useful lives less estimated residual value using the appropriate rates.

(16) **PAYABLES.**

Payables are recognized at fair value.

(17) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(18) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
2,604,603.08	Cash and cash Equivalents	1	7,747,667.77	
200,000.00	Inventories	2	254,203.00	
-	WIP	3	38,107,950.88	
204,060,497.22	Receivables	4	376,125,466.07	
	Prepayments	5		
206,865,100.30	Total Current Assets			422,235,287.72
	Non-Current Assets			
	Loans Granted	6		
15,926,327.00	Investments	7		
442,369,312.00	Fixed Assets-Property, Plant & Equipment	8	436,392,760.00	
	Investment Property	9	6,790,000.00	
	Biological Assets	10	5,000,000.00	
458,295,639.00	Total Non-Current Assets			448,182,760.00
665,160,739.30	Total Assets			870,418,047.72
	LIABILITIES			
	Current Liabilities			
	Accumulated Depreciation	11	18,484,138.00	
	Loans & Debts(Short-Term)	12		
	Unremitted Deductions	13		
204,060,497.22	Payables	14	531,885,172.63	
204,060,497.22	Total Current Liabilities		550,369,310.63	
	Non-Current Liabilities			
	Public Funds	15		
	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,337.82	
204,060,497.22	Total Liabilities			636,874,648.45
461,100,242.08	Net Asset/Equity			233,543,399.27
	Financed By:			
240,792,720.61	Reserves	17		21,656,205.73
	Capital Grant	18		
	Net Surpluses/(Deficits)	19		
220,307,521.47	Accumulated Surplus/(Deficits)	20		211,887,193.54
461,100,242.08	Total Net Assets/Equity			233,543,399.27

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
841,060,547.95	Government Share of FAAC (Statutory Revenue)	21	1,482,196,541.26
1,820,160.00	Tax Revenue	22	3,053,041.84
9,682,560.00	Non-Tax Revenue	23	8,864,100.00
31,492,437.80	Aid & Grants	24	
	Investment Income	25	
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
884,055,705.75	Total Revenue		1,494,113,683.10
	<u>EXPENDITURE</u>		
721,739,374.13	Salaries & Wages	29	447,045,829.24
	Social Contribution	30	47,785,496.00
14,304,363.20	Social Benefit	31	10,859,121.71
80,942,650.00	Overhead Cost	32	65,448,777.60
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
18,484,138.00	Depreciation Charges	37	24,670,690.00
98,302,301.54	Transfer to other Government Entities	38	893,815,968.86
	Public Debt Charges	39	
5,555,359.15	Allowance(Leave Bonus)	40	12,908,127.62
939,328,186.02	Total Expenditure		1,502,534,011.03
-55,272,480.27	Surplus/(Deficit) from Operating Activities for the Period		-8,420,327.93
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
-55,272,480.27	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchase of PPE	44	
	Minority Interest Share of Surplus/(Deficits)	45	
-55,272,480.27	Surplus/Deficit for the year		-8,420,327.93

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
841,060,547.95	Government Share of FAAC (Statutory Revenue)	21	1,482,196,541.26	
1,820,160.00	Tax Revenue	22	3,053,041.84	
9,682,560.00	Non-Tax Revenue	23	8,864,100.00	
31,492,437.80	Aid & Grants	24		
	Investment Income	25		
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
884,055,705.75	Total inflow from operating Activities			1,494,113,683.10
	<u>Outflows</u>			
721,739,374.13	Salaries & Wages	29	447,045,829.24	
	Social Contributions	30	47,785,496.00	
14,304,363.20	Social Benefit	31	10,859,121.71	
80,942,650.00	Overheads Cost	32	65,448,777.60	
	Gratuity	33		
	Pension Allowance	34		
98,302,301.54	Transfer to other Government Entities	38	893,815,968.86	
5,555,359.15	Allowance (Leave Bonus)	40	12,908,127.62	
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
920,844,048.02	Total Outflow from Operating Activities			1,477,863,321.03
-36,788,342.27	Net Cash Inflow/(outflow) from Operating Activities			16,250,362.07
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		

	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		
	Proceeds from Sale of Investment Dividends Received	56 57		
	Total Inflow			
	Outflows			
-	Purchase/ Construction of PPE	58		
-	Purchase/ Construction OF Investment Property	59		
	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-	Total Outflow			
-	Net Cash Flow from Investing Activities			
0.00	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64		
	Proceeds from Borrowings	65		
	Total Inflow			
	Outflows			
0.00	Repayment of Borrowings	66	5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
	Total Outflow			
-	Net Cash Flow from Financing Activities			-5,898,091.22
-36,788,342.27	Net Cash Flow from all Activities			10,352,270.85
34,183,739.19	Cash and Its Equivalent as at 01/01/2020			-2,604,603.08
2,604,603.08	Cash and Its Equivalent as at 31/12/2020	1		7,747,667.77

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
841,060,547.95	Government Share of FAAC (Statutory Revenue)	21	1,482,196,541.26	2,237,500,000.00	-33.76
1,820,160.00	Tax Revenue	22	3,053,041.84	7,173,600.00	-57.44
9,682,560.00	Non-Tax Revenue	23	8,864,100.00	20,826,400.00	-57.44
31,492,437.80	Aid & Grants	24			
	Investment Income	25			
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
884,055,705.75	Total Revenue		1,494,113,683.10	2,265,500,000.00	-148.64
	<u>EXPENDITURE</u>				
721,739,374.04	Salaries & Wages	29	447,045,829.24	804,666,700.00	44.44
	Social Contribution	30	47,785,496.00	10,000,000.00	-377.85
14,304,363.20	Social Benefit	31	10,859,121.71	210,000,000.00	94.83
80,942,650.00	Overhead Cost	32	65,448,777.60	125,000,000.00	47.64
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
	Depreciation Charges	37			
98,302,301.54	Transfer to other Government Entities	38	893,815,968.86	940,000,000.00	4.91
	Public Debt Charges	39			
5,555,359.15	Allowance(Leave Bonus)	40	12,908,127.62		-100.00
	Purchases of Assets	58	-	-	
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
920,844,048.02	Total Expenditure		1,483,761,412.25	2,089,666,700.00	-368.03
-36,788,342.27	Surplus/(Deficit) from Operating Activities for the Period		10,352,270.85	175,833,300.00	237.39

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE
YEAR ENDED 31ST DECEMBER, 2020

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2020)	220,307,521.47	240,792,720.61	-	461,100,242.08
2	Surplus for the period	-8,420,327.93			-8,420,327.93
3	Grant for the year				
4	Adjustment for the period		-219,136,514.88		-219,136,514.88
	Closing Balance (31/12/2020)	211,887,193.54	21,656,205.73	-	233,543,399.27

NOTE 1
CASH AND CAH EQUIVALENTS

S/N	NAME OF BANK	ACCOUNT NO	PURPOSE	BALANCE (N)
1	EK-RELIABLE MICRO FINANCE BANK	1100085141	IGR	88,823.51
2	FIRST BANK	2008900045	SALARY	3,954,104.56
3	WEMA BANK	0120775989	MAIN/CAPITAL	3,704,739.70
	TOTAL			7,747,667.77

NOTE 2
INVENTORIES

S/N	RECEIPT	NOS OF RECEIPT	UNIT COST (#)	TOTAL (#)
1	Treasury Receipt (TR)	21	800	16,800.00
2	Flat Rate Receipt	12	1000	12,000.00
3	Tenement Rate	23	700	16,100.00
4	Market	249	400	99,600.00
5	GRR	21	800	16,800.00
6	Liquior	29	875.9655	25,403.00
7	Birth Certificate	35	1200	42,000.00
8	Identification	5	3000	15,000.00
9	Sicker	75	140	10,500.00
	TOTAL			254,203.00

NOTE 3
WORK IN PROGRESS

S/N	DETAIL	AMOUNT (#)
	Neighborhood Market	38,107,950.88

NOTE 4**RECEIVABLE**

DETAILS	AMOUNT (3)
10% STATE IGR (6,017,207,457.12÷16)	376,075,466.07
UNPAID RENTS IN LG LOCK – UP SHOPS	50,000.00
TOTAL	376,125,466.07

NOTE 8 & 37**PROPERTY, PLANTS & EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2020**

DETAILS	LAND AND BUILDING	INFRASTRUC- TURE	PLANT & MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE & FITTING
Rate of depreciation	3% #	3%#	10%\$	20%#	20%#	15%#
Balance B/F as at 1/1/2020	303,000,000.00	80,000,000.00	20,000,000.00	30,532,200.00	15,321,250.00	12,000,000.00
Acquisition during the year	0.00	0.00	0.00	0.00	0.00	0.00
Total	303,000,000.00	80,000,000.00	20,000,000.00	30,532,200.00	15,321,250.00	12,000,000.00
Disposal during the year	0.00	0.00	0.00	0.00	0.00	0.00
Balance 31/12/2020	303,000,000.00	80,000,000.00	20,000,000.00	30,532,200.00	15,321,250.00	12,000,000.00
Accumulate depreciation	0.00	0.00	0.00	0.00	0.00	0.00
Current year charges	9,090,000.00	2,400,000.00	2,000,000.00	6,106,440.00	3,064,250.00	1,800,000.00
Depreciation on disposal	0.00	0.00	0.00	0.00	0.00	0.00
Balance c/f 31/12/2020	293,910,000.00	77,600,000.00	18,000,000.00	24,425,760.00	12,257,000.00	10,200,000.00

NARRATION ON NOTE 8 & 37

Total Net Book Value of PP&E Bal. B/F	460,853,450.00
Less current year depreciation	<u>24,460,690.00</u>
Total Net Book value B/D	<u>436,392,760.00</u>

NOTE 9**INVESTMENT PROPERTY**

S/N	DETAILS	AMOUNT (#)
1	Lock-up shop	7,000,000.00
2	Less depreciation (3%)	210,000.00
	Total	6,790,000.00

NOTE 10**BIOLOGICAL ASSETS**

S/N	DETAILS	AMOUNT (#)
1	Tick plantation	5,000,000.00
	Total	5,000,000.00

NOTE 11**ACCUMULATED DEPRECIATION**

S/N	DETAILS	AMOUNT (#)
1	AS AT 31/12/2019	18,484,138.00
	Total	18,484,138.00

NOTE 14**PAYABLES**

S/N	DETAILS	AMOUNT (#)
1	Salary Arrears (April – September, 2018)	204,060,497.22
2	Outstanding Leave Bonus	248,739,968.89
3	Outstanding Political Office Holder Salary	79,084,706.52
	Total	531,885,172.63

NOTE 16**BORROWING (BAIL-OUT)**

Total Liability 1,887,389,188.80

Less payment 503,303,783.63

Balance 1,384,085,405.12

=====

Liability per Local Govt. $1,384,085.12 \div 16 = \text{\#}86,505,337.82$

NOTE 21**STATUTORY ALLOWANCE****SUMMARY OF GOVERNMENT SHARE OF (STATUTORY REVENUE)**

MONTH	NET RECEIPT (#)	ALLOCATION TO OTHER GOVERNMENT ENTITIES
1	48,545,561.90	86,831,139.69
2	73,420,360.71	82,708,434.52
3	50,242,060.46	78,667,434.52
4	45,098,687.77	79,314,874.95
5	45,248,759.94	77,195,386.99
6	34,874,444.68	85,898,686.40
7	34,982,269.65	83,730,641.24
8	80,900,449.20	83,676,322.89
9	38,666,698.20	87,182,350.35
10	46,038,569.58	82,536,788.41

11	33,645,778.54	39,161,870.04
12	41,635,814.52	41,993,489.80
Total	573,299,455.15	908,897,086.11

G.T. 573,299,455.15 + 908,897,086.11 = **#1,482,196,541.26**

Note 22
TAX REVENUE

S/N	CODES	PARTICULARS	AMOUNTS #
1	1220904	TENEMENT RATE	1,376,150.00
2	12010101	FLAT RATE	205,700.00
3	1210201	2.5% LOCAL RATE CONTRACT	1,471,191.84
		TOTAL	3,053,041.84

NOTE 23
NON-TAX REVENUE

MONTH	CODES	PARTICULARS	AMOUNTS (#)
1	12020419	Attestation	1,858,400.00
2	12020443	Birth certificate	319,600.00
3	12020454	Harkney permit	561,500.00
4	12020701	Squarties	1,065,900.00
5	12020803	Rent	868,200.00
6	12020110	Loading/off loading	1,778,900.00
7	12020418	Marriage	1,316,000.00
8	12020704	Cattle market	34,800.00
9	12020137	Trade permit	89,400.00
10	12020501	Fine on Environmental Sanitation Service	12,500.00

11	12020109	Registration of Association	121,000.00
12	12020609	Sales of Agric Produce	381,500.00
13	12020124	Slaughter fees	99,800.00
14	12020453	Naming of street	256,500.00
15	12020131	Liquor license	100,000.00
		Total	8,864,100.00

NOTE 29
EXPENDITURE
SALARIES AND WAGES

S/N	DETAILS	AMOUNT (#)
1	Staff salaries (LG)	343,524,767.22
2	Palace Staff	22,352,775.96
3	Mid-wives	420,000.00
4	Political Office Holders	46,401,081.70
5	Deduction (Salary)	21,129,262.46
6	LG NIBAS charges	795,450.00
7	Arrears of EX-POH 2010 & 2018	11,172,491.90
8	Arrears of LG staff	1,250,000.00
	TOTAL	447,045,829.24

NOTE 30
SOCIAL CONTRIBUTION

S/N	DETAILS	AMOUNT (#)
1	BURSARY	1,260,000.00
2	BOARD OF TECHNICAL VOCATION	120,000.00
3	ROAD VERGE	390,000.00
4	CAPITAL PROJECT	3,335,429.07
5	NIEGBOURHOOD MARKET	18,107,950.88
6	5KM ROAD PROJECT (RETENTION FEES)	15,872,116.05
7	SALAH FUND	300,000.00
8	SECURITY (MONTHLY STIPEND)	8,400,000.00
	TOTAL	47,785,496.00

NOTE 31
SOCIAL BENEFITS

S/N	DETAILS	AMOUNT (#)
1	XMAS FUND	1,000,00.00
2	LOGISTICS DURING COVID – 19	5,246,621.71
3	PRUHCASE OF VEHICLE	4,612,500.00
	TOTAL	10,859,121.71

NOTE 32
OVERHEAD COSTS

S/N	DETAILS	AMOUNT (#)
1	LG OVERHEAD	54,971,321.73
2	NEFF CHARGES	75,000.00
3	BIOMETRIC	1,945,741.68
4	FIRS	8,456,714.19
	TOTAL	65,448,777.60

NOTE 37
DEPRECIATION FOR THE YEAR

S/N	DETAILS	AMOUNT (#)
1	PP&E	24,460,690.00
2	INVESTMENT PROPERTY	210,000.00
	TOTAL	24,670,690.00

NOTE 38
TRANSFER TO OTHER GOVERNMENT ENTITIES

S/N	DETAILS	AMOUNT (#)
1	TRADITIONAL COUNCIL	55,920,420.66
2	CHEIFTANCY DEPARTMENT	1,118,914.15
3	PARASTATAL (LG)	20,627,184.66
4	PEACE CORPS	14,440,000.00
5	GRATUIT	12,505,105.44
6	CONTRIBUTORY PENSION	1,986,997.72
7	JAAC PUBLICATION	327,405.87

8	SUBEB OVERHEAD	7,200,000.00
9	SUBEB CHARGES	66,450.00
10	SUBEB ARREARS	1,250,000.00
11	PENSION FUND	352,288,145.93
	TOTAL	893,815,968.86

NOTE 40
ALLOWANCE

MONTH	EX-POLITICAL OFFICE HOLDER FURNITURE ALLOWANCE (A)`	IYALOJA ALLOWANCE (B)	LEAVE BONUS (C)	
JAN.	995,675.30	-	4,375,000.00	
FEB.	995,675.30	-		
MARCH	995,675.30	50,000.00		
APRL	995,675.30	25,000.00		
MAY	995,675.30	-		
JUNE	995,675.30	25,000.00		
JULY	995,675.30	25,000.00		
AUGUST	995,675.30	25,000.00		
SEPT.	--	25,000.00		
OCT.	-	25,000.00		
NOV.	158,862.61	25,000.00		
DEC.	158,862.61	25,000.00		
TOTAL =	8,283,127.62	250,000.00	4,375,000.00	
	GRAND TOTAL=		A+B+C=	12,908,127.62

NOTE 66
REPAYEMNT OF BORROWING (BAIL OUT FUND)

TOTAL REPAYMENT	12 X 7,864,121.62
REPAYMENT PER LG	#94,369,459.44
	#5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF ILEJEMEJE LOCAL GOVERNMENT,

EDA-ONIYO EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ilejemeje Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF ILEJEMEJE LOCAL GOVERNMENT, IYE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ilejemeje Local Government have been examined in accordance with, sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively, section 26(2) of Ekiti State Audit Law, 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ijero Local Government to prepare and present the General Purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N1,298,414,920.00, while actual Revenue recorded stood at N753,219,171.80. This is about 58.01% performance. Equally, the IGR of N2,215,029.69 represents only 0.29% of the

total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N1,247,436,920.80 only was budgeted for expenditure but only N763,108,440.71 was actually incurred, resulting to a saving of N484,328,480.09 for the period.

