

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF ADO LOCAL GOVERNMENT,


ADO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ado Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.


2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FcNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF ADO LOCAL GOVERNMENT, ADO-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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 26(2) of Ekiti State Audit Law, 2021 as amended 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 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **64.31%**. That is, an estimate was made for **N6,822,885,985.85** while actual Revenue recorded stood at **N4,387,953,676.85**. Equally, the actual IGR of **N120,096,657.59** represents only **2.74%** of the total

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

- ii. The sum of **N3,527,980,381.66** only was budgeted for expenditure but only **N4,503,391,037.92** was actually incurred, resulting to a deficit of **(N975,410,656.26)** for the period.

8. REVENUE ACCOUNT

A total sum of **N4,387,953,676.85** was earned as total Revenue as at 31st December, 2022 out of which only **2.74% (N120,096,657.59)** 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 surplus of **204.74%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR

The following expenditure appears to be contrary to law.

S/N	Query	Subject	Amount (N)
1.	AUD/ADK/AQ/01/22	Expenditure contrary to regulation	6,043,000.00
2.	AUD/ADK/AQ/02/22	Unaudited Expenditure	777,500.00
3.	AUD/ADK/AQ/03/22	Items not taken on store ledger charge	1,097,000.00

4.	AUD/ADK/AQ/04/22	Expenditure not supported with proper records	2,750,000.00
5.	AUD/ADK/AQ/05/22	Expenditure contrary to Regulation	3,130,000.00
6.	AUD/ADK/AQ/06/22	Unproduced revenue earning receipt	Various
	TOTAL		13,797,500.00

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 had been examined up to 31st December, 2022 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**

Query Number	Subject	Beneficiary	Amount ₦	Year
-	10 GRR	Mr. Agun M.O Mrs.Ibitoye and Miss. Lola Oladepo	-	2015



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	2,536,827.41	1,418,129.33
2	Non-Tax Revenue	95,369,457.41	37,991,661.25
3	Aid & Grants	-	-
4	Investment Income	22,190,372.82	-
5	Expenditure Recovery	-	-
	TOTAL	120,096,657.64	39,409,790.58



Seat of Honour

ADO-EKITI LOCAL GOVERNMENT

● P.M.B. 5313, New Secretariat, Igrigiri Road, Odo-Ado, Ado-Ekiti, Ekiti State

Further Communications should be addressed to the Chairman

Your Ref:.....Our Ref:.....Date:.....


RESPONSIBILITY FOR FINANCIAL 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, 2022.


03/04
2022

Hon. Bosun Osaloni,
Executive Chairman.



03/04/23

Mr. Alabi Samuel. A,
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS are:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements are cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- i. Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria are met in accordance to **IPSAS 23**.

- ii. Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- a. Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- b. Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- c. Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and are reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) PREPAYMENT

Prepayment expenses were payments made in advance of receipt of goods or services, i.e., the payments were made early the year for benefits to be received over the latter part of the year or payments made in one year for benefits to be received in subsequent years.

(17) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(18) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(19) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(20) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(21) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(22) RESERVES

Reserves are classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(23) BORROWINGS.

Borrowings are recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(24) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from

conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(25) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(26) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	₦
	<u>ASSETS</u>			
	Current Assets			
4,112,875.09	Cash and Cash Equivalents	1	8,772,171.61	
285,380.30	Inventories	2	205,704.00	
-	WIP	3	-	
1,055,579,415.73	Receivables	4	977,737,735.98	
-	Prepayments	5	-	
1,055,579,415.73	Total Current Assets			986,715,611.59
	Non-Current Assets			
-	Loans Granted	6	-	
-	Investments	7	-	
883,466,069.82	Fixed Assets-Property, Plant & Equipment	8	511,307,645.42	
-	Investment Property	9	-	
-	Biological Assets	10	-	
883,466,069.82	Total Non-Current Assets			511,307,645.42
1,943,443,740.94	Total Assets			1,498,023,257.01
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
-	Unremitted Deductions	13	-	
1,005,948,772.95	Payables	14	887,099,542.07	
1,005,948,772.95	Total Current Liabilities		887,099,542.07	
	Non-Current Liabilities			
-	Public Funds	15	-	
80,124,590.92	Borrowings	16	72,467,694.69	
80,124,590.92	Total Non-Current Liabilities		72,467,694.69	
1,086,073,363.87	Total Liabilities			959,567,236.76
857,370,377.07	Net Asset/Equity			538,456,020.25
	Financed By:			
890,339,284.23	Reserves	17		470,088,646.70
-	Capital Grant	18		-
-	Net Surplus/(Deficits)			-
-32,968,907.16	Accumulated Surplus/(Deficits)	20		68,367,373.55
857,370,377.07	Total Net Assets/Equity			538,456,020.25

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
3,231,097,192.21	Government Share of FAAC (Statutory Revenue)	21	4,387,953,676.85
1,418,129.33	Tax Revenue	22	2,536,827.36
37,991,661.25	Non-Tax Revenue	23	95,369,457.41
-	Aid & Grants	24	-
-	Investment Income	25	22,190,372.82
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
3,270,506,982.79	Total Revenue		4,508,050,334.44
	<u>EXPENDITURE</u>		
1,157,642,865.15	Salaries & Wages	29	1,349,603,795.83
43,194,126.81	Social Contribution	30	157,593,497.51
15,454,881.38	Social Benefit	31	176,470,337.67
116,750,551.46	Overhead Cost	32	54,140,177.13
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
29,988,919.90	Depreciation Charges	37	43,554,032.56
1,878,780,177.55	Transfer to other Government Entities	38	2,594,784,018.41
-	Public Debt Charges	39	-
-	Allowance	40	30,568,194.62
3,241,811,522.25	Total Expenditure		4,406,714,053.73
28,695,460.54	Surplus/(Deficit) from Operating Activities for the Period		101,336,280.71
	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	-
28,695,460.54	Net Surplus/(deficit) for the period		101,336,280.71

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022				
2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
3,231,097,192.21	Government Share of FAAC (Statutory Revenue)	21	4,387,953,676.85	
1,418,129.33	Tax Revenue	22	2,536,827.36	
37,991,661.25	Non-Tax Revenue	23	95,369,457.41	
-	Aid & Grants	24	-	
-	Investment Income	25	22,190,372.82	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
3,270,506,982.79	Total inflow from operating Activities			4,508,050,334.44
	<u>Outflows</u>			
1,157,642,865.15	Salaries & Wages	29	1,349,603,795.83	
43,194,126.81	Social Contributions	30	157,593,497.51	
15,454,881.38	Social Benefit	31	176,470,337.67	
116,750,551.46	Overheads Cost	32	54,140,177.13	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
1,878,780,177.55	Transfer to other Government Entities	38	2,594,784,018.41	
-	Allowance	40	30,568,194.62	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
3,211,822,602.35	Total Outflow from Operating Activities			4,363,160,021.17
58,684,380.44	Net Cash Inflow/(outflow) from Operating Activities			144,890,313.27
	<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			

70,654,199.10	Purchase/ Construction of PPE	58	132,574,120.47	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
70,654,199.10	Total Outflow		132,574,120.47	
-70,654,199.10	Net Cash Flow from Investing Activities			-132,574,120.47
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
-	Repayment of Borrowings	66	7,656,896.28	
-	Distribution of Surplus/Dividends Paid	67	-	
	Total Outflow		7,656,896.28	
-6,380,746.90	Net Cash Flow from Financing Activities			-7,656,896.28
-18,350,565.56	Net Cash Flow from all Activities			4,659,296.52
22,463,440.65	Cash and Its Equivalent as at 01/01/2022			4,112,875.09
4,112,875.09	Cash and Its Equivalent as at 31/12/2022	1		8,772,171.61

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST DECEMBER, 2022					
2021		Notes	Actual 2022	Final Budget 2022	Variance on Final in % Budget
₦			₦	₦	₦
	<u>REVENUE</u>				
3,231,097,197.21	Government Share of FAAC (Statutory Revenue)	21	4,387,953,676.85	6,822,885,985.85	-35.69
1,418,129.33	Tax Revenue	22	2,536,827.36	4,750,000.00	-46.59
37,991,661.25	Non-Tax Revenue	23	95,369,457.41	136,100,000.00	-29.93
-	Aid & Grants	24	-	-	-
-	Investment Income	25	22,190,372.82	-	100.00
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
3,270,506,982.79	Total Revenue		4,508,050,334.44	6,963,735,985.85	-12.21
	<u>EXPENDITURE</u>				
1,157,642,865.15	Salaries & Wages	29	1,349,603,795.83	1,245,365,381.66	-8.37
43,194,126.81	Social Contribution	30	157,593,497.51	62,500,000.00	-152.15
15,454,881.38	Social Benefit	31	176,470,337.67	90,000,000.00	-96.08
116,750,551.46	Overhead Cost	32	54,140,177.13	177,120,000.00	69.43
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
1,878,780,177.55	Transfer to other Government Entities	38	2,594,784,018.41	1,742,700,000.00	-48.89
-	Public Debt Charges	39	-	-	-
-	Allowance	40	30,568,194.62	8,940,000.00	-241.93
70,654,199.10	Purchase of Assets	58	132,574,120.47	201,355,000.00	34.16
-	Acquisition of Investment	63	-	-	-
6,380,746.90	Repayment of Borrowing	66	7,656,896.28	-	-100.00
3,288,857,548.35	Total Expenditure		4,503,391,037.92	3,527,980,381.66	-543.83
-18,350,565.56	Net Surplus/(Deficit)		4,659,296.52	3,435,755,604.19	531.62

ADO LOCAL GOVERNMENT, ADO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2022

S/N	NARATION	ACCUMULATED SURPLUS/DEFICIT (N)	RESERVES (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2022)	-32,968,907.16	890,339,284.23	-	857,370,377.07
2	Surplus for the year	101,336,280.71			101,336,280.71
3	Grant for the year				-
4	Assets Recognised during the year				-
5	Adjustment		-420,250,637.53		-420,250,637.53
	Closing Balance 31/12/2022	68,367,373.55	470,088,646.70	-	538,456,020.25

NOTES 8 & 37

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2021

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	309,710,402.22	27,027,075.95	67,086,893.34	3,163,186	-	2,800,000	12,500,000	422,287,557.51
Acquisition during the year	37,076,600.00	24,910,200.00	46,343,713.47	3,570,250	140,000	17,963,357	2,570,000	132,574,120.47
Total	346,787,002.22	51,937,275.95	113,430,606.81	6,733,436	140,000	20,763,357	15,070,000	554,861,677.98
Disposal during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Balance 31/12/2022	346,787,002.22	51,937,275.95	113,430,606.81	6,733,436	140,000	20,763,357	15,070,000	554,861,677.98
Accumulated Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Current Year Charge	10,403,610.07	1,558,118.28	22,686,121.36	673,343.60	28,000.00	5,190,839.25	3,014,000.00	43,554,032.56
Depreciation on Disposal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
NBV AS AT 31/12/2022	336,383,392.15	50,379,157.67	90,744,485.45	6,060,092.40	112,000.00	15,572,517.75	12,056,000.00	511,307,645.42

CASH AND CASH EQUIVALENT FOR YEAR 2022**NOTE 1**

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	Zenith Bank	Main Account	1017231702	731,637.67
2	Fidelity Bank	IGR	5030022270	5,266,168.28
3	Unity Bank PLC	Salary	'0019711777	2,774,365.66
	Total			8,772,171.61

NOTE 2**INVENTORIES**

S/N	NAME OF ITEMS	QUANTITY	UNIT PRICE	AMOUNT
1	File Jacket	175	150.00	26,250.00
2	Bank Schedule	4	3,000.00	12,000.00
3	Small office ledger	20	1,472.00	29,434.00
4	Photocopy cartridge	3	25,000.00	75,000.00
5	Revenue cash book	7	3,000.00	21,000.00
6	Demand note	5	3,000.00	15,000.00
7	Letter head	386 pieces	70.00	27,020.00
	Total			205,704.00

NOTE 4**RECEIVABLE**

	Balance b/f	1,055,579,415.73
	less:Receipt during the year	85,498,575.98
		970,080,839.75
	Add receivable for the year	7,656,896.23
	Balance b/f	977,737,735.98

PAYABLES**NOTE 14**

	DETAILS	AMOUNT(N)
	Balance b/f	1,005,948,772.95
	less: Payment during the year	118,849,230.88
	Balance b/f	887,099,542.07

OUTSTANDING BAIL OUT REPAYMENTS**NOTE 16**

	DETAILS	AMOUNT
	Bal b/f	80,124,590.92
	less repayment	7,656,896.23
	Bal b/f	72,467,694.69

STATUTORY ALLOCATION FOR YEAR 2022**NOTE 21**

		2022			2021
S/N	MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	January	225,751,905.97	568,573,832.15	342,821,926.18	197,888,527.66
2	February	188,523,276.83	568,573,832.15	380,050,555.32	208,515,550.58
3	March	197,942,453.09	568,573,832.15	370,631,379.06	177,456,870.94
4	April	231,314,887.17	568,573,832.15	337,258,944.98	207,790,795.48
5	May	210,779,377.21	568,573,832.16	357,794,454.95	222,219,021.50
6	June	208,084,791.52	568,573,832.15	360,489,040.63	267,262,029.21
7	July	264,773,465.20	568,573,832.15	303,800,366.95	291,160,428.84
8	August	297,301,411.84	568,573,832.17	271,272,420.33	294,351,564.54
9	September	225,926,626.43	568,573,832.15	342,647,205.72	280,468,521.16
10	October	592,731,057.10	568,573,832.15	-24,157,224.95	297,182,172.38
11	November	237,971,184.27	568,573,832.15	330,602,647.88	299,581,498.80
12	December	1,506,853,240.22	568,573,832.17	-938,279,408.05	487,220,211.12
	TOTAL	4,387,953,676.85	6,822,885,985.85	2,434,932,309.00	3,231,097,192.21

TAX REVENUE NOTE 22

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Community poll Tax	1,760,596.16	2,250,000.00	489,403.84	350,014.14
2	Corporate (L.G 2.5% on contract)	776,231.20	2,500,000.00	1,723,768.80	1,068,115.19
	TOTAL	2,536,827.36	4,750,000.00	2,213,172.64	1,418,129.33

NON TAX REVENUE FOR YEAR 2022 NOTE 23

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Registration of street	320,000.00	2,500,000.00	2,180,000.00	340,000.00
2	Marriage	9,863,000.00	13,000,000.00	3,137,000.00	10,369,000.00
3	Business operational permit	11,728,066.67	35,820,137.00	24,092,070.33	19,524,861.25
4	Rent on Local Govt. building	20,705,000.00	6,500,000.00	-14,205,000.00	50,000.00
5	Hawking/Squatter	432,359.55	2,070,000.00	1,637,640.45	297,500.00
6	Loading permit	448,610.00	1,500,000.00	1,051,390.00	0.00
7	Market tolls	681,000.00	1,250,000.00	569,000.00	0.00
8	Tenement Rate	850,771.96	12,479,863.00	11,629,091.04	533,500.00
9	Attestation	3,163,500.00	8,750,000.00	5,586,500.00	912,000.00
10	Parking permit	274,000.00	2,500,000.00	2,226,000.00	361,200.00
11	Land /space allocation charges	1,915,000.00	3,000,000.00	1,085,000.00	0.00
12	Birth certificate	773,333.01	1,000,000.00	226,666.99	203,500.00
13	Abattoir/Slaughter	216,500.00	500,000.00	283,500.00	0.00
14	Trade permit	10,454,861.14	14,000,000.00	3,545,138.86	0.00

15	Donation	2,950,000.00	0.00	-2,950,000.00	0.00
16	Proceeds from sales of un-used items	64,000.00	200,000.00	136,000.00	0.00
17	Registration of Association	311,000.00	2,300,000.00	1,989,000.00	127,000.00
18	JORA	40,000.00	0.00	-40,000.00	0.00
19	Rent (Govt. Building)	20,705,000.00	20,630,000.00	-75,000.00	5,264,600.00
	Expenditure recovery	0.00	0.00	0.00	1,000.00
20	Liquor licence	28,950.00	1,100,000.00	1,071,050.00	7,500.00
21	IGR from parent Local Govt.	9,444,505.08	7,000,000.00	-2,444,505.08	0.00
	TOTAL	95,369,457.41	136,100,000.00	40,730,542.59	37,991,661.25

INVESTMENT INCOME

NOTE 25

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Investment with Zenith Bank	22,190,372.82	0.00	-22,190,372.82	0.00
TOTAL	22,190,372.82	0.00	-22,190,372.82	0.00

SALARY AND WAGES
NOTE 29

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Local Govt Salaries	1,219,338,073.50	1,165,959,586.55	-53,378,486.95	953,382,791.80
2	Palace Staff	7,538,841.08	7,290,295.11	-248,545.97	7,237,652.18
3	Mid Wives	1,440,000.00	1,440,000.00	0.00	630,000.00
3	POH	121,286,881.25	70,675,500.00	-50,611,381.25	196,392,421.17
	Total	1,349,603,795.83	1,245,365,381.66	-104,238,414.17	1,157,642,865.15

NOTE 30

SOCIAL CONTRIBUTION

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Enlightment on COVID-19	65,885,241.35	50,000,000.00	-15,885,241.35	18,035,626.81
2	Provision for immunization	80,885,241.36	6,500,000.00	-74,385,241.36	20,658,500.00
3	Women anniversary celebration	10,823,014.80	6,000,000.00	-4,823,014.80	4,500,000.00
	Total	157,593,497.51	62,500,000.00	-95,093,497.51	43,194,126.81

SOCIAL BENEFIT**NOTE 31**

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Advertisement sundry	10,500,000.00	8,000,000.00	-2,500,000.00	3,454,881.38
2	Gift during Salah celebration	25,560,000.00	6,000,000.00	-19,560,000.00	7,500,000.00
3	Gift during Christmas celebration	12,500,000.00	6,000,000.00	-6,500,000.00	4,500,000.00
4	Other benefits	127,910,337.67	70,000,000.00	-57,910,337.67	0.00
	Total	176,470,337.67	90,000,000.00	-86,470,337.67	15,454,881.38

NOTE 32**OVERHEAD COSTS FOR 2022**

		2022			2021
S/ N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Transport & Travelling	15,532,500.00	20,800,000.00	5,267,500.00	26,842,271.57
2	Utilities-General	188,000.00	55,400,000.00	55,212,000.00	409,000.00
3	Materials & Supplies-General	5,463,050.00	11,490,000.00	6,026,950.00	3,010,500.00
4	Maintenance-General	1,677,100.00	20,450,000.00	18,772,900.00	921,750.00
5	Training-General	4,803,000.00	12,500,000.00	7,697,000.00	3,307,000.00
6	Other service-General	8,067,000.00	0.00	-8,067,000.00	17,845,000.00
7	Consultancy/Professional-General	381,000.00	7,700,000.00	7,319,000.00	2,299,500.00
8	Fuel & Lubricant-General	1,425,000.00	3,050,000.00	1,625,000.00	1,355,000.00
9	Miscellaneous-General	12,803,527.13	25,730,000.00	12,926,472.87	56,760,529.89
10	Local Grant-General	3,800,000.00	20,000,000.00	16,200,000.00	4,000,000.00
	TOTAL	54,140,177.13	177,120,000.00	122,979,822.87	116,750,551.46

DEPRECIATION FOR THE YEAR**NOTE 37**

S/N	CURRENT YEAR CHARGE		AMOUNT
1	Land & Building		10,403,610.07
2	Infrastructure		1,558,118.28
3	Motor Vehicle		22,686,121.36
4	Plant & Machinery		673,343.60
5	Transport Equipment		28,000.00
6	Office Equipment		5,190,839.25
7	Furniture & Fittings		3,014,000.00
	Total		43,554,032.56

TRANSFER TO OTHER GOVERNMENT ENTITIES**NOTE 38**

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Primary Education Fund	1,419,365,449.83	1,262,600,000.00	-156,765,449.83	1,239,861,976.24
2	Tradition /Council Allocation	77,359,086.25	94,600,000.00	17,240,913.75	72,456,897.19
3	Pension & Gratuity	580,779,187.23	325,600,000.00	-255,179,187.23	529,654,531.14

4	Local Government Parastatal	27,409,361.26	44,000,000.00	16,590,638.74	22,406,772.98
5	Running grant to peace corps	14,400,000.00	14,400,000.00	0.00	14,400,000.00
6	Other Transfer	118,849,230.88	0.00	-118,849,230.88	0.00
7	Special Reserves with JAAC	244,613,286.37	0.00	-244,613,286.37	0.00
8	Security Fund	1,500,000.00	1,500,000.00	0.00	0.00
9	Transfer to Ado-West LCDA	22,797,920.84	0.00	-22,797,920.84	0.00
10	Transfer to Ado-North LCDA	50,717,567.14	0.00	-50,717,567.14	0.00
11	Transfer to Ado-Central LCDA	36,992,928.61	0.00	-36,992,928.61	0.00
	TOTAL	2,594,784,018.41	1,742,700,000.00	-852,084,018.41	1,878,780,177.55

POH FURNITURE ALLOWANCE

NOTE 40

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Leave bonus -POH				0.00
2	Severance Allowance-POH	30,083,489.11	8,940,000.00	-21,143,489.11	0.00
3	Furniture Allowance-POH	484,705.51	0.00	-484,705.51	0.00
	TOTAL	30,568,194.62	8,940,000.00	-21,628,194.62	0.00

PURCHASE /CONSTRUCTION OF PPE**NOTE 58**

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	LAND AND BUILDING	37,076,600.00	46,000,000.00	8,923,400.00	2,645,000.00
2	INFRASTRUCTURE	24,910,200.00	101,200,000.00	76,289,800.00	67,569,199.10
3	MOTOR VEHICLE	46,343,713.47	53,500,000.00	7,156,286.53	0.00
4	PLANT & MACHINERY	3,570,250.00	4,040,000.00	469,750.00	0.00
5	TRANSPORT EQUIPMENT	140,000.00	3,000,000.00	2,860,000.00	0.00
6	OFFICE EQUIPMENT	17,963,357.00	25,765,000.00	7,801,643.00	0.00
7	FURNITURE & FITTINGS	2,570,000.00	13,850,000.00	11,280,000.00	440,000.00
	TOTAL	132,574,120.47	201,355,000.00	114,780,879.53	70,654,199.10

REPAYMENT OF BORROWING (BAIL OUT)**NOTE 66**

	2022			2021
Months	ACTUAL	BUDGET	VARIANCE	ACTUAL
January	638,074.69	0.00	-638,074.69	638,074.69
February	638,074.69	0.00	-638,074.69	638,074.69
March	638,074.69	0.00	-638,074.69	0.00
April	638,074.69	0.00	-638,074.69	0.00
May	638,074.69	0.00	-638,074.69	638,074.69
June	638,074.69	0.00	-638,074.69	638,074.69
July	638,074.69	0.00	-638,074.69	638,074.69
August	638,074.69	0.00	-638,074.69	638,074.69
September	638,074.69	0.00	-638,074.69	638,074.69
October	638,074.69	0.00	-638,074.69	638,074.69
November	638,074.69	0.00	-638,074.69	638,074.69
December	638,074.69	0.00	-638,074.69	638,074.69
Total	7,656,896.28	0.00	-7,656,896.28	6,380,746.90

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF AIYEKIRE LOCAL GOVERNMENT,

ODE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Aiyekire Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

***Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.***

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF AIYEKIRE LOCAL GOVERNMENT, ODE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

The General Purpose Financial Statements of Aiyekire 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 Aiyekire 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **91.87%**. That is, an estimate was made for **N2,547,993,855.96**, while actual Revenue recorded stood at **N2,340,897,882.74**. Equally, the actual IGR of **N11,755,612.00** represents only **0.50%** of the total Revenue for the

period, meaning the Local Government relied unduly on the Statutory Allocation for survival.

- ii. The sum of **N2,528,610,978.50** only was budgeted for expenditure but only **N2,358,568,992.00** was actually incurred, resulting to a deficit of **(N170,041,986.50)** for the period.

8. REVENUE ACCOUNT

A total sum of **N2,340,897,882.74** was earned as total Revenue as at 31st December, 2022 out of which only **0.50% (N11,755,612.00)** 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 **17.71%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1	AUD/AYLG/AQ/01/2022	Unproduced Revenue Earning Receipt	Assorted
2	AUD/AYLG/AQ/02/2022	Expenditure Contrary to Regulation	1,294,623.33
3	AUD/AYLG/AQ/03/2022	Unretired/unreceipted Expenditure	680,000.00
4	AUD/AYLG/AQ/04/2022	Unaudited Expenditure	400,000.00
5	AUD/AYLG/AQ/05/2022	Items not taken on Store ledger charge	512,000.00
6	AUD/AYLG/AQ/06/2022	Expenditure Not Accounted For	114,520.32
	TOTAL		3,015,193.65

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 Aiyekire Local Government had been examined up to 31st December, 2022 and detailed observations have been forwarded to the Local Government Chairman and the Director of Administration, Aiyekire 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) N4,881,128.88

LOCAL GOVERNMENT	YEAR	AMOUNT OF LOSS (N)	AMOUNT RECOVERED (N)	BALANCE (N)	OFFICIALS INVOLVED
Aiyekire	2015	4,881,128.88	-	4,881,128.88	Mr. Olarewaju Oladimeji

- ii. Receipts purchased (various types) but not traceable to store (143) (2014) involving Mr. Peter Adelusi.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)**APPENDIX 'A'**

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	4,625,085.00	2,779,330.14
2	Non-Tax Revenue	5,576,982.00	5,752,944.73
3	Aid & Grants	-	-
4	Investment Income	1,553,545.00	1,149,700.00
5	Expenditure Recovery	-	305,000.00
	TOTAL	11,755,612.00	9,986,974.87



...Ile Iyi, Ile Eye.

AYEKIRE LOCAL GOVERNMENT

PMB 001 ODE-EKITI
EKITI STATE OF NIGERIA

*All communications should be addressed
to the Hon. Chairman quoting:*

Our Ref. No: _____ *Your Ref No* _____ *Date* _____

RESPONSIBILITY FOR FINANCIAL STATEMENTS

The General Purpose Financial Statements have been prepared by the Director of Finance Aiyekire 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 Aiyekire Local Government as at the year ended 31st December, 2022.


17/02/2023
Hon. Prince Fadumiye Ayodele

Hon. Prince Fadumiye Ayodele,
Executive Chairman.


17/02/2023
Mr. Ajiboye M.O.

Mr. Ajiboye M.O.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt

payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) PREPAYMENT

Prepayment expenses were payments made in advance of receipt of goods or services, i.e., the payments were made early the year for benefits to be received over the latter part of the year or payments made in one year for benefits to be received in subsequent years.

(17) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(18) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(19) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(20) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years

Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(21) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(22) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(23) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(24) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(25) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The

Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(26) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

AIYEKIRE LOCAL GOVERNMENT, ODE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
7,461,178.50	Cash and Cash Equivalents	1	1,545,681.24	
113,300.00	Inventories	2	302,600.00	
-	WIP	3	-	
15,000,000.00	Receivables	4	188,357,300.00	
-	Prepayments	5	-	
22,574,478.50	Total Current Assets			190,205,581.24
	Non-Current Assets			
-	Loans Granted	6	-	
1,000,000.00	Investments	7	1,000,000.00	
511,378,356.87	Fixed Assets-Property, Plant & Equipment	8	665,485,974.59	
246,865,000.00	Investment Property	9	239,459,050.00	
-	Biological Assets	10	-	
759,243,356.87	Total Non-Current Assets			905,945,024.59
781,817,835.37	Total Assets			1,096,150,605.83
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
-	Unremitted Deductions	13	-	
282,767,445.17	Payables	14	269,923,480.31	
282,767,445.17	Total Current Liabilities		269,923,480.31	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,650,020.62	Borrowings	16	75,823,639.99	
81,650,020.62	Total Non-Current Liabilities		75,823,639.99	
364,417,465.79	Total Liabilities			345,747,120.30
417,400,369.58	Net Asset/Equity			750,403,485.53
	Financed By:			
353,691,883.95	Reserves	17		540,082,448.81
-	Capital Grant	18		-
-	Net Surplus/(Deficits)	19		-
63,708,485.63	Accumulated Surplus/(Deficits)	20		210,321,036.72
417,400,369.58	Total Net Assets/Equity			750,403,485.53

AIYEKIRE LOCAL GOVERNMENT, ODE-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022
₦	<u>REVENUE</u>		
1,793,781,138.57	Government Share of FAAC (Statutory Revenue)	21	2,340,897,882.74
2,779,330.14	Tax Revenue	22	4,625,085.00
5,752,944.73	Non-Tax Revenue	23	5,576,982.00
-	Aid & Grants	24	-
1,149,700.00	Investment Income	25	1,553,545.00
305,000.00	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
1,803,768,113.44	Total Revenue		2,352,653,494.74
	<u>EXPENDITURE</u>		
805,718,355.86	Salaries & Wages	29	840,075,963.95
-	Social Contribution	30	-
-	Social Benefit	31	3,495,000.00
86,612,629.46	Overhead Cost	32	65,058,638.93
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
28,121,791.79	Depreciation Charges	37	36,202,907.33
874,657,175.01	Transfer to other Government Entities	38	1,238,479,410.89
-	Public Debt Charges	39	-
18,362,500.00	Allowance	40	22,729,022.55
1,813,472,452.12	Total Expenditure		2,206,040,943.65
(9,704,338.68)	Surplus/(Deficit) from Operating Activities for the Period		146,612,551.09
	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	-
(9,704,338.68)	Net Surplus/(deficits) for the year		146,612,551.09

AIYEKIRE LOCAL GOVERNMENT, ODE-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,793,781,138.57	Government Share of FAAC (Statutory Revenue)	21	2,340,897,882.74	
2,779,330.14	Tax Revenue	22	4,625,085.00	
5,752,944.73	Non-Tax Revenue	23	5,576,982.00	
-	Aid & Grants	24	-	
1,149,700.00	Investment Income	25	1,553,545.00	
305,000.00	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
1,803,768,113.44	Total inflow from operating Activities			2,352,653,494.74
	<u>Outflows</u>			
805,718,355.86	Salaries & Wages	29	840,075,963.95	
-	Social Contributions	30	-	
-	Social Benefit	31	3,495,000.00	
86,612,629.46	Overheads Cost	32	65,058,638.93	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
874,657,175.01	Transfer to other Government Entities	38	1,238,479,410.89	
18,362,500.00	Allowance	40	22,729,022.55	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
1,785,350,660.33	Total Outflow from Operating Activities			2,169,838,036.32
18,417,453.11	Net Cash Inflow/(outflow) from Operating Activities			182,815,458.42
	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	-	

	Total Inflow			
	Outflows			
37,777,686.78	Purchase/ Construction of PPE	58	182,904,575.05	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
37,777,686.78	Total Outflow		182,904,575.05	
(37,777,686.78)	Net Cash Flow from Investing Activities			(182,904,575.05)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
4,855,317.20	Repayment of Borrowings	66	5,826,380.63	
-	Distribution of Surplus/Dividends Paid	67	-	
4,855,317.20	Total Outflow		5,826,380.63	
(4,855,317.20)	Net Cash Flow from Financing Activities			(5,826,380.63)
(24,215,550.87)	Net Cash Flow from all Activities			(5,915,497.26)
31,676,729.37	Cash and Its Equivalent as at 01/01/2022			7,461,178.50
7,461,178.50	Cash and Its Equivalent as at 31/12/2022	1		1,545,681.24

AIYEKIRE LOCAL GOVERNMENT, ODE-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	REVENUE				
1,793,781,138.57	Government Share of FAAC (Statutory Revenue)	21	2,340,897,882.74	2,547,993,855.96	(8.13)
2,779,330.14	Tax Revenue	22	4,625,085.00	4,879,000.00	(5.20)
5,752,944.73	Non-Tax Revenue	23	5,576,982.00	7,452,000.00	(5.16)
-	Aid & Grants	24	-	-	-
1,149,700.00	Investment Income	25	1,553,545.00	1,650,000.00	(5.85)
305,000.00	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
1,803,768,113.44	Total Revenue		2,352,653,494.74	2,561,974,855.96	(44.34)
	EXPENDITURE				
805,718,355.86	Salaries & Wages	29	840,075,963.95	853,109,847.50	1.53
-	Social Contribution	30	-	-	-
-	Social Benefit	31	3,495,000.00	5,150,000.00	32.14
86,612,629.46	Overhead Cost	32	65,058,638.93	122,864,559.59	47.05
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
		37	-	-	-
874,657,175.01	Transfer to other Government Entities	38	1,238,479,410.89	1,330,764,674.25	6.93
-	Public Debt Charges	39	-	-	-
18,362,500.00	Allowance	40	22,729,022.55	23,291,897.16	2.42
37,777,687.78	Purchase of Assets	58	182,904,575.05	193,430,000.00	5.44
-	Acquisition of Investment	63	-	-	-
4,855,317.20	Repayment of Borrowing	66	5,826,380.63	-	(100.00)
1,827,983,665.31	Total Expenditure		2,358,568,992.00	2,528,610,978.50	(4.49)
(24,215,551.87)	Surplus /(Deficit) for the year		(5,915,497.26)	33,363,877.46	(39.84)

AIYEKIRE LOCAL GOVERNMENT, ODE-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2022

S/N	NARATION	ACCUMULATED SURPLUS/DEFICIT (N)	RESERVES (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2022)	63,708,485.63	353,691,883.95	-	417,400,369.58
2	Surplus for the year	146,612,551.09			146,612,551.09
3	Grant for the year				
4	Assets Recognised for the year				
5	Adjustment		186,390,564.86		186,390,564.86
	Closing Balance 31/12/2022	210,321,036.72	540,082,448.81	-	750,403,485.53

NOTES 8 & 37

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2022

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	292,863,786.99	195,668,319.49	7,175,273.07	4,069,377.00	-	2,774,160.46	8,827,439.86	511,378,356.87
Acquisition during the year	11,302,500.00	146,329,801.61	23,345,273.44	209,000.00	-	1,549,000.00	169,000.00	182,904,575.05
Total	304,166,286.99	341,998,121.10	30,520,546.51	4,278,377.00	-	4,323,160.46	8,996,439.86	694,282,931.92
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/2022	304,166,286.99	341,998,121.10	30,520,546.51	4,278,377.00	-	4,323,160.46	8,996,439.86	694,282,931.92
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	9,124,988.61	10,259,943.63	6,104,109.30	427,837.70	-	1,080,790.12	1,799,287.97	28,796,957.33
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	295,041,298.38	331,738,177.47	24,416,437.21	3,850,539.30	-	3,242,370.35	7,197,151.89	665,485,974.59

NOTE 1**CASH AND CASH EQUIPMENT FOR YEAR 2022**

S/N	BANK	ACCOUNT NAME	ACCOUNT NO	AMOUNT
1	UNITED BANK FOR AFRICAN	SALARY ACCOUNT	1000709496	1,130,529.42
2	UNITED BANK FOR AFRICAN	MAIN ACCOUNT	1003570693	217,616.08
3	UNITED BANK FOR AFRICAN	IGR A ACCOUNT	1014549383	197,535.74
TOTAL				1,545,681.24

NOTE 2**INVENTORIES**

S/N	NAME OF ITEM	QUANTITY	UNIT PRICE	AMOUNT (N)
1	ADVANCE LEDGER	20	2000	40,000.00
2	TENEMENT RECEIPT	15	800	12,000.00
3	ATTESTATION	20	900	18,000.00
4	TENEMENT RATE	8	1500	12,000.00
5	DVRA	10	1500	15,000.00
6	MARKET RECEIPT	20	800	16,000.00
7	REVENUE CASH BOOK	10	3000	30,000.00
8	BANK SCHEDULE	10	900	9,000.00
9	DVEA	18	1500	27,000.00
10	BIRTH CERTIFICATE	8	2200	17,600.00
11	FILE JACKET	80	200	16,000.00
12	COLUMNAR CASH BOOK	30	2500	75,000.00
13	SRV	10	1500	15,000.00
	TOTAL			302,600.00

RECEIVABLES**NOTE 4**

DETAILS		AMOUNT
YEAR 2022 OPENING BALANCE	15,000,000.00	
Less Receipt during the year	12,300,000.00	
		2,700,000.00
Add: Receivable for the year		185,657,300.00
TOTAL		188,357,300.00

NOTE 7**(N)**

Investment.....1,000,000.00

NOTE 9**INVESTMENT PROPERTY**

S/N	ITEM	COST	DEP.RATE	DEP.RATE	NBV 31/12/2022
1	LOCK UP SHOPS	162,960,000.00	3%	4,888,800.00	158,071,200.00
2	OPENING MARKET STALL	80,025,000.00	3%	2,400,750.00	77,624,250.00
3	FAYOSE MARKET	3,880,000.00	3%	116,400.00	3,763,600.00
	TOTAL	246,865,000.00		7,405,950.00	239,459,050.00

NOTE 14**PAYABLE FOR 2022**

DETAIL	AMOUNT
YEAR 2022 OPENING BALANCE	282,767,445.17
Less Payment during the year	145,501,864.86
SUB-BALANCE	137,265,580.31
Add: Payable for the year	132,657,900.00
BALANCE 31/12/2023	269,923,480.31

NOTE 16**BORROWINGS**

DETAIL	AMOUNT
TOTAL LIABILITY	81,650,020.62
Less:	
PAYMENT TO DATE	5,826,380.63
TOTAL	75,823,639.99

NOTE 21

STATUTORY ALLOCATION FOTR THE YEAR 2022

		2022			2021
S/N	MONTH OF ALLOCATION	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	JANUARY	171,781,945.74	177,543,234.76	5,761,289.02	125,970,892.69
2	FEBRUARY	143,453,474.61	145,768,543.90	2,315,069.29	134,488,130.17
3	MARCH	150,620,831.26	155,654,321.87	5,033,490.61	107,678,511.32
4	APRIL	176,014,998.52	177,876,548.75	1,861,550.23	129,122,837.70
5	MAY	160,388,863.09	166,987,678.65	6,598,815.56	142,893,972.82
6	JUNE	158,338,465.46	159,876,435.32	1,537,969.86	143,537,916.15
7	JULY	201,474,715.51	204,098,678.87	2,623,963.36	153,731,692.51
8	AUGUST	226,226,284.90	230,768,543.35	4,542,258.45	157,424,220.27
9	SEPTEMBER	171,914,896.20	172,678,678.59	763,782.39	148,032,773.79
10	OCTOBER	213,922,350.34	359,098,768.67	145,176,418.33	156,972,287.58
11	NOVEMBER	181,079,990.83	210,987,546.34	29,907,555.51	154,340,208.36
12	DECEMBER	385,681,066.28	386,654,876.89	973,810.61	239,587,695.21
	TOTAL	2,340,897,882.74	2,547,993,855.96	207,095,973.22	1,793,781,138.57

NOTE 22**TAX REVENUE FOR YEAR 2022****INTERNAL GENERATED REVENUE FOR THE YEAR 2022 (IGR)**

S/N	DETAIL	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	COMMUNITY POLL TAX	10,000.00	200,000.00	190,000.00	116,625.14
2	MARKET TOLLS	1,799,380.00	1,800,000.00	620.00	1,005,305.00
3	HAWKING PERMIT	54,300.00	570,000.00	515,700.00	484,500.00
4	LOADING PERMIT	553,900.00	400,000.00	- 153,900.00	160,900.00
5	TENEMENT RATE	72,000.00	310,000.00	238,000.00	249,000.00
6	FLAT RATE	806,710.00	350,000.00	- 456,710.00	306,800.00
7	TRADE PERMIT	424,545.00	89,000.00	- 335,545.00	76,700.00
8	LIQUOUR LICENSE FEES	40,000.00	110,000.00	70,000.00	9,500.00
9	MOBILE SALES		350,000.00	350,000.00	300,000.00
10	JORA COMPANY	322,000.00	200,000.00	- 122,000.00	70,000.00
11	SALES OF USED ADEX AND PLANT	192,200.00	270,000.00	77,800.00	
12	OPERATION PERMIT	350,050.00	230,000.00	- 120,050.00	
		4,625,085.00	4,879,000.00	253,915.00	2,779,330.14

NOTE 23**NON TAX REVENUE FOR YEAR 2022**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	LOCAL GOVERNMENT IDENTIFICATION	2,694,500.00	2,935,000.00	240,500.00	1,690,500.00
2	MARRIAGE/DIVORCE FEES	1,096,000.00	1,240,000.00	144,000.00	1,228,600.00
3	BIRTH CERTIFICATE	373,092.00	290,000.00	- 83,092.00	193,850.00
4	REG.ON SOCIAL ORGANISATION	20,000.00	40,000.00	20,000.00	10,000.00
5	LOCAL GOVERNMENT TAX	575,790.00	2,320,000.00	1,744,210.00	2,220,744.73
6	AGRICULTURAL PRODUCE	513,700.00	550,000.00	36,300.00	349,250.00
7	LEASE OF PIGGERY		77,000.00	77,000.00	60,000.00
8	ENVIRONMENTAL SANITATION	44,100.00		- 44,100.00	
9	DEVELOPMENT LEVY	259,800.00		- 259,800.00	
	TOTAL	5,576,982.00	7,452,000.00	1,875,018.00	5,752,944.73

NOTE 25**INCOME ON INVESTMENT**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL 2022
1	RENT ON LOCAL GOVERNMENT PROPERTY	665,345.00	760,000.00	94,655.00	400,000.00
2	LOCK UP SHOPS	888,200.00	890,000.00	1,800.00	749,700.00
	TOTAL	1,553,545.00	1,650,000.00	96,455.00	1,149,700.00

NOTE 29**PERSONNEL COST (WAGES & SALARY)**

S/N	MONTH	LOCAL GOVERNMENT SALARY	POLITICAL OFFICE HOLDERS SALARY	2022			2021
				ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	JANUARY	59,601,275.85	3,984,744.99	63,586,020.84	64,432,567.65	846,546.81	56,765,435.70
2	FEBRUARY	45,321,683.63	3,812,247.76	49,133,931.39	49,432,123.87	298,192.48	49,546,768.80
3	MARCH	44,483,036.03	4,112,247.76	48,595,283.79	48,765,438.80	170,155.01	46,567,877.00
4	APRIL	61,432,940.75	4,712,247.76	66,145,188.51	68,769,876.77	2,624,688.26	57,654,876.80
5	MAY	62,241,004.24	4,596,953.27	66,837,957.51	67,334,765.89	496,808.38	62,985,643.20
6	JUNE	59,640,545.29	4,898,775.88	64,539,321.17	65,923,765.98	1,384,444.81	61,789,546.75
7	JULY	63,975,122.27	4,898,775.88	68,873,898.15	69,898,743.65	1,024,845.50	65,231,543.79
8	AUGUST	79,692,320.58	4,590,461.94	84,282,782.52	84,367,854.76	85,072.24	88,864,321.76
9	SEPTEMBER	63,380,876.91	6,635,540.04	70,016,416.95	71,768,754.46	1,752,337.51	65,908,753.23
10	OCTOBER	101,385,141.31	6,635,540.04	108,020,681.35	109,753,214.64	1,732,533.29	102,658,975.34
11	NOVEMBER	60,602,417.82	6,635,540.04	67,237,957.86	68,536,765.23	1,298,807.37	65,357,853.76
12	DECEMBER	76,170,983.87	6,635,540.04	82,806,523.91	84,125,975.80	1,319,451.89	82,386,762.73
TOTAL		777,927,348.55	62,148,615.40	840,075,963.95	853,109,847.50	13,033,883.55	805,718,358.86

NOTE 31

SOCIAL BENEFITS

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	ARMYS REMEMBRANCE DAY	250,000.00	300,000.00	50,000.00	-
2	GIFT DURING SALAH CELEBRATION	245,000.00	350,000.00	105,000.00	-
3	GIFT DURING CHRISTMAS	3,000,000.00	4,500,000.00	1,500,000.00	-
	TOTAL	3,495,000.00	5,150,000.00	1,655,000.00	-

NOTE 32

OVERHEAD COST FOR YEAR 2022

NOTE 32

OVERHEAD COST FOR YEAR 2022		2022			2021
S/N	DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	TRANSPORT AND TRAVELLING	16,752,000.00	46,578,987.76	29,826,987.76	45,641,725.80
2	MATERIAL AND SUPPLIER	2,581,000.00	2,988,765.73	407,765.73	1,428,000.00
3	MAINTENANCE SERVICE GENERAL	531,500.00	954,234.00	422,734.00	864,000.00
4	GRANT AND CONTRIBUTIONS GENERAL	13,835,053.60	37,147,572.10	23,312,518.50	5,342,036.66
5	TRAINING GENERAL	410,000.00	420,000.00	10,000.00	186,000.00
6	MISCELLANEOUS EXPENSES	22,698,085.33	24,345,000.00	1,646,914.67	23,798,800.00
7	OTHER SERVICES	5,700,000.00	8,300,000.00	2,600,000.00	8,000,000.00
8	FUELLING AND LUBRICANT	494,000.00	790,000.00	296,000.00	763,000.00
9	FINANCIAL CHARGES		139,000.00	139,000.00	129,067.00
10	CONSULTING AND PROFESSIONAL BODY	2,057,000.00	876,000.00	- 1,181,000.00	150,000.00
11	OVERHAULING OF VEHICLES		325,000.00	325,000.00	310,000.00
TOTAL		65,058,638.93	122,864,559.59	57,805,920.66	86,612,629.46

DEPRECIATION CHARGES

NOTE 37

CLASSIFICATION	AMOUNT
PP&E	28,796,957.33
INVESTMENT PROPERTY	7,405,950.00
TOTAL	36,202,907.33

NOTE 38

DIRECTLY CREDITED TO PARASTATAL AND OTHERS

		2022			2021
S/N	DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	PRIMARY EDUCATION FUND (SUBEB EMOLUMENT)	487,191,698.40	489,567,435.50	2,375,737.10	344,713,010.75
2	TRADITIONAL COUNCIL ALLOCATION	58,865,037.26	59,876,543.60	1,011,506.34	55,151,571.08
3	PENSION AND GRATUITY	506,625,658.73	507,678,675.70	1,053,016.97	404,535,156.98
4	LOCAL GOVERNMENT PARASTATA/ AGENCIES	20,856,671.79	23,435,654.68	2,578,982.89	17,050,040.16
5	RUNNING GRAND FOR PEACE CORPS	14,400,000.00	15,000,000.00	600,000.00	14,400,000.00
6	OTHER ALLOCATION	90,436,233.71	95,654,389.00	5,218,155.29	25,552,078.85
7	SECURITY FUND	8,400,000.00	87,564,321.77	79,164,321.77	8,400,000.00
8	BAIL OUT FUND	5,826,380.63	5,987,654.00	161,273.37	4,855,317.19
9	GBONYIN LCDA	45,877,730.37	46,000,000.00	122,269.63	-
	TOTAL	1,238,479,410.89	1,330,764,674.25	92,285,263.36	874,657,175.01

NOTE 40**FURNITURE ALLOWANCE & IYALOJAS' ALLOWANCE FOR YEAR 2022**

ALLOWANCE	2022			2021
MONTHS	ACTUAL	BUDGET	VARIANCE	ACTUAL 2021
JANUARY	3,864,267.87	3,987,654.50	123,386.63	1,530,208.33
FEBRUARY	1,275,000.00	1,300,000.00	25,000.00	1,530,208.33
MARCH	2,525,000.00	2,654,342.66	129,342.66	1,530,208.33
APRIL	2,525,000.00	2,700,000.00	175,000.00	1,530,208.33
MAY	130,560.68	140,000.00	9,439.32	1,530,208.33
JUNE	25,000.00	26,000.00	1,000.00	1,530,208.33
JULY	503,772.39	504,000.00	227.61	1,530,208.33
AUGUST	10,219,140.05	10,300,000.00	80,859.95	1,530,208.33
SEPTEMBER	1,586,281.56	1,600,000.00	13,718.44	1,530,208.33
OCTOBER	25,000.00	26,000.00	1,000.00	1,530,208.33
NOVEMBER	25,000.00	26,900.00	1,900.00	1,530,208.33
DECEMBER	25,000.00	27,000.00	2,000.00	1,530,208.37
TOTAL	22,729,022.55	23,291,897.16	562,874.61	18,362,500.00

NOTE 58**PURCHASE OF PP& E**

		2022			2021
S/N	DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	LAND AND BUILDING	11,302,500.00	16,500,000.00	5,197,500.00	3,243,181.79
2	INFRASTRUCTURE	146,329,801.61	147,590,000.00	1,260,198.39	33,579,504.99
3	OFFICE EQUIPMENT	1,549,000.00	1,640,000.00	91,000.00	99,000.00
4	FURNITURE AND FITTING	169,000.00	1,500,000.00	1,331,000.00	856,000.00
5	PLANT AND MACHINERY	209,000.00	1,700,000.00	1,491,000.00	
6	MOTOR VEHICLE	23,345,273.44	24,500,000.00	1,154,726.56	
TOTAL		182,904,575.05	193,430,000.00	10,525,424.95	37,777,686.78

NOTE 66**REPAYMENT OF BORROWING**

	2022			2021
MONTHS	ACTUAL	BUDGET	VARIANCE	ACTUAL 2021
JANUARY	485,531.71	-	- 485,531.71	485,531.72
FEBRUARY	485,531.72	-	- 485,531.72	485,531.72
MARCH	485,531.72	-	- 485,531.72	
APRIL	485,531.72	-	- 485,531.72	
MAY	485,531.72	-	- 485,531.72	485,531.72
JUNE	485,531.72	-	- 485,531.72	485,531.72
JULY	485,531.72	-	- 485,531.72	485,531.72
AUGUST	485,531.72	-	- 485,531.72	485,531.72
SEPTEMBER	485,531.72	-	- 485,531.72	485,531.72
OCTOBER	485,531.72	-	- 485,531.72	485,531.72
NOVEMBER	485,531.72	-	- 485,531.72	485,531.72
DECEMBER	485,531.72	-	- 485,531.72	485,531.72
TOTAL	5,826,380.63	-	- 5,826,380.63	4,855,317.20

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF EFON LOCAL GOVERNMENT,

EFON-ALAAYE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Efon Local Government as at 31st December, 2021 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EFON LOCAL GOVERNMENT, EFON-ALAAYE-EKITI FOR THE
YEAR ENDED 31ST DECEMBER, 2022.**

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, Section 26(2) of Ekiti State Audit Law, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i) The estimate made for Revenue in the 2022 budget recorded a performance of **131.11%**. That is, an estimate was made for **N1,610,564,074.47**, while actual Revenue recorded stood at **N2,111,618,637.18**. Equally, the actual IGR of **N8,020,476.86** represents only **0.38%** of the total Revenue for the

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

- (ii) The sum of **N2,232,641,675.40** only was budgeted for expenditure but only **N2,116,963,508.49** was actually incurred, resulting to a saving of **N115,578,166.91** for the period.

8. REVENUE ACCOUNT

A total sum of **N2,111,618,637.18** was earned as total Revenue as at 31st December, 2021 out of which only **0.38% (N8,020,476.86)** 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 **(25.23%)** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT
1	AUD/EFLG/AQ/01/22	Unproduced Revenue Earning Receipts	Assorted
2	AUD/EFLG/AQ/02/22	Unretired expenditure	1,079,000.00
3	AUD/EFLG/AQ/03/22	Items not taken on store ledger charge	439,500.00
4	AUD/EFLG/AQ/04/22	Unaudited expenditure	1,285,000.00
5	AUD/EFLG/AQ/05/19	Expenditure contrary to regulation	1,044,500.00
	TOTAL		3,848,000.00

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 had been examined up to 31st December, 2022 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:

- (i) Cash books and subsidiary ledgers
- (ii) Attendance to Audit Query.
- (iii) Loan Register.
- (iv) Internal Generated Revenue.
- (v) Capital Accounts.
- (vi) 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

S/N	QUERY NUMBER	SUBJECT	NAME OF AFFECTED OFFICERS	AMOUNT
1	AUD/EFLG/AQ/04/19	Unretired security vote	(1) Ogusakin Rope (2) Awopetu L.O (3) Hon. Yemi Oweye	15,000,000.00 1,000,000.00 2,000,000.00
			Total	18,000,000.00



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	1,987,100.00	1,679,698.19
2	Non-Tax Revenue	3,433,376.86	3,750,382.90
3	Aid & Grants	-	-
4	Investment Income	2,600,000.00	974,682.90
5	Expenditure Recovery	-	-
	TOTAL	8,020,476.86	6,404,763.99



Efon Local Government

Secretariat: Efon Alaaye – Itawure Road, P.M.B. 008, Efon Alaaye, Ekiti State

Our Ref:

Your Ref:

RESPONSIBILITY FOR FINANCIAL 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, 2022.

