

AUDIT CERTIFICATION

The account records kept and maintained by the twenty one (21) Local Governments councils, for the period under review have been examined. I have obtained all the necessary information required in the cause of my audit, except the contrary is indicated in this report.

I hereby certify that the financial statements are true reflections of the transactions of the Local Governments and observations as contained in this report for the accounting year ended 31st December, 2018.



For. Auditor General for
Local governments Audi Department
Kebbi State.

**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
BIRNIN-KEBBI, KEBBI STATE**

**ANNUAL AUDIT REPORT FOR THE
YEAR ENDED 31ST DECEMBER, 2018**

**IN RESPECT OF THE 21 LOCAL GOVERNMENT
COUNCILS IN KEBBI STATE**

BY

**ALH. UMARU HAKIMI *FCFA, CFA, CNA*
AUDITOR GENERAL FOR
LOCAL GOVERNMENT
KEBBI STATE.**

AUDITOR GENERAL'S OPINION AND CERTIFICATION

In compliance with the provision of Section 125(2) of the Constitution of the Federal Republic of Nigeria 1999 and the provision of Section 146 and sub-Section 1-4 of the Kebbi State Local Government Administration Law of 2008. I have obtained all the information and explanations which I considered necessary and therefore certify as result of our audit. In my opinion the Financial Statements and the supporting document have been drawn up so as to show a true and fair view of the state of affairs as at 31st December, 2018 and the transactions for the fiscal year ended on that date as stated above. Therefore, the financial statement has been certified subject to the observations and comments contained in this report.

Finally, in my opinion the financial statements and the other related accounts as presented to us give a "True and Fair View" of the state of Affairs of the twenty one (21) Local Governemnt Councils of Kebbi State as at 31st December, 2018.

Alh. Umaru Hakimi, *FCFA,CFA,CNA.*
Auditor General for Local Governments
Kebbi State.

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INTRODUCTION

In compliance with the Provision of Section 125 (2) of the 1999 constitution of the Federal Republic of Nigeria and Kebbi State Local Government Administration Law of 2008. We have examined the 21 Local Government Councils in Kebbi State for the year ended 31st December, 2018 in accordance with public financial control management act 1958 standadize Local Government, Treasury procedure, financial memoranda and circular guidance.

The speical aspects of the operations of the 21 Local Government Coouncils in Kebbi State and relevant agencies that required attention as observed in the course of our audit inspections had been listed under the tittled the state of the Accounts and Records in the reports. Detailed observations however, are contained in the domestic reports ealier communicated to te various Local Government Coouncils Chairmen of the respective Local Governments Council with the attendant queries many of which had been replied and were receiving attention.

I therefore, certified that the individual accounts are correct subject to various observations raised and contained in the report. Also the officers or council Chairmen concerned has been called for quetioning by the public accounts committee of the Kebbi State House of Assembly as required by the law.

2. FINANCIAL HIGHLIGHTS:-

2.1. Twenty one (21) Local Government Councils Revenue

Summary Reports: During the year under review it has been observed that the total sum of ₦43,045,092,202.40 was received by the 21 Local Government Councils for the year ended 31st December, 2018 about 21% increase over that of the year 2017. The total amount of receipts for the year 2018 from Federation Account, also includes, statutory allocation, value added tax (VAT) Internally Generated Revenue, others and the 10% share of States Internally Generated Revenue as per the details below:-

SN	REVENUE SOURCE	2017	2018
1	Statutory Revenue Allocation	24,122,272,790.90	30,230,333,922.70
2	Value Added Tax (VAT)	6,897,721,854.18	7,533,241,269.69
3	Internally Generated Rev. (IGR)	29,058,225.93	4,107,952,130.00
4	Others	2,753,417,206.15	1,173,564,880.17
5	10% share of state int. Gen. Rev.	NIL	NIL
	TOTAL	33,802,470,077.01	43,045,092,202.40

From the table above a detailed analysis shows that the total sum of ₦30,230,333,922.70 was received as Statutory Allocation, the sum of ₦7,533,241,269.69 Value Added Tax (VAT). The sum of ₦4,107,952,130.00 as Internally Generated Revenue (IGR) and the sum of ₦1,173,564,880.17 as value of other Revenue income received from Federation Accounts by the 21 Local Government Councils for the year under review. This showed that 21 Local Government Councils solely depend on Statutory Allocation from Federal Government for their survival

despite several audit advice to improve and explore other sources of Internally Revenue Generation for the Local Government Councils.

2.2 Statutory and Non Statutory Deductions:- During the year ended 31st December, 2018 the sum of ₦30,025,864,944.88 has been recorded as statutory deductions and the sum of ₦1,191,612,006.66 was also recorded as non-statutory deductions for the year under review as per the details below:-

TWENTY ONE (21) LOCAL GOVERNMENT COUNCILS STATUTORY AND NON-STATUTORY DEDUCTIONS FOR THE YEAR ENDED 31ST DECEMBER, 2018

SN	MONTHS	RECEIPTS ₦: K	STATUTORY DEDUCTION ₦: K	NON STATUTORY DEDUCTION ₦: K	BALANCE ₦: K
1.	January	3,345,690,542.65	2,643,060,088.65	100,382,246.87	602,248,207.13
2.	February	3,408,281,923.23	2,648,109,412.65	100,173,505.92	659,999,004.66
3.	March	3,291,885,074.42	2,552,727,982.34	99,856,166.58	639,300,925.50
4.	April	3,574,414,245.46	2,742,726,991.08	99,663,484.27	
5.	May	3,546,384,940.44	2,742,726,991.08	99,663,484.27	
6.	June	3,637,974,514.80	2,501,574,061.65	99,458,075.41	
7.	July	3,643,621,712.24	1,997,342,329.16	99,280,092.68	
8.	August	3,765,326,897.14	2,005,439,158.22	99,108,954.62	
9.	September	3,673,525,884.69	2,003,642,329.17	98,591,030.28	
10.	October	3,801,314,813.60	2,746,275,896.17	98,507,124.95	
11.	November	3,907,735,395.70	2,766,234,530.55	98,507,124.95	
12.	December	3,448,936,258.32	2,676,005,174.16	98,420,715.86	
	TOTAL	43,045,092,202.69	30,025,864,944.88	1,093,105,105.167	74,164,062,252.737

It is however noted that these classes of revenue and deductions can only be identified at the Ministry for Local Government and Chieftaincy Affairs (Joint Account) Kebbi State office, Birnin-Kebbi.

2.3 21 LOCAL GOVERNMENT COUNCILS GROSS SALARIES TOTAL DEDUCTIONS AND NET SALARIES FOR THE YEAR ENDED 31ST DECEMBER, 2018:- During the period under review the sum of

₦12,234,470,668.10 was disbursed to 21 Local Government Councils in Kebbi State to which the sum of ₦1,191,612,006.66 was said to have been deducted leaving the net balance of ₦11,042,858,661.60 from January to December, 2018 as per the details below:-

SN	MONTHS	LOCAL GOV'T. GROSS SALARIES	TOTAL DEDUCTIONS	NET. SALARIES
1.	January	1,019,729,774.27	100,382,246.87	919,347,527.40
2.	February	1,019,729,773.90	100,173,505.92	919,556,267.98
3.	March	1,019,479,773.90	99,856,166.58	919,623,607.32
4.	April	1,019,479,327.36	99,663,484.27	919,815,843.09
5.	May	1,019,479,327.36	99,663,484.27	919,815,843.09
6.	June	1,019,479,327.36	99,458,075.41	920,021,251.95
7.	July	1,019,479,327.36	99,280,092.68	920,199,234.68
8.	August	1,019,516,327.36	99,108,954.62	920,407,372.74
9.	September	1,019,532,527.36	98,591,030.28	920,925,297.08
10.	October	1,019,516,327.36	98,507,124.95	921,009,202.41
11.	November	1,019,532,527.36	98,507,124.95	921,025,402.41
12.	December	1,019,532,527.36	98,420,715.86	921,111,811.50
	TOTAL	12,234,486,868.31	1,191,612,006.66	11,042,858,661.65

2.4 STATE/LOCAL GOVERNMENT JOINT PROJECTS:-

During the year under review, it has been observed that the sum of ₦5,762,906,195.03 was said to have been deducted as 25% state and Local Government Joint projects from January to December, 2018 as per the details below:-

25% STATE AND LOCAL GOVERNMENT PROJECTS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

SN	MONTHS	AMOUNT DEDUCTED ₦: K
13.	January	669,398,190.29
14.	February	691,452,597.10
15.	March	596,988,429.24
16.	April	741,737,556.21
17.	May	721,485,718.63

18.	June	NIL
19.	July	NIL
20.	August	737,911,921.79
21.	September	706,942,086.74
22.	October	107,324,933.70
23.	November	106,010,347.58
24.	December	685,065,325.86
	TOTAL	5,762,906,195.03

3. INTERNAL CONTROLS SYSTEM IN THE LOCAL GOVERNMENT

COUNCILS:- Audit investigation revealed that the Local Government Councils maintained functional systems of Internal Control System which includes Internal Audit units within the Local Government Council and proper segregation of duties to ensure checks and balances in the performance of Government business. But some Internal Control weaknesses were still observed. These are contained in our day to day Audit inspection reports which have been communicated to the 21 Local Government Councils in Kebbi State.

4. INVESTMENT IN THE LOCAL GOVERNMENT COUNCILS:- It was observed that the total value of all investments held by the 21 Local Government Council in Kebbi State is ₦66,732,690.00 with exception of Augie, DankoWasagu, Sakaba and Yauri Local Government Councils.

The investments made by the local government councils in Kebbi State were not properly documented due to the fact that investment register and ledgers were not kept and maintained by the various Local Government Councils, therefore, their current values could not be ascertained nor verified. Then the investment made have been found to be

dormant as no income by way of dividends, interest or sales were recorded in respect of the council investments. Most of the companies or organizations in which these investment are said to be held are no longer in existence. Therefore, investigation into the current states of the councils investments should be carried out by the Government so as to establish their existence, liability and fair value. While appropriate action should be taken to write off any moribund investments and write up down of the active ones to their fair values.

5. COUNCILS GENERAL STATE OF THE ACCOUNTS AND RECORD KEEPING AS AT 31ST DECEMBER, 2018:-

During the year under review the way and manner of keeping and rendering accounting books and records as observed in the Local Government Councils in Kebbi State were inadequate due to the following reasons as stated below:-

- a). Most of the councils payment vouchers raised and presented to audit for verification were not having documentary evidences to justify the payment made.
- b). Some councils payment vouchers presented to Audit were not checked and passed by the council internal audit units.
- c). Most of the purchase made by the councils lacked essential documentary evidence such as receipt vouchers and store issue vouchers which shows that they were not supplied or supplied but not taken on charge.

- d). There were absence of segnatures of relevant parties to councils payment vouchers.
- e). In some cases, approvals in respect of expenditure incurred were not presented for audit.
- f). Lack of adequate budgetary discipline.
- g). Non-Maintenance of fixed and movable Assets register by some of the Local Government Councils.
- h). Non-Maintenance of ivnestment register and ledgers.
- i). Deductions made by the councils for Withholding Tax (WHT) and Value Added Tax (_VAT) were in some cases not remitted to the appropriate tax authorities on time.
- j). Some council payment vouchers been prepared and paid without being endorsed by both internal audit and officer controlling the vote (O.C.V) or checks by the respective accounting officers.
- k). Prresently majority of the Local Government councils are not preparing salary payment vouches but payment of council salary was based on the list being prepared by the councils treasury staff.

In order to ensure accountability and transparency, that henceforth all salary payments should be on payment vouchers but not on list being prepared by the treasury staff. We also recommended that appropriate disciplinary measures be introduced or taken against any Local Government

officials who through negligence of duty have put their respective council into any financial mess.

6. SUBMISSION OF ANNUAL AUDIT REPORTS AS AT THE YEA4R ENDED 31ST DECEMBER, 2018:-

In the discharge of my statutory duty and responsibility and also in compliance to the provision of section 125 of 1999 constitution of the Federal Republic of Nigeria and the provision of Section 146 sub-section 1-4 of the Kebbi State Administration Law of 2008. I hereby submit to the Honorable House of Assembly, Kebbi State my Annual Audit Report on the Accounts of the twenty one (21) Local Government Council for the financial year ended 31st December, 2018. The report contains analysis and observations raised from our routine audit of Local Government Councils and some other co-funded organization in which majority of the councils reports could not be responded and cleared by my office.

However, the Auditor General reports for the Financial year ended 31st December, 2017 was submitted to the Kebbi State House of Assembly in the month April, 2020. The House acknowledged the receipt and acted promptly by considering the Auditor Generals Annual Audit report.

**REPORT OF THE AUDITOR-GENERAL ON THE MAIN ACCOUNTS
(JOINT ACCOUNT COMMITTEE) AS AT THE YEAR ENDED 31ST
DECEMBER, 2018**

In compliance with the provision of section 125 (2) of the 1999 constitution of the Federal Republic of Nigeria and the provisions of Section 146 sub-section 1-4 of the Kebbi State Local Government Administration law of 2008. The account of the above named committee (Main Account) have been audited. The financial statement consisting of statement of Actual Revenue and Expenditure was prepared under cash basis accounting as applicable in the public sector. The records presented to us showed "true and Fair" position of the public funds entrusted to the committee. Therefore, the audit was conducted in accordance with Generally Accepted Auditing Standards. Consequence upon the observations noted the audit was comprehensively carried out as per the details below:-

**SCHEDULE OF INCOME AND EXPENDITURE FOR THE YEAR ENDED
31ST DECEMBER, 2018**

INCOME/REVENUE	(₦)	(₦)
Opening Balance		4,212,731,340.52
Statutory Allocation	34,134,844,276.70	
Value added Tax (VAT)	7,683,072,193.11	
Transfers	2,148,720,174.11	
Forex equalization	1,174,210,570.48	
Reversal Entries	712,228,484.30	
Exchange Gain Diffeence	216,113,556.71	
Additional funds	114,513,427.36	
Interest Accrued	91,387.71	
Excess Bank Charges	83,349,636.27	46,267,143,706.48
TOTAL REVENUE INCOME 2018		50,479,875,047.00

LESS PAYMENTS MADE (JAN – DEC., 2018)		
Disbursement to LGC's	20,587,610,147.02	
Disbursement to LGEAS	7,166,295,689.80	
Disbursement to LGSPB BOARD	1,933,620,497.58	
Disbursement to PSSP BOARD	2,673,999,032.65	
Disbursement to RURAL INFRASTRUCTURE	6,247,806,332.46	
Disbursement to EMIRATE COUNCILS	1,190,199,807.48	
Disbursement to TRAINING FUNDS	287,851,564.44	
Disbursement to JAC 0.55%	233,170,996.62	
Disbursement to SSWF	86,634,615.56	
Disbursement to JAPP	75,600,000.00	
Disbursement to WOMEN EMPOWERMENT	75,600,000.00	40,558,388,684.79
NON-STATUTORY DEDUCTIONS:-		
Pension Contributory	358,202,596.41	
M.H.W. UNION	140,463,273.60	
N.U.T	115,438,866.60	
BIRB "PAYE"	481,983,985.19	
Water Board "RATES"	104,514,298.12	
NULGE	75,702,891.89	
POI. Of Holder	28,182,881.10	
FIRS VAT & TAX	73,106,688.64	1,377,595,481.80
OTHER PAYMENTS MADE:-		
P.W. Agencies	484,271,823.75	
Accountant General	1,891,206,567.89	
Dragon Engineering Ltd	322,115,305.00	
Dogari Intergrated Service Ltd	315,000,000.00	
A.A.S. Marmaro Ltd	242,325,000.00	
Manu Dawa Global Ltd	300,483,000.00	
K.E.D. Company Ltd	92,706,385.66	
Fara Dynamic Invest. Ltd	44,070,000.00	
Botax Engineering Ltd.	31,446,307.19	
Lagalo D. Lagalo	21,000,000.00	
Hon.Comm. Ministry of Youth & Development	17,200,000.00	
Ex. Secretary Arabic & Islmaic Board	8,000,000.00	
Kalanda Investment Ltd.	5,833,750.00	
Perm. Secretary Ministry of Lands	440,040,000.00	

Perm. Secretary Ministry of Loca Gov't	473,040,000.00	
Secretary Council of Chiefs	69,500,000.00	
HRH. Emir of Gwandu	48,100,000.00	
HRH. Emir of Argungu	21,000,000.00	
Medical Assistance	26,040,000.00	
Ebi-UBA-KBSG N/e Bills pay Co.	264,239,161.79	
Banik Charges	45,507.56	5,144,151,860.53
GRAND TOTAL EXPENDITURE		47,080,136,026.68
Balance as per Bank		3,399,739,020.40

OUTSTANDING PAYMENT VOUCHERS/MISSING

In the course of our audit work and posting of the paid payment vouchers into the cashbook, it has been observed with dismay that payment vouchers worth ₦14,461,673,665.20 during the year under review appeared not to have been prepared at all or declared missing due to lack of adequate internal control system. It was further observed with displeasure that the management of JAC (main Accounts) deliberately withdraw cash with only cheques and ignored some other payments procedures ranging from the month of October 2018 to December, 2018 financial period. The refusal and denied to prepare the said payment is associated with unknown activities involved in the payments and could not be separated. Therefore the payments could not be admitted as a proper charges against JAC (Main Accounts) funds and in turn we cannot certify the authenticity of the incurred expenditure unless the payments vouchers are produced for audit examination.