8. **REVENUE ACCOUNT**

A total sum of N753,219,171.80 was earned as total Revenue as at 31st December, 2020 out of which only 0.29% (N2,215,029.69) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a savings of 14.20% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10, of this report.

10. **EXPENDITURE CONTRARY TO LAW:**

The following expenditure appears to be contrary to Law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1	AUD/ILLG/AQ/01/2020	Unproduced Revenue Earning Receipt	Assorted
2	AUD/ILLG/AQ/02/2020	Expenditure Contrary to Regulations	1,052,000.00

3	AUD/ILLG/AQ/03/2020	Unaudited/Expenditure not Supported with Proper Records of Accounts	3,409,500.00
4	AUD/ILLG/AQ/04/2020	Unaudited/Items not taken on Store Ledger Charge	304,000.00
5	AUD/ILLG/AQ/05/2020	Unretired Security Vote	8,500.000.00
6.	AUD/ILLG/AQ/06/2020	Expenditure not Accounted for	340,331.98
		TOTAL	13,605,831.98

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Ilejemeje Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government

Chairman and the Director of Administration, Ilejemeje Local Government, Iye-Ekiti.

Particular attention is required to the followings:

- (i) Response to Audit Queries
- (ii) Expenditure Contrary to Regulations
- (iii) Internally Generated Revenue
- (iv) Unproduced Revenue Receipts
- (v) Outstanding matters from the previous reports
- (vi) Fixed Asset Register
- (vii) Loss of fund involving the Council Management

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

The following matters remained outstanding in my previous reports.

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1.	AUD/ILLG/AQ/05/2019	Unproduced Payment Vouchers	18,000,000.00
2.	AUD/ILLG/AQ/12/2019	Unretired Security Vote/ Responsibility Allowance	2,100,000.00
		TOTAL	20,100,000.00



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ilejemeje Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

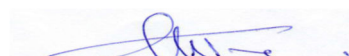
To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ilejemeje Local Government as at the year ended 31st December, 2019.


9/4/2021

Hon. Akinola Oladunjoye,
Executive Chairman.


9/4/2021

Mrs. Ogundele Christianah O.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and as events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council.

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

This presented both the exchange and non-exchange revenue from Internally Generated revenue and Statutory Allocation from the Federation Account during the year.

- (i). Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

(ii). Revenue from exchange transactions are recognised when the significant risks and rewards of ownership have been transferred to the buyer(s) usually when goods were delivered or services were rendered.

(8) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

All PPE are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and investment property were charged on a straight line basis over their Expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	<u>ASSETS</u>			
	Current Assets			
10,250,152.04	Cash and Cash Equivalents	1	360,883.13	
	Inventories	2	50,000.00	
	WIP	3	62,744,308.64	
257,992,161.88	Receivables	4	437,767,339.59	
	Prepayments	5		
268,242,313.92	Total Current Assets			500,922,531.36
	Non-Current Assets			
	Loans Granted	6		
2,200,400.00	Investments	7	2,200,400.00	
5,776,960.88	Fixed Assets-Property, Plant & Equipment	8	321,655,091.34	
	Investment Property	9		
	Biological Assets	10	10,000,000.00	
7,977,360.88	Total Non-Current Assets			333,855,491.34
276,219,674.80	Total Assets			834,778,022.70
	<u>LIABILITIES</u>			
	Current Liabilities			
	Accumulated Depreciation	11		
	Loans & Debts(Short-Term)	12		
	Unremitted Deductions	13	1,106,000.00	
229,900,634.02	Payables	14	655,986,115.84	
229,900,634.02	Total Current Liabilities		657,092,115.84	
	Non-Current Liabilities			
	Public Funds	15		
	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,337.82	
229,900,634.02	Total Liabilities			743,597,453.66
46,319,040.78	Net Asset/Equity			91,180,569.04
	Financed By:			
2,550,680.44	Reserves	17		71,707,083.50
-	Capital Grant	18		
-	Net Surpluses/(Deficits)	19		
43,768,360.34	Accumulated Surplus/(Deficits)	20		19,473,485.54
46,319,040.78	Total Net Assets/Equity			91,180,569.04

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
576,005,032.48	Government Share of FAAC (Statutory Revenue)	21	751,004,142.11
270,600.00	Tax Revenue	22	401,229.69
1,669,000.00	Non-Tax Revenue	23	1,813,800.00
	Aid & Grants	24	
	Investment Income	25	
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
577,944,632.48	Total Revenue		753,219,171.80
	<u>EXPENDITURE</u>		
500,488,456.25	Salaries & Wages	29	221,152,641.56
	Social Contribution	30	17,731,200.00
	Social Benefit	31	
72,862,047.86	Overhead Cost	32	39,451,268.77
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
291,400.56	Depreciation Charges	37	20,613,697.11
30,142,202.10	Transfer to other Government Entities	38	478,565,239.16
	Public Debt Charges	39	
	Allowance(Leave Bonus)	40	
603,784,106.77	Total Expenditure		777,514,046.60
-25,839,474.29	Surplus/(Deficit) from Operating Activities for the Period		-24,294,874.80
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
-25,839,474.29	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
-25,839,474.29	Net surplus/(Deficit) for the year		-24,294,874.80

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
576,005,032.48	Government Share of FAAC (Statutory Revenue)	21	751,004,142.11	
270,600.00	Tax Revenue	22	401,229.69	
1,669,000.00	Non-Tax Revenue	23	1,813,800.00	
	Aid & Grants	24		
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
577,944,632.48	Total inflow from operating Activities			753,219,171.80
	<u>Outflows</u>			
500,488,456.25	Salaries & Wages	29	221,152,641.56	
	Social Contributions	30	17,731,200.00	
	Social Benefit	31		
72,862,047.86	Overheads Cost	32	39,451,268.77	
	Gratuity	33		
	Pension Allowance	34		
30,142,202.10	Transfer to other Government Entities	38	478,565,239.16	
	Allowance	40		
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
603,492,706.21	Total Outflow from Operating Activities			756,900,349.49
-25,548,073.73	Net Cash Inflow/(outflow) from Operating Activities			-3,681,177.69
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		
	Proceeds from Sale of Investment	56		
-	Dividends Received	57		
0.00	Total Inflow			
-	<u>Outflows</u>			
-	Purchase/ Construction of PPE	58	310,000.00	

-	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
0.00	Acquisition of Investment	63		
-	Total Outflow		310,000.00	
	Net Cash Flow from Investing Activities			-310,000.00
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
0.00	Proceeds from Borrowings	65		
	Total Inflow			
	Outflows			
	Repayment of Borrowings	66	5,898,091.22	
0.00	Distribution of Surplus/Dividends Paid	67		
-	Total Outflow		5,898,091.22	
	Net Cash Flow from Financing Activities			-5,898,091.22
-25,548,073.73	Net Cash Flow from all Activities			-9,889,268.91
35,798,225.77	Cash and Its Equivalent as at 01/01/2020			10,250,152.04
10,250,152.04	Cash and Its Equivalent as at 31/12/2020	1		360,883.13

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
576,005,032.48	Government Share of FAAC (Statutory Revenue)	21	751,004,142.11	1,248,369,920.00	-39.84
270,600.00	Tax Revenue	22	401,229.69	6,035,000.00	-93.35
1,669,000.00	Non-Tax Revenue	23	1,813,800.00	6,010,000.00	-69.82
	Aid & Grants	24		38,000,000.00	-100.00
	Investment Income	25			
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
577,944,632.48	Total Revenue		753,219,171.80	1,298,414,920.00	-303.01
	<u>EXPENDITURE</u>				
500,488,456.25	Salaries & Wages	29	221,152,641.56	522,194,877.00	57.65
	Social Contribution	30	17,731,200.00	154,600,000.00	88.53
	Social Benefit	31			
72,862,047.86	Overhead Cost	32	39,451,268.77	75,642,043.80	47.84
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
	Depreciation Charges	37			
30,142,202.10	Transfer to other Government Entities	38	478,565,239.16	495,000,000.00	3.32
	Public Debt Charges	39			
	Allowance(Leave Bonus)	40			
	Purchase of Assets	58	310,000.00		-100.00
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
603,492,706.21	Total Expenditure		763,108,440.71	1,247,436,920.80	-2.65
-25,548,073.73	Net surplus/(deficit) for the year		-9,889,268.91	50,977,999.20	-300.36

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE
YEAR ENDED 31ST DECEMBER, 2020

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2020)	43,768,360.34	2,550,680.44	-	46,319,040.78
2	Surplus/(Deficit) for the year	-24,294,874.80			-24,294,874.80
3	Adjustment for the period		69,156,403.06		69,156,403.06
	Closing Balance (31/12/2020)	19,473,485.54	71,707,083.50		91,180,569.04

NOTE 1**CASH AND CASH EQUIVALENT FOR THE YEAR 2020**

S/N	BANK	ACCOUNT NAME	ACCOUNT NO	AMOUNT (#)
1	UBA	RUNNING ACCOUNT	1013115835	249,551.85
2	FIRST BANK	SALARY ACCOUNT	2015399465	105,825.84
3	WEMA BANK	IGR	0122500488	5,505.44
	TOTAL			360,883.13

NOTE 2

INVENTORIES **#50,000.00**

NOTE 3**WORK IN PROGRESS**

RURAL MARKET #62,744,308.64

NOTE 4**RECEIVABLES****DETAILS**

10% STATE IGR DUE TO LOCAL GOVT.

LEAVE BONUS

TOTAL

#

376,075,466.07

61,691,873.52

437,767,339.59

NOTE 7

INVESTMENT **#2,200,400.00**

NOTE 8, 37 & 58 LIST OF GOVERNMENT PROPERTIES/ASSETS AND EQUIPMENT FOR THE YEAR ENDED 31ST DEC. 2020

DETAILS	LAND & BUILDING	MOTOR VEHICLE	PALANT & EQUIP.	TRANSP. EQUIP.	FURNITURE & FITTINGS	OFFICE EQUIP.	TOTAL
RATE OF DEPR.	3%	25%	10%	20%	40%	20%	
BAL. B/F AS AT 1/1/20		5776760.88					
BROUGHT IN FOR THE YEAR	300,000,000.00	6,182,027.57	5,000,000.00	-	15,000,000.00	10,000,000.00	336,182,027.57
ACQUISITION FOR THE YEAR (NOTE 58)	-	-	-	-	310,000.00	-	310,000.00
TOTAL	300,000,000.00	11,958,788.45	5,000,000.00	-	15,310,000.00	10,000,000.00	342,268,788.45
DISPOSAL DURING THE YEAR	-	-	-	-	-	-	-
BAL. AS AT 31/12/20	300,000,000.00	11,958,788.45	5,000,000.00		15,310,000.00	10,000,000.00	342,268,788.45
ACCUM. DEPRE.	-	-	-	-	-	-	-
CURRENT YEAR CHARGE NOTE 37	9,000,000.00	2,989,697.11	500,000.00	-	6,124,000.00	2,000,000.00	20,613,697.11
DEPRE. ON DISPOSAL	-	-	-	-	-	-	-
BAL. C/F 31/12/20	291,000,000.00	8,969,091.34	4,500,000.00	-	9,186,000.00	8,000,000.00	321,655,091.34

NOTE 10

BIOLOGICAL ASSET

	#
TEAK PLANTATIN	6,000,000.00
OIL PALM PLANTATION	<u>4,000,000.00</u>
	<u>10,000,000.00</u>

NOTE 13

UNREMITTED DEDUCTIONS

APRIL 2017	COOP DEDUCTIONS	47,400.00
MAY 2017	COOP DEDUCTIONS	47,400.00
DEC 2017	COOP DEDUCTIONS	80,900.00
FEB 2018	COOP DEDUCTIONS	70,900.00
MARCH 2018	COOP DEDUCTIONS	70,900.00
JUN 2018	COOP DEDUCTIONS	85,300.00
APRIL 2020	COOP DEDUCTIONS	234,400.00
MAY 2020	COOP DEDUCTIONS	234,400.00
JUNE 2020	COOP DEDUCTIONS	234,400.00
TOTAL		1,106,000.00

NOTE 14**PAYABLES**

S/N	MONTH	STAFF SALARY	PALANCE STAFF	MIDWIVES	POLITICAL OFFICE HOLDER SAL.	TOTAL
1	APRIL	27,862,733.99	689,974.59	150,000.00	0.00	28,702,708.58
2	MAY	27,795,073.88	689,974.59	150,000.00	0.00	28,635,048.47
3	JUNE	27,531,923.43	689,974.59	150,000.00	0.00	28,371,898.02
4	JULY	27,805,024.80	689,974.59	150,000.00	0.00	28,644,999.39
5	AUGUST	27,805,024.80	689,974.59	150,000.00	4,927,989.63	33,572,989.02
6	SEPT.	27,805,024.80	689,974.59	150,000.00	4,927,989.63	33,572,989.02
7	JAN-SEPT '19	0.00	0.00	0.00	49,279,896.30	49,279,896.30
8	LEAVE BONUS					61,691,873.52
9	Apr. – Sept transfer to other Entities				425,205,587.04	363,513,713.52
	Total	166,604,805.70	4,139,847.54	900,000.00	484,341,462.60	655,986,115.84

NOTE 16**BORROWINGS**

S/N	DETAILS	AMOUNT (#)
1	TOTAL LIABILITY	1,887,389,188.80
2	LESS PAYMENT	503,303,783.68
3	BALANCE	1,384,085,405.12
	LIABILITY PER LOCAL GOVERNMENT 1,384,085,405.12/16	86,505,337.82

NOTE 21**LOCAL GOVERNMENT SHARE OF STATUTORY ALLOCATION**

S/N	DETAILS	AMOUNT (#)
	STAFF SALARY	162,874,919.91
	PALACE STAFF SALARY	8,329,469.52
	POLITICAL SALARY	48,808,252.13
	MID WIVES ALLOWANCE	1,140,000.00
		221,152,641.56

	NET DISTRIBUTABLE FUND	51,286,261.39
	TRANSFER TO OTHER GOVT. ENTITIES	478,565,239.16
	TOTAL	751,004,142.11

NOTE 22

TAX REVENUE (2020)

	AMOUNT (#)
1. COMMNUITY TAX	86,000.00
2. CORPORATE TAX (2.5% LG TAX	<u>315,229.69</u>
TOTAL	<u>401,229.69</u>

NOTE 23

NON TAX REVENUE 2020

S/N	DETAILS	AMOUNT (#)
3	TENEMENT RATE	35,000.00
4	RENTS ON GOVT. PROPERTIES	75,000.00
5	MARKET TOLLS	66,300.00
6	SAWMILL/LOANDING AND OFFLOADING	120,000.00
7	COMMERICAL PERMIT	398,000.00
8	EARNINGS FROM COMM. UNDERTAKINGS	100,000.00
9	BIRTH CERTIFICATE	60,500.00
10	ATTESTATION	831,000.00
11	MARRIAGE	110,000.00
12	SHOP PERMIT FEES	18,000.00
	TOTAL	1,813,800.00

NOTE 29**SALARIES AND WAGES**

S/N	DETAILS	AMOUNT (#)
1	STAFF SALARY	162,874,919.91
2	PALACE STAFF SALARY	8,329,469.52
3	POLITICAL SALARY	48,808,252.13
4	MID WIVES ALLOWANCE	1,140,000.00
	TOTAL	221,152,641.56

NOTE 30**SOCIAL CONTRIBUTIONS**

S/N	DETAILS	AMOUNT (#)
1	WORKS AND HOUSING	13,328,900.00
2	GENERAL ADMINISTRATION	1,001,000.00
3	AGRIC & NATURAL RESOURCES	606,800.00
4	COMMUNITY & SOCIAL SERVICES	1,483,500.00
5	FINANCE & SUPPLIES	0.00
6	HEALTH AND SOCIAL SERVICES	350,000.00
7	ENVIRONMENTAL WATER & SANITATION	726,000.00
8	BUDGET AND PLANNING	235,000.00
	TOTAL	17,731,200.00

NOTE 32**OVERHEADS**

CODE	DETAILS	AMOUNT (#)
220201	TRANSPORT AND TRAVELLING	18,768,500.00
22002	UTILITY SERVICES GENERAL	0.00
220203	MATERIALS AND SUPPLIES GENERAL	890,500.00
220204	MAINTENANCE SERVICES GENERAL	1,890,000.00
220205	TRAINING STAFF DEVEP. 7 WELFARE GENERAL	470,000.00
220306	SECURITY VOTE & OTHER SERVICES GENERAL	8,750,000.00
220207	CONSULTANCY & PROFESSIONAL SERVICES/SPECIAL CON.	3,548,000.00
220208	FUELLING & LUBRICANT GENERAL	865,000.00
220209	FINANCIAL CHARGES GENERAL	22,418.77
220210	MISCELLANEOUS EXPENSES	346,850.00
2203	LOANS & ADVANCES	0.00
2204	GRANTS, CONTRIBUTIONS & SUBVENTIONS	3,900,000.00
2205	SUBSIDIES GENERAL	0.00
2206	PUBLIC DEBT CHARGES	0.00
2207	TRANSFER TO OTHER FUNDS	0.00
	TOTAL	39,451,268.77

DEPRECIATION CHARGES

20,613,697.11

NOTE 37

NOTE 38

TRANSFER TO OTHER GOVERNMENT ENTITIES

S/N	MONTHS	AMOUNT (#)
1	JANUARY	41,730,295.51
2	FEBRUARY	42,089,142.50
3	MARCH	39,068,130.49
4	APRIL	40,732,961.30
5	MAY	39,072,138.65
6	JUNE	40,016,477.90
7	JULY	41,061,098.26
8	AUGUST	41,516,275.60
9	SEPTEMBER	41,799,474.86
10	OCTOBER	40,083,797.41
11	NOVEMBER	35,372,498.74
12	DECEMBER	36,022,947.94
	TOTAL	478,565,239.16

NOTE 58

PURCHASE/CONSTRUCTION OF PROPERTY, PLANT AND EQUIPMENT

	#
FURNITURE & FITTING	310,000.00

NOTE 66

REPAYMENT OF BORROWINGS (BAILOUT)

MONTH	AMOUNT (#)
TOTAL REPAYMENT 7,864,121.62 X 12	94,369,459.44
REPAYMENT PER LG = 94,369,459.44/16	5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE ACCOUNTS OF IREPODUN/IFELODUN

LOCAL GOVERNMENT

IGEDE-EKITI

FOR THE YEAR ENDED,

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Irepodun/Ifelodun Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI
FOR THE YEAR ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Irepodun/Ifelodun Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively Section 26(2) of Ekiti State Audit Law 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Irepodun/Ifelodun Local Government to prepare and present the General Purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i). The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for **N2,728,923,291.34**, while actual Revenue recorded stood at **N1,516,228,311.09**. This is about **55.56%** performance. Equally, the IGR of **N11,348,618.00** represents only **0.75%**

of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

(ii). The sum of **N2,723,903,291.34** only was budgeted for expenditure but only **N1,523,474,756.79** was actually incurred, resulting to saving of **N1,200,428,534.55** for the period.