A handwritten signature in blue ink, appearing to read "Stephen Olabode Adetunji".

13/03/23

**Hon. Stephen Olabode Adetunji,
Executive Chairman.**

A handwritten signature in blue ink, appearing to read "Mr Adetifa Gbenga".

13/03/23

**Mr Adetifa Gbenga,
Director of Finance.**

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government.

The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.

- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public

benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(17) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(18) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(19) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(20) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(21) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(22) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(23) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(24) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(25) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(26) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA				
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022				
2021	DETAILS	NOTES	2022	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
2,324,532.65	Cash and Cash Equivalents	1	5,000,138.16	
643,600.00	Inventories	2	1,038,600.00	
-	WIP	3	-	
302,854,424.61	Receivables	4	277,872,376.43	
-	Prepayments	5	-	
305,822,557.26	Total Current Assets			283,911,114.59
	Non-Current Assets			
-	Loans Granted	6	-	
-	Investments	7	-	
935,977,782.39	Fixed Assets-Property, Plant & Equipment	8	936,051,145.36	
156,113,021.26	Investment Property	9	187,535,000.00	
4,500,000.00	Biological Assets	10	4,500,000.00	
1,096,590,803.65	Total Non-Current Assets			1,128,086,145.36
1,402,413,360.91	Total Assets			1,411,997,259.95
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
-	Unremitted Deductions	13	-	
640,030,834.29	Payables	14	484,718,175.63	
640,030,834.29	Total Current Liabilities		484,718,175.63	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,825,861.15	Borrowings	16	76,270,489.15	
81,825,861.15	Total Non-Current Liabilities		76,270,489.15	
721,856,695.44	Total Liabilities			560,988,664.78
680,556,665.47	Net Asset/Equity			851,008,595.17
	Financed By:			
696,537,930.90	Reserves	17		879,523,272.08
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
-15,981,265.43	Accumulated Surplus/(Deficits)	20		(28,514,676.91)
680,556,665.47	Total Net Assets/Equity			851,008,595.17

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
1,545,695,265.07	Government Share of FAAC (Statutory Revenue)	21	2,111,618,637.18
1,679,698.19	Tax Revenue	22	1,987,100.00
3,750,382.90	Non-Tax Revenue	23	3,433,376.86
-	Aid & Grants	24	-
974,682.90	Investment Income	25	2,600,000.00
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
1,550,639,463.42	Total Revenue		2,119,639,114.04
	<u>EXPENDITURE</u>		
640,560,188.63	Salaries & Wages	29	668,673,608.82
-	Social Contribution	30	34,891,708.43
-	Social Benefit	31	40,000,000.10
50,234,031.49	Overhead Cost	32	59,936,412.25
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
89,358,521.56	Depreciation Charges	37	88,131,269.58
830,259,795.58	Transfer to other Government Entities	38	1,210,802,528.24
-	Public Debt Charges	39	-
22,112,500.00	Allowance	40	29,736,998.10
1,632,525,037.26	Total Expenditure		2,132,172,525.52
-80,425,008.20	Surplus/(Deficit) from Operating Activities for the Period		(12,533,411.48)
	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	-
-80,425,008.20	Net Surplus/(Deficit) for the period		(12,533,411.73)

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,545,695,265.07	Government Share of FAAC (Statutory Revenue)	21	2,111,618,637.18	
1,679,698.19	Tax Revenue	22	1,987,100.00	
3,750,382.90	Non-Tax Revenue	23	3,433,376.86	
-	Aid & Grants	24	-	
974,682.90	Investment Income	25	2,600,000.00	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
1,552,100,029.06	Total inflow from operating Activities			2,119,639,114.04
	<u>Outflows</u>			
640,560,188.63	Salaries & Wages	29	668,673,608.82	
-	Social Contributions	30	34,891,708.43	
-	Social Benefit	31	40,000,000.10	
50,234,031.49	Overheads Cost	32	59,936,412.25	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
830,259,795.58	Transfer to other Government Entities	38	1,210,802,528.24	
22,112,500.00	Allowance	40	29,736,998.10	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
1,543,166,515.70	Total Outflow from Operating Activities			2,044,041,255.94
8,933,513.36	Net Cash Inflow/(outflow) from Operating Activities			75,597,858.10
	<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			
8,555,981.62	Purchase/ Construction of PPE	58	67,366,880.55	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
8,555,981.62	Total Outflow		67,366,880.55	
-8,555,981.62	Net Cash Flow from Investing Activities			(67,366,880.55)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
0.00	Total Inflow			
	Outflows			
4,679,476.67	Repayment of Borrowings	66	5,555,372.04	
	Distribution of Surplus/Dividends Paid	67		
4,679,476.67	Total Outflow		5,555,372.04	
-4,679,476.67	Net Cash Flow from Financing Activities			(5,555,372.04)
-4,301,944.93	Net Cash Flow from all Activities			2,675,605.51
6,626,477.58	Cash and Its Equivalent as at 01/01/2022			2,324,532.65
2,324,532.65	Cash and Its Equivalent as at 31/12/2022	1		5,000,138.16

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST DECEMBER, 2022					
2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget in %
₦			₦	₦	₦
	<u>REVENUE</u>				
1,545,695,265.07	Government Share of FAAC (Statutory Revenue)	21	2,111,618,637.18	1,610,564,074.47	31.11
1,679,698.19	Tax Revenue	22	1,987,100.00	2,650,000.00	(25.02)
3,750,382.90	Non-Tax Revenue	23	3,433,376.86	4,050,000.00	(15.23)
-	Aid & Grants	24	-	-	-
974,682.90	Investment Income	25	2,600,000.00	3,050,000.00	(14.75)
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
1,552,100,029.06	Total Revenue		2,119,639,114.04	1,620,314,074.47	(23.88)
	<u>EXPENDITURE</u>				
640,560,188.63	Salaries & Wages	29	668,673,608.82	761,327,087.70	12.16
-	Social Contribution	30	34,891,708.43	37,000,000.00	5.70
-	Social Benefit	31	40,000,000.10	43,500,000.00	8.05
50,234,031.49	Overhead Cost	32	59,936,412.25	67,203,587.50	10.81
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
830,259,795.58	Transfer to other Government Entities	38	1,210,802,528.24	1,215,000,000.00	0.35
-	Public Debt Charges	39	-	-	-
22,112,500.00	Allowance	40	29,736,998.10	30,500,000.00	2.50
8,555,981.62	Purchase of Assets	58	67,366,880.55	78,160,000.00	13.81
-	Acquisition of Investment	63	-	-	-
4,679,476.67	Repayment of Borrowing	66	5,555,372.00	-	(100.00)
1,556,401,973.99	Total Expenditure		2,116,963,508.49	2,232,641,675.40	(46.62)
-4,301,944.93	Net Surplus/(Deficit) for the year		2,675,605.55	(612,327,600.93)	22.74

EFON LOCAL GOVERNMENT, EFON-ALAAYE EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER,
2022

S/ N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	GRANT FOR THE YEAR	TOTAL
1	Opening Balance(1/1/2022)	(15,981,265.43)	696,537,930.90	-	680,556,665.47
2	Surplus for the year	(12,533,411.48)		-	(12,533,411.48)
3	Grant for the period			-	
4	Assets Recognised during			-	
5	the year				
	Adjustment for the period		182,985,341.18		182,985,341.18
	Closing Balance 31/12/2022	(28,514,676.91)	879,523,272.08	-	851,008,595.17

NOTES 8 & 37

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2022

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	571,580,329.27	153,284,367.20	163,763,300.01	26,696,785.91	13,504,000.00	6,285,000.00	864,000.00	935,977,782.39
Acquisition during the year	4,480,811.33	40,720,829.97	13,146,086.74	1,947,352.50	764,040.00	1,720,525.00	4,587,235.01	67,366,880.55
Total	576,061,140.60	194,005,197.17	176,909,386.75	28,644,138.41	14,268,040.00	8,005,525.00	5,451,235.01	1,003,344,662.94
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/20...	576,061,140.60	194,005,197.17	176,909,386.75	28,644,138.41	14,268,040.00	8,005,525.00	5,451,235.01	1,003,344,662.94
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	17,281,834.22	5,820,155.92	35,381,877.35	2,864,413.84	2,853,608.00	2,001,381.25	1,090,247.00	67,293,517.58
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	558,779,306.38	188,185,041.25	141,527,509.40	25,779,724.57	11,414,432.00	6,004,143.75	4,360,988.01	936,051,145.36

NOTE 1**CASH AND CASH EQUIVALENT FOR YEAR 2022**

BANK	ACCOUNT NAME	ACCOUNT NUMBER	AMOUNT ₦
SUNBEAM MICRO FINANCE BANK	IGR	0600025336	720,230.43
SUNBEAM MICRO FINANCE BANK	SALARY	0600019888	3,545,057.23
SUNBEAM MICRO FINANCE BANK	RECURRENT	0600020182	110,090.10
SUNBEAM MICRO FINANCE BANK	CAPITAL	0600020182	624,760.40
TOTAL			5,000,138.16

NOTE 2**INVENTORIES**

S/N	DETAILS	AMOUNT ₦
1	STORE	600,000.00
2	MEDICAL STORE	418,100.00
3	MECHANICAL SHOP SCRAP	20,500.00
	TOTAL	1,038,600.00

NOTE 4**RECEIVABLE**

S/N	DETAILS	AMOUNT ₦
1	Balance B/F	302,854,424.61
2	Less: Receipt for the year	62,032,497.43
3	Balance B/F	240,821,927.18
4	Add: Receivable for the year	37,050,449.25
	TOTAL	277,872,376.43

NOTE 9**INVESTMENT PROPERTY**

S/N	DETAILS	AMOUNT ₦
1	Erekesan Market, Efon with about 2 Lock up shops and many open stalls	54,060,800.00
2	Ojodi Market(4 Lock Up shops)	6,528,400.00
3	Irayo Market Lock Up Shop	13,056,800.00
4	Alajo Market (open Stall)	3,040,408.00
5	Ita-Ido Market (open Stall)	3,040,408.00
6	Fayose Market, Ado Ekiti	2,642,608.00
7	Alagbamesan market(open Stall)	3,040,408.00
8	Neighbourhood Market	90,000,000.00
9	Itawure Market(open Stall)	3,040,408.00
10	Grader	20,000,000.00
11	Revalued @ 5% 2021	9,922,512.00
	TOTAL	208,372,752.00
12	Depreciation @ 10%	20,837,752.00
	TOTAL	187,535,000.00

NOTE 10**BIOLOGICAL ASSETS**

S/N	DETAILS	AMOUNT ₦
1	Teak Plantation Obake	4,500,000.00
	TOTAL	4,500,000.00

NOTE 14**PAYABLES**

S/N	DETAILS	AMOUNT ₦
1	Balance B/F	640,030,834.29
2	Less: Payment during the year	155,312,658.66
	Balance B/F	484,718,175.63

NOTE 16**LONG TERM BORROWING**

S/N	DETAILS	AMOUNT ₦
1	Balance B/F	81,825,861.15
2	Less: Payment during the year	5,555,372.00
	Balance B/F	76,270,489.15

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

MONTH	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	163,791,669.80	134,762,332.00	(29,029,337.80)	117,507,609.70
FEBRUARY	136,780,870.91	148,214,654.00	11,433,783.09	124,490,092.74
MARCH	143,614,844.69	100,237,554.00	(43,377,290.69)	97,597,725.63
APRIL	167,827,826.10	108,963,255.00	(58,864,571.10)	118,984,190.62
MAY	152,928,525.69	142,000,000.00	(10,928,525.69)	133,527,725.86
JUNE	150,973,500.38	150,000,000.00	(973,500.38)	120,144,363.37
JULY	192,103,308.26	125,000,000.00	(67,103,308.26)	128,899,548.58
AUGUST	215,703,581.63	140,277,255.89	(75,426,325.74)	130,757,028.34
SEPTEMBER	163,918,436.19	150,234,266.10	(13,684,170.09)	122,526,695.35
OCTOBER	183,577,374.94	130,277,255.89	(53,300,119.05)	130,841,411.24
NOVEMBER	172,657,225.05	140,597,501.59	(32,059,723.46)	128,083,512.34
DECEMBER	267,741,473.54	140,000,000.00	(127,741,473.54)	192,335,361.30
TOTAL	2,111,618,637.18	1,610,564,074.47	(501,054,562.71)	1,545,695,265.07

NOTE 22
TAX REVENUE

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Tenement Rate	388,000.00	450,000.00	62,000.00	468,700.00
2	Corporate Taxes(2.5% LG Tax on Contract)	1,599,100.00	2,200,000.00	600,900.00	1,210,998.19
	TOTAL	1,987,100.00	2,650,000.00	662,900.00	1,679,698.19

NOTE 23

NON TAX REVENUE

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Hackney Permit/Loading	11,000.00	350,000.00	339,000.00	403,000.00
2	Attestation	2,426,200.00	2,500,000.00	73,800.00	1,454,200.00
3	Naming of Street	290,000.00	200,000.00	(90,000.00)	420,500.00
4	Registration of Voluntary Organisation	40,000.00	250,000.00	210,000.00	372,000.00
5	Blocking of Road	75,500.00	50,000.00	(25,500.00)	126,000.00
6	Business Trade	130,000.00	150,000.00	20,000.00	271,000.00
7	Rent on LG Properties	162,476.86	250,000.00	87,523.14	257,500.00
8	Market Fees	298,200.00	300,000.00	1,800.00	446,182.90
	TOTAL	3,433,376.86	4,050,000.00	616,623.14	3,750,382.90

NOTE 25**INVESTMENT INCOME**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Rent on LG Properties	162,476.86	250,000.00	87,523.14	257,500.00
2	Hiring of Grader	2,139,323.14	2,500,000.00	360,676.86	271,000.00
3	Market Fees	298,200.00	300,000.00	1,800.00	446,483.90
	TOTAL	2,600,000.00	3,050,000.00	450,000.00	974,983.90

NOTE 29**SALARIES & WAGES**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Local Government Workers	562,451,378.03	634,543,987.90	72,092,609.87	445,445,278.68
2	Political Office Holders	100,210,166.50	120,234,100.00	20,023,933.50	113,263,461.34
3	Palace Staff	5,652,064.29	6,000,000.00	347,935.71	81,491,448.61
4	Midwives	360,000.00	500,000.00	140,000.00	360,000.00
	TOTAL	668,673,608.82	761,278,087.90	92,604,479.08	640,560,188.63

NOTE 30**SOCIAL CONTRIBUTION**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Enlightenment on COVID 19	10,000,000.00	11,000,000.00	1,000,000.00	-
2	Provision for Immunization	10,000,000.00	11,000,000.00	1,000,000.00	-
3	Women Anniversary Celebration	14,891,708.43	15,000,000.00	108,291.57	-
	TOTAL	34,891,708.43	37,000,000.00	2,108,291.57	-

NOTE 31**SOCIAL BENEFITS**

S/N	DETAILS	2022			ACTUAL 2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Advertisement Sundry	15,000,000.00	16,000,000.00	1,000,000.00	-
2	Gifts during Salah Celebration	3,000,000.00	4,000,000.00	1,000,000.00	-
3	Gifts during Christmas Celebration	3,000,000.00	4,000,000.00	1,000,000.00	-
3	Other Benefits	19,000,000.10	19,500,000.00	499,999.90	-
	TOTAL	40,000,000.10	43,500,000.00	3,499,999.90	-

NOTE 32**OVERHEAD COST**

CODE	DETAILS	ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
220201	Transport & Traveling General	19,436,400.00	20,600,000.00	1,163,600.00	22,624,500.00
220202	Utilities General	1,362,000.00	2,240,000.00	878,000.00	1,130,000.00
220203	Materials & Supplies General	3,111,000.00	4,670,000.00	1,559,000.00	2,084,800.00
220204	Maintenance & Service General	2,202,012.25	2,563,587.50	361,575.25	1,205,275.00
220205	Training & Human Development	3,888,500.00	4,250,000.00	361,500.00	341,000.00
220206	Other Service General	5,000,000.00	5,500,000.00	500,000.00	8,350,000.00
220208	Fuel & Lubricant General	1,385,750.00	2,600,000.00	1,214,250.00	1,132,550.00
220210	Miscellaneous General	20,250,750.00	20,780,000.00	529,250.00	9,015,906.49
220401	Local Grant & Contribution	3,300,000.00	4,000,000.00	700,000.00	4,350,000.00
	TOTAL	59,936,412.25	67,203,587.50	7,267,175.25	50,234,031.49

NOTE 37**DEPRECIATION**

S/N	DETAILS	AMOUNT ₦
1	PP&E	67,293,517.58
2	INVESTMENT PROPERTY	20,837,752.00
	Balance B/F	88,131,269.58

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIES**

S/N	DETAILS	ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
1	Primary Education Fund	329,308,559.99	450,000,000.00	120,691,440.01	328,660,425.90
2	Traditional Council Fund	56,126,985.31	56,000,000.00	(126,985.31)	52,586,247.53
3	Pension & Integrity	421,377,574.75	575,000,000.00	153,622,425.25	409,517,823.69
4	Local Government Parastatals	19,886,543.28	20,000,000.00	113,456.72	16,256,973.55
5	Running Grant to Peace Corps	14,400,000.00	15,000,000.00	600,000.00	14,838,324.91
6	Security Fund	8,400,000.00	9,000,000.00	600,000.00	8,400,000.00
7	Other Transfers	86,229,677.20	90,000,000.00	3,770,322.80	-
8	Special Reserves With JAAC	275,073,187.71	-	(275,073,187.71)	
	TOTAL	1,210,802,528.24	1,215,000,000.00	4,197,471.76	830,259,795.58

NOTE 40**ALLOWANCE**

S/N	DETAILS	ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
1	Leave Bonus	-	-	-	
2	Leave Bonus (POH)	-	-	-	
3	Severance Allowance (POH)	29,252,292.59	30,000,000.00	747,707.41	
4	Furniture Allowance (POH)	484,705.51	500,000.00	15,294.49	22,112,500.00
	TOTAL	29,736,998.10	30,500,000.00	763,001.90	22,112,500.00

NOTE 58**PURCHASE/CONSTRUCTION OF ASSETS**

S/N	DETAILS	ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
1	Admin Sector	20,619,261.33	24,615,000.00	3,995,738.67	2,981,885.21
2	Social Sector	9,375,152.52	10,870,000.00	1,494,847.48	2,247,836.60
3	Economic Sector	37,372,466.70	42,675,000.00	5,302,533.30	3,326,259.81
	TOTAL	67,366,880.55	78,160,000.00	10,793,119.45	8,555,981.62

NOTE 66**REPAYMENT OF BORROWING**

MONTH	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	462,947.67	-	(462,947.67)	467,947.67
FEBRUARY	462,947.67	-	(462,947.67)	-
MARCH	462,947.67	-	(462,947.67)	-
APRIL	462,947.67	-	(462,947.67)	467,947.67
MAY	462,947.67	-	(462,947.67)	467,947.67
JUNE	462,947.67	-	(462,947.67)	467,947.67
JULY	462,947.67	-	(462,947.67)	467,947.67
AUGUST	462,947.67	-	(462,947.67)	467,947.67
SEPTEMBER	462,947.67	-	(462,947.67)	467,947.67
OCTOBER	462,947.67	-	(462,947.67)	467,947.67
NOVEMBER	462,947.67	-	(462,947.67)	467,947.67
DECEMBER	462,947.67	-	(462,947.67)	467,947.67
TOTAL	5,555,372.04	-	(5,555,372.04)	4,679,476.70

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF EKITI EAST LOCAL GOVERNMENT,

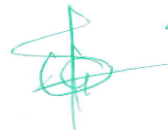
OMUO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ekiti East Local Government as at 31st December, 2022 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 2022 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EKITI EAST LOCAL GOVERNMENT, OMO-OKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i). The estimate made for Revenue in the 2022 budget recorded a performance of **255.74%**. That is, an estimate was made for **N973,682,150.00** while actual Revenue recorded stood at **N2,490,127,167.52**. Equally, the actual IGR of

N13,679,900.00 represents only **0.55%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

(ii). The sum of **N1,028,791,282.46** only was budgeted for expenditure but only **N2,505,170,963.95** was actually incurred, resulting to deficit of **(N1,476,379,681.49)** for the period.

8. **REVENUE ACCOUNT**

A total sum of **N2,490,127,167.52** was earned as total Revenue as at 31st December, 2022 out of which only **0.55% (N13,679,900.00)** 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 surplus of **99.87%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. **INFRACTIONS DURING THE YEAR:**

The following expenditure appears to be contrary to Law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1	AUD/ EELG/AQ/01/2022	Unaudited/unreceipted Expenditure	1,328,000.00
2	AUD/ EELG/AQ/02/2022	Expenditure contrary to Regulations	948,000.00
3	AUD/ EELG/AQ/03/2022	Items not taken on store ledger charge	779,500.00
4	AUD/ EELG/AQ/04/2022	Expenditure not accounted for	176,199.91
	TOTAL		3,231,199.91

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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, 2022 and detailed observations had 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**

(a) Loss of fund involving Mr. Ajayi Adebawale (2015) N674,000.00

LOCAL GOVERNMENT	YEAR	AMOUNT OF LOSS (N)	AMOUNT RECOVERED (N)	BALANCE (N)	OFFICIALS INVOLVED
Ekiti East	2015	2,191,954.43	1,517,954.43	674,000.00	Mr. Ajayi Adebawale

(b) **2019 OUTSTANDING AUDIT QUERIES**

S/N	QUERY NUMBER	SUBJECT	NAME OF ATTACHED OFFICIALS	AMOUNT ₦
1	AQ/IOLG/01/2019	Unretired Security Vote	Elder Waleola A. Michael N13,500,000.00 Hon. Ogundana N2,000,000.00	15,500,000.00



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)**APPENDIX 'A'**

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	1,981,105.00	1,440,818.57
2	Non-Tax Revenue	11,698,795.00	5,403,650.00
3	Aid & Grants	-	-
4	Investment Income	-	-
5	Expenditure Recovery	-	-
	TOTAL	13,679,900.00	6,844,468.57



EKITI EAST

LOCAL GOVERNMENT



P.M.B. 301 OMUO-EKITI, EKITI STATE.

Further Communications
should be addressed to:
THE CHAIRMAN,
Ekiti East Local Government.

Our Ref..... Your Ref..... Date.....

RESPONSIBILITY FOR FINANCIAL 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, 2022.

20/3/23

Hon. Ojo Oluwasegun Samuel,
Executive Chairman.

28/3/23

Mr. Adesola Femi Olu,
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.

- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) PREPAYMENT

Prepayment expenses were payments made in advance of receipt of goods or services, i.e., the payments were made early the year for benefits to be received over the latter part of the year or payments made in one year for benefits to be received in subsequent years.

(17) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(18) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(19) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years

Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(20) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(21) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(22) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(23) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(24) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(25) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(26) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	₦
	<u>ASSETS</u>			
	Current Assets			
6,445,313.44	Cash and Cash Equivalents	1	5,081,417.01	
73,000.00	Inventories	2	397,100.00	
-	WIP	3	-	
378,883,970.50	Receivables	4	380,016,970.50	
-	Prepayments	5	-	
385,402,283.94	Total Current Assets			385,495,487.51
	Non-Current Assets			
-	Loans Granted	6	-	
836,237.50	Investments	7	836,237.50	
1,317,334,742.44	Fixed Assets-Property, Plant & Equipment	8	1,289,920,632.74	
-	Investment Property	9	-	
1,362,000.00	Biological Assets	10	1,742,000.00	
1,319,532,979.94	Total Non-Current Assets			1,292,498,870.24
1,704,935,263.88	Total Assets			1,677,994,357.75
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
6,513,869.28	Unremitted Deductions	13	3,674,224.27	
330,194,148.93	Payables	14	287,548,189.86	
336,708,018.21	Total Current Liabilities		291,222,414.13	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,590,261.81	Borrowings	16	75,854,038.62	
81,590,261.81	Total Non-Current Liabilities		75,854,038.62	
418,298,280.02	Total Liabilities			367,076,452.75
1,286,636,983.86	Net Asset/Equity			1,310,917,905.00
	Financed By:			
1,181,773,284.35	Reserves	17		1,229,095,988.43
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
104,863,699.51	Accumulated Surplus/(Deficits)	20		81,821,916.57
1,286,636,983.86	Total Net Asset/Equity			1,310,917,905.00

EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
₦	<u>REVENUE</u>		₦
1,871,439,196.17	Government Share of FAAC (Statutory Revenue)	21	2,490,127,167.52
1,440,818.57	Tax Revenue	22	1,981,105.00
5,403,650.00	Non-Tax Revenue	23	11,698,795.00
-	Aid & Grants	24	-
-	Investment Income	25	-
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
1,878,283,664.74	Total Revenue		2,503,807,067.52
	<u>EXPENDITURE</u>		
734,422,135.42	Salaries & Wages	29	919,548,055.75
16,169,803.36	Social Contribution	30	58,458,188.11
10,787,031.91	Social Benefit	31	44,389,881.59
53,734,560.00	Overhead Cost	32	69,914,034.85
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
46,802,012.15	Depreciation Charges	37	48,558,383.18
1,058,353,601.69	Transfer to other Government Entities	38	1,385,980,306.98
-	Public Debt Charges	39	-
-	Allowance	40	-
1,920,269,144.53	Total Expenditure		2,526,848,850.46
-41,985,479.79	Surplus/(Deficit) from Operating Activities for the Period		(23,041,782.94)
	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	-
-41,985,479.79	Net Surplus/(Deficit) for the year		(23,041,782.94)

EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,871,439,196.17	Government Share of FAAC (Statutory Revenue)	21	2,490,127,167.52	
1,440,818.57	Tax Revenue	22	1,981,105.00	
5,403,650.00	Non-Tax Revenue	23	11,698,795.00	
-	Aid & Grants	24	-	
-	Investment Income	25	-	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
1,878,283,664.74	Total inflow from operating Activities			2,503,807,067.52
	<u>Outflows</u>			
734,422,135.42	Salaries & Wages	29	919,548,055.75	
16,169,803.36	Social Contributions	30	58,458,188.11	
10,787,031.91	Social Benefit	31	44,389,881.59	
53,734,560.00	Overheads Cost	32	69,914,034.85	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
1,058,353,601.69	Transfer to other Government Entities	38	1,385,980,306.98	
-	Allowance	40	-	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
1,873,467,132.38	Total Outflow from Operating Activities			2,478,290,467.28
4,816,532.36	Net Cash Inflow/(outflow) from Operating Activities			25,516,600.24
	<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	-	
-	Procceds from Sale of Investment	56	-	

-	Dividends Received	57	-	
	Total Inflow			
-	Outflows			
-	Purchase/ Construction of PPE	58	21,144,273.48	
-	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		21,144,273.48	
	Net Cash Flow from Investing Activities			(21,144,273.48)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
4,915,076.01	Repayment of Borrowings	66	5,736,223.19	
-	Distribution of Surplus/Dividends Paid	67	-	
4,915,076.01	Total Outflow		5,736,223.19	
4,915,076.01	Net Cash Flow from Financing Activities			(5,736,223.19)
-98,543.65	Net Cash Flow from all Activities			(1,363,896.43)
6,543,857.09	Cash and Its Equivalent as at 01/01/2022			6,445,313.44
6,445,313.44	Cash and Its Equivalent as at 31/12/2022	1		5,081,417.01

EKITI EAST LOCAL GOVERNMENT, OMUO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
1,871,439,196.17	Government Share of FAAC (Statutory Revenue)	21	2,490,127,167.52	973,682,150.00	155.74
1,440,818.57	Tax Revenue	22	1,981,105.00	1,300,000.00	52.39
5,403,650.00	Non-Tax Revenue	23	11,698,795.00	3,750,000.00	211.97
-	Aid & Grants	24	-	-	-
-	Investment Income	25	-	-	-
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
1,878,283,664.74	Total Revenue		2,503,807,067.52	978,732,150.00	420.10
	<u>EXPENDITURE</u>				
734,422,135.42	Salaries & Wages	29	919,548,055.75	356,014,980.00	(158.29)
16,169,803.36	Social Contribution	30	58,458,188.11	69,200,000.00	15.52
10,787,031.91	Social Benefit	31	44,389,881.59	48,500,000.00	8.47
53,734,560.00	Overhead Cost	32	69,914,034.85	24,780,902.46	(182.13)
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
1,058,353,601.69	Transfer to other Government Entities	38	1,385,980,306.98	490,295,400.00	(182.68)
-	Public Debt Charges	39	-	-	-
-	Allowance	40	-	-	-
-	Purchase of Assets	58	21,144,273.48	40,000,000.00	47.14
-	Acquisition of Investment	63	-	-	-
4,915,076.01	Repayment of Borrowing	66	5,736,223.19	-	(100.00)
1,878,382,208.39	Total Expenditure		2,505,170,963.95	1,028,791,282.46	(502.67)
-98,543.65	Net Surplus/(Deficit) for the year		(1,363,896.43)	(50,059,132.46)	922.78

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

STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2022

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICI T	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	104,863,699.51	1,181,773,284.35	-	1,286,636,983.86
2	Net Surplus/(Deficit) for the year	(23,041,782.94)		-	(23,041,782.94)
3	Grant for the year			-	-
4	Assets Recognised during the year				
5	Adjustment for the period		47,322,704.08		47,322,704.08
	Closing Balance 31/12/2022	81,821,906.57	1,229,095,988.43	-	1,310,917,905.00

NOTES 8 & 37

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2022

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	433,448,747.73	851,698,759.49	9,835,627.38	7,429,062.80	210,120.00	482,250.00	14,230,175.04	1,317,334,742.44
Acquisition during the year	-	-	20,015,273.48	-	-	1,129,000.00	-	21,144,273.48
Total	433,448,747.73	851,698,759.49	29,850,900.86	7,429,062.80	210,120.00	1,611,250.00	14,230,175.04	1,338,479,015.92
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/2022	433,448,747.73	851,698,759.49	29,850,900.86	7,429,062.80	210,120.00	1,611,250.00	14,230,175.04	1,338,479,015.92
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	13,003,462.43	25,550,962.78	5,970,180.17	742,906.28	42,024.00	402,812.50	2,846,035.01	48,558,383.18
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	420,445,285.30	826,147,796.71	23,880,720.69	6,686,156.52	168,096.00	1,208,437.50	11,384,140.03	1,289,920,632.74

CASH AND CASH EQUIPMENT FOR YEAR 2022**NOTE 1**

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	WEMA BANK	SALARY	0122058257	3,986,497.96
2	WEMA BANK	IGR	0122058264	3,084.06
3	WEMA BANK	RECURRENT	0122108994	1,091,834.99
	TOTAL			5,081,417.01

NOTE 2 INVENTORIES

DETAILS	AMOUNT (N)
TREASURY RECEIPTS	38,000.00
L.G ORIGIN	65,500.00
FLAT RATE	51,600.00
MKT TOLLS	238,000.00
GRR RECEIPTS	4,000.00
TOTAL	397,100.00

NOTE 4 RECEIVABLES	
DETRAILS	AMOUNT (N)
Balance b/f	378,383,970.50
Receipt during the year	400,000.00
Net Receivables	377,983,970.50
Receivables during the year	2,033,000.00
Closing Balance 31/12/2021	380,016,970.50

NOTE 7 INVESTMENT	
	AMOUNT (N)
INVESTMENT	836,237.50

NOTE 10 BIOLOGICAL ASSETS	
DETAILS	AMOUNT (N)
PLANTING OF MELINA TREE	746,000.00
PALM TREE	996,000.00
TOTAL	<u>1,742,000.00</u>

NOTE 13 UNREMITTED DEDUCTION

DETAILS	AMOUNT (N)
VAT AND WHT	879,000.00
ETF	138,085.35
L.G TAX	285,000.00
OTHER	2,372,138.92
TOTAL	3,674,224.27

NOTE 14 PAYABLES

DETAILS	AMOUNT (N)
Balance b/f	330,194,148.93
Payment during the year	<u>89,786,377.40</u>
Net Payable	240,407,771.53
Payable during the year	<u>47,140,418.33</u>
Closing Balance 31/12/2021	<u>287,548,189.86</u>

NOTE 16 BORROWING

DETAILS	AMOUNT (N)
TOTAL LIABILITY	81,590,261.81
LESS	
REPAYMENT	<u>5,736,223.19</u>
BALANCE	<u>75,854,038.62</u>

NOTE 21 STATUTORY REVENUE

MONTHS	2022 ACTUAL	2022 BUDGET	VARIANCE	2021 ACTUAL
JAN	169,123,791.17	81,140,179.17	87,983,612.00	135,878,648.42
FEB	141,233,674.92	81,140,179.17	60,093,495.75	143,146,075.96
MARCH	148,290,123.86	81,140,179.17	67,149,944.69	115,393,817.10
APRIL	173,291,341.67	81,140,179.17	92,151,162.50	132,177,439.33
MAY	157,907,005.13	81,140,179.17	76,766,825.96	144,016,010.57
JUNE	155,888,335.36	81,140,179.17	74,748,156.19	150,334,109.66
JULY	198,357,094.90	81,140,179.17	117,216,915.73	159,680,159.60

AUGUST	222,725,658.39	81,140,179.17	141,585,479.22	161,327,637.28
SEPT	169,254,684.35	81,140,179.17	88,114,505.18	154,853,057.46
OCT	396,064,463.70	81,140,179.17	314,924,284.53	163,189,836.25
NOV	178,277,958.27	81,140,179.17	97,137,779.10	160,870,380.54
DEC	379,713,035.80	81,140,179.17	298,572,856.63	250,572,024.00
TOTAL	2,490,127,167.52	973,682,150.04	1,516,445,017.48	1,871,439,196.17

NOTE 22

TAX REVENUE

	2022			2021
DETAILS	AMOUNT	BUDGET	VARIANCE	ACTUAL
TENEMENT RATE	38,500.00	500,000.00	461,500.00	271,300.00
MARKET RATE	1,012,605.00	-	1,012,605.00	481,700.00
FLAT RATE	645,000.00	500,000.00	145,000.00	110,600.00
L.G TAX	285,000.00	300,000.00	(15,000.00)	38,723.00
TENEMENT RATE REFUND	-	-	-	538,495.57
TOTAL	1,981,105.00	1,300,000.00	1,604,105.00	1,440,818.57

NOTE 23 NON-TAX INCOME

	2022			2021
DETAILS	ACTUAL 2022	2022 BUDGET	VARIANCE	2021 ACTUAL
HAWKERS PERMIT	-	50,000.00	(50,000.00)	17,200.00
TRADING PERMIT	106,300.00	200,000.00	(93,700.00)	389,000.00
MARRIAGE FEES	1,410,000.00	1,000,000.00	410,000.00	1,750,000.00
CLUB REGISTRATION	85,000.00	50,000.00	35,000.00	20,000.00
LIQUOR LICENCE	44,000.00	50,000.00	(6,000.00)	21,000.00
BIRTH REGISTRATION	382,500.00	350,000.00	32,500.00	150,000.00
EBLEM ON ADVERT	91,500.00	400,000.00	(308,500.00)	268,200.00
ATTESTATION	1,590,700.00	1,000,000.00	590,700.00	825,500.00
LOADING PERMIT	451,900.00	300,000.00	151,900.00	983,000.00
LOCK UP SHOP	3,793,650.00	150,000.00	3,643,650.00	712,750.00
SLAUGHTER FEES	-	-	-	83,000.00
NAMING OF STREET	-	-	-	30,000.00
TRAILER PARK	-	-	-	101,000.00
AGRIC PRODUCT	1,012,750.00	200,000.00	812,750.00	0.00
REFUND /SALES OF FORM	401,000.00	-	401,000.00	53,000.00
CONSULTANCY	1,108,500.00		1,108,500.00	
TRAILER PARK	344,500.00		344,500.00	
ABATTIOR	284,600.00		284,600.00	
RENT ON GOVT PROPERTIES	591,895.00		591,895.00	
TOTAL	11,698,795.00	3,750,000.00	7,948,795.00	5,403,650.00

NOTE 29 SALARIES AND WAGES

MONTHS	2022			2021
	ACTUAL	BUDGET	VARIANCE	2021 ACTUAL
JAN	65,471,366.06	29,667,915.00	(35,803,451.06)	50,880,342.33
FEB	65,448,075.57	29,667,915.00	(35,780,160.57)	53,565,066.79
MARCH	54,359,729.24	29,667,915.00	(24,691,814.24)	38,764,211.18
APRIL	66,812,265.84	29,667,915.00	(37,144,350.84)	49,681,429.25
MAY	81,064,658.63	29,667,915.00	(51,396,743.63)	51,000,275.41
JUNE	60,578,341.34	29,667,915.00	(30,910,426.34)	59,508,306.61
JULY	66,377,258.85	29,667,915.00	(36,709,343.85)	62,372,054.26
AUGUST	114,496,897.43	29,667,915.00	(84,828,982.43)	61,104,232.20
SEPT	85,444,286.67	29,667,915.00	(55,776,371.67)	64,252,387.11
OCT	106,608,407.14	29,667,915.00	(76,940,492.14)	64,235,429.29
NOV	63,190,110.76	29,667,915.00	(33,522,195.76)	65,291,778.91
DEC	89,696,658.22	29,667,915.00	(60,028,743.22)	113,766,622.08
TOTAL	919,548,055.75	356,014,980.00	(563,533,075.75)	734,422,135.42

NOTE 30 SOCIAL CONTRIBUTION

DETAILS	2022			2021
	ACTUAL	BUDGET	VARIANCE	2021 ACTUAL
ANNIVERSARY/CELEBRATION	2,529,000.00	1,000,000.00	(1,529,000.00)	2,220,000.00
ELECTRICITY CHARGES	-	-	-	210,000.00
SPORTING ACTIVITIES	-	-	-	30,000.00
EXTENSION OF STREETLIGHT AND RURAL ELECTRIFICATION	365,000.00	5,000,000.00	4,635,000.00	2,721,442.22
REHABILITATION/ REPAIR OF MKT PLACES	3,890,000.00	10,000,000.00	6,110,000.00	120,000.00
CONSTRUCTION/PROVISION OF INFRASTRUCTURE	28,803,490.00	5,000,000.00	(23,803,490.00)	4,408,918.92
CONSTRUCTION OF CULVERT	15,380,827.26	15,000,000.00	(380,827.26)	6,144,442.22
GRADING OF ROAD	2,257,000.00	10,000,000.00	7,743,000.00	150,000.00
ARMED FORCES REMEMBRANCE DAY	302,000.00	1,000,000.00	698,000.00	115,000.00
REPAIR OF WATER FACILITIES	1,489,000.00	1,000,000.00	(489,000.00)	-
EROSION AND FLOOD CONTROL	3,441,870.85	21,200,000.00	17,758,129.15	-
TOTAL	58,458,188.11	69,200,000.00	10,741,811.89	16,119,803.36

NOTE 31 SOCIAL BENEFIT

DETAILS	2022			2021
	2022 ACTUAL	BUDGET	VARIANCE	2021 ACTUAL
REHABILITATION /REPAIRS OF GENERATOR	2,702,000.00	500,000.00	(2,202,000.00)	285,000.00
REHABILITATION /REPAIRS OF MOTOR VEHICLE	5,928,460.00	2,000,000.00	(3,928,460.00)	1,187,000.00
CLEARING OF ROAD VERGES	6,767,950.74	2,000,000.00	(4,767,950.74)	8,806,031.91
REHABILITATION OF RESIDENTIAL BUILDING	1,498,000.00	2,000,000.00	502,000.00	139,000.00
NEIGHBOURHOOD MARKET	25,974,600.00	41,000,000.00	15,025,400.00	370,000.00
PURCHASED OF IMPROVED SEEDLING	1,518,870.85	1,000,000.00	(518,870.85)	-
TOTAL	44,389,881.59	48,500,000.00	4,110,118.41	10,787,031.91

NOTE 32 OVERHEAD COST

DESCRIPTION	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
WELFARE PACKAGES	19,170,080.00	4,500,000.00	(14,670,080.00)	29,510,250.00
OTHER MAINTENANCE SERVICES	790,000.00	-	(790,000.00)	1,411,400.00
HONORARIUM/SITTING ALLOWANCE	6,382,500.00	1,250,000.00	(5,132,500.00)	4,818,000.00
PLANT / GEN FUEL COST	1,556,000.00	-	(1,556,000.00)	260,000.00
REFRESHMENT AND MEALS	1,386,200.00	250,000.00	(1,136,200.00)	872,000.00
LOCAL TRAVEL AND TRANSPORT	2,789,884.00	750,000.00	(2,039,884.00)	
LOCAL TRAINING	1,300,000.00	1,000,000.00	(300,000.00)	1,173,450.00
MAINTENANCE OF OFFICE BUILDING	1,444,872.84	250,000.00	(1,194,872.84)	195,000.00
PRINTING OF NON-SECURITY DOCUMENTS	2,830,500.00	-	(2,830,500.00)	425,000.00
TRAINING	-	-	-	255,000.00
MAINTENANCE OF M/V	1,358,000.00	500,000.00	(858,000.00)	3,318,760.00
PRINTING OF SECURITY DOCUMENTS	902,000.00	-	(902,000.00)	268,000.00
CLEANING/ FUMIGATION SERVICES	792,000.00	-	(792,000.00)	80,000.00
MAINTENACE OF PLANTS/GEN	1,259,000.00	-	(1,259,000.00)	155,000.00
MAINTENANCE OF OFFICE FURNITURE	541,000.00	100,000.00	(441,000.00)	
OTHER TRANSPORT FUEL COST	650,000.00	-	(650,000.00)	
MEDICAL EXPENSES	50,000.00	100,000.00	50,000.00	
MOTOR VEHICLE FUEL COST	1,895,000.00	500,000.00	(1,395,000.00)	758,000.00
NON- REGULAR ALLOWANCE	990,000.00	3,330,902.46	2,340,902.46	
POSTAGES AND COURIER	33,000.00	-	(33,000.00)	
SECURITY SERVICES	2,985,000.00	1,000,000.00	(1,985,000.00)	620,000.00
MAINTENANCE OF OFFICE IT	70,000.00	100,000.00	30,000.00	114,000.00
PUBLICITY AND ADVERTISEMENT	526,000.00	500,000.00	(26,000.00)	40,000.00
ICT	200,000.00	100,000.00	(100,000.00)	728,700.00

SUBSCRIPTION TO PROFESSIONAL BODY	66,000.00	250,000.00	184,000.00	30,000.00
OFFICE RENT	50,000.00	-	(50,000.00)	30,000.00
SECURITY VOTE	5,430,000.00	8,500,000.00	3,070,000.00	3,015,000.00
BOOKS	25,000.00	50,000.00	25,000.00	40,000.00
LEGAL SERVICES	4,087,998.01	1,000,000.00	(3,087,998.01)	350,000.00
ANNUAL BUDGET EXPENSES	629,000.00	500,000.00	(129,000.00)	280,000.00
GENDER	2,648,000.00	-	(2,648,000.00)	280,000.00
TELEPHONE	552,000.00	150,000.00	(402,000.00)	90,000.00
HOUSE GRANT	3,600,000.00	-	(3,600,000.00)	3,150,000.00
Stationeries	2,925,000.00	100,000.00	(2,825,000.00)	1,467,000.00
TOTAL	69,914,034.85	24,780,902.46	(45,133,132.39)	53,734,560.00

NOTE 38 TRANSFER TO OTHER GOVT. ENTITES

DESCRIPTION	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
SUBEB	512,483,642.78	175,095,400.00	(337,388,242.78)	468,948,933.93
OTHER PARASTATALS	332,150,704.99	0	(332,150,704.99)	10,914,208.73
PEACE CORPS	14,400,000.00	7,700,000.00	(6,700,000.00)	14,400,000.00
PARASTATALS	20,533,935.56	10,000,000.00	(10,533,935.56)	16,786,207.77
TRADITIONAL	0.00	0	0.00	54,298,125.04
TRANSFER TO LCDA	71,316,791.33	0	(71,316,791.33)	0.00
PENSION AND GRATUITY	435,095,232.32	297,500,000.00	(137,595,232.32)	491,567,801.31
TOTAL	1,385,980,306.98	490,295,400.00	(895,684,906.98)	1,056,915,276.78

NOTE 66 REPAYMENT OF BORROWINGS

	2022			2021
MONTHS	ACTUAL	BUDGET	VARIANCE	ACTUAL
JAN	478,018.60	-	(478,018.60)	491,507.60
FEB	478,018.60	-	(478,018.60)	491,507.60
MARCH	478,018.60	-	(478,018.60)	-
APRIL	478,018.60	-	(478,018.60)	-
MAY	478,018.60	-	(478,018.60)	491,507.60
JUNE	478,018.60	-	(478,018.60)	491,507.60
JULY	478,018.60	-	(478,018.60)	491,507.60
AUGUST	478,018.60	-	(478,018.60)	491,507.60
SEPT	478,018.60	-	(478,018.60)	491,507.60
OCT	478,018.60	-	(478,018.60)	491,507.60
NOV	478,018.60	-	(478,018.60)	491,507.61
DEC	478,018.59	-	(478,018.60)	491,507.60
TOTAL	5,736,223.19	-	(5,736,223.19)	4,915,076.01

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, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ekiti South West Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.


2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

**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, 2022.**

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 2021 as amended 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 2021 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **90.23%**. That is, an estimate was made for **N3,033,973,506.94** while actual Revenue recorded stood at **N2,737,529,923.65**. Equally, the actual IGR of **N11,258,544.07** represents only **0.41%** of the total Revenue for the

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

- ii. The sum of **N3,821,089,042.82** only was budgeted for expenditure but only **N2,752,355,560.38** was actually incurred, resulting to saving of **N1,068,733,482.44** for the period.

8. REVENUE ACCOUNT

A total sum of **N2,737,529,923.65** was earned as total Revenue as at 31st December, 2022 out of which only **0.41% (N11,258,544.07)** 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 **19.51%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1.	AUD/LG/EKSW/AQ/01/22	Unproduced Revenue Earning Receipt	Assorted
2.	AUD/LG/EKSW/AQ/02/22	Unaudited Expenditures	1,376,780.06
3.	AUD/LG/EKSW/AQ/03/22	Expenditure Contrary to Regulation	1,015,000.00
4.	AUD/LG/EKSW/AQ/04/22	Items not taken on ledger charge	310,000.00
5.	AUD/LG/EKSW/AQ/05/22	Unretired /unaudited Expenditure	1,940,400.00
		TOTAL	4,642,180.06

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 had been examined up to 31st December, 2022 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.

- I.** ii. Receipt (1 GRR) purchased but not traceable to store (2015) involving Mr. Agbaje G.O.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)		APPENDIX 'A'	
S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	6,449,944.07	2,548,725.22
2	Non-Tax Revenue	3,780,500.00	6,230,400.00
3	Aid & Grants	-	-
4	Investment Income	1,028,100.00	641,000.00
5	Expenditure Recovery	-	-
	TOTAL	11,258,544.07	9,420,125.22



EKITI SOUTH WEST LOCAL GOVERNMENT

P.M.B 003, Ilawe-Ekiti, Ekiti State

Our Ref: _____
Your Ref: _____

Date: _____

RESPONSIBILITY FOR FINANCIAL 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, 2022.

22/03/2023

Hon. Apolola Richard G.
Executive Chairman.

22/03/2023

Mrs. Akinola Olufunmilayo O.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government.

The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.

- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) PREPAYMENT

Prepayment expenses were payments made in advance of receipt of goods or services, i.e., the payments were made early the year for benefits to be received over the latter part of the year or payments made in one year for benefits to be received in subsequent years.

(17) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(18) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(19) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(20) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(21) 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. These amounts were stated in the GPFS at their repayment value, which were treated as Current Liabilities in the Statement of Financial Position.