OBSERVATION ON VERBAL APPROVAL

It has been observed that the sum of ₦63,000,000.00 vide pv. 106 dated 19/6/2018 was paid to the permanent secretary ministry for Local Governments and Chieftaincy Affairs for the purported Security meeting along with all stakeholders and collaboration. Similarly, it was further observed that the expenditure incurred for the said meeting was based on verbal approval as per the document attached to the payment voucher. However, we suspect that this approval may have been given verbally, but it is expected to be regularised by now. The management of JAC (Main Accounts) should only receive orders from H.E. Therefore, there is need for the Executive Governor's approval to regularise the expenditure for record purposes or else the sum involved should not be treated as a proper charge as against the JAC (Main Account) funds.

SCHEDULE OF DISBURSEMENT TO WOMEN EMPOWERMENT 2018

SN	DATE	PVS NO.	AMOUNT (₦)
1.	24/1/2018	013	6,300,000.00
2.	26/2/2018	043	6,300,000.00
3.	27/3/2018	061	6,300,000.00
4.	27/4/2018	-	6,300,000.00
5.	23/5/2018	100	6,300,000.00
6.	11/6/2018	117	6,300,000.00
7.	17/7/2018	139	6,300,000.00
8.	14/8/2018	160	6,300,000.00
9.	24/9/2018	-	6,300,000.00
10.	25/10/2018	207	6,300,000.00
11.	23/11/2018	230	6,300,000.00
12.	17/12/2018	250	6,300,000.00
	TOTAL		75,600,000

From the above, it has been observed that the sum of ₦75,600,000.00 vide the schedule of disbursement to women empowerment for the 2018 under review. Close and careful scrutiny of the payments reveals that all the payments (₦75,600,000.00) was made infavour and in the name of permanent Secretary MLGCA.

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF
0.55% JOINT ACCOUNT COMMITTEE FUNDS AS AT THE YEAR
ENDED 31ST DECEMBER, 2018**

In compliance with the provision section 146 and subsection 1-4 of the Kebbi State Local Government administration law of 2008. The accounts and other financial records maintained by the above named committee have been audited. The accounts as presented to us showed true and fair position of the public fund entrusted to the committee for the period under review. However, audit examination of the records revealed that the sum of ₦233,979,821.62 were disbursed to 0.55% Joint Account Committee funds as per the details below:-

OPERATING RESULTS:-

	(₦)	(₦)
Opening Balance		808,825.00
Add 0.55 Monthly Contribution		233,170,996.62
TOTAL REVENUE INCOME		233,979,821.62
LESS: EXPENDITURE:-		
Committee members sitting allowance	21,082,000.00	
Extra ordinary Meeting with 21 LGC Chairman & their Direc	15,023,500.00	
Logistic and entertainment	21,984,000.00	
Sallah welfare	5,693,500.00	
Maintenance of PS,E/S & DFs JAC offices	3,372,100.00	
Media, Advert and Goodwill Messages	4,972,000.00	
FAAC Meeting (Accontant General)	2,600,000.00	
Incentive to Security Agencies	2,781,500.00	
Seminars & Workshops	32,730,900.00	
Maintenance of vehicles	5,027,200.00	
Stationary & Printing	9,491,200.00	
Maintenance of HC office	3,705,562.40	
Duty tour allowances	24,614,380.00	
Maintenance of Mikano Gen. & Settlement of Bills	4,700,000.00	

Monthly Allowance to Adhoc Staff	2,651,500.00	
Purchase of Air Conditioner & Refrigerators	1,011,000.00	
purchase Of office equipment and maintenance of Capital Assets	14,250,700.00	
Production Of Distribution Table & Salary Printer	8,350,500.00	
Medical & Financial Assitance	11,967,000.00	
Monthly Despacth letters to 21 LGC and maintenance of Motor Vehicle	718,000.00	
JAC Staff Administrative provision and Allowance	2,268,000.00	
Misleneous /General Expenses	31,280,300.00	
Bank Charges	3,058.00	<u>230,277,900.40</u>
SURPLUS/DEFICIT		3,701,921.22

However, the observations raised should not be regarded as exhaustive since audit is not necessary to uncover all accounting weaknesses or discrepancies but rather to enable us express our opinion on the accounts or records presented to us by the management who are solaly responsible for maitaining and preparation of financial statements.

As mentioned earlier the committee received the sum of ₦233,979,821.62 out of which the sum of ₦230,277,900.40 was said to have been expended on various payments by the committee as indicated in the table above. The above operational results shows the total income and expenditure for the year covered by this accounts. As can be seen, the management committee of 0.55% Joint Accounts has an excess of income over expenditure of ₦3,701,921.22 as at the year ended 31st December, 2018.

2. As highlighted above the sum of ₦5,693,500.00 is an expenditure for Sallah Welfare during the period under review. But in our opinion, that the expenditure incurred is reasonable.

3. Similarly, the sum of ₦15,023,500.00 was said to have been expended for the extra ordinary meeting of 21 Local Government Council Chairmen and their directors for the period under review.

4. It has been observed that the sum of ₦21,082,000.00 only was said to have been expended for committee members sitting allowance involving all the 21 Local Government Council Chairmen and their Directors which also contravene the provision of section 135 Sub-Section (a-f) of the same Local Government Administration law of 2008.

5. However, it has been observed that all the Ministry for Local Government Commitment was solely depended on 0.55% Joint Account Committee funds despite the fact that the Ministry is receiving cash allocation from Kebbi State Government as running cost on monthly basis, which also contravene the provision of Kebbi State Local Government Administration law of 2008.

In view of the above expenditure incurred by the committee management of 0.55% Joint Account Funds, I wish to suggest that some percentage of the 0.55% committee funds should be allocated to the office of the Auditor General for Local Government in order to reduce some of our financial hardship for the efficient and effective execution of our programmes just to emulate what the other Sister States Government has been doing over the years instead of receiveing the sum of ₦150,000.00 which is in adequate for the effective discharge on our statutory duties.

At this juncture, I wish to commend the committee members for maintaining good cashbook which indeed assisted us with relevant information for the effective discharge of our statutory responsibilities.

Finally, there is need for the committee management of this fund /Accounts to ensure that all records are properly documented and the payment voucher should be signed and filed away in sequence with all the attachments before the records be presented to auditors and other interest groups.

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF
KEBBI STATE EMIRATE COUNCILS FOR THE YEAR ENDED
31ST DECEMBER, 2018**

During the period under review the sum of ₦1,277,691,086.96 were the total allocations received by the Emirate Council to which the sum of ₦1,262,352,110.75 was expended leaving a balance of ₦15,337,598.21 as per the details below:-

SN	EMIRATE COUNCIL	ALLOCATION ₦	EXPENDITURE ₦	BALANCES ₦
1	Gwandu Emirate	562,312,582.98	556,718,627.68	5,593,955.29
2	Argungu Emirate	257,520,811.06	254,953,457.04	2,567,354.02
3	Yauri Emirate	195,278,398.22	190,878,446.09	4,399,952.13
4	Zuru Emirate	262,579,294.70	259,802,579.93	2,776,336.77
	TOTAL	1,277,691,086.96	1,262,353,110.75	15,337,598.21

Similarly, there were some lapse discovered during the course of our auditing exercise of the Emirate Councils which includes the following:-

(a) **Internal Control System:-** Audit examination of Emirate Councils observed some weakness in the internal control system in the council operations especially in the area of maintaining daily abstract of expenditure/revenue, store control system and also there were no strict adherence to the budget estimates as earlier indicated in our previous years reports.

(b) **Payment vouchers:-** Audit examination of councils payment vouchers during the year under review, discovered that some payment

vouchers had no supporting documents attached. Hence it would not enhance effective monitoring of funds and accountability.

(c) ***Cashbook/Bank Reconciliation:-*** During our audit examination of Emirate Councils Accounting records, it was discovered that, some of the council cashbook were not adequately balanced and the transactions are in some cases wrongly analysed. However, no reasonable effort were made in the preparation of councils, Bank reconciliation statements. Because bank reconciliation would assist the Emirate Council to discover some of the direct debit, direct credit as well as excessive bank charges and commission.

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF
LOCAL GOVERNMENT SERVICE COMMISSION (TRAINING FUNDS)
FOR THE YEAR ENDED 31ST DECEMBER, 2018**

In compliance with the provision of section 146 sub section 1-4 of the Kebbi State Local Government Administration law of 2008. The account and other financial records maintained by the Local Government Service Commission have been examined. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the management of training funds for the year under review.

Audit examination of the training funds financial books and records revealed that the total sum of ₦299,643,915.08 was received as disbursement from Ministry for Local Government and Chietaincy Affairs as monthly, Allocation from (JAC) to which the sum of ₦227,210,092.00 was said to have been expended leaving a bank balance of ₦22,433,823.08 of income over expenditure as per the details below:-

OPERATING RESULT

INCOME/REVENUE	2018
	₦ : K
Opening Balance 2017	11,792,350.64
Monthly Allocation from JAC	<u>287,851,564.44</u>
Total Amount Receive from JAC	299,643,915.08
DEDUCT EXPENDITURE:-	
Seminars and Workshop	184,213,000.00
Duty tour expenses	29,775,920.00
Students Allowances	10,552,000.00
Office Equipments (purchase of laptops)	39,100,000.00
Financial Assistance	9,512,000.00
Purchase of materials	2,850,000.00
Settlement of NEPA Bills	1,204,000.00

Bank Charges	<u>3,172.00</u>
Total Expenditure	<u>227,210,092.00</u>
Bank Balance as at 31/12/2018	22,433,823.08

The Statement of income and expenditure Accounts stated above showed a surplus balance of ₦22,433,823.08 as at the year ended 31st December, 2018. Similarly, it has been observed that from the above analysis that about 61% or ₦184,213,000.00 of the total money allocated to training funds went on shorter term training, that is seminars and workshops while the sum of ₦10,552,000.00 equivalent to 3% of the total allocation received during the year under review went on longterm training which is almost equal to the same amount of money expended on financial assistance of ₦9,512,000.00 about 3% of the total revenue received for the year, 2018.

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF
LOCAL GOVERNMENT STAFF PENSION BOARD AS AT THE YEAR
ENDED 31ST DECEMBER, 2018**

In compliance with the provision of section 146 sub section 1-4 of the Local Government Administration law of 2008. The accounts and other, financial records of Kebbi State Local Government Staff pension, Board has been audited. The accounts as presented to us showed true and fair position of the public funds entrusted to the pension Board for the year under review.

Audit examination of the Local Government Staff Pension Board revealed that the sum of ₦2,431,121,352.38 was said to have been disbursed for the payment of retiring pension/gratuity and death benefits for the year 2018 as per the details below.

**LOCAL GOVERNMENT STAFF PENSION BOARD PAYMENT OF
PENSION FOR THE YEAR ENDED 31ST DECEMBER, 2018**

SN	MONTHS	RECEIPT FROM MLGCA ₦	PENSION PAID ₦
1.	January	92,747,542.81	92,747,542.81
2.	February	84,700,818.56	84,700,818.56
3.	March	86,146,642.11	86,146,642.11
4.	April	87,866,029.87	87,866,029.87
5.	May	89,680,643.46	89,680,643.46
6.	June	91,336,766.35	91,336,766.35
7.	July	94,056,326.29	94,056,326.29
8.	August	94,959,475.60	94,959,475.60
9.	September	96,343,120.93	96,343,120.93
10.	October	96,959,255.92	96,959,255.92
11.	November	97,331,678.71	97,331,678.71
12.	December	97,789,314.95	97,789,314.95
	TOTAL	1,109,917,615.56	1,109,917,615.56

**SUMMARY FOR THE PAYMENT OF GRATUITY/DEATH
PENSION AND PENSION ARREARS TO RETIRED/DECEASED
AS AT THE YEAR ENDED 31ST DECEMBER, 2018**

1. Payment of 5000,000 x Below = ₦171,162,927.51
 2. 27% payment on outstanding Grauity = ₦326,337,927.51
Death/Pension Arears
 3. Final payment on outstanding Gratuity/ = ₦823,702,881.80
Death/Pension Arears
- ₦1,321,203,736.82**

**REPORT OF THE AUDITOR-GENERAL ON THE ACCOUNTS OF
KEBBI STATE PRIMARY SCHOOL STAFF PENSION BOARD AS AT
THE YEAR ENDED 31ST DECEMBER, 2018**

In compliance with the provision of section 146 sub section 1-4 of the Local Government Administration law of 2008. The accounts and other financial records maintained by the Primary Schools Staff Pension Board has been audited. The accounts as presented to us showed true and fair position of the public funds entrusted to the Board for the period under review. However, audit examination of the Pension Board revealed that the sum of ₦3,120,184,789.55 was said to have been disbursed for the payment of Primary School Staff Retiring Pension/Gratuity and Death Benefits for the year ended 31st December, 2018. It has also been observed that from the creation of Kebbi State primary Schools staff Pension Board to 31st December, 2018, 3928 cases were received, registered and passed for the payment of pension as per the details below:-

**KEBBI STATE PRIMARY STAFF PENSION BOARD
SUMMARY OF 2018 PAID**

SN	MONTHS	NO. OF PENSIONERS PAID	TOTAL AMOUNT PAID ₦
1.	January	3582	108,031,816.46
2.	February	3633	110,348,973.26
3.	March	3656	111,225,155.65
4.	April	3682	112,625,692.10
5.	May	3726	114,733,678.02
6.	June	3764	116,392,796.01
7.	July	3801	117,752,305.79
8.	August	3836	119,279,686.19
9.	September	3868	120,916,476.50

10.	October	3992	121,880,039.93
11.	November	3916	122,676,794.03
12.	December	3928	123,100,501.19
	TOTAL		1,398,963,915.13

**SUMMARY OF PAYMENT OF GRATUITY/DEATH BENEFITS AND
PENSION ARREARS TO RETIRES/DECEASED AS AT THE YEAR
ENDED 31ST DECEMBER, 2018**

SN	PAYMENT CATEGORIES	NO. OF RETIRIES PAID	% PAID	AMOUNT PAID ₱
1	Full payment of 1/6	1087	100%	367,539,720.20
2	Full payment of 40%	1156	100%	1,015,495,404.36
3	Payment of 12.5%	1549	12.5%	339,394,914.62
	TOTAL	3792		1,722,430,039.18

**REP ORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF OF
LOCAL GOVERNMENT EDUCATION AUTHORITY (LGEAS) AS AT
THE YEAR, ENDED 31ST DECEMBER, 2018**

