A TECHNICAL REPORT ON THE STUDENTS INDUSTRIAL WORK EXPERIENCE SCHEME (SIWES)

HELD AT

THE MINISTRY OF TRADE, INVESTMENT AND COOPERATIVE SERVICES, DEPARTMENT OF COOPERATIVE SERVICES, OYO STATE SECRETARIAT, IBADAN

BY

POPOOLA QUADRI TUNDE

(Matriculation Number: ND/23/BFN/FT/0013)

SUBMITTED TO

THE DEPARTMENT OF BANKING AND FINANCE, INSTITUE OF FINANCE AND MANAGEMENT STUDIES

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF NATIONAL DIPLOMA IN BANKING AND FINANCE

DEPARTMENT OF BANKING AND FINANCE,
KWARA STATE POLYTECHNIC,
P.M.B 1515, ILORIN,
KWARA STATE, NIGERIA.
NOVEMBER, 2024.

THE DIRECTOR,
STUDENT INDUSTRIAL WORK EXPERIENCE SCHEME (SIWES) Unit,
KWARA STATE POLYTECHNIC, ILORIN, KWARA STATE.

Dear Sir/Madam,

SUBMISSION OF SIWES LETTER

I am writing to formally submit my **Student Industrial Work Experience Scheme (SIWES) Report**, which I successfully completed at **The Ministry of Trade, Investment and Cooperative Services, Department of Cooperative Services, Oyo State Secretariat, Ibadan**. My industrial training was undertaken from **AUGUST to NOVEMBER**, in **partial fulfillment of the requirements** for the award of a **National Diploma in Banking and Finance**.

This report provides a detailed account of my experiences, including:

- **The formation and registration of cooperative societies.**
- **Inspection and verification of cooperative societies' financial records.**
- **Legal framework guiding cooperative operations.**
- **Conflict resolution and mediation in cooperatives.**

I appreciate the guidance and support from the **SIWES Unit** of **KWARA STATE POLYTECHNIC** throughout my industrial training. Kindly accept this report for assessment as part of my academic requirements.

I am available for any further clarifications if needed.

Thank you for your time and consideration.

Yours Sincerely,
POPOOLA QUADRI TUNDE,
ND/23/BFN/FT/0013.

CERTIFICATION

This is to certify that the work described in this report was completely done **by POPOOLA QUADRI TUNDE,** of Matric Number **ND/23/BFN/FT/0013**, student of Kwara State Polytechnic, Department of Banking and Finance, Institute of finance and management studies. This work description is done to fully meet the Student Industrial Work Experience Scheme (SIWES) which was undergone at the Ministry of Trade, Investment and Cooperative, (Secretariat Ibadan), Oyo State.

ABSTRACT

This Industrial training report presents the experience gathered during my 16weeks of Industrial Training undertaken at The Ministry of Trade, Investment and Cooperative, (Secretariat) Ibadan, Oyo state. My training focused on;

- The formation of cooperative societies.
- The registration process and required documentation.
- The verification and inspection of cooperative societies.
- Conflict resolution and mediation within cooperatives.

This report also discusses the technical skills gained during the training and highlights the relevance of **SIWES in preparing students** for the professional work environment.

ACKNOWLEDGEMENTS

I am grateful to **Almighty God** for wisdom, knowledge, and strength throughout my training. I would like to sincerely appreciate the **Industrial Training Fund (ITF)** for their vision in establishing the **SIWES** program.

My deepest gratitude goes to the **Ministry of Trade, Investment, and Cooperative Services, Oyo State**. Special thanks to the **Director of Cooperative Services, Alhaja Medinat Adedeji**, the **Deputy Director, Mr. Olawoyin I.K.**, and the **Inspector of Cooperative Services, Mrs. Adeola M.F.** for their invaluable support, guidance, and mentorship during my training period. Their encouragement and willingness to share knowledge greatly contributed to my learning experience.

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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of SIWES

SIWES was established by ITF (industrial training fund) in 1973 to solve the problem of lack of adequate practical skills preparatory for employment in industries by Nigerian graduates of tertiary institutions. The Scheme exposes students to industry-based skills necessary for a smooth transition from the classroom to the world of work. It affords students of tertiary institutions the opportunity of being familiarized and exposed to the needed experience in handling machinery and equipment which are usually not available in the educational institutions. Participation in Industrial Training is a well-known educational strategy. Classroom studies are integrated with learning through hands-on work experiences in a field related to the student's academic major and career goals. Successful internships foster an experiential learning process that not only promotes career preparation but provides opportunities for learners to develop skills necessary to become leaders in their chosen professions.

1.2 Aim and Objectives of SIWES

i. It aims to bridge the gap between theoretical knowledge acquired in the classroom and practical skills required in the workplace.

ii. It seeks to enhance the employability of students by equipping them with practical

iii. It exposes students to the actual work environment in their respective fields of study.

iv. It allows them to observe and understand industry-specific processes, procedures, and practices, giving them a realistic view of their future careers.

v. It fosters collaboration between educational institutions and industries. It encourages the active participation of industries in the training and development of students, leading to a better alignment between academic curricula and industry needs.

1.3 Scope of SIWES

i. SIWES is to help students integrate leadership development into the experiential learning process.
ii. Participation in SIWES has become a necessary pre-condition for the award of Diploma and Degree certificates in specific disciplines in most institutions of higher learning in the country, in accordance with the education policy of government.
iii. Students are expected to learn and develop basic non-profit leadership skills through a mentoring relationship with innovative non-profit leaders.
iv. The effectiveness of the SIWES experience will have varying outcomes based upon the individual student, the work assignment, and the supervisor/mentor requirements and it is vital that each internship position description includes specific, written learning objectives to ensure leadership skill development is incorporated.