8. **REVENUE ACCOUNT**

A total sum of **N1,516,228,311.09** was earned as total Revenue as at 31st December, 2020 out of which only **0.75% (N11,348,618.00)** was generated as IGR, which showed that the Local Government solely depends on the Statutory Allocation.

On the basis of comparison, the IGR for the current year recorded surplus of **72.70%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10 of this report.

10. **EXPENDITURE CONTRARY TO LAW**

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT
1	AUD/IILG/AQ/01/2020	Unproduced Revenue Earning Receipt	Assorted
2	AUD/IILG/AQ/02/2020	Expenditure Contrary to Regulations	2,002,000.00
3	AUD/IILG/AQ/03/2020	Expenditure not Supported with Proper Records	2,940,000.00

4	AUD/IILG/AQ/04/2020	Doubtful Expenditure	839,000.00
5	AUD/IILG/AQ/05/2020	Items not Taken on Store Ledger Charge	887,000.00
6	AUD/IILG/AQ/06/2020	Unretired Security Vote	8,500,000.00
	TOTAL		15,168,000.00

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The Statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE** Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Irepodun/Ifelodun Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Irepodun/Irepodun Local Government, Igede-Ekiti. Particular attention is required to the followings:

- (a) Bank Reconciliation Statements
- (b) Internal Control and Internal checks
- (c) Attendance to audit queries.
- (d) Fixed Assets Register
- (e) Outstanding audit queries.

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS**

The following matters remained outstanding in my previous reports

i) Loss of fund from Salary Account involving Arowolo F.O

and Omolade J.O. (2015) of total sum of N7,242,399.15

Amount paid (N1,000,000.00)

Amount outstanding **N6,242,399.15**

ii) Audit queries 2019

S/N	QUERY NUMBER	SUBJECT	AMOUNT
1	AUD/IILG/AQ/07/2019	Unretired Security Vote	5,000,000.00
2	AUD/IILG/AQ/10/2019	Unproduced Payment Vouchers	5,181,040.00
	TOTAL		10,181,040.00



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Irepodun/Ifelodun Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Irepodun/Ifelodun Local Government as at the year ended 31st December, 2020.



24/4/2021

Hon. Ogunleye Shina O,
Executive Chairman.



24/4/2021

Mrs. Akinola O.O
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

(8) EXPENSES.

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9). **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and Investment property were charged on a straight-line basis over their expected useful lives less estimated residual value using the appropriate rates.

(16) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as expenses in the Statement of Financial Performance.

IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	<u>ASSETS</u>			
	Current Assets			
12,093,719.28	Cash and Cash Equivalents	1	4,847,273.58	
0.00	Inventories	2	1,096,800.00	
-	WIP	3		
534,140,058.23	Receivables	4	376,075,466.07	
0.00	Prepayments	5		
546,233,777.51	Total Current Assets			382,019,539.65
	Non-Current Assets			
0.00	Loans Granted	6		
0.00	Investments	7		
109,486,068.07	Fixed Assets-Property, Plant & Equipment	8	1,176,653,051.42	
0.00	Investment Property	9		
0.00	Biological Assets	10	1,375,000.00	
109,486,068.07	Total Non-Current Assets			1,178,028,051.42
655,719,845.58	Total Assets			1,560,047,591.07
	<u>LIABILITIES</u>			
	Current Liabilities			
0.00	Accumulated Depreciation	11	16,794,994.34	
0.00	Loans & Debts(Short-Term)	12		
0.00	Unremitted Deductions	13		
534,140,058.23	Payables	14	565,969,298.31	
534,140,058.23	Total Current Liabilities		582,764,292.65	
	Non-Current Liabilities			
0.00	Public Funds	15		
0.00	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,337.82	
534,140,058.23	Total Liabilities			669,269,630.47
121,579,787.35	Net Asset/Equity			890,777,960.61
	Financed By:			
52,131,275.81	Reserves	17		896,170,804.28
-	Capital Grant	18		
-	Net Surpluses/(Deficits)	19		
69,448,511.54	Accumulated Surplus/(Deficits)	20		-5,392,843.67
121,579,787.35	Total Net Assets/Equity			890,777,960.61

**IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE,
NIGERIA**
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER,
2020**

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
874,966,283.85	Government Share of FAAC (Statutory Revenue)	21	1,504,879,693.09
267,000.00	Tax Revenue	22	1,044,616.00
5,959,550.00	Non-Tax Revenue	23	9,339,052.00
0.00	Aid & Grants	24	
344,800.00	Investment Income	25	964,950.00
0.00	Expenditure Recovery	26	
0.00	Other Capital Receipts	27	
0.00	Debt Forgiveness	28	
881,537,633.85	Total Revenue		1,516,228,311.09
	<u>EXPENDITURE</u>		
791,391,796.62	Salaries & Wages	29	484,152,124.98
-	Social Contribution	30	4,117,750.00
8,183,209.40	Social Benefit	31	3,421,000.00
67,669,796.80	Overhead Cost	32	60,227,941.05
0.00	Gratuity	33	
0.00	Pension Allowance	34	
0.00	Stationeries	35	
0.00	Impairment Charges	36	
16,794,994.34	Depreciation Charges	37	133,968,996.82
20,822,000.00	Transfer to other Government Entities	38	905,181,853.45
0.00	Public Debt Charges	39	
0.00	Allowance(Leave Bonus)	40	
904,861,797.16	Total Expenditure		1,591,069,666.30
-23,324.163.31	Surplus/(Deficit) from Operating Activities for the Period		-74,841,355.21
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
-23,324,163.31	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
-23,324,163.31	Net Surplus/(Deficit) for the period		-74,841,355.21

**IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE,
NIGERIA**
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
874,966,283.85	Government Share of FAAC (Statutory Revenue)	21	1,504,879,693.09	
267,000.00	Tax Revenue	22	1,044,616.00	
5,959,550.00	Non-Tax Revenue	23	9,339,052.00	
	Aid & Grants	24		
344,800.00	Investment Income	25	964,950.00	
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
881,537,633.85	Total inflow from operating Activities			1,516,228,311.09
	<u>Outflows</u>			
791,391,796.62	Salaries & Wages	29	484,152,124.98	
0.00	Social Contributions	30	4,117,750.00	
8,183,209.40	Social Benefit	31	3,421,000.00	
67,669,796.80	Overheads Cost	32	60,227,941.05	
0.00	Gratuity	33		
0.00	Pension Allowance	34		
0.00	Social Contributions	30		
8,183,209.40	Social Benefit	31		
20,822,000.00	Transfer to other Government Entities	38	905,181,853.45	
0.00	Allowance	40		
0.00	Deductions	49		
0.00	Refund	50		
0.00	Inventory	51		
0.00	Loan	52		
888,066,802.82	Total Outflow from Operating Activities			1,457,100,669.48
-6,529,168.97	Net Cash Inflow/(outflow) from Operating Activities			59,127,641.61
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		
	Proceds from Sale of Investment	56		
-	Dividends Received	57		

0.00	Total Inflow			
-	Outflows			
13,775,888.25	Purchase/ Construction of PPE	58	60,475,996.09	
0.00	Purchase/ Construction OF Investment Property	59		
0.00	Investment in Private Companies	60		
0.00	Loan Granted	61		
0.00	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-13,775,888.25	Total Outflow			60,475,996.09
-13,775,888.25	Net Cash Flow from Investing Activities			-60,475,996.09
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
0.00	Total Inflow			
	Outflows			
	Repayment of Borrowings	66	5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
	Total Outflow		5,898,091.22	-5,898,091.22
	Net Cash Flow from Financing Activities			
-20,305,057.22	Net Cash Flow from all Activities			-7,246,445.70
32,398,776.50	Cash and Its Equivalent as at 01/01/2020			12,093,719.28
12,093,719.28	Cash and Its Equivalent as at 31/12/2020	1		4,847,273.58

**IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE,
NIGERIA**
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020**

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
874,966,283.85	Government Share of FAAC (Statutory Revenue)	21	1,504,879,693.09	2,713,923,291.34	-44.55
267,000.00	Tax Revenue	22	1,044,616.00	3,000,000.00	-65.18
5,959,550.00	Non-Tax Revenue	23	9,339,052.00	12,000,000.00	-22.17
0.00	Aid & Grants	24			
344,800.00	Investment Income	25	964,950.00		-100.00
0.00	Expenditure Recovery	26			
0.00	Other Capital Receipts	27			
0.00	Debt Forgiveness	28			
881,537,633.85	Total Revenue		1,516,228,311.09	2,728,923,291.34	-231.90
	<u>EXPENDITURE</u>				
791,391,796.62	Salaries & Wages	29	484,152,124.98	1,486,335,180.20	67.43
0.00	Social Contribution	30	4,117,750.00	35,449,600.00	88.38
8,183,209.40	Social Benefit	31	3,421,000.00	0.00	-100
67,669,796.80	Overhead Cost	32	60,227,941.05	67,712,000.00	11.05
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
20,822,000.00	Transfer to other Government Entities	38	905,181,853.45	1,134,406,511.14	20.21
	Public Debt Charges	39			
	Allowance(Leave Bonus)	40			
13,775,888.25	Purchase/construction of Assets	58	60,475,996.09		-100.00
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
901,842,691.07	Total Expenditure		1,523,474,756.789	2,723,903,291.34	87.07
-20,305,057.22	Surplus/(Deficit) for the year		-7,246,445.70	5,020,000.00	-318.97

IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2020)	69,448,511.54	52,131,275.81	-	121,579,787.35
2	Surplus/(Deficit) for the year	-74,841,356.21		-	-74,841,355.21
3	Adjustment for the period	-	844,039,528.47	-	844,039,528.47
	Closing Balance (31/12/2020)	-5,392,843.67	896,170,804.28	-	890,777,960.61

NOTE 1**CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER, 2020**

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	UNION BANK	MAIN	0036885506	4,091.27
2	UNION	MAIN	0004650028	177,920.54
3	ZENITH BANK	ADO	1017231489	368,824.73
4	WEMA BANK	ADO	0123014571	40,462.73
5	WEMA BANK	ADO	0122928882	4,255,974.31
	TOTAL			4,847,273.58

NOTE 2**INVENTORIES**

S/N	DETAILS	AMOUNT (#)
1	OFFICE MATERIALS	449,100.00
2	CONSUMABLES	117,700.00
3	REVENUE RECEIPTS	467,000.00
4	OFFICE LEDGERS	63,000.00
	TOTAL	1,096,800.00

NOTE 4**RECEIVABLES****STATE GOVERNMENT INTERNALLY GENERATED REVENUE IGR JANUARY-
DECEMBER 2020**

#

STATE IGR = 60,172,074,571.20X10%
= 6,017,207,457.12

PORTION OF EACH LOCAL GOVERNMENT = 6,017,207,457.12
16

IREPODUN/IFELODUN PORTION = 376,075,466.07

TOTAL RECEIVABLE = 376,075,466.07

NOTE 8 & 37**PLANT, PROPERTY & EQUIPMENT SCHEDULE FOR THE YEAR 2020**

DETAILS	INFRASTRUC TURE (ROAD & MARKET)	LAND & BUILDING	MOTOR VEHICLE	OFFICE EQUIPMENT	TOTAL
	#	#	#	#	#
RATE OF DEPECIATION	5%	10%	20%	10%	
OPENING BALANCE 1/1/2020	4,149,815.65	56,386,823.10	35,082,400.00	13,865,029.42	109,486,068.07
REVALUATION ASSETS	-	944,877,413.40	4,917,600.00	190,864,970.58	1,140,659,983.98
ADDITIONAL	17,714,344.47	40,112,785.26	-	2,648,866.36	60,475,996.09
Cost as at 31/12/2020	21,864,160.12	1,041,379,021.76	40,000,000.00	207,378,866.36	1,310,622,048.14
DEPRECIATION FOR THE YEAR	1,093,208.01	104,137,902.18	8,000,000.00	20,737,886.64	133,968,996.82
ACCUMLATED DEPRECIATION AS AT 31/12/2020	218,411.35	6,265,424.16	8,770,600.00	1,540,558.83	16,794,994.34
TOTAL	20,770,952.11	937,241,119.58	32,000,000.00	186,640,979.74	1,176,653,051.42

NOTE 10**BIOLOGICAL ASSETS**

1375 NO OF TEAK TREES AT #1,000.00 EACH

THEREFORE = 1375 X1,000.00
= #1,375,000.00

NOTE 11**ACCUMULATED DEPRECIATION**

DETAILS	NOTES	AMOUNT (#)
INFRASTRUCTURE (ROAD MARKET)	NOTE 8	218,411.35
LAND & BUILDING	"	6,265,424.16
MOTOR VEHICLE	"	8,770,600.00
EQUIPMENT	"	1,540,558.83
TOTAL		16,794,994.34

NOTE 14**PAYABLES**

S/N	MONTHS	CAREER STAFF (#)	POLITICAL OFFICE HOLDERS (#)	PALACE STAFF (#)	TOTAL (#)
1	APRIL	63,162,010.63		1,237,822.73	64,399,833.36
2	MAY	63,114,165.95		1,237,822.73	64,351,988.68
3	JUNE	62,752,554.89		1,237,822.73	63,990,377.62
4	JULY	63,570,776.59	5,504,294.53	1,237,822.73	70,313,893.85
5	AUGUST	63,560,301.37	5,504,294.53	1,237,822.73	70,302,418.63
6	SEPTEMBER	63,460,212.04	5,504,394.53	1,237,822.73	70,202,329.30
	TOTAL	379,620,021.47	16,512,883.59	7,426,936.38	403,559,841.44

ARREAR OF STAFF LEAVE BONUS

S/N	PARTICULARS	AMOUNT (#)
1	2017 LEAVE BONUS	40,038,198.47
2	2018 LEAVE BONUS	44,042,018.32
3	2019 LEAVE BONUS	46,500,000.56
4	2020 LEAVE BONUS	31,829,240.08
	TOTAL	162,409,457.43

SUMMARY OF PAYABLES

MONTH	AMOUNT (#)
ARREARS OF SALARIES	403,559,841.44
ARREARS OF LEAVE BONUS	162,409,456.87
GRANT TOTAL	565,969,298.31

NOTE 16**BORROWING**

#

TOTAL LIABILITY	=	1,887,389,188.80
LESS PAYMENT	=	<u>503,303,783.68</u>
BALANCE	=	1,384,085,405.12

LIABILITY PER LOCAL GOVT.	=	<u>1,384,085,405.12</u>
		16

= **#86,505,337.82**

NOTE 21**STATUTORY ALLOCATION**

S/N	MONTH	AMOUNT (#)
1	JANUARY	135,107,958.45
2	FEBRUARY	148,576,287.59
3	MARCH	125,675,629.21
4	APRIL	133,481,378.02
5	MAY	127,154,959.30
6	JUNE	110,798,954.46
7	JULY	111,708,223.21
8	AUGUST	115,872,636.33
9	SEPTEMBER	125,808,440.75
10	OCTOBER	132,080,337.82
11	NOVEMBER	106,422,527.95
12	DECEMBER	132,422,527.95
	TOTAL	1,504,879,693.09