In compliance with the provision of Section 14.6 sub-section 1-4 of the Kebbi State Local Government Administration law of 2008. We have examined and audited the accounts and other financial records maintained by the above 21 Local Government Educations Authorities. However, audit examination of their records revealed that, during the period under review, the sum of ₦7,145,118,863.47 were disbursed to Local Government Educations Authorities (LGEAS) to which the sum of ₦7,135,390,348.51 was said to have been expended leaving unaccounted balance of ₦9,728,514.96 As at year ended 31st December, 2018 as the per details below:-

SN	LGEA'S	ALLOCATION RECEIVED (₦)	OVER HEAD COST (₦)	TOTAL AMOUNT RECEIVED (₦)	EXPENDITURE (₦)	BALANCE (₦)
1.	ALIERO	133,538,769.72	3,272,285.76	136,811,055.48	136,707,328.60	103,726.88
2.	AREWA	516,402,248.45	5,672,285.76	522,074,534.21	521,957,123.56	117,410.65
3.	ARGUNGU	415,636,328.49	8,112,285.76	423,748,614.25	423,164,999.45	583,614.80
	AUGIE	324,844,328.32	5,672,285.76	330,516,614.08	330,141,707.24	374,906.84
4.	BAGUDO	414,763,991.17	8,672,285.76	617,366,684.51	614,872,738.51	2,493,946.00
5.	B/KEBBI	611,694,398.75	5,672,285.76	617,366,684.51	614,872,738.51	2,493,946.00
6.	BUNZA	383,289,943.08	5,652,285.76	388,942,228.84	388,440,000.00	502,228.84
7.	DANDI	319,032,707.44	5,712,285.16	324,744,992.60	324,363,831.78	381,160.82
8.	D/WASAGU	357,332,386.76	8,804,285.76	366,136,672.52	366,031,718.47	104,954.05
9.	FAKAI	314,602,161.52	5,672,285.76	320,274,447.28	320,123,017.43	1515,429.85
10.	GWANDU	286,283,739.04	5,622,285.76	291,906,024.80	291,121,913.04	784,111.76
11.	JEGA	279,705,061.75	5,652,285.76	272,981,706.67	284,993,209.00	364,138.51
12.	KALGO	248,676,981.14	3,272,285.76	251,949,266.90	251,800,000.00	149,266.90

13.	K/BESSE	267,208,421.21	5,697,285.76	272,905,706.97	271,395,282.07	1,510,424.90
14.	MAIYAMA	259,111,965.15	5,652,285.76	264,764,250.91	264,440,911.00	323,339.91
15.	NGASKI	260,549,330.99	5,732,285.76	266,281,616.75	266,030,695.70	250,921.05
16.	SAKABA	259,111,965.15	5,712,285.76	264,823,906.35	264,666,714.32	157,192.03
17.	SHANGA	245,634,162.48	5,672,285.76	251,306,448.24	250,940,952.40	365,495.84
18.	SURU	276,709,113.50	5,672,285.76	282,381,399.26	282,233,045.11	148,354.15
19.	YAURI	360,490,686.00	5,672,285.76	366,162,971.76	365,980,618.55	182,353.21
20.	ZURU	487,075,327.96	6,152,475.36	493,032,803.32	493,032,803.32	195,000.00
21.	TOTAL	7,021,693,673.51	123,425,189.96	7,145,118,863.47	7,135,390,348.51	9,728,514.90

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
ALEIRO LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/017/VOL. II dated 9th July, 2020 without response. Therefore, the following observations were noted.

- a). The council treasury cash book was not properly maintained in accordance with the provisions of FM 19.1 despite the observations raised on this issue in the previous years reports.
- b). Authenticated opening balance as at 1st January, 2018 was not been posted and necessary balancing of the treasury cash book has not been effected accordingly.
- c). Bank Reconciliation Statements for the twelve (12) months were not properly maintained to ascertain the position of the Local Government Council for the accounting period.
- d). Security store was not established and manned by the official of the Local Government Council.

2. **INCOME AND EXPENDITURE:-** Audit examination of some financial records revealed that the sum of ₦ 320,924,752.03 was received as disbursement from Ministry for Local Government and Chietaincy Affairs.

While the sum of ₦312,331,218.33 was expended leaving unaccounted balance of ₦8,593,532.70 for the period under review as per the details below:-

SN	MONTHS	INCOME 2018 ₦: K	EXPENDITURE 2018 ₦: K	DIFFERENCES ₦: K
1.	January	40,218,080.72	29,932,723.16	10,285,357.56
2.	February	73,547,998.36	50,239,115.59	23,388,882.79
3.	March	33,986,217.71	36,516,703.17	(25,304,854.16)
4.	April	119,755,703.50	149,743,349.77	(29,987,646.27)
5.	May	51,920,426.31	51,377,824.26	542,602.05
6.	June	52,900,426.31	27,658,172.30	25,242,254.01
7.	July	30,334,914.01	29,067,876.66	1,267,037.35
8.	August	111,288,511.74	76,301,644.54	34,986,867.20
9.	Septempter	80,688,575.55	62,675,658.39	18,012,917.16
10	October	30,296,416.91	27,938,621.02	(45,511,202.87)
11	November	27,296,416.91	27,938,621.02	(642,204.11)
12	December	41,019,916.91	40,539,798.94	480,117.97
	TOTAL	320,924,752.03	312,331,219.33	8,593,532.70

3. The sum of ₦5,000,000.00 was paid to council Chairman (Abu Sale Aliero) as per payment voucher No. 155/8/2018 being payment for the assistance given to National Electoral Commission in order to go round and visit all the 10 wards of Aliero Local Government Area. But on the spot verification of the payment voucher revealed that payment vouchers, was found not recieved during the period under review. it would appear that, the funds were not collected by the actual recipient. Then necessary supporting documents were not attached to the payment vouchr contrary to FM 14.4(8) and FM 14.17.

Therefore, the expenditure involved lacked transparency and accountability and could not be admitted as proper charge against the funds of the Local Government Council. Therefore, Council Chairman and the various payees should be made to refund the sum of ₦5,000,000.00 in accordance with FM 39.3(a.6).

4. PAYMENT FOR VACCINE WITHOUT EVIDENCE OF EXPENDITURE AND RETIREMENT:- Audit examination of payment vouchers revealed that payment voucher nos. 139/1/2018 and 140/1/2018 was observed to have been paid to Muh'd Bello Kamba (Director PHC) for the purchased of drugs for the control of outbreak of Measles at Danwaral, Kashin Zama, Sabiyal and Jiga Birnin to the tune of ₦480,000.00. However, no supporting document was attached to the payment vouchers, nor any evidence of purchase of the vaccine.

5. UN-APPROVED PAYMENT VOUCHERS (₦15,010,000.00):- Payment vouchers no. 154/8/2018 with a total sum of ₦15,010,000.00 was paid without appropriate approval by State Government, by the ministry for Local Government and Chietaincy Affairs or by the FGPC as they were above the approving limit of the council Chairman. The amount of ₦15,010,000.00 was paid as an assistance given to all the ten (10) Local Government Council, members without any documentary evidence to ascertain the genuinty of the huge amount of money involvement. Therefore, the council Chariman and various payees should produce relevant documents backing the said expenditure or they should be adequately surcharged accordingly. In addition, audit also observed that

nothing appears to be attached to the payment voucher apart from the submission made by the council (D.D.S).

6. SALARIES ACCOUNTS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Audit examination of salary account records revealed that the sum of ₦350,947,254.96 was received as disbursement from Ministry for Local Government and Chietaincy Affairs for the payment of Council Staff Salary and Allowance. While the sum of ₦351,558,682.80 was expended fo the council staff payment of salaries and allowances leaving un-authorized excess expenditure of ₦611,427.84 for the period under review.

7. INTERNALLY GENERATED REVEUE PERFORMANCE AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Examination of council revenue records disclosed Internal Generated Revenue shortfall totalling ₦178,223,000.00 recorded under various Heads and Sub-Heads during the period under review. Then out of the budgeted estimated revenue of ₦200,000,000.00 a total sum of ₦21,777,000.00 was generated as per the Revenue Officer's Cash book. But to our surprise only the sum of ₦19,043,400.00 was receipted and remitted into council revenue account leaving a balance of ₦2,733,600 unaccounted for.

The management of Aliero Local Government Council should intensify more efforts in harnessing the revenue potentials in order to boost its internally generated revenue.

8. HARAJI COLLECTION 2017/2018

The Haraji account maintained by Aleiro Local Government Council has been examined. Examination of the Haraji records revealed that only the sum of ₦2,063,200.00 was collected instead of the total amount of ₦2,133,200.00 earmarked as per the details below:-

SN	DISTRICT	HEAD COUNT	RATE ₦	AMOUNT COLLECTED ₦	BALANCE ₦
1.	ALIERO	5792	100	579,200.00	NIL
2.	SABIYEL	8890	100	889,000.00	NIL
3.	DANWARAI	6450	100	595,000.00	50,000.00
	TOTAL			2,063,200.00	

Therefore, we observed that there was lack of control of Revenue Collection this might have contributed to the poor revenue collection noted. The council Chairman Should explain the reasons for this dismal performance in revenue generation during the year under review.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
AREWA LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/015/VOL. II dated 6th July, 2020 to which reply was received. Therefore, the following observations were noted.

1. INCOME AND EXPENDITURE ACCOUNTS 2018:

Audit Examination of Arewa Local Government Councils Financial Records revealed that the sum of ₦1,412,554,958.89 was received from Local Government Joint Accounts Committee (JAC) for the payment of their staff salaries and allowances as well as their day to day financial activities during the year under review. While the sum of ₦1,116,807,255.03 would appear to have been expended, there by having a balance of ₦295,747,703.86 unaccounted for. As per the details below:

S/N	Months	Disbursement (₦)	Expenditure (₦)	Balance (₦)
1.	January	56,105,310.60	42,813,433.16	13,291,877.44
2.	February	70,718,536.15	45,672,174.50	25,046,361.65
3.	March	48,222,382.58	34,735,288.75	14,487,093.82

4.	April	83,192,575.45	71,860,414.26	11,332,161.19
5.	May	69,889,289.00	52,573,365.24	17,315.923.16
6.	June	70,953,105.72	70,952,672.24	43,348.00
7.	July	49,744,818.33	51,832,065.51	2,087,247.18
8.	August	134,242,875.58	129,120,764.49	5,122,111.09
9.	September	99,066,800.99	105,836,086.43	6,769,285.44
10.	October	48,894,975.99	46,596,446.35	2,298,529.64
11.	November	55,954,395.04	46,046,766.98	9,907,578.06
12.	December	624,569,943.46	418,767,777.12	205,580,166.34
	Total	1,412,554,958.89	1,116,807,255.03	295,747,703.86

2. **STATE OF THE CASH BOOK AND OTHER ACCOUNTING RECORDS:**

Despite comments in the previous year's reports advocating better and improved book-keeping the state of cash-book still remained unsatisfactory. The short comings observed included the following:

- a. The treasury council's cash-book was not maintained as prescribed by financial memorandum. It was characterized by incomplete posting of transactions and figures, wrong quoting of heads and sub-heads thereby, making extraction of opening and closing balances impossible.
- b. The local government council could not produce up to date monthly bank reconciliation statements for audit examination.
- c. Then, the correctness of the cash, and bank balance as at 31st December, 2018 could not be ascertained.
- d. The stores were not properly maintained. Therefore the Director Finance and Supply (DFS) should endeavour to keep appropriate books of accounts to provide credible balances for the local government council.

3. EXPENDITURE NOT ACCOUNTED FOR (N31,451,000.00)

Audit examination of payment vouchers revealed that the sum of N31,451,000.00 paid to various payees in the local government council was found with the following irregularities discovered:

a. Necessary supporting documents to prove the genuines of the expenditure were not attached to the payment vouchers which is contrary to F.M. 14.4(8) and F.M. 14.17.

b. Payments were based on arbitrary figures that were considered by audit to be unreasonable and outrageous contrary to F.M. 14.34 and F.M. 14.9(3). Therefore in view of the foregoing, this office could not certify that the sum of money collected was not misappropriated. Therefore the sum of N31,451, 000.00 should be recovered from the payees as per the details below:

S/N	P.V Nos.	Payees	Details of Payment	Amount (N)
1.	98/5/2018	Sa'iduMoh'dKangiwa	National Maulud	6,500,000.00
2.	63/5/2018	Sani Abubakar	President's Visit	5,000,000.00
3.	97/5/2018	Sani Abubakar	Democracy Day	2,000,000.00
4.	80/7/2018	Sani Abubakar	Sallah Welfare	2,500,000.00
5.	99/7/2018	Alh. Adamu	Purchases	2,980,000.00
6.	96/7/2018	Sani IsahYeldu	Gen. Empowerment	
7.	97/6/2018	IsahAdamu	Assistance	2,800,000.00
8.	98/6/2018	Sa'idu S/Fawa	Buhari Cooperative	1,300,000.00
			TOTAL	31,451,000.00

4. CHEQUES ISSUED BUT NOT POSTED IN THE CASH BOOK (₦32,686,000.00)

In the course of vouching cheque stubs into the cash book it was discovered that cheques totaling ₦32,686,000.00 were withdrawn from the bank but not recorded in the council cash-book. But to our surprise such amount were withdrawn and the payments were affected without following the laid down financial procedures. Therefore, the Executive Chairman who signed the bank confirmation and the Director of Finance who signed the cheque should, be held responsible and they should also be surcharge to refund the sum of ₦32,686,000.00 to the Local Government Coffers as per the details below:

S/N	Withdrawal Date	Cheque No.	Amount (₦)
1.	9/1/2018	243117	769,000.00
2.	6/2/2018	24313137	1,000,000.00
3.	8/2/2018	243132	4,000,000.00
4.	9/2/2018	243133	1,000,000.00
5.	26/4/2018	234158	2,000,000.00
6.	3/5/2018	243160	1,000,000.00
7.	10/5/2018	243164	5,000,000.00
8.	13/6/2018	242980	2,500,000.00
9.	13/6/2018	242981	2,000,000.00
10.	20/6/2018	242982	3,045,000.00
11.	31/7/2018	242989	1,400,000.00
12.	9/8/2018	242991	9,500,000.00
13.	19/8/2018	242993	6,232,000.00
		Total	32,686,000.00

5. OUSTNADING PAYMENT VOUCHERS (₦31,824,560.38)

Audit examination of expenditure records and accounts revealed that (29) payment vouchers totaling ₦31,824,560.38 posted into the council cash book were not produce for audit examination contrary to F.M. 1.14(19) and F.M. 14.29. This is a gross violation of laws and fraudulent way of diverting public funds. Therefore, the Director of Finance and the council's cashier should produce the missing payment vouchers or be surcharge the sum of money involved as per the details below:

S/N	PV. Nos.	Name of Payees	Details of Payment	Amount (₦)
1.	79/1/2018	Ibrahim Sama'ila	Allowance	680,000.00
2.	80/1/2018	D.P.O.X Others	Security allowance	256,000.00
3.	105/1/2018	Moh'dHamidu	Security Vote	250,000.00
4.	106/1/2018	Musa Adamu	Security Vote	150,000.00
5.	112/2/2018	Moh'dHamidu	Security Vote	250,000.00
6.	113/2/2018	Musa Adamu	Security Vote	150,000.00
7.	45/3/2018	Abdullahi Sani M. & others	Salary	48,978.82
8.	93/3/2018	Moh'dHamidu	Security Vote	250,000.00
9.	94/3/2018	Musa Adamu	Security Vote	150,000.00
10.	1/4/2018	Abbas Musa Sani	Salaries	422,601.58
11.	2/4/2018	UmaruGankara	Salaries	399,065.14
12.	35/4/2018	Bashir Hassan & Others	Salaries	375,000.00
13.	109/4/2018	Musa M. Jantullu	Salaries	729,761.06
14.	110/4/2018	LawaliYakubu	Salaries	639,153.78
15.	111/4/2018	Abubakar Usman	Salaries	73,000.00
16.	112/4/2018	Muh'dHamidu	Security Vote	250,000.00
17.	113/4/2018	Musa Adamu	Security Vote	150,000.00
18.	38/5/2018		Security Vote	360,000.00
19.	97/05/2018	Sani Abubakar	Democracy day	2,000,000.00
20.	98/05/2018	Sa'iduMoh'dKuri	NatioalMaulud	6,500,000.00
21.	109/5/2018	IkehChukwuCharks	Feeding	500,000.00

