

REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF OSHODI-ISOLO 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 Somolu 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 Cash flow presented in the General Purpose Financial Statements for the year ended 31st 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 31st December, 2020 do not show the true position of the Assets and Liabilities of the Local Government because the carrying values of non-current assets for the year ended 31st December, 2020 were doubtful and could not be validated in view of the failure of management of the Local Government to recognize the diminution value of most of the assets occasioned by ENDSARS protest that led to burning of the following assets of the Local Government during the year under review.

Building

Motor Vehicle

The Local Government is enjoined to revalue these assets in accordance with the Generally Accepted Audit Standards (G.A.A.S) and restate the revalued amounts in line with International Public Sector Accounting Standards (3). **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. **See Schedule 1C for ease of reference**

iv.) STATEMENT OF CHANGES IN PUBLIC FUND

The Statement of Change in Public Fund presented in the General Purpose Financial Statements for the year ended 31st December, 2020 do not show the true net worth of the Local Government for the year under review. In view of the ENDSARS protest effects on the Non-Current Assets Value disclosed in the Statement of Financial Position. **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.

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

		CURRENT YEAR 2020	PREVIOUS YEAR 2019
Cash Flow from Operating Activities			
Cash Inflow			
GAIN ON DISPOSAL OF ASSET		-	-
STATUTORY ALLOCATION		3,004,494,765.53	2,854,893,242.63
STATE COORDINATED REVENUE		10,000,000.00	217,603,946.09
GRANT/SUBVENTION		35,348,849.58	
INTERNALLY GENERATED REVENUE		158,907,976.64	146,282,506.12
MISCELLANEOUS		9,826,200.28	41,140,799.99
TOTAL Cash Inflow from operating activities		3,218,577,792.03	3,259,920,494.83
Cash Outflow from operating activities		-	-
PERSONNEL EMOLUMENTS		272,650,401.97	224,516,011.54
OTHER OF GENERAL NATURE		1,225,928,670.95	1,339,705,624.70
EDUCATIONAL SERVICES		120,199,000.00	107,345,100.00
AGRICULTURAL SERVICES		108,446,460.00	105,633,000.00
WOMEN AFFAIRS AND POVERTY ALLEVIATION		54,257,500.00	67,083,000.00
HEALTH AND ENVIRONMENTAL SERVICES		361,490,800.00	328,021,000.00
WORKS AND HOUSING		369,238,627.73	528,410,776.26
DEPOSIT PAID		56,955,973.57	36,984,755.79
TOTAL Cash Outflow from operating activities		2,569,167,434.22	2,737,699,268.29
Net Cash Flow from Operating Activities		649,410,357.81	522,221,226.54
Cash Flow from Investment Activities			
ASSETS(CAPITAL EXPENDITURE)		5,916,000.00	55,992,904.71
ASSETS (FIXED ASSETS)		489,287,608.86	592,678,189.10
Purchased, Receivables e.t.c)		168,687,201.83	6,972,000.00
Net Proceed From Other Assets (Staff			72,729,024.61
INTEREST/DIVIDED RECEIVED		5.82	1,174.56
Net Cash flow from investing activities		663,890,816.51	728,373,292.98
Net Cash Flow from Investing Activities		(14,480,458.70)	(206,152,066.44)
Cash Flow from Financing Activities		0.00	0.00
PROCEEDS FROM ADVANCE RECEIPT		14,000,000.00	0.00
PAYMENTS OF CONTRACTOR'S LIABILITIES		7,000,000.00	19,000,000.00
NET PROCEED FROM CONTRACTOR'S LIABILITIES		7,000,000.00	(19,000,000.00)
			(225,152,066.44)
Net Increase/Decrease in Cash & its Equivalent		(7,480,458.70)	
Cash & its Equivalent as at 01-01-2020		24,852,673.80	250,004,740.24
Cash & its Equivalent as at 31-12-2020		17,372,215.10	24,852,673.80

