

**OGUN STATE GOVERNMENT, NIGERIA**

**STATUTORY REPORT**

**AND**

**DOMESTIC REPORT**

**OF THE**

**AUDITOR-GENERAL FOR LOCAL GOVERNMENTS**

**ON THE ACCOUNTS**

**OF**

**IPOKIA LOCAL GOVERNMENT**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2022**

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## ACKNOWLEDGEMENT

I wish to express my gratitude and appreciation to Almighty God for giving us the privilege to produce this Report. We are grateful to God for making our proposal a success.

I also wish to acknowledge the support of His Excellency, the Governor of Ogun State, Prince Dapo Abiodun MFR to this Office. The provision of enabling environment and the needed resources by His Excellency has shown that he is an advocate of probity and accountability in governance. I also acknowledge and appreciate the contributions of the members of the 9th Legislative Assembly of Ogun State House of Assembly particularly the Chairman and members of the Public Accounts Committee.

I cannot but appreciate the favourable disposition of the immediate past Head of Service Dr Nafiu Aigoro and the current Head of Service Mr Kolawole Peter Fagbohun for their regular support towards keeping this Office afloat.

Finally, my gratitude goes to the management and staff of this Office for their uncommon commitment to duty and loyalty to the discharge of their duties without which this Report would not have been possible.

Thank you and God bless you all.



**L. A. Mulero (CNA)**  
Auditor-General for Local Governments,  
Ogun State.  
23<sup>rd</sup> June, 2023.



## **OFFICE OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS**

Parastatals Building Block "B" Oke-Mosan. P.M.B. 2047, Abeokuta,  
**OGUN STATE, NIGERIA**

### **AUDIT CERTIFICATE**

I have examined the accounts of Ipokia Local Government for the year ended 31<sup>st</sup> December, 2022 in accordance 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 and auditing standards issued by International Organisation of Supreme Audit Institution (INTOSAI). I have obtained all information and explanations that I require for my Audit.

In my opinion, the Financial Statements give a true and fair view of the state of affairs of the Local Government as at 31<sup>st</sup> December, 2022 subject to the observations in the inspection reports.

**L. A. Mulero** (CNA)  
Auditor-General for Local Governments,  
Ogun State.  
23<sup>rd</sup> June, 2023.

## **STATEMENT OF OPINION OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF IPOKIA LOCAL GOVERNMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2022**

The accounts of Ipokia Local Government for the year ended 31<sup>st</sup> December, 2022 have been examined in accordance 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 and auditing standards issued by International Organisation of Supreme Audit Institution (INTOSAI). I have obtained all information and explanations that I require for my Audit.

### **RESPONSIBILITY STATEMENT**

The Local Government is responsible for the preparation of the Financial Statements under IPSAS Accrual Basis of accounting as applicable in the public sector. It is our responsibility to form an independent opinion based on our Audit on the Financial Statements therein.

### **THE SCOPE OF THE AUDIT**

We conducted our Audit in accordance with Generally Accepted Auditing Standards and auditing standards issued by International Organisation of Supreme Audit Institution (INTOSAI). I have obtained all information and explanations that I require for my Audit. An audit includes examination on test basis of evidence relevant to the accounts and disclosures in the financial statements. It also includes an assessment of significant estimates and judgement made by the Council in the preparation of the financial statements, and whether the accounting policies were appropriate in the Council circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations we considered necessary to provide sufficient evidence to give

reasonable assurances that the financial statements are free from material misstatement, whether by fraud, other irregularities or errors.

In forming our opinion, we evaluated the overall adequacy of the presentation of the information in the financial statements and assessed whether the Council's books and Accounts had been properly kept.

## **OPINION**

In our opinion, the financial statements give a true and fair view of the financial activities of the Local Government for the period under review.



**L. A. Mulero (CNA)**

Auditor-General for Local Governments

Ogun State.

23<sup>rd</sup> June, 2023.

**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, 2022**

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, 2022 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**

Asset register was not properly kept. Bank reconciliation statement was also not properly prepared.

**(3) FINANCIAL REVIEW:**

<b>REVENUE</b>	<b>AMOUNT (₦)</b>
Internally Generated Revenue	42,738,644.06
Statutory Allocation	1,964,904,084.30
Aids & Grants	<u>35,331,193.34</u>
<b>Total</b>	<b><u>2,042,973,921.70</u></b>
<b>EXPENDITURE</b>	
Overhead Expenses (including Depreciation & Loss on Disposal of Assets)	142,578,712.59
Salaries and Allowances	1,420,389,341.63
Pension	434,550,410.08
Long Term Assets	<u>8,465,000.00</u>
<b>Total Fund Expended</b>	<b><u>2,005,983,464.30</u></b>

**(4) REVENUE PERFORMANCE:**

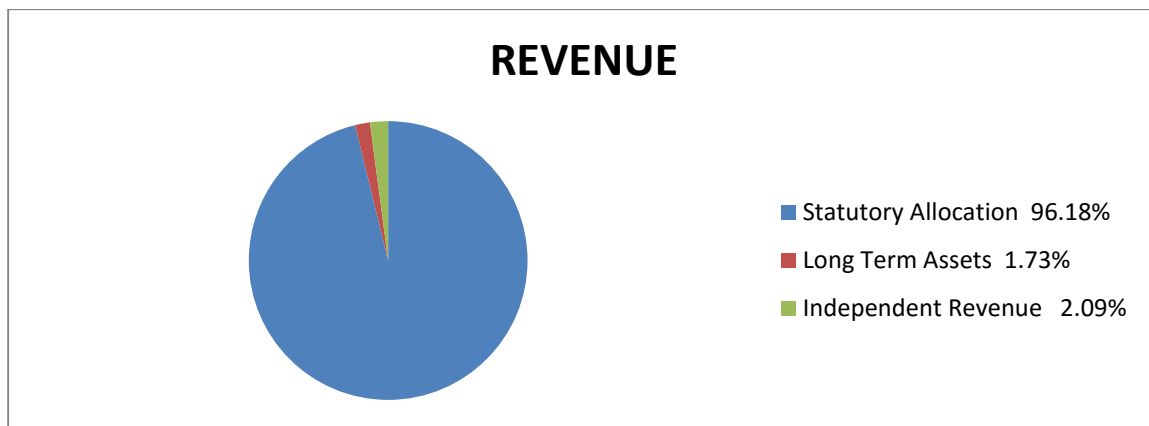
**(i) STATEMENT OF ACTUAL REVENUE**

Audit examination of the revenue profile revealed that out of the estimated Internally Generated Revenue of ₦49,330,000.00, a sum of ₦42,738,644.06 only was actually generated internally representing 86.64% of the budget. This represents an increase of 52.69% in revenue performance when compared with the sum of ₦27,990,587.83 generated internally in year

2021. While this revenue performance is commendable, it however does not represent the true revenue potential of the Local Government.