(22) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(23) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(24) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(25) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(26) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The

Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(27) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(28) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

EKITI SOUTHWEST LOCAL GOVERNMENT, ILAWE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTE S	2022	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
10,907,345.89	Cash and Cash Equivalents	1	7,340,253.23	
104,500.00	Inventories	2	210,000.00	
-	WIP	3	-	
377,646,618.75	Receivables	4	379,899,719.76	
-	Prepayments	5	-	
388,658,464.63	Total Current Assets			387,449,972.99
	Non-Current Assets			
-	Loans Granted	6	-	
-	Investments	7	-	
680,136,689.64	Fixed Assets-Property, Plant & Equipment	8	844,978,275.74	
95,961,600.00	Investment Property	9	104,414,364.83	
692,105.78	Biological Assets	10	692,105.78	
776,790,395.42	Total Non-Current Assets			950,084,746.35
1,165,448,860.05	Total Assets			1,337,534,719.34
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
1,640,112.13	Unremitted Deductions	13	3,873,326.37	
457,887,127.76	Payables	14	459,945,247.39	
459,527,239.89	Total Current Liabilities		463,818,573.76	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,590,261.60	Borrowings	16	75,514,483.40	
81,590,261.60	Total Non-Current Liabilities		75,514,483.40	
541,117,501.49	Total Liabilities			539,333,057.16
624,331,358.56	Net Asset/Equity			798,201,662.18
	Financed By:			
502,797,251.86	Reserves	17		507,741,299.00
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
121,534,106.70	Accumulated Surplus/(Deficits)	20		290,460,363.18
624,331,358.56	Total Net Assets/Equity			798,201,662.18

EKITI SOUTHWEST LOCAL GOVERNMENT, ILAWE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
2,026,312,616.98	Government Share of FAAC (Statutory Revenue)	21	2,737,529,923.65
2,548,725.22	Tax Revenue	22	6,449,944.07
6,230,400.00	Non-Tax Revenue	23	3,780,500.00
-	Aid & Grants	24	-
641,000.00	Investment Income	25	1,028,100.00
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
2,035,732,742.20	Total Revenue		2,748,788,467.72
	<u>EXPENDITURE</u>		
964,598,468.03	Salaries & Wages	29	1,250,529,732.40
-	Social Contribution	30	-
22,800,000.00	Social Benefit	31	22,800,000.00
61,499,536.95	Overhead Cost	32	53,959,261.26
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
24,460,786.28	Depreciation Charges	37	31,271,155.37
922,914,311.63	Transfer to other Government Entities	38	1,221,302,062.21
-	Public Debt Charges	39	-
-	Allowance	40	-
1,996,273,102.89	Total Expenditure		2,579,862,211.24
39,459,639.31	Net Surplus/(Deficit) for the year		168,926,256.48

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

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
2,026,312,616.98	Government Share of FAAC (Statutory Revenue)	21	2,737,529,923.65	
2,548,725.22	Tax Revenue	22	6,449,944.07	
6,230,400.00	Non-Tax Revenue	23	3,780,500.00	
-	Aid & Grants	24	-	
641,000.00	Investment Income	25	1,028,100.00	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
2,035,732,742.20	Total inflow from operating Activities			2,748,788,467.72
	<u>Outflows</u>			
964,598,468.03	Salaries & Wages	29	1,250,529,732.40	
-	Social Contributions	30	-	
22,800,000.00	Social Benefit	31	22,800,000.00	
61,499,536.95	Overheads Cost	32	53,959,261.26	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
922,914,311.63	Transfer to other Government Entities	38	1,221,302,062.21	
-	Allowance	40	-	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
1,971,812,316.61	Total Outflow from Operating Activities			2,548,591,055.87
63,920,425.59	Net Cash Inflow/(outflow) from Operating Activities			200,197,411.85
	<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			
	<u>Outflows</u>			
49,883,979.92	Purchase/ Construction of PPE	58	187,105,056.07	
	Purchase/ Construction OF Investment Property	59	10,583,670.24	

692,105.78				
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
50,576,085.70	Total Outflow		197,688,726.31	
-50,576,085.70	Net Cash Flow from Investing Activities			(197,688,726.31)
	CASH FLOW FROM FINANCING ACTIVITIES			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
4,915,076.00	Repayment of Borrowings	66	6,075,778.20	
-	Distribution of Surplus/Dividends Paid	67	-	
4,915,076.00	Total Outflow		6,075,778.20	
-4,915,076.00	Net Cash Flow from Financing Activities			(6,075,778.20)
8,429,263.89	Net Cash Flow from all Activities			(3,567,092.66)
2,478,082.00	Cash and Its Equivalent as at 01/01/2022			10,907,345.89
10,907,345.89	Cash and Its Equivalent as at 31/12/2022	1		7,340,253.23

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

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
2,026,312,616.98	Government Share of FAAC (Statutory Revenue)	21	2,737,529,923.65	3,033,973,506.94	(9.77)
2,548,725.22	Tax Revenue	22	6,449,944.07	5,554,763.00	16.12
6,230,400.00	Non-Tax Revenue	23	3,780,500.00	4,988,465.00	(24.22)
-	Aid & Grants	24	-	-	-
641,000.00	Investment Income	25	1,028,100.00	1,421,386.00	(27.67)
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
2,035,732,742.20	Total Revenue		2,748,788,467.72	3,045,938,120.94	(45.54)
	<u>EXPENDITURE</u>				
964,598,468.03	Salaries & Wages	29	1,250,529,732.40	1,521,529,732.40	17.81
-	Social Contribution	30	-	-	-
22,800,000.00	Social Benefit	31	22,800,000.00	24,000,000.00	5.00
61,499,536.95	Overhead Cost	32	53,959,261.26	165,910,640.00	67.48
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
922,914,311.63	Transfer to other Government Entities	38	1,221,302,062.21	1,834,683,837.77	33.43
-	Public Debt Charges	39	-	-	-
-	Allowance	40	-	-	-
49,883,979.92	Purchase of PPE	58	187,105,056.07	217,764,832.65	14.08
692,105.78	Acquisition of Investment Property	59	10,583,670.24	50,000,000.00	78.83
4,915,076.00	Repayment of Borrowing	66	6,075,778.20	7,200,000.00	15.61
2,027,303,478.31	Total Expenditure		2,752,355,560.38	3,821,089,042.82	232.25
8,429,263.89	Net Surplus/(Deficit)		(3,567,092.66)	(775,150,921.88)	(277.79)

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

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR 31ST
DECEMBER,2022**

S/N	NARRATION	ACCUMULATED SURPLUS/DEFI CIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	121,534,106.70	502,797,251.86	-	624,331,358.56
2	Net Surplus/(Deficit) for the year	168,926,256.48		-	168,926,256.48
3	Grant for the year	-		-	
4	Assets Recognised during the year				
5	Adjustment for the period		4,944,047.14		4,944,047.14
	Closing Balance 31/12/2022	290,460,363.18	507,741,299.00	-	798,201,662.16

NOTES 8 & 37**PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2022**

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	358,853,420.52	320,813,576.62	-	583,200.00	4,840,000.00	496,312.50	1,426,960.00	687,013,469.64
Acquisition during the year	123,671,497.54	53,425,921.79	10,007,636.74	0.00	0.00	0.00	0.00	187,105,056.07
Total	482,524,918.06	374,239,498.41	10,007,636.74	583,200.00	4,840,000.00	496,312.50	1,426,960.00	874,118,525.71
Disposal during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Balance 31/12/2022	482,524,918.06	374,239,498.41	10,007,636.74	583,200.00	4,840,000.00	496,312.50	1,426,960.00	874,118,525.71
Accumulated Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Current Year Charge	14,475,747.54	11,227,184.95	2,001,527.35	58,320.00	968,000.00	124,078.13	285,392.00	29,140,249.97
Depreciation on Disposal	0.00	FALSE	0.00	0.00	0.00	0.00	0.00	-
NBV AS AT 31/12/2022	468,049,170.52	363,012,313.46	8,006,109.39	524,880.00	3,872,000.00	372,234.38	1,141,568.00	844,978,275.74

NOTE 1**CASH AND CASH EQUIVALENT 2022**

BANK	ACCOUNT NO	AMOUNT (N)
ECO BANK (Salary A/C)	2860040955	2,962,978.15
Union Bank (IGR A/C)	0004071715	290,897.75
Eco Bank (Main A/C)	2860039700	650,551.54
Zenith Bank (Capital)	1011284713	3,435,825.79
Total		7,340,253.23

NOTE 2**INVENTORIES**

2	INVENTORIES	QTY IN STOCK	VALUE	CURRENT VALUE
2.1	DESCRIPTION/ITEM			2022
			₦	₦
	FILE JACKET	-	-	-
	REVENUE COLLECTORS CASH BOOK	15	3500	52,500.00
	DAILY CASH BOOK	4	4000	16,000.00
	FAAC/JAAC ALLOCATION REGISTER	8	2000	16,000.00
	DEPOSIT LEDGER	-	-	-
	LETTER HEAD PAPER 3realms 3500 -	3 realms	3,500	10,500.00
	REVENUE REQUISITION FORM	1 PKT	2500	2,500.00
	PAYMENT VOUCHER	3 realms	3500	10,500.00
	SUB RECEIPT VOUCHER	-	-	-
	SRV	1	3500	3,500.00

	DVEA P/E LEDGER	-	-	-
	DVEA LEDGER	5	3000	15,000.00
	REVENUE RECEIPT SHEET FORM	-	-	-
			15	
	ADVANCE LEDGER	-	-	-
	INVENTORY REGISTER	9	4000	36,000.00
	ACCOUNT RECEIVABLE REGISTER	-	-	-
	LOAN REGISTER	-	-	-
	SALARY & WAGES REGISTER	15	2500	37,500.00
	JOURNAL VOUCHER	2 Realms	5000	10,000.00
	TOTAL			210,000.00

NOTE 4

RECEIVABLE

DETAILS	AMOUNT(N)
Balance b/f	377,646,318.74
ADD:	
Addition during the year	<u>30,795,631.00</u>
TOTAL	408,441,949.74
LESS:	
Receipts during the year	<u>28,542,229.98</u>
Balance as at 31/1/2022	<u>379,899,719.76</u>

NOTE 9**INVESTMENT PROPERTY**

	LAND & BUILDING
	₦
BALANCE B/FORWARD (1st JANUARY, 2022)	95,961,600.00
ADDITIONS DURING THE YEAR	10,583,670.23
DISPOSAL DURING THE YEAR	0.00
BALANCE C/FORWARD (1st DECEMBER, 2022)	106,545,270.23
ACCUMULATED DEPRECIATION:	
ADDITIONS DURING THE YEAR	0
DISPOSAL DURING THE YEAR	
CURRENT CHARGE FOR THE YEAR 2%	2,130,905.40
NET BOOK VALUE	104,414,364.83

NOTE 10**BIOLOGICAL ASSETS**

DETAILS	AMOUNT(N)	AMOUNT(N)
Balance b/f		962,105.78
Less: Disposal		nil
Balance		-
Add Acq:	nil	
		<u>nil</u>
Balance 31/12/2022		692,105.78

NOTE 13**UNREMITTED DEDUTION**

DETAILS	AMOUNT(N)
Balance b/f	1,640,112.13
ADD:	
Addition during the year	<u>2,233,214.24</u>
TOTAL	3,873,326.37
LESS:	
Receipts during the year	<u>Nil</u>
Balance as at 31/1/2022	3,873,326.37

NOTE 14**PAYABLES**

DETAILS	AMOUNT(N)
Balance b/f	457,887,127.76
ADD:	
Addition during the year	<u>-</u>
TOTAL	457,887,127.76
LESS:	
Payment during the year	<u>2,058,119.63</u>
Balance as at 31/1/2022	<u>459,945,247.39</u>

NOTE 16**BORROWING**

DETAILS	AMOUNT
Bail out fund b/f	81,590,261.60
LESS: Repayment for the year	<u>6,075,778.20</u>
Bal c/f	75,514,483.40

NOTE 21**STATUTORY ALLOCATION**

MONTH	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL 2021
	₦			
JANUARY	179,135,052.15	210,563,642.35	31,428,590.20	128,997,916.37
FEBRUARY	149,593,984.07	218,665,690.00	69,071,705.93	136,458,104.82
MARCH	157,068,138.60	189,770,986.00	32,702,847.40	108,368,216.40
APRIL	183,549,300.27	209,677,745.00	26,128,444.73	128,402,672.34
MAY	167,254,289.91	213,657,890.56	46,403,600.65	141,342,727.04
JUNE	165,116,125.24	187,987,543.98	22,871,418.74	168,374,759.89
JULY	210,098,817.52	216,875,432.65	6,776,615.13	184,951,998.69
AUGUST	235,909,874.98	256,897,565.98	20,987,691.00	189,002,358.09
SEPTEMBER	179,273,693.54	176,555,987.87	- 2,717,705.67	176,675,270.97
OCTOBER	519,509,448.48	532,986,577.97	13,477,129.49	186,507,014.85
NOVEMBER	188,831,098.99	209,877,568.30	21,046,469.31	185,084,175.30
DECEMBER	402,190,099.90	410,456,876.28	8,266,776.38	292,147,402.22
TOTAL	2,737,529,923.65	3,033,973,506.94	296,443,583.29	2,026,312,616.98

NOTE 22**DETAILS OF INTERNALLY GENERATED REVENUE (TAX REVENUE)**

	2022			2021
MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	192,090.00	200,000.00	120,000.00	
FEBRUARY	345,600.00	439,888.00	50,000.00	608,904.67
MARCH	193,800.00	289,000.00	0.00	365,342.80
APRIL	72,100.00	128,999.00	268,000.00	
MAY	121,700.00	159,000.00	58,100.00	
JUNE	3,274,000.00	567,888.00	67,000.00	
JULY	422,500.00	569,876.00	0.00	156,831.25
AUGUST	929,482.32	1,890,005.00	28,500.00	1,274,362.61

SEPTEMBER	216,300.00	240,678.00		
OCTOBER	138,400.00	367,555.00	204,000.00	143,283.89
NOVEMBER	347,071.75	450,997.00	112,500.00	
DECEMBER	196,900.00	250,877.00	120,000.00	
TOTAL	6,449,944.07	5,554,763.00	1,028,100.00	2,548,725.22

NOTE 22

NON-TAX REVENUE

MONTH	2022			2021
	ACTUAL	BUDGE	VARIANCE	ATUAL
JANUARY	189,500.00	298,765.00	109,265.00	450,000.00
FEBRUARY	215,500.00	398,676.00	183,176.00	350,200.00
MARCH	336,500.00	380,988.00	44,488.00	665,250.00
APRIL	202,500.00	387,777.00	185,277.00	849,750.00
MAY	239,000.00	359,087.00	120,087.00	439,200.00
JUNE	119,500.00	389,780.00	270,280.00	595,950.00
JULY	573,500.00	498,860.00	74,640.00	737,200.00
AUGUST	228,500.00	268,976.00	40,476.00	637,500.00
SPTEMBER	615,500.00	480,884.00	134,616.00	361,050.00
OCTOBER	423,000.00	398,777.00	24,223.00	414,300.00
NOVEMBER	609,000.00	450,999.00	158,001.00	448,000.00
DECEMBER	28,500.00	674,896.00	646,396.00	282,000.00
TOTAL	3,780,500.00	4,988,465.00	1,207,965.00	6,230,400.00

NOTE 25

DETAILS OF INVESTMENT INCOME

MONTH	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	120,000.00	230,000.00	110,000.00	
FEBRUARY	50,000.00	67,888.00	17,888.00	
MARCH	0.00	30,999.00	30,999.00	
APRIL	268,000.00	250,000.00	18,000.00	
MAY	58,100.00	109,787.00	51,687.00	
JUNE	67,000.00	100,087.00	33,087.00	

JULY	0.00	47,000.00	47,000.00	
AUGUST	28,500.00	67,778.00	39,278.00	320,500.00
SEPTEMBER		56,987.00	56,987.00	50,000.00
OCTOBER	204,000.00	159,000.00	45,000.00	166,500.00
NOVEMBER	112,500.00	150,980.00	38,480.00	104,000.00
DECEMBER	120,000.00	150,880.00	30,880.00	
TOTAL	1,028,100.00	1,421,386.00	393,286.00	641,000.00

NOTE 29

SALARIES AND WAGES

MONTH	TRADITIONAL	POLITICAL	2022						2021
			SEVERANCE ALLOWANCE	STAFF	PALACE	ACTUAL	BUDGET	VARIANCE	ACTUAL
	₦	₦	₦	₦	₦	₦	₦		
JANUARY	5,383,968.81	8,264,252.12		77,796,929.12	1,298,773.80	92,743,923.85	100,464,322.06	7,720,398.21	50,280,460.68
FEBRUARY	2,657,831.51	5,443,897.18		74,648,283.36	1,298,773.80	84,048,785.85	133,424,562.87	49,375,777.02	53,859,555.07
MARCH	3,578,019.04	6,993,897.18	0.00	49,133,479.95	1,298,773.80	61,004,169.97	121,698,557.07	60,694,387.10	36,003,229.09
APRIL	5,267,665.02	7,593,897.18	11,409,200.50	80,761,784.95	1,298,773.80	106,331,321.45	107,989,554.88	1,658,233.43	62,194,994.07
MAY	4,707,509.25	5,084,163.35	0.00	76,235,381.50	1,298,773.80	87,325,827.90	101,121,443.87	13,795,615.97	62,310,635.39
JUNE	4,009,960.52	4,493,897.18		76,920,812.73	1,298,773.80	86,723,444.23	109,265,032.83	22,541,588.60	84,001,282.85
JULY	6,339,537.01	4,972,669.57		84,078,161.39	1,298,773.80	96,689,141.77	111,991,165.73	15,302,023.96	91,720,333.71
AUGUST	8,228,695.93	15,166,251.44		114,884,391.08	1,298,773.80	139,578,112.25	141,991,776.00	2,413,663.75	90,417,647.31
SEPTEMBER	4,694,574.97	8,578,471.02	10,045,375.47	72,262,979.82	1,298,773.80	96,880,175.08	119,090,519.07	22,210,343.99	92,000,919.95
OCTOBER	5,043,323.38	7,017,189.46		121,920,711.69	1,298,773.80	135,279,998.33	139,031,254.98	3,751,256.65	94,234,096.61
NOVEMBER	4,472,879.02	7,017,189.46	0.00	77,079,359.42	1,298,773.80	89,868,201.70	119,251,987.04	29,383,785.34	88,961,199.93
DECEMBER	6,995,783.94	6,874,647.13	0.00	158,887,425.15	1,298,773.80	174,056,630.02	216,209,556.00	42,152,925.98	158,614,113.37
TOTAL	61,379,748.40	87,500,422.27	21,454,575.97	1,064,609,700.16	15,585,285.60	1,250,529,732.40	1,521,529,732.40	271,000,000.00	964,598,468.03

NOTE 31

SOCIAL BENEFIT

MONTH	SECURITY FUND	PEACE CORP	2022			2021
			ACTUAL	BUDGET	VARIANCE	ACTUAL
	₦	₦	₦	₦		
JANUARY	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
FEBRUARY	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
MARCH	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
APRIL	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
MAY	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
JUNE	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
JULY	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
AUGUST	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
SEPTEMBER	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
OCTOBER	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
NOVEMBER	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
DECEMBER	700,000.00	1,200,000.00	1,900,000.00	2,000,000.00	100,000.00	1,900,000.00
TOTAL	8,400,000.00	14,400,000.00	22,800,000.00	24,000,000.00	1,200,000.00	22,800,000.00

OVERHEAD COSTS**NOTE 32**

OVERHEAD COST	2021			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
	₱	₱	₱	₱
TRAVEL & TRANSPORT	1,454,045.50	16,901,232.08	15,447,186.58	630,000.00
UTILITIES	447,413.44	15,987,412.99	15,539,999.55	742,988.72
MATERIALS & SUPPLIES	3,406,100.00	17,999,210.94	14,593,110.94	2,906,200.00
MAINTENANCE SERVICES	1,761,100.00	18,473,032.71	16,711,932.71	4,657,256.76
TRAINING	4,629,000.00	12,632,913.00	8,003,913.00	11,934,501.47
OTHER SERVICES	6,041,500.00	11,842,922.12	5,801,422.12	9,670,350.00
CONSULTING & PROFESSIONAL SERVICES	380,000.00	2,189,045.91	1,809,045.91	286,000.00
FUEL & LUBRICANTS	380,000.00	2,201,812.03	1,821,812.03	600,000.00
BANK CHARGES & INSURANCE PREMIUM	12,352.32	5,768,091.99	5,755,739.67	58,040.00
MISCELLANEOUS EXPENSES	35,447,750.00	61,914,966.23	26,467,216.23	30,014,200.00
TOTAL	53,959,261.26	165,910,640.00	111,951,378.74	61,499,536.95

NOTE 37**DEPRECIATION CHARGES FOR THE YEAR 2022**

PP &E	AMOUNT (N)
	₱
LAND & BUILDINGS	14,475,747.54
INFRASTRUCTURE	11,227,184.95
MOTOR VEHICLE	2,001,527.35
PLANT & MACHINERY	58,320.00
TRANSPORTATION EQUIPMENT	968,000.00

OFFICE EQUIPMENT	124,078.13
FURNITURE & FITTINGS	285,392.00
SUB-TOTAL	29,140,249.97
INVESTMENT PROPERTY	2,130,905.40
SUB-TOTAL	2,130,905.40
GRAND TOTAL	31,271,155.37

NOTE 38 TRANSFER TO OTHER GOVERNMENT AGENCIES

MONTH	PRIMARY SCHOOL TEACHER	SUBEB OVERHEAD	ALL PARASTATAL	IGBARA/OGOTUN LCDA	OTHER ALLOCATION FROM AG	GRATUITY	2022			2021
							ACTUAL	BUDGET	VARIANCE	ACTUAL
	₦	₦	₦	₦	₦	₦	₦	₦	₦	₦
JANUARY	39,550,183.50	685,000.00	1,706,255.30	2,674,220.80	5,576,908.72	44,388,798.99	94,581,367.31	165,987,231.99	71,405,864.68	66,746,794.43
FEBRUARY	26,293,732.14	257,500.00	841,522.61	2,474,220.82	1,921,346.29	43,785,406.98	75,573,728.84	151,971,234.77	76,397,505.93	66,134,708.68
MARCH	29,388,424.24	257,500.00	1,288,086.85	2,474,220.82	6,474,082.52	44,593,903.31	84,476,217.74	170,615,201.71	86,138,983.97	53,131,374.65
APRIL	41,599,843.43	515,000.00	1,896,359.41	2,474,220.82	4,538,188.70	72,164,057.66	123,187,670.02	167,219,785.91	44,032,115.89	60,009,656.03
MAY	34,385,955.73	515,000.00	1,694,703.33	2,354,535.51	3,048,046.80	40,185,657.03	82,183,898.40	144,917,201.88	62,733,303.48	68,853,019.96
JUNE	35,319,093.43	515,000.00	1,443,585.79	2,474,220.82	1,921,346.29	45,311,402.77	86,984,649.10	161,332,201.77	74,347,552.67	73,432,449.04
JULY	42,703,762.81	515,000.00	2,282,233.32	2,924,901.52	11,002,552.41	53,862,934.41	113,291,384.47	142,292,101.55	29,000,717.08	79,910,955.22
AUGUST	53,641,798.25	515,000.00	2,962,330.53	3,561,486.81	10,098,867.31	48,992,228.41	119,771,711.31	112,392,102.97	7,379,608.34	87,274,219.33
SEPTEMBER	37,004,326.50	515,000.00	1,690,046.99	2,660,126.40	4,010,449.26	47,709,767.55	94,281,822.48	133,876,202.91	39,594,380.43	82,784,227.25
OCTOBER	62,785,177.59	515,000.00	1,815,596.42	2,885,466.50	15,164,825.90	43,260,425.46	126,426,491.87	141,918,303.59	15,491,811.72	81,820,490.00
NOVEMBER	36,759,995.79	515,000.00	1,610,236.44	3,035,466.50	14,966,871.01	44,058,197.27	100,945,767.01	151,650,838.16	50,705,071.15	81,652,231.44
DECEMBER	56,446,524.38	515,000.00	2,518,482.22	3,936,827.04	15,583,861.08	52,095,859.44	119,597,353.66	190,511,430.56	70,914,076.90	121,164,185.60
TOTAL	495,878,817.79	5,835,000.00	21,749,439.21	33,929,914.36	94,307,346.29	580,408,639.28	1,221,302,062.21	1,834,683,837.77	628,140,992.24	922,914,311.63

NOTE 58

PURCHASE OF PPE

PURCHASE		ACTUAL TOTAL 2022	2022			2021
			ACTUAL	BUDGET	VARIANCE	ACTUAL
LAND & BUILDING		ECONOMIC	56,772,589.41	65,124,321.21	8,351,731.80	35,883,979.92
INFRASTRUCTURE		SOCIAL	53,425,921.79	71,298,403.67	17,872,481.88	
LAND & BUILDING		ADMINISTRATIVE	76,906,544.87	81,342,107.77	4,435,562.90	14,000,000.00
TOTAL			187,105,056.07	217,764,832.65	30,659,776.58	49,883,979.92

NOTE 66

BAIL OUT REPAYMENT

MONTH	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
	₦			
JANUARY	506,314.85	600,000.00	93,685.15	491,507.60
FEBRUARY	506,314.85	600,000.00	93,685.15	491,507.60
MARCH	506,314.85	600,000.00	93,685.15	
APRIL	506,314.85	600,000.00	93,685.15	
MAY	506,314.85	600,000.00	93,685.15	491,507.60
JUNE	506,314.85	600,000.00	93,685.15	491,507.60
JULY	506,314.85	600,000.00	93,685.15	491,507.60
AUGUST	506,314.85	600,000.00	93,685.15	491,507.60
SEPTEMBER	506,314.85	600,000.00	93,685.15	491,507.60
OCTOBER	506,314.85	600,000.00	93,685.15	491,507.60
NOVEMBER	506,314.85	600,000.00	93,685.15	491,507.60
DECEMBER	506,314.85	600,000.00	93,685.15	491,507.60
TOTAL	6,075,778.20	7,200,000.00	1,124,221.80	4,915,076.00

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF EKITI WEST LOCAL GOVERNMENT,

ARAMOKO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ekiti West Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI FOR THE
YEAR ENDED 31ST DECEMBER, 2022.**

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 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i). The estimate made for Revenue in the 2022 budget recorded a performance of **133.51%**. That is, an estimate was made for **N2,163,655,102.80**, while actual Revenue recorded stood at **N2,888,719,802.14**. Equally, the actual IGR of **N23,164,345.30** 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 **N2,027,265,102.80** only was budgeted for expenditure but only **N2,907,615,015.59** was actually incurred, resulting to deficit of **(N880,349,912.79)** for the period.

8. **REVENUE ACCOUNT**

A total sum of **N2,888,719,802.14** was earned as total Revenue as at 31st December, 2022 out of which only **0.80% (N23,164,345.30)** 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 **6.79%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022.

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. **INFRACTIONS DURING THE YEAR**

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	QUERY TITLE	AMOUNT
1	AUD/EWLG/AQ/01/22	Unproduced Revenue Earning Receipts	Assorted
2	AUD/EWLG/AQ/02/22	Expenditure contrary to regulation	2,122,000.00
3	AUD/EWLG/AQ/03/22	Unaudited Expenditure	2,055,101.31
4	AUD/EWLG/AQ/04/22	Unretired expenditure	607,000.00
5	AUD/EWLG/AQ/05/22	Items not taken on store ledger charge	655,000.00
		Total	5,439101.31

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 had been examined up to 31st December, 2022 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.

S/N	QUERY NUMBER	SUBJECT	NAME OF AFFECTED OFFICER'S	AMOUNT
1	AUD/EWLGA/AQ/01/2020	Unproduced revenue earning receipts 2022	Oladumoye Temitayo Oyinloye Olapade Oladimeji Rufus	Assorted
2	AUD/EWLGA/AQ/02/2022	Unretired security vote	Hon Kareem Agunbiade	8,500,000.00
		Total		8,500,000.00



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	3,645,578.63	5,832,941.00
2	Non-Tax Revenue	15,155,260.00	11,675,091.00
3	Aid & Grants	-	-
4	Investment Income	4,363,506.67	4,182,640.00
5	Expenditure Recovery	-	-
	TOTAL	23,164,345.30	21,690,672.00

EKITI WEST LOCAL GOVERNMENT

Telephone: 030-830353

All correspondence should be addressed
To the Executive Chairman, quoting



ILURE
P.M.B. 5001,
ARAMOKO-EKITI.

Our Ref No: _____

Date: _____

RESPONSIBILITY FOR FINANCIAL 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, 2022.

A handwritten signature in blue ink, appearing to read "Okere Sesan".
25/3/22

Hon. Okere Sesan,
Executive Chairman.

A handwritten signature in blue ink, appearing to read "Adetifa Gbenga".
25/3/22

Mr. Adetifa Gbenga,
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government.

The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- iii. Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- iv. Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.

- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) PREPAYMENT

Prepayment expenses were payments made in advance of receipt of goods or services, i.e., the payments were made early the year for benefits to be received

over the latter part of the year or payments made in one year for benefits to be received in subsequent years.

(17) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(18) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(19) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(20) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(21) 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. These amounts were stated in the GPFS at their repayment value, which were treated as Current Liabilities in the Statement of Financial Position.

(22) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(23) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(24) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(25) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(26) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(27) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI, EKITI STATE
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	₦
	<u>ASSETS</u>			
	Current Assets			
2,841,319.32	Cash and Cash Equivalents	1	7,110,451.17	
12,693,900.00	Inventories	2	977,150.00	
	WIP	3		
507,981,264.71	Receivables	4	480,603,756.05	
	Prepayments	5		488,691,357.22
523,516,484.03	Total Current Assets			
	Non-Current Assets			
	Loans Granted	6		
1,650,000.00	Investments	7	1,650,000.00	
448,474,207.83	Fixed Assets-Property, Plant & Equipment	8	485,383,239.15	
61,443,316.53	Investment Property	9	70,798,583.16	
	Biological Assets	10	5,365,000.00	
511,567,524.36	Total Non-Current Assets			563,196,822.31
1,035,084,008.39	Total Assets			1,051,888,179.53
	<u>LIABILITIES</u>			
	Current Liabilities			
	Accumulated Depreciation	11		
	Loans & Debts(Short-Term)	12	726,000.00	
1,624,925.20	Unremitted Deductions	13	2,217,976.38	
207,070,259.83	Payables	14	158,469,495.10	
208,695,185.03	Total Current Liabilities		161,413,471.48	
	Non-Current Liabilities			
	Public Funds	15		
81,343,922.42	Borrowings	16	75,150,223.93	
81,343,922.42	Total Non-Current Liabilities		75,150,223.93	
290,039,107.45	Total Liabilities			236,563,695.41
745,044,900.94	Net Asset/Equity			815,324,484.12
	Financed By:			
630,815,363.52	Reserves	17		651,952,731.96
	Capital Grant	18		
	Net Surpluses/(Deficits)	19		
114,229,537.42	Accumulated Surplus/(Deficits)	20		163,371,752.16
745,044,900.94	Total Net Assets/Equity			815,324,484.12

EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI, EKITI STATE
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
2,244,208,601.79	Government Share of FAAC (Statutory Revenue)	21	2,888,719,802.14
5,832,941.00	Tax Revenue	22	3,645,578.63
11,675,091.00	Non-Tax Revenue	23	15,155,260.00
	Aid & Grants	24	
4,182,640.00	Investment Income	25	4,363,506.67
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
2,265,899,273.79	Total Revenue		2,911,884,147.44
	<u>EXPENDITURE</u>		
886,470,116.88	Salaries & Wages	29	975,503,196.55
15,688,747.16	Social Contribution	30	71,106,824.03
14,774,881.40	Social Benefit	31	79,636,000.00
41,477,801.17	Overhead Cost	32	122,931,602.00
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
35,768,040.89	Depreciation Charges	37	36,311,920.49
1,235,211,635.33	Transfer to other Government Entities	38	1,577,252,389.63
	Public Debt Charges	39	
	Allowance	40	
2,229,391,222.83	Total Expenditure		2,862,741,932.70
36,508,050.96	Surplus/(Deficit) from Operating Activities for the Period		49,142,214.74
	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	
36,508,050.96	Net surplus/(Deficit) for the year		49,142,214.74

EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI, EKITI STATE
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
2,244,208,601.79	Government Share of FAAC (Statutory Revenue)	21	2,888,719,802.14	
5,832,941.00	Tax Revenue	22	3,645,578.63	
11,675,091.00	Non-Tax Revenue	23	15,155,260.00	
	Aid & Grants	24		
4,182,640.00	Investment Income	25	4,363,506.67	
	Expenditure Recovery	26		
	Other Capital Receipts	27		
	Debt Forgiveness	28		
2,265,899,273.79	Total inflow from operating Activities			2,911,884,147.44
	<u>Outflows</u>			
886,470,116.88	Salaries & Wages	29	975,503,196.55	
15,688,747.16	Social Contributions	30	71,106,824.03	
14,774,881.40	Social Benefit	31	79,636,000.00	
41,477,801.17	Overheads Cost	32	122,931,602.00	
	Gratuity	33		
	Pension Allowance	34		
1,235,211,635.33	Transfer to other Government Entities	38	1,577,252,389.63	
	Allowance (leave Bonus)	40		
	Deductions	49		
	Refund	50		
	Inventory	51		
	Loan	52		
2,193,623,181.94	Total Outflow from Operating Activities			2,826,430,012.21
72,276,091.85	Net Cash Inflow/(outflow) from Operating Activities			85,454,135.23
	<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			
75,078,555.36	Purchase/ Construction of PPE	58	71,031,304.90	
	Purchase/ Construction OF Investment Property	59	3,960,000.00	
	Investment in Private Companies	60		
	Loan Granted	61		

	Purchase of Intangible Assets	62		
	Acquisition of Investment	63		
75,078,555.36	Total Outflow		74,991,304.90	
-75,078,555.36	Net Cash Flow from Investing Activities			(74,991,304.90)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
	Capital Grant Received	64		
	Proceeds from Borrowings	65		
0.00	Total Inflow			
	Outflows			
5,161,415.40	Repayment of Borrowings	66	6,193,698.48	
	Distribution of Surplus/Dividends Paid	67		
5,161,415.40	Total Outflow		6,193,698.48	
-5,161,415.40	Net Cash Flow from Financing Activities			(6,193,698.48)
-7,963,878.91	Net Cash Flow from all Activities			4,269,131.85
10,805,198.23	Cash and Its Equivalent as at 01/01/2022			2,841,319.32
2,841,319.32	Cash and Its Equivalent as at 31/12/2022	1		7,110,451.17

EKITI WEST LOCAL GOVERNMENT, ARAMOKO-EKITI, EKITI STATE
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR
ENDED 31ST DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N	<u>REVENUE</u>		N	N	N
2,244,208,601.79	Government Share of FAAC (Statutory Revenue)	21	2,888,719,802.14	2,163,655,102.80	33.51
5,832,941.00	Tax Revenue	22	3,645,578.63	5,000,000.00	-27.09
11,675,091.00	Non-Tax Revenue	23	15,155,260.00	11,000,000.00	37.78
	Aid & Grants	24			-
4,182,640.00	Investment Income	25	4,363,506.67	3,000,000.00	45.45
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
2,265,899,273.79	Total Revenue		2,911,884,147.44	2,182,655,102.80	89.65
	<u>EXPENDITURE</u>				
886,470,116.88	Salaries & Wages	29	975,503,196.55	688,695,102.80	(41.65)
15,688,747.16	Social Contribution	30	71,106,824.03	74,350,000.00	4.36
14,774,881.40	Social Benefit	31	79,636,000.00	79,740,000.00	0.13
41,477,801.17	Overhead Cost	32	122,931,602.00	81,480,000.00	(50.87)
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
1,235,211,635.33	Transfer to other Government Entities	38	1,577,252,389.63	1,025,000,000.00	(53.88)
	Public Debt Charges	39			-
	Allowance	40			-
75,078,555.36	Purchase of Assets	58	71,031,304.90	74,000,000.00	4.01
	Purchase of Investment Property	59	3,960,000.00	4,000,000.00	1.00
	Acquisition of Investment	63			-
5,161,415.40	Repayment of Borrowing	66	6,193,698.48	-	(100.00)
2,273,864,152.70	Total Expenditure		2,907,615,015.59	2,027,265,102.80	(236.89)
-7,963,878.91	Net Surplus /(Deficit) for the year		4,269,131.85	155,390,000.00	3-26.54

EKITI WEST LOCAL GOVERNMENT, ARAMOKO EKITI STATE NIGERIA
**STATEMENT OF CHANGES IN NET ASSET/EQUITY FOR THE YEAR ENDED 31ST,
DECEMBER, 2022**

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	114,229,537.42	630,815,363.52	-	745,044,900.94
2	Surplus/(Deficit) for the year	49,142,214.74			49,142,214.74
3	Grant for the period				-
4	Assets Recognised during the year		18,484,913.53		18,484,913.53
	Adjustment for the period		2,652,454.91		2,652,454.91
	Closing Balance (31/12/2022)	163,371,752.16	651,952,731.96	-	815,324,484.12

NOTES 8, & 37A & 58

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2021

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/20....	292,027,585.83	97,888,927.20	10,787,689.13	1,526,416.65	-	28,840,576.95	17,403,012.08	448,474,207.84
Acquisition during the year	17,020,413.52	11,893,603.00	31,630,273.48	1,050,000.00	-	4,759,477.68	4,677,537.22	71,031,304.90
Total	309,047,999.35	109,782,530.20	42,417,962.61	2,576,416.65	-	33,600,054.63	22,080,549.30	519,505,512.74
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/20...	309,047,999.35	109,782,530.20	42,417,962.61	2,576,416.65	-	33,600,054.63	22,080,549.30	519,505,512.74
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	9,271,439.98	3,293,475.91	8,483,592.52	257,641.67	-	8,400,013.66	4,416,109.86	34,122,273.59
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/20....	299,776,559.37	106,489,054.29	33,934,370.09	2,318,774.99	-	25,200,040.97	17,664,439.44	485,383,239.15

NOTE 1**CASH AND CASH EQUIVALENT 2021**

NAME OF BANK	ACCOUNT NAME	ACCOUNT NUMBER	AMOUNT
WEMA	RUNNINGS	0121534734	3,392,825.46
MICRO FINANCE	IGA	1040044680	25,315.99
WEMA	SALARY	0121524256	3,692,309.72
TOTAL			7,110,451.17

INVENTORIES**NOTE 2**

ITEMS	OPENING BALANCE	ADDITIONAL PURCHASES	ISSUED	BALANCE AS AT 31/12/2022
Office Equipment	54,200.00	558,200.00	598,200.00	14,200.00
Consumables	29,700.00	2,794,175.00	2,470,925.00	352,950.00
Medical Equipment	600,000.00			600,000.00
Mech Work Shop Materials	10,000.00			10,000.00
TOTAL	693,900.00	3,352,375.00	3,069,125.00	977,150.00

NOTE 4**RECEIVABLES**

DETAIL	AMOUNT
Balance as at 1/1/2022	507,981,264.71
Less: Receivables during the Year	27,707,508.66
	480,273,756.05
Add: Receivables for the Year	330,000.00
TOTAL	480,603,756.05

NOTE 7**INVESTMENT IN SECURITY****LOCAL GOVERNMENT INVESTMENT IN SECURITY**

		AMOUNT (N)
WEMA BANK		1,000,000.00
HERITAGE BANK		650,000.00
TOTAL		1,650,000.00

INVESTMENT PROPERTY**NOTE 9**

ITEMS	OPENING BALANCE	ADDITIONAL	TOTAL	DEPR DATE %	DEPR	NETBOOK VALUE
Lock-up Shop	23,718,343.50	7,722,913.53	31,441,257.02	3%	943,237.71	30,498,019.32
Open Market Stalls	17,899,965.65	-	17,899,965.65	3%	536,998.97	17,362,966.68
poultry Pens/Piggery	5,346,886.95	3,822,000.00	9,168,886.95	3%	275,066.61	8,893,820.34
Filling Station	6,654,674.83	-	6,654,674.83	3%	199,640.24	6,455,034.59
Women Development Centre	1,976,032.27	-	1,976,032.27	3%	59,280.97	1,916,751.30
Fayose Market Stall	5,847,413.34	-	5,847,413.34	3%	175,422.40	5,671,990.94
Market Stall at Ipole-Iloro		1,600,000.00	1,600,000.00	3%	48,000.00	1,552,000.00
Market Stall at Ikogosi- Ekiti		3,000,000.00	3,000,000.00	3%	90,000.00	2,910,000.00
Market Stalls at Erijiyan- Ekiti		6,300,000.00	6,300,000.00	3%	189,000.00	6,111,000.00
TOTAL	61,443,316.53	22,444,913.53	83,888,230.06		2,189,646.90	70,798,583.16

NOTE: Additional Investment Property during the year is detailed below:

	Amount (N)
Acquisition	3,960,000.00
Recognition	<u>18,484,913.53</u>
Total	<u>22,444,913.53</u>

BOLOGICAL ASSETS**NOTE 10**

DETAILS	AMOUNT
Piglets	865,000.00
Teak Plantation	4,500,000.00
Total	5,365,000.00

SHORT-TERM LOAN**NOTE 12**

DETAILS	AMOUNT
Loans from AMFB	4,686,000.00
Less: Repayment	3,960,000.00
TOTAL	726,000.00

NOTE 13**UNREMITTED DEDUCTION**

ITEM	OPENING BALANCE	ADDITIONAL DEDUCTION	AMOUNT PAID	BALANCE AS AT 31/12/2022
7.5%VAT	372,906.17	4,805,942.30	3,761,954.39	1,416,894.08
5% WHT	430,832.19	1,980,423.28	2,300,423.28	110,832.19
2% ETF	186,430.73	220,255.44	351,192.17	55,494.00
Credit Direct	4,145.00			4,145.00
PAYE	630,611.11	10,042,825.20	10,042,825.20	630,611.11
TOTAL	1,624,925.20	17,049,446.22	16,456,395.04	2,217,976.38

NOTE 14**PAYABLES**

DETAILS	AMOUNT	AMOUNT
Balance as at 1/1/2022		207,070,259.83
Payment during the Year:		
Political Office Holder Salary (2018-2019)	8,955,791.57	
MAY 2018 SALARY	39,644,973.16	
		48,600,764.73
TOTAL		158,469,495.10

BORROWING**NOTE 16**

DETAILS	AMOUNT
Balance as at 01/01/2022	81,343,922.42
LESS: Payment	6,193,698.48
Balance as at 31/12/2022	75,150,223.94

NOTE 21**STATUTORY ALLOCATION**

	2022			2021
MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
January	182,611,752.63	180,304,591.90	2,307,160.73	156,604,105.82
February	152,497,343.69	180,304,591.90	(27,807,248.21)	164,742,515.90
March	160,116,558.58	180,304,591.90	(20,188,033.32)	136,258,385.54
April	187,111,673.64	180,304,591.90	6,807,081.74	163,834,202.06
May	170,500,405.41	180,304,591.90	(9,804,186.49)	175,398,472.25

June	168,320,742.68	180,304,591.90	(11,983,849.22)	180,437,057.16
July	214,176,470.94	180,304,591.90	33,871,879.04	192,778,595.79
August	240,488,476.24	180,304,591.90	60,183,884.34	197,668,000.11
September	182,753,084.81	180,304,591.90	2,448,492.91	185,445,231.01
October	627,651,398.84	180,304,591.90	447,346,806.94	195,968,362.31
November	192,495,982.91	180,304,591.90	12,191,391.01	194,141,328.17
December	409,995,911.77	180,304,591.90	229,691,319.87	300,932,345.67
TOTAL	2,888,719,802.14	2,163,655,102.80	725,064,699.34	2,244,208,601.79

NOTE 22
TAX REVENUE

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Commercial Tax	1,736,240.00	2,000,000.00	(263,760.00)	5,407,941.00
Tenement Rate	175,000.00	2,000,000.00	(1,825,000.00)	425,000.00
2.5% on Local Govt. Contracts	1,734,338.63	1,000,000.00	734,338.63	-
TOTAL	3,645,578.63	5,000,000.00	(1,354,421.37)	5,832,941.00

NOTE 23
NON TAX REVENUE

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Local Licenses, Fine & Rate	15,138,760.00	9,500,000.00	5,638,760.00	4,159,091.00
Miscellaneous Income	16,500.00	1,500,000.00	(1,483,500.00)	7,516,000.00
TOTAL	15,155,260.00	11,000,000.00	4,155,260.00	11,675,091.00

NOTE 25
INVESTMENT INCOME

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Proceed from the Lease of petrol Station attributable to 2017	1,400,000.00	1,000,000.00	400,000.00	1,608,333.33
Proceed from the Lease Poultry Pens for 2017	-	-	-	-
Dividend from Share	-	-	-	-

Rent from Local Government Investment Properties	2,963,506.67	2,000,000.00	963,506.67	2,574,306.67
TOTAL	4,363,506.67	3,000,000.00	1,363,506.67	4,182,640.00

NOTE 29
SALARISES AND WAGES

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Staff Salary	781,034,529.72	522,957,780.00	(258,076,749.72)	630,103,980.28
Political Office Holder Salary	103,857,756.39	105,737,322.80	1,879,566.41	104,973,729.77
Political Office Holder Salary (2018-2019)	-	-	-	47,507,125.37
Traditional Rulers Salary	62,576,119.84	60,000,000.00	(2,576,119.84)	58,628,509.39
Palace Staff Salary	28,034,790.60	-	(28,034,790.60)	45,256,772.07
TOTAL	975,503,196.55	688,695,102.80	(286,808,093.75)	886,470,116.88

NOTE 30
SOCIAL CONTRIBUTION

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Construction of Culvert	6,850,000.00	7,350,000.00	500,000.00	-
Rehabilitation /Repair of Market Places	6,750,000.00	20,000,000.00	13,250,000.00	-
Extension of Streetlight	6,855,000.00	10,000,000.00	3,145,000.00	-
Anniversary/Celebration	5,545,000.00	1,000,000.00	(4,545,000.00)	-
Security Services	4,950,000.00	10,000,000.00	5,050,000.00	180,000.00
Grading of Road	7,280,000.00	10,000,000.00	2,720,000.00	-
Clearing of Road Verges	8,850,000.00	3,000,000.00	(5,850,000.00)	-
Provision of Community Infrastructure	5,408,054.03	6,500,000.00	1,091,945.97	-
Sporting Activities	3,550,000.00	300,000.00	(3,250,000.00)	-
Women Programme	3,922,000.00	200,000.00	(3,722,000.00)	845,000.00
Army Forces Remembrance Day	370,000.00	1,500,000.00	1,130,000.00	600,000.00
Health & Welfare of People	5,538,000.00	4,500,000.00	(1,038,000.00)	4,710,000.00
Financial Assistance for Community Project	5,238,770.00	-	(5,238,770.00)	4,098,747.16
Others	-	-	-	5,255,000.00
TOTAL	71,106,824.03	74,350,000.00	3,243,175.97	15,688,747.16

NOTE 31**SOCIAL BENEFIT**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
January	5,400,000.00	6,645,000.00	1,245,000.00	1,020,000.00
February	4,762,000.00	6,645,000.00	1,883,000.00	900,000.00
March	4,988,000.00	6,645,000.00	1,657,000.00	985,000.00
April	4,922,000.00	6,645,000.00	1,723,000.00	947,030.00
May	7,550,000.00	6,645,000.00	(905,000.00)	1,231,240.12
June	6,520,000.00	6,645,000.00	125,000.00	1,199,361.28
July	6,550,000.00	6,645,000.00	95,000.00	1,012,000.00
August	7,550,000.00	6,645,000.00	(905,000.00)	925,000.00
September	7,544,000.00	6,645,000.00	(899,000.00)	1,400,000.00
October	5,500,000.00	6,645,000.00	1,145,000.00	1,200,000.00
November	9,850,000.00	6,645,000.00	(3,205,000.00)	1,500,000.00
December	8,500,000.00	6,645,000.00	(1,855,000.00)	1,254,250.00
Others	-	-	-	1,201,000.00
TOTAL	79,636,000.00	79,740,000.00	104,000.00	14,774,881.40

NOTE 32**OVERHEAD COST**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Maintenance Services-General	23,862,000.00	12,750,000.00	(11,112,000.00)	19,514,000.00
Transport and Traveling	25,059,602.00	12,550,000.00	(12,509,602.00)	5,260,000.00
House Grant	4,500,000.00	3,000,000.00	(1,500,000.00)	4,400,000.00
SUBEB Overhead	6,050,000.00	5,600,000.00	(450,000.00)	5,050,000.00

Fuel & Lubricants-General	20,450,000.00	10,500,000.00	(9,950,000.00)	1,000,000.00
Training & Human Development	4,550,000.00	3,030,000.00	(1,520,000.00)	3,000,000.00
Field Overhead Expenses	3,500,000.00	2,750,000.00	(750,000.00)	1,500,000.00
Professional Services	4,350,000.00	4,000,000.00	(350,000.00)	-
Miscellaneous Expenses-General	10,150,000.00	10,850,000.00	700,000.00	500,000.00
Materials Supplies	5,100,000.00	3,550,000.00	(1,550,000.00)	-
Iyaloja Imprest	300,000.00	550,000.00	250,000.00	250,000.00
General Utility	15,060,000.00	12,350,000.00	(2,710,000.00)	1,003,801.17
TOTAL	122,931,602.00	81,480,000.00	(41,451,602.00)	41,477,801.17

NOTE 37

DEPRECIATION

DETAILS	AMOUNT
Depreciation on PP&E	34,122,273.59
Depreciation on Investment Property	2,189,646.90
TOTAL	36,311,920.49

NOTE 38

TRANSFER TO OTHER GOVERNMENT ENTITIES

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Pension and Gratuity	469,794,938.52	400,000,000.00	(69,794,938.52)	428,714,837.90
SUBEB Staff Salary	811,113,719.52	600,000,000.00	(211,113,719.52)	706,943,346.55
Security Fund	8,400,000.00	-	(8,400,000.00)	8,400,000.00
Parastatals and Agencies	22,171,558.09	25,000,000.00	2,828,441.91	18,124,941.49
Peace Corps	14,400,000.00	-	(14,400,000.00)	14,400,000.00
Ekameta LCDA	41,576,950.28	-	(41,576,950.28)	-
Okemesi/Ido-Ile LCDA	41,518,027.20	-	(41,518,027.20)	-
Special Res. with JAAC	168,277,196.02	-	(168,277,196.02)	-
Traditional Ruler	-	-	-	58,628,509.38
TOTAL	1,577,252,389.63	1,025,000,000.00	(552,252,389.63)	1,235,211,635.33

NOTE 58**PURCHASE OF ASSETS**

	2022			2021
DETAILS	AMOUNT(N)	BUDGET	VARIANCE	ACTUAL
Land Building	17,020,413.52	18,000,000.00	979,586.48	-
Infrastructure	11,893,603.00	11,900,000.00	6,397.00	74,658,555.36
Motor Vehicles	31,630,273.48	31,700,000.00	69,726.52	-
Plant and Machinery	1,050,000.00	1,100,000.00	50,000.00	-
Office Equipment	4,759,477.68	5,000,000.00	240,522.32	312,000.00
Furniture and Fittings	4,677,537.22	6,300,000.00	1,622,462.78	108,000.00
Total	71,031,304.90	74,000,000.00	2,968,695.10	75,078,555.36

NOTE 59**PURCHASE OF INVESTMENT PROPERTY**

	2022			2021
DETAILS	AMOUNT(N)	BUDGET	VARIANCE	ACTUAL
Market Stalls	3,960,000.00	4,000,000.00	40,000.00	-

NOTE 66**REPAYMENT ON BORROWING**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
January	516,141.54		(516,141.54)	516,141.54
February	516,141.54		(516,141.54)	516,141.54
March	516,141.54		(516,141.54)	-
April	516,141.54		(516,141.54)	-
May	516,141.54		(516,141.54)	516,141.54
June	516,141.54		(516,141.54)	516,141.54
July	516,141.54		(516,141.54)	516,141.54
August	516,141.54		(516,141.54)	516,141.54
September	516,141.54		(516,141.54)	516,141.54
October	516,141.54		(516,141.54)	516,141.54
November	516,141.54		(516,141.54)	516,141.54
December	516,141.54		(516,141.54)	516,141.54
TOTAL	6,193,698.48		(6,193,698.48)	5,161,415.40

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE ACCOUNTS OF EMURE LOCAL

GOVERNMENT,

EMURE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Emure Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF EMURE LOCAL GOVERNMENT, EMURE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i). The estimate made for Revenue in the 2022 budget recorded a performance of **136.82%**. That is, an estimate was made for **N1,400,000,000.00**, while actual Revenue record stood at **N1,915,521,812.52**. Equally, the actual IGR of

N5,5140,492.50 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 **N2,526,550,275.29** only was budgeted for expenditure but only **N1,930,442,730.80** was actually incurred, resulting to saving of **N596,107,544.49** for the period.

8. REVENUE ACCOUNT

A total sum of **N1,915,521,812.52** was earned as total Revenue as at 31st December, 2022 out of which only **0.29% (N5,510,492.52)** 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 **(37.47%)** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR

The following expenditure appears to be contrary to law.

S/no	QUERY NO.	SUBJECT	AMOUNT ₦
1.	AUD/EMLG/AQ/01/2022	Expenditure contrary to regulation	1,200,000.00
2.	AUD/ EMLG /AQ/02/2022	Nugatory payment.	5,192500.00
3.	AUD/ EMLG /AQ/03/2022	Expenditure not supported with proper record of accounts	1,850,000.00
4.	AUD/ EMLG /AQ/04/2022	Items not taken on store ledger charge	1,543,000.00
5.	AUD/ EMLG /AQ/05/2022	Un-vouched expenditure	4,267,100.00

6.	AUD/ EMLG /AQ/06/2022	Unproduced payment vouchers	1,794,500.00
		TOTAL	15,847,100.00

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 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, 2022 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) Internally Generated Revenue
- (iv) Attendance to audit queries
- (v) Fixed Assets Register
- (vi) Capital Projects.
- (vii) 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

Subject	Beneficiary	Year
Missing Revenue Earning Receipts (20 GRR)	Mr. Oluwole Johnson Omolayo	2015



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)		APPENDIX 'A'	
S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	209,492.50	2,700,715.39
2	Non-Tax Revenue	4,551,000.00	5,410,967.80
3	Aid & Grants	-	-
4	Investment Income	750,000.00	700,800.00
5	Expenditure Recovery	-	-
	TOTAL	5,510,492.50	8,812,483.19



Office of the Chairman

EMURE LOCAL GOVERNMENT

P.M.B. 001, EMURE EKITI, EKITI STATE.

Our Ref:..... Your Ref:..... Date:.....

RESPONSIBILITY FOR FINANCIAL 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, 2022

Hon. Adu Joseph,
Executive Chairman.

Mrs. Ogunjobi E. M.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements were

cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) PREPAYMENT

Prepayment expenses were payments made in advance of receipt of goods or services, i.e., the payments were made early the year for benefits to be received over the latter part of the year or payments made in one year for benefits to be received in subsequent years.

(17) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(18) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(19) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(20) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(21) 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. These amounts were stated in the GPFS at their repayment value, which were treated as Current Liabilities in the Statement of Financial Position.