NOTE 22**TAX REVENUE**

S/N	MONTH	AMOUNT (#)
1	COMMUNITY TAX	1,044,616.00
2	DEVELOPMENT TAX	-
	TOTAL	1,044,616.00

NOTE 23**NON TAX REVENUE**

S/N	CODE	DETAILS	AMOUNT (#)
1	12020101	COMMUNITY DEVELOPMENT POLL TAX	20,000.00
3	12020418	MARRIAGE REGISTRATION FEES	1,119,000.00
4	12020419	LOCAL GOVERNMENT ATTESTATION FEES	1,372,500.00
5	22020427	TENDER	35,000.00
6	12020449	BIRTH, DEATH REGISTRATION FEES	277,500.00
7	12020453	NAMING OF STREET	20,000.00
8	12020711	COMMUNICATION MAST FEES	150,000.00
9	12020501	FLAT RATE	304,350.00
11	12020711	SHOP/SHOPPING CENTRE	406,500.00
12	12020411	SQUATTER	421,850.00
13	12020904	TENEMENT RATE	2,575,400.00
15	12021006	EXPENDITURE RECOVERY	135,500.00
16	12020126	HACKENING PERMIT	310,000.00
17	12020449	LOADING PERMIT	784,900.00
18	12020131	LIQUOR	56,500.00
19	12021003	MOTORCYCLE REPAYMENT	105,000.00
20	121020109	REGISTRATION ASSOCIATION/CLUB	40,000.00
21	12020137	TRADING PERMIT	1,205,052.00
	TOTAL		9,339,052.00

NOTE 25**INVESTMENT INCOME**

S/N	DETAILS	AMOUNT (#)
1	MARKET STALL	165,950.00
2	UNAD HOTEL	799,000.00
	TOTAL	964,950.00

NOTE 29**SALARIES & WAGES**

S/	MONTH	CAREER STAFF	POLITICAL OFFICE HOLDERS SALARY	PALACE STAFF/MSS SALARY	CASUAL SECURITY ALLOWANCE	TOTAL
1	JANUARY	45,043,958.47	2,390,911.54	1,284,389.90	-	48,719,259.90
2	FEBRUARY	44,489,611.45	4,064,529.16	1,284,389.90	35,000.00	49,753,530.51
3	MARCH	44,358,090.48	4,534,529.16	1,284,389.90	135,000.00	50,252,009.54
4	APRIL	44,356,840.48	4,229,529.16	1,284,389.90	200,000.00	50,010,759.54
5	MAY	43,995,001.34	2,224,764.58	1,284,389.90	-	47,444,155.82
6	JUNE	25,681,461.78	2,199,764.58	1,284,389.90	200,000.00	29,305,616.26
7	JULY	26,045,484.31	2,308,720.98	1,284,389.90	100,000.00	29,678,595.19
8	AUGUST	26,882,596.66	4,617,441.92	1,284,389.90	20,000.00	32,744,428.48
9	SEPTEMBER	26,799,054.41	5,042,441.92	1,284,389.90	-	33,065,886.23
10	OCTOBER	44,987,810.37	4,817,441.92	1,284,389.90	-	51,029,642.19
11	NOVEMBER	25,420,451.61	4,842,441.92	1,284,389.90	15,000.00	31,502,283.43
12	DECEMBER	25,579,126.06	4,842,441.92	1,284,389.90	-	30,645,957.88
	TOTAL	422,639,487.42	46,114,958.76	14,692,678.80	705,000.00	484,152,124.98

NOTE 30**SOCIAL CONTRIBUTIONS**

S/N	CODE	DETAILS	AMOUNT (#)
1	1020000101/01	ENLIGHTENMENT ON COVID-19	100,000.00
2	1020000101/01	ENLIGHTENMENT ON COVID-19	15,000.00
3	301000010101	BOARD OF TECHNICAL EDUCATION	220,000.00
4	401000010101	PROVISION FOR IMMUNIZATION	1,471,000.00
5	5010000101	BURSARY AWARDS	1,191,750.00
6	7010000101	WOMEN PROGRAMME	100,000.00
7	23050104	WOMEN ANNIVERSARY CELEBRATION	1,020,000.00
		TOTAL	4,117,750.00

NOTE 31**FINANCIAL ASSISTANCE**

S/N	DETAILS	AMOUNT (#)
1	JANUARY	55,000.00
2	FEBRUARY	430,000.00
3	MARCH	150,000.00
4	APRIL	130,000.00
5	MAY	-
6	JUNE	76,000.00
7	JULY	515,000.00
8	AUGUST	495,000.00
9	SEPTEMBER	90,000.00
10	OCTOBER	20,000.00
11	NOVEMBER	410,000.00
12	DECEMBER	1,050,000.00
	TOTAL	3,421,000.00

NOTE 32**OVERHEAD COST**

S/N	HEAD	PARTICULARS	AMOUNT (#)
1	220201	Travel & transport – General	14,003,500.00
2	220201	Utilities – General	1,463,000.00
3	220203	Materials and supplies – General	6,439,941.05
4	220204	Maintenance services – General	3,210,800.00
5	220205	Training – General	410,000.00
6	220206	Other services – General	10,666,000.00
7	220207	Consulting & Professional services – General	500,000.00
8	220208	Fuel & lubricants – General	4,292,950.00
9	220209	Financial charges – General	-
10	220210	Miscellaneous expenses – General	19,241,750.00
	TOTAL		60,227,941.05

NOTE 37**DEPRECIATION OF PLANT, PROPERTY & EQUIPMENT FOR THE YEAR 2020**

PARTICULAR	%	COST (#)	DEPRECIATION (#)
INFRASTRUCTURE (ROAD & MARKET)	5%	21,864,160.12 X 5%	1,093,208.01
LAND AND BUILDING	10%	1,041,379.021.87X10%	104,137,902.18
MOTOR VEHICLE	20%	40,000,000.00 x 2%	8,000,000.00
EQUIPMENT	10%	207,378,866.38 x 10%	20,737,886.64
TOTAL			133,968,996.82

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIES**

S/N	DETAILS	AMOUNT (#)
1	PENSION ALLOWANCES	342,743,369.41
2	SUBEB STAFF SALARY	480,188,280.10
3	TRADITIONAL RULERS SALARY	48,311,226.99
4	BURSARY ALLOWANCE	1,191,750.00
5	PARASTATALS	18,347,226.95
6	PEACE CORPS	14,400,000.00
	TOTAL	905,181,835.45

NOTE 58**PURCHASE/CONSTRUCTION OF ASSETS**

S/N	HEAD	PARTICULARS	SECTOR	CLASSIFICATION	AMOUNT(＃)
1	23010112	Purchase of the furniture and	Social	Office Equipment	2,489,866.38
2	23010103	fittings	Social	L&B	1,313,112.50
3	23020118	Extension of electricity	Admin.	Office Equipment	159,000.00
4	23020114	Repairs of scanners	Economic	L & B	38,499,672.76
5	23030102	Construction of Market	Social	L & B	300,000.00
6	23030113	Repair of Electricity	Social	Infrastructure	3,431,500.00
7	23030114	Repair of Roads	Social	Infrastructure	14,082,844.45
8	23020116	Repair/Rehabilitation of Roads	Social	Infrastructure	200,000.00
		Repairs of Boreholes			
		TOTAL			60,475,996.09

NOTE 66**REPAYMENT OF BORROWING**

TOTAL REPAYMENT	=	12X7,864,121.62
	=	94,369,459.44
REPAYMENT PER LOCAL GOVERNMENT		<u>94,369,459.44</u>
		16
	=	5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF ISE/ORUN LOCAL GOVERNMENT,

ISE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ise/Orun Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF ISE/ORUN LOCAL GOVERNMENT, ISE -EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ise/Orun Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively and section 26(2) of Ekiti State Audit Law, 2014 and section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Ise/orun Local Government to prepare and present the General Purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimate and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual, showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N1,469,822,658.23, while actual Revenue recorded stood at N1,241,273,346.04. This is about 84.45% performance. Equally, the IGR of N7,813,454.22 represents only 0.63% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N1,420,822,658.23 only was budgeted for expenditure but only N1,230,645,877.18 was actually incurred, resulting to saving of N190,176,781.05 for the period.

8. REVENUE ACCOUNT

A total sum of N1,241,273,346.04 was earned as total Revenue as at 31st December, 2020 out of which only 0.63% (N7,813,454.22) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a surplus of 58.45% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. AUTHORITY FOR EXPENDITURE

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10, of this report.

10. EXPENDITURE CONTRARY TO LAW:

The following expenditure appears to be contrary to Law.

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/IOLG/AQ/01/2020	Expenditure contrary to regulation	3,541,100.00
2	AUD/IOLG/AQ/02/2020	Unreasonable expenditure	1,350,000.00
3	AUD/IOLG/AQ/03/2020	Unretired security vote	8,600,000.00
4	AUD/IOLG/AQ/04/2020	Unaudited expenditure	559,000.00
5	AUD/IOLG/AQ/05/2020	Expenditure not supported with proper record of account	1,083,840.88
6	AUD/IOLG/AQ/06/2020	Items not taken on store	1,966,000.00

7	AUD/IOLG/AQ/07/2020	Unvouched expenditure	12,758,806.00
8	AUD/IOLG/AQ/08/2020	Unproduced payment vouchers	
9	AUD/IOLG/AQ/09/2020	Unproduced revenue earning receipt	Various
	TOTAL		29,858,746.88

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Ise/orun Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Ise/orun Local Government, Ise-Ekiti. Particular attention is required to the followings:

- (i) Internally Generated Revenue
- (ii) Internal control and Internal check
- (iii) Attendance to audit queries
- (iv) Fixed Assets Register
- (v) Capital Projects
- (vi) Outstanding Audit Queries

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. **OUTSTANDING MATTERS FROM PREVIOUS REPORTS** **N**

- (a) Loss of fund involving Mr. Ayodele Folademi (2015) 1,837,226.11
- (b). Missing of revenue earning receipts GRR (30) involving Mr. Owoeye S.A Store Officer II (2015) to be valued.
- (e) 2015 Outstanding Audit Queries

(f) 2019 Outstanding Audit Queries

s/n	Query number	Subject	Amount ₦
1	AUD/IOLG/AQ/02/2019	Expenditure contrary to regulation	3,100,000.00
2	AUD/IOLG/AQ/03/2019	Expenditure contrary to regulation	50,050.00
3	AUD/IOLG/AQ/04/2019	Expenditure contrary to regulation	556,500.00
4	AUD/IOLG/AQ/05/2019	Expenditure contrary to regulation	237,000.00
5	AUD/IOLG/AQ/06/2019	Expenditure contrary to regulation	3,977,000.00
6	AUD/IOLG/AQ/08/2019	Expenditure not supported with proper record of account (unretired security vote)	20,000,000.00
7	AUD/IOLG/AQ/08/2019	Expenditure contrary to regulation	220,000.00
8	AUD/IOLG/AQ/10/2019	Expenditure contrary to regulation	496,000.00
9	AUD/IOLG/AQ/13/2019	Unproduced payment vouchers	791,700.00

10	AUD/IOLG/AQ/14/2019	Expenditure not accounted for	1,974,152.77
11	AUD/IOLG/AQ/15/2019	Unvouched expenditure	3,860,534.42
		Total	35,262,937.19

18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Ise/Orun Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

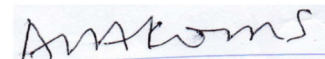
The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Ise/Orun Local Government as at the year ended 31st December, 2020.



09/4/2021

Hon. Alabi Olarewaju,
Executive Chairman.



09/4/2021

Mr. Akomolafe A.I.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(1) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and as events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council.

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

(8) EXPENSES.

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9) STATEMENT OF CASH FLOW.

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) CASH AND CASH EQUIVALENT

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) RECEIVABLES.

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) INVENTORIES.

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) PROPERTY, PLANT & EQUIPMENT (PPE)

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) INVESTMENT PROPERTY

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) DEPRECIATION

Depreciation on PPE and Investment property were charged on a straight line basis over their expected useful lives less estimated residual value using the appropriate rates.

(16) UNREMITTED DEDUCTIONS.

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and association and other government agencies. These included tax deductions and other deductions at source.

(17) **PAYABLES.**

Payables are recognized at fair value.

(18) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(19) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as expenses in the Statement of Financial Performance.

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	₦
	<u>ASSETS</u>			
	Current Assets			
1,460,362.47	Cash and Cash Equivalents	1	12,087,831.33	
	Inventories	2	225,700.00	
	WIP	3		
490,427,416.96	Receivables	4	378,275,466.07	
	Prepayments	5		
491,887,779.43	Total Current Assets			390,588,997.40
	Non-Current Assets			
	Loans Granted	6		
	Investments	7		
24,053,367.49	Fixed Assets-Property, Plant & Equipment	8	618,777,985.06	
	Investment Property	9	14,250,000.00	
	Biological Assets	10	500,000.00	
24,053,367.49	Total Non-Current Assets			633,527,985.06
515,941,146.92	Total Assets			1,024,116,982.46
	<u>LIABILITIES</u>			
	Current Liabilities			
	Accumulated Depreciation	11	6,467,743.05	
	Loans & Debts(Short-Term)	12		
	Unremitted Deductions	13	14,474,522.68	
481,741,569.53	Payables	14	896,722,530.30	
481,741,569.53	Total Current Liabilities		917,664,796.03	
	Non-Current Liabilities			
	Public Funds	15		
	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,505,337.82	
481,741,569.53	Total Liabilities			1,004,170,133.85
34,199,577.39	Net Asset/Equity			19,946,848.61
	Financed By:			
24,832,385.90	Reserves	17		5,934,294.68
	Capital Grant	18		
-	Net Surplus/(Deficits)			
9,367,191.49	Accumulated Surplus/(Deficits)	20		14,012,553.93
34,199,577.39	Total Net Assets/Equity			19,946,848.61

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
1,356,781,409.58	Government Share of FAAC (Statutory Revenue)	21	1,173,557,141.20
1,419,000.10	Tax Revenue	22	1,322,591.72
3,512,050.10	Non-Tax Revenue	23	5,252,512.50
	Aid & Grants	24	
	Investment Income	25	1,238,350.00
	Expenditure Recovery	26	
	Other Capital Receipts	27	59,902,750.62
	Debt Forgiveness	28	
1,361,712,459.78	Total Revenue		1,241,273,346.04
	<u>EXPENDITURE</u>		
709,779,686.65	Salaries & Wages	29	404,432,152.64
25,135,984.71	Social Contribution	30	2,088,000.00
13,561,586.20	Social Benefit	31	71,427,487.59
77,076,696.03	Overhead Cost	32	49,280,924.35
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
6,467,743.05	Depreciation Charges	37	24,880,197.64
526,968,518.31	Transfer to other Government Entities	38	684,519,221.38
	Public Debt Charges	39	
176,023,808.80	Allowance(Leave Bonus)	40	
1,535,014,023.75	Total Expenditure		1,236,627,983.60
-173,301,564.97	Surplus/(Deficit) from Operating Activities for the Period		4,645,362.44
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
	Net Surplus/(Deficit) from Ordinary Activities		
-173,301,564.97	Surplus/(Deficit) from Ordinary Activities		
	Purchase/ Construction of Assets	44	
-	Minority Interest share of surplus/(Deficit)	45	
-173,301,564.97	Net Surplus/(Deficit) for the period		4,645,362.44

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,356,781,409.58	Government Share of FAAC (Statutory Revenue)	21	1,173,557,141.20	
1,419,000.10	Tax Revenue	22	1,322,591.72	
3,512,050.10	Non-Tax Revenue	23	5,252,512.50	
	Aid & Grants	24		
	Investment Income	25	1,238,350.00	
	Expenditure Recovery	26		
	Other Capital Receipts	27	59,902,750.62	
	Debt Forgiveness	28		
1,361,712,459.78	Total inflow from operating Activities			1,241,273,346.04
	<u>Outflows</u>			
709,779,686.65	Salaries & Wages	29	404,432,152.64	
25,135,984.71	Social Contributions	30	2,088,000.00	
13,561,586.20	Social Benefit	31	71,427,487.59	
77,076,696.03	Overheads Cost	32	49,280,924.35	
	Gratuity	33		
	Pension Allowance	34		
526,968,518.31	Transfer to other Government Entities	38	684,519,221.38	
176,023,808.80	Allowance	40		
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
1,528,546,280.70	Total Outflow from Operating Activities			1,211,747,785.96
-166,833,820.92	Net Cash Inflow/(outflow) from Operating Activities			29,525,560.08
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		
	Proceeds from Sale of Investment Dividends Received	56 57		
0.00	Total Inflow		-	

-	Outflows			
1,440,000.00	Purchase/ Construction of PPE	58	-13,000,000.00	
-	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-1,440,000.00	Total Outflow			-13,000,000.00
-1,440,000.00	Net Cash Flow from Investing Activities			
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
0.00	Total Inflow			
	Outflows			
	Repayment of Borrowings	66	-5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
0.00	Total Outflow			-5,898,091.22
	Net Cash Flow from Financing Activities			
-168,273,820.92	Net Cash Flow from all Activities			10,627,468.86
169,734,183.39	Cash and Its Equivalent as at 01/01/2019			1,460,362.47
1,460,362.47	Cash and Its Equivalent as at 31/12/2019	1		12,087,831.33