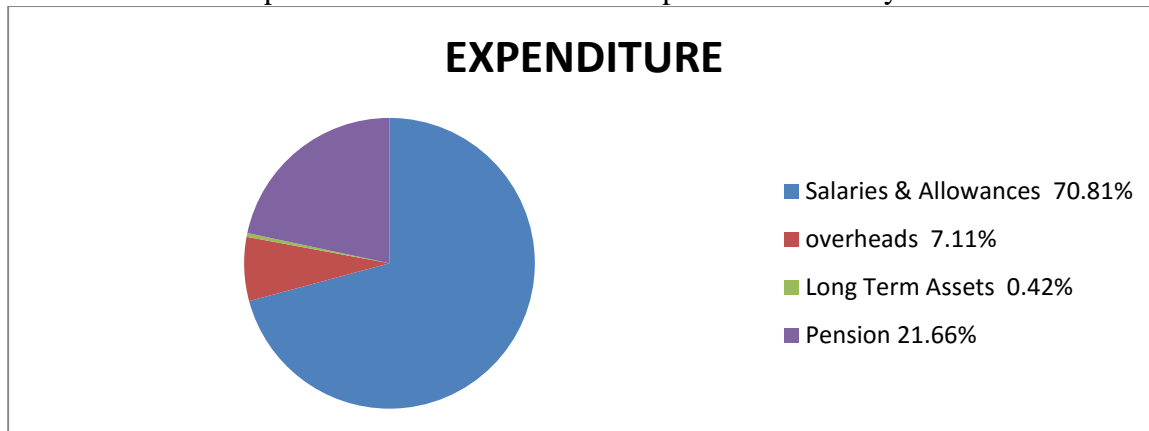
**(ii) PERCENTAGE OF INTERNALLY GENERATED REVENUE EFFORT TO TOTAL REVENUE**

The Audit exercise revealed that out of the total revenue of ₦2,042,973,921.70 realized by the Local Government during the year under review, a sum of ₦42,738,644.06 only was generated internally. This represented 2.09% of the total revenue while the sum of ₦1,964,904,084.30 statutory allocation and ₦35,331,193.34 aids and grant received from Ogun State Government represented 96.18% and 1.73% 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.



**(5) EXPENDITURE PATTERN**

During the period under review, examination of the expenditure profile of the Local Government revealed a total expenditure of ₦2,005,983,464.30. Out of this, a sum of ₦142,578,712.59 was expended on overheads which represented 7.11% of the total expenditure for the year. Also, a sum of ₦1,420,389,341.63 was expended on salaries and allowances which represented 70.81% of the total expenditure for the year while the sum of ₦434,550,410.08 was paid to pensioners which represented 21.66%. The sum of ₦8,465,000.00 was expended on long term assets which represented 0.42% of the total expenditure for the year.





**(6) 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, 2022 was ₦158,540,545.85. 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	78,662,582.59
4. 5% DEVELOPMENT TAX	1,919,072.09
5. PAYEE	49,150,544.44
6. Loan	5,527,569.23
7. Payables	8,606,000.00
<b>OTHERS</b>	<u>9,070,676.64</u>
<b>TOTAL</b>	<b><u>158,540,545.85</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 deductions to beneficiaries as required by regulations and also settle loan facilities and creditors.

**(7) ADVANCES**

The sum of ₦2,791,793.77 highlighted in the Statement of Financial Position as the advances balance was stagnant during the year. Efforts should be intensified to recover the advances.

**(8) INVESTMENT ACCOUNT BALANCE**

The sum of ₦650,000.00 stated as investment balance in the statement of financial position could not be substantiated because the share certificate was not produced for Audit scrutiny and no evidence of the beneficial ownership such as dividend was presented on demand.

## IPOKIA LOCAL GOVERNMENT

### **RESPONSIBILITY FOR FINANCIAL STATEMENT**


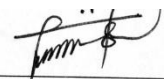
These financial statements have been prepared by me in accordance with the provisions of Finance (Control and Management) Act Cap 144 LFN 1990 as amended. The financial statements comply with Generally Accepted Accounting Practice.

The Treasurer is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Local Government. To the best of my knowledge, this system of internal control has operated adequately through the reporting period.

  
\_\_\_\_\_  
MRS ADETIMEHIN KHADIJA  
Head of Finance and Supplies

We accept responsibility for the integrity of these financial statements, the information they contain and their compliance with the Finance (Control and Management) Act Cap 144 LFN 1990 as amended.

In our opinion, these financial statements fairly reflect the financial position of Ipokia Local Government as at 31<sup>st</sup> December, 2022 and its operations for the year ended on the date.

  
\_\_\_\_\_  
MRS ADETIMEHIN KHADIJA  
Head of Finance and Supplies  
\_\_\_\_\_  
HON. AGBETOKUN WASIU OLAWALE  
Executive Chairman  
Date: 25/04/2023

**IPOKIA LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL POSITION AS AT 31ST DECEMBER, 2022**

	NOTES	2022	2021
<b>CURRENT ASSET</b>		₦	₦
CASH & CASH EQUIVALENTS	10	10,226,679.54	2,057.84
INVENTORIES		6,639,625.00	6,134,860.00
RECEIVABLES		626,000.00	590,000.00
PREPAYMENT			
ADVANCE		2,791,793.77	2,881,793.77
<b>TOTAL CURRENT ASSET (A)</b>		<b>20,284,098.31</b>	<b>9,608,711.61</b>
<b>NON CURRENT ASSET</b>			
PROPERTY PLANT & EQUIPMENT	8	489,624,273.10	496,416,084.06
INVESTMENT PROPERTY	9	149,385,952.79	152,624,669.15
BIOLOGICAL ASSET			
INVESTMENT		650,000.00	650,000.00
LOAN GRANTED			
<b>TOTAL NON CURRENT ASSET (B)</b>		<b>639,660,225.89</b>	<b>649,690,753.21</b>
<b>TOTAL ASSET (C=A+B)</b>		<b>659,944,324.20</b>	<b>659,299,464.82</b>
<b>CURRENT LIABILITY</b>			
DEPOSIT			
LOAN & DEBT		5,527,569.23	5,527,569.23
UNREMITTED DEDUCTIONS	11	144,406,976.62	195,755,274.64
ACCRUED EXPENSES, PAYABLES		8,606,000.00	2,068,300.00
DEFERRED INCOME			
CURRENT PORTION OF BORROWING			
<b>TOTAL CURRENT LIABILITY (D)</b>		<b>158,540,545.85</b>	<b>203,351,143.87</b>
<b>NON CURRENT LIABILITY</b>			
PUBLIC FUND			
BORROWING			
<b>TOTAL NON CURRENT LIABILITY (E)</b>		-	-
<b>TOTAL LIABILITY (F=D+E)</b>		<b>158,540,545.85</b>	<b>203,351,143.87</b>
<b>NET ASSETS (G= C-F)</b>		<b>501,403,778.35</b>	<b>455,948,320.95</b>
<b>NET ASSET/EQUITY</b>			
RESERVE			
<b>ACCUMULATED SURPLUS/ DEFICIT</b>		501,403,778.35	455,948,320.95
<b>TOTAL NET ASSET/EQUITY</b>		<b>501,403,778.35</b>	<b>455,948,320.95</b>

