

REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF KOSOFE LOCAL GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER, 2020

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 Kosofe 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, 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 Cashflow presented in the General Purpose Financial Statements for the year ended 31st December, 2020 shows the true cashflow 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 shows a true view of the Assets and Liabilities of the Local Government for the year under review. **See Schedule 1B 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 Public Fund disclosed in the General Purpose Financial Statements for the year ended 31st December, 2020 was confirmed correct. **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.

**KOSOFE 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:			
Value Added Tax			
Statutory Allocation		2,975,804,852.10	2,844,493,122.75
Statutory Allocation/Grants		20,000,000.00	
Consolidated Revenue			14,402,473.53
Sales/Disposal of Non-Current Assets		1,673,900.00	
Internally Generated Revenue (IGR)		163,593,702.14	322,679,850.74
Miscellaneous		41,948,994.60	15,726,170.36
TOTAL CASHFLOW FROM OPERATING ACTIVITIES		3,203,021,448.84	3,197,301,617.38
CASH OUTFLOW FROM OPERATING ACTIVITIES:			
Personnel Emolument		328,000,545.07	264,069,123.77
Other General Nature		1,239,129,453.09	1,177,067,351.97
Educational Services		53,468,200.00	146,820,300.00
Health and Environment Services		206,451,722.00	264,205,600.00
Women Affairs and Poverty Alleviation		78,325,179.00	82,942,925.00
Agricultural Services		221,430,500.00	94,956,000.00
Works and Housing		272,659,129.42	401,979,455.35
Remittance of Statutory Deductions		-	-
Deposit Paid		29,267,285.11	88,098,283.68
Total Cash Outflow from operating activities		2,428,732,013.69	2,520,139,039.77
Net Cashflow from Operating Activities		774,289,435.15	677,162,577.61
CASHFLOW FROM INVESTING ACTIVITIES:			
Purchase/Construction of Non-Current Assets (Capital Expenditure)		7,801,795.40	133,536,574.75
Purchase/Construction of Non-Current Assets (Fixed Assets)		716,571,255.79	542,032,132.36
Purchase From Other Assets (Inventory Paid)			-
Interest on Deposits		-	(1,589.89)
Net Proceed From Other Assets (2018 Capital project paid for in year 2019)			107,854,128.70
Net Proceed From Other Assets (Staff Loan, Receivables etc.)		36,419,223.30	
Interest/Dividend Received		(10,000,185.39)	
Cashflow From Investing Activities		750,792,089.10	783,421,245.92
NET CASHFLOW FROM INVESTING/OPERATING		23,497,346.05	(106,258,668.31)
CASHFLOW FROM FINANCING ACTIVITIES:			
Proceeds from Loans and Borrowings		617,360.30	
Repayment of Loans and Borrowings		25,518,052.33	(17,800,000.00)
NET PROCEED FROM LOAN & OTHER BORROWING		(24,900,692.03)	17,800,000.00
NET INCREASE/DECREASE IN CASH AND ITS EQUIVALENT		(1,403,345.26)	(124,061,848.09)
CASH AND ITS EQUIVALENT AS AT 01-01-2020		12,190,080.09	136,248,749.21
CASH AND ITS EQUIVALENT AS AT 31-12-2020		10,786,734.83	12,190,080.90