CHAPTER TWO

2.0 BACKGROUND OF ESTABLISHMENT THE MINISTRY OF TRADE, INVESTMENT AND COOPERATIVE (SECRETARIAT IBADAN, OYO STATE).

The OYO State Ministry of Commerce and Industry is the state government ministry, charged with the responsibility to plan, devise and implement the state policies on Commerce and Industry. This Ministry was established to ensure Business Prosperity and Consumer Satisfaction in Lagos State. The head office of the agency is located at Block 8, The Secretariat, and Ibadan Oyo state.

2.1 Objectives of the Ministry

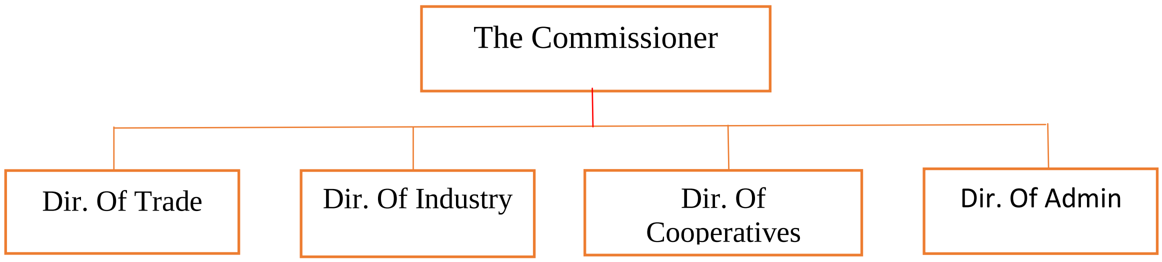
The objectives include:

- To promote and encourage the growth of commerce and industry in Oyo State.
- To establish and promote an enabling environment for businesses to operate in Oyo State.
- To develop and implement policies and programs that will promote the growth of the cooperative sector in Oyo State.
- To support, promote and develop small and medium-sized businesses in Oyo State.
- To promote foreign investment and trade in Oyo State.
- To create employment opportunities in Oyo State.

2.2 The Principal Officials

1. Adeniyi Adebisi – Honorable Commissioner
2. Dr. Bunmi Babalola - Permanent Secretary
3. Mr. B.S.A Adedoja -Director, Administration and supplies
4. Mrs. M.A Adedeji – Director of Cooperative Services.
5. Mr. A.T AREMU- Director (Finance and Accounts)
6. Mr. ASIRIBO RASAQ OLAWALE -Director, (Planning Research and Statistics)
7. Mrs. M.F Olanrewaju – Director of Industry.
8. Engr. Tajudeen Raji - Director (product Analysis and implementation)

2.3 Organizational Structure



CHAPTER THREE

3.0 INTRODUCTION TO DEPARTMENT OF COOPERATIVE SERVICES, OYO STATE

WHAT IS A COOPERATIVE SOCIETY?

A cooperative society is an organizations owned and operated by a group of individuals for their mutual benefit. The cooperative movement began in the 19th century, aiming to address social and economic challenges faced by communities.

Cooperative Societies are collaborative teams where members voluntarily pull their resources together to achieve common economic, social, and cultural objectives. They're democratic and every member has a voice in decisions.

Cooperative started back in the early 20th century. The first cooperative society limited started in 1935, to help farmers and traders in the same area to come together, share resource, and improve their economic situation. Early Age, Cooperative began to form for different sector like agriculture, housing and credit.

In Ibadan, the Department of Cooperative Services, Oyo State is responsible for registration and supervision of Cooperative Societies in Oyo State, strengthening cooperative societies by ensuring financial accountability, providing training, resolving disputes, and promoting economic development**.**

3.1 Function of the Department of Cooperative Services

- They appoint and register new cooperative societies in compliance with cooperative law
- They conduct **routine and special inspections** to verify compliance with financial and operational guidelines.
- They conduct **statutory audits** to assess the financial health of cooperative societies.
- They organize **seminars, workshops, and training sessions** for cooperative members and executives.
- They mediate **disputes among cooperative members** to ensure peaceful coexistence.
- They encourage the formation of new cooperatives to boost **economic empowerment**.
- They develop policies to improve cooperative activities in the state.
- They facilitate access to **loans and grants** from cooperative banks and financial institutions.

3.2 Those Eligible to Establish Cooperatives

- Farmers
- Business owners
- Civil servants
- Teachers
- Professionals
- Traders
- Artisans
- Corporate organizations
- Other

3.3 Legal Framework

In Oyo State, the operations of all cooperative societies are guided by the provisions of the cooperative society's law, Regulations and internationally accepted cooperative principles. The Ministry of Commerce, Cooperative, Trade and Investment promote the cooperative principles in line with the international cooperative Alliance (ICA), with focus on poverty eradication among members and empowerment of the citizens through effective of cooperatives as entrenched in Oyo state cooperatives societies law 2022.

3.4 The Sections in Department of Cooperatives Services in Oyo State

- Registration unit
- Mediation unit
- Verification and inspectorate unit
- Insurance unit
- Monitoring and enforcement unit
- Cooperative area officers.

CHAPTER FOUR

4.0 OVERVIEW OF WORK CARRIED OUT AND EXPERIENCE GAINED

During my training, I worked in the **Registration and Inspection Section** of the **Department of Cooperative Services, Oyo State**. My responsibilities included assisting in the **registration of cooperative societies**, verifying financial records, and conducting inspections to ensure compliance with regulatory standards.