**IPOKIA LOCAL GOVERNMENT**  
**STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2022**

	NOTES	2022	2021
<b>REVENUE</b>		₦	₦
STATUTORY ALLOCATION	1	1,964,904,084.30	1,653,958,962.38
NON TAX REVENUE:	2	40,121,403.49	25,938,935.00
INVESTMENT INCOME			
INTEREST EARNED			
GAIN/LOSS ON DISPOSAL ON ASSET		2,027,190.33	
AIDS & GRANTS	3	35,331,193.34	14,834,860.00
OTHER REVENUE		590,050.24	2,051,652.83
<b>TOTAL REVENUE (A)</b>		<b>2,042,973,921.70</b>	<b>1,696,784,410.21</b>
<b>EXPENDITURE</b>			
SALARIES & WAGES	4	1,420,389,341.63	1,228,032,032.73
NON- REGULAR ALLOWANCE	5		
SOCIAL BENEFIT	6	434,550,410.08	430,513,892.18
OVERHEAD COST	7	120,572,994.94	75,376,599.54
SUBVENTION TO PARASTALS		1,000,000.00	1,450,000.00
DEPRECIATION	8 & 9	21,005,717.65	19,329,327.23
GAIN/LOSS ON DISPOSAL ON ASSET			
<b>TOTAL EXPENDITURE (B)</b>		<b>1,997,518,464.30</b>	<b>1,754,701,851.68</b>
<b>SURPLUS / DEFICIT (C=A-B)</b>		<b>45,455,457.40</b>	<b>-57,917,441.47</b>

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

	₦
<b>Balance 1/1/2021</b>	<b>514,659,849.57</b>
Prior Year Adjustment	- 794,087.15
<b>Adjusted Balance</b>	<b>513,865,762.42</b>
Surplus/ (deficit) for the year	-57,917,441.47
<b>Balance 31/12/2021</b>	<b>455,948,320.95</b>
Prior Year Adjustment	
<b>Adjusted Balance</b>	<b>455,948,320.95</b>
Surplus/ (deficit) for the year	45,455,457.40
<b>Balance at 31 December 2022</b>	<b>501,403,778.35</b>

**IPOKIA LOCAL GOVERNMENT  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>2022</b>	<b>2021</b>
<b><u>INFLOWS</u></b>	<b>₦</b>	<b>₦</b>
STATUTORY ALLOCATION	1,964,904,084.30	1,655,958,962.38
LICENCES, FINES, ROYALTIES, FEES ETC	29,196,423.49	16,678,020.00
EARNINGS & SALES	8,506,580.00	7,285,915.00
RENT OF GOVERNMENT PROPERTIES	2,382,400.00	1,975,000.00
INVESTMENT INCOME		
INTEREST & REPAYMENT GENERAL		
DOMESTIC AIDS & GRANTS	31,331,193.34	14,834,860.00
OTHER REVENUE	590,050.24	527,827.02
<b>TOTAL INFLOW FROM OPERATING ACTIVITIES (A)</b>	<b>2,036,910,731.37</b>	<b>1,697,260,584.40</b>
<b><u>OUTFLOW</u></b>		
PERSONNEL EMOLUMENTS	1,420,389,341.63	1,228,032,032.73
SOCIAL BENEFIT	434,550,410.08	430,513,892.18
OVERHEADS	115,733,059.94	75,563,134.54
SUBVENTION TO PARASTATALS	1,000,000.00	1,450,000.00
INTEREST PAYMENT		
<b>TOTAL OUTFLOW FROM OPERATING ACTIVITIES (B)</b>	<b>1,971,672,811.65</b>	<b>1,735,559,059.45</b>
<b>NET CASH INFLOW (OUTFLOW) FROM OPERATING ACTIVITIES C=(A)-(B)</b>	<b>65,237,919.72</b>	<b>-38,298,475.05</b>
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
PURCHASE/ CONSTRUCTION OF ASSETS	8,465,000.00	7,608,000.00
PURCHASE OF FINANCIAL MARKET INSTRUMENTS		
ADVANCE	90,000.00	384,340.00
PROCEED FROM SALE OF ASSETS	4,710,000.00	3,300,000.00
DEFERRED INCOME		
DIVIDEND RECEIVED		
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>-3,665,000.00</b>	<b>-3,923,660.00</b>
<b><u>CASH FLOW FROM FINANCIAL ACTIVITIES</u></b>		
DEPOSIT/ UNREMITTED DEDUCTIONS	-51,348,298.02	38,761,420.59
PUBLIC FUND		
PROCEEDS FROM DOMESTIC LOANS & OTHER		
<b>NET CASH FLOW FROM FINANCIAL ACTIVITIES</b>	<b>-51,348,298.02</b>	<b>38,761,420.59</b>
<b>NET CASH FLOW FROM ALL ACTIVITIES</b>	<b>10,224,621.70</b>	<b>-3,460,714.46</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 1/1/2022</b>	<b>2,057.84</b>	<b>3,462,772.30</b>
<b>CASH &amp; ITS EQUIVALENT AS AT 31/12/2022</b>	<b>10,226,679.54</b>	<b>2,057.84</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 is applied to PPE in the year of acquisition and non in the year of 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> </ul>

	<p>iii. 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.</p>
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> <p>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.</p> <p>b) These amounts are stated as Current Liabilities in the Statement of Financial Position.</p>
13	<p><b>Payable/Accrued Expenses</b></p> <p>a) These are monies payable to third parties in respect of goods and services received</p> <p>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.</p>
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 is classified under Current Liabilities in the Statement of Financial Position.</p>

**NOTES TO THE GPFS FOR THE YEAR ENDED 31ST DECEMBER, 2022**

**SHARE OF STATUTORY ALLOCATION  
FROM JAAC**

<b>1</b>		<b>₦</b>
	JANUARY	138,183,920.03
	FEBUARY	143,288,347.65
	MARCH	142,913,408.66
	APRIL	148,597,958.88
	MAY	143,643,402.45
	JUNE	147,262,369.62
	JULY	161,240,410.42
	AUGUST	159,224,570.99
	SEPTEMBER	160,691,109.64
	OCTOBER	297,340,415.69
	NOVEMBER	160,022,319.92
	DECEMBER	162,495,850.35
	<b>TOTAL</b>	<b>1,964,904,084.30</b>

