

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

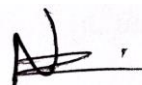
In compliance with the provision of Part VII, Section 66 (Subsections 2, 3 and 5) of Oyo State Local Government Law 2001, Section 5 (Subsection 4) of the State Joint Local Government Account (Distribution) Law 2002 and the provisions of Model Financial Memoranda, the Book of Accounts and General Purpose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

2. The General Purpose Financial Statements were prepared by the management of Atisbo Local Government, Tede 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 ATISBO LOCAL GOVERNMENT, TEDE FOR THE YEAR ENDED 31ST DECEMBER, 2020

The attached General Purpose Financial Statements of Atisbo Local Government, Tede 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 (₦)
<u>Assets</u>		
Cash and Cash Equivalents	16,022,712.15	10,479,329.04
Stabilization	24,685,280.39	24,685,380.39
<u>Non-Current Assets</u>		
Loan granted	219,951,711.47	219,696,247.03
Total Assets	303,995,752.01	298,197,004.46
<u>Liabilities</u>		
Current Liabilities		
Deposit	41,639,474.27	41,253,273.42
Net Assets	237,670,998.08	256,943,731.04

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 (₦)
<u>Expenditure</u>		
Depreciation Charges PPE	259,686,007.48	Nil
Acquisition of PPE	Nil	281,785,739.67
Total Expenditure	729,107,509.06	751,207,241.25
Accumulated Deficit	(15,910,574.66)	(38,010,306.85)

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 (₦)
<u>Operating Activities</u>		
Salaries and Wages	391,446,522.55	391,789,123.25
Total Expenditure	469,078,900.88	469,421,501.58
Net from Operating Activities	244,118,033.03	243,775,432.82
<u>Investing Activities</u>		
Acquisition of PPE (Capital Project)	Nil	281,785,739.67
Proceed from Sale of PPE	259,686,007.48	Nil
Net Cashflow from all Activities	(15,910,574.66)	(38,010,306.85)
Cash and its equivalent 1/1/20	(50,706,744.62)	(48,489,635.89)
Cash and its equivalent 31/12/20	19,164,375.43	10,479,329.04

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/ATS/02/2020: Excess Expenditure Disclosed by the Statement

Economic Code	Final Approved Provision (₦)	Actual Expenditure (₦)	Excess Disclosed (₦)
55001300101	68,117,000.00	73,698,010.49	5,581,010.49
052100100100	30,600,000.00	53,900,000.00	23,300,000.00
Total	98,717,000.00	127,598,010.49	28,881,010.49

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

Query No.	Details	Details	Reasons
LQ/ATS/MA/01/2020	Payment to Mr. Oyedotun Alaba Moses	1,500,000.00	Expenditure not supported by proper records or accounts

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

8. **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.