

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR 20 LOCAL GOVERNMENTS AND 37 LOCAL COUNCIL  
DEVELOPMENT AREAS AS AT 31<sup>ST</sup> DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₱	₱
CASH & CASH EQUIVALENTS	- 80,003,254.99	- 60,672,697.31
INVENTORIES	97,616,546.70	80,349,396.29
RECEIVABLES	46,419,280.00	30,376,350.00
ADVANCE	95,540,510.14	98,181,166.72
<b>TOTAL CURRENT ASSET (A)</b>	<b>159,573,081.85</b>	<b>148,234,215.70</b>
<b>NON CURRENT ASSET</b>	-	
PROPERTY PLANT & EQUIPMENT	193,661,737.35	100,913,525.67
INVESTMENT PROPERTY	19,549,880.54	10,398,720.80
BIOLOGICAL ASSET	1,886,405.00	2,163,540.00
INVESTMENT	61,280,269.43	61,874,768.93
LOAN GRANTED	4,000,000.00	4,000,000.00
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>280,378,292.32</b>	<b>179,350,555.40</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>439,951,374.17</b>	<b>327,584,771.10</b>
<b>CURRENT LIABILITY</b>	-	
DEPOSIT	532,190,814.63	530,026,327.09
LOAN & DEBT	46,628,951.54	47,278,951.54
UNREMITTED DEDUCTIONS	1,904,309,412.72	1,862,633,835.45
ACCURED EXPENSES, PAYABLES	102,880,751.47	64,144,933.52
CURRENT PORTION OF BORROWING	1,394,773,403.84	1,395,323,403.84
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>3,980,783,334.20</b>	<b>3,899,407,451.44</b>
<b>NON CURRENT LIABILITY</b>	-	
PUBLIC FUND (DRUG REVOLVING	25,697,651.84	24,442,625.84
BORROWING	6,022,039,428.59	9,347,125,758.71
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>6,047,737,080.43</b>	<b>9,371,568,384.55</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>10,028,520,414.63</b>	<b>13,270,975,835.99</b>
<b>NET ASSETS (G= C-F)</b>	- <b>9,588,569,040.46</b>	- <b>12,943,391,064.89</b>
	-	
<b>NET ASSET/EQUITY</b>	-	
RESERVE	-	
<b>ACCUMULATED SURPLUS/ DEFICIT</b>	- <b>9,588,569,040.46</b>	- <b>12,943,391,064.89</b>
<b>TOTAL NET ASSEST/EQUITY</b>	<b>9,588,569,040.46</b>	- <b>12,943,391,064.89</b>

**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR 20 LOCAL GOVERNMENTS AND 37 LOCAL COUNCIL DEVELOPMENT AREAS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

	2018	2017
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	39,154,511,339.68	29,462,276,199.83
NON TAX REVENUE	874,306,175.00	829,217,292.36
INVESTMENT INCOME	12,706,523.28	10,384,482.30
INTEREST EARNED	587,389.20	649,206.08
AIDS & GRANTS	342,000,000.00	439,081,418.43
OTHER REVENUE	56,387,365.34	80,833,882.66
<b>TOTAL REVENUE (A)</b>	<b>40,440,498,792.50</b>	<b>30,822,442,481.66</b>
<b>EXPENDITURE</b>	-	
SALARIES & WAGES	25,402,406,023.74	26,661,248,934.43
NON- REGULAR ALLOWANCE	1,504,652,242.95	1,623,737,193.24
SOCIAL BENEFIT	7,699,830,992.72	5,345,820,799.10
OVERHEAD COST	2,370,975,060.42	1,593,962,477.72
SUBVENTION TO PARASTALS	27,596,250.00	36,442,476.32
DEPRECIATION	40,033,468.94	21,756,570.72
LOSS ON DISPOSAL ON ASSET		1,150,000.00
<b>TOTAL EXPENDITURE (B)</b>	<b>37,045,494,038.77</b>	<b>35,284,118,451.53</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>3,395,004,753.73</b>	<b>- 4,461,675,969.87</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>Balance 1/1/2017</b>	-	<b>2,199,476,593.03</b>
Prior Year Adjustment	-	6,282,046,411.99
<b>Adjusted Balance</b>	-	<b>8,481,715,105.02</b>
<b>Surplus/ (deficit) for the year</b>	-	4,461,675,959.87
<b>Balance 31/12/2017</b>	-	<b>12,943,391,064.89</b>
Prior Year Adjustment	-	40,182,729.30
<b>Adjusted Balance</b>	-	<b>12,983,573,794.19</b>
Surplus/ (deficit) for the year		3,395,004,753.73
<b>Balance at 31 December 2018</b>	-	<b>9,588,569,040.46</b>

**CONSOLIDATED CASHFLOW STATEMENT FOR 20 LOCAL GOVERNMENTS AND 37 LOCAL COUNCIL DEVELOPMENT  
AREAS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	39,154,511,339.68	29,462,276,199.83
LICENCES, FINES, ROYALTIES, FEES ETC	555,787,705.00	544,218,759.31
EARNINGS & SALES	221,047,780.00	166,399,352.88
RENT OF GOVERNMENT PROPERTIES	78,393,760.00	87,113,250.00
INVESTMENT INCOME	12,706,523.28	10,142,191.40
INTEREST & REPAYMENT GENERAL	587,389.20	2,154,252.21
DOMESTIC AIDS & GRANTS	322,979,999.56	1,629,000.00
OTHER REVENUE	56,387,365.34	79,356,414.56
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>40,402,401,862.06</b>	<b>30,353,289,420.19</b>
<b><u>OUTFLOW</u></b>	-	-
PERSONNEL EMOLUMENTS	26,907,058,266.69	26,802,614,707.52
SOCIAL BENEFIT	7,699,830,992.72	5,345,820,799.10
OVERHEADS	2,327,740,758.01	1,586,014,537.17
SUBVENTION TO PARASTATALS	27,596,250.00	31,187,476.32
INTEREST PAYMENT	-	8,565,490.84
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>36,962,226,267.42</b>	<b>33,774,203,010.95</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>3,440,175,594.64</b>	<b>-3,420,913,590.76</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>	-	-
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)	- 139,444,443.99	89,791,225.79
PURCHASE OF FINANCIAL MARKET INSTRUMENTS	594,499.50	6,080,553.01
ADVANCE	3,456,955.83	4,236,382.71
DIVIDEND RECEIVED	-	-
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	- <b>135,392,988.66</b>	<b>91,635,396.09</b>
	-	-
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>	-	-
DEPOSIT/ UNREMITTED DEDUCTIONS	4,610,550.76	1,798,663.95
BAILOUT REPAYMENT	- 1,389,323,403.84	1,389,323,403.84
PROCEEDS FROM DOMESTIC LOANS & OTHER	- 1,938,150,518.43	4,710,868,092.25
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	- <b>3,322,863,371.51</b>	<b>3,323,343,352.36</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	- <b>19,330,557.68</b>	<b>189,205,634.49</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	- <b>60,672,697.31</b>	<b>128,532,937.12</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	- <b>80,003,254.99</b>	<b>60,672,697.37</b>

## ACCOUNTING POLICY

S/N	
1	<p><b>Basis of Preparation</b> The General Purpose Financial Statements are prepared under the historical cost convention and in accordance with IPSAS and other applicable standards and laws.</p>
2	<p><b>Accounting period</b> Reporting period runs from 1<sup>st</sup> January to 31<sup>st</sup> December.</p>
3	<p><b>Reporting Currency</b> The reporting currency is Naira (₦).</p>
4	<p><b>Revenue</b></p> <ul style="list-style-type: none"> <li>a) Revenues from non-exchange transactions such as fees, and fines are recognised when the event occurs and the asset recognition criteria are met.</li> <li>b) Other non-exchange revenues are recognised when it is probable that the future economic benefits or service potential associated with the asset will flow to the Local Government and the fair value of the assets can be measured reliably.</li> </ul>
5	<p><b>Other revenue</b></p> <ul style="list-style-type: none"> <li>a) Other revenue consists of gains on disposal of property, plant and equipment.</li> <li>b) Any gain on disposal is recognized at the date control of the assets is passed to the buyer and is determined after deducting from the proceeds the carrying value of the assets at that time.</li> </ul>
6	<p><b>Aids and Grants</b> Aid and grants to a Local Government is recognised as income on entitlement, while aid and grants to other governments/agencies are recognised as expenditure on commitment.</p>
7	<p><b>Expenses</b> All expenses are recognised in the period they are incurred or when the related services are enjoyed, irrespective of when the payment is made.</p>
8	<p><b>Property, Plant &amp; Equipment (PPE)</b></p> <ul style="list-style-type: none"> <li>a) All property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.</li> <li>b) Where an asset (Other than land) is acquired in a non-exchange transaction for nil or normal consideration the asset is initially recognised at fair value, where fair value can be reliably determined and as income in the statement of financial performance.</li> </ul>
9	<p><b>Depreciation</b> The cost of PPE are written off, from the time they are brought into use on a straight line basis over their expected useful lives less any estimated residual value as follows:</p> <ul style="list-style-type: none"> <li>a) Lease properties over the term of the lease</li> <li>b) Buildings 2%</li> <li>c) Plant and Machinery 10%</li> <li>d) Motor vehicles 20%</li> <li>e) Office Equipment 25%</li> <li>f) Furniture and Fittings 20%</li> </ul>

	<ul style="list-style-type: none"> <li>i. The full depreciation charge are applied to PPE in the year of acquisition and disposal, regardless of the day of the month the transactions were carried out</li> <li>ii. Fully depreciated assets that are still in use are carried in the books at a net book value of ₦100.00</li> <li>ii. An asset's carrying amount is written down immediately to its recoverable amount or recoverable service amount if the asset's carrying amount is greater than its estimated recoverable amount or recoverable service amount.</li> </ul>
10	<p><b>Disposal</b> Gains or losses on the disposal of fixed assets are included in the income statement as either an income or expenses respectively.</p> <p><b>Impairment</b> Entities shall test for impairments of its PPE where it suspects that impairment has occurred.</p>
11	<p><b>Investment Property</b> These are cash-generating property owned by the Local Government. The cost, depreciation and impairment of Investment Property are same with PPE.</p>
12	<p><b>Unremitted Deductions</b></p> <ul style="list-style-type: none"> <li>a) Unremitted deductions are monies owed to third parties such as tax authorities, schemes and associations and other government agencies. These include tax deductions and other deductions at source.</li> <li>b) These amounts are stated as Current Liabilities in the Statement of Financial Position.</li> </ul>
13	<p><b>Payable/Accrued Expenses</b></p> <ul style="list-style-type: none"> <li>a) These are monies payable to third parties in respect of goods and services received</li> <li>b) Accrued Expenses for which payment is due in the next 12 months are classified as Current Liabilities. Where the payments are due beyond the next 12 months, they are accounted for as Non-Current Liabilities.</li> </ul>
14	<p><b>Current Portion Of Borrowings</b> This is the portion of the long-term loan/borrowing that is due for repayment within the next 12 months. This portion of the borrowings are classified under Current Liabilities in the Statement of Financial Position.</p>

**JOINT ACCOUNT ALLOCATION COMMITTEE (JAAC)  
STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR YEAR 2018**

DETAILS		2018
Net Statutory Allocation		29,410,195,273.97
Value Added Tax		8,375,951,967.05
Excess Crude Oil		
Excess Petroleum Profit Tax		
Additional NNPC Refund		98,663,472.23
Excess Bank Charges		71,813,102.93
Exchange Gain		275,064,393.37
Forex Equalization		922,823,130.13
Augmentation		
Solid Minerals		
<b>Total Receipts from FAAC</b>		<b>39,154,511,339.68</b>
Grants From OGSG		
Facility From OGSG		1,123,863,377.97
<b>Total Receipts</b>		<b>40,278,374,717.65</b>
Other Receipts		3,127,116.52
Balance in Fund 1/1/2017		64,264,569.96
<b>Funds Available</b>		<b>40,345,766,404.13</b>
<b>APPLICATION</b>		
<b>a. <u>FIRST LINE CHARGES</u></b>		
Payment of Teachers' Salary		16,153,545,238.68
Payment of Pry. Sch. Teachers' & LGS' Staff Pension fund		7,699,830,992.72
Allocation to Traditional Council		2,364,324,019.34
Allocation for Training (LGSC)		146,198,925.15
Payment of Local Govt, Staff Salary		8,721,038,064.20
Bank Charges/Draft/COT/VAT e.t.c		48,196,127.58
Payment of Security Votes		376,200,000.00
Payment of Grants to LGC/LCDA		342,000,000.00
OGSG Facility Repayment		3,061,263,896.40
Bailout Repayment		1,389,323,403.84
<b>Total First Line Charge</b>		<b>40,301,920,667.91</b>
<b>Net Distributable to LGs</b>		<b>-</b>
<b>Total Disbursement</b>		<b>40,301,920,667.91</b>
<b>Balance in Fund 31/12/2018</b>		<b>43,845,736.22</b>
<b>TOTAL</b>		<b>40,345,766,404.13</b>

**OGUN STATE JOINT ACCOUNT ALLOCATION COMMITTEE  
RECEIPTS AND DISTRIBUTION OF FUND FROM JANUARY TO DECEMBER, 2018**

S/N	LOCAL GOVT	PAYMENTS											RECEIPTS		VARIANCE
		LOCAL GOVT STAFF	TRAINING FUND	SECURITY VOTES	GRANTS TO LGC/LCDA	PRIMARY SCHOOL TEACHERS	PENSION	TRADITIONAL COUNCIL	BANK CHARGES	REPAYMENT TO STATE	TOTAL DISTRIBUTION	RECEIPTS FROM FAAC	K		
	A	B	C	D	E	F	G	H	I	J	K	K=J-I			
1	Abeokuta North	436,305,019.38	7,314,189.48	18,810,000.00	17,109,926.08	808,146,096.43	385,215,026.67	118,216,200.97	2,409,806.38	153,063,194.82	1,946,589,460.20	1,889,355,479.57	(57,233,980.63)		
2	Abeokuta South	437,061,607.85	7,327,208.16	18,810,000.00	17,140,386.40	809,584,532.64	385,900,679.99	118,216,200.97	2,409,806.38	153,063,194.82	1,949,533,610.19	1,892,718,383.07	(56,815,227.12)		
3	Abe-Odo/Ota	441,775,897.49	7,405,902.93	18,810,000.00	17,324,469.38	816,279,531.96	390,045,281.57	118,216,200.97	2,409,806.38	153,063,194.82	1,967,330,285.50	1,913,046,322.15	(54,283,963.34)		
4	Yewa North	436,042,566.57	7,309,790.07	18,810,000.00	17,099,634.64	807,660,005.19	384,983,323.95	118,216,200.97	2,409,806.38	153,063,194.82	1,945,594,542.60	1,888,219,052.45	(57,375,490.15)		
5	Yewa South	435,753,313.37	7,304,940.72	18,810,000.00	17,088,290.65	807,124,198.81	384,727,923.76	118,216,200.97	2,409,806.38	153,063,194.82	1,944,497,869.46	1,886,966,396.86	(57,531,472.59)		
6	Ewekoro	433,825,239.92	7,272,618.62	18,810,000.00	17,012,680.25	803,552,924.21	383,025,621.85	118,216,200.97	2,409,806.38	153,063,194.82	1,937,188,287.02	1,878,617,154.99	(58,571,132.02)		
7	Remo North	433,862,693.71	7,273,581.77	18,810,000.00	17,014,933.33	803,659,343.03	383,076,347.98	118,216,200.97	2,409,806.38	153,063,194.82	1,937,406,101.99	1,878,865,950.31	(58,540,151.68)		
8	Ifa	441,723,533.25	7,405,025.10	18,810,000.00	17,322,415.89	818,182,540.29	389,999,049.02	118,216,200.97	2,409,806.38	153,063,194.82	1,967,131,765.72	1,912,819,566.43	(54,312,199.29)		
9	Ijebu East	434,647,549.49	7,289,756.55	18,810,000.00	17,052,770.65	805,446,497.42	383,928,222.08	118,216,200.97	2,409,806.38	153,063,194.82	1,941,063,986.35	1,883,044,118.04	(58,019,868.31)		
10	Ijebu North	437,707,191.60	7,337,695.41	18,810,000.00	17,164,912.99	810,743,270.32	386,453,006.78	118,216,200.97	2,409,806.38	153,063,194.82	1,951,905,281.26	1,895,427,382.60	(56,477,898.66)		
11	Ijebu - Ode	435,490,856.70	7,300,540.91	18,810,000.00	17,077,998.27	806,638,063.38	384,496,199.97	118,216,200.97	2,409,806.38	153,063,194.82	1,943,502,861.39	1,885,829,866.41	(57,672,994.98)		
12	Ikenne	434,878,315.73	7,290,272.31	18,810,000.00	17,053,977.16	805,503,484.20	383,955,385.69	118,216,200.97	2,409,806.38	153,063,194.82	1,941,180,637.26	1,883,177,346.78	(58,003,290.48)		
13	Ijebu - North East	434,029,584.37	7,276,044.23	18,810,000.00	17,020,693.73	803,931,421.29	383,206,038.19	118,216,200.97	2,409,806.38	153,063,194.82	1,937,962,983.98	1,879,502,038.96	(58,460,945.02)		
14	Imeko / Afon	434,343,862.76	7,281,312.78	18,810,000.00	17,033,018.31	804,513,543.52	383,483,515.53	118,216,200.97	2,409,806.38	153,063,194.82	1,939,154,455.07	1,880,862,975.84	(58,291,479.23)		
15	Ipokia	435,421,468.37	7,299,377.69	18,810,000.00	17,075,277.17	806,509,538.82	384,434,936.80	118,216,200.97	2,409,806.38	153,063,194.82	1,943,239,801.01	1,885,528,390.32	(57,710,410.69)		
16	Obafemi / Owode	436,777,942.08	7,322,117.53	18,810,000.00	17,128,471.99	809,022,067.63	385,632,571.56	118,216,200.97	2,409,806.38	153,063,194.82	1,948,382,372.95	1,891,403,402.59	(56,978,970.35)		
17	Odeda	434,807,085.94	7,289,078.22	18,810,000.00	17,051,183.85	805,371,548.80	383,892,496.69	118,216,200.97	2,409,806.38	153,063,194.82	1,940,910,595.67	1,882,868,896.52	(58,041,699.14)		
18	Odogbolu	435,025,107.34	7,292,733.12	18,810,000.00	17,059,733.67	805,775,378.99	384,084,988.44	118,216,200.97	2,409,806.38	153,063,194.82	1,941,737,143.72	1,883,813,006.48	(57,924,137.23)		
19	Ogunwater-Side	434,160,605.89	7,278,240.67	18,810,000.00	17,025,831.80	804,174,105.94	383,321,717.49	118,216,200.97	2,409,806.38	153,063,194.82	1,938,459,703.97	1,880,069,408.62	(58,390,295.34)		
20	Sagamu	437,158,602.40	7,328,498.69	18,810,000.00	17,143,398.78	809,727,145.82	385,988,657.71	118,216,200.97	2,409,806.38	153,063,194.82	1,949,025,506.76	1,893,051,796.78	(55,973,709.97)		
21	Bailout deducted upfront											1,389,323,403.84			
	<b>TOTAL</b>	<b>8,721,038,064.20</b>	<b>146,198,925.15</b>	<b>376,200,000.00</b>	<b>342,000,000.00</b>	<b>16,153,545,238.68</b>	<b>7,699,830,992.72</b>	<b>2,364,324,019.34</b>	<b>48,196,127.58</b>	<b>3,061,263,896.40</b>	<b>38,912,597,264.07</b>	<b>39,154,511,339.68</b>	<b>(1,147,409,328.23)</b>		

# INTERNALLY GENERATED REVENUE 2018

	LICENCES	FINES	FEES	SALES	RENT ON GOVERNMENT PROPERTIES	EARNING ON COMMERCIAL ACTIVITIES	INTREST & REPAYMENT	OTHER REVENUE	TOTAL IGR
1	ABEOKUTA NORTH LG	2,051,900.00	673,500.00	14,708,550.00	1,006,240.00	430,000.00	1,732,000.00	30,000.30	20,632,190.30
2	ABEOKUTA NORTH EAST LCDA	2,662,760.00	2,973,700.00	264,500.00	379,530.00	8,073,100.00	1,905,850.00	520,000.00	16,779,440.00
3	ABEOKUTA NORTH WEST LCDA	3,916,500.00	8,140,740.00	891,500.00	879,705.00	2,011,000.00	1,759,400.00	93,000.00	17,691,845.00
4	OKE OGUN LCDA	2,193,650.00	364,000.00	1,145,700.00	1,438,015.00	555,000.00	1,990,740.00		7,687,105.00
5	ABEOKUTA SOUTH LG	3,966,400.00	1,000.00	20,500,050.00	3,874,280.00	1,860,670.00	13,774,000.00		43,976,400.00
6	ABEOKUTA SOUTH EAST LCDA	4,102,900.00	793,400.00	1,687,200.00	481,640.00	587,000.00	354,900.00	750,000.00	8,757,040.00
7	ABEOKUTA SOUTH WEST LCDA	5,477,300.00	1,921,600.00	8,198,350.00	3,032,830.00	5,692,000.00	5,560,500.00	801,600.00	30,684,180.00
8	ADO-ODO/OTA LG	9,661,750.00	4,212,600.00	28,223,400.00	3,130,830.00	14,307,250.00	9,241,050.00	434,000.00	69,210,880.00
9	ADO-ODO LCDA	1,741,975.00	3,544,200.00	153,950.00	1,581,110.00	4,254,750.00	2,346,130.00		13,622,115.00
10	AGBARA/IGBESA LCDA	3,636,500.00	2,428,500.00	9,540,900.00	5,137,033.00	1,940,000.00	6,278,950.00	3,418,879.78	32,388,157.06
11	IJU/ATAN/ILOGBO LCDA	2,701,300.00	1,818,150.00	3,198,600.00	2,688,513.00	1,180,000.00	8,446,590.00	600,550.00	20,633,703.00
12	SANGO-OTA/IUKO-OTA LCDA	5,160,100.00	3,173,900.00	3,996,800.00	3,856,871.00	1,210,000.00	7,482,700.00	2,619,150.00	27,499,521.00
13	EWEKORO LG	1,267,850.00	18,542,950.00	1,225,100.00	1,575,600.00	440,800.00	2,511,500.00	115,974.96	25,679,774.96
14	EWEKORO NORTH LCDA	1,059,600.00	553,500.00	2,398,100.00	15,500.00		1,000,900.00	68,000.00	5,095,600.00
15	IFO	8,108,400.00	18,171,900.00	1,924,250.00	6,027,595.00		3,152,800.00	1,328,948.00	38,732,641.99
16	AGBADO/OKO ARO	4,553,350.00	3,112,400.00	1,478,900.00	2,759,340.00	1,810,000.00	4,011,000.00	820,640.00	18,545,630.00
17	ISHERI/AKUTA/AJUWON LCDA	4,626,700.00	443,500.00	6,972,500.00	2,818,025.00	3,434,500.00	3,118,810.00	1,181,250.00	22,595,285.00
18	COKER IBOGUN	3,439,010.00	1,631,000.00	14,500.00	640,810.00	80,000.00	1,418,580.00	143,000.00	7,366,900.00
19	IJEBU EAST	748,250.00	-	10,123,590.00	947,195.00	95,000.00	890,950.00	5,919,747.48	31,418,840.21
20	IJEBU EAST CENTRAL LCDA	618,120.00	-	7,623,790.00	1,097,850.00	-	1,176,700.00	4,914,270.00	15,431,805.84
21	IJEBU NORTH	8,779,100.00	21,700.00	9,219,000.00	55,150.00		987,100.00	1,685,896.94	20,747,946.94
22	IJEBU NORTH CENTRAL LCDA	204,500.00	102,500.00	1,476,700.00	-	640,350.00	293,100.00	5,000.00	2,722,150.00
23	IJEBU IGBO WEST LCDA	430,500.00	350,700.00	1,439,290.00	799,340.00		294,100.00		3,313,930.00
24	AGO IWOYE LCDA	729,710.00	354,600.00	3,407,640.00	1,185,145.00	585,000.00	963,450.00	752,700.00	7,978,245.00
25	IJEBU NORTH EAST	740,750.00	6,300.00	524,440.00	1,004,740.00	100,000.00	65,160.00	60,000.00	2,501,390.00
26	YEMOJI LCDA	1,974,750.00	3,944,500.00	606,400.00	700,000.00	104,000.00	1,507,400.00		8,837,050.00
27	<b>IJEBU ODE</b>	8,796,050.00	1,603,500.00	8,061,050.00	4,730,375.00	2,475,000.00	2,350,900.00	1,330,120.11	29,346,995.11





**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF ABEOKUTA NORTH LOCAL  
GOVERNMENT, AKOMOJE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Abeokuta North Local Government, Akomoje for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS (₦)</b>
Internally Generated Revenue	20,632,190.30
Statutory Allocation	225,584,528.15
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>251,901,718.45</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	27,105,076.36
Salaries and Allowances	225,584,528.15
Long Term Assets	<u>5,185,165.00</u>
<b>Total</b>	<b><u>257,874,769.51</u></b>

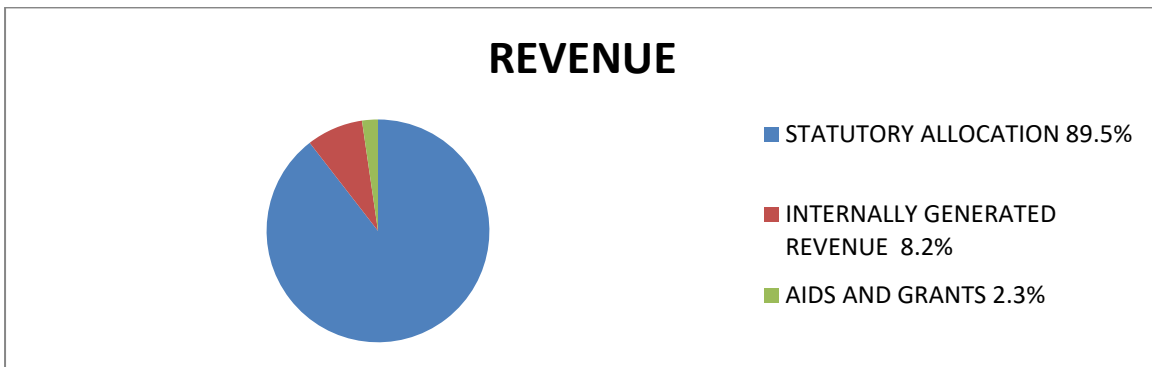
**(4) BUDGET PERFORMANCE**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦31,491,149.00, a sum of ₦20,632,190.30 only was actually generated internally representing 65.5% of the budget. This revenue performance is unimpressive and this indicates that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

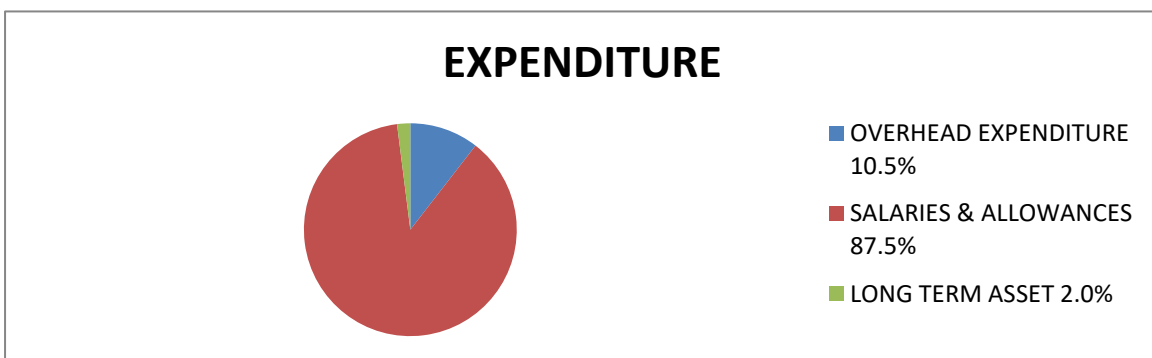
The Audit exercise revealed that out of the revenue of ₦251,901,718.45 realized by the Local Government during the year under review, the sum of ₦20,632,190.30 only was generated internally. This represented 8.2% of the total revenue while the total sum of ₦225,584,528.15 and ₦5,685,000.00 received from the State Joint Account Allocation Committee represented 89.5% and 2.3% respectively of the total revenue for the year. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦257,874,769.51. Out of this, a sum of ₦27,105,076.36 was expended on overhead which represented 10.5% of the total expenditure for the year. Also, a sum of ₦225,584,528.15 was expended on salaries and allowances which represented 87.5% of the expenditure for the year while ₦5,185,165.00 was expended on long term assets and this represented 2.0% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Government.



## **(5) DEBT PROFILE/ INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦130,487,884.64. The liabilities are highlighted below:-

<b>S/NO</b>	<b>ITEMS</b>	<b>AMOUNTS(₦)</b>
1	Pension Fund	56,589,118.49
2	Cooperative	7,836,385.50
3	5% VAT	3,549,728.08
4	Term Loan	6,576,936.58
5	Payables	3,105,000.00
6	Others	<u>52,830,715.99</u>
	<b>Total</b>	<b><u>130,487,884.64</u></b>

It was observed that the amounts highlighted above had been deducted from various contracts, salaries and workers but not remitted to appropriate agencies. This is against the extant rules and financial regulations. The Local Government should always remit deductions to relevant agencies as required by regulations.

## **6. REVIEW OF STATEMENT OF FINANCIAL POSITION**

### **(i) ADVANCES**

The sum of ₦4,214,759.48 highlighted in the statement of Financial Position as the Advances was stagnant throughout the year. Efforts should be intensified to recover the advances.

### **(ii) INVESTMENT ACCOUNT BALANCE**

The sum of ₦550,000.00 stated as investment balance in the statement of financial position could not be substantiated because the shares certificate was not produced for Audit scrutiny and no evidence of the beneficial ownership such as dividend was presented on demand.

**ABEOKUTA NORTH LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	1,761,083.77	3,552,243.33
INVENTORIES	1,061,565.00	2,796,790.00
RECEIVABLES	-	114,000.00
ADVANCE	4,214,759.48	4,214,759.48
<b>TOTAL CURRENT ASSET (A)</b>	<b>7,037,408.25</b>	<b>10,677,792.81</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	6,596,198.50	2,950,700.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	550,000.00	550,000.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>7,146,198.50</b>	<b>3,500,700.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>14,183,606.75</b>	<b>14,178,492.81</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	120,705,951.06	120,705,951.06
LOAN & DEBT	6,576,936.58	6,676,936.58
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	3,105,000.00	2,212,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>130,387,884.64</b>	<b>129,594,884.64</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>130,387,884.64</b>	<b>129,594,884.64</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 116,204,277.89</b>	<b>- 115,416,391.83</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 116,204,277.89	- 115,416,391.83
<b>TOTOTA NET ASSETS/EQUITY</b>	<b>- 116,204,277.89</b>	<b>- 115,416,391.83</b>

**ABEOKUTA NORTH LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	225,584,528.15	508,482,668.57
NON TAX REVENUE:	20,602,190.00	31,441,149.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE e.g EXP. RECOVERY SALE OF VEHICLE	30,000.30	432,500.00
<b>TOTAL REVENUE (A)</b>	<b>251,901,718.45</b>	<b>548,356,317.57</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	225,584,528.15	310,865,549.53
NON- REGULAR ALLOWANCE		199,121,974.95
OVERHEAD COST	25,090,409.86	35,395,244.26
SUBVENTION TO PARASTALS	475,000.00	1,325,000.00
DEPRECIATION	1,539,666.50	976,900.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>252,689,604.51</b>	<b>547,684,668.74</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>- 787,886.06</b>	<b>671,648.83</b>

**ABEOKUTA NORTH LOCAL GOVERNMENT**  
**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>- 116,088,040.66</b>
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>671,648.83</b>
<b>Balance 31/12/2017</b>	<b>- 115,416,391.83</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	- 787,886.06
<b>Balance at 31 December 2018</b>	<b>- 116,204,277.89</b>

**ABEOKUTA NORTH LOCAL GOVERNMENT**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	225,584,528.15	508,482,668.57
LICENCES, FINES, ROYALTIES, FEES ETC	17,547,950.00	24,951,719.00
EARNINGS & SALES	2,738,240.00	6,042,930.00
RENT OF GOVERNMENT PROPERTIES	430,000.00	332,500.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	30,000.30	432,500.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>252,015,718.45</b>	<b>548,242,317.57</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	225,584,528.15	509,987,524.48
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC	22,462,184.86	35,980,034.26
SUBVENTION TO PARASTATALS	475,000.00	1,325,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>248,521,713.01</b>	<b>547,292,558.74</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>3,494,005.44</b>	<b>949,758.83</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)	- 5,185,165.00	- 100,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 5,185,165.00</b>	<b>- 100,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		99,997.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>99,997.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 1,691,159.56</b>	<b>949,755.83</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>3,552,243.33</b>	<b>2,602,487.50</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>1,761,083.77</b>	<b>3,552,243.33</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF ABEOKUTA NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA, ITA-IYALODE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Abeokuta North East Local Council Development Area, Ita-Iyalode for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	16,779,440.00
Statutory Allocation	114,910,582.10
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>137,375,022.10</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	19,623,728.89
Salaries and Allowances	114,910,582.10
Long Term Assets	<u>2,979,000.00</u>
<b>Total</b>	<b><u>137,513,310.99</u></b>

**(4) BUDGET PERFORMANCE**

**(i) STATEMENT OF ACTUAL REVENUE**

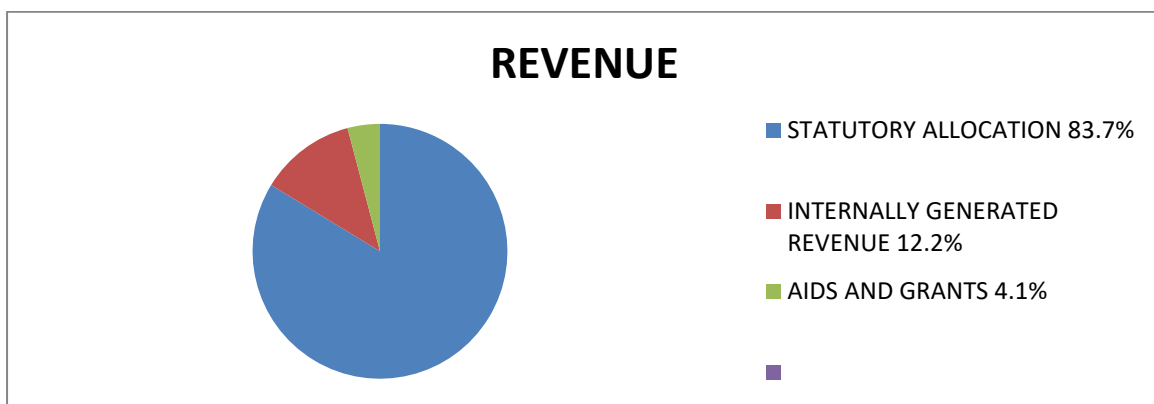
Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦59,540,000.00, a sum of ₦16,779,440.00 only was actually generated internally representing 28.1% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its



Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

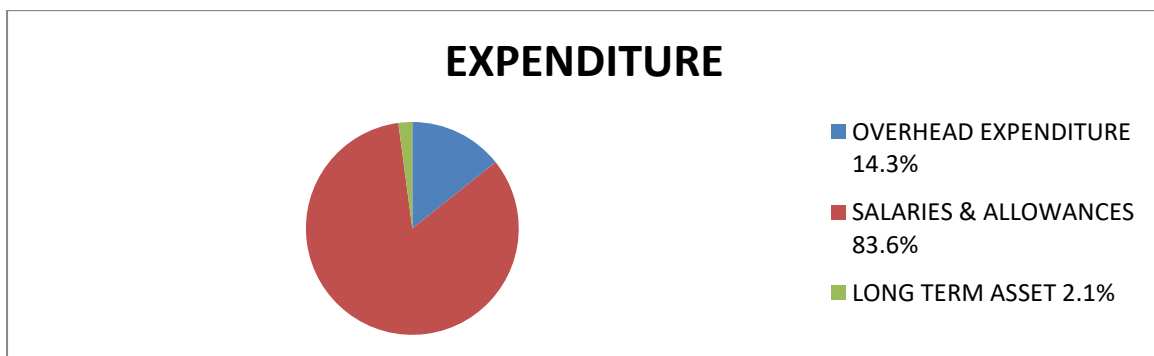
The Audit exercise revealed that out of the revenue of ₦137,375,022.10 realized by the Council during the year under review, a sum of ₦16,779,440.00 only was generated internally. This represented 12.2% of the total revenue while the sum of ₦114,910,582.10 Statutory Allocation and ₦5,685,000.00 Aids and Grants received from the State Joint Account Allocation Committee represented 83.7% and 4.1% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦137,513,310.99. Out of this, a sum of ₦19,623,728.89 was expended on overhead which represented 14.3% of the total expenditure for the year. Also, a sum of ₦114,910,582.10 was expended on salaries and allowances which represented 83.6% of the expenditure for the year while ₦2,979,000.00 was expended on long term assets and this represented 2.1% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**ABEOKUTA NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	386,170.32	149,189.21
INVENTORIES	1,293,315.00	860,635.00
RECEIVABLES	281,100.00	127,500.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,960,585.32</b>	<b>1,137,324.21</b>
<b>NON CURRENT ASSET</b>		
PROPERTY ,PLANT & EQUIPMENT	3,891,400.00	1,517,250.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>3,891,400.00</b>	<b>1,517,250.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>5,851,985.32</b>	<b>2,654,574.21</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	620,200.00	463,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>620,200.00</b>	<b>463,000.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>620,200.00</b>	<b>463,000.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>5,231,785.32</b>	<b>2,191,574.21</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	5,231,785.32	2,191,574.21
<b>TOTAL NET ASSETS/EQUITY</b>	<b>5,231,785.32</b>	<b>2,191,574.21</b>

**ABEOKUTA NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	114,910,582.10	-
NON TAX REVENUE:	16,259,440.00	4,145,750.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	520,000.00	100,000.00
<b>TOTAL REVENUE (A)</b>	<b>137,375,022.10</b>	<b>11,904,749.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	88,041,636.15	-
NON- REGULAR ALLOWANCE	26,868,945.95	-
OVERHEAD COST	18,169,378.89	8,703,424.79
SUBVENTION TO PARASTALS	650,000.00	600,000.00
DEPRECIATION	804,350.00	409,750.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>134,534,310.99</b>	<b>9,713,174.79</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>2,840,711.11</b>	<b>2,191,574.21</b>

**ABEOKUTA NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER,  
2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	
Prior Year Adjustment	
Adjusted Balance	-
<b>Surplus/ (deficit) for the year</b>	2,191,574.21
<b>Balance 31/12/2017</b>	<b>2,191,574.21</b>
Prior Year Adjustment	199,500.00
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	2,840,711.11
<b>Balance at 31 December 2018</b>	<b>5,231,785.32</b>

**ABEOKUTA NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	114,910,582.10	-
LICENCES, FINES, ROYALTIES, FEES ETC	5,900,960.00	2,240,900.00
EARNINGS & SALES	2,285,380.00	705,350.00
RENT OF GOVERNMENT PROPERTIES	7,919,500.00	1,072,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	520,000.00	100,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>137,221,422.10</b>	<b>11,777,249.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	114,910,582.10	
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC	18,444,858.89	9,701,059.79
SUBVENTION TO PARASTATALS	650,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>134,005,440.99</b>	<b>9,701,059.79</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>3,215,981.11</b>	<b>2,076,189.21</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 2,979,000.00	- 1,927,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 2,979,000.00</b>	<b>- 1,927,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>236,981.11</b>	<b>149,189.21</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>149,189.21</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>386,170.32</b>	<b>149,189.21</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF ABEOKUTA NORTH WEST LOCAL COUNCIL DEVELOPMENT AREA, LAFENWA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Abeokuta North West Local Council Development Area Lafenwa, for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	17,691,845.00
Statutory Allocation	110,956,228.16
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>134,303,073.16</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	17,727,381.57
Salaries and Allowance	110,956,228.16
Long Term Assets	<u>5,783,000.00</u>
<b>Total</b>	<b><u>134,466,609.73</u></b>

**(3) BUDGET PERFORMANCE**

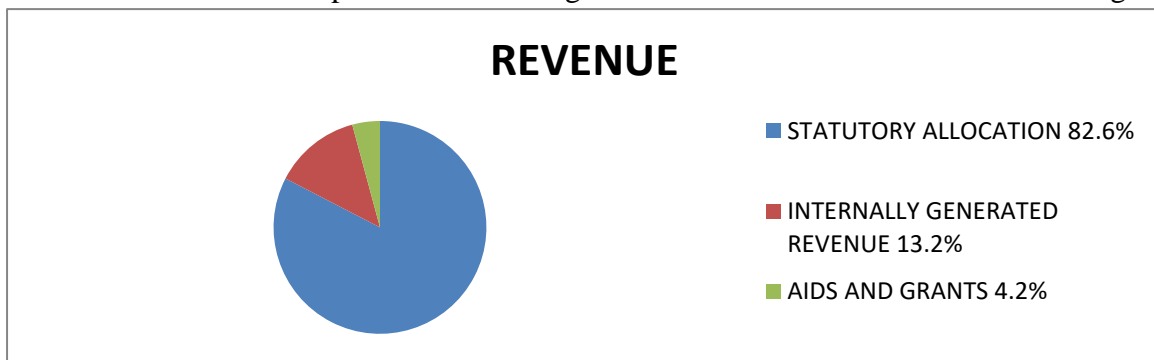
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦48,900,000.00, a sum of ₦17,691,845.00 only was actually generated which represented 36.2% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally

Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

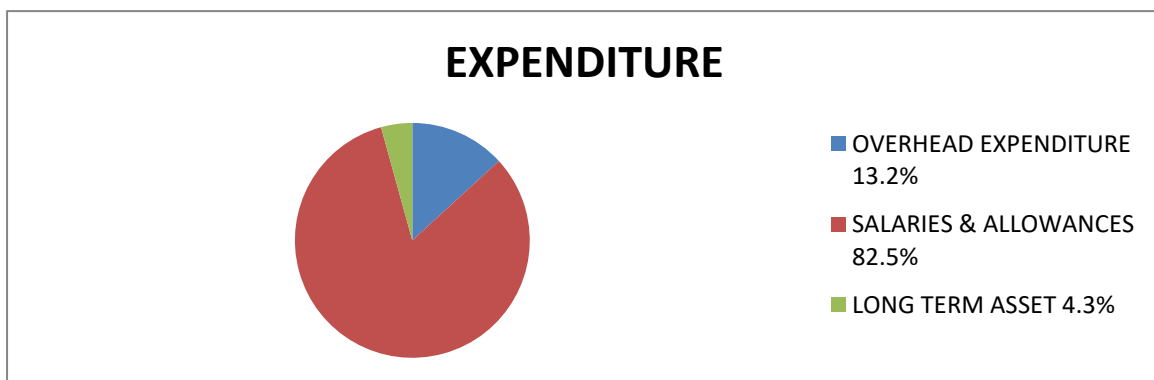
The Audit exercise revealed that out of the revenue of ₦134,303,073.16 realized by the Local Council Development Area during the year under review, a sum of ₦17,691,845.00 only was generated internally. This represented 13.2% of the total revenue while the total sum of ₦110,956,228.16 statutory allocation and ₦5,655,000.00 aids and grant received from the State Joint Account Allocation Committee represented 82.6% and 4.2% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦134,466,609.73. Out of this, a sum of ₦17,727,381.57 was expended on overhead which represented 13.2% of the total expenditure for the year. Also, a sum of ₦110,956,228.16 was expended on salaries and allowances which represented 82.5% of the expenditure for the year while ₦5,783,000.00 was expended on long term assets and this represented 4.3% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**ABEOKUTA NORTH WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	2,122,839.85	1,489,923.32
INVENTORIES	1,025,471.68	244,574.78
RECEIVABLES	108,000.00	147,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,256,311.53</b>	<b>1,881,498.10</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	5,680,900.00	323,250.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>5,680,900.00</b>	<b>323,250.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>8,937,211.53</b>	<b>2,204,748.10</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	1,213,000.00	100,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>1,213,000.00</b>	<b>100,000.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>1,213,000.00</b>	<b>100,000.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>7,724,211.53</b>	<b>2,104,748.10</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	7,724,211.53	2,104,748.10
<b>TOTAL NET ASSETS/EQUITY</b>	<b>7,724,211.53</b>	<b>2,104,748.10</b>

**ABEOKUTA NORTH WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	110,956,228.16	-
NON TAX REVENUE:	17,598,845.00	6,369,303.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,655,000.00	7,658,999.00
OTHER REVENUE	93,000.00	50,030.00
<b>TOTAL REVENUE (A)</b>	<b>134,303,073.16</b>	<b>14,078,332.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	110,956,228.16	-
NON- REGULAR ALLOWANCE		
OVERHEAD COST	16,477,031.57	11,365,833.90
SUBVENTION TO PARASTALS	825,000.00	500,000.00
DEPRECIATION	425,350.00	107,750.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>128,683,609.73</b>	<b>11,973,583.90</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>5,619,463.43</b>	<b>2,104,748.10</b>

**ABEOKUTA NORTH WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR  
ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>2,104,748.10</b>
<b>Balance 31/12/2017</b>	<b>2,104,748.10</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	5,619,463.43
<b>Balance at 31 December 2018</b>	<b>7,724,211.53</b>



**ABEOKUTA NORTH WEST LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION		
LICENCES, FINES, ROYALTIES, FEES ETC	110,956,228.16	-
EARNINGS & SALES	12,948,740.00	5,199,310.00
RENT OF GOVERNMENT PROPERTIES	2,639,105.00	1,010,393.00
INVESTMENT INCOME	2,050,000.00	12,600.00
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,655,000.00	7,658,999.00
OTHER REVENUE	93,000.00	50,030.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>134,342,073.16</b>	<b>13,931,332.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	110,956,228.16	-
OVERHEADS	16,144,928.47	12,010,408.68
SUBVENTION TO PARASTATALS	825,000.00	-
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>127,926,156.63</b>	<b>12,010,408.68</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>6,415,916.53</b>	<b>1,920,923.32</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 5,783,000.00	- 431,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 5,783,000.00</b>	<b>- 431,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>632,916.53</b>	<b>1,489,923.32</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,489,923.32</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>2,122,839.85</b>	<b>1,489,923.32</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF OKE OGUN LOCAL COUNCIL DEVELOPMENT AREA, IMALA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Oke Ogun Local Council Development Area, Imala for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	7,678,105.00
Statutory Allocation	109,394,251.15
Aids and Grants	<u>5,625,000.00</u>
<b>Total</b>	<b><u>122,706,356.15</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	12,606,696.48
Salaries and Allowances	109,394,251.15
Long Term Assets	<u>442,000.00</u>
<b>Total</b>	<b><u>122,442,947.63</u></b>

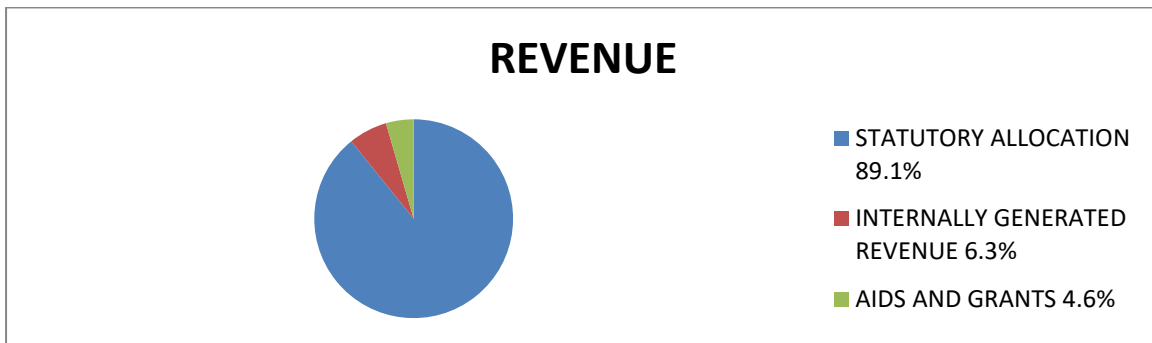
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦44,434,744.00, a sum of ₦7,678,105.00 only was actually generated internally which represented 17.3% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

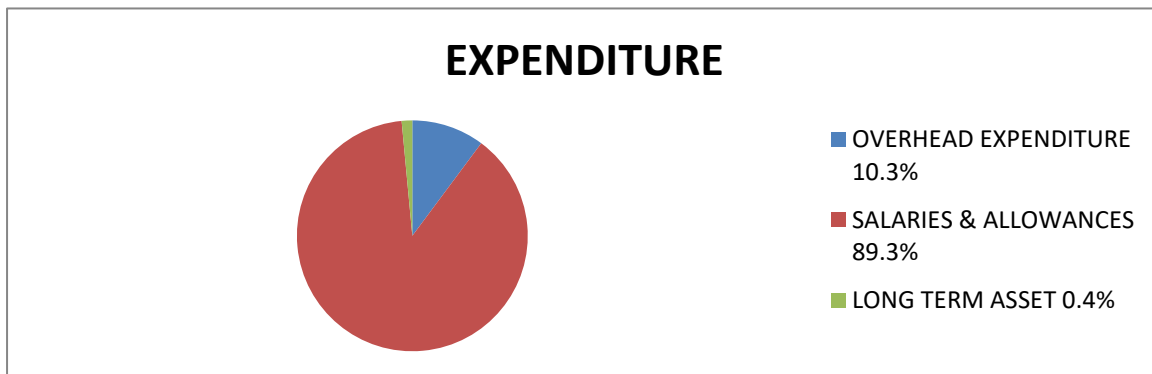
The Audit exercise revealed that out of the revenue of ₦122,706,356.15 realized by the Local Council Development Area during the year under review, a sum of ₦7,687,105.00 only was generated internally. This represented 6.3% of the total revenue while the total sum of ₦109,394,251.15 statutory allocation and ₦5,625,000.00 aids and grants received from the State Joint Account Allocation Committee represented 89.1% and 4.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦122,442,947.63. Out of this, a sum of ₦12,606,696.48 was expended on overhead which represented 10.3% of the total expenditure for the year. Also, a sum of ₦109,394,251.15 was expended on salaries and allowances which represented 89.3% of the expenditure for the year while ₦442,000.00 was expended on long term assets and this represented 0.4% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**OKE OGUN LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	812,248.52	42,049.00
INVENTORIES	388,755.00	450,946.00
RECEIVABLES		30,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,201,003.52</b>	<b>522,995.00</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	822,200.00	624,800.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>822,200.00</b>	<b>624,800.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>2,023,203.52</b>	<b>1,147,795.00</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	400,000.00	230,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>400,000.00</b>	<b>230,000.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>400,000.00</b>	<b>230,000.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>1,623,203.52</b>	<b>917,795.00</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	1,623,203.52	917,795.00
<b>TOTAL NET ASSETS/EQUITY</b>	<b>1,623,203.52</b>	<b>917,795.00</b>

**OKE OGUN LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	109,394,251.15	-
NON TAX REVENUE:	7,687,105.00	2,685,460.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,625,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>122,706,356.15</b>	<b>10,344,459.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	109,394,251.15	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	11,962,096.48	8,945,564.00
SUBVENTION TO PARASTALS	400,000.00	500,000.00
DEPRECIATION	244,600.00	156,200.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>122,000,947.63</b>	<b>9,601,764.00</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>705,408.52</b>	<b>742,695.00</b>

**OKE OGUN LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR**  
**ENDED 31<sup>ST</sup> DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	
Prior Year Adjustment	
Adjusted Balance	-
<b>Surplus/ (deficit) for the year</b>	917,795.00
<b>Balance 31/12/2017</b>	<b>917,795.00</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	705,408.52
<b>Balance at 31 December 2018</b>	<b>1,623,203.52</b>

**OKE OGUN LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	109,394,251.15	-
LICENCES, FINES, ROYALTIES, FEES ETC	3,733,350.00	1,466,250.00
EARNINGS & SALES	3,428,755.00	1,189,210.00
RENT OF GOVERNMENT PROPERTIES	555,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,625,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>122,736,356.15</b>	<b>10,314,459.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	109,394,251.15	
OVERHEADS	11,729,905.48	9,491,410.00
SUBVENTION TO PARASTATALS	400,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>121,524,156.63</b>	<b>9,491,410.00</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,212,199.52</b>	<b>823,049.00</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)	- 442,000.00	- 781,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 442,000.00</b>	<b>- 781,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>770,199.52</b>	<b>42,049.00</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>42,049.00</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>812,248.52</b>	<b>42,049.00</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF ABEOKUTA SOUTH LOCAL GOVERNMENT, AKE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Abeokuta South Local Government, Ake for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL EWVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	43,976,400.00
Statutory Allocation	305,730,851.83
Aids and Grants	<u>5,625,000.00</u>
<b>Total</b>	<b><u>355,332,251.83</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	48,604,127.12
Salaries and Allowances	305,730,851.83
Long Term Assets	<u>16,836,100.00</u>
<b>Total</b>	<b><u>371,171,078.95</u></b>

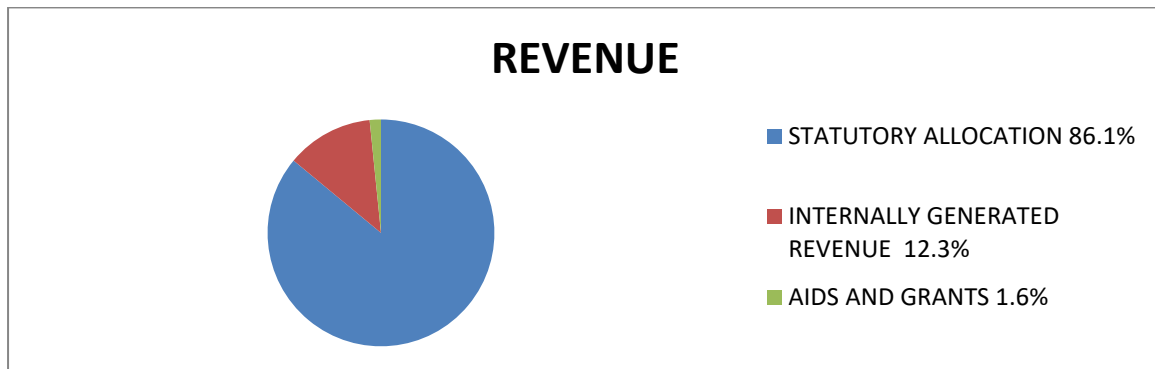
**(4) BUDGET PERFORMANCE**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦179,800.00, a sum of ₦43,976,400.00 only was actually generated internally which represented 24.5% of the budget. This revenue performance is unimpressive and this indicates that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

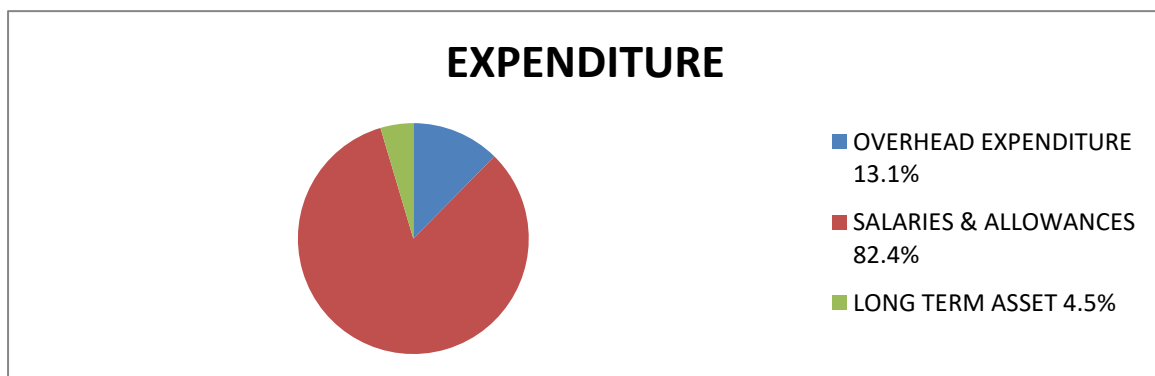
The Audit exercise revealed that out of the revenue of ₦355,332,251.83 realized by the Local Government during the year under review, a sum of ₦43,976,400.00 only was generated internally. This represented 12.4% of the total revenue while the total sum of ₦305,730,851.83 statutory allocation and ₦5,625,000.00 aids and grants received from the State Joint Account Allocation Committee represented 86% and 1.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed a total expenditure of ₦371,171,078.95. Out of this, a sum of ₦48,604,127.12 was expended on overhead which represented 13.1% of the total expenditure for the year. Also, a sum of ₦305,730,851.83 was expended on salaries and allowances which represented 82.4% of the expenditure for the year while ₦16,836,100.00 was expended on long term assets and this represented 4.5% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Government.