22.	110/5/2018	Musa Adamu & Others	Security vote	150,000.00
23.	111/6/2018	Moh'd Hamidu	Security vote	250,000.00
24.	48/6/2018	Mansur Moh'd	Medical Student	60,000.00
25.	50/6/2018	Ladi Madugu	TBAS	225,000.00
26.	51/6/2018	D.P.O & Others	Suve. Allowance	256,000.00
27.	96/6/2018	Sa'idu Isah Yeldu	Sustainable Goals	10,890,000.00
28.	97/6/2018	M. Isah Adamu	Assistance	2,810,000.00
29.	98/6/2018	Alh. Sa'idu S/Fawa	Buhari Cooperative Ass.	1,300,000.00
Total				31,824,560.38

6. AREWA LOCAL GOVERNMENT COUNCIL INTERNALLY GENERATED REVENUE FOR THE YEAR ENDED 31ST DECEMBER, 2018 (INTERNAL REVENUE SHORTFALL)

Audit inspection of revenue accounts records for the year under review revealed that internal revenue shortfall of ₦198,920,000.00 was recorded on nine (9) subheads during the year, 2018. Out of the estimated internal revenue of ₦200,000,000.00 total revenue of ₦1,080,000.00 only was actually collected during the year, 2018. As per the details below:

S/No	Name of Payees	Amount Collected ₦	Amount Remitted
1.	Argungu Main Market	500,000.00	
2.	Internal Services	200,000.00	
3.	Jangali	100,000.00	
4.	Luck up shops	100,000.00	
5.	Petty traders	50,000.00	
6.	Gate fees	50,000.00	
7.	Loading/offloading	20,000.00	

8.	Fueling stations	40,000.00	
9.	Motor parks	20,000.00	
	Total	1,080,000.00	600,000.00

From the above table it has been observed that the sum of ~~₦~~1,080,000.00 was the actual revenue collected. While the sum of ~~₦~~600,000.00 was remitted to the local government council revenue accounts, leaving an outstanding balance of ~~₦~~480,000.00 remain unaccounted for.

However, the Council Chairman, Treasurer and H.O.D budget and planning should be sanctioned for the loss of revenue as stated in F.M. 39.3 (9.13). Also necessary revenue control was not exercised as up to date revenue chart was not maintained to monitor revenue collection contrary to F.M. 31.3.

REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
ARGUNGU LOCAL GOVERNMENT COUNCIL FOR THE YEAR,
ENDED 31ST DECEMBER, 2018

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/018/VOL. II dated 6th July, 2020 to which reply was received without response. Therefore, the following observations were noted.

1. CASH BOOK AND OTHER RELEVANT ACCOUNTING RECORDS

It was observed that accounting books and records were not properly kept and maintained in view of the following reasons:

- a. Monthly bank reconciliation statements were not prepared since none was presented to audit despite repeated requests.
- b. The treasury cash-book was not properly kept in accordance with the provisions of financial memoranda No. 19.1. It was also characterized with incomplete postings of figures thereby making extraction of opening and closing balances impracticable. Furthermore, the true position of cash-book balances as at 31st December, 2018 could not be ascertained.

However, advances and deposits ledgers were not kept by the local government councils since none was presented for audit despite repeated

demands which is contrary to F.M. 24.11 and 24.21. The audit inspection of central stores showed noncompliance with F.M. 24.10(3).

c. The internal control system of the local councils was weak and not effective in view of the various anomalies noted in the council's treasury.

2. **CHEQUES NOT POSTED IN THE CHAS-BOOK**

Audit examination of the accounts of Argungu Local Government Council disclosed that cheque payments worth ₦29,352,000.00 could not be traced into the cash-book. The cheque payments were neither supported by payment vouchers nor reflected in the council cash-book contrary to F.M. 39.3 (a.b). It was therefore not possible to ascertain whether the payments were properly authorized and judiciously accounted for. See the list of affected cheques listed below:

S/No.	Date	Cheque No.	Amount (₦)
1.	18/1/2018	59845429	769,000.00
2.	26/1/2018	59645430	3,300,000.00
3.	29/1/2018	59645431	495,000.00
4.	5/2/2018	59645432	1,200,000.00
5.	8/2/2018	54645442	3,000,000.00
6.	12/2/2018	59645443	1,800,000.00
7.	14/2/2018	59645444	500,000.00
8.	14/2/2018	95645445	1,000,000.00
9.	15/2/2018	59645446	2,688,000.00
10.	23/2/2018	59645447	4,000,000.00
11.	24/2/2018	59645455	3,000,000.00

12.	26/4/2018	59645467	2,000,000.00
13.	3/5/2018	59645463	1,000,000.00
14.	11/5/2018	59645464	500,000.00
15.	28/5/2018	59645468	3,000,000.00
16.	11/6/2018	59645469	2,000,000.00
		Total	29,353,000.00

3. INCOME AND EXPENDITURE

Audit examination of relevant accounting records revealed that the Local Government Council has received a total sum of ₦987,841,983.50 from Kebbi State Ministry for Local Government and Chieftaincy Affairs for the payment of local government council staff salary and allowances. While the sum of ₦888,073,732.79 would appeared to have been expended whereby leaving an apparent balance of ₦99,768,250.21 unaccounted for. As per the details below:

S/No.	Months	Disbursement (₦)	Expenditure (₦)	Balance (₦)
1.	January	45,464,202.11	43,630,258.77	1,833,943.34
2.	February	133,440,076.72	132,350,988.49	1,089,088.23
3.	March	62,765,299.72	43,406,246.94	19,359,052.78
4.	April	79,133,563.36	179,288,909.16	155,345.64
5.	May	68,839,206.91	65,261,417.92	3,577,788.99
6.	June	66,819,206.91	61,302,659.48	5,516,547.43
7.	July	44,233,902.91	26,626,371.65	17,607,531.26
8.	August	142,210,525.84	114,169,185.78	28,041,339.76
9.	September	122,677,826.83	100,271,705.30	22,406,121.53

10.	October	44,246,652.08	47,645,823.77	399,170.92
11.	November	64,216,882.08	60,522,487.45	3,694,394.63
12.	December	113,794,638.33	113,597,678.08	196,960.25
	Total	987,841,983.50	888,073,732.79	99,768,250.71

4. **EXPENDITURE NOT ACCOUNTED FOR (₦36,461,709.61)**

Examination of the payment vouchers revealed that the sum of ₦36,461,709.61 paid to various officers of the local government was fraught with irregularities indicated below:

- a. Necessary supporting documents were not attached to the payment vouchers contrary to F.M. 14.4(8).
- b. There was flagrant violation of the prepayment inspection certificate rules contrary to S. 38.2 of the Guidelines on Administrative Procedures of the Local Government.

Therefore, this office could not certify that the sums of money involved were not misappropriated and the sum of 36,461,709.61 should be recovered from the affected payees as per the details below:

S/No.	P.V. Nos.	Name of Payees	Details of Payment	Amount (₦)
1.	65/5/2018	Nuhu Musa	Ward Asst.	3,981,680.45
2.	53/2/2018	Nuhu Musa	Ward Asst.	4,656,723.32
3.	72/2/2018	Hon. Chairman	Sharon Vehicle	4,000,000.00
4.	81/2/2018	Haj. Hindatu	Sleeping mattresses	8,012,250.00
5.	61/4/2018	Nura Musa	Ward Asst.	4,656,723.33
6.	67/5/2018	Dir. Social	Motor Vehicle	2,044,700.00
7.	78/2/2018	Sec. Direct Labour	Pulling of Latrine	2,044,700.00
8.	86/3/2018	Council Mebs.	Ward Asst.	2,000,000.00

9.	85/2/2018	Coppers (NYSC)	Transportation	1,000,000.00
10.	86/4/2018	Dir. P.H.C.	Transportation to B/K	1,000,000.00
	Total			36,461,709.61

5. **OUTSTANDING PAYMENT VOUCHERS (N44,205,458.57)**

Audit examination revealed that 125 payment vouchers with a cash value of ~~N44,205,458.57~~ duly paid and entered in the cash book were not produced for audit examination contrary to F.M. 14.29 consequently, audit found it extremely difficult to ascertain whether the payments, were properly authorized, reasonable and judiciously accounted for. The level of fraudulent payments involved could not be determined, in this circumstances the unverifiable payments could not therefore be admitted as a proper charge against the funds of the local government council. The treasurer should be made to account for the misplaced payment vouchers or be surcharged for the sum of money involved accordingly as per the details below:

S/No.	PV. No.	Name of Payees	Details of Payment	Amount (₦)
1.	40/1/2018	Kabiru Bello	Jan. Salary 2018	1,559,925.00
2.	29/2/2018	Sani Emir	Feb. Salary 2018	440,612.09
3.	30/2/2018	LawaliGaladima	Feb. Salary 2018	214,855.33
4.	31/2/2018	Sama'ilaSalihu	Feb. Salary 2018	239,448.39
5.	51/2/2018	Musa Moh'd	Security vote	250,000.00
6.	52/2/2018	Hindatu Umar	Security vote	150,000.00
7.	67/2/2018	Committee chairman	Const. of hand pump	9,000,000.00
8.	68/2/2018	Committee chairman	Const. of hand pump	9,000,000.00
9.	69/2/2018	Committee chairman	Const. of hand pump	5,509,946.00
10.	73/2/2018	Hon. Chairman	Purch. of office equipment	4,000,000.00
11.	79/3/2018	Ibrahim Yusuf	Feb. Salary 2018	1,559,725.00
12.	15/3/2018	AliyuBarmu	March Salary 2018	1,009,356.21
13.	16/3/2018	HussainiLiman	March Salary 2018	5,813,129.55

14.	17/4/2018	Umma Sani D.	March Salary 2018	2,508,634.00
15.	06/4/2018	Aisha Suleman	April, Salary 2018	1,219,052.00
16.	74/4/2018	Musa Moh'd	Security vote	250,000.00
17.	75/5/2018	Hindatu Umar	Security vote	150,000.00
18.	59/6/2018	Umaru& Others	Impress	40,000.00
19.	48/6/2018	AdamuMoh'd	June Salary 2018	227,552.00
20.	59/6/2018	Hamza Musa	June Salary 2018	140,870.00
21.	50/6/2018	Aminu Musa Fanah	June Salary 2018	322,544.00
22.	54/6/2018	Musa Moh'd	Impress	250,000.00
23.	57/7/2018	Hindatu Umar	Impress	150,000.00
24.	16/7/2018	Musa Moh'd	Security vote	250,000.00
25.	18/7/2018	Hindatu Umar	Security vote	150,000.00
			Total	44,205,458.57

6. ARGUNGU LOCAL GOVERNMENT COUNCIL INTERNALLY GENERATED REVENUE 2018

The examination of relevant revenue records revealed that estimated internal revenue of ₦370,000,000.00 while a total of ₦5,625,250.00 was actually collected leaving a shortfall of ₦364,374,750.00 or 1.54% of the estimated revenue. The shortfall is considered significant in view of its serious adverse effect on the expenditure during the period under review.

This dismal revenue performance was due to poor revenue drive, revenue leakages and the revenue collectors engaged by the local government council. The council chairman should be made to explain the circumstances surrounding the shortfall of the internally generated revenue for the local council. The Director Finance and Supply should ensure that the revenue collectors are bonded and appropriate measure should be put in place for a strong revenue control system.

However, the sum of ₦5,625,250.00 was the total internally generated revenue for the local council including Haraji collection for the year 2018 as per the details below:

S/Nos.	Details of Payments	Amount Collected (₦)	Amount remitted (₦)
1.	Argungu Main Market	900,250.00	75,000.00
2.	Internal services	390,000.00	
3.	Luck up shops	560,000.00	
4.	Jangali	Nil	
5.	Petty traders	90,000.00	
6.	Gate fees	610,000.00	
7.	Motor park	510,000.00	
8.	Fueling station	70,000.00	
9.	Loading/offloading	50,000.00	
10.	WACOT rice company ltd.	Nil	
11.	Indigene certificates	620,000.00	
12.	Haraji	1,675,000.00	
	Total	5,625,250.00	75,000.00

From the above table it has been observed that out of the total amount collected as internally generated revenue for the local council only the sum of ₦75,000.00 was remitted to the revenue account of the local government leaving a balance of ₦5,550,250.00 unaccounted for.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
AUGIE LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/017/VOL. II dated 16th June, 2020, to which reply was received. Therefore, the following observations were noted.

STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

During Audit examination of Augie Local Government Council books of accounts and records revealed that the way and manners in which the records and books of accounts were maintained were not acceptable due to the following lapses:-

- a). The councils treasury cashbook was not balance on monthly basis as stipulated by FM 19.20.
- b). The monthly Bank Reconciliation Statements were not prepared during the period under review as none was submitted for audit examination contrary to FM 39.3 and FM 19.13-26. Therefore, in view of

the above, not much reliance could be placed on the council cash book since it would not furnish the council with credible cash balance information.

Therefore, the council treasurer or Director of Finance and Supply had been advise to properly and correctly handle and maintain the council cashbook accordingly.

2. INTERNAL AUDIT OPERATIONS:- The effectiveness of internal Audit operations during the year under review was suspect because of the voucher audit procedures were violated which is contrary to FM 40.10.

The internal Audit unit of the Local Government Council did not design any audit programme to work with which is contrary to FM 41.4 and at the same time the council audit correspondence register was not kept and maintained which is contrary to FM 40.

The council internal Director of Audit should be made to explain the circumstances and henceforth ensures that effective and efficient internal Audit procedural operations are put in place for the effective internal control mechanism.

3. COUNCIL CENTRAL STORES OPERATIONS:- The audit inspection of the council central stores showed non-compliance with FM 4.10(3) and there was no proper supervision of the council central stores and this evidence by non-maintenance of appropriate stores records which is contrary to FM 34.14-18. There is also Improper classifications of the stores as demanded by FM 34.3. therefore, the council Director of finance

and the council internal Audit Director should attend to these observations accordingly.

4. COUNCIL INCOME AND EXPENDITURE (OTHER CHARGES):-

It was observed with dismay that the sum of ₦850,994,170.11 was release to Augie Local Government Council by the Local Government Joint Account (JAC) for the period of 1st January to 31st December, 2018. While the sum of ₦804,733,652.57 was expended and accounted, on which the sum of ₦46,260,517.54 remain un-accounted for as per the details below:-

SN	MONTHS	AMOUNT RECEIVD 2018 ₦: K	TOTAL EXPENDITURE 2018 ₦: K	DIFFERENCES ₦: K
1.	January	44,364,251.55	44,023,680.82	340,570.73
2.	February	63,069,166.80	66,578,266.69	(3,509,099.89)
3.	March	40,858,558.74	40,265,531.56	593,027.18
4.	April	73,535,405.40	75,133,129.94	(1,597,724.54)
5.	May	62,521,288.95	60,693,822.64	1,827,466.31
6.	June	63,403,221.47	40,898,178.22	22,505,043.25
7.	July	41,520,221.47	44,232,910.92	(2,712,689.45)
8.	August	124,390,269.09	108,515,66.81	15,874,606.28
9.	September	105,385,903.81	102,436,862.83	2,949,040.98
10	October	40,829,750.03	41,311,058.16	(481,308.13)
11	November	57,797,003.60	47,094,339.98	10,702,663.62
12	December	133,319,129.20	133,550,208.00	(231,078.80)
	TOTAL	850,994,170.11	804,733,652.57	46,260,517.54

5. UNPRESENTED OR OUTSTANDING PAYMENT VOUCHERS

(₦71,692,626.78):- One hundred and fifty one (151) payment vouchers totaling ₦71,692,626.78 already posted into the council cashbook were not presented for audit verification which is contrary to FM 1.3(19)

thus making it impossible for audit to determine whether the payments were reasonable and judiciously accounted for.