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	REVENUE				
1,356,781,409.58	Government Share of FAAC (Statutory Revenue)	21	1,173,557,141.20	1,264,822,658.23	-7.22
1,419,000.10	Tax Revenue	22	1,322,591.72	1,000,000.00	32.26
3,512,050.10	Non-Tax Revenue	23	5,252,512.50	3,200,000.00	-64.14
	Aid & Grants	24			
	Investment Income	25	1,238,350.00	800,000.00	54.79
	Expenditure Recovery	26			
	Other Capital Receipts	27	59,902,750.62	200,000,000.00	-70.05
	Debt Forgiveness	28			
1,361,712,459.78	Total Revenue		1,241,273,346.04	1,469,822,658.23	73.93
	EXPENDITURE				
709,779,686.65	Salaries & Wages	29	404,432,152.64	550,822,658.23	26.58
25,135,984.71	Social Contribution	30	2,088,000.00	20,000,000.00	89.56
13,561,586.20	Social Benefit	31	71,427,487.59	80,000,000.00	10.72
77,076,696.03	Overhead Cost	32	49,280,924.35	50,000,000.00	1.44
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
526,968,518.31	Transfer to other Government Entities	38	684,519,221.38	700,000,000.00	2.21
	Public Debt Charges	39			
176,023,808.30	Allowance(Leave Bonus)	40			
1,440,000.00	Purchase of Assets	58	13,000,000.00	20,000,000.00	35.00
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
1,529,986,280.70	Total Expenditure		1,230,645,877.18	1,420,822,658.23	65.51
-168,273,820.92	Net Surplus/(Deficit)		10,627,458.86	49,000,000.00	8.43

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ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR
THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT (N)	RESERVE (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2020)	9,367,191.49	24,832,385.90	-	34,199,577.39
2	Surplus for the period	4,645,362.44			4,645,362.44
3	Adjustment		-18,898,091.22		-18,898,091.22
	Closing Balance 31/12/2020	14,012,553.93	5,934,294.68	-	19,946,848.61

NOTE 1
CASH AND CASH EQUIVALENT

S/N	NAMES OF BANKS	ACCOUNT NUMBERS	DETAILS OF ACCOUNTS	BALANCE (N)
1	WEMA BANK	'0243953813	Local Govt. Nursery and Primary School, Ise-	81,812.87
2	WEMA BANK	'0238637782	Ekiti	-
3	WEMA BANK	'0122019885	Local Govt. Junior and Secondary School	5,100.00
4	WEMA BANK	'0122016994	Internal Capital	5,030,745.58
5	WEMA BANK	'0122692938	Salary and Internally Generated Revenue	552,693.27
6	HERITAGE	'600230074	Accounts	16,977.27
7	BANK	'1016250539	Internally Generated Revenue Account	6,399,648.77
8	ZENITH BANK	'6002300891	Main Account	853.07
	HERITAGE BANK		Running Grant Account	
			Local Govt. Junior and Senior Secondary School	
			Total	12,087,831.33

NOTE 2
INVENTORIES

S/N	DETAILS	AMOUNT (N)
1	STORES LEDGERS	119,500.00
2	STORES RECEIPTS	106,200.00
	TOTAL	225,700.00

NOTE 4
RECEIVABLES

S/N	DETAILS	AMOUNT (N)
1	10% ALLOCATION OF THE L.G'S 3 YEARS	376,075,466.07
2	RENTAGE ON LOCK UP SHOPS	1,200,000.00
3	UNPAID NUR. AND PRI SCHOOL FEES	1,000,000.00
	TOTAL	378,275,466.07

NOTE 8 & 37 PROPERTY, PLANTS AND EQUIPMENTS AND DEPRECIATION FOR THE YEAR 2020

FIXED ASSETS PPE	LAND AND BULDINGS	INFRASTRUCTU RE	PLANTS AND MACHINERY	TRANSPORTATION AND EQUIPMENT	OFFICE EQUIPMENT F	FURNITURE AND FITINGS AT COST	TOTAL
	#	#	#	#	#	#	#
BALANCE BROUGHT FORWARD	3,625,000.00	1,843,575.00	2,400,000.00	15,06,192.49	412,000.00	707,600.00	24,053,367.49
PP&E BROUGHT IN FOR THE YEAR AT COST	225,980,000.00	330,535,462.21	4,788,000.00	40,446,000.00	2,188,473.00	1,916,880.00	605,854,815.21
TOTAL	229,605,000.00	332,379,037.21	7,188,000.00	55,511,192.49	2,600,473.00	2,624,480.00	629,908,182.70
ADDITION FOR THE YEAR	13,000,000.00	-	-	-	-	-	13,000,000.00
TOTAL COST	242,605,000.00	332,379,037.21	7,188,000.00	55,511,192.49	2,600,473.00	2,624,480.00	642,908,182.70
DEPRECIATION RATE	2%	3%	10%	15%	5%	5%	
DEPRECIATION FOR THE YEAR (NOTE 8)	4,852,100.00	9,971,371.12	718,800.00	8,326,678.87	130,023.65	131,224.00	24,130,197.64
NET BOOK VALUE	237,752,900.00	322,407,666.09	6,469,200.00	47,184,513.62	2,470,449.35	2,493,256.00	618,777,985.06

NOTE 9
INVESTMENT PROPERTY

S/N	DETAILS	AMOUNT #
1	NURSERY AND PRIMARY SCHOOL BUILDINGS	10,000,000.00
2	JUNIOR AND SECONDARY SCHOOL BUILDING	5,000,000.00
	COST	15,000,000.00
	5% DEPRECIATION	(750,000.00)
	NET BOOK VALUE	14,250,000.00

NOTE 10 BIOLOGICAL ASSETS

S/N	DETAILS	AMOUNT #
1	PALM SEEDLINGS NURSERY	500,000.00

NOTE 11 ACCUMULATED DEPRECIATION

S/N	DETAILS	AMOUNT #
1	ACCUMULATED DEPRECIATION	6,467,743.05

NOTE 13
UNREMITTED DEDUCTIONS

S/N	DETAILS	AMOUNT #
1	SALARY DEDUCTIONS	12,493,935.60
2	FEDERAL INLAND REVENUE SERVICES WHT	1,980,587.08
	TOTAL	14,474,522.68

NOTE 14
PAYABLES

S/N	DETAILS	AMOUNT #
1	LEGAL RETAINERSHIP BARRISTER OLOWOLAFE CHAMBERS	1,633,334.00
2	LITIGATION CLAIM; CHIEF ALABA EMMANUEL	2,350,000.00
3	HON. FEMI AJAY CLAIM	173,000.00
4	OLUSAMBA GRAPHIC PRODUCTION	325,000.00
5	EXECUTIVE ASSISTANTS TO THE GOVERNOR	1,260,000.00
6	AROLE IGBEMO NIG. LTD	1,285,412.76
7	GENERAL STAFF CLAIM	3,682,252.50
8	LEGISLATURE CLAIMS	250,000.00
9	AROLE IGBEMO NIG. LTD	299,520.00
10	RAYMOND TOYIN	53,000.00
11	OLAIYA ROTIMI	995,000.00
12	MRS. FALADE	60,000.00
13	TOPE AGUNBIADE	240,000.00
14	APRIL SEPTEMBER 2018 STAFF SALARY ARREARS	478,927,416.96
15	TRADITIONAL COUNCIL SALARY ARREARS	28,103,239.76
16	CHIETAENCY DEPARTMENT SALARY ARREARS	571,726.02
17	PALACE STAFF SALARY ARREARS	3,952,431.60
18	POLITICAL OFFICE HOLDERS CLAIM	309,671,196.70
19	LEAVE BONUS	60,000,000.00
20	ARREARS OF STIPEND TO NURSEY AND PRIMARY SCHOOL TUTORS	340,000.00
21	AUDITORS GENERAL OFFICE CLAIMS	550,000.00
22	ADECO GLOPBAI RESOURCES CLAIM (NEIGHBOURHOOD MARKET)	2,000,000.00
	TOTAL	896,722,530.30

**NOTE 16
BORROWINGS**

S/N	DETAILS	AMOUNT #
1	BALANCE OF BAIL OUT LOAN	86,505,337.82
	TOTAL	86,505,337.82

**NOTE 21
FEDERATION ALLOCATION 2020**

S/N	DETAILS	AMOUNT #
1	JANUARY	101,579,683.31
2	FEBRUARY	104,256,130.80
3	MARCH	98,534,819.49
4	APRIL	98,822,936.76
5	MAY	95,461,162.97
6	JUNE	96,957,045.29
7	JULY	98,036,767.44
8	AUGUST	83,438,053.43
9	SEPTEMBER	100,967,268.96
10	OCTOBER	99,683,285.63
11	NOVEMBER	97,030,422.14
12	DECEMBER	98,789,564.98
	TOTAL	1,173,557,141.20

**NOTE 22
TAX REVENUE**

S/N	DETAILS	AMOUNT #
1	2.5% TAX ON 5KM ROAD PROJECT	918,402.53
2	2.5% TAX ON NEIGHBOURHOOD MARKET	404,189.19
	TOTAL	1,322,591.72

**NOTE 23
NON-TAX REVENUE**

S/N	DETAILS	AMOUNT #
1	TENEMENT RATE	650,150.00
2	GENERAL LICENCE/HACKNEY	1,514,452.50
3	LOCAL GOVERNMENT IDENTIFICATION	1,145,000.00
4	BIRTH CERTIFICATE	80,000.00
5	FILLING STATION	10,000.00
6	REGISTRATION OF ASSOCIATION	300,000.00
7	MARKET TOLLS	220,860.00
8	MARRIAGE CERTIFICATE	582,500.00
9	RENT ON LOCAL GOVERNMENT PROPERTY	276,000.00
10	COMMUNITY TAX	115,550.00
11	DEVELOPMENT TAX/LEVY	358,000.00
	TOTAL	5,252,512.50

**NOTE 25
INVESTMENT INCOME**

S/N	DETAILS	AMOUNT #
1	LOCAL GOVERNMENT NURSERY AND PRIMARY	189,500.00
2	SCHOOL	1,048,850.00
	SHOPPIN CENTRES ETC	
	TOTAL	1,238,350.00

NOTE 27
OTHER CAPITAL RECEIPTS

S/N	DETAILS	AMOUNT #
1	CAPITAL INTERVENTIION	2,894,960.79
2	CAPITAL RELEASE ON 5 KILOMETRE ROAD	35,519,660.98
3	PROJECT CAPITAL RELEASE ON NEIGHBOURHOOD MARKET	21,488,128.85
	TOTAL	59,902,750.62

NOTE 29
SALARIES AND WAGES 2020

S/N	DETAILS	AMOUNT #
1	TRADITIONAL COUNCIL	48,482,568.78
2	CHIEFTAINCY DEPARTMENT	991,480.51
3	PALACE STAFF	5,334,037.68
4	LOCAL GOVERNMENT STAFF SALARY	296,332,219.55
5	FURNITURE ALLOWANCE (PAST POLITICAL OFFICE	5,268,953.52
6	HOLDER	37,676,806.86
7	POLITICAL OFFICEHOLDERS SALARY	1,330,000.00
8	SPECIAL ADIVERS SALARY	1,560,000.00
9	ASSISTANT INTER GOVERNMENTAL ALLOWANCE	800,000.00
10	CHIEF OF STAFF ALLOWANCE	5,358,535.74
11	SUPERVISORS SALARY	548,100.00
12	LOCAL GOVERNMENT (NIBSS CHARGE ON SALARY)	474,450.00
13	SUBEB (NIBSS CHARGE ON SALARY IYALOJA STIPEND	275,000.00
	TOTAL	404,432,152.64

NOTE 30
SOCIAL CONTRIBUTION 2020

S/N	DETAILS	AMOUNT #
1	T/C COVID-19	100,000.00
2	LOG. COVID-19	625,000.00
3	BOARD FOR VOCATIONAL AND TECHNICAL EDUCATION	200,000.00
4	FORM	300,000.00
5	SALAH GIFTS ROAD VERGES	863,000.00
	TOTAL	2,088,000.00

NOTE 31
SOCIAL BENEFIT

S/N	DETAILS	AMOUNT #
23010101	ACQUISITION OF LAND	400,000.00
23050110	OTHER CAPITAL PROJECT AT ISE/ORUN LOCAL GOVERNMENT	900,000.00
23040105	ENVIRONMENTAL AND WATER SANITATION	2,160,000.00
23010112	PURCHASE OF FURNITURE AND FITINGS	400,000.00
23020114	COMPLETION OF 5 KILOMETRE ROAD PROJECT IN ISE/ORUN LOCAL GOVERNMENT	35,519,600.98
23010128	REHABILITATION/REPAIR OF ROADS IN ISE/ORUN LOCAL GOVERNMENT	3,580,000.00
23050113	PURCHASE OF COMPUTERS AND PRINTERS ETC	356,767.76
23010105	PURCHASE OF VEHICLES/OVERHAUL OF LOCAL GOVERNMENT OFFICIAL VEHICLES	1,670,000.00
23030121	REHABILITATION/REPAIR OF OFFICE SECRETARIAT BUILDING	1,400,000.00
23020103	CONSTRUCTION/PROVISION/EXTENSION OF ELECTRICITY ETC	533,000.00
23010129	EMPOWERMENT, WOMEN PROGRAMMED ETC	340,000.00
23010126	PURCHASE OF SPORTING/GAMING EQUIPMENTS/COMPETITION	235,000.00
23050123	GOVERNANCE AND INSTITUTIONAL REFORMS/PUBLICITY	1,945,000.00
40101040	PURCHASE OF OIL PALM SEEDLINGS ETC	500,000.00
23020124	CONSTRUCTION OF NEIGHBOURHOOD MARKET	21,488,128.85
	TOTAL	71,427,487.59

NOTE 32
OVERHEAD COST

S/N	DETAILS	AMOUNT #
220201	TRANSPORT AND TRAVELLING	26,637,974.35
220202	UTILITY SERVICE GENERAL	279,750.00
220203	MATERIALS AND SUPPLIES GENERAL	1,899,500.00
220204	MAINTENANCE SERVICE GENERAL	165,000.00
220205	TRAINING, STAFF DEVELOPMENT AND WELFARE GENERAL	85,000.00
220206	SECURITY VOTE OTHER SERVICE GENERAL	11,634,000.00
220207	CONSULTANCY AND PROFESSIONAL SERVICE, SPECIAL COMMITTEE	4,485,000.00
220208	FUELLING AND LUBRICANT GENERAL	845,800.00
220209	FINANCIAL CHARGES GENERAL	4,400.00
220210	MISCELLANEOUS EXPENSES	2,127,000.00
2203	LOANS AND ADVANCES/OUTSTANDING DEBTS	500,000.00
2204	GRANTS, CONTRIBUTION AND SUBVENTION	505,000.00
2205	SALARY OF LOCAL GOVERNMENT PRIMARY AND SECONDARY SCHOOL TUTORS	112,500.00
	TOTAL	49,280,924.35

NOTE 37
DEPRECIATION FOR THE YEAR

S/N	DETAILS	AMOUNT #
1	PROPERTY/PLANTS AND EQUIPMENTS	24,130,197.64
2	INVESTMENT PROPERTY	750,000.00
	TOTAL	24,880,197.64

NOTE 38
TRANSFER TO OTHER GOVERNMENT ENTITIES

S/N	DETAILS	AMOUNT #
1	PRIMARY SCHOOL STAFF SALARY	312,021,606.46
2	SUBEB OVERHEAD	5,160,000.00
3	RUNNING GRANT TO PEACE CORPS	14,400,000.00
4	CONTRIBUTION TO PARASTATALS	17,908,905.48
5	BURSARY	567,000.00
6	CONTRIBUTION TO PENSION	334,461,709.44
	TOTAL	684,519,221.38

NOTE 58
PURCHASE OF PROPERTY, PLANT AND EQUIPMENTS

S/N	DETAILS	AMOUNT #
1	LAND AND BUILDING	13,000,000.00

NO 66
REPAYMENT OF BORROWINGS

S/N	DETAILS	AMOUNT #
1	56 INSTALMENTS OF BAIL OUT LOAN	5,898,091.22
	TOTAL	5,898,091.22

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF MOBA LOCAL GOVERNMENT,

OTUN-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Moba Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF MOBA LOCAL GOVERNMENT, OTUN-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Ilejemeje Local Government have been examined in accordance with, sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively, section 26(2) of Ekiti State Audit Law, 2014 and Section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Moba Local Government to prepare and present the General Purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from

material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31ST December 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimates and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N2,776,252,875.15, while actual Revenue recorded stood at N1,219,288,558.71. This is about 43.92% performance. Equally, the IGR of N7,029,936.84 represents only 0.58% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N2,068,809,858.04 only was budgeted for expenditure but only N1,227,028,531.31 was actually incurred, resulting to saving of N841,781,328.73 for the period.

8. **REVENUE ACCOUNT**

A total sum of N1,219,288,558.71 was earned as total Revenue as at 31st December, 2020 out of which only 0.58% (N7,029,936.84) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a surplus of 61.75% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. **AUTHORITY FOR EXPENDITURE**

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10, of this report.

10. **EXPENDITURE CONTRARY TO LAW:**

The following expenditure appears to be contrary to Law.