**(5) DEBT PROFILE/ INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦148,681,897.19. The liabilities are highlighted below:-

<b>S/NO</b>	<b>ITEMS</b>	<b>AMOUNTS(₦)</b>
1	Pension Fund	45,531,794.74
2	5% Development Levy	11,021,074.66
3	5% VAT	12,268,002.74
4	5% WHT	3,680,537.32
5	5% Tax	6,388,832.85
6	Payables	19,344,354.82
7	Others	<u>50,447,300.08</u>
	<b>TOTAL</b>	<b><u>148,681,897.19</u></b>

It was observed that the amounts highlighted above were deducted from various contracts, salaries and overhead of workers but not remitted to appropriate agencies. This is against extant rules and financial regulations. The Local Government should always remit deductions as required by regulations.

**6. REVIEW OF STATEMENT OF FINANCIAL POSITION:**

**(i) ADVANCES**

The sum of ₦3,882,336.93 highlighted in the Statement of Financial Position as the Advances figure appeared to be correct and had been certified by this Office. Efforts should be intensified to recover the advances.

**(ii) INVESTMENT ACCOUNT BALANCE**

The sum of ₦512,933.00 stated as investment balance in the Statement of Financial Position could not be substantiated because the shares certificate was not produced for Audit scrutiny and no evidence of the beneficial ownership such as dividend was presented on demand.

**ABEOKUTA SOUTH LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	621,730.97	2,945,329.09
INVENTORIES	8,613,830.00	8,677,289.00
RECEIVABLES	481,200.00	3,364,000.00
ADVANCE	3,882,336.93	3,882,336.93
<b>TOTAL CURRENT ASSET (A)</b>	<b>13,599,097.90</b>	<b>18,868,955.02</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	16,836,100.00	9,398,970.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	512,933.00	512,933.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>17,349,033.00</b>	<b>9,911,903.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>30,948,130.90</b>	<b>28,780,858.02</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	129,337,542.37	129,337,542.37
ACCURED EXPENSES, PAYABLES	19,344,354.82	18,381,941.58
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>148,681,897.19</b>	<b>147,719,483.95</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>148,681,897.19</b>	<b>47,719,483.95</b>
<b>NET ASSETS (G= C-F)</b>	<b>117,733,766.29</b>	<b>118,938,625.93</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	117,733,766.29	118,938,625.93
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 117,733,766.29</b>	<b>- 118,938,625.93</b>

**ABEOKUTA SOUTH LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	305,730,851.83	541,428,595.31
NON TAX REVENUE:	43,976,400.00	90,198,875.00
INVESTMENT INCOME		9,856,293.00
INTEREST EARNED		
AIDS & GRANTS	5,625,000.00	8,000,000.00
OTHER REVENUE		6,989,863.02
<b>TOTAL REVENUE (A)</b>	<b>355,332,251.83</b>	<b>656,473,626.33</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	168,428,184.81	328,397,628.11
NON- REGULAR ALLOWANCE	137,302,667.02	214,390,355.06
OVERHEAD COST	44,384,257.12	72,975,832.49
SUBVENTION TO PARASTALS	825,000.00	2,350,000.00
DEPRECIATION	3,394,870.00	2,783,930.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>354,334,978.95</b>	<b>620,897,745.66</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>997,272.88</b>	<b>35,575,880.67</b>

**ABEOKUTA SOUTH LOCAL GOVERNMENT**  
**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-154,514,506.60</b>
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>35,575,880.67</b>
<b>Balance 31/12/2017</b>	<b>- 118,938,625.93</b>
Prior Year Adjustment	207,586.76
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	997,272.88
<b>Balance at 31 December 2018</b>	<b>- 117,733,766.29</b>

**ABEOKUTA SOUTH LOCAL GOVERNMENT**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	305,730,851.83	541,428,595.31
LICENCES, FINES, ROYALTIES, FEES ETC	24,467,450.00	28,168,250.00
EARNINGS & SALES	3,338,750.00	8,721,195.00
RENT OF GOVERNMENT PROPERTIES	16,053,000.00	49,903,300.00
INVESTMENT INCOME		10,093,000.00
INTEREST & REPAYMENT GENERAL		42,130.00
DOMESTIC AIDS & GRANTS	5,625,000.00	8,000,000.00
OTHER REVENUE		6,989,863.02
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>355,215,051.83</b>	<b>653,346,333.33</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	305,730,851.83	542,787,983.17
OVERHEADS	40,150,798.12	80,766,832.49
SUBVENTION TO PARASTATALS	825,000.00	2,350,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>346,706,649.95</b>	<b>625,904,815.66</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>8,508,401.88</b>	<b>27,441,517.67</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)	- 10,832,000.00	- 6,195,500.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 10,832,000.00</b>	<b>- 6,195,500.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 2,323,598.12</b>	<b>21,246,017.67</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>2,945,329.09</b>	<b>- 18,300,688.58</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>621,730.97</b>	<b>2,945,329.09</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF ABEOKUTA SOUTH EAST LOCAL COUNCIL DEVELOPMENT AREA, IDI ABA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Abeokuta South East Local Council Development Area Idi-Aba, for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL EWVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	8,757,040.00
Statutory Allocation	110,549,378.73
Aids and Grants	<u>5,625,000.00</u>
<b>Total</b>	<b><u>124,931,418.73</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	11,899,981.86
Salaries and Allowances	110,549,378.73
Long Term Assets	<u>1,615,000.00</u>
<b>Total</b>	<b><u>124,064,360.59</u></b>

**(4) BUDGET PERFORMANCE**

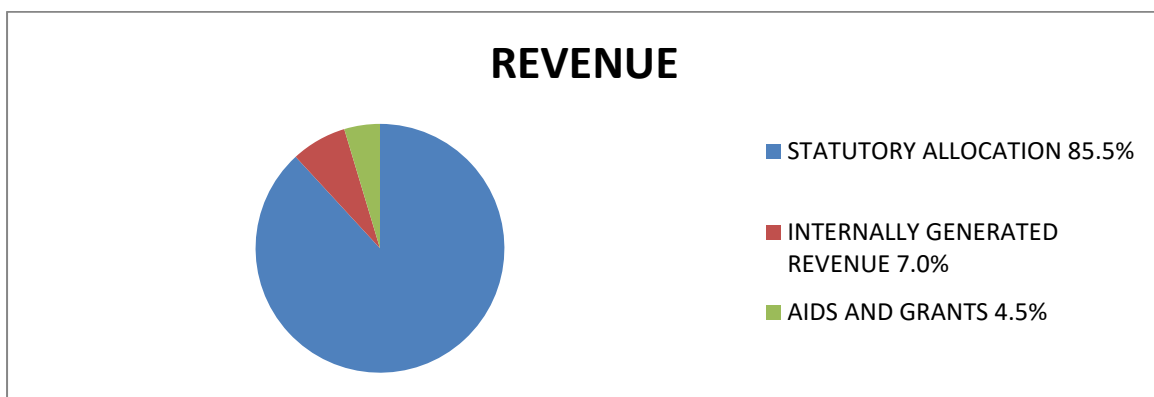
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦18,732,000.00 only a sum of ₦8,757,040.00 was actually generated internally representing 46.7% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally

Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

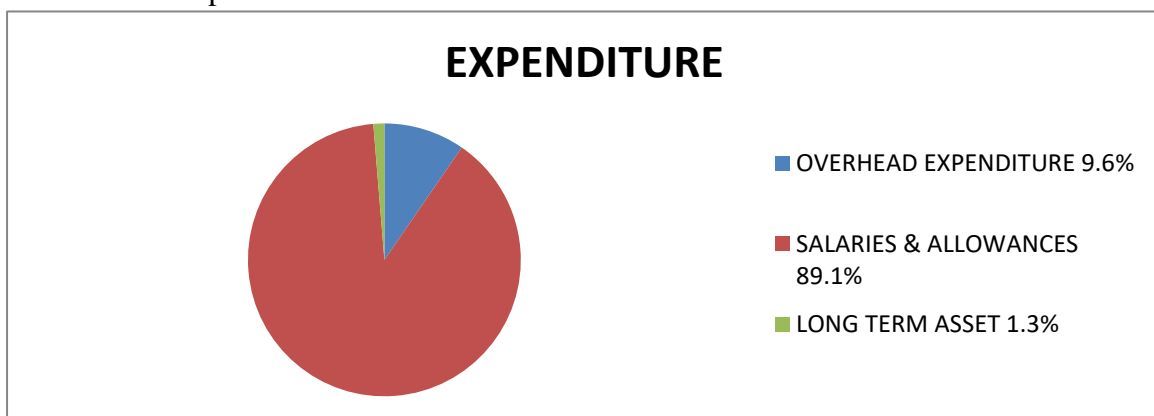
The Audit exercise revealed that out of the revenue of ₦124,931,418.73 realized by the Local Council Development Area during the year under review, a sum of ₦8,757,040.00 only was generated internally. This represented 7.00% of the total revenue while the total sum of ₦110,549,378.73 statutory allocation and ₦5,625,000.00 aids and grants received from the State Joint Account Allocation Committee represented 88.5% and 4.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦124,064,360.59. Out of this, a sum of ₦11,899,981.86 was expended on overhead which represented 9.6% of the total expenditure for the year. Also, a sum of ₦110,549,378.73 was expended on salaries and allowances which represented 89.1% of the expenditure for the year while ₦1,615,000.00 was expended on long term assets and this represented 1.3% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**ABEOKUTA SOUTH EAST LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	993,879.27	988,242.43
INVENTORIES	476,000.00	106,090.00
RECEIVABLES	2,178,000.00	99,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,647,879.27</b>	<b>1,193,332.43</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	4,838,657.60	4,093,846.30
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>4,838,657.60</b>	<b>4,093,846.30</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>8,486,536.87</b>	<b>5,287,178.73</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	2,127,300.00	1,410,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>2,127,300.00</b>	<b>1,410,000.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>2,127,300.00</b>	<b>1,410,000.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>6,359,236.87</b>	<b>3,877,178.73</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	6,359,236.87	3,877,178.73
<b>TOTAL NET ASSETS/EQUITY</b>	<b>6,359,236.87</b>	<b>3,877,178.73</b>

**ABEOKUTA SOUTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	110,549,378.73	-
NON TAX REVENUE:	8,007,040.00	3,887,110.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,625,000.00	7,658,999.00
OTHER REVENUE	750,000.00	3,750,000.00
<b>TOTAL REVENUE (A)</b>	<b>124,931,418.73</b>	<b>15,296,109.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	90,125,526.12	
NON- REGULAR ALLOWANCE	20,423,852.61	
OVERHEAD COST	10,579,793.16	10,097,741.57
SUBVENTION TO PARASTALS	450,000.00	575,000.00
DEPRECIATION	870,188.70	746,188.70
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>122,449,360.59</b>	<b>11,418,930.27</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>2,482,058.14</b>	<b>3,877,178.73</b>

**ABEOKUTA SOUTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	3,877,178.73
<b>Balance 31/12/2017</b>	<b>3,877,178.73</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	2,482,058.14
<b>Balance at 31 December 2018</b>	<b>6,359,236.87</b>



**ABEOKUTA SOUTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	110,549,378.73	-
LICENCES, FINES, ROYALTIES, FEES ETC	4,708,500.00	2,955,810.00
EARNINGS & SALES	836,540.00	495,300.00
RENT OF GOVERNMENT PROPERTIES	383,000.00	337,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,625,000.00	7,658,999.00
OTHER REVENUE	750,000.00	3,750,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>122,852,418.73</b>	<b>15,197,109.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	110,549,378.73	
OVERHEADS	10,232,403.16	8,793,831.57
SUBVENTION TO PARASTATALS	450,000.00	575,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>121,231,781.89</b>	<b>9,368,831.57</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,620,636.84</b>	<b>5,828,277.43</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)	- 1,615,000.00	- 4,840,035.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 1,615,000.00</b>	<b>- 4,840,035.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>5,636.84</b>	<b>988,242.43</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>988,242.43</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>993,879.27</b>	<b>988,242.43</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF ABEOKUTA SOUTH WEST LOCAL  
COUNCIL DEVELOPMENT AREA, IJEJA FOR THE YEAR ENDED 31<sup>ST</sup>  
DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Abeokuta South West Local Council Development Area Ijeja, for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL EWVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	30,684,180.00
Statutory Allocation	114,378,740.92
Aids and Grants	5,625,000.00
<b>Total</b>	<b><u>150,687,920.92</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	30,870,470.82
Salaries and Allowances	114,378,740.92
Long Term Assets	2,722,605.00
<b>Total</b>	<b><u>147,871,816.74</u></b>

**(4) BUDGET PERFORMANCE:**

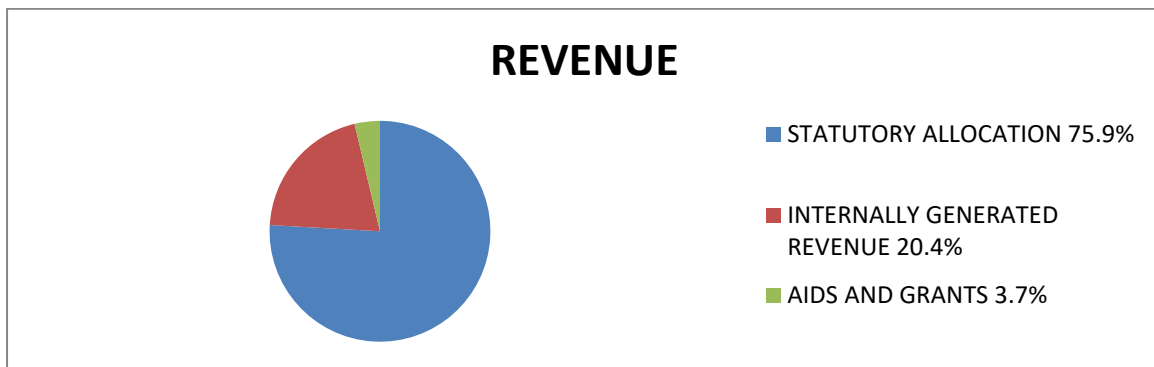
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦64,020,000.00, only a sum of ₦30,684,180.00 was actually generated representing 47.9% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally

Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

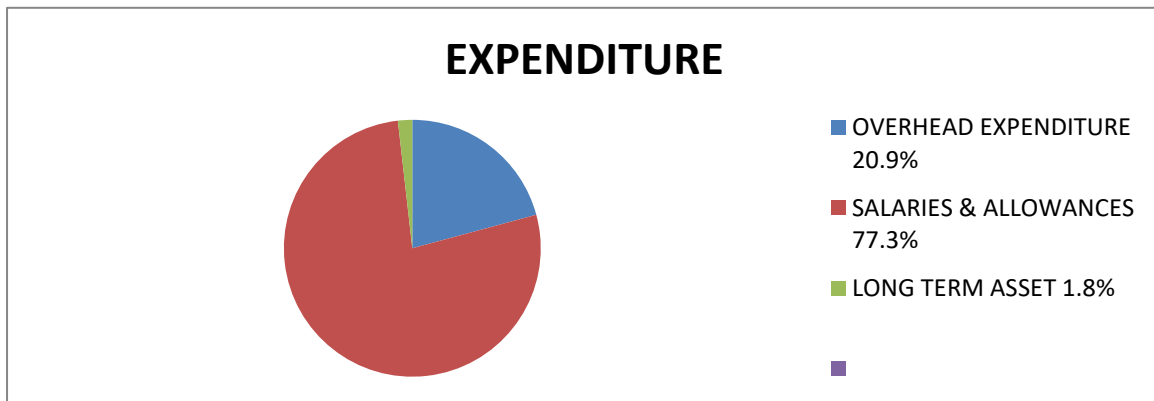
The Audit exercise revealed that out of the revenue of ₦150,687,920.92 realized by the Local Council Development Area during the year under review, a sum of ₦30,684,180.00 only was generated internally. This represented 20.4% of the total revenue while the total sum of ₦114,378,740.92 statutory allocation and ₦5,625,000.00 aids and grant received from the State Joint Account Allocation Committee represented 75.9% and 3.7% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦147,871,816.74. Out of this, a sum of ₦30,870,470.82 was expended on overhead which represented 20.9% of the total expenditure for the year. Also, a sum of ₦114,378,740.92 was expended on salaries and allowances which represented 77.3% of the expenditure for the year while ₦2,722,605.00 was expended on long term assets and this represented 1.8% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**ABEOKUTA SOUTH WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	521,657.50	599,951.52
INVENTORIES	1,931,650.00	1,238,870.00
RECEIVABLES	1,630,000.00	300,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>4,083,307.50</b>	<b>2,138,821.52</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	7,512,255.00	7,274,950.00
INVESTMENT PROPERTY	450,000.00	
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>7,962,255.00</b>	<b>7,274,950.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>12,045,562.50</b>	<b>9,413,771.52</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	354,900.00	
ACCURED EXPENSES, PAYABLES	2,881,681.80	6,043,500.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>3,236,581.80</b>	<b>6,043,500.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>3,236,581.80</b>	<b>6,043,500.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>8,808,980.70</b>	<b>3,370,271.52</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	8,808,980.70	3,370,271.52
<b>TOTAL NET ASSETS/EQUITY</b>	<b>8,808,980.70</b>	<b>3,370,271.52</b>

**ABEOKUTA SOUTH WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	114,378,740.92	-
NON TAX REVENUE:	29,882,580.00	11,765,520.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,625,000.00	7,658,999.00
OTHER REVENUE	801,600.00	3,890,000.00
<b>TOTAL REVENUE (A)</b>	<b>150,687,920.92</b>	<b>23,314,519.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	86,931,900.40	
NON- REGULAR ALLOWANCE	27,446,840.52	
OVERHEAD COST	27,960,170.82	18,036,137.48
SUBVENTION TO PARASTALS	875,000.00	725,000.00
DEPRECIATION	2,035,300.00	1,853,050.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>145,249,211.74</b>	<b>20,614,187.48</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>5,438,709.18</b>	<b>2,700,331.52</b>

**ABEOKUTA SOUTH WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	669,940.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>2,700,331.52</b>
<b>Balance 31/12/2017</b>	<b>3,370,271.52</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	5,438,709.18
<b>Balance at 31 December 2018</b>	<b>8,808,980.70</b>

**ABEOKUTA SOUTH WEST LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	114,378,740.92	-
LICENCES, FINES, ROYALTIES, FEES ETC	15,037,250.00	5,849,500.00
EARNINGS & SALES	7,723,330.00	2,657,820.00
RENT OF GOVERNMENT PROPERTIES	5,692,000.00	2,958,200.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,625,000.00	7,658,999.00
OTHER REVENUE	801,600.00	3,890,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>149,257,920.92</b>	<b>23,014,519.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	114,378,740.92	
OVERHEADS	31,714,769.02	12,561,567.48
SUBVENTION TO PARASTATALS	875,000.00	725,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>146,968,509.94</b>	<b>13,286,567.48</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,289,410.98</b>	<b>9,727,951.52</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)	- 2,722,605.00	- 9,128,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 2,722,605.00</b>	<b>- 9,128,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	354,900.00	
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>354,900.00</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 78,294.02</b>	<b>599,951.52</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>599,951.52</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>521,657.50</b>	<b>599,951.52</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF ADO ODO/OTA LOCAL  
GOVERNMENT, OTA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ado Odo/Ota Local Government, Ota for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL EWVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	69,210,880.00
Statutory Allocation	218,681,845.62
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>293,607,725.62</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	66,955,205.29
Salaries and Allowances	218,681,845.62
Long Term Assets	<u>10,274,240.00</u>
<b>Total</b>	<b><u>295,911,290.91</u></b>

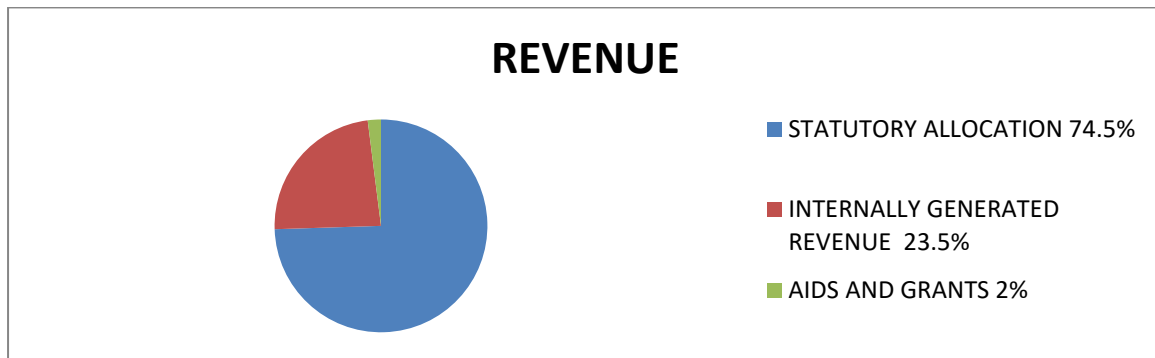
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦68,824,880.00, a sum of ₦69,210,880.00 only was actually generated internally representing 100.56% of the budget. This revenue performance is marginally impressive.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

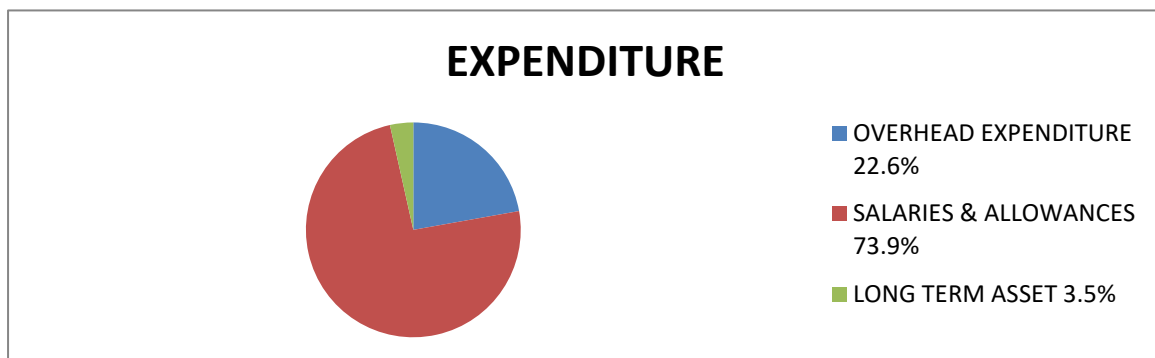
The Audit exercise revealed that out of the revenue of ₦293,607,725.62 realized by the Local Government during the year under review, a sum of ₦69,210,880.00 only was generated internally. This represented 23.5% of the total revenue while the total sum of ₦218,681,845.62 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 74.5% and 2% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed a total expenditure of ₦295,911,290.91. Out of this, a sum of ₦66,955,205.29 was expended on overhead which represented 22.6% of the total expenditure for the year. Also, a sum of ₦218,681,845.62 was expended on salaries and allowances which represented 73.9% of the expenditure for the year while ₦10,274,240.00 was expended on long term assets and this represented 3.5% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Government.





**(5) DEBT PROFILE/ INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦105,204,509.38. The liabilities are highlighted below:-

<b>S/NO</b>	<b>ITEMS</b>	<b>AMOUNT(₦)</b>
1	Pension Fund	23,250,927.32
2	5% Development Levy	11,565,338.56
3	5% VAT	16,108,680.20
4	5% WHT	-
5	2.5% withheld Tax	4,240,567.94
6	Others	<u>50,038,995.36</u>
	<b>Total</b>	<b><u>105,204,509.38</u></b>

It was observed that the amounts highlighted above had been deducted from various contracts, salaries and allowances of workers but not remitted to appropriate agencies. This is against the extant rules and financial regulations. The Local Government should always remit deductions as required by regulations.

**6. REVIEW OF STATEMENT OF FINANCIAL POSITION:**

**(i) ADVANCES**

The sum of ₦11,764,705.00 highlighted in the Statement of Financial Position as the Advances figure appeared to be correct and had been certified by this Office. Efforts should be intensified to recover the advances.

**(ii) INVESTMENT ACCOUNT BALANCE**

The sum of ₦1,941,214.23 stated as investment balance in the Statement of Financial Position could not be substantiated because the shares certificate was not produced for Audit scrutiny and no evidence of the beneficial ownership such as dividend was presented on demand.

**ADO ODO /OTA LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	5,013,561.77	609,344.14
INVENTORIES	3,961,077.00	6,997,974.00
RECEIVABLES	1,276,400.00	890,400.00
ADVANCE	11,764,705.00	11,766,318.12
<b>TOTAL CURRENT ASSET (A)</b>	<b>22,015,743.77</b>	<b>20,264,036.26</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	9,812,025.20	1,334,200.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	1,941,214.23	1,941,214.23
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>11,753,239.43</b>	<b>3,275,414.23</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>33,768,983.20</b>	<b>23,539,450.49</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	101,677,509.38	101,534,651.38
ACCURED EXPENSES, PAYABLES	3,527,000.00	2,527,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>105,204,509.38</b>	<b>104,061,651.38</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>105,204,509.38</b>	<b>104,061,651.38</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 71,435,526.18</b>	<b>- 80,522,200.89</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 71,435,526.18	- 80,522,200.89
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 71,435,526.18</b>	<b>- 80,522,200.89</b>

**ADO ODO /OTA LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	218,681,845.63	480,479,352.96
NON TAX REVENUE:	68,776,880.00	95,487,105.00
INVESTMENT INCOME		
INTEREST EARNED	434,000.00	251,000.00
AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE		8,104,529.17
<b>TOTAL REVENUE (A)</b>	<b>293,607,725.62</b>	<b>592,321,987.13</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	218,681,845.62	480,511,531.14
NON- REGULAR ALLOWANCE		
OVERHEAD COST	65,158,790.49	116,111,112.57
SUBVENTION TO PARASTALS	-	1,550,000.00
DEPRECIATION	1,796,414.80	458,650.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>285,637,050.91</b>	<b>598,631,293.71</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>7,970,674.71</b>	<b>- 6,309,306.58</b>

**ADO ODO /OTA LOCAL GOVERNMENT**  
**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-74,212,894.31</b>
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>-6,309,306.58</b>
<b>Balance 31/12/2017</b>	<b>- 80,522,200.89</b>
Prior Year Adjustment	1,116,000.00
<b>Adjusted Balance</b>	<b>- 79,406,200.89</b>
Surplus/ (deficit) for the year	7,970,674.71
<b>Balance at 31 December 2018</b>	<b>- 71,435,526.18</b>

**ADO ODO /OTA LOCAL GOVERNMENT  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	218,681,845.62	480,479,352.96
LICENCES, FINES, ROYALTIES, FEES ETC	53,316,750.00	67,973,950.00
EARNINGS & SALES	14,144,130.00	23,712,505.00
RENT OF GOVERNMENT PROPERTIES	930,000.00	2,910,250.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL	434,000.00	19,000.00
DOMESTIC AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE		8,104,529.17
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>293,221,725.62</b>	<b>591,199,587.13</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	218,681,845.63	480,511,531.14
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC	61,121,893.48	113,584,112.57
SUBVENTION TO PARASTATALS		1,550,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>279,803,739.11</b>	<b>595,645,643.71</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>13,417,986.51</b>	<b>- 4,446,056.58</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 10,274,240.00	- 600,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	1,117,613.12	- 27,173.88
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 9,156,626.88</b>	<b>- 627,173.88</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	142,858.00	523,357.83
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>142,858.00</b>	<b>523,357.83</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>4,404,217.63</b>	<b>- 4,549,872.63</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>609,344.14</b>	<b>5,159,216.77</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>5,013,561.77</b>	<b>609,344.14</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF ADO ODO LOCAL COUNCIL DEVELOPMENT AREA, ADO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ado Odo Local Council Development Area Ado, for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL EWVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	13,622,115.00
Statutory Allocation	68,721,413.10
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>88,028,528.10</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	23,931,649.94
Salaries and Allowances	68,721,413.10
Long Term Assets	<u>338,864.00</u>
<b>Total</b>	<b><u>92,991,927.04</u></b>

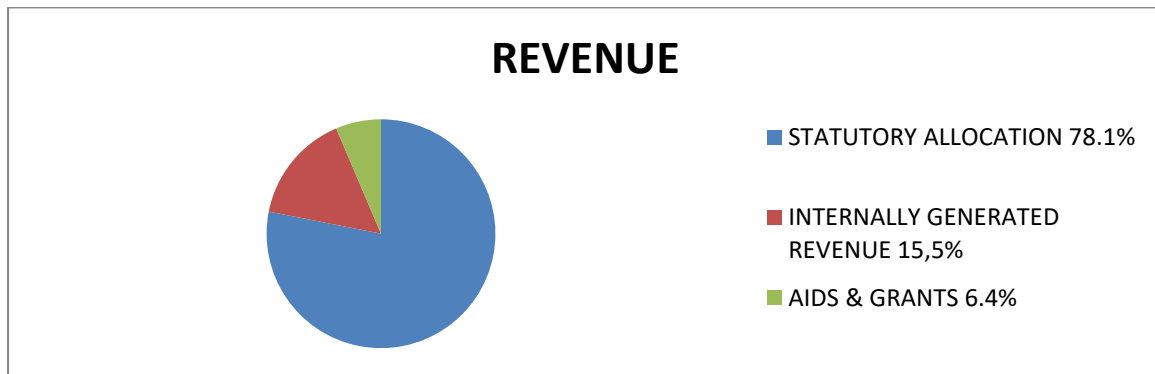
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦28,205,000.00, a sum of ₦13,622,115.00 only was actually generated internally representing 48.3% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

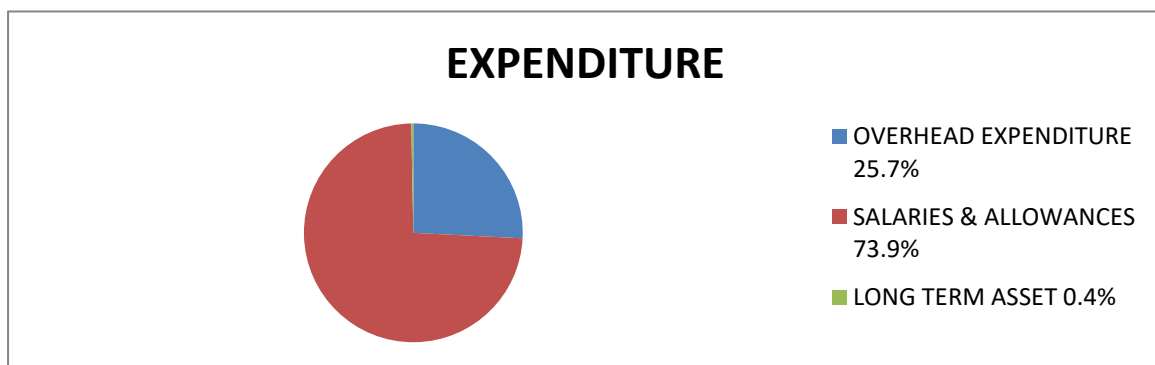
The Audit exercise revealed that out of the revenue of ₦88,028,528.10 realized by the Local Council Development Area during the year under review, ₦13,622,115.00 only was generated internally. This represented 15.5% of the total revenue while the total sum of ₦68,721,413.10 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 78.1% and 6.4% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦92,991,927.04. Out of this, a sum of ₦23,931,649.94 was expended on overhead which represented 25.7% of the total expenditure for the year. Also, a sum of ₦68,721,413.10 was expended on salaries and allowances which represented 73.9% of the expenditure for the year while ₦338,864.00 was expended on long term assets and this represented 0.4% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**ADO ODO LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	320,164.90	656,465.84
INVENTORIES	2,992,162.00	1,314,744.00
RECEIVABLES	618,000.00	19,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,930,326.90</b>	<b>1,990,209.84</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	254,148.00	
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>254,148.00</b>	-
<b>TOTAL ASSET (C=A+B)</b>	<b>4,184,474.90</b>	<b>1,990,209.84</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	309,100.00	309,100.00
ACCURED EXPENSES, PAYABLES	6,910,800.00	92,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>7,219,900.00</b>	<b>401,100.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BORROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>7,219,900.00</b>	<b>401,100.00</b>
<b>NET ASSETS (G= C-F)</b>	-	<b>1,589,109.84</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	-	1,589,109.84
<b>TOTAL NET ASSETS/EQUITY</b>	-	<b>1,589,109.84</b>

**ADO ODO LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	68,721,413.10	-
NON TAX REVENUE:	13,622,115.00	4,502,540.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE		1,399,771.00
<b>TOTAL REVENUE (A)</b>	<b>88,028,528.10</b>	<b>13,561,310.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	49,853,365.02	
NON- REGULAR ALLOWANCE	18,868,048.08	
OVERHEAD COST	22,121,933.94	12,886,944.16
SUBVENTION TO PARASTALS	1,725,000.00	400,000.00
DEPRECIATION	84,716.00	
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>92,653,063.04</b>	<b>13,286,944.16</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	- <b>4,624,534.94</b>	<b>274,365.84</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	1,314,744.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	274,365.84
<b>Balance 31/12/2017</b>	<b>1,589,109.84</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	- 4,624,534.94
<b>Balance at 31 December 2018</b>	- <b>3,035,425.10</b>



**ADO ODO LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	68,721,413.10	-
LICENCES, FINES, ROYALTIES, FEES ETC	5,440,125.00	2,265,200.00
EARNINGS & SALES	3,927,240.00	2,153,340.00
RENT OF GOVERNMENT PROPERTIES	3,655,750.00	65,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE		1,399,771.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>87,429,528.10</b>	<b>13,542,310.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	68,721,413.10	
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC	18,155,551.94	12,794,944.16
SUBVENTION TO PARASTATALS	550,000.00	400,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>87,426,965.04</b>	<b>13,194,944.16</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,563.06</b>	<b>347,365.84</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 338,864.00	
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 338,864.00</b>	<b>-</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		309,100.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>309,100.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 336,300.94</b>	<b>656,465.84</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>656,465.84</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>320,164.90</b>	<b>656,465.84</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF AGBARA/IGBESA LOCAL COUNCIL DEVELOPMENT AREA, IGBESA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Agbara/Igbesa Local Council Development Area Igbesa, for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL EWVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	32,388,157.06
Statutory Allocation	68,169,500.73
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>106,242,657.79</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	30,611,094.17
Salaries and Allowances	68,169,500.73
Long Term Assets	<u>100,000.00</u>
<b>Total</b>	<b><u>98,880,594.90</u></b>

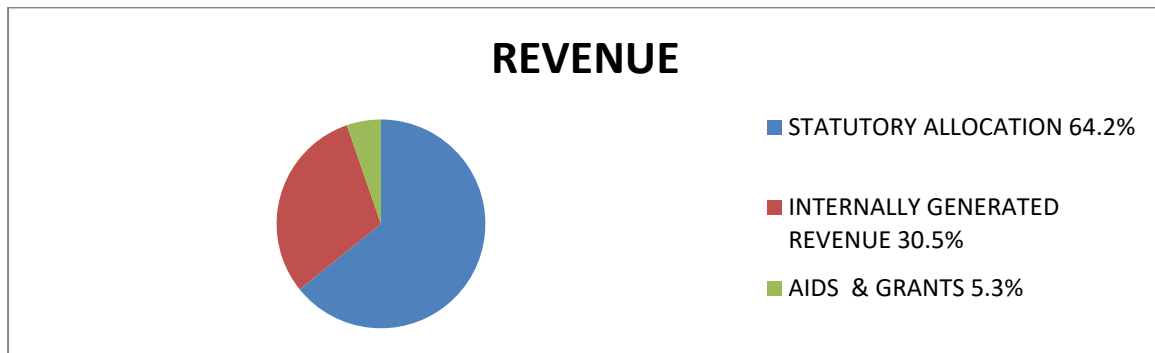
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦65,440,000.00, a sum of ₦32,388,157.06 only was actually generated internally representing 49.5% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

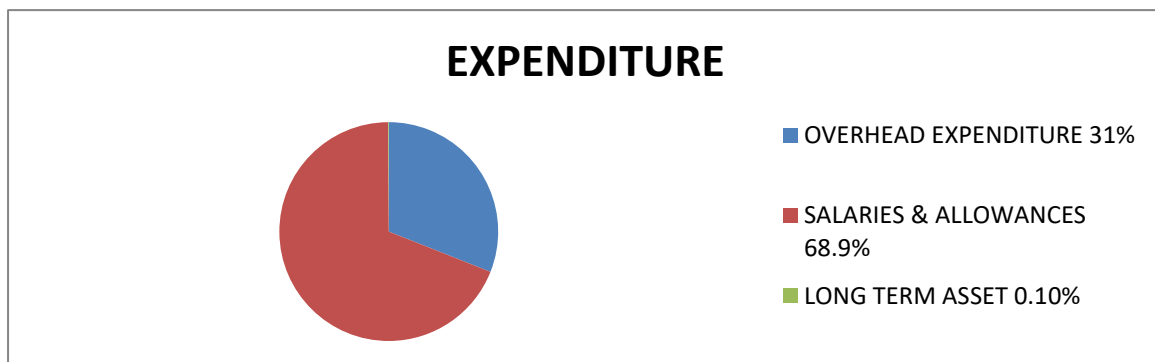
The Audit exercise revealed that out of the revenue of ₦106,242,657.79 realized by the Local Council Development Area during the year under review, a sum of ₦32,388,157.06 only was generated internally. This represented 30.5% of the total revenue while the total sum of ₦68,169,500.73 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 64.2% and 5.3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦98,880,594.90. Out of this, a sum of ₦30,611,094.17 was expended on overhead which represented 31% of the total expenditure for the year. Also, a sum of ₦68,169,500.73 was expended on salaries and allowances which represented 68.9% of the expenditure for the year while ₦100,000.00 was expended on long term assets and this represented .1% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**AGBARA IGBESA LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	601,526.42	399,863.53
INVENTORIES	1,237,400.00	1,031,600.00
RECEIVABLES	7,570,000.00	275,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>9,408,926.42</b>	<b>1,706,463.53</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	886,300.00	1,134,650.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>886,300.00</b>	<b>1,134,650.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>10,295,226.42</b>	<b>2,841,113.53</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	901,750.00	909,700.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>901,750.00</b>	<b>909,700.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>901,750.00</b>	<b>909,700.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>9,393,476.42</b>	<b>1,931,413.53</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	9,393,476.42	1,931,413.53
<b>TOTAL NET ASSETS/EQUITY</b>	<b>9,393,476.42</b>	<b>1,931,413.53</b>

**AGBARA IGBESA LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	68,169,500.73	-
NON TAX REVENUE:	28,961,883.00	9,009,350.00
INVESTMENT INCOME	-	
INTEREST EARNED	7,394.28	1,368.74
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	3,418,879.78	698,379.00
<b>TOTAL REVENUE (A)</b>	<b>106,242,657.79</b>	<b>17,368,096.74</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	47,721,848.20	-
NON- REGULAR ALLOWANCE	20,447,652.53	-
OVERHEAD COST	29,512,744.17	15,061,383.21
SUBVENTION TO PARASTALS	750,000.00	775,000.00
DEPRECIATION	348,350.00	328,350.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>98,780,594.90</b>	<b>16,164,733.21</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>7,462,062.89</b>	<b>1,203,363.53</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	728,050.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	1,203,363.53
<b>Balance 31/12/2017</b>	<b>1,931,413.53</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	7,462,062.89
<b>Balance at 31 December 2018</b>	<b>9,393,476.42</b>

**AGBARA IGBESA LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	68,169,500.73	-
LICENCES, FINES, ROYALTIES, FEES ETC	13,273,900.00	4,656,300.00
EARNINGS & SALES	6,452,983.00	4,078,050.00
RENT OF GOVERNMENT PROPERTIES	1,940,000.00	-
INVESTMENT INCOME	-	
INTEREST & REPAYMENT GENERAL	7,394.28	1,368.74
DOMESTIC AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	3,418,879.78	698,379.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>98,947,657.79</b>	<b>17,093,096.74</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	68,169,500.73	-
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC)	29,726,494.17	14,455,233.21
SUBVENTION TO PARASTATALS	750,000.00	775,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>98,645,994.90</b>	<b>15,230,233.21</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>301,662.89</b>	<b>1,862,863.53</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 100,000.00	- 1463000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 100,000.00</b>	<b>- 1,463,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>201,662.89</b>	<b>399,863.53</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>399,863.53</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>601,526.42</b>	<b>399,863.53</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IJU/ATAN/ILOGBO LOCAL COUNCIL DEVELOPMENT AREA, ATAN FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Iju/Atan/Ilogbo Local Council Development Area Atan, for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL EWVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	20,633,703.00
Statutory Allocation	113,130,373.21
Aids and Grants	6,000,000.00
<b>Total</b>	<b><u>139,764,076.21</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	28,504,091.73
Salaries and Allowances	113,130,373.21
Long Term Assets	-
<b>Total</b>	<b><u>141,634,464.94</u></b>

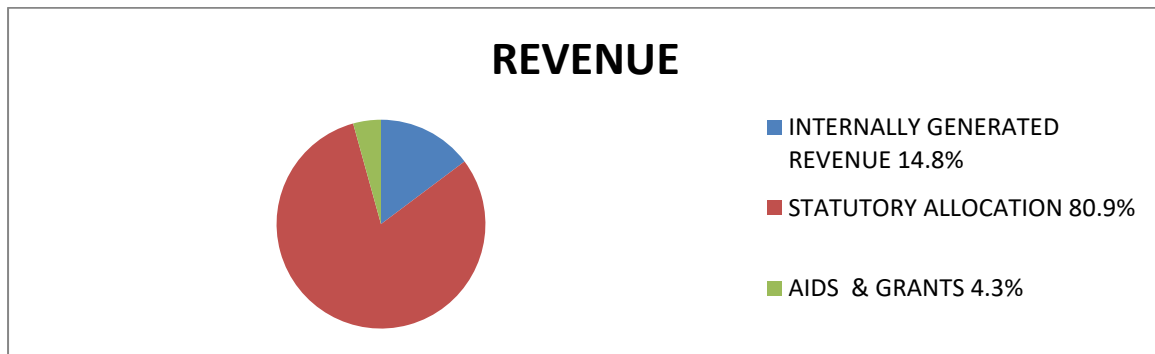
**(4) BUDGET PERFORMANCE**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦18,620,000.00 a sum of ₦20,633,703.00 only was actually generated internally representing 110.8% of the budget. This revenue performance is very impressive relative to the budget. However, the internally generated revenue could not cover the overhead expenditure of 28,504,091.73, without talking of salaries.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

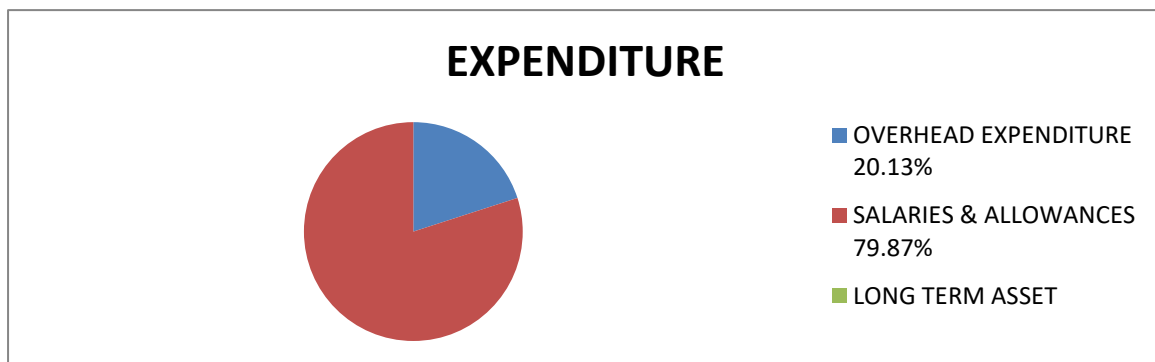
The Audit exercise revealed that out of the total revenue of ₦139,674,076.21 realized by the Local Council Development Area during the year under review, a sum of ₦20,633,703.00 only was generated internally. This represented 14.8% of the total revenue while the total sum of ₦113,130,373.21 statutory allocation and ₦6,000,000.00 aids and grants received from the State Joint Account Allocation Committee represented 80.9% and 4.3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦141,634,464.94. Out of this, a sum of ₦28,504,091.73 was expended on overhead which represented 20.13% of the total expenditure for the year. Also, a sum of ₦113,130,373.21 was expended on salaries and allowances which represented 79.87% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.





**IJU/ATAN LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₹</b>	<b>₹</b>
CASH & CASH EQUIVALENTS	688,869.68	1,197,601.41
INVENTORIES	1,319,209.00	3,187,816.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>2,008,078.68</b>	<b>4,385,417.41</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT		3,195,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>-</b>	<b>3,195,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>2,008,078.68</b>	<b>7,580,417.41</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	1,116,000.00	1,622,950.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>1,116,000.00</b>	<b>1,622,950.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>1,116,000.00</b>	<b>1,622,950.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>892,078.68</b>	<b>5,957,467.41</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	892,078.68	5,957,467.41
<b>TOTAL NET ASSETS/EQUITY</b>	<b>892,078.68</b>	<b>5,957,467.41</b>

**IJU/ATAN LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₱	₱
STATUTORY ALLOCATION	113,130,373.21	
NON TAX REVENUE:	20,033,153.00	9,853,855.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	6,000,000.00	8,000,000.00
OTHER REVENUE	600,550.00	2,486,100.00
<b>TOTAL REVENUE (A)</b>	<b>139,764,076.21</b>	<b>20,339,955.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	113,130,373.21	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	28,454,091.73	<b>14,417,487.59</b>
SUBVENTION TO PARASTALS	50,000.00	
DEPRECIATION		355,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>141,634,464.94</b>	<b>14,772,487.59</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>- 1,870,388.73</b>	<b>5,567,467.41</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₱
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>5,957,467.41</b>
<b>Balance 31/12/2017</b>	<b>5,957,467.41</b>
Prior Year Adjustment	- 3,195,000.00
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	- 1,870,388.73
<b>Balance at 31 December 2018</b>	<b>892,078.68</b>

**IJU/ATAN LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b><u>INFLOWS</u></b>	₦	₦
STATUTORY ALLOCATION	113,130,373.21	
LICENCES, FINES, ROYALTIES, FEES ETC	7,718,050.00	-
EARNINGS & SALES	11,135,103.00	6,381,350.00
RENT OF GOVERNMENT PROPERTIES	1,180,000.00	3,303,905.00
INVESTMENT INCOME		168,600.00
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	6,000,000.00	
OTHER REVENUE	600,550.00	8,000,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>139,764,076.21</b>	<b>2,486,100.00</b>
<b><u>OUTFLOW</u></b>		<b>20,339,955.00</b>
PERSONNEL EMOLUMENTS	113,130,373.21	
OVERHEADS	27,092,434.73	
SUBVENTION TO PARASTATALS	50,000.00	15,592,353.59
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>140,272,807.94</b>	
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>- 508,731.73</b>	<b>15,592,353.59</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		<b>4,747,601.41</b>
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)		
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		- 3,550,000.00
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-</b>	
		<b>- 3,550,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 508,731.73</b>	<b>-</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,197,601.41</b>	<b>1,197,601.41</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>688,869.68</b>	<b>1,197,601.41</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF SANGO/IJOKO LOCAL COUNCIL DEVELOPMENT AREA, IJOKO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Sango/Ijoko Local Council Development Area Ijoko, for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	27,499,521.00
Statutory Allocation	110,335,813.01
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>143,550,334.01</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	32,014,986.36
Salaries and Allowances	110,335,813.01
Long Term Assets	<u>5,273,493.25</u>
<b>Total</b>	<b><u>147,624,292.62</u></b>

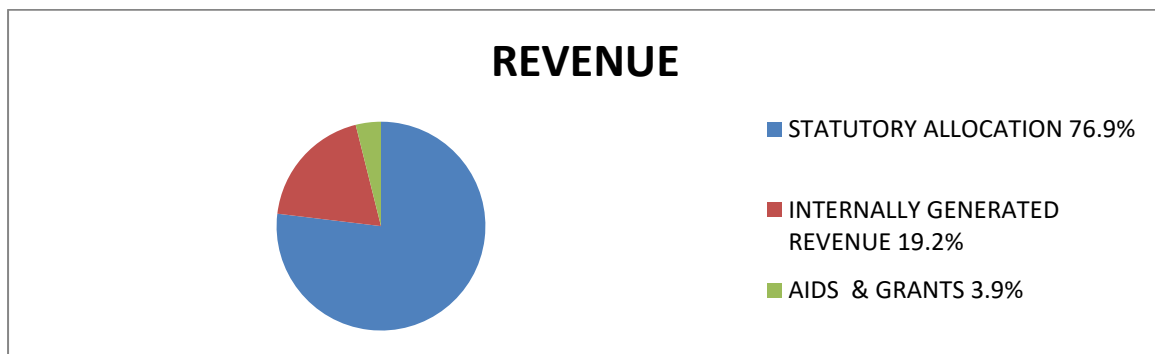
**(4) BUDGET PERFORMANCE**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦120,000,000.00, a sum of ₦27,499,521.00 only was actually generated and representing 22.9% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

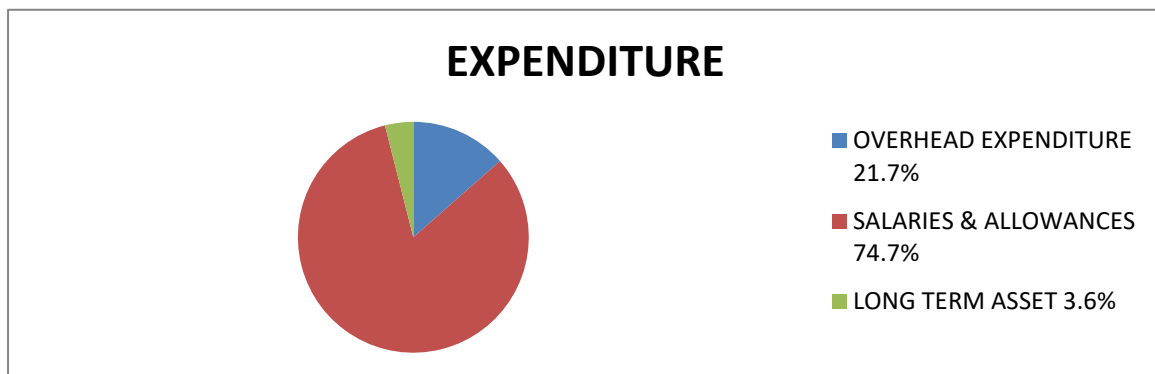
The Audit exercise revealed that out of the revenue of ₦143,550,334.01 realized by the Local Council Development Area during the year under review, a sum of ₦27,499,521.00 only was generated internally. This represented 19.2% of the total revenue while the total sum of ₦110,335,813.01 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 76.9% and 3.9% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦147,624,292.62. Out of this, a sum of ₦32,014,986.36 was expended on overhead which represented 21.7% of the total expenditure for the year. Also, a sum of ₦110,335,813.01 was expended on salaries and allowances which represented 74.7% of the expenditure for the year while ₦5,273,493.25 was expended on long term assets and this represented 3.6% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**SANGO/IJOKO LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	1,051,939.76	339,392.45
INVENTORIES	1,079,350.29	818,009.00
RECEIVABLES	30,000.00	150,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>2,161,290.05</b>	<b>1,307,401.45</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	5,180,432.25	1,015,752.63
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>5,180,432.25</b>	<b>1,015,752.63</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>7,341,722.30</b>	<b>2,323,154.08</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	185,000.00	36,315.79
ACCURED EXPENSES, PAYABLES	4,250,500.00	580,150.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>4,435,500.00</b>	<b>616,465.79</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>4,435,500.00</b>	<b>616,465.79</b>
<b>NET ASSETS (G= C-F)</b>	<b>2,906,222.30</b>	<b>1,706,688.29</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	2,906,222.30	1,706,688.29
<b>TOTAL NET ASSETS/EQUITY</b>	<b>2,906,222.30</b>	<b>1,706,688.29</b>

**SANGO/IJOKO LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	110,335,813.01	-
NON TAX REVENUE:	24,880,371.00	9,739,945.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	2,619,150.00	1,217,544.00
<b>TOTAL REVENUE (A)</b>	<b>143,550,334.01</b>	<b>18,616,488.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	76,939,734.00	
NON- REGULAR ALLOWANCE	33,396,079.01	
OVERHEAD COST	30,156,173.36	16,708,236.55
SUBVENTION TO PARASTALS	750,000.00	-
DEPRECIATION	1,108,813.00	201,563.16
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>142,350,799.37</b>	<b>16,909,799.71</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,199,534.64</b>	<b>1,706,688.29</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,706,688.29</b>
<b>Balance 31/12/2017</b>	<b>1,706,688.29</b>
Prior Year Adjustment	-
	0.63
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,199,534.64
<b>Balance at 31 December 2018</b>	<b>2,906,222.30</b>

**SANGO/IJOKO LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	110,335,813.01	-
LICENCES, FINES, ROYALTIES, FEES ETC	12,450,800.00	6,351,600.00
EARNINGS & SALES	11,339,571.00	3,238,345.00
RENT OF GOVERNMENT PROPERTIES	1,210,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	2,619,150.00	1,217,544.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>143,670,334.01</b>	<b>18,466,488.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	110,335,813.01	
OVERHEADS	26,747,164.65	16,946,095.55
SUBVENTION TO PARASTATALS	750,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>137,832,977.66</b>	<b>16,946,095.55</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>5,837,356.35</b>	<b>1,520,392.45</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)	- 5,273,493.25	- 1,217,315.79
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 5,273,493.25</b>	<b>- 1,217,315.79</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	148,684.21	36,315.79
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>148,684.21</b>	<b>36,315.79</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>712,547.31</b>	<b>339,392.45</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>339,392.45</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>1,051,939.76</b>	<b>339,392.45</b>



**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF EWEKORO LOCAL GOVERNMENT, ITORI FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ewekoro Local Government, Itori for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL EWVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	25,679,774.96
Statutory Allocation	195,193,354.26
Aids and Grants	<u>5,625,000.00</u>
<b>Total</b>	<b><u>226,498,129.24</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	25,618,249.43
Salaries and Allowances	197,163,354.28
Long Term Assets	<u>5,676,550.00</u>
<b>Total</b>	<b><u>228,458,153.71</u></b>

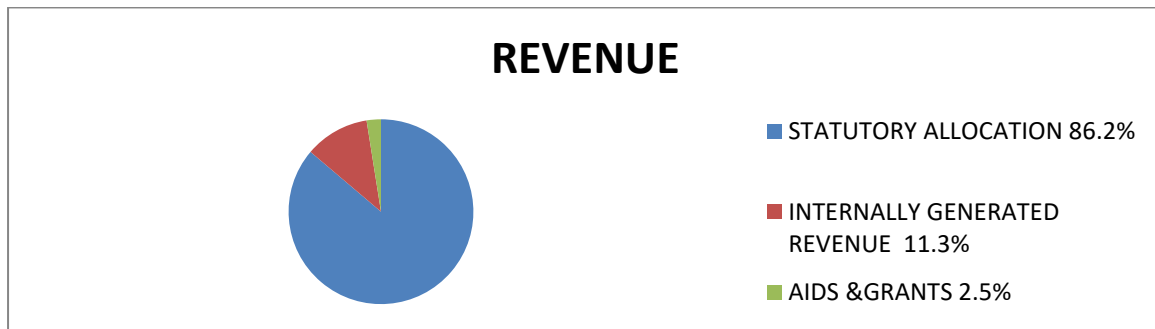
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦25,400,000.00, a sum of ₦25,679,774.96 only was actually generated and representing 101% of the budget. This revenue performance is impressive.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

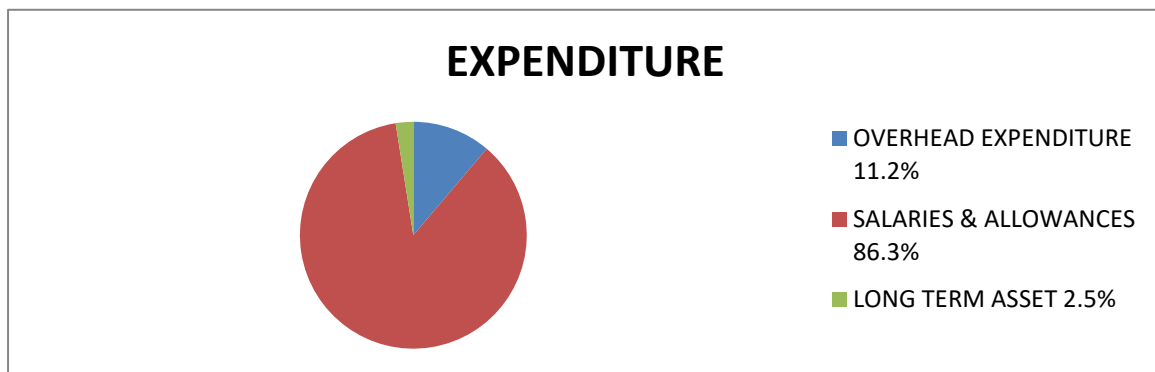
The Audit exercise revealed that out of the revenue of ₦226,498,129.24 realized by the Local Government during the year under review, a sum of ₦25,679,774.96 only was generated internally. This represented 11.3% of the total revenue while the total sum of ₦195,193,354.20 statutory allocation and ₦5,625,000.00 aids and grants received from the State Joint Account Allocation Committee represented 86.2% and 2.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed a total expenditure of ₦228,458,153.71. Out of this, a sum of ₦25,618,249.43 was expended on overhead which represented 11.2% of the total expenditure for the year. Also, a sum of ₦197,163,354.28 was expended on salaries and allowances which represented 86.3% of the expenditure for the year while ₦5,676,550.00 was expended on long term assets and this represented 2.5% of the expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Government.