My key activities included:

- Reviewing applications for cooperative registration.
- Examining financial documents such as **cashbooks, ledgers, and loan registers**.
- Conducting field visits to cooperative societies for **verification and inspection**.
- Assisting in preparing **inspection reports** and financial summaries.
- Observing how **cooperative societies handle financial transactions** and ensure accountability.

4.1.0 COOPERATIVE REGISTRATION

4.1.1 Requirements for Cooperative Registration

Members must satisfy the under-listed requirements before picking up registration forms;

1. Members must be 18 years old and above.
2. The proposed Cooperative Society must consist of persons with good character and sound mind.
3. Members must share a common bond (e.g. staff of the same company or people engaged in similar trade or business).
4. Foundation members must be at least 20(twenty) persons.

4.1.2 Steps for Cooperative Registration

1. Submission of written application for registration to the office of the Permanent Secretary, Ministry of Commerce, Industry and Cooperatives.
2. Holding of Inaugural Meeting. (minutes of meeting).

3. Payment of applicable registration fees, Trustees of the Cooperative Society (President, Secretary, and Treasurer) to attend Induction Course at The Lagos State Cooperative College.
4. Purchase of the statutory books for record keeping.
5. Monitoring and supervision for 3 (three) months.
6. Issuance of Certificate of Registration and Bye-laws.

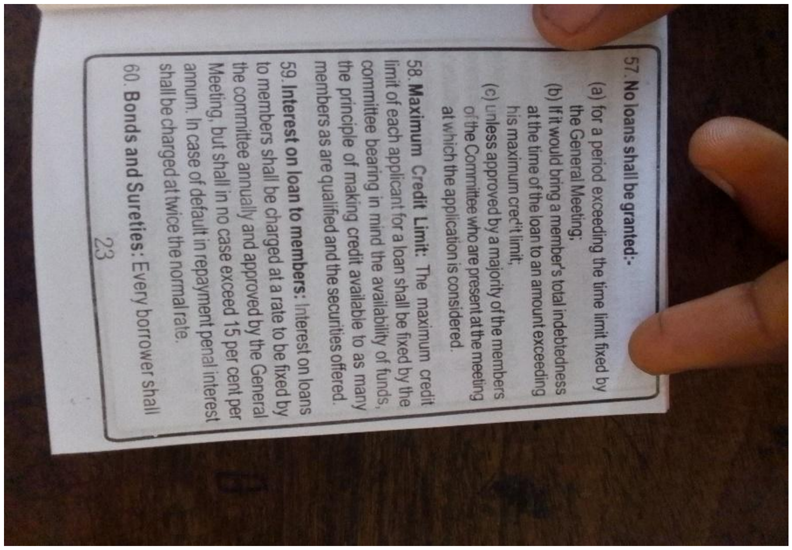
4.1.3 Post Registration

1. Registered Societies must keep the relevant books e.g. Cashbook, General ledger, Personal ledge etc.
2. Registered Societies will be monitored to ensure compliance with the Cooperative Societies Laws, their registered By-laws and Regulations.
3. Registered Societies must prepare their Annual Statement of Accounts and Returns.
4. Registered Societies must conduct regular meetings and hold their Annual General Meeting, AGM.
5. Training of trustees of newly registered Societies and rank and file members of Cooperative Societies in Cooperative administration and management.

4.1.4 Cooperative Bye-Law

I read and understood the usefulness of the sixteen sections in the cooperative bye-law for the day-to-day running of the cooperative society (i.e. the rules and regulations guiding the cooperative societies). I understood that if the rules and regulations written in the bye law are followed by the cooperatives, and also if the cooperatives operate by the necessary principles, it will point them to the best route they will make their goals attainable and easy to reach.

Cooperative Bye-law



57. **No loans shall be granted:-**
(a) for a period exceeding the time limit fixed by the General Meeting;
(b) **If it would bring a member's total indebtedness at the time of the loan to an amount exceeding** his maximum credit limit;
(c) **unless approved by a majority of the members of the Committee who are present at the meeting** at which the application is considered.

58. **Maximum Credit Limit:** The maximum credit limit of each applicant for a loan shall be fixed by the committee bearing in mind the availability of funds, the principle of making credit available to as many members as are qualified and the securities offered.

59. **Interest on loan to members:** Interest on loans to members shall be charged at a rate to be fixed by the committee annually and approved by the General Meeting, but shall in no case exceed 15 per cent per annum. In case of default in repayment penal interest shall be charged at twice the normal rate.

60. **Bonds and Sureties:** Every borrower shall

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4.1.4 Benefit of Registered Cooperative Society

The following are the derivable benefits for a registered Cooperative Society:

1. Recognition and certification of the societies by the government.
2. Nurturing the society by the provision of Information for its development.
3. Monitoring and development support through periodical extension visits to Cooperative Societies by staff of the Directorate.
4. Provision of Operational Guidelines for the society for effective management.
5. Periodical training to support good management of the society.
6. Mediation and dispute resolution for the society whenever there is need for such.

4.2.0 VERIFICATION AND INSPECTION OF COOPERATIVE SOCIETIES

During my SIWES program at the Department of Cooperative Services, Oyo State, I had the opportunity to inspect many Cooperative Societies but fully Inspected **Prison Staff Cooperative Society** with the **Department Professional Inspectors**.

Prison Staff Cooperative Society is a registered cooperative society established to enhance the financial well-being of correctional service staff. This cooperative was formed to provide savings and credit facilities, investment opportunities, and financial support to its members, ensuring their economic stability and welfare. The **Prison Staff Cooperative Society** operates as a **Thrift and Credit Cooperative Society**, primarily focused on mobilizing savings from its members and offering them accessible loan facilities. The society is governed by a management committee and adheres to cooperative laws and financial regulations under the supervision of the **Oyo State Department of Cooperative Services.**

As part of my inspection duties, I reviewed the cooperative's (Prison Staff Cooperative Society) financial and administrative records which my **SIWES** experienced at Inspection section is majorly on.