(22) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(23) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(24) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(25) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(26) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(27) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(28) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:			
	ASSETS			
	Current Assets			
11,855,272.09	Cash and Cash Equivalents	1	2,444,846.31	
292,200.00	Inventories	2	9,500,000.00	
-	WIP	3	-	
377,979,266.07	Receivables	4	362,765,149.07	
47,500.00	Prepayments	5	46,500.00	
390,174,238.16	Total Current Assets			374,756,495.38
	Non-Current Assets			
-	Loans Granted	6	-	
1,000,000.00	Investments	7	10,850,000.00	
653,687,608.69	Fixed Assets-Property, Plant & Equipment	8	729,898,693.21	
21,170,250.00	Investment Property	9	20,585,142.50	
1,400,000.00	Biological Assets	10	4,400,000.00	
677,257,858.69	Total Non-Current Assets			765,733,835.71
1,067,432,096.85	Total Assets			1,140,490,331.09
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
2,802,000.00	Loans & Debts(Short-Term)	12	-	
5,471,128.00	Unremitted Deductions	13	1,000,128.00	
437,842,233.94	Payables	14	343,874,830.22	
445,395,361.94	Total Current Liabilities			344,874,958.22
	Non-Current Liabilities			
	Public Funds	15	-	
82,252,199.65	Borrowings	16	77,148,553.69	
82,252,199.65	Total Non-Current Liabilities			77,148,553.69
527,647,561.59	Total Liabilities			422,023,511.91
539,784,535.26	Net Asset/Equity			718,466,819.18
	Financed By:			
504,461,829.00	Reserves	17		611,874,915.72
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
35,322,706.26	Accumulated Surplus/(Deficits)	20		106,591,903.46
539,784,535.26	Total Net Assets/Equity			718,466,819.18

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
1,458,980,917.11	Government Share of FAAC (Statutory Revenue)	21	1,915,521,812.52
2,700,715.39	Tax Revenue	22	209,492.50
5,410,967.80	Non-Tax Revenue	23	4,551,000.00
-	Aid & Grants	24	-
700,800.00	Investment Income	25	750,000.00
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
1,467,793,400.30	Total Revenue		1,921,032,305.02
	<u>EXPENDITURE</u>		
698,621,860.32	Salaries & Wages	29	670,528,126.85
35,091,545.00	Social Contribution	30	121,248,925.82
4,000,000.00	Social Benefit	31	147,035,074.00
51,552,848.66	Overhead Cost	32	84,722,659.29
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
27,638,491.97	Depreciation Charges	37	42,106,339.52
632,390,194.47	Transfer to other Government Entities	38	704,903,930.29
-	Public Debt Charges	39	-
1,538,229.62	Allowance	40	79,218,052.05
1,450,833,170.04	Total Expenditure		1,849,763,107.82
16,960,230.26	Surplus/(Deficit) from Operating Activities for the Period		71,269,197.20
	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	-
16,960,230.26	Surplus/(Deficit) for the year		71,269,197.20

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	CASH FLOWS FROM OPERATING ACTIVITIES			
	Inflows			
1,458,980,917.11	Government Share of FAAC (Statutory Revenue)	21	1,915,521,812.52	
2,700,715.39	Tax Revenue	22	209,492.50	
5,410,967.80	Non-Tax Revenue	23	4,551,000.00	
-	Aid & Grants	24	-	
700,800.00	Investment Income	25	750,000.00	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
1,467,793,400.30	Total inflow from operating Activities			1,921,032,305.02
	Outflows			
698,621,860.32	Salaries & Wages	29	670,528,126.85	
35,091,545.00	Social Contributions	30	121,248,925.82	
4,000,000.00	Social Benefit	31	147,035,074.00	
51,552,848.66	Overheads Cost	32	84,722,659.29	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
632,390,194.47	Transfer to other Government Entities	38	704,903,930.29	
1,538,229.62	Allowance (Leave Bonus)	40	79,218,052.05	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
1,423,194,678.07	Total Outflow from Operating Activities			1,807,656,768.30
44,598,722.23	Net Cash Inflow/(outflow) from Operating Activities			113,375,536.72
	CASH FLOW FROM INVESTING ACTIVITIES			
-	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			
33,091,545.66	Purchase/ Construction of PPE	58	117,682,316.54	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
33,091,545.66	Total Outflow			(117,682,316.54)
-33,091,545.66	Net Cash Flow from Investing Activities			
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
4,253,038.35	Repayment of Borrowings	66	5,103,645.96	
-	Distribution of Surplus/Dividends Paid	67	-	
4,253,038.35	Total Outflow		5,103,645.96	
-4,253,038.35	Net Cash Flow from Financing Activities			(5,103,645.96)
7,254,138.22	Net Cash Flow from all Activities			(9,410,425.78)
4,601,133.87	Cash and Its Equivalent as at 01/01/2022			11,855,272.09
11,855,272.09	Cash and Its Equivalent as at 31/12/2022	1		2,444,846.31

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR
ENDE31ST DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	REVENUE				
1,458,980,917.11	Government Share of FAAC (Statutory Revenue)	21	1,915,521,812.52	1,400,000,000.00	36.82
2,700,715.39	Tax Revenue	22	209,492.50	3,140,000.00	(93.33)
5,410,967.80	Non-Tax Revenue	23	4,551,000.00	14,080,000.00	(67.68)
-	Aid & Grants	24	-	-	-
700,800.00	Investment Income	25	750,000.00	3,000,000.00	(75.00)
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
1,466,355,075.39	Total Revenue		1,921,032,305.02	1,420,220,000.00	(199.18)
	EXPENDITURE				
698,621,860.32	Salaries & Wages	29	670,528,126.85	862,925,515.00	22.30
35,091,545.00	Social Contribution	30	121,248,925.82	88,180,870.00	(37.50)
4,000,000.00	Social Benefit	31	147,035,074.00	67,053,000.00	(119.28)
51,552,848.66	Overhead Cost	32	84,722,659.29	94,952,585.29	10.77
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
632,390,194.47	Transfer to other Government Entities	38	704,903,930.29	957,863,265.00	26.61
-	Public Debt Charges	39	-	-	-
1,538,229.62	Allowance	40	79,218,052.05	47,750,040.00	(65.90)
33,091,545.66	Purchase of Assets	58	117,682,316.54	144,425,000.00	18.52
-	Acquisition of Investment	63	-	-	-
4,253,038.35	Repayment of Borrowing	66	5,103,645.96	263,400,000.00	98.06
1,460,539,262.08	Total Expenditure		1,930,442,730.80	2,526,550,275.29	(46.63)
7,254,138.22	Surplus/(Deficit) for the year		(9,410,425.78)	(1,106,330,275.29)	(152.56)

EMURE LOCAL GOVERNMENT, EMURE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2022

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	35,322,706.26	504,461,829.00	-	536,552,599.94
2	Surplus for the period	71,269,197.20			71,269,197.20
3	Grant for the period			-	-
4	Adjustment for the period		107,413,086.72		107,413,086.72
	Balance (1/12/2022)	106,591,903.46	611,874,915.72	-	718,466,819.18

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEUDLE FOR THE YEAR 2022

NOTE 8 & 37

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	580,596,062.41	36,804,490.78	14,400,000.00	12,618,625.50	1,740,800.00	6,836,430.00	691,200.00	653,687,608.69
Acquisition during the year	-	-	10,007,636.74	81,805,679.50	-	25,119,000.30	750,000.00	117,682,316.54
Total	580,596,062.41	36,804,490.78	24,407,636.74	94,424,305.00	1,740,800.00	31,955,430.30	1,441,200.00	771,369,925.23
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/20...	580,596,062.41	36,804,490.78	24,407,636.74	94,424,305.00	1,740,800.00	31,955,430.30	1,441,200.00	771,369,925.23
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	17,417,881.87	1,104,134.72	4,881,527.35	9,442,430.50	348,160.00	7,988,857.58	288,240.00	41,471,232.02
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	563,178,180.54	35,700,356.06	19,526,109.39	84,981,874.50	1,392,640.00	23,966,572.73	1,152,960.00	729,898,693.21

NOTES TO ACCOUNT

NOTE 1- CASH & ITS EQUIVALNET AS AT 31ST DEC. 2022

S/N	NAME OF BANK			
1	First Bank	Salary	2005072060	2,172,842.77
2	First Bank	IGR	2000617046	212,317.55
3	Zenith Bank	Running Account	1016250520	59,685.99
	TOTAL			2,444,846.31

NOTE 2 - INVENTORIES

S/N	DETAILS	AMOUNT
	Store Consumables	9,500,000.00

NOTE 4 - RECEIVABLES

S/N	DETAILSL		AMOUNT
	Balance b/f		377,979,266.07
	Less Receipt during the year		42,309,120.00
			335,670,146.07
	Add: Receivable :		
1	IGR Demand Notice	24,054,302.00	
2	IGR (10% from State)	2,770,750.87	
3	Rent Areas on LG Lock up Shops	250,000.00	
4	Rev. Collected not yet remitted	19,950.13	27,095,003.00
	TOTAL		362,765,149.07

NOTE 5- PREPAYEMNT

S/N	DETAILS	AMOUNT
1	Balance b/f	47,500.00
	less Amount Utilized	37,000.00
		10,500.00
	Add: DSTV Subscription	36,000.00
	TOTAL	46,500.00

NOTE 7 - INVESTMENT IN SECURITIES

Ordinary Share in Insurance company = N10,850,000

NOTE 9 - INVESTMENT PROPERTIES

DETAILS	HISTORICAL COST	BOOK VALUE 31/12/2021	DEPRECIATION 3%	BOOK VALUE 31/12/2022
Dulex structure at Irewolede	5,000,000.00	4,704,500.00	141,135.00	4,563,365.00
Fayose Market (a unit of stall)	1,000,000.00	940,900.00	28,227.00	912,673.00
Lock up shop at Eporo	2,000,000.00	1,881,800.00	56,454.00	1,825,346.00
Lock up shop at Idamudu	1,800,000.00	1,693,620.00	50,808.60	1,642,811.40
Lock up shop at New Market	1,700,000.00	1,599,530.00	47,985.90	1,551,544.10
Open Market stall at Sabo	3,000,000.00	2,822,700.00	84,681.00	2,738,019.00
Open Market Stall at New Market	2,500,000.00	2,352,250.00	70,567.50	2,281,682.50
Emure LG group of Schools	5,500,000.00	5,174,950.00	155,248.50	5,019,701.50
TOTAL	22,500,000.00	21,170,250.00	635,107.50	20,535,142.50

NOTE 10- BIOLOGICAL ASSETS

S/N	DETAILS		AMOUNT
	Balance b/f		1,400,000.00
	Less Disposal		250,000.00
			1,150,000.00
	Add: Oil palm Plantation	1,500,000.00	
	Teak Plantation	1,750,000.00	3,250,000.00
	Balance As at 31/12/2022		4,400,000.00

NOTE 12: LOAN AND DEBTS (ACCRUED EXPENSES)

DETAILS	AMOUNT
Balance b/f	2,082,000.00
Payment during the year	2,082,000.00
TOTAL	-

NOTE 13 - UNREMITED DEDUCTIONS

S/N	DETAILS	AMOUNT
1	Balance b/f	5,471,128.00
2	Payment during the year	4,471,000.00
	TOTAL	1,000,128.00

NOTE 14 - PAYABLES

S/N	DETAILS	OPENING BALANCE 1/1/2022	ADDITION DURING THE YEAR	TOTAL	PAYMENT DURING THE YEAR	OUTSTANDING BALANCE
1	LG Outstanding Salary: (Staff & POH)	172,310,835.94		172,310,835.94	66,297,672.02	106,013,163.92
2	Palace Staff Salary		2,075,936.35	2,075,936.35	415,187.27	1,660,749.08
3	Leave Bonus: LG Staff	120,706,125.00	21,070,570.17	141,776,695.17	-	141,776,695.17
4	Palace Staff leave bonus		724,249.05	724,249.05	-	724,249.05
5	Furniture Allowance	6,607,880.00	-	6,752,729.81	-	6,607,880.00
6	Contractual/Supplies Obligations	51,125,300.00	-	51,125,300.00	51,125,300.00	-
7	Claims	87,092,093.00	-	87,092,093.00	-	87,092,093.00
	TOTAL	437,842,233.94	23,870,755.57	461,712,989.51	117,838,159.29	343,874,830.22

NOTE 16 BORROWINGS

S/N	DETAILS	AMOUNT
	Balance B/f	82,252,199.65
	Less: Repayment	5,103,645.96
	Balance asat 31/12/2022	77,148,553.69

NOTE 21 - STATUTORY REVENUE

S/N	MONTH	2022			2021
		ACTUAL	BUDGET	VARIANCE	AMOUNT
1	JAN	150,473,218.09	83,569,365.47	66,903,852.62	105,895,803.90
2	FEB	125,658,758.13	100,545,760.32	25,112,997.81	112,804,911.10
3	MAR	131,937,038.51	97,260,142.25	34,676,896.26	85,701,615.86
4	APR	154,181,180.95	99,400,684.30	54,780,496.65	103,236,597.53
5	MAY	140,493,392.78	100,608,548.36	39,884,844.42	116,312,084.60
6	JUN	138,697,337.16	102,747,495.35	35,949,841.81	116,724,950.06
7	JUL	176,482,741.98	125,504,950.90	50,977,791.08	127,100,553.91
8	AUG	198,163,997.73	127,845,430.30	70,318,567.43	128,250,288.77
9	SEPT	150,589,676.68	118,470,547.24	32,119,129.44	119,087,366.79
10	OCT	152,387,408.13	125,154,987.32	27,232,420.81	127,147,461.93
11	NOV	158,617,885.22	124,554,240.28	34,065,644.94	125,088,429.59
12	DEC	237,839,177.16	194,337,847.91	43,499,329.25	191,630,853.07
	TOTAL	1,915,521,812.52	1,400,000,000.00	515,521,812.52	1,458,980,917.11

NOTE 22- TAX REVENUE

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIENCE	ACTUAL
1	2.5% Tax	204,792.50	2,840,000.00	(2,635,207.50)	2,700,715.39
2	Community Dev. Tax	4,700.00	300,000.00	(295,300.00)	-
	TOTAL	209,492.50	3,140,000.00	(2,930,507.50)	2,700,715.39

NOTE 23- NON TAX REVENUE

S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Hawkers Permit (Market Toll)	245,000.00	3,000,000.00	(2,755,000.00)	196,567.80
2	Marriage/Club Registration	25,000.00	300,000.00	(275,000.00)	254,000.00
3	Marriage Fees	380,000.00	500,000.00	(120,000.00)	535,000.00
4	Local Govt. Attestation Fees	965,000.00	2,500,000.00	(1,535,000.00)	794,500.00
5	Birth/Death Registration	33,000.00	500,000.00	(467,000.00)	54,000.00
6	Trading Permit	496,000.00	1,500,000.00	(1,004,000.00)	496,150.00
7	Loading/offloading fees	600,000.00	2,560,000.00	(1,960,000.00)	796,950.00
8	Refund General/Road Block	10,000.00	20,000.00	(10,000.00)	12,000.00
9	Rent on Govt. Land	100,000.00	1,000,000.00	(900,000.00)	399,000.00
10	Earning from Commerical Activities	264,000.00	400,000.00	(136,000.00)	1,313,200.00
11	Flat/Local Rate	200,000.00	1,000,000.00	(800,000.00)	403,600.00
12	Proceed from sales of farm produce	953,000.00	600,000.00	353,000.00	96,000.00
13	Rent on LG Landed Property	130,000.00	100,000.00	30,000.00	60,000.00
14	Fines	150,000.00	100,000.00	50,000.00	-
	TOTAL	4,551,000.00	14,080,000.00	(9,529,000.00)	5,410,967.80

NOTE 25 - INVESTMENT INCOME

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Earning from farm investment	180,000.00	600,000.00	(420,000.00)	25,000.00
2	Earning from investment in group of schools	346,000.00	400,000.00	(54,000.00)	200,000.00
3	Rent on Building Investement	102,000.00	1,000,000.00	(898,000.00)	325,800.00
4	Rent on Landed Property	122,000.00	1,000,000.00	(878,000.00)	150,000.00
	TOTAL	750,000.00	3,000,000.00	(2,250,000.00)	700,800.00

NOTE 29 - SALARIES & WAGES

		2022			2021
DETAILS		ACTUAL	BUDGET	VARRIANCE	ACTUAL
Staff Salary		525,578,116.91	683,485,500.00	157,907,383.09	537,048,113.75
Political Office Holders		93,386,898.67	109,440,015.00	16,053,116.33	113,263,463.74
Traditional		51,563,111.27	70,000,000.00	18,436,888.73	48,310,282.83
TOTAL		670,528,126.85	862,925,515.00	192,397,388.15	698,621,860.32

NOTE 30 - SOCIAL CONTRIBUTIONS

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
5km Road	45,450,300.49	37,750,300.00	(7,700,000.49)	33,091,545.00
Neighbourhood Market	25,516,747.42	6,470,270.00	(19,046,477.42)	2,000,000.00
Anniversary and Celebrating	1,516,330.00	3,540,300.00	2,023,970.00	-
Armed forces Remembrance day	495,248.50	450,000.00	(45,248.50)	-
Construction of Converts	13,445,130.30	6,500,000.00	(6,945,130.30)	-
Grading of Rural Roads	20,150,371.00	11,500,000.00	(8,650,371.00)	-
Rehabilitation/Repair of Market	9,177,171.57	9,570,000.00	392,828.43	-
Youth Empowerment	3,113,400.00	7,000,000.00	3,886,600.00	-
Woman Development	2,384,226.54	5,400,000.00	3,015,773.46	-
	121,248,925.82	88,180,870.00	(33,068,055.82)	35,091,545.00

NOTE 31 - SOCIAL BENEFITS

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Christmas Gift	3,000,000.00	3,500,000.00	500,000.00	1,000,000.00
Others	4,466,344.00	2,100,000.00	(2,366,344.00)	3,000,000.00
Salah Gift	530,400.00	540,000.00	9,600.00	-
Stipend to Iyaloja	300,000.00	300,000.00	-	-
Claims Financial Assitance	120,300,000.00	46,500,000.00	(73,800,000.00)	-
Students Bursary	10,900,000.00	7,410,000.00	(3,490,000.00)	-
Vigilantee/Local Hunters	7,538,330.00	6,703,000.00	(835,330.00)	-
	147,035,074.00	67,053,000.00	(79,982,074.00)	4,000,000.00

NOTE 32- OVERHEAD COST

	2022			2021
DETAILS	ACTUAL	BUDGET	VARRIANCE	ACTUAL
Traveling and Transport	4,420,000.00	4,820,000.00	400,000.00	2,510,000.00
Other Service - General	13,750,000.00	14,750,000.00	1,000,000.00	8,315,000.00
Miscellaneous-General	23,948,074.00	25,209,000.00	1,260,926.00	14,850,000.00
Utilities	4,400,000.00	5,400,000.00	1,000,000.00	2,400,000.00
Material and Supplies	4,869,000.00	5,869,000.00	1,000,000.00	3,940,000.00
Maintenance & Service	4,800,000.00	5,410,000.00	610,000.00	2,470,000.00
Training	7,400,000.00	8,400,000.00	1,000,000.00	4,802,000.00
Fuel and Lubricant	6,200,000.00	7,200,000.00	1,000,000.00	4,050,000.00
Consultancy & Professional Service	4,804,000.00	5,750,000.00	946,000.00	2,185,000.00
Allowance	8,739,585.29	10,739,585.29	2,000,000.00	5,140,358.66
Financial Charges	1,392,000.00	1,405,000.00	13,000.00	890,490.00
TOTAL	84,722,659.29	94,952,585.29	10,229,926.00	51,552,848.66

NOTE 37- DEPRECIATION CHARGES

S/N	DETAILS	%	Cost	AMOUNT
1	Land & Building	3%	580,596,062.41	17,417,881.87
2	Infrastructure	3%	36,804,490.78	1,104,134.72
3	Motor Vehicle	20%	24,407,636.74	4,881,527.35
4	Plant & Machinery	10%	94,424,305.00	9,442,430.50
5	Transport Equipment	20%	1,740,800.00	348,160.00
6	Office Equipment	25%	31,955,430.30	7,988,857.58
7	Furniture & Fitting	20%	1,441,200.00	288,240.00
8	Investment Property	3%	21,170,250.00	635,107.50
	TOTAL		792,540,175.23	42,106,339.52

NOTE 38 - TRANSFER TO OTHER GOVT. ENTITIES

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Parastatal Funds	18,269,501.52	40,000,000.00	21,730,498.48	14,935,064.34
Primary School Fund	276,720,482.25	481,063,265.00	204,343,782.75	238,862,297.02
Pension & Gratuity	387,113,946.52	414,000,000.00	26,886,053.48	355,792,833.11
Peace Corps	14,400,000.00	14,400,000.00	-	14,400,000.00
Security Fund	8,400,000.00	8,400,000.00	-	8,400,000.00
TOTAL	704,903,930.29	957,863,265.00	252,959,334.71	632,390,194.47

NOTE 40 - ALLOWANCE (L.B & PAYMENT TO OTHERS)

	2022			2021
DETAILS	ACTUAL	BUDGET	VARRIANCE	ACTUAL
Leave bonus and payment to other	79,218,052.05	47,750,040.00	(31,468,012.05))	1,538,229.62
TOTAL	79,218,052.05	47,750,040.00	(31,468,012.05)	1,538,229.62

NOTE 58 - PURCHASE/CONTRUCTION OF ASSETS

	2022			2021
DETAILS	ACTUAL	BUDGET	VARRIANCE	ACTUAL
Motor Vehicles	10,007,636.74	15,000,000.00	4,992,363.26	-
Plant & Machinery	81,805,679.50	102,125,000.00	20,319,320.50	-
Office Equipment	25,119,000.29	26,300,000.00	1,180,999.71	-
Furniture & Fitting	750,000.00	1,000,000.00	250,000.00	-
Neighbourhood Market	-	-	-	18,423,771.66
5 KM Road	-	-	-	14,667,774.00
TOTAL	117,682,316.53	144,425,000.00	26,742,683.47	33,091,545.66

NOTE 66 - REPAYMENT OF BORROWING

	2022			2021
MONTHS	ACTUAL	BUDGET	VARRIANCE	ACTUAL
JANUARY	425,303.83	21,950,000.00	21,524,696.17	425,303.84
FEBUARY	425,303.83	21,950,000.00	21,524,696.17	
MARCH	425,303.83	21,950,000.00	21,524,696.17	
APRIL	425,303.83	21,950,000.00	21,524,696.17	425,303.84
MAY	425,303.83	21,950,000.00	21,524,696.17	425,303.84
JUNE	425,303.83	21,950,000.00	21,524,696.17	425,303.84
JULY	425,303.83	21,950,000.00	21,524,696.17	425,303.84
AUGUST	425,303.83	21,950,000.00	21,524,696.17	425,303.84
SEPTEMBER	425,303.83	21,950,000.00	21,524,696.17	425,303.84
OCTOBER	425,303.83	21,950,000.00	21,524,696.17	425,303.84
NOVEMBER	425,303.83	21,950,000.00	21,524,696.17	425,303.80
DECEMBER	425,303.83	21,950,000.00	21,524,696.17	425,303.83
TOTAL	5,103,645.96	263,400,000.00	258,296,354.04	4,253,038.35

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE ACCOUNTS OF IDO/OSI LOCAL

GOVERNMENT,

IDO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ido/Osi Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IDO/OSI LOCAL GOVERNMENT, IDO-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **98.71%**. That is, an estimate was made for **N2,764,939,526.56** while

actual Revenue recorded stood at **N2,729,345,638.34**. Equally, the actual IGR of **N88,757,762.50** represents only **3.25%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of **N2,290,091,742.75** only was budgeted for expenditure but only **N2,823,803,043.92** was actually incurred, resulting to a deficit of **(N533,711,301.17)** for the period.

8. REVENUE ACCOUNT

A total sum of **N2,729,345,638.34** was earned as total Revenue as at 31st December, 2022 out of which only **3.25% (N88,757,762.50)** 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 **415.06%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. **INFRACTIONS DURING THE YEAR**

The following expenditure appear to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT (N)
1	AUD/IOLG/AQ/01/2022	Unproduced Revenue Earning Receipts	Assorted
2	AUD/IOLG/AQ/02/2022	Expenditure Contrary to Regulations	1,741,000.00
3	AUD/IOLG/AQ/03/2022	Expenditure not supported with proper records of account/unaudited	2,444,250.00
4	AUD/IOLG/AQ/04/2022	Items not Taken on Store Ledger Charger	695,000.00
		TOTAL	4,880,250.00

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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, 2022 and detailed observations had 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
- (vi)

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	1,410,000.00	497,357.48	Not yet recovered



2/6/2023

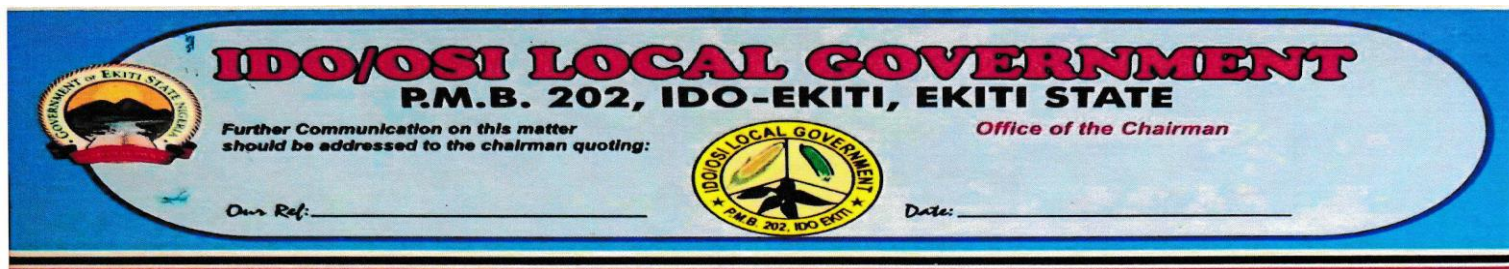
Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	1,135,155.24	9,015,703.40
2	Non-Tax Revenue	14,404,450.00	7,781,950.00
3	Aid & Grants	-	-
4	Investment Income	73,218,157.26	434,850.00
5	Expenditure Recovery	-	-
	TOTAL	88,757,762.50	17,232,503.40



RESPONSIBILITY FOR FINANCIAL 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, 2022.

**Hon. Ogunsina Olusola ,
Executive Chairman.**

**Mr. Idowu Francis A.
Director of Finance.**

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government.

The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.

- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(17) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(18) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(19) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(20) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(21) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(22) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(23) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(24) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(25) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	₦
	<u>ASSETS</u>			
	Current Assets			
8,371,908.57	Cash and Cash Equivalents	1	2,672,265.49	
-	Inventories	2	1,711,000.00	
-	WIP	3	-	
246,382,398.54	Receivables	4	132,600,535.12	
-	Prepayments	5	-	
254,754,307.11	Total Current Assets			136,983,800.61
	Non-Current Assets			
-	Loans Granted	6	-	
2,600,000.00	Investments	7	2,900,000.00	
1,149,824,944.82	Fixed Assets-Property, Plant & Equipment	8	1,185,665,556.49	
178,345,822.99	Investment Property	9	172,995,448.30	
10,500,000.00	Biological Assets	10	10,500,000.00	
1,341,270,767.81	Total Non-Current Assets			1,372,061,004.79
1,596,025,074.92	Total Assets			1,509,044,805.40
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
-	Unremitted Deductions	13	-	
866,094,196.52	Payables	14	680,975,452.33	
866,094,196.52	Total Current Liabilities		680,975,452.33	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,265,934.82	Borrowings	16	74,978,651.22	
81,265,934.82	Total Non-Current Liabilities		74,978,651.22	
947,360,131.34	Total Liabilities			755,954,103.55
648,664,943.58	Net Asset/Equity			753,090,701.85
	Financed By:			
718,701,998.86	Reserves	17		792,049,879.65
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
-70,037,055.28	Accumulated Surplus/(Deficits)	20		(38,959,177.80)
648,664,943.58	Total Net Assets/Equity			753,090,701.85

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
2,053,879,610.43	Government Share of FAAC (Statutory Revenue)	21	2,729,345,638.34
9,015,703.40	Tax Revenue	22	1,135,155.24
7,781,950.00	Non-Tax Revenue	23	14,404,450.00
-	Aid & Grants	24	-
434,850.00	Investment Income	25	73,218,157.26
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
2,071,112,113.83	Total Revenue		2,818,103,400.84
	<u>EXPENDITURE</u>		
903,451,051.23	Salaries & Wages	29	952,518,580.21
-	Social Contribution	30	8,000,000.00
-	Social Benefit	31	5,500,000.00
67,111,236.05	Overhead Cost	32	48,451,023.15
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
56,604,498.44	Depreciation Charges	37	57,495,970.82
1,016,742,149.33	Transfer to other Government Entities	38	1,692,146,221.11
-	Public Debt Charges	39	-
22,112,500.00	Allowance	40	22,913,728.06
2,066,021,435.05	Total Expenditure		2,787,025,523.36
5,090,678.78	Surplus/(Deficit) from Operating Activities for the Period		31,077,877.48
	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		31,077,877.48
	Surplus/(Deficit) from Ordinary Activities		
-	Purchases/Construction of Assets	44	-
-	Minority Interest Share of Surplus/(Deficits)	45	-
5,090,678.78	Net Surplus/(Deficit) for the year		31,077,877.48

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
2,053,879,610.43	Government Share of FAAC (Statutory Revenue)	21	2,729,345,638.34	
9,015,703.40	Tax Revenue	22	1,135,155.24	
7,781,950.00	Non-Tax Revenue	23	14,404,450.00	
-	Aid & Grants	24	-	
434,850.00	Investment Income	25	73,218,157.26	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
2,071,112,113.83	Total inflow from operating Activities			2,818,103,400.84
	<u>Outflows</u>			
903,451,051.23	Salaries & Wages	29	952,518,580.21	
-	Social Contributions	30	8,000,000.00	
-	Social Benefit	31	5,500,000.00	
67,111,236.05	Overheads Cost	32	48,451,023.15	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
1,016,742,149.33	Transfer to other Government Entities	38	1,692,146,221.11	
22112,500.00	Allowance	40	22,913,728.06	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
2,009,416,936.61	Total Outflow from Operating Activities			2,729,529,552.54
61,695,177.22	Net Cash Inflow/(outflow) from Operating Activities			88,573,848.30
	<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			
	<u>Outflows</u>			

56,811,174.86	Purchase/ Construction of PPE	58	87,986,207.79	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
56,811,174.86	Total Outflow		87,986,207.79	
-56,811,174.86	Net Cash Flow from Investing Activities			(87,986,207.79)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
5,239,403.00	Repayment of Borrowings	66	6,287,283.59	
-	Distribution of Surplus/Dividends Paid	67	-	
5,239,403.00	Total Outflow		6,287,283.59	
-5,239,403.00	Net Cash Flow from Financing Activities			(6,287,283.59)
-355,400.64	Net Cash Flow from all Activities			(5,699,643.08)
8,727,309.21	Cash and Its Equivalent as at 01/01/2022			8,371,908.57
8,371,908.57	Cash and Its Equivalent as at 31/12/2022	1		2,672,265.49

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
2,053,879,610.43	Government Share of FAAC (Statutory Revenue)	21	2,729,345,638.34	2,764,939,526.56	(1.29)
9,015,703.40	Tax Revenue	22	1,135,155.24	4,000,000.00	(71.62)
7,781,950.00	Non-Tax Revenue	23	14,404,450.00	14,161,500.00	1.72
-	Aid & Grants	24	-	-	-
434,850.00	Investment Income	25	73,218,157.26	-	100.00
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
2,071,112,113.83	Total Revenue		2,818,103,400.84	2,783,101,026.56	28.81
	<u>EXPENDITURE</u>				
903,451,051.23	Salaries & Wages	29	952,518,580.21	1,249,346,120.55	23.76
-	Social Contribution	30	8,000,000.00	-	(100.00)
-	Social Benefit	31	5,500,000.00	-	(100.00)
67,111,236.05	Overhead Cost	32	48,451,023.15	73,300,520.00	33.90
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
1,016,742,149.33	Transfer to other Government Entities	38	1,692,146,221.11	967,445,102.20	(74.91)
-	Public Debt Charges	39	-	-	-
22,112,500.00	Allowance	40	22,913,728.06	-	(100.00)
56,811,174.86	Purchase of Assets	58	87,986,207.79	-	(100.00)
-	Acquisition of Investment	63	-	-	-
5,239,403.00	Repayment of Borrowing	66	6,287,283.59	-	(100.00)
2,071,467,514.47	Total Expenditure		2,823,803,043.92	2,290,091,742.75	(517.25)
-355,400.64	Accumulated Surplus/(Deficit)		(5,699,643.08)	493,009,283.81	546.06

IDO/OSI LOCAL GOVERNMENT, IDO-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER,
2022

	NOTE	ACCUMULATED SURPLUS/ (DEFICITS)	RESERVES	CAPITAL GRANT	Total
		N	N	N	N
Balance b/f (01/01/2022)		(70,037,055.28)	718,701,998.86		648,664,943.58
Surplus or (deficits) for the year		31,077,877.48			31,077,877.48
Grant for the year				-	-
Reserves Adjusted for the year			73,347,880.79		73,347,880.79
Balance as at (31/12/2022)		(38,959,177.80)	792,049,879.65	-	753,090,701.85

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEUDLE FOR THE YEAR 2022
NOTE 8 & 37

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	1,034,839,135.22	36,302,193.45	18,910,850.34	40,186,267.06	-	-	19,586,498.75	1,149,824,944.82
Acquisition during the year	38,923,531.70	13,946,962.83	24,029,746.09	4,808,352.50	-	3,296,750.00	2,980,864.67	87,986,207.79
Total	1,073,762,666.92	50,249,156.28	42,940,596.43	44,994,619.56	-	3,296,750.00	22,567,363.42	1,237,811,152.61
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/2022	1,073,762,666.92	50,249,156.28	42,940,596.43	44,994,619.56	-	3,296,750.00	22,567,363.42	1,237,811,152.61
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	32,212,880.01	1,507,474.69	8,588,119.29	4,499,461.96	-	824,187.50	4,513,472.68	52,145,596.12
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	1,041,549,786.91	48,741,681.59	34,352,477.14	40,495,157.60	-	2,472,562.50	18,053,890.74	1,185,665,556.49

**CASH AND CASH
EQUIVALENT FOR YEAR
2022**

NOTE 1

BANK	ACCOUNT NAME	ACCOUNT NUMBER	AMOUNT ₦
UNITED BANK FOR AFRICA	IGR	1000532825	13,778.58
ZENITH BANK	RECURRENT	1016251709	202,774.59
ZENITH BANK	SALARY	1016251747	2,357,618.18
FIRSTMIDAS	IGR	1100000740	98,094.14
TOTAL			2,672,265.49

**INVENTORIES
NOTE 2**

S/N	DETAILS	AMOUNT ₦
1	Attestation	167,000.00
2	Market tolls	256,000.00
3	Payment vouchers	46,000.00
4	GRR	89,000.00
5	Certificate of registration	42,000.00
6	Plastic chairs	595,000.00
7	Receipts and others	516,000.00
	TOTAL	1,711,000.00

RECEIVABLES NOTE 4

S/N	DETAILS	AMOUNT ₦
	Balance B/F	246,382,398.54
	Less: Reciept for the year	164,224,000.98
	Balance B/F	82,158,397.56
	Add: Receivable for the year	50,442,137.56
	TOTAL	132,600,535.12

INVESTMENT		NOTE 7
S/N	DETAILS	AMOUNT ₦
1	Investment in shares at Wema bank	2,700,000.00
2	Investment in shares at Heritage bank	200,000.00
	TOTAL	2,900,000.00

NOTE 9

INVESTMENT PROPERTIES

S/N	DETAILS	AMOUNT (N)
1	Lock Up Shop	98,737,588.78
2	Open Market Stall	14,256,157.34
3	Fayose Market Shop	3,033,393.27
4	Neighbourhood Market	34,515,521.60
5	Irewolede Estate	23,589,698.06
6	Poultry Pen	4,213,463.94
	Total	178,345,822.99
3% Of Current Depreciation		5,350,374.69
Total		172,995,448.30

BIOLOGICAL ASSET		NOTE 10
S/N	DETAILS	AMOUNT ₦
	Teak Plantation	10,200,000.00
1	Oil palm	300,000.00
	TOTAL	10,500,000.00

PAYABLES		NOTE 14
S/N	DETAILS	AMOUNT ₦
1	Balance B/F	866,094,196.52
2	Less: Payment during the year	185,118,744.19
	Balance B/F	680,975,452.33

LONG TERM BORROWING		NOTE 16
S/N	DETAILS	AMOUNT ₦
1	Balance B/F	81,265,934.82
2	Less: Payment during the year	6,287,283.60
	Balance B/F	74,978,651.22

GOVERNMENT SHARE OF FAAC (STATUTORY REVENUE)				NOTE 21
MONTH	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	185,370,967.31	195,254,321.20	(9,883,353.89)	140,572,171.27
FEBRUARY	154,801,537.71	158,745,365.20	(3,943,827.49)	147,075,662.67
MARCH	162,535,876.90	165,320,478.32	(2,784,601.42)	118,444,099.93
APRIL	189,938,880.93	190,125,451.20	(186,570.27)	141,212,778.16
MAY	173,076,620.88	178,076,620.88	(5,000,000.00)	153,516,691.77
JUNE	170,864,024.03	172,984,022.23	(2,119,998.20)	166,244,831.56
JULY	217,412,620.07	217,584,254.20	(171,634.13)	181,164,458.26
AUGUST	244,122,192.72	255,133,175.75	(11,010,983.03)	181,686,372.80
SEPTEMBER	185,514,434.98	187,541,434.98	(2,027,000.00)	171,364,968.72
OCTOBER	434,113,096.95	432,442,321.20	1,670,775.75	181,401,167.23
NOVEMBER	195,404,545.66	193,541,241.20	1,863,304.46	180,131,596.93
DECEMBER	416,190,840.20	418,190,840.20	(2,000,000.00)	291,064,811.13
TOTAL	2,729,345,638.34	2,764,939,526.56	(35,593,888.22)	2,053,879,610.43

TAX REVENUE FOR YEAR 2022
NOTE 22

S/N	DETAILS	2022			2021
		ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
1	Tenement Rate	65,350.00	1,500,000.00	(1,434,650.00)	590,227.19
2	Corporate Taxes(2.5% LG Tax on Contract)	1,069,805.24	2,500,000.00	(1,430,194.76)	8,425,476.21
	TOTAL	1,135,155.24	4,000,000.00	(2,864,844.76)	9,015,703.40

NON TAX REVENUE FOR YEAR 2022
NOTE 23

CODE	DETAILS	2022			2021
		ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
120201-20	Hawking Permit	45,600.00	120,000.00	(74,400.00)	48,200.00
120201-19	Attestation	6,550,000.00	1,500,000.00	5,050,000.00	3,051,000.00
120201-56	Naming of Street	585,000.00	3,201,500.00	(2,616,500.00)	157,000.00
	Birth certificate	434,000.00	500,000.00	(66,000.00)	514,000.00
	Marriage	1,645,000.00	2,500,000.00	(855,000.00)	1,340,000.00
	Association(Club)	21,000.00	200,000.00	(179,000.00)	43,000.00
	Shop fees	1,066,600.00	2,500,000.00	(1,433,400.00)	214,850.00
	Stickers	90,000.00	100,000.00	(10,000.00)	4,500.00
	Market fees	938,400.00	1,000,000.00	(61,600.00)	946,500.00
	Operational Permit	159,000.00	180,000.00	(21,000.00)	
	Blocking of Roads	5,000.00	10,000.00	(5,000.00)	
	Liquor certificate	2,500.00	200,000.00	(197,500.00)	

	Loading permit	42,500.00	50,000.00	(7,500.00)	26,050.00
	Slaughter	-			28,850.00
	Earning from Commercial activities	1,875,000.00	500,000.00	1,375,000.00	
120201-11	Trading permit	187,200.00	500,000.00	(312,800.00)	199,400.00
120201-38	Flat rate	124,550.00	250,000.00	(125,450.00)	245,800.00
120201-	food vendors	54,100.00	100,000.00	(45,900.00)	115,800.00
	Sales of broilers	439,000.00	500,000.00	(61,000.00)	187,000.00
	Airtel	140,000.00	250,000.00	(110,000.00)	660,000.00
	TOTAL	14,404,450.00	14,161,500.00	242,950.00	7,781,950.00

NOTE 25

INVESTMENT INCOME		2022			2021
CODE	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
120201-	Investment with Sunbeam Micro Finance	73,218,157.26	-	73,218,157.26	434,850.00
	TOTAL	73,218,157.26	-	73,218,157.26	434,850.00

SALARIES AND WAGES

NOTE 29

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Local Government Workers	817,629,803.69	846,364,360.31	28,734,556.62	788,893,697.86
2	Political Office Holders	104,582,160.09	322,057,975.24	217,475,815.15	114,557,353.37
3	Palace Staff	29,946,616.43	80,563,785.00	50,617,168.57	
4	Midwives	360,000.00	360,000.00	-	360,000.00
	TOTAL	952,518,580.21	1,249,346,120.55	296,827,540.34	903,811,051.23

SOCIAL CONTRIBUTION			NOTE 30		
S/N	DETAILS	ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
1	Enlightenment on COVID 19	1,000,000.00	-	(1,000,000.00)	-
2	Provision for Immunization	5,000,000.00	-	(5,000,000.00)	-
3	Women Anniversary Celebration	2,000,000.00	-	(2,000,000.00)	-
	TOTAL	8,000,000.00	-	(8,000,000.00)	-

SOCIAL BENEFIT			NOTE 31		
S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Advertisement Sundry	1,000,000.00	-	(1,000,000.00)	-
2	Gifts during Salah Celebration	1,500,000.00	-	(1,500,000.00)	-
3	Gifts during Christmas Celebration	2,000,000.00	-	(2,000,000.00)	-
3	Other Benefits	1,000,000.00	-	(1,000,000.00)	-
	TOTAL	5,500,000.00	-	(5,500,000.00)	-

OVERHEAD COST FOR 2022			NOTE 32		
CODE	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
220201	Transport & Traveling General	2,566,103.19	8,000,000.00	5,433,896.81	18,643,000.00
220202	Utilities General	716,000.00	4,500,000.00	3,784,000.00	3,010,000.00
220203	Materials & Supplies General	2,704,200.00	3,400,520.00	696,320.00	5,987,036.05
220204	Maintenance & Service General	893,500.00	2,000,000.00	1,106,500.00	6,781,500.00
220205	Training & Human Development	3,912,250.00	4,500,000.00	587,750.00	1,508,500.00
220206	Other Service General	5,802,500.00	6,500,000.00	697,500.00	9,969,200.00
220208	Fuel & Lubricant General	4,320,000.00	5,400,000.00	1,080,000.00	3,245,000.00
220210	Miscellaneous General	23,936,469.96	35,000,000.00	11,063,530.04	17,967,000.00
220401	Local Grant & Contribution	3,600,000.00	4,000,000.00	400,000.00	-
	TOTAL	48,451,023.15	73,300,520.00	24,849,496.85	67,111,236.05

DEPRECIATION		NOTE 37
S/N	DETAILS	AMOUNT ₦
1	Land/Building	32,212,880.01
2	Infrastructure	1,507,474.69
3	Motor Vehicle	8,588,119.29
4	Plant & Machinery	4,499,461.96
5	Office Equipment	824,187.50
6	Furniture & Fittings	4,513,472.68
7	Investment Property	5,350,374.69
	TOTAL	57,495,970.82

TRANSFER TO OTHER GOVERNMENT ENTITIES.			NOTE 38		
S/N	DETAILS	ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
1	Primary Education Fund	670,143,078.27	484,786,875.96	(185,356,202.31)	478,054,209.25
2	Traditional Council Fund	63,521,628.25	76,245,675.00	12,724,046.75	59,514,406.78
3	Pension & gratuity	578,457,722.01	322,057,975.24	(256,399,746.77)	437,974,731.79
4	Local Government Parastatals	22,506,564.40	84,354,576.00	61,848,011.60	18,398,804.51
5	Running Grant to Peace Corps	14,400,000.00	-	(14,400,000.00)	14,400,000.00
6	Security Fund	8,400,000.00	-	(8,400,000.00)	8,400,000.00
7	Transfer to Isokan LCDA	52,008,181.06	-	(52,008,181.06)	
8	Other Transfers	97,590,302.93	-	(97,590,302.93)	-
9	Special Reserves With JAAC	185,118,744.19	-	(185,118,744.19)	
	TOTAL	1,692,146,221.11	967,445,102.20	(724,701,118.91)	1,016,742,152.33

ALLOWANCE		NOTE 40			
S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Leave Bonus	-		-	-
2	Leave Bonus (POH)	-	-	-	-
3	Severance Allowance (POH)	22,429,022.57	-	(22,429,022.57)	-
4	Furniture Allowance (POH)	484,705.49	-	(484,705.49)	22,112,500.00
	TOTAL	22,913,728.06	-	(22,913,728.06)	22,112,500.00

PURCHASE/CONSTRUCTION OF ASSET		NOTE 58			
S/N	DETAILS	2022			2021
		ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
1	Land & Building	38,923,531.70	-	(38,923,531.70)	15,852,113.63
2	Infrastructure	13,946,962.83	-	(13,946,962.83)	37,424,941.70
	Motor Vehicle	24,029,746.09	-	(24,029,746.09)	2,679,619.53
	Plant & Machinery	4,808,352.50	-	(4,808,352.50)	854,500.00
	Office Equipment	3,296,750.00	-	(3,296,750.00)	-
3	Furniture & Fittings	2,980,864.67	-	(2,980,864.67)	-
	TOTAL	87,986,207.79	-	(87,986,207.79)	56,811,174.86

REPAYMENT OF BORROWING		NOTE 66		
MONTH	2022			2021
	ACTUAL 2022	BUDGET 2022	VARIANCE	ACTUAL 2021
JANUARY	523,940.30	-	(523,940.30)	523,940.30
FEBRUARY	523,940.30	-	(523,940.30)	523,940.30
MARCH	523,940.30	-	(523,940.30)	-
APRIL	523,940.30	-	(523,940.30)	-
MAY	523,940.30	-	(523,940.30)	523,940.30
JUNE	523,940.30	-	(523,940.30)	523,940.30
JULY	523,940.30	-	(523,940.30)	523,940.30
AUGUST	523,940.30	-	(523,940.30)	523,940.30
SEPTEMBER	523,940.30	-	(523,940.30)	523,940.30
OCTOBER	523,940.30	-	(523,940.30)	523,940.30
NOVEMBER	523,940.30	-	(523,940.30)	523,940.30
DECEMBER	523,940.30	-	(523,940.30)	523,940.30
TOTAL	6,287,283.60	-	(6,287,283.60)	5,239,403.00

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF IJERO LOCAL GOVERNMENT,

IJERO-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ijero Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

***Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.***

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IJERO LOCAL GOVERNMENT, IJERO-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **138.19%**. That is, an estimate was made for **N1,968,450,000.00** while actual Revenue recorded stood at **N2,720,291,348.51**. Equally, the actual IGR of **N14,479,300.00** represents only **0.53%** of the total Revenue for the

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

- ii. The sum of **N3,745,245,375.62** only was budgeted for expenditure but **N2,732,725,446.05** was actually incurred, resulting to a savings of **N1,012,519,929.57** for the period.

8. REVENUE ACCOUNT

A total sum of **N2,720,291,348.51** was earned as total Revenue as at 31st December, 2022 out of which only 1.18% (**N14,479,300.00**) 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 **9.87%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR

The following expenditure appears to be contrary to Law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT (₦)
1	AUD/IJLG/AQ/01/2022	Expenditure contrary to financial regulations i	2,632,815.44
2	AUD/IJLG/AQ/02/2022	Expenditure contrary to financial regulations ii	2,549,644.62
3	AUD/IJLG/AQ/03/2022	Unaudited/expenditure not supported with proper records of accounts	1,279,825.00
4	AUD/IJLG/AQ/04/2022	Items not taken on store ledger charge	670,000.00
		TOTAL	7,132,288.06

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 had 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.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

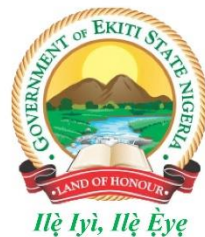
S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	1,497,900.00	1,364,300.00
2	Non-Tax Revenue	12,981,400.00	11,813,883.84
3	Aid & Grants	-	-
4	Investment Income	-	-
5	Expenditure Recovery	-	-
	TOTAL	14,479,300.00	13,178,183.84



IJERO LOCAL GOVERNMENT

Oke Ayinrin, Ijero-ekiti, Ekiti State, Nigeria.

Tel: 08102381301, 08062279947



Owr Ref: _____ Your Ref: _____ Date: _____

RESPONSIBILITY FOR FINANCIAL 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, 2022.

12/10/2023

Hon. Adeola Adeyemo Michael,
Executive Chairman.

12/04/23

Mrs. Olumide Bello
Director of Finance.

UNITY AND FAITH, PEACE AND PROGRESS

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- d. Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- e. Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- f. Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(17) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(18) 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. These amounts were stated in the GPFS at their repayment value, which were treated as Current Liabilities in the Statement of Financial Position.

(19) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(20) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(21) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the

consolidated statement of financial performance over the period of borrowings using the effective interest method.

(22) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(23) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(24) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022				
2021	DETAILS	NOTES	2022	
N			N	N
	<u>ASSETS</u>			
	Current Assets			
15,294,035.09	Cash and Cash Equivalents	1	17,339,237.55	
-	Inventories	2	602,450.00	
-	WIP	3	-	
419,693,612.35	Receivables	4	329,749,632.20	
-	Prepayments	5	-	
434,987,647.44	Total Current Assets			347,691,319.75
	Non-Current Assets			
-	Loans Granted	6	-	
-	Investments	7	-	
794,750,104.04	Fixed Assets-Property, Plant & Equipment	8	1,016,983,157.49	
-	Investment Property	9	3,686,000.00	
-	Biological Assets	10	7,000,000.00	
794,750,104.04	Total Non-Current Assets			1,027,669,157.49
1,229,737,751.48	Total Assets			1,375,360,477.24
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
1,266,858.75	Unremitted Deductions	13	736,784.29	
550,988,137.61	Payables	14	384,432,902.49	
552,254,996.36	Total Current Liabilities		385,169,686.78	
	Non-Current Liabilities			
-	Public Funds	15	-	
80,899,384.85	Borrowings	16	74,172,241.25	
80,899,384.85	Total Non-Current Liabilities		74,172,241.25	
633,154,381.21	Total Liabilities			459,341,928.03
596,583,370.27	Net Asset/Equity			916,018,549.21
39,746,273.58	Reserves	17		341,618,710.36
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
556,837,096.69	Accumulated Surplus/(Deficit)	20		574,399,838.85
596,583,370.27	Total Net Assets/Equity			916,018,549.21

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
2,024,986,427.81	Government Share of FAAC (Statutory Revenue)	21	2,720,291,348.51
1,364,300.00	Tax Revenue	22	1,497,900.00
11,813,883.84	Non-Tax Revenue	23	12,981,400.00
-	Aid & Grants	24	-
-	Investment Income	25	-
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
2,038,164,611.65	Total Revenue		2,734,770,648.51
	<u>EXPENDITURE</u>		
843,400,501.80	Salaries & Wages	29	822,050,661.77
15,178,000.00	Social Contribution	30	7,073,500.00
10,566,413.00	Social Benefit	31	31,956,360.43
83,933,100.00	Overhead Cost	32	182,020,858.04
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
47,427,915.82	Depreciation Charges	37	55,991,404.20
1,052,611,061.96	Transfer to other Government Entities	38	1,592,353,668.48
-	Public Debt Charges	39	-
22,112,500.00	Allowance	40	25,761,453.43
2,075,229,492.58	Total Expenditure		2,717,207,906.35
(37,064,880.93)	Surplus/(Deficit) from Operating Activities for the Period		17,562,742.16
	Total Non-Operating Revenue/(Expenses)		
	Non-Operating Activities		
-	Gain/Loss on Disposal of Asset	41	-
-	Refunded Revenue	42	-
-	Revaluation Gain	43	-
(37,064,880.93)	Net Surplus/(Deficit)		17,562,742.16

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
2,024,986,427.81	Government Share of FAAC (Statutory Revenue)	21	2,720,291,348.51	
1,364,300.00	Tax Revenue	22	1,497,900.00	
11,813,883.84	Non-Tax Revenue	23	12,981,400.00	
-	Aid & Grants	24	-	
-	Investment Income	25	-	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
2,038,164,611.65	Total inflow from operating Activities			2,734,770,648.51
	<u>Outflows</u>			
843,400,501.80	Salaries & Wages	29	822,050,661.77	
15,178,000.00	Social Contributions	30	7,073,500.00	
10,566,413.00	Social Benefit	31	31,956,360.43	
83,933,100.18	Overheads Cost	32	182,020,858.04	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
1,052,611,061.96	Transfer to other Government Entities	38	1,592,353,668.48	
22,112,500.00	Allowance	40	25,761,453.43	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
2,027,801,576.94	Total Outflow from Operating Activities			2,661,216,502.15
10,363,034.71	Net Cash Inflow/(outflow) from Operating Activities			73,554,146.36
	<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			
4,914,487.58	Purchase/ Construction of PPE	58	64,781,800.30	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	

-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
4,914,487.58	Total Outflow		64,781,800.30	
(4,914,487.58)	Net Cash Flow from Investing Activities			(64,781,800.30)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
-	Total Inflow		-	
-	Outflows		-	
5,605,952.97	Repayment of Borrowings	66	6,727,143.60	
-	Distribution of Surplus/Dividends Paid	67	-	
-	Total Outflow		6,727,143.60	
(5,605,952.97)	Net Cash Flow from Financing Activities			(6,727,143.60)
(157,405.84)	Net Cash Flow from all Activities			2,045,202.46
15,451,440.93	Cash and Its Equivalent as at 01/01/2022			15,294,035.09
15,294,035.09	Cash and Its Equivalent as at 31/12/2022	1		17,339,237.55

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
2,024,986,427.81	Government Share of FAAC (Statutory Revenue)	21	2,720,291,348.51	1,968,450,000.00	38.19
1,364,300.00	Tax Revenue	22	1,497,900.00	8,166,330.00	(81.66)
11,813,883.84	Non-Tax Revenue	23	12,981,400.00	23,800,000.00	(45.46)
-	Aid & Grants	24	-	-	-
-	Investment Income	25	-	-	-
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
2,038,164,611.65	Total Revenue		2,734,770,648.51	2,000,416,330.00	(88.92)
	<u>EXPENDITURE</u>				
843,400,501.80	Salaries & Wages	29	822,050,661.77	972,213,375.62	15.45
15,178,000.00	Social Contribution	30	7,073,500.00		(100.00)
10,566,413.00	Social Benefit	31	31,956,360.43		(100.00)
83,933,100.18	Overhead Cost	32	182,020,858.04	74,242,000.00	(145.17)
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
-	Depreciation Charges	37	-	-	-
1,052,611,061.96	Transfer to other Government Entities	38	1,592,353,668.48	2,254,805,000.00	29.38
-	Public Debt Charges	39	-	-	-
22,112,500.00	Allowance	40	25,761,453.43	32,450,000.00	20.61
4,914,487.58	Purchase of Assets	58	64,781,800.30	385,000,000.00	83.17
-	Acquisition of Investment	63	-	-	-
5,605,952.97	Repayment of Borrowing	66	6,727,143.60	26,535,000.00	74.65
2,038,322,017.49	Total Expenditure		2,732,725,446.05	3,745,245,375.62	121.91
(157,405.84)	Surplus/(Deficit) for the period		2,045,202.46	(1,744,829,045.62)	32.99

IJERO LOCAL GOVERNMENT, IJERO-EKITI, EKITI-STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER,
2022

S/N	NARATION	ACCUMULATED SURPLUS/DEFICIT (N)	RESERVES (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2022)	556,837,096.69	39,746,273.58	-	596,583,370.27
2	Surplus for the year	17,562,742.16			17,562,742.16
3	Grant for the year				0.00
4	Assets Recognised during the year				
5	Adjustment for the year		301,872,436.78		301,872,436.78
	Closing Balance 31/12/2022	574,399,838.85	341,618,710.36	-	916,018,549.21

NOTES 8 & 37

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2022

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/20....	514,940,374.17	153,284,367.20	39,962,245.18	4,588,126.17	-	18,038,177.15	22,636,814.18	753,450,104.05
Acquisition during the year	250,000,000.00	17,791,755.00	48,447,702.64	500,000.00	-	700,000.00	1,971,000.00	319,410,457.64
Total	764,940,374.17	171,076,122.20	88,409,947.82	5,088,126.17	-	18,738,177.15	24,607,814.18	1,072,860,561.69
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/20...	764,940,374.17	171,076,122.20	88,409,947.82	5,088,126.17	-	18,738,177.15	24,607,814.18	1,072,860,561.69
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	22,948,211.23	5,132,283.67	17,681,989.56	508,812.62	-	4,684,544.29	4,921,562.84	55,877,404.20
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/20....	741,992,162.94	165,943,838.53	70,727,958.26	4,579,313.55	-	14,053,632.86	19,686,251.34	1,016,983,157.49

NOTE: ASSETS RECOGNISED DURING THE YEAR WAS N254,628,657.34. WHILE PURCHASE OF ASSETS WAS N64,781,800.30.