(5) **DEBT PROFILE/INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦105,852,276.62. The liabilities are highlighted below:-

<b>S/NO</b>	<b>ITEMS</b>	<b>AMOUNTS(₦)</b>
1	Pension Fund	51,227,508.51
2	5% Development Levy	526,060.17
3	5% VAT	5,186,789.66
4	5% WHT	1,664,567.07
5	Loan	15,750,000.00
6	Others	<u>31,497,351.21</u>
	<b>TOTAL</b>	<b><u>105,852,276.62</u></b>

It was observed that the amounts highlighted above had been deducted from various contracts, salaries and overhead of workers but not remitted to appropriate agencies. This is against the extant rules and financial regulations. Term loan was also not repaid for the year.

6. **REVIEW OF STATEMENT OF FINANCIAL POSITION**

**ADVANCES**

The sum of ₦24,913,371.54 highlighted in the Statement of Financial Position as the Advances was dormant during the year.

**EWEKORO LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	- 37,222,226.01	- 36,567,205.58
INVENTORIES	703,316.26	901,010.66
RECEIVABLES	1,625,500.00	1,384,700.00
ADVANCE	24,913,371.54	24,913,371.54
<b>TOTAL CURRENT ASSET (A)</b>	<b>- 9,980,038.21</b>	<b>- 9,368,123.38</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	5,083,395.00	
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>5,083,395.00</b>	<b>-</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>- 4,896,643.21</b>	<b>- 9,368,123.38</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	514,154.70	
LOAN & DEBT	15,750,000.00	15,750,000.00
UNREMITTED DEDUCTIONS	89,347,321.98	89,347,321.98
ACCURED EXPENSES, PAYABLES	240,799.94	
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>105,852,276.62</b>	<b>105,097,321.98</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>105,852,276.62</b>	<b>105,097,321.98</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 110,748,919.83</b>	<b>- 114,465,445.36</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 110,748,919.83	- 114,465,445.36
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 110,748,919.83</b>	<b>- 114,465,445.36</b>

**EWEKORO LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	197,163,354.28	416,833,938.87
NON TAX REVENUE:	25,679,774.96	28,290,770.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	3,655,000.00	8,000,000.00
OTHER REVENUE		319,000.00
<b>TOTAL REVENUE (A)</b>	<b>226,498,129.24</b>	<b>453,443,708.87</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	115,718,958.47	274,789,564.35
NON- REGULAR ALLOWANCE	81,444,395.81	142,504,374.52
OVERHEAD COST	24,350,094.43	39,167,715.18
SUBVENTION TO PARASTALS	675,000.00	1,075,000.00
DEPRECIATION	593,155.00	
GAIN/LOSS ON DISPOSAL ON ASSET		<b>1,150,000.00</b>
<b>TOTAL EXPENDITURE (B)</b>	<b>222,781,603.71</b>	<b>458,686,654.05</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>3,716,525.53</b>	<b>- 5,242,945.18</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	<b>-109,222,500.18</b>
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>-5,242,945.18</b>
<b>Balance 31/12/2017</b>	<b>- 114,465,445.36</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	3,716,525.53
<b>Balance at 31 December 2018</b>	<b>- 110,748,919.83</b>

**EWEKORO LOCAL GOVERNMENT  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	197,163,354.28	416,833,938.87
LICENCES, FINES, ROYALTIES, FEES ETC	21,035,900.00	24,971,180.00
EARNINGS & SALES	4,087,100.00	2,234,890.00
RENT OF GOVERNMENT PROPERTIES	200,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL	115,974.96	
DOMESTIC AIDS & GRANTS	3,655,000.00	8,000,000.00
OTHER REVENUE		319,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>226,257,329.24</b>	<b>452,359,008.87</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	197,163,354.28	417,293,938.87
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC)	23,911,600.09	31,503,235.00
SUBVENTION TO PARASTATALS	675,000.00	1,075,000.00
INTEREST PAYMENT		8,565,490.84
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>221,749,954.37</b>	<b>458,437,664.71</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>4,507,374.87</b>	<b>- 6,078,655.84</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 5,676,550.00	
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 5,676,550.00</b>	<b>-</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	514,154.70	1,673,909.97
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>514,154.70</b>	<b>1,673,909.97</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 655,020.43</b>	<b>- 4,404,745.87</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>- 36,567,205.58</b>	<b>- 32,162,459.71</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>- 37,222,226.01</b>	<b>- 36,567,205.58</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF EWEKORO NORTH LOCAL COUNCIL DEVELOPMENT AREA, WASINMI FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ewekoro North Local Council Development Area, Wasinmi for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	5,095,600.00
Statutory Allocation	115,251,060.73
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>126,001,660.73</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	9,330,960.00
Salaries and Allowances	115,251,060.73
Long Term Assets	<u>1,408,000.00</u>
<b>Total</b>	<b><u>125,990,020.73</u></b>

**(4) BUDGET PERFORMANCE:**

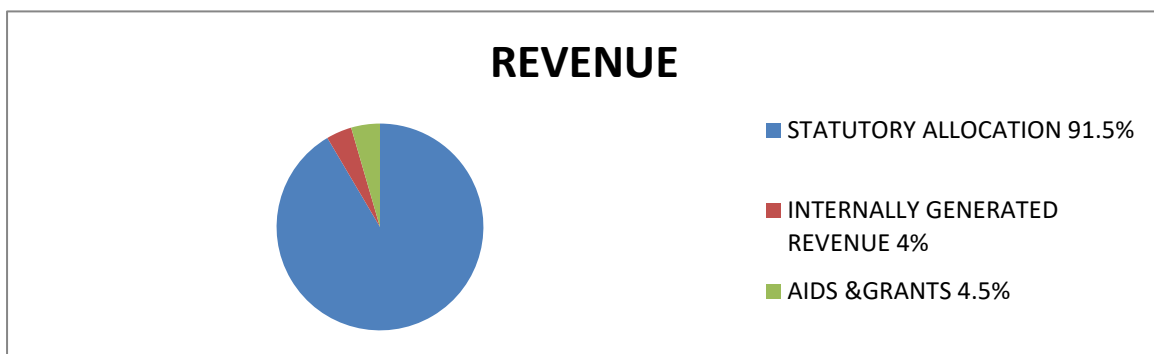
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦11,905,000.00, a sum of ₦5,095,600.00 only was actually generated internally representing 42.8% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally

Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

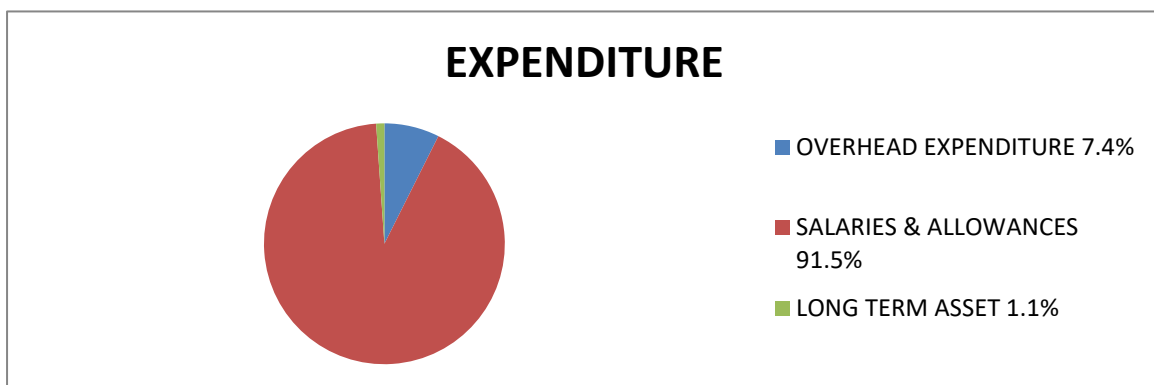
The Audit exercise revealed that out of the revenue of ₦126,001,660.73 realized by the Local Council Development Area during the year under review, a sum of ₦5,095,600.00 only was generated internally. This represented 4.0% of the total revenue while the total sum of ₦115,251,060.73 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 91.5% and 4.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦125,990,020.73. Out of this, a sum of ₦9,330,960.00 was expended on overhead which represented 7.4% of the total expenditure for the year. Also, a sum of ₦115,251,060.73 was expended on salaries and allowances which represented 91.5% of the expenditure for the year while ₦1,408,000.00 was expended on long term assets and this represented 1.1% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.





**EWEKORO NORTH LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	114,025.36	934,410.36
INVENTORIES	486,436.60	108,686.60
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>600,461.96</b>	<b>1,043,096.96</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	4,036,800.00	2,035,800.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>4,036,800.00</b>	<b>2,035,800.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>4,637,261.96</b>	<b>3,078,896.96</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	31,578.94	31,578.94
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>31,578.94</b>	<b>31,578.94</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING	809,040.00	670,315.00
BOROWING		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>809,040.00</b>	<b>670,315.00</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>840,618.94</b>	<b>701,893.94</b>
<b>NET ASSETS (G= C-F)</b>	<b>3,796,643.02</b>	<b>2,377,003.02</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	3,796,643.02	2,377,003.02
<b>TOTAL NET ASSETS/EQUITY</b>	<b>3,796,643.02</b>	<b>2,377,003.02</b>

**EWEKORO NORTH LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	115,251,060.73	-
NON TAX REVENUE:	5,027,600.00	2,304,830.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	68,000.00	409,317.65
<b>TOTAL REVENUE (A)</b>	<b>126,001,660.73</b>	<b>10,714,147.65</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	37,019,155.11	
NON- REGULAR ALLOWANCE	78,231,905.62	
OVERHEAD COST	8,473,960.00	7,560,944.63
SUBVENTION TO PARASTALS	250,000.00	550,000.00
DEPRECIATION	607,000.00	226,200.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>124,582,020.73</b>	<b>8,337,144.63</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,419,640.00</b>	<b>2,377,003.02</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>2,377,003.02</b>
<b>Balance 31/12/2017</b>	<b>2,377,003.02</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,419,640.00
<b>Balance at 31 December 2018</b>	<b>3,796,643.02</b>

**EWEKORO NORTH LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	115,251,060.73	
LICENCES, FINES, ROYALTIES, FEES ETC	4,011,200.00	1,525,350.00
EARNINGS & SALES	1,016,400.00	779,480.00
RENT OF GOVERNMENT PROPERTIES		
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	68,000.00	409,317.65
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>126,001,660.73</b>	<b>10,714,147.65</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	115,251,060.73	
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC)	8,851,710.00	7,669,631.23
SUBVENTION TO PARASTATALS	250,000.00	550,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>124,352,770.73</b>	<b>8,219,631.23</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,648,890.00</b>	<b>2,494,516.42</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 2,608,000.00	- 2,262,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 2,608,000.00</b>	<b>- 2,262,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	138,725.00	701,893.94
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>138,725.00</b>	<b>701,893.94</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 820,385.00</b>	<b>934,410.36</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>934,410.36</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>114,025.36</b>	<b>934,410.36</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IFO LOCAL GOVERNMENT, IFO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ifo Local Government, Ifo for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	38,732,641.99
Statutory Allocation	217,492,704.68
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>261,880,346.67</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	38,865,278.49
Salaries and Allowances	217,492,704.68
Long Term Assets	<u>5,292,200.00</u>
<b>Total</b>	<b><u>261,650,183.17</u></b>

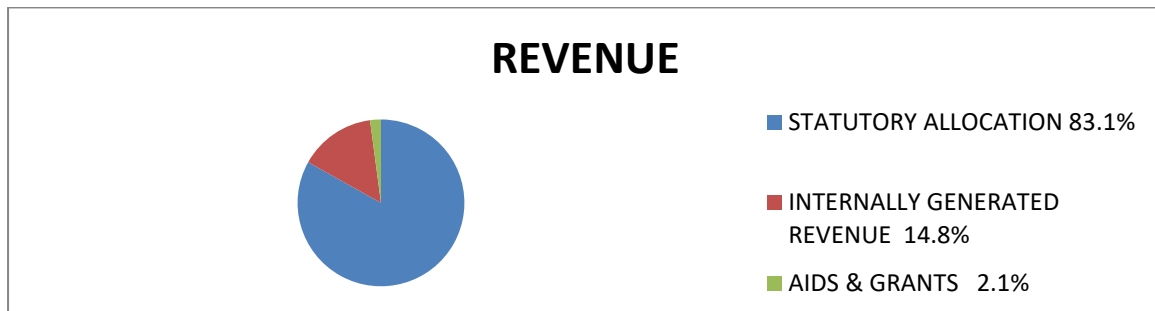
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦31,873,649.00 a sum of ₦38,732,641.99 only was actually generated internally representing 121.5% of the budget.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

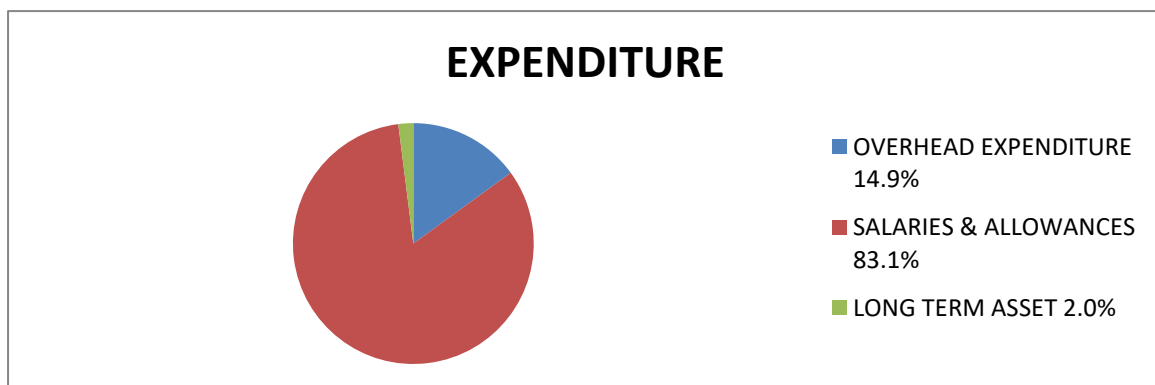
The Audit exercise revealed that out of the revenue of ₦261,880,346.67 realized by the Local Government during the year under review, a sum of ₦38,732,641.99 only was generated internally. This represented 14.8% of the total revenue while the total sum of ₦217,492,704.98 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 83.1% and 2.1% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed a total expenditure of ₦261,650,183.17. Out of this, a sum of ₦38,865,278.49 was expended on overhead which represented 14.9% of the total expenditure for the year. Also, a sum of ₦217,492,704.68 was expended on salaries and allowances which represented 83.1% of the expenditure for the year while ₦5,292,200.00 was expended on long term assets and this represented 2.0% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Government.



**(5) DEBT PROFILE/INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦123,017,795.14. The liabilities are highlighted below:-

<b>S/NO</b>	<b>ITEMS</b>	<b>AMOUNTS(₦)</b>
1	Pension Fund	2,509,227.26
2	5% Development Levy	12,182,187.80
3	5% VAT	6,301,844.41
4	Others	<u>102,024,535.67</u>
	<b>TOTAL</b>	<b><u>123,017,795.14</u></b>

It was observed that the amounts highlighted above had been deducted from various contracts, salaries and allowances of workers but not remitted to appropriate agencies. This is against the extant rules and financial regulations. It also included amounts payable on goods and services enjoyed. The Local Government should always remit deductions as required by regulations.

**(6) INVESTMENT ACCOUNT BALANCE**

The sum of ₦419,200.00 stated as investment balance in the statement of financial position could not be substantiated because the shares certificate was not produced for Audit scrutiny and no evidence of the beneficial ownership such as dividend was presented on demand.

**IFO LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₪</b>	<b>₪</b>
CASH & CASH EQUIVALENTS	1,895,097.42	1,459,125.12
INVENTORIES	4,513,320.00	2,715,360.00
RECEIVABLES	8,900,400.00	6,792,000.00
ADVANCE	2,860,259.32	4,562,904.82
<b>TOTAL CURRENT ASSET (A)</b>	<b>18,169,076.74</b>	<b>15,529,389.94</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	5,625,540.00	2,360,500.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET	200,000.00	
INVESTMENT	419,200.00	419,200.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>6,244,740.00</b>	<b>2,779,700.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>24,413,816.74</b>	<b>18,309,089.94</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	109,371,807.49	109,421,807.49
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	13,645,987.65	13,013,624.35
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>123,017,795.14</b>	<b>122,435,431.84</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>123,017,795.14</b>	<b>122,435,431.84</b>
<b>NET ASSETS (G= C-F)</b>	- <b>98,603,978.40</b>	- <b>104,126,341.90</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 98,603,978.40	- 104,126,341.90
<b>TOTAL NET ASSETS/EQUITY</b>	- <b>98,603,978.40</b>	- <b>104,126,341.90</b>

**IFO LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₱</b>	<b>₱</b>
STATUTORY ALLOCATION	217,492,704.68	447,017,034.13
NON TAX REVENUE:	37,384,945.00	61,002,203.51
INVESTMENT INCOME		120,000.00
INTEREST EARNED	18,748.99	18,871.47
AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	1,328,948.00	3,164,916.26
<b>TOTAL REVENUE (A)</b>	<b>261,880,346.67</b>	<b>519,323,025.37</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	124,589,067.70	269,209,046.92
NON- REGULAR ALLOWANCE	92,903,636.98	184,427,899.98
OVERHEAD COST	36,063,118.49	68,760,389.64
SUBVENTION TO PARASTALS	975,000.00	1,775,000.00
DEPRECIATION	1,827,160.00	768,500.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>256,357,983.17</b>	<b>524,940,836.54</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>5,522,363.50</b>	<b>- 5,617,811.17</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₱</b>
<b>Balance 1/1/2017</b>	<b>- 98,508,530.73</b>
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>- 5,617,811.17</b>
<b>Balance 31/12/2017</b>	<b>- 104,126,341.90</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	5,522,363.50
<b>Balance at 31 December 2018</b>	<b>- 98,603,978.40</b>



**IFO LOCAL GOVERNMENT**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	217,492,704.68	447,017,034.13
LICENCES, FINES, ROYALTIES, FEES ETC	26,096,150.00	43,407,800.00
EARNINGS & SALES	9,180,395.00	10,157,403.51
RENT OF GOVERNMENT PROPERTIES		645,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL	18,748.99	138,871.47
DOMESTIC AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	1,328,948.00	3,164,916.26
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>259,771,946.67</b>	<b>512,531,025.37</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	217,492,704.68	453,636,946.90
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC	37,228,715.19	55,746,765.29
SUBVENTION TO PARASTATALS	975,000.00	1,775,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>255,696,419.87</b>	<b>511,158,712.19</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>4,075,526.80</b>	<b>1,372,313.18</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 5,292,200.00	- 1,830,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	1,702,645.50	1,392,167.88
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 3,589,554.50</b>	<b>- 437,832.12</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS	- 50,000.00	
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>- 50,000.00</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>435,972.30</b>	<b>934,481.06</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,459,125.12</b>	<b>524,644.06</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>1,895,097.42</b>	<b>1,459,125.12</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF AGBADO/OKE ARO LOCAL COUNCIL DEVELOPMENT AREA, OKE ARO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Agbado/OkeAro Local Council Development Area, Agbado for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	18,545,630.00
Statutory Allocation	77,876,804.58
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>102,077,434.58</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	22,637,884.42
Salaries and Allowances	77,876,804.58
Long Term Assets	<u>55,000.00</u>
<b>Total</b>	<b><u>100,569,689.00</u></b>

**(3) BUDGET PERFORMANCE**

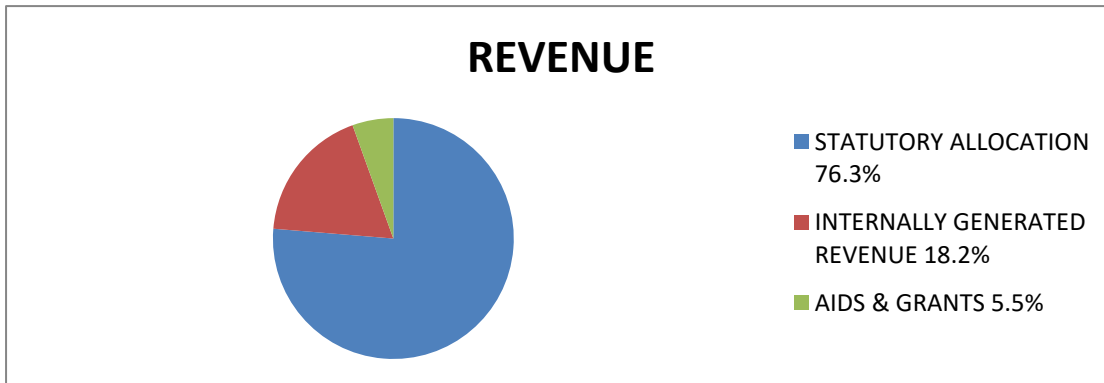
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦42,150,000.00, a sum of ₦18,545,630.00 only was actually generated internally representing 44% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its

Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

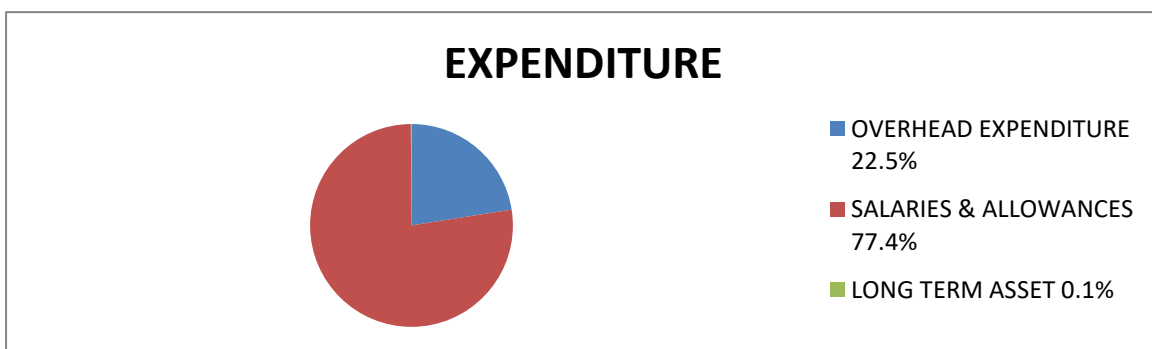
The Audit exercise revealed that out of the revenue of ₦102,077,434.58 realized by the Local Government during the year under review, a sum of ₦18,545,630.00 only was generated internally. This represented 18.2% of the total revenue while the total sum of ₦77,876,804.58 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 76.3% and 5.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligation.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦100,569,689.00. Out of this, a sum of ₦22,637,884.42 was expended on overhead which represented 22.5% of the total expenditure for the year. Also, a sum of ₦77,876,804.58 was expended on salaries and allowances which represented 77.4% of the expenditure for the year while ₦55,000.00 was expended on long term assets and this represented 0.1% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**AGBADO OKE ARO LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	2,190,039.11	821,243.53
INVENTORIES	617,650.00	568,950.00
RECEIVABLES	550,000.00	700,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,357,689.11</b>	<b>2,090,193.53</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	71,250.00	40,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>71,250.00</b>	<b>40,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>3,428,939.11</b>	<b>2,130,193.53</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	461,500.00	725,500.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>461,500.00</b>	<b>725,500.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>461,500.00</b>	<b>725,500.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>2,967,439.11</b>	<b>1,404,693.53</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	2,967,439.11	1,404,693.53
<b>TOTAL NET ASSETS/EQUITY</b>	<b>2,967,439.11</b>	<b>1,404,693.53</b>

**AGBADO OKE ARO LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	77,876,804.58	-
NON TAX REVENUE:	17,724,990.00	8,826,250.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,655,000.00	7,658,999.00
OTHER REVENUE	820,640.00	2,625,600.00
<b>TOTAL REVENUE (A)</b>	<b>102,077,434.58</b>	<b>19,110,849.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	77,876,804.58	
NON- REGULAR ALLOWANCE	-	
OVERHEAD COST	21,889,134.42	17,528,855.47
SUBVENTION TO PARASTALS	725,000.00	700,000.00
DEPRECIATION	23,750.00	10,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>100,514,689.00</b>	<b>18,238,855.47</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,562,745.58</b>	<b>871,993.53</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	
Prior Year Adjustment	<b>532,700.00</b>
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	871,993.53
<b>Balance 31/12/2017</b>	<b>1,404,693.53</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,562,745.58
<b>Balance at 31 December 2018</b>	<b>2,967,439.11</b>

**AGBADO OKE ARO LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	77,876,804.58	-
LICENCES, FINES, ROYALTIES, FEES ETC	9,294,650.00	4,989,400.00
EARNINGS & SALES	6,770,340.00	3,131,850.00
RENT OF GOVERNMENT PROPERTIES	1,810,000.00	5,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,655,000.00	7,658,999.00
OTHER REVENUE	820,640.00	2,625,600.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>102,227,434.58</b>	<b>18,410,849.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	77,876,804.58	
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC	22,201,834.42	16,839,605.47
SUBVENTION TO PARASTATALS	725,000.00	700,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>100,803,639.00</b>	<b>17,539,605.47</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,423,795.58</b>	<b>871,243.53</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 55,000.00	- 50,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 55,000.00</b>	<b>- 50,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>1,368,795.58</b>	<b>821,243.53</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>821,243.53</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>2,190,039.11</b>	<b>821,243.53</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF ISHERI/AKUTE LOCAL COUNCIL DEVELOPMENT AREA, OJODU FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Isheri/Akute Local Council Development Area, Ojodu for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS (₦)</b>
Internally Generated Revenue	22,595,285.00
Statutory Allocation	73,650,771.36
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>101,901,056.36</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	21,849,637.38
Salaries and Allowances	73,650,771.36
Long Term Assets	<u>5,931,000.00</u>
<b>Total</b>	<b><u>101,431,408.74</u></b>

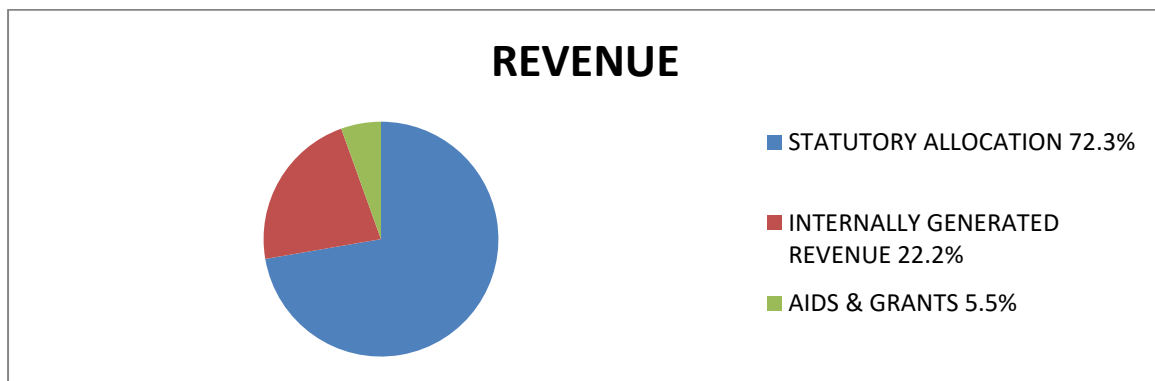
**(3) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦75,700,000.00, a sum of ₦22,595,285.00 only was actually generated internally representing 29.8% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

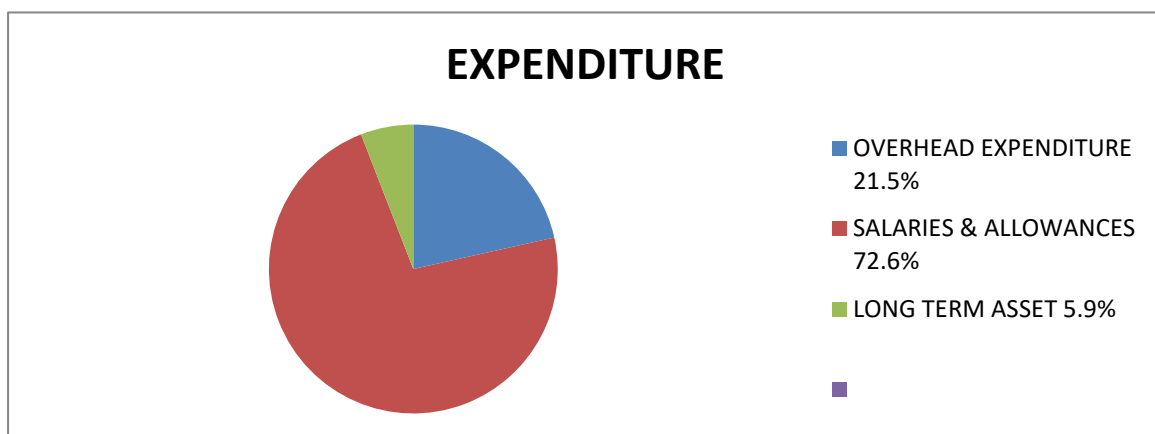
The Audit exercise revealed that out of the revenue of ₦101,901,056.36 realized by the Local Council Development Area during the year under review, a sum of ₦22,595,285.00 only was generated internally. This represented 22.2% of the total revenue while the sum of ₦73,650,771.36 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 72.3% and 5.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦101,431,408.74. Out of this, a sum of ₦21,849,637.38 was expended on overhead which represented 21.5% of the total expenditure for the year. Also, a sum of ₦73,650,771.36 was expended on salaries and allowances which represented 72.6% of the expenditure for the year while ₦5,931,000.00 was expended on long term assets and this represented 5.9% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.





**ISHERI AKUTE LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	920,264.89	419,602.32
INVENTORIES	1,459,492.55	76,550.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>2,379,757.44</b>	<b>496,152.32</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	7,247,530.00	2,165,287.50
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>7,247,530.00</b>	<b>2,165,287.50</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>9,627,287.44</b>	<b>2,661,439.82</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	1,876,000.00	1,310,800.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>1,876,000.00</b>	<b>1,310,800.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>1,876,000.00</b>	<b>1,310,800.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>7,751,287.44</b>	<b>1,350,639.82</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	7,751,287.44	1,350,639.82
<b>TOTAL NET ASSETS/EQUITY</b>	<b>7,751,287.44</b>	<b>1,350,639.82</b>

**ISHERI AKUTE LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	73,650,771.36	-
NON TAX REVENUE:	21,414,035.00	7,513,445.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	1,181,250.00	3,156,950.00
<b>TOTAL REVENUE (A)</b>	<b>101,901,056.36</b>	<b>18,670,395.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	73,650,771.36	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	20,625,879.88	16,317,467.68
SUBVENTION TO PARASTALS	375,000.00	575,000.00
DEPRECIATION	848,757.50	427,287.50
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>95,500,408.74</b>	<b>17,319,755.18</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>6,400,647.62</b>	<b>1,350,639.82</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,350,639.82</b>
<b>Balance 31/12/2017</b>	<b>1,350,639.82</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	6,400,647.62
<b>Balance at 31 December 2018</b>	<b>7,751,287.44</b>

**ISHERI AKUTE LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	73,650,771.36	-
LICENCES, FINES, ROYALTIES, FEES ETC	12,042,700.00	5,119,900.00
EARNINGS & SALES	5,936,835.00	2,182,545.00
RENT OF GOVERNMENT PROPERTIES	3,434,500.00	211,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	1,181,250.00	3,156,950.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>101,901,056.36</b>	<b>18,670,395.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	73,650,771.36	
OVERHEADS (PAYMENT TO CONSULTANTS, SUPPLIERS ETC	21,443,622.43	15,083,217.68
SUBVENTION TO PARASTATALS	375,000.00	575,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>95,469,393.79</b>	<b>15,658,217.68</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>6,431,662.57</b>	<b>3,012,177.32</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 5,931,000.00	- 2,592,575.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 5,931,000.00</b>	<b>- 2,592,575.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>500,662.57</b>	<b>419,602.32</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>419,602.32</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>920,264.89</b>	<b>419,602.32</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF COKER IBOGUN LOCAL COUNCIL DEVELOPMENT AREA, IBOGUN FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Coker Ibogun Local Council Development Area Ibogun, for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS(₦)</b>
Internally Generated Revenue	7,366,900.00
Statutory Allocation	62,359,344.48
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>75,441,244.48</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	11,967,700.00
Salaries and Allowances	62,359,344.48
Long Term Assets	<u>780,000.00</u>
<b>Total</b>	<b><u>75,107,044.48</u></b>

**(4) BUDGET PERFORMANCE**

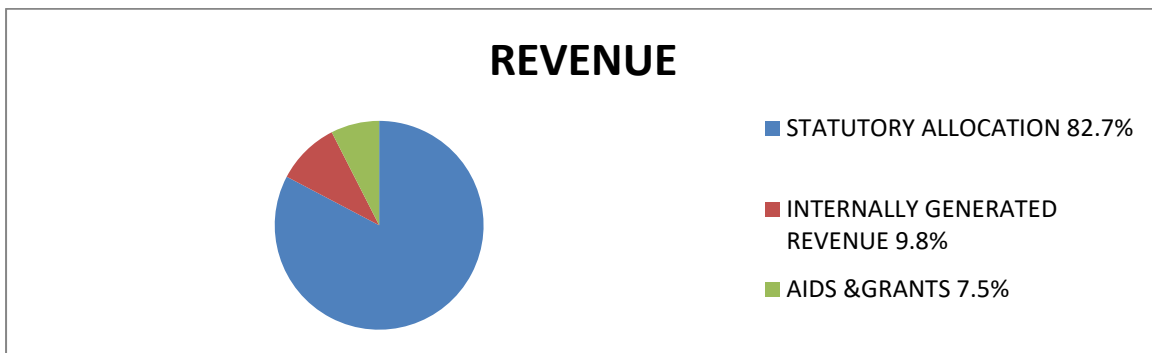
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦34,535,000.00, a sum of ₦7,366,900.00 only was actually generated internally representing 21.3% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally

Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

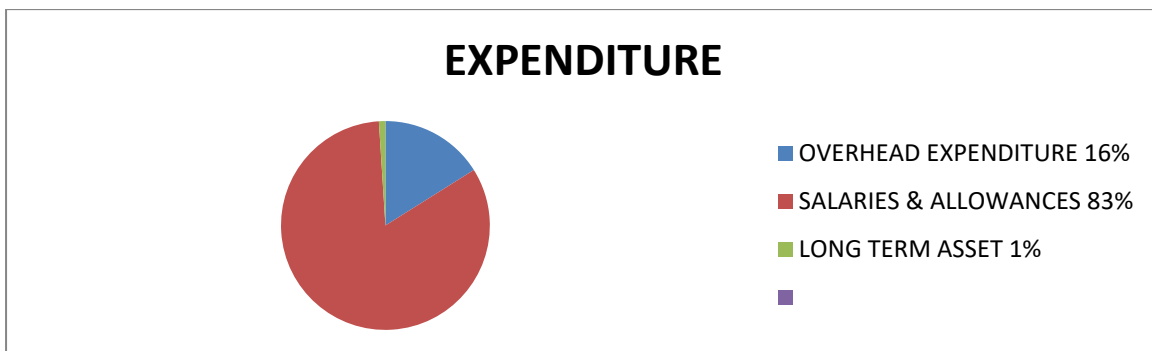
The Audit exercise revealed that out of the revenue of ₦75,441,244.48 realized by the Local Council Development Area during the year under review, a sum of ₦7,366,900.00 only was generated internally. This represented 9.8% of the total revenue while the sum of ₦62,359,344.48 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 82.7% and 7.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦75,107,044.48. Out of this, a sum of ₦11,967,700.00 was expended on overhead which represented 16% of the total expenditure for the year. Also, a sum of ₦62,359,344.48 was expended on salaries and allowances which represented 83% of the expenditure for the year while ₦780,000.00 was expended on long term assets and this represented 1.0% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**COKER IBOGUN LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	443,864.94	1,114.94
INVENTORIES	1,276,135.00	933,015.00
RECEIVABLES	1,223,330.00	557,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>2,943,329.94</b>	<b>1,491,129.94</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	1,490,000.00	1,178,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>1,490,000.00</b>	<b>1,178,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>4,433,329.94</b>	<b>2,669,129.94</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	854,500.00	204,500.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>854,500.00</b>	<b>204,500.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>854,500.00</b>	<b>204,500.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>3,578,829.94</b>	<b>2,464,629.94</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	3,578,829.94	2,464,629.94
<b>TOTAL NET ASSETS/EQUITY</b>	<b>3,578,829.94</b>	<b>2,464,629.94</b>

**COKER IBOGUN LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	62,359,344.48	-
NON TAX REVENUE:	7,223,900.00	2,119,509.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	143,000.00	505,000.00
<b>TOTAL REVENUE (A)</b>	<b>75,441,244.48</b>	<b>10,283,508.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	62,359,344.48	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	11,149,700.00	7,896,683.06
SUBVENTION TO PARASTALS	350,000.00	500,000.00
DEPRECIATION	468,000.00	312,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>74,327,044.48</b>	<b>8,708,683.06</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,114,200.00</b>	<b>1,574,824.94</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	889,805.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,574,824.94</b>
<b>Balance 31/12/2017</b>	<b>2,464,629.94</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,114,200.00
<b>Balance at 31 December 2018</b>	<b>3,578,829.94</b>

**COKER IBOGUN LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	62,359,344.48	-
LICENCES, FINES, ROYALTIES, FEES ETC	4,418,180.00	1,562,509.00
EARNINGS & SALES	2,139,390.00	
RENT OF GOVERNMENT PROPERTIES		
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	143,000.00	505,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>74,774,914.48</b>	<b>9,726,508.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	62,359,344.48	
OVERHEADS	10,842,820.00	7,735,393.06
SUBVENTION TO PARASTATALS	350,000.00	500,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>73,552,164.48</b>	<b>8,235,393.06</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,222,750.00</b>	<b>1,491,114.94</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 780,000.00	- 1,490,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 780,000.00</b>	<b>- 1,490,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>442,750.00</b>	<b>1,114.94</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,114.94</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>443,864.94</b>	<b>1,114.94</b>



**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IJEBU EAST LOCAL GOVERNMENT, OGBERE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ijebu East Local Government, Ogbere for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNTS (₦)</b>
Internally Generated Revenue	31,418,840.21
Statutory Allocation	188,304,478.30
Aids and Grants	<u>5,655,000.00</u>
<b>Total Fund Available</b>	<b><u>225,378,318.51</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	31,076,388.05
Salaries and Allowances	188,304,478.30
Long Term Assets	<u>8,185,000.00</u>
<b>Total</b>	<b><u>227,565,866.35</u></b>

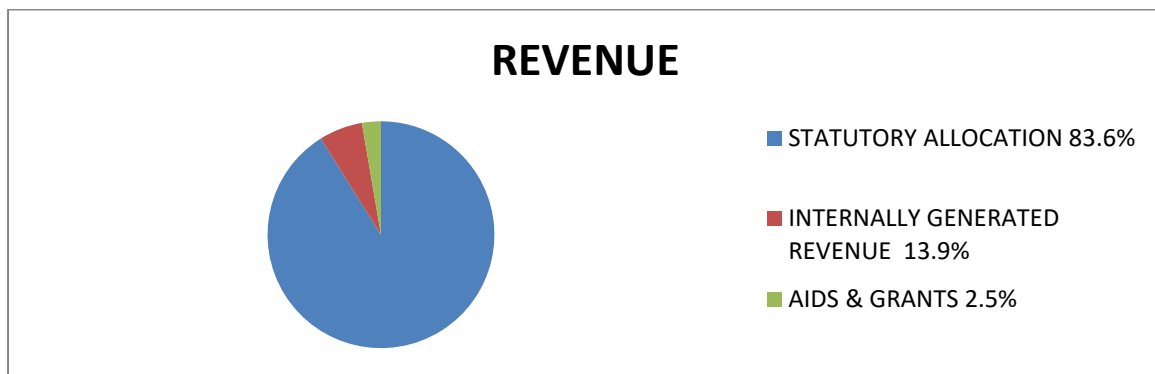
**(4) BUDGET PERFORMANCE**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦31,873,649.00, a sum of ₦31,418,840.21 only was actually generated internally representing 98.6% of the budget. This revenue performance appears good. However, 40% of it represents proceeds from sale of shares which is a capital receipt.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

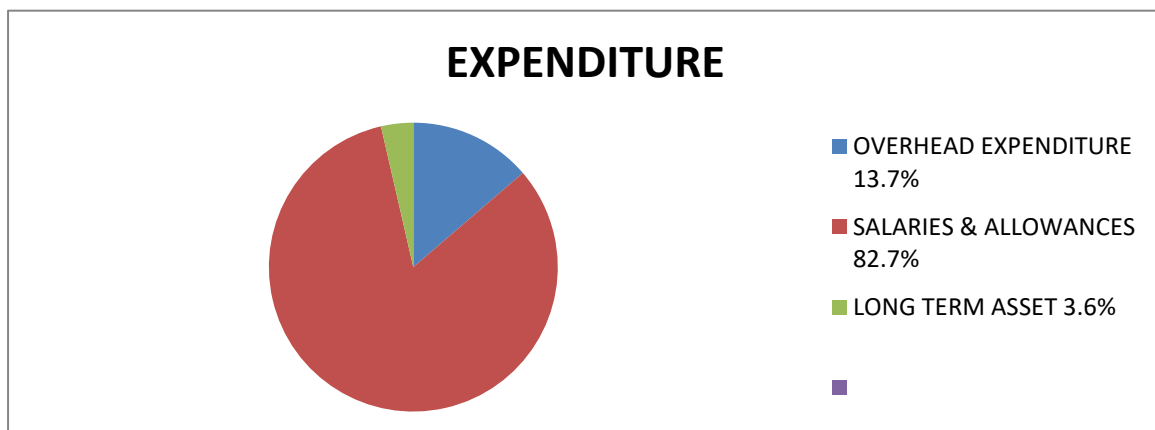
The Audit exercise revealed that out of the revenue of ₦225,378,318.51 realized by the Local Government during the year under review, a sum of ₦31,418,840.21 only was generated internally. This represented 13.9% of the total revenue while the sum of ₦188,304,478.30 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 83.6% and 2.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed a total expenditure of ₦227,565,866.35. Out of this, a sum of ₦31,076,388.05 was expended on overhead which represented 13.7% of the total expenditure for the year. Also, a sum of ₦188,304,478.30 was expended on salaries and allowances which represented 82.7% of the expenditure for the year while ₦8,185,000.00 was expended on long term assets and this represented 3.6% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Government.



**(5) DEBT PROFILE/INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦49,742,786.27. The liabilities are highlighted below:-

<b>S/N</b>	<b>ITEMS</b>	<b>AMOUNTS (₦)</b>
1.	5% Development Fund	731,546.96
2.	5% Withholding Tax	1,193,489.29
3.	VAT	4,093,305.80
4.	2.5% Fed. Housing Scheme	201,036.38
5.	PAYE	10,949,917.39
6.	Term loan	18,018,557.82
7.	Others	<u>14,554,932.63</u>
	<b>TOTAL</b>	<b><u>49,742,786.27</u></b>

It was observed that the amounts highlighted above had been deducted from various contract, salaries and allowances of workers but not remitted to appropriate agencies. This is against the extant rules and financial regulations. It also included a term loan that was stagnant during. The Local Government should always remit deductions as required by regulations and service loan facilities in line with agreed terms.

**(6) REVIEW OF STATEMENT OF FINANCIAL POSITION:**

**(i) ADVANCES**

The sum of ₦5,543,523.39 highlighted in the Statement of Financial Position as the Advances figure appeared to be correct and had been certified by this Office. Efforts should be intensified to recover the advances.

**(ii) INVESTMENT ACCOUNT BALANCE**

The sum of ₦188,000.00 stated as investment balance in the Statement of Financial Position could not be substantiated because the shares certificate was not produced for Audit scrutiny and no evidence of the beneficial ownership such as dividend was presented on demand.

**IJEBU EAST LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	1,336,746.71	1,209,545.05
INVENTORIES	2,140,046.57	2,215,046.05
RECEIVABLES	1,777,000.00	1,711,000.00
ADVANCE	5,543,523.39	6,120,424.14
<b>TOTAL CURRENT ASSET (A)</b>	<b>10,797,316.67</b>	<b>11,256,015.24</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	6,539,750.00	
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	188,000.00	782,499.50
LOAN GRANTED	4,000,000.00	4,000,000.00
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>10,727,750.00</b>	<b>4,782,499.50</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>21,525,066.67</b>	<b>15,527,614.51</b>
<b>CURRENT LIABILITY</b>		
ODEPOSIT	31,724,228.45	31,724,228.45
LOAN & DEBT	18,018,557.82	18,468,557.82
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>49,742,786.27</b>	<b>50,192,786.27</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BORROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>49,742,786.27</b>	<b>50,192,786.27</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 28,217,719.60</b>	<b>- 34,154,271.53</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 28,217,719.60	-34,154,271.53
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 28,217,719.60</b>	<b>-34,154,271.53</b>

**IJEBU EAST LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	188,304,478.30	367,598,611.49
NON TAX REVENUE:	12,804,985.00	14,723,411.62
INVESTMENT INCOME	12,694,107.73	-
INTEREST EARNED		-
AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	5,919,747.48	1,123,700.00
<b>TOTAL REVENUE (A)</b>	<b>225,378,318.51</b>	<b>391,445,723.11</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	133,028,237.14	278,233,610.96
NON- REGULAR ALLOWANCE	55,276,241.16	89,365,000.53
OVERHEAD COST	29,131,138.05	18,806,503.95
SUBVENTION TO PARASTALS	300,000.00	700,000.00
DEPRECIATION	1,645,250.00	
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>219,380,866.35</b>	<b>387,105,115.44</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>5,997,452.16</b>	<b>4,340,607.67</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-33,294,879.20</b>
Prior Year Adjustment	-5,200,000.00
Adjusted Balance	<b>-38,494,879.20</b>
<b>Surplus/ (deficit) for the year</b>	4,340,607.67
<b>Balance 31/12/2017</b>	<b>- 34,215,171.76</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	5,997,452.16
<b>Balance at 31 December 2018</b>	<b>- 28,217,719.60</b>

**IJEBU EAST LOCAL GOVERNMENT**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	188,304,478.30	367,598,611.49
LICENCES, FINES, ROYALTIES, FEES ETC	10,871,840.00	9,977,540.00
EARNINGS & SALES	1,838,145.00	2,850,171.62
RENT OF GOVERNMENT PROPERTIES	95,000.00	184,700.00
INVESTMENT INCOME	12,694,107.73	
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	5,919,747.48	1,123,700.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>225,378,318.51</b>	<b>389,734,723.11</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	188,304,478.30	367,598,611.49
OVERHEADS	29,056,138.05	21,021,550.00
SUBVENTION TO PARASTATALS	300,000.00	700,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>217,660,616.35</b>	<b>389,320,161.49</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>7,717,702.16</b>	<b>414,561.62</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 8,185,000.00	
PURCHASE OF FINANCIAL MARKET INSTRUMENTS	594,499.50	
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 7,590,500.50</b>	<b>-</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>		<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>127,201.66</b>	<b>414,561.62</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,209,545.05</b>	<b>794,983.43</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>1,336,746.71</b>	<b>1,209,545.05</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IJEBU EAST CENTRAL LOCAL COUNCIL DEVELOPMENT AREA, OJOWO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ijebu Central Local Council Development Area, Ojowo for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT(₦)</b>
Internally Generated Revenue	15,431,805.84
Statutory Allocation	124,932,879.41
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>146,019,685.25</u></b>

<b>EXPENDITURE</b>	
Overhead Expenses	22,349,750.55
Salaries and Allowances	124,932,879.41
Long Term Assets	<u>3,139,000.00</u>
<b>Total</b>	<b><u>150,421,629.96</u></b>

**(4) BUDGET PERFORMANCE**

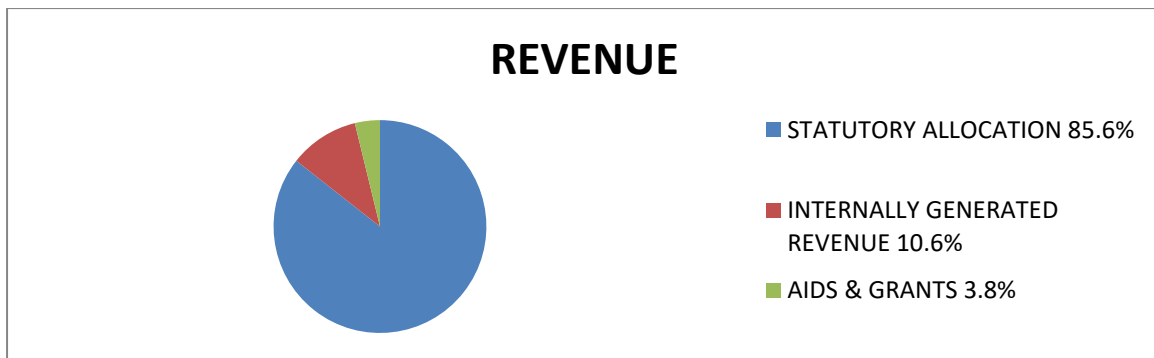
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦75,700,000.00, a sum of ₦15,431,805.84 only was actually generated internally representing 20.4% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did

not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

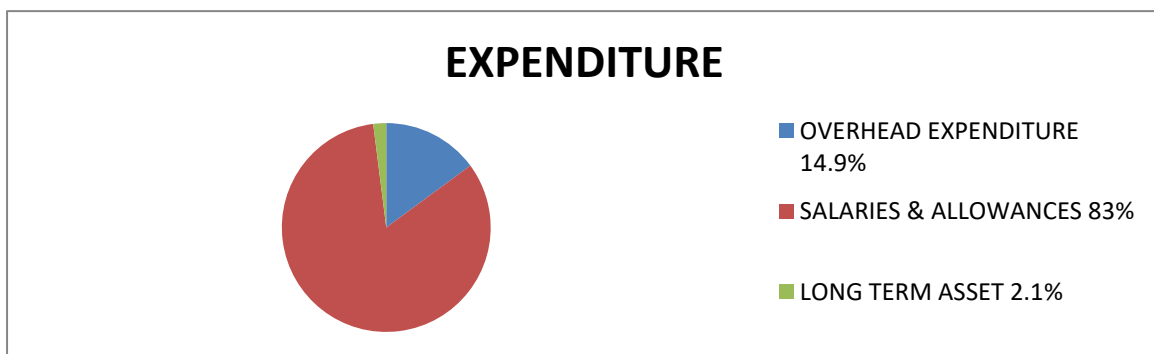
The Audit exercise revealed that out of the revenue of ₦146,019,685.25 realized by the Local Council Development Area during the year under review, a sum of ₦15,431,805.84 only was generated internally. This represented 10.6% of the total revenue while the sum of ₦124,932,879.41 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 85.6% and 3.8% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦150,421,629.96. Out of this, a sum of ₦22,349,750.55 was expended on overhead which represented 14.9% of the total expenditure for the year. Also, a sum of ₦124,932,879.41 was expended on salaries and allowances which represented 83% of the expenditure for the year while ₦3,139,000.00 was expended on long term assets and this represented 2.1% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.





**IJEBU EAST CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	195,391.26	38,224.43
INVENTORIES	785,430.00	280,312.50
RECEIVABLES	385,000.00	
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,365,821.26</b>	<b>318,536.93</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT		
INVESTMENT PROPERTY	4,967,605.16	488,250.00
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>4,967,605.16</b>	<b>488,250.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>6,333,426.42</b>	<b>806,786.93</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	186,079.00	17,079.00
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	5,112,742.00	90,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>5,298,821.00</b>	<b>107,079.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>5,298,821.00</b>	<b>107,079.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>1,034,605.42</b>	<b>699,707.93</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	1,034,605.42	699,707.93
<b>TOTAL NET ASSETS/EQUITY</b>	<b>1,034,605.42</b>	<b>699,707.93</b>

**IJEBU EAST CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	124,932,879.41	-
NON TAX REVENUE:	10,516,460.00	6,015,740.00
INVESTMENT INCOME	1,075.84	433.39
INTEREST EARNED		
AIDS & GRANTS	5,655,000.00	7,658,999.00
OTHER REVENUE	4,914,270.00	414,492.73
<b>TOTAL REVENUE (A)</b>	<b>146,019,685.25</b>	<b>14,089,665.12</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	79,478,702.26	
NON- REGULAR ALLOWANCE	45,454,177.15	
OVERHEAD COST	21,512,263.51	12,627,207.73
SUBVENTION TO PARASTALS	580,000.00	600,000.00
DEPRECIATION	257,486.84	162,750.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>147,282,629.76</b>	<b>13,389,957.73</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	-	<b>699,707.39</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>699,707.93</b>
<b>Balance 31/12/2017</b>	<b>699,707.93</b>
Prior Year Adjustment	1,597,842.00
<b>Adjusted Balance</b>	<b>2,297,549.93</b>
Surplus/ (deficit) for the year	- 1,262,944.51
<b>Balance at 31 December 2018</b>	<b>1,034,605.42</b>

**IJEBU EAST CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	124,932,879.41	-
LICENCES, FINES, ROYALTIES, FEES ETC	7,856,910.00	4,369,260.00
EARNINGS & SALES	2,274,550.00	1,052,080.00
RENT OF GOVERNMENT PROPERTIES		594,400.00
INVESTMENT INCOME	1,075.84	433.93
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,655,000.00	7,658,999.00
OTHER REVENUE	4,914,270.00	414,492.73
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>145,634,685.25</b>	<b>14,089,665.66</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	124,932,879.41	
OVERHEADS	16,994,639.01	12,817,520.23
SUBVENTION TO PARASTATALS	580,000.00	600,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>142,507,518.42</b>	<b>13,417,520.23</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>3,127,166.83</b>	<b>672,145.43</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	-	-
	3,139,000.00	651,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-</b>	<b>-</b>
	<b>3,139,000.00</b>	<b>651,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	169,000.00	17,079.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>169,000.00</b>	<b>17,079.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>157,166.83</b>	<b>38,224.43</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>38,224.43</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>195,391.26</b>	<b>38,224.43</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF IJEBU NORTH LOCAL  
GOVERNMENT, IJEBU IGBO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ijebu North Local Government, Ijebu Igbo for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT(₦)</b>
Internally Generated Revenue	20,747,946.94
Statutory Allocation	191,182,813.60
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>217,645,760.54</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	20,973,657.71
Salaries and Allowances	191,182,813.60
Long Term Assets	<u>3,050,000.00</u>
<b>Total</b>	<b><u>215,206,471.31</u></b>

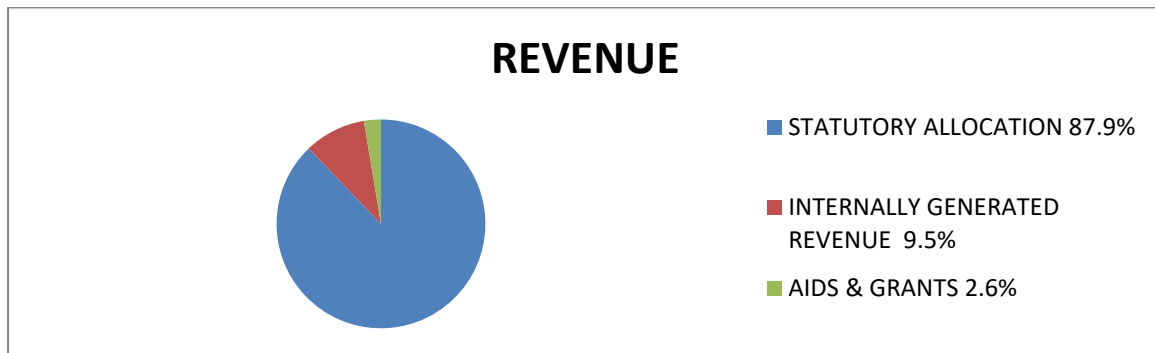
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦66,343,200.00, a sum of ₦20,747,946.94 only was actually generated internally representing 31.3% of the budget. This revenue performance is unimpressive and this indicates that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

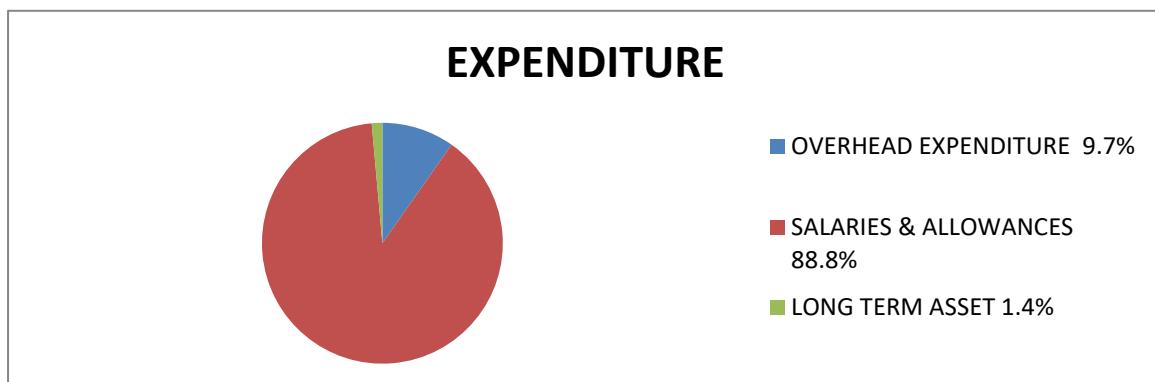
The Audit exercise revealed that out of the revenue of ₦217,645,760.54 realized by the Local Government during the year under review, a sum of ₦20,747,946.94 only was generated internally. This represented 9.5% of the total revenue while the sum of ₦191,182,813.60 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 87.9% and 2.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed a total expenditure of ₦215,206,471.31. Out of this, a sum of ₦20,973,657.71 was expended on overhead which represented 9.7% of the total expenditure for the year. Also, a sum of ₦191,182,813.60 was expended on salaries and allowances which represented 88.8% of the expenditure for the year while ₦3,050,000.00 was expended on long term assets and this represented 1.4% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Government.