The following books are reviewed to conduct Inspection in the case of **Prison Staff Cooperative Society during** my training at **Department of Cooperative services Oyo State.**

4.2.1 Cash Receipt

They are crucial financial documents in a cooperative society as they serve as evidence of financial transactions, particularly money received from members, customers, or other sources. I inspected their cash receipts to ensure that all financial inflows are properly documented, recorded, and managed to prevent fraud, mismanagement, or errors in financial reporting.

Purpose of Inspecting Cash Receipt

- To ensure proper documentation of all cash received**.**
- To verify the accuracy and authenticity of receipts issued**.**
- To detect fraudulent transactions or unauthorized alterations**.**
- To ensure compliance with cooperative financial policies**.**
- To confirm that receipts match recorded entries in financial books.

During my inspection on the cooperative cash receipt, the following elements were assessed

1. **Receipt Serial Number and Date**: Each receipt should have a unique serial number for tracking. Dates should be accurate and correspond with transaction records.

2. **Amount Paid**: The amount on the receipt should match the recorded amount in the cash book and ledger.
3. **Purpose of Payment**: The reason for the payment must be clearly indicated (e.g., membership fees, loan repayment, product purchases).
4. **Amount Paid**: The amount on the receipt should match the recorded amount in the cash book and ledger. Any discrepancies should be investigated.
5. **Mode of Payment -** Whether the payment was made in cash, cheque, or electronic transfer should be noted. - Supporting bank documents should be cross-checked for non-cash transactions.
6. **Signature and Authorization**: The receipt must be duly signed by an authorized officer. Unsigned or unauthorized receipts indicate financial mismanagement.

4.2.2 Payment Voucher

A payment voucher is an official document used by Cooperative Society to authorize and record payments made for expenses, purchases, salaries, or services rendered. The proper use of payment vouchers ensures transparency and accountability in financial transactions.

Purpose of Inspecting Payment Voucher

- **Verification of Payment Voucher Details**: Each payment voucher was checked for serial numbers, date, payee details, and amount paid. The purpose of the payment was reviewed to ensure it aligned with the cooperative's financial policies.
- **Authorization and Approval Check**: Payment vouchers were examined to confirm that they had been duly signed by authorized officers (e.g., the cooperative's treasurer, president, or accountant). Payments exceeding certain thresholds required additional approval, which was verified
- **Cross-Checking with Supporting Documents**: Each payment voucher was matched with supporting documents such as; Invoices, receipts, contracts, or bank payment slips. Any missing or incomplete documentation was flagged as a potential financial irregularity.
- **Comparison with Financial Records**: Payment vouchers were compared with entries in the cash book, bank statements, and ledger to confirm consistency. Discrepancies

were investigated to determine if there were errors, unauthorized payments, or financial mismanagement.

4.2.3 Cash Book

This is a financial ledger that records all cash transactions of an organization, including money received and payments made. It serves as both a journal and a ledger, meaning transactions are first recorded in the cashbook before being posted to other accounting records such as the ledger.

Types of Cashbooks

1. **Single-Column Cashbook**: Records only cash transactions (receipts and payments).
2. **Double-Column Cashbook**: Includes a cash and bank column, recording both cash and bank transactions.
3. **Triple-Column Cashbook**: Includes cash, bank, and discount columns, allowing for more detailed financial tracking.

Purpose of Inspecting the Cashbook

The Inspection of the Prison Staff Cooperative Society's Cashbook was carried out to:

- Verify the accuracy of financial transactions recorded.
- Ensure all receipts and payments were properly documented. Detect errors, fraud, or irregularities in cash transactions.
- Confirm that entries in the cashbook matched supporting documents such as receipts, vouchers, and bank statements.

4.2.4 Personal Ledger

A **Personal Ledger** is a financial record that details the transactions of individual cooperative members, including **savings, loan disbursements, loan repayments, dividends, and other financial dealings** with the cooperative. It provides an up-to-date account of each member's financial status within the society.

Purpose of Inspecting the Personal Ledger

The inspection of the **Personal Ledger** was conducted to:

- Ensure that each member's **financial transactions were accurately recorded**.
- Verify **savings contributions, loan disbursements, and repayment schedules**.
- Detect **errors, discrepancies, or fraudulent activities** in members' accounts.
- Confirm that entries in the ledger matched other financial records such as the **cashbook and loan register**.
- Assess the cooperative's compliance with **proper financial management and record-keeping practices**.

Personal Ledger

PERSONAL LEDGER BALANCES AS AT 31ST MARCH 2023.