The council Director of Finance and his cashier should be held liable for the sum of ₦71,692,626.78 as per the details in appendix "B" attached to council main report. Therefore audit cannot certify the authenticity of the incurred expenditure unless the payment vouchers are produce for audit examination.

6. CHEQUES PAID TO INVIDIVIDUALS WITHOUT POSTING INTO THE COUNCIL CASH BOOK:- Cheques to the tune of ₦68,325,413.1 were paid to some individuals and organizations without payment vouchers and the transactions were not posted into the council cashbook thereby over stating the bank balance of the council cashbook. The utilization of the cheques payments could not therefore be identified as per the details below:-

Cheques not posted into the council cashbook:

SN	DATE OF WITHDRAWAL	NAME OF PAYEE	CHEQUE NO	AMOUNT WITHDRAWN ₦: K
1.	29/3/2018	Meenu and Meera ltd	-	3,765,000.00
2.	29/3/2018	1% charges IRO ISPO	-	39,532.50
3.	18/4/2018	PMT/FOR FIRS/VAT	-	321,428.71
4.	30/4/2018	1% Charges IRoISPO	-	39,532.50
5.	30/4/2018	Meenu and Meera Ltd	-	103,765,000.00
6.	25/5/2018	„	-	3,765,000.00
7.	25/5/2018	1% Fees IRO charges	-	39,532.50
8.	25/5/2018	Charges for cheques leave	-	3,000.00
9.	3/7/2018	Meenu and meera ltd	-	3,675,000.00
10.	3/7/2018	1% ISPO Charges	-	39,532.50
11.	1/8/2018	Meenu and Meera Ltd	-	3,765,000.00
12.	1/8/2018	1% ISPo charges	-	39,532.50

13.	1/8/2018	1% ISPO charges		39,532.50
14.	1/8/2018	1% ISPO charges		3,765,000.00
15.	29/9/2018	Meenu and Meera Ltd	-	3,765,000.00
16.	26/9/2018	1%ISPO Charges		39,532.50
17.	2/11/2018	Meenu and Meera Ltd	-	3,765,000.00
18.	2/11/2018	1% ISPO charges	-	39,532.50
19.	27/11/2018	Charges leave charges	-	3,000.00
20.	27/11/2018	Meenu and Meera Ltd	-	3,765,000.00
21.	11/12/2018	Bank Statement	-	3.192.00
22.	11/12/2018	Mustapha Adamu	31247706	3,500,000.00
23.	11/12/2018	Yakubu Adamu	31247707	700,000.00
24.	11/12/2018	Yakubu Adamu	31247708	22,000.00
25.	11/12/2018	1% ISPO charges	-	39,532.50UBA
26.	11/12/2018	Yakubu Adamu	5973877	1,000,000.00FIB
27.	11/12/2018	Yakubu Adamu	59673880	3,000,000.00FIB
28.	11/12/2018	Yakubu Adamu	59673882	4,800,000.00FIB
29.	11/12/2018	Self Yakubu	59673883	9,000,000.00FIB
30.	31/12/2018	Yakubu Adamu	59673887	7,500,000.00FIB
31.	31/12/2018	Yakubu Adamu	01247706	3,500,000.00FIB
32.	31/12/2018	Yakubu Adamu	1247707	700,000.00FIB
33.	31/12/2018	Yakbu Adamu	1247708	22,000.00
34.	31/12/20-18	Yakubu Adamu	1247709	10,000.00
	TOTAL			68,325,413.21

7. PAYMENT WITHOUT STORE RECEIPT VOUCHERS:- Payment voucher no. 209/11/2018 was said to have been paid to Hon. Abdulrauf Haruna and others for the purchase of grains to Augie Local Government Council amounting to ₦7,000,000.00. The payment was effected without store receipt voucher (SRV) and store issue voucher (SIV) attached to payment vouchers to indicate that the items was actually purchased and brought to the store for inspections. Further observations revealed that the Director concern (Director Agric) confirmed to us that the appeared signature on the payment vouchers as officer controlling the vote was not his own signature but a forged one. The Council was asked to investigate the matter vide letter dated 16th June, 2020 and reply was being received.

Therefore, the sum of ₦7,000,000.00 should be recovered from Hon. Abdulrauf Haruna and any other person involved.

8. UN-ACCOUNTED PAYMENT VOUCHERS:- The sum of ₦36,600,000.00 were payments made but they were not accounted for as the officers were unable to produce verifiable expenditure evidence. It would therefore appear as if the money have been misappropriated. The above amount of money was withdrawn before payment vouchers were prepared for the purpose which is contrary to FM 14.1 and FM 14.2 as per the details below:-

SN	Name of payee	PV NO.	Details of payment	AMOUNT ₦: K
13.	Ibrahim Samaila Augie	217/2/2018	Repairs of pay loader	4,000,000.00
14.	Ibrahim Samaila Augie	215/2/2018	Repairs Of Tipper Green	4,600,000.00
15.	Ibrahim Samaila Augie	217/2/2018	Repairs of Grader Machine	4,800,000.00
16.	Shamsudeen Musa A.	216/2/2018	Repairs of Grader Machine	500,000.00
17.	Musa Alh. T/Mairuwa	217/5/2018	Reh. Of water system	600,000.00
18.	Hon. Musa (Vice Chairman)	208/6/2018	Ward project for june 2018	600,000.00
19.	Shamsudeen Musa Augie	215/5/2018	Repairs of Tipper & others	500,000.00
20.	Shamsudeen Musa Augie	207/6/2018	Repairs of Dozer	500,000.00
21.	Shamsudeen Musa Augie	214/7/2018	Hiring of Dozer for const. of Road Kwararo	700,000.00
22.	Musa Alh. T/Mairuwa	215/7/2018	Reh. Of water to various wards	600,000.00
23.	Director Budget	213/12/2018	Intertainment and Hospitality	2,400,000.00
24.	Hon. Musa and councilors	267/8/2018	Reh. Of water to various wards	600,000.00
25.	Hon. Musa Alh.	184/9/2018	Reh. Of water to	600,000.00

	T/mairuwa		various wards	
26.	Hon. Musa Alh. T/M & others	198/10/2018	Reh. Of water to various wards	600,000.00
27.	Hon. Musa Alh. T/M & others	204/11/2018	Hon. Musa Alh. T/M & others	600,000.00
28.	Hon. Musa Alh. T/M & others	20/12/2018	Hon. Musa Alh. T/M & others	600,000.00
29.	Damane Bawa & others	208/12/2018	Purch. Of 69No. motorcycles	13,800,000.00
	TOTAL			36,600,000.00

9. PAYMENT OF COUCNIL ALLOWANCES FOR THE YEAR, 2018

During the period under review, it was been observed that the sum of ₦5,718,900.00 was received on monthly basis for the payment of council allowance. But only the sum of ₦514,000.00 was being expended monthly leaving a balance of ₦5,204,900.00 un-accounted for as per details below:-

SN	NAME OF PAYEE	AMOUNT TO BE PAID ₦: K	AMOUNT PAYABLE ₦: K	DIFFERENCE ₦: K
1.	Talata maidamma & others	895,000.00	20,000.00	875,000.00
2.	Garba Tankari & others	925,000.00	-	925,000.00
3.	Matsamani & others	570,000.00	-	570,000.00
4.	Shehu Muh'd & others	542,900.00	260,000.00	252,900.00
5.	Alh. Adamu Talaka & others	100,000.00	50,000.00	50,000.00
6.	Muh'd Bello Ibrahim & others	116,000.00	-	116,000.00
7.	Amadu & others	100,000.00	-	100,000.00
8.	Mal. Shehu Sani & others	200,000.00	10,000.00	190,000.00
9.	Galaudu Umar & others	345,000.00	-	345,000.00
10.	Khadiza Ibrahim & others	300,000.00	-	300,000.00
11.	Sani Isah Augie & others	595,000.00	100,000.00	495,000.00
12.	Mal. Usman & others	300,000.00	-	300,000.00
13.	Nuhu Lawal & others	90,000.00	4,000.00	86,000.00

14.	Dorcas Audu & others	200,000.00	-	200,000.00
15.	Bashar Sani & others	140,000.00	-	30,000.00
16.	Ayuba Muh'd & others	30,000.00	-	170,000.00
17.	Shu'aibu Abduahi Mu'd and others	170,000.00	-	170,000.00
18.	Isah Shehu FRSC	100,000.00	-	100,000.00
	TOTAL	5,718,900.00	514,000.00	5,204,900.00

10. PAYMENT VOUCHERS NOT SIGN AND AUDITED

(~~N~~49,011,800.00):- Fourty (40) payment vouchers totaling ~~N~~49,011,800.00 were observed to have been paid to various individuals to execute Local Government functions during the period without official signing from the officer controlling the vote (OCV) and Internal Audit certifications which is contrary to FM 40.10 and 14.10. Audit also observed with dismay that all the payments did not warrant the haste for payment without following laid down rules as per the details below:-

SN	NAME OF PAYEE	PV No. N: K	Details of payment N: K	Amount N: K
1.	Bello A. Gwandu	187/6/2018	Allow. to Dir. Of works	30,000.00
2.	Talatu Muh'd & others	189/6/2018	Allow. To tradintonal birth Atten	895,000.00
3.	Docas Audu & others	141/9/2018	Allow. Of Midwife	200,000.00
4.	Docas Audu & others	202/6/2018	Allow. Of Midwife	200,000.00
5.	Talatu Muh'd & others	169/9/2018	Allow. For trad. Birth Atten.	895,000.00
6.	Docas Audu & others	167/8/2018	Midwives salary	200,000.00
7.	Talatu Muh'd & others	153/8/2018	Traditional birth attendance	895,000.00
8.	Shua'abu Abdullahi	149/9/2018	Messenger Allow.	35,000.00
9.	Alh. Samaila Adamu	170/9/2018	District Head Allow.	180,000.00
10.	Garba Tankari & others	176/8/2018	Arabic & Imam Allow.	925,000.00
11.	Mal. Shehu Salihu	152/8/2018	Hisba Allowance	200,000.00
12.	Sani isah Augie	155/8/2018	Comm.. vigilante	595,000.00
13.	Shittu Muhammed	179/8/2018	Civil Defense Allow.	342,900.00
14.	Mal. Shehu Salihu	142/8/2018	Monthly Allowance	200,000.00

15.	Nuhu Lawal	177/8/2018	Monthly Allowance	90,000.00
16.	Adamu Bello & others	150/8/2018	NYSC Allowance	118,000.00
17.	Alh. Musa Abubakar	142/8/2018	NYSC Allowance	150,000.00
18.	ASP Isah Dauda	145/8/2018	Protocol Allowance	10,000.00
19.	Amadu and Others	160/8/2018	NYSC Allowance	100,000.00
20.	Bashar SAni and others	168/8/2018	Student Allowance	146,000.00
21.	Homa Alu & others	168/8/2018	Adult Education	170,000.00
22.	Homa Alu & others	178/8/2018	Adult Education	170,000.00
23.	Amadi & others	176/8/2018	NYSC allowance	100,000.00
24.	Amadu Bello & others	168/8/2018	NYSC Allowance	118,000.00
25.	Alh. Musa Abubakar	155/9/2018	Monthly Allowance	150,000.00
26.	Nuhu Lawal & others	152/9/2018	Monthly Allowance	90,000.00
27.	Basher Sani & others	151/9/2018	Monthly Allowance	140,000.00
28.	Garba Tankari & others	148/9/2018	Arabic and Imam Allow	925,000.00
29.	Bala Bayawa Nepa	144/9/2018	Monthly Allowance	10,000.00
30.	Muh'd Bala	143/9/2018	NYSC Allowance	117,000.00
31.	State Emergency	181/9/2018	Assistance to people	39,560,000.00
32.	Alh. Adamu Talakka	144/8/2018	Zakat Allowance	100,000.00
33.	Alh. Adamu Talakka	157/9/2018	Zakat Allowance	100,000.00
34.	Alh. Iliyasu	159/4/2018	Monthly Allowance	30,000.00
35.	Alh. Iliyasu	186/6/2019	Monthly Allowance	30,000.00
36.	Haj. Kulu Liman	188/6/2018	Monthly Allowance	30,000.00
37.	Ayuba Muh'd	190/6/2018	Monthly Allowance	30,000.00
38.	Alh. Adamu Samaila	179/6/2018	Monthly Allowance	180,000.00
39.	Alh. Adamu Samaila	156/8/2018	Monthly Allowance	180,000.00
40.	Shu'aibu Abdullahi	191/6/2018	Monthly Allowance	32,000.00
	TOTAL			49,011,800.00

11. AUGIE LOCAL GOVERNMENT COUNCIL INTERNALLY GENERATED REVENUE PERFORMANCE FOR THE YEAR, 2018

Audit examination of Revenue records revealed that Augie Local Government Council effort in Generating revenue internally was very poor in the year under review. There was total neglect of internally Generated Revenue by the Local Government Council due to the fact, that the council was not able to keep and maintain a single revenue records for the period under review even though the Local Government has budgeted the Internally generated revenue of ₦180,000,000.00 for the year, 2018.

Therefore, the ridiculous performance of the Internally Generated Revenue by the Local Government Council may be consequence upon non-performance appraisal based environment, non challant attitude to revenue driven and obvious abandonment of duties by Revenue Officers/Collectors.

The council is therefore, over dependent on statutory allocation which may incapacitate the council to perform its statutory duties if there is reduction or delay in disbursement from state or Federal Government.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
BAGUDO LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/017/VOL. II dated 6th July, 2020 without response. Therefore, the following observations were noted.

1. STATE OF BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Audit examination of accounting books and records of Bagudo Local Government council revealed that significant improvement was not recorded in the records keeping and accounts of the Local Government Council for the period under review. However, some inadequencies were noticed in the maintenance of the treasury cashbook in the entries of deduction and bank charges.

b). Then some of the treasury records such as personnel emolument register, Daily Ababstract of revenue and expenditure, Deposit and Advance ledgers, department vote of expenditure account (D.V.EA.) stores ledgers etc. were poorly or not maintained at all.

c). Bagudo Local Government Councils did not prepare monthly Bank Reconciliation Statement Contrary to FM 39.3(a) and FM 19.13-26. Therefore, in view of the above no reliance could be placed on the cshbook to have properly reflected the financial transactions of the Local Government Council. Consequently, it was extremely difficult to ascertain the appropriate closing cash book balances as at 31st December, 2018.

The council treasury staff and the schedule officer responsible for the preparation of Bank Reconciliation Statement should be vicariously liable and be surcharged accordingly for any loss sustained by the Local Government Council to bank fraud emanating from delay or non preparation of Bank Reconciliation Statements.

2. **STORES RECORDS KEEPING:-** Audit investigation revealed that the Local Government did not maintained credible stores records during the year under review. All security documents were kept in custody of the treasury who personally controlled the issuance of the security documents. Also necessary accounting records and documents inform of SRV,SiV. Stores ledger etc. were not properly maintained by the Local Government Council for the year 2018. It would appear that there is no proper internal control measures put in place. The management team of the Local Government Council has been advised to put appropriate internal check in order to forestall any kind of fraud in the Local Government Council.

3. INTERNAL AUDIT OPERATION IN BAGUDO LOCAL GOVERNMENT COUNCIL FOR THE YEAR, 2018

Our investigation revealed that the internal audit unit at Bagudo Local Government Council has not operated effectively considering the lapse observed in the stores management and non-rediton of monthly return of its activities to this office in accordance with guidelines on administrative procedure on Local Government Council.

