

REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF LAGOS ISLAND 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 Lagos Island Local Government for the year ended 31st December, 2020 have been audited.

The General Purpose Financial Statements were prepared by the Management of Lagos Island 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 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, do not show the true and fair view of the Assets and Liabilities of the Local Government as the value of non-current assets cannot be confirmed correct based on the destruction of Property, Plants and Equipments (PPE) orchestrated by Endsars protest which the revaluation process has not been concluded and reported with evidence of revaluation forwarded for audit assesment. **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 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 Statements of change in public fund disclosed in the General Purpose Financial Statements for the year ended 31st December, 2020, do not show the true change in the net worth of the Local Government for the year under review, in view of the observations noted in the statement of financial position. **See Schedule ID for ease of reference**

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

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

DETAILS	CURRENT YEAR 2020	PREVIOUS YEAR 2019
CASHFLOW FROM OPERATING ACTIVITIES:	=N=	
CASH INFLOW:		
Value Added Tax	-	-
Statutory Allocation	2,277,140,621.83	2,106,248,335.18
Development Levy	1,819,202.28	-
Total Tax Revenue	2,278,959,824.11	-
State Grant	20,000,000.00	-
Non-Tax Revenue (IGR)	282,638,679.31	20,651,187.37
Sales/Disposal of Non-Current Assets	-	-
Internally Generated Revenue (IGR)	-	485,570,430.79
Miscellaneous	49,243,060.49	13,826,699.79
State Coordinated Revenue		-
Total Non Tax Revenue	1,467,685,743.29	
Total Inflow from Operating Activities	2,630,841,563.91	2,626,296,653.13
CASH OUT FLOW		-
CASH OUTFLOW FROM OPERATING ACTIVITIES:		-
Personnel Emolument	392,878,062.51	271,769,843.09
Other General Nature	1,093,914,442.69	1,125,269,399.55
Educational Services	29,980,500.00	62,803,902.40
Health and Environment Services	83,764,950.00	109,131,066.50
Women Affairs and Poverty Alleviation	33,068,615.00	48,700,400.00
Agricultural Services	38,595,500.00	43,245,900.00
Works and Housing	395,355,929.57	411,702,570.58
Remittance of Statutory Deductions	-	-
Deposit Paid	21,891,267.00	39,274,725.31
Social Services Expenditure	108,711,182.64	109,548,663.00

Total Cash Outflow from operating activities	2,198,160,449.33	2,221,446,470.43
Net Cashflow from Operating Activities	432,681,114.58	514,398,845.70
CASHFLOW FROM INVESTING ACTIVITIES:		-
Purchase/Construction of Non-Current Assets (Capital Expenditure)		154,053,642.38
Purchase/Construction of Non-Current Assets (Fixed Assets)	(42,684,544.81)	324,530,819.66
Purchase From Other Assets (Inventory Paid)	(1,200,000.00)	-
Interest on Deposits		-
Net Proceed From Other Assets (Staff Loan, Receivables etc.)		(3,641,666.72)
Interest/Dividend Received		-
Cashflow From Investing Activities	(43,884,544.81)	474,942,795.32
NET CASHFLOW FROM INVESTING/OPERATING ACTIVITIES	388,796,569.77	39,456,050.38
CASHFLOW FROM FINANCING ACTIVITIES:		-
Proceeds from Loans and Borrowings		-
Repayment of Loans and Borrowings		-
NET PROCEED FROM LOAN & OTHER BORROWING		-
Net Increase/Decrease in Cash & its Equivalent	68,956,477.37	39,456,050.38
CASH AND ITS EQUIVALENT AS AT 01-01-2019	(2,711,030.59)	67,381,582.03
CASH AND ITS EQUIVALENT AS AT 31-12-2019	66,245,446.78	(2,711,030.59)