NOTE 1**CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER 2022**

S/N	BANK NAME	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	Access	IGR	0009560347	482,064.51
2	Heritage	IGR	6002279364	37,976.14
3	Heritage	SALARY	6002279302	4,640,321.65
4	Wema	CAPITAL A/C	0123114828	12,178,875.25
			Total	17,339,237.55

NOTE 2**INVENTORIES**

S/N	DETAILS	UNIT	RATE OF PRODUCTION	AMOUNT
1	Booklet of flat rate receipt	2	1,000.00	2,000.00
2	Booklet of G.RR	13	800	10,400.00
3	Booklet of Treasury Receipt	10	800	8,000.00
4	Booklet Tenement Rate receipt	13	700	9,100.00
5	Booklet of Motorcycle Ticket	4	600	2,400.00
6	Booklet of Market Tolls	6	500	3,000.00
7	Journal adjustment voucher	100	10	1,000.00
8	Booklet of General wholesales receipt	4	900	3,600.00
9	Booklet of liquor licence	10	900	9,000.00
10	Booklet of birth certificate	16	3,000.00	48,000.00
11	Copies of contractor ID card	100	300	30,000.00
12	Booklet of LG Attestation	1	6,000.00	6,000.00
13	Booklet of SIV	4	3,500.00	14,000.00
14	Booklet of Bank Schedule	14	2,500.00	35,000.00
15	Application for leave	10	1,000.00	10,000.00
16	Booklet of Despite ledger	7	3,000.00	21,000.00
17	Booklet of advance ledger	14	3,000.00	42,000.00
18	Booklet of cashbook	4	4,000.00	16,000.00
19	Booklet of Revenue Collector cashbook	15	3,000.00	45,000.00
20	Copies of file jacket	30	200	6,000.00
21	Irede LCDA	31		8,000.00
22	Irewode LCDA	32		156,950.00
23	Eso-obe LCDA	33		116,000.00
	Total			602,450.00

RECEIVABLE**NOTE 4**

S/N	DETAILS	AMOUNT	
1	Balance B/f		419,693,612.35
	Less: 1. Staff salary	38,899,349.64	
	2. Staff outstanding leave bonus	738,637.38	
	3. Staff outstanding deductions	50,305,993.13	89,943,980.15
	Balance as at 31/12/2022		329,749,632.20

NOTE 9**INVESTMENT PROPERTIES**

S/N	DETAILS	AMOUNT
1	Lock up hops	3,800,000.00
2	open market	-
	Total	3,800,000.00
	Less 3% Depreciation	114,000.00
	NBV as at 31/12/2022	3,686,000.00

NOTE 13**UNREMITTED DEDUCTIONS**

S/N	DETAILS	AMOUNT
1	Balance B/F	1,266,858.75
2	Subtraction during the year	530,074.46
	Unremitted cheque on party deduction from P.O.H Salary(balance as at 31/12/2022)	736,784.29

PAYABLES**NOTE 14**

S/N	DETAILS	AMOUNT	AMOUNT
1	Balance B/f		550,988,137.61
2	Subtraction during the year		
	1. Salary	33,034,667.25	
	2. Leave Bonus	738,637.38	
	3. Contractual obligation	103,564,182.36	
	4. Deduction	50,305,993.13	187,643,480.12
	Addition during the year		363,344,657.49
	Staff leave bonus	21,088,245.00	21,088,245.00
			384,432,902.49

NOTE 16**BORROWINGS**

S/N	DETAILS	AMOUNT
1	Balance B/F	80,899,384.85
2	Less Repayment	6,727,143.60
	Balance as at 31/12/2022	74,172,241.25

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

S/N	MONTH	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	January	198,339,567.00	140,500,000.00	57,839,567.00	136,340,930.26
2	February	165,631,492.39	115,400,000.00	50,231,492.39	145,309,361.22
3	March	173,906,927.91	129,700,000.00	44,206,927.90	117,956,219.08
4	April	203,227,053.01	121,650,000.00	81,577,053.01	140,794,943.91
5	May	185,185,104.99	118,500,000.00	66,685,104.99	157,926,686.64
6	June	182,817,714.30	116,850,000.00	65,967,714.30	165,828,103.97
7	July	232,622,861.87	180,300,000.00	52,322,861.87	177,319,140.40
8	August	261,201,042.97	208,470,000.00	52,731,042.97	183,924,004.07
9	September	198,493,071.70	134,270,000.00	64,223,071.70	168,581,101.35
10	October	264,483,758.85	228,200,000.00	36,283,758.85	178,916,477.24
11	November	209,075,097.03	180,100,000.00	28,975,097.03	176,401,183.71
12	December	445,307,656.49	294,510,000.00	150,797,656.49	275,688,275.96
	Total	2,720,291,348.51	1,968,450,000.00	751,841,348.50	2,024,956,427.81

NOTE 22**TAX REVENUE**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Local/flat rate	322,900.00	1,000,000.00	(677,100.00)	295,500.00
2	Tenement	415,000.00	1,000,000.00	(585,000.00)	1,068,800.00
3	Irede LCDA	253,000.00	1,000,000.00	(747,000.00)	
4	Irewolede LCDA	507,000.00	5,166,333.00	(4,659,333.00)	
	Total	1,497,900.00	8,166,333.00	(6,668,433.00)	1,364,300.00

NOTE 23**NON TAX REVENUE**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Voluntary organization	190,000.00	100,000.00	90,000.00	-
2	Liquor licence	95,600.00	200,000.00	(104,400.00)	33,500.00
3	Trade permit	681,950.00	1,000,000.00	(318,050.00)	551,100.00
4	Hacking permit	551,050.00	1,500,000.00	(948,950.00)	792,600.00
5	Marriage registration	1,008,000.00	1,000,000.00	8,000.00	1,121,000.00
6	Attestation	1,626,000.00	2,000,000.00	(374,000.00)	3,692,000.00
7	Rent on local government properties	904,000.00	1,000,000.00	(96,000.00)	1,543,100.00
8	Operational permit	227,500.00	2,000,000.00	(1,772,500.00)	75,000.00
9	Application fees	369,000.00	-	369,000.00	-
10	Trade/Club Registration	-	-	-	1,664,500.00
11	Market Fees	-	-	-	628,000.00
12	Earing from other Commercial Activities	-	-	-	309,500.00
13	Naming of Street	-	-	-	280,000.00
14	Motor Fees	-	-	-	72,300.00
15	Contract Fees	-	-	-	1,051,283.84
16	Irede LCDA	3,759,300.00	7,000,000.00	(3,240,700.00)	-
17	Irewolede LCDA	1,373,000.00	8,000,000.00	(6,627,000.00)	-
18	Eso-obe LCDA	2,196,000.00		2,196,000.00	-
	Total	12,981,400.00	23,800,000.00	(10,818,600.00)	11,813,883.84

NOTE 29**SALARIES & WAGES**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Political office holders salary	86,228,853.06	122,213,375.62	35,984,522.56	116,608,106.52
2	Staff salary	735,821,808.71	850,000,000.00	114,178,191.29	726,792,395.28
	Total	822,050,661.77	972,213,375.62	150,162,713.85	843,400,501.80

NOTE 30**SOCIAL CONTRIBUTION**

			2022			2021
S/N	MONTH	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	January	Armed force	368,000.00	-	(368,000.00)	436,000.00
2	February	Environmental	1,500,000.00	-	(1,500,000.00)	1,500,000.00
3	March	Meetings & other	781,000.00	-	(781,000.00)	2,000,000.00
4	April	Environmental	250,000.00	-	(250,000.00)	3,100,000.00
5	May	Meetings	834,500.00	-	(834,500.00)	1,280,000.00
6	June	Environmental	160,000.00	-	(160,000.00)	592,000.00
7	July	Meetings	820,000.00	-	(820,000.00)	520,000.00
8	August	Environmental	150,000.00	-	(150,000.00)	450,000.00
9	September	Meetings	950,000.00	-	(950,000.00)	800,000.00
10	October	Environmental	350,000.00	-	(350,000.00)	1,500,000.00
11	November	Meetings	730,000.00	-	(730,000.00)	1,000,000.00
12	December	Environmental	180,000.00	-	(180,000.00)	2,000,000.00
	Total		7,073,500.00	-	(7,073,500.00)	15,178,000.00

NOTE 31**SOCIAL BENEFITS**

			2022			2021
S/N	MONTH	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	January	Staff Claims	1,414,000.00	-	(1,414,000.00)	880,000.00
2	February	Financial assistance	3,160,000.00	-	(3,160,000.00)	820,000.00
3	March	Staff Claims	1,264,000.00	-	(1,264,000.00)	950,000.00
4	April	Financial assistance	3,295,000.00	-	(3,295,000.00)	910,000.00
5	May	Staff Claims	1,185,000.00	-	(1,185,000.00)	860,000.00
6	June	Financial assistance	6,100,367.54	-	(6,100,367.54)	980,000.00
7	July	Staff claims	3,248,000.00	-	(3,248,000.00)	737,000.00
8	August	Financial assistance	3,191,930.00	-	(3,191,930.00)	802,000.00
9	September	Staff claims	1,505,562.89	-	(1,505,562.89)	928,000.00
10	October	Staff claims	2,804,000.00	-	(2,804,000.00)	814,000.00
11	November	Financial Assistance	3,461,000.00	-	(3,461,000.00)	935,413.00
12	December	Staff claims	1,327,500.00	-	(1,327,500.00)	950,000.00
		Total	31,956,360.43	-	(31,956,360.43)	10,566,413.00

NOTE 32**OVERHEAD COST**

S/N	MONTH	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	January	14,989,962.35	5,400,000.00	(9,589,962.35)	6,418,000.00
2	February	14,689,962.35	532,000.00	(14,157,962.35)	6,543,709.49
3	March	14,989,962.35	6,430,000.00	(8,559,962.35)	5,879,250.00
4	April	14,989,962.35	5,250,000.00	(9,739,962.35)	6,332,600.00
5	May	12,351,302.51	4,400,000.00	(7,951,302.51)	7,404,744.45
6	June	14,989,962.35	4,490,000.00	(10,499,962.35)	7,149,744.45
7	July	12,128,517.65	7,300,000.00	(4,828,517.65)	6,560,863.81
8	August	16,725,076.65	9,340,000.00	(7,385,076.65)	7,932,400.00
9	September	16,290,916.82	6,392,000.00	(9,898,916.82)	6,090,250.37
10	October	15,003,768.59	7,100,000.00	(7,903,768.59)	6,351,493.23
11	November	17,016,288.43	7,200,000.00	(9,816,288.43)	6,327,413.00
12	December	17,855,175.64	10,408,000.00	(7,447,175.64)	10,942,631.20
	TOTAL	182,020,858.04	74,242,000.00	(107,778,858.04)	83,933,100.00

NOTE 37**DEPRECIATION**

DETAILS	AMOUNT
PP&E	55,877,404.20
Investment Property	114,000.00
TOTAL	55,991,404.20

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIES**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Parastatals and agencies	24,081,129.33	30,000,000.00	5,918,870.67	19,685,989.52
2	Security fund	8,400,000.00	6,000,000.00	(2,400,000.00)	8,400,000.00
3	Running grants to peace cost	14,400,000.00	12,500,000.00	(1,900,000.00)	14,400,000.00
4	Traditional councils	67,965,617.40	75,000,000.00	7,034,382.60	63,678,046.50

5	Payment to other	104,419,749.14	32,450,000.00	(71,969,749.14)	
6	Pry Education Fund	551,665,277.03	400,000,000.00	(151,665,277.03)	477,932,096.88
7	Gratuity & pension	510,266,997.94	450,000,000.00	(60,266,997.94)	468,514,929.06
8	Special reserve from JAAC	213,739,702.36		(213,739,702.36)	
9	Transfer to LCDAs	97,415,195.28	1,248,855,000.00	1,151,439,804.72	
	TOTAL	1,592,353,668.48	2,254,805,000.00	662,451,331.52	1,052,611,061.96

NOTE 40

FURNITURE ALLOWANCE

S/N	DETAILS	2021			2020
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Staff leave bonus	738,637.38	32,450,000.00	31,711,362.62	
2	Political offices holder leave	-	-	-	-
3	Severance for POH	24,538,110.56	-	(24,538,110.56)	-
4	Furniture for POH	484,705.49	-	(484,705.49)	22,112,500.00
	TOTAL	25,761,453.43	32,450,000.00	6,688,546.57	22,112,500.00

NOTE 58

PURCHASE OF PP & E

S/N	DETAILS	2021			2020
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Admin Sector	64,031,800.30	206,500,000.00	142,468,199.70	4,705,987.58
2	Economic Sector	750,000.00	157,000,000.00	156,250,000.00	208,500.00
3	General Sector	-	21,500,000.00	21,500,000.00	-
	TOTAL	64,781,800.30	385,000,000.00	320,218,199.70	4,914,487.58

NOTE 66**REPAYMENT OF BORROWING**

	2021			2020
MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
January	560,595.30	2,211,250.00	1,650,654.70	560,595.30
February	560,595.30	2,211,250.00	1,650,654.70	560,595.30
March	560,595.30	2,211,250.00	1,650,654.70	
April	560,595.30	2,211,250.00	1,650,654.70	
May	560,595.30	2,211,250.00	1,650,654.70	560,595.30
June	560,595.30	2,211,250.00	1,650,654.70	560,595.30
July	560,595.30	2,211,250.00	1,650,654.70	560,595.30
August	560,595.30	2,211,250.00	1,650,654.70	560,595.30
September	560,595.30	2,211,250.00	1,650,654.70	560,595.30
October	560,595.30	2,211,250.00	1,650,654.70	560,595.30
November	560,595.30	2,211,250.00	1,650,654.70	560,595.30
December	560,595.30	2,211,250.00	1,650,654.70	560,595.27
TOTAL	6,727,143.60	26,535,000.00	19,807,856.40	5,045,357.67

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF IKERE LOCAL GOVERNMENT,

IKERE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ikere Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IKERE LOCAL GOVERNMENT, IKERE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS actual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a low performance. An estimate was made for **N2,337,000,000.00**, while actual Revenue recorded stood at **N3,138,422,789.40**. This is about **134.29%** performance. Equally, the actual IGR of **N107,567,711.81** represents only

3.43% of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of **N1,675,242,319.96** only was budgeted for expenditure but only **N3,235,645,389.51** was actually incurred, resulting to a deficit of **(N1,560,403,069.55)** for the period.

8. REVENUE ACCOUNT

A total sum of **N3,138,422,789.40** was earned as total Revenue as at 31st December, 2022 out of which only **3.43% (N107,567,711.81)** 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 **(21.77%)** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR

The following expenditure appears to be contrary to law.

S/N	AUDIT QUERY NO	QUERY SUBJECT	AMOUNT
1	AUD/IKELG/AQ/01/22	Unproduced Revenue Earning Receipt	Various
2	AUD/IKELG/AQ/02/22	Unretired Expenditure	620,000.00
3	AUD/IKELG/AQ/03/22	Expenditure Not Supported with proper Records of Accounts.	680,000.00
4	AUD/IKELG/AQ/04/22	Nugatory Payments	350,000.00
5	AUD/IKELG/AQ/05/22	Expenditure Contrary to Regulation 2	1,939,500
6	AUD/IKELG/AQ/06/22	Expenditure to Regulation II	4,325,000
7	AUD/IKELG/AQ/07/22	Items Not taken on store	566,100.00
8	AUD/IKELG/AQ/08/22	Unvouched Expenditure	1,600,000.00
	TOTAL		10,080,600.00

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 Ikere Local Government have been examined up to 31st December 2022 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
- Unproduced Revenue Earning Receipts
- Attendance to Audit Queries/Outstanding matters
- 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) Loss of fund involving Mr. Fasanmi Oluremi (2015) N257,000.00

LOCAL GOVERNMENT	YEAR	AMOUNT OF LOSS (N)	AMOUNT RECOVERED (N)	BALANCE (N)	OFFICIALS INVOLVED
Ikere	2015	595,000.00	338,000.00	257,000.00	Mr. Fasanmi Oluremi.

(b) Unproduced Revenue Earning Receipt

S/N	PARTICULARS	NAME OF THE AFFECTED OFFICE	RECEIPT NO	SENAL NO	DATE
1	Unproduced Revenue Receipt	Adaramola Samson	2155	107701-107770	17/5/21

(c) Outstanding audit queries for year 2021

EXPENDITURE CONTRARY TO REGULATION

QUERY NO	NAME	AMOUNT
AUD/IKELG/AQ/05/21	Olajide Boboye	250,000
AUD/IKELG/AQ/06/21	Olajide Boboye	500,000
	TOTAL	750,000

QUERY NO	NAME	AMOUNT
AUD/IKELG/AQ/09/21	Alowode Tola	230,000
AUD/IKELG/AQ/09/21	Ministry of Land	250,000
AUD/IKELG/AQ/09/21	Bello Olumide	86,000
AUD/IKELG/AQ/09/21	Bello Olumide	30,000
	TOTAL	596,350



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	669,901.81	12,235,122.75
2	Non-Tax Revenue	23,996,210.00	38,166,545.50
3	Aid & Grants	-	-
4	Investment Income	82,901,600.00	87,103,822.60
5	Expenditure Recovery	-	-
	TOTAL	107,567,711.81	137,505,490.85



IKERE

LOCAL GOVERNMENT

All communications should be
Addressed to
THE CHAIRMAN,
Ikere Local Government

P.M.B. 232, IKERE-EKITI, EKITI STATE.

E-mail: ikereIg@gmail.com

Our Ref:..... Your Ref:..... Date:.....


RESPONSIBILITY FOR FINANCIAL 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, 2022.

 23/03/23

Hon. Ayodele Oluwafemi,
Executive Chairman.

 22/03/2023

Mr. Falayi Tope Michael,
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFP. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.

- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that

the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(17) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(18) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(19) 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. These amounts were stated in the GPFS at their repayment value, which were treated as Current Liabilities in the Statement of Financial Position.

(20) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(21) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(22) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(23) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(24) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(25) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(26) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	N
	<u>ASSETS</u>			
	Current Assets			
15,970,933.99	Cash and Cash Equivalents	1	26,316,045.69	
4,056,980.00	Inventories	2	8,596,590.10	
-	WIP	3	-	
49,921,015.12	Receivables	4	58,912,165.99	
-	Prepayments	5	-	
69,948,929.11	Total Current Assets			93,824,801.78
	Non-Current Assets			
-	Loans Granted	6	-	
11,381,242.65	Investments	7	11,381,242.65	
1,011,614,285.93	Fixed Assets-Property, Plant & Equipment	8	1,292,108,996.39	
-	Investment Property	9	-	
80,571,000.00	Biological Assets	10	74,000,000.00	
1,103,566,528.58	Total Non-Current Assets			1,377,490,239.04
1,173,515,457.69	Total Assets			1,471,315,040.82
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
2,175,000.00	Unremitted Deductions	13	5,035,163.80	
613,485,455.15	Payables	14	604,619,040.25	
615,660,455.15	Total Current Liabilities		609,654,204.05	
	Non-Current Liabilities			
2,000,000.00	Public Funds	15	1,000,000.00	
81,610,109.82	Borrowings	16	75,735,836.22	
83,610,109.82	Total Non-Current Liabilities		76,735,836.22	
699,270,564.97	Total Liabilities			686,390,040.27
474,244,892.72	Net Asset/Equity			784,925,000.55
	Financed By:			
274,243,088.58	Reserves	17		288,209,100.64
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
200,001,804.14	Accumulated Surplus/(Deficits)	20		496,715,899.91
474,244,892.72	Total Net Assets/Equity			784,925,000.55

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
2,330,370,719.14	Government Share of FAAC (Statutory Revenue)	21	3,138,422,789.40
12,235,122.75	Tax Revenue	22	669,901.81
38,166,545.50	Non-Tax Revenue	23	23,996,210.00
-	Aid & Grants	24	-
87,103,822.60	Investment Income	25	82,901,600.00
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
2,467,876,209.99	Total Revenue		3,245,990,501.21
	<u>EXPENDITURE</u>		
1,114,354,438.39	Salaries & Wages	29	1,147,603,666.15
1,189,500.00	Social Contribution	30	154,405,229.94
36,337,261.25	Social Benefit	31	155,256,935.23
97,126,685.62	Overhead Cost	32	203,285,439.89
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
40,083,532.27	Depreciation Charges	37	53,467,802.89
1,054,118,441.33	Transfer to other Government Entities	38	1,144,077,709.55
-	Public Debt Charges	39	-
10,316,634.18	Allowance	40	91,179,621.79
2,353,526,493.04	Total Expenditure		2,949,276,405.44
114,349,716.95	Surplus/(Deficit) from Operating Activities for the Period		296,714,095.77
	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	-
114,349,716.95	Net surplus/(Deficit) for the year		296,714,095.77

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
2,330,370,719.14	Government Share of FAAC (Statutory Revenue)	21	3,138,422,789.40	
12,235,122.75	Tax Revenue	22	669,901.81	
38,166,545.50	Non-Tax Revenue	23	23,996,210.00	
-	Aid & Grants	24	-	
87,103,822.60	Investment Income	25	82,901,600.00	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
2,467,876,209.99	Total inflow from operating Activities			3,245,990,501.21
	<u>Outflows</u>			
1,114,354,438.39	Salaries & Wages	29	1,147,603,666.15	
1,189,500.00	Social Contributions	30	154,405,229.94	
36,337,261.25	Social Benefit	31	155,256,935.23	
97,126,685.62	Overheads Cost	32	203,285,439.89	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
1,054,118,441.33	Transfer to other Government Entities	38	1,144,077,709.55	
10,316,634.18	Allowance	40	91,179,621.79	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
				2,895,808,602.55
2,313,442,960.77	Total Outflow from Operating Activities			350,181,898.66
154,433,249.22	Net Cash Inflow/(outflow) from Operating Activities			
	<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		-	
140,525,257.45	Purchase/ Construction of PPE	58	333,962,513.36	
-	Purchase/ Construction OF Investment Property	59		
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
140,525,257.45	Total Outflow		333,962,513.36	
-140,525,257.45	Net Cash Flow from Investing Activities			(333,962,513.36)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
-	Total Inflow		-	
	Outflows			
4,895,228.00	Repayment of Borrowings	66	5,874,273.60	
-	Distribution of Surplus/Dividends Paid	67	-	
4,895,228.00	Total Outflow		5,874,273.60	
-4,895,228.00	Net Cash Flow from Financing Activities			(5,874,273.60)
9,012,763.77	Net Cash Flow from all Activities			10,345,111.70
6,958,170.22	Cash and Its Equivalent as at 01/01/2022			15,970,933.99
15,970,933.99	Cash and Its Equivalent as at 31/12/2022	1		26,316,045.69

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR
ENDED 31ST DECEMBER, 2022.

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	REVENUE				
2,330,370,719.14	Government Share of FAAC (Statutory Revenue)	21	3,138,422,789.40	2,337,000,000.00	34.29
12,236,122.75	Tax Revenue	22	669,901.81	2,000,000.00	(77.67)
38,166,545.50	Non-Tax Revenue	23	23,996,210.00	48,700,000.00	(50.73)
-	Aid & Grants	24	-	-	-
87,103,822.60	Investment Income	25	82,901,600.00	-	100.00
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
2,467,876,209.99	Total Revenue		3,245,990,501.21	2,388,700,000.00	5.90
	EXPENDITURE				
1,114,354,438.39	Salaries & Wages	29	1,147,603,666.15	752,101,532.96	(52.59)
1,189,500.00	Social Contribution	30	154,405,229.94	-	(100.00)
36,337,261.25	Social Benefit	31	155,256,935.23	-	(100.00)
97,126,685.62	Overhead Cost	32	203,285,439.89	87,522,288.00	(132.27)
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
1,054,118,441.33	Transfer to other Government Entities	38	1,144,077,709.55	414,358,328.00	(176.11)
-	Public Debt Charges	39	-	-	-
10,316,634.18	Allowance	40	91,179,621.79	11,500,000.00	(692.87)
140,525,257.45	Purchase of Assets	58	333,962,513.36	403,160,171.00	17.16
-	Acquisition of Investment	63	-	-	-
4,895,228.00	Repayment of Borrowing	66	5,874,273.60	6,600,000.00	11.00
2,458,863,446.22	Total Expenditure		3,235,645,389.51	1,675,242,319.96	(1,225.67)
9,012,763.77	Net Surplus/(Deficit) for the year		10,345,111.70	713,457,680.04	1,231.56

IKERE LOCAL GOVERNMENT, IKERE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST
DECEMBER, 2022.

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	200,001,804.14	274,243,088.58	-	474,244,892.72
2	Surplus/(Deficit) for the year	296,714,095.77			296,714,095.77
4	Asset Recognised during the year	-			
5	Adjustment for the period		13,966,012.06		13,966,012.06
	Closing Balance (31/12/2022)	496,715,899.91	288,209,100.64	-	784,925,000.55

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEUDLE FOR THE YEAR 2022
NOTE 8, 37 & 58

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	875,282,566.98	96,553,822.00	38,790,746.94	-	-	987,150.00	-	1,011,614,285.92
Acquisition during the year	221,481,221.26	76,308,357.20	30,442,934.83	0.00	0.00	2,790,000.00	2,940,000.07	333,962,513.36
Total	1,096,763,788.24	172,862,179.20	69,233,681.77	-	-	3,777,150.00	2,940,000.07	1,345,576,799.28
Disposal during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Balance 31/12/2022	1,096,763,788.24	172,862,179.20	69,233,681.77	0.00	0.00	3,777,150.00	2,940,000.07	1,345,576,799.28
Accumulated Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Current Year Charge	32,902,913.65	5,185,865.38	13,846,736.35	0.00	0.00	944,287.50	588,000.01	53,467,802.89
Depreciation on Disposal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NBV AS AT 31/12/2022	1,063,860,874.59	167,676,313.82	55,386,945.42	0.00	0.00	2,832,862.50	2,352,000.06	1,292,108,996.39

NOTES TO ACCOUNTS

NOTE 1 : CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER, 2022

S/N	NAME OF BANK	ACCOUNT NAME	ACCOUNT NO	CLOSING BALANCE
1	FIRST BANK	SALARY	2003886588	6,520,587.78
2	WEMA BANK	RUNNING	122884481	18,417,993.56
3	WEMA BANK		124217379	1,262,945.62
4	AMOYE MICRO FINANCE	IGR	1100075362	73,819.48
5	AMOYE MICRO FINANCE		11100108673	40,699.25
	TOTAL			26,316,045.69

NOTE 2

INVENTORIES

S/N	DETAILS	AMOUNT (N)
1	STATIONERIES	8,596,590.10
	TOTAL	8,596,590.10

NOTE 4

RECEIVABLES

S/N	DETAILS	AMOUNT(#)	AMOUNT(#)
	BALANCE B/F		49,921,015.12
	LESS : RECEIPTS		=
	TOTAL		49,921,015.12
1	Salary Advance 2022 (COUNCILLORS)	300,000.00	
2	IGR (10% from State)	2,770,750.87	
3	IGR Demand Notice	5,920,400.00	<u>8,991,150.87</u>
	BALANCE C/D		<u>58,912,165.99</u>

INVESTMENT

Investment figure from previous year

-

NOTE 7
AMOUNT(N)
 11,381,242.65

BIOLOGICAL ASSETS**NOTE 10**

S/N	DESCRIPTION	BAL B/F	DISPOSAL	BALANCE
1	Tectona Grand is (Teak)	50,400,000.00	5,400,000.00	45,000,000.00
2	Amelina Artorea (Emelina)	16,160,000.00	1,062,000.00	15,098,000.00
3	Palm Tree	14,011,000.00	109,000.00	13,902,000.00
	Total	80,571,000.00	6,571,000.00	74,000,000.00

UNREMMITED DEDUCTIONS**NOTE 13**

S/N	DETAIL	OPENING BAL. 1/1/2022	ADDITIONAL DURING THE YEAR	TOTAL	AMOUNT PAID	OUTSTADING BALANCE
1	EKBIRS (VAT)	1,125,000.00	2,391,871.27	3,516,871.27	1,125,000.00	2,391,871.27
2	PAYEE	750,000.00	895,235.87	1,645,235.87	750,000.00	895,235.87
3	EEF	300,000.00	1,748,056.66	2,048,056.66	300,000.00	1,748,056.66
	TOTAL	2,175,000.00	5,035,163.80	7,210,163.80	2,175,000.00	5,035,163.80

NOTE 14**PAYABLE FOR 2021**

DETAILS	OPENING BAL. 1/1/2022	ADDITIONAL DURING THE YEAR	TOTAL	PAYMENT FOR THE YEAR	OUTSTADING BALANCE
SALARY: LG STAFF	431,210,130.07	0.00	431,210,130.07	47,675,270.67	383,534,859.40
SALARY: PALACE STAFF	1,082,691.80	0.00	1,082,691.80	491,780.00	590,911.80
LEAVE BONUS: LG STAFF	150,180,271.03	39,472,569.18	189,652,840.21	0	189,652,840.21
LEAVE BONUS: PALACE STAFF	3,637,844.45	312,772.08	3,950,616.53	0	3,950,616.53
FURNITURE ALLOWANCE	27,374,517.80	0.00	27,374,517.80	484,705.49	26,889,812.31
TOTAL	613,485,455.15	39,785,341.26	653,270,796.41	48,651,756.16	604,619,040.25

NOTE 15**PUBLIC FUND**

DETAILS	AMOUNT	AMOUNT
FILLING STATION PREPAYEMNT		4,000,000.00
DURATION - 4 YEARS	4,000,000.00	
BALANCE AS AT 1/1/2021		2,000,000.00
LESS: PAYMENT FOR THE YEARS		<u>1,000,000.00</u>
BALANCE FOR THE REMAINING YEARS		<u>1,000,000.00</u>

NOTE 16**BORROWINGS (BAILOUT)**

DETAILS	AMOUNTS(#)
Balance b/f	81,610,109.82
Less : Repayment during the Year	5,874,273.60
Total	75,735,836.22

NOTE 21

STATUTORY ALLOCATION FOR THE YEAR 2021

		2022			2021
S/N	MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	January	173,193,997.59	191,416,670.67	(18,222,673.08)	143,778,173.60
2	February	144,632,665.73	111,416,670.67	33,215,995.06	150,693,947.49
3	March	151,858,938.23	121,416,670.67	30,442,267.56	124,780,324.69
4	April	177,461,846.18	191,416,670.67	(13,954,824.49)	159,083,248.11
5	May	161,707,263.52	121,416,670.67	40,290,592.85	172,057,376.87
6	June	159,640,011.57	191,416,670.67	(31,776,659.10)	191,620,347.23
7	July	203,130,842.67	191,416,670.67	11,714,172.00	211,376,594.22
8	August	228,085,870.57	291,416,670.67	(63,330,800.10)	211,844,826.92
9	September	173,328,040.91	191,416,670.67	(18,088,629.76)	201,270,476.71
10	October	993,963,465.37	391,416,670.67	602,546,794.70	212,746,830.79
11	November	182,568,472.85	191,416,670.67	(8,848,197.82)	212,439,962.95
12	December	388,851,374.21	211,416,622.63	177,434,751.58	338,678,609.56
	Total	3,138,422,789.40	2,397,000,000.00	741,422,789.40	2,330,370,719.14

NOTE 22

TAX REVENUE

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Flat/Local Rate	289,800.00	500,000.00	(210,200.00)	149,000.00
2	2.5% Tax (Capital Project)	375,101.81	1,200,000.00	(824,898.19)	11,861,122.75
3	Community Development Tax	-	300,000.00	(300,000.00)	226,000.00
4	Tax Clearance	5,000.00	1,000,000.00	(995,000.00)	-
	Total	669,901.81	3,000,000.00	(2,330,098.19)	12,236,122.75

NOTE 23

NON-TAX REVENUE

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	ATTESTATION	3,127,000.00	3,500,000.00	(373,000.00)	2,542,000.00
2	TENEMENT RATE	2,349,000.00	5,500,000.00	(3,151,000.00)	2,939,700.00
3	MARRIAGE	2,570,000.00	3,500,000.00	(930,000.00)	2,831,000.00
4	FINES ON PIGS	-	-		318,800.00
5	MARKET TOLLS	1,303,600.00	5,500,000.00	(4,196,400.00)	1,114,495.50
6	SHOP/SHOPPING PERMIT	2,127,600.00	1,500,000.00	627,600.00	2,040,000.00
7	LOADING PERMIT	578,500.00	600,000.00	(21,500.00)	738,600.00
8	REGISTRATION ON VOLUNTARY ORGANISATION	918,000.00	200,000.00	718,000.00	312,500.00
9	HACKNEY PERMIT	59,600.00	200,000.00	(140,400.00)	13,000.00
10	NAMING OF STREET	355,000.00	2,900,000.00	(2,545,000.00)	556,500.00
11	RENT ON LOCK-UP SHOPS	-	100,000.00	(100,000.00)	2,131,400.00
12	MOBILE ADVERTS	-	-		250,000.00
13	BIRTH CERTIFICATES	15,000.00	100,000.00	(85,000.00)	10,000.00
14	SALES OF AGRIC PROCEEDS	17,000.00	200,000.00	(183,000.00)	109,000.00
15	EARNING FROM COMMERCIAL UNDERTAKINGS (SHOPS AT ODO OJA)	4,821,200.00	400,000.00	4,421,200.00	12,900,000.00
16	TRADING PERMIT	690,250.00	600,000.00	90,250.00	507,500.00
17	LIQUOR LICENCE	16,000.00	300,000.00	(284,000.00)	132,000.00
18	EARNING FROM DISPOSAL OF ASSETS	-	-	-	3,250,000.00
19	EARNING FROM COMMERCIAL UNDERTAKING (RENTAGE OF HALL)	400,400.00	500,000.00	(99,600.00)	20,000.00
20	EARNING FROM COMMERCIAL UNDERTAKING (SALES OF LAND)	2,900,000.00	20,000,000.00	(17,100,000.00)	3,450,000.00
21	REFUNDS	17,260.00	100,000.00	(82,740.00)	2,000,000.00
22	REVERSAL OF STAMP DUTY	-	-	-	50.00
23	MOTORCYCLE PERMITS	1,730,800.00	3,000,000.00	(1,269,200.00)	-
	TOTAL	23,996,210.00	48,700,000.00	(24,703,790.00)	38,166,545.50

NOTE: 25**INVESTMENT INCOME**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Total income from all Lock- up Shops owned by the Local Govt., Ikere market	82,901,600.00	0	82,901,600.00	87,103,822.60
	TOTAL	82,901,600.00	0	82,901,600.00	87,103,822.60

NOTE 29

SALARY AND WAGES

						2022			2021
MONTH	TRADITIONAL RULERS	STAFF SALARY	POLITICAL OFFICE HOLDER	PALACE STAFF	DOCTOR/MIDWIVES	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	5,210,242.44	84,858,399.75	9,441,521.42	491,780.00	90,000.00	100,091,943.61	60,675,127.75	(39,416,815.86)	65,952,127.80
FEBRUARY	2,569,683.92	56,020,974.02	6,621,166.48	491,780.00	90,000.00	65,793,604.42	62,675,127.75	(3,118,476.67)	69,023,785.08
MARCH	3,459,353.23	56,362,766.02	8,171,166.48	491,780.00	90,000.00	68,575,065.73	62,675,127.75	(5,899,937.98)	54,796,377.24
APRIL	5,092,961.72	73,512,386.58	8,771,166.48	491,780.00	90,000.00	87,958,294.78	65,675,127.75	(22,283,167.03)	72,934,150.16
MAY	4,551,383.64	103,999,532.04	6,261,432.64	491,780.00	90,000.00	115,394,128.32	62,675,127.75	(52,719,000.57)	77,808,789.98
JUNE	3,876,969.28	86,503,588.51	5,671,166.48	491,780.00	90,000.00	96,633,504.27	62,675,127.75	(33,958,376.52)	76,952,751.92
JULY	6,129,284.83	87,396,673.55	6,149,938.86	491,780.00	90,000.00	100,257,677.24	62,675,127.75	(37,582,549.49)	114,848,203.14
AUGUST	7,955,789.37	87,080,873.61	16,343,520.74	491,780.00	90,000.00	111,961,963.72	64,675,127.75	(47,286,835.97)	111,673,958.75
SEPTEMBER	4,538,878.33	86,523,304.16	9,755,740.32	491,780.00	90,000.00	101,399,702.81	52,675,127.75	(48,724,575.06)	111,735,155.19
OCTOBER	4,876,060.42	86,382,979.44	8,194,458.76	491,780.00	90,000.00	100,035,278.62	62,675,127.75	(37,360,150.87)	115,332,826.85
NOVEMBER	4,324,534.98	86,405,907.80	8,194,458.76	491,780.00	90,000.00	99,506,681.54	63,675,127.75	(35,831,553.79)	113,216,154.22
DECEMBER	6,763,767.18	85,775,626.78	6,874,647.13	491,780.00	90,000.00	99,995,821.09	68,675,127.71	(31,320,693.38)	130,080,158.06
TOTAL	59,348,909.34	980,823,012.26	100,450,384.55	5,901,360.00	1,080,000.00	1,147,603,666.15	752,101,532.96	(395,502,133.19)	1,114,354,438.39

NOTE 30**SOCIAL CONTRIBUTION**

MONTHS	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	12,344,000.00	-	(12,344,000.00)	370,000.00
FEBRUARY	12,605,000.00	-	(12,605,000.00)	-
MARCH	12,841,000.00	-	(12,841,000.00)	110,000.00
APRIL	13,454,000.00	-	(13,454,000.00)	-
MAY	11,549,000.00	-	(11,549,000.00)	-
JUNE	13,165,422.21	-	(13,165,422.21)	-
JULY	12,316,712.79	-	(12,316,712.79)	-
AUGUST	12,904,000.00	-	(12,904,000.00)	-
SEPTEMBER	14,301,128.28	-	(14,301,128.28)	709,500.00
OCTOBER	12,014,594.42	-	(12,014,594.42)	-
NOVEMBER	11,510,965.10	-	(11,510,965.10)	-
DECEMBER	15,399,407.14	-	(15,399,407.14)	-
TOTAL	154,405,229.94	-	(154,405,229.94)	1,189,500.00

NOTE 31**SOCIAL BENEFITS**

MONTHS	IYALOJA'S STIPENDS	LOGISTICS FOR SECURITY	FIN. ASST/WORKSHOP CLAIMS	2022			2021
				ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	25,000.00	6,715,000.00	5,930,100.00	12,670,100.00	-	(12,670,100.00)	3,609,000.19
FEBRUARY	25,000.00	6,797,000.00	6,089,500.00	12,911,500.00	-	(12,911,500.00)	2,439,930.00
MARCH	25,000.00	6,460,300.00	6,105,000.00	12,590,300.00	-	(12,590,300.00)	2,974,931.04
APRIL	25,000.00	6,460,300.00	4,966,125.90	11,451,425.90	-	(11,451,425.90)	5,854,927.86
MAY	25,000.00	6,405,000.00	6,310,000.00	12,740,000.00	-	(12,740,000.00)	2,330,729.92
JUNE	25,000.00	6,405,000.00	5,720,912.00	12,150,912.00	-	(12,150,912.00)	1,835,121.24
JULY	25,000.00	6,405,000.00	5,234,000.00	11,664,000.00	-	(11,664,000.00)	3,224,932.82
AUGUST	25,000.00	6,505,000.00	5,389,000.00	11,919,000.00	-	(11,919,000.00)	2,704,927.20
SEPTEMBER	25,000.00	5,405,000.00	11,587,404.27	17,017,404.27	-	(17,017,404.27)	3,282,952.24
OCTOBER	25,000.00	6,105,000.00	5,109,590.79	11,239,590.79	-	(11,239,590.79)	2,594,909.90
NOVEMBER	25,000.00	6,500,000.00	7,224,500.00	13,749,500.00	-	(13,749,500.00)	3,124,827.64
DECEMBER	25,000.00	8,000,000.00	7,128,202.27	15,153,202.27	-	(15,153,202.27)	2,360,071.20
TOTAL	300,000.00	78,162,600.00	76,794,335.23	155,256,935.23	-	(155,256,935.23)	36,337,261.25

NOTE 32**OVERHEAD COST**

			2022			2021
S/N	HEAD	EXPENDITURE CENTRE	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	12500100100	ADMIN	60,317,697.19	17,000,500.00	(43,317,197.19)	18,976,000.00
2	22000100100	FINANCE & SUPPLY	51,751,210.00	3,461,000.00	(48,290,210.00)	18,014,398.55
3	22000300100	PLANNING AND BUDGET	4,267,500.00	2,935,000.00	(1,332,500.00)	7,876,090.00
4		PROCUREMENT	0.00	299,500.00	299,500.00	
5	52100100100	MEDICAL & HEALTH	10,000.00	200,000.00	190,000.00	7,778,492.00
6	53500100100	ENVIRONMENTAL	930,000.00	500,000.00	(430,000.00)	7,618,981.00
7	050510030010	COMMUNITY DEVELOPMENT	830,000.00	1,500,000.00	670,000.00	7,778,780.00
8	23400100100	WORKS & HOUSING	1,225,500.00	5,000,000.00	3,774,500.00	8,876,214.07
9	21500100100	AGRICULTURE & NATURAL RESOURCE	84,400.00	500,000.00	415,600.00	7,631,480.00
10	011100100100	POLITICAL	83,869,132.70	56,126,288.00	(27,742,844.70)	12,576,250.00
		TOTAL	203,285,439.89	87,522,288.00	(115,763,151.89)	97,126,685.62

NOTE 37**DEPRECIATION CHARGE**

S/N	ITEMS	2022 ACTUAL (N)
1	LAND & BUILDING	32,902,913.65
2	MOTOR VEHICLE	13,846,736.35
3	INFRASTRUCTURE	5,185,865.38
4	OFFICE EQUIPMENT	944,287.50
5	FURNITURE & FITTINGS	588,000.01
	TOTAL	53,467,802.89

NOTE 38

TRANSFER TO OTHER GOVT AGENCY

								2022			2021
MONTHS	PRIMARY SCHOOL TEACHERS	SUBEB OVERHEAD	GRATUITY/PENSION FUND	SUBVENTI ON TO PARASTATAL (LGSC & OTHERS)	SECURITY FUND TO STATE	PEACE CORP	IKERE-WEST LCDA	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	50,722,297.74	435,000.00	36,090,809.66	1,649,666.96	700,000.00	1,200,000.00	3,678,699.08	94,476,473.44	24,529,860.67	(69,946,612.77)	72,101,890.44
FEBRUARY	33,187,898.23	217,500.00	35,599,911.64	813,613.32	700,000.00	1,200,000.00	2,918,999.05	74,637,922.24	34,529,860.67	(40,108,061.57)	74,511,718.65
MARCH	33,609,901.15	435,000.00	36,257,263.04	1,245,367.16	700,000.00	1,200,000.00	2,978,699.85	76,426,231.20	30,529,860.67	(45,896,370.53)	67,131,897.95
APRIL	49,836,596.29	435,000.00	32,335,663.40	1,833,466.22	700,000.00	1,200,000.00	2,978,699.85	89,319,425.76	32,529,860.67	(56,789,565.09)	74,507,544.95
MAY	51,689,824.29	435,000.00	32,673,119.62	1,638,498.11	700,000.00	1,200,000.00	3,651,899.88	91,988,341.90	34,529,860.67	(57,458,481.23)	79,615,568.31
JUNE	52,107,465.44	435,000.00	36,840,629.03	1,395,708.94	700,000.00	1,200,000.00	2,978,699.85	95,657,503.26	36,529,860.67	(59,127,642.59)	77,900,105.86
JULY	51,970,451.61	435,000.00	43,794,455.08	2,206,542.54	700,000.00	1,200,000.00	4,038,928.40	104,345,377.63	24,529,860.67	(79,815,516.96)	92,565,564.86
AUGUST	51,966,758.34	435,000.00	39,833,339.99	2,864,084.17	700,000.00	1,200,000.00	4,566,476.92	101,565,659.42	34,529,860.67	(67,035,798.75)	95,098,996.44
SEPTEMBER	51,781,705.47	435,000.00	38,790,629.72	1,633,996.20	700,000.00	1,200,000.00	3,819,505.56	98,360,836.95	29,529,860.67	(68,830,976.28)	90,614,777.63
OCTOBER	51,649,415.26	435,000.00	35,172,125.69	1,755,381.75	700,000.00	1,200,000.00	11,475,963.00	102,387,885.70	34,529,860.67	(67,858,025.03)	94,266,732.77
NOVEMBER	51,640,499.91	435,000.00	35,821,704.96	1,556,832.59	700,000.00	1,200,000.00	4,156,248.40	95,510,285.86	34,529,860.67	(60,980,425.19)	96,407,723.55
DECEMBER	51,518,960.45	435,000.00	42,356,760.42	2,434,956.19	700,000.00	1,200,000.00	20,756,089.13	119,401,766.19	63,529,860.63	(55,871,905.56)	139,395,919.92
TOTAL	581,681,774.18	5,002,500.00	445,566,412.25	21,028,114.15	8,400,000.00	14,400,000.00	67,998,908.97	1,144,077,709.55	414,358,328.00	(729,719,381.55)	1,054,118,441.33

NOTE 40**ALLOWANCE**

S/N	MONTHS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	JANUARY	5,391,949.28	958,333.33	(4,433,615.95)	859,719.52
2	FEBRUARY	1,857,624.40	958,333.33	(899,291.07)	859,719.52
3	MARCH	6,259,368.11	958,333.33	(5,301,034.78)	659,719.52
4	APRIL	4,387,678.65	858,333.33	(3,529,345.32)	859,719.52
5	MAY	2,946,957.64	958,333.33	(1,988,624.31)	759,719.52
6	JUNE	1,857,624.40	1,058,332.94	(799,291.46)	859,719.52
7	JULY	10,637,650.26	958,333.33	(9,679,316.93)	759,719.52
8	AUGUST	9,763,936.09	1,058,333.33	(8,705,602.76)	859,719.52
9	SEPTEMBER	3,877,441.80	958,333.33	(2,919,108.47)	559,719.52
10	OCTOBER	14,661,881.01	758,333.33	(13,903,547.68)	859,719.52
11	NOVEMBER	14,470,491.35	1,058,333.33	(13,412,158.02)	859,719.52
12	DECEMBER	15,067,018.80	958,333.76	(14,108,685.04)	1,559,719.46
	TOTAL	91,179,621.79	11,500,000.00	(79,679,621.79)	10,316,634.18

NOTE 58**PURCHASE OF ASSETS**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	LAND AND BUILDING	221,481,221.26	280,000,000.00	58,518,778.74	133,827,869.41
2	INFRASTRUTURE	76,308,357.20	80,000,000.00	3,691,642.80	5,381,188.04
3	MOTOR VEHICLE	30,442,934.83	34,000,000.00	3,557,065.17	-
4	OFFICE EQUIPMENT	2,790,000.00	4,050,000.00	1,260,000.00	1,316,200.00
5	FURNITURE AND FITTINGS	2,940,000.07	5,110,171.00	2,170,170.93	-
	TOTAL	333,962,513.36	403,160,171.00	69,197,657.64	140,525,257.45

BAILOUT REPAYMENT

		2022			2021
S/N	MONTHS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	JANUARY	489,522.80	550,000.00	60,477.20	489,522.80
2	FEBRUARY	489,522.80	550,000.00	60,477.20	489,522.80
3	MARCH	489,522.80	550,000.00	60,477.20	
4	APRIL	489,522.80	550,000.00	60,477.20	
5	MAY	489,522.80	550,000.00	60,477.20	489,522.80
6	JUNE	489,522.80	550,000.00	60,477.20	489,522.80
7	JULY	489,522.80	550,000.00	60,477.20	489,522.80
8	AUGUST	489,522.80	550,000.00	60,477.20	489,522.80
9	SEPTEMBER	489,522.80	550,000.00	60,477.20	489,522.80
10	OCTOBER	489,522.80	550,000.00	60,477.20	489,522.80
11	NOVEMBER	489,522.80	550,000.00	60,477.20	489,522.80
12	DECEMBER	489,522.80	550,000.00	60,477.20	489,522.80
	TOTAL	5,874,273.60	6,600,000.00	725,726.40	4,895,228.00

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF IKOLE LOCAL GOVERNMENT,

IKOLE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ikole Local Government as at 31st December, 2021 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IKOLE LOCAL GOVERNMENT, IKOLE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **90.12%**. That is, an estimate was made for **N2,961,188,140.88** while actual Revenue recorded stood at **N2,668,753,690.83**. Equally, the actual

IGR of **N15,630,547.75** represents only **0.59%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of **N2,809,842,693.84** only was budgeted for expenditure but only **N2,674,681,987.64** was actually incurred, resulting to a saving of **N135,160,706.20** for the period.