**2 NON-TAX REVENUE**

	LICENCES	6,870,600.00
	FEES	22,182,323.49
	FINES	143,500.00
	EARNINGS	5,810,860.00
	RENT OF GOVERNMENT PROPERTIES	2,418,400.00
	SALES	2,695,720.00
	<b>TOTAL</b>	<b>40,121,403.49</b>

**3 AIDS & GRANTS**

	OGUN STATE GOVERNMENT	35,331,193.34
	NON GOVERNMENT ORGANISATION	
	<b>TOTAL</b>	<b>35,331,193.34</b>

**4 SALARIES & WAGES**

	LOCAL GOVERNMENT STAFF	355,552,098.17
	PRIMARY SCHOOL TEACHERS	849,321,342.57
	TRADITIONAL COUNCIL	153,623,948.16
	POLITICAL FUNCTIONARIES	61,891,952.73
	<b>TOTAL</b>	<b>1,420,389,341.63</b>

**5 NON- REGULAR ALLOWANCE**

	LEAVE BONUS	
	<b>TOTAL</b>	



**6 SOCIAL BENEFIT**

	GRATUITY	-
	PENSION	434,550,410.08
	<b>TOTAL</b>	<b>434,550,410.08</b>

**7 OVERHEAD COST BY DEPARTMENT**

	CHAIRMAN & COUNCIL	39,016,000.00
	HOLGA	1,150,000.00
	INTERNAL AUDIT	1,355,000.00
	ADMINSTRATIVE	31,299,734.57
	FINANCE	5,005,648.37
	INFORMATION	11,055,840.00
	P H C	10,723,272.00
	AGRIC	175,000.00
	WORKS	16,127,250.00
	PLANNING	2,474,250.00
	WES	655,000.00
	COMMUNITY	1,536,000.00
	<b>TOTAL</b>	<b>120,572,994.94</b>

**10 CASH & CASH EQUIVALENTS**

	CASH AT HAND	1,276.73
	CASH IN BANKS	10,225,402.81
	<b>TOTAL</b>	<b>10,226,679.54</b>

**11 UNREMITTED DEDUCTIONS**

1	PAYEE	49,150,544.44
2	PENSION	78,662,582.59
3	5% DEVELOPMENT TAX	1,919,072.09
4	5% VAT	3,564,884.34
5	5% WITHHOLDING TAX	2,039,216.52
6	OTHERS	9,070,676.64
	<b>Total</b>	<b>144,406,976.62</b>

IPOKIA LOCAL GOVERNMENT									
SCHEDULE OF PROPERTY, PLANT & EQUIPMENT	LAND & BUILDING 2%	LAND	PLANT & MACHINERY 10%	TRANSPORTATION EQUIPMENT 20%	OFFICE EQUIPMENT 25%	FURNITURE & FITTINGS 20%	INFRASTRUCTURE 10%	TOTAL	
BAL AS AT 01/01/2022	504,054,913.68	-	17,543,180.16	15,522,222.88	674,000.00	4,567,500.00	1,485,000.00	543,846,816.72	
ADDITIONAL DURING THE YEAR			883,000.00	11,595,000.00	900,000.00	280,000.00		13,658,000.00	
LEGACY								0.00	
DISPOSAL DURING THE YEAR			(3,671,381.18)	(2,781,857.23)				(6,453,238.41)	
BAL. C/F	504,054,913.68	-	14,754,798.98	24,335,365.65	1,574,000.00	4,847,500.00	1,485,000.00	551,051,578.31	
ACCUMULATED DEPRECIATION									
BAL. AS AT 01/01/2022	30,214,914.82	-	4,540,954.11	8,753,113.73	407,650.00	2,884,100.00	630,000.00	47,430,732.66	
ADDITIONAL DURING THE YEAR	10,081,098.26		1,475,479.90	4,866,973.13	313,750.00	881,200.00	148,500.00	17,767,001.29	
DISPOSAL DURING THE YEAR			(1,101,414.40)	(2,669,014.34)				-	3,770,428.74
ADJUSTMENT								-	
BAL. C/F	40,296,013.08	-	4,915,019.61	10,951,072.52	721,400.00	3,765,300.00	778,500.00	61,427,305.21	
AS AT 31/12/2022	463,758,900.60	-	9,839,779.37	13,384,293.13	852,600.00	1,082,200.00	706,500.00	489,624,273.10	
AS AT 31/12/2021	473,839,998.86	-	13,002,226.05	6,769,109.15	266,350.00	1,683,400.00	855,000.00	496,416,084.06	

IPOKIA LOCAL GOVERNMENT				
INVESTMENT PROPERTY	LAND & BUILDING 2%	LAND	TOTAL	
BAL AS AT 01/01/2022	161,935,818.24	405,000.00	162,340,818.24	
ADDITIONAL DURING THE YEAR			0.00	
LEGACY			0.00	
DISPOSAL DURING THE YEAR			-	
BAL. C/F	161,935,818.24	405,000.00	162,340,818.24	
ACCUMULATED DEPRECIATION				
BAL. AS AT 01/01/2022	9,716,149.09		9,716,149.09	
ADDITIONAL DURING THE YEAR	3,238,716.36		3,238,716.36	
DISPOSAL DURING THE YEAR				
ADJUSTMENT			0	
BAL. C/F	12,954,865.45	-	12,954,865.45	
AS AT 31/12/2022	148,980,952.79	405,000.00	149,385,952.79	
AS AT 31/12/2021	152,219,669.15	405,000.00	152,624,669.15	

**The Executive Chairman,**  
Ipokia Local Government,  
Ipokia.

**AUDIT INSPECTION REPORT ON THE ACCOUNTS OF IPOKIA LOCAL GOVERNMENT, IPOKIA FOR THE YEAR ENDED 31ST DECEMBER, 2022**

The following comments in addition to those contained in the Statutory Audit Report which will be issued from this Office are referred for your attention and comments in connection with the above Audit Inspection.

**2. AUDIT QUERIES**

Audit Queries stated below had earlier been forwarded to you for necessary action as required by law.

