

CERTIFICATE

OF THE

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

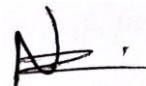
In compliance with the provision of Part VII, Section 66 (Subsections 2, 3 and 5) of Oyo State Local Government Law 2001, Section 5 (Subsection 4) of the State Joint Local Government Account (Distribution) Law 2002 and the provisions of Model Financial Memoranda, the Book of Accounts and General Purpose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

2. The General Purpose Financial Statements were prepared by the management of Oriire Local Government, Ikoyi-Ile 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 ORIIRE LOCAL GOVERNMENT, IKOYI-ILE FOR THE YEAR ENDED 31ST DECEMBER, 2020

The attached General Purpose Financial Statements of Oriire Local Government, Ikoyi-Ile 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 (₦)
Cash and Cash Equivalent	13,322,999.45	60,583,953.45
Other Account	10,711,191.59	Nil
Total Asset	343,484,199.82	380,033,962.27
Total Current Asset	471,088,888.48	507,638,650.93
CURRENT LIABILITY		
Net Asset/Equity	374,459,177.54	411,008,939.99
Reserve	Nil	375,591,579.78
Accumulated Surplus	374,459,177.54	35,417,360.21
Total Net Asset	374,459,177.54	411,008,939.99

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

Revenue	Amount Shown in the Statement (₦)	Correct Amount (₦)
Statutory Allocation	840,970,559.35	914,921,745.36
Interest Earned	14,115,066.82	14,156,912.94
Independent Revenue	868,084,998.57	942,078,030.70
Total Revenue		
Expenditure		
Teacher's Pension Fund	Nil	73,951,186.01
Total Recurrent Expenditure	580,891,130.71	654,842,316.72
Surplus/Deficit	287,193,867.86	287,235,713.98
Total Expenditure	580,891,130.71	906,660,670.49

c. **CASH FLOW STATEMENT:** The Statements of Capital Development Fund for the year ended 31st December, 2020 contained the following errors.

Items	Amount Shown in the Statement (₦)	Correct Amount (₦)
<u>Cashflow from Operating Activities</u>		
Dependent Revenue	840,970,559.35	914,921,745.36
Total Inflow from Operating Activities	9,833,185.93	942,078,030.70
Expenditure		
Personnel Emolument		
Teachers' Pension	Nil	73,951,186.01
Administrative Sector	9,970,375.00	Nil
Social Sector	127,083,015.86	Nil
Economic Sector	114,764,962.91	Nil
Total Outflow from Operating Activities	832,709,484.48	654,842,316.72
Net Outflow from Operating Activities	35,417,360.21	287,235,713.98
<u>Cashflow from Investing Activities</u>		
Purchase/Construction of Assets	Nil	251,818,353.77
Cashflow from Financing Activities		
<u>Net Cashflow from Financing Activities</u>		
Net Cashflow from Financing Activities	Nil	35,417,360.21
Net Cashflow from all Activities	Nil	35,417,360.21
Cash and Its Equivalent 1/1/2020	339,041,817.33	25,166,593.24
Cash and its Equivalent 31/12/2020	374,459,177.54	60,583,953.45

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/AUD/ORI/MA/08/2020: Excess Expenditure Disclosed by the Statement

Economic Code	Final Approved Provision (₦)	Actual Expenditure (₦)	Excess Disclosed (₦)
22020408	4,000,000.00	6,561,604.31	2,561,604.31
22020401	500,000.00	1,590,000.00	1,090,000.00
22020408	600,000.00	690,344.02	90,344.02
22020102	1,000,000.00	1,746,000.00	746,000.00
22020301	Nil	260,000.00	260,000.00
22020408	2,000,000.00	3,694,739.47	1,694,739.47
22020402	500,000.00	544,510.00	44,510.00
22020408	2,500,000.00	3,962,150.24	1,462,150.24
23020112	Nil	38,000,000.00	38,000,000.00
22020408	1,500,000.00	3,303,543.68	1,803,543.68
22050105	10,000,000.00	24,493,625.00	14,493,625.00
23050111	5,000,000.00	7,860,000.00	2,860,000.00
22020307	4,000,000.00	4,800,000.00	800,000.00
23010122	50,000,000.00	51,550,000.00	1,550,000.00
22021027	Nil	385,000.00	385,000.00
	81,600,000.00	149,441,516.72	67,841,516.72

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
LA/AUD/ORI/MA/01/2020	1,516,000.00	Payment made to Deputy Director Administration and General Service (Mr. Adeniyi A. O.) for various activities	Expenditure not supported with proper records or account
LA/AUD/ORIN/BP/01/2020	130,000.00	Payment made to Deputy Director of Agric (Mr. Olafimihan Olatunde) for	Expenditure not supported with proper records or account

LA/AUD/ORIN/BP/02/2020	100,000.00	repair and servicing of LCDA tractor MF 375E Payment made to Acting Director of Agric (Mr. Alamu O.) for various activities carried out on behalf of the Local Government	Expenditure not supported with proper records or account
LA/AUD/ORIN/BP/03/2020	109,000.00	Payment made to Mr. Rasaki Ayinde L. (Motor Engineerin) for repair and servicing of official vehicle Reg. No. LG 24 KKY Everest Jeep on behalf Local Government	Expenditure not supported with proper records or account

6. **DISALLOWANCE:** Allowance of the expenditures detailed in paragraphs 4, 5 and 6 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
Auditor-General for Local Governments
Oyo State

The Chairman,
Oriire Local Government,
Ikoyi-Ile.

Office of the Auditor-General
For the Local Governments,
Ibadan.

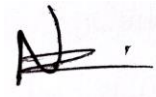
Please furnish an early reply to the query below. You should type your reply on the original copy of the query and return it to the above address. No covering letter is necessary and the duplicated copy should be retained for your office records. Please note the copy to this query should be self-contained, that is reference should not be made to the copy on another Query.

2020 ACCOUNT

SUBJECT: EXCESS EXPENDITURE

Authorizing Officer:- **HLGA:** Engr. Adekunle
 DF&S: Dr. Babalola

Economic Code	Final Approved Provision (₦)	Actual Expenditure (₦)	Excess Disclosed (₦)
22020401	500,000.00	1,590,000.00	1,090,000.00
22020408	600,000.00	690,344.02	90,344.02
22020102	1,000,000.00	1,746,000.00	746,000.00
22020301	Nil	260,000.00	260,000.00
22020408	2,000,000.00	3,694,739.47	1,694,739.47
22020402	500,000.00	544,510.00	44,510.00
22020408	2,500,000.00	3,962,150.24	1,462,150.24
23020112	Nil	38,000,000.00	38,000,000.00
22020408	1,500,000.00	3,303,543.68	1,803,543.68
22050105	10,000,000.00	24,493,625.00	14,493,625.00
23050111	5,000,000.00	7,860,000.00	2,860,000.00
22020307	4,000,000.00	4,800,000.00	800,000.00
23010122	50,000,000.00	51,550,000.00	1,550,000.00
22021027	Nil	385,000.00	385,000.00
	77,600,000.00	142,879,912.41	65,279,912.41


Olusola Olanrewaju Akinola
 Auditor-General for Local Governments.