

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF ALIMOSHO LOCAL
GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 2019**

In compliance with the provisions of **Section 50 subsections 1-4 of Lagos State Local Government Administration Law No. 7 of 1999 and Sections 69 – 72 of Lagos State Public Finance Management Law No. 9 of 2011**, the accounts of Somolu Local Government for the year ended 31st December, 2020 have been audited.

The General Purpose Financial Statements were prepared by the Management of Alimosho Local Government and are therefore responsible for the contents and the information contained therein.

The Financial Statements consisting Statements Nos. 3 to 6 attached herewith as Schedules (1A-1D) consisting of Statement of Cashflow, Statement of Financial Position, Statement of Financial Performance and Statement of Change in Public Fund with the accompanying notes to the accounts were prepared under International Public Sector Accounting Standards (IPSAS) Accrual Basis of Accounting as applicable in the Public Sector.

The audit was conducted in accordance with Generally Accepted Auditing Standard. Projects and programmes were verified in line with the concept of Performance Audit. Hence, the audit was comprehensively carried out.

In our opinion, subject to audit observation, the General Purpose Financial Statements presented for audit show a true and fair view of the financial activities of the Local Government for the year under review.

2. REVIEW OF GENERAL PURPOSE FINANCIAL STATEMENTS (GPFS)

(i) STATEMENT OF CASH FLOW

The Statement of Cash flow presented in the General Purpose Financial Statements for the year ended 31st December, 2020 shows the true cash flow trend of the Local Government for the year under review. **See Schedule 1A for ease of reference**

ii.) STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position presented in the General Purpose Financial Statements for the year ended 31st December, 2020 do not show true position of Assets and Liabilities of the Local Government because the carrying values of non-current assets for the year ended 31st December, 2020 were doubtful and could not be validated. Also the Local Government management failed to recognize diminution value of most of the assets occasioned by ENDSARS protest which led to burning of the following assets of the Local Government

- **Building**
- **Motor Vehicle**
- **Furniture and Equipment**
- **Plant and Machinery**

The Local Government management is enjoined to revalue these assets in accordance with the generally accepted audit standards (G.A.A.S) and restate the revalued figures in line with International Public Sector Accounting Standards (3). **See Schedule IB for ease of reference**

iii) STATEMENT OF FINANCIAL PERFORMANCE

The Statement of Financial Performance presented in the General Purpose Financial Statements for the year ended 31st December, 2020 shows a true view of the Income and expenditure activities of the Local Government for the year under review. **See Schedule 1C for ease of reference**

iv) STATEMENT OF CHANGE IN PUBLIC FUND

The Statement of Change in Change in Public Fund presented in the General Purpose Financial Statement for the year ended 31st December, 2020 do not show the true net worth of the Local Government for the year under review in view of the observation noted in the statement of Financial Position occasioned by ENDSARS protest effect. **See schedule 1D for ease of reference**

