

## **REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF MUSHIN 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 Mushin Local Government for the year ended 31st December, 2020 have been audited.

The General Purpose Financial Statements were prepared by the Management of Mushin 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 presented in the General Purpose Financial Statements for the year ended 31<sup>st</sup> 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.

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

	CURRENT YEAR 2020	PREVIOUS YEAR 2019
<b>CASHFLOW FROM OPERATING ACTIVITIES:</b>	<b>=N=</b>	<b>=N=</b>
<b>CASH INFLOW:</b>		
Sales/Diposal of Asset	100,000.00	1,070,000.00
Statutory Allocation	3,253,848,449.26	3,117,141,818.18
Statutory Allocation/Grants	20,000,000.00	-
Non-Tax Revenue (IGR)	-	-
State Consolidated Revenue	-	32,763,323.88
Internally Generated Revenue (IGR)	253,848,086.96	365,001,507.79
Miscellaneous	8,996,691.00	20,740,971.34
<b>ACTIVITIES</b>	<b>3,536,793,227.22</b>	<b>3,536,717,621.19</b>
<b>ACTIVITIES:</b>		
Personnel Emolument	201,836,503.88	173,540,950.82
Other General Nature	1,516,580,483.06	1,572,745,328.08
Educational Services	100,182,500.00	131,121,000.00
Health and Environment Services	478,052,910.00	403,282,052.00
Women Affairs and Poverty Alleviation	124,510,073.64	143,425,880.00
Agricultural Services	163,523,000.00	173,693,500.00
Works and Housing	402,319,028.83	332,416,286.75
Remittance of Statutory Deductions	-	-
Deposit Paid	34,866,970.13	31,169,536.95
<b>Total Cash Outflow from operating activities</b>	<b>3,021,871,469.54</b>	<b>2,961,394,534.60</b>
<b>Net Cashflow from Operating Activities</b>	<b>514,921,757.68</b>	<b>575,323,086.59</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES:</b>		
Purchase/Construction of Non-Current Assets (Capital Expenditure)	3,393,145.40	44,199,923.60
Purchase/Construction of Non-Current Assets (Fixed Assets)	174,895,565.83	466,607,428.91
Purchase From Other Assets (Inventory Paid)	-	
Interest on Deposits	-	
Net Proceed From Other Assets (Staff Loan, Receivables etc.)	(8,884,500.00)	
Interest/Dividend Received	111,459.18	989,013.92
<b>Cashflow From Investing Activities</b>	<b>169,515,670.41</b>	<b>(510,218,338.59)</b>
<b>NET CASHFLOW FROM INVESTING/OPERATING</b>	<b>56,335,397.53</b>	<b>65,104,748.00</b>
<b>CASHFLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Loans and Borrowings	-	
Repayment of Loans and Borrowings	12,111,915.18	56,527,649.71
<b>NET PROCEED FROM LOAN &amp; OTHER BORROWING</b>	<b>(18,611,915.18)</b>	<b>(2,369,101.15)</b>
<b>NET INCREASE/DECREASE IN CASH AND ITS</b>	<b>37,723,482.35</b>	<b>8,577,098.29</b>
CASH AND ITS EQUIVALENT AS AT 01-01-2020	175,358,188.55	166,781,090.26
CASH AND ITS EQUIVALENT AS AT 31-12-2020	213,081,670.90	175,358,188.55