4. INCOME AND EXPENDITURE ACCOUNTS FOR THE YEAR, 2018

Audit examination of some accounting records revealed that the sum of ₦574,898,141.92 was received as disbursement from Ministry for Local Governments and Chietaincy Affairs during the year under review. while the sum of ₦537,931,310.59 was expended leaving un-accounted balance of ₦36,966,831.33 as per th e details below:-

SN	MONTHS	INCOME 2018 ₦: K	EXPENDITURE 2018 ₦: K	DIFFERENCES ₦: K
4.	January	39,458,522.43	37,228,849.46	2,229,672.97
5.	February	40,378,503.40	38,542,958.54	1,835,544.86
6.	March	69,155,749.05	69,715,789.30	(560,040.25)
7.	April	39,995,673.60	36,519,394.83	2,476,278.77
8.	May	38,976,332.80	38,441,216.24	535,116.56
9.	June	43,616,950.60	35,804,199.05	7,812,751.55
10.	July	39,029,432.49	34,775,160.35	7,812,751.55
11.	August	38,968,066.42	35,385,242.79	3,582,823.65
12.	Septempter	88,940,935.01	85,207,205.36	7,733,729.65
13.	October	38,988,795.38	52,678,143.58	(13,689,348.12)
14.	November	39,366,836.33	32,064,281.36	7,302,554.97
15.	December	59,022,344.41	41,568,869.83	17,453,474.58
	TOTAL	574,898,141.92	537,931,310.59	36,966,831.33

5. PAYMENT FOR JOBS NOT EXECUTED:-

In the course of reviewing expenditure accounts, Audit observed that payment totaling ₦16,954,400.00 was expended on renovation of various markets within the Local Government area. Audit investigation reveals that the renovation was not done as the prepayment inspection certificate confirming that the renovation of the markets was satisfactorily carried out was not made available for audit verification.

The expenditure was devoid of transparency and accountability as credible supportive documentary evidences could not be produced on demand for audit verification contrary to FM 34.17(16) and violation of section 38.2 of Guidelines on Administrative procedures of the Local Government as per the details below:-

SN	PAYEE	PURPOSE OF PAYMENT	PV NO.	AMOUNT ₦: K
1.	Chairman Direct labour	Renov. Of Kaoje Market	1/10/2018	4,971,000.00
2.	Chairman Direct labour	Renov. Lolo Market	2/10/2018	4,580,000.00
3.	Chairman Direct labour	Reno. Tasmiya Market	3/10/2018	4,500,000.00
4.	Chairman Direct labour	Reno. Ov ILLO market	4/10/2018	1,148,410.00
5.	Chairman Direct labour	Renov. Banki Ruwa Market	5/10/2018	1,835,000.00
	TOTAL			16,954,400.00

Therefore, the Coucil Chairman, Head of Personnel Management (DPM) and the council Engineer or Director of works and Services should explain or recover the total amount involved.

6. CHEQUE ISSUED NOT SUPPORTED WITH PROPER DOCUMENTATIONS (N42,973,000.00):-

Audit examination of the accounts of Bagudo Local Government Council disclosed that cheque payments totaling N42,973,000.00 could not be traced into the council cashbook. The cheque payments were neither supported by payment vouchers no reflected in the council cashbookm contrary to FM 39.3(a-b) as per the details below:-

the details below:-

SN	PAYEE	Date of withdrawal	Cheque No.	AMOUNT N: K
1.	Mansur D. Muh'd	20/9/2018	00191851	9,000,000.00
2.	Mansur D. Muh'd	20/9/2018	00191853	4,000,000.00
3.	Mansur D. Muh'd	20/9/2018	00191852	9,000,000.00
4.	Mansur D. Muh'd	20/9/2018	00191850	9,000,000.00
5.	Mansur D. Muh'd	20/9/2018	00191849	9,000,000.00
6.	Mansur D. Muh'd	19/10/2018	0056	773,000.00
7.	Mansur D. Muh'd	1/11/2018	0057	2,200,000.00
	TOTAL			42,973,000.00

Therefore, it was not possible to ascertain whether the payments were properly authorised and judiciously accounted for.

7. OUTSTANDING OR UN-PRESENTED PAYMENT VOUCHERS (N34,644,184.40):-

Audit examination of payment vouchers revealed that original payment vouchers three (3) in number totaling N34,644,184.40 posted into the council cashbook were not presented for Audit verification contrary to FM 1.14(a) and FM 14.29. This is a gross violation of laws and a way of diverting public funds into un-authorised use. The treasurer and the council cashier should be held liable for the sum of N34,644,184.40 involved as per the details below:-

SN	PAYEE	Details of payment	Pv No.	AMOUNT N=: K
1.	Muh'd Kaura D. Hakimi	Furniture Allow.	73/3/2018	32,794,356.40
2.	Abubakar Bello	Final Payment	83/9/2018	516,150.00
3.	Gaddafi Aliyu Zagga	Renov. Of Dispensary	6/10/2018	1,333,678.00
	TOTAL			34,644,184.40

8. COUNCIL PROJECT ACCOUNTS:-

Further examination revealed that various payments were made during the period under review amounting to ₦49,999,920.00 for the renovations of various mosques and dispensary within the Local Government Council Areas.

Audit examination of payment vouchers revealed that the payments were characterised by the following irregularities.

(a) Necessary and relevant supporting documentary evidence of showing proof of performance, pre-payment inspection certificate testifying that the sum involved was incurred in the public interest were not produced for audit verification contrary to FM 14.17 and FM 14.14(8). The payment vouchers were not checked and endorsed by both council secretary and Internal Auditor before payments were made contrary to FM 40.3 and FM 40.10(14) as per the details below:-

SN	PAYEE	NATURE OF PROJECT	Cheque No.	AMOUNT N=: K
1.	Usman Bello	Renov. Of Mosque Kwanguwai	73/9/2018	2,704,804.00
2.	Usman Bello	Renov. Of Mosque Mado	75/9/2018	2,890,671.00
3.	Mustapha Bari	Renov. Of Mosque T/Samaila	72/9/2018	3,093,489.00
4.	Usman Bello	Renov. Of PHC Kende	74/9/2018	800,000.00
5.	Usman Bello	Renov. Of Desp. Kunbobo	76/9/2018	2,147,691.00

6.	Gaddafi Atiku	Const. of 2 cells culvert Zagga	77/9/2018	3,206,175,00
7.	Gaddafi Atiku	Const. of concrete Drift Zagga	78/9/2018	2,286,900.00
8.	Nasiru Aliyu	Reh. Of Bridge at Gani Gidi	79/9/2018	2,573,550.00
9.	Nasiru Aliyu	Const. of 2Km Fed. Road Bagudo	80/9/2018	6,447,000.00
10.	Abubakar Bello		81/9/2018	4,126,500.00
11.	Abdullah Adamu	Sand Gate Block fence const.	82/9/2018	3,281,339.00
12.	Abubakar Muh'd	Const. of Culbert at Kaoje	84/9/2018	3,206,175.00
13.	Kabiru Ibrahim	Renov. Of Mosque At Bawaun diri	85/9/2018	3,471,279.00
14.	Abubakar Muh'd	Completion of Mosque at T/Kaido	86/9/2018	2,209,200.00
15.	Muh'd Ibrahim	Renov. Of Mosque at Gesharo	87/9/2018	2,747,409.00
16.	Nasiru Aliyu		88/9/2018	2,650,693.00
17.	Gaddafi Atiku	Renov. Of Dis. At kwasara	89/9/2018	2,157,045.00
	TOTAL			49,999,920.00

9. UNREMITTED VALUE ADDED TAX (VAT) AND WITHHOLDING TAX (WHT) (N4,999,999.50):- Our findings from the audit review exercise on the books of accounts of Bagudo Local Government council in the year under review, revealed that there was unremitted Value Added Tax (VAT) deductions of N2,499,999.50 and withholding tax (WHT) of N2,499,999.75 totaling N4,999,999.50. Therefore, it is a complete violation of provision of financial regulations chapter 2, Regulation 234(1) which stated that: It is mandatory for Accounting officers to ensure full compliance with dual roles of making provision for Value Added Tax (VAT) and withholding Tax (WHT) due on supply and service, contract and actual remittance of the same.

10. OVER HEAD COST FOR THE YEAR, 2018:-

During audit examination of payment vouchers it was further observed that the Local Government Council received the sum of ₦3,000,000.00 on monthly basis as over-head cost totaling ₦36,000,000.00 for the period under review from Joint Account Committee. Then the sum of ₦30,360,000.00 would appear to have been expended leaving un-accounted balance of ₦5,640,000.00 as per the details below:-

SN	MONTHS	AMOUNT RECEIVED 2018 ₦: K	AMOUNT EXPENDED 2018 ₦: K	DIFFERENCE ₦: K
1.	January	3,000,000.00	2,530,000.00	470,000.00
2.	February	3,000,000.00	2,530,000.00	470,000.00
3.	March	3,000,000.00	2,530,000.00	470,000.00
4.	April	3,000,000.00	2,530,000.00	470,000.00
5.	May	3,000,000.00	2,530,000.00	470,000.00
6.	June	3,000,000.00	2,530,000.00	470,000.00
7.	July	3,000,000.00	2,530,000.00	470,000.00
8.	August	3,000,000.00	2,530,000.00	470,000.00
9.	Septempter	3,000,000.00	2,530,000.00	470,000.00
10.	October	3,000,000.00	2,530,000.00	470,000.00
11.	November	3,000,000.00	2,530,000.00	470,000.00
12.	December	3,000,000.00	2,530,000.00	470,000.00
	TOTAL	36,000,000.00	30,360,000.00	5,640,000.00

11. SALARIES ACCOUNTS AS AT 31ST DECEMBER, 2018

Audit examination of salaries accounts records revealed that the sum of ₦432,409,867.17 was received and recorded by the Local Government Council for the payment of staff salaries and Allowances for the period from 1st January – 31st December, 2018. While the sum of ₦397,007,385.13 was expended leaving un-accounted balance of ₦35,402,482.04 and not recorded in the council cash-book as per the details below:-

SN	MONTHS	AMOUNT RECEIVED 2018 ₦: K	AMOUNT EXPENDED 2018 ₦: K	DIFFERENCE ₦: K
1	January	36,088,022.42	37,079,818.59	(991,796.17)
2	February	36,517,003.40	36,013,058.54	503,945.86
3	March	36,097,592.60	34,391,432.05	1,706,160.55
4	April	35,995,673.68	33,989,393.87	2,006,279.81
5	May	35,976,332.82	34,961,766.81	1,014,566.01
6	June	35,968,450.60	33,256,190.03	2,712,260.57
7	July	35,986,432.49	32,245,160.35	3,741,272.14
8	August	35,968,066.42	32,855,242.77	3,112,823.65
9	Septempter	35,940,935.01	32,193,030.33	3,741,272.14
1	October	35,938,795.38	31,860,065.70	4,078,729.68
1	November	35,976,506.33	28,490,281.36	7,486,224.97
1	December	35,956,056.02	29,671,944.73	6,284,111.29
	TOTAL	432,409,867.17	397,007,385.73	35,402,482.04

12. UN-PRESENTED SALARY PAYMENT VOUCHERS (₦8,068,736.69): Three (3) Salary payment vouchers totaling ₦8,068,736.69 paid and posted into the council cashbook were not presented for audit examination contrary to FM 1.14(A) and FM 14.29. Therefore, audit found it extremely difficult to ascertain whether the payments were properly authorised reasonable and judiciously accounted for. The level of the fraudulent payments could not be determined in this circumstances. The un-verified payments could not therefore be admitted as a proper charged against the funds of the Local Government Council.

The Director Finance and Supply and Council cashier should be made to account for the payment vouchers or be surcharged the total sum involved as per the details below:-

SN	Pv No.	Payee	Purpose of payment	AMOUNT ₦: K
1.	43/10/2018	Mainasara Yahaya and others	Salary	5,538,736.69
2.	73/08/2018	Bello Garba	Standing Order	500,000.00
3.	76/08/2018	Muhd Kaura D. Hakimi	Standing order	2,030,000.00
	TOTAL			8,068,736.69

13. INTERNALLY GENERATED REVENUE PERFORMANCE AS AT THE YEAR ENDED 31ST DECEMBER, 2018:-

We observed during the course of our audit exercise that the amount generated internally by Bagudo Local Government Council was ridiculously low for the period under review if compared with council budgeted amount for the year, 2018.

The budgeted amount for the year, 2018 was ₦200,284,000.00 while the internally Generated Revenue (IGR) for the year was ₦10,355,740.83 as per the council revenue statement of account and cash book presented to Audit. However, the audit confirmed the council withdrawal of ₦9,960,000.00 from the council bank account by council cashier (Mansur D. Muh'd) to unknown destination and the amount of ₦9,960,000.00 withdrawn was not reflected in the council cashbook as per the details below:-

SN	NAME OF PAYEE	DATE OF WITHDRAWAL	Cheque No.	AMOUNT ₦: K
1.	Bagudo LG Revenue A/C	17/1/2018	5435583	100,000.00
2.	Bagudo LG Revenue A/C	19/1/2018	4977101	300,000.00
3.	Bagudo LG Revenue A/C	12/2/2018	-	1000,000.00
4.	Bagudo LG Revenue A/C	21/2/2018	5771116	400,000.00
5.	Bagudo LG Revenue A/C	26/2/2018	00090319	150,000.00
6.	Mansur D. Muh'd	8/3/2018	0090320	250,000.00
7.	Bagudo L/G Revenue A/C	5/4/2018	-	170,000.00
8.	Bagudo L/G Revenue A/C	10/4/2018	00090321	100,000.00

9.	Bagudo L/G Revenue A/C	7/6/2018	7542023	150,000.00
10.	Bagudo L/G Revenue A/C	20/6/2018	00090322	3,120,000.00
11.	Bagudo L/G Revenue A/C	22/6/2018	-	700,000.00
12.	Mansur D. Muh'd	29/6/2018	0090324	800,000.00
13.	Bagudo L/G Revenue A/C	06/8/2018	-	110,000.00
14.	Bagudo L/G Revenue A/C	11/10/2018	00090326	400,000.00
15.	Bagudo L/G Revenue A/C	30/11/2018	0090327	210,000.00
16.	Bagudo L/G Revenue A/C	5/12/2018	9516687	360,000.00
17.	Bagudo L/G Revenue A/C	10/12/2018	00951633 1	100,000.00
18.	Bagudo L/G Revenue A/C	14/12/2018	90331	220,000.00
19.	Bagudo L/G Revenue A/C	27/12/2018	90332	220,000.00
	TOTAL			9,960,000.00

14. HARAJI COLLECTION AS AT THE YEAR ENDED 31ST DECEMBER, 2018

It is disheartening to note that only Tax assessment figures was issued to my office for audit examination and all the relevant Haraji records was not kept or maintained by the Local Government Council for the year, 2017/2018 as per the details below:-

SN	DISTRICT	NO OF TAX PAYERS	RATE (₦)	TOTAL AMOUNT TO BE COLLECTED ₦: K
1.	Zagga	5216	100	521,600.00
2.	Illo	5321	100	532,100.00
3.	Kende	4713	100	471,300.00
4.	Kasoti	3951	100	395,100.00
5.	Bani	9800	100	980,000.00
6.	Kaoje	71114	100	711,400.00
7.	Yamusa	8334	100	833,400.00
8.	Bahindi	2110	100	211,000.00
9.	Bagudo	4126	100	412,600.00
	Total			5,068,500

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
BIRNIN-KEBBI LOCAL GOVERNMENT COUNCIL FOR THE YEAR,
ENDED 31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/021/VOL. II dated 6th July, 2020 without response. Therefore, the following observations were noted.