(5) **DEBT PROFILE/INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦82,468,315.42. The liabilities are highlighted below:-

<b>S/NO</b>	<b>ITEMS</b>	<b>AMOUNTS(₦)</b>
1	Pension Fund	15,378,726.40
2	5% Development Levy	1,699,776.24
3	5% VAT	6,342,790.95
4	Payables	300,000.00
5	Others	<u>58,747,021.83</u>
	<b>TOTAL</b>	<b><u>82,468,315.42</u></b>

It was observed that the amounts highlighted above had been deducted from various contracts, salaries and allowances of workers but not remitted to appropriate agencies. This is against extant rules and financial regulations. The Local Government should always remit deductions as required by regulations.

(6) **REVIEW OF STATEMENT OF FINANCIAL POSITION:**

(i) **ADVANCES**

The sum of ₦5,043,117.11 highlighted in the Statement of Financial Position as the Advances figure appeared to be correct and had been certified by this Office. Efforts should be intensified to recover the advances.

(ii) **INVESTMENT ACCOUNT BALANCE**

The sum of ₦782,700.00 stated as investment balance in the statement of financial position could not be substantiated because the shares certificate was not produced for Audit scrutiny and no evidence of the beneficial ownership such as dividend was presented on demand.

**IJEBU NORTH LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	- 14,522,105.38	- 16,337,216.61
INVENTORIES	1,053,950.00	1,630,572.00
RECEIVABLES	4,787,000.00	4,547,000.00
ADVANCE	5,043,117.11	5,043,117.11
<b>TOTAL CURRENT ASSET (A)</b>	<b>- 3,638,038.27</b>	<b>- 5,116,527.50</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	6,001,600.00	3,990,800.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	782,700.00	782,700.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>6,784,300.00</b>	<b>4,773,500.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>3,146,261.73</b>	<b>- 343,027.50</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	82,168,315.42	82,168,315.42
ACCURED EXPENSES, PAYABLES	300,000.00	2,300,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>82,468,315.42</b>	<b>84,468,315.42</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>82,468,315.42</b>	<b>84,468,315.42</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 79,322,053.69</b>	<b>- 84,811,342.92</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 79,322,053.69	- 84,811,342.92
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 79,322,053.69</b>	<b>- 84,811,342.92</b>

**IJEBU NORTH LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	191,182,813.60	400,545,631.03
NON TAX REVENUE:	19,062,050.00	32,470,685.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE	1,685,896.94	2,226,256.27
<b>TOTAL REVENUE (A)</b>	<b>217,645,760.54</b>	<b>443,242,572.30</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	191,182,813.60	400,374,276.16
NON- REGULAR ALLOWANCE		171,354.87
OVERHEAD COST	19,934,457.71	36,045,073.32
SUBVENTION TO PARASTALS	-	895,000.00
DEPRECIATION	1,039,200.00	457,600.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>212,156,471.31</b>	<b>437,943,304.35</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>5,489,289.23</b>	<b>5,299,267.95</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-90,110,610.87</b>
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>5,299,267.95</b>
<b>Balance 31/12/2017</b>	<b>- 84,811,342.92</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	5,489,289.23
<b>Balance at 31 December 2018</b>	<b>- 79,322,053.69</b>



**IJEBU NORTH LOCAL GOVERNMENT**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

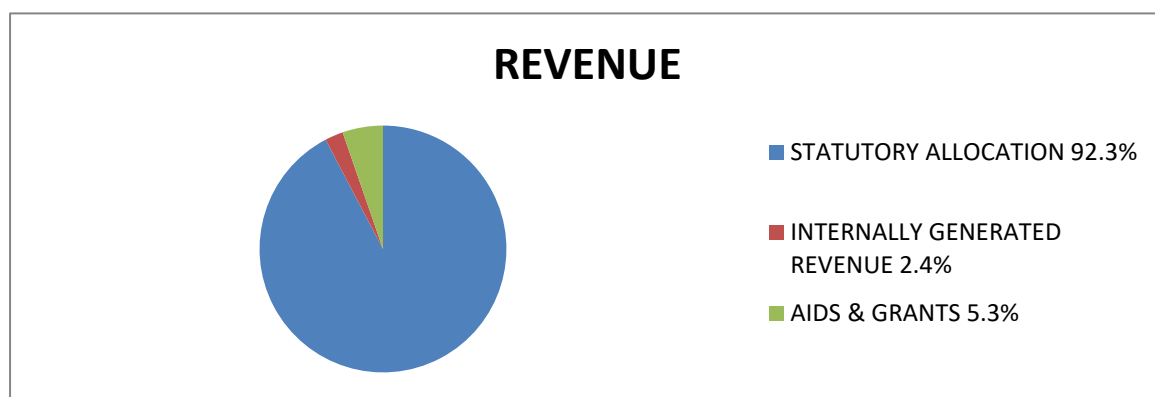
<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	191,182,813.60	400,545,631.03
LICENCES, FINES, ROYALTIES, FEES ETC	10,042,950.00	24,605,050.00
EARNINGS & SALES	8,779,100.00	3,318,635.00
RENT OF GOVERNMENT PROPERTIES		
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE	1,685,896.94	2,226,256.27
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>217,405,760.54</b>	<b>438,695,572.30</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	191,182,813.60	400,545,631.03
OVERHEADS	19,357,835.71	36,045,073.32
SUBVENTION TO PARASTATALS	-	895,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>210,540,649.31</b>	<b>437,485,704.35</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>6,865,111.23</b>	<b>1,209,867.95</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 5,050,000.00	- 1,000,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		- 60,000.00
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 5,050,000.00</b>	<b>- 1,060,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>1,815,111.23</b>	<b>149,867.95</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>- 16,337,216.61</b>	<b>- 16,487,084.56</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>- 14,522,105.38</b>	<b>- 16,337,216.61</b>



Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

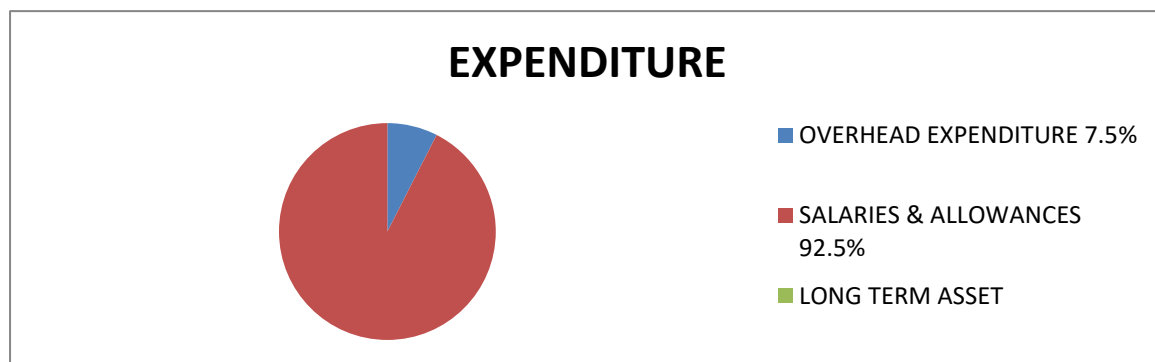
The Audit exercise revealed that out of the revenue of ₦113,604,109.14 realized by the Local Council Development Area during the year under review, a sum of ₦2,722,150.00 only was generated internally. This represented 2.4% of the total revenue while the sum of ₦104,881,959.14 statutory allocation and ₦6,000,000.00 aids and grants received from the State Joint Account Allocation Committee represented 92.3% and 5.3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦113,395,660.90. Out of this, a sum of ₦8,513,701.76 was expended on overhead which represented 7.5% of the total expenditure for the year. Also, a sum of ₦104,881,959.14 was expended on salaries and allowances which represented 92.5% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**IJEBU NORTH CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	792,402.56	398,829.83
INVENTORIES	709,150.49	367,834.98
RECEIVABLES	166,800.00	
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,668,353.05</b>	<b>766,664.81</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	755,000.00	1,017,500.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>755,000.00</b>	<b>1,017,500.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>2,423,353.05</b>	<b>1,784,164.81</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	-	-
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)	752,400.00	321,660.00
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>752,400.00</b>	<b>321,660.00</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>752,400.00</b>	<b>321,660.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>1,670,953.05</b>	<b>1,462,504.81</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	1,670,953.05	1,462,504.81
<b>TOTAL NET ASSETS/EQUITY</b>	<b>1,670,953.05</b>	<b>1,462,504.81</b>

**IJEBU NORTH CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	104,881,959.14	-
NON TAX REVENUE:	2,717,150.00	2,054,895.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	6,000,000.00	8,000,000.00
OTHER REVENUE	5,000.00	1,479,943.62
<b>TOTAL REVENUE (A)</b>	<b>113,604,109.14</b>	<b>11,534,838.62</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	104,881,959.14	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	8,001,201.76	9,259,833.81
SUBVENTION TO PARASTALS	250,000.00	550,000.00
DEPRECIATION	262,500.00	262,500.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>113,395,660.90</b>	<b>10,072,333.81</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>208,448.24</b>	<b>1,462,504.81</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER,  
2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	1,462,504.81
<b>Balance 31/12/2017</b>	<b>1,462,504.81</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	208,448.24
<b>Balance at 31 December 2018</b>	<b>1,670,953.05</b>

**IJEBU NORTH CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	104,881,959.14	-
LICENCES, FINES, ROYALTIES, FEES ETC	1,783,700.00	1,681,995.00
EARNINGS & SALES	293,100.00	327,900.00
RENT OF GOVERNMENT PROPERTIES	473,550.00	45,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	6,000,000.00	8,000,000.00
OTHER REVENUE	5,000.00	1,479,943.62
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>113,437,309.14</b>	<b>11,534,838.62</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	104,881,959.14	
OVERHEADS	8,342,517.27	9,627,668.79
SUBVENTION TO PARASTATALS	250,000.00	550,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>113,474,476.41</b>	<b>10,177,668.79</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>- 37,167.27</b>	<b>1,357,169.83</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS		- 1,280,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-</b>	<b>- 1,280,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	430,740.00	321,660.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>430,740.00</b>	<b>321,660.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>393,572.73</b>	<b>398,829.83</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>398,829.83</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>792,402.56</b>	<b>398,829.83</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IJEBU IGBO WEST LOCAL COUNCIL DEVELOPMENT AREA, OJOWO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ijebu Igbo West Local Council Development Area, Ojowo for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT(₦)</b>
Internally Generated Revenue	3,313,930.00
Statutory Allocation	94,276,873.84
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>103,305,803.84</u></b>

<b>EXPENDITURE</b>	
Overhead Expenses	7,807,115.59
Salaries and Allowances	94,276,873.84
Long Term Assets	<u>1,237,000.00</u>
<b>Total</b>	<b><u>103,320,989.43</u></b>

**(4) BUDGET PERFORMANCE:**

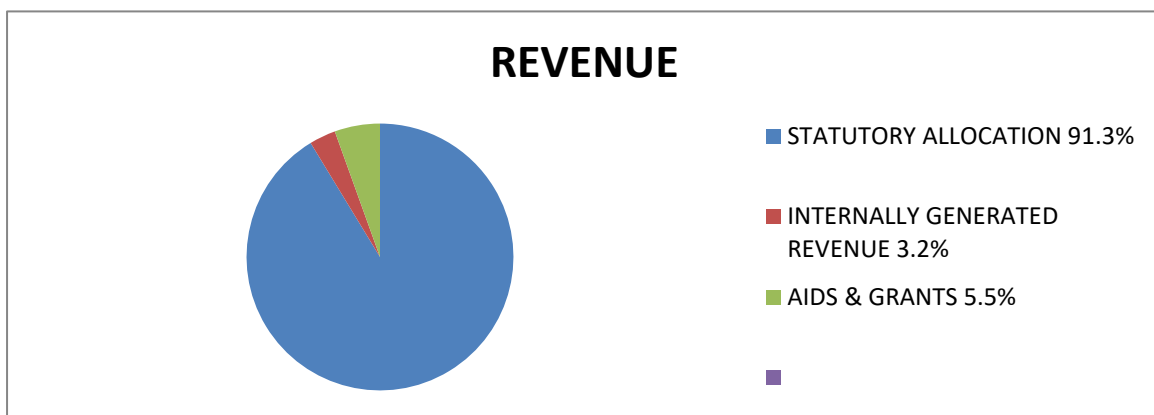
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦8,350,200.00, a sum of ₦3,313,930.00 only was actually generated internally representing 39.7% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally

Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

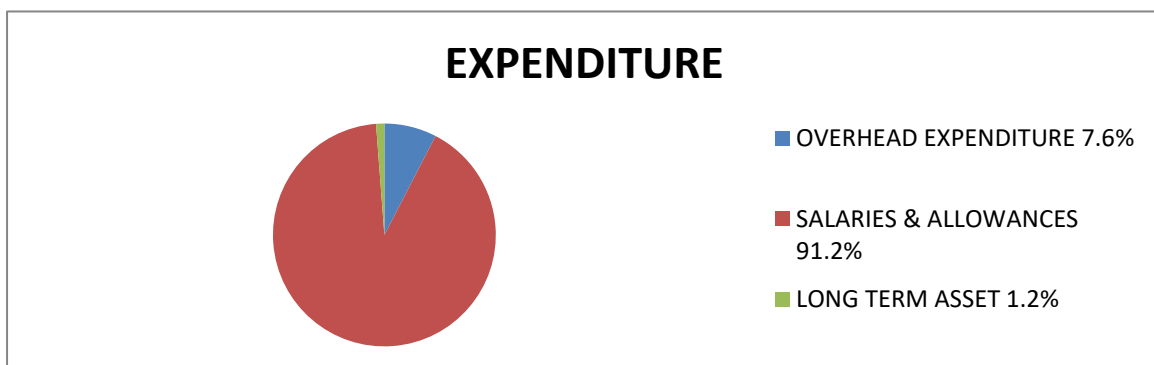
The Audit exercise revealed that out of the revenue of ₦103,305,803.84 realized by the Local Council Development Area during the year under review, a sum of ₦3,313,930.00 only was generated internally. This represented 3.2% of the total revenue while the sum of ₦94,276,873.84 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 91.3% and 5.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦103,320,989.43. Out of this, a sum of ₦7,807,115.59 was expended on overhead which represented 7.6% of the total expenditure for the year. Also, a sum of ₦94,276,873.84 was expended on salaries and allowances which represented 91.2% of the expenditure for the year while ₦1,237,000.00 was expended on long term assets and this represented 1.2% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.





**IJEBU IGBO WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	441,685.44	684,796.03
INVENTORIES	882,600.00	257,525.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,324,285.44</b>	<b>942,321.03</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	1,630,950.00	791,100.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>1,630,950.00</b>	<b>791,100.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>2,955,235.44</b>	<b>1,733,421.03</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	-	-
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	-	-
<b>NET ASSETS (G= C-F)</b>	<b>2,955,235.44</b>	<b>1,733,421.03</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	2,955,235.44	1,733,421.03
<b>TOTAL NET ASSETS/EQUITY</b>	<b>2,955,235.44</b>	<b>1,733,421.03</b>

**IJEBU IGBO WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	94,276,873.84	-
NON TAX REVENUE:	3,313,930.00	822,300.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE		165,500.00
<b>TOTAL REVENUE (A)</b>	<b>103,305,803.84</b>	<b>8,646,799.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	29,695,469.88	
NON- REGULAR ALLOWANCE	64,581,403.96	
OVERHEAD COST	7,234,965.59	6,281,177.97
SUBVENTION TO PARASTALS	175,000.00	640,000.00
DEPRECIATION	397,150.00	87,900.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>102,083,989.43</b>	<b>7,009,077.97</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,221,814.41</b>	<b>1,637,721.03</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	95,700.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	1,637,721.03
<b>Balance 31/12/2017</b>	<b>1,733,421.03</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,221,814.41
<b>Balance at 31 December 2018</b>	<b>2,955,235.44</b>

**IJEBU IGBO WEST LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	94,276,873.84	-
LICENCES, FINES, ROYALTIES, FEES ETC	2,125,190.00	519,930.00
EARNINGS & SALES	1,188,740.00	274,370.00
RENT OF GOVERNMENT PROPERTIES		28,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE		165,500.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>103,305,803.84</b>	<b>8,646,799.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	94,276,873.84	-
OVERHEADS	7,860,040.59	6,443,002.97
SUBVENTION TO PARASTATALS	175,000.00	640,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>102,311,914.43</b>	<b>7,083,002.97</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>993,889.41</b>	<b>1,563,796.03</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 1,237,000.00	- 879,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 1,237,000.00</b>	<b>- 879,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 243,110.59</b>	<b>684,796.03</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>684,796.03</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>441,685.44</b>	<b>684,796.03</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF AGO IWOYE LOCAL COUNCIL  
DEVELOPMENT AREA, AGO IWOYE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER,  
2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ago Iwoye Local Council Development Area, Ago Iwoye for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT(₦)</b>
Internally Generated Revenue	7,978,245.00
Statutory Allocation	88,278,639.91
Aids and Grants	<u>6,215,000.00</u>
<b>Total</b>	<b><u>102,471,884.91</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	13,638,400.00
Salaries and Allowances	88,278,639.91
Long Term Assets	<u>520,000.00</u>
<b>Total</b>	<b><u>102,437,039.91</u></b>

**(4) BUDGET PERFORMANCE:**

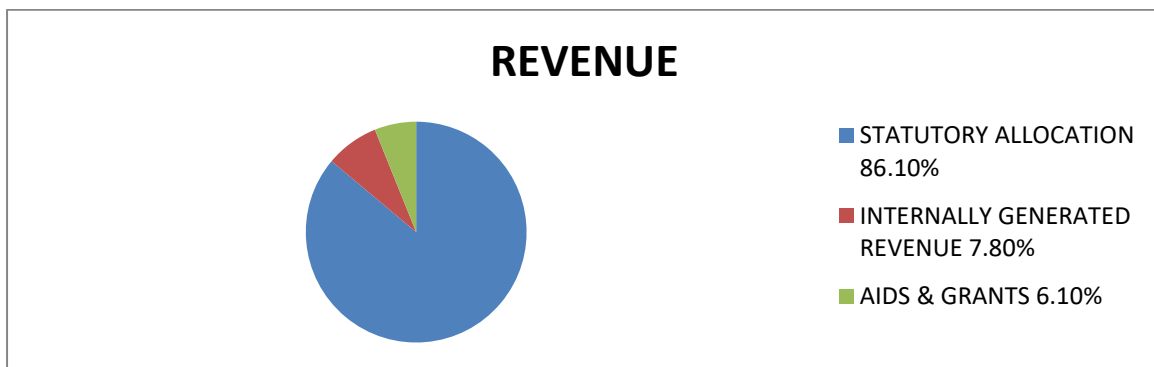
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦51,760,000.00, a sum of ₦7,978,245.00 only was actually generated internally representing 15.4% of the budget. This revenue performance is unimpressive and this indicates that the Local Council Development Area did not harness its Internally

Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

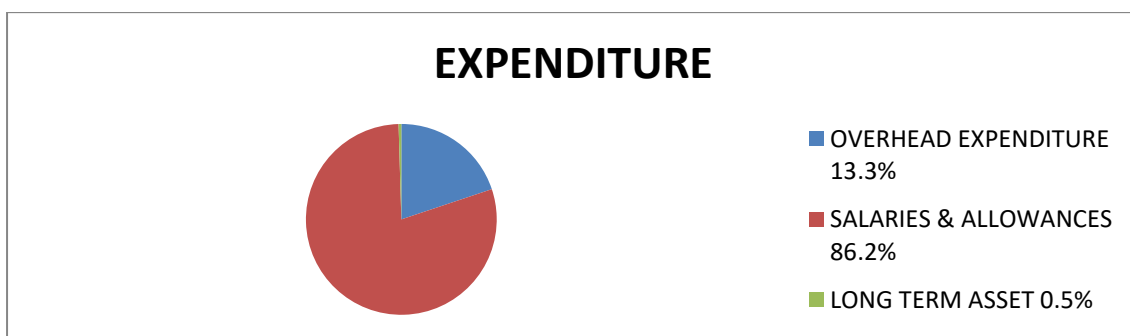
The Audit exercise revealed that out of the revenue of ₦102,471,884.91 realized by the Local Council Development Area during the year under review, a sum of ₦7,978,245.00 only was generated internally. This represented 7.8% of the total revenue while the sum of ₦88,278,639.91 statutory allocation and ₦6,215,000.00 aids and grants received from the State Joint Account Allocation Committee represented 86.1% and 6.1% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦102,437,039.91. Out of this, a sum of ₦13,638,400.00 was expended on overhead which represented 13.3% of the total expenditure for the year. Also, a sum of ₦88,278,639.91 was expended on salaries and allowances which represented 86.2% of the expenditure for the year while ₦520,000.00 was expended on long term assets and this represented 0.5% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**AGO IWOYE LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	407,620.21	401,175.21
INVENTORIES	803,700.00	485,300.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,211,320.21</b>	<b>886,475.21</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	974,000.00	744,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>974,000.00</b>	<b>744,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>2,185,320.21</b>	<b>1,630,475.21</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>-</b>	<b>-</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		-
BOROWING		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS (G= C-F)</b>	<b>2,185,320.21</b>	<b>1,630,475.21</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	2,185,320.21	1,630,475.21
<b>TOTAL NET ASSETS/EQUITY</b>	<b>2,185,320.21</b>	<b>1,630,475.21</b>

**AGO IWOYE LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	88,278,639.91	-
NON TAX REVENUE:	7,225,545.00	3,828,590.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	6,215,000.00	7,658,999.00
OTHER REVENUE	752,700.00	886.21
<b>TOTAL REVENUE (A)</b>	<b>102,471,884.91</b>	<b>11,488,475.21</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	88,278,639.91	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	13,348,400.00	9,672,000.00
SUBVENTION TO PARASTALS		
DEPRECIATION	290,000.00	186,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>101,917,039.91</b>	<b>9,858,000.00</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>554,845.00</b>	<b>1,630,475.21</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,630,475.21</b>
<b>Balance 31/12/2017</b>	<b>1,630,475.21</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	554,845.00
<b>Balance at 31 December 2018</b>	<b>2,185,320.21</b>

**AGO IWOYE LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	88,278,639.91	-
LICENCES, FINES, ROYALTIES, FEES ETC	4,491,950.00	3,154,690.00
EARNINGS & SALES	2,148,595.00	573,900.00
RENT OF GOVERNMENT PROPERTIES	585,000.00	100,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	6,215,000.00	7,658,999.00
OTHER REVENUE	752,700.00	886.21
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>102,471,884.91</b>	<b>11,488,475.21</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	88,278,639.91	
OVERHEADS	13,666,800.00	10,157,300.00
SUBVENTION TO PARASTATALS		
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>101,945,439.91</b>	<b>10,157,300.00</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>526,445.00</b>	<b>1,331,175.21</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 520,000.00	- 930,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 520,000.00</b>	<b>- 930,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>6,445.00</b>	<b>401,175.21</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>401,175.21</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>407,620.21</b>	<b>401,175.21</b>



**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IJEBU NORTH EAST LOCAL GOVERNMENT, ATAN FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989 and 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ijebu North East Local Government, Atan for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b><u>REVENUE</u></b>	<b>AMOUNT (₦)</b>
Independent Revenue	2,501,390.00
Statutory Allocation	181,280,723.06
Aids and Grants	<u>5,685,000.00</u>
<b>Total Revenue</b>	<b><u>189,467,113.06</u></b>
<b><u>EXPENDITURE</u></b>	
Salaries and Allowances	181,280,723.06
Overhead Expenses	7,243,452.00
Long Term Assets	<u>3,500,000.00</u>
<b>Total</b>	<b><u>192,024,175.06</u></b>

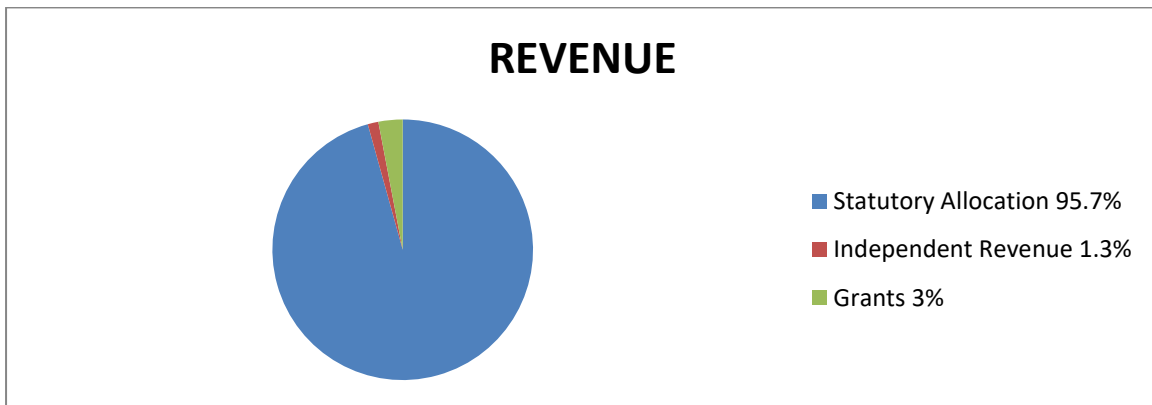
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦35,930,000.00, a sum of ₦2,501,390.00 only was actually generated internally representing 7% of the budget. This implied that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which have not been identified and blocked

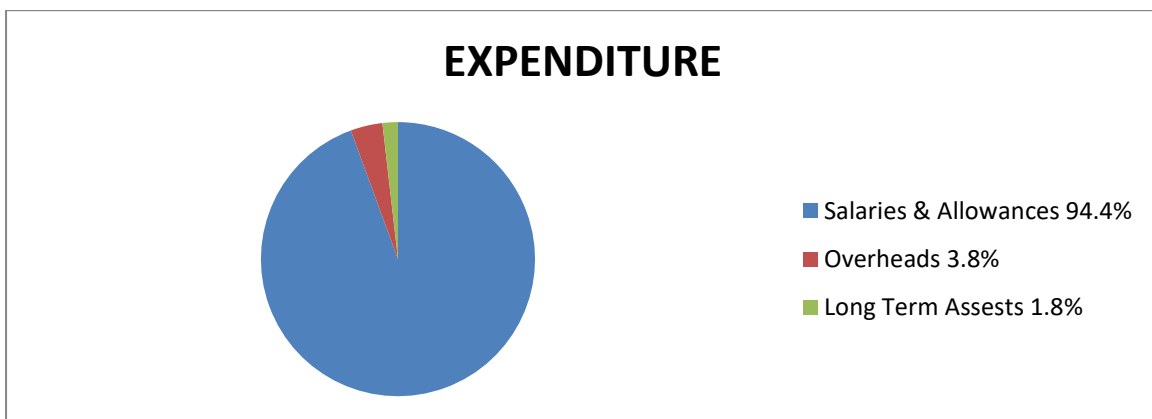
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦189,467,113.06 realized by the Local Government during the year under review, a sum of ₦2,501,390.00 only was generated internally. This represented 1.3% of the total revenue while the total sum of ₦181,280,723.06 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 95.7% and 3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed a total expenditure of ₦192,024,175.06. Out of this, a sum of ₦181,280,723.06 was expended on salaries and allowances which represented 94.4% of the total expenditure for the year. Also, a sum of ₦7,243,452.00 expended on Overheads represented 3.8% while 3,500,000.00 expended on long term assests represented 1.8% of the total expenditure for the year.



## **5 DEBT PROFILE/STATE OF INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦133,563,818.63

The liabilities are highlighted below:-

<b><u>ITEMS</u></b>	<b><u>AMOUNT</u></b> ₦
1. PAYE	74,890,526.00
2. NULGE	3,629,420.17
3. VAT	17,710,191.06
4. DEVELOPMENT FUND	4,196,294.26
5. 5% WITHOLDING TAX	3,822,308.31
6. PENSIONS	19,515,147.03
7. 5K INCOME TAX	2,283,718.73
8. OTHERS	<u>7,516,212.85</u>
<b>TOTAL</b>	<b><u>133,563,818.63</u></b>

It was observed that the above amount had been deducted from various contracts, salaries and allowances of workers and had not been remitted to the appropriate agencies. This is contrary to existing regulations.

### **(6) REVIEW OF STATEMENT OF FINANCIAL POSITION:**

#### **(i) INVESTMENT**

The existence of an investment of ₦50,000.00 in the Statement of Financial Position as at 31<sup>st</sup> December, 2018 could not be confirmed because the share certificate was neither produced for audit scrutiny nor evidence of beneficial ownership such as dividend was presented on demand.

#### **(ii) PAYABLE ACCOUNT BALANCE**

The sum of ₦2,000,000.00 stated in the Statement of Financial Position as at 31<sup>st</sup> December, 2018 was balance payment on the purchase of Motor.

**IJEBU NORTH EAST LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	(10,175,530.17)	(10,319,220.17)
INVENTORIES	1,496,909.00	1,585,161.00
RECEIVABLES		
ADVANCE	618,433.93	618,433.93
<b>TOTAL CURRENT ASSET (A)</b>	<b>(8,060,187.24)</b>	<b>(8,115,625.24)</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	6,385,000.00	3,497,500.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET	255,000.00	255,000.00
INVESTMENT	50,000.00	50,000.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>6,690,000.00</b>	<b>3,802,500.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>(1,370,187.24)</b>	<b>(4,313,125.24)</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	131,563,818.61	131,563,818.61
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	2,000,000.00	
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>133,563,818.61</b>	<b>131,563,818.61</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING	16,000.00	16,000.00
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>16,000.00</b>	<b>16,000.00</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>133,579,818.61</b>	<b>131,579,818.61</b>
<b>NET ASSETS (G= C-F)</b>	<b>(134,950,005.85)</b>	<b>(135,892,943.85)</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	(134,950,005.85)	(135,892,943.85)
<b>TOTAL NET ASSETS/EQUITY</b>	<b>(134,950,005.85)</b>	<b>(135,892,943.85)</b>

**IJEBU NORTH EAST LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	2018	2017
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	181,280,723.06	345,625,226.17
NON TAX REVENUE:	2,441,390.00	5,338,890.00
INVESTMENT INCOME		391,400.00
INTEREST EARNED		168,500.00
AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	60,000.00	7,545,801.67
<b>TOTAL REVENUE (A)</b>	<b>189,467,113.06</b>	<b>367,069,817.84</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	181,280,723.06	345,625,226.17
NON- REGULAR ALLOWANCE		
OVERHEAD COST	6,305,952.00	12,393,191.03
SUBVENTION TO PARASTALS	325,000.00	565,000.00
DEPRECIATION	612,500.00	612,500.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>188,524,175.06</b>	<b>359,195,917.20</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>942,938.00</b>	<b>7,873,900.64</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦	
<b>Balance 1/1/2017</b>	<b>-145,352,005.49</b>	
Prior Year Adjustment	1,585,161.00	
Adjusted Balance	-143,766,844.49	
<b>Surplus/ (deficit) for the year</b>	<b>7,873,900.64</b>	
<b>Balance 31/12/2017</b>	<b>-135,892,943.85</b>	
Prior Year Adjustment		
<b>Adjusted Balance</b>		
Surplus/ (deficit) for the year	942,938.00	
<b>Balance at 31 December 2018</b>	<b>-134,950,005.85</b>	

**IJEBU NORTH EAST LOCAL GOVERNMENT  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	181,280,723.06	345,625,226.17
LICENCES, FINES, ROYALTIES, FEES ETC	1,271,490.00	5,338,890.00
EARNINGS & SALES	1,069,900.00	391,400.00
RENT OF GOVERNMENT PROPERTIES	100,000.00	168,500.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	60,000.00	7,545,801.63
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>189,467,113.06</b>	<b>367,069,817.80</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	181,280,723.06	345,625,226.17
OVERHEADS	6,217,700.00	12,393,191.03
SUBVENTION TO PARASTATALS	325,000.00	565,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>187,823,423.06</b>	<b>358,583,417.20</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,643,690.00</b>	<b>8,486,400.60</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	(1,500,000.00)	(3,150,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(1,500,000.00)</b>	<b>(3,150,000.00)</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-	-
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>143,690.00</b>	<b>5,336,400.60</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>(10,319,220.17)</b>	<b>15,655,620.77</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>(10,175,530.17)</b>	<b>(10,319,220.17)</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF YEMOJI LOCAL COUNCIL  
DEVELOPMENT AREA, ISOYIN FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Yemoji Local Council Development Area, Isonyin for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the International Public Sector Accounting Standard (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit was fairly presented

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping but there were few errors in the subsidiary ledgers from where the accounts were prepared. The Council's Director of Finance and Supplies should ensure that more efforts are put in place to improve on the standard.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	8,837,050.00
Statutory/Federal Allocation	148,798,920.41
Aids and Grants	<u>5,685,000.00</u>
<b>Total Revenue</b>	<b><u>163,320,970.41</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	148,798,920.41
Overhead Expenditure	13,880,168.90
Long Term Assets	<u>1,137,000.00</u>
<b>Total</b>	<b><u>163,816,089.31</u></b>

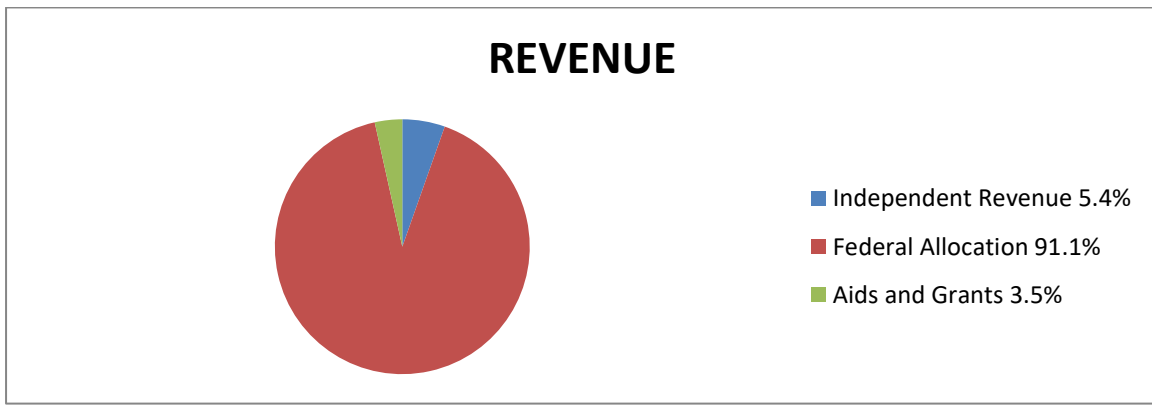
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated internally generated revenue of ₦29,465,000.00, a sum of ₦8,837,050.00 only was generated internally representing 30% of the budget. This is an indication that the Local Council Development area did not annex its internally generated revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

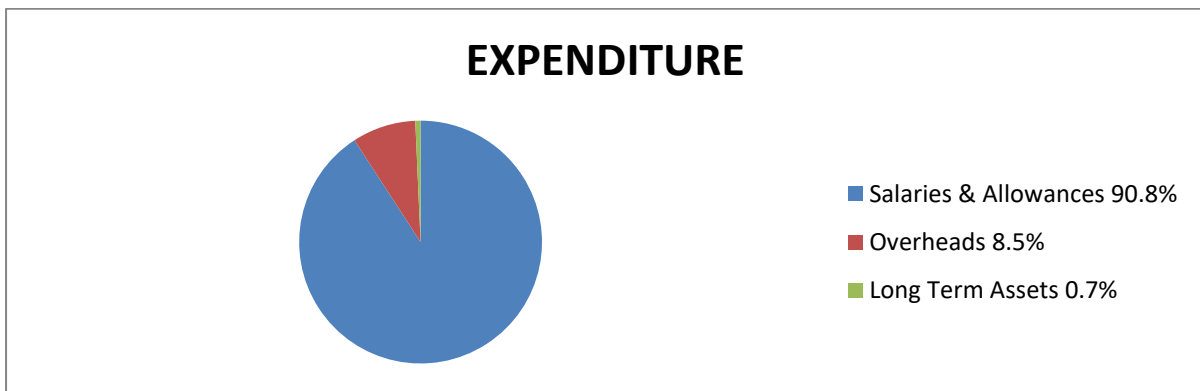
The Audit exercise revealed that out of the revenue of ₦163,320,970.41 realized by the Local Council Development Area during the year under review, a sum of ₦8,837,050.00 only was generated internally. This represented 5.4% of the total revenue while the sum of ₦148,798,920.41 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 91.1% and 3.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦163,816,089.31. Out of this, a sum of ₦13,880,168.90 was expended on overhead which represented 8.5% of the total expenditure for the year while ₦148,798,920.41 was expended on Salaries and Allowances and this represented 90.8% of the expenditure for the year. Also ₦1,137,00.00 was expended on the long term assets and this represented 0.7% of the total expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.





**YEMOJI LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 20019**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	346,551.40	574,001.40
INVENTORIES	593,131.10	632,100.00
RECEIVABLES	1,072,000.00	1,072,000.00
ADVANCE		40,000.00
<b>TOTAL CURRENT ASSET (A)</b>	<b>2,011,682.50</b>	<b>2,318,101.40</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	1,837,850.00	1,046,800.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>1,837,850.00</b>	<b>1,046,800.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>3,849,532.50</b>	<b>3,364,901.40</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	-7250	
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	619,000.00	769,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>611,750.00</b>	<b>769,000.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>611,750.00</b>	<b>769,000.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>3,237,782.50</b>	<b>2,595,901.40</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	3,237,782.50	2,595,901.40
<b>TOTAL NET ASSETS/EQUITY</b>	<b>3,237,782.50</b>	<b>2,595,901.40</b>

**YEMOJI LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	148,798,920.41	
NON TAX REVENUE:	8,837,050.00	4,534,962.10
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>163,320,970.41</b>	<b>12,193,961.10</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	148,798,920.41	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	13,084,218.90	9,423,859.70
SUBVENTION TO PARASTALS	450,000.00	
DEPRECIATION	345,950.00	174,200.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>162,679,089.31</b>	<b>9,598,059.70</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>641,881.10</b>	<b>2,595,901.40</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR**  
**ENDEBD 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>2,595,901.40</b>
<b>Balance 31/12/2017</b>	<b>2,595,901.40</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	641,881.10
<b>Balance at 31 December 2018</b>	<b>3,237,782.50</b>

**YEMOJI LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	148,798,920.41	
LICENCES, FINES, ROYALTIES, FEES ETC	6,525,650.00	2,498,800.00
EARNINGS & SALES	2,207,400.00	921,760.00
RENT OF GOVERNMENT PROPERTIES	104,000.00	10,000.00
INVESTMENT INCOME		32,402.10
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>163,320,970.41</b>	<b>11,121,961.10</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	148,798,920.41	
OVERHEADS	13,195,250.00	9,286,959.70
SUBVENTION TO PARASTATALS	450,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>162,444,170.41</b>	<b>9,286,959.70</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>876,800.00</b>	<b>1,835,001.40</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(1,137,000.00)	(1,221,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	40,000.00	(40,000.00)
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(1,097,000.00)</b>	<b>(1,261,000.00)</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS	(7,250.00)	
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>(7,250.00)</b>	-
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(227,450.00)</b>	<b>574,001.40</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>574,001.40</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>346,551.40</b>	<b>574,001.40</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IJEBU ODE LOCAL GOVERNMENT, IJEBU ODE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ijebu-Ode Local Government, Ijebu-Ode for the year ended 31<sup>st</sup> December, 2018 have been audited. . The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	29,346,995.11
Statutory allocation	243,400,388.10
Aids and grants	<u>5,595,000.00</u>
<b>Total</b>	<b><u>278,342,383.21</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	243,400,388.10
Overhead Expenditure	28,223,454.08
Long Term Assets	<u>3,875,000.00</u>
<b>Total</b>	<b><u>275,498,842.18</u></b>

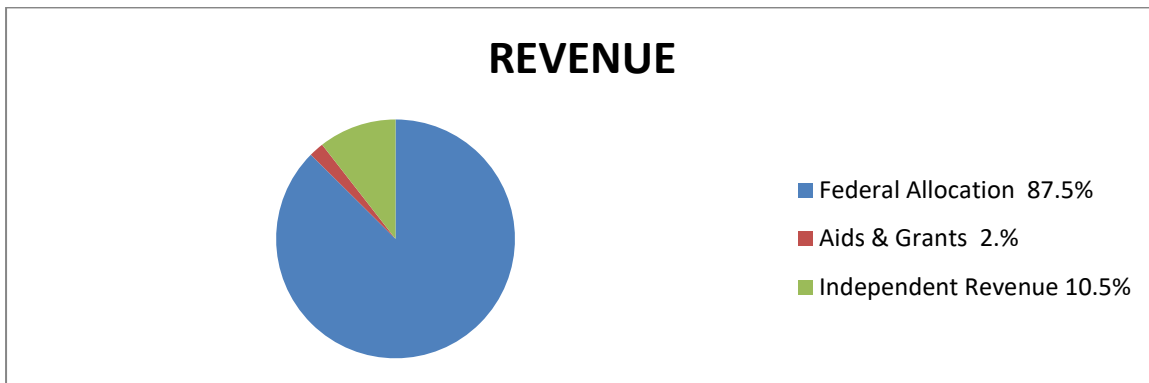
**(4) STATEMENT OF ACTUAL REVENUE**

**(i) INTERNALLY GENERATED REVENUE SHORTFALL**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦33,000,000.00, a sum of ₦29,346,995.11 only was generated internally representing 88.9% of the budget. Relative to the budget, the revenue performance is fair.

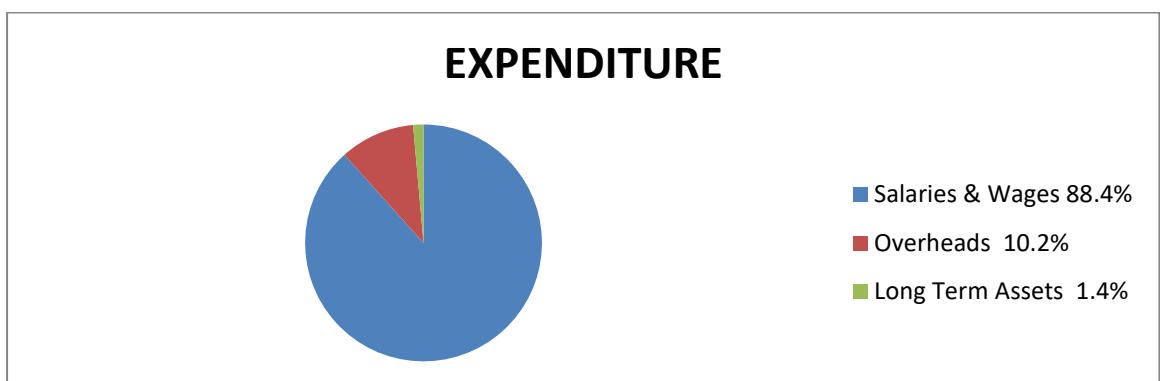
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦278,342,383.21 realized by the Local government during the year under review, a sum of ₦29,346,995.11 only was generated internally. This represented 10.5% of the total revenue while the total sum of ₦243,400,388.10 statutory allocation and ₦5,595,000.00 aids and grants received from the State Joint Account Allocation Committee represented 87.5% and 2% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦275,498,842.18. Out of this, a sum of ₦28,223,454.08 was expended on overhead which represented 10.2% of the total expenditure for the year. Also, a sum of ₦243,400,388.10 was expended on salaries and allowances which represented 88.4% of the total expenditure for the year while ₦3,875,000.00 was expended on long term assets which represented 1.4% of the total expenditure for the year.



(5) **DEBT PROFILE**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦173,438,804.28. The liabilities are highlighted below:-

<b>NAME</b>	<b>BALANCE (₦)</b>
1. NAMN	234,537.11
2. NULGE	1,022,859.61
3. M/HWU	555,944.83
4. NACHID	955,272.31
5. COOPERATIVE	98,500.00
6. PAYE	16,760,259.13
7. OTHERS	<u>153,831,431.29</u>
<b>TOTAL</b>	<b><u>173,438,804.28</u></b>

Therefore the Local Government is advised to ensure that all the unremitted deposit deductions are paid to their respective beneficiaries as required by regulations.

(6) **REVIEW OF STATEMENT FINANCIAL POSITION:**

(i) **ADVANCE**

The advances balance of ₦1,724,361.11 stated in the Statement of Financial Position as at 31<sup>st</sup> December, 2018 was stagnant throughout the year. the Local Government should intensify effort to recover the amount involved.

**IJEBU ODE LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	3,806,500.83	1,874,446.54
INVENTORIES	2,258,103.59	695,116.85
RECEIVABLES	1,990,000.00	1,443,000.00
ADVANCE	1,724,361.11	1,724,361.11
<b>TOTAL CURRENT ASSET (A)</b>	<b>9,778,965.53</b>	<b>5,736,924.50</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	4,251,500.00	1,575,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	580,000.00	580,000.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>4,831,500.00</b>	<b>2,155,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>14,610,465.53</b>	<b>7,891,924.50</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	173,438,804.28	173,438,804.28
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>173,438,804.28</b>	<b>173,438,804.28</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING		
	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>173,438,804.28</b>	<b>173,438,804.28</b>
<b>NET ASSETS (G= C-F)</b>	<b>(158,828,338.75)</b>	<b>(165,546,879.78)</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	(158,828,338.75)	(165,546,879.78)
<b>TOTAL NET ASSETS/EQUITY</b>	<b>(158,828,338.75)</b>	<b>(165,546,879.78)</b>

**IJEBU ODE LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	243,400,388.10	454,926,940.15
NON TAX REVENUE:	28,016,875.00	29,745,810.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,595,000.00	8,000,000.00
OTHER REVENUE	1,330,120.11	3,786,360.17
<b>TOTAL REVENUE (A)</b>	<b>278,342,383.21</b>	<b>496,459,110.32</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	243,400,388.10	269,550,767.82
NON- REGULAR ALLOWANCE		185,352,701.66
OVERHEAD COST	26,000,954.08	35,367,233.79
SUBVENTION TO PARASTALS	1,024,000.00	1,180,000.00
DEPRECIATION	1,198,500.00	483,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>271,623,842.18</b>	<b>491,933,703.27</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>6,718,541.03</b>	<b>4,525,407.05</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-170,114,286.83</b>
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>4,525,407.05</b>
<b>Balance 31/12/2017</b>	<b>-165,588,879.78</b>
Prior Year Adjustment	42,000.00
<b>Adjusted Balance</b>	<b>-165,546,879.78</b>
Surplus/ (deficit) for the year	6,718,541.03
<b>Balance at 31 December 2018</b>	<b>-158,828,338.75</b>



**IJEBU ODE LOCAL GOVERNMENT**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	243,400,388.10	454,926,940.15
LICENCES, FINES, ROYALTIES, FEES ETC	17,913,600.00	22,075,780.00
EARNINGS & SALES	7,081,275.00	3,779,030.00
RENT OF GOVERNMENT PROPERTIES	2,475,000.00	2,448,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,595,000.00	8,000,000.00
OTHER REVENUE	1,330,120.11	3,786,360.17
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>277,795,383.21</b>	<b>495,016,110.32</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	243,400,388.10	454,903,469.48
OVERHEADS	27,563,940.82	37,242,350.64
SUBVENTION TO PARASTATALS	1,024,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>271,988,328.92</b>	<b>492,145,820.12</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>5,807,054.29</b>	<b>2,870,290.20</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	(3,875,000.00)	(420,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(3,875,000.00)</b>	<b>(420,000.00)</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		60,578.55
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>60,578.55</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>1,932,054.29</b>	<b>2,510,868.75</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,874,446.54</b>	<b>(636,422.21)</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>3,806,500.83</b>	<b>1,874,446.54</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF IJEBU ODE SOUTH LOCAL  
COUNCIL DEVELOPMENT AREA, OKE AJE FOR THE YEAR ENDED 31<sup>ST</sup>  
DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ijebu Ode South Local Council Development Area, Oke Aje for the year ended 31<sup>st</sup>December, 2018 have been audited. . The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) accrual accounting basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	25,387,880.00
Statutory Allocation	120,802,706.83
Aids and Grants	<u>5,685,000.00</u>
<b>Total Fund Available</b>	<b><u>151,875,586.83</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	120,802,706.83
Overhead cost	24,517,131.63
Capital Expenditure	<u>9,404,400.00</u>
<b>Total Fund Expended</b>	<b><u>154,724,238.46</u></b>

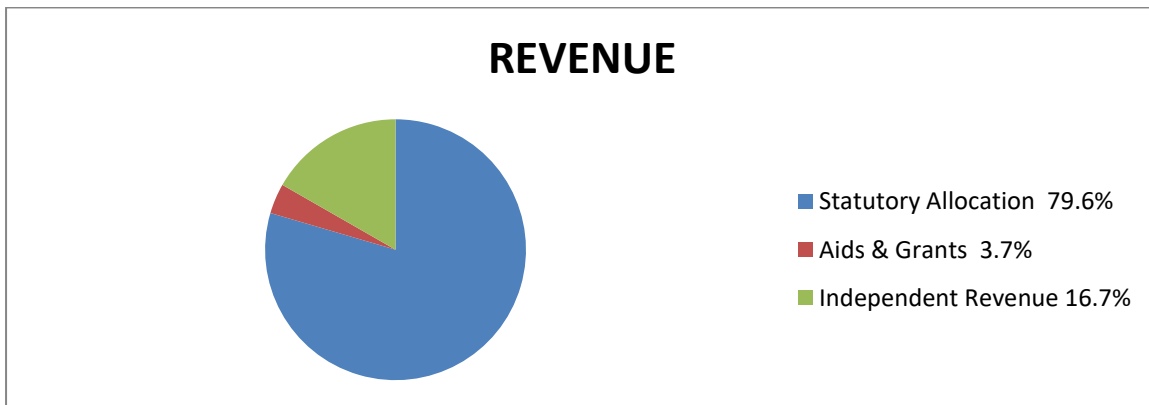
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

A review of the Internally Generated Revenue of the Local Council Development Area revealed a drop in performance. Out of the estimated Internally Generated Revenue of ₦34,400,000, a sum of ₦25,387,880.00 only was actually generated and this represents 74% of the amount budgeted.

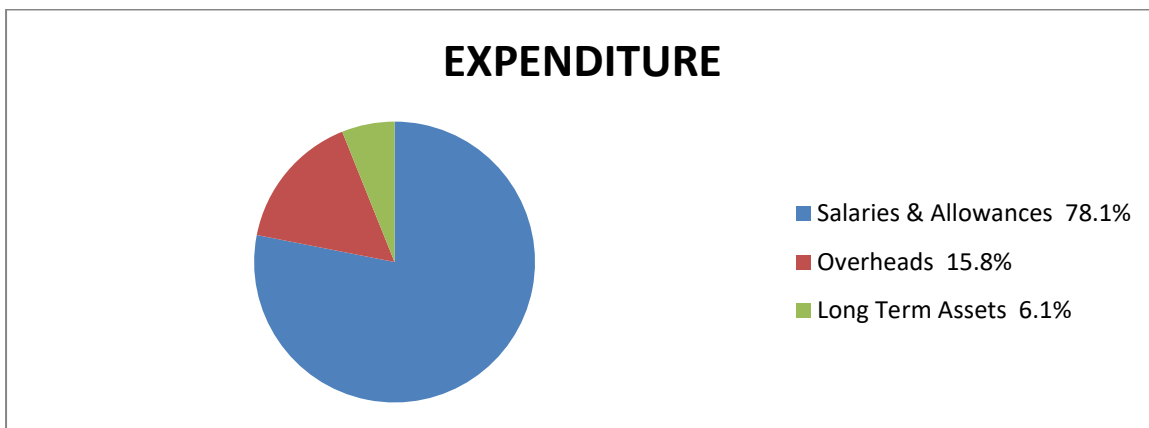
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦151,875,586.83 realized by the Local Council Development Area during the year under review, a sum of ₦25,387,880.00 only was generated internally. This represented 16.7% of the total revenue while the total sum of ₦120,802,706.83 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 79.6% and 3.7% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed that out of the total expenditure sum of ₦154,724,238.46, a total sum of ₦120,802,706.83 was expended on Salaries and Allowances which represented 78.1%. Also, the sum of ₦24,517,131.63 was expended on overheads which represented 15.8% of the total expenditure for the year. The sum of ₦9,404,400.00 was expended on long term assets and this represented 6.1% of the expenditure for the year.



**IJEBU ODE SOUTH LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	18,288.43	1,640,156.50
INVENTORIES	527,294.33	482,899.89
RECEIVABLES	647,000.00	815,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,192,582.76</b>	<b>2,938,056.39</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	13,691,222.00	5,390,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>13,691,222.00</b>	<b>5,390,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>14,883,804.76</b>	<b>8,328,056.39</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>-</b>	<b>-</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		-
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS (G= C-F)</b>	<b>14,883,804.76</b>	<b>8,328,056.39</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	14,883,804.76	8,328,056.39
<b>TOTAL NET ASSETS/EQUITY</b>	<b>14,883,804.76</b>	<b>8,328,056.39</b>

**IJEBU ODE SOUTHLICAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	120,802,706.83	
NON TAX REVENUE:	25,377,380.00	15,113,915.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	10,500.00	
<b>TOTAL REVENUE (A)</b>	<b>151,875,586.83</b>	<b>22,772,914.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	120,802,706.83	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	22,543,953.63	14,334,857.61
SUBVENTION TO PARASTALS	870,000.00	
DEPRECIATION	1,103,178.00	110,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>145,319,838.46</b>	<b>14,444,857.61</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>6,555,748.37</b>	<b>8,328,056.39</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-</b>
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>8,328,056.39</b>
<b>Balance 31/12/2017</b>	<b>8,328,056.39</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	6,555,748.37
<b>Balance at 31 December 2018</b>	<b>14,883,804.76</b>

**IJEBU ODE SOUTH LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	120,802,706.83	
LICENCES, FINES, ROYALTIES, FEES ETC	25,545,380.00	13,671,950.00
EARNINGS & SALES		446,265.00
RENT OF GOVERNMENT PROPERTIES		180,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	10,500.00	700.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>152,043,586.83</b>	<b>21,957,914.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	120,802,706.83	
OVERHEADS	23,458,348.07	14,817,757.50
SUBVENTION TO PARASTATALS		
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>144,261,054.90</b>	<b>14,817,757.50</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>7,782,531.93</b>	<b>7,140,156.50</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	(9,404,400.00)	(5,500,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(9,404,400.00)</b>	<b>(5,500,000.00)</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-	-
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(1,621,868.07)</b>	<b>1,640,156.50</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,640,156.50</b>	-
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>18,288.43</b>	<b>1,640,156.50</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IKENNE LOCAL GOVERNMENT, IKENNE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ikenne Local Government, Ikenne for the year ended 31<sup>st</sup> December, 2018 had been audited. The General Purpose Financial Statement was prepared by the management of the Local government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT(₦)</b>
Internally Generated Revenue	25,242,980.00
Statutory Allocation	192,835,941.98
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>223,763,921.98</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	33,418,070.10
Salaries and Allowances	192,835,941.98
Long Term Assets	<u>476,000.00</u>
<b>Total Fund Expended</b>	<b><u>226,730,012.08</u></b>

**(4) BUDGET PERFORMANCE:**

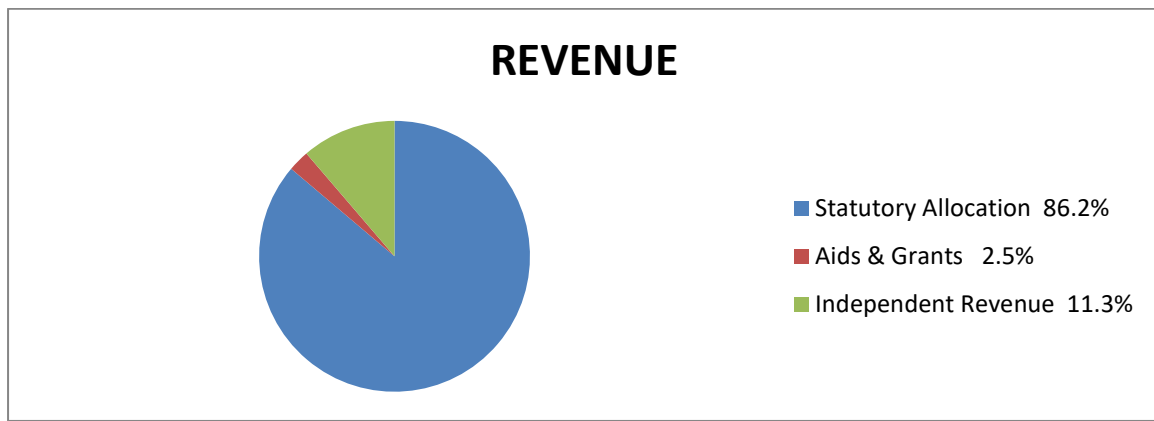
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦33,640,000.00, a sum of ₦25,242,980.00 only was actually generated representing 75% of the budget. This implied that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which have not been identified.

