

## **REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF OJO LOCAL GOVERNMENT FOR THE YEAR ENDED 31<sup>ST</sup> 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 Ojo Local Government for the year ended 31<sup>st</sup> December, 2020 have been audited.

The General Purpose Financial Statements were prepared by the Management of Ojo 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 Cash flow presented in the General Purpose Financial Statements for the year ended 31<sup>st</sup> 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 31<sup>st</sup> December, 2020 shows a true position of the Assets and Liabilities of the Local Government for the year under review. **See Schedule 1B for ease of reference.**

## **STATEMENT OF FINANCIAL PERFORMANCE**

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

## **iv.) STATEMENT OF CHANGES IN PUBLIC FUND**

The Statement of Change in Public Fund presented in 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

**OJO 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>		
Value Added Tax		923,020,281.58
Statutory Allocation	2,726,432,277.14	1,850,720,925.94
Grants	20,000,000.00	5,070,829.39
Consolidated Revenue	-	-
Sales/Disposal of Non-Current Assets	135,000.00	-
Internally Generated Revenue (IGR)	152,042,337.61	268,151,338.02
Miscellaneous	42,973,138.57	10,638,514.54
<b>TOTAL CASHFLOW FROM OPERATING ACTIVITIES</b>	<b>2,941,582,753.32</b>	<b>3,060,889,589.47</b>
<b>CASH OUTFLOW FROM OPERATING ACTIVITIES:</b>		
Personnel Emolument	278,113,042.37	257,641,836.57
Other General Nature	1,013,000,279.59	1,034,137,354.45
Educational Services	23,547,450.60	84,772,773.69
Health and Environment Services	199,174,874.92	214,679,000.00
Women Affairs and Poverty Alleviation	73,195,000.00	157,505,350.00
Agricultural Services	112,988,750.60	80,354,740.00
Works and Housing	431,563,300.21	215,725,993.20
Deposit Paid	50,872,199.50	77,625,454.49
<b>Total Cash Outflow from operating activities</b>	<b>2,182,454,897.79</b>	<b>2,122,442,502.40</b>
<b>Net Cashflow from Operating Activities</b>	<b>759,127,855.53</b>	<b>938,447,087.07</b>
<b>CASHFLOW FROM INVESTING ACTIVITIES:</b>		
Purchase/Construction of Non-Current Assets (Capital Expenditure)	18,988,450.32	117,132,652.01
Purchase/Construction of Non-Current Assets (Fixed Assets)	712,583,676.90	-
Purchase From Other Assets (Inventory Paid)	-	-
Net Proceed From Other Assets (Staff Loan, Receivables etc.)	942,738.62	-
Interest/Dividend Received	8,423.98	53,391.54
<b>Cashflow From Investing Activities</b>	<b>732,506,441.86</b>	<b>1,009,513,450.60</b>
<b>NET CASHFLOW FROM INVESTING/OPERATING ACTIVITIES</b>	<b>26,621,413.67</b>	<b>(71,066,363.53)</b>
<b>CASHFLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Loans and Borrowings	4,044,000.00	-
Repayment of Loans and Borrowings	15,900,000.00	-
<b>NET PROCEED FROM LOAN &amp; OTHER BORROWING</b>	<b>(11,856,000.00)</b>	<b>-</b>
<b>NET INCREASE/DECREASE IN CASH AND ITS EQUIVALENT</b>	<b>14,765,413.67</b>	<b>(71,066,363.53)</b>
<b>CASH AND ITS EQUIVALENT AS AT 01-01-2020</b>	<b>54,170,751.92</b>	<b>125,237,115.45</b>
<b>CASH AND ITS EQUIVALENT AS AT 31-12-2020</b>	<b>68,936,165.59</b>	<b>54,170,751.92</b>