**STATE OF THE BOOK OF ACCOUNTS AND RECORDS OF BIRNIN
KEBBI LOCAL GOVERNMENT COUNCIL FOR THE YEAR, 2018**

During the examination of cashbook, it was observed that accounting books and records were not properly kept and maintained in view of the following reasons.-

- (a) Councils cashbook was not balanced on monthly basis throughout the period under review and previous monthly balances were not carried forward accordingly to form the opening balances for the next month.
- (b) In view of the (a) above bank reconciliation statements was not prepared and presented for audit verification and it has been observed that

cheques worth ₦59,870,000.00 withdrawn through the council bank account were not posted in the council cashbook.

(c) Internal Audit operation during the period under review was grossly inadequate. Then stores operations was characterised by inadequate records keeping and improper arrangement of stores items.

2. OUTSTANDING OR UN-PRESENTED PAYMENT VOUCHERS (₦49,280,000.00)

Audit examination of payment vouchers revealed that twenty seven (27) payment vouchers amounting to ₦49,280,000.00 recorded in the cash book and also paid were not produced for audit examination contrary to FM 13.09. The sum of money involved could not therefore be admitted as being properly charged against the consolidated Revenue fund of the Local Government because audit could not ascertain whether the payments was properly authorised as per the details below:-

SN	Payees	Reasons for the payment	Pv number	Amount Returns ₦: K
1.	Samaila Umar & Co	Midwives Allow.	198/1/2018	600,000.00
2.	Abdullahi Rafi'at & Co	Midwives Allow.	100/1/2018	250,000.00
3.	Ibrahim Muh'd & Co	Wards Allow.	102/1/2018	1,600,000.00
4.	Sanusi Bello & Co	Wards Allow.	183/1/2018	700,000.00
5.	Agbejule Abosedede & co	Midwives Allow.	185/2/2018	210,000.00
6.	Sanusi Bello & Co	Wards Allow.	189/2/2018	605,000.00
7.	Samaila Umar & Co	Midwives Allow.	178/3/2018	600,000.00
8.	Ibrahim Muh'd & Co	Wards Allow.	180/3/2018	1,600,000.00
9.	Faruk Usman & Co	Wards Allow.	181/3/2018	605,000.00
10.	Sanusi Bello & Co	Wards Allow.	181/3/2018	700,000.00
11.	Rukayya Suleman and Co	Midwives Allow.	179/6/2018	210,000.00
12.	Ibrahim Muh'd & Co	Wards Allow.	184/6/2018	1,600,000.00
13.	Faruku Bala	Flood Disaster	41/9/2018	2,666,667.00
14.	Bello Bala	Flood Disaster	42/9/2018	2,666,667.00
15.	Dantani shuaibu	Flood Disaster	43/9/2018	2,666,667.00

16.	Kabiru A. Usman	Flood Disaster	44/9/2018	2,666,667.00
17.	Nura Ibrahim	Flood Disaster	45/9/2018	2,666,667.00
18.	Dangarba Salihu	Flood Disaster	46/9/2018	2,666,667.00
19.	Tukur Alh. Bala	Flood Disaster	47/9/2018	2,666,667.00
20.	Mustapha Sani Zauro	Flood Disaster	48/9/2018	2,666,667.00
21.	Bala S. Umar	Flood Disaster	49/9/2018	2,666,667.00
22.	Nasiru Sahabi	Flood Disaster	50/9/2018	2,666,667.00
23.	Mukhtar Danladi	Flood Disaster	51/9/2018	2,666,667.00
24.	Alh. Umar Muhd	Flood Disaster	53/9/2018	2,666,667.00
25.	Usman Umar Damana	Flood Disaster	52/9/2018	2,666,667.00
26.	Aliyu Umar	Flood Disaster	54/9/2018	2,666,667.00
27.	Aliyu Aini	Flood Disaster	55/9/2018	2,666,667.00
	TOTAL			49,280,000.0

3. EXPENDITURE WITHOUT SUPPORTING DOCUMENTS (~~₦~~4,000,000.00)

Audit inspection of the expenditure accounts revealed that the expenditure amounting to ~~₦~~4,000,000.00 was incurred for the purchase of fire extinguisher through Direct labour and was not transparently and judiciously accounted for since credible documentary evidences and other relevant attachment showing the proof of performance were not produce on demand for audit verification contrary to FM 14.4(8) and FM 14.17.

4. EXPENDITURE NOT PROPERLY ACCOUNTED FOR (~~₦~~9,200,000.00)

Audit examination of payment vouchers showed that some payment vouchers Nos. 173/2/2018, 169/2/2018 and 175/2/2018 amounting to ~~₦~~2,700,000.00, ~~₦~~3000,000.00 and ~~₦~~3,500,000.00 was paid to Chairman direct labour of the Local Government Council for the direct repairs of 2nos. Primary Health Care vehicles pay loader and grader, their engine and

some other un identify items. The expenditure were characterised with the following irregularities.

(i) Councils approval and other necessary supporting documents were not attached to vouchers contrary to FM 14.4(8).

(ii) Necessary Supporting documents attached to the vouchers lacked credibility as they were not traceable on investigation. Thus the payment or the expenditure could not be admitted to be properly charged against the funds of the Local Government council for the year under reviews.

5. **SALARY ACCOUNTS (INCOME AND EXPENDITURE):-**

Audit examination of the available salaries accounts records reveales that the sum of ₦736,075,522.68 was received from Ministry for Local Governments and chietancy affairs for the payment of staff salaries for the year under review. while the sum of ₦731,200,511.07 was expended leaving an apparent balances of ₦4,875,011.61 unaccoounted for as per the details below:-

SN	MONTHS	INCOME 2018 ₦: K	EXPENDITURE 2018 ₦: K	DIFFERENCE ₦: K
1.	January	60,720,006.78	60,264,388.47	455,618.31
2.	February	60,655,883.05	60,174,622.17	484,260.88
3.	March	60,971,213.45	60,366,551.64	604,661.81
4.	April	61,276,164.43	60,940,775.72	335,388.71
5.	May	61,324,372.21	61,184,562.98	139,809.23
6.	June	61,395,035.79	60,821,340.18	573,695.61
7.	July	61,412,938.79	60,955,644.38	557,294.47
8.	August	61,461,315.79	60,961,635.09	499,680.70
9.	Septempter	61,660,315.79	61,370,311.62	290,004.17

10	October	61,708,315.69	61,478,460.51	291,704.89
11	November	61,608,249.40	61,255,290.29	431,959.11
12	December	61,779,821.80	61,526,928.08	272,893.72
	TOTAL	736,075,522.68	731,200,511.07	4,875,011.61

6. INTERNALLY GENERATED REVENUE PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018

Our Audit findings during the course of our Audit review exercise revealed that the Local Government council effort in generating revenue internally was very poor. There was a total neglect of internally Generated Revenue during the year under review. The Local Government Council was not able to produce a single record for audit examination despite the estimated revenue amount of ₦300,466,240.00 recorded in their 2018 budget proposal. It was also observed that the officers revenue cashbook was not kept and maintained by the revenue officer which is contrary to financial rules and regulations, as well as the financial memoranda provision nos 6.1,6.2,6.4,6.5 and 6.6 respectively. This is as a result of serious over dependant on the Federation Account and the ridiculous revenue performance may be consequence upon non performance appraisal based on environment and non challant attitude to revenue driven responsibilities.

7. 2017/2018 HARAJI ACCOUNTS:- In the course of our special audit exercise, our findings revealed that the sum of ₦3,180,400.00 was to be collected as Haraji for the year 2017/2018 vide the tax payers assessment. But all effort made to have any evidence of Haraji collection and lodgement into the council accounts for the year under review prove abortive. Then officers charged with this responsibility refused to give any satisfactory explanation for denying to produce the revenue records. However, in the course of our audit review exercise, it was observed that some withdrawal was made through Birnin-kebbi Local Government Councils Revenue accounts to the tune of ₦1,569,500.00. The payment vouchers for the withdrawals made are not prepared and are therefore not

posted in council's cashbook for the year under review as per the details below:-

SN	Withdrawal Name	Dates of withdrawal	AMOUNT NAME	Amount ₦: K
1.	Kabiru Bello Sadiq	15/01/2018	Revenue	400,000.00
2.	..	19/01/2018	..	300,000.00
3.	..	20/2/2018	..	100,000.0
4.	..	26/2/2018	..	120,000.00
5.	..	9/4/2018	..	200,000.00
6.	..	13/4/2018	..	150,000.00
7.	..	01/6/2018	..	97,500.00
8.	..	28/6/2018	..	52,000.00
9.	..	03/9/2018	..	50,000.00
10.	..	05/01/2018	..	100,000.00
	Total			1,569,500.00

In the light of the above, the Director of Finance and Supply Council Chairman and their associates should be held responsible to refund the money involved.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
BUNZA LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/020/VOL. II dated 16th June, 2020 without response. Therefore, the following observations were noted.

STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

During the year, 2018 it was observed that accounting books and records were not properly kept and maintained in view of the following reasons.

- a). The treasury cashbook was not kept in accordance with the provision of F.M 19.1.
- b). Monthly Bank Reconciliation statements were not timely and properly prepared during the period under review.
- c). Asset registers showing the list and particulars of assets belonging to the Local Government Council were not maintained.
- d). Appropriate store records were not kept and maintained which is contrary to FM.34.10 (3) despite previous reports, there was no improvement in the supervision of the central store.
- e). The effectiveness of Internal Audit procedures were violated. The internal audit unit of the local government council did neither design audit

programme nor maintain audit correspondence register which is contrary to FM 14.10, FM41.4 and FM 40.12.

Therefore, the true position of the council cashbook balances as at 31st December, 2018 could not be ascertained due to the above mentioned lapses noted.

2. COUNCIL INCOME AND EXPENDITURE

Audit examination of the available financial records revealed that the sum of ₦942,098,419.11 was received as disbursement from Ministry for Local Governments and Chieftaincy Affairs for the execution of viable projects within the Local Government area out of which the sum of ₦861,558,691.52 was expended leaving un-accounted balance of ₦80,539,727.03 as per the details below:-

SN	MONTHS	INCOME RECEIVED	EXPENDITURE INCURRED ₦: K	DIFFERENCE ₦: K
1.	January	49,412,780.46	44,914,615.06	4,498,165.40
2.	February	76,173,141.47	73,283,624.68	288,561.79
3.	March	49,233,350.15	44,716,620.83	4,516,729.32
4.	April	81,762,641.96	79,181,229.76	2,581,412.20
5.	May	70,748,525.51	65,836,397.31	4,912,128.20
6.	June	72,722,425.20	66,746,297.03	5,976,128.12
7.	July	52,224,887.54	41,385,167.05	10,839,720.49
8.	August	133,481,165.99	125,268,837.88	8,212,228.11
9.	September	163,761,307.07	159,850,084.08	3,911,222.99
10	October	49,388,606.42	36,276,495.24	13,112,111.18
11	November	59,450,465.82	51,461,203.26	7,989,262.56
12	December	83,739,121.44	72,638,119.34	11,101,002/10
	TOTAL	942,098,419.03	861,58691.52	80,539,727.03

3. UN-PRESENTED PAYMENT VOUCHERS OTHER CHARGES (₦265,,494,808.76):-

Eighty Three (83) payments vouchers amounting to ₦265,404,808.76 duly paid and entered in the cashbook were not produced for audit examination which is contrary to FM. 14.29. Consequently it was extremely difficult to ascertain whether the payments were properly authorised, reasonable and judiciously accounted for. The level of fraudulent payment involved could not be determined. Therefore we cannot certify the expenditure incurred unless the vouchers are produced for audit examination as per the details below:-

SN	PVS NO	NAME OF PAYEE	DETAILS	AMOUNT ₦: K
1.	303/1/2018	Husaini Dan-Baba & others	Land compensations	292,000.00
2.	234/2/2018	Saidu Yusuf (Dir. Works)	Const. f Block	6,000,000.00
3.	235/2/2018	Sahaba Aliyu Tunga	Repair of vehicle	6,015,600.00
4.	236/2/2018	Saidu Yusuf (Dir. Works)	Repair of vehicle	3,127,750.00
5.	237/2/2018	Manu Bulado	Repair of grader	7,437,100.00
6.	261/2/2018	D.P.M. Bunza L/Govt.	Repair of vehicle	40,00.00
7.	262/2/2018	Muh'd Sani Bunza	Committee visit	40,000.00
8.	263/2/2018	Local Govt. secretary	Repairs of Air condition	361,100.00
9.	285/2/2018	Hussaina Umar	Entertainment	190,028.85
10.	286/2/2018	Aliyu S. Yaki	entertainment	77,544.40
11.	247/6/2018	Alh. Bello Umar Z.	May day celebration	2,050,000.00
12.	248/6/2018	Chairman APC. BUNZA	Monthly Allowance	250,000.00
13.	249/6/2018	Staff Officer	Entertainment	58,000.00
14.	250/6/2018	Staff Officer	Fueling Break LG	100,000.00
15.	251/6/2018	Sirajo Abubakar	Council House boys	100,000.00
16.	275/5/2018	Alh. Monde Chairman APC	Hiring of vehicle & feeding	10,000,000.00
17.	276/5/2018	Abubakar Muh'd Bunza	Electrical Generator	3,852,800.00
18.	277/5/2018	Alh. Manu Driver	Repair. Of Hulux 02	1,115,000.00
19.	278/5/2018	PHC Bunza L/Gov't.	Medical out reach	1,000,000.00
20.	279/5/2018	Alh. Yusuf Abubakar Tilli	Const. of Bore hole	100,000.00
21.	280/6/2018	Hon. Aminu Umar	Repair of Bore hole	35,000.00
22.	281/6/2018	Rabiatu Nasiru Arg	Voters registration	100,000.00
23.	282/5/2018	Hon. Aminu Umaar	Renovation of tank	100,000.00

24.	278/6/2018	Aishatu Aminu	GDGs empowerment	15,000,000.00
25.	220/7/2018	Bello Umar Zagga	Purcha. Relief Materials	15,000,000.00
26.	221/7/2018	Chindo Home and toilete	Breed purchase	200,000.00
27.	222/7/2018	Monde Gagga	Empowerment	15,500,000.00
28.	223/7/2018	Malam Sahabi	Purchase	7,700,000.00
29.	224/7/2018	Ladan Maimasara	Construction	9,812,837.14
30.	225/7/2018	Alh. Sani Bunza	Purch. Of grains	7,700,000.00
31.	226/7/2018	Chairman Zakkat	Over Head	3,040,000.00
32.	1/9/2018	Ibrahim Muh'd	Contract Award	144,200.00
33.	2/9/2018	Bello Muh'd Zogirma	Contract	1,711,360.00
34.	3/9/2018	Muh'd Shehu	Renovation	2,084,717.50
35.	4/9/2018	Lukman Muh'd	Renovation	1,354,657.50
36.	5/9/2018	Abubakar Ahmed	Renovation	1,230,715.00
37.	6/9/2018	Idris Muh'd Bachaka	Renovation	1,527,420.00
38.	7/9/2018	Abdulrahman shehu	Renovation	1,538,870.00
39.	8/9/2018	Abdulrasheed Muh'd	Renovation	1,065,568.00
40.	9/9/2018	Garba Ibrahim B.	Const. of feeder road	1,518,393.00
41.	10/9/2018	Abubakar Muh'd T	Const. of feeder road	1,804,080.00
42.	11/9/2018	Musbahu Ahmed	Const. of feeder road	6,130,255.00
43.	12/9/2018	Hon. Muh'd Sani	Const. of feeder road	144,200.00
44.	13/9/2018	Abdularahman Shehu	Const. of feeder road	715,126.50
45.	14/9/2018	Hassan Dandare	Const. of feeder road	791,000.00
46.	15/9/2018	Abdulrahman Shehu	Const. of feeder road	2,250,000.00
47.	16/9/2018	Musbahu Ahmed	Renov. Of mosque	715,126.50
48.	17/9/2018	Misbahu Ahmed	Supplied	600,000.00
49.	18/9/2018	Faruku Umar Tili	Renovation	819,420.00
50.	19/9/2018	Abdulrahman Ango	Renovation	1,019,940.00
51.	20/9/2018	Na Mungadi Muh'd	Construction	1,201,400.00
52.	270/9/2018	Musbahu Ahmed	Contract ward	600,000.00
53.	271/9/2018	Garba Ibrahim	Contract ward	518,393.00
54.	272/9/2018	Abdulmumini Ango	Contract ward	1,019,940.00
55.	273/9/2018	Abdulrahman shehu	Contract ward	538,870.00
56.	274/9/2018	Ibrahim Muh'd	Contract ward	1,144,200.00
57.	275/9/2018	Bello Muh'd Zogirma	Contract ward	1,711,360.00
58.	276/9/2018	Muh'd Shehu	Contract ward	288,702.00
59.	277/9/2018	Lukman Muh'd	Contract ward	284,182.00
60.	278/9/2018	Abubakar Muh'd	Contract ward	930,765.50
61.	279/9/2018	Abdulrasheed Muh'd	Contract ward	855,540.80
62.	280/9/2018	Abubakar Muh'd Z.	Contract ward	1,125,000.00
63.	281/9/2018	Muh'd sani Gede	Contract ward	1,144,200.00
64.	282/9/2018	Namungadi Muh'd	Contract ward	1,141,339.50
65.	283/9/2018	Faruku Umar Tilli	Contract ward	819,420.00
66.	284/9/2018	FIRB	Payment of VAT	2,500,000.00