The Local Government should ensure that necessary machineries are put in place to harness its revenue potentials maximally in order to meet up with the budgeted amount.

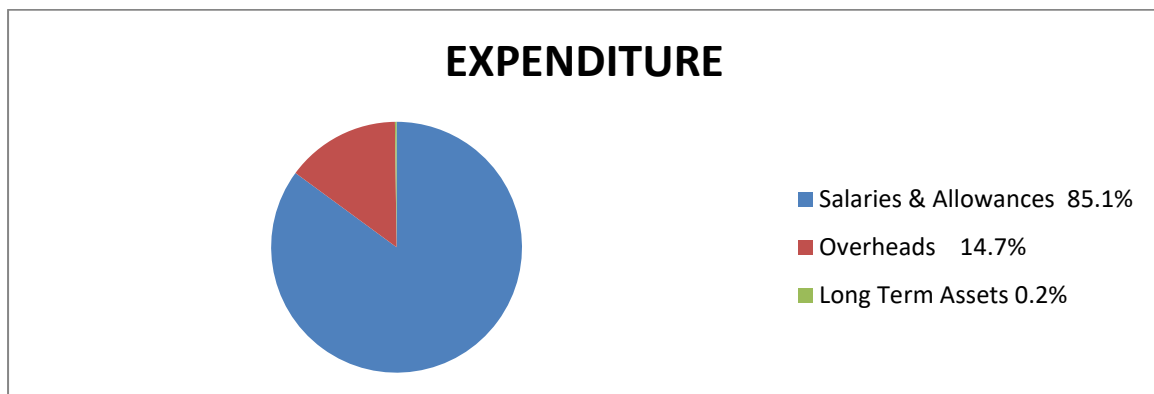
**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦223,763,921.98 realized by the Local Government during the year under review, a sum of ₦25,242,980.00 only was generated internally. This represented 11.3% of the total revenue while the sum of ₦192,835,941.98 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 86.2% and 2.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦226,730,012.08. Out of this, a sum of ₦33,418,070.10 was expended on overhead which represents 14.7% of the total expenditure for the year. Also, a sum of ₦192,835,941.98 was expended on salaries and allowances which represented 85.1% of the total expenditure for the year while ₦476,000.00 was expended on long term assets which represented 0.2% of the total expenditure for the year.





(5) **DEBT PROFILE**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦70,129,766.40. The liabilities are highlighted below:-

	<b>AMOUNT (₦)</b>
1. PAYEE	31,197,328.65
2. NULGE	3,979,070.30
3. MEDICAL & HEALTH	488,152.97
4. NACHPN	496,063.49
5. NANNM	285,383.58
6. PENSION	14,173,865.21
7. DRUGS	397,320.00
8. 5% DEVELOPMENT LEVY	4,424,881.72
9. 5% WITHOLDING TAX	1,476,124.67
10. OTHERS	<u>13,211,575.81</u>
<b>TOTAL</b>	<b><u>70,129,766.40</u></b>

**IKENNE LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	3,406,092.05	3,656,003.15
INVENTORIES	1,567,980.00	2,566,259.00
RECEIVABLES		
ADVANCE	3,060,298.29	3,165,298.29
<b>TOTAL CURRENT ASSET (A)</b>	<b>8,034,370.34</b>	<b>9,387,560.44</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	4,143,200.00	5,240,600.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	1,177,000.00	1,177,000.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>5,320,200.00</b>	<b>6,417,600.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>13,354,570.34</b>	<b>15,805,160.44</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	70,129,766.40	29,281,131.35
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>70,129,766.40</b>	<b>29,281,131.35</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		397,320.00
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>397,320.00</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>70,129,766.40</b>	<b>29,678,451.35</b>
<b>NET ASSETS (G= C-F)</b>	<b>(56,775,196.06)</b>	<b>(13,873,290.91)</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	(56,775,196.06)	(13,873,290.91)
<b>TOTAL NET ASSETS/EQUITY</b>	<b>(56,775,196.06)</b>	<b>(13,873,290.91)</b>

**IKENNE LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	192,835,941.98	386,805,363.16
NON TAX REVENUE:	25,217,950.00	39,028,210.00
INVESTMENT INCOME		
INTEREST EARNED		209,031.94
AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	25,030.00	455,000.00
<b>TOTAL REVENUE (A)</b>	<b>223,763,921.98</b>	<b>434,497,605.10</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	192,835,941.98	386,805,363.16
NON- REGULAR ALLOWANCE		533,100.00
OVERHEAD COST	31,294,670.10	39,727,663.42
SUBVENTION TO PARASTALS	550,000.00	755,000.00
DEPRECIATION	1,573,400.00	1,478,200.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>226,254,012.08</b>	<b>429,299,326.58</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>(2,490,090.10)</b>	<b>5,198,278.52</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-19,071,569.43</b>
Prior Year Adjustment	
Adjusted Balance	<b>-19,071,569.43</b>
<b>Surplus/ (deficit) for the year</b>	<b>5,198,278.52</b>
<b>Balance 31/12/2017</b>	<b>(13,873,290.91)</b>
Prior Year Adjustment	(40,411,815.05)
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	(2,490,090.10)
<b>Balance at 31 December 2018</b>	<b>(56,775,196.06)</b>

**IKENNE LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	192,835,941.98	386,805,363.16
LICENCES, FINES, ROYALTIES, FEES ETC	16,844,400.00	32,578,780.00
EARNINGS & SALES	8,373,550.00	6,449,430.00
RENT OF GOVERNMENT PROPERTIES		455,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	25,030.00	209,031.94
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>223,763,921.98</b>	<b>434,497,605.10</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	192,835,941.98	387,338,463.16
OVERHEADS	30,296,391.10	41,217,388.42
SUBVENTION TO PARASTATALS	550,000.00	755,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>223,682,333.08</b>	<b>429,310,851.58</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>81,588.90</b>	<b>5,186,753.52</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	(476,000.00)	(3,910,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	105,000.00	1,318,705.47
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(371,000.00)</b>	<b>(2,591,294.53)</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	39,500.00	(201,315.80)
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>39,500.00</b>	<b>(201,315.80)</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(249,911.10)</b>	<b>2,394,143.19</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>3,656,003.15</b>	<b>1,266,024.40</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>3,406,092.05</b>	<b>3,656,003.15</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNT OF REMO CENTRAL LOCAL COUNCIL DEVELOPMENT AREA, IPERU FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Remo Central Local Council Development Area, Iperu for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW**

<b><u>REVENUE</u></b>	<b>AMOUNT(₦)</b>
Independent Revenue	6,865,850.00
Statutory allocation	112,132,200.12
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>124,683,050.12</u></b>

<b><u>EXPENDITURE</u></b>	
Salaries and Allowances	112,132,200.12
Overhead Expenses	<u>11,153,897.78</u>
<b>Total</b>	<b><u>123,286,097.90</u></b>

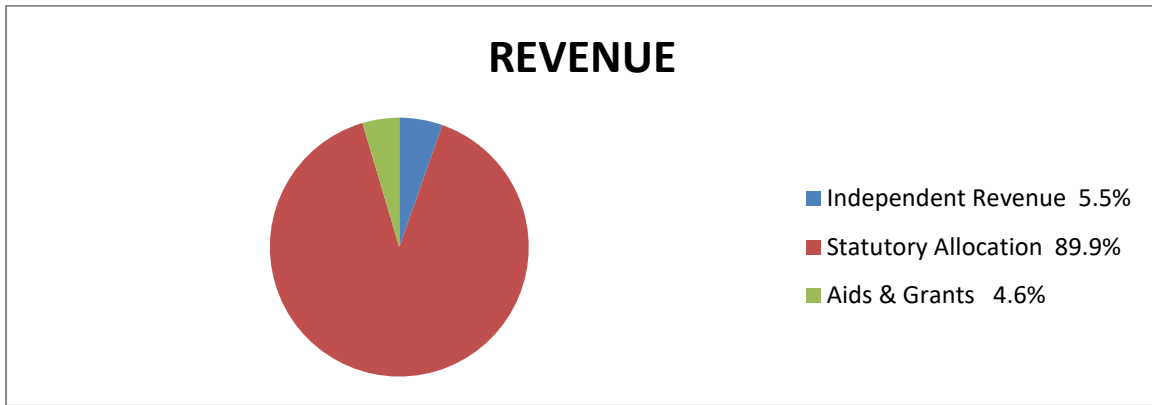
**(4) BUDGET PERFORMANCE**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦21,020,310.00, a sum of ₦6,865,850.00 only was actually generated. This represented 32.7% of the budget and it implied that the Local Council Development Area did not harness its Internally Generated revenue (IGR) potentials maximally or there were leakages which has not been identified.

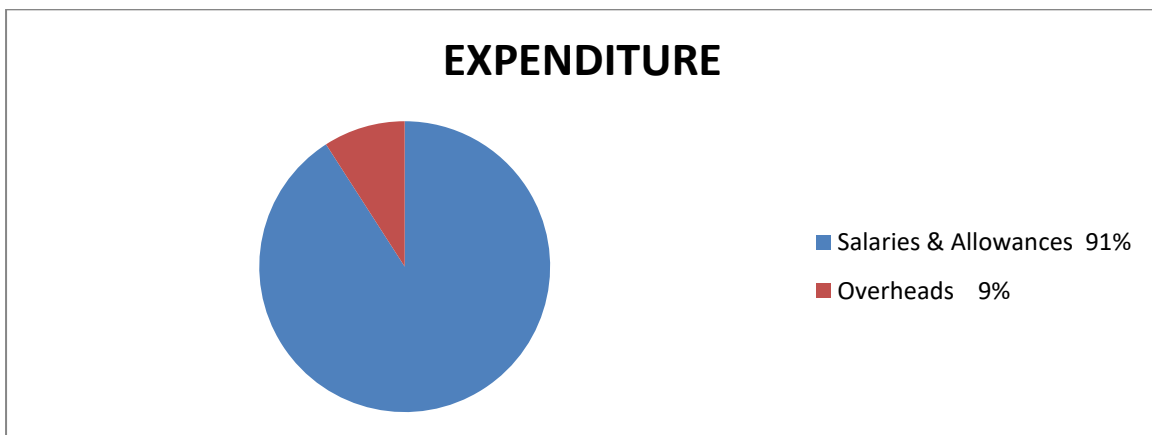
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦124,683,050.12 realized by the Local Council Development Area during the year under review, a sum of ₦6,865,850.00 only was generated internally. This represented 5.5% of the total revenue while the sum of ₦112,132,200.12 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 89.9% and 4.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦123,286,097.90. Out of this, a sum of ₦112,132,200.12 was expended on salaries and allowances which represented 91% of the total expenditure for the year. Also, a sum of ₦11,153,897.78 was expended on overheads which represented 9% of the total expenditure for the year



**REMO CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	2,220,539.92	1,031,979.00
INVENTORIES	1,116,371.30	979,930.00
RECEIVABLES	133,200.00	
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,470,111.22</b>	<b>2,011,909.00</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	122,500.00	183,750.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>122,500.00</b>	<b>183,750.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>3,592,611.22</b>	<b>2,195,659.00</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	-	-
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	-	-
<b>NET ASSETS (G= C-F)</b>	<b>3,592,611.22</b>	<b>2,195,659.00</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	3,592,611.22	2,195,659.00
<b>TOTAL NET ASSETS/EQUITY</b>	<b>3,592,611.22</b>	<b>2,195,659.00</b>

**REMO CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	112,132,200.12	
NON TAX REVENUE:	6,865,850.00	3,517,480.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE		650,000.00
<b>TOTAL REVENUE (A)</b>	<b>124,683,050.12</b>	<b>11,826,479.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	112,132,200.12	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	10,567,647.78	9,219,570.00
SUBVENTION TO PARASTALS	525,000.00	350,000.00
DEPRECIATION	61,250.00	61,250.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>123,286,097.90</b>	<b>9,630,820.00</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,396,952.22</b>	<b>2,195,659.00</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>2,195,659.00</b>
<b>Balance 31/12/2017</b>	<b>2,195,659.00</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,396,952.22
<b>Balance at 31 December 2018</b>	<b>3,592,611.22</b>



**REMO CENTRAL LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	112,132,200.12	
LICENCES, FINES, ROYALTIES, FEES ETC	4,694,360.00	2,502,300.00
EARNINGS & SALES	1,101,990.00	1,015,180.00
RENT OF GOVERNMENT PROPERTIES		
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL	936,300.00	650,000.00
DOMESTIC AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>124,549,850.12</b>	<b>11,826,479.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	112,132,200.12	
OVERHEADS	10,704,089.08	10,199,500.00
SUBVENTION TO PARASTATALS	525,000.00	350,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>123,361,289.20</b>	<b>10,549,500.00</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,188,560.92</b>	<b>1,276,979.00</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS (ACCORDING TO SECTORS)		(245,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	-	<b>(245,000.00)</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-	-
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>1,188,560.92</b>	<b>1,031,979.00</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,031,979.00</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>2,220,539.92</b>	<b>1,031,979.00</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF IMEKO/AFON LOCAL  
GOVERNMENT, IMEKO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Imeko/Afon Local Government, Imeko for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	9,475,435.21
Statutory Allocation	170,957,616.21
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>186,088,051.42</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	170,957,616.21
Overhead Expenses	13,142,339.14
Long Term Assets	<u>2,284,000.00</u>
<b>Total</b>	<b><u>186,383,955.35</u></b>

**(4) BUDGET PERFORMANCE**

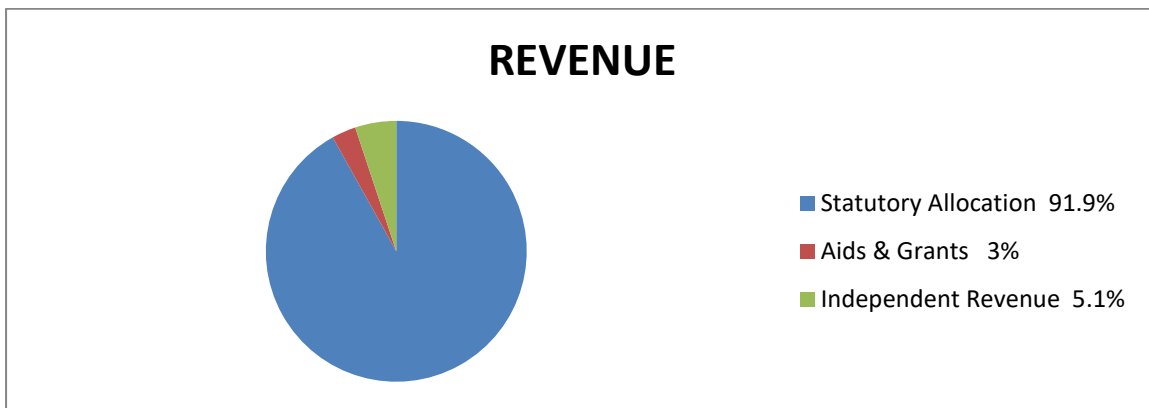
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦25,777,000.00, a sum of ₦9,475,435.21 only was actually generated and this represented 36.8% of the budget. This revenue performance is far from the potential of the Local Government and it also implied that the Local Government did not harness its

Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

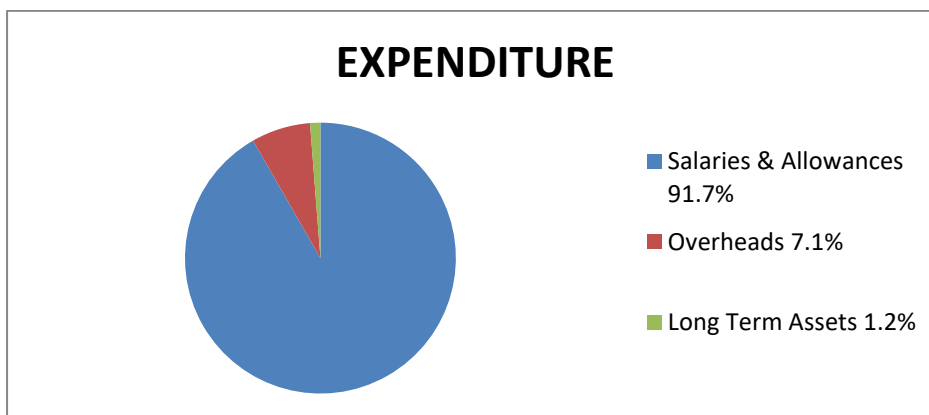
The Audit exercise revealed that out of the revenue of ₦186,088,051.42 realized by the Local Council Development Area during the year under review, a sum of ₦9,475,435.21 only was generated internally. This represented 5.1% of the total revenue while the sum of ₦170,957,616.21 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 91.9% and 3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

Out of ₦186,383,955.35 total expenditure for the period, a sum of ₦13,142,339.14 was expended on overhead which represented 7.1% of the total expenditure. A sum of ₦170,957,616.21 was expended on Salaries and Allowances which represented 91.7% of expenditure. Also the sum of ₦2,284,000.00 was expended on long term assets and this represents 1.2% of the total expenditure.

The pattern of expenditure does not augur well for meaningful development in the Local Government.



(5) **DEBT PROFILE/STATE OF INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦**124,966,234.23**. The liabilities are highlighted below:-

<b><u>ITEMS</u></b>	<b><u>AMOUNT ₦</u></b>
1. VAT	7,279,490.95
2. DEVELOPMENT LEVY	527,432.96
3. 5% WITHOLDING TAX	1,201,032.71
4. PAYE	74,688,454.24
5. NULGE	2,788,039.81
6. COOP	786,520.00
7. PENSION SCHEME	34,292,690.50
8. OTHERS	3,402,573.06
<b>TOTAL</b>	<b><u>124,966,234.23</u></b>

**IMEKO/AFON LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	(39,605,251.11)	(40,139,783.82)
INVENTORIES	1,087,875.00	579,820.00
RECEIVABLES	279,350.00	150,550.00
ADVANCE	(0.03)	(0.03)
<b>TOTAL CURRENT ASSET (A)</b>	<b>(38,238,026.14)</b>	<b>(39,409,413.85)</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	4,611,444.40	2,888,111.04
INVESTMENT PROPERTY		
BIOLOGICAL ASSET	1,431,405.00	1,908,540.00
INVESTMENT	50,000.00	50,000.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>6,092,849.40</b>	<b>4,846,651.04</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>(32,145,176.74)</b>	<b>(34,562,762.81)</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	124,966,234.23	125,527,912.84
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>124,966,234.23</b>	<b>125,527,912.84</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)	991,168.61	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>991,168.61</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>125,957,402.84</b>	<b>125,527,912.84</b>
<b>NET ASSETS (G= C-F)</b>	<b>(158,102,579.58)</b>	<b>(160,090,675.65)</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	(158,102,579.58)	(160,090,675.65)
<b>TOTAL NET ASSETS/EQUITY</b>	<b>(158,102,579.58)</b>	<b>(160,090,675.65)</b>

**IMEKO AFON LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	170,957,616.21	255,982,891.54
NON TAX REVENUE:	9,475,435.21	11,404,410.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE		1,240,608.32
<b>TOTAL REVENUE (A)</b>	<b>186,088,051.42</b>	<b>276,627,909.86</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	134,274,181.84	194,334,319.36
NON- REGULAR ALLOWANCE	36,683,434.37	61,648,572.18
OVERHEAD COST	11,779,537.50	21,504,599.66
SUBVENTION TO PARASTALS	325,000.00	500,000.00
DEPRECIATION	1,037,801.64	807,912.76
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>184,099,955.35</b>	<b>278,795,403.96</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,988,096.07</b>	<b>(2,167,494.10)</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-157,923,181.55</b>
Prior Year Adjustment	
Adjusted Balance	<b>-157,923,181.55</b>
<b>Surplus/ (deficit) for the year</b>	<b>-2,167,494.10</b>
<b>Balance 31/12/2017</b>	<b>-160,090,675.65</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,988,096.07
<b>Balance at 31 December 2018</b>	<b>-158,102,579.58</b>

**IMEKO AFON LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	170,957,616.21	255,982,891.54
LICENCES, FINES, ROYALTIES, FEES ETC	5,193,460.00	8,968,260.00
EARNINGS & SALES	3,362,900.00	2,285,600.00
RENT OF GOVERNMENT PROPERTIES	781,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL	9,275.21	60,000.00
DOMESTIC AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE		1,180,608.32
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>185,959,251.42</b>	<b>276,477,359.86</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	170,957,616.21	255,982,891.54
OVERHEADS	12,287,592.50	22,084,419.66
SUBVENTION TO PARASTATALS	325,000.00	500,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>183,570,208.71</b>	<b>278,567,311.20</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,389,042.71</b>	<b>(2,089,951.34)</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	(2,284,000.00)	(1,930,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		(2,385,675.00)
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(2,284,000.00)</b>	<b>(4,315,675.00)</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	429,490.00	31,200.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>429,490.00</b>	<b>31,200.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>534,532.71</b>	<b>(6,374,426.34)</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>(40,139,783.83)</b>	<b>(33,765,357.48)</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>(39,605,251.12)</b>	<b>(40,139,783.82)</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF AFON LOCAL COUNCIL DEVELOPMENT AREA, AFON FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of sections 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of the Ogun State Local Government Law 2006, the accounts of Afon Local Council Development Area, Afon for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable to the Public Sector. The Audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observation, the General Purpose Financial Statement presented to Audit was fairly presented.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared. The Council's Director of Finance and Supplies should ensure that more efforts are put in to improve on the standard.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	4,958,745.76
Statutory Allocation	84,671,961.30
Aids and Grants	<u>5,760,000.00</u>
<b>Total Fund Available</b>	<b><u>95,390,707.06</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	84,671,961.30
Overhead Expenditure	9,872,318.42
Long Term Assets	<u>240,000.00</u>
<b>Total</b>	<b><u>94,784,279.72</u></b>

**(4) BUDGET PERFORMANCE:**

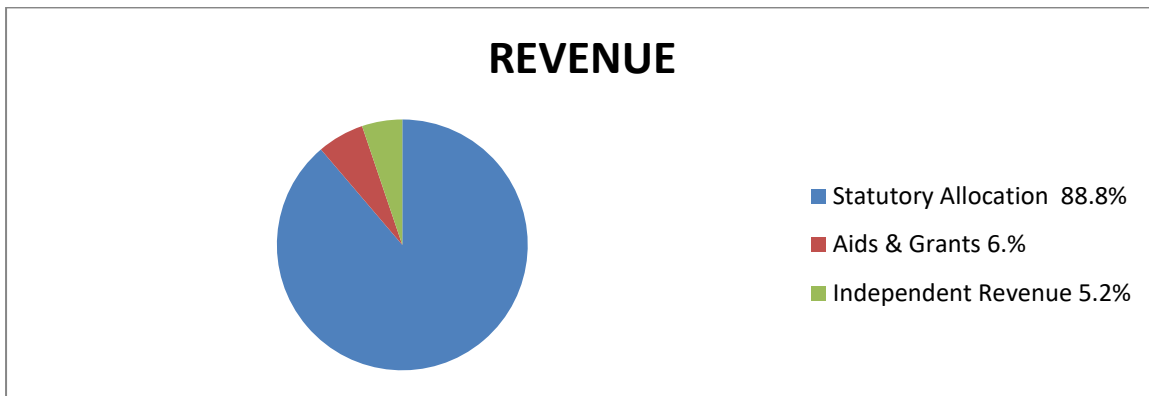
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦40,880,000.00, a sum of ₦4,958,745.76 only was generated internally representing 12.1% of the budget. This is an indication that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.



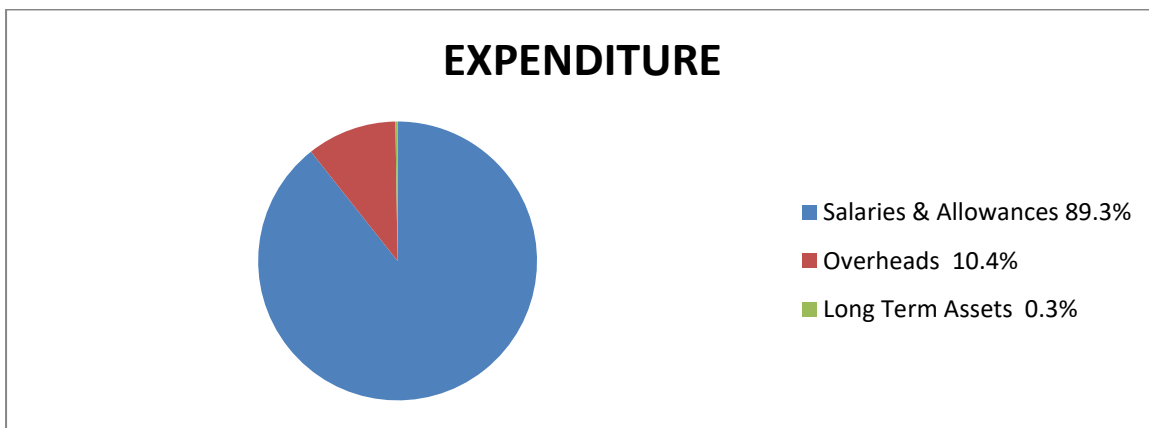
**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦95,390,707.06 realized by the Local Council Development Area during the year under review, a sum of ₦4,958,745.76 only was generated internally. This represented 5.2% of the total revenue while the total sum of ₦84,671,961.30 statutory allocation and ₦5,760,000.00 aids and grants received from the State Joint Account Allocation Committee represented 88.8% and 6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the LCDA revealed a total expenditure of ₦94,784,279.72. Out of this, a sum of ₦ 84,671,961.30 was expended on Salaries and Allowances which represented 89.3% of the total expenditure for the year while ₦9,872,318.42 was expended on overhead and this represented 10.4% of the total expenditure for the year. Also, the sum of ₦240,000.00 was expended on long term assets and this represents 0.3% of the total expenditure.



**AFON LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	2,328,942.25	312,175.77
INVENTORIES	719,515.86	781,945.00
RECEIVABLES	659,400.00	649,000.00
ADVANCE	107,240.00	73,400.00
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,815,098.11</b>	<b>1,816,520.77</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	658,500.00	707,250.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>658,500.00</b>	<b>707,250.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>4,473,598.11</b>	<b>2,523,770.77</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	1,258,400.00	155,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>1,258,400.00</b>	<b>155,000.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING		
	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>1,258,400.00</b>	<b>155,000.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>3,215,198.11</b>	<b>2,368,770.77</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	3,215,198.11	2,368,770.77
<b>TOTAL NET ASSETS/EQUITY</b>	<b>3,215,198.11</b>	<b>2,368,770.77</b>

**AFON LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	84,671,961.30	
NON TAX REVENUE:	4,956,750.00	1,951,950.00
INVESTMENT INCOME		
INTEREST EARNED	1,995.76	
AIDS & GRANTS	5,760,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>95,390,707.06</b>	<b>9,610,949.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	84,671,961.30	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	9,003,568.42	6,926,895.22
SUBVENTION TO PARASTALS	580,000.00	550,000.00
DEPRECIATION	288,750.00	235,750.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>94,544,279.72</b>	<b>7,712,645.22</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>846,427.34</b>	<b>1,898,303.78</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	470,466.99
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	1,898,303.78
<b>Balance 31/12/2017</b>	<b>2,368,770.77</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	846,427.34
<b>Balance at 31 December 2018</b>	<b>3,215,198.11</b>

**AFON LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	84,671,961.30	
LICENCES, FINES, ROYALTIES, FEES ETC	3,457,350.00	858,550.00
EARNINGS & SALES	1,489,000.00	444,400.00
RENT OF GOVERNMENT PROPERTIES		
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL	1,995.76	
DOMESTIC AIDS & GRANTS	5,760,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>95,380,307.06</b>	<b>8,961,949.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	84,671,961.30	
OVERHEADS	7,837,739.28	7,103,495.22
SUBVENTION TO PARASTATALS	580,000.00	550,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>93,089,700.58</b>	<b>7,653,495.22</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,290,606.48</b>	<b>1,308,453.78</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	(240,000.00)	(943,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		20,121.99
ADVANCE	(33,840.00)	(73,400.00)
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(273,840.00)</b>	<b>(996,278.01)</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-	-
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>2,016,766.48</b>	<b>312,175.77</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>312,175.77</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>2,328,942.25</b>	<b>312,175.77</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IPOKIA LOCAL GOVERNMENT, IPOKIA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989 and 315(1) of 1999 Constitution of Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ipokia Local Government, Ipokia for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government and is therefore responsible for the content and information contained therein. The Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the Public Sector and the audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the Financial Statement presented for Audit reflect a true and fair view of the Financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with IPSAS Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT<del>₦</del></b>
Internally Generated Revenue	5,212,928.71
Statutory Allocation	111,960,448.75
Aids & Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>122,888,377.46</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses	9,493,798.88
Salaries and Allowances	111,960,448.75
Long Term Assets	<u>1,900,000.00</u>
<b>Total Fund Expended</b>	<b><u>123,354,247.63</u></b>

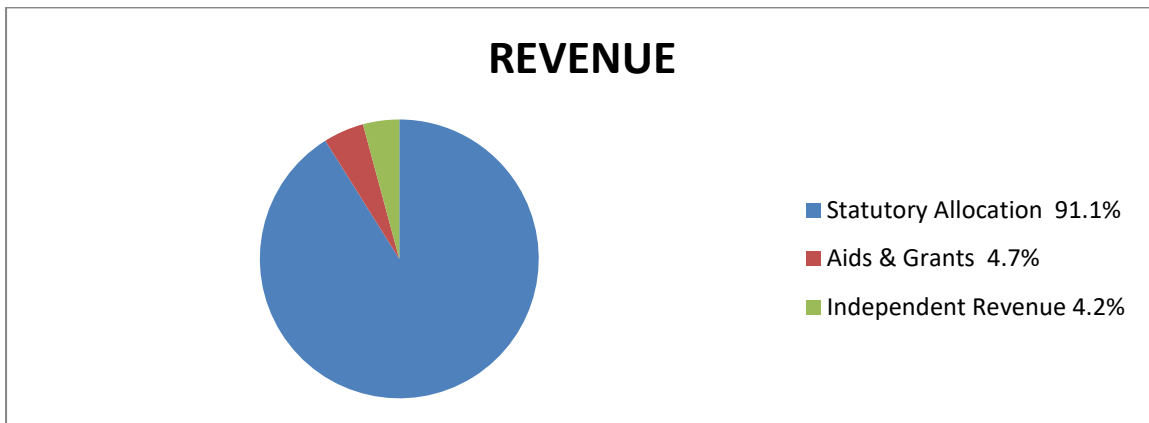
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦18,864,000.00, a sum of ₦5,212,928.71 only was actually generated internally representing 27.6% of the budget. This revenue performance is unimpressive and this indicates that the Local Government did not harness its Internally Generated Revenue potentials maximally or there were leakages which have not been identified and blocked.

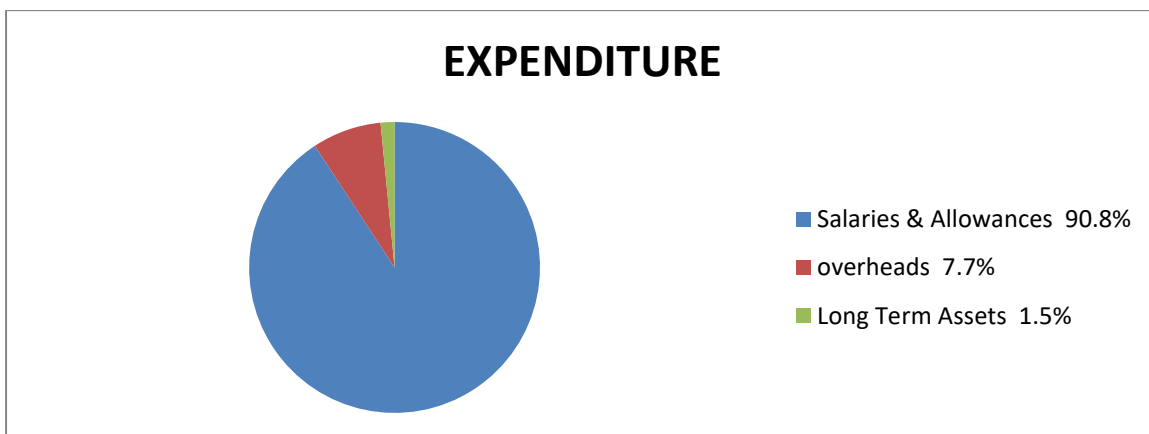
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORT TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦122,888,377.46 realized by the Local Government during the year under review, a sum of ₦5,212,928.71 only was generated internally. This represented 4.2% of the total revenue while the sum of ₦111,960,448.75 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 91.1% and 4.7% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local government might not be able to meet her obligations.



(iii) **EXPENDITURE PARTTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦123,354,247.63. Out of this, a sum of ₦9,493,798.88 was expended on overheads which represented 7.7% of the total expenditure for the year and a sum of ₦111,960,448.75 was expended on salaries & allowances which represented 90.8% of the total expenditure for the year while ₦1,900,000.00 expended on Property Plant and Equipment represented 1.5% of the total expenditure for the year. The pattern of expenditure does not augur well for meaningful development in the Local Government



**5. DEBT PROFILE/STATE OF INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was ₦126,891,737.03. The liabilities are highlighted here under:

<b>ITEMS</b>	<b>AMOUNT (₦)</b>
1. 5% VAT	3,564,884.34
2. 5% WITHHOLDING TAX	2,039,216.52
3. PENSION SCHEME	37,485,796.81
4. 5% DEVELOPMENT TAX	3,203,371.50
5. Loan	5,527,569.23
OTHERS	<u>75,070,898.63</u>
<b>TOTAL</b>	<b><u>126,891,737.03</u></b>

It was observed that the above amount had been deducted from various contracts, salaries and allowances of workers and had not been remitted to the appropriate agencies as required by regulations. The Local Government should always remit to beneficiaries as required by regulations and also settle loan facilities and creditors.

**(6) ADVANCES**

The sum of ₦2,123,753.77 highlighted in the Statement of Financial Position as the advances balance was stagnant during the year. Efforts should be intensified to recover the advances.

**IPOKIA LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
	₦	₦
<b>CURRENT ASSET</b>		
CASH & CASH EQUIVALENTS	1,386,225.83	741,019.91
INVENTORIES	5,941,288.00	5,988,198.00
RECEIVABLES		
ADVANCE	2,123,753.77	2,549,030.98
<b>TOTAL CURRENT ASSET (A)</b>	<b>9,451,267.60</b>	<b>9,278,248.89</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	2,400,000.00	2,000,000.00
INVESTMENT PROPERTY	650,000.00	650,000.00
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>3,050,000.00</b>	<b>2,650,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>12,501,267.60</b>	<b>11,928,248.89</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	671,162.70	671,162.70
LOAN & DEBT		
UNREMITTED DEDUCTIONS	120,613,005.10	120,574,116.22
ACCURED EXPENSES, PAYABLES	80,000.00	980,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>121,364,167.80</b>	<b>122,225,278.92</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING	5,527,569.23	5,527,569.23
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>5,527,569.23</b>	<b>5,527,569.23</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>126,891,737.03</b>	<b>127,752,848.15</b>
<b>NET ASSETS (G= C-F)</b>	<b>(114,390,469.43)</b>	<b>(115,824,599.26)</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	(114,390,469.43)	(115,824,599.26)
<b>TOTAL NET ASSETS/EQUITY</b>	<b>(114,390,469.43)</b>	<b>(115,824,599.26)</b>



**IPOKIA LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	111,960,448.75	267,993,953.11
NON TAX REVENUE:	5,201,589.00	13,612,450.00
INVESTMENT INCOME	11,339.71	
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>122,888,377.46</b>	<b>289,606,403.11</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	111,960,448.75	267,848,820.77
NON- REGULAR ALLOWANCE		
OVERHEAD COST	8,443,798.88	19,894,471.75
SUBVENTION TO PARASTALS	450,000.00	1,225,000.00
DEPRECIATION	600,000.00	500,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>121,454,247.63</b>	<b>289,468,292.52</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,434,129.83</b>	<b>138,110.59</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-115,962,709.85</b>
Prior Year Adjustment	
Adjusted Balance	<b>-115,962,709.85</b>
<b>Surplus/ (deficit) for the year</b>	<b>138,110.59</b>
<b>Balance 31/12/2017</b>	<b>(115,824,599.26)</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,434,129.83
<b>Balance at 31 December 2018</b>	<b>(114,390,469.43)</b>

**IPOKIA LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	111,960,448.75	267,993,953.11
LICENCES, FINES, ROYALTIES, FEES ETC	2,454,990.00	7,352,270.00
EARNINGS & SALES	2,651,399.00	5,701,480.00
RENT OF GOVERNMENT PROPERTIES	95,200.00	558,700.00
INVESTMENT INCOME	11,339.71	
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>122,888,377.46</b>	<b>289,606,403.11</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	111,960,448.75	267,848,820.77
OVERHEADS	8,396,888.88	19,814,471.75
SUBVENTION TO PARASTATALS	450,000.00	1,225,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>120,807,337.63</b>	<b>288,888,292.52</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,081,039.83</b>	<b>718,110.59</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(1,900,000.00)	(1,600,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	425,277.21	1,364,207.38
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(1,474,722.79)</b>	<b>(235,792.62)</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS	38,888.88	57,886.65
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>38,888.88</b>	<b>57,886.65</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>645,205.92</b>	<b>540,204.62</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>741,019.91</b>	<b>200,815.29</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>1,386,225.83</b>	<b>741,019.91</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IPOKIA WEST LOCAL COUNCIL DEVELOPMENT AREA, IJOFIN FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of 1999 Constitution of Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ipokia West Local Council Development Area, Ijofin for the year ended 31<sup>st</sup> December, 2018 have been audited. . The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	6,228,710.00
Statutory Allocation	74,716,536.00
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>86,630,246.00</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowance	74,716,536.00
Overhead Expenditure	10,897,496.58
Long Term Assets	<u>2,925,000.00</u>
<b>Total</b>	<b><u>88,539,032.58</u></b>

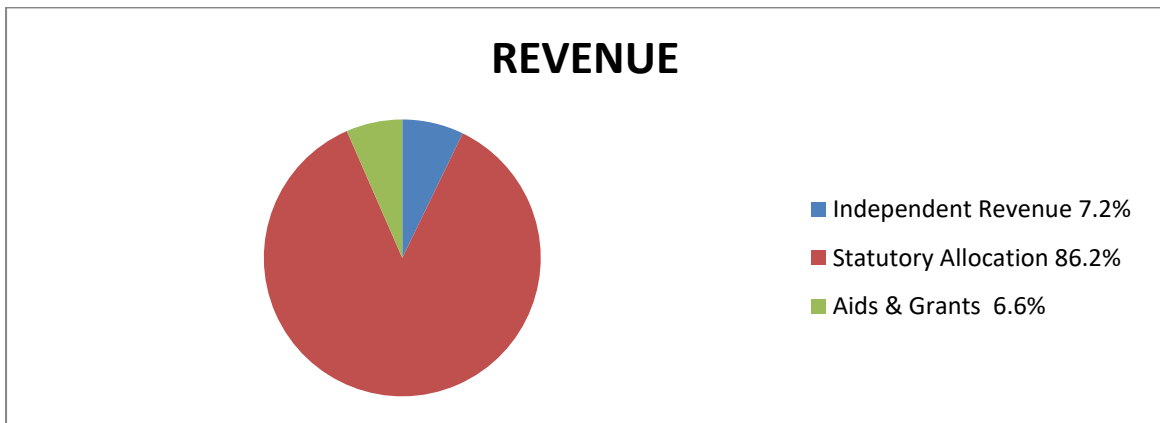
**(4) BUDGET PERFORMANCE**

**(i) STATEMENT FOR ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out to the estimated Internally Generated Revenue of ₦10,780,000.00, a sum of ₦6,228,710.00 only was actually generated internally representing 57.8% of the budget. This revenue performance is not impressive and it indicates that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORT TO TOTAL REVENUE**

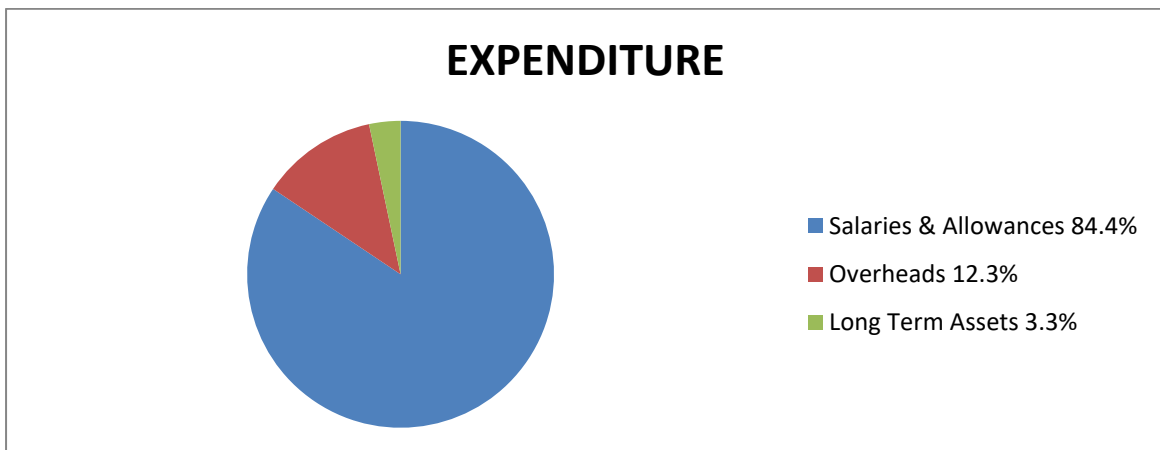
The Audit exercise revealed that out of the revenue of ₦86,630,246.00 realized by the Local Council Development Area during the year under review, a sum of ₦6,228,710.00 only was generated internally. This represented 7.2% of the total revenue while the sum of ₦74,716,536.00 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 86.2% and 6.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦88,539,032.58. Out of which a sum of ₦10,897,496.58 was expended on overheads which represented 12.3% of the total expenditure for the year and a sum of ₦74,716,536.00 was expended on Salaries and Allowances which represented 84.4% while ₦2,925,000.00 was expended on long term assets which represented 3.3% of the total expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**IPOKIA WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	(776,191.72)	141,694.86
INVENTORIES	374,080.00	101,100.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>(402,111.72)</b>	<b>242,794.86</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	4,270,240.00	2,109,120.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>4,270,240.00</b>	<b>2,109,120.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>3,868,128.28</b>	<b>2,351,914.86</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	500,000.00	
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>500,000.00</b>	<b>-</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)		-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>500,000.00</b>	<b>-</b>
<b>NET ASSETS (G= C-F)</b>	<b>3,368,128.28</b>	<b>2,351,914.86</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	3,368,128.28	2,351,914.86
<b>TOTAL NET ASSETS/EQUITY</b>	<b>3,368,128.28</b>	<b>2,351,914.86</b>

**IPOKIA WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	74,716,536.00	8,970,033.40
NON TAX REVENUE:	6,178,710.00	2,138,930.01
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	50,000.00	202,500.00
<b>TOTAL REVENUE (A)</b>	<b>86,630,246.00</b>	<b>18,970,462.41</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	74,716,536.00	8,970,033.40
NON- REGULAR ALLOWANCE		
OVERHEAD COST	9,958,616.58	7,188,384.15
SUBVENTION TO PARASTALS	175,000.00	425,000.00
DEPRECIATION	763,880.00	191,380.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>85,614,032.58</b>	<b>16,774,797.55</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,016,213.42</b>	<b>2,195,664.86</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	156,250.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>2,195,664.86</b>
<b>Balance 31/12/2017</b>	<b>2,351,914.86</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,016,213.42
<b>Balance at 31 December 2018</b>	<b>3,368,128.28</b>

**IPOKIA WEST LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	KSh	KSh
STATUTORY ALLOCATION	74,716,536.00	8,629,032.40
LICENCES, FINES, ROYALTIES, FEES ETC	4,003,330.00	1,296,000.01
EARNINGS & SALES	1,866,380.00	815,630.00
RENT OF GOVERNMENT PROPERTIES	309,000.00	29,800.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	50,000.00	200,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>86,630,246.00</b>	<b>18,970,462.41</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	74,716,536.00	8,970,033.40
OVERHEADS	10,231,596.58	7,133,234.15
SUBVENTION TO PARASTATALS	175,000.00	425,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>85,123,132.58</b>	<b>16,528,267.55</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,507,113.42</b>	<b>2,442,194.86</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(2,425,000.00)	(2,300,500.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(2,425,000.00)</b>	<b>(2,300,500.00)</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(917,886.58)</b>	<b>141,694.86</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>141,694.86</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>(776,191.72)</b>	<b>141,694.86</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IDI-IROKO LOCAL COUNCIL DEVELOPMENT AREA, ILASE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of sections 123 of Decree Number 12 of 1989, Section 315 (1) of 1999 Constitution of Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Idi-Iroko Local Council Development Area, Ilase for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the Public Sector and the audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the financial statement presented for audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with IPSAS Accrual Accounting Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	12,426,240.00
Statutory Allocation	99,071,381.88
Aids and Grants	<u>5,654,999.56</u>
<b>Total</b>	<b><u>117,152,621.44</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	99,071,381.88
Overhead Expenses	17,013,705.22
Long Term Assets	<u>463,000.00</u>
<b>Total</b>	<b><u>116,548,087.10</u></b>

**(4) BUDGET PERFORMANCE:**

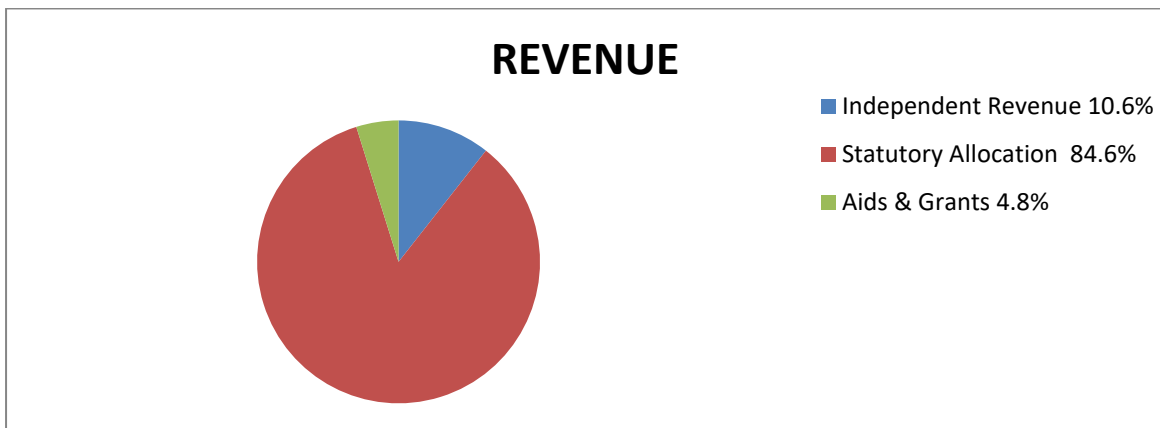
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦25,020,000.00, a sum of ₦12,426,240.00 only was actually generated and this represented 49.7% of the budget. This revenue performance is not impressive and it indicates that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.



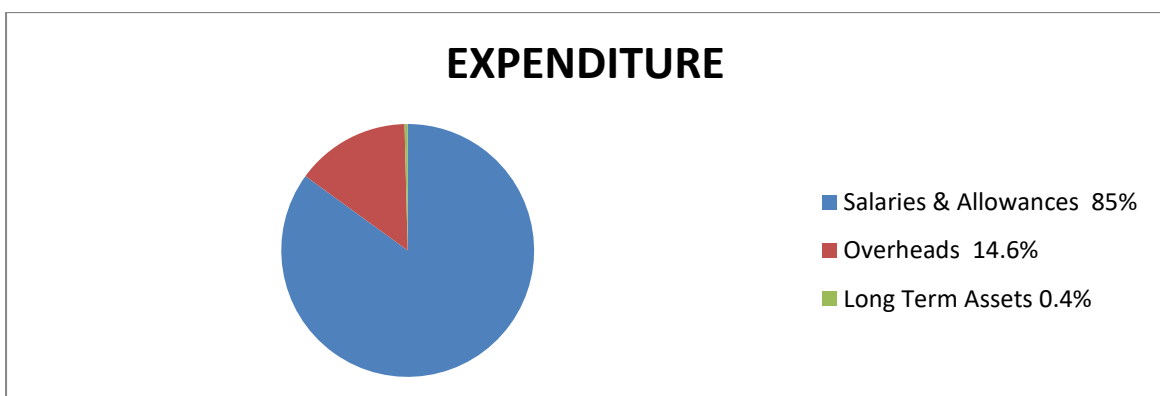
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORT TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦117,152,621.44 realized by the Local Council Development Area during the year under review, a sum of ₦12,426,240.00 only was generated internally. This represented 10.6% of the total revenue while the total sum of ₦99,071,381.88 statutory allocation and ₦5,654,999.56 aids and grants received from the State Joint Account Allocation Committee represented 84.6% and 4.8% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦116,548,087.10. Out of this, a sum of ₦17,013,705.22 expended on overhead expenditure represented 14.6% of the total expenditure for the year and a sum of ₦99,071,381.88 expended on salaries and allowances represented 85% of the total expenditure for the year while ₦463,000.00 was expended on long term assets which represented 0.4% of the total expenditure for the year. This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**IDIROKO LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	700,814.96	(645,621.38)
INVENTORIES	207,190.00	730,650.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>908,004.96</b>	<b>85,028.62</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	798,386.00	553,828.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>798,386.00</b>	<b>553,828.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>1,706,390.96</b>	<b>638,856.62</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	-	-
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		-
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	-	-
<b>NET ASSETS (G= C-F)</b>	<b>1,706,390.96</b>	<b>638,856.62</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	1,706,390.96	638,856.62
<b>TOTAL NET ASSETS/EQUITY</b>	<b>1,706,390.96</b>	<b>638,856.62</b>

**IDIROKO LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	99,071,381.88	14,102,371.21
NON TAX REVENUE:	12,421,740.00	5,487,970.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,654,999.56	7,658,999.00
OTHER REVENUE	4,500.00	
<b>TOTAL REVENUE (A)</b>	<b>117,152,621.44</b>	<b>27,249,340.21</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	99,071,381.88	14,102,371.21
NON- REGULAR ALLOWANCE		
OVERHEAD COST	16,445,263.22	11,782,650.38
SUBVENTION TO PARASTALS	350,000.00	800,000.00
DEPRECIATION	218,442.00	147,082.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>116,085,087.10</b>	<b>26,832,103.59</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,067,534.34</b>	<b>417,236.62</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	221,620.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	417,236.62
<b>Balance 31/12/2017</b>	<b>638,856.62</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,067,534.34
<b>Balance at 31 December 2018</b>	<b>1,706,390.96</b>

**IDIROKO LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	99,071,381.88	14,102,371.21
LICENCES, FINES, ROYALTIES, FEES ETC	5,824,500.00	2,423,510.00
EARNINGS & SALES	5,715,640.00	3,064,460.00
RENT OF GOVERNMENT PROPERTIES	881,600.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,654,999.56	7,658,999.00
OTHER REVENUE	4,500.00	
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>117,152,621.44</b>	<b>27,249,340.21</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	99,071,381.88	14,102,371.21
OVERHEADS	15,921,803.22	12,291,680.38
SUBVENTION TO PARASTATALS	350,000.00	800,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>115,343,185.10</b>	<b>27,194,051.59</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,809,436.34</b>	<b>55,288.62</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(463,000.00)	(700,910.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(463,000.00)</b>	<b>(700,910.00)</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>1,346,436.34</b>	<b>(645,621.38)</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>(645,621.38)</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>700,814.96</b>	<b>(645,621.38)</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF OBAFEMI OWODE LOCAL GOVERNMENT, OWODE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Obafemi/Owode Local Government, Owode for the year ended 31<sup>st</sup>December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the IPSAS Cash Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standard. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	13,571,420.00
Statutory Allocation	179,300,047.22
Aids and Grants	<u>5,715,000.00</u>
<b>Total Revenue</b>	<b><u>198,586,467.22</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	179,300,047.22
Overhead Expenses	19,049,050.00
Long Term Assets	<u>100,000.00</u>
<b>Total</b>	<b><u>198,449,097.22</u></b>

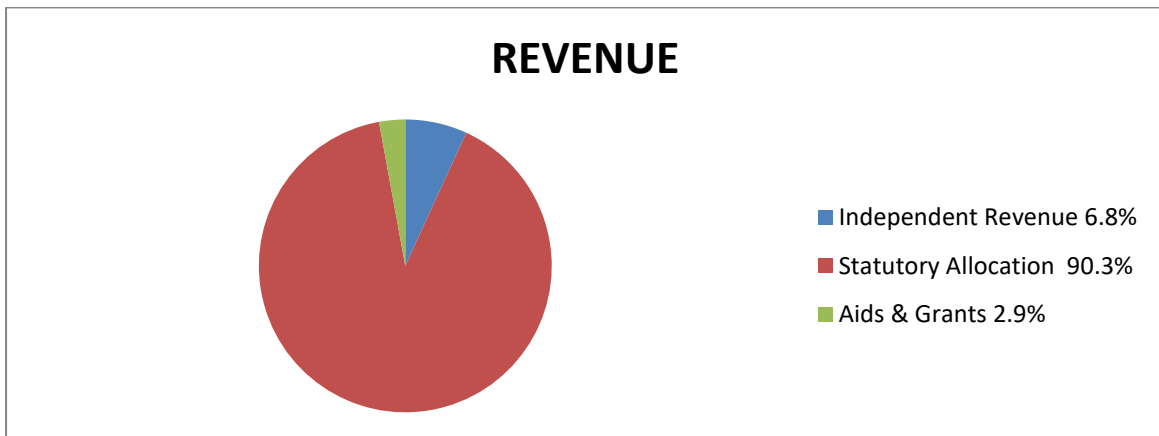
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦44,596,000.00, a sum of ₦13,571,420.00 only was generated internally representing 30.4% of the budget. This implied that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

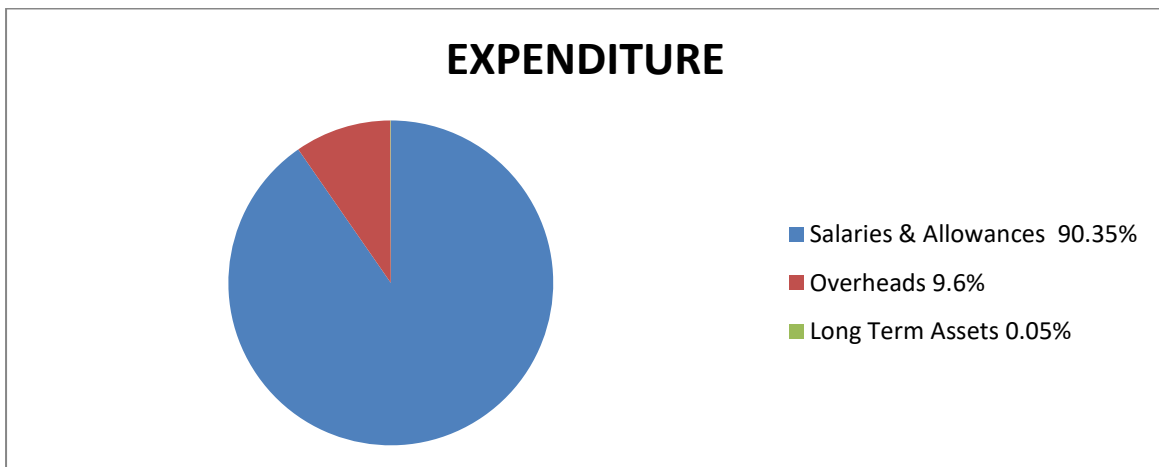
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦198,586,467.22 realized by the Local Government during the year under review, a sum of ₦13,571,420.00 only was generated internally. This represented 6.8% of the total revenue while the sum of ₦179,300,047.22 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 90.3% and 2.9% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed that a total sum of ₦198,449,097.22 was expended. Out of this, a sum of ₦19,049,050.00 was expended on overhead which represents 9.6% of the total expenditure for the year while a sum of ₦179,300,047.22 was expended on Salaries and Allowances which represents 90.35% of the total expenditure. The sum of ₦100,000.00 was expended on long term assets represented 0.05% of the total expenditure for the year.