NO	NAMES	L/F	SHARES	SAVINGS	LOAN
1.	Abisoye Risikatu	1	20,080.00	257,000.00	500,000.00
2.	Alao Nathaniel	2	28,000.00	165,000.00	250,000.00
3.	Adeyinka Samson	3	10,000.00	160,000.00	
4.	Ajayi Damilola	4	15,000.00	170,000.00	310,000.00
5.	Adisa Folashade	5	23,000.00	105,000.00	
6.	Ojo Yemisi. A	6	17,000.00	220,000.00	300,000.00
7.	Ogunmakinde Oladimeji	7	21,000.00	165,000.00	
8.	Olabunmi Olanike	8	19,000.00	145,000.00	500,000.00
9.	Olayinka Seun	9	14,000.00	185,000.00	
10.	Alade David	10	9,000.00	160,000.00	
11.	Mr. Afusatu Yekeen	11	29,000.00	170,000.00	
12.	Mrs. Ayanwusi Nike	12	24,000.00	165,820.00	500,000.00
13.	Mrs. Risikatu Taiwo	13	19,000.00	100,000.00	
14.	Mrs. Falade Temilade	14	20,000.00	125,000.00	250,000.00
15.	Akande Banke	15	18,000.00	165,000.00	420,000.00
16.	Adedokun Adeleke	16	19,000.00	145,000.00	200,000.00
17.	Ogundeji Toyin	17	21,000.00	85,000.00	
18.	Mr. Olabode Tosin	18	17,000.00	265,000.00	600,000.00
19.	Oyinlola Jumoke	19	10,000.00	165,000.00	200,000.00
20.	Rufus Bukola	20	28,000.00	160,000.00	400,000.00
21.	Abosede Oludele	21	22,000.00	200,000.00	570,000.00
22	Ayoola Julianah	22	17,000.00	190,000.00	200,000.00
23	Adelekan Olusegun	23	19,000.00	175,000.00	
24		24	210,000.00	165,000.00	100,000.00
25	Adewole Oluwaseyi	25	18,000.00	165,000.00	
26	Abayomi Adebisi	26	10,000.00	165,000.00	200,000.00
27	Alamu Titilayo	27	12,000.00	265,000.00	
28	Aiyedun gbe Gafan	28	25,000.00	135,000.00	
29	Oyelade Olusayo	29	19,000.00	195,000.00	300,000.00
30	Alhaji Ibrahim Ganba	30	17,000.00	105,000.00	
31	Sina Adebayo Omolara	31	19,000.00	125,000.00	400,000.00
32	Oloyede Oluwaseun	32	21,000.00	165,000.00	
33	Oyewale Oluwafunke	33	210,000.00	165,000.00	
34	Adebusoye Roseline	34	118,000.00	105,000.00	
35	Adeleye Latifat	35	115,000.00	165,000.00	300,000.00
36	Oladeji Iyabo	36	21,000.00	165,000.00	
37	Arulogun Opeyemi	37	26,000.00	165,000.00	
38	Olatunbosun Olusola	38	10,000.00	100,000.00	
39	Kakeem Agbolade	39	22,000.00	230,000.00	400,000.00
40	Alhaji Olajide Wasiu	40	18,000.00	165,000.00	
	PERSONAL LEDGER BALANCES		**760,080.00**	**6,587,820.00**	**6,900,000.00**
	GENERAL LEDGER BALANCES		**760,080.00**	**6,587,820.00**	**6,900,000.00**
	DIFFERENCES		NIL	NIL	NIL

4.2.5 Ledger Book

A **General Ledger (GL)** is a master financial record that contains all the cooperative's accounts, summarizing financial transactions under different categories such as **assets, liabilities, income, and expenses**. It serves as the foundation for preparing financial statements and ensuring transparency in the cooperative's financial management.

The **General Ledger** consists of multiple individual accounts, including:

- **Cash Account** – Records all cash inflows and outflows.
- **Bank Account** – Tracks transactions made through the cooperative's bank account.
- **Loan Account** – Documents loan disbursements and repayments.
- **Savings Account** – Records members' savings contributions.
- **Income Account** – Captures earnings from interest on loans, investments, and other sources.
- **Expense Account** – Logs all cooperative expenditures, such as office expenses and operational costs.

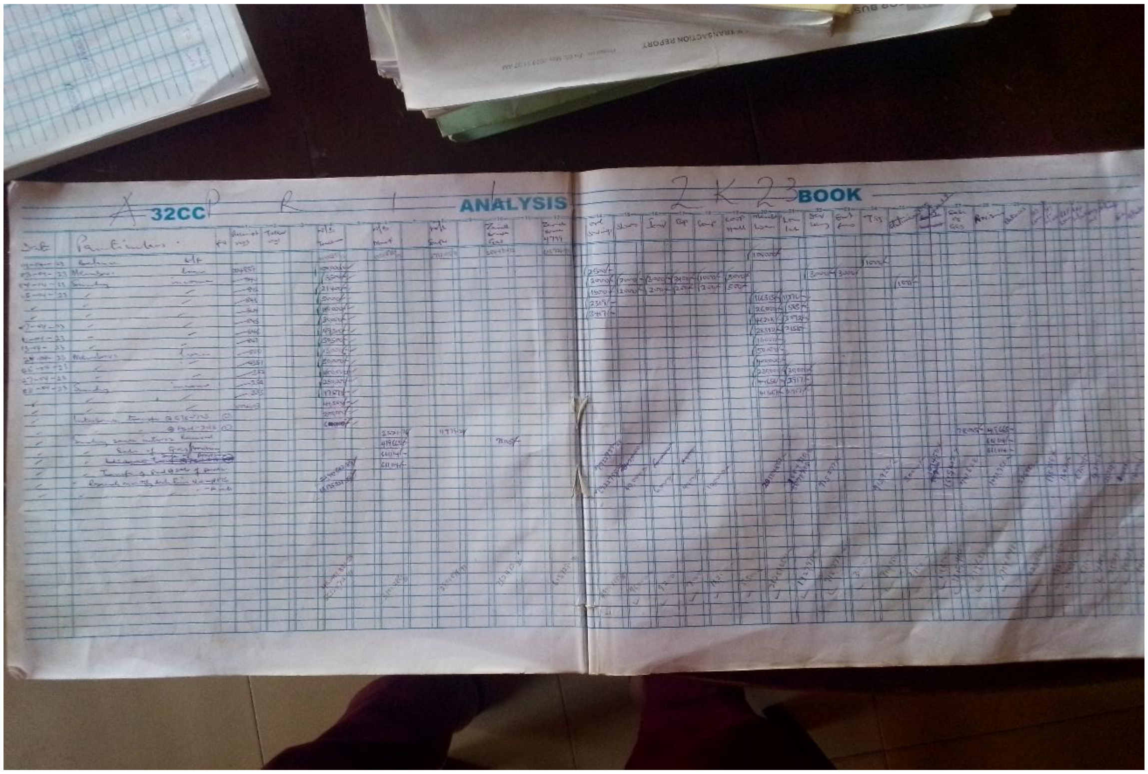
Purpose of Inspecting the General Ledger