LAGOS ISLAND 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	66,245,446.78	(2,711,030.59)
Accounts Receivable	26,997,142.15	12,737,441.96
Staff Loan And Advances	-	-
Inventory	408,150.00	2,724,056.98
Prepayment	-	-
Transfer To Reserves	-	-
Bailout Fund	-	-
Asset Under Construction	36,548,238.00	328,679,868.35
Total Current Assets	130,198,976.93	341,430,336.70
Non-Current Assets		
Land	54,491,346.50	2,870,471,118.49
Building	4,876,997,316.17	10,148,765,810.29
Motor Vehicle	87,470,921.08	172,673,443.20
Furniture And Equipment	47,132,274.38	54,392,562.09
Investment Property, Plant And Equipment	9,757,454,934.79	25,922,320.00
Utility Tools	-	1,853,747,528.60
Intangible Assets	-	-
Investments	-	-
Historical & Heritage Assets	-	-
Infrastructure Assets	550,250,876.57	-
Total Non-Current Asset	15,373,797,669.49	15,125,972,782.67
TOTAL ASSETS	15,503,996,646.42	15,467,403,119.37
LIABILITIES	-	-
Current Liabilities	-	-
Deposits	201,554,464.83	116,606,990.17
Bank Loan And Lease	-	-
Unremitted Deduction	85,268,916.63	93,221,988.35
Accounts Payable	398,925,078.94	317,100,458.84
Deffered Income	-	-
Deposits (Lake Rice)	-	-
Total Current Liabilities	685,748,460.40	526,929,437.36
Non-Current Liabilities	-	-
Public Fund	-	-
Long Term Borrowings	-	-
	-	-
TOTAL LIABILITIES	685,748,460.40	526,929,437.36
NET ASSETS	14,818,248,186.02	14,940,473,682.01
NET ASSETS/EQUITY	-	-
RESERVE	14,408,658,702.77	14,412,754,834.26
ACCUMULATED SURPLUS & DEFICIT	409,589,483.25	527,718,847.75
TOTAL NET ASSETS/EQUITY	14,818,248,186.02	14,940,473,682.01

LAGOS ISLAND 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=	
TAX REVENUE		
Allocation (Gross JAACSheet Fig)	4,912,372,405.71	4,276,206,196.83
Grants	-	-
Taxes (1% Dev, Levy)	9,151,104.50	11,689,665.85
TOTAL TAX REVENUE	4,921,523,510.21	4,287,895,862.68
NON TAX REVENUE	-	
Grants	20,000,000.00	87,215,949.12
Rate	-	74,145,439.90
Local Licences And Fines	131,941,285.82	192,379,249.52
Earning From Commercial Undertakings	170,219,093.61	219,964,037.37
Rent On Properties	1,570,000.00	45,204,704.00
Interest On Deposit Account	-	-
Investment Income	-	-
Miscellaneous	49,243,060.49	13,826,699.79
State Consolidated Revenue	-	20,651,187.37
TOTAL NON TAX REVENUE	372,973,439.92	653,387,267.07
NON-OPERATING INCOME	-	
Sales/Disposal Of Assets	-	-
Non-Current Assets	-	-
TOTAL NON-OPERATING INCOME		
TOTAL REVENUE	5,294,496,950.13	4,941,283,129.75
LESS EXPENDITURE		
Personnel Emoluments (Gross JAAC Sheet Fig)	2,971,787,958.46	2,273,457,589.23
Works And Housing	555,837,593.42	524,323,749.05
Women Affairs And Poverty Alleviation	34,825,615.00	51,650,200.00
Educational Services	33,380,820.00	70,411,924.84
Agricultural Services	38,940,500.00	44,171,100.00
General Administration	729,536,121.37	818,837,747.49
Miscellaneous	470,508,447.39	424,979,622.11
Health And Environmental Services	125,373,216.26	143,502,494.39
Bad Debt	3,642,256.58	
Social Services	80,697,473.82	335,216,998.14
Current Year Depreciation	337,403,517.72	130,003,210.68
TOTAL EXPENDITURE	5,381,933,520.02	4,816,554,635.93
Net Surplus/(Deficit) for the year	113,546,838.81	124,728,493.82

**LAGOS ISLAND LOCAL GOVERNMENT
STATEMENT OF CHANGE IN PUBLIC FUND
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	532,068,847.35	402,990,353.53
Reserve As At 01-01-2020	14,412,754,834.26	13,767,920,411.30
Total Public Fund As At 01-01-2020	14,944,823,681.61	14,170,910,764.83
Net Surplus/(Deficit) For The Year	113,546,838.61	124,728,493.82
Reserve For The Year	(240,122,334.20)	644,834,423.36
Accumulated Surplus/(Deficit) & Reserve as at 31-12-2020	14,818,248,186.02	14,940,473,682.01