(5) **DEBT PROFILE/STATE OF INDEBTEDNESS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was 138,062,803.44. The liabilities are highlighted here under:

<b>NAME</b>	<b>AMOUNTN (₦)</b>
1. NANNM	142,110.34
2. NULGE	573,801.68
3. NACHPN DUES	61,531.23
4. PENSION SCHEME	40,388,602.02
5. PAYE	67,876,337.94
6. OTHERS	<u>29,020,420.23</u>
<b>TOTAL</b>	<b><u>138,062,803.44</u></b>

(6) **ADVANCE**

The sum of ₦582,615.23 reflected in the Statement of Financial Position as balance of advance was dormant during the year The Local Government is advised to recover the advances as required by regulations.

**OBAFEMI OWODE LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	750,797.06	(630,572.94)
INVENTORIES	522,660.00	468,660.00
RECEIVABLES		
ADVANCE	582,615.23	582,615.23
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,856,072.29</b>	<b>420,702.29</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	3,646,000.00	4,844,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	284,990.20	284,990.20
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>3,930,990.20</b>	<b>5,128,990.20</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>5,787,062.49</b>	<b>5,549,692.49</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	138,062,803.44	138,062,803.44
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>138,062,803.44</b>	<b>138,062,803.44</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>138,062,803.44</b>	<b>138,062,803.44</b>
<b>NET ASSETS (G= C-F)</b>	<b>(132,275,740.95)</b>	<b>(132,513,110.95)</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	(132,275,740.95)	(132,513,110.95)
<b>TOTAL NET ASSETS/EQUITY</b>	<b>(132,275,740.95)</b>	<b>(132,513,110.95)</b>



**OBAFEMI OWODE LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	179,300,047.22	411,009,358.22
NON TAX REVENUE:	12,331,035.00	30,010,901.30
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE	1,240,385.00	2,367,177.00
<b>TOTAL REVENUE (A)</b>	<b>198,586,467.22</b>	<b>451,387,436.52</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	53,203,438.64	350,697,709.24
NON- REGULAR ALLOWANCE	126,096,608.58	60,311,648.98
OVERHEAD COST	17,401,050.00	38,906,925.08
SUBVENTION TO PARASTALS	350,000.00	1,150,000.00
DEPRECIATION	1,298,000.00	1,038,900.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>198,349,097.22</b>	<b>452,105,183.30</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>237,370.00</b>	<b>(717,746.78)</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-131,561,264.17</b>
Prior Year Adjustment	
Adjusted Balance	<b>-131,561,264.17</b>
<b>Surplus/ (deficit) for the year</b>	<b>-717,746.78</b>
<b>Balance 31/12/2017</b>	<b>(132,513,110.95)</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	237,370.00
<b>Balance at 31 December 2018</b>	<b>(132,275,740.95)</b>

**OBAFEMI OWODE LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	179,300,047.22	411,009,358.22
LICENCES, FINES, ROYALTIES, FEES ETC	6,330,650.00	18,026,666.30
EARNINGS & SALES	2,290,785.00	5,724,235.00
RENT OF GOVERNMENT PROPERTIES	3,709,600.00	6,260,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE	1,240,385.00	2,367,177.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>198,586,467.22</b>	<b>451,387,436.52</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	179,300,047.22	411,009,358.22
OVERHEADS	17,455,050.00	39,375,585.08
SUBVENTION TO PARASTATALS	350,000.00	1,150,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>197,105,097.22</b>	<b>451,534,943.30</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,481,370.00</b>	<b>(147,506.78)</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(100,000.00)	
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		83.70
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(100,000.00)</b>	<b>83.70</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>1,381,370.00</b>	<b>(147,423.08)</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>(630,572.94)</b>	<b>(483,149.86)</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>750,797.06</b>	<b>(630,572.94)</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS  
OF OBA LOCAL COUNCIL DEVELOPMENT AREA, OBA FOR THE YEAR  
ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Degree Number 12 of 1989, Section 315 (1) of 1999 Constitution of Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Oba Local Council Development Area, Oba for the year ended 31<sup>st</sup> December, 2018 have been audited. . The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) accrual accounting basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	7,886,130.00
Statutory Allocation	93,270,880.79
Grant from the State	<u>5,715,000.00</u>
<b>Total</b>	<b><u>106,872,010.79</u></b>

<b><u>EXPENDITURE</u></b>	
Salaries and allowances	93,270,880.79
Overhead Expenditure	13,738,378.00
Long Term Assets	<u>226,000.00</u>
<b>Total</b>	<b><u>107,235,258.79</u></b>

**(4) BUDGET PERFORMANCE:**

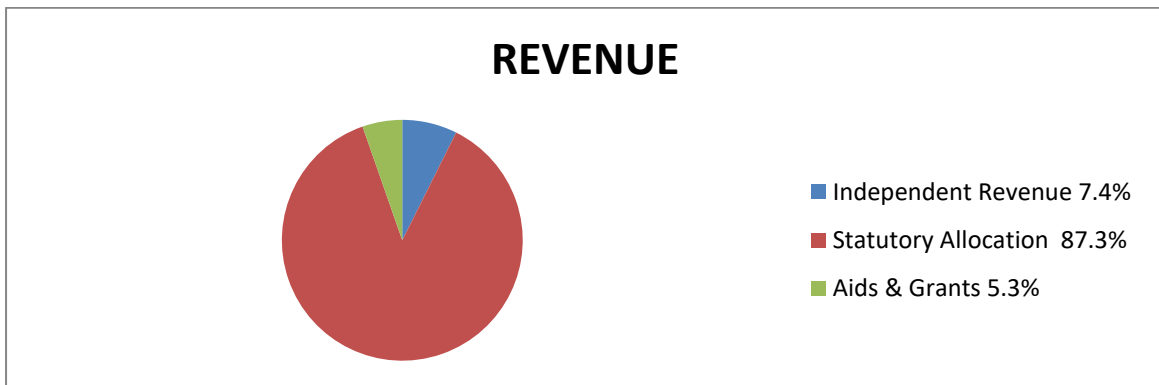
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦19,674,000.00, a sum of ₦7,886,130.00 only was actually generated internally representing 40.1% of the budget. This implied that the Local Council

Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

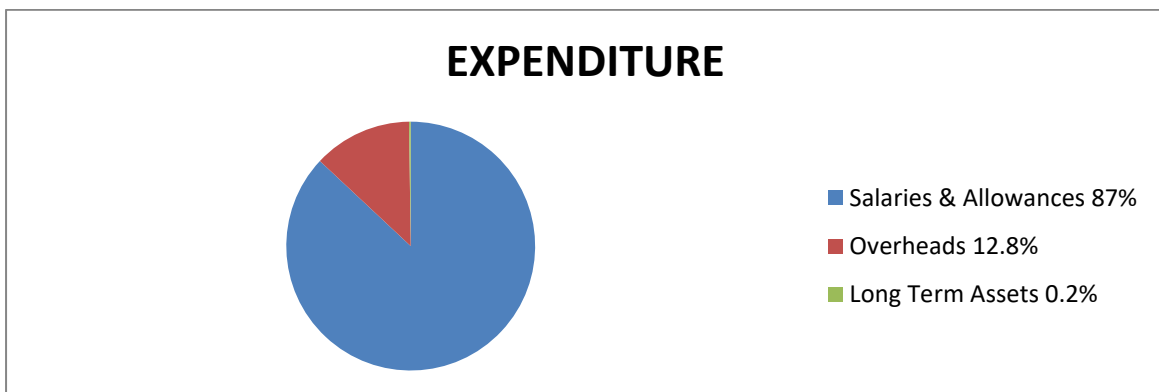
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORT TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦106,872,010.79 realized by the Local Council Development Area during the year under review, a sum of ₦7,886,130.00 only was generated internally. This represented 7.4% of the total revenue while the sum of ₦93,270,880.79 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 87.3% and 5.3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦107,235,258.79. Out of this, a sum of ₦13,738,378.00 expended on overhead expenditure represented 12.8% of the total expenditure for the year while ₦93,270,880.79 expended on Salaries and Allowances represented 87% of the total expenditure for the year. A sum of ₦226,000.00 was expended on long term assets which represented 0.2% of the total expenditure for the year.



**OBA LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	25,304.00	41,524.00
INVENTORIES	738,642.00	440,250.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>763,946.00</b>	<b>481,774.00</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	703,780.00	693,050.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>703,780.00</b>	<b>693,050.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>1,467,726.00</b>	<b>1,174,824.00</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	1,019,650.00	589,500.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>1,019,650.00</b>	<b>589,500.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BORROWING)	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>1,019,650.00</b>	<b>589,500.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>448,076.00</b>	<b>585,324.00</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	448,076.00	585,324.00
<b>TOTAL NET ASSETS/EQUITY</b>	<b>448,076.00</b>	<b>585,324.00</b>

**OBA LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	93,270,880.79	
NON TAX REVENUE:	7,683,130.00	2,060,875.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	203,000.00	
<b>TOTAL REVENUE (A)</b>	<b>106,872,010.79</b>	<b>9,719,874.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	93,270,880.79	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	13,123,108.00	8,431,600.00
SUBVENTION TO PARASTALS	400,000.00	520,000.00
DEPRECIATION	215,270.00	182,950.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>107,009,258.79</b>	<b>9,134,550.00</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>(137,248.00)</b>	<b>585,324.00</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>585,324.00</b>
<b>Balance 31/12/2017</b>	<b>585,324.00</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	(137,248.00)
<b>Balance at 31 December 2018</b>	<b>448,076.00</b>

**OBA LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	93,270,880.79	-
LICENCES, FINES, ROYALTIES, FEES ETC	5,422,250.00	1,374,000.00
EARNINGS & SALES	1,425,880.00	676,875.00
RENT OF GOVERNMENT PROPERTIES	835,000.00	10,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	203,000.00	
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>106,872,010.79</b>	<b>9,719,874.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	93,270,880.79	
OVERHEADS	12,991,350.00	8,282,350.00
SUBVENTION TO PARASTATALS	400,000.00	520,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>106,662,230.79</b>	<b>8,802,350.00</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>209,780.00</b>	<b>917,524.00</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	(226,000.00)	(876,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(226,000.00)</b>	<b>(876,000.00)</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-	-
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(16,220.00)</b>	<b>41,524.00</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>41,524.00</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>25,304.00</b>	<b>41,524.00</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF OBAFEMI LOCAL COUNCIL DEVELOPMENT AREA, OBAFEMI FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Obafemi Local Council Development Area, Obafemi for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the IPSAS Accrual Accounting Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standard (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	4,179,315.00
Statutory/Federal Allocation	80,352,754.40
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>90,247,069.40</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	80,352,754.40
Overhead Expenses	<u>10,925,995.52</u>
<b>Total</b>	<b><u>91,278,749.92</u></b>

**(4) BUDGET PERFORMANCE:**

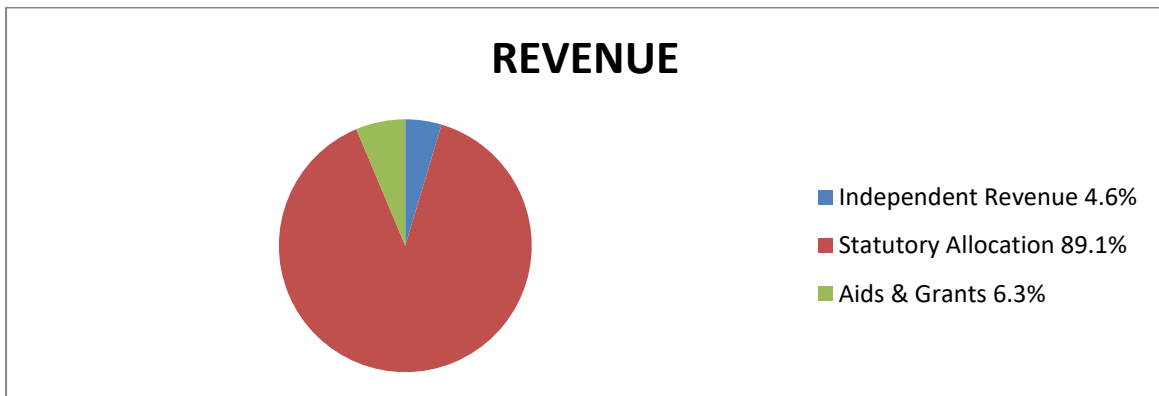
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦27,720,000.00, only a sum of ₦4,179,315.00 was actually generated internally representing 15.1% of the budget. This implied that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.



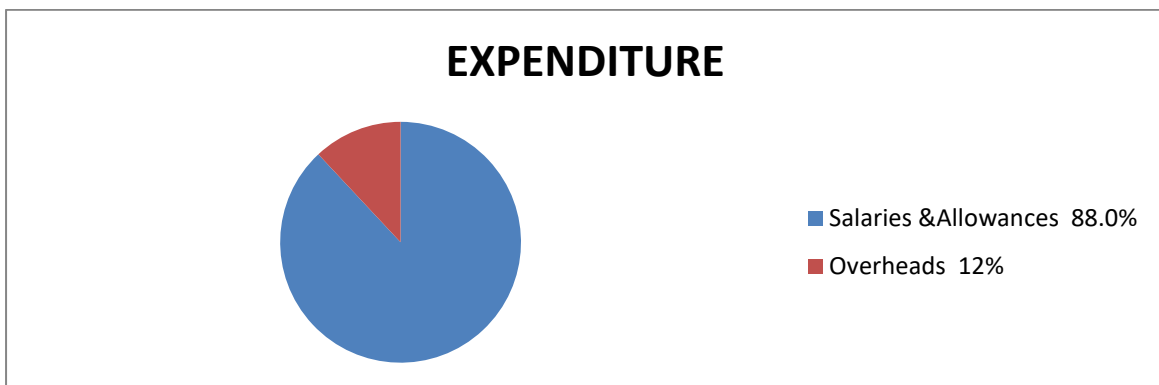
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦90,247,069.40 realized by the Local Council Development Area during the year under review, a sum of ₦4,179,315.00 only was generated internally. This represented 4.6% of the total revenue while the total sum of ₦80,352,754.40 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 89.1% and 6.3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed that a total sum of ₦91,278,749.92 was expended. Out of this, a sum of ₦10,925,995.52 was expended on overhead which represented 12% while a sum of ₦80,352,754.40 was expended on Salaries and Allowances which represented 88.0% of the total expenditure of the year. There was no expenditure on long term assets during the year. This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**OBAFEMI LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	(252,845.94)	1,256,752.58
INVENTORIES	949,978.00	1,031,360.00
RECEIVABLES	76,800.00	
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>773,932.06</b>	<b>2,288,112.58</b>
<b><u>NON CURRENT ASSET</u></b>		
PROPERTY PLANT & EQUIPMENT		
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	-	-
<b>TOTAL ASSET (C=A+B)</b>	<b>773,932.06</b>	<b>2,288,112.58</b>
<b><u>CURRENT LIABILITY</u></b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	39,000.00	39,000.00
ACCURED EXPENSES, PAYABLES	103,000.00	585,500.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>142,000.00</b>	<b>624,500.00</b>
<b><u>NON CURRENT LIABILITY</u></b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>142,000.00</b>	<b>624,500.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>631,932.06</b>	<b>1,663,612.58</b>
<b><u>NET ASSETS/EQUITY</u></b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	631,932.06	1,663,612.58
<b>TOTAL NET ASSETS/EQUITY</b>	<b>631,932.06</b>	<b>1,663,612.58</b>

**OBAFEMI LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	2018	2017
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	80,352,754.40	-
NON TAX REVENUE:	4,179,315.00	2,438,950.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>90,247,069.40</b>	<b>10,097,949.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	52,197,213.10	
NON- REGULAR ALLOWANCE	28,155,541.30	
OVERHEAD COST	10,350,995.52	7,859,336.42
SUBVENTION TO PARASTALS	575,000.00	575,000.00
DEPRECIATION		
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>91,278,749.92</b>	<b>8,434,336.42</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>(1,031,680.52)</b>	<b>1,663,612.58</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,663,612.58</b>
<b>Balance 31/12/2017</b>	<b>1,663,612.58</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	(1,031,680.52)
<b>Balance at 31 December 2018</b>	<b>631,932.06</b>

**OBAFEMI LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	80,352,754.40	-
LICENCES, FINES, ROYALTIES, FEES ETC	2,459,900.00	1,724,150.00
EARNINGS & SALES	1,615,015.00	714,800.00
RENT OF GOVERNMENT PROPERTIES	27,600.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>90,170,269.40</b>	<b>10,097,949.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	80,352,754.40	
OVERHEADS	10,752,113.52	8,841,196.42
SUBVENTION TO PARASTATALS	575,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>91,679,867.92</b>	<b>8,841,196.42</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>(1,509,598.52)</b>	<b>1,256,752.58</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS		
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	-	-
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	-	-
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(1,509,598.52)</b>	<b>1,256,752.58</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,256,752.58</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>(252,845.94)</b>	<b>1,256,752.58</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF OFADA/MOKOLOKI LOCAL COUNCIL DEVELOPMENT AREA, MOWE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ofada/Mokoloki Local Council Development Area, Mowe for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the IPSAS Accrual Accounting Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledger from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	27,323,755.00
Statutory Allocation	97,927,055.38
Aids & Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>130,935,810.38</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	97,927,055.38
Overhead Expenses	31,355,554.54
Long Term Assets	<u>3,763,184.74</u>
<b>Total</b>	<b><u>133,045,794.67</u></b>

**(4) BUDGET PERFORMANCE:**

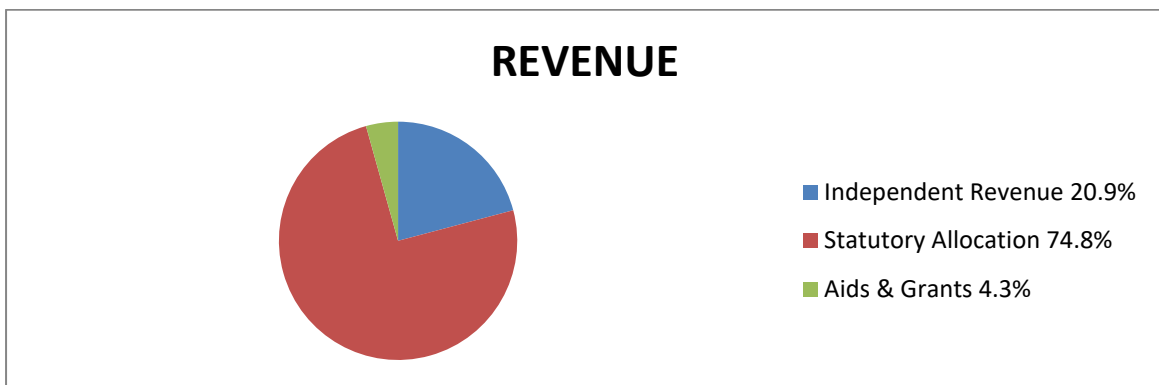
**(i) STATEMENT OF ACTUAL REVENUE**

A review of the Internally Generated Revenue of the Local Council Development Area revealed a drop in performance. Out of the estimated IGR of ₦58,410,000.00, a sum of ₦27,323,755.00 only was actually generated and this represents 46.8% of the amount budgeted. This implied that the Local Council Development Area did not harness its

Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

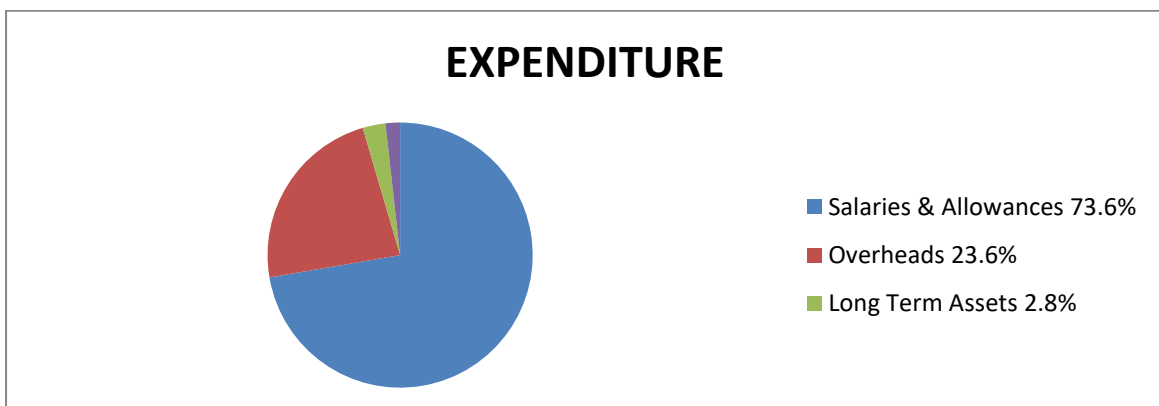
**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦130,935,810.38 realized by the Local Council Development Area during the year under review, a sum of ₦27,323,755.00 only was generated internally. This represented 20.9% of the total revenue while the sum of ₦97,927,055.38 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 74.8% and 4.3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed that out of the total expenditure of ₦133,045,794.67, the sum of ₦31,355,554.55 was expended on overhead which represents 23.6% of the total expenditure for the year while a sum of ₦3,763,184.74 was expended on long term assets which represents 2.8% of the total expenditure and 97,927,055.38 was expended on salaries and allowances which represented 73.6% of the total expenditure for the year.



**OFADA/MOKOLOKI LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	935,403.97	1,915,986.97
INVENTORIES	313,700.00	233,680.00
RECEIVABLES		
ADVANCE	35,290.00	
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,284,393.97</b>	<b>2,149,666.97</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	3,094,815.80	162,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>3,094,815.80</b>	<b>162,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>4,379,209.77</b>	<b>2,311,666.97</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	532,257.34	117,915.00
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>532,257.34</b>	<b>117,915.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>532,257.34</b>	<b>117,915.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>3,846,952.43</b>	<b>2,193,751.97</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	3,846,952.43	2,193,751.97
<b>TOTAL NET ASSETS/EQUITY</b>	<b>3,846,952.43</b>	<b>2,193,751.97</b>

**OFADA/MOKOLOKI LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	97,927,055.38	-
NON TAX REVENUE:	26,064,650.00	8,955,410.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	1,259,105.00	
<b>TOTAL REVENUE (A)</b>	<b>130,935,810.38</b>	<b>16,614,409.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	57,653,613.12	
NON- REGULAR ALLOWANCE	40,273,442.26	
OVERHEAD COST	29,610,475.60	13,850,337.03
SUBVENTION TO PARASTALS	950,000.00	750,000.00
DEPRECIATION	795,078.94	54,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>129,282,609.92</b>	<b>14,654,337.03</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,653,200.46</b>	<b>1,960,071.97</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-</b>
Prior Year Adjustment	233,680.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,960,071.97</b>
<b>Balance 31/12/2017</b>	<b>2,193,751.97</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,653,200.46
<b>Balance at 31 December 2018</b>	<b>3,846,952.43</b>



**OFADA /MOKOLOKI LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	97,927,055.38	-
LICENCES, FINES, ROYALTIES, FEES ETC	22,238,550.00	6,320,850.00
EARNINGS & SALES	3,618,100.00	2,627,200.00
RENT OF GOVERNMENT PROPERTIES	208,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		7,360.00
DOMESTIC AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE	1,259,105.00	
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>130,935,810.38</b>	<b>16,614,409.00</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	97,927,055.38	
OVERHEADS	29,690,495.60	13,850,337.03
SUBVENTION TO PARASTATALS	950,000.00	750,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>128,567,550.98</b>	<b>14,600,337.03</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,368,259.40</b>	<b>2,014,071.97</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(3,727,894.74)	(216,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	(35,290.00)	
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(3,763,184.74)</b>	<b>(216,000.00)</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS	414,342.34	117,915.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>414,342.34</b>	<b>117,915.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(980,583.00)</b>	<b>1,915,986.97</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,915,986.97</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>935,403.97</b>	<b>1,915,986.97</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF ODEDA LOCAL  
GOVERNMENT, ODEDA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Odeda Local Government, Odeda for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector Accounting Standards (IPSAS) Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector Accounting Standards (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	20,626,470.00
Statutory Allocation	194,435,009.79
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>220,776,479.79</u></b>
<b><u>EXPENDITURE</u></b>	
Salaries and Allowances	194,435,009.79
Overhead Expenses	27,285,385.46
Long Term Assets	<u>3,320,000.00</u>
<b>Total</b>	<b><u>225,040,395.25</u></b>

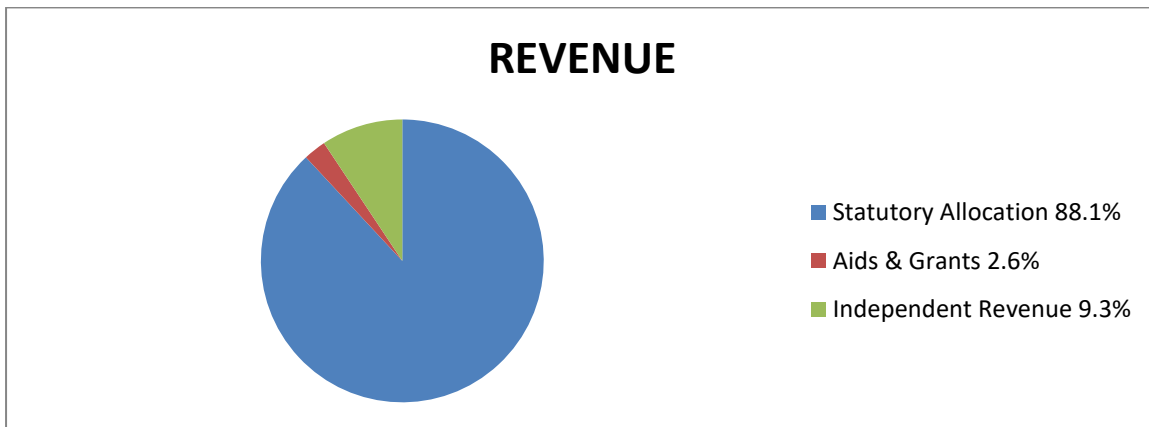
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦39,180,000.00 a sum of ₦20,626,470.00 only was actually generated and this represent 52.6% of the budget. This revenue performance is far from the potentials of the Local Government and it also implied that the Local Government did not harness its IGR potentials maximally or there were leakages which has not been identified and blocked.

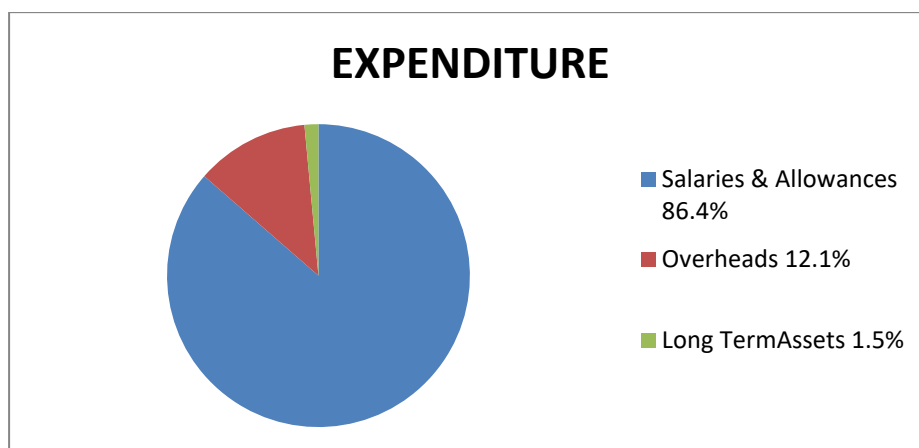
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦220,776,479.79 realized by the Local Council Development Area during the year under review, a sum of ₦20,626,470.00 only was generated internally. This represented 9.3% of the total revenue while the total sum of ₦194,435,009.79 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 88.1% and 2.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦225,040,395.25. Out of this, a sum of ₦27,285,385.46 was expended on overhead which represented 12.1% of the total expenditure for the year. Also, a sum of ₦194,435,009.79 was expended on salaries and allowances which represented 86.40% of the total expenditure for the year while ₦3,320,000.00 was expended on long term assets which represented 1.5% of the total expenditure for the year. This pattern of expenditure does not augur well for meaningful development of the Local Government.



(5) **DEBT PROFILE/UNREMITTED DEDUCTIONS**

The total debt profile of the Local Government according to the General Purpose Financial Statement as at 31<sup>st</sup> December, 2018 was 107,258,847.03 The liabilities are highlighted below:-

<b><u>ITEMS</u></b>	<b><u>AMOUNT ₦</u></b>
1. VAT	10,277,475.21
2. DEVELOPMENT LEVY	3,666,030.93
3. TAX	5,838,323.76
4. PENSIONS	30,412,589.07
5. PAYABLES	6,061,150.00
6. ODEDA CT&CS	26,587,423.45
7. OTHERS	<u>24,415,854.61</u>
TOTAL	<b><u>107,258,847.03</u></b>

It was observed that the above amount had been deducted from various contracts, salaries and allowances of workers and has not been remitted to the appropriate agencies.

(6) **INVESTMENT**

The sum of 730,000.00 stated as investment in the Statement of Financial Position could not be substantiated because the shares certificate was not produced for audit scrutiny and no evidence of the beneficial ownership such as dividend was presented on demand.

**ODEDA LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	(13,289,232.68)	(11,236,648.18)
INVENTORIES	2,117,083.00	1,232,213.96
RECEIVABLES	21,000.00	42,000.00
ADVANCE	1,135,886.08	1,135,886.08
<b>TOTAL CURRENT ASSET (A)</b>	<b>(10,015,263.60)</b>	<b>(8,826,548.14)</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	5,113,800.00	832,150.00
INVESTMENT PROPERTY	3,566,400.00	3,640,700.00
BIOLOGICAL ASSET		
INVESTMENT	730,000.00	730,000.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>9,410,200.00</b>	<b>5,202,850.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>(605,063.60)</b>	<b>(3,623,698.14)</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	101,197,697.03	101,197,697.03
ACCURED EXPENSES, PAYABLES	6,061,150.00	2,098,600.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>107,258,847.03</b>	<b>103,296,297.03</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING		
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>107,258,847.03</b>	<b>103,296,297.03</b>
<b>NET ASSETS (G= C-F)</b>	<b>(107,863,910.63)</b>	<b>(106,919,995.17)</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	(107,863,910.63)	(106,919,995.17)
<b>TOTAL NET ASSETS/EQUITY</b>	<b>(107,863,910.63)</b>	<b>(106,919,995.17)</b>

**ODEDA LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	194,435,009.79	363,979,307.16
NON TAX REVENUE:	20,626,470.00	23,412,470.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	6,307,103.45
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>220,776,479.79</b>	<b>393,698,880.61</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	194,435,009.79	260,624,709.81
NON- REGULAR ALLOWANCE		95,354,597.35
OVERHEAD COST	25,602,735.46	28,928,687.88
SUBVENTION TO PARASTALS	670,000.00	1,067,500.00
DEPRECIATION	1,012,650.00	205,650.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>221,720,395.25</b>	<b>386,181,145.04</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>(943,915.46)</b>	<b>7,517,735.57</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-114,437,730.74</b>
Prior Year Adjustment	
Adjusted Balance	<b>-114,437,730.74</b>
<b>Surplus/ (deficit) for the year</b>	<b>7,517,735.57</b>
<b>Balance 31/12/2017</b>	<b>-106,919,995.17</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	-943,915.46
<b>Balance at 31 December 2018</b>	<b>-107,863,910.63</b>

**ODEDA LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	194,435,009.79	363,979,307.16
LICENCES, FINES, ROYALTIES, FEES ETC	9,237,200.00	13,141,400.00
EARNINGS & SALES	9,955,210.00	10,229,070.00
RENT OF GOVERNMENT PROPERTIES	1,455,060.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	6,307,103.45
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>220,797,479.79</b>	<b>393,656,880.61</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	194,435,009.79	355,979,307.16
OVERHEADS	24,425,054.50	28,062,301.84
SUBVENTION TO PARASTATALS	670,000.00	1,067,500.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>219,530,064.29</b>	<b>385,109,109.00</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,267,415.50</b>	<b>8,547,771.61</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(3,320,000.00)	(963,500.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		(3,715,000.00)
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(3,320,000.00)</b>	<b>(4,678,500.00)</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS		(1,841.00)
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>(1,841.00)</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(2,052,584.50)</b>	<b>3,867,430.61</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>(11,236,648.18)</b>	<b>(15,104,078.79)</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>(13,289,232.68)</b>	<b>(11,236,648.18)</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF ILUGUN LOCAL COUNCIL DEVELOPMENT AREA, ILUGUN FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ilugun Local Council Development Area, Ilugun for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the International Public Sector accounting Standard Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**2 STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with International Public Sector accounting Standard (IPSAS) Accrual Basis. There was some improvement in the books of account kept during the period.

**3 FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	6,967,830.00
Statutory Allocation	73,384,094.95
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>86,066,924.95</u></b>

<b><u>EXPENDITURE</u></b>	
Overhead Expenses	13,637,761.24
Salaries and Allowances	73,384,094.95
Long Term Assets	<u>90,000.00</u>
<b>Total</b>	<b><u>87,111,856.19</u></b>

**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

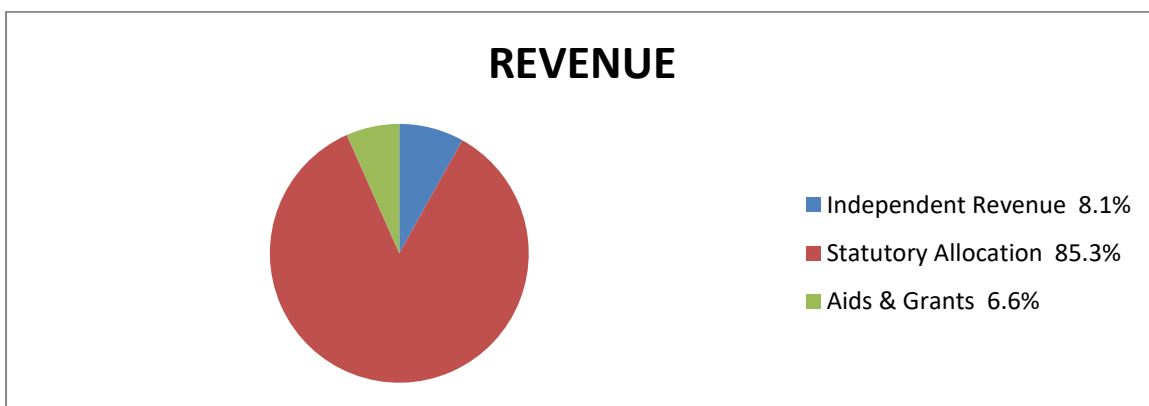
Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦11,390,000.00, a sum of ₦6,967,830.00 only was actually generated and this represented 61.2% of the budget. This revenue performance is far from the potentials



of the Local Government and it also implied that the Local Government did not harness its IGR potentials maximally or there were leakages which has not been identified and blocked.

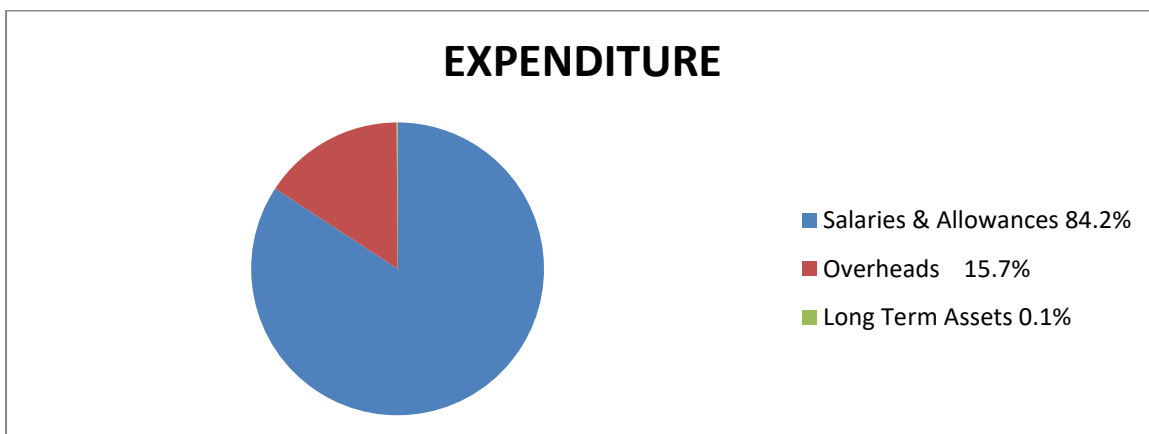
**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦86,066,924.95 realized by the Local Council Development Area during the year under review, a sum of ₦6,967,830.00 only was generated internally. This represented 8.1% of the total revenue while the sum of ₦73,384,094.95 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 85.3% and 6.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦87,111,856.19. Out of this, a sum of ₦13,637,761.24 was expended on overhead which represented 15.7% of the total expenditure for the year. Also, a sum of ₦73,384,094.95 was expended on salaries and allowances which represented 84.2% of the total expenditure for the year while ₦90,000.00 was expended on long term assets which represented 0.1% of the total expenditure for the year. This pattern of expenditure does not augur well for meaningful development of the Local Council Development Area.



**ILUGUN LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₱</b>	<b>₱</b>
CASH & CASH EQUIVALENTS	65,810.89	468,747.13
INVENTORIES	328,190.00	306,475.00
RECEIVABLES	230,000.00	
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>624,000.89</b>	<b>775,222.13</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	155,400.00	99,200.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>155,400.00</b>	<b>99,200.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>779,400.89</b>	<b>874,422.13</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	35,910.00	20,200.00
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	879,200.00	35,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>915,110.00</b>	<b>55,200.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>915,110.00</b>	<b>55,200.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>(135,709.11)</b>	<b>819,222.13</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	(135,709.11)	819,222.13
<b>TOTAL NET ASSETS/EQUITY</b>	<b>(135,709.11)</b>	<b>819,222.13</b>

**ILUGUN LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₱</b>	<b>₱</b>
STATUTORY ALLOCATION	73,384,094.95	-
NON TAX REVENUE:	6,967,830.00	3,687,720.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>86,066,924.95</b>	<b>11,346,719.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	73,384,094.95	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	13,153,961.24	9,802,696.87
SUBVENTION TO PARASTALS	450,000.00	700,000.00
DEPRECIATION	33,800.00	24,800.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>87,021,856.19</b>	<b>10,527,496.87</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>(954,931.24)</b>	<b>819,222.13</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER,  
2018**

	<b>₱</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>819,222.13</b>
<b>Balance 31/12/2017</b>	<b>819,222.13</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	(954,931.24)
<b>Balance at 31 December 2018</b>	<b>(135,709.11)</b>

**ILUGUN LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₱	₱
STATUTORY ALLOCATION	73,384,094.95	-
LICENCES, FINES, ROYALTIES, FEES ETC	4,931,350.00	2,463,400.00
EARNINGS & SALES	1,412,480.00	424,320.00
RENT OF GOVERNMENT PROPERTIES	394,000.00	20,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE		780,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>85,836,924.95</b>	<b>11,346,719.00</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	73,384,094.95	
OVERHEADS	12,331,476.24	10,809,171.87
SUBVENTION TO PARASTATALS	450,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>86,165,571.19</b>	<b>10,809,171.87</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>(328,646.24)</b>	<b>537,547.13</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(90,000.00)	(89,000.00)
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(90,000.00)</b>	<b>(89,000.00)</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS	15,710.00	20,200.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>15,710.00</b>	<b>20,200.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(402,936.24)</b>	<b>468,747.13</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>468,747.13</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>65,810.89</b>	<b>468,747.13</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF OPEJI LOCAL COUNCIL DEVELOPMENT AREA, OPEJI FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Opeji Local Council Development Area, Opeji for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the IPSAS Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

It was observed that the accounting books and records were prepared and maintained in accordance with IPSAS Accrual Basis. There was some improvement in the books of account kept during the period.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	3,618,225.00
Statutory Allocation	75,782,325.12
Aids and Grants	<u>5,715,000.00</u>
<b>Total Revenue</b>	<b><u>85,115,580.12</u></b>
<b>EXPENDITURE</b>	
Salaries and Allowances	75,782,325.12
Overhead Expenses	11,080,399.67
Long Term Assets	<u>375,000.00</u>
<b>Total</b>	<b><u>87,237,724.79</u></b>

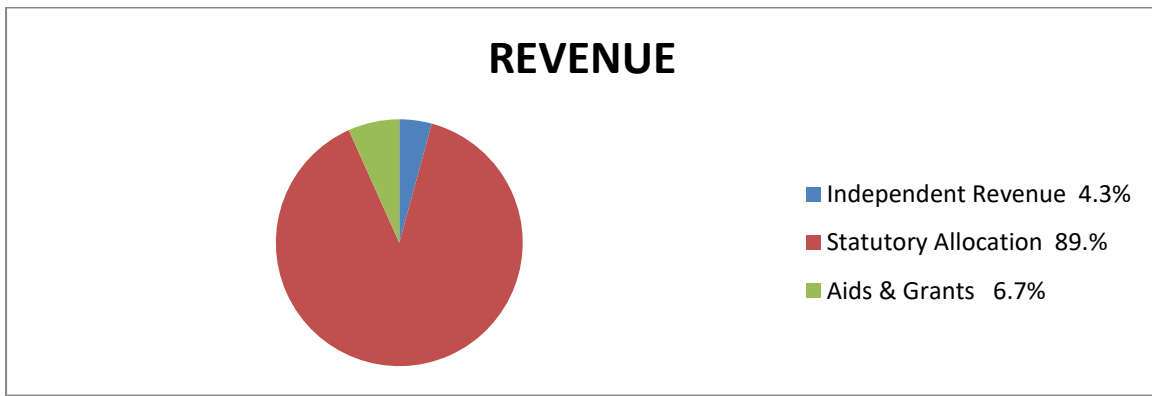
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦15,950,000.00, a sum of ₦3,618,225.00 only was actually generated internally representing 22.7% of the budget. This implied that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

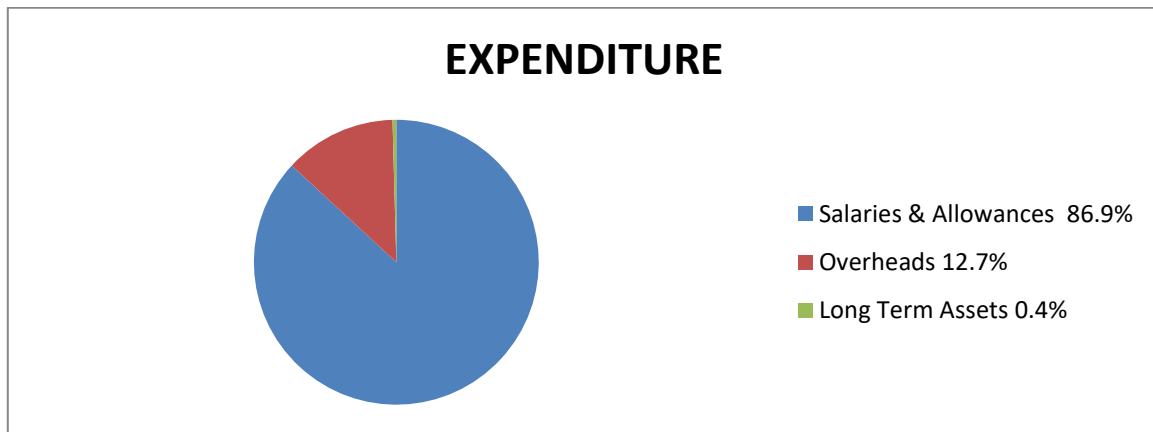
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦85,115,580.12 realized by the Local Council Development Area during the year under review, a sum of ₦3,618,255.00 only was generated internally. This represented 4.3% of the total revenue while the total sum of ₦75,782,325.12 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 89% and 6.7% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦87,237,724.79. Out of this, a sum of ₦11,080,399.67 was expended on overhead which represented 12.7% of the total expenditure for the year. Also, a sum of ₦75,782,325.12 was expended on salaries and allowances which represented 86.9% of the total expenditure for the year while ₦375,000.00 was expended on long term assets which represented 0.4% of the total expenditure for the year.



**OPEJI LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	(599,429.77)	1,072,724.47
INVENTORIES	3,479,415.57	732,656.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>2,879,985.80</b>	<b>1,805,380.47</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	312,000.00	
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>312,000.00</b>	-
<b>TOTAL ASSET (C=A+B)</b>	<b>3,191,985.80</b>	<b>1,805,380.47</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	193,750.00	
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>193,750.00</b>	-
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		-
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>193,750.00</b>	-
<b>NET ASSETS (G= C-F)</b>	<b>2,998,235.80</b>	<b>1,805,380.47</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	2,998,235.80	1,805,380.47
<b>TOTAL NET ASSETS/EQUITY</b>	<b>2,998,235.80</b>	<b>1,805,380.47</b>

**OPEJI LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	75,782,325.12	-
NON TAX REVENUE:	3,547,255.00	2,498,700.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	71,000.00	
<b>TOTAL REVENUE (A)</b>	<b>85,115,580.12</b>	<b>10,157,699.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	75,782,325.12	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	10,767,399.67	8,984,974.53
SUBVENTION TO PARASTALS	250,000.00	100,000.00
DEPRECIATION	63,000.00	
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>86,862,724.79</b>	<b>9,084,974.53</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>(1,747,144.67)</b>	<b>1,072,724.47</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR  
ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	732,656.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,072,724.47</b>
<b>Balance 31/12/2017</b>	<b>1,805,380.47</b>
Prior Year Adjustment	2,940,000.00
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	(1,747,144.67)
<b>Balance at 31 December 2018</b>	<b>2,998,235.80</b>



**OPEJI LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	75,782,325.12	-
LICENCES, FINES, ROYALTIES, FEES ETC	2,385,750.00	1,663,350.00
EARNINGS & SALES	1,161,505.00	800,350.00
RENT OF GOVERNMENT PROPERTIES		
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	71,000.00	35,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>85,115,580.12</b>	<b>10,157,699.00</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	75,782,325.12	
OVERHEADS	10,574,159.24	8,984,974.53
SUBVENTION TO PARASTATALS	250,000.00	100,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>86,606,484.36</b>	<b>9,084,974.53</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>(1,490,904.24)</b>	<b>1,072,724.47</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	(375,000.00)	
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(375,000.00)</b>	-
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS	193,750.00	
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>193,750.00</b>	-
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>(1,672,154.24)</b>	<b>1,072,724.47</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,072,724.47</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>(599,429.77)</b>	<b>1,072,724.47</b>

**STATUTORY REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF ODOGBOLU, LOCAL  
GOVERNMENT, ODOGBOLU FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989 and 315(1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Odogbolu Local Government, Odogbolu for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the management of the Local Government, and is therefore responsible for the contents and information contained therein. The Financial Statement was prepared under the IPSAS Accrual Basis as applicable to the Public Sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to Audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

(2) **STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the Accounts were prepared.

(3) **FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	23,962,534.26
Statutory Allocation	163,267,680.88
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>192,915,215.14</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowance	163,267,680.88
Overhead Expenses	29,031,987.28
Long Term Asset	<u>1,439,000.00</u>
<b>Total</b>	<b><u>193,738,668.16</u></b>

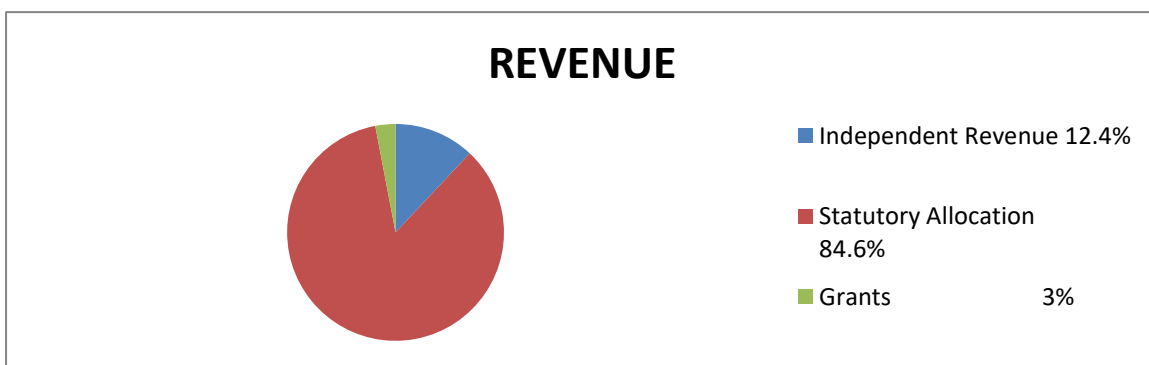
(4) **BUDGET PERFORMANCE:**

(i) **STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦31,585,000.00, a sum of ₦23,962,534.26 only was actually generated internally representing 75.9% of the budgeted. This is an indication that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

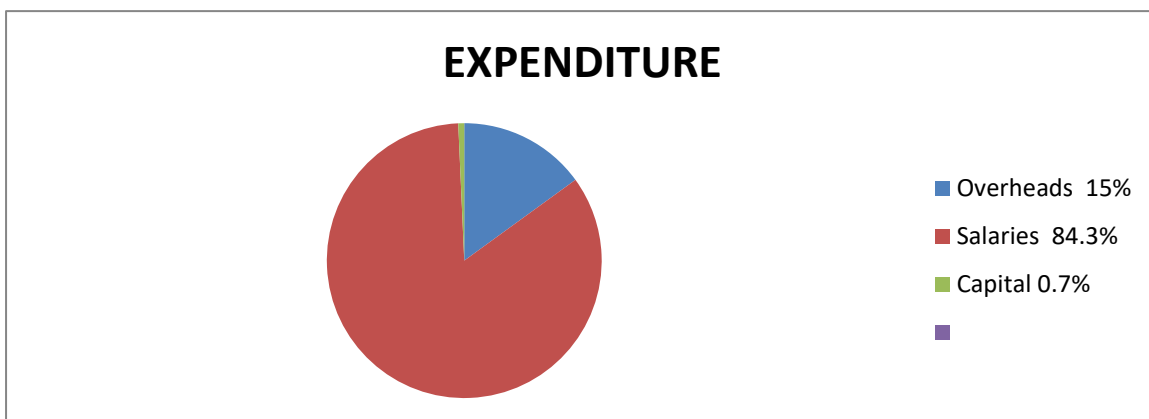
The Audit exercise revealed that out of the revenue of ₦192,915,215.14 realized by the Local Government during the year under review, a sum of ₦23,962,534.26 only was generated internally. This represented 12.4% of the total revenue while the sum of ₦163,267,680.88 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 84.6% and 3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Government revealed a total expenditure of ₦193,738,668.16. Out of this, a sum of ₦29,031,987.28 was expended on overhead which represented 15% of the total expenditure for the year. Also, a sum of ₦163,267,680.88 was expended on salaries and allowances which represented 84.3% of the expenditure for the year while ₦1,439,000.00 was expended on long term assets and this represented 0.7% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Government.



(5) **DEBT PROFILE**

The total debt profile of the Local Government according to the Statement of Financial Position as at 31<sup>st</sup> December, 2018 was ₦56,553,785.27. The liabilities are highlighted below:

S/NO	ITEMS	AMOUNT (₦)
1	5% VAT	5,083,903.82
2	5% WITHOLDING TAX	3,809,781.00
3	5% DEVELOPMENT LEVY	2,850,465.82
4	PENSION FUND	5,286,787.54
5	5k on #2 Contract	664,801.18
6	2% WHT	636,241.79
7	OTHERS	<u>38,221,804.12</u>
	<b>Total</b>	<b><u>56,553,785.27</u></b>

(6) **REVIEW OF STATEMENT OF FINANCIAL POSITION**

(i) **INVESTMENTS**

The sum of ₦565,375.00 shown in the Statement of Financial Position as at 31<sup>st</sup> December, 2018 could not be verified because the share certificate was not produced on demand for audit scrutiny, also evidence of beneficial ownership such as dividends were not seen.

(ii) **ADVANCES**

The sum of ₦1,646,507.86 highlighted in the Statement of Financial Position as the Advances figure was dormant during the year.