67.	285/9/2018	Abdulrahman Shehu	Contract ward	2,250,000.00
68.	286/9/2018	Hassan Dandare	Contract Award	791,000.00
69.	287/9/2018	Abdurahman Shehu	Contract Award	715,126.50
70.	288/9/2018	Idris Muh'd Bachaka	Contract Award	850,010.00
71.	289/9/2018	Misbahu Ahmed	Contract Award	715,126.50
72.	290/9/2018	Misbahu Ahmed	Contract Award	2,130,255.00
73.	304/9/2018	Muh'd Sani Bunza	Purch. Of grains	20,000.00
74.	305/9/2018	Bello Umar Zagga	Purch. Of grains	20,000.00
75.	307/9/2018	Ibrahim Abubakar B.	Security Assistance	10,476,190.00
76.	309/9/2018	Chairman Zakkat & Dev.	Overh head cost	3,000,000.00
77.	310/9/2018	Bello Umar Zagga	Community Assistance	13,971,428.57
78.	220/10/2018	Chairman Zakkat & Dev.	Overh Head cost	3,000,000.00
79.	267/11/2018	Chairman Zakkat & Dev.	Overh Head cost	3,000,000.00
80.	268/11/2018	Bello Umar Zagga	m. cycle Assi. T security	7,000,000.00
81.	236/12/2018	Bello Umar Zagga	N. Power prog.	3,000,000.00
82.	237/12/2018	Dir. Social Dev.	Xmas wefare	3,500,000.00
83.	240/12/2018	Chairman zakkat & sadakat	Over head cost	3,040,000.00
84.	214/12/2018	Dir. Social Dev.	Transport/feeding	5,000,000.00
	TOTAL			265,494,808.76

4. COUNCIL SALARY ACCOUNTS AS AT THE YEAR ENDED 31ST DECEMBER, 2018:-

Audit examination of council salary accounting records revealed that the sum of ₦562,287,276.46 was released to Bunza Local Government Council for the payment of council staff salaries and allowances for the period under review, out of which the sum of ₦489,977,959.78 was expended within twelve (12) calender months leaving unaccounted balance of ₦72,309,266.71 as per the details belows:-

SN	MONTHS	AMOUNT OF SALARY RECEIVE ₦: K	AMOUNT SALARY PAID ₦: K	BALANCE ₦: K
1.	January	46,112,780.46	41,715,615.07	4,397,165.39
2.	February	46,173,141.47	43,487,612.68	2,685,528.79
3.	March	46,233,350.15	42,024,148.83	4,209,201.32
4.	April	46,248,525.51	44,764,113.34	1,484,412.17
5.	May	46,248,55.51	41,858,711.31	4,389,814.20

6.	June	47,272,425.28	42,245,576.61	5,027,848.67
7.	July	49,224,887.54	38,497,257.05	10,727,630.49
8.	August	46,192,118.37	39,057,961.42	7,134,156.95
9.	September	46,313,688.52	44,002,322.20	2,311,366.32
10.	October	46,388,6060.42	34,073,113.04	12,315,493.38
11.	November	49,450,465.82	41,833,344.49	7,617,121.33
12.	December	46,428,711.44	36,418,183.74	10,010,527.70
	TOTAL	562,287,226.46	489,977,959.78	72,309,266.71

5. COUNCIL UN PRESENTED OR MISSING SALARY PAYMENT VOUCHERS (₦18,891,416.93):-

During the posting of the available council payment vouchers presented to us, it has been observed that, One Hundred and Ten (110) salary payment vouchers recorded in the council cash book amounting to ₦18,891,416.93 were not available for vouching. Thus the evidence of the expenditure recorded in the cashb-book cannot be ascertained. Therefore, unless the, said vouchers are produced for audit examination, we cannot certify that the expenditure are truly incurred by the Local Government Council. Then, inview of the above, the council Director of Finance and the council cashier should be held responsible for the missing council salary payment vouchers for the period under review as per the details below:-

SN	PVS NO	NAME OF PAYEE	PURPOSE OF PAYMENT	AMOUNT ₦: K
1.	09/1/2018	Tukur shehu & others	Salary 2004/1	380,513.07
2.	154/3/2018	Halima Umar & others	Salary 2007/1	59,035.53
3.	01/04/2018	Bello mamuda Zogirma & others	Salary 2001/1	224,213.78
4.	02/04/2018	Garba Ibrahim Geza & others	Salary 2001/1	196,396.00
5.	03/04/2018	Zayyyanu Shehu & others	Salary 2003/1	211,410.80
6.	04/04/2018	Lukman Muh'd & others	Salary Council	1,790,712.00
7.	05/04/2018	Idris Muh'd & others	Salary Council	198,696.00
8.	06/04/2018	Tukur shehu & others	Salary 2004/1	368,512.87
9.	07/04/2018	Isah Muh'd & others	Salary 2004/1	362,804.57

10.	08/04/2018	Shamwilla Shehu & others	Salary 2004/1	327,258.57
11.	09/04/2018	Shema'u & others	Salary 2004/1	328,169.15
12.	10/04/2018	Tashiru Umar & others	Salary 2004/1	321,747.40
13.	11/04/2018	Iliyasu Garba & others	Salary 2004/1	151,892.82
14.	12/04/2018	Bawa S Yaki & others	Salary 2004/1	75,262.21
15.	13/04/2018	Musa Muh'd & others	Salary 2004/1	218,801.19
16.	14/04/2018	Abubakar Muh'd & others	Salary 2004/1	98,837.77
17.	15/04/2018	Aliyu Muh'd & others	Salary 2004/1	346,047.65
18.	16/04/2018	Fatima Umar & others	Salary 2004/1	323,019.05
19.	17/4/2018	Nasiru Muh'd & others	Salary 2004/1	139,152.66
20.	18/4/2018	Sirajo Sahabi & others	Salary 2004/1	15,712.37
21.	19/4/2018	Usman Zaki & others	Salary 2004/1	23,315.98
22.	20/4/2018	Samira Usman & others	Salary 2004/1	46,330.87
23.	21/4/2018	Abdullahi Muh'd & others	Salary 2004/1	53,745.56
24.	22/4/2018	Kabiru Abubakar & others	Salary 2004/1	23,841.22
25.	23/4/2018	Altine shehu & others	Salary 2004/1	50,834.03
26.	24/4/2018	Hassan Bello & others	Salary 2004/1	17,409.09
27.	25/4/2018	Hassan Hakimi & others	Salary 2004/1	8,409.64
28.	26/4/2018	Habibu Abubakar & others	Salary 2004/1	10,218.12
29.	27/4/2018	Faruku abubakar & others	Salary 2004/1	270,323.40
30.	29/4/2018	Usman Yeldu & others	Salary 2004/1	104,153.10
31.	30/4/2018	Garba shehu & others	Salary 2004/1	105,000.00
32.	31/4/2018	Abubakar Altine & others	Salary 2004/1	125,000.00
33.	32/4/2018	Zayyanu Umar & others	Salary 2004/1	115,000.0
34.	33/4/2018	Bashar Ibrahim & others	Salary 2004/1	10,000.00
35.	34/4/2018	Garba Danda & others	Salary 2004/1	5,000.00
36.	35/4/2018	Buhari Bawa & others	Salary 2004/1	10,000.00
37.	36/4/2018	Auwali Bissalam & others	Salary 2004/1	5,000.00
38.	37/4/2018	Abdullahi Bawa	Salary 2004/1	5,000.00
39.	38/4/2018	Umar Sahabi & others	Salary 2004/1	10,000.00
40.	39/4/2018	Umar B. Muh'd & others	Salary 2004/1	5,000.00
41.	40/4/2018	Aminu abduhali & others	Salary 2005/1	536,697.26
42.	41/4/2018	Usman Isah & others	Salary 2005/1	162,000.00
43.	141/5/2018	Maryam Bawa & others	Salary 2007/1	447,424.76
44.	142/5/2018	Abubakar Abdullahi & others	Salary 2007/1	306,824.84
45.	143/5/2018	Sani Maison Kaine & others	Salary 2007/1	269,641.25
46.	144/5/2018	Aishau Salihu & others	Salary 2007/1	405,553.71
47.	145/5/2018	Sani Dandare & others	Salary 2007/1	311,789.67
48.	146/5/2018	Ahmed Usman & others	Salary 2007/1	248,917.08
49.	147/5/2018	Shehu Monde & others	Salary 2007/1	359,035.58
50.	148/5/2018	Aishatu Garba & others	Salary 2007/1	1,596,208/71
51.	149/5/2018	Halima Umar & others	Salary 2007/1	351,257.79
52.	150/5/2018	Aishatu Muh'd T & others	Salary 2007/1	534,161.34

53.	151/5/2018	Hauwa'U Na'Allah & others	Salary 2007/1	419,237.12
54.	152/5/2018	Ime Malami & others	Salary 2007/1	71,675.45
55.	153/5/2018	Safiyanu Muh'd & others	Salary 2007/1	191,814.03
56.	154/5/2018	Aishatu Abubakar & others	Salary 2007/1	242,264.01
57.	155/5/2018	Junaidu A. Hali & others	Salary 2007/1	381,316.38
58.	156/5/2018	Umaru Chindo & others	Salary 2007/1	62,339.04
59.	157/5/2018	Asma'U sanusi & others	Salary 2007/1	97,030.09
60.	158/5/2018	Haliru Hassan & others	Salary 2007/1	23,212.85
61.	159/5/2018	Jamila Ahmed & others	Salary 2007/1	22,237.01
62.	160/5/2018	Maryam Abubakar & others	Salary 2007/1	22,712.73
63.	161/5/2018	Sulaiman Saminu & others	Salary 2007/1	22,277.73
64.	162/5/2018	Balarabe Monde & others	Salary 2007/1	23,273.01
65.	72/6/2018	Isah Adamu & others	Salary 2006/1	25,000.00
66.	205/6/2018	Abubakar Magaji & others	Salary 2010/1	569,648.71
67.	206/6/2018	Aliyu Umar T & others	Salary 2010/1	18,551.10
68.	207/6/2018	Kwaire Nadare & others	Salary 2010/1	73,254.38
69.	208/6/2018	Alh. Abdullahi Isah & others	Salary 2010/1	149,835.38
70.	209/6/2018	Abdullahi Atiku & others	Salary 2010/1	140,949.18
71.	210/6/2018	Hayatu Aliyu & others	Salary 2010/1	17,306.74
72.	211/6/2018	Abubakar S. owa & others	Salary 2010/1	139,003.51
73.	212/6/2018	Yahaya Muh'd Tilli & others	Salary 2010/1	17,205.74
74.	213/6/2018	Hassan Umar Tilli & others	Salary 2006/1	17,205.74
75.	214/6/2018	Dr. Mustapha Bunza	Salary 2006/1	73,169.19
76.	215/6/2018	Alh. Muh'd Bello D/koko	Salary 2006/1	32,862.32
77.	216/6/2018	Alh. Umar Muh'd D/Sabo	Salary 2006/1	32,862.32
78.	217/6/2018	Manu Labbo & others	Salary 2006/1	404,838.94
79.	218/6/2018	Shehu Sahabi & others	Salary 2006/1	139,842.97
80.	219/6/2018	Alh. Muh'd Labbo & others	Salary 2006/1	260,654.00
81.	220/6/2018	Abubakar magaji & others	Salary 2006/1	313,323.38
82.	186/11/2018	Ma'udu Muh'd & others	Salary 2007/1	16,100.23
83.	214/11/2018	Kasimu Umar & others	Salary 2006/1	20,000.00
84.	215/11/2018	Haliru samaila & others	Salary 2006/1	10,000.00
85.	216/11/2018	Sanusi Manuga & others	Salary 2006/1	5,000.00
86.	217/11/2018	Shafa'atu Usman & others	Salary 2006/1	5,000.00
87.	218/11/2018	Abbas Bello & others	Salary 2006/1	5,000.00
88.	219/11/2018	Abubakar Abdullahi & others	Salary 2006/1	10,000.00
89.	220/11/2018	Nafisa Abubakar & others	Salary 2006/1	5,000.00
90.	221/11/2018	Mustapha Bala	Salary 2006/1	5,000.00
91.	222/11/2018	Abdullahi Umar B & others	Salary 2006/1	125,000.00
92.	223/11/2018	Habibu Umar & others	Salary 2006/1	80,000.00
93.	224/11/2018	Abubakar Dan Iya & others	Salary 2006/1	125,000.00
94.	225/11/2018	Samira Muh'd & others	Salary 2006/1	10,000.00
95.	22611/2018	Buhari Abdullahi & others	Salary 2006/1	183,334.78

96.	227/11/2018	Sa'adatu Muh'd	Salary 2006/1	224,162.53
97.	228/11/2018	Yahaya Ahmed & others	Salary 2006/1	153,507.03
98.	229/11/2018	Shafa'atu Aliyu & others	Salary 2006/1	82,000.00
99.	230/11/2018	Abubakar Umaru Zogirman & others	Salary 2006/1	122,446.87
100.	231/11/2018	Nafiu Bande & others	Salary 2006/1	128,446.87
101.	232/11/2018	Jamila Bello & others	Salary 2006/1	157,768.02
102.	233/11/2018	Kabiru Muh'd D. & others	Salary 2006/1	349,983.23
103.	234/11/2018	Bande Abdulahi & others	Salary 2006/1	96,079.62
104.	235/11/2018	Umar Faruk Muh'd & others	Salary 2006/1	19,525.17
105.	236/11/2018	Bello Abdullahi & others	Salary 2006/1	6,237.04
106.	237/11/2018	Yanusa Abdullahi	Salary 2006/1	6,257.28
107.	238/11/2018	Aliyu Alhaji & Admin	Salary 2006/1	121,475.55
108.	239/11/2018	Hassan Abu Admin & others	Salary 2006/1	121,475.55
109.	240/11/2018	Sume Udulu	Salary 2006/1	10,000.00
110.	241/11/2018	Hafsal Hassan & othes	Salary 2006/1	65,000.00
	TOTAL			18,891,416.93

6. COUNCIL INTERNALLY GENERATED REVENUE PERFORMANCE AS AT THE YEAR ENDED 31ST DECEMBER, 2018

The Internally Revenue Generated for the Local Government Council remains silent because no observations were made as the Internally Generated Revenue from the Local Government Council was totally abandoned and seriously neglected. Audit inspection of the all the relevant revenue recorded for the Local Government Council revealed that all the Internally Generated Revenue records was poorly kept and maintained as non was produce for audit examination. When contacted the council Revenue officer could not give a satisfactory reasons responsible for this dismal performance. Then, further investigation confirmed to us that the Local Government Council lacked cheeks on various revenue collectors and also refused to bond