S/N	Query Numbers	Subject	Amount ₦
1.	OGLG/AQ/IPK/122/2022	Failure to refund local revenue misappropriated	339,300.00
2.	OGLG/AQ/IPK/123/2022	Failure to remit local revenue collected to the treasury	347,000.00
3.	OGLG/AQ/IPK/124/2022	Failure to remit local revenue collected to the treasury	104,000.00
4.	OGLG/AQ/IPK/125/2022	Failure to recover local government revenue collected from defaulting revenue collector	-
5.	OGLG/AQ/IPK/126/2022	Expenditure not supported with proper records of account	1,437,500.00
6.	OGLG/AQ/IPK/127/2022	Failure to recover local government revenue collected from defaulting revenue collector	1,335,000.00

**3. REVENUE GENERATION PERFORMANCE**

**Observation:** The Local Government budgeted a sum of ₦ 49,330,000.00 to be generated internally in year 2022 out of which a sum of ₦42,738,644.06 only was actually generated. The amount generated represented 86.64% of the budget. This represents an increase of 52.69% of the sum of ₦27,990,587.83 generated in year 2021. While the sum of ₦42,738,644.06 generated in year 2022 appear to be impressive when compared with the sum of ₦27,990,587.83 generated in year 2021, a close look at the performance in individual items of

revenue revealed that while some were very impressive, others showed a sharp drop in revenue generated. The table below contains some of the revenue heads where the Local Government either did not collect any revenue at all while revenue was collected in the previous period and those that the collections were less than those of the previous year:

<b>IPOKIA LOCAL GOVERNMENT INDEPENDENT REVENUE FOR YEARS 2022 AND 2021</b>			
<b>ECONOMIC CODE</b>	<b>DESCRIPTION</b>	<b>2022</b>	<b>2021</b>
12020105	Radio/Television Licenses		30,000.00
12020111	Bake House Licenses	84,000.00	124,000.00
12020113	Brick Making etc Licenses		20,000.00
12020116	Cattle Dealer Licenses	50,000.00	65,000.00
12020131	Liquor Licenses	178,500.00	305,000.00
12020132	Cold room Licenses fee	7,500.00	30,000.00
12020137	Trade Permits Licenses	3,102,500.00	3,689,750.00
12020140	Eating House Licenses	273,500.00	347,400.00
12020150	Mills Permit		240,100.00
12020201	Mining rent		125,320.00
12020418	Marriage/Divorce fees	551,500.00	651,000.00
12020436	Billboard Advertisement fees		200,000.00
12020444	Burial fees		5,000.00
12020479	Penal fees	178,500.00	203,000.00
12020493	Street Naming fees	226,000.00	300,000.00
12020504	Other fines	143,500	432,800.00
12020702	Earning from laboratory services	22,000.00	126,500.00
12020707	Earning from medical services	3,443,860	4,975,900.00
I12020711	Earning from commercial activities		20,000.00

Worthy of note is the revenue from trade permit which dropped from the sum of ₦3,689,750.00 in year 2021 to ₦3,102,500.00 in year 2022 amounting to reduction in performance by ₦587,250 representing 15.9% decrease. Other notable areas of underperformance were other fines with a reduction in revenue generated of ₦289,300.00 representing 66.8% decrease and revenue from liquor licenses that reduced by ₦126,500.00 representing 41.5% decrease in performance when compared with the collections in year 2021. Generally, the Local Government generated lesser amount in about 35% of her revenue items.

Interrogation of revenue collectors revealed that the required logistics for efficient revenue collection like means of mobility was either not available or inadequate. A comprehensive data base of areas from where revenues are collectable cannot be provided by the Local Government. Generally, there was inadequate supervision of revenue collection by the management and particularly by the Treasurer. The Local Government can perform better if all leakages are blocked.

**Recommendation:** Concerted efforts should be intensified towards enhanced revenue generation. Officially collated revenue data base should be generated to enhance planning and monitoring of revenue performance. Also, the revenue collectors should be provided with means of mobility and properly supervised for improved performance.

4. **FAILURE OF LOCAL GOVERNMENT MANAGEMENT TO RECOVER REVENUE LOSSES FROM INDICTED STAFF**

**Observation:** Your attention is drawn to paragraph 5 of the last audit inspection report No OGLG/IPK/1/VOL.III/344 of 17<sup>th</sup> January, 2023 which highlighted infractions of regulations by revenue collectors and failure of management to recover unremitted revenue generated. Specifically, the followings were reported:

- (i) Failure of the internal control to ensure that revenue collected are promptly paid to the Treasury as required by the provisions of Chapter 6:3 and 1:4(12)(a) of MFM
- (ii) External Auditors from the Office of the Auditor-General is now the one identifying and apprehending defaulting revenue collectors which is the primary role of the treasurer and Internal Auditor
- (iii) Failure of your management to recover revenue default brought to light by the External Auditors despite repeated calls in audit inspection reports

In particular, the report identified three revenue collectors that defaulted:

- (i) Mr. Obasa Oluwole (Accountant) who has a balance of ₦339,000.00 revenue collected that he manipulated since 2015

(iii) Mr. Idris Lawal has a sum of ₦347,000.00 unremitted revenue collected on certificate of origin since year 2017

(iii) Mr. Attu Jacob has a sum of ₦104,000.00 revenue from registration of association, clubs and societies not remitted to the Treasury. During the current audit, the revenue collected not remitted to the Treasury had increase to ₦120,000.00.

Importantly, your attention was drawn to Chapter 1:4(12)(f) and 8;4 of Model Financial Memoranda for Local Governments which saddled the management (Finance & General Purpose Committee) of your Local Government with the responsibility of recovering losses identified, including meting out appropriate disciplinary action against any individual personally responsible for loss of fund. The report stated further that subsequently, any loss of revenue that is caused by negligent acts of supervising officers shall be recovered from those officers.

During the audit just concluded, it was sad to once again find out that nothing was done to stem the tide of revenue default or recovery of revenue default. It would appear that there is a kind of hand shake between defaulting revenue collectors and supervising officers which have made it difficult to exercise the powers they have to effect recovery of Government fund collected and not remitted to the Treasury despite being put on notice by the Auditor-General.

**Recommendation:** In view of the failure of the Treasurer, Internal Auditor and the F&GPC to perform their duties as highlighted above which had resulted in imminent loss of revenue, they are required to separately justify their roles in this needless loss of revenue.

## 5. **LOCAL GOVERNMENT SHOPS**

**Observation:** Previous audit inspection reports had continuously highlighted weaknesses in revenue collection from Local Government shops which ranges from poor remittances of collections to the treasury to failure to hold defiant revenue staff to account for revenue default. Specifically, the followings were reported:

(i) The sum of ₦1,335,000.00 shortfall in revenue from occupied shops that was reported to have been caused by the activities of Mr Akintunde M. A. (Principal Executive Officer) was not investigated as required by Chapter 8:6 of MFM.