8. REVENUE ACCOUNT

A total sum of **N2,668,753,690.83** as earned as total Revenue as at 31st December, 2022 out of which only **0.59% (15,630,547.75)** 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 **11.27%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR:

The following expenditure appears to be contrary to Law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1	AUD/IKLG/AQ/01/2022	Unproduced Revenue Earning Receipt	assorted
2	AUD/IKLG/AQ/02/2022	Expenditure contrary to Regulations	910,500.00
3	AUD/IKLG/AQ/03/2022	Unaudited Expenditure	826,000.00
4	AUD/IKLG/AQ/04/2022	Items not taken on store ledger charges	1,244,000.00
6.	AUD/IKLG/AQ/06/2022	Expenditure Not Accounted For	1,342,744.09
	Total		4,272,744.08

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 had been examined up to 31st December, 2022 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) Unproduced Revenue Earning Receipts
- (iii) Attendance to Audit Query
- (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

a) Loss of Fund (IGR) Involving Mr. Omole M.A. & Mrs Rufai M.A (2015) N1,111,000.00

LOCAL GOVERNMENT	YEAR	AMOUNT OF LOSS (N)	AMOUNT RECOVERED (N)	BALANCE (N)	OFFICIALS INVOLVED
Ikole	2015	1,111,000.00	-	1,111,000.00	Mr. Omole M.A. & Mrs. Rufai M. A.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FcNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	2,548,887.75	670,256.93
2	Non-Tax Revenue	13,081,660.00	13,376,700.00
3	Aid & Grants	-	-
4	Investment Income	-	-
5	Expenditure Recovery	-	-
	TOTAL	15,630,547.75	14,046,956.93

Your Ref. No. _____

Further Communications should be
addressed to the chairman quoting

Our Ref. No. _____



...Ìjọba Ìbílẹ̀ Ológo

Local Government Secretariat
P.M.B 5013, Ikole-Ekiti
030-440162
030-440020

Date _____

RESPONSIBILITY FOR FINANCIAL 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, 2022.

22/3/23

Hon. Sola Olominu,
Executive Chairman.

22/3/23

Mr. Olatunji Olufemi
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(17) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(18) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(19) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years

Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(20) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(21) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(22) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(23) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(24) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(25) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(26) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	₦
	<u>ASSETS</u>			
	Current Assets			
13,445,336.19	Cash and cash Equivalents	1	23,147,587.13	
341,525.00	Inventories	2	1,142,065.00	
-	WIP	3	-	
245,539,069.75	Receivables	4	132,804,791.74	
-	Prepayments	5	-	
259,325,930.94	Total Current Assets			157,094,443.87
	Non-Current Assets			
-	Loans Granted	6	-	
-	Investments	7	-	
417,612,669.37	Fixed Assets-Property, Plant & Equipment	8	448,618,367.17	
6,586,300.00	Investment Property	9	13,804,884.80	
5,000,000.00	Biological Assets	10	5,700,000.00	
429,198,969.37	Total Non-Current Assets			468,123,251.97
688,524,900.31	Total Assets			625,217,695.84
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts (Short-Term)	12	-	
-	Unremitted Deductions	13	-	
331,690,917.12	Payables	14	127,061,568.15	
331,690,917.12	Total Current Liabilities		127,061,568.15	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,259,294.74	Borrowings	16	74,964,041.94	
81,259,294.74	Total Non-Current Liabilities		74,964,041.94	
412,950,211.86	Total Liabilities			202,025,610.09
275,574,688.45	Net Asset/Equity			423,192,085.75
	Financed By:			
71,727,574.12	Reserves	17		172,565,025.08
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
203,847,114.33	Accumulated Surplus/(Deficits)	20		250,627,060.67
275,574,688.45	Total Net Assets/Equity			423,192,085.75

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
2,059,878,314.48	Government Share of FAAC (Statutory Revenue)	21	2,668,753,690.83
670,256.93	Tax Revenue	22	2,548,887.75
13,376,700.00	Non-Tax Revenue	23	13,081,660.00
-	Aid & Grants	24	-
-	Investment Income	25	-
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
2,073,925,271.41	Total Revenue		2,684,384,238.58
	<u>EXPENDITURE</u>		
834,804,619.98	Salaries & Wages	29	825,229,299.50
10,395,357.01	Social Contribution	30	22,350,000.00
6,697,501.13	Social Benefit	31	16,860,000.00
83,981,355.00	Overhead Cost	32	92,008,788.17
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
23,425,503.38	Depreciation Charges	37	28,544,557.36
1,100,548,514.12	Transfer to other Government Entities	38	1,640,836,089.71
-	Public Debt Charges	39	-
22,112,500.00	Allowance	40	11,979,257.50
2,081,761,650.62	Total Expenditure		2,637,807,992.24
-8,040,079.21	Surplus/(Deficit) from Operating Activities for the Period		46,576,246.34
	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		
-	Purchase of PPE	44	-
-	Minority Interest Share of Surplus/(Deficits)	45	-
-8,040,079.21	Surplus/Deficit for the year		46,576,246.34

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
2,059,878,314.48	Government Share of FAAC (Statutory Revenue)	21	2,668,753,690.83	
670,256.93	Tax Revenue	22	2,548,887.75	
13,376,700.00	Non-Tax Revenue	23	13,081,660.00	
-	Aid & Grants	24	-	
-	Investment Income	25	-	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
2,073,925,271.41	Total inflow from operating Activities			2,684,384,238.58
	<u>Outflows</u>			
834,804,619.98	Salaries & Wages	29	825,229,299.50	
10,395,357.01	Social Contributions	30	22,350,000.00	
6,697,501.13	Social Benefit	31	16,860,000.00	
83,981,355.00	Overheads Cost	32	92,008,788.17	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
1,100,548,514.12	Transfer to other Government Entities	38	1,640,836,089.71	
22,112,500.00	Allowance (Leave Bonus)	40	11,979,257.50	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
2,058,539,847.24	Total Outflow from Operating Activities			2,609,263,434.88
15,385,424.17	Net Cash Inflow/(outflow) from Operating Activities			75,120,803.70
	<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			
4,441,712.75	Purchase/ Construction of PPE	58	59,123,299.96	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
4,441,712.75	Total Outflow		59,123,299.96	
-4,441,712.75	Net Cash Flow from Investing Activities			(59,123,299.96)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
5,246,043.00	Repayment of Borrowings	66	6,295,252.80	
-	Distribution of Surplus/Dividends Paid	67	-	
5,246,043.00	Total Outflow		6,295,252.80	
-5,246,043.00	Net Cash Flow from Financing Activities			(6,295,252.80)
5,697,668.42	Net Cash Flow from all Activities			9,702,250.94
7,747,667.77	Cash and Its Equivalent as at 01/01/2022			13,445,336.19
13,445,336.19	Cash and Its Equivalent as at 31/12/2022	1		23,147,587.13

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
2,059,878,314.48	Government Share of FAAC (Statutory Revenue)	21	2,668,753,690.83	2,961,188,140.88	(9.88)
670,256.93	Tax Revenue	22	2,548,887.75	2,648,887.75	(3.78)
13,376,700.00	Non-Tax Revenue	23	13,081,660.00	8,488,000.00	54.12
-	Aid & Grants	24	-	-	-
-	Investment Income	25	-	-	-
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
2,073,925,271.41	Total Revenue		2,684,384,238.58	2,972,325,028.63	40.47
	<u>EXPENDITURE</u>				
834,804,619.98	Salaries & Wages	29	825,229,299.50	874,953,761.34	5.68
10,395,357.01	Social Contribution	30	22,350,000.00	22,050,000.00	(1.36)
6,697,501.13	Social Benefit	31	16,860,000.00	17,100,000.00	1.40
83,981,355.00	Overhead Cost	32	92,008,788.17	103,000,000.00	10.67
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
-	Depreciation Charges	37	-	-	-
1,100,110,189.21	Transfer to other Government Entities	38	1,640,836,089.71	1,658,813,657.65	1.08
-	Public Debt Charges	39	-	-	-
22,112,500.00	Allowance	40	11,979,257.50	66,630,022.05	82.02
4,441,712.75	Purchases of Assets	58	59,123,299.96	61,000,000.00	3.08
-	Acquisition of Investment	63	-	-	-
5,246,043.00	Repayment of Borrowing	66	6,295,252.80	6,295,252.80	-
2,068,227,602.99	Total Expenditure		2,674,681,987.64	2,809,842,693.84	102.58
5,697,668.42	Surplus/(Deficit) from Operating Activities for the Period		9,702,250.94	162,482,334.79	(62.11)

IKOLE LOCAL GOVERNMENT, IKOLE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE
YEAR ENDED 31ST DECEMBER, 2022

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	204,050,814.33	71,523,874.12	-	275,574,688.45
2	Surplus for the period	46,576,246.34			46,576,246.34
3	Grant for the year				
4	Adjustment for the period		101,041,151.08		101,041,151.08
	Closing Balance (31/12/2022)	250,627,060.67	172,565,025.20	-	423,192,085.87

NOTE 8, 37 & 58

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEUDLE FOR THE YEAR 2022

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	288,523,311.37	75,272,000.00		16,200,000.00	19,540,608.00	9,192,750.00	8,884,000.00	417,612,669.37
Acquisition during the year	12,166,503.50	12,851,886.32	30,022,910.14			582,000.00	3,500,000.00	59,123,299.96
Total	300,689,814.87	88,123,886.32	30,022,910.14	16,200,000.00	19,540,608.00	9,774,750.00	12,384,000.00	476,735,969.33
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/2022	300,689,814.87	88,123,886.32	30,022,910.14	16,200,000.00	19,540,608.00	9,774,750.00	12,384,000.00	476,735,969.33
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	9,020,694.45	2,643,716.59	6,004,582.03	1,620,000.00	3,908,121.60	2,443,687.50	2,476,800.00	28,117,602.16
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	291,669,120.42	85,480,169.73	24,018,328.11	14,580,000.00	15,632,486.40	7,331,062.50	9,907,200.00	448,618,367.17

NOTE 1**CASH AND CASH EQUIVALENT FOR YEAR 2022**

S/N	DETAILS	ACCOUNT NUMBER	PURPOSE	AMOUNT(N)
1	EK-RELIABLE MICRO –FINANCE	1100085141	IGR	335,653.46
2	FIRST BANK	2008900045	SALARY	1,786,677.10
3	WEMA BANK	1200775989	MAIN	649,531.17
4	WEMA BANK	122392269	IGR	283,265.86
5	WEMA BANK	122392252	RECURRENT	1,154,762.42
6	WEMA BANK	123839938	CAPITAL	10,593,491.44
7	EK-RELIABLE MICRO –FINANCE	1100177701	IGR	96,643.45
8	ZENITH BANK	1218788230	RECURRENT ACC	2,938,911.37
9	EK-RELIABLE MICRO –FINANCE	1100178155	IGR	46,372.22
10	WEMA BANK	123984814	CAPITAL	5,262,278.64
	TOTAL			23,147,587.13

NOTE 2**INVENTORIES**

RECEIPT	NO OF RECEIPT	UNIT COST (N)	TOTAL
Treasury receipt (TR)	48	800	38,400.00
Flat rate	40	1000	40,000.00
Market Receipt (A)	400	400	160,000.00
(B)	200	600	120,000.00
GRR	45	800	36,000.00
Identification (A)	18	5550	99,900.00
(B)	6	7500	45,000.00
Sticker	1010	145	218,950.00
Store			383,815.00
Total			1,142,065.00

NOTE 4**RECEIVABLES**

DETAILS	AMOUNT
bal b/f	245,539,069.75
less: demand notice IGR	129,591,185.09
	115,947,884.66
Add: Receivable for the year	16,856,907.08
TOTAL	132,804,791.74

NOTE 9**INVESTMENT PROPERTY****INVESTMENT PROPERTY**

DETAILS	AMOUNT (₹)
Opening balance	6,586,300.00
Additional during the year	7,645,540.00
	14,231,840.00
less: Depreciation 3%	426,955.20
NBV 31/12/2022	13,804,884.80

NOTE 10**BIOLOGICAL ASSETS**

DETAILS	AMOUNT
Open Balance 1/1/2022 (Teak Plantation)	5,000,000.00
Additional (Palm Oil Tree)	700,000.00
TOTAL	5,700,000.00

NOTE 14**PAYABLE**

DETAILS	AMOUNT
Open Balance 1/1/2022	331,690,917.12
Less: Payment During the Year	205,583,149.00
	126,107,768.12
Add: Payables for the year	953,800.03
TOTAL	127,061,568.15

NOTE 16**BORROWINGS (BAILOUT)**

DETAILS	AMOUNT
Balance B/F	81,259,294.74
Less: Repayment during the Year	6,295,252.80
TOTAL	74,964,041.94

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

		2022			2021
S/N	MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	JANUARY	185,605,925.62	290,521,343.52	(104,915,417.90)	148,784,363.17
2	FEBUARY	154,997,749.17	247,066,678.19	(92,068,929.02)	157,261,623.87
3	MARCH	162,741,891.66	252,399,201.52	(89,657,309.86)	128,410,872.13
4	APRIL	190,179,629.08	214,315,493.44	(24,135,864.36)	144,513,773.41
5	MAY	173,295,996.06	231,244,506.11	(57,948,510.05)	157,263,471.50
6	JUNE	171,080,594.74	230,819,383.45	(59,738,788.71)	163,684,992.66
7	JULY	217,688,191.28	212,643,270.15	5,044,921.13	177,357,516.40
8	AUGUST	244,431,618.40	221,647,620.64	22,783,997.76	180,194,656.70
9	SEPTEMBER	185,749,575.14	249,265,487.79	(63,515,912.65)	168,563,487.49
10	OCTOBER	370,611,934.65	268,997,838.68	101,614,095.97	178,249,076.48
11	NOVEMBER	195,652,221.57	252,905,117.84	(57,252,896.27)	175,456,729.15
12	DECEMBER	416,718,363.46	289,362,199.55	127,356,163.91	280,117,751.52
	TOTAL	2,668,753,690.83	2,961,188,140.88	(292,434,450.05)	2,059,858,314.48

NOTE 22**TAX REVENUE**

			2022			2021
S/N	PARTICULARS	CODE	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	FLAT RATE	12010101	944,700.00	1,160,000.00	(215,300.00)	182,500.00
2	TENEMENT RATE	1220904	-	-	-	270,250.00
3	LOCAL CONTRACT 2.5%	1210201	1,604,187.75	1,488,887.75	115,300.00	217,506.93
	TOTAL		2,548,887.75	2,648,887.75	(100,000.00)	670,256.93

NOTE 23**NON-TAX REVENUE**

			2022			2021
S/N	PARTICULARS	CODE	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	ATTESTATION	12020419	4,500,000.00	126,000.00	4,374,000.00	3,979,000.00
2	LOADING /Offloading	12020110	2,213,380.00	211,000.00	2,002,380.00	2,378,000.00
3	CATTLE PERMIT	12020704	58,100.00	50,000.00	8,100.00	73,900.00

4	REGISTRATION OF ASSOCIATION	12020109	210,000.00	50,000.00	160,000.00	148,000.00
5	NAMING OF STREET	12020453	120,000.00	120,000.00	-	60,000.00
6	BIRTH/DEATH CERFTIFICATE	12020443	1,519,500.00	500,000.00	1,019,500.00	443,500.00
7	PURE WATER REGISTRATION	12020449	-	-	-	150,000.00
8	MOBILE ADVENT	12020711	-	-	-	170,000.00
9	HAWKERS PERMIT	12020120	184,500.00	2,000,000.00	(1,815,500.00)	557,600.00
10	LIQUOR LICENCES	12020131	695,000.00	150,000.00	545,000.00	49,500.00
11	STICKER	12020137	-	-	-	22,100.00
12	SQUATERS FEEZ	12020701	866,680.00	1,000,000.00	(133,320.00)	1,133,950.00
13	MARRIAGE/DIVORSE FEES	120120418	1,564,000.00	2,000,000.00	(436,000.00)	1,796,000.00
14	RENT	12020803	590,250.00	2,281,000.00	(1,690,750.00)	1,931,000.00
15	HACKNEY PERMIT	12020454	-	-	-	91,650.00
16	APPLICATION FEE	12020453	-	-	-	11,000.00
17	REFUNDS	12021006	-	-	-	70,000.00
18	ENVIRONMENTAL IMPACT	12020431	-	-	-	209,000.00
19	PROCEEDS FROM SALES OF FARM PRODUCE	12020609	560,250.00	-	560,250.00	102,500.00
	TOTAL		13,081,660.00	8,488,000.00	4,593,660.00	13,376,700.00

NOTE 29
SALARIES AND WAGES

		2022			2021
S/N	DETAIL	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	LG WORKERS SALARY	720,216,168.54	751,325,611.14	31,109,442.60	733,634,063.63
	POLITICAL OFFICE HOLDERS	105,013,130.96	123,628,150.20	18,615,019.24	101,170,556.33
	TOTAL	825,229,299.50	874,953,761.34	49,724,461.84	834,804,619.96

NOTE 30
SOCIAL CONTRIBUTIONS

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
ROAD VERGES	6,000,000.00	4,000,000.00	(2,000,000.00)	2,256,885.26
ANNIVERSARY & CELEBRATION	2,000,000.00	1,000,000.00	(1,000,000.00)	-
SECURITY INVENTION	7,500,000.00	9,000,000.00	1,500,000.00	-
VERIFICATION FUND	2,550,000.00	2,500,000.00	(50,000.00)	2,079,740.96
UPKEEP OF AN ABANDON BABY	250,000.00	550,000.00	300,000.00	-
COMMITTEE ON CREATION OF LCDA	2,300,000.00	2,000,000.00	(300,000.00)	2,958,295.42
MTEF BUDGET PREPARATION	1,750,000.00	3,000,000.00	1,250,000.00	1,984,265.41
COURT JUDEGEMENT	-	-	-	741,169.96
SDG COUNTERPART CONTRIBUTION	-	-	-	50,000.00
EKITI SPORT FESTIVAL NIFEST	-	-	-	325,000.00
TOTAL	22,350,000.00	22,050,000.00	(300,000.00)	10,395,357.01

NOTE 31
SOCIAL BENEFIT

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
ARMED FORCE REMEMBRANCE DAY	250,000.00	300,000.00	50,000.00	500,000.00
STIPEND TO IYALOJA	300,000.00	300,000.00	-	300,000.00
SALAH GIFT	4,000,000.00	3,000,000.00	(1,000,000.00)	1,200,000.00
CHRISTMAS GIFT	4,200,000.00	4,000,000.00	(200,000.00)	1,208,759.50
FINANCIAL ASSISTANCE	4,310,000.00	5,000,000.00	690,000.00	-
STAFF CLAIM	3,800,000.00	4,500,000.00	700,000.00	-
TENEMENT RATE	-	-	-	1,590,975.31
PURCHASE OF MONITORING VEHICLE	-	-	-	1,897,766.32
TOTAL	16,860,000.00	17,100,000.00	240,000.00	6,697,501.13

NOTE 32
OVERHEAD COST

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
TRANSPORT&TRAVELLING GENERAL	10,110,700.00	15,834,200.00	5,723,500.00	28,856,080.00
UTILITIES GENERAL	8,390,794.53	9,000,000.00	609,205.47	1,519,700.00
MATERIALS&SUPPLIES GENERAL	4,699,600.00	5,472,680.00	773,080.00	3,392,625.00
MAINTENANCE GENERAL	5,971,200.00	5,337,000.00	(634,200.00)	4,312,700.00
TRAINING GENERAL	8,250,000.00	12,000,000.00	3,750,000.00	2,725,000.00
OTHER SERVICES GENERAL	5,551,000.00	7,036,000.00	1,485,000.00	15,575,250.00
FUEL&LUBRICANT	8,077,444.52	9,000,000.00	922,555.48	1,750,000.00
MISCELLANEOUS EXPENSES GENERAL	9,958,049.12	8,270,000.00	(1,688,049.12)	19,350,000.00
LOCAL GRANT& CONTRIBUTION	31,000,000.00	31,050,120.00	50,120.00	6,500,000.00
TOTAL	92,008,788.17	103,000,000.00	10,991,211.83	83,981,355.00

NOTE 37
DEPRECIATION CHARGE

DETAILS	AMOUNT
PP&E	28,117,602.16
INVESTMENT PROPERTY	426,955.20
TOTAL	28,544,557.36

NOTE 38
TRANSFER TO OTHER GOVERNMENT ENTITIES

DETAILS	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
PRIMARY EDUCATION FUND ENVIRONMENT (SUBEB)	690,524,835.67	680,000,000.00	(10,524,835.67)	551,208,507.57
TRADITIONAL COUNCILS' ALLOCATION	83,602,142.12	72,000,000.00	(11,602,142.12)	59,589,838.48
PENSION & GRATUITY	723,172,762.73	758,500,000.00	35,327,237.27	448,528,043.02
LOCAL GOVT. PARATATALS/AGENCIES	22,535,091.54	20,000,000.00	(2,535,091.54)	18,422,125.05
RUUNING GRANTS (PEACE CORPS)	14,400,000.00	15,000,000.00	600,000.00	14,400,000.00
SECURITY FUND	8,400,000.00	9,100,000.00	700,000.00	8,400,000.00
AJONI LCDA	48,910,107.20	50,910,107.20	2,000,000.00	-
KAJOLA LCDA	26,652,871.83	27,665,271.83	1,012,400.00	-
IKOLE WEST LCDA	22,638,278.62	25,638,278.62	3,000,000.00	-
TOTAL	1,640,836,089.71	1,658,813,657.65	17,977,567.94	1,100,548,514.12

NOTE 40
ALLOWANCES

DETAILS	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
LEAVE BOUNS	-	42,825,416.64	42,825,416.64	-
LEAVE BOUNS FOR POLITICAL OFFICE HOLDER	-	2,304,605.72	2,304,605.72	-
SEVERANCE ALLOWANCE (POH)	11,979,257.50	13,000,000.00	1,020,742.50	-
FURNITURE ALLOWANCE	-	8,500,000.00	8,500,000.00	22,112,500.00
TOTAL	11,979,257.50	66,630,022.36	54,650,764.86	22,112,500.00

NOTE 58
PURCHASE OF ASSETS

DETAILS	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
LAND AND BUILDING	12,166,503.50	10,000,000.00	(2,166,503.50)	3,536,712.75
INFRASTRUCTURE	12,851,886.32	20,000,000.00	7,148,113.68	-
MOTOR VEHICLES	30,022,910.14	10,000,000.00	(20,022,910.14)	-
PLANT AND MACHINERY	-	9,000,000.00	9,000,000.00	-
TRANSPORT EQUIPMENT	-	6,000,000.00	6,000,000.00	-
OFFICE EQUIPMENT	582,000.00	2,000,000.00	1,418,000.00	-
FURNITURE AND FITTING	3,500,000.00	4,000,000.00	500,000.00	905,000.00
TOTAL	59,123,299.96	61,000,000.00	1,876,700.04	4,441,712.75

NOTE 66**REPAYMENT OF BORROWING**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	524,604.40	524,604.40	-	524,604.30
FEBUARY	524,604.40	524,604.40	-	524,604.30
MARCH	524,604.40	524,604.40	-	-
APRIL	524,604.40	524,604.40	-	-
MAY	524,604.40	524,604.40	-	524,604.30
JUNE	524,604.40	524,604.40	-	524,604.30
JULY	524,604.40	524,604.40	-	524,604.30
AUGUST	524,604.40	524,604.40	-	524,604.30
SEPTEMBER	524,604.40	524,604.40	-	524,604.30
OCTOBER	524,604.40	524,604.40	-	524,604.30
NOVEMBER	524,604.40	524,604.40	-	524,604.30
DECEMBER	524,604.40	524,604.40	-	524,604.30
TOTAL	6,295,252.80	6,295,252.80	-	5,246,043.00

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF ILEJEMEJE LOCAL GOVERNMENT,

EDA-ONIYO EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ilejemeje Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF ILEJEMEJE LOCAL GOVERNMENT, IYE-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **98.35%**. That is, an estimate was made for **N1,746,656,327.50** while actual Revenue recorded stood at **N1,717,774,078.65** . Equally, the actual IGR of **N2,392,577.40** represents only **0.14%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of **N1,582,382,848.39** only was budgeted for expenditure but only **N1,700,184,569.35** was actually incurred, resulting to a deficit of **(N117,801,720.96)** for the period.

8. **REVENUE ACCOUNT**

A total sum of **N1,717,774,078.65** was earned as total Revenue as at 31st December, 2022 out of which only **0.14%(N2,392,577.40)** 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 **41.69%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. **INFRACTIONS DURING THE YEAR:**

The following expenditure appears to be contrary to Law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT (₦)
1	AUD/ILLG/AQ/01/2022	Expenditure not supported with proper records of accounts/unaudited i	2,465,400.00
2	AUD/ILLG/AQ/02/2022	Expenditure not supported with proper records of accounts/unaudited ii	1,947,000.00
3	AUD/ILLG/AQ/03/2022	Items not taken on store ledger charge	1,075,000.00
		TOTAL	5,487,400.00

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 had been examined up to 31st December, 2022 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) Internally Generated Revenue
- (iii) 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.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	875,577.40	1,938,003.57
2	Non-Tax Revenue	1,517,000.00	2,165,000.00
3	Aid & Grants	-	-
4	Investment Income	-	-
5	Expenditure Recovery	-	-
	TOTAL	2,392,577.40	4,103,003.57



ILEJEMEJE LOCAL GOVERNMENT

..... Department

Your Ref: _____

All Correspondence should be addressed
to the Chairman

Our Ref: _____

P.M.B. 001
Eda-Oniyo Ekiti,
Ekiti State,
Nigeria.

Date: _____

RESPONSIBILITY FOR FINANCIAL 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, 2022.

24/03/2023

Hon. Osadare Oloruntoba Paul,
Executive Chairman.

24-3-2023

Chief Alademomi Israel O.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was

explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the

receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(17) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(18) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(19) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(20) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(21) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(22) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(23) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(24) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(25) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	N
	<u>ASSETS</u>			
	Current Assets			
3,676,976.66	Cash and Cash Equivalents	1	23,659,063.36	
50,000.00	Inventories	2	100,000.00	
-	WIP	3	-	
295,637,451.72	Receivables	4	181,652,428.72	
-	Prepayments	5	-	
299,364,428.38	Total Current Assets			205,411,492.08
	Non-Current Assets			
-	Loans Granted	6	-	
2,200,400.00	Investments	7	3,000,000.00	
387,930,800.23	Fixed Assets-Property, Plant & Equipment	8	421,862,381.34	
-	Investment Property	9	-	
10,000,000.00	Biological Assets	10	15,000,000.00	
400,131,200.23	Total Non-Current Assets			439,862,381.34
699,495,628.61	Total Assets			645,273,873.42
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
-	Unremitted Deductions	13	-	
519,513,426.98	Payables	14	394,187,414.98	
519,513,426.98	Total Current Liabilities		394,187,414.98	
	Non-Current Liabilities			
-	Public Funds	15	-	
82,823,872.51	Borrowings	16	78,406,114.15	
82,823,872.51	Total Non-Current Liabilities		78,406,114.15	
602,337,299.49	Total Liabilities			472,593,529.13
97,158,329.12	Net Asset/Equity			172,680,344.29
	Financed By:			
72,903,020.71	Reserves	17		90,297,309.70
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
24,255,308.41	Accumulated Surplus/(Deficits)	20		82,383,034.59
97,158,329.12	Total Net Assets/Equity			172,680,344.29

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
1,217,876,359.42	Government Share of FAAC (Statutory Revenue)	21	1,717,774,078.65
1,938,003.57	Tax Revenue	22	875,577.40
2,165,000.00	Non-Tax Revenue	23	1,517,000.00
-	Aid & Grants	24	-
-	Investment Income	25	-
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
1,221,979,362.99	Total Revenue		1,720,166,656.05
	<u>EXPENDITURE</u>		
537,900,753.96	Salaries & Wages	29	584,309,027.77
4,624,240.36	Social Contribution	30	3,000,000.00
-	Social Benefit	31	-
46,676,524.77	Overhead Cost	32	57,923,819.98
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
19,681,997.35	Depreciation Charges	37	22,852,321.14
586,201,529.80	Transfer to other Government Entities	38	970,836,332.94
-	Public Debt Charges	39	-
22,112,500.00	Allowance	40	22,913,728.05
1,217,197,546.24	Total Expenditure		1,661,835,229.88
4,781,816.75	Surplus/(Deficit) from Operating Activities for the Period		58,331,426.17
	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	-
4,781,816.75	Net surplus/(Deficit) for the year		58,331,426.17

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,217,876,359.42	Government Share of FAAC (Statutory Revenue)	21	1,717,774,078.65	
1,938,003.57	Tax Revenue	22	875,577.40	
2,165,000.00	Non-Tax Revenue	23	1,517,000.00	
-	Aid & Grants	24	-	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
1,221,979,362.99	Total inflow from operating Activities			1,720,166,656.05
	<u>Outflows</u>			
537,900,753.96	Salaries & Wages	29	584,309,027.77	
4,624,240.36	Social Contributions	30	3,000,000.00	
-	Social Benefit	31	-	
46,676,524.77	Overheads Cost	32	57,923,819.98	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
586,201,529.80	Transfer to other Government Entities	38	970,836,332.94	
22,112,500.00	Allowance	40	22,913,728.05	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
586,201,529.80	Total Outflow from Operating Activities			1,638,982,908.74
22,112,500.00	Net Cash Inflow/(outflow) from Operating Activities			81,183,747.31
	<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			
17,466,255.27	Purchase/ Construction of PPE	58	56,783,902.25	

-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
17,466,255.27	Total Outflow		56,783,902.25	
-17,466,255.27	Net Cash Flow from Investing Activities			(56,783,902.25)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
3,681,465.30	Repayment of Borrowings	66	4,417,758.36	
-	Distribution of Surplus/Dividends Paid	67	-	
3,681,465.30	Total Outflow		4,417,758.36	
-3,681,465.30	Net Cash Flow from Financing Activities			(4,417,758.36)
3,316,093.53	Net Cash Flow from all Activities			19,982,086.70
360,883.13	Cash and Its Equivalent as at 01/01/2022			3,676,976.66
3,676,976.66	Cash and Its Equivalent as at 31/12/2022	1		23,659,063.36

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	REVENUE				
1,217,876,359.42	Government Share of FAAC (Statutory Revenue)	21	1,717,774,078.65	1,746,656,327.50	(1.65)
1,938,003.57	Tax Revenue	22	875,577.40	6,035,000.00	(85.49)
2,165,000.00	Non-Tax Revenue	23	1,517,000.00	1,355,000.00	11.96
-	Aid & Grants	24	-	-	-
-	Investment Income	25	-	-	-
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
1,221,979,362.99	Total Revenue		1,720,166,656.05	1,754,046,327.50	(75.19)
	EXPENDITURE				
537,900,753.96	Salaries & Wages	29	584,309,027.77	934,162,848.39	37.45
4,624,240.36	Social Contribution	30	3,000,000.00	-	(100.00)
-	Social Benefit	31	-	-	-
46,676,524.77	Overhead Cost	32	57,923,819.98	104,920,000.00	44.79
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
-	Depreciation Charges	37	-	-	-
586,201,529.80	Transfer to other Government Entities	38	970,836,332.94	543,300,000.00	(78.69)
-	Public Debt Charges	39	-	-	-
22,112,500.00	Allowance	40	22,913,728.05	-	(100.00)
17,466,255.27	Purchase of Assets	58	56,783,902.25	-	(100.00)
-	Acquisition of Investment	63	-	-	-
3,681,465.30	Repayment of Borrowing	66	4,417,758.36	-	(100.00)
1,218,663,269.46	Total Expenditure		1,700,184,569.35	1,582,382,848.39	(396.45)
3,316,093.53	Net surplus/(deficit) for the year		19,982,086.70	171,663,479.11	321.26

ILEJEMEJE LOCAL GOVERNMENT, EDA-ONIYO EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE
YEAR ENDED 31ST DECEMBER, 2022

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	24,255,302.29	72,903,026.83	-	97,158,329.12
2	Surplus/(Deficit) for the year	58,331,426.17			58,331,426.17
3	Adjusted Acc. Surplus/(Deficit)	-203,693.87			-203,693.87
3	Grant for the year				
4	Adjustment for the period		17,394,282.87		17,394,282.87
	Closing Balance (31/12/2022)	82,383,034.59	90,297,309.70	-	172,680,344.29

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2022
NOTES 8 & 37

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/F as at 1/1/2022	282,270,000.00	66,436,707.44	7,175,273.07	10,395,139.52	-	6,420,000.00	15,233,680.20	387,930,800.23
Acquisition during the year	19,938,032.00	13,838,233.51	10,007,636.74	5,000,000.00	-	3,000,000.00	5,000,000.00	56,783,902.25
Total	302,208,032.00	80,274,940.95	17,182,909.81	15,395,139.52	-	9,420,000.00	20,233,680.20	444,714,702.48
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/20...	302,208,032.00	80,274,940.95	17,182,909.81	15,395,139.52	-	9,420,000.00	20,233,680.20	444,714,702.48
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	9,066,240.96	2,408,248.23	3,436,581.96	1,539,513.95	-	2,355,000.00	4,046,736.04	22,852,321.14
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	293,141,791.04	77,866,692.72	13,746,327.85	13,855,625.57	-	7,065,000.00	16,186,944.16	421,862,381.34

Note 1

CASH AND CASH EQUIVALENT

BANK	ACCOUNT NAME	ACCOUNT NUMBER	AMOUNT ₦
UNITED BANK FOR AFRICA	RECURRENT	1013115835	21,555,192.11
FIRST	SALARY	2015399465	2,020,267.78
WEMA	IGR	0122500488	83,603.47
TOTAL			23,659,063.36

Note 2

INVENTORIES

S/N	DETAILS	AMOUNT ₦
1	Stationery Items	100,000.00
	TOTAL	100,000.00

Note 4

RECEIVABLES

DETAILS	AMOUNT ₦
Balance B/F	295,637,451.72
Less: Receipt for the year	165,220,123.00
Balance B/F	130,417,328.72
Add: Receivable for the year	51,235,100.00
TOTAL	181,652,428.72

Note 7

INVESTMENTS

S/N	DETAILS	AMOUNT ₦
1	Investment in shares at Wema Bank	3,000,000.00
	TOTAL	3,000,000.00

Note 10**BIOLOGICAL ASSET**

S/N	DETAILES	OPENING BAL.	ADDITIONAL DURING THE YEAR	AMOUNT ₦
1	Teak Plantation	6,000,000.00	2,000,000.00	8,000,000.00
2	Oil palm	4,000,000.00	3,000,000.00	7,000,000.00
	TOTAL	10,000,000.00	5,000,000.00	15,000,000.00

Note 14**PAYABLES**

DETAILES	AMOUNT ₦
Balance B/F	519,513,426.98
Less: Payment during the year	125,326,012.00
Balance B/F	394,187,414.98

Note 16**LONG TERM BORROWINGS**

DETAILES	AMOUNT ₦
Balance B/F	82,823,872.51
Less: Payment during the year	4,417,758.36
Balance B/F	78,406,114.15

NOTE 21**YEAR 2022 MONTHLY ALLOCATION**

	2022			2021
MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	130,250,867.11	132,250,587.11	(1,999,720.00)	91,218,207.44
FEBRUARY	108,771,264.51	110,351,250.24	(1,579,985.73)	99,241,114.16
MARCH	114,205,796.14	115,320,255.20	(1,114,459.06)	74,451,740.75
APRIL	133,460,510.55	142,133,560.00	(8,673,049.45)	92,777,662.61
MAY	121,612,247.45	122,144,560.00	(532,312.55)	103,948,161.59
JUNE	120,057,566.79	121,057,588.80	(1,000,022.01)	97,152,915.22
JULY	152,764,926.98	153,774,685.50	(1,009,758.52)	102,825,257.91
AUGUST	171,532,401.99	172,553,102.99	(1,020,701.00)	104,264,866.49
SEPTEMBER	130,351,674.64	131,554,123.20	(1,202,448.56)	96,653,841.06
OCTOBER	105,029,466.71	105,030,477.72	(1,011.01)	103,631,947.53
NOVEMBER	137,300,958.61	140,241,984.54	(2,941,025.93)	101,285,790.37
DECEMBER	292,436,397.17	300,244,152.20	(7,807,755.03)	150,424,854.29
TOTAL	1,717,774,078.65	1,746,656,327.50	(28,882,248.85)	1,217,876,359.42

NOTE 22**TAX REVENUE**

		2022			2021
CODE	TAX REVENUE	ACTUAL	BUDGET	VARIANCE	ACTUAL
1010101	Community Tax	384,241.20	100,000.00	284,241.20	30,900.00
12010201	2.5% L.G. Tax	491,336.20	5,935,000.00	(5,443,663.80)	1,907,103.57
TOTAL		875,577.40	6,035,000.00	(5,159,422.60)	1,938,003.57

NOTE 23**NON-TAX REVENUE**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Tenement Rate	99,000.00		99,000.00	4,000.00
Rent on Govt. Properties	4,000.00		4,000.00	170,000.00
Market Toll	92,000.00		92,000.00	85,600.00
Saw mill/loading and offloading	5,000.00			52,600.00
commercial Perdit				108,000.00
Earnings from Comm.index taking				785,000.00
Birth Certificate	282,000.00	400,000.00		116,000.00
Attestation L.G. 10	782,000.00			520,000.00
Marriage	220,000.00	800,000.00		230,000.00
Shop Permit fees	33,000.00	155,000.00		34,000.00
Registration of clubs Association				1,000.00
Development Levy				3,800.00
Sales [Farm product]				36,000.00
Hawkers permit/trading fees	-			19,000.00
TOTAL	1,517,000.00	1,355,000.00	195,000.00	2,165,000.00

Note 29**SALARY AND WAGES**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Local Government Workers	475,794,823.33	814,541,316.39	338,746,493.06	443,745,756.39
Political Office Holders	87,431,004.36	97,421,532.00	9,990,527.64	94,154,997.57
Palace Staff	20,003,200.08	21,000,000.00	996,799.92	
Midwives	1,080,000.00	1,200,000.00	120,000.00	
TOTAL	584,309,027.77	934,162,848.39	349,853,820.62	537,900,753.96

NOTE 30**SOCIAL CONTRIBUTION**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
General Administration	-	-	-	450,000.00
Works and Housing	-	-	-	2,309,240.36
Agriculture and Natural Resources	-	-	-	331,000.00
Budget, Research and Statistic	-	-	-	406,000.00
Finance and Supply	-	-	-	213,000.00
Primary Health care	-	-	-	340,000.00
Enviromental Services	-	-	-	-
Community Development and Culture	-	-	-	575,000.00
Enlightenment on Covid-19	3,000,000.00	-	(3,000,000.00)	
TOTAL	3,000,000.00		(3,000,000.00)	4,624,240.36

NOTE 32**OVERHEAD COST**

		2022			2021
CODE	DETAILS OF EXPENDITURE	ACTUAL	BUDGET	VARIANCE	ACTUAL
220201	Transport & Traveling General	2,328,000.00	18,850,000.00	16,522,000.00	15,365,000.00
220202	Utilities General		-	-	
220203	Materials & Supplies General	2,866,000.00	15,370,000.00	12,504,000.00	1,921,500.00
220204	Maintenance & Service General	23,366,869.98	30,550,000.00	7,183,130.02	10,331,574.65
220205	Training & Human Development	3,859,450.00	9,100,000.00	5,240,550.00	277,000.00
220206	Other Service General	10,743,000.00	11,400,000.00	657,000.00	9,475,000.00
220207	Consulting & Professional Services	100,000.00	3,950,000.00	3,850,000.00	2,047,000.00
220208	Fuel & Lubricant General		-	-	270,000.00
220209	Financial Charges	1,117,500.00	900,000.00	-	35,450.12
220210	Miscellaneous General	13,543,000.00	14,800,000.00	1,257,000.00	2,419,000.00
220401	Local Grant & Contribution		-	-	4,535,000.00
	TOTAL	57,923,819.98	104,920,000.00	47,213,680.02	46,676,524.77

DEPRECIATION CHARGES**NOTE 37**

S/N	DETAILS	AMOUNT ₦
1	LAND AND BUILDING	9,066,240.96
2	INFRASTRUCTURE	2,408,248.23
3	MOTOR VEHICLES	3,436,581.96
4	PLANT AND MACHINERY	1,539,513.95
5	OFFICE EQUIPMENT	2,355,000.00
6	FURNITURE AND FITTING	4,046,736.04
	TOTAL	22,852,321.14

NOTE 38**TRANSFER TO OTHER GOVERNMENT AGENCIES**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Primary Education Fund	351,773,915.93	220,000,000.00	(131,773,915.93)	200,485,305.44
Traditional Council Fund	44,633,457.33	65,000,000.00	20,366,542.67	41,817,778.87
Pension & gratuity	457,235,287.02	223,500,000.00	(233,735,287.02)	308,170,529.78
Local Government Parastatals	15,814,232.24	12,000,000.00	(3,814,232.24)	12,927,915.71
Running Grant to Peace Corps	14,400,000.00	14,400,000.00	-	14,400,000.00
Security Fund	8,400,000.00	8,400,000.00	-	8,400,000.00
Special Reserves With JAAC	78,579,440.42	-	-	
TOTAL	970,836,332.94	543,300,000.00	(348,956,892.52)	586,201,529.80

NOTE 40

	2022			2021
ALLOWANCES	ACTUAL	BUDGET	VARIANCE	ACTUAL
Leave Bonus			-	-
Leave Bonus (POH)			-	-
Severance Allowance (POH)	22,808,167.38		(22,808,167.38)	-
Furniture Allowance (POH)	105,560.67		(105,560.67)	22,112,500.00
TOTAL	22,913,728.05		(22,913,728.05)	22,112,500.00

NOTE 58**PURCHASE OF FIXED ASSET**

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Land & Building	19,938,032.00	-	(19,938,032.00)	
Infrastructure	13,838,233.51	-	(13,838,233.51)	
Motor Vehicle	10,007,636.74	-	(10,007,636.74)	
Plant & Machinery	5,000,000.00	-	(5,000,000.00)	7,050,155.02
Office Equipment	3,000,000.00	-	(3,000,000.00)	560,000.00
Furniture & Fittings	5,000,000.00	-	(5,000,000.00)	9,856,100.25
TOTAL	56,783,902.25		(56,783,902.25)	17,466,255.27

NOTE 66**RE-PAYMENT OF BORROWING**

	2022			2021
MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	368,146.53		(368,146.53)	368,146.53
FEBRUARY	368,146.53		(368,146.53)	368,146.53
MARCH	368,146.53		(368,146.53)	
APRIL	368,146.53		(368,146.53)	-
MAY	368,146.53		(368,146.53)	368,146.53
JUNE	368,146.53		(368,146.53)	368,146.53
JULY	368,146.53		(368,146.53)	368,146.53
AUGUST	368,146.53		(368,146.53)	368,146.53
SEPTEMBER	368,146.53		(368,146.53)	368,146.53
OCTOBER	368,146.53		(368,146.53)	368,146.53
NOVEMBER	368,146.53		(368,146.53)	368,146.53
DECEMBER	368,146.53		(368,146.53)	368,146.53
TOTAL	4,417,758.36		(4,417,758.36)	3,681,465.30

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE ACCOUNTS OF IREPODUN/IFELODUN

LOCAL GOVERNMENT

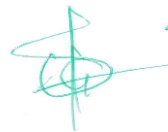
IGEDE-EKITI

FOR THE YEAR ENDED,

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Irepodun/Ifelodun Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI
FOR THE YEAR ENDED 31ST DECEMBER, 2022.**

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 2021 as amended 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 2021as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- (i). The estimate made for Revenue in the 2022 budget recorded a performance of **107.29%**. That is, an estimate was made for, **N2,710,000,000.00** while actual Revenue recorded stood at

N2,907,649,236.75. Equally, the actual IGR of **N21,505,254.45** 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 **N2,034,674,854.72** only was budgeted for expenditure but only **N2,917,185,587.79** was actually incurred, resulting to deficit of **(N882,510,733.07)** for the period.

8. **REVENUE ACCOUNT**

A total sum of **N2,907,649,236.75** was earned as total Revenue as at 31st December, 2022 out of which only **0.74% (N21,505,254.45)** 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 **24.20%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. **INFRACTIONS DURING THE YEAR**

The following expenditure appears to be contrary to law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT
1	AUD/IILG/AQ/02/2022	Expenditure Contrary to Regulations	565,000.00
2	AUD/IILG/AQ/03/2022	Unaudited Payment Vouchers	867,500.00
3	AUD/IILG/AQ/04/2022	Unretired/Audited Expenditure	505,750.00
4	AUD/IILG/AQ/05/2022	Expenditure Not Supported with proper Records	178,500.00
5	Total		2,649,338.00

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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, 2022 and detailed observations had 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)

LOCAL GOVERNMENT	YEAR	AMOUNT OF LOSS (N)	AMOUNT RECOVERED (N)	BALANCE (N)	OFFICIALS INVOLVED
Irepodun/ifelodun	2015	7,242,399.15	1,000,000.00	6,242,399.15	Mr. Arowolo F.A. & Mr. Omolade J. O.

ii). Receipts (9 GRR, 8 Birth Certificate) purchased but not traceable to store (2015) involving Mrs. Iyabo Fagbohun.

2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	2,692,004.45	1,429,546.72
2	Non-Tax Revenue	16,957,250.00	11,175,600.00
3	Aid & Grants	-	-
4	Investment Income	1,856,000.00	4,710,350.00
5	Expenditure Recovery	-	-
	TOTAL	21,505,254.45	17,315,496.72

IREPODUN/IFELODUN LOCAL GOVERNMENT

Further Communications should be
Addressed to the Secretary,
Irepodun/Ifelodun Local Government
Quoting



Local Government Secretariat Complex ,
Awo-Ekiti Road,
P.M.B. 004,
Igede-Ekiti
Ekiti State.

Your Ref:.....

Our Ref:.....

RESPONSIBILITY FOR FINANCIAL 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, 2022.

Hon. Ogundana Babatola O,
Executive Chairman.

Mrs. Ogundele C.O
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local

Government. The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.

- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(17) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(18) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(19) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(20) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(21) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(22) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(23) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(24) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(25) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	N
	ASSETS			
	Current Assets			
3,348,439.01	Cash and Cash Equivalents	1	15,317,342.42	
2,240,300.00	Inventories	2	2,539,100.00	
-	WIP	3	4,887,101.45	
355,541,975.85	Receivables	4	335,350,485.63	
-	Prepayments	5	-	
361,130,714.86	Total Current Assets			358,094,029.50
	Non-Current Assets			
-	Loans Granted	6	-	
-	Investments	7	-	
1,160,640,194.17	Fixed Assets-Property, Plant & Equipment	8	1,134,737,402.55	
-	Investment Property	9	-	
1,375,000.00	Biological Assets	10	7,415,000.00	
1,162,015,194.17	Total Non-Current Assets			1,142,152,402.55
1,523,145,909.03	Total Assets			1,500,246,432.05
	LIABILITIES			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
-	Unremitted Deductions	13	1,406,223.54	
533,768,814.46	Payables	14	512,404,779.78	
533,768,814.46	Total Current Liabilities		513,811,003.32	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,590,261.81	Borrowings	16	75,991,051.13	
81,590,261.81	Total Non-Current Liabilities		75,991,051.13	
615,359,076.27	Total Liabilities			589,802,054.45
907,786,832.76	Net Asset/Equity			910,444,377.60
	Financed By:			
925,776,292.25	Reserves	17		936,768,514.62
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
-17,989,459.49	Accumulated Surplus/(Deficits)	20		(26,324,137.02)
907,786,832.76	Total Net Assets/Equity			910,444,377.60

**IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE,
NIGERIA**
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER,
2022**

2021	DETAILS	NOTES	Actual 2022
N	REVENUE		N
2,200,976,744.63	Government Share of FAAC (Statutory Revenue)	21	2,907,649,236.75
1,429,546.72	Tax Revenue	22	2,692,004.45
11,175,600.00	Non-Tax Revenue	23	16,957,250.00
-	Aid & Grants	24	-
4,710,350.00	Investment Income	25	1,856,000.00
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
2,218,292,241.35	Total Revenue		2,929,154,491.20
	EXPENDITURE		
1,040,169,525.71	Salaries & Wages	29	1,818,764,568.38
400,000.00	Social Contribution	30	56,512,399.11
2,459,524.42	Social Benefit	31	54,182,899.10
29,550,112.40	Overhead Cost	32	101,471,297.67
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
84,323,022.03	Depreciation Charges	37	77,886,147.89
1,061,730,359.15	Transfer to other Government Entities	38	762,718,354.54
-	Public Debt Charges	39	-
12,256,313.46	Allowance	40	65,953,502.04
2,230,888,857.17	Total Expenditure		2,937,489,168.73
(12,596,615.82)	Surplus/(Deficit) from Operating Activities for the Period		(8,334,677.53)
	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		
-	Purchases/Construction of Assets	44	-
-	Minority Interest Share of Surplus/(Deficits)	45	-
(12,596,615.82)	Net Surplus/(Deficit) for the period		(8,334,677.53)

**IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE,
NIGERIA**

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

202	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
2,200,976,744.63	Government Share of FAAC (Statutory Revenue)	21	2,907,649,236.75	
1,429,546.72	Tax Revenue	22	2,692,004.45	
11,175,600.00	Non-Tax Revenue	23	16,957,250.00	
-	Aid & Grants	24	-	
4,710,350.00	Investment Income	25	1,856,000.00	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
2,218,292,241.35	Total inflow from operating Activities			2,929,154,491.20
	<u>Outflows</u>			
1,040,169,525.71	Salaries & Wages	29	1,818,764,568.38	
400,000.00	Social Contributions	30	56,512,399.11	
2,459,524.42	Social Benefit	31	54,182,899.10	
29,550,112.40	Overheads Cost	32	101,471,297.67	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
1,061,730,359.15	Transfer to other Government Entities	38	762,718,354.54	
12,256,313.46	Allowance	40	65,953,502.04	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
2,146,565,835.14	Total Outflow from Operating Activities			2,859,603,020.84
71,726,406.21	Net Cash Inflow/(outflow) from Operating Activities			69,551,470.36
	<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			
	<u>Outflows</u>			
68,310,164.77	Purchase/ Construction of PPE	58	51,983,356.27	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	

-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
68,310,164.77	Total Outflow		51,983,356.27	
-68,310,164.77	Net Cash Flow from Investing Activities			(51,983,356.27)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
4,915,076.01	Repayment of Borrowings	66	5,599,210.68	
-	Distribution of Surplus/Dividends Paid	67	-	
4,915,076.01	Total Outflow		5,599,210.68	
-4,915,076.01	Net Cash Flow from Financing Activities			(5,599,210.68)
-1,498,834.57	Net Cash Flow from all Activities			11,968,903.41
4,847,273.58	Cash and Its Equivalent as at 01/01/2022			3,348,439.01
3,348,439.01	Cash and Its Equivalent as at 31/12/2022	1		15,317,342.42

**IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE,
NIGERIA**
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022**

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
2,200,976,744.63	Government Share of FAAC (Statutory Revenue)	21	2,907,649,236.75	2,710,000,000.00	7.29
1,429,546.72	Tax Revenue	22	2,692,004.45	2,250,000.00	7.68
11,175,600.00	Non-Tax Revenue	23	16,957,250.00	19,900,000.00	(14.79)
-	Aid & Grants	24	-	-	-
4,710,350.00	Investment Income	25	1,856,000.00	2,600,000.00	(28.62)
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
2,218,292,241.35	Total Revenue		2,929,154,491.20	2,735,000,000.00	(28.43)
	<u>EXPENDITURE</u>				
1,040,169,525.71	Salaries & Wages	29	1,818,764,568.38	1,158,724,854.72	(56.96)
400,000.00	Social Contribution	30	56,512,399.11	6,550,000.00	(762.78)
2,459,524.42	Social Benefit	31	54,182,899.10	62,400,000.00	13.17
29,550,112.40	Overhead Cost	32	101,471,297.67	65,000,000.00	(56.11)
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
1,061,730,359.15	Transfer to other Government Entities	38	762,718,354.54	530,000,000.00	(43.91)
-	Public Debt Charges	39	-	-	-
12,256,313.46	Allowance	40	65,953,502.04	45,000,000.00	(46.56)
68,310,164.77	Purchase/construction of Assets	58	51,983,356.27	161,000,000.00	67.71
-	Acquisition of Investment	63	-	-	-
4,915,076.01	Repayment of Borrowing	66	5,599,210.68	6,000,000.00	6.68
2,219,791,075.92	Total Expenditure		2,917,185,587.79	2,034,674,854.72	(878.77)
-1,498,834.57	Surplus/(Deficit) for the year		11,968,903.41	700,075,145.28	850.34

IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER,
2022

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	(17,989,459.49)	925,776,292.25	-	907,786,832.76
2	Surplus/(Deficit) for the year	(8,334,677.53)		-	(8,334,677.53)
3	Adjustment for the period		10,992,222.37	-	10,992,222.37
	Closing Balance (31/12/2022)	(26,324,137.02)	936,768,514.62		910,444,377.60

NOTES 8 & 37

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2022

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	928,732,697.52	64,100,361.84	25,600,000.00		-	139,980,734.81	2,226,400.00	1,160,640,194.17
Acquisition during the year		16,767,850.00	30,022,910.14	185,000.00		261,113.00	4,746,483.13	51,983,356.27
Total	928,732,697.52	80,868,211.84	55,622,910.14	185,000.00	-	140,241,847.81	6,972,883.13	1,212,623,550.44
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/2022	928,732,697.52	80,868,211.84	55,622,910.14	185,000.00	-	140,241,847.81	6,972,883.13	1,212,623,550.44
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	27,861,980.93	2,426,046.36	11,124,582.03	18,500.00	-	35,060,461.95	1,394,576.63	77,886,147.89
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	900,870,716.59	78,442,165.48	44,498,328.11	166,500.00	-	105,181,385.86	5,578,306.50	1,134,737,402.55

Note 1**CASH AND CASH EQUIVALENT**

S/N	NAME OF BANK	ACCOUNT NO	PURPOSE	BALANCE (N)
1	Sterling Bank, Ado	0089843638	Salary Account	1,346,604.20
2	Zenith Bank, Ado	1017231489	Salary Account	395,836.93
3	Wema Bank, Ado	0123014571	IGR Account	85,056.16
4	Wema Bank, Ado	0122928882	Main Account	5,639,154.22
5	Wema Bank, Ado	0123779686	Recurrent Account	3,277,145.73
6	Wema Bank, Ado	012377562	IGR Account	48,671.00
7	Wema Bank, Ado	0123779555	Internal Capital Account	10,186.66
8	Zenith Bank, Ado	1218436782	Running Grants Account	204,143.83
9	Zenith Bank, Ado	1218509912	IGR Account	57,217.19
10	Zenith Bank, Ado	1219118797	Internal Capital Account	4,253,326.50
	TOTAL			15,317,342.42

Note 2**INVENTORIES**

S/N	DETAILS	AMOUNT (#)
1	Office Materials	100,000.00
2	Consumables	772,000.00
3	Revenue Receipts	296,500.00
4	Office Ledger	127,000.00
5	Others	1,243,600.00
	TOTAL	2,539,100.00

NOTE 3**WORK-IN-PROGRESS**

S/N	DETAILS	AMOUNT
1	Materials on site at Iyin-Ekiti	207,500.00
2	Lock-up Shop at Iworoko-Ekiti	2,381,601.45
3	Lock-up Shop at Are-Ekiti	2,298,000.00
	TOTAL	<u>4,887,101.45</u>

Note 4**RECIEVABLES**

DETAILS	AMOUNT (#)	AMOUNT (#)
1/1/2021 Balance B/F		355,541,975.85
Additional		342,000.00
Total		355,883,975.85
Less: Receipt during the Year		20,533,490.22
Total Receipts		335,350,485.63

NOTE 10 : BIOLOGICAL ASSETS

S/N	DETAIL	ESTIMATED AMOUNT (#)
1	1375 TEAK TREES	1,375,000.00
2	Poultry	4,000,000.00
3	1 Hectare of Maize	500,000.00
4	3,000 oil Palm Nursery	1,540,000.00
	TOTAL	7,415,000.00

Note 14**PAYABLES**

S/N	DETAILS	AMOUNT (#)
	Balance B/F (01)/01/2022	533,768,814.46
1	2022 Leave Bonus	40,188,504.00
2	Seminar/Workshop and others	2,799,450.00
	TOTAL	576,756,768.46
1	Less: Payment of May 2018 Salary	64,351,988.68
	TOTAL	512,404,779.78

Note 16**LONG TERM BORROWINGS**

BALANCE B/F 01/01/2022	81,590,261.81
Less Payment	<u>5,599,210.68</u>
Balance c/d 31/12/2022	75,991,051.13

IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI**NOTE 21: STATUTORY ALLOCATION**

S/N	MONTH	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	JANUARY	165,084,184.97	225,833,000.00	(60,748,815.03)	144,858,865.23
2	FEBRUARY	137,860,238.08	225,833,000.00	(87,972,761.92)	152,498,266.97
3	MARCH	144,748,140.21	225,833,000.00	(81,084,859.79)	125,067,262.81
4	APRIL	169,152,191.45	225,833,000.00	(56,680,808.55)	150,404,128.73
5	MAY	154,135,317.47	225,833,000.00	(71,697,682.53)	161,188,781.01
6	JUNE	152,164,864.63	225,833,000.00	(73,668,135.37)	179,978,445.88
7	JULY	193,619,236.64	225,833,000.00	(32,213,763.36)	194,284,393.02
8	AUGUST	217,405,744.83	225,833,000.00	(8,427,255.17)	198,977,716.06
9	SEPTEMBER	165,211,951.71	225,833,000.00	(60,621,048.29)	187,061,311.16

10	OCTOBER	863,604,266.22	225,833,000.00	637,771,266.22	196,169,929.71
11	NOVEMBER	174,019,700.22	225,833,000.00	(51,813,299.78)	194,944,446.63
12	DECEMBER	370,643,400.32	225,837,000.00	144,806,400.32	315,543,197.42
	TOTAL	2,907,649,236.75	2,710,000,000.00	197,649,236.75	2,200,976,744.63

INTERNALLY GENERATED REVENUE FOR YEAR 2022

NOTE 22: TAX REVENUE

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Community Tax	330,550.00	250,000.00	80,550.00	255,550.00
2	2.5% on Local Government Contracts	2,361,454.45	2,250,000.00	111,454.45	1,173,996.72
	TOTAL	2,692,004.45	2,500,000.00	192,004.45	1,429,546.72

NOTE 23 : NON-TAX REVENUE

S/N	HEAD	PARTICULARS	2022			2021
			ACTUAL	BUDGET	VARIANCE	ACTUAL
1	12020101	Community development poll tax	-	-	-	71,150.00
2	12020418	marriage registration fees	3,523,700.00	4,000,000.00	(476,300.00)	1,390,000.00
3	12020419	Local Government attestation fees	7,329,500.00	8,000,000.00	(670,500.00)	5,115,000.00
4	12020427	Tender/Sales of stickers	350,000.00	1,000,000.00	(650,000.00)	41,500.00
5	12020449	Birth, death registration fees	487,500.00	500,000.00	(12,500.00)	270,500.00
6	12020453	Naming of Street	370,000.00	800,000.00	(430,000.00)	80,000.00
7	12020711	Communication mast fees	450,000.00	500,000.00	(50,000.00)	150,000.00
8	12020501	Flat rate	415,000.00	150,000.00	265,000.00	85,600.00
9	12020711	Shop/shopping centre	752,000.00	1,000,000.00	(248,000.00)	855,750.00
10	12020411	Squatter	764,250.00	1,000,000.00	(235,750.00)	406,250.00
11	12020904	Tenement rate	9,000.00	150,000.00	(141,000.00)	828,500.00

12	12021006	Expenditure recovery	-	-	-	50,000.00
13	12020126	Hackening permit	565,000.00	400,000.00	165,000.00	250,000.00
14	12020449	Loading permit	757,100.00	800,000.00	(42,900.00)	509,550.00
15	12020131	Liquor	425,500.00	100,000.00	325,500.00	82,500.00
16	12021003	motorcycle Repayment	-	-	-	
17	12020109	Registration Association/Club	80,000.00	100,000.00	(20,000.00)	70,000.00
18	12020137	Trading Permit	678,700.00	1,400,000.00	(721,300.00)	919,300.00
	TOTAL		16,957,250.00	19,900,000.00	(2,942,750.00)	11,175,600.00

NOTE 25: INVESTMENT INCOMES

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Rent of Hall	160,000.00	500,000.00	(340,000.00)	100,000.00
2	UNAD Hostel	596,000.00	600,000.00	(4,000.00)	900,500.00
3	Rent of LG Properties	810,000.00	1,000,000.00	(190,000.00)	2,400,000.00
4	Agric Produce (fowls)	290,000.00	500,000.00	(210,000.00)	1,309,850.00
	TOTAL	1,856,000.00	2,600,000.00	-744,000.00	4,710,350.00

ANALYSIS OF DEPARTMENT

NOTE 29 : SALARY PAYMENT FOR YEAR 2022

S/N	MONTHS	CAREER STAFF SALARY	PRIMARY SCHOOL EDUCATION SALARY/FUND	POLITICAL OFFICE HOLDERS SALARY	PALACE STAFF/MSS SALARY	2022			2021
						ACTUAL	BUDGET	VARIANCE	ACTUAL
1	JANUARY	77,226,926.96	50,885,565.42	4,594,443.29	2,302,318.38	135,009,254.05	62,975,085.93	(72,034,168.12)	60,756,722.15
2	FEBRUARY	52,919,118.16	41,646,377.29	4,594,443.29	2,302,318.38	101,462,257.12	78,249,099.95	(23,213,157.17)	74,635,993.61
3	MARCH	48,925,581.20	38,272,598.28	5,044,443.28	2,302,318.38	94,544,941.14	55,950,550.54	(38,594,390.60)	52,519,423.88
4	APRIL	62,225,465.32	49,919,341.72	5,044,443.28	2,302,318.38	119,491,568.70	65,999,950.98	(53,491,617.72)	62,840,117.34
5	MAY	75,137,300.99	51,912,476.60	5,044,443.28	2,302,318.38	134,396,539.25	67,840,500.21	(66,556,039.04)	65,509,142.29
6	JUNE	75,710,282.09	52,406,563.20	5,044,443.28	2,302,318.38	135,463,606.95	68,395,001.95	(67,068,605.00)	66,587,997.19
7	JULY	82,756,239.55	57,045,683.24	5,044,443.28	2,302,318.38	147,148,684.45	98,950,115.95	(48,198,568.50)	96,674,560.10
8	AUGUST	106,672,662.99	66,734,724.54	5,044,443.28	2,302,318.38	180,754,149.19	101,995,550.54	(78,758,598.65)	96,633,309.90
9	SEPTEMBER	76,339,159.42	51,772,724.67	16,524,458.29	2,302,318.38	146,938,660.76	108,878,750.34	(38,059,910.42)	98,975,064.15
10	OCTOBER	131,762,612.94	96,395,778.46	7,806,842.65	3,625,879.08	239,591,113.13	112,850,641.58	(126,740,471.55)	107,969,288.37
11	NOVEMBER	75,599,314.04	51,653,345.93	7,806,842.65	2,302,318.38	137,361,821.00	128,000,550.89	(9,361,270.11)	101,444,944.13
12	DECEMBER	167,107,198.81	69,385,612.80	7,806,842.65	2,302,318.38	246,601,972.64	208,639,055.86	(37,962,916.78)	155,622,962.60
	TOTAL	1,032,381,862.47	678,030,792.15	79,400,532.50	28,951,381.26	1,818,764,568.38	1,158,724,854.72	(660,039,713.66)	1,040,169,525.71

NOTE 30 : SOCIAL CONTRIBUTIONS

S/N	ECONOMIC CODE	DETAILS	2022			2021
			ACTUAL	BUDGET	VARIANCE	ACTUAL
1	1020000101/01	Distribution of ATM cards	150,000.00	-	(150,000.00)	-
2	1020000101/01	Enumeration	210,000.00	65,000.00	(145,000.00)	-
3	301000010101	Provision of Toilet in Markets	474,500.00	-	(474,500.00)	-
4	401000010101	Gifts to Christian during Christmas Ceremony	8,600,000.00	1,185,000.00	(7,415,000.00)	-
5	5010000101	Bursary Awards/ Scholarship	43,812,899.11	50,000.00	(43,762,899.11)	-
6	7010000101	Women Programme	1,265,000.00	250,000.00	(1,015,000.00)	310,000.00
7	23050104	Women Anniversary Celebration	2,000,000.00	5,000,000.00	3,000,000.00	-
		Enlightenment on covid 19	-	-	-	70,000.00
		Enlightenment on covid 19	-	-	-	20,000.00
	TOTAL		56,512,399.11	6,550,000.00	(49,962,399.11)	400,000.00

NOTE 31 : SOCIAL BENEFITS FOR THE YEAR

S/N	MONTHS	DETAILS	2022			2021
			ACTUAL	BUDGET	VARIANCE	ACTUAL
1	JANUARY	FINANCIAL ASSISTANCE	4,070,000.00	5,200,000.00	1,130,000.00	130,000.00
2	FEBRUARY	FINANCIAL ASSISTANCE	4,060,000.00	5,200,000.00	1,140,000.00	15,000.00
3	MARCH	FINANCIAL ASSISTANCE	4,060,000.00	5,200,000.00	1,140,000.00	50,000.00
4	APRIL	FINANCIAL ASSISTANCE	4,025,000.00	5,200,000.00	1,175,000.00	36,524.42
5	MAY	FINANCIAL ASSISTANCE	4,050,000.00	5,200,000.00	1,150,000.00	50,000.00
6	JUNE	FINANCIAL ASSISTANCE	4,335,000.00	5,200,000.00	865,000.00	170,000.00
7	JULY	FINANCIAL ASSISTANCE	4,377,899.10	5,200,000.00	822,100.90	340,000.00
8	AUGUST	FINANCIAL ASSISTANCE	7,380,000.00	5,200,000.00	(2,180,000.00)	468,000.00
9	SEPTEMBER	FINANCIAL ASSISTANCE	4,195,000.00	5,200,000.00	1,005,000.00	370,000.00
10	OCTOBER	FINANCIAL ASSISTANCE	4,100,000.00	5,200,000.00	1,100,000.00	250,000.00
11	NOVEMBER	FINANCIAL ASSISTANCE	5,150,000.00	5,200,000.00	50,000.00	290,000.00
12	DECEMBER	FINANCIAL ASSISTANCE	4,380,000.00	5,200,000.00	820,000.00	290,000.00
	TOTAL		54,182,899.10	62,400,000.00	8,217,100.90	2,459,524.42

IREPODUN/IFELODUN LOCAL GOVERNMENT, IGEDE-EKITI, EKITI STATE, NIGERIA**NOTE 32 : OVERHEAD COST (2022)**

S/N	HEAD	PARTICULARS	2022			2021
			ACTUAL	BUDGET	VARIANCE	ACTUAL
1	220201	Travel & Transport - General	31,342,863.00	7,287,300.00	(24,055,563.00)	5,139,000.00
2	220202	Utilities - Genera	1,536,333.00	570,330.00	(966,003.00)	375,000.00
3	220203	Materials and Supplies - General	7,569,117.00	10,000,000.00	2,430,883.00	608,500.00
4	220204	Maintenance - General	6,971,783.00	1,173,000.00	(5,798,783.00)	1,544,900.00
5	220205	Training - General	7,475,750.00	10,000,000.00	2,524,250.00	840,000.00
6	220206	Security vote and Security services - General	19,604,150.00	17,933,100.00	(1,671,050.00)	9,270,500.00
7	220207	Consulting & Professional Services - General	3,494,800.00	2,970,000.00	(524,800.00)	2,535,000.00
8	220208	Fuel & Lubricants - General	2,401,500.00	3,450,000.00	1,048,500.00	1,333,260.00
9	220209	Financial Charges - General	289,631.06	156,270.00	(133,361.06)	45,000.00
10	220210	Miscellaneous Expenses-General	16,248,807.18	6,750,000.00	(9,498,807.18)	2,262,250.00
11	220401	Grants, contribution and subvention - General	4,536,563.43	-	(4,536,563.43)	5,596,702.40
	TOTAL		101,471,297.67	60,290,000.00	(41,181,297.67)	29,550,112.40

NOTE 37: DEPRECIATION OF PLANT, PROPERTY & EQUIPMENT FOR THE YEAR 2022

S/N	PARTICULAR	%	COST (₦)	DEPRECIATION(₦)
1	LAND AND BUILDING	3%	928,732,697.52	27,861,980.93
2	INFRASTRUCTURE	3%	80868211.84	2,426,046.36
3	MOTOR VEHICLE	20%	55,622,910	11,124,582.03
4	PLANT & MACHINERY	10%	185,000.00	18,500.00
5	TRANSPORT EQUIPMENT	20%	-	-
6	OFFICE EQUIPMENT	25%	140,241,847.81	35,060,461.95
7	FURNITURE & FITTINGS	20%	6,972,883.13	1,394,576.63
	TOTAL		1,212,623,550.44	<u>77,886,147.89</u>

NOTE : 38 TRANSFER OF OTHER GOVERNMENT ENTITIES

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	SUBEB STAFF SALARY	-	-	-	583,051,490.89
2	ARAROMO LCDA	32,621,779.81	20,000,000.00	(12,621,779.81)	
3	IFEDARA LCDA	41,247,400.50	25,000,000.00	(16,247,400.50)	
4	TRADITIONAL RULERS SALARY	56,569,895.38	95,000,000.00	38,430,104.62	53,001,187.21
5	SECURITY FUND	8,400,000.00	9,500,000.00	1,100,000.00	
6	STIPEND TO IYALOJA	300,000.00	500,000.00	200,000.00	-
7	PARASTATALS	20,043,472.25	25,000,000.00	4,956,527.75	11,401,077.04
8	PEACE CORPS	14,400,000.00	25,000,000.00	10,600,000.00	14,400,000.00
9	Gratuity	22,387,323.31	30,000,000.00	7,612,676.69	21,166,365.71
10	Pension Allowance	402,315,432.20	300,000,000.00	(102,315,432.20)	378,710,238.30
11	Special Fund From JAAC	164,433,051.09	-	-	-
	TOTAL	762,718,354.54	530,000,000.00	(68,285,303.45)	1,061,730,359.15

NOTE 40 : ALLOWANCE (LEAVE BONUS)

S/N	DESCRIPTION	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Leave Bonus	12,256,313.46	22,981,750.35	10,725,436.89	1,736,961.40
2	Fund Transfer	20,647,607.00	2,871,550.00	(17,776,057.00)	262,212.71
3	Other allowance	2,799,450.00	19,146,699.65	16,347,249.65	10,257,139.35
4	Furniture Allowance	30,250,131.58	-	(30,250,131.58)	1,736,961.40
	TOTAL	65,953,502.04	45,000,000.00	(20,953,502.04)	12,256,313.46

NOTE 58 : PURCHASE/CONSTRUCTION OF ASSETS

S/N	CLASSIFICATION	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Furniture	-	-	-	267,000.00
2	Fittings	4,746,483.13	-	(4,746,483.13)	2,516,000.00
3	Land & Building	-	100,000,000.00	100,000,000.00	19,715,269.62
4	Land & Building	-	-	-	500,000.00
5	Infrastructure	16,767,850.00	-	(16,767,850.00)	43,432,782.65
6	Infrastructure	-	-	-	1,879,112.50
7	Office Equipment	261,113.00	30,000,000.00	29,738,887.00	-
8	Plant & Machinery	185,000.00	-	(185,000.00)	-
9	Motor Vehicle	30,022,910.14	31,000,000.00	977,089.86	-
	TOTAL	51,983,356.27	161,000,000.00	109,016,643.73	68,043,164.77

NOTE 66

REPAYMENT OF BORROWING

MONTH	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	466,600.89	500,000.00	33,399.11	491,507.60
FEBRUARY	466,600.89	500,000.00	33,399.11	491,507.60
MARCH	466,600.89	500,000.00	33,399.11	0.00
APRIL	466,600.89	500,000.00	33,399.11	0.00
MAY	466,600.89	500,000.00	33,399.11	491,507.60
JUNE	466,600.89	500,000.00	33,399.11	491,507.60
JULY	466,600.89	500,000.00	33,399.11	491,507.60
AUGUST	466,600.89	500,000.00	33,399.11	491,507.60
SEPTEMBER	466,600.89	500,000.00	33,399.11	491,507.60
OCTOBER	466,600.89	500,000.00	33,399.11	491,507.60
NOVEMBER	466,600.89	500,000.00	33,399.11	491,507.60
DECEMBER	466,600.89	500,000.00	33,399.11	491,507.61
TOTAL	5,599,210.68	6,000,000.00	400,789.32	4,915,076.01

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF ISE/ORUN LOCAL GOVERNMENT,

ISE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Ise/Orun Local Government as at 31st December, 2021 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF ISE/ORUN LOCAL GOVERNMENT, ISE -EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual, showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **87.00%**. That is, an estimate was made for **N2,523,000,000.00**, while

actual Revenue recorded stood at **N2,194,917,800.01**. Equally, the actual IGR of **N6,575,200.02** represents only **0.30%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.

- ii. The sum of **N2,578,463,437.17** only was budgeted for expenditure but only **N2,178,548,249.70** was actually incurred, resulting to saving of **N399,915,187.47** for the period.

8. **REVENUE ACCOUNT**

A total sum of **N2,194,917,800.01** was earned as total Revenue as at 31st December, 2022 out of which only **0.30% (N6,575,200.02)** 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 **(33.00%)** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. **INFRACTIONS DURING THE YEAR:**

The following expenditure appears to be contrary to Law.

S/no	QUERY NO.	SUBJECT	AMOUNT ₦
1.	AUD/ISOLG/AQ/01/22	Exp. Contrary to Reg. 1	4,857,000.00
2.	AUD/ISOLG/AQ/02/22	Nugatory	175,000.00
3.	AUD/ISOLG/AQ/03/22	Unaudited Expenses	581,000.00
4.	AUD/ISOLG/AQ/04/22	ECTAII	2,899,000.00
5.	AUD/ISOLG/AQ/05/22	Items not taken on store	1,604,000.00
6.	AUD/ISOLG/AQ/06/22	Un-vouched Exp.	3,060,250.00
7.	AUD/ISOLG/AQ/07/22	Unproduced revenue receipt	Various
		TOTAL	13,176,250.00

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 Ise/Orun Local Government have been examined up to 31st December, 2022 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) Unproduced Revenue Earning Receipts
- (iii) Internal control and Internal check
- (iv) Attendance to audit queries

- (v) Fixed Assets Register
- (vi) Capital Projects
- (vii) Outstanding matters and 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**

- (a) Loss of fund involving Mr. Ayodele Folademi (2015) **N1,837,226.11**

LOCAL GOVERNMENT	YEAR	AMOUNT OF LOSS (N)	AMOUNT RECOVERED (N)	BALANCE (N)	OFFICIALS INVOLVED
Ise/Orun	2015	1,837,226.11	-	1,837,226.11	Mr. Ayodele Folademi



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	156,700.00	86,000.00
2	Non-Tax Revenue	5,686,000.02	5,457,550.26
3	Aid & Grants	-	-
4	Investment Income	732,500.00	4,270,587.00
5	Expenditure Recovery	-	-
	TOTAL	6,575,200.02	9,814,137.26



ISE/ORUN LOCAL GOVERNMENT

P.M.B. 238, Ise-Ekiti, Ekiti State.



Our Ref: _____ Your Ref: _____ Date: _____

RESPONSIBILITY FOR FINANCIAL 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, 2022.

23/8/23

Hon. (Engr) Akinluy Ayodele J.
Executive Chairman.

Mr. Sunmonu Adebora Lasisi
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government.

The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(17) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(18) INVESTMENT PROPERTY (IPSAS 16)

These were cost generating property owned by the Local Government. The cost, capitalisation depreciation and impairment were same with PPE, but was reported separately in the Statement of Financial Position.

(19) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(20) 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. These amounts were stated in the GPFS at their repayment value, which were treated as Current Liabilities in the Statement of Financial Position.

(21) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(22) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(23) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(24) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(25) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(26) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	N
	<u>ASSETS</u>			
	Current Assets			
7,947,375.80	Cash and Cash Equivalents	1	30,892,126.13	
660,500.00	Inventories	2	570,750.00	
-	WIP	3	-	
460,887,233.21	Receivables	4	564,623,785.35	
-	Prepayments	5	-	
469,495,109.01	Total Current Assets			596,086,661.48
	Non-Current Assets			
-	Loans Granted	6	-	
-	Investments	7	-	
603,728,401.82	Fixed Assets-Property, Plant & Equipment	8	637,319,843.01	
24,120,020.00	Investment Property	9	45,861,315.39	
-	Biological Assets	10	500,000.00	
627,848,421.82	Total Non-Current Assets			683,681,158.40
1,097,343,530.83	Total Assets			1,279,767,819.88
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
827,479.98	Unremitted Deductions	13	3,385,576.59	
910,402,466.59	Payables	14	927,685,036.06	
911,229,946.57	Total Current Liabilities		931,070,612.65	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,952,073.07	Borrowings	16	76,053,981.87	
81,952,073.07	Total Non-Current Liabilities		76,053,981.87	
993,182,019.64	Total Liabilities			1,007,124,594.52
104,161,511.19	Net Asset/Equity			272,643,225.36
	Financed By:			
105,531,711.28	Reserves	17		253,968,027.67
-	Capital Grant	18		-
-	Net Surplus/(Deficits)			-
-1,370,200.09	Accumulated Surplus/(Deficits)	20		18,675,197.69
104,161,511.19	Total Net Assets/Equity			272,643,227.36

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
1,659,426,977.66	Government Share of FAAC (Statutory Revenue)	21	2,194,917,800.01
86,000.00	Tax Revenue	22	156,700.00
5,457,550.26	Non-Tax Revenue	23	5,686,000.02
-	Aid & Grants	24	-
4,270,587.00	Investment Income	25	732,500.00
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
1,669,241,114.92	Total Revenue		2,201,493,000.03
	<u>EXPENDITURE</u>		
588,086,153.93	Salaries & Wages	29	626,330,409.87
31,699,514.49	Social Contribution	30	22,213,815.78
32,952,306.09	Social Benefit	31	30,914,000.00
84,297,827.43	Overhead Cost	32	74,453,926.11
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
29,151,563.24	Depreciation Charges	37	41,964,767.08
918,436,503.76	Transfer to other Government Entities	38	1,363,141,660.86
-	Public Debt Charges	39	-
-	Allowance	40	22,429,022.55
1,684,623,868.94	Total Expenditure		2,181,447,602.25
-15,382,754.02	Surplus/(Deficit) from Operating Activities for the Period		20,045,397.78
	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		
	Purchase/ Construction of Assets	44	-
	Minority Interest share of surplus/(Deficit)	45	-
-15,382,754.02	Net Surplus/(Deficit) for the period		20,045,397.78

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,659,426,977.66	Government Share of FAAC (Statutory Revenue)	21	2,194,917,800.01	
86,000.00	Tax Revenue	22	156,700.00	
5,457,550.26	Non-Tax Revenue	23	5,686,000.02	
-	Aid & Grants	24	-	
4,270,587.00	Investment Income	25	732,500.00	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
1,669,241,114.92	Total inflow from operating Activities			2,201,493,000.03
	<u>Outflows</u>			
588,086,153.93	Salaries & Wages	29	626,330,409.87	
31,699,514.49	Social Contributions	30	22,213,815.78	
32,952,306.09	Social Benefit	31	30,914,000.00	
84,297,827.43	Overheads Cost	32	74,453,926.11	
-	Gratuity	33	-	
-	Pension Allowance	34	-	
918,436,503.76	Transfer to other Government Entities	38	1,363,141,660.86	
-	Allowance	40	22,429,022.55	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
1,655,472,305.70	Total Outflow from Operating Activities			2,139,482,835.17
13,768,809.22	Net Cash Inflow/(outflow) from Operating Activities			62,010,164.86
	<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			
2,740,000.00	Purchase/ Construction of PPE	58	10,007,636.74	
<u>10,616,000.00</u>	Purchase/ Construction OF Investment Property	59	<u>23,159,686.59</u>	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
13,356,000.00	Total Outflow		33,167,323.33	
-13,356,000.00	Net Cash Flow from Investing Activities			(33,167,323.33)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
	Total Inflow			
	Outflows			
4,553,264.75	Repayment of Borrowings	66	5,898,091.20	
-	Distribution of Surplus/Dividends Paid	67	-	
4,553,264.75	Total Outflow		5,898,091.20	
-4,553,264.75	Net Cash Flow from Financing Activities			(5,898,091.20)
10,627,468.86	Net Cash Flow from all Activities			22,944,750.33
12,087,831.33	Cash and Its Equivalent as at 01/01/2022			7,947,375.80
7,947,375.80	Cash and Its Equivalent as at 31/12/2022	1		30,892,126.13

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
1,659,426,977.66	Government Share of FAAC (Statutory Revenue)	21	2,194,917,800.01	2,523,000,000.00	(13.00)
86,000.00	Tax Revenue	22	156,700.00	200,000.00	(21.65)
5,457,550.26	Non-Tax Revenue	23	5,686,000.02	7,223,000.00	(21.28)
-	Aid & Grants	24	-	-	-
4,270,587.00	Investment Income	25	732,500.00	750,000.00	(2.33)
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
1,669,241,114.92	Total Revenue		2,201,493,000.03	2,531,173,000.00	(58.27)
	<u>EXPENDITURE</u>				
588,086,153.93	Salaries & Wages	29	626,330,409.87	893,898,641.45	29.93
31,699,514.49	Social Contribution	30	22,213,815.78	24,250,000.00	8.40
32,952,306.09	Social Benefit	31	30,914,000.00	51,185,499.00	39.60
84,297,827.43	Overhead Cost	32	74,453,926.11	96,700,000.00	23.01
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
918,436,503.76	Transfer to other Government Entities	38	1,363,141,660.86	1,396,429,296.72	2.38
-	Public Debt Charges	39	-	-	-
-	Allowance	40	22,429,022.55	-	(100.00)
2,740,000.00	Purchase of Assets	58	10,007,636.74	91,000,000.00	89.00
10,616,000.00	Purchase/construction of investment property	59	23,159,686.59	25,000,000.00	7.36
-	Acquisition of Investment	63	-	-	-
4,553,264.75	Repayment of Borrowing	66	5,898,091.20	-	(100.00)
1,673,381,570.45	Total Expenditure		2,178,548,249.70	2,578,463,437.17	(0.31)
-4,140,455.53	Net Surplus/(Deficit)		22,944,750.33	(47,290,437.17)	(57.95)

ISE/ORUN LOCAL GOVERNMENT, ISE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR
THE YEAR ENDED 31ST DECEMBER, 2022

S/N	NARRATION	ACCUMULATED SURPLUS/DEFICIT (N)	RESERVE (N)	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2022)	-1,370,200.09	105,531,711.28	-	104,161,511.19
2	Surplus for the period	20,045,397.78			20,045,397.78
3	Assets Recognised during the year		64,130,180.33		64,130,180.33
4	Reserves Adjustment		84,306,027.06		84,306,027.06
	Closing Balance 31/12/2022	18,675,197.69	253,968,027.67		272,643,225.36

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEDULE FOR THE YEAR 2022

NOTES 8 & 37

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance 31/12/2022	243,575,633.00	312,735,436.11	-	5,822,280.00	37,747,610.90	1,852,837.01	1,994,604.80	603,728,401.82
Recognition/Acquisition of Asset during the year	0.00	0.00	73,425,817.07	0.00	0.00	712,000.00	0.00	74,137,817.07
Total	243,575,633.00	312,735,436.11	73,425,817.07	5,822,280.00	37,747,610.90	2,564,837.01	1,994,604.80	677,866,218.89
Disposal during the year	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-
Balance 31/12/2022	243,575,633.00	312,735,436.11	73,425,817.07	5,822,280.00	37,747,610.90	2,564,837.01	1,994,604.80	677,866,218.89
Accumulated Depreciation	0.00							-
Current Year Charge	7,307,268.99	9,382,063.08	14,685,163.41	582,228.00	7,549,522.18	641,209.25	398,920.96	40,546,375.88
Depreciation on Disposal	0.00	0.00		0.00	0.00	0.00	0.00	-
NBV AS AT 31/12/2022	236,268,364.01	303,353,373.03	58,740,653.66	5,240,052.00	30,198,088.72	1,923,627.76	1,595,683.84	637,319,843.01

NOTE; N64,130,180.33 AS PART OF N74,137,817.07 FOR MOTOR VEHICLES RECOGNISED DURING THE YEAR WHILE THE BALANCE OF N10,007,636.74 WAS FOR THE PURCHASE OF NEW MOTOR VEHICLE

NOTE 1

CASH & CASH EQUIVALENT

Bank Balances as at 31/12/2022;	ACCOUNT NUMBER	AMOUNT
IGR Account (Wema Bank)	0122692938	1,732,087.13
Salary Account (Wema Bank)	0122016994	6,259,654.28
Running Grant Account (Zenith Bank)	1016250537	22,900,384.72
Total		30,892,126.13

INVENTORIES

NOTE 2

DETAILS	Amount
Office Consumables	45,000.00
Store Materials	210,000.00
Un-Used Equipment	185,750.00
Unserviceable Items	130,000.00
Total	570,750.00

NOTE 4

RECEIVABLE

DETAILS	Amount	Amount
Balance as at 1/1/21		460,887,233.21
<u>Allocation Receivable:</u>		
Capital Reserve Fund	43,807,152.86	
Capital Expenditure Fund	29,495,780.16	
Deferred Income	330,500.00	
Severance Allowance	22,098,552.50	
Net Distributable for Dec. 2022	8,004,566.62	
Total Receivables		103,736,552.14
Less Provision for doubtful Debts		
Net Receivables		564,623,785.35

INVESTMENT PROPERTY**NOTE 9**

DETAILS	Amount
Balance as at 01/01/2022	24,120,020.00
Additional Property	23,159,686.59
	47,279,706.59
3% Depreciation for 2022	1,418,391.20
Balance for 2022	45,861,315.39

NOTE 10**BIOLOGICAL ASSETS**

DETAILS	AMOUNT
Balance as at 01/01/2021	500,000.00
Additional Property	-
Adjustments	-
Balance as at 31/12/2022	500,000.00

NOTE 13**UNREMITTED DEDUCTIONS**

Details	Amount	Amount
Balance as at 01/01/2022		827,479.98
Additional for the Year:		
PAYE	-	
WHT	1,128,525.53	
VAT	2,257,051.06	
ETF	-	
		3,385,576.59
Total		4,213,056.57
Less: Payment During the Year		827,479.98
Balance as at 31/12/2022		3,385,576.59

NOTE 14

PAYABLES

DETAILS	AMOUNT	AMOUNT
Balance as at 1/12/2022		910,402,466.59
Additional payable for the year		
Staff Claims	4,329,689.39	
Current Year Leave Bonus	18,663,265.98	
Professional Fees		
		22,992,955.37
Total		933,395,421.96
Less Payment during the year		5,710,385.90
Balance as at 31/12/2022		927,685,036.06

NOTE 16

BORROWING

DETAILS	AMOUNT
Balance of Bailout Fund 1/1/2022	81,952,073.07
Less Bailout repayment for the year	5,898,091.20
Balance of Bailout Fund 31/12/2022	76,053,981.87

Note 21: Share of JAAC (Statutory Allocation)

	Month	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	JANUARY	161,095,278.95	170,302,218.10	(9,206,939.15)	122,212,300.20
2	FEBRUARY	134,529,140.47	143,736,079.63	(9,206,939.16)	129,179,022.27
3	MARCH	141,250,611.19	150,457,550.35	(9,206,939.16)	102,093,568.70
4	ARPRIL	165,064,990.76	174,271,929.92	(9,206,939.16)	113,287,002.37
5	MAY	150,410,967.40	159,617,906.56	(9,206,939.16)	137,069,016.62
6	JUNE	148,488,126.34	157,695,065.50	(9,206,939.16)	132,107,661.10
7	JULY	188,940,842.17	198,147,781.33	(9,206,939.16)	141,887,965.88
8	AUGUST	212,152,600.30	221,359,539.46	(9,206,939.16)	142,730,157.08
9	SEPTEMBER	161,219,958.48	172,426,897.64	(11,206,939.16)	134,549,646.60
10	OCTOBER	200,262,801.54	386,539,219.75	(186,276,418.21)	143,089,932.20
11	NOVEMBER	169,814,886.60	176,521,825.76	(6,706,939.16)	142,284,291.76
12	DECEMBER	361,687,595.81	411,923,986.00	(50,236,390.19)	218,936,412.88
	TOTAL	2,194,917,800.01	2,523,000,000.00	(328,082,199.99)	1,659,426,977.66

Note 22: Tax Revenue

Code	Description	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
120101	Personal Tax (Flat Rate)	156,700.00	200,000.00	(43,300.00)	86,000.00
	TOTAL	156,700.00	200,000.00	(43,300.00)	86,000.00

Note 23: Non-Tax Revenue

Code	Description	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
120201	License- General	1,764,745.86	1,700,000.00	64,745.86	1,109,056.00
120204	Fees - General	3,674,762.00	1,023,000.00	2,651,762.00	3,764,267.00
120205	Fine - General	-	-	-	-
120206	Sales - General	578,992.16	4,500,000.00	(3,921,007.84)	950,000.00
120102	2.5% Local Govt Levy on Contract	-	-	-	192,727.26
	Total	6,018,500.02	7,223,000.00	(1,204,499.98)	6,016,050.26
	Less: Deferred Income	332,500.00	-	-	558,500.00
	Net Revenue	5,686,000.02	7,223,000.00	(1,204,499.98)	5,457,550.26

Note 25: Investment Income

Code	Description	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
120207	Rent on Investment Building	732,500.00	750,000.00	(17,500.00)	4,270,587.00
	Total	732,500.00	750,000.00	(17,500.00)	4,270,587.00

Note 29: Salary and Wages

Month	Local Govt Staff Salary	Political Office Holders' Salaries	2022			2021
			ACTUAL	BUDGET	VARIANCE	ACTUAL
January	43,862,035.14	3,984,744.99	47,846,780.13	74,655,350.53	26,808,570.40	35,788,416.48
February	34,471,315.69	3,269,159.33	37,740,475.02	71,325,468.75	33,584,993.73	38,746,045.49
March	34,678,928.71	3,419,159.33	38,098,088.04	71,485,955.17	33,387,867.13	24,145,503.62

April	46,030,800.35	3,419,159.33	49,449,959.68	72,986,385.23	23,536,425.55	38,371,726.20
May	43,037,987.46	3,419,159.33	46,457,146.79	72,375,458.32	25,918,311.53	51,515,539.51
June	43,013,852.85	3,419,159.33	46,433,012.18	71,975,756.78	25,542,744.60	49,593,996.24
July	47,523,236.41	3,419,159.33	50,942,395.74	70,847,439.35	19,905,043.61	51,559,072.09
August	58,564,933.05	3,419,159.33	61,984,092.38	74,858,975.32	12,874,882.94	49,793,217.23
September	43,639,987.77	5,703,344.52	49,343,332.29	79,985,685.38	30,642,353.09	51,195,550.97
October	78,540,459.45	5,703,344.52	84,243,803.97	78,845,744.76	(5,398,059.21)	51,967,719.47
November	43,888,292.34	5,703,344.52	49,591,636.86	76,984,492.23	27,392,855.37	52,252,315.43
December	58,496,342.27	5,703,344.52	64,199,686.79	77,571,929.63	13,372,242.84	93,157,051.26
Total	575,748,171.49	50,582,238.38	626,330,409.87	893,898,641.45	267,568,231.58	588,086,153.99

Note 30: Social Contribution

	2022			2021
Description	ACTUAL	BUDGET	VARIANCE	ACTUAL
COVID 19 Pallative to Communities	-	-	-	14,865,324.00
Youth Empowerment	3,300,000.00	3,500,000.00	200,000.00	7,113,400.00
Special Gift to Christians and Muslims Faithful	4,698,815.78	6,000,000.00	1,301,184.22	5,436,510.00
Women Development Programmes	10,970,000.00	11,750,000.00	780,000.00	4,284,280.49
Total	22,213,815.78	24,250,000.00	2,036,184.22	31,699,514.49

Note 31: Social Benefit

	2022			2021
Description	ACTUAL	BUDGET	VARIANCE	ACTUAL
Vigilante	1,920,000.00	9,365,000.00	7,445,000.00	4,538,330.00
Security Fund	8,400,000.00	10,660,500.00	2,260,500.00	-
Local Hunters	4,944,000.00	6,494,000.00	1,550,000.00	11,650,250.00
Vulnerable	1,250,000.00	2,265,999.00	1,015,999.00	-
Bursary	-	-	-	5,900,500.00
Staff Welfare	-	5,600,000.00	5,600,000.00	10,863,226.09
Peace Corps	14,400,000.00	16,800,000.00	2,400,000.00	-
TOTAL	30,914,000.00	51,185,499.00	20,271,499.00	32,952,306.09

Note 32: Overhead Cost

Description	2022			2021
	ACTUAL	BUDGET	VARIANCE	ACTUAL
Travel & Transport	24,700,000.00	25,500,000.00	800,000.00	24,295,750.00
Utilities	1,301,250.00	1,496,500.00	195,250.00	400,000.00
Material & Supplies	1,473,000.00	3,000,000.00	1,527,000.00	2,810,500.00
Maintenance Services	4,292,670.00	5,200,000.00	907,330.00	3,038,000.00
Training- General	7,036,750.00	10,850,000.00	3,813,250.00	150,000.00
Other Services - General	4,135,291.61	7,700,000.00	3,564,708.39	9,969,000.00
Grants & Contributions	5,000,000.00	8,000,000.00	3,000,000.00	19,009,695.44
Fuel & Lubricant	1,476,000.00	3,000,000.00	1,524,000.00	1,667,400.00
Miscellaneous Expenses	8,601,525.00	10,305,000.00	1,703,475.00	8,540,384.03
Financial Charges – General	-	-	-	455,876.70
Stipend for Iyaloja	300,000.00	700,000.00	400,000.00	300,000.00
FIRS TAX & Consultancy Fees	290,000.00	2,000,000.00	1,710,000.00	1,679,007.26
Other Overhead Cost (Traditional Council)	15,847,439.50	18,948,500.00	3,101,060.50	11,982,214.00
Total Overhead Cost	74,453,926.11	96,700,000.00	22,246,073.89	84,297,827.43

NOTE 37

INVESTMENT INCOME

Description	Amount
Depreciation Charges for the year: PPE	40,546,375.88
Depreciation Charges for the year: Investment Property	1,418,391.20
Total	41,964,767.07

Note 38: Transfer to Other Government Entities

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
Primary Education (SUPEB) Salary	481,680,008.57	492,365,115.17	10,685,106.60	446,074,194.26
Security Fund	8,400,000.00	10,200,000.00	1,800,000.00	8,400,000.00
Peace Corps	14,400,000.00	16,200,500.00	1,800,500.00	14,400,000.00
Local Government Parastatals	19,559,164.64	21,759,461.46	2,200,296.82	15,354,695.44
Pension Allowance	414,440,732.07	425,044,237.70	10,603,505.63	358,595,645.85
Traditional Council	55,203,004.93	56,302,400.39	1,099,395.46	53,720,526.96
Special Reserve with JAAC	216,702,898.65	220,000,000.00	3,297,101.35	-
Other Capital Reserve Receipts	152,755,852.00	154,557,582.00	1,801,730.00	-
Gratuity	-	-	-	18,236,441.25
SUPEB Overhead	-	-	-	3,655,000.00
TOTAL	1,363,141,660.86	1,396,429,296.72	33,287,635.86	918,436,503.76

NOTE 40

SEVERANCE ALLOWANCE

	2022			2021
DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	3,839,267.87	-	(3,839,267.87)	-
FEBRUARY	1,250,000.00	-	(1,250,000.00)	-
MARCH	2,500,000.00	-	(2,500,000.00)	-
APRIL	2,500,000.00	-	(2,500,000.00)	-
MAY	105,560.67	-	(105,560.67)	-
JUNE	-	-	-	-
JULY	478,772.38	-	(478,772.38)	-
AUGUST	10,194,140.08	-	(10,194,140.08)	-
SEPTEMBER	1,561,281.55	-	(1,561,281.55)	-
OCTOBER	-	-	-	-
NOVEMBER	-	-	-	-
DECEMBER	-	-	-	-
TOTAL	22,429,022.55	-	(22,429,022.55)	-

Note 58: Purchase of Assets

	2022			2021
Description	ACTUAL	BUDGET	VARIANCE	ACTUAL
Rehabilitation/Repair of Fixed Asset			-	1,260,000.00
Rehabilitation/Repair of Palaces			-	50,000.00
Extension of Electricity			-	20,000.00
Purchase of Sporting/Gaming Equipments.			-	20,000.00
Governance			-	390,000.00
Women Empowerment			-	-
Recognition of asset			-	-
Purchase of Vehicle	10,007,636.74	91,000,000.00	80,992,363.26	-
Youths Empowerment (Agricbiz)			-	1,000,000.00
Total	10,007,636.74	91,000,000.00	80,992,363.26	2,740,000.00

Note 59: Investment Property- Market & Shops(Newly constructed)

	2022			2021
Description	ACTUAL	BUDGET	VARIANCE	ACTUAL
Investment Land & Building (Market & Shops)	732,500.00	1,000,000.00	267,500.00	10,616,000.00
Prymary School	22,427,186.59	24,000,000.00	1,572,813.41	-
TOTAL	23,159,686.59	25,000,000.00	1,840,313.41	10,616,000.00

Note 66: Repayment of Borrowing: Bail-Out Fund

	2022			2021
Month	ACTUAL	BUDGET	VARIANCE	ACTUAL
January	491,507.60	-	(491,507.60)	455,326.49
February	491,507.60	-	(491,507.60)	455,326.49
March	491,507.60	-	(491,507.60)	-
April	491,507.60	-	(491,507.60)	-
May	491,507.60	-	(491,507.60)	455,326.49
June	491,507.60	-	(491,507.60)	455,326.49
July	491,507.60	-	(491,507.60)	455,326.49
August	491,507.60	-	(491,507.60)	455,326.49
September	491,507.60	-	(491,507.60)	455,326.49
October	491,507.60	-	(491,507.60)	455,326.49
November	491,507.60	-	(491,507.60)	455,326.49
December	491,507.60	-	(491,507.60)	455,326.49
TOTAL	5,898,091.20	-	(5,898,091.20)	4,553,264.90

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF MOBA LOCAL GOVERNMENT,

OTUN-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Moba Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF MOBA LOCAL GOVERNMENT, OTUN-EKITI FOR THE YEAR
ENDED 31ST DECEMBER, 2022.**

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, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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 2022 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, 2022 was prepared and presented in compliance with IPSAS accrual showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **147.76%**. That is, an estimate was made for **N1,515,929,668.74**, while actual Revenue recorded stood at **N2,239,913,832.61**. Equally, the actual IGR of **N9,689,654.76** represents only **0.43%** of the total Revenue for the period, meaning the Local Government relied unduly on the Statutory allocation for survival.
- ii. The sum of **N1,402,564,023.86** only was budgeted for expenditure but only **N2,240,324,300.14** was actually incurred, resulting to deficit of **(N837,760,276.28)** for the period.

8. REVENUE ACCOUNT

A total sum of **N2,239,913,832.61** was earned as total Revenue as at 31st December, 2022 out of which only **0.43% (N9,689,654.76)** 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 **4.77%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR:

The following expenditure appears to be contrary to Law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT (₦)
1	AUD/MLG/AQ/01/2022	Expenditure contrary to financial regulations i	2,268,750.00
2	AUD/MLG/AQ/02/2022	Expenditure contrary to financial regulations ii	2,307,850.00
3	AUD/MLG/AQ/03/2022	Items not taken on store ledger charge	590,000.00
4	AUD/MLG/AQ/04/2022	Unaudited/expenditure not supported with proper records of accounts	2,247,000.00
5	AUD/MLG/AQ/05/2022	Expenditure not accounted for	2,228,135.93
		TOTAL	9,641,735.93

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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 had been examined up to 31st December, 2022 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) Internally Generated Revenue
- (ii) Fixed Assets Register
- (iii) Internal Control and internal checks

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.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.
Ekiti State.

TOTAL IGR (INDEPENDENT REVENUE)**APPENDIX 'A'**

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	1,286,454.76	3,011,529.91
2	Non-Tax Revenue	8,403,200.00	6,237,236.48
3	Aid & Grants	-	-
4	Investment Income	-	-
5	Expenditure Recovery	-	-
	TOTAL	9,689,654.76	9,248,766.39

Our Ref: Your Ref:

RESPONSIBILITY FOR FINANCIAL 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.

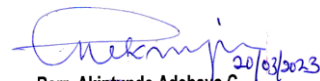
The Director of Finance accepts responsibility for the integrity of these Financial Statements, the information they contain and their compliance with International Public Sector Accounting Standards (IPSAS) Accrual Accounting for all public sector entities (PSE) in Nigeria.

In my opinion, these General Purpose Financial Statements fairly reflect the financial position of Moba Local Government as at the year ended 31st December, 2022.



20/03/2023

Hon. Adesoye Ibukun,
Executive Chairman.



Bar. Akintunde Adebayo C.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government.

The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(17) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2022.

(18) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(19) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(20) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(21) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated statement of financial performance over the period of borrowings using the effective interest method.