3. Audit observations on the financial activities of the Local Government are as contained in the management report.

**ALIMOSHO LOCAL GOVERNMENT
STATEMENT OF CASHFLOW
FOR THE YEAR ENDED 31ST DECEMBER, 2020.
STATEMENT NO. 3 SCHEDULE 1A**

	CURRENT YEAR 2020	PREVIOUS YEAR 2019
CASHFLOW FROM OPERATING ACTIVITIES:	=N=	=N=
CASH INFLOW:		
Statutory Allocation	3,164,498,794.94	3,313,143,073.82
Subvention/Grant	54,421,884.95	-
Sales/Disposal of Non-Current Assets	0.00	56,000.00
Internally Generated Revenue (IGR)	296,668,891.11	419,624,648.01
Non-Tax Revenue (IGR)	0.00	177,258,559.43
Miscellaneous	13,364,161.78	47,154,945.76
ACTIVITIES	3,528,953,732.78	3,957,237,227.02
ACTIVITIES:		
Personnel Emolument	385,056,266.21	387,184,013.90
Other General Nature	1,440,692,378.97	1,356,040,500.30
Educational Services	78,547,716.16	379,295,652.43
Agricultural Services	140,318,550.00	249,125,520.79
Women Affairs and Poverty Alleviation	77,502,300.00	81,142,300.00
Health and Environment Services	248,962,310.00	141,201,040.00
Works and Housing	228,352,173.03	389,942,882.82
Deposit Paid	49,123,389.94	64,034,528.63
Total Cash Outflow from operating activities	2,648,555,084.31	3,047,966,438.87
Net Cashflow from Operating Activities	880,398,648.47	909,270,788.15
CASHFLOW FROM INVESTING ACTIVITIES:		
Purchase/Construction of Non-Current Assets (Capital Expenditure)	21,270,000.00	200,708,455.20
Purchase/Construction of Non-Current Assets (Fixed Assets)	558,915,140.35	815,342,036.97
Purchase From Other Assets (Inventory Paid)	0.00	0.00
Interest on Deposits	0.00	2,434,000.00
Net Proceed From Other Assets (Staff Loan, Receivables etc.)	111,104,940.59	40,363,226.63
Interest/Dividend Received	(5,000.00)	26,559,341.75
Cashflow From Investing Activities	691,285,080.94	1,085,407,060.55
NET CASHFLOW FROM INVESTING/OPERATING ACTIVITIES	189,113,567.53	(176,136,272.40)
CASHFLOW FROM FINANCING ACTIVITIES:		
Proceeds from Loans and Borrowings	274,525,429.49	192,421,810.96
Repayment of Loans and Borrowings	395,503,268.61	-192,581,704.73
NET PROCEED FROM LOAN & OTHER BORROWING	(120,977,839.12)	(1,559,893.77)
NET INCREASE/DECREASE IN CASH AND ITS EQUIVALENT	68,135,728.41	(177,696,166.17)
CASH AND ITS EQUIVALENT AS AT 01-01-2020	(34,630,765.64)	143,065,400.53
CASH AND ITS EQUIVALENT AS AT 31-12-2020	33,504,962.77	(34,630,765.64)

**ALIMOSHO LOCAL GOVERNMENT
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31ST DECEMBER, 2020.
STATEMENT NO. 4 SCHEDULE 1B**

	CURRENT YEAR 2020	PREVIOUS YEAR 2019
	=N=	
ASSETS		
Current Assets		
Cash And Bank Balance	33,504,962.77	-34,630,765.64
Accounts Receivable	86,821,993.51	84,425,181.42
Staff Loan And Advances	3,059,976.50	436,000.00
Inventory	43,502,291.20	58,093,861.84
Prepayment	0.00	0.00
Transfer To Reserves	0.00	9,036,675.50
Bailout Fund	0.00	272,981,514.22
	166,889,223.98	390,342,467.34
Non-Current Assets		
Land	14,560,922,334.73	11,677,428,800.19
Building	3,573,719,784.92	3,453,509,391.19
Motor Vehicle	386,555,162.76	210,514,277.51
Furniture And Equipment	140,646,090.27	37,425,250.01
Plant And Machinery	531,391,051.11	628,990,959.36
Infrastructural Assets	2,042,565,721.29	346,979,580.28
Historical & Heritage Assets	0.00	1091969243
Intangible Assets	0.00	0.00
Assets under construction	239,846,705.12	0.00
Investments	0.00	0.00
	0.00	0.00
TOTAL NON-CURRENT ASSETS	21,475,646,850.20	17,446,817,501.72
TOTAL ASSETS	21,642,536,074.18	17,837,159,969.06
LIABILITIES		
Current Liabilities		
Unremitted Liabilities	177,981,847.37	928,186,977.44
Deposits	328,904,538.22	323,907,991.08
Bank Loan And Lease	0.00	29,448,868.81
Accounts Payable	854,701,707.80	310,529,415.92
Deffered Income	0.00	0.00
Deposits (Lake Rice)	0.00	0.00
TOTAL CURRENT-LIABILITIES	1,361,588,093.39	1,592,073,253.25
Non-Current Liabilities		
Public Fund	0.00	0.00
Long Term Borrowings	0.00	0.00
	0.00	0.00
TOTAL LIABILITIES	1,361,588,093.39	1,592,073,253.25
NET ASSETS	20,280,947,980.79	16,245,086,715.81
NET ASSETS/EQUITY		
Reserve	18,962,818,840.02	15,212,870,151.60
Accumulated Surplus/(Deficit)	1,318,129,140.77	1,032,216,564.21
TOTAL NET ASSETS/EQUITY	20,280,947,980.79	16,245,086,715.81