(ii) Unimpressive revenue generation from shops

(iii) That there were collections from shop occupiers without issuance of receipt and the collections were not remitted to the Treasury

(iv) That some of the lock up and open shops were in dilapidated condition and needed urgent repairs.

During the end of year audit just concluded, it was observed that all the observations in the previous audit inspections were not attended to. It was sad to note that your Local Government did not investigate serious revenue infractions despite being put on notice by the Auditor-General. Your failure to prevent revenue remittance default and recovery of identified defaulters is contrary to the provisions of Chapter 1:4 (9) (11) (12) (a)&(f), 1:14 (6), 40:6(a)&(d) of Model Financial Memoranda for Local Governments. Also, there was no evidence that you investigated the observed weaknesses in internal control with a view to correcting them and blocking leakages.

**Recommendation:** You are advised to investigate all reported cases of revenue default, revenue weaknesses and revenue leakages as provided in regulations and inform this Office of your findings. Concerted efforts should be made to recover revenue default from officers concerned and take necessary disciplinary action against them as provided by extant laws. In addition, such officers should not be allowed to handle schedules that relates to handling of fund.

## **6. NAMING OF STREET**

**Observation:** It was reported in paragraph 8 of the last audit inspection report OGLG/IPK/1/VOL.III/344 of 17<sup>th</sup> January, 2023 that your Local Government did not have comprehensive data of all the streets that exist within the Local Government and you were advised to generate a detailed data base of named streets. During the period under review, a list of street named and the amount of renewal fee outstanding of ₦930,000.00 was presented. While it is acknowledged that you made effort to yield to the Auditor-General's advice, permit me to state that the detailed data referred to in that report was a revenue register as provided in Chapter 6:23 of Model Financial Memoranda for Local Governments. This regulation requires that where revenue becomes due to the Local Government at a recurring fixed intervals, a register of recurring revenue shall be kept. Furthermore, the sum of ₦930,000.00 outstanding street naming renewal fees is undesirable and indicated that your effort at revenue generation in this area is weak.

In the same vein, it was observed that the application forms from the Admin department normally given to applicants is a photocopy. Information gathered revealed that Finance department was not aware of the forms and even how the forms were printed was unknown to them.

**Recommendation:** You are advised to maintain a revenue register for proper monitoring of renewal fees as required by regulations and to ensure proper control of application form fees and other revenues.

## 7. LOCAL GOVERNMENT PALM OIL PLANTATION

**Observation:** Your attention is drawn to paragraph 9 of the last audit report OGLG/IPK/1VOL.III/344 of 17<sup>th</sup> January, 2023 where it was reported that your Local Government has a 25 acres of oil palm tree farm located at Gbodojogo in the defunct Ipokia West LCDA and 2,700 trees of oil palm plantation located on a 15 hectares land at Idosemo. The report x-rayed each farm and highlighted the following:

Mr. Kovobau Bamidele George, of Kovobau Compound, Ilesi Tube Ipokia contracted to manage Gbodojogo Oil Palm Farm failed to pay a sum of Nine Hundred and Fifty Thousand Naira (₦950,000.00) due from him to the Local Government in respect of the contract before the contract was terminated. Mr Bernard Gyane of Eva Compound, off Eva Road, Igbao via Ijofin contracted to manage Idosemo Oil Palm Plantation failed to pay the sum of Nine Hundred Thousand Naira (₦900,000.00) due from the contract before it was terminated.

The report noted further that your Local Government did not manage the farms efficiently and the Agriculture Department is not up and doing in its oversight function, in particular, monitoring and ensuring that required fund is paid promptly to the Treasury.

You were advised to carry out in-depth investigation into the activities of your oil palm plantations with a view to identifying the issues affecting the efficient administration of the farms for maximum yield. You were also enjoined to bench mark other Local Governments that are doing well on their oil palm plantation.

At the recent concluded audit exercise, it was observed that nothing was done to recover the amounts due from the two contractors terminated. The Council did not commission any investigation on the abysmal performance of the oil palm farms as advised by the Auditor-General. Instead of this, the Oil Palm Farm at Gbodojogo was leased out to Koja Diamonds International Ltd for a period of Ten (10) years effective from 01/07/2022 to 30/06/2032. The contract agreement contained laughable terms where the contractor was not expected to pay any amount to the treasury within the first two years of the contract. This period was said to be meant for clearing and pruning of the farm. This contract was concluded without the knowledge or input of the Agric Department. The Director of the department claimed that he was not aware of the contract to Koja Diamonds International.

As a follow up to the issues raised in the last audit report, the External Auditors decided to visit the 15 hectare Oil Palm Plantation at Idosemo where it was discovered that it was properly and regularly maintained by the lessee. The report of the Auditor on the oil palm farm at Idosemo prompted the Local Government management to initiate steps toward the recovery of



the outstanding ₦900,000.00 and also commenced steps for the renewal or termination of the contract agreement as a result of breach in payment. This is an indication that the Local Government did not visit her palm oil farm leased out to find out its state despite the failure of the leasee to pay the ridiculous amount agreed. One wonders what the agriculture department in the Local Government is doing.

There is no gain saying that the Local Government has lost lot of revenue from the inaptitude of officers and the absence of proper oversight by the management of your Local Government contrary to the provisions of Chapter 1.14(6) and 39.3(a) 12 of Model Financial Memorandum for Local Governments. The current contractual agreements are entirely out of tune with current economic reality. The Local Government can get a hundred times better deal on her oil farm going by the size of the farm, the price of palm produce and the value of the investment in the farm.

**Recommendation:** Your Local Government is also advised to commission a high level investigation on her palm oil farms for appropriate line of action. You can visit Ikenne Local Government to find out the secret of the success of their palm oil farm.

8. **KOMATSU BULLDOZER AT SAGAMU**

**Observation:** It was reported in paragraph 13 of the previous audit inspection reports OGLG/IPK/1/VOL.III/344 of 17<sup>th</sup> January, 2023 that the Local Government has a Komatsu Bulldozer grounded at Sagamu Local Government, Sagamu for over three (3) years. During the examination of Payment Vouchers, it was observed that a sum of Three Million, Seven Hundred and Forty-Eight Thousand Naira (₦3,748,000.00) was expended on repairs of this Bulldozer without result. During the audit just concluded, it was observed that nothing has been done to bring the Local Government bulldozer back to Ipokia from Sagamu where it had fault. There is the likelihood of the fact that the bulldozer's condition would have deteriorated further and some of its parts may have been vandalized as a result of neglect for a long time.

**Recommendation:** The Local Government is advised to as a matter of urgency carry out immediate repair of the Komatsu Bulldozer to avoid it from being vandalized.