The inspection of the **General Ledger** was conducted to:

- Verify that **all financial transactions were accurately recorded and categorized**.
- Ensure consistency between the general ledger and other financial records such as the **cashbook, bank statements, and payment vouchers**.
- Detect **errors, discrepancies, or fraudulent activities** in financial reporting.

- Confirm that the cooperative adhered to **accounting principles and financial regulations**.
- Assess the **financial health and performance** of the cooperative.

Ledger Book



4.2.6 Loan Register

A **Loan Register** is a financial record that documents all loans issued to members of a cooperative society. It serves as a reference for tracking **loan disbursement, repayment progress, outstanding balances, and interest accruals**. The Loan Register helps the cooperative ensure proper loan management and mitigate financial risks.

Purpose of Inspecting the Loan Register

The inspection of the **Loan Register** at the **Prison Staff Cooperative Society** was carried out to:

- Verify that **all loan transactions were properly recorded**.
- Ensure that **loan disbursements were approved** by the appropriate authorities.
- Confirm that **loan repayments were updated and accurately recorded**.

- Identify cases of **default, late payments, or non-repayment**.
- Check for **unauthorized loan approvals or fraudulent entries**.
- Assess the financial standing of the cooperative regarding its loan management.

4.2.7 Trial Balance

A **Trial Balance** is a financial statement that lists all the **ledger account balances** of a cooperative at a specific period. It is prepared to ensure that the **total debt balances equal the total credit balances**, confirming that transactions have been recorded correctly according to the double-entry bookkeeping system.

Structure of a Trial Balance

A typical **Trial Balance** consists of:

- **Account Names** – Lists all ledger accounts (e.g., Cash, Bank, Loan, Income, Expenses).
- **Debit Balances** – Includes asset accounts, expenses, and losses.
- **Credit Balances** – Includes liabilities, capital, income, and gains.

Purpose of Inspecting the Trial Balance

The **inspection of the Trial Balance** at the **Prison Staff Cooperative Society** was conducted to:

- Verify that **ledger balances were accurately recorded and transferred**.
- Ensure that the **debit and credit totals matched**, confirming the accuracy of financial records.
- Detect **errors, misclassifications, and omissions** in the cooperative's accounting system.
- Identify **financial irregularities, fraudulent transactions, or discrepancies**.
- Ensure that financial records complied with **cooperative accounting policies**.

4.2.8 Financial Statement (Includes Income and Expenditure)

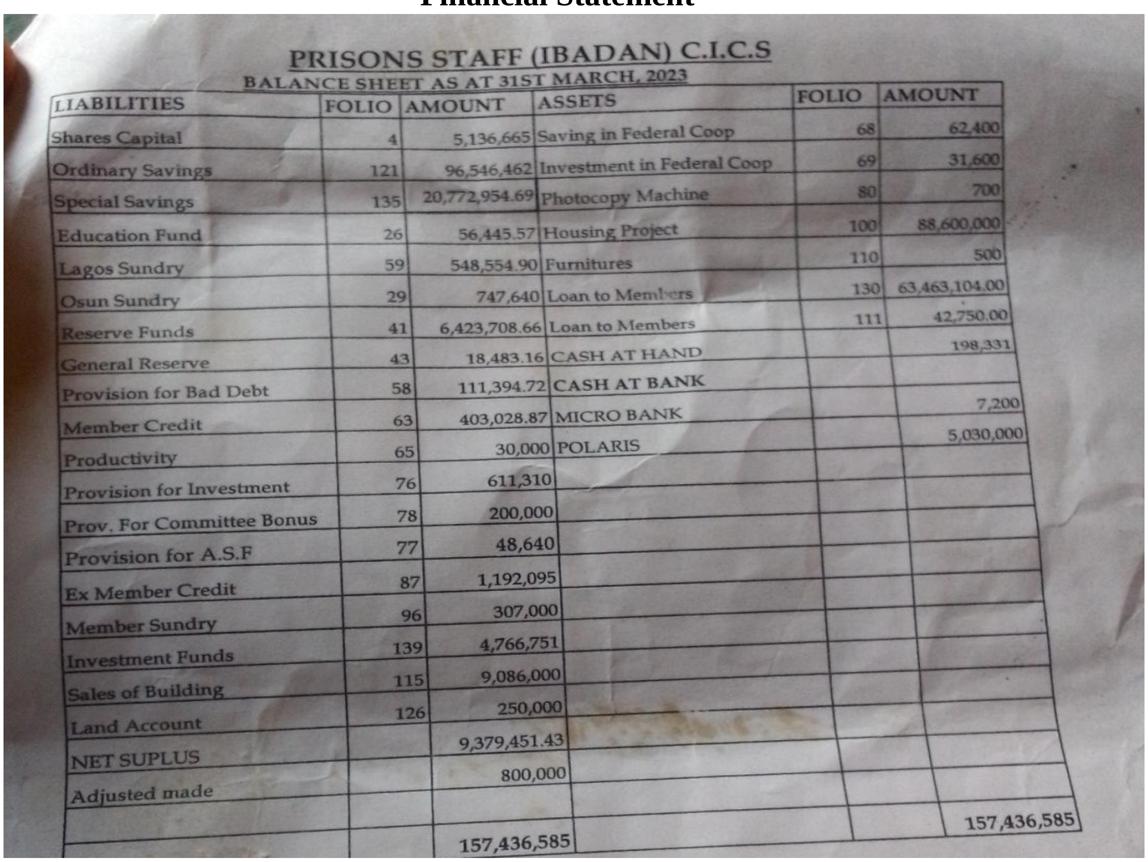
A **Financial Statement** also known as **Balance Sheet** is a formal record that summarizes the financial performance and position of a cooperative society. It helps in evaluating the cooperative's profitability, financial stability, and operational efficiency. The financial statement is crucial for decision-making by management, auditors, regulatory authorities, and members of the cooperative.