S/N	QUERY NO	SUBJECT	AMOUNT (N)
1	AUD/MLG/AQ/01/2020	Expenditure contrary to Financial Regulations	2,172,590.00
2	AUD/MLG/AQ/02/2020	Items not taken on store ledger changes	667,774.84
3	AUD/MLG/AQ/03/2020	Unretired security vote	8,500,000.00
4	AUD/MLG/AQ/04/2020	Unritired/unaudited Expenditure	792,000.00
5	AUD/MLG/AQ/05/2020	Expenditure not Supported with proper records	1,836,500.00
6	AUD/MLG/AQ/06/2020	Unretired Imprest	20,562,500.00

7	AUD/MLG/AQ/07/2020	Unvouched Expenditure	1,510,000.00
8	AUD/MLG/AQ/01/2020	Unproduced Revenue Earning receipt	Various
		TOTAL	34,204,864.85

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. **STATEMENTS OF ASSETS AND LIABILITIES**

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. **DISALLOWANCE**

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. **STATE OF ACCOUNT**

The Accounts of Moba Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to The Local Government Chairman and the Director of Administration, Moba Local Government, Otun-Ekiti. Particular attention is required to the followings:

- (i) Unproduced Revenue Earning Receipts
- (ii) Internally Generated Revenue
- (iii) Fixed Assets Register
- (iv) Internal Control and internal checks
- (v) Outstanding audit queries

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to

its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. OUTSTANDING MATTERS FROM PREVIOUS REPORTS N

(a)	Loss of fund involving Mr. Ajiboye (2015)	590,000.00
(b)	Unpaid rates by communication Companies (2015)	260,000.00
(c)	Unexecuted grading of roads (2015)	500,000.00

(d) 2019 AUDIT QUERIES

S/N	QUERY NUMBER	QUERY SUBJECT	AMOUNT (₦)
1	AUD/MLG/AQ/02/2019	Expenditure Contrary to regulations	630,300.00
2	AUD/MLG/AQ/03/2019	Expenditure Contrary to regulations	630,300.00
3	AUD/MLG/AQ/05/2019	Unretired Security Vote/Security Expenses	25,000,000.00
4	AUD/MLG/AQ/06/2019	Expenditure not Accounted for	899,863.36
		Total	27,788,035.07

18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Moba Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Moba Local Government as at the year ended 31st December, 2020.



04/03/21

Hon. Bayo Aborisade,
Executive Chairman.



4/3/2021

Mr. Agboola S.B
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in compliance with IPSAS Accrual Accounting basis that recognizes transactions and events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council.

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

This presented both the exchange and non-exchange revenue from Internally Generated revenue and Statutory Allocation from the Federation Account during the year.

- (i). Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.
 - (ii). Revenue from exchange transactions are recognized when the significant risks and rewards of ownership have been transferred to the buyer(s) usually when goods were delivered or services were rendered.
- (8) **AID AND GRANTS.**

Aid and Grants to the entity and recognised as income for the reporting period.
- (9) **EXPENSES.**

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.
- (10) **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.
- (11) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.
- (12) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.
- (13) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable Value using FIFO method.
- (14) **PROPERTY, PLANT & EQUIPMENT (PPE)**

All PPE are stated at historical cost less accumulated depreciation and any impairment losses.

Historical cost included expenditure that were directly attributable to the acquisition of the items.

(15) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(16) **DEPRECIATION**

Depreciation on PPE and Investment property were charged on a straight line basis over their

Expected useful lives less estimated residual value using the appropriate rates.

(17) **UNREMITTED DEDUCTIONS.**

Unremitted deductions were monies owned to third parties such as tax authorities, schemes, and Association and other government agencies. These included tax deductions and other deductions at source.

(18) **PAYABLES.**

Payables are recognized at fair value.

(19) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(20) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as Expenses in the statement of Financial Performance.

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	N
	<u>ASSETS</u>			
	Current Assets			
26,943,760.14	Cash and Cash Equivalents	1	19,203,787.54	
1,080,000.00	Inventories	2	686,200.00	
	WIP	3		
350,411,922.82	Receivables	4	376,075,466.07	
	Prepayments	5		
378,435,682.96	Total Current Assets			395,965,453.61
	Non-Current Assets			
	Loans Granted	6		
	Investments	7		
542,532,648.57	Fixed Assets-Property, Plant & Equipment	8	545,822,683.70	
	Investment Property	9		
	Biological Assets	10		
542,532,648.57	Total Non-Current Assets			545,822,683.70
920,968,331.53	Total Assets			941,788,137.31
	<u>LIABILITIES</u>			
	Current Liabilities			
	Accumulated Depreciation	11	39,188,499.20	
	Loans & Debts(Short-Term)	12		
	Unremitted Deductions	13		
393,581,740.36	Payables	14	366,326,295.53	
393,581,750.36	Total Current Liabilities		405,514,794.73	
	Non-Current Liabilities			
	Public Funds	15	60,000.00	
	Borrowings	16	86,505,337.82	
	Total Non-Current Liabilities		86,565,337.82	
393,581,740.36	Total Liabilities			492,080,132.55
527,386,591.17	Net Asset/Equity			449,708,004.76
	Financed By:			
427,622,997.59	Reserves	17		327,937,826.44
-	Capital Grant	18		20,560,430.99
-	Net Surpluses/(Deficits)	19		
99,763,593.58	Accumulated Surplus/(Deficits)	20		101,209,747.33
27,386,591.17	Total Net Assets/Equity			449,708,004.76

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020			
2019	DETAILS	NOTES	Actual 2020
N	<u>REVENUE</u>		N
837,558,280.54	Government Share of FAAC (Statutory Revenue)	21	1,191,698,690.83
225,700.00	Tax Revenue	22	1,393,253.41
4,120,450.00	Non-Tax Revenue	23	5,636,183.48
	Aid & Grants	24	20,560,430.99
	Investment Income	25	
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
841,904,430.54	Total Revenue		1,219,288,558.71
	<u>EXPENDITURE</u>		
662,182,366.27	Salaries & Wages	29	343,755,157.08
	Social Contribution	30	13,764,363.25
	Social Benefit	31	
162,366,532.93	Overhead Cost	32	55,011,790.47
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
20,260,044.20	Depreciation Charges	37	17,272,395.86
	Transfer to other Government Entities	38	788,038,698.30
	Public Debt Charges	39	
	Allowance(Leave Bonus)	40	
844,808,943.40	Total Expenditure		1,217,842,404.96
-2,904,512.86	Surplus/(Deficit) from Operating Activities for the Period		1,446,153.75
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
	Gain/Loss on Disposal of Asset	41	
	Refunded Revenue	42	
	Revaluation Gain	43	
-2,904,512.86	Net Surplus/(Deficit) from Ordinary Activities		
	Surplus/(Deficit) from Ordinary Activities		
	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
-2,904,512.86	Net Surplus/(Deficit) for the year		1,446,153.75

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
837,558,280.54	Government Share of FAAC (Statutory Revenue)	21	1,191,698,690.83	
225,700.00	Tax Revenue	22	1,393,253.41	
4,120,450.00	Non-Tax Revenue	23	5,636,183.48	
	Aid & Grants	24	20,560,430.99	
	Investment Income	25		
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
841,904,430.54	Total inflow from operating Activities			1,219,288,558.71
	<u>Outflows</u>			
662,182,366.27	Salaries & Wages	29	343,755,157.08	
	Social Contributions	30	13,764,363.25	
	Social Benefit	31		
162,366,532.93	Overheads Cost	32	55,011,790.47	
	Pension Allowance	34		
	Gratuity	33		
	Transfer to other Government Entities	38	788,038,698.30	
	Allowance	40		
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
824,548,899.20	Total Outflow from Operating Activities			1,200,570,009.10
17,355,531.34	Net Cash Inflow/(outflow) from Operating Activities			18,718,559.61
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
	Proceeds from Sale of PPE	53		
	Proceeds from Sale of Investment Property	54		
	Proceeds from Sales of Intangible Assets	55		
	Proceds from Sale of Investment	56		
-	Dividends Received	57		

-	Total Inflow			
-	Outflows			
20,665,144.77	Purchase/ Construction of PPE	58	20,560,430.99	
-	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-20,665,144.77	Total Outflow		20,560,430.99	
-20,665,144.77	Net Cash Flow from Investing Activities			-20,560,430.99
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
	Total Inflow			
	Outflows			
	Repayment of Borrowings	66	5,898,091.22	
	Distribution of Surplus/Dividends Paid	67		
	Total Outflow		5,898,091.22	
	Net Cash Flow from Financing Activities			-5,898,091.22
-3,309,613.43	Net Cash Flow from all Activities			-7,739,972.60
30,253,373.57	Cash and Its Equivalent as at 01/01/2020			26,943,760.14
26,943,760.14	Cash and Its Equivalent as at 31/12/2020	1		19,203,787.54

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
837,558,280.54	Government Share of FAAC (Statutory Revenue)	21	1,191,698,690.83	2,761,170,000.00	-56.37
225,700.00	Tax Revenue	22	1,393,253.41	3,000,000.00	-53.54
4,120,450.00	Non-Tax Revenue	23	5,636,183.43	12,082,875.45	-53.35
	Aid & Grants	24	20,560,430.99	30,000,000.00	-31.47
	Investment Income	25			
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
841,904,430.54	Total Revenue		1,219,288,558.71	2,776,252,875.15	-194.74
	<u>EXPENDITURE</u>				
662,182,366.27	Salaries & Wages	29	343,755,157.08	936,958,195.28	63.31
	Social Contribution	30	13,764,363.25	35,000,000.00	60.67
	Social Benefit	31			
162,366,532.93	Overhead Cost	32	55,011,790.47	184,851,662.76	70.24
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
	Transfer to other Government Entities	38	788,038,698.30	912,000,000.00	13.59
	Public Debt Charges	39			
	Allowance(Leave Bonus)	40			
20,665,144.77	Purchase of Assets	58	20,560,430.99		-100.00
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
845,214,043.97	Total Expenditure		1,227,028,531.31	2,068,809,858.04	7.82
-3,309,613.43	Net Surplus/(Deficit) for the year		-7,739,972.60	707,443,017.11	-202.54

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/N	NARRATION	ACCUMULATED SURPLUS /DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2020)	99,763,593.58	427,622,997.59	-	527,386,591.17
2	Net Surplus/(Deficit) for the year	1,446,153.75	-		1,416,153.75
3	Adjustment for the period	-	-99,685,171.15		-99,685,171.15
4	Capital Grant			20,560,430.99	20,560,430.99
	Closing Balance (31/12/2020)	101,209,747.33	327,937,826.44	20,560,430.99	449,708,004.76

NOTE 1**CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER, 2020**

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	UNITY	RECURRENT	002612357	17,541,973.68
2	UNITY	IGR	0026195377	1,661,813.86
	TOTAL			19,203,787.54

NOTE 2**INVENTORIES**

S/N	NAME OF ITEMS	QUANTITY	UNIT PRICE	AMOUNT (#)
1	FLAT RATE 2020	20 BKS	1000	20,000.00
2	GRR	34 KS	800	27,200.00
3	RV	2000 COPIES	8	16,000.00
4	ATTESTATION	20 BKS	3000	60,000.00
5	FILE JACKET	2000	100	200,000.00
6	TR			
7	SRV	10 BKS	2800	25,000.00
8	DICTIONARY ADVANCED LEARNER	5 BKS	3000	15,000.00
9	CERIFICATE OF CERTIFICATE	3 BKS	20,000	60,000.00
10	OTHER CHARGES PV	1000	30	30,000.00
11	TIME BOOK	10 BKS	500	5,000.00
12	APRON CLOTHS	120 PICES	2280	228,000.00
				686,200.00

NOTE 4**RECEIVABLES****STATE GOVERNMENT INTERNALLY GENERATED REVENUE IGR JANUARY-DECEMBER 2020**

#

STATE IGR = 60,172,074,571.20X10%
= 6,017,207,457.12

PORTION OF EACH LOCAL GOVERNMENT = 6,017,207,457.12
16

IREPODUN/IFELODUN PORTION = 376,075,466.07

TOTAL RECEIVABLE = 376,075,466.07

NOTE 8**PLANT, PROPERTY & EQUIPMENT SCHEDULE FOR THE YEAR 2020**

DETAILS	LAND AND BUILDING	PLANT AND MACHINERY	OFFICE EQUIPMENT & FURNITURE & FITTINGS	MOTOR VEHICLE	TOTAL
	#	#	#	#	#
COST/REVALUATION					
BAL. B/F 1/1/2020	519,400,128.00	12,029,774.20	6,317,221.77	4,787,524.60	542,534,648.57
Additions during the year	20,560,430.99				20,560,430.99
Disposal during the year					
Total for the year	539,960,558.99	12,029,774.20	6,317,221.77	4,787,524.60	563,095,079.56
DEPRECIATION					
Accumulated Depreciation	22,573,472.00	3,854,004.80	3,874,460.00	8,886,562.40	39,188,499.20
Depreciation for the year	10,799,211.17	190,000.00	1,510,847.39	4,772,337.30	17,272,395.86
Balance c/f net book value	529,161,347.62	11,839,774.20	4,806,374.38	15,187.30	545,822,683.70

NOTE 11**ACCUMULATED DEPRECIATION**

	AMOUNT (#)
Land and Building	22,573,472.00
Plant and machinery	3,854,004.80
Office equipment & furniture fitting	3,874,460.00
Motor vehicle	,886,562.40
Total	39,188,499.20

NOTE 14**PAYABLES**

S/N	PARTICULARS	AMOUNT (#)
1	ARREARS OF SALARIES	274,078,600.17
2	ARREARS OF LEAVE BONUS	92,247,695.36
	TOTAL	366,326,295.53

NOTE 15

PUBLIC FUND

#60,000.00

NOTE 16

BORROWING		#
TOTAL LIABILITY	=	1,887,389,188.80
LESS PAYMENT	=	<u>503,303,783.68</u>
BALANCE	=	1,384,085,405.12
LIABILITY PER LOCAL GOVT.	=	<u>1,384,085,405.12</u>
		16
	=	#86,505,337.82

NOTE 18 & 24**AID AND GRANT FOR THE YEAR 2020**

S/N	MONTH	AMOUNT (#)
1	JANUARY	
2	FEBRUARY	8,000,000.00
3	MARCH	
4	APRIL	
5	MAY	
6	JUNE	
7	JULY	7,848,102.05
8	AUGUST	
9	SEPTEMBER	
10	OCTOBER	1,362,149.88
11	NOVEMBER	
12	DECEMBER	3,350,179.06
	TOTAL	20,560,430.99

NOTE 21**STATUTORY ALLOCATION**

S/N	MONTH	AMOUNT (#)
1	JANUARY	36,318,641.60
2	FEBRUARY	48,839,474.89
3	MARCH	36,381,553.57
4	APRIL	34,488,603.39
5	MAY	36,390,473.28
6	JUNE	21,495,687.06
7	JULY	42,057,648.53
8	AUGUST	36,448,157.64
9	SEPTEMBER	24,194,983.06

10	OCTOBER	36,898,146.93
11	NOVEMBER	24,940,404.18
12	DECEMBER	24,351,218.96
13	OTHERS	788,893,697.74
	TOTAL	1,191,698,690.83

NOTE 22

IGR ANALYSIS OF TAX FOR YEAR 2020

S/N	MONTH	AMOUNT (#)
1	JANUARY	137,480.00
2	FEBRUARY	178,600.00
3	MARCH	347,870.93
4	APRIL	8,500.00
5	MAY	93,000.00
6	JUNE	140,830.00
7	JULY	75,300.00
8	AUGUST	80,300.00
9	SEPTEMBER	22,500.00
10	OCTOBER	23,800.00
11	NOVEMBER	95,186.00
12	DECEMBER	189,886.48
	TOTAL	1,393,253.41

NOTE 23

IGR ANALYSIS OF NON-TAX FOR YEAR 2020

S/N	MONTH	AMOUNT (#)
1	JANUARY	392,500.00
2	FEBRUARY	607,400.00
3	MARCH	402,800.00
4	APRIL	10,000.00
5	MAY	97,270.93
6	JUNE	573,860.00
7	JULY	237,400.00
8	AUGUST	941,452.55
9	SEPTEMBER	657,500.00
10	OCTOBER	810,500.00
11	NOVEMBER	569,500.00
12	DECEMBER	336,000.00
	TOTAL	5,636,183.48

NOTE 24**ANALYSIS OF AID & GRANT FOR YEAR 2020**

S/N	MONTH	AMOUNT (#)
1	JANUARY	-
2	FEBRUARY	8,000,000.00
3	MARCH	-
4	APRIL	-
5	MAY	-
6	JUNE	-
7	JULY	7,848,102.05
8	AUGUST	-
9	SEPTEMBER	-
10	OCTOBER	1,362,149.88
11	NOVEMBER	-
12	DECEMBER	3,350,179.06
	TOTAL	20,560,430.99

NOTE 29**SUMMARY OF SALARIES ANALYSIS FOR JANUARY-DECEMBER 2020**

S/N	MONTH	AMOUNT (#)
1	STAFF SALARY	271,297,249.15
2	PALACE STAFF	21,481,686.42
3	MID-WIVES	360,000.00
4	POLITICAL OFFICE HOLDERS	40,218,054.77
5	SPECIAL ADVISER	6,688,535.74
6	SPECIAL ADVISER/CHIEF OF STAFF	800,000.00
7	ASSISTANCE INTERGOVERNMENTAL OFFICER	1,267,500.00
8	SA/SUPERVISORS ARREARS	1,642,131.00
	TOTAL	343,755,157.08