9. **LANDED PROPERTY OF THE LOCAL GOVERNMENT ACROSS THE MAJOR SETTLEMENTS IN THE LOCAL GOVERNMENT AREA.**

**Observation:** Your attention is drawn to paragraph 11 of our previous audit inspection reports No OGLG/IPK/I/VOL.III/344 dated 17<sup>th</sup> January 2023 where it was reported that some land grabbers had encroached on your landed properties which had resulted to dispute and that your Local Government had taken the issue with levity. It was highlighted that you did not have

legal title document and the perimeter survey of the landed properties. You were advised to prepare a comprehensive list of your landed properties indicating its location, size etc., obtain necessary documents to prove your ownership and also prepare perimeter survey.

It is sad to note that nothing has been done since the previous audit inspection as revealed in the current audit exercise. It is unfortunate that the Local Government cannot provide information on its assets in the first place, and worst still, it failed to take prompt steps to ascertain them and possibly preserve and protect them, even when prompted by the Auditor-General. This is a violation of the provisions of Chapter 26:6 of Model Financial Memoranda for Local Governments which requires that physical verification be made quarterly of Local Government's long term assets and Chapter 1:5(14) which requires that the Management Committee should meet monthly to consider several reports, one of which is fixed assets verification report. The implication of this lapse is that the properties can be easily converted to personal use without being detected by the Local Government.

**Recommendation:** This Office want to reiterate that the Local Government should as a matter of urgency prepare a comprehensive list of her landed properties indicating its location, size etc. get all necessary documents as proof of ownership and also perimeter survey. Copies of the documents should be forwarded to this Office for further necessary action.

#### 10. **INVESTMENT**

**Observation:** It was observed that your Local Government has continued to reflect a sum of ₦650,000.00 as investment in its Statement of Assets and Liabilities but there was no evidence to substantiate this claim. None of the officers in the treasury department could produce on demand to the Audit Team for sighting, either the share certificate or any other document to confirm the existence of such investment.

**Recommendation:** You are therefore requested to initiate steps that would help to establish the true status of the investment.

#### 11. **MOVABLE ASSETS NOT IN THE SECRETARIAT**

**Observation:** I wish to refer to paragraph 14 of the last Audit Inspection Report and to observe with dismay that no positive action had been taken by your Local Government to recover the Toyota Corolla acquired for official use of the Executive Chairman, Hon. Josu Amos and taken away by him after the expiration of his tenure in office in October, 2019. In like manner, another Toyota Corolla purchased in June 2021 at the sum of ₦2,800,000.00 for the use of HOLGA had been taken away by the transition Chairman Hon. Abolurin Abdukabiru Abiola at the end of his tenure in July, 2021 without proper approval from this Office and from the Ministry of Local Government and Chieftaincy Affairs.

On enquiry as to the reluctance of your Local Government to retrieve the two vehicles as directed by this Office, the Director, General Services and Administration (Mr. Akinde A.D ) explained that the Local Government had written to seek approval from the Ministry of Local Government and Chieftaincy Affairs for the retrieval but no response has been received.

**Recommendation:** I wish to reiterate again that you should take necessary steps as a matter of urgency to recover the official cars with the outgone Chairmen.

## **12. CAPITAL EXPENDITURE REGISTER/ FIXED ASSET REGISTER**

**Observation:** Despite my advice on Audit Inspection Report No OGLG/IPK/1/VOL.III/310 dated 18th June, 2021 on the need for your Local Government to have a fixed asset register as required in Chapter 26:4 of the Model Financial Memoranda for Local Governments, it was observed that the Treasury has not maintain a capital expenditure register for recording its expenditure on capital items for which benefits and usage for the Local Government will last beyond five years. The register is expected to contain vital information of assets owned, time acquired or constructed location and stages of payment for on-going projects. The keeping of this record is also required by the International Public Sector Accounting Standard (IPSAS) which has been adopted for use.

**Recommendation:** In view of the above, I want to advise again that the Director of Finance and Supplies should ensure that the records are kept and updated regularly.

## **13. DORMANT ADVANCES**

**Observation:** Audit examination of the personal advance ledger revealed that a sum of Two Million, Three Hundred and Ninety-Four Thousand, Three Hundred and Three Naira, Eighty kobo (₦2,394,303.80) only was the outstanding balances of personal advance granted to some members of your Local Government which had remained stagnant for several years. This irregular repayment contravened Chapter 16:12 of Model Financial Memoranda for Local Governments which requires that personal advances must be paid on regular monthly instalments deducted at source from monthly salary of individuals. Investigation into the reasons for the dormancy revealed that most of the beneficiaries have been posted to other Local Governments while some have retired or deceased.

**Recommendation:** I wish to advise your Local Government to take advantage of the Central Salary Payment Platform for Local Government Staff at the Local Government Service Commission to effect deduction of these advances and also liaise with the Bureau of Local Government Pension for the recovery of outstanding advances from retired staff.

14 **RENOVATION OF HEALTH CENTRE AT ONIRO AND AGADA IN IPOKIA LOCAL GOVERNMENT**

**Observation:** During the period under review the Local Government embarked on the renovation of two (2) health centres at Oniro and Agada by the works department through direct labour. A sum of Seven Million Two Hundred Thousand Naira (₦7,200,000.00) only was expended on the renovation. The expenditure was incurred vide PV 26/Nov.2022 ₦1,200,000, PV 28/Nov.2022 ₦2,500,000, PV 01/Dec.-₦1500,000, 02/Dec.2022 ₦1,500.000 and ₦500,000. During the examination of payment vouchers, it was observed that there was no detailed analysis/breakdown of how the money was expended as required by regulations. There were no official receipts or other documents to account for the direct labour job. It should be noted that direct labour job by the works department are to be accounted for where details of expenses on cements, sands, granite, electrical materials, blocks, ceilings sheets, bucket of paints and plumbing materials used for the renovation are properly documented.

**Recommendation:** You are advised to always present a comprehensive detailed analysis of all expenditure incurred in any direct labour project embark upon by your Local Government.

15. **EXPENDITURE NOT SUPPORTED WITH PROPER RECORDS OF ACCOUNT**

**Observation:** During the examination of payment vouchers it was observed that a sum of One Million Four Hundred and Thirty-Seven Thousand, Five Hundred Naira (1,437,500.00) only was released to Mr. Ojo Nurudeen A. (Administrative Officer II) for the end of the year gift to political functionaries and carrier officers. It was observed that the payment voucher was not supported with relevant official receipts and sub-receipt of how the money was disbursed contrary to the provision of Chapter 14:17 of the Model Financial Memoranda for Local Governments.

**Recommendation:** You are advised to always ensure that relevant documents to account for funds released are attached to payment vouchers.