Purpose of Inspecting the Financial Statement

The **inspection of the Financial Statement** at the **Prison Staff Cooperative Society** was conducted to:

- Verify the **accuracy and completeness** of financial records.
- Ensure that **revenues, expenses, assets, and liabilities were correctly recorded**.
- Assess the **cooperative's financial health and sustainability**.
- Identify any **financial mismanagement, fraud, or inconsistencies**.
- Confirm **compliance with cooperative accounting principles and regulations**.

Financial Statement



PRISONS STAFF (IBADAN) C.I.C.S

BALANCE SHEET AS AT 31ST MARCH, 2023

LIABILITIES	FOLIO	AMOUNT	ASSETS	FOLIO	AMOUNT
Shares Capital	4	5,136,665	Saving in Federal Coop	68	62,400
Ordinary Savings	121	96,546,462	Investment in Federal Coop	69	31,600
Special Savings	135	20,772,954.69	Photocopy Machine	80	700
Education Fund	26	56,445.57	Housing Project	100	88,600,000
Lagos Sundry	59	548,554.90	Furnitures	110	500
Osun Sundry	29	747,640	Loan to Members	130	63,463,104.00
Reserve Funds	41	6,423,708.66	Loan to Members	111	42,750.00
General Reserve	43	18,483.16	CASH AT HAND		198,331
Provision for Bad Debt	58	111,394.72	CASH AT BANK		
Member Credit	63	403,028.87	MICRO BANK		7,200
Productivity	65	30,000	POLARIS		5,030,000
Provision for Investment	76	611,310			
Prov. For Committee Bonus	78	200,000			
Provision for A.S.F	77	48,640			
Ex Member Credit	87	1,192,095			
Member Sundry	96	307,000			
Investment Funds	139	4,766,751			
Sales of Building	115	9,086,000			
Land Account	126	250,000			
NET SUPLUS		9,379,451.43			
Adjusted made		800,000			
		157,436,585			157,436,585

4.2.9 Audit Report

An **Audit Report** is a formal document prepared by an auditor after reviewing the financial records and operations of a cooperative society. It provides an **opinion on the accuracy, reliability, and fairness** of the cooperative's financial statements. The audit report is essential for **accountability, transparency, and decision-making** by members and regulatory authorities.

Purpose of Inspecting the Audit Report

The **inspection of the Audit Report** at the **Prison Staff Cooperative Society** was conducted to:

- Verify the **accuracy and credibility** of the financial records.
- Assess **compliance with cooperative regulations and accounting standards**.
- Identify **financial risks, fraud, or mismanagement**.
- Evaluate the **effectiveness of internal controls and financial practices**.
- Recommend **corrective actions for financial improvement**.

4.2.10 Appropriation Account

An **Appropriation Account** is a financial statement that outlines the **distribution of the cooperative's net profit** after deducting all expenses. It is primarily used in cooperative societies and businesses to allocate **profits to reserves, dividends, bonuses, and other allocations** as per the cooperative's regulations.

Structure of an Appropriation Account

An Appropriation Account generally includes:

1. **Net Profit/Loss Brought Forward**
   - This represents the **final profit or loss** from the Income Statement (Profit and Loss Account).
2. **Allocations of Profit**

    - **Statutory Reserve Fund** – A portion of the profit set aside as per regulatory requirements.
    - **Dividends to Members** – A share of the profit distributed among cooperative members.
    - **Honoraria and Bonuses** – Payments to management or key officials as approved.
    - **Education Fund** – Some cooperatives allocate part of the profit for member education or training.
    - **General Reserve** – Funds set aside for future expansion or unforeseen expenses.
3. **Balance Carried Forward**
    - The remaining profit, if any, is carried forward to the next financial period.

Purpose of Inspecting the Appropriation Account

The **inspection of the Appropriation Account** at the **Prison Staff Cooperative Society** was conducted to:

- Ensure that **profit distribution complies with cooperative laws and policies**.
- Verify that **reserves and funds are allocated correctly**.
- Detect **any irregularities, misallocation, or fraud** in profit distribution.
- Ensure that members receive **fair and accurate dividend payments**.
- Assess whether sufficient funds are being retained for **future financial stability**.

Appropriation Statement

PRISONS STAFF (IBADAN) C.I.C.S

APPROPRIATION

Reserve Fund	1,406,917.80	Net Surplus	9,379,451.43
Education Fund	468,972.60		
Member Credit	3,588,330		
Bonus on Patronage	931,829		
Rebate on Special Saving	728,776		
Monitized Food	720,000		
Committee Bonus	500,000		
Productivity	300,000		
A.G.M Expenses	350,000		
Provision for Bad Debt	330,000		
General Reserve Fund	64,626.03		
	9,389,451.43		**9,379,451.43**

CHAPTER 5

5.0 SUMMARY, CHALLENGES, CONCLUSION, RECOMMENDATION AND REFERENCE

5.1 SUMMARY

My **SIWES training at the Department of Cooperative Services, Oyo State**, provided me with practical experience in **cooperative registration, financial inspection, and auditing**. I had the opportunity to work closely with inspectors, learning how to review financial records such as **cashbooks, ledgers, trial balances, and financial statements** to ensure compliance and transparency in cooperative societies.