NOTE 30**SUMMARY OF SOCIAL CONTRIBUTION FOR JANUARY TO DECEMBER, 2020**

S/N	MONTH	AMOUNT (#)
1	ELECTRICITY	2,850,773.25
2	BUILDING	319,000.00
3	ROAD	5,211,590.00
4	WATER	900,000.00
5	SECURITY	720,000.00
6	OTHERS	3,763,000.00
	TOTAL	13,764,363.25

NOTE 32**OVERHEAD FOR THE YEAR 2020**

S/N	DETAILS	AMOUNT (#)
1	JANUARY	4,949,486.39
2	FEBRUARY	5,072,120.00
3	MARCH	3,208,000.00
4	APRIL	4,349,875.00
5	MAY	4,507,250.00
6	JUNE	4,480,000.00
7	JULY	2,184,660.00
8	AUGUST	5,504,200.00
9	SEPTEMBER	5,004,950.00
10	OCTOBER	4,325,400.00
11	NOVEMBER	3,788,700.00
12	DECEMBER	7,637,140.08
	TOTAL	55,011,790.47

NOTE 37**DEPRECIATION FOR THE YEAR**

S/N	DETAILS	AMOUNT (#)
1	LAND AND BUILDING	10,799,211.17
2	PLANT AND MACHINERY	190,000.00
3	OFFICE EQUIPMENT & FURNITURE FITTING	1,510,847.39
4	MOTOR VEHICLE	4,772,337.30
	TOTAL	17,272,395.86

NOTE 38**SUMMARY OF STATUTORY ALLOCATION TRANSFER TO OTHER GOVERNMENT ENTITIES JAN-DEC. 2020**

S/N	MONTH	AMOUNT	OTHER AMOUNT	TOTAL (#)
1	JANUARY	65,555,048.84	6,366,792.12	69,921,840.96
2	FEBRUARY	63,272,044.96	6,366,792.12	69,638,837.08
3	MARCH	57,101,602.21	6,366,792.12	63,468,394.33
4	APRIL	61,965,847.45	6,366,792.11	68,332,639.56
5	MAY	60,037,369.81	6,366,792.11	66,404,161.92
6	JUNE	60,891,608.45	6,366,792.11	67,258,400.56
7	JULY	61,626,198.88	6,366,787.11	67,992,985.99
8	AUGUST	61,626,198.88	6,366,792.12	67,992,991.99
9	SEPTEMBER	52,749,065.88	6,366,792.12	59,115,858.99
10	OCTOBER	60,137,275.41	6,366,792.12	66,504,068.52
11	NOVEMBER	52,991,597.20	6,366,792.12	59,383,390.31
12	DECEMBER	53,683,334.98	6,366,792.12	60,050,128.09
	TOTAL			788,038,698.30

NOTE 58**PURCHASE OF PPE**

NEIGHBOURHOOD MARKET	=	19,198,281.11
WOMEN DEVELOPMENT CENTRE	=	<u>1,362,149.88</u>
		20,560,430.99

NOTE 66**REPAYMENT OF BORROWING**

TOTAL REPAYMENT	=	12X7,864,121.62
	=	94,369,459.44
REPAYMENT PER LOCAL GOVERNMENT		<u>94,369,459.44</u>

16

= **5,898,091.22**

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF OYE LOCAL GOVERNMENT,

OYE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2020.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Oye Local Government as at 31st December, 2020 in accordance with Sections 123(2) of the Constitution of the Federal Republic of Nigeria 1989; 316(1) of the Constitution of the Federal Republic of Nigeria 1999, 32 (2) of the Local Government Administration Law No 2 of 1999, and section 26(2) of Ekiti State Audit Law 2014. In the course of audit, I performed financial and compliance audit in accordance with International Standards on Auditing (ISA) and International Organisation of Supreme Audit Institutions (INTOSAI) Auditing Standards. The Financial Statements were prepared in line with IPSAS Accrual. I have obtained information and explanations that I required for my audit. In my opinion, the General Purpose Financial Statements and the supporting Accounts and Statements give a true and fair view of the Local Government as at 31st December, 2020 subject to the observations in this report.



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF OYE LOCAL GOVERNMENT, OYE-EKITI FOR THE YEAR ENDED
31ST DECEMBER, 2020.**

The General Purpose Financial Statements of Oye Local Government have been examined in accordance with sections 123(2) and 316 of the Constitution of the Federal Republic of Nigeria, 1989 and 1999 respectively and section 26(2) of Ekiti State Audit Law, 2014 and section 32(2) of the Local Government Administration Law No 2 of 1999. The General Purpose Financial Statements were correct subject to the comments in this report and the existence of the Assets have also been substantiated.

2. STATEMENT OF FINANCIAL RESPONSIBILITY

It is the responsibility of Director of Finance of Oye Local Government to prepare and present the General Purpose Financial Statements to the Auditor-General in accordance with the provisions of Section 35(1) of Ekiti State Audit Law 2014 within 90 days after the expiration of the financial year.

3. STATEMENT OF RESPONSIBILITY OF AUDITOR-GENERAL

It is my responsibility to form an independent opinion, based on General Purpose Financial Statements and accompanying Accounts prepared and submitted to me by the Director of Finance of the Local Government and to report thereupon in consonance with the Constitution of the Federal Republic of Nigeria.

4. RESPONSIBILITY OF THE PUBLIC ACCOUNTS COMMITTEE (PAC)

It is the responsibility of the Public Accounts Committee of the State House of Assembly to review the Auditor-General's Report with a view to ensuring enforcement of the recommendations made and impose sanctions where necessary.

5. BASIS OF OPINION

The Audit was conducted in compliance with International Standards on Auditing (ISA) and Generally Accepted Public Sector and INTOSAI Auditing Standards.

These standards require that I comply with ethical requirements, plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements whether due to fraud or error. I also evaluated the overall adequacy of the presentation of information in the financial statements.

In the course of the Audit, I have obtained all the information and explanation that to the best of my knowledge and belief were necessary for the purpose of audit and I believe that the audit evidence I obtained is sufficient and appropriate to provide a basis for independent opinion.

6. OPINION

In my opinion, the Financial Statements which included Statement of Financial Position, Statement of Financial Performance, Statement of Cash Flow, Statement of Comparison of Budget and Actual and Statement of Changes in Net Assets/Equity as at 31st December, 2020 with supporting notes, give a true and fair view of the State of Affairs And Financial Position of the Local Government for the fiscal year ended on 31st December, 2020 subject to the observations and comments in the other parts of this report.

7. BUDGET OVERVIEW AND PERFORMANCE

Statement of Comparison on Budget Estimate and Actual Performance for the year ended 31st December, 2020 was prepared and presented in compliance with IPSAS accrued, showed the following shortcomings:

- i. The estimate made for Revenue in the 2020 budget recorded a low performance. An estimate was made for N1,826,875,000.00, while actual Revenue recorded stood at N1,359,462,076.80. This is about 74.41% performance. Equally, the IGR of N12,176,279.50 represents only 0.90% of

the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of N1,641,199,999.40 only was budgeted for expenditure but only N1,365,624,329.04 was actually incurred, resulting to saving of N275,575,670.36 for the period.

8. REVENUE ACCOUNT

A total sum of N1,359,462,076.80 was earned as total Revenue as at 31st December, 2020 out of which only 0.90% (N12,176,279.59) was generated as IGR, which showed that the Local Government solely depends on the Statutory allocation.

On the basis of comparison, the IGR for the current year recorded a deficit of 2.28% over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2020.

9. AUTHORITY FOR EXPENDITURE

All expenditure shown in the statement of actual expenditure for the year have been authorized as provided for by section 22(i) of the Local Government Administration Law 1999 with the exceptions of paragraph 10, of this report.

10. EXPENDITURE CONTRARY TO LAW:

The following expenditure appears to be contrary to Law.

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/OYLG/AQ/01/2020	Expenditure contrary to financial regulation	841,000.00
2	AUD/OYLG/AQ/02/2020	Unretired/unreceipted expenditure	703,200.00
3	AUD/OYLG/AQ/03/2020	Items not taken on ledger charges	1,982,500.00
4	AUD/OYLG/AQ/04/2020	Unaudited expenditure	270,000.00
5	AUD/OYLG/AQ/05/2020	Unvouched expenditure	4,466,000.00
6	AUD/OYLG/AQ/06/2020	Unretired security vote	8,500,000.00
	TOTAL		16,762,700.00

These queries and other infractions noted on Local Government accounts during the financial year have been forwarded to the Local Government Management for its responses. As at the time of writing this report, responses to issues raised in Audit Inspection Report are still been awaited.

11. STATEMENTS OF ASSETS AND LIABILITIES

The statements of Assets and Liabilities were correct and existence of the Assets have been substantiated.

12. DISALLOWANCE

Allowance has been reserved in respect of the expenditure detailed in paragraph 10 of this report pending a satisfactory explanations or the sanction of the State House of Assembly.

13. STATE OF ACCOUNT

The Accounts of Oye Local Government have been examined up to 31st December, 2020 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Oye Local Government, Oye-Ekiti. Particular attention is required to the followings:

- (i) Internal control and Internal check
- (ii) Attendance to Audit queries
- (iii) Unproduced Revenue Earning Receipts
- (iv) Expenditure Contrary to Regulation
- (v) Fixed Asset Register
- (vi) Outstanding Audit Queries and other related matters.

14. **RECEIPTS FROM JAAC:** It was observed by audit in the year under review that the SLGJAAC allocations due to the Local Government were completely released to its accounts. The SLGJAAC allocations accounts had been audited by the Auditor-General for Local Governments and published.

15. OUTSTANDING MATTERS FROM PREVIOUS REPORTS

The following matters remained outstanding from my previous report

- (a) Loss of Fund Involving Mr. Victor Osanlusi and Mr. Gabriel (2015) 1,111,000.00
- (b) Non-Salary Related Expenditure from salary account (2015) 458,950.00

(c) **AUDIT QUERIES 2019**

S/N	QUERY NO	SUBJECT	AMOUNT ₦
1	AUD/OYLG/AQ/04/2019	Unretired security vote	13,000,000.00
2	AUD/OYLG/AQ/08/2019	Unvouched expenditure	7,000,000.00
	TOTAL		20,000,000.00



18/06/2021

A.K. Fasakin, CNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010278

RESPONSIBILITY FOR FINACIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Oye Local Government based on the available records and in compliance with the IPSAS Accrual Accounting for all Public Sectors Entities (PSE) in Nigeria.

To the best of our knowledge, the system of internal control had operated adequately throughout the reporting period, and the statements represent a true and fair view of the Financial Position of the Local Government.

The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Oye Local Government as at the year ended 31st December, 2020.



16/4/2021

Hon. Ojo James F,
Executive Chairman.



16/4/2021

Mr. Ayodele S.O.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 1)

(i) BASIS OF PREPARATION/STATEMENT OF COMPLIANCE

The General Purpose Financial Statements have been prepared in accordance with IPSAS Accrual Accounting basis that recognizes transactions and as events occurred whether expenses are paid for or not and revenue received or outstanding, and under the guidelines of Financial Memoranda in conformity with National Chart of Account (NCOA) and the Nigeria Accounting Standard Board for Public Sector Reporting.

(2) BASIS OF MEASUREMENT

These General Purpose Financial Statements have been prepared under the historical cost convention.

(3) REPORTING CURRENCY

The General Purpose Financial Statements were presented in Nigeria Naira, which is the functional currency of the Local Government.

(4) COMPARATIVE INFORMATION

The Financial statements presented contained the last year figures for ease of comparison.

(5) BUDGET INFORMATION

The Annual Budget was prepared in compliance with IPSAS Accrual Basis. All planned cost and incomes were presented in a single statement to determine the needs of the Local Government Council.

(6) GOING CONCERN

The General Purpose Financial Statements have been prepared on a going concern basis.

(7) REVENUE

Revenue from non-exchange transactions such as fees, taxes, and fines are recognized when the events occurred and the assets recognition criteria are met.

(8) EXPENSES.

All expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payment were made.

(9). **STATEMENT OF CASH FLOW.**

The statement of Cash Flow was prepared using direct method in accordance with the format provided in the GPFS.

(10) **CASH AND CASH EQUIVALENT**

Cash and Cash equivalent included cash balances on hand, held in bank accounts, demand deposit and other highly liquid investments with an original maturity of three (3) months or less, and are reported under Current Assets in the Statement of Financial Position.

(11) **RECEIVABLES.**

Receivable from non-exchange transactions included fees, taxes, and fines as well as social benefit receivables that did not arise out of a contract.

(12) **INVENTORIES.**

Inventories are valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method.

(13) **PROPERTY, PLANT & EQUIPMENT (PPE)**

- i. All PPE are stated at historical cost less accumulated depreciation.
- ii. Historical cost included expenditure that were directly attributable to the acquisition of the items.

(14) **INVESTMENT PROPERTY**

These were cost generating property owned by the Local Government and were treated the Same with PPE.

(15) **DEPRECIATION**

Depreciation on PPE and investment property were charged on a straight line basis over their expected useful lives less estimated residual value using the appropriate rates.

(16) **PAYABLES.**

Payables are recognized at fair value.

(17) **BORROWINGS.**

Borrowings are recognized initially at fair value, net of transaction cost incurred.

(18) **TRANSFER TO OTHER GOVERNMENT ENTITIES**

Transfer to other Government entities were not exchange items and were recognized as expenses in the Statement of Financial Performance.

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
N	Represented By:		N	₦
	ASSETS			
	Current Assets			
14,758,385.78	Cash and Cash Equivalents	1	8,596,133.54	
2,075,850.00	Inventories	2	2,632,500.00	
-	WIP	3		
375,427,936.72	Receivables	4	389,783,551.38	
	Prepayments	5		
392,262,172.50	Total Current Assets			401,012,184.92
	Non-Current Assets			
-	Loans Granted	6		
-	Investments	7		
463,344,145.05	Fixed Assets-Property, Plant & Equipment	8	468,420,447.31	
-	Investment Property	9		
-	Biological Assets	10	2,248,500.00	
463,344,145.05	Total Non-Current Assets			470,668,947.31
855,606,317.55	Total Assets			871,681,132.23
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11	17,423,268.95	
-	Loans & Debts(Short-Term)	12		
-	Unremitted Deductions	13		
376,342,952.72	Payables	14	422,982,302.95	
376,342,952.72	Total Current Liabilities		440,405,571.90	
-	Non-Current Liabilities			
-	Public Funds	15		
-	Borrowings	16	86,505,337.82	
-	Total Non-Current Liabilities		86,505,337.82	
376,342,952.72	Total Liabilities			526,910,909.72
479,263,364.83	Net Asset/Equity			344,770,222.51
	Financed By:			
400,925,447.59	Reserves	17		261,620,164.12
-	Capital Grant	18		
-	Net Surplus/(Deficits)	19		
78,337,917.24	Accumulated Surplus/(Deficits)	20		83,150,058.39
479,263,364.83	Total Net Assets/Equity			344,770,222.51

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	Actual 2020
N	REVENUE		N
1,246,843,072.82	Government Share of FAAC (Statutory Revenue)	21	1,347,285,797.30
2,165,900.00	Tax Revenue	22	3,216,629.50
10,294,180.00	Non-Tax Revenue	23	8,959,650.00
103,599,489.18	Aid & Grants	24	
-	Investment Income	25	
-	Expenditure Recovery	26	
-	Other Capital Receipts	27	
-	Debt Forgiveness	28	
1,362,902,642.00	Total Revenue		1,359,462,076.80
	EXPENDITURE		
559,986,635.13	Salaries & Wages	29	464,346,316.00
94,653,489.18	Social Contribution	30	960,000.00
-	Social Benefit	31	1,395,553.50
86,156,100.00	Overhead Cost	32	61,630,470.00
-	Gratuity	33	
-	Pension Allowance	34	
-	Stationeries	35	
-	Impairment Charges	36	
17,423,268.95	Depreciation Charges	37	17,778,784.60
601,199,358.23	Transfer to other Government Entities	38	808,538,811.55
-	Public Debt Charges	39	
-	Allowance(Leave Bonus)	40	
1,359,418,851.49	Total Expenditure		1,354,649,935.65
3,483,790.51	Surplus/(Deficit) from Operating Activities for the Period		4,812,141.15
	Total Non-Operating Revenue/(Expenses)		
-	Non-Operating Activities		
-	Gain/Loss on Disposal of Asset	41	
-	Refunded Revenue	42	
-	Revaluation Gain	43	
3,483,790.51	Net Surplus/(Deficit) from Ordinary Activities		
-	Surplus/(Deficit) from Ordinary Activities		
-	Purchases/Construction of Assets	44	
	Minority Interest Share of Surplus/(Deficits)	45	
3,483,790.51	Net surplus (Deficit) 31/12/2019		4,812,141.15