**KOSOFE LOCAL GOVERNMENT
KOSOFE 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=	=N=
ASSETS		
Current Assets		
Cash And Bank Balance	10,786,734.92	12,190,080.09
Accounts Receivable	74,263,973.45	73,133,123.39
Staff Loan And Advances	-	-
Inventory	11,277,805.10	9,506,600.00
Prepayment	-	-
Transfer To Reserves	-	-
Asset Under Construction (Building)	-	313,514,157.00
Asset Under Construction Road	253,124,937.19	126,667,830.19
Total Current Assets	349,453,450.66	535,011,790.67
Non-Current Assets		
Land	10,817,732,790.00	10,817,732,790.00
Building	2,567,900,990.18	2,414,917,069.37
Motor Vehicle	244,712,472.99	242,265,258.94
Furniture And Equipment	128,836,741.25	82,270,921.40
Plant And Machinery	31,155,308.75	30,970,185.00
Utility Tools	-	-
Intangible Assets	-	-
Investments	-	-
Historical & Heritage Assets	-	-
Infrastructure Assets	2,563,946,492.38	2,108,293,907.91
Total Non-Current Asset	16,354,284,795.55	15,694,550,132.62
TOTAL ASSETS	16,703,738,246.21	16,229,561,923.29
LIABILITIES		
Current Liabilities		
Deposits	420,947,991.82	387,887,294.35
Bank Loan And Lease	-	-
Unremitted Deduction	-	-
Accounts Payable	607,370,083.42	708,840,970.02
Deffered Income	-	-
Deposits (Lake Rice)	-	-
Total Current Liabilities	1,028,318,075.24	1,096,728,264.37
Non-Current Liabilities		
Public Fund		
Long Term Borrowings		
TOTAL LIABILITIES	1,028,318,075.24	1,096,728,264.24
NET ASSETS	15,675,420,170.97	15,132,833,658.92
NET ASSETS/EQUITY		
RESERVE	14,401,213,919.63	14,266,040,157.26
ACCUMULATED SURPLUS & DEFICIT	1,274,206,251.25	866,793,501.66
TOTAL NET ASSETS/EQUITY	15,675,420,170.88	15,132,833,658.92

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

	CURRENT YEAR 2020	PREVIOUS YEAR 2019
REVENUE	,=N=	,=N=
TAX REVENUE		
Allocation (Gross JAACSheet Fig)	4,586,699,326.54	6,397,229,171.61
Grants	-	-
Taxes (1% Dev, Levy)	5,342,751.16	11,912,450.42
TOTAL TAX REVENUE	6,884,436,816.05	6,409,141,622.03
NON TAX REVENUE		
Grants	20,000,000.00	14,402,473.53
Rate	-	16,035,472.60
Local Licences And Fines	106,705,102.14	203,741,470.17
Earning From Commercial Undertakings	46,065,000.00	91,795,573.53
Rent On Properties	13,210,000.00	19,707,602.50
Interest On Deposit Account	-	-
Investment Income	10,000,235.39	1,589.89
Miscellaneous	41,948,994.60	21,632,291.41
State Consolidated Revenue	-	3,842,800.00
TOTAL NON TAX REVENUE	237,929,332.13	371,159,273.63
NON-OPERATING INCOME	-	
Sales/Disposal Of Assets	(1,251,100.00)	
Non-Current Assets		
TOTAL NON-OPERATING INCOME	353,900.00	
TOTAL REVENUE	7,122,720,048.18	6,780,300,895.66
LESS EXPENDITURE		
Personnel Emoluments (Gross JAAC Sheet Fig)	4,155,915,227.47	3,586,478,162.98
Works And Housing	300,951,060.92	563,279,528.29
Women Affairs And Poverty Alleviation	86,371,750.00	87,895,776.00
Educational Services	77,244,950.18	188,365,822.88
Agricultural Services	242,251,172.11	104,304,450.00
General Administration	1,094,930,093.21	1,045,325,155.81
Miscellaneous	235,990,509.85	291,285,660.00
Health And Environmental Services	264,613,408.51	323,699,928.18
Capital Expenditure	-	-
Current Year Depreciation	255,434,126.34	216,172,414.56
TOTAL EXPENDITURE	6,713,702,298.59	6,406,806,897.70
	-	
Net Surplus/(Deficit) for the year	409,017,749.59	373,493,997.96

**KOSOFE LOCAL GOVERNMENT
STATEMENT OF FINANCIAL PERFORMANCE
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	9,475,055,231.50	501,386,545.95
Reserve As At 01-01-2020	5,657,778,427.42	11,939,934,175.27
Total Public Fund As At 01-01-2020	15,132,833,658.92	12,441,320,721.22
Net Surplus/(Deficit) For The Year	407,412,749.59	373,493,997.96
Reserve For The Year	135,173,762.37	2,318,018,939.74
Accumulated Surplus/(Deficit) & Reserve as at 31-12-2020	15,675,420,170.88	15,132,833,658.92