**ODOGBOLU LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	384,445.49	1,416,131.51
INVENTORIES	823,083.00	455,950.00
RECEIVABLES	487,200.00	487,200.00
ADVANCE	1,646,507.86	1,384,307.86
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,341,236.35</b>	<b>3,743,589.37</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	1,295,100.00	1,948,580.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	565,375.00	565,375.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>1,860,475.00</b>	<b>2,513,955.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>5,201,711.35</b>	<b>6,257,544.37</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	56,553,785.27	56,553,785.27
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>56,553,785.27</b>	<b>56,553,785.27</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING	1,026,687.28	1,026,687.28
BOROWING		- 1,637,592.15
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>1,026,687.28</b>	<b>- 610,904.87</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>57,580,472.55</b>	<b>55,942,880.40</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 52,378,761.20</b>	<b>- 49,685,336.03</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 52,378,761.20	- 49,685,336.03
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 52,378,761.20</b>	<b>- 49,685,336.03</b>

**ODOGBOLU LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	163,267,680.88	354,036,067.31
NON TAX REVENUE:	7,532,720.00	16,700,658.07
INVESTMENT INCOME		16,789.30
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	16,429,814.26	5,881,772.55
<b>TOTAL REVENUE (A)</b>	<b>192,915,215.14</b>	<b>384,635,287.23</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	121,849,678.52	271,584,626.27
NON- REGULAR ALLOWANCE	41,418,002.36	82,570,441.04
OVERHEAD COST	28,063,087.28	25,780,570.15
SUBVENTION TO PARASTALS	825,000.00	700,000.00
DEPRECIATION	143,900.00	216,500.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>192,299,668.16</b>	<b>380,852,137.46</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>615,546.98</b>	<b>3,783,149.77</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>-53,468,485.80</b>
Prior Year Adjustment	
Adjusted Balance	<b>-53,468,485.80</b>
<b>Surplus/ (deficit) for the year</b>	<b>3,783,149.77</b>
<b>Balance 31/12/2017</b>	<b>- 49,685,336.03</b>
Prior Year Adjustment	- 3,308,972.15
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	615,546.98
<b>Balance at 31 December 2018</b>	<b>- 52,378,761.20</b>

**ODOGBOLU LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>INFLOWS</b>	₦	₦
STATUTORY ALLOCATION	163,267,680.88	354,036,067.31
LICENCES, FINES, ROYALTIES, FEES ETC	6,021,500.00	12,361,100.00
EARNINGS & SALES	1,382,720.00	2,249,970.00
RENT OF GOVERNMENT PROPERTIES	128,500.00	387,300.00
INVESTMENT INCOME		16,789.30
INTEREST & REPAYMENT GENERAL		1,215,088.07
DOMESTIC AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	16,429,814.26	5,881,772.55
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>192,915,215.14</b>	<b>384,148,087.23</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	163,267,680.88	354,155,067.31
OVERHEADS	28,430,220.28	25,812,320.15
SUBVENTION TO PARASTATALS	825,000.00	700,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>192,522,901.16</b>	<b>380,667,387.46</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>392,313.98</b>	<b>3,480,699.77</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 1,439,000.00	- 2,165,080.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	15,000.00	38,000.00
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 1,424,000.00</b>	<b>- 2,127,080.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		500.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>500.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 1,031,686.02</b>	<b>1,354,119.77</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,416,131.51</b>	<b>62,011.74</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>384,445.49</b>	<b>1,416,131.51</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF LEGURU LOCAL COUNCIL DEVELOPMENT AREA, LEGURU FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the account of Leguru Local Council Development Area, Leguru for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with the Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**2. STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	15,190,920.00
Statutory Allocation	127,339,228.96
Aids and Grants	<u>6,847,200.00</u>
<b>Total</b>	<b><u>149,377,348.96</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	127,339,228.96
Overhead Expenses	19,431,158.20
Long Term Assets	<u>1,793,882.00</u>
<b>Total</b>	<b><u>148,564,269.16</u></b>

**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

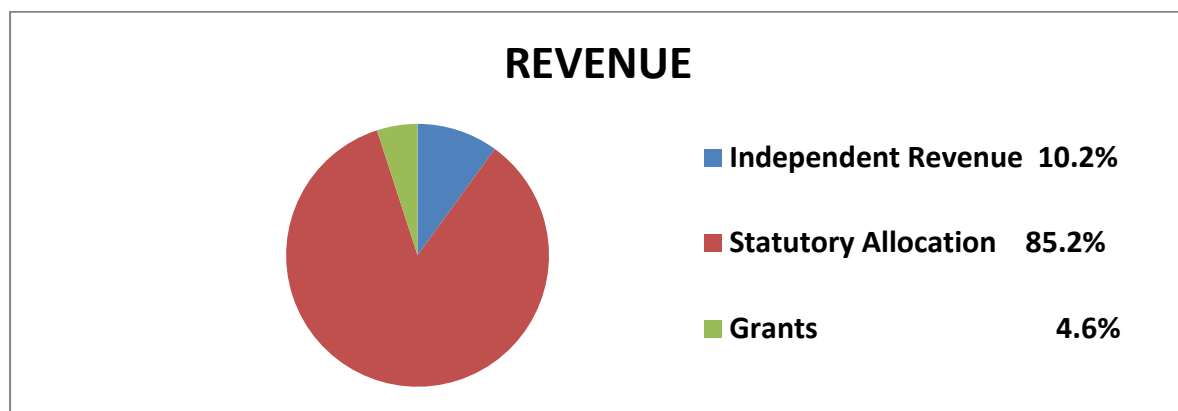
Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦46,607,500.00, a sum of ₦15,190,920.00 was actually generated internally. This represented 32.6% of the estimated revenue for the year. This is an indication



that the Local Council did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

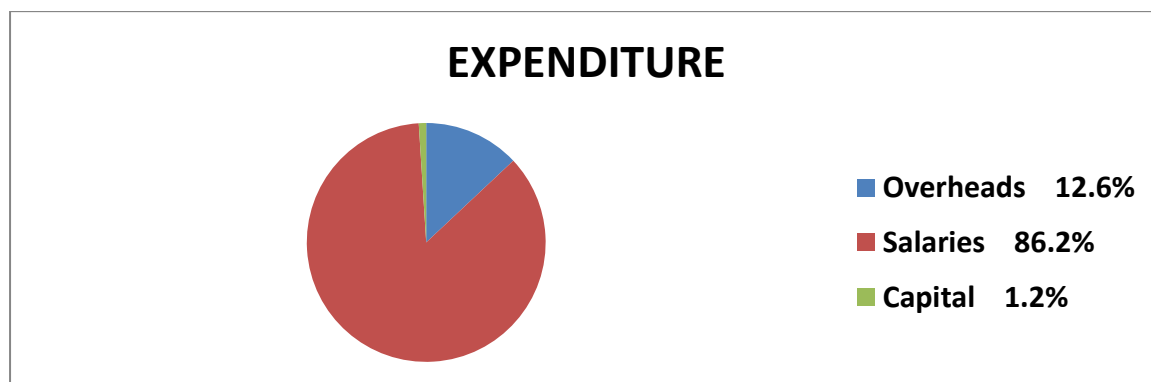
The Audit exercise revealed that out of the revenue of ₦149,377,348.96 realized by the Local Council Development Area during the year under review, a sum of ₦15,190,920.00 only was generated internally. This represented 10.2% of the total revenue while the total sum of ₦127,339,228.96 statutory allocation and ₦6,847,200.00 aids and grants received from the State Joint Account Allocation Committee represented 85.2% and 4.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of expenditure profile of the Local Council Development Area revealed a total expenditure of ₦148,564,269.16. Out of this, a sum of ₦18,781,158.20 was expended on overhead which represented 12.6% of the total expenditure for the year. Also, a sum of ₦127,339,228.96 was expended on salaries and allowances which represented 86.2% of the expenditure for the year while ₦1,793,882.00 was expended on long term assets and this represented 1.2% of the expenditure for the year.

The pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**LEGURU LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
	<b>₹</b>	<b>₹</b>
<b>CURRENT ASSET</b>		
CASH & CASH EQUIVALENTS	822,455.31	349,838.31
INVENTORIES	1,683,910.00	560,159.00
RECEIVABLES	46,100.00	
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>2,552,465.31</b>	<b>909,997.31</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	1,614,493.80	
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>1,614,493.80</b>	-
<b>TOTAL ASSET (C=A+B)</b>	<b>4,166,959.11</b>	<b>909,997.31</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	650,000.00	
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>650,000.00</b>	-
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		-
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>650,000.00</b>	-
<b>NET ASSETS (G= C-F)</b>	<b>3,516,959.11</b>	<b>909,997.31</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	3,516,959.11	909,997.31
<b>TOTAL NET ASSETS/EQUITY</b>	<b>3,516,959.11</b>	<b>909,997.31</b>

**LEGURU LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	127,339,228.96	
NON TAX REVENUE:	14,214,920.00	4,368,200.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	6,847,200.00	7,658,999.00
OTHER REVENUE	976,000.00	1,331,189.31
<b>TOTAL REVENUE (A)</b>	<b>149,377,348.96</b>	<b>13,358,388.31</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	39,344,990.93	
NON- REGULAR ALLOWANCE	87,994,238.03	
OVERHEAD COST	18,848,270.00	12,130,041.00
SUBVENTION TO PARASTALS	403,500.00	725,000.00
DEPRECIATION	179,388.20	
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>146,770,387.16</b>	<b>12,855,041.00</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>2,606,961.80</b>	<b>503,347.31</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	406,650.00
Adjusted Balance	406,650.00
<b>Surplus/ (deficit) for the year</b>	<b>503,347.31</b>
<b>Balance 31/12/2017</b>	<b>909,997.31</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	2,606,961.80
<b>Balance at 31 December 2018</b>	<b>3,516,959.11</b>

**LEGURU LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	127,339,228.96	
LICENCES, FINES, ROYALTIES, FEES ETC	4,093,800.00	2,268,800.00
EARNINGS & SALES	8,446,720.00	610,200.00
RENT OF GOVERNMENT PROPERTIES	1,628,300.00	1,489,200.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	6,847,200.00	7,658,999.00
OTHER REVENUE	976,000.00	1,331,189.31
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>148,079,048.96</b>	<b>13,358,388.31</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	127,339,228.96	
OVERHEADS	18,069,821.00	12,283,550.00
SUBVENTION TO PARASTATALS	403,500.00	725,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>145,812,549.96</b>	<b>13,008,550.00</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,266,499.00</b>	<b>349,838.31</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 1,793,882.00	
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 1,793,882.00</b>	<b>-</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>472,617.00</b>	<b>349,838.31</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>349,838.31</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>822,455.31</b>	<b>349,838.31</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF IFESOWAPO LOCAL COUNCIL  
DEVELOPMENT AREA, IMODI FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the account of Ifesowapo Local Council Development Area, Imodi for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with the Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	2,235,300.00
Statutory Allocation	83,304,512.40
Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>91,254,812.40</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	83,304,512.40
Overhead Expenses	8,021,215.17
Long Term Assets	<u>100,000.00</u>
<b>Total</b>	<b><u>91,425,727.57</u></b>

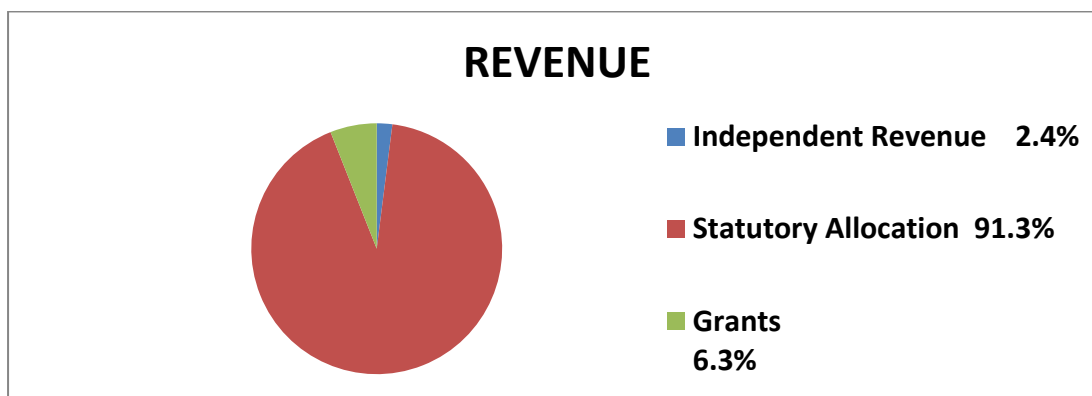
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦12,470,000.00, a sum of ₦2,235,300.00 only was actually generated internally representing 17.9% of the budget. This implied that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

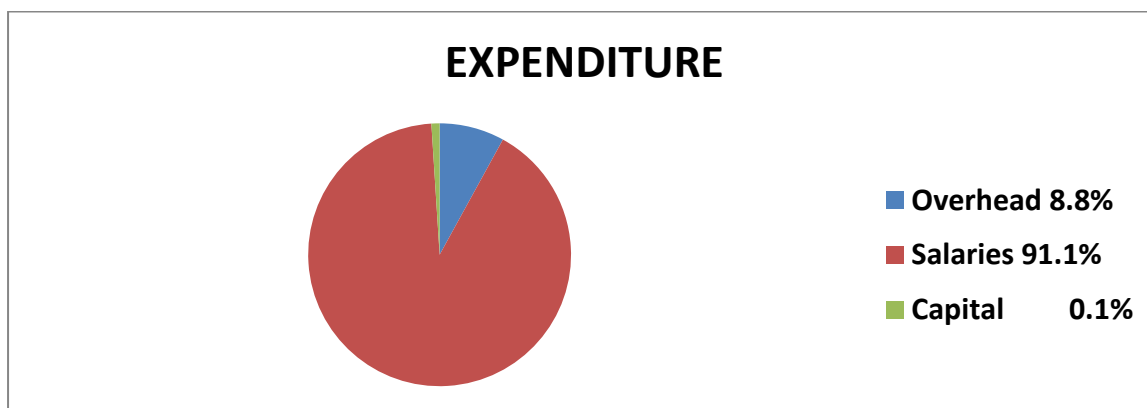
The Audit exercise revealed that out of the revenue of ₦91,254,812.40 realized by the Local Council Development Area during the year under review, a sum of ₦2,235,300.00 only was generated internally. This represented 2.4% of the total revenue while the sum of ₦83,304,512.40 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 91.3% and 6.3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

The expenditure profile of the Local Council Development Area revealed a total expenditure of ₦91,425,727.57. Out of this, a total sum of ₦8,021,215.17 was expended on overhead which represented 8.8% while ₦83,304,512.40 was expended on salaries and allowance which represented 91.1%. The sum of ₦100,000.00 was expended on long term assets which represented 0.1% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**IFESOWAPO LOCALCOUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL POSITION  
AS AT 31ST DECEMBER, 2018**

	2018	2017
	₦	₦
<b>CURRENT ASSET</b>		
CASH & CASH EQUIVALENTS	490,306.75	836,243.57
INVENTORIES	757,190.00	463,438.35
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,247,496.75</b>	<b>1,299,681.92</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	301,890.00	314,045.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>301,890.00</b>	<b>314,045.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>1,549,386.75</b>	<b>1,613,726.92</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	234397.75	227,822.75
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>234,397.75</b>	<b>227,822.75</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING	-	
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	
<b>TOTAL LIABILITY (F=D+E)</b>	<b>234,397.75</b>	<b>227,822.75</b>
<b>NET ASSETS (G= C-F)</b>	<b>1,314,989.00</b>	<b>1,385,904.17</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	1,314,989.00	1,385,904.17
<b>TOTAL NET ASSETS/EQUITY</b>	<b>1,314,989.00</b>	<b>1,385,904.17</b>

**IFESOWAPO LOCALCOUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	83,304,512.40	
NON TAX REVENUE:	1,571,100.00	661,100.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	664,200.00	598,900.00
<b>TOTAL REVENUE (A)</b>	<b>91,254,812.40</b>	<b>8,918,999.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	83,304,512.40	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	7,534,060.17	6,815,939.83
SUBVENTION TO PARASTALS	375,000.00	625,000.00
DEPRECIATION	112,155.00	92,155.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>91,325,727.57</b>	<b>7,533,094.83</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	- <b>70,915.17</b>	<b>1,385,904.17</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,385,904.17</b>
<b>Balance 31/12/2017</b>	<b>1,385,904.17</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	70,915.17
<b>Balance at 31 December 2018</b>	<b>1,314,989.00</b>



**IFESOWAPO LOCALCOUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
AS AT 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	83,304,512.40	
LICENCES, FINES, ROYALTIES, FEES ETC	872,100.00	498,200.00
EARNINGS & SALES	641,000.00	162,900.00
RENT OF GOVERNMENT PROPERTIES	58,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	664,200.00	598,900.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>91,254,812.40</b>	<b>8,918,999.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	83,304,512.40	
OVERHEADS	7,827,811.82	7,279,378.18
SUBVENTION TO PARASTATALS	375,000.00	625,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>91,507,324.22</b>	<b>7,904,378.18</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>- 252,511.82</b>	<b>1,014,620.82</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 100,000.00	- 406,200.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 100,000.00</b>	<b>- 406,200.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	6,575.00	227,822.75
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>6,575.00</b>	<b>227,822.75</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 345,936.82</b>	<b>836,243.57</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>836,243.57</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>490,306.75</b>	<b>836,243.57</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF OGUN- WATERSIDE LOCAL GOVERNMENT, ABIGI FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the account of Ogun-Waterside Local Government, Abigi for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purposes Financial Statement was prepared by the Management of the Local Government, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with the Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b><u>REVENUE</u></b>	<b>AMOUNT (₦)</b>
Independent Revenue	9,539,275.00
Statutory Allocation	221,003,090.45
Grants	<u>5,685,000.00</u>
<b>Total Fund Available</b>	<b><u>236,227,365.45</u></b>

<b><u>EXPENDITURE</u></b>	
Salaries & Allowances	221,003,090.45
Overhead Expenses	16,668,100.00
Long Term Assets	
<b>Total Amount Expended</b>	<b><u>237,671,190.45</u></b>

**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

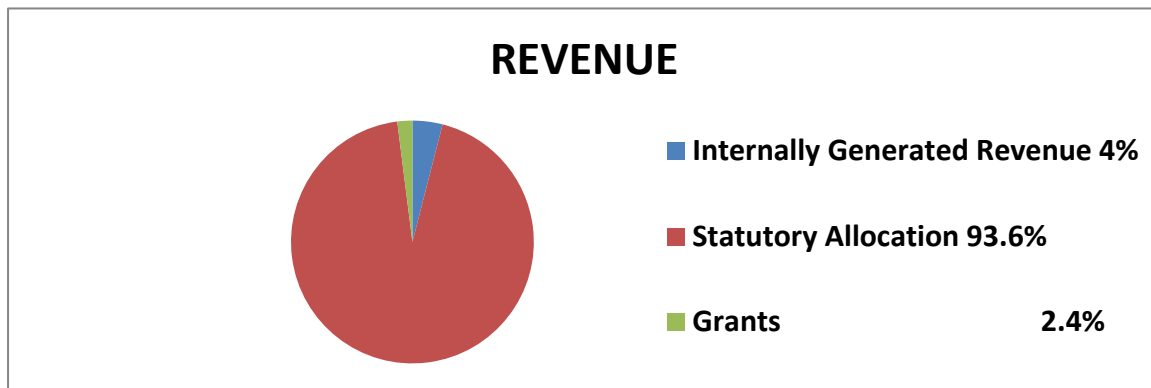
Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦20,823,653.00, a sum of ₦9,539,275.00 only was actually generated internally. This represented 45.8% of the estimated revenue for the year. This is an indication that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦236,227,365.45 realized by the Local Government during the year under review, a sum of ₦9,539,275.00 only was generated internally. This represented 4% of the total revenue while the total sum of ₦221,003,090.45 statutory allocation and ₦5,685,000.00 aids and grants received from the

State Joint Account Allocation Committee represented 93.6% and 2.4% respectively. The implication of this is that without Revenue Allocation from the Federation

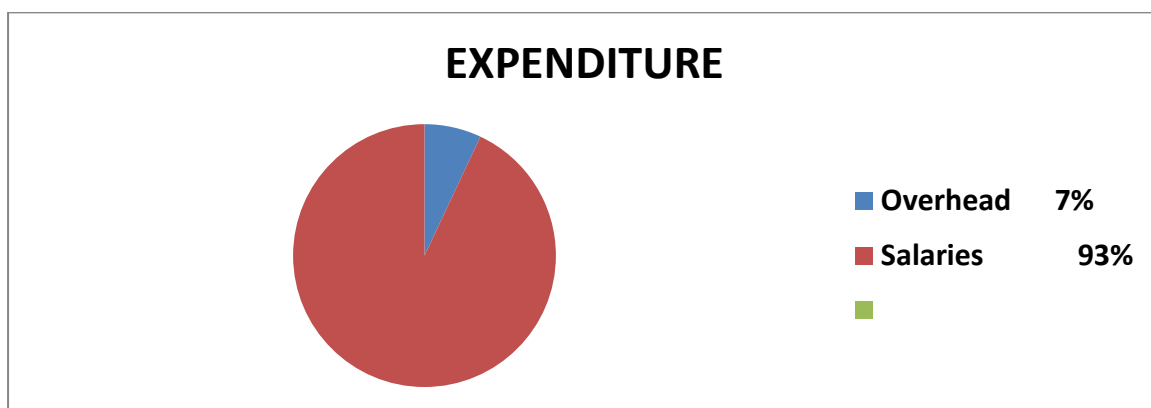
Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦237,671,190.45. Out of this, a sum of ₦16,668,100.00 was expended on overhead which represented 7% of the total expenditure for the year. Also, a sum of ₦221,003,090.45 was expended on salaries and allowances representing 93% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Government.



**(5) DEBT PROFILE**

The total debt profile of the Local Government as revealed by the Statement of Financial Position as at 31<sup>st</sup> December, 2018 was ₦116,690,393.80. The liabilities are highlighted below:

<b>ITEMS</b>	<b>AMOUNT(#)</b>
PENSION FUND	50,934,271.58
COOPERATIVE	2,218,050.00
PAYEE	52,710,595.58
OTHERS	<u>10,827,476.64</u>
<b>TOTAL</b>	<b><u>116,690,393.80</u></b>

It was observed that the amounts highlighted above had been deducted from various contracts, salaries and allowances of workers but not remitted to appropriate agencies. This is against extant rules and regulations.

**(6) REVIEW OF STATEMENT OF FINANCIAL POSITION:**

**(i) ADVANCE**

The sum of ₦5,231,043.83 highlighted in the Statement of Financial Position as the Advance was dormant during the year. Efforts should be intensified to recover the advances from the beneficiaries.

**(ii) INVESTMENTS**

The investment sum of ₦583,200.00 shown in the Statement of Financial Position as at December, 2018 could not be verified because share certificates or other evidence of beneficial ownership such as dividend were not produced for inspection.

**OGUN-WATERSIDE LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	- 26,700,704.67	- 26,452,395.67
INVENTORIES	2,487,200.00	2,487,200.00
RECEIVABLES		
ADVANCE	5,231,043.83	5,231,043.83
<b>TOTAL CURRENT ASSET (A)</b>	<b>- 18,982,460.84</b>	<b>- 18,734,151.84</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	2,200,000.00	3,050,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	583,200.00	583,200.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>2,783,200.00</b>	<b>3,633,200.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>- 16,199,260.84</b>	<b>- 15,100,951.84</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	110,720,659.54	110,720,659.54
ACCURED EXPENSES, PAYABLES	1,000,000.00	1,000,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>111,720,659.54</b>	<b>111,720,659.54</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING	4,969,734.26	4,624,218.26
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>4,969,734.26</b>	<b>4,624,218.26</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>116,690,393.80</b>	<b>116,344,877.80</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 132,889,654.64</b>	<b>- 131,445,829.64</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 132,889,654.64	- 131,445,829.64
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 132,889,654.64</b>	<b>- 131,445,829.64</b>

**OGUN-WATERSIDE LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	221,003,090.45	33,063,983.57
NONTX REVENUE:	9,539,275.00	7,098,140.51
INVESTMENT INCOME		
INTEST EANED		
AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER EVENUE		2,984,732.25
<b>TOTAL REVENUE (A)</b>	<b>236,227,365.45</b>	<b>351,146,856.33</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	67,740,761.27	331,034,948.47
NON- REGULAR ALLOWANCE	153,262,329.18	29,035.10
OVERHEAD COST	15,518,100.00	16,988,794.76
SUBVENTION TO PARASTALS	300,000.00	450,000.00
DEPRECIATION	850,000.00	850,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>237,671,190.45</b>	<b>349,352,778.33</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>- 1,443,825.00</b>	<b>1,794,078.00</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>- 133,239,907.64</b>
Prior Year Adjustment	
Adjusted Balance	1,794,078.00
<b>Surplus/ (deficit) for the year</b>	
<b>Balance 31/12/2017</b>	<b>- 131,445,829.64</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	- 1,443,825.00
<b>Balance at 31 December 2018</b>	<b>- 132,889,654.64</b>

**OGUN-WATERSIDE LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	221,003,090.45	333,063,983.57
LICENCES, FINES, ROYALTIES, FEES ETC	4,625,950.00	4,844,550.00
EARNINGS & SALES	1,213,325.00	2,248,590.51
RENT OF GOVERNMENT PROPERTIES	3,700,000.00	5,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE		2,984,732.25
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>236,227,365.45</b>	<b>351,146,856.33</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	221,003,090.45	331,063,983.57
OVERHEADS	15,518,100.00	16,988,794.76
SUBVENTION TO PARASTATALS	300,000.00	450,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>236,821,190.45</b>	<b>348,502,778.33</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>- 593,825.00</b>	<b>2,644,078.00</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS		- 1,500,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-</b>	<b>- 1,500,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	345,516.00	
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>345,516.00</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 248,309.00</b>	<b>1,144,078.00</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>- 26,452,395.67</b>	<b>- 27,596,473.67</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>- 26,700,704.67</b>	<b>- 26,452,395.67</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF OGUN WATERSIDE EAST LOCAL COUNCIL DEVELOPMENT AREA, EFIRE FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the account of Ogun Waterside East Local Council Development Area, Efire for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purposes Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	3,419,930.00
Statutory Allocation	120,223,397.67
Aids and Grants	<u>5,685,000.00</u>
<b>Total Fund Available</b>	<b><u>129,328,327.67</u></b>

<b>EXPENDITURE</b>	
Salaries & Allowances	120,223,397.67
Overhead Expenses	8,517,876.74
Long Term Assets	<u>757,000.00</u>
<b>Total Amount Expended</b>	<b><u>129,498,274.41</u></b>

**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

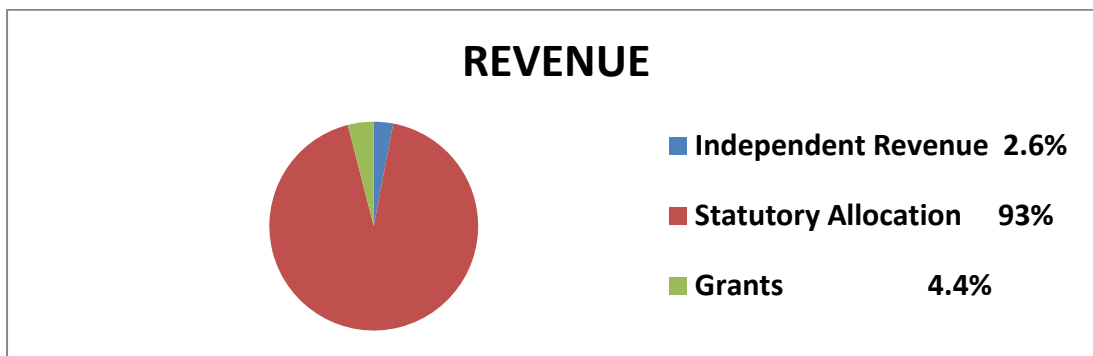
Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦15,065,070.00 for the year, a sum of ₦3,419,930.00 only was actually generated and this represented 22% of the approved estimate. This is an indication



that the Local Council did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which have not been identified and blocked.

**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

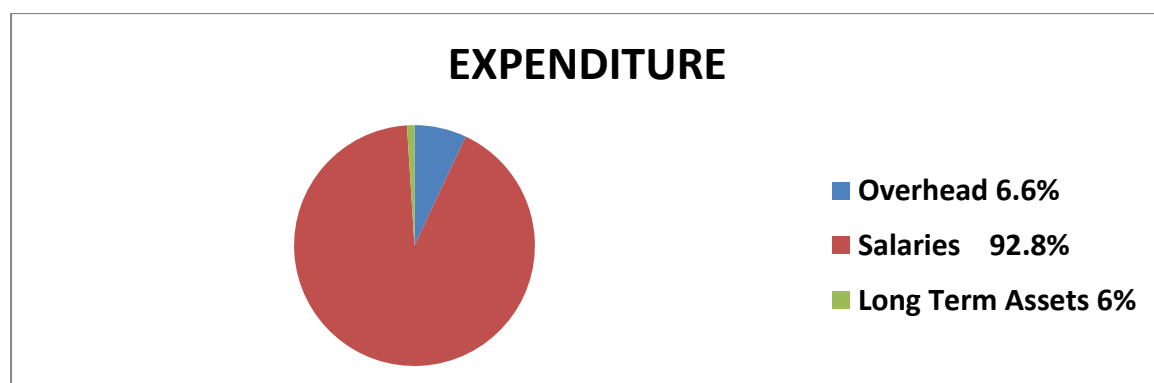
The Audit exercise revealed that out of the revenue of ₦129,328,327.67 realized by the Local Council Development Area during the year under review, a sum of ₦3,419,930.00 only was generated internally. This represented 2.6% of the total revenue while the sum of ₦120,223,397.67 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 93% and 4.4% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

Audit examination of the expenditure profile of the Local Council revealed a total expenditure ₦129,498,274.41, out of which a sum of ₦8,517,876.74 was expended on overhead which represented 6.6% of the total expenditure for the year and a sum of ₦120,223,397.67 was expended on salaries and allowance which represented 92.8% of the total expenditure for the year while ₦757,000.00 was expended on long term assets which represented 0.6% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**OGUN WATERSIDE EAST LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	- 95,711.10	624,576.64
INVENTORIES	764,431.00	116,640.00
RECEIVABLES	47,000.00	47,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>715,719.90</b>	<b>788,216.64</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	659,550.00	
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>659,550.00</b>	-
<b>TOTAL ASSET (C=A+B)</b>	<b>1,375,269.90</b>	<b>788,216.64</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	-	-
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		-
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	-	-
<b>NET ASSETS (G= C-F)</b>	<b>1,375,269.90</b>	<b>788,216.64</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	1,375,269.90	788,216.64
<b>TOTAL NET ASSETS/EQUITY</b>	<b>1,375,269.90</b>	<b>788,216.64</b>

**OGUN WATERSIDE EAST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	120,223,397.67	
NON TAX REVENUE:	3,319,930.00	1,266,480.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	100,000.00	4,000.00
<b>TOTAL REVENUE (A)</b>	<b>129,328,327.67</b>	<b>9,270,480.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	120,223,397.67	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	8,120,426.74	7,932,263.36
SUBVENTION TO PARASTALS	300,000.00	550,000.00
DEPRECIATION	97,450.00	
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>128,741,274.41</b>	<b>8,482,263.36</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>587,053.26</b>	<b>788,216.64</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>788,216.64</b>
<b>Balance 31/12/2017</b>	<b>788,216.64</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	587,053.26
<b>Balance at 31 December 2018</b>	<b>1,375,269.90</b>

**OGUN WATERSIDE EAST LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS		
CASH FLOWS FROM OPERATING ACTIVITIES	2018	2017
<u>INFLOWS</u>	₦	₦
STATUTORY ALLOCATION	120,223,397.67	8,000,000.00
LICENCES, FINES, ROYALTIES, FEES ETC	1,788,500.00	831,900.00
EARNINGS & SALES	666,430.00	387,580.00
RENT OF GOVERNMENT PROPERTIES	865,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	8,000,000.00
OTHER REVENUE	100,000.00	4,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>129,328,327.67</b>	<b>17,223,480.00</b>
<u>OUTFLOW</u>		
PERSONNEL EMOLUMENTS	120,223,397.67	
OVERHEADS	8,768,217.74	8,048,903.36
SUBVENTION TO PARASTATALS	300,000.00	550,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>129,291,615.41</b>	<b>8,598,903.36</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>36,712.26</b>	<b>8,624,576.64</b>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 757,000.00	
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 757,000.00</b>	<b>-</b>
<u>CASH FLOW FROM FINANCIAL ACTIVITIES</u>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 720,287.74</b>	<b>8,624,576.64</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>624,576.64</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>- 95,711.10</b>	<b>624,576.64</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF REMO NORTH LOCAL GOVERNMENT, ISARA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the account of Remo North Local Government, Isara for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Government, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	9,257,400.00
Statutory Allocation	151,380,496.63
Aid and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>166,352,896.63</u></b>

<b>EXPENDITURE</b>	
Salaries & Allowance	151,380,496.63
Overhead Expenses	13,586,776.99
Long Term Assets	<u>1,687,500.00</u>
<b>Total</b>	<b><u>166,654,773.62</u></b>

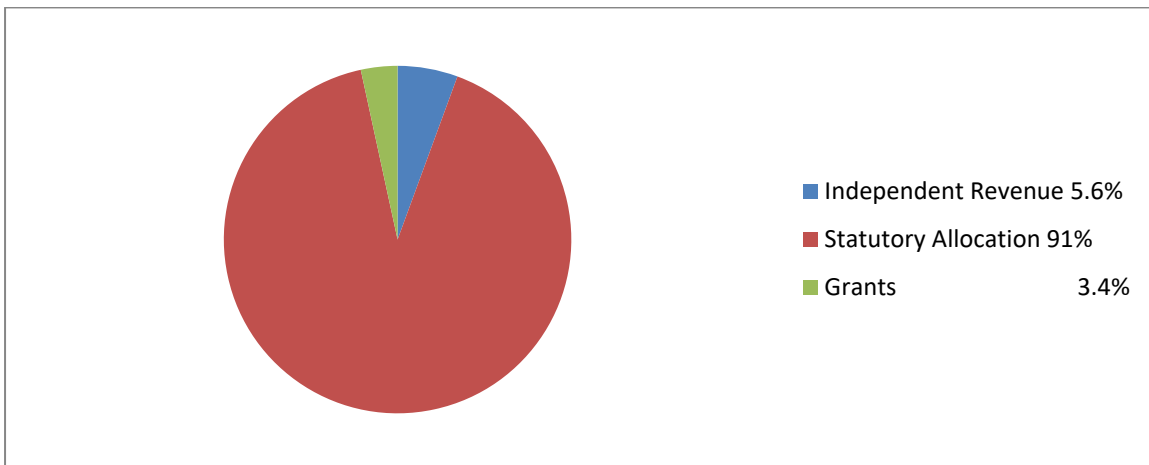
**(4) BUDGET PERFORMANCE:**

**(I) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦21,460,000.00, a sum of ₦9,257,400.00 only was actually generated internally representing 43.1%. This is an indication that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

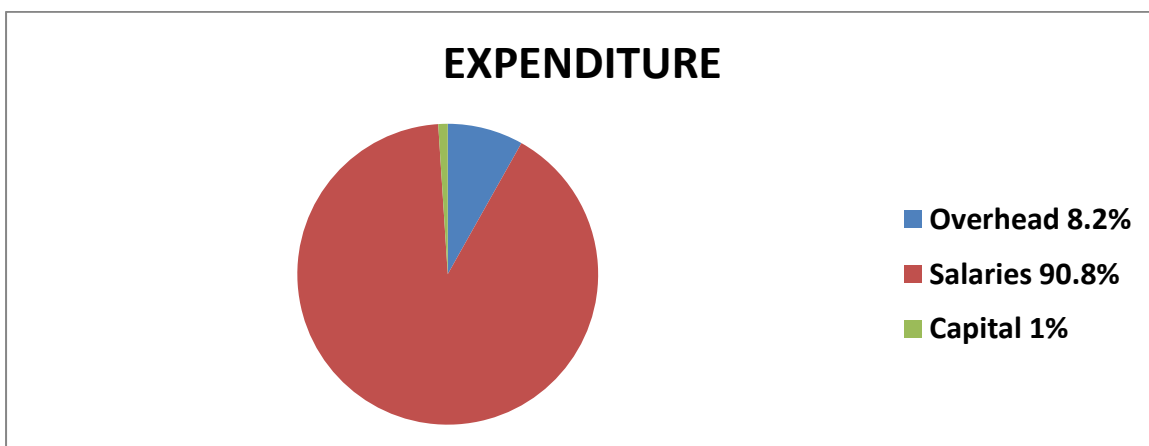
The Audit exercise revealed that out of the revenue of ₦166,352,896.63 realized by the Local Government during the year under review, a sum of ₦9,257,400.00 only was generated internally. This represented 5.6% of the total revenue while the sum of ₦151,380,496.63 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 91% and 3.4% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

Audit examination of the expenditure profile of the Local Government revealed a total expenditure of ₦166,654,773.62. Out of this, a sum of ₦13,586,776.99 was expended on overhead which represented 8.2% of the total expenditure for the year. Also, a sum of ₦151,380,496.63 was expended on salaries and allowances representing 90.8% of the total expenditure for the year and ₦1,687,500.00 was expended on long term assets and this represented 1% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Government.



**(5) DEBT PROFILE**

The total debt profile of the Local Government according to the Statement of Financial Position as at 31<sup>st</sup> December, 2018 was ₦82,576,708.91. The liabilities are highlighted bellow:

<b>S/NO</b>	<b>ITEMS</b>	<b>AMOUNT(₦)</b>
1	5% VAT	8,806,470.46
2	5% WITHOLDING TAX	16,374,199.49
3	5% DEVELOPMENT LEVY	19,269,582.65
4	Loan	4,916,082.43
5	Payables	3,237,000.00
	OTHERS	<u>29,973,373.88</u>
	<b>Total</b>	<b><u>82,576708.91</u></b>

It was observed that the amounts highlighted above had been deducted from various contracts, salaries and allowances of workers but not remitted to appropriate agencies, while others relates to balance of bank loan and liabilities to suppliers..

**(6) REVIEW OF STATEMENT OF FINANCIAL POSITION:**

**(i) ADVANCE**

The sum of ₦9,810,681.71 highlighted in the Statement of Financial Position as the advance was dormant during the year.

**(ii) INVESTMENTS**

The sum of ₦50,000,000.00 shown in the Statement of Financial Position represents the investment as at December, 2018 but this could not be verified because the Local Government could not produce fixed deposit certificate or other evidences to confirm its existence.

**REMO NORTH LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	2,915,547.31	3,522,407.30
INVENTORIES	2,266,313.00	1,205,800.00
RECEIVABLES	1,557,000.00	
ADVANCE	9,810,681.71	9,810,681.71
<b>TOTAL CURRENT ASSET (A)</b>	<b>16,549,542.02</b>	<b>14,538,889.01</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	7,716,500.00	4,629,000.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	50,000,000.00	50,000,000.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>57,716,500.00</b>	<b>54,629,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>74,266,042.02</b>	<b>69,167,889.01</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT	4,916,082.43	5,016,082.43
UNREMITTED DEDUCTIONS	74,423,626.48	74,423,626.48
ACCURED EXPENSES, PAYABLES	3,237,000.00	
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>82,576,708.91</b>	<b>79,439,708.91</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>82,576,708.91</b>	<b>79,439,708.91</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 8,310,666.89</b>	<b>- 10,271,819.90</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 8,310,666.89	- 10,271,819.90
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 8,310,666.89</b>	<b>- 10,271,819.90</b>



**REMO NORTH LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	151,380,496.63	221,366,178.83
NON TAX REVENUE:	9,212,400.00	12,390,523.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE	45,000.00	852,559.01
<b>TOTAL REVENUE (A)</b>	<b>166,352,896.63</b>	<b>242,609,260.84</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	85,298,361.45	138,950,902.66
NON- REGULAR ALLOWANCE	66,082,135.18	83,446,084.03
OVERHEAD COST	12,586,776.99	15,275,129.31
SUBVENTION TO PARASTALS	400,000.00	
DEPRECIATION	600,000.00	
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>164,967,273.62</b>	<b>237,672,116.00</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,385,623.01</b>	<b>4,937,144.84</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>- 16,414,764.74</b>
Prior Year Adjustment	1,205,800.00
Adjusted Balance	- 15,208,964.74
<b>Surplus/ (deficit) for the year</b>	<b>4,937,144.84</b>
<b>Balance 31/12/2017</b>	<b>- 10,271,819.90</b>
Prior Year Adjustment	575,530.00
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,385,623.01
<b>Balance at 31 December 2018</b>	<b>- 8,310,666.89</b>

**REMO NORTH LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	151,380,496.63	221,366,178.83
LICENCES, FINES, ROYALTIES, FEES ETC	6,515,350.00	9,060,580.00
EARNINGS & SALES	828,050.00	1,789,343.00
RENT OF GOVERNMENT PROPERTIES	312,000.00	1,540,600.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE	45,000.00	852,559.01
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>164,795,896.63</b>	<b>242,609,260.84</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	151,380,496.63	222,396,986.69
OVERHEADS	11,834,759.99	15,275,129.31
SUBVENTION TO PARASTATALS	400,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>163,615,256.62</b>	<b>237,672,116.00</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>1,180,640.01</b>	<b>4,937,144.84</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 1,687,500.00	- 3,329,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		39,000.00
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 1,687,500.00</b>	<b>- 3,290,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		490,091.58
PROCEEDS FROM DOMESTIC LOANS & OTHER	- 100,000.00	
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>- 100,000.00</b>	<b>- 490,091.58</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 606,859.99</b>	<b>2,137,236.42</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>3,522,407.30</b>	<b>2,365,354.04</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>2,915,547.31</b>	<b>3,522,407.30</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF REMO NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA, ODE-REMO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the account of Remo North East Local Council Development Area, Ode-Remo for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purposes Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	8,295,560.00
Statutory Allocation	90,249,159.30
Aids & Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>104,259,719.30</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	90,249,159.30
Overhead Expenses	12,809,373.82
Long Term Assets	<u>5,456,700.00</u>
<b>Total</b>	<b><u>108,515,233.12</u></b>

**(4) BUDGET PERFORMANCE:**

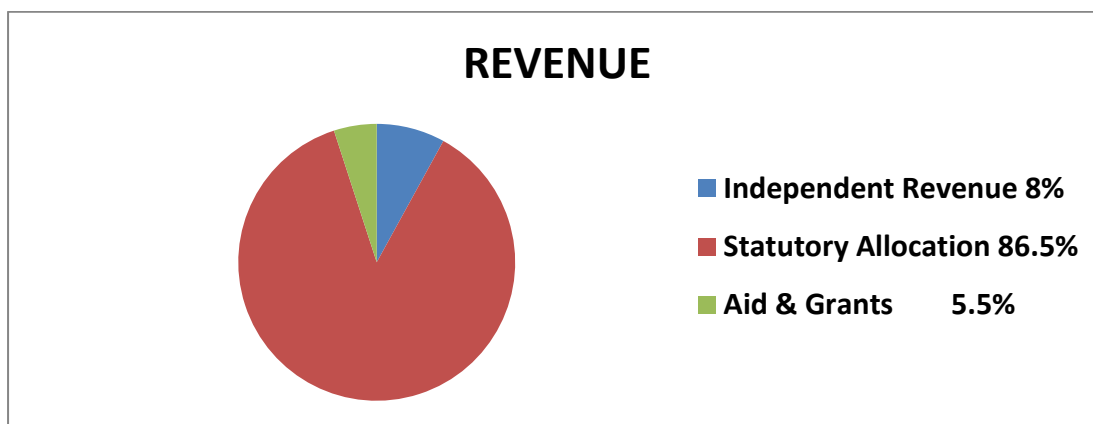
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦17,860,000.00 for the year, a sum of ₦8,295,560.00 only was actually generated. This represented 46.4% of the approved estimate. This is an indication that the Local Council Development Area did not harness its Internally Generated Revenue

(IGR) potentials maximally or there were leakages which have not been identified and blocked.

**(ii) PERCENTAGE OF INTERALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

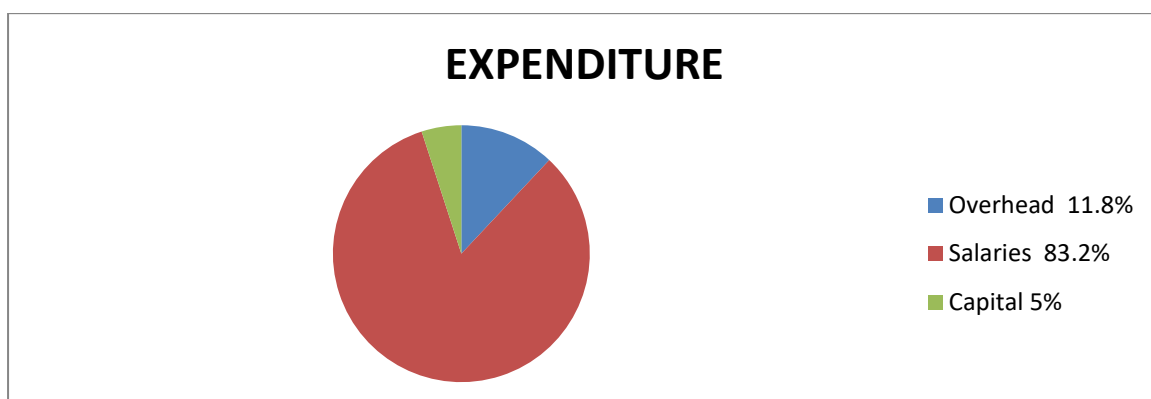
The Audit exercise revealed that out of the revenue of ₦104,259,719.30 realized by the Local Council Development Area during the year under review, a sum of ₦8,295,560.00 only was generated internally. This represented 8% of the total revenue while the sum of ₦90,249,159.30 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 86.5% and 5.5% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

Audit examination of the expenditure profile of the Local Council revealed a total expenditure of ₦108,515,233.12. Out of this, a sum of ₦12,809,373.82 was expended on overhead which represented 11.8% of the total expenditure for the year. Also, a sum of ₦90,249,159.30 was expended on Salaries and Allowances which represented 83.2% of the expenditure for the year, while ₦5,456,700.00 was expended on long term assets and this represented 5% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**REMO NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	618,946.40	1,644,451.80
INVENTORIES	1,195,627.25	783,885.67
RECEIVABLES	100,000.00	496,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,914,573.65</b>	<b>2,924,337.47</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	3,538,500.00	571,750.00
INVESTMENT PROPERTY	1,556,700.00	
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>5,095,200.00</b>	<b>571,750.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>7,009,773.65</b>	<b>3,496,087.47</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	2,837,500.00	525,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>2,837,500.00</b>	<b>525,000.00</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>2,837,500.00</b>	<b>525,000.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>4,172,273.65</b>	<b>2,971,087.47</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	4,172,273.65	2,971,087.47
<b>TOTAL NET ASSETS/EQUITY</b>	<b>4,172,273.65</b>	<b>2,971,087.47</b>

**REMO NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	2018	2017
	₦	₦
<b>REVENUE</b>		
STATUTORY ALLOCATION	90,249,159.30	
NON TAX REVENUE:	8,125,860.00	4,249,930.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	169,700.00	240,500.00
<b>TOTAL REVENUE (A)</b>	<b>104,259,719.30</b>	<b>12,149,429.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	90,249,159.30	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	11,426,123.82	9,688,491.53
SUBVENTION TO PARASTALS	450,000.00	
DEPRECIATION	933,250.00	153,250.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>103,058,533.12</b>	<b>9,841,741.53</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>1,201,186.18</b>	<b>2,307,687.47</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	663,400.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>2,307,687.47</b>
<b>Balance 31/12/2017</b>	<b>2,971,087.47</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	1,201,186.18
<b>Balance at 31 December 2018</b>	<b>4,172,273.65</b>

**REMO NORTH EAST LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	90,249,159.30	
LICENCES, FINES, ROYALTIES, FEES ETC	7,176,310.00	2,979,050.00
EARNINGS & SALES	1,345,550.00	604,880.00
RENT OF GOVERNMENT PROPERTIES		170,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	169,700.00	240,500.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>104,655,719.30</b>	<b>11,653,429.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	90,249,159.30	
OVERHEADS	11,425,365.40	9,283,977.20
SUBVENTION TO PARASTATALS	450,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>102,124,524.70</b>	<b>9,283,977.20</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,531,194.60</b>	<b>2,369,451.80</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 3,556,700.00	- 725,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 3,556,700.00</b>	<b>- 725,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 1,025,505.40</b>	<b>1,644,451.80</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>1,644,451.80</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>618,946.40</b>	<b>1,644,451.80</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF SAGAMU LOCAL GOVERNMENT, SAGAMU FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the account of Sagamu Local Government, Sagamu for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Government, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with the Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	32,723,015.00
Statutory Allocation	211,900,160.44
Aids and Grants	<u>5,595,000.00</u>
<b>Total</b>	<b><u>250,218,175.44</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowance	211,900,160.44
Overhead Expenses	44,485,984.37
Long Term Assets	<u>3,700,000.00</u>
<b>Total</b>	<b><u>260,086,144.81</u></b>

**(4) BUDGET PERFORMANCE:**

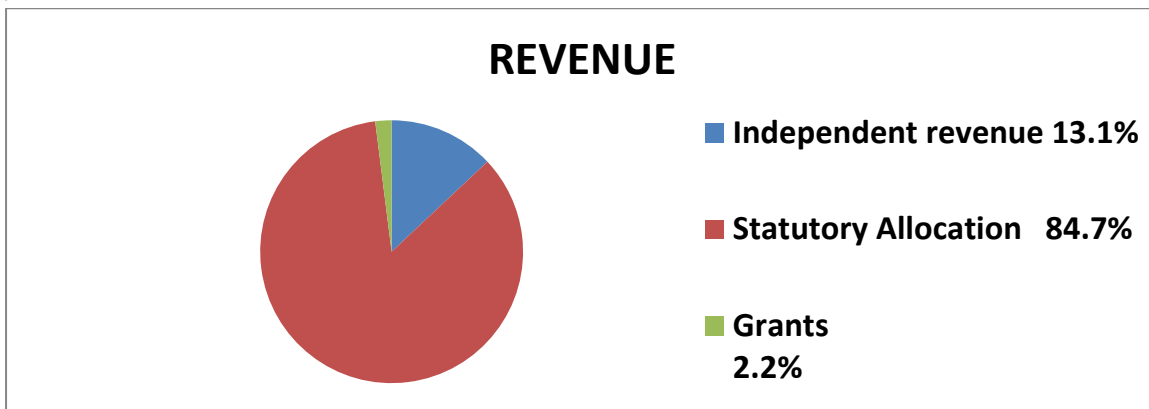
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦46,865,000.00, a sum of ₦32,723,015.00 only was actually generated internally representing 69.8%. This is an indication that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which have not been identified and blocked.



(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

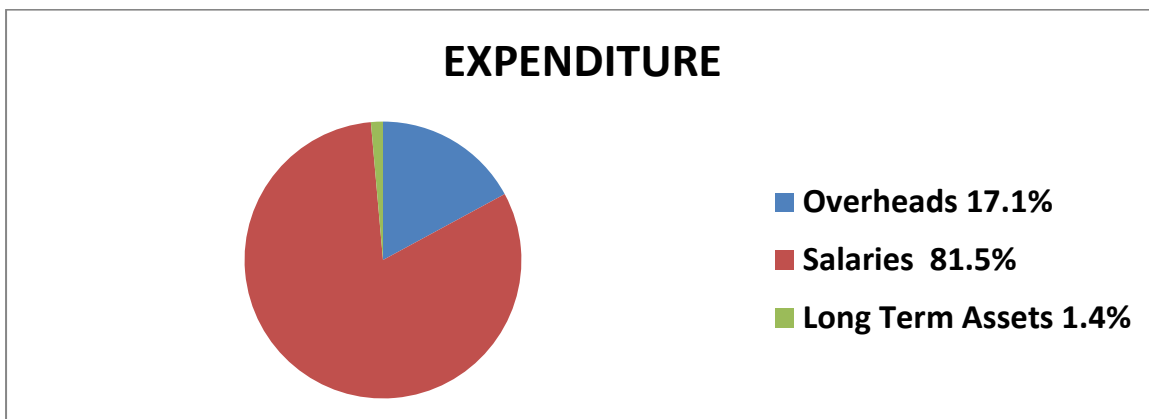
The Audit exercise revealed that out of the revenue of ₦250,218,175.44 realized by the Local Government during the year under review, a sum of ₦32,723,015 only was generated internally. This represented 13.1% of the total revenue while the total sum of ₦211,900,160.44 statutory allocation and ₦5,595,000.00 aids and grants received from the State Joint Account Allocation Committee represented 84.7% and 2.2% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦260,086,144.81. Out of this, a sum of ₦44,485,984.37 was expended on overhead which represented 17.1% of the total expenditure for the year. Also, a sum of ₦211,900,160.44 was expended on salaries and allowances representing 81.5% of the total expenditure for the year while ₦3,700,000.00 was expended on long term assets and this represented 1.4% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Government.



**(5) DEBT PROFILE**

The total debt profile of the Local Government according to the Statement of Financial Position as at 31<sup>st</sup> December, 2018 was ₦139,164,393.63. The liabilities are highlighted bellow:

<b>S/NO</b>	<b>ITEMS</b>	<b>AMOUNT (₦)</b>
1	5% VAT	15,928,357.26
2	5% WITHOLDING TAX	870,775.00
3	5% DEVELOPMENT LEVY	1,868,642.15
4	7.5% PENSION FUND	65,846,417.31
5	Loan	1,367,377.71
6	Payables	8,060,429.00
5	OTHERS	<u>45,222,395.20</u>
	<b>Total</b>	<b><u>139,164,393.63</u></b>

It was observed that the amounts highlighted above had been deducted from various contracts, salaries and allowances of workers but not remitted to appropriate agencies. This is against the extant rules and regulations.

**(6) ADVANCE**

The sum of ₦9,467,754.94 highlighted in the Statement of Financial Position as the Advance was dormant during the year.

**SAGAMU LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	2,423,588.24	3,470,928.61
INVENTORIES	1,028,700.00	1,171,800.00
RECEIVABLES	2,750,000.00	2,750,000.00
ADVANCE	9,476,754.94	9,572,754.94
<b>TOTAL CURRENT ASSET (A)</b>	<b>15,679,043.18</b>	<b>16,965,483.55</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	4,625,800.00	2,066,900.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	550,000.00	550,000.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>5,175,800.00</b>	<b>2,616,900.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>20,854,843.18</b>	<b>19,582,383.55</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT	1,367,377.71	1,367,377.71
UNREMITTED DEDUCTIONS	129,736,586.92	129,736,586.92
ACCURED EXPENSES, PAYABLES	8,060,429.00	760,000.00
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>139,164,393.63</b>	<b>131,863,964.63</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING BOROWING)	6,583,613.29	6,583,613.29
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>6,583,613.29</b>	<b>6,583,613.29</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>145,748,006.92</b>	<b>138,447,577.92</b>
<b>NET ASSETS (G= C-F)</b>	<b>124,893,163.74</b>	<b>118,865,194.37</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 124,893,163.74	- 118,865,194.37
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 124,893,163.74</b>	<b>- 118,865,194.37</b>

**SAGAMU LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	211,900,160.44	452,234,973.79
NON TAX REVENUE:	32,723,015.00	48,079,738.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,595,000.00	8,000,000.00
OTHER REVENUE		131,000.00
<b>TOTAL REVENUE (A)</b>	<b>250,218,175.44</b>	<b>508,445,711.79</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	165,561,071.80	351,231,385.00
NON- REGULAR ALLOWANCE	46,339,088.64	97,507,488.79
OVERHEAD COST	42,704,884.37	53,105,401.09
SUBVENTION TO PARASTALS	500,000.00	1,219,976.32
DEPRECIATION	1,298,600.00	538,600.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>256,403,644.81</b>	<b>503,602,851.20</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	-	<b>4,842,860.59</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	- <b>123,708,054.96</b>
Prior Year Adjustment	
Adjusted Balance	- <b>123,708,054.96</b>
<b>Surplus/ (deficit) for the year</b>	<b>4,842,860.59</b>
<b>Balance 31/12/2017</b>	- <b>118,865,194.37</b>
Prior Year Adjustment	157,500.00
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	- 6,185,469.37
<b>Balance at 31 December 2018</b>	- <b>124,893,163.74</b>

**SAGAMU LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	211,900,160.44	452,234,973.79
LICENCES, FINES, ROYALTIES, FEES ETC	26,858,220.00	38,081,950.00
EARNINGS & SALES	5,060,195.00	6,125,788.00
RENT OF GOVERNMENT PROPERTIES	804,600.00	1,122,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,595,000.00	8,000,000.00
OTHER REVENUE		131,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>250,218,175.44</b>	<b>505,695,711.79</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	211,900,160.44	448,738,873.79
OVERHEADS	35,261,355.37	53,517,201.09
SUBVENTION TO PARASTATALS	500,000.00	1,219,976.32
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>247,661,515.81</b>	<b>503,476,051.20</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,556,659.63</b>	<b>2,219,660.59</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 3,700,000.00	- 2,343,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	96,000.00	278,906.34
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 3,604,000.00</b>	<b>- 2,064,093.66</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		- 2,022,501.86
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>- 2,022,501.86</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 1,047,340.37</b>	<b>- 1,866,934.93</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>3,470,928.61</b>	<b>5,337,863.54</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>2,423,588.24</b>	<b>3,470,928.61</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF SAGAMU WEST LOCAL COUNCIL DEVELOPMENT AREA, MAKUN FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the account of Sagamu West Local Council Development Area, Makun for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	16,975,980.00
Statutory Allocation	123,822,947.65
Aids and Grants	<u>5,685,000.00</u>
<b>Total</b>	<b><u>146,483,927.65</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	123,822,947.65
Overhead Expenses	21,953,765.00
Long Term Assets	<u>150,000.00</u>
<b>Total</b>	<b><u>145,926,712.65</u></b>

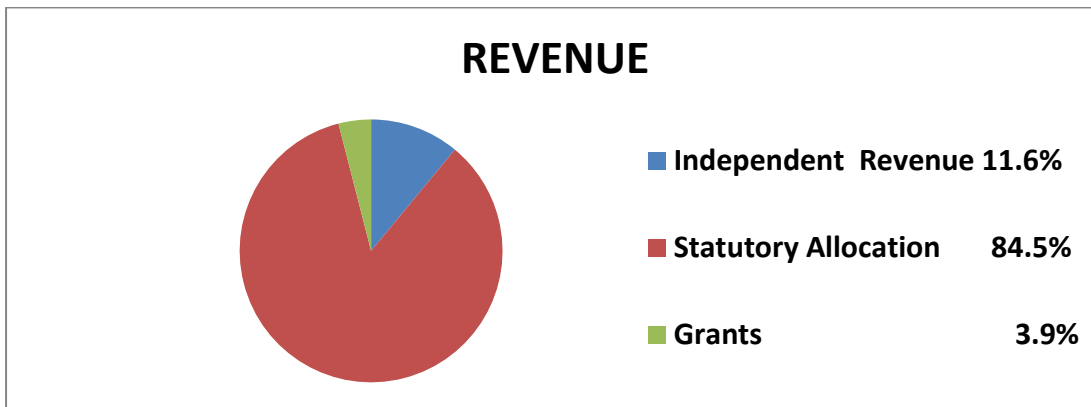
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦43,565,400.00 a sum of ₦16,975,980.00 only was actually generated internally representing 39% of the budget. This implied that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

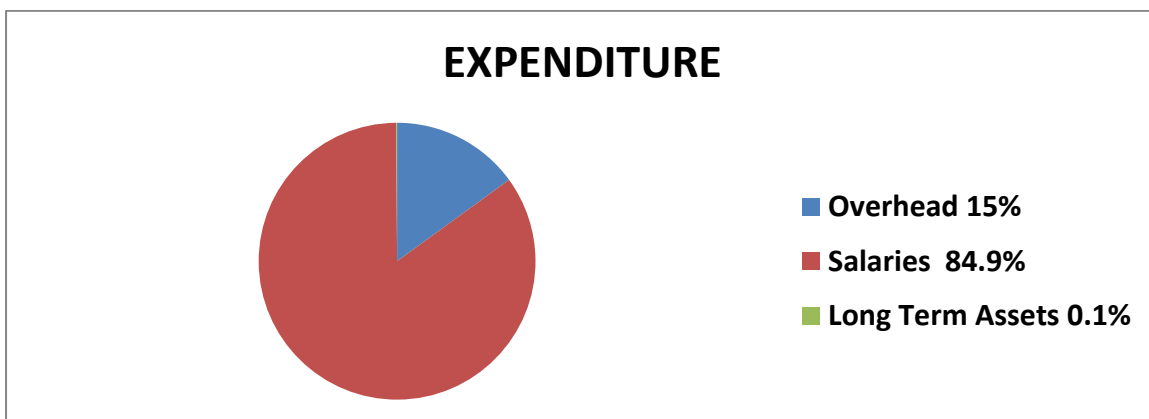
The Audit exercise revealed that out of the revenue of ₦146,483,927.65 realized by the Local Council Development Area during the year under review, a sum of ₦16,975,980.00 only was generated internally. This represented 11.6% of the total revenue while the sum of ₦123,822,947.65 statutory allocation and ₦5,685,000.00 aids and grants received from the State Joint Account Allocation Committee represented 84.5% and 3.9% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦145,926,712.65. Out of this, a sum of ₦21,953,765.00 was expended on overhead representing 15% of the expenditure for the year. Also, a sum ₦123,822,947.65 was expended on salaries and allowances which represented 84.9% of the total expenditure for the year, while ₦150,000.00 was expended on long term assets which represented 0.1%

This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**SAGAMU WEST LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	- 475,370.69	- 158,290.69
INVENTORIES	3,288,885.00	3,019,200.00
RECEIVABLES	600,000.00	290,000.00
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,413,514.31</b>	<b>3,150,909.31</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	2,385,000.00	3,047,500.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>2,385,000.00</b>	<b>3,047,500.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>5,798,514.31</b>	<b>6,198,409.31</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		- 197,510.00
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	1,072,727.32	2,384,977.32
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>1,072,727.32</b>	<b>2,187,467.32</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING	7,630.00	
BOROWING	-	
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>7,630.00</b>	
<b>TOTAL LIABILITY (F=D+E)</b>	<b>1,080,357.32</b>	<b>2,187,467.32</b>
<b>NET ASSETS (G= C-F)</b>	<b>4,718,156.99</b>	<b>4,010,941.99</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	4,718,156.99	4,010,941.99
<b>TOTAL NET ASSETS/EQUITY</b>	<b>4,718,156.99</b>	<b>4,010,941.99</b>



**SAGAMU WEST LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	123,822,947.62	
NON TAX REVENUE:	16,975,980.00	15,854,068.24
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>146,483,927.62</b>	<b>23,513,067.24</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	123,822,947.62	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	20,691,265.00	18,119,625.25
SUBVENTION TO PARASTALS	450,000.00	600,000.00
DEPRECIATION	812,500.00	782,500.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>145,776,712.62</b>	<b>19,502,125.25</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>707,215.00</b>	<b>4,010,941.99</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>4,010,941.99</b>
<b>Balance 31/12/2017</b>	<b>4,010,941.99</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	707,215.00
<b>Balance at 31 December 2018</b>	<b>4,718,156.99</b>

**SAGAMU WEST LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	123,822,947.62	
LICENCES, FINES, ROYALTIES, FEES ETC	11,331,900.00	4,522,670.00
EARNINGS & SALES	4,853,280.00	2,725,398.24
RENT OF GOVERNMENT PROPERTIES	480,800.00	8,316,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,685,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>146,173,927.62</b>	<b>23,223,067.24</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	123,822,947.62	
OVERHEADS	22,273,200.00	19,353,847.93
SUBVENTION TO PARASTATALS	450,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>146,546,147.62</b>	<b>19,353,847.93</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>- 372,220.00</b>	<b>3,869,219.31</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 150,000.00	- 3,830,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 150,000.00</b>	<b>- 3,830,000.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	205,140.00	- 197,510.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>205,140.00</b>	<b>- 197,510.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 317,080.00</b>	<b>- 158,290.69</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>- 158,290.69</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>- 475,370.69</b>	<b>- 158,290.69</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF SAGAMU SOUTH LOCAL COUNCIL  
DEVELOPMENT AREA, OGIJO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Sagamu South Local Council Development Area, Ogijo for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	7,952,612.31
Statutory Allocation	107,645,669.27
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>121,313,281.58</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	107,645,669.27
Overhead Expenses	13,591,610.17
Long Term Assets	<u>1,100,000.00</u>
<b>Total</b>	<b><u>122,337,279.44</u></b>

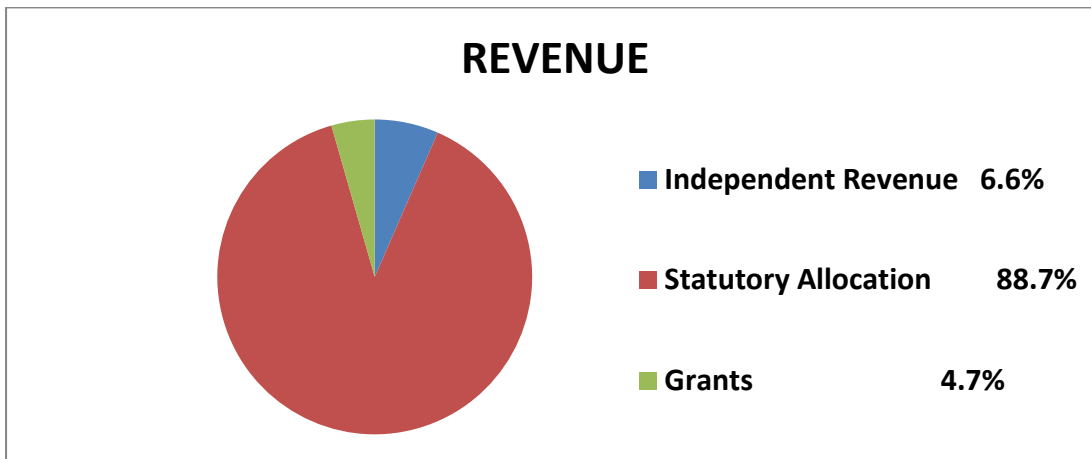
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦58,900,000.00, a sum of ₦7,952,612.31 only was actually generated. This represented 13.5% of the approved estimate. This is an indication that the Local Council did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.

