

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF
EPE 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 Epe Local Government for the year ended 31st December, 2019 have been audited.

The General Purpose Financial Statements were prepared by the Management of Epe Local Government and are therefore responsible for the contents and 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 Standards. 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 our 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 FINANCIAL STATEMENTS

i. STATEMENT OF CASHFLOW

The Statement of Cashflow presented in the General Purpose Financial Statements for the year ended 31st December, 2020 shows the true and fair view of the 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 shows a true and fair view of the Assets and Liabilities of the Local Government, except for wrong classification of the sum of **N113,589,322.93** disclosed in the Financial Position under transfer to Reserve/Assets under construction which ought to have been accounted for under Infrastructural Assets. **See Schedule 1B for ease of reference**

iii. STATEMENT OF FINANCIAL PERFORMANCE

The Statement of Financial Performance presented in the General-Purpose Financial Statements shows a true and fair 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 Funds presented 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.

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

DETAILS	NOTE	CURRENT YEAR	PREVIOUS YEAR 2019
		2020	
		N	N
CASH FLOW FOM OPERATING ACTIVITIES			
CASH INFLOW			
GRANT/SUBVENTION		0.00	0.00
VALUE ADDED TAX		286,984,553.83	203,255,916.39
STATUTORY ALLOCATION		1,990,774,855.80	1,931,537,267.76
GRANT/SUBVENTION		20,000,000.00	0.00
INTERNALLY GENERATED REVENUE (NON TAX REVENUE)		64,754,377.51	153,686,286.27
GAIN ON DISPOSAL OF ASSETS		0.00	1,505,000.00
MISCELLANEOUS		7,172,448.90	13,449,459.72
TOTAL CASH INFLOW FROM OPERATING ACTIVITIES		2,369,686,236.04	2,303,433,930.14
CASH OUTFLOW FROM OPERATING ACTIVITIES			
PERSONNEL EMOLUMENTS		372,855,869.24	291,023,184.44
WORKS AND HOUSING		363,051,492.16	385,783,029.80
EDUCATIONAL SERVICES		71,126,732.00	56,839,507.00
AGRICULTURAL SERVICES		77,892,750.00	63,846,980.00
WOMEN AFFAIRS AND POVERTY ALLEVIATION		53,347,000.00	28,784,500.00
HEALTH AND ENVIRONMENTAL SERVICES		213,785,874.02	171,021,465.00
OTHER OF GENERAL NATURE		1,058,218,928.70	1,024,213,787.67
DEPOSIT PAID		17,568,321.95	30,358,496.62
TOTAL CASH OUTFLOW FROM OPERATING ACTIVITIES		2,227,846,968.07	2,051,870,950.53
NET CASH FLOW FROM OPERATING ACTIVITIES		141,839,268.06	251,562,979.61
CASH FLOW FOM INVESTING ACTIVITIES			
PURCHASE / CONSTRUCTION OF NON-CURRENT ASSETS (CAPITAL EXPENDITURE)		1,000,000.00	39,488,655.60
PURCHASE / CONSTRUCTION OF NON-CURRENT ASSETS (FIXED ASSETS)		129,621,553.88	203,097,895.00
PURCHASE OF INVENTORIES		935,000.00	6,524,000.00
NET ROPCEED FROM OTHER ASSETS (Inventories, Receiveables e.t.c)		19,157,618.21	20,716,524.60
NET CASH FLOW FROM INVESTING ACTIVITIES		150,714,172.09	269,823,075.20
NET CASH FLOW FROM INVESTING/OPERATING ACTIVITIES		(8,874,904.03)	(18,264,095.59)
CASH FLOW FROM FINANCING ACTIVITIES			
PROCEEDS FROM LOANS & BORROWINGS/OTHER PAYABLES		20,000,000.00	0.00
REPAYMENTS OF LOANS & BORROWINGS OTHER PAYABLES		(16,933,737.87)	0.00
NET CASH FLOW FROM FINANCING ACTIVITIES		3,066,262.13	0.00
NET INCREASE/DECREASE IN CASH & ITS EQUIVALENT		(5,808,641.99)	(18,264,095.59)
CASH & ITS EQUIVALENTS AS AT 01-01-2020		7,592,039.90	25,852,135.49
CASH & ITS EQUIVALENTS AS AT 31-12-2020		1,783,397.91	7,592,039.90