**MUSHIN 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=
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash And Bank Balance	213,081,670.90	175,358,188.55
Accounts Receivable	43,769,242.20	27,515,041.19
Staff Loan And Advances	87,071,777.04	88,464,277.04
Inventory	11,800,481.60	37,162,887.63
Prepayment	(2,500.00)	-
Transfer To Reserves		1,406,440,388.45
Bailout Fund		-
Asset Under Construction		24,775,325.50
<b>Total Current Assets</b>	<b>355,720,671.74</b>	<b>1,759,716,108.36</b>
<b>Non-Current Assets</b>		
Land	5,234,850,360.00	5,234,850,360.00
Building	2,740,577,105.35	2,733,366,564.95
Motor Vehicle	273,669,586.66	264,648,047.91
Furniture And Equipment	58,109,560.07	52,082,875.00
Plant And Machinery	25,866,797.50	35,262,130.00
Utility Tools	-	-
Intangible Assets	-	-
Investments	-	-
Historical & Heritage Assets	-	-
Infrastructure Assets	1,665,944,952.89	1,405,345,240.78
<b>Total Non-Current Asset</b>	<b>9,999,018,362.47</b>	<b>9,725,555,218.64</b>
<b>TOTAL ASSETS</b>	<b>10,354,739,034.21</b>	<b>11,485,271,327.00</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Deposits	373,747,566.22	397,461,130.17
Bank Loan And Lease	-	15,361,915.18
Unremitted Deduction	-	-
Accounts Payable	415,640,257.95	495,040,888.39
Deffered Income		-
Deposits (Lake Rice)		-
<b>Total Current Liabilities</b>	<b>789,387,824.17</b>	<b>907,863,933.74</b>
<b>Non-Current Liabilities</b>		
Public Fund		
Long Term Borrowings	200,000,000.05	200,000,000.05
<b>TOTAL LIABILITIES</b>	<b>989,387,824.22</b>	<b>1,107,863,933.79</b>
<b>NET ASSETS</b>	<b>9,365,351,209.99</b>	<b>10,377,407,393.21</b>
<b>NET ASSETS/EQUITY</b>		
<b>RESERVE</b>	<b>8,166,150,105.96</b>	9,501,089,076.37
<b>ACCUMULATED SURPLUS &amp; DEFICIT</b>	<b>1,199,201,104.03</b>	876,318,316.84
<b>TOTAL NET ASSETS/EQUITY</b>	<b>9,365,351,209.99</b>	<b>10,377,407,393.21</b>

**MUSHIN 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=
<b>TAX REVENUE</b>		
Allocation (Gross JAACSheet Fig)	<b>6,351,589,102.01</b>	<b>5,754,386,568.24</b>
Grants	0.00	0.00
Taxes (1% Dev, Levy)	7,892,583.25	10,999,568.90
<b>TOTAL TAX REVENUE</b>	<b>6,359,481,685.26</b>	<b>5,765,386,137.14</b>
<b>NON TAX REVENUE</b>		
Grants	20,000,000.00	0.00
Rate	0.00	22,586,967.23
Local Licences And Fines	224,636,838.13	307,722,300.56
Earning From Commercial Undertakings	38,041,360.00	41,479,680.00
Rent On Properties	7,865,000.00	7,215,000.00
Interest On Deposit Account	0.00	0.00
Investment Income	111,459.18	989,013.92
Miscellaneous	10,186,541.00	21,426,951.34
State Consolidated Revenue	0.00	32,763,323.88
<b>TOTAL NON TAX REVENUE</b>	<b>300,841,198.31</b>	<b>434,183,236.93</b>
<b>NON-OPERATING INCOME</b>		
Sales/Disposal Of Assets	100,000.00	(636,253.00)
Non-Current Assets		
<b>TOTAL NON-OPERATING INCOME</b>	100,000.00	(636,253.00)
<b>TOTAL REVENUE</b>	<b>6,660,422,883.57</b>	<b>6,198,933,121.07</b>
<b>LESS EXPENDITURE</b>		
Personnel Emoluments (Gross JAAC Sheet Fig)	3,200,429,724.26	2,535,072,292.01
Works And Housing	391,697,450.76	460,047,013.61
Women Affairs And Poverty Alleviation	125,480,000.00	165,830,000.00
Educational Services	102,534,611.92	144,256,906.00
Agricultural Services	162,955,000.00	204,895,000.00
General Administration	1,111,468,951.17	1,050,587,967.02
Miscellaneous	500,563,027.70	703,998,240.04
Health And Environmental Services	539,449,296.69	463,255,331.74
Capital Expenditure	0.00	0.00
Current Year Depreciation	203,312,033.88	236,020,744.25
<b>TOTAL EXPENDITURE</b>	<b>6,337,890,096.38</b>	<b>5,963,963,494.67</b>
<b>Net Surplus/(Deficit) for the year</b>	<b>322,532,787.19</b>	<b>234,969,626.40</b>

**MUSHIN 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=
Accumulated Surplus/(Deficit) As At 01-01-2020	876,318,316.84	3,490,623,127.39
Reserve As At 01-01-2020	9,501,056,858.17	5,246,909,085.94
Total Public Fund As At 01-01-2020	10,377,375,175.01	8,737,532,213.33
Net Surplus/(Deficit) For The year	322,532,787.19	234,969,626.40
Reserve For The year	(1,334,556,752.21)	1,404,905,553.48
Accumulated Surplus/(Deficit) & Reserve as at 31-12-2020	<b>9,365,351,209.99</b>	<b>10,377,407,393.21</b>