**OJO 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	68,936,165.59	54,170,752.47
Accounts Receivable	64,791,316.56	56,630,505.14
Staff Loan And Advances	-	4,286,405.00
Inventory	9,984,366.40	5,088,661.40
Prepayment	-	-
Transfer To Reserve	-	122,746,849.76
Asset Under Construction	620,138,042.98	393,583,037.98
<b>Total Current Assets</b>	<b>763,849,891.53</b>	<b>636,506,211.75</b>
<b>Non-Current Assets</b>		
Land	3,382,896,033.45	3,382,896,033.45
Building	1,497,260,989.12	1,461,517,502.36
Motor Vehicle	264,817,255.16	281,661,736.00
Furniture And Equipment	39,308,194.74	34,311,822.33
Plant And Machinery	57,743,123.16	49,620,650.00
Intangible Assets	-	-
Investments	-	712,668,959.85
Historical & Heritage Assets	9,993,660.00	6,405,280.00
Infrastructure Assets	1,893,057,588.10	833,211,419.67
<b>Total Non-Current Asset</b>	<b>7,145,076,843.73</b>	<b>6,762,293,403.66</b>
		-
<b>TOTAL ASSETS</b>	<b>7,908,926,735.26</b>	<b>7,398,799,615.41</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Deposits	414,287,730.75	264,618,345.33
Bank Loan And Lease		
Unremitted Deduction	258,572,226.04	189,754,879.10
Accounts Payable	667,428,192.26	674,646,321.28
Deffered Income	-	-
<b>Total Current Liabilities</b>	<b>1,340,288,149.05</b>	<b>1,129,019,545.71</b>
<b>Non-Current Liabilities</b>		
Public Fund		

Long Term Borrowings		
<b>TOTAL NCL</b>		
<b>TOTAL LIABILITIES</b>	<b>1,340,288,149.05</b>	<b>1,129,019,545.71</b>
<b>NET ASSETS</b>	<b>6,568,638,586.21</b>	<b>6,269,780,069.70</b>
<b>NET ASSETS/EQUITY</b>		
<b>RESERVE</b>	<b>4,300,147,975.16</b>	4,424,148,449.76
<b>ACCUMULATED SURPLUS &amp; DEFICIT</b>	<b>2,268,490,611.05</b>	1,845,631,619.94
	<b>6,568,638,586.21</b>	6,269,780,069.70
<b>TOTAL NET ASSETS/EQUITY</b>	<b>6,568,638,586.21</b>	<b>6,269,780,069.70</b>

**OJO 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	13,200,461.71	10,837,448.29
Allocation	6,235,537,772.27	5,490,651,024.95
Grants	-	
Taxes (1% Dev, Levy)	-	
<b>TOTAL TAX REVENUE</b>	<b>6,248,738,233.98</b>	<b>5,501,488,473.24</b>
NON TAX REVENUE		
Grants	20,000,000.00	235,330,693.50
Rate	250,000.00	9,183,904.01
Local Licences And Fines	104,428,946.92	175,827,662.13
Earning From Commercial Undertakings	50,938,395.63	68,243,502.16
Rent On Properties	4,340,000.00	25,853,703.12
Interest On Deposit Account	0.00	0.00
Investment Income	8,423.98	8,025,869.65
Miscellaneous	42,948,138.57	10,603,784.54
State Consolidated Revenue		3,287,700.00
<b>TOTAL NON TAX REVENUE</b>	<b>2,414,663,040.74</b>	<b>536,356,819.11</b>
NON-OPERATING INCOME		0.00
Sales/Disposal Of Assets	135,000.00	0.00
Non-Current Assets		0.00
<b>TOTAL NON-OPERATING INCOME</b>	<b>56,317,754.90</b>	<b>0.00</b>
<b>TOTAL REVENUE</b>	<b>6,471,787,139.08</b>	<b>6,574,202,111.46</b>
LESS EXPENDITURE		
Personnel Emoluments	3,725,956,889.71	2,893,493,438.11
Works And Housing	603,737,949.01	581,506,980.84
Women Affairs And Poverty Alleviation	74,912,000.00	51,154,830.00
Educational Services	35,164,062.43	91,463,411.41
Agricultural Services	118,216,750.60	89,772,000.00
General Administration	761,711,242.72	791,113,625.96
Miscellaneous	308,184,828.33	400,676,610.22
Health And Environmental Services	241,017,216.32	268,734,586.12
Capital Expenditure	82,430,280.88	0.00
Current Year Depreciation	72,561,770.70	148,970,339.92
<b>TOTAL EXPENDITURE</b>	<b>6,023,892,990.70</b>	<b>5,316,885,822.58</b>
<b>Net Surplus/(Deficit) for the period</b>	<b>447,894,148.38</b>	<b>1,257,316,288.88</b>

**OJO 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	<b>5,675,028,133.92</b>	5,765,098,133.87
Reserve As At 01-01-2020	<b>4,424,148,449.76</b>	(902,516,285.35)
Total Public Fund As At 01-01-2020	<b>10,099,176,583.68</b>	4,862,581,848.52
Net Surplus/(Deficit) For The Period	<b>447,894,148.38</b>	1,257,316,288.88
Reserve For The Period	<b>18,372,863.78</b>	686,238,751.41
Accumulated Surplus/(Deficit) & Reserve as at 31-12-2020	<b>6,568,638,586.21</b>	<b>6,269,780,069.70</b>