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

DETAILS	TOTAL	
	CURRENT YEAR 2020	PREVIOUS YEAR 2019
	₦	₦
ASSETS		
CURRENT ASSETS		
CASH AND BANK BALANCE	1,783,397.91	7,592,039.90
ACCOUNT RECEIVABLE	24,847,747.00	24,522,746.96
INVENTORY	9,616,922.05	6,254,399.37
PREPAYMENT	-	-
TRANSFER TO RESERVE (STATE)	113,837,469.75	94,431,704.72
ASSETS UNDER CONSTRUCTION	96,931,856.49	323,163,191.14
	247,017,393.20	455,964,082.09
NON-CURRENT ASSETS	-	-
LAND	917,416,335.43	911,366,335.43
BUILDING	6,220,228,797.00	6,301,986,959.07
MOTOR VEHICLE	115,842,689.86	172,912,969.82
FURNITURE AND EQUIPMENT	113,409,563.88	130,070,733.01
PLANT AND MACHINERY	43,180,590.58	43,224,417.52
HISTORICAL ASSETS	-	-
INFRASTRUCTURAL ASSETS	1,646,824,219.11	1,409,625,833.10
INTANGIBLE ASSETS	-	-
INVESTMENT	-	-
	9,056,902,195.86	8,969,187,247.95
TOTAL ASSETS	9,303,919,589.06	9,425,151,330.04
LIABILITIES		
CURRENT LIABILITIES		
DEPOSITS	225,547,379.92	162,228,942.90

UNREMITTED DEDUCTIONS		111,879,020.38	80,696,005.24
BANK LOAN AND LEASE		3,066,262.13	-
ACCOUNT PAYABLE		288,425,207.15	250,165,338.10
OTHER PAYABLE (LG PROJECT ACCOUNT)		-	20,716,524.60
		628,917,869.58	513,806,810.84
NON-CURRENT LIABILITIES			
PUBLIC FUND		-	-
LONG TERM BORROWINGS		-	-
		-	-
TOTAL LIABILITIES		628,917,869.58	513,806,810.84
NET ASSETS		8,675,001,719.48	8,911,344,519.20
NET ASSETS / EQUITY		-	-
RESERVE		8,557,292,879.33	8,522,408,852.02
ACCUMULATED SUPPLUS / (DEFICIT)		117,708,840.15	388,935,667.18
TOTAL NET ASSETS / EQUITY		8,675,001,719.48	8,911,344,519.20

**EPE 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		
	TAX REVENUE		
	Grant And Allocation	4,995,987,847.22	4,390,204,101.06
	Taxes	4,714,695.37	14,335,768.61
	Total Tax Revenue	5,000,702,542.59	4,404,539,869.67
	Non Tax Revenue	0.00	0.00
	Grants	10,000,000.00	314,901,467.19
	Rates	0.00	14,988,675.72
	Local Licence And Fines	47,667,408.33	99,389,246.53
	Earnings From Commercial Undertakings	12,499,200.00	26,663,114.00
	Rent On Properties	2,670,000.00	3,927,302.51
	Miscellaneous	10,992,244.83	20,434,910.51
	Investment Income	0.00	0.00
	Consolidated Revenue	0.00	7,172,832.72
	Total Non Tax Revenue	83,828,853.16	487,477,549.18
	Non Operating Income	0.00	0.00
	Gain/Loss on Disposal of Assets	0.00	1,505,000.00
	Total Non-Operating Income	0.00	1,505,000.00
	TOTAL REVENUE	5,084,531,395.75	4,893,522,418.85
	LESS EXPENDITURE	0.00	0.00
	Personnel Emoluments	3,044,336,370.73	2,350,093,406.15
	Works And Housing	450,008,002.36	487,828,258.08
	Women Affairs And Poverty Alleviation	52,255,000.00	31,210,300.00
	Education Services	88,505,540.68	77,773,215.29
	Agricultural Services	79,711,689.23	66,898,100.26
	General Administration	650,213,491.16	763,298,019.16
	Miscellaneous	458,871,794.92	410,473,545.53
	Health And Environmental Services	254,637,847.82	209,427,558.51
	Capital Expenditure	0.00	0.00
	Current Year Depreciation	277,218,485.88	167,457,300.75
	TOTAL EXPENDITURE	5,355,758,222.78	4,564,459,703.73
	Net Surplus/(Deficit) for the period	(271,226,827.03)	329,062,715.12

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

	CURRENT YEAR 2020	PREVIOUS YEAR 2019
Accumulated Surplus / (Deficit)	6,481,304,223.58	5,561,290,568.46
Reserve as at 01-01-2020	2,430,040,275.62	2,145,380,606.56
Total Public Fund As At 01-01-2020	8,911,344,499.20	7,706,671,175.02
Net Surplus / (Deficit) For The year	(271,226,827.03)	329,062,715.12
Reserve For The Year	34,880,047.31	875,610,629.06
Accumulated Surplus / (Deficit) & Reserve as at 31-12-2020	8,675,001,719.48	8,911,344,519.20