**ALIMOSHO LOCAL GOVERNMENT
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31ST DECEMBER, 2020.
STATEMENT NO. 5 SCHEDULE 1C**

REVENUE	CURRENT YEAR 2020	PREVIOUS YEAR 2019
	,=N=	,=N=
Tax Revenue	8,950,545.53	8,073,442.86
Allocations	4,270,686,200.98	8,442,397,559.30
Total Tax Revenue	4,279,636,746.51	8,450,471,002.16
Non Tax Revenue		
Grant	60,532,301.29	10,485,200.23
Rate	0.00	75,286,023.80
Local Licences And Fines	109,557,863.51	450,835,107.27
Earning From Commercial Undertakings	19,306,300.00	81,121,325.00
Rent On Properties	2,807,500.00	20,059,800.00
Interest On Deposit Account	0.00	535,000.00
Investment Income	0.00	2,915,658.25
Miscellaneous	4,647,659.74	44,557,709.98
Total Non Tax Revenue	196,851,624.54	677,993,330.89
Non-Operating Income		
Sales/Disposal Of Assets	0.00	0.00
Non-Current Assets	0.00	0.00
Total Non-Operating income	0.00	0.00
TOTAL REVENUE	4,476,488,371.05	9,138,949,533.28
LESS EXPENDITURE		
Personnel Emoluments	2,852,478,694.91	5,126,546,612.69
Works And Housing	273,366,407.88	609,367,758.96
Women Affairs And Poverty Alleviation	59,687,500.00	303,966,469.92
Educational Services	33,190,241.35	119,383,274.06
Agricultural Services	88,247,842.14	146,907,200.00
General Administration	613,250,939.95	1,179,642,821.17
Miscellaneous	190,423,346.43	303,636,483.13
Health And Environmental Services	152,065,652.52	392,414,035.02
Capital Expenditure	137,992,067.12	59,962,585.83
Current Year Depreciation	164,918,019.72	195,180,698.50
TOTAL EXPENDITURE	4,400,702,692.30	8,437,007,939.28
Net Surplus/(Deficit) for the period	75,785,678.75	701,941,594.00

**ALIMOSHO LOCAL GOVERNMENT
STATEMENT OF CHANGE IN PUBLIC FUNDS
FOR THE YEAR ENDED 31ST DECEMBER, 2020.
STATEMENT NO. 6 SCHEDULE 1D**

DETAILS	CURRENT YEAR 2020	PREVIOUS YEAR 2019
=N=	=N=	=N=
Accumulated Surplus/(Deficit) As At 01-01-2020	8,082,371,195.89	8,135,145,928.18
Reserve As At 01-01-2020	11,094,069,040.81	3,785,652,795.28
Total Public Fund As At 01-01-2020	19,176,440,236.70	11,920,798,723.46
Net Surplus/(Deficit) For The Year	75,785,678.75	701,941,594.00
Reserve For The Year	1,028,722,065.34	3,622,346,398.35
Accumulated Surplus/(Deficit) & Reserve as at 31-12-2020	20,280,947,980.79	16,245,086,715.81