

CERTIFICATE

OF THE

AUDITOR-GENERAL FOR LOCAL GOVERNMENTS, OYO STATE ON THE ACCOUNTS OF OORELOPE LOCAL GOVERNMENT, IGBOHO FOR THE YEAR ENDED 31ST DECEMBER, 2020

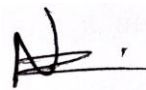
In compliance with the provision of Part VII, Section 66 (Subsections 2, 3 and 5) of Oyo State Local Government Law 2001, Section 5 (Subsection 4) of the State Joint Local Government Account (Distribution) Law 2002 and the provisions of Model Financial Memoranda, the Book of Accounts and General Purpose Financial Statements of Oorelope Local Government, Igboho for the year ended 31st December, 2020 have been audited.

2. The General Purpose Financial Statements were prepared by the management of Oorelope Local Government, Igboho and the management is therefore responsible for the contents and the information contained therein.

3. The General Purpose Financial Statements consisting (a) Statement of Financial Position (b) Statement of Financial Performance and (c) Cash Flow Statement were prepared in line with IPSAS Cash.

4. The audit inspection was planned and performed in accordance with the Generally Accepted Auditing Standards. As a result of the audit, I have obtained sufficient evidence to express my opinion. Some projects and programmes were verified in line with the prevailing administrative guidelines.

5. In my opinion and without prejudice to the observations contained in the Audit Inspection Report, the General Purpose Financial Statements did not show the true and fair view of the financial transactions of the Local Government for the year 2020.


12/07/21

Olusola Olanrewaju Akinola
Auditor-General for Local Governments.

REPORT

OF THE

AUDITOR-GENERAL FOR LOCAL GOVERNMENTS, OYO STATE ON THE ACCOUNTS OF OORELOPE LOCAL GOVERNMENT, IGBOHO FOR THE YEAR ENDED 31ST DECEMBER, 2020

The attached General Purpose Financial Statements of Oorelope Local Government, Igboho have been examined in accordance with the Oyo State Local Government Law 2001 Part VII Section 66 Sub-sections (2) (3) & (5) and the provisions of Model Financial Memoranda for Local Governments.

2. I have obtained all the information and explanations that I required and in my opinion, the Financial Statements are correct subject to the observations in this Report.

3. REVIEW OF FINANCIAL STATEMENT

a. **STATEMENT OF FINANCIAL POSITION:** The Statement of Financial Position as at 31st December, 2020 contained the following errors.

Items	Amount Shown in the Statement (₦)	Correct Amount (₦)
Advances	178,217,142.14	178,138,863.61
Total Current Assets	201,186,179.01	201,107,900.48
Total Asset	338,697,503.39	338,619,224.86
Current Liabilities:		
Deposit	14,867,157.70	14,867,158.34
Total Current Liabilities	14,867,157.70	14,867,158.34
Net Asset/Equity	323,830,345.69	323,752,066.52

b. **STATEMENT OF FINANCIAL PERFORMANCE:** The Statement of Financial Performance for the year ended 31st December, 2020 contained the following errors.

Items	Amount Shown in the Statement (₦)	Correct Amount (₦)
Govt. Share of Statutory Allocation	435,282,352.07	670,046,995.98
Special Allocation	232,082,610.84	
Total Statutory Revenue	667,364,962.91	670,046,995.98
Other Receipts	2,682,038.07	
Personnel Cost	355,101,191.76	
Social Benefits	80,181,160.31	
Overhead	88,695,947.79	
Capital	193,618,282.37	

c. **CASH FLOW STATEMENT:** The Cash flow Statement for the year ended 31st December, 2020 contained the following errors.

Items	Amount Shown in the Statement (₦)	Correct Amount (₦)
Statutory Allocation	435,282,352.07	670,046,995.98
Value Added Tax (VAT)	232,082,610.84	Nil
Dependent Revenue	667,364,962.91	670,046,995.98
Personnel Cost	355,101,191.76	355,101,191.73
Overhead	88,695,947.79	88,710,947.79
Social Benefits	80,181,160.31	80,181,160.34
Total Outflow from Operating Act.	523,978,299.86	523,993,299.86
Net Cash flow from Operating Act.	161,802,522.39	161,787,522.39
Investing Activities		
Purchases/Construction of Assets	193,618,282.37	193,603,282.37
Net Cashflow from Investing Act.	31,815,759.98	193,603,282.37

4. **AUTHORITY FOR EXPENDITURE:** All expenditures shown in the Statement of Actual Expenditure for the year 2020 have been authorized as provided by Appropriation Law except as explained below.

Audit Query No.LQ/ORE/02/2020: Excess Expenditure Disclosed by the Statement

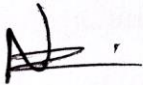
Economic Code	Final Approved Provision (₦)	Actual Expenditure (₦)	Excess Disclosed (₦)
21020101	8,000,000.00	11,238,702.08	3,238,702.08
22020408	100,000.00	209,307.56	109,307.56
21010103	1,250,000.00	1,852,033.00	602,033.00
21010103	3,400,000.00	4,580,000.00	1,180,000.00
21010103	1,298,000.00	2,500,654.84	1,202,654.84
22020406	Nil	340,000.00	340,000.00
22020408	2,600,000.00	5,391,977.38	2,791,977.38
22020601	1,300,000.00	1,420,000.00	120,000.00
22021001	2,539,800.00	3,673,500.00	1,133,700.00
22021024	300,000.00	500,000.00	200,000.00
22021029	3,500,000.00	3,719,500.00	219,500.00
22020408	650,000.00	786,209.68	136,259.68
22020102	800,000.00	874,000.00	74,000.00
22020408	1,100,000.00	3,564,769.88	2,464,769.88
22040112	Nil	6,550,000.00	6,550,000.00
21010103	2,230,000.00	2,599,410.57	369,410.57
22021014	900,000.00	965,000.00	65,000.00
23010105	3,000,000.00	8,939,000.00	5,939,000.00
23020118	2,000,000.00	2,500,000.00	500,000.00
23020113	Nil	1,550,000.00	1,550,000.00
22020408	1,500,000.00	3,291,893.40	1,791,893.40
22020601	250,000.00	3,415,000.00	3,165,000.00
22020105	500,000.00	2,715,000.00	2,215,000.00
23050110	500,000.00	24,493,625.00	23,993,625.00
22021005	700,000.00	930,000.00	230,000.00
21020101	1,500,000.00	4,098,000.00	2,598,000.00
23040102	3,000,000.00	3,688,000.00	688,000.00
23040103	Nil	1,120,000.00	1,120,000.00
	42,917,800.00	107,505,633.39	64,587,833.39

5. In addition to the items shown in paragraph 4 of this Report, the following expenditures appear contrary to law.

Query No.	Amount (₦)	Details	Reasons
LQ/ORE/MA/01/2020	1,500,000.00	Payment made to Mr. Oyedotun Alaba Moses for Free Eye Screening and Treatment	Non-deduction of 7.5% (₦112,500.00) of Value Added Tax and 10% (₦150,000.00) Withholding Tax. Expenditure not supported by proper records or account

6. **DISALLOWANCE:** Allowance of the expenditures detailed in paragraphs 4 and 5 of this report have been reserved pending satisfactory explanation to the queries and/or the sanction of the State Executive Council.

7. **STATE OF ACCOUNTS:** The Accounts of the Local Government have been examined up to 31st December, 2020 and other observations have been forwarded to the Chairman.


 Olusola Olanrewaju Akinola 12/07/21
Auditor-General for Local Governments.