Beyond financial inspections, I also participated in the **registration process of cooperative societies**, assisting in the verification of documents and understanding the legal framework that guides their operations. This hands-on experience gave me a clearer understanding of how cooperative societies function and the role of government in regulating them.

Throughout my training, I developed **strong analytical, problem-solving, and teamwork skills**. I also became more familiar with the challenges cooperative societies face, such as **poor financial management and irregular record-keeping**, and I learned how proper oversight can help address these issues. Overall, my time at the department was a valuable learning experience that gave me insight into **cooperative management, financial supervision, and regulatory practices**.

5.2 CHALLENGES FACED

During my SIWES training at the **Department of Cooperative Services, Oyo State**, I encountered several challenges that tested my adaptability and problem-solving skills. However, each challenge also provided a valuable learning experience that helped me grow both professionally and personally.

- One of the major challenges was **manual record-keeping in cooperative societies**. Many cooperatives still rely on paper-based financial records, which made inspections more tedious and prone to errors. Going through stacks of documents to verify transactions was time-consuming, and it became clear that transitioning to digital accounting systems would improve efficiency and accuracy.
- Another challenge was **incomplete or inaccurate financial documentation**. Some cooperative societies had poorly maintained records, making it difficult to confirm financial transactions and assess their financial health. This often meant spending extra time cross-checking information and resolving discrepancies, which sometimes slowed down the inspection process.
- I also faced **delays in accessing financial documents** during inspections. Some cooperative societies were hesitant to provide records, either due to disorganization or concerns about scrutiny. This experience taught me the importance of patience and persistence while emphasizing the need for transparency and accountability in financial management.
- Additionally, **limited financial management knowledge among cooperative members** was a recurring issue. Many executives and members lacked proper training in bookkeeping and financial regulations, which sometimes led to errors in financial decisions. This highlighted the need for regular training and capacity-building programs to improve their understanding of financial management.

Despite these challenges, I was able to **adapt and improve my analytical skills, patience, and communication abilities**. Engaging with cooperative members and officials allowed me to develop better problem-solving strategies, and I learned how to navigate real-world financial oversight with professionalism.

5.3 CONCLUSION

My SIWES training was an **enriching and transformative experience**. It gave me practical exposure to **cooperative registration, financial supervision, and regulatory compliance**. I have developed valuable skills that will be instrumental in my future career in

finance, accounting, and cooperative management. The knowledge and experience gained will serve as a strong foundation for my professional growth.

5.4 RECOMMENDATION

Based on my experience during my **SIWES training at the Department of Cooperative Services, Oyo State**, I have observed several areas where improvements can be made to enhance the efficiency of cooperative societies and the department's operations.

- One of the most important recommendations is the **adoption of modern accounting software** for better financial management. Many cooperative societies still rely on manual bookkeeping, which makes it easy for errors and financial mismanagement to occur. By introducing computerized accounting systems, cooperatives can improve accuracy, efficiency, and transparency in their financial records.
- Another key area that needs improvement is **capacity-building training for cooperative executives and members**. I noticed that many cooperative members do not have a strong background in financial management, which sometimes leads to poor decision-making. Regular training on financial discipline, record-keeping, and cooperative governance would go a long way in improving the overall management of these societies.
- Additionally, **the inspection and auditing process should be more frequent and thorough**. In some cases, financial problems in cooperative societies only come to light when it is too late to fix them. If inspections were done more regularly, issues could be detected early and necessary corrections could be made before they escalate.
- It would also be beneficial if the **government provided more support in terms of funding, policy implementation, and supervision**. Many cooperative societies struggle with financial constraints, and access to low-interest loans, grants, or other forms of financial assistance would help them grow and provide better services to their members. Stronger enforcement of cooperative laws will also ensure that societies operate within the right legal and ethical frameworks.
- Lastly, **improving documentation and record management** at the Department of Cooperative Services would make processes more efficient. A digital record-keeping

system would help prevent the loss of important documents and ensure that information is easily accessible when needed.

By implementing these recommendations, cooperative societies in Oyo State will be able to operate more effectively, ensuring financial stability and long-term sustainability. Likewise, the Department of Cooperative Services will be better positioned to provide the necessary support and oversight for cooperative societies to thrive.

5.5 RECOMMENDATION TO ITF

The **Industrial Training Fund (ITF)** plays a crucial role in bridging the gap between classroom learning and real-world industry experience. However, based on my SIWES training at the **Department of Cooperative Services, Oyo State**, I have identified areas where improvements can be made to enhance the effectiveness of the program.

- **Increase in Funding and Financial Support for SIWES Students**
  Many students face financial challenges during their industrial training, including transportation costs and other expenses related to their placement. Providing stipends or financial assistance in a timely manner would ease this burden and allow students to focus on gaining valuable skills.
- **Expansion of Placement Opportunities**
  ITF should collaborate with more organizations across different sectors to ensure students secure placements in relevant industries. A structured system where ITF assists in matching students with suitable organizations would help provide better exposure to practical knowledge in their field of study.

By implementing these recommendations, ITF can further strengthen the SIWES program, ensuring that students not only gain hands-on experience but also develop the skills and confidence needed for their professional careers.

5.6 REFERENCES

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