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

	CURRENT YEAR 2020	PREVIOUS YEAR 2019
ASSETS		
Current Assets		
Cash And Bank Balance	17,372,215.10	24,852,673.80
Assest	-	-
Accounts Receivable	244,404,777.79	241,766,802.47
Staff Loan And Advances	2,471,657.36	3,163,600.75
Inventory	59,467,186.63	55,961,758.00
Prepayment	-	-
Transfer To Reserve	-	-
ASSETS UNDER CONSTRUCTION	207,712,889.98	140,020,742.16
	531,428,726.86	440,912,903.38
Non-Current Assets	-	-
Land	5,723,423,536.00	5,579,735,536.00
Building	4,101,671,731.48	4,060,551,826.56
Motor Vehicle	239,549,892.97	269,191,698.02
Furniture And Equipment	40,592,270.26	51,379,781.76
Plant And Machinery	43,527,451.42	64,259,931.85
Historical / Heritage Assets	448,803.50	897,607.00
Infrastructural Assets	2,037,327,616.54	1,607,916,300.04
Intangible Assets	-	-
Investments	-	-
	12,186,541,302.17	11,633,932,681.23
Total Asset	12,717,970,029.03	12,074,845,584.61
LIABILITIES	-	-
Current Liabilities	-	-
Deposits	616,875,288.47	423,949,708.23
Bank Loan And Lease	-	-
Unremitted Deduction	-	223,922,166.41
Accounts Payable	625,495,225.79	222,656,661.17
Advance Receipt	13,500,000.00	-
Total Current Liabilities	1,255,870,514.26	870,528,535.81
Non-Current Liabilities	-	-
Public Fund	-	-
Contractor'S Liabilities	122,612,195.69	129,612,195.69
TOTAL NON-CURRENT LIABILITIES	122,612,195.69	129,612,195.69
	-	-
Total Liabilities	1,378,482,709.95	1,000,140,731.50
	-	-
Net Assets	11,339,487,319.08	11,074,704,853.11
NET ASSETS/EQUITY	-	-
Reserve	10,374,421,323.86	10,373,191,323.86
ACCUMULATED SURPLUS/(DEFICI	965,065,995.22	701,513,529.25
TOTAL NET ASSETS/EQUITY	11,339,487,319.08	11,074,704,853.11

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

	CURRENT YEAR 2020	PREVIOUS YEAR 2019
	=N=	=N=
REVENUE		
Tax Revenue		
Allocation	6,248,492,763.39	5,663,583,630.31
Taxes	13,138,618.20	28,384,159.65
Total Tax Revenue	6,261,631,381.59	5,696,544,166.96
Non Tax Revenue	-	
Grants	33,031,000.00	4,576,377.00
Local Licences And Fines	140,014,551.22	445,732,667.08
Earnings From Commercial Undertakings	21,224,250.00	44,590,590.00
Rent On Properties	12,720,005.82	54,233,900.00
Miscellaneous	12,062,300.28	7,680,271.02
Investment Income		1,451,174.56
State Coordinated Revenue	-	28,432,331.97
Total Non Tax Revenue	219,052,107.32	615,624,051.00
Non Operating Income	-	
Sales/Disposal Of Assets	-	1,483,000.00
TOTAL NON-OPERATING INCOME	-	1,483,000.00
TOTAL REVENUE	6,480,683,488.91	6,313,651,217.96
LESS EXPENDITURE	-	
Personnel Emoluments	3,411,579,142.21	2,758,674,425.23
Works And Housing	446,071,007.66	717,715,077.96
Women Affairs And Poverty Alleviation	55,190,500.00	86,533,000.00
Educational Services	179,724,653.97	159,593,808.40
Agricultural Services	115,104,000.00	113,780,000.00
General Administration	714,253,015.97	873,167,012.13
Miscellaneous	636,249,906.04	605,058,301.73
Health And Environmental Services	438,499,432.84	355,181,083.56
Current Year Depreciation	255,183,239.61	238,165,381.96
TOTAL EXPENDITURE	6,251,854,898.30	5,907,868,090.97
Net Surplus/(Deficit) for the period	228,828,590.61	405,783,126.99

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

	CURRENT YEAR 2020	PREVIOUS YEAR 2019
Accumulated Surplus/(Deficit) As At 01-01-2020	628,562,543.30	320,585,425.18
Reserve As At 01-01-2020	10,373,191,323.86	9,581,104,962.56
Total Public Fund As At 01-01-2020	11,001,753,867.16	9,901,690,387.74
Net Surplus/(Deficit) For The Year	228,828,590.61	405,783,126.99
Reserve For The Year	108,904,861.31	767,231,338.38
Accumulated Surplus/(Deficit) & Reserve as at 31-12-2020	11,339,487,319.08	11,074,704,853.11