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2020

2019	DETAILS	NOTES	2020	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,246,843,072.82	Government Share of FAAC (Statutory Revenue)	21	1,347,285,797.30	
2,165,900.00	Tax Revenue	22	3,216,629.50	
10,294,180.00	Non-Tax Revenue	23	8,959,650.00	
103,599,489.18	Aid & Grants	24		
-	Investment Income	25		
-	Expenditure Recovery	26		
-	Other Capital Receipts	27		
-	Debt Forgiveness	28		
1,362,902,642.00	Total inflow from operating Activities		1,359,462,076.80	1,359,462,076.80
	<u>Outflows</u>			
559,986,635.13	Salaries & Wages	29	464,346,316.00	
94,653,489.18	Social Contributions	30	960,000.00	
-	Social Benefit	31	1,395,553.50	
86,156,100.00	Overheads Cost	32	61,630,470.00	
	Gratuity	33		
-	Pension Allowance	34		
601,199,358.23	Transfer to other Government Entities	38	808,538,811.55	
-	Allowance	40		
-	Deductions	49		
-	Refund	50		
-	Inventory	51		
-	Loan	52		
-				
1,341,995,582.54	Total Outflow from Operating Activities			1,336,871,151.05
20,907,059.46	Net Cash Inflow/(outflow) from Operating Activities			22,590,925.75
	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>			
-	Proceeds from Sale of PPE	53		
-	Proceeds from Sale of Investment Property	54		
-	Proceeds from Sales of Intangible Assets	55		

-	Proceeds from Sale of Investment	56		
-	Dividends Received	57		
-	Total Inflow			
-	Outflows			
8,946,000.00	Purchase/ Construction of PPE	58	22,855,086.77	
-	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
-8,946,000.00	Total Outflow		22,855,086.77	
-8,946,000.00	Net Cash Flow from Investing Activities			-22,855,086.77
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64		
-	Proceeds from Borrowings	65		
-	Total Inflow			
-	Outflows			
-	Repayment of Borrowings	66	5,898,091.22	
-	Distribution of Surplus/Dividends Paid	67		
-	Total Outflow		5,898,091.22	
	Net Cash Flow from Financing Activities			-5,898,091.22
11,961,059.46	Net Cash Flow from all Activities			-6,161,252.24
2,797,326.32	Cash and Its Equivalent as at 01/01/2020			14,758,385.78
14,758,385.78	Cash and Its Equivalent as at 31/12/2020	1		8,596,133.54

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2020

2019		Notes	Actual 2020	Final Budget 2020	Variance on Final Budget
₦			₦	₦	₦
	<u>REVENUE</u>				
1,246,843,072.82	Government Share of FAAC (Statutory Revenue)	21	1,347,285,797.30	1,820,000,000.00	-25.97
2,165,900.00	Tax Revenue	22	3,216,629.50	1,900,000.00	69.30
10,294,180.00	Non-Tax Revenue	23	8,959,650.00	4,975,000.00	80.09
103,599,489.18	Aid & Grants	24			
-	Investment Income	25			
-	Expenditure Recovery	26			
-	Other Capital Receipts	27			
-	Debt Forgiveness	28			
1,362,902,642.00	Total Revenue		1,359,462,076.80	1,826,875,000.00	123.42
	<u>EXPENDITURE</u>				
559,986,635.13	Salaries & Wages	29	464,346,316.00	597,011,792.65	22.22
94,653,489.18	Social Contribution	30	960,000.00	-	-100.00
	Social Benefit	31	1,395,553.50	100,000,000.00	98.60
86,156,100.00	Overhead Cost	32	61,630,470.00	80,000,000.00	22.96
-	Gratuity	33			
-	Pension Allowance	34			
-	Stationeries	35			
-	Impairment Charges	36			
601,199,358.23	Transfer to other Government Entities	38	808,538,811.55	864,188,206.75	6.44
-	Public Debt Charges	39			
-	Allowance(Leave Bonus)	40			
8,946,000.00	Purchase of Assets	58	22,855,086.77		-100.00
-	Acquisition of Investment	63	-	-	-
-	Repayment of Borrowing	66	5,898,091.22	-	-100.00
1,350,941,582.54	Total Expenditure		1,365,624,329.04	1,641,199,999.40	-149.77
11,961,059.46	Net Surplus/(Deficit)		-6,162,252.24	185,675,000.60	273.19

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2020

S/ N	NARRATION	ACCUMULATED SURPLUS/ DEFICIT	RESERVE	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2020)	78,337,917.24	400,925,447.59	-	479,263,364.83
2	Surplus for the period	4,812,141.15			4,812,141.15
3	Adjustment for the period		-139,305,283.47		-139,305,283.47
	Closing Balance	83,150,058.39	261,620,164.12		344,770,222.51

NOTE 1**CASH AND CASH EQUIVALENT FOR THE YEAR 2020**

S/N	BANK	ACCOUNT NAME	ACCOUNT NO	AMOUNT (#)
1	STERLING BANK	SALARY ACCOUNT	0064948462	2,519,375.16
2	STERLING BANK	INTERNAL CAPITAL	0064946365	1,345.39
3	STERLING BANK	RECURRENT (MAIN)	0064948417	-
4	KEYSTONE BANK	CAPITAL ACCOUNT	1001168560	381,526.31
5	UBA	IGR	1020261329	194,485.88
6	UBA	CAPITAL PROJECT ACCOUNT	1012595537	240,028.46
7	ZENITH	RUNNING COST ACCOUNT	1016252184	4,880,298.80
8	ZENITH	SUSTAINABLE	1013036954	124,147.75
9	OMIYE MICROFINANCE	DEVELOPOMENT	1100024645	107,871.70
10	OMIYE MICROFINANCE	IGR (MAIN)	1100033135	147,044.09
		IGR (SECRETARIAT)		
	TOTAL			8,596,133.54

NOTE 2**SUMMARY OF STOCK BALANCE**

	AMOUNT (#)
A. PRINTING ITEMS	1,884,700.00
B. REVENUE RECEIPTS	685,300.00
C. TOOLS AND IMPLEMENTS	<u>62,500.00</u>
TOTAL	<u>1,632,500.00</u>

NOTE 4**RECEIVABLES**

S/N	DETAILS	AMOUNT (#)
1	10% INTERNALLY GENERATED REVENUE FROM STATE	376,075,466.07
2	IGR DEMAND NOTICE	2,500,000.00
3	SUNDRY RECEIVABLES	11,208,085.31
	TOTAL	389,783,551.38

PROPERTY PLANT AND EQUIPMENT AND DEPRECIATION NOTES 8, 11 AND 37

ITEMS	LAND & BUILDING	PLANT & MACHINERY	MOTOR VEHICLE	OFFICE EQUIPMENT	FITTINGS	MOTOR CYCLE	TOTAL
OPENING NET BOOK VALUE	427,794,010.00	1,010,000.00	25,872,800.00	6,016,669.60	2,614,665.45	36,000.00	463,344,145.05

NEWLY ACQUAIED	11,805,018.27	-	-	7,000,000.00	4,050,068.50	-	22,855,086.77
TOTAL ASSET	439,599,028.27	1,010,000.00	25,872,800.00	13,016,669.60	6,664,733.95	36,000.00	486,199,231.82
DERPRECIATION RATE	2%	20%	20%	20%	15%	20%	0.97%
ACCUMULATED DEPR.	8,730,490.00	250,000.00	6,468,200.00	1,504,167.40	461,411.55	9,000.00	17,423,268.95
DEPRECIATION FOR THE YEAR	8,791,980.57	202,000.00	5,174,560.00	2,603,333.94	999,710.09	7,200.00	17,778,784.60
NET BOOK VALUE @ CLOSE	430,807,047.70	808,000.00	20,698,240.00	10,413,335.75	5,665,023.86	28,800.00	468,420,447.31

NOTE 10

BIOLOGICAL ASSET

TEAK PLANTATIN

1,499 MATURED TREES @ 1,500 = 2,248,500.00

NOTE 11

ACCUMULATED DEPRECIATION

LAND AND BUILDING	8,730,490.00
PLANCE AND MACHINERY	250,000.00
MOTOR VEHICLES	6,468,200.00
OFFICE EQUIPMENT	1,504,167.40
FITTINGS	461,411.55
MOTOR CYCLE	9,000.00
TOTAL	17,423,268.95

NOTE 14

PAYABLE

S/N	DETAILS	AMOUNT (#)
1	SALARY ARREAR	247,799,879.16
2	ARREARS OF PALACE STAFF SALARY	11,819,799.49
3	DECEMBER SALARY DEDUCTION	12,166,508.50
4	STAFF LEAVE BONUS	113,093,075.00
5	PALACE STAFF LEAVE BONUS	4,214,714.31
6	PENSION ARREAR	28,463,312.49
7	CAPITAL FUND	2,157,514.00
8	STAFF CLAIMS	3,257,500.00
	TOTAL	422,982,302.95

NOTE 16

BORROWINGS (NON CURRENT LIABILITY)

Total Liability	1,887,389,188.80
Repayment up to date	<u>503,303,783.68</u>
Total Balance	<u>1,384,085,405.12</u>

Liability per Local Government 1,384,085,405.12/16

= 86,505,337.82

NOTE 21

STATUTORY REVNEUE: JANUARY – DECEMBER, 2020

S/N	MONTH	AMOUNT (#)	AMOUNT (#)	AMOUNT (#)
1	JANUARY	117,036,953.32	-	117,036,953.32
2	FEBRUARY	117,428,852.76	-	117,428,852.76
3	MARCH	106,036,626.92	-	106,036,626.92
4	APRIL	112,865,215.76	-	112,865,215.76
5	MAY	110,339,528.78	-	110,339,528.78
6	JUNE	101,840,665.40	-	101,840,665.40
7	JULY	102,992,826.32	5,375,000.00	108,367,826.32
8	AUGUST	106,166,426.66	-	106,166,426.66
9	SEPTEMBER	107,178,062.55	-	107,178,062.55
10	OCTOBER	114,906,231.19	-	114,906,231.19
11	NOVEMBER	91,176,341.50	63,709,106.62	155,814,886.24
12	DECEMBER	90,233,959.52	-	90,233,959.52
	TOTAL	1,278,201,690.68	70,013,544.74	1,347,285,797.30

NOTE 22

TAX REVENUE (2020)

	AMOUNT (#)
FLAT RATE	247,400.00
DEVELOPMENT LEVY	979,578.17
LOCAL GOVERNMENT	<u>1,989,651.33</u>
TOTAL	<u>3,216,629.50</u>

NOTE 23**NON TAX REVENUE 2020**

S/N	DETAILS	AMOUNT (#)
1	IDEFICATION	2,352,000.00
2	MARRIAGE NOTIFICATION	1,830,000.00
3	BIRTH CERTIFICATE	294,000.00
4	NACKEY/GRR	478,500.00
5	TENEMENT RATE	1,547,000.00
6	RENT ON HALL	580,000.00
7	LIQUIOR	71,700.00
8	MARKET/SQUARTTER	1,525,950.00
9	NAMING OF STREET	-
10	REGISTRATION OF CLUB	70,000.00
11	SELLING OF PROPERTY	-
12	ATTESTATION	51,000.00
13	PLAM SEEDLINGS	147,500.00
14	HIRING OF TRACTOR RIDGER	12,000.00
	TOTAL	8,959,650.00

NOTE 29

SALARY AND WAGES

MONTH	STAFF SALARY	PALACE STAFF SALARY	MID WIVES	POLITICAL OFFICE HOLDER	EX-POLITICAL OFFICE HOLDERS FURNITURE ALLOWANCE	LOCAL GOVT. NIBSS	TOTAL
JAN.	33,246,278.41	1,971,628.88	60,000.00	2,527,679.25	767,955.39		38,573,542.93
FEB.	32,955,398.91	1,971,628.88		4,347,182.42	767,955.39		40,042,166.60
MAR	32,763,864.90	1,971,628.88	60,000.00	4,767,182.42	767,955.39		40,330,632.59
APRL	33,145,799.44	1,971,628.88	60,000.00	2,243,591.21	767,955.39		38,188,975.92
MAY	32,801,919.13	1,971,628.88	60,000.00	2,341,091.21	767,955.39		37,942,595.61
JUNE	32,264,413.11	1,971,628.88	60,000.00	2,341,091.21	767,955.39	90,150.00	37,495,239.59
JULY	31,311,643.00	1,971,628.88	60,000.00	2,457,569.43	767,955.39	89,550.00	36,658,347.70
AUG.	32,387,319.50	2,171,629.88	60,000.00	4,915,138.85	767,955.39	87,900.00	40,389,943.62
September	33,580,642.73	2,171,629.88	60,000.00	5,315,138.85		88,650.00	41,216,061.46
OCT.	32,738,588.30	2,001,629.88	60,000.00	6,757,270.77		88,800.00	41,646,288.95
NOV.	33,282,797.00	2,001,629.88	60,000.00	7,794,406.72		88,200.00	43,227,033.60
DEC.	18,635,450.83	2,001,629.88	120,000.00	7,794,406.72		84,000.00	28,635,487.43
TOTAL	379,114,115.26	24,149,558.56	720,000.00	53,601,749.06	6,143,643.12	617,250.00	464,346,316.00

NOTE 30

SOCIAL CONTRIBUTION

Assistance to staff and principal officers during social engagement 960,000.00

NOTE 31

SOCIAL BENEFITS

Greetings/advertisement on birthday 95,553.50
 Gifts during Salah Celebrations 300,000.00
 Gifts during Chrisman Celebrations 1,000,000.00
1,395,553.50

NOTE 32**OVERHEAD COST FOR THE YEAR ENDED 31ST DECEMBER, 2020**

MONTH	AMOUNT (#)
JANUARY	6,062,000.00
FEBRUARY	5,909,500.00
MARCH	4,415,000.00
APRIL	3,794,000.00
MAY	3,601,500.00
JUNE	3,797,500.00
JULY	5,232,500.00
AUGUST	8,002,500.00
SEPTEMBER	6,784,820.00
OCTOBER	3,554,500.00
NOVEMBER	5,852,500.00
DECEMBER	4,624,150.00
TOTAL	61,630,470.00

NOTE 37**DEPRECIATION FOR THE YEAR**

LAND AND BUILDING	8,791,980.57
PLAN AND MACHINERY	202,000.00
MOTOR VEHICLE	5,174,560.00
OFFICE EQUIPMENT	2,603,333.94
FITTINGS	999,710.09
MOTOCYCLE	7,200.00
TOTAL	17,778,784.60

NOTE 38

TRANSFER TO OTHER GOVERNMENT ENTITIES

MONTH	TEACHER SALARIES	TEACHER NIBS	TRADITIONAL COUNCIL	CHEIFTANCY	PARASTATAL	PENSION	SUBEB OVER HEAD	TOTAL (#)
JANUARY	34,300,365.21		5,560,629.53	113,482.24	2,042,680.24	28,679,873.37	530,000.00	71,227,030.59
FEBRUARY	34,020,365.49		4,986,785.27	101,771.13	1,831,880.30	28,679,509.17	530,000.00	70,150,311.36
MARCH	23,128,294.75		4,403,948.25	89,876.49	1,617,776.91	29,006,382.07	530,000.00	58,776,278.47
APRIL	34,165,753.00		4,362,503.61	91,671.50	1,637,287.84	28,417,196.01	530,000.00	69,204,411.96
MAY	33,850,211.53	75,600.00	3,480,107.61	71,022.60	1,278,40.88	27,881,920.01	530,000.00	67,167,268.63
JUNE	33,719,984.11	75,150.00	3,925,788.08	80,118.12	1,442,126.23	28,659,356.03	530,000.00	68,432,522.57
JULY	33,816,906.41	74,850.00	4,123,826.22	84,159.24	1,514,873.00	28,985,256.73	530,000.00	69,129,871.73
AUGUST	33,650,246.58	74,550.00	5,218,984.63	106,509.89	2,002,385.94	28,165,256.82	530,000.00	69,747,933.86
SEPTEMBER	34,067,075.99	73,500.00	4,858,067.04	99,144.22	1,784,596.06	29,404,476.99	530,000.00	70,816,860.30
OCTOBER	33,883,981.14	73,200.00	2,988,196.62	60,983.60	1,098,030.85	29,778,722.15	530,000.00	68,413,114.36
NOVEMBER	27,543,959.70	73,350.00	3,091,983.13	63,101.70	1,098,030.85	29,920,441.42	530,000.00	55,320,866.80
DECEMBER	27,690,864.64	72,900.00	3,549,751.55	72,443.91	1,315,942.53	29,920,441.42	530,000.00	55,751,644.21
TOTAL	383,838,005.55	593,100.00	50,550,571.54	1,034,284.64	18,664,017.63	347,498,632.19	6,360,000.00	808,538,811.55

NOTE 58**PURCHASE/CONSTRUCTION OF PROPERTY, PLANT AND EQUIPMENT**

	#
BUILDING	11,805,018.27
OFFICE EQUIPMENT	7,000,000.00
FITTINGS	<u>4,050,068.50</u>
TOTAL	<u>22,855,086.77</u>

NOTE 66**REPAYMENT OF BORROWINGS (BAILOUT)**

MONTH	AMOUNT (#)
JANUARY	491,507.60
FEBRUARY	491,507.60
MARCH	491,507.60
APRIL	491,507.60
MAY	491,507.60
JUNE	491,507.60
JULY	491,507.60
AUGUST	491,507.60
SEPTEMBER	491,507.60
OCTOBER	491,507.60
NOVEMBER	491,507.60
DECEMBER	491,507.60
TOTAL	5,898,091.22