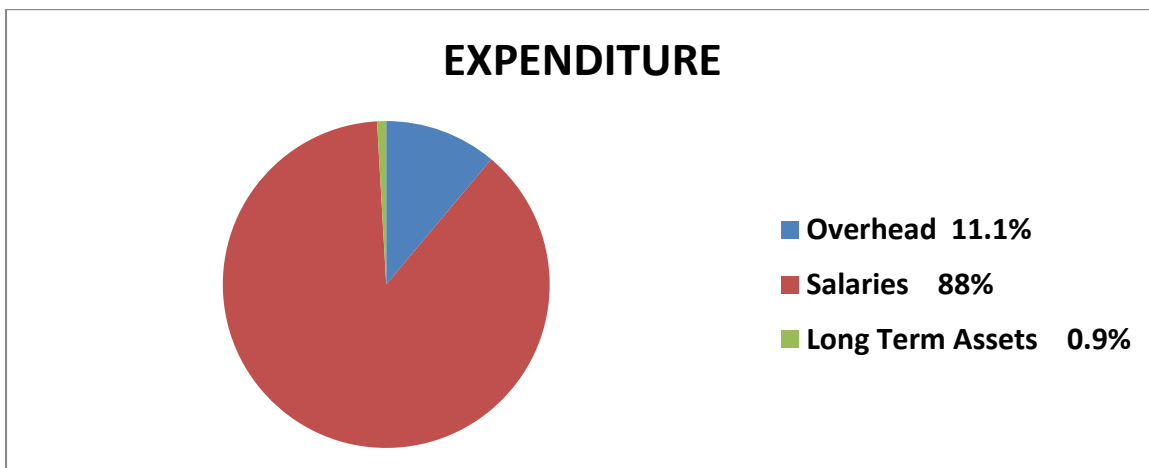
(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

The Audit exercise revealed that out of the revenue of ₦121,313,281.58 realized by the Local Council Development Area during the year under review, a sum of ₦7,952,612.31 only was generated internally. This represented 6.6% of the total revenue while the sum of ₦107,645,669.27 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 88.7% and 4.7% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Council revealed a total expenditure of ₦122,337,279.44. Out of this, a total sum of ₦13,591,610.17 was expended on overhead representing 11.1% of the expenditure for the year. The sum of ₦107,645,667.27 was expended on salaries and allowances which represented 88% of the total expenditure for the year while ₦1,100,000.00 was expended on long term assets which represented 0.9% of the total expenditure for the year. This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**SAGAMU SOUTH LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	282,885.86	111,145.72
INVENTORIES	625,277.00	299,050.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>908,162.86</b>	<b>410,195.72</b>
<b><u>NON CURRENT ASSET</u></b>		
PROPERTY PLANT & EQUIPMENT	2,176,690.00	1,468,920.00
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>2,176,690.00</b>	<b>1,468,920.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>3,084,852.86</b>	<b>1,879,115.72</b>
<b><u>CURRENT LIABILITY</u></b>		
DEPOSIT	213,150.00	213,150.00
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES	400,000.00	
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>613,150.00</b>	<b>213,150.00</b>
<b><u>NON CURRENT LIABILITY</u></b>		
PUBLIC FUND (DRUG REVOLVING BORROWING)	729,735.00	
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>729,735.00</b>	
<b>TOTAL LIABILITY (F=D+E)</b>	<b>1,342,885.00</b>	<b>213,150.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>1,741,967.86</b>	<b>1,665,965.72</b>
<b><u>NET ASSETS/EQUITY</u></b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	1,741,967.86	1,665,965.72
<b>TOTAL NET ASSETS/EQUITY</b>	<b>1,741,967.86</b>	<b>1,665,965.72</b>

**SAGAMU SOUTH LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	107,645,669.27	
NON TAX REVENUE:	6,914,810.00	2,501,480.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	1,037,802.31	300,000.00
<b>TOTAL REVENUE (A)</b>	<b>121,313,281.58</b>	<b>10,460,479.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	107,645,669.27	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	12,845,630.17	8,726,333.28
SUBVENTION TO PARASTALS	353,750.00	
DEPRECIATION	392,230.00	367,230.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>121,237,279.44</b>	<b>9,093,563.28</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>76,002.14</b>	<b>1,366,915.72</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	299,050.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>1,366,915.72</b>
<b>Balance 31/12/2017</b>	<b>1,665,965.72</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	76,002.14
<b>Balance at 31 December 2018</b>	<b>1,741,967.86</b>

**SAGAMU SOUTH LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	107,645,669.27	
LICENCES, FINES, ROYALTIES, FEES ETC	5,709,550.00	1,316,400.00
EARNINGS & SALES	1,180,260.00	1,185,080.00
RENT OF GOVERNMENT PROPERTIES	25,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL	92.31	
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	1,037,710.00	300,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>121,313,281.58</b>	<b>10,460,479.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	107,645,669.27	
OVERHEADS	12,699,132.17	
SUBVENTION TO PARASTATALS	353,750.00	8,726,333.28
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>120,698,551.44</b>	<b>8,726,333.28</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>614,730.14</b>	<b>1,734,145.72</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 1,100,000.00	- 1,836,150.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 1,100,000.00</b>	<b>- 1,836,150.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	657,010.00	213,150.00
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>657,010.00</b>	<b>213,150.00</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>171,740.14</b>	<b>111,145.72</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>111,145.72</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>282,885.86</b>	<b>111,145.72</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF YEWA NORTH LOCAL GOVERNMENT, AYETORO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Yewa North Local Government, Ayetoro for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Government, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the activities of the Local Government for the period under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	13,101,620.25
Statutory Allocation	139,506,045.48
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>158,322,655.73</u></b>

<b>EXPENDITURE</b>	
Salaries & Allowances	139,506,045.48
Overhead Expenses	20,146,582.56
Long Term Assets	<u>NIL</u>
<b>Total</b>	<b><u>159,652,628.04</u></b>

**(4) BUDGET PERFORMANCE:**

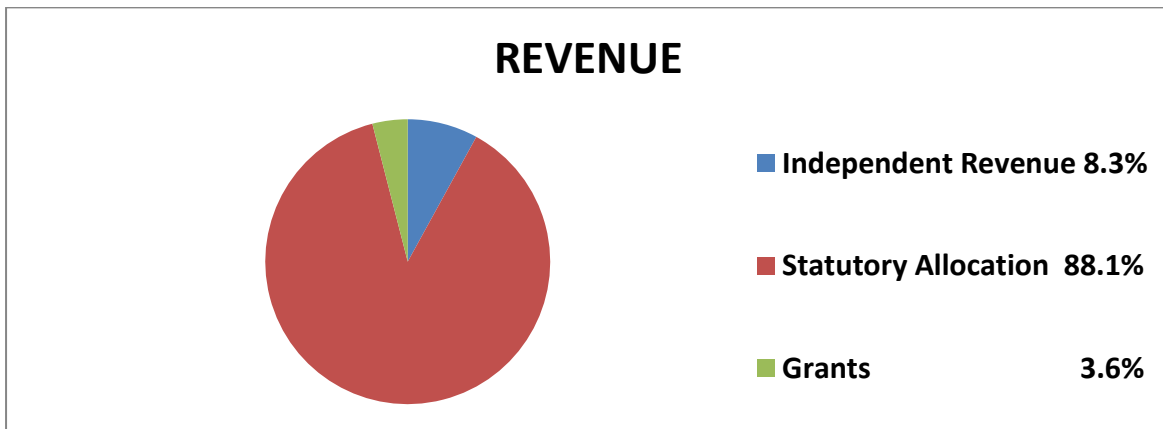
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦24,150,000.00, a sum of ₦13,101,620.25 only was actually generated internally representing 54.3% of the budget. This is an indication that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.



(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

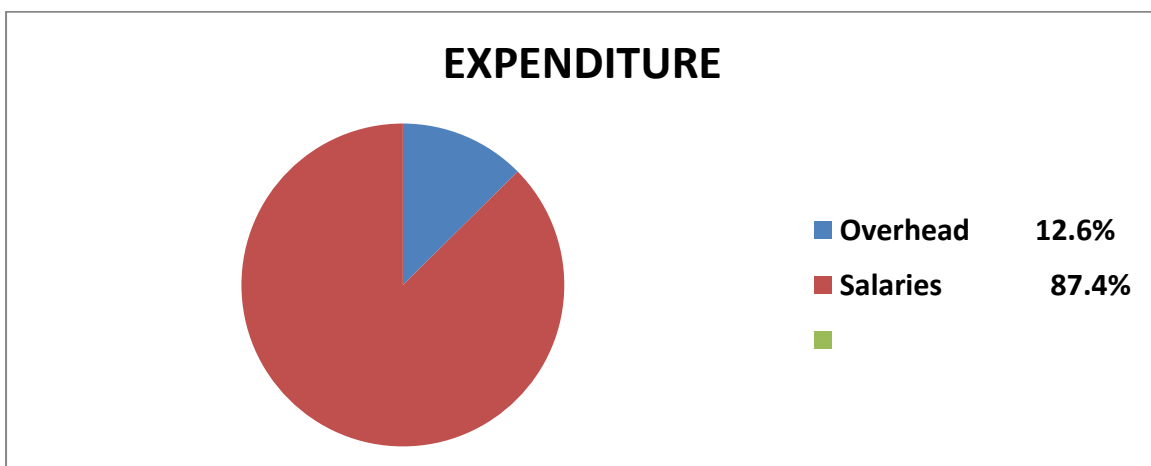
The Audit exercise revealed that out of the revenue of ₦158,322,665.73 realized by the Local Government during the year under review, a sum of ₦13,101,620.25 only was generated internally. This represented 8.3% of the total revenue while the sum of ₦139,506,045.48 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 88.1% and 3.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦159,652,628.04. Out of this, a sum of ₦20,146,582.56 was expended on overhead which represented 12.6% of the total expenditure for the year. Also, a sum of ₦139,506,405.48 was expended on salaries and allowances representing 87.4% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Government.



**(5) DEBT PROFILE**

The total debt profile of the Local Government according to the Statement of Financial Position as at 31<sup>st</sup> December, 2018 was ₦189,151,416.08. The liabilities are highlighted below:

<b>ITEMS</b>	<b>AMOUNT (₦)</b>
5K TAX	4,027,261.45
5% WHT	1,159,576.22
VAT	5,301,052.36
5% DEVELOPMENT FUND	4,165,786.19
PENSION	65,857,415.39
OTHERS	<u>108,640,324.47</u>
<b>TOTAL</b>	<b><u>189,151,416.08</u></b>

It was observed that the amounts highlighted above represented Pension fund and other deductions made from various contracts, salaries and allowances of workers but not remitted to appropriate agencies. This is against the extant rules and regulations.

The Local Government is advised to always remit deductions to appropriate agencies of government as at when due.

**(6) REVIEW OF STATEMENT OF FINANCIAL POSITION**

**(i) ADVANCE**

The sum of ₦1,163,041.73 highlighted in the Statement of Financial Position as the Advance was dormant during the year.

**(ii) INVESTMENTS**

The investment sum of ₦1,732,457.00 shown in the Statement of Financial Position as at December, 2018 could not be verified because the share certificate was not produced on demand for audit scrutiny, also evidence of beneficial ownership such as dividends were not seen.

**YEWA NORTH LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	<b>₦</b>	<b>₦</b>
CASH & CASH EQUIVALENTS	- 30,396,127.54	- 29,699,270.37
INVENTORIES	2,491,717.26	1,625,220.00
RECEIVABLES	267,400.00	127,000.00
ADVANCE	1,163,041.73	1,163,041.73
<b>TOTAL CURRENT ASSET (A)</b>	<b>- 26,473,968.55</b>	<b>- 26,784,008.64</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	3,482,112.80	4,413,115.20
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT	1,732,457.00	1,732,457.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>5,214,569.80</b>	<b>6,145,572.20</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>- 21,259,398.75</b>	<b>- 20,638,436.44</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS	188,532,416.08	188,502,416.08
ACCURED EXPENSES, PAYABLES	679,000.00	
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>189,211,416.08</b>	<b>188,502,416.08</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING	5,134,335.36	5,134,335.36
BOROWING	-	
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>5,134,335.36</b>	<b>5,134,335.36</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>194,345,751.44</b>	<b>193,636,751.44</b>
<b>NET ASSETS (G= C-F)</b>	<b>- 215,605,150.19</b>	<b>- 214,275,187.88</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
<b>ACCUMULATED SURPLUS/ DEFICIT</b>	<b>- 215,605,150.19</b>	<b>- 214,275,187.88</b>
<b>TOTAL NET ASSETS/EQUITY</b>	<b>- 215,605,150.19</b>	<b>- 214,275,187.88</b>

**YEWA NORTH LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	139,506,045.48	419,119,182.94
NON TAX REVENUE:	12,547,900.00	16,615,245.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE	553,720.25	
<b>TOTAL REVENUE (A)</b>	<b>158,322,665.73</b>	<b>443,734,427.94</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	108,438,422.36	376,363,401.93
NON- REGULAR ALLOWANCE	31,067,623.12	42,767,781.01
OVERHEAD COST	18,765,580.16	24,106,150.42
SUBVENTION TO PARASTALS	450,000.00	
DEPRECIATION	931,002.40	931,002.40
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>159,652,628.04</b>	<b>444,168,335.76</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>- 1,329,962.31</b>	<b>- 433,907.82</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>- 214,606,322.06</b>
Prior Year Adjustment	765,042.00
Adjusted Balance	-213,841,280.06
<b>Surplus/ (deficit) for the year</b>	<b>-433,907.82</b>
<b>Balance 31/12/2017</b>	<b>- 214,275,187.88</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	- 1,329,962.31
<b>Balance at 31 December 2018</b>	<b>- 215,605,150.19</b>

**YEWA NORTH LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	139,506,045.48	419,119,182.94
LICENCES, FINES, ROYALTIES, FEES ETC	9,020,600.00	11,332,970.00
EARNINGS & SALES	1,951,900.00	3,841,775.00
RENT OF GOVERNMENT PROPERTIES	1,435,000.00	1,093,500.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		20,000.00
DOMESTIC AIDS & GRANTS	5,715,000.00	8,000,000.00
OTHER REVENUE	553,720.25	200,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>158,182,265.73</b>	<b>443,607,427.94</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	138,827,045.48	419,131,182.94
OVERHEADS	18,274,114.80	24,966,328.42
SUBVENTION TO PARASTATALS	450,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>158,909,122.90</b>	<b>444,097,511.36</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>- 726,857.17</b>	<b>- 490,083.42</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS		- 140,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-</b>	<b>- 140,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	30,000.00	
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>30,000.00</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 696,857.17</b>	<b>- 630,083.42</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>- 29,699,270.37</b>	<b>- 29,069,186.95</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>- 30,396,127.54</b>	<b>- 29,699,270.37</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL  
GOVERNMENTS ON THE ACCOUNTS OF IJU LOCAL COUNCIL  
DEVELOPMENT AREA, IBORO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER,  
2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Iju Local Council Development Area, Ibora for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	12,020,560.00
Statutory Allocation	112,105,663.82
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>129,841,223.82</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	112,105,663.82
Overhead Expenses	11,152,344.50
Long Term Assets	<u>6,982,000.00</u>
<b>Total</b>	<b><u>130,240,008.32</u></b>

**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

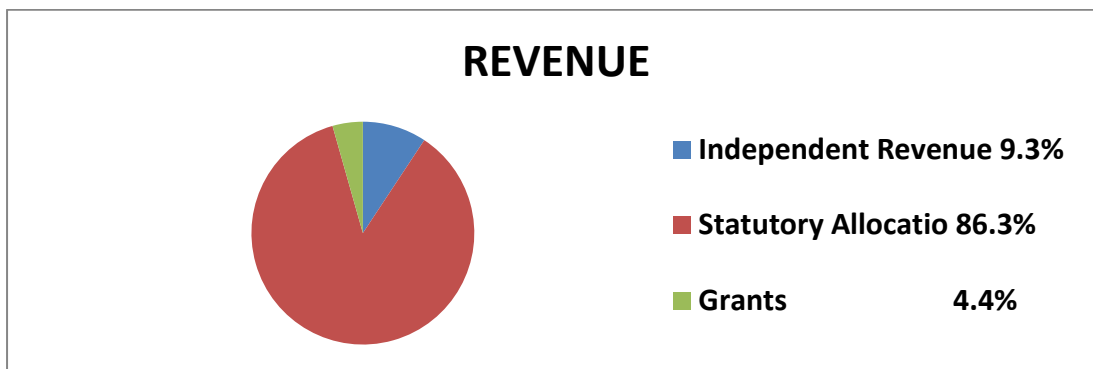
Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦24,150,000.00 for the year, a sum of ₦12,020,560.00 only was the actual amount generated. This represented 49.8% of the approved estimate.

This is an indication that the Local Council did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and

blocked. The Local Council Development Area should ensure that necessary machineries are put in place to harness its revenue maximally in order to meet up with the budgeted amount.

**(ii) PERCENTAGE OF INTERALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

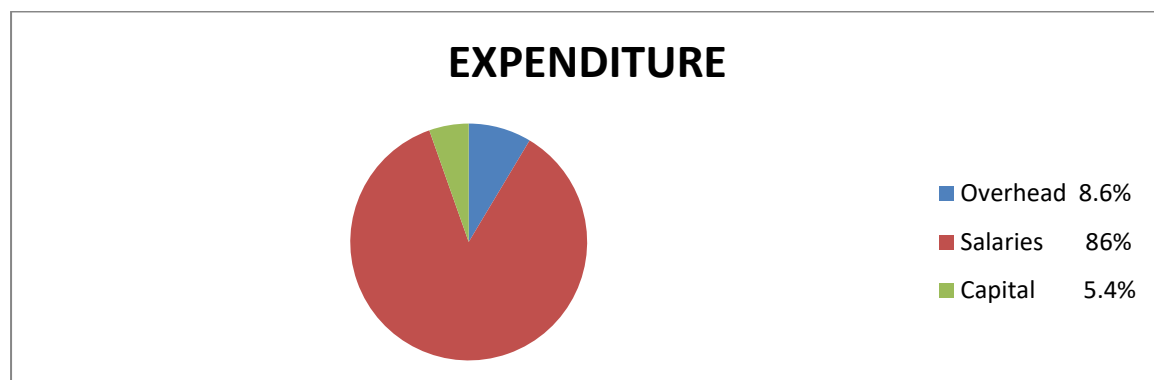
The Audit exercise revealed that out of the revenue of ₦129,841,223.85 realized by the Local Council Development Area during the year under review, a sum of ₦12,020,560.00 only was generated internally. This represented 9.3% of the total revenue while the sum of ₦112,105,663.82 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 86.3% and 4.4% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



**(iii) EXPENDITURE PATTERN**

Audit examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦130,240,008.32. Out of this, a total sum of ₦11,152,344.50 was expended on overhead which represented 8.6% of the total expenditure for the year. Also, a sum of ₦112,105,663.82 was expended on Salaries and Allowances which represented 86% of the expenditure for the year, while ₦6,982,000.00 was expended on long term assets and this represented 5.4% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**IJU LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	1,034,378.50	436,438.00
INVENTORIES	397,050.00	355,075.00
RECEIVABLES		
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>1,431,428.50</b>	<b>791,513.00</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	3,671,500.00	90,000.00
INVESTMENT PROPERTY	2,361,800.00	
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>6,033,300.00</b>	<b>90,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>7,464,728.50</b>	<b>881,513.00</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT		
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	-	-
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		-
BOROWING	-	-
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	-	-
<b>NET ASSETS (G= C-F)</b>	<b>7,464,728.50</b>	<b>881,513.00</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	7,464,728.50	881,513.00
<b>TOTAL NET ASSETS/EQUITY</b>	<b>7,464,728.50</b>	<b>881,513.00</b>



**IJU LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	112,105,663.82	
NON TAX REVENUE:	11,903,560.00	2,436,350.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	117,000.00	
<b>TOTAL REVENUE (A)</b>	<b>129,841,223.82</b>	<b>10,095,349.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	36,144,647.04	
NON- REGULAR ALLOWANCE	75,961,016.78	
OVERHEAD COST	9,513,644.50	9,183,836.00
SUBVENTION TO PARASTALS	600,000.00	
DEPRECIATION	1,038,700.00	30,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>123,258,008.32</b>	<b>9,213,836.00</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>6,583,215.50</b>	<b>881,513.00</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>881,513.00</b>
<b>Balance 31/12/2017</b>	<b>881,513.00</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	6,583,215.50
<b>Balance at 31 December 2018</b>	<b>7,464,728.50</b>

**IJU LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b>INFLOWS</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	112,105,663.82	
LICENCES, FINES, ROYALTIES, FEES ETC	4,518,210.00	1,297,440.00
EARNINGS & SALES	2,462,350.00	1,043,910.00
RENT OF GOVERNMENT PROPERTIES	4,923,000.00	
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE	117,000.00	95,000.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>129,841,223.82</b>	<b>10,095,349.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	112,105,663.82	
OVERHEADS	9,555,619.50	9,538,911.00
SUBVENTION TO PARASTATALS	600,000.00	
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>122,261,283.32</b>	<b>9,538,911.00</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>7,579,940.50</b>	<b>556,438.00</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	6,982,000.00	120,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>6,982,000.00</b>	<b>120,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>597,940.50</b>	<b>436,438.00</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>436,438.00</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>1,034,378.50</b>	<b>436,438.00</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF KETU LOCAL COUNCIL DEVELOPMENT AREA, TATA FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ketu Local Council Development Area, Tata for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purposes Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	10,038,564.00
Statutory Allocation	117,581,676.61
Aids and Grants	<u>5,715,000.00</u>
<b>Total</b>	<b><u>133,335,240.61</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	117,581,676.61
Overhead Expenses	13,425,951.78
Long term Assets	<u>1,050,000.00</u>
<b>Total</b>	<b><u>132,057,628.39</u></b>

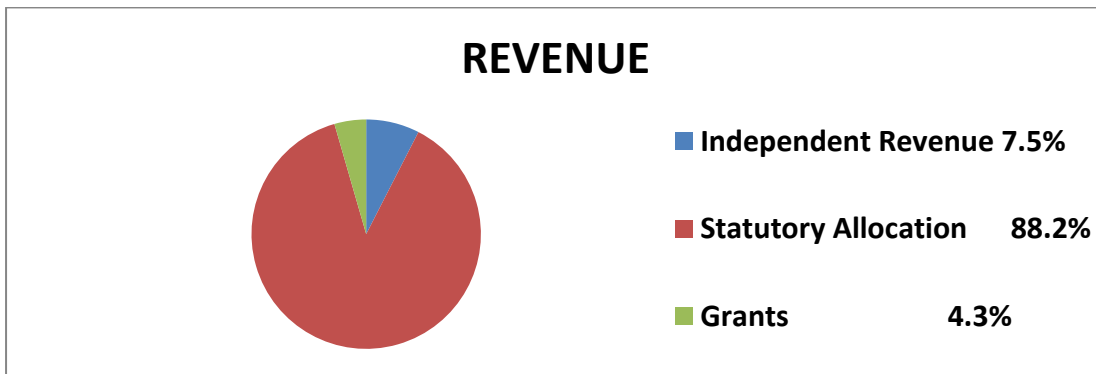
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦15,130,000.00 for the year, a sum of ₦10,038,564.00 only was actually generated. This represented 66.3% of the approved estimate. This is an indication that the Local Council Development Area did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked

(ii) **PERCENTAGE OF INTERALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

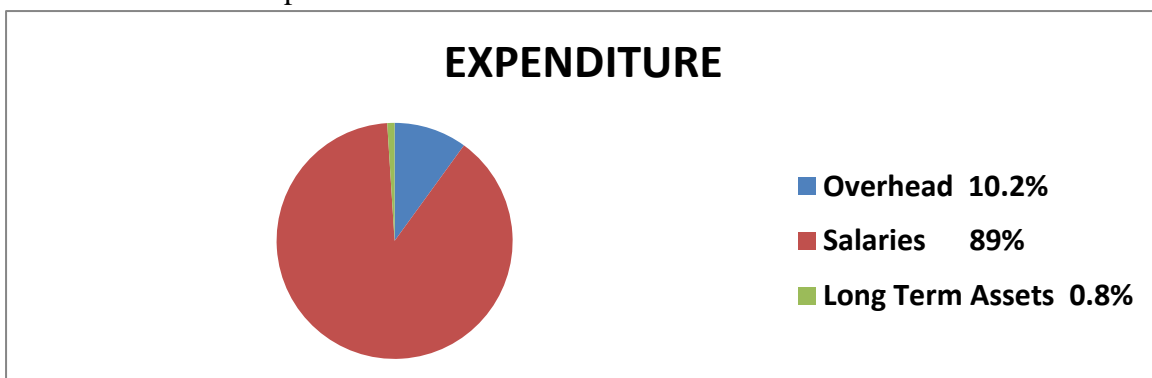
The Audit exercise revealed that out of the revenue of ₦133,335,240.61 realized by the Local Council Development Area during the year under review, a sum of ₦10,038,564.00 only was generated internally. This represented 7.5% of the total revenue while the sum of ₦117,581,676.61 statutory allocation and ₦5,715,000.00 aids and grants received from the State Joint Account Allocation Committee represented 88.2% and 4.3% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

Audit examination of the expenditure profile of the Local Council Development Area revealed a total expenditure of ₦132,057,628.39. Out of this, a sum of ₦13,425,951.78 representing 10.2% of the total expenditure was expended on overheads. The sum of ₦117,581,676.61 was expended on Salaries and Allowances, this represented 89% of the total expenditure for the year. Also, ₦1,050,000.00 was expended on long term assets and this represented 0.8% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**KETU LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	2018		2017
<b>CURRENT ASSET</b>	₦		₦
CASH & CASH EQUIVALENTS	652,998.11	-	812,704.11
INVENTORIES	1,967,150.00		268,740.00
RECEIVABLES	751,000.00		700,000.00
ADVANCE			
<b>TOTAL CURRENT ASSET (A)</b>	<b>3,371,148.11</b>		<b>156,035.89</b>
<b>NON CURRENT ASSET</b>			
PROPERTY PLANT & EQUIPMENT	1,017,500.00		305,000.00
INVESTMENT PROPERTY			
BIOLOGICAL ASSET			
INVESTMENT			
LOAN GRANTED			
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>1,017,500.00</b>		<b>305,000.00</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>4,388,648.11</b>		<b>461,035.89</b>
<b>CURRENT LIABILITY</b>			
DEPOSIT			
LOAN & DEBT			
UNREMITTED DEDUCTIONS			
ACCURED EXPENSES, PAYABLES	3,503,000.00		1,903,000.00
CURRENT PORTION OF BORROWING			
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>3,503,000.00</b>		<b>1,903,000.00</b>
<b>NON CURRENT LIABILITY</b>			
PUBLIC FUND (DRUG REVOLVING			
BORROWING	-		
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>-</b>		<b>-</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>3,503,000.00</b>		<b>1,903,000.00</b>
<b>NET ASSETS (G= C-F)</b>	<b>885,648.11</b>	<b>-</b>	<b>1,441,964.11</b>
<b>NET ASSETS/EQUITY</b>			
RESERVE			
<b>ACCUMULATED SURPLUS/ DEFICIT</b>	<b>885,648.11</b>	<b>-</b>	<b>1,441,964.11</b>
<b>TOTAL NET ASSETS/EQUITY</b>	<b>885,648.11</b>	<b>-</b>	<b>1,441,964.11</b>

**KETU LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	₦	₦
STATUTORY ALLOCATION	117,581,676.61	
NON TAX REVENUE:	10,038,564.00	5,630,360.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL REVENUE (A)</b>	<b>133,335,240.61</b>	<b>13,289,359.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	117,581,676.61	
NON- REGULAR ALLOWANCE		
OVERHEAD COST	12,643,451.78	14,265,473.11
SUBVENTION TO PARASTALS	445,000.00	400,000.00
DEPRECIATION	337,500.00	95,000.00
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>131,007,628.39</b>	<b>14,760,473.11</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>2,327,612.22</b>	<b>- 1,471,114.11</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	₦
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	29,150.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	<b>- 1,471,114.11</b>
<b>Balance 31/12/2017</b>	<b>- 1,441,964.11</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	2,327,612.22
<b>Balance at 31 December 2018</b>	<b>885,648.11</b>

**KETU LOCAL COUNCIL DEVELOPMENT AREA  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

DETAILS	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>INFLOWS</b>	₦	₦
STATUTORY ALLOCATION	117,581,676.61	
LICENCES, FINES, ROYALTIES, FEES ETC	5,759,200.00	4,087,110.00
EARNINGS & SALES	4,228,364.00	91,250.00
RENT OF GOVERNMENT PROPERTIES		752,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,715,000.00	7,658,999.00
OTHER REVENUE		
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>133,284,240.61</b>	<b>12,589,359.00</b>
<b>OUTFLOW</b>		
PERSONNEL EMOLUMENTS	117,581,676.61	
OVERHEADS	12,741,861.78	12,602,063.11
SUBVENTION TO PARASTATALS	445,000.00	400,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>130,768,538.39</b>	<b>13,002,063.11</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,515,702.22</b>	<b>- 412,704.11</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 1,050,000.00	- 400,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 1,050,000.00</b>	<b>- 400,000.00</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>		
DEPOSIT/ UNREMITTED DEDUCTIONS		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-</b>	<b>-</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>1,465,702.22</b>	<b>- 812,704.11</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>- 812,704.11</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>652,998.11</b>	<b>- 812,704.11</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF YEWA SOUTH LOCAL GOVERNMENT, ILARO FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Yewa South Local Government, Ilaro for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Government, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Government for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	30,637,784.39
Statutory Allocation	180,896,262.80
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>217,189,047.19</u></b>

<b>EXPENDITURE</b>	
Salaries & Allowances	180,896,262.80
Overhead Expenses	32,198,622.15
Long Term Assets	<u>500,000.00</u>
<b>Total</b>	<b><u>213,594,884.95</u></b>

**(4) BUDGET PERFORMANCE:**

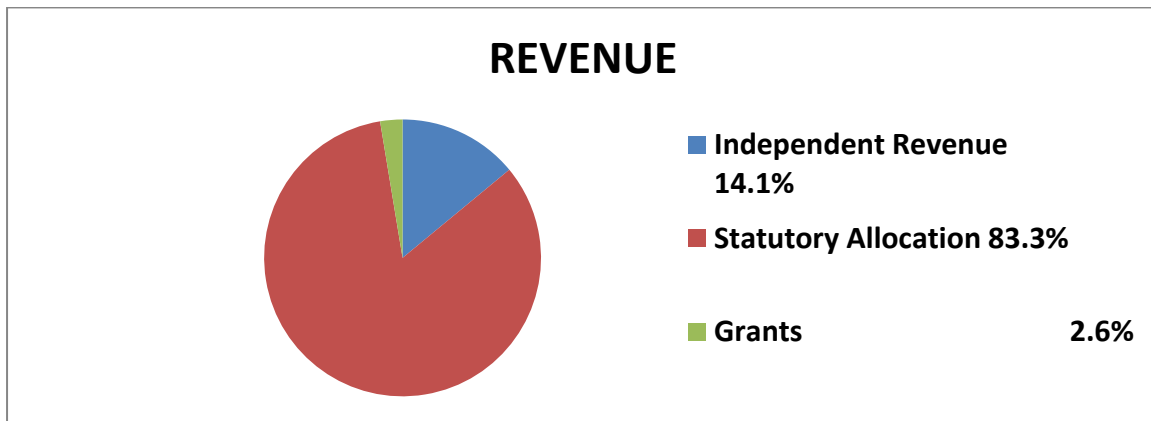
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦46,150,000.00, a sum of ₦30,637,784.39 only was actually generated internally representing 66.4% of the budget. This implied that the Local Government did not harness its Internally Generated Revenue (IGR) potentials maximally or there were leakages which has not been identified and blocked.



(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

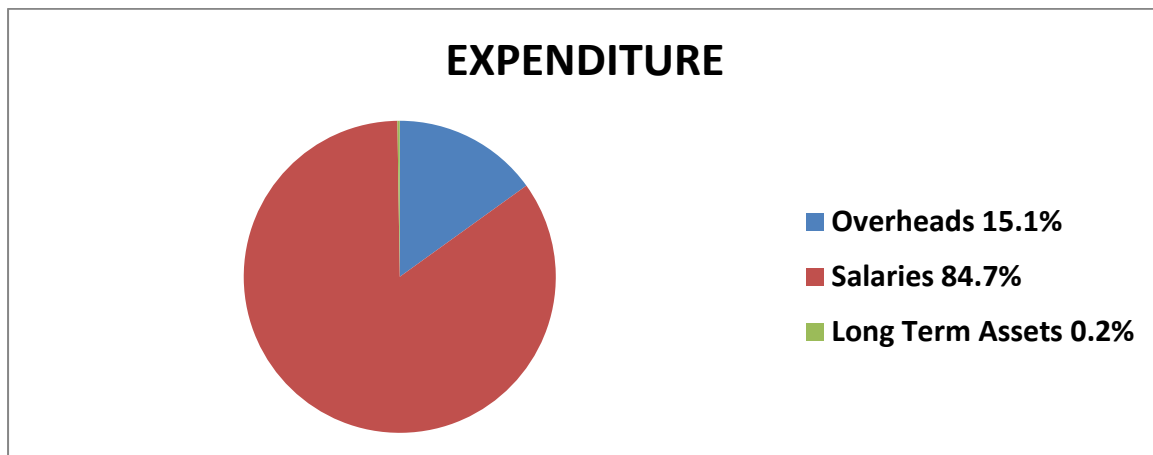
The Audit exercise revealed that out of the revenue of ₦217,189,047.19 realized by the Local Government during the year under review, a sum of ₦30,637,784.39 only was generated internally. This represented 14.1% of the total revenue while the sum of ₦180,896,262.80 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 83.3% and 2.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Government might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

The expenditure profile of the Local Government revealed a total expenditure of ₦213,594,884.95. Out of this, a sum of ₦32,198,622.15 was expended on overhead which represented 15.1% of the total expenditure for the year. Also, a sum of ₦180,896,262.80 was expended on salaries and allowances representing 84.7% of the total expenditure for the year while ₦500,000.00 was expended on long term assets and this represented 0.2% of the total expenditure for the year.

This pattern of expenditure does not augur well for meaningful development in the Local Government.



**(5) DEBT PROFILE**

The total debt profile of the Local Government as revealed by the Statement of Financial Position as at 31<sup>st</sup> December, 2018 was ₦122,181,830.62. The liabilities are highlighted bellow:

<b>ITEMS</b>	<b>AMOUNT(₦)</b>
5K CONTRACT	2,161,499.87
2.5% WHT	1,120,998.96
VAT	4,596,272.42
5% DEVELOPMENT FUND	4,985,495.15
PENSION	43,112,863.58
LOAN	13,540,318.86
OTHERS	<u>52,664,381.78</u>
<b>TOTAL</b>	<b><u>122,181,830.62</u></b>

The Local Government is advised to remit the deposit amounts regularly to appropriate agencies and individual since the money was held in trust for others.

**(6) REVIEW OF STATEMENT OF FINANCIAL POSITION:**

**(i) ADVANCE**

The sum of ₦602,528.92 highlighted in the Statement of Financial Position as the advance balance was dormant during the year. Effort should be intensified to recover the advances back to the coffers of the Local Government.

**(ii) INVESTMENTS**

The investment sum of ₦583,200.00 shown in the Statement of Financial Position as at December, 2018 could not be verified because the share certificate was not produced on demand for audit scrutiny, also evidence of beneficial ownership such as dividends were not seen.

**YEWA SOUTH LOCAL GOVERNMENT**  
**STATEMENT OF FINACIAL POSITION AS AT 31<sup>ST</sup> DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	732,925.23	561,229.23
INVENTORIES	6,930,294.00	5,879,941.00
RECEIVABLES	947,100.00	100,000.00
ADVANCE	602,528.92	627,078.92
<b>TOTAL CURRENT ASSET (A)</b>	<b>9,212,848.15</b>	<b>6,045,790.69</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT		
INVESTMENT PROPERTY	5,997,375.38	5,619,770.80
BIOLOGICAL ASSET		
INVESTMENT	583,200.00	583,200.00
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>6,580,575.38</b>	<b>6,202,970.80</b>
<b>TOTAL ASSET (C=A+B)</b>	<b>15,793,423.53</b>	<b>12,248,761.49</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	9711601.15	9,711,601.15
LOAN & DEBT		
UNREMITTED DEDUCTIONS	98,929,910.61	98,818,299.48
ACCURED EXPENSES, PAYABLES		111,111.33
CURRENT PORTION OF BORROWING	5,450,000.00	6,000,000.00
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>114,091,511.76</b>	<b>114,641,011.96</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING	5,608,476.65	5,608,476.65
BOROWING	8,090,318.86	8,090,318.86
<b>TOTAL NON CURRENT LIABILITY (E)</b>	<b>13,698,795.51</b>	<b>13,698,795.51</b>
<b>TOTAL LIABILITY (F=D+E)</b>	<b>127,790,307.27</b>	<b>128,339,807.47</b>
<b>NET ASSETS (G= C-F)</b>	- <b>111,996,883.74</b>	- <b>116,091,045.98</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	- 111,996,883.74	- 116,091,045.98
<b>TOTAL NET ASSETS/EQUITY</b>	- <b>111,996,883.74</b>	- <b>116,091,045.98</b>

**YEWA SOUTH LOCAL GOVERNMENT  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	180,896,262.80	395,012,516.18
NON TAX REVENUE:	27,413,545.00	30,307,695.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	3,224,239.39	
<b>TOTAL REVENUE (A)</b>	<b>217,189,047.19</b>	<b>433,320,211.18</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	147,223,804.82	310,777,732.99
NON- REGULAR ALLOWANCE	33,672,457.98	84,234,783.19
OVERHEAD COST	31,526,226.73	31,649,645.56
SUBVENTION TO PARASTALS	550,000.00	850,000.00
DEPRECIATION	122,395.42	114,689.20
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>213,094,884.95</b>	<b>427,626,850.94</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>4,094,162.24</b>	<b>5,693,360.24</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	<b>- 127,664,347.22</b>
Prior Year Adjustment	5,879,941.00
Adjusted Balance	- 121,784,406.22
<b>Surplus/ (deficit) for the year</b>	<b>5,693,360.24</b>
<b>Balance 31/12/2017</b>	<b>- 116,091,045.98</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	4,094,162.24
<b>Balance at 31 December 2018</b>	<b>- 111,996,883.74</b>

**YEWA SOUTH LOCAL GOVERNMENT  
CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	180,896,262.80	395,012,516.18
LICENCES, FINES, ROYALTIES, FEES ETC	15,870,860.00	18,997,690.00
EARNINGS & SALES	7,158,385.00	9,118,505.00
RENT OF GOVERNMENT PROPERTIES	3,537,200.00	2,091,500.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,655,000.00	8,000,000.00
OTHER REVENUE	3,224,239.39	
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>216,341,947.19</b>	<b>433,220,211.18</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	180,896,262.80	395,012,516.18
OVERHEADS	32,687,691.06	31,538,534.23
SUBVENTION TO PARASTATALS	550,000.00	850,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>214,133,953.86</b>	<b>427,401,050.41</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>2,207,993.33</b>	<b>5,819,160.77</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 500,000.00	- 5,734,460.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	24,550.00	10,050.28
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 475,450.00</b>	<b>- 5,724,409.72</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	111,611.13	98,166.67
PROCEEDS FROM DOMESTIC LOANS & OTHER	- 550,000.00	- 50,000.00
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>- 438,388.87</b>	<b>48,166.67</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>1,294,154.46</b>	<b>142,917.72</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>- 561,229.23</b>	<b>- 704,146.95</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>732,925.23</b>	<b>- 561,229.23</b>

**STATUTORY REPORT OF THE AUDITOR–GENERAL FOR LOCAL GOVERNMENTS ON THE ACCOUNTS OF IFEKOWAJO LOCAL COUNCIL DEVELOPMENT AREA, OKE-ODAN FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2018.**

In compliance with the provisions of Section 123 of Decree Number 12 of 1989, Section 315 (1) of the 1999 Constitution of the Federal Republic of Nigeria and Sections 135-145 of Ogun State Local Government Law 2006, the accounts of Ifekowajo Local Council Development Area, Oke-Odan for the year ended 31<sup>st</sup> December, 2018 have been audited. The General Purpose Financial Statement was prepared by the Management of the Local Council Development Area, and is therefore responsible for the contents and information contained therein. The General Purpose Financial Statement was prepared under the IPSAS Accrual Basis as applicable in the public sector. The audit was conducted in accordance with Generally Accepted Auditing Standards.

In our opinion, subject to our observations, the General Purpose Financial Statement presented to audit reflects a true and fair view of the financial activities of the Local Council Development Area for the year under review.

**(2) STATE OF THE BOOKS OF ACCOUNTS AND RECORDS**

There was appreciable improvement in the accounts and record keeping. There were few errors in the subsidiary ledgers from where the accounts were prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Independent Revenue	15,660,575.00
Statutory Allocation	100,201,793.03
Aids and Grants	<u>5,655,000.00</u>
<b>Total</b>	<b><u>121,517,368.03</u></b>
<b>EXPENDITURE</b>	
Salaries & Allowances	100,201,793.03
Overhead Expenses	20,342,451.00
Long Term Assets	<u>1,065,950.00</u>
<u>Total</u>	<b><u>121,610,194.03</u></b>

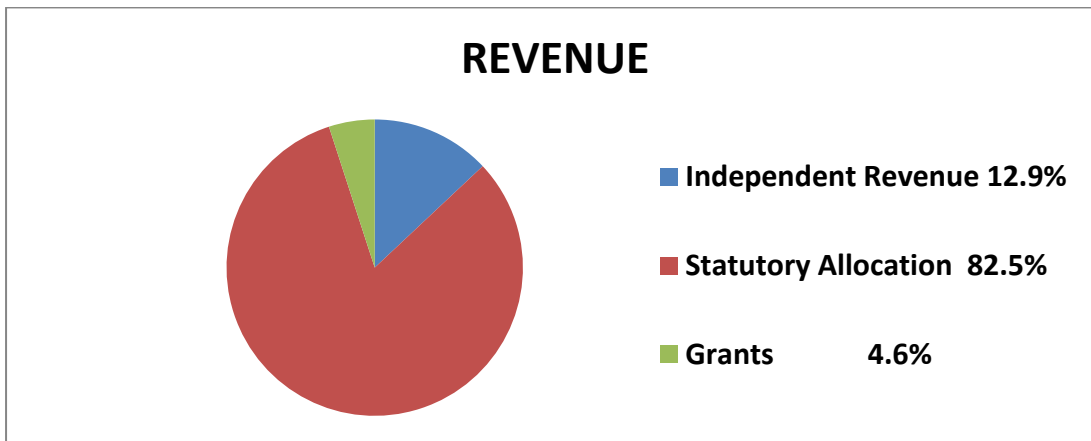
**(4) BUDGET PERFORMANCE:**

**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦17,051,000.00 for the year, a sum ₦15,660,575.00 only was actually generated internally representing 91.8% of the budget. The revenue performance is fair relative to the budget.

(ii) **PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORTS TO TOTAL REVENUE**

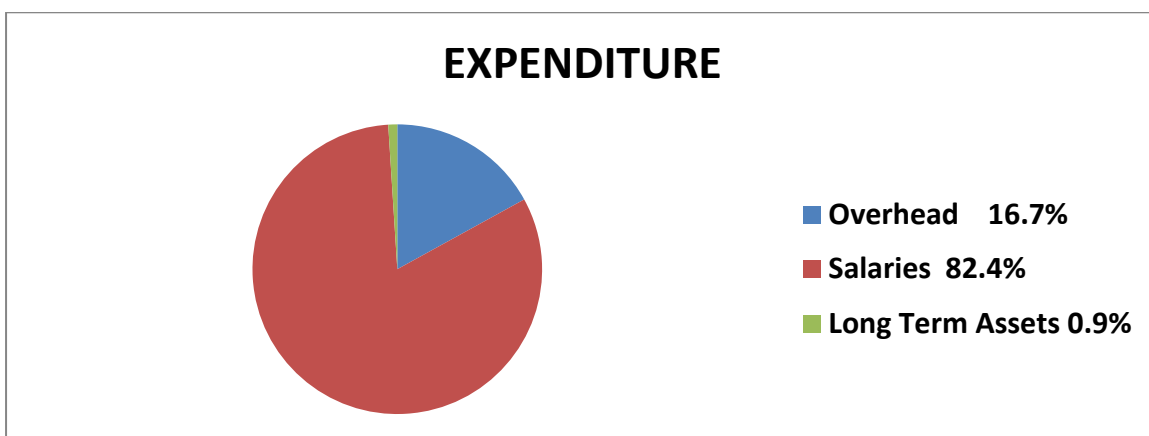
The Audit exercise revealed that out of the revenue of ₦121,517,368.03 realized by the Local Council Development Area during the year under review, a sum of ₦15,660,575.00 only was generated internally. This represented 12.9% of the total revenue while the total sum of ₦100,201,793.03 statutory allocation and ₦5,655,000.00 aids and grants received from the State Joint Account Allocation Committee represented 82.5% and 4.6% respectively. The implication of this is that without Revenue Allocation from the Federation Accounts, the Local Council Development Area might not be able to meet her obligations.



(iii) **EXPENDITURE PATTERN**

Audit examination of the expenditure profile of the Local Council revealed a total expenditure ₦121,610,194.03. Out of this, a sum of ₦20,342,451.00 expended on overhead represented 16.7% of the total expenditure for the year and a sum of ₦100,201,793.03 was expended on salaries and allowance which represented 82.4% of the total expenditure for the year. Also, a sum of ₦1,065,950.00 was expended on long term assets which represented 0.9% of the total expenditure for the year

This pattern of expenditure does not augur well for meaningful development in the Local Council Development Area.



**IFEKOWAJO LOCAL COUNCIL DEVELOPMENT AREA**  
**STATEMENT OF FINANCIAL POSITION AS AT DECEMBER, 2018**

	2018	2017
<b>CURRENT ASSET</b>	₦	₦
CASH & CASH EQUIVALENTS	279,176.15	2,145,855.65
INVENTORIES	5,759,300.00	3,823,322.00
RECEIVABLES	170,000.00	
ADVANCE		
<b>TOTAL CURRENT ASSET (A)</b>	<b>6,208,476.15</b>	<b>5,969,177.65</b>
<b>NON CURRENT ASSET</b>		
PROPERTY PLANT & EQUIPMENT	1,015,031.00	
INVESTMENT PROPERTY		
BIOLOGICAL ASSET		
INVESTMENT		
LOAN GRANTED		
<b>TOTAL NON CURRENT ASSET (B)</b>	<b>1,015,031.00</b>	-
<b>TOTAL ASSET (C=A+B)</b>	<b>7,223,507.15</b>	<b>5,969,177.65</b>
<b>CURRENT LIABILITY</b>		
DEPOSIT	582393.54	301,188.04
LOAN & DEBT		
UNREMITTED DEDUCTIONS		
ACCURED EXPENSES, PAYABLES		
CURRENT PORTION OF BORROWING		
<b>TOTAL CURRENT LIABILITY (D)</b>	<b>582,393.54</b>	<b>301,188.04</b>
<b>NON CURRENT LIABILITY</b>		
PUBLIC FUND (DRUG REVOLVING		
BOROWING	-	
<b>TOTAL NON CURRENT LIABILITY (E)</b>	-	-
<b>TOTAL LIABILITY (F=D+E)</b>	<b>582,393.54</b>	<b>301,188.04</b>
<b>NET ASSETS (G= C-F)</b>	<b>6,641,113.61</b>	<b>5,667,989.61</b>
<b>NET ASSETS/EQUITY</b>		
RESERVE		
ACCUMULATED SURPLUS/ DEFICIT	6,641,113.61	5,667,989.61
<b>TOTAL NET ASSETS/EQUITY</b>	<b>6,641,113.61</b>	<b>5,667,989.61</b>



**IFEKOWAJO LOCAL COUNCIL DEVELOPMENT AREA  
STATEMENT OF FINANCIAL PERFORMANCE  
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>2018</b>	<b>2017</b>
<b>REVENUE</b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	100,201,793.03	
NON TAX REVENUE:	15,624,075.00	7,059,430.00
INVESTMENT INCOME		
INTEREST EARNED		
AIDS & GRANTS	5,655,000.00	7,658,999.00
OTHER REVENUE	36,500.00	1,243,700.00
<b>TOTAL REVENUE (A)</b>	<b>121,517,368.03</b>	<b>15,962,129.00</b>
<b>EXPENDITURE</b>		
SALARIES & WAGES	65,201,314.26	
NON- REGULAR ALLOWANCE	35,000,478.77	
OVERHEAD COST	19,621,532.00	13,467,461.39
SUBVENTION TO PARASTALS	670,000.00	650,000.00
DEPRECIATION	50,919.00	
GAIN/LOSS ON DISPOSAL ON ASSET		
<b>TOTAL EXPENDITURE (B)</b>	<b>120,544,244.03</b>	<b>14,117,461.39</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>	<b>973,124.00</b>	<b>1,844,667.61</b>

**STATEMENT OF CHANGES IN NET ASSETS/EQUITY FOR THE YEAR ENDED 31ST DECEMBER, 2018**

	<b>₦</b>
<b>Balance 1/1/2017</b>	-
Prior Year Adjustment	3,823,322.00
Adjusted Balance	
<b>Surplus/ (deficit) for the year</b>	1,844,667.61
<b>Balance 31/12/2017</b>	<b>5,667,989.61</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	
Surplus/ (deficit) for the year	973,124.00
<b>Balance at 31 December 2018</b>	<b>6,641,113.61</b>

**IFEKOWAJO LOCAL COUNCIL DEVELOPMENT AREA**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2018**

<b>DETAILS</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2018</b>	<b>2017</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	100,201,793.03	
LICENCES, FINES, ROYALTIES, FEES ETC	8,276,350.00	3,114,700.00
EARNINGS & SALES	6,652,725.00	3,511,130.00
RENT OF GOVERNMENT PROPERTIES	525,000.00	433,600.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	5,655,000.00	7,658,999.00
OTHER REVENUE	36,500.00	1,243,700.00
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES A</b>	<b>121,347,368.03</b>	<b>15,962,129.00</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	100,201,793.03	
OVERHEADS	21,557,510.00	13,467,461.39
SUBVENTION TO PARASTATALS	670,000.00	650,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES B</b>	<b>122,429,303.03</b>	<b>14,117,461.39</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=A-B</b>	<b>- 1,081,935.00</b>	<b>1,844,667.61</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	- 1,065,950.00	
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>- 1,065,950.00</b>	<b>-</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	281,205.50	301,188.04
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>281,205.50</b>	<b>301,188.04</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>- 1,866,679.50</b>	<b>2,145,855.65</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2018</b>	<b>2,145,855.65</b>	
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2018</b>	<b>279,176.15</b>	<b>2,145,855.65</b>