**IPOKIA LOCAL GOVERNMENT**  
**IPOKIA**

*IPLG.168T/57*

*22<sup>nd</sup> June, 2023*

**The Auditor-General,**  
Office of the Auditor-General for Local Governments  
Parastatals Building Block 'B' Oke-Mosan,  
P.M.B. 2047,  
Abeokuta.

**RE: AUDIT INSPECTION REPORT ON THE ACCOUNTS OF IPOKIA LOCAL GOVERNMENT, IPOKIA FOR THE PERIOD OF 1<sup>ST</sup> JANUARY TO 31<sup>ST</sup> DECEMBER, 2022**

Above subject matter refers.

**MANAGEMENT REPORT ON 2022 STATUTORY REPORT OF IPOKIA LOCAL GOVERNMENT**

Reverence to your report of OGLG /IPK/VOL.III/356 dated 16<sup>th</sup> June, 2023, we wish to state that the following action been taken as follows:.

**REVENUE GENERATING PERFORMANCE**

The observation and advice raised by the Statutory Audit on revenue generation of the Local Government is noted and necessary action has been set in motion to increase and block all the loop hotels of revenue drains.

**FAILURE OF LOCAL GOVERNMENT TO RECOVER REVENUE LOSSES FROM INDICATED STAFF**

The Local Government has taken proper action on all concerns officers and we have been recovering the refund on part of the concerns officers.

**LOCAL GOVERNMENT SHOPS**

Concerning the Local Government shops the said officers "Mr. Akintunde" has been invited and necessary action will be taken to recover the debt.

Concerning the dilapidated shops, the Local Government has promised to put the shops in a proper position gradually one after the other and necessary action has been taking on all other things attached to the issue of shops.

## **INVESTMENT**

Necessary action will be taking as observed.

## **CAPITAL EXPENDITURE REGISTER/FIXED ASSET REGISTER**

Necessary action shall be put in place.

## **DORMANT-ADVANCES**

Necessary action will be taken as observed in the subject matter.

## **NAMING OF STREET**

The Local Government has prepared comprehensive data base for the existing street named within the Local Government area which a copy was submitted as requested during the last Audit exercise carried out, in the Local Government.

During the period under review, streets renewal outstanding of ₦930,000.00 was presented and the Executive Chairman has geared up action to inform all the streets owners within the local Government to settle their outstanding street renewal fees or ready to lose their approved streets to any other willing individual. On this note, phone text messages have been forwarded to the affected people while physical raiding have commenced by the local government officials.

In the area of application forms that was highlighted in the report, application forms were given to street applicants upon their payment to the Local Government in the treasury office of Finance and Supply Department with Photocopy of Treasury receipt submitted to General Services and Administration Department for further documentations after their streets might have been approved by the Finance and General Purposes Committee.

The payments and streets approved are recorded accordingly in the monthly progress report of activities of the local Government.

Meanwhile, Finance and Supplies Department are aware of the payments made since the receipts are issued from the Treasury office of the Local Government.

## **LOCAL GOVERNMENT OIL PALM PLANTATIONS**

The observation and advice raised on the oil palm plantation at Gbodojogo was noted, the local Government will set into motion necessary machinery to correct all the issue rose therein.

## **KOMATZU BULLDOZER D115 AT SAGAMU**

I want to align with the submission from Auditor General 's office that the repair of KOMATZU Bulldozer be carried out as a matter of urgency to avoid being vandalized and further deterioration to enable conveyance back to the council secretariat at Ipokia for safe keeping.

## **RENOVATION OF HEALTH CENTRE AT ONIRO AND AGADA IN IPOKIA LOCAL GOVERNMENT.**

During the last visit of external auditors to the Local Government, renovation of two health centers at Oniro and Agada were physically inspected /examined to ascertain the reality and veracity of the two projects which was confirmed to be real.

The management was impressed and delighted to the extent that the projects were published in 2023 local Government calendar as part of the achievement of the present administration.

If you critically look at the vouchers, the Bills of engineering measurement and evaluation attached were well detailed (BEME)each components required to carry out the renovation works was measured and evaluated in engineering terms for the purpose of ascertaining the project cost while building materials to be accounted for will be indicated in the receipt when attached.

## **MOVABLE ASSETS NOT IN THE SECRETARIAT**

The observation and advice raised on the movable assets not in the Secretariat are noted; the Local Government will exert more efforts to retrieve the official cars taken away by the outgoing chairmen.

## **LANDED PROPERTY OF THE LOCAL GOVERNMENT ACROSS THE MAJOR SETTLEMENTS IN THE LOCAL GOVERNMENT AREA**

The report of the audit inspection No. OGLG/IPK 1/Vol.III/344 dated 17<sup>th</sup> January, 2023 on the above subject specifically on the encroacher's on the landed properties belonging to the Local Government was duly attended to swift actions have been taken to wade off the intrusions of the land grabbers with the intention of restoring the lands encroached back to the Local Government .

For instance, the Local Government has called the attention of the market authority and the Community Leaders to the level of encroachment on the market land. A meeting was held where it was resolved that the encroachers be made to:

- i. Obtain land encroachment application form in the Local Government.
- ii. Pay the fine for land encroachment.
- iii. Sign agreement with the Local Government to pay ground rent monthly for the period of ten (10) years and thereafter revert the ownership of their shops to the Local Government.

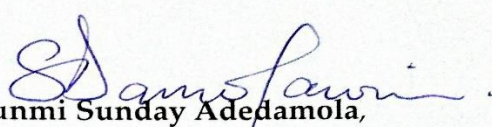
Some of these encroachers have come to obtain application form on land encroachment but are yet to come to fulfill the remaining process.

The survey plans of other lands of the Local Government encroached have been found for proper demarcation of their boundaries.

The landed properties with the survey plans found are:

S/N	Land Site	Expanse	Survey Plan
1	Palm kernel Plantation, Idosemo site	27.509 hectares	Co-ordinates CM 9570 103.095mS, 119.083mE CM 9576 150.466m, 609.818Me
2	Tube Market site	2.215 hectares	Survey Plan No. ALG/OG229/81
3	Staff Quarters, Ipokia	4.238 hectares	Co-ordinates 46859.989mE 280835.680Mn GAW 9,6,11,5,13
4	Maternity and Dispensary, Alaga	4079.568 sqm	Survey Plan No. OGK/240/81
5	Proposed Petrol Station for Local Government	1651.990 sqm	Survey Plan No. OGK/154/82
6	Motor Park at Tube	4223.313 sqm	ALS/OG 222/81
7	Local Government Land, Ipokia along Agosasa, Ipokia Road	1720.289 sqm	KAD/OG/339/2000

Thank you.

  
**Adewunmi Sunday Adedamola,**  
 Head of Local Government Administration,  
 For: Executive Chairman.