(22) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(23) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(24) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	N
	<u>ASSETS</u>			
	Current Assets			
5,916,571.48	Cash and Cash Equivalents	1	15,470,758.71	
427,500.00	Inventories	2	355,500.00	
-	WIP	3	-	
243,297,746.25	Receivables	4	213,341,700.17	
-	Prepayments	5	-	
249,641,817.73	Total Current Assets			229,140,958.88
	Non-Current Assets			
-	Loans Granted	6	-	
-	Investments	7	-	
685,596,006.42	Fixed Assets-Property, Plant & Equipment	8	774,807,037.06	
-	Investment Property	9	-	
-	Biological Assets	10	-	
685,596,006.42	Total Non-Current Assets			774,807,037.06
935,237,824.15	Total Assets			1,003,947,995.94
	<u>LIABILITIES</u>			
	Current Liabilities			
-	Accumulated Depreciation	11	-	
-	Loans & Debts(Short-Term)	12	-	
-	Unremitted Deductions	13	-	
250,326,195.47	Payables	14	86,493,484.11	
250,326,195.47	Total Current Liabilities		86,493,484.11	
	Non-Current Liabilities			
-	Public Funds	15	-	
81,681,900.27	Borrowings	16	75,821,774.85	
81,681,900.27	Total Non-Current Liabilities		75,821,774.85	
332,008,095.74	Total Liabilities			162,315,258.96
603,229,728.41	Net Asset/Equity			841,632,736.98
	Financed By:			
529,875,447.64	Reserves	17		745,523,112.93
-	Capital Grant	18		-
-	Net Surpluses/(Deficits)	19		-
73,354,280.77	Accumulated Surplus/(Deficits)	20		96,109,624.05
603,229,728.41	Total Net Assets/Equity			841,632,736.98

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022			
2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
1,654,775,890.09	Government Share of FAAC (Statutory Revenue)	21	2,239,913,832.61
3,011,529.91	Tax Revenue	22	1,286,454.76
6,237,236.48	Non-Tax Revenue	23	8,403,200.00
-	Aid & Grants	24	-
-	Investment Income	25	-
-	Expenditure Recovery	26	-
-	Other Capital Receipts	27	-
-	Debt Forgiveness	28	-
1,664,024,656.48	Total Revenue		2,249,603,487.37
	<u>EXPENDITURE</u>		
676,545,791.78	Salaries & Wages	29	666,380,926.12
27,559,224.40	Social Contribution	30	55,535,136.28
-	Social Benefit	31	84,299,764.37
58,310,115.24	Overhead Cost	32	45,716,892.59
-	Gratuity	33	-
-	Pension Allowance	34	-
-	Stationeries	35	-
-	Impairment Charges	36	-
23,351,221.83	Depreciation Charges	37	31,004,523.24
906,113,769.79	Transfer to other Government Entities	38	1,315,198,155.45
-	Public Debt Charges	39	-
-	Allowance	40	28,712,746.04
1,691,880,123.04	Total Expenditure		2,226,848,144.09
-27,855,466.56	Surplus/(Deficit) from Operating Activities for the Period		22,755,343.28
	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	-
-27,855,466.56	Net Surplus/(Deficit) for the year		22,755,343.28

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,654,775,890.09	Government Share of FAAC (Statutory Revenue)	21	2,239,913,832.61	
3,011,529.91	Tax Revenue	22	1,286,454.76	
6,237,236.48	Non-Tax Revenue	23	8,403,200.00	
-	Aid & Grants	24	-	
-	Investment Income	25	-	
-	Expenditure Recovery	26	-	
-	Other Capital Receipts	27	-	
-	Debt Forgiveness	28	-	
1,664,024,656.48	Total inflow from operating Activities			2,249,603,487.37
	<u>Outflows</u>			
676,545,791.78	Salaries & Wages	29	666,380,926.12	
27,559,224.40	Social Contributions	30	55,535,136.28	
-	Social Benefit	31	84,299,764.37	
58,310,115.24	Overheads Cost	32	45,716,892.59	
-	Pension Allowance	34	-	
-	Gratuity	33	-	
906,113,769.79	Transfer to other Government Entities	38	1,315,198,155.45	
-	Allowance	40	28,712,746.04	
-	Deductions	49	-	
-	Refund	50	-	
-	Inventory	51	-	
-	Loan	52	-	
1,668,528,901.21	Total Outflow from Operating Activities			2,195,843,620.85
-4,504,244.73	Net Cash Inflow/(outflow) from Operating Activities			53,759,866.52
	<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			

3,899,533.78	Purchase/ Construction of PPE	58	38,345,553.87	
-	Purchase/ Construction OF Investment Property	59	-	
-	Investment in Private Companies	60	-	
-	Loan Granted	61	-	
-	Purchase of Intangible Assets	62	-	
-	Acquisition of Investment	63	-	
3,899,533.78	Total Outflow		38,345,553.87	
-3,899,533.78	Net Cash Flow from Investing Activities			(38,345,553.87)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64	-	
-	Proceeds from Borrowings	65	-	
-	Total Inflow		-	
-	Outflows		-	
4,883,437.55	Repayment of Borrowings	66	5,860,125.42	
-	Distribution of Surplus/Dividends Paid	67	-	
4,883,437.55	Total Outflow		5,860,125.42	
-4,883,437.55	Net Cash Flow from Financing Activities			(5,860,125.42)
-13,287,216.06	Net Cash Flow from all Activities			9,554,187.23
19,203,787.54	Cash and Its Equivalent as at 01/01/2022			5,916,571.48
5,916,571.48	Cash and Its Equivalent as at 31/12/2022	1		15,470,758.71

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	<u>REVENUE</u>				
1,654,775,890.09	Government Share of FAAC (Statutory Revenue)	21	2,239,913,832.61	1,515,929,668.74	47.76
3,011,529.91	Tax Revenue	22	1,286,454.76	2,283,912.03	(43.67)
6,237,236.48	Non-Tax Revenue	23	8,403,200.00	8,224,056.37	2.18
-	Aid & Grants	24	-	-	-
-	Investment Income	25	-	-	-
-	Expenditure Recovery	26	-	-	-
-	Other Capital Receipts	27	-	-	-
-	Debt Forgiveness	28	-	-	-
1,664,024,656.48	Total Revenue		2,249,603,487.37	1,526,437,637.14	6.26
	<u>EXPENDITURE</u>				
676,545,791.78	Salaries & Wages	29	666,380,926.12	490,173,719.14	(35.95)
27,559,224.40	Social Contribution	30	55,535,136.28	120,000,000.00	53.72
-	Social Benefit	31	84,299,764.37	137,000,000.00	38.47
58,310,115.24	Overhead Cost	32	45,991,892.59	52,115,000.00	11.75
-	Gratuity	33	-	-	-
-	Pension Allowance	34	-	-	-
-	Stationeries	35	-	-	-
-	Impairment Charges	36	-	-	-
906,113,769.79	Transfer to other Government Entities	38	1,315,198,155.45	532,455,555.00	(147.01)
-	Public Debt Charges	39	-	-	-
	Allowance	40	28,712,746.04	70,819,749.72	59.46
3,899,533.78	Purchase of Assets	58	38,345,553.87	-	(100.00)
-	Acquisition of Investment	63	-	-	-
4,883,437.55	Repayment of Borrowing	66	5,860,125.42		(100.00)
1,677,311,872.54	Total Expenditure		2,240,324,300.14	1,402,564,023.86	(219.56)
-13,287,216.06	Net Surplus/(Deficit) for the year		9,279,187.23	123,873,613.28	225.82

MOBA LOCAL GOVERNMENT, OTUN-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2022

S/N	NARRATION	ACCUMULATED SURPLUS /DEFICIT	RESERVE	CAPITAL GRANT	TOTAL
1	Opening Balance (1/1/2022)	73,354,280.77	529,875,447.64	-	603,229,728.41
2	Net Surplus/(Deficit) for the year	22,755,343.28	-		22,755,343.28
3	Grant for the year	-			
4.	Assets Recognised during the year		81,870,000.01		81,870,000.01
5.	Adjustment for the period		133,777,665.28		133,777,665.28
	Closing Balance (31/12/2022)	96,109,624.05	745,523,112.93	0.00	841,632,736.98

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEUDLE FOR THE YEAR 2022

NOTE 8, 37 & 58

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022	515,419,547.94	154,448,260.68	12,149.84	11,736,267.20	-	3,979,780.76	-	685,596,006.42
Acquisition during the year	75,200,000.00	15,218,080.43	26,490,273.44	275,000.01	92,000.00	1,859,000.00	1,081,200.00	120,215,553.88
Total	590,619,547.94	169,666,341.11	26,502,423.28	12,011,267.21	92,000.00	5,838,780.76	1,081,200.00	805,811,560.30
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/2022	590,619,547.94	169,666,341.11	26,502,423.28	12,011,267.21	92,000.00	5,838,780.76	1,081,200.00	805,811,560.30
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	17,718,586.44	5,089,990.23	5,300,484.66	1,201,126.72	18,400.00	1,459,695.19	216,240.00	31,004,523.24
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022	572,900,961.50	164,576,350.88	21,201,938.62	10,810,140.49	73,600.00	4,379,085.57	864,960.00	774,807,037.06

NOTE: The sum of N120,215,553.88 consists the existing assets recognised during the year valued as N 81,870,000.01 and N38,345,553.87 as acquisition of assets for the year.

NOTE 1**CASH AND CASH EQUIVALENT**

S/N	NAMES OF ACCOUNT	NATURE OF ACCOUNT	ACCOUNT NUMBER	CLOSING BALANCE
1	Unity Bank PLC	Recurrent account	0026123257	11,641,947.08
2	Omiye Micro Finance Bank	IGR	1100100961	147,442.06
3	Unity Bank PLC	Salary	0023773060	3,681,369.57
	Total			15,470,758.71

NOTE 2**INVENTORIES**

S/N	NAME OF ITEMS	QUANTITY	UNIT PRICE	AMOUNT
1	Office table	2	20,000.00	40,000.00
2	Office chair	3	5,000.00	15,000.00
3	Ceiling fan	2	3,500.00	7,000.00
4	Firdge	1	35,000.00	35,000.00
5	Iron cabinet	3	45,000.00	135,000.00
6	Radio	1	3,500.00	3,500.00
7	Rug	5 yards	1,000.00	4,000.00
8	GRR	19 bks	2,000.00	38,000.00
9	TR	6 bks	2,000.00	12,000.00
10	Market receipt	20 bks	600.00	12,000.00
11	L.G Attestation	10 bks	45,000.00	45,000.00
12	Tipper Lorry ticket	30 bks	300.00	9,000.00
	Total			355,500.00

NOTE 4**RECEIVABLES**

DETAILS	AMOUNT
Balance b/f	243,297,746.25
less:Receipt during the year	65,435,440.68
	177,862,305.57
Add receivable for the year	35,452,394.60
Balance b/f	213,314,700.17

NOTE 14**PAYABLES**

DETAILS	AMOUNT
Balance b/f	250,326,195.47
less:Payment during the year	163,832,711.36
Balance b/f	86,493,484.11

NOTE 16**BORROWING**

DETAILS	AMOUNT
Bal b/f	81,681,900.27
less repayment	5,860,125.42
Bal b/f	75,821,774.85

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

S/N	MONTH	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	January	172,776,859.51	125,520,538.58	47,256,320.93	118,986,875.01
2	February	144,284,317.67	122,074,879.77	22,209,437.90	126,502,050.54
3	March	151,493,185.67	124,327,472.39	27,165,713.28	98,291,487.57
4	April	177,034,428.97	127,230,420.10	49,804,008.87	114,174,146.43
5	May	161,317,791.26	130,111,221.30	31,206,569.96	127,887,194.69
6	June	159,255,518.29	123,302,985.38	35,952,532.91	134,658,854.68
7	July	202,641,601.64	128,373,072.56	74,268,529.08	142,842,765.73
8	August	227,536,525.30	130,532,473.29	97,004,052.01	148,396,073.03
9	September	172,910,579.96	129,342,001.10	43,568,578.86	135,388,856.91
10	October	200,619,443.12	128,280,119.58	72,339,323.54	145,079,200.07
11	November	182,128,756.32	122,077,483.34	60,051,272.98	142,665,053.34
12	December	287,914,824.90	124,757,001.35	163,157,823.55	219,903,332.09
	TOTAL	2,239,913,832.61	1,515,929,668.74	723,984,163.87	1,654,775,890.09

NOTE 22**TAX REVENUE**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	TENEMENT RATE	526,395.00	483,912.03	42,482.97	653,127.14
2	Corporate Tax(L.G. Tax)	760,059.76	1,800,000.00	(1,039,940.24)	2,358,402.77
	TOTAL	1,286,454.76	2,283,912.03	(997,457.27)	3,011,529.91

NOTE 23**NON TAX REVENUE**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Flat Rate	438,100.00	500,000.00	(61,900.00)	398,436.48
2	Hawkers permit	120,350.00	30,000.00	90,350.00	42,000.00
3	Market fee	749,450.00	72,000.00	677,450.00	206,000.00
4	Birth certificate	150,000.00	60,000.00	90,000.00	100,000.00
5	Shop Permit	250,200.00	420,000.00	(169,800.00)	467,100.00
6	Advertisement fee	-	-	-	76,500.00
7	Marriage fee	1,487,500.00	1,584,775.16	(97,275.16)	1,215,000.00
8	Attestation	3,046,600.00	3,000,000.00	46,600.00	2,859,700.00
9	Naming of street	80,000.00	120,000.00	(40,000.00)	180,000.00
10	Refund paid	-	-	-	22,000.00
11	Expenditure recovery	144,600.00	50,000.00	94,600.00	-
12	Lock up shop	268,500.00	619,281.21	(350,781.21)	-
13	Business/Trade operation	882,700.00	350,000.00	532,700.00	594,000.00
14	Loading & offloading	128,000.00	250,000.00	(122,000.00)	-
15	Rentage of hall	20,000.00	60,000.00	(40,000.00)	-
16	Sales of palm seedling	289,500.00	48,000.00	241,500.00	-
17	Liquor Licence	6,000.00	40,000.00	(34,000.00)	26,500.00
18	Rent L.G Building	311,700.00	420,000.00	(108,300.00)	40,000.00
19	Registration of club	30,000.00	600,000.00	(570,000.00)	10,000.00
	TOTAL	8,403,200.00	8,224,056.37	179,143.63	6,237,236.48

NOTE 29**SALARY & WAGES**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Local Govt. workers salary/Emolument	537,287,459.60	412,507,364.60	(124,780,095.00)	545,162,505.77
2	Palace staff salary	36,981,991.91	35,414,860.68	(1,567,131.23)	35,414,860.68
	Mid wives	360,000.00	360,000.00	-	360,000.00
	Political office holders salary	91,751,474.61	41,891,493.86	(49,859,980.75)	95,608,425.33
	Total	666,380,926.12	490,173,719.14	(176,207,206.98)	676,545,791.78

NOTE 30**SOCIAL CONTRIBUTION**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Enlightment on COVID-19	24,670,515.64	40,000,000.00	15,329,484.36	10,772,522.40
2	Provision for immunization	27,264,620.64	45,000,000.00	17,735,379.36	15,000,000.00
3	Women anniversary celebration	3,600,000.00	35,000,000.00	31,400,000.00	1,786,702.00
	Total	55,535,136.28	120,000,000.00	64,464,863.72	27,559,224.40

NOTE 31**SOCIAL BENEFIT**

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Advertisement sundry	17,224,771.38	20,000,000.00	2,775,228.62	-
2	Gift during salah celebrations	5,200,000.00	20,000,000.00	14,800,000.00	-
3	Gift during Christmas celebrations	3,000,000.00	10,000,000.00	7,000,000.00	-
4	Other benefits	58,874,992.99	87,000,000.00	28,125,007.01	-
	Total	84,299,764.37	137,000,000.00	52,700,235.63	-

NOTE 32**OVERHEAD COST**

S/N	CODE	DETAILS	2022			2021
			ACTUAL	BUDGET	VARIANCE	ACTUAL
1	220201	Transport & Travelling	14,942,000.00	15,067,000.00	125,000.00	23,701,500.00
2	220202	Utilities-General	550,000.00	1,240,000.00	690,000.00	600,000.00
3	220203	Materials & Supplies-General	1,097,392.85	3,742,000.00	2,644,607.15	831,800.00
4	220204	Maintenance-General	452,500.00	7,395,000.00	6,942,500.00	1,884,250.00
5	220205	Training-General	1,369,000.00	2,006,000.00	637,000.00	814,000.00
6	220206	Other service-General	7,350,000.00	5,700,000.00	(1,650,000.00)	8,600,000.00
7	220207	Consultancy/Proffesional-General	550,000.00	2,190,000.00	1,640,000.00	650,000.00
8	220208	Fuel & Lubricant-General	322,000.00	3,900,000.00	3,578,000.00	1,166,650.00
9	220210	Miscellaneous-General	15,483,999.74	7,275,000.00	(8,208,999.74)	16,061,915.24
10	210202	Local Grant-General	3,600,000.00	3,600,000.00	-	4,000,000.00
	Total		45,716,892.59	52,115,000.00	6,398,107.41	58,310,115.24

NOTE 37**DEPRECIATION FOR THE YEAR**

S/N	CURRENT YEAR CHARGE	AMOUNT
1	Land & Building	17,718,586.44
2	Infrastructure	5,089,990.23
3	Motor Vehicle	5,300,484.66
4	Plant & Machinery	1,201,126.72
5	Transport Equipment	18,400.00
6	Furniture & Fittings	216,240.00
7	Office Equipments	1,459,695.19
	Total	31,004,523.24

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIE**

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Primary Education Fund	406,541,509.45	225,000,000.00	(181,541,509.45)	349,773,403.92
2	Tradition /Council Allocation	59,205,977.36	37,200,000.00	(22,005,977.36)	55,470,993.81
3	Pension & Gratuity	444,493,264.66	240,000,000.00	(204,493,264.66)	460,920,582.76
4	Local Government Parastatal	20,977,467.89	6,300,000.00	(14,677,467.89)	17,148,789.30
5	Running grant to peace corps	14,400,000.00	15,555,555.00	1,155,555.00	14,400,000.00
6	Other Transfer	90,960,015.50	-	(90,960,015.50)	-
7	Special Reserves with JAAC	209,316,474.77	-	(209,316,474.77)	-
8	Security Fund	8,400,000.00	8,400,000.00	-	8,400,000.00
9	Transfer to Ero LCDA	60,903,445.82	-	(60,903,445.82)	-
	TOTAL	1,315,198,155.45	532,455,555.00	(782,742,600.45)	906,113,769.79

NOTE 40**ALLOWANCE**

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Leave bonus -POH	-	-	-	-
2	Severance Allowance-POH	28,228,040.55	48,417,125.00	20,189,084.45	-
3	Furniture allowance-POH	484,705.49	22,402,624.72	21,917,919.23	-
	TOTAL	28,712,746.04	70,819,749.72	42,107,003.68	-

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

		2022			2021
S/N	DETAILS	ACTUAL	BUDGET	VARIANCE	ACTUAL
1	Administrative sector	21,890,273.44	-	(21,890,273.44)	1,200,522.70
2	Social sector	1,237,200.00	-	(1,237,200.00)	500,000.00
3	Economic sector	15,218,080.43	-	(15,218,080.43)	2,199,011.08
	Total	38,345,553.87	-	(38,345,553.87)	3,899,533.78

NOTE 66**REPAYMENT OF BORROWING (BAIL OUT)**

	2022			2021
MONTH	ACTUAL	BUDGET	VARIANCE	ACTUAL
JANUARY	488,343.79	-	(488,343.79)	488,343.76
FEBRUARY	488,343.79	-	(488,343.79)	488,343.76
MARCH	488,343.79	-	(488,343.79)	-
APRIL	488,343.79	-	(488,343.79)	-
MAY	488,343.76	-	(488,343.76)	488,343.76
JUNE	488,343.79	-	(488,343.79)	488,343.76
JULY	488,343.79	-	(488,343.79)	488,343.76
AUGUST	488,343.79	-	(488,343.79)	488,343.76
SEPTEMBER	488,343.79	-	(488,343.79)	488,343.76
OCTOBER	488,343.79	-	(488,343.79)	488,343.76
NOVEMBER	488,343.79	-	(488,343.79)	488,343.76
DECEMBER	488,343.76	-	(488,343.76)	488,343.71
TOTAL	5,860,125.42	-	(5,860,125.42)	4,883,437.55

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL

GOVERNMENTS

ON THE

ACCOUNTS OF OYE LOCAL GOVERNMENT,

OYE-EKITI

FOR THE YEAR ENDED

31ST DECEMBER, 2022.

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of Oye Local Government as at 31st December, 2022 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 2021 as amended. 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, 2022 subject to the observations in this report.



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.

FRC/2014/ANAN/00000010298.

**REPORT OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS ON THE
ACCOUNTS OF OYE LOCAL GOVERNMENT, OYE-EKITI FOR THE YEAR ENDED
31ST DECEMBER, 2022.**

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, 2021 as amended 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 2021 as amended 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 AUDIT 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, 2022 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, 2022 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, 2022 was prepared and presented in compliance with IPSAS accrued, showed the following shortcomings:

- i. The estimate made for Revenue in the 2022 budget recorded a performance of **98.95%**. That is, an estimate was made for. **N2,503,049,112.25** while actual Revenue recorded stood at **N2,476,882,665.91**. Equally, the actual IGR of **N17,032,637.23** 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 **N2,227,238,749.24** only was budgeted for expenditure but only **N2,490,855,045.76** was actually incurred, resulting to deficit of **(N263,616,296.52)** for the period.

8. REVENUE ACCOUNT

A total sum of **N2,476,882,665.91** was earned as total Revenue as at 31st December, 2022 out of which only **0.69% (N17,032,637.23)** 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 **39.04%** over that of previous year. Details of this is contained in the statement of Budget Comparison for the year 2022 and Appendix 'A'.

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. INFRACTIONS DURING THE YEAR:

The following expenditure appears to be contrary to Law.

S/N	QUERY NUMBER	SUBJECT	AMOUNT ₦
1	AUD/OYLG/AQ/01/2022	Unproduced Revenue Earning Receipt	Assorted
2	AUD/OYLG/AQ/02/2022	Unproduced Payment Voucher	599,870.00
3	AUD/OYLG/AQ/03/2022	Unreceipted/unretired Expenditure	577,000.00
4	AUD/OYLG/AQ/04/2022	Items not taken on store ledger charge	1,483,000.00
5	AUD/OYLG/AQ/05/2022	Expenditure Not Accounted For	1,088,782.63
		Total	3,748,652.63

These queries and other infractions noted on Local Government accounts during the financial year had 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 had 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, 2021 and detailed observations had 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 Osanyinlusi and Mr. Gabriel Taiwo (2015)

N3,546,105.66

LOCAL GOVERNMENT	YEAR	AMOUNT OF LOSS (N)	AMOUNT RECOVERED (N)	BALANCE (N)	OFFICIALS INVOLVED
Oye	2015	3,546,105.66	-	3,546,105.66	Mr. Victor Osanyinlusi & Mr. Gabriel Taiwo



2/6/2023

Dr. (Mrs.) Iyadunni Victoria Oke, FCNA, CFIP.
Auditor-General for Local Governments,
Ekiti State.
FRC/2014/ANAN/00000010298.

TOTAL IGR (INDEPENDENT REVENUE)

APPENDIX 'A'

S/N	DETAILS	AMOUNT	
		2022	2021
1	Tax Revenue	1,469,852.71	3,472,500.00
2	Non-Tax Revenue	15,562,784.52	8,777,989.49
3	Aid & Grants	-	-
4	Investment Income	-	-
5	Expenditure Recovery	-	-
	TOTAL	17,032,637.23	12,250,489.49

OYE LOCAL GOVERNMENT

Our Ref: _____

Your Ref: _____



OFFICE

Oye L/G Secretariat
P.M.B. 369, Oye Ekiti.

Date: _____

RESPONSIBILITY FOR FINANCIAL 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, 2022.

4/04/23.

Hon. Ajimoko Sunday James,
Executive Chairman.

4/04/23

Mr. Arowolaju Tunde.
Director of Finance.

STATEMENT OF ACCOUNTING POLICIES (IPSAS 3)

(1) BASIS OF ACCOUNTING ADOPTED FOR PREPARATION/STATEMENT OF COMPLIANCE IN EKITI STATE LOCAL GOVERNMENTS

The General-Purpose Financial Statements of Ekiti State Local Governments have been prepared in compliance with IPSAS Accrual Accounting basis, using the General-Purpose Financial Statement (GPFS) reporting format approved by the Federal Executive Council of Nigeria (FEC) in 2012 with full compliance with historical cost convention. It recognizes transactions, and as events occurred whether expenses were 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) ACCOUNTING PERIOD

The accounting year was divided into twelve (12) calendar months (periods) covering 1st January to 31st December and is set up as such in the accounting system.

(3) PRESENTATION OF FINANCIAL STATEMENTS (IPSAS 1): *PRINCIPAL STATEMENTS IN THE GENERAL-PURPOSE FINANCIAL STATEMENTS*

The principal statements contained in the GPFS were:

- a. Statement of Financial Performance
- b. Statement of Financial Position
- c. Statement of Cash flow
- d. Statement of Changes in Net Assets/Equity
- e. Statement of Comparison of Budget and Actual Amount.
- f. Notes to the GPFS.

(4) NOTES TO THE GPFS

Notes to the GPFS were presented in a systematic manner in line with **IPSAS 22**, which requires full disclosure of financial information of the Local Government. The items in the Statements were cross referenced to any related information in the Notes and followed the format provided in the Accounting Manual.

(5) BASIS OF MEASUREMENT (IPSAS 29)

These General-Purpose Financial Statements (GPFS) were prepared under the historical cost convention and in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis and other applicable Standards as defined by the Fiscal Responsibility Commission (FRC), the Financial Reporting Council of Nigeria (FRCN) and with the provision of the Constitution of the Federal Republic of Nigeria 1999 as amended, the Financial Control and Management Act (1958) now CAFM. 26 LFN 2004.

(6) REPORTING CURRENCY

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

(7) COMPARATIVE INFORMATION

The General-Purpose Financial statements presented disclosed all numerical information relating to previous year for ease of comparison.

(8) BUDGET INFORMATION (IPSAS 24)

The approved annual budget was in line with the Appropriation Law and was prepared on the accrual basis, that is, all planned cost and incomes presented in a single statement to determine the needs of the Local Government. As a result of the adoption of the accrual basis for budgeting purposes, it stated the variances between the actual amount and the budgeted amount. This was explicitly shown in the Statement of Comparison of Budget and Actual for the year ended 31st December, 2022.

(9) GOING CONCERN

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

(10) REVENUE

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

- (i) Revenue from non-exchange transactions such as fees, taxes, and fines were recognized when the events occurred and the assets recognition criteria were met in accordance to **IPSAS 23**.
- (ii) Revenue from exchange transactions was 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 as prescribed by **IPSAS 9**.

(11) AID AND GRANTS

Aid and grants to the Local Government were recognised as income on entitlement, while aid and grants to other government agencies were recognised as expenditure on commitment for the reporting period.

(12) EXPENSES.

All expenses were reported on accrual basis, i.e., all expenses were recognized in the period they were incurred or when the related services were enjoyed, irrespective of when the payments were made.

(13) STATEMENT OF CASH FLOW (IPSAS 2).

This statement was prepared using the direct method in accordance with the format provided in the GPFS.

The Cashflow statement consists of three (3) sections:

- (i) Operating Activities section which includes cash received from all income sources of the Local Government and recorded the cash payments made for the supply of goods and services.
- (ii) Investing Activities section: This includes activities relating to the acquisition and disposal of non-current assets.
- (iii) Financing Activities section: This comprises the change in equity and debt capital structure of the Local Government.

(14) CASH AND CASH EQUIVALENT (IPSAS 2).

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 six (6) months or less, in which the Local Government invests as part of its day-to-day cash management and which were readily convertible to known amounts of cash and were subject to insignificant risk of changes in value and were reported under Current Assets in the Statement of Financial Position. Also, Cash and Cash Equivalent was reported under Current Assets in the Statement of Financial Position.

(15) RECEIVABLES

Receivable from exchange transactions were recognised initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables was established when there was objective evidence that the Local Governments would not be able to collect all amounts due according to the original terms of the 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. These receivables were initially assessed at nominal amount or face value, i.e., the receivable reflect the amount of tax owed, levy, fine charged or social benefit debt payable which were subsequently adjusted for penalties as they were charged and tested for impairment.

(16) INVENTORIES (IPSAS 12).

Inventories were valued initially at cost and subsequently at the lower of cost and net realizable value using FIFO method. Those held for distribution for public benefit purposes were recorded at cost, adjusted where applicable for any loss of services potential and were reported under Current Assets in the Statement of Financial Position.

(17) PROPERTY, PLANT & EQUIPMENT (PPE) (IPSAS 17)

All PPE were 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. The carrying amount of property, plants and equipment of the Local Government Council as at the end of year 2021.

(18) DEPRECIATION

Depreciation on assets were charged on a straight-line basis at rates calculated to allocate the cost or valuation of the assets less any estimated residual value over their useful life:

ASSETS	USEFUL LIFE
Building	50 years
Machinery	10-20 years
Furniture and fixtures	5 years
Vehicle	5 years
Office Equipment	3 years
IT Equipment	3 years

The full depreciation charge was applied to PPE in the month of acquisition and disposal, regardless of the day of the month the transactions were carried out.

(19) PAYABLES.

Payables were recognized at fair value and subsequently measured at amortised cost using the effective interest method.

(20) RESERVES

Reserves were classified under equity in the Statement of Financial Position and include: Statement of Financial Performance Surpluses/(Deficits) and Revaluation Reserve.

(21) BORROWINGS.

Borrowings were recognized initially at fair value, net of transaction cost incurred and subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the

consolidated statement of financial performance over the period of borrowings using the effective interest method.

(22) TRANSFER TO OTHER GOVERNMENT ENTITIES

Revenue from non-exchange transactions with other government entities were measured at fair value and recognised on receipt of asset (cash, goods, services and property) if it is free from conditions and it is probable that the economic benefits or service potential related to the asset will flow to the entity and can be measured.

(23) EMPLOYEE BENEFITS/PENSION & GRATUITY

According to **IPSAS 25**, The Local Government measured the short-term employee benefits (salaries, social security contributions, leave bonuses and all monetary benefits) using the cost of service rendered by the employees. The Provision has been made, where applicable, using an actuarial valuation for retirement gratuities.

(24) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions throughout the year were converted into Nigerian Naira at the ruling (Central Bank of Nigeria -CBN) rate of exchange at the dates of the transactions while the foreign loans balances were translated using closing rate.

(25) BIOLOGICAL ASSETS (IPSAS 27).

IPSAS 27 requires Biological assets to be measured at fair value less cost of disposal at initial recognition and at each reporting date, except where the fair value cannot be determined reliably, the affected Local Governments could not reliably determine fair value less cost to sell.

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
N	Represented By:		N	₦
	<u>ASSETS</u>			
	Current Assets			
8,639,401.93	Cash and Cash Equivalents	1	11,699,659.32	
843,750.00	Inventories	2	4,004,850.00	
	WIP	3		
257,586,742.16	Receivables	4	229,879,233.50	
	Prepayments	5		
267,069,894.09	Total Current Assets			245,583,742.82
	Non-Current Assets			
-	Loans Granted	6		
-	Investments	7		
602,167,049.03	Fixed Assets-Property, Plant & Equipment	8	615,807,581.41	
	Investment Property	9	9,255,032.98	
6,650,000.00	Biological Assets	10	10,140,000.00	
608,817,049.03	Total Non-Current Assets			635,202,614.39
875,886,943.12	Total Assets			880,786,357.21
	<u>LIABILITIES</u>			
	Current Liabilities			
	Accumulated Depreciation	11		
	Loans & Debts(Short-Term)	12		
	Unremitted Deductions	13		
377,413,578.96	Payables	14	329,546,332.86	
377,413,578.96	Total Current Liabilities		329,546,332.86	
-	Non-Current Liabilities			
-	Public Funds	15		
81,758,255.33	Borrowings	16	76,061,756.34	
81,758,255.33	Total Non-Current Liabilities		76,061,756.34	
459,171,834.29	Total Liabilities			405,608,089.20
416,715,108.83	Net Asset/Equity			475,178,268.01
	Financed By:			
195,028,097.83	Reserves	17		231,380,206.38
	Capital Grant	18		
	Net Surplus/(Deficits)	19		
221,687,011.00	Accumulated Surplus/(Deficits)	20		243,798,061.63
416,715,108.83	Total Net Assets/Equity			475,178,268.01

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	Actual 2022
N	<u>REVENUE</u>		N
1,886,992,450.15	Government Share of FAAC (Statutory Revenue)	21	2,476,882,665.91
3,472,500.00	Tax Revenue	22	1,469,852.71
8,777,986.49	Non-Tax Revenue	23	15,562,784.52
	Aid & Grants	24	
	Investment Income	25	
	Expenditure Recovery	26	
	Other Capital Receipts	27	
	Debt Forgiveness	28	
1,899,242,936.64	Total Revenue		2,493,915,303.14
	<u>EXPENDITURE</u>		
686,438,687.36	Salaries & Wages	29	886,386,404.07
23,721,582.00	Social Contribution	30	88,533,200.00
2,054,000.00	Social Benefit	31	95,598,000.00
53,924,110.80	Overhead Cost	32	113,831,561.47
	Gratuity	33	
	Pension Allowance	34	
	Stationeries	35	
	Impairment Charges	36	
25,866,542.47	Depreciation Charges	37	31,081,759.65
968,701,061.40	Transfer to other Government Entities	38	1,256,373,327.32
	Public Debt Charges	39	
	Allowance	40	
1,760,705,984.03	Total Expenditure		2,471,804,252.51
138,536,952.61	Surplus/(Deficit) from Operating Activities for the Period		22,111,050.63
	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	
138,536,952.61	Net surplus (Deficit)		22,111,050.63

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DETAILS	NOTES	2022	
			N	N
	<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
	<u>Inflows</u>			
1,886,992,450.15	Government Share of FAAC (Statutory Revenue)	21	2,476,882,665.91	
3,472,500.00	Tax Revenue	22	1,469,852.71	
8,777,986.49	Non-Tax Revenue	23	15,562,784.52	
-	Aid & Grants	24		
-	Investment Income	25		
-	Expenditure Recovery	26		
-	Other Capital Receipts	27		
-	Debt Forgiveness	28		
1,899,242,936.64	Total inflow from operating Activities			2,493,915,303.14
	<u>Outflows</u>			
686,438,687.36	Salaries & Wages	29	886,386,404.07	
23,721,582.00	Social Contributions	30	88,533,200.00	
2,054,000.00	Social Benefit	31	95,598,000.00	
53,924,110.80	Overheads Cost	32	113,831,561.47	
	Gratuity	33		
	Pension Allowance	34		
968,701,061.40	Transfer to other Government Entities	38	1,256,373,327.32	
-	Allowance	40		
-	Deductions	49		
-	Refund	50		
-	Inventory	51		
-	Loan	52		
1,734,839,441.56	Total Outflow from Operating Activities			2,440,722,492.86
164,403,495.08	Net Cash Inflow/(outflow) from Operating Activities			53,192,810.28
	<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			
159,613,144.19	Purchase/ Construction of PPE	58	44,436,053.91	
-	Purchase/ Construction OF Investment Property	59		

-	Investment in Private Companies	60		
-	Loan Granted	61		
-	Purchase of Intangible Assets	62		
-	Acquisition of Investment	63		
159,613,144.19	Total Outflow		44,436,053.91	
-159,613,144.19	Net Cash Flow from Investing Activities			(44,436,053.91)
	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>			
-	Capital Grant Received	64		
-	Proceeds from Borrowings	65		
-	Total Inflow			
-	Outflows			
4,747,082.49	Repayment of Borrowings	66	5,696,498.99	
	Distribution of Surplus/Dividends Paid	67		
4,747,082.49	Total Outflow		5,696,498.99	
-4,747,082.49	Net Cash Flow from Financing Activities			(5,696,498.99)
43,268.40	Net Cash Flow from all Activities			3,060,257.38
8,596,133.54	Cash and Its Equivalent as at 01/01/2022			8,639,401.94
8,639,401.94	Cash and Its Equivalent as at 31/12/2022	1		11,699,659.32

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF COMPARISON OF BUDGET AND ACTUAL FOR THE YEAR ENDED 31ST
DECEMBER, 2022

2021		Notes	Actual 2022	Final Budget 2022	Variance on Final Budget
N			N	N	N
	REVENUE				
1,886,992,450.15	Government Share of FAAC (Statutory Revenue)	21	2,476,882,665.91	2,503,049,112.25	(1.05)
3,472,500.00	Tax Revenue	22	1,469,852.71	3,250,000.00	(54.77)
8,777,986.49	Non-Tax Revenue	23	15,562,784.52	14,927,000.00	4.26
	Aid & Grants	24			
	Investment Income	25			
	Expenditure Recovery	26			
	Other Capital Receipts	27			
	Debt Forgiveness	28			
1,899,242,936.64	Total Revenue		2,493,915,303.14	2,521,226,112.25	(51.56)
	EXPENDITURE				
686,438,687.36	Salaries & Wages	29	886,386,404.07	764,731,708.48	(15.91)
23,721,582.00	Social Contribution	30	88,533,200.00	150,000,000.00	40.98
2,054,000.00	Social Benefit	31	95,598,000.00	250,000,000.00	61.76
53,924,110.80	Overhead Cost	32	113,831,561.47	118,060,767.20	3.58
	Gratuity	33			
	Pension Allowance	34			
	Stationeries	35			
	Impairment Charges	36			
968,701,061.40	Transfer to other Government Entities	38	1,256,373,327.32	735,945,607.67	(70.72)
	Public Debt Charges	39			
	Allowance	40			
159,613,144.19	Purchase of Assets	58	44,436,053.91	208,500,665.89	78.69
	Acquisition of Investment	63			
4,747,082.49	Repayment of Borrowing	66	5,696,498.99		(100.00)
1,899,199,668.24	Total Expenditure		2,490,855,045.76	2,227,238,749.24	(1.61)
43,268.40	Net Surplus/(Deficit)		3,060,257.38	293,987,363.01	(49.94)

OYE LOCAL GOVERNMENT, OYE-EKITI, EKITI STATE, NIGERIA
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2022

S/ N	NARRATION	ACCUMULATED SURPLUS/ DEFICIT	RESERVE	CAPITAL GRANT (N)	TOTAL (N)
1	Opening Balance (1/1/2022)	221,687,011.00	195,028,097.83	-	416,715,108.83
2	Surplus for the period	22,111,050.63			22,111,050.63
3	Asset Recognised during the year				
4	Adjustment for the period		36,352,108.55		36,352,108.55
	Closing Balance (31/1/2022)	243,798,061.63	231,380,206.38	-	475,178,268.01

PROPERTY, PLANT AND EQUIPMENT ASSETS SCHEUDLE FOR THE YEAR 2021
NOTE 8, 37 & 58

DETAILS	LAND AND BUILDING	INFRASTRUCTURE	MOTOR VEHICLES	PLANT AND MACHINERY	TRANSPORT EQUIPMENT	OFFICE EQUIPMENT	FURNITURE AND FITTING	TOTAL
Rate of Depreciation	3%	3%	20%	10%	20%	25%	20%	
Balance B/f as at 1/1/2022....	536,031,274.80	35,617,071.33	16,968,832.00	844,200.00	-	8,091,251.81	4,614,419.08	602,167,049.02
Acquisition during the year	3,992,000.00	6,042,000.00	32,039,910.19	380,000.00		1,575,143.72	407,000.00	44,436,053.91
Total	540,023,274.80	41,659,071.33	49,008,742.19	1,224,200.00	-	9,666,395.53	5,021,419.08	646,603,102.93
Disposal during the year	-	-	-	-	-	-	-	-
Balance 31/12/2022	540,023,274.80	41,659,071.33	49,008,742.19	1,224,200.00	-	9,666,395.53	5,021,419.08	646,603,102.93
Accumulated Depreciation	-	-	-	-	-	-	-	-
Current Year Charge	16,200,698.24	1,249,772.14	9,801,748.44	122,420.00	-	2,416,598.88	1,004,283.82	30,795,521.52
Depreciation on Disposal	-	-	-	-	-	-	-	-
NBV AS AT 31/12/2022....	523,822,576.56	40,409,299.19	39,206,993.75	1,101,780.00	-	7,249,796.65	4,017,135.26	615,807,581.41

NOTE1

CASH AND CASH EQUIVALENT AS AT 31ST DECEMBER 2022

S/N	BANK	ACCOUNT NAME	ACCOUNT NO	AMOUNT
1	ZENITH BANK	RUNNING COST ACCOUNT	1016252184	3,675,859.09
2	OMIYE MICRO FINANCE	IGR (MAIN)	1100024645	994.43
3	OMIYE MICRO FINANCE	IGR (SECT)	1100033135	(17,914.86)
4	FIDELITY BANK	SALARY ACCOUNT	5030037894	8,040,720.66
	TOTAL			11,699,659.32

NOTE 2

INVENTORY

S/N	NAME OF ITEM	AMOUNT (N)
1	PRINTING ITEMS	3,339,200.00
2	REVENUE RECEIPT	665,650.00
	TOTAL	4,004,850.00

NOTE 4

RECEIVABLES

DETILS	AMOUNT
YEAR 2022 OPENING BALANCE	257,586,742.16
Less Receivable during the year (IRG from State))	27,707,508.66
TOTAL	229,879,233.50

NOTE 9

INVESTMENT PROPERTY

DETAILS	COST	DEPRECIATION RATE	DEPRECIATON	NET BOOK VALUE
Lock Up Shops and Open Shop AT Ilupeju-Ekiti	1,657,500.00	3%	49,725.00	1,607,775.00
Lock Up Shops at Omu-Ekiti	528,700.96	3%	15,861.03	512,839.93
Lock Up Shops and Open Shop AT Ilupeju-Ekiti	410,622.30	3%	12,318.67	398,303.63
Lock up Shop and Open Shops at Osin-Ekiti	475,340.20	3%	14,260.21	461,079.99
Water Tanker	500,000.00	3%	15,000.00	485,000.00
Lock Up Shop at Oye-Ekiti	5,969,107.65	3%	179,073.23	5,790,034.42
TOTAL	9,541,271.11		286,238.13	9,255,032.98

NOTES 10**BIOLOGICAL ASSETS**

DETAILS	AMOUNT
Balance b/f	6,650,000.00
RECOGNITION DURING THE YEAR	3,490,000.00
TOTAL	10,140,000.00

NOTE 14**PAYABLE**

DETAILS	AMOUNT
YEAR 2022 OPENING BALANCE	377,413,578.96
Less Payment during the year	47,867,246.10
TOTAL	329,546,332.86

NOTE 16**BORROWINGS**

DETAIL	AMOUNT
TOTAL LIABILITY	81,758,255.33
Less:	
PAYMENT TO DATE	5,696,498.99
TOTAL	76,061,756.34

NOTE 21**STATUTORY REVENUE – JANUARY – DECEMBER, 2022**

		2022			2021
S/N	MONTH OF ALLOCATION	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	JANUARY	167,952,583.72	168,987,657.99	(1,035,074.27)	126,014,799.10
2	FEBRUARY	140,255,610.68	143,656,789.00	(3,401,178.32)	125,550,006.40
3	MARCH	147,263,192.66	149,879,654.43	(2,616,461.77)	102,104,977.16
4	APRIL	172,091,273.32	173,876,543.90	(1,785,270.58)	127,932,903.26
5	MAY	156,813,475.59	156,867,432.20	(53,956.61)	142,319,656.10
6	JUNE	154,808,785.42	155,345,231.89	(536,446.47)	148,487,237.59
7	JULY	196,983,442.46	197,532,567.87	(549,125.41)	158,451,828.08
8	AUGUST	221,183,250.03	222,419,954.87	(1,236,704.84)	161,603,149.09
9	SEPTEMBER	168,082,570.45	169,378,098.87	(1,295,528.42)	157,681,055.94
10	OCTOBER	397,321,658.28	399,567,743.13	(2,246,084.85)	163,658,496.05
11	NOVEMBER	177,043,356.85	177,386,566.00	(343,209.15)	215,205,063.49
12	DECEMBER	377,083,466.45	388,150,872.10	(11,067,405.65)	257,983,277.89
TOTAL	TOTAL	2,476,882,665.91	2,503,049,112.25	(26,166,446.34)	1,886,992,450.15

NOTE 22**TAX REVENUE**

	2021			2020
	ACTUAL	BUDGET	VARIANCE	ACTUAL
FLAT RATE	747,430.00	250,000.00	497,430.00	178,000.00
DEVELOPMENT LEVY	54,800.00	2,000,000.00	(1,945,200.00)	
2.5%LG Tax	667,622.71	1,000,000.00	(332,377.29)	3,294,500.00
TOTAL	1,469,852.71	3,250,000.00	(1,780,147.29)	3,472,500.00

NOTE 23 NON TAX REVENUE

S/N	DETAILS	2022			2021
		ACTUAL	BUDGET	VARIANCE	ACTUAL
1	MARRIAGE NOTIFICATION	2,315,000.00	2,500,000.00	(185,000.00)	2,025,000.00
2	BIRTH CERTIFICATE	563,000.00	550,000.00	13,000.00	324,000.00
3	HACKEY/GRR	1,172,940.00	600,000.00	572,940.00	548,800.00
4	TENEMENT RATE	232,000.00	2,500,000.00	(2,268,000.00)	1,252,766.49
5	RENT ON HALL	1,335,000.00	1,450,000.00	(115,000.00)	1,310,000.00
6	LIQUOR	54,300.00	120,000.00	(65,700.00)	-
7	MARKET/SQUARTTER	1,974,800.00	1,680,000.00	294,800.00	1,633,520.00
8	NAMING OF STREET	225,000.00	100,000.00	125,000.00	50,000.00
9	REGISTRATION OF CLUB	172,420.00	140,000.00	32,420.00	110,000.00
10	SELLING OF PROPERTY	-	30,000.00	(30,000.00)	-
11	ATTESTATION	3,495,476.52	1,830,000.00	1,665,476.52	69,000.00
12	PLAN SEEDINGS	-	20,000.00	(20,000.00)	-
13	HIRING OF TRACTOR RIDGES	-	30,000.00	(30,000.00)	-
14	RENT ON GOVERNMENT PROPERTY	816,600.00	227,000.00	589,600.00	60,000.00
15	SHOPPING CENTRE	-	-	-	318,500.00
16	LOCK UP SHOP	374,838.00	400,000.00	(25,162.00)	-
17	TRADE PERMIT	730,250.00	1,700,000.00	(969,750.00)	-
18	LOADING PERMIT	164,000.00	150,000.00	14,000.00	-
19	SLAUGHTER FEES	-	100,000.00	(100,000.00)	200.00
20	EARNING FROM AGRIC PRODUCE	1,937,160.00	100,000.00	1,837,160.00	956,200.00
21	REG. OF CONTRACT	-	200,000.00	(200,000.00)	30,000.00
22	TENDER FEES	-	500,000.00	(500,000.00)	30,000.00
	TOTAL	15,562,784.52	14,927,000.00	635,784.52	8,777,986.49

NOTE 29**SALARY AND WAGES**

	2022			2021
DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
Local Govt. Staff Salary& Palace Staff	723,810,166.58	611,930,543.31	(111,879,623.27)	455,617,331.84
Politiical Office Holder Salary	105,023,419.26	85,000,000.00	(20,023,419.26)	79,892,668.88
Traditional Rulers Salary	57,552,818.23	67,801,165.17	10,248,346.94	-
PHC Staff Salary	-	-	-	132,646,186.64
Midwives	-	-	-	1,170,000.00
Political Furniture Allowance	-	-	-	17,112,500.00
TOTAL	886,386,404.07	764,731,708.48	(121,654,695.59)	686,438,687.36

NOTE 30**SOCIAL CONTRIBUTION**

		2022			2021
S/N	DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	January	6,850,000.00	12,500,000.00	5,650,000.00	2,000,000.00
2	February	5,150,000.00	12,500,000.00	7,350,000.00	1,500,000.00
3	March	7,370,500.00	12,500,000.00	5,129,500.00	2,500,000.00
4	April	7,500,000.00	12,500,000.00	5,000,000.00	2,100,000.00
5	May	5,500,700.00	12,500,000.00	6,999,300.00	2,400,000.00
6	June	6,950,000.00	12,500,000.00	5,550,000.00	3,200,000.00
7	July	7,550,000.00	12,500,000.00	4,950,000.00	4,000,000.00
8	August	6,550,000.00	12,500,000.00	5,950,000.00	1,250,000.00
9	September	7,150,000.00	12,500,000.00	5,350,000.00	1,100,200.00
10	October	8,457,000.00	12,500,000.00	4,043,000.00	1,500,000.00
11	November	9,005,000.00	12,500,000.00	3,495,000.00	1,000,000.00
12	December	10,500,000.00	12,500,000.00	2,000,000.00	1,171,382.00
	TOTAL	88,533,200.00	150,000,000.00	61,466,800.00	23,721,582.00

NOTE 31**SOCIAL BENEFITS**

		2022			2021
S/N	DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	January	5,503,000.00	18,550,000.00	13,047,000.00	300,000.00
2	February	6,500,000.00	18,000,000.00	11,500,000.00	220,000.00
3	March	7,250,000.00	18,000,000.00	10,750,000.00	370,000.00
4	April	7,850,000.00	18,000,000.00	10,150,000.00	100,000.00
5	May	7,450,000.00	18,000,000.00	10,550,000.00	170,000.00
6	June	7,005,800.00	18,000,000.00	10,994,200.00	320,000.00
7	July	7,950,000.00	19,000,000.00	11,050,000.00	50,000.00
8	August	7,783,550.00	25,045,000.00	17,261,450.00	73,000.00
9	Septmber	8,250,000.00	26,500,000.00	18,250,000.00	100,000.00
10	October	9,500,650.00	21,550,000.00	12,049,350.00	200,000.00
11	November	10,005,000.00	28,500,000.00	18,495,000.00	100,000.00
12	December	10,550,000.00	20,855,000.00	10,305,000.00	51,000.00
	TOTAL	95,598,000.00	250,000,000.00	154,402,000.00	2,054,000.00

NOTE 32**OVERHEAD COST**

		2022			2021
S/N	DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	TRAVELLING AND TRANSPORT	24,970,500.00	25,000,000.00	29,500.00	21,256,500.00
2	UTILITIES	1,435,000.00	1,500,000.00	65,000.00	1,772,028.80
3	MATERIAL AND SUPPLY	2,439,750.00	2,500,000.00	60,250.00	322,500.00
4	MAINTENANCE SERVICE	2,484,000.00	2,500,000.00	16,000.00	1,199,000.00
5	TRAINING	958,000.00	1,000,000.00	42,000.00	4,764,582.00
6	OTHER SERVICES	8,420,000.00	8,550,000.00	130,000.00	800,000.00
7	CONSULTANCY SERVICE AND SPECIAL COMMITTEE	3,853,500.00	4,000,000.00	146,500.00	-
8	FUEL AND LUBRICATION	25,602,729.12	25,905,767.20	303,038.08	-
9	FINANCIAL CHARGES	3,750.80	5,000.00	1,249.20	-
10	MISCELLANEOUS EXPENSES	22,933,101.08	24,500,000.00	1,566,898.92	4,085,500.00
11	GRANTS, CONTRIBUTION AND SUBVENTION	14,601,230.47	15,500,000.00	898,769.53	12,750,000.00
12	SUBEB OVERHEAD	5,830,000.00	6,550,000.00	720,000.00	-
13	IYALOJA	300,000.00	550,000.00	250,000.00	-
14	MEETING, ENTERTAINMENT	-	-	-	6,974,000.00
	TOTAL	113,831,561.47	118,060,767.20	4,229,205.73	53,924,110.80

NOTE 37**DEPRECIATION CHARGES**

S/N	DETAILS	AMOUNT
1	PP&E	30,795,521.52
2	Investment Property	286,238.13
	TOTAL	31,081,759.65

NOTE 38**TRANSFER TO OTHER GOVERNMENT ENTITIES**

		2022			2021
DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021	
Pension and Gratuity	432,082,122.91	287,000,000.00	(145,082,122.91)	392,974,866.43	
SUBEB Staff Salary	556,193,849.96	400,000,000.00	(156,193,849.96)	463,509,344.71	
Security Fund	8,400,000.00	8,400,000.00	-	-	
Parastatals and Agency	20,391,734.99	26,145,607.67	5,753,872.68	16,671,960.77	
Peace Corps	14,400,000.00	14,400,000.00	-	-	
Ifelaju LCDA	37,413,342.47	-	(37,413,342.47)	3,000,000.00	

Ifesowapo LCDA	33,923,087.11	-	(33,923,087.11)	3,000,000.00
Ayede LCDA	5,700,603.40	-	(5,700,603.40)	-
Special Rev. with JAAC	147,868,586.48	-	(147,868,586.48)	-
Other Parastatal Transfer	-	-	-	30,232,337.06
SUBEB Overhead	-	-	-	4,505,000.00
Traditional Council& Chieftaincy	-	-	-	53,922,102.43
Teacher NIBSS	-	-	-	885,450.00
TOTAL	1,256,373,327.32	735,945,607.67	(520,427,719.65)	968,701,061.40

NOTE 58

PURCHASE/CONSTRUCTION OF PROPERTY PLAN & EQUIPMENT

		2022			2021
S/N	DETAILS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
1	LAND AND BUILDING	3,992,000.00	9,530,000.00	5,538,000.00	121,802,513.95
2	PLANT AND MACHINERY	380,000.00	2,456,765.89	2,076,765.89	130,000.00
3	MOTOR VEHICLE	32,039,910.19	33,573,000.00	1,533,089.81	484,000.00
4	OFFICE EQUIPMENT	1,575,143.72	2,820,000.00	1,244,856.28	375,000.00
5	FURNITURE AND FITTING	407,000.00	120,900.00	(286,100.00)	103,000.00
6	INFRASTRUCTURE	6,042,000.00	160,000,000.00	153,958,000.00	36,718,630.24
	TOTAL	44,436,053.91	208,500,665.89	164,064,611.98	159,613,144.19

REPAYMENT OF BORROWING

NOTE 66

	2022			2021
MONTHS	ACTUAL 2022	BUDGET	VARIANCE	ACTUAL 2021
JANUARY	474,708.24		(474,708.24)	474,708.25
FEBRUARY	474,708.24		(474,708.24)	474,708.25
MARCH	474,708.24		(474,708.24)	-
APRIL	474,708.24		(474,708.24)	-
MAY	474,708.24		(474,708.24)	474,708.25
JUNE	474,708.24		(474,708.24)	474,708.25
JULY	474,708.24		(474,708.24)	474,708.25
AUGUST	474,708.24		(474,708.24)	474,708.25
SEPTEMBER	474,708.24		(474,708.24)	474,708.25
OCTOBER	474,708.24		(474,708.24)	474,708.25
NOVEMBER	474,708.24		(474,708.24)	474,708.25
DECEMBER	474,708.35		(474,708.35)	474,708.24
TOTAL	5,696,498.99		(5,696,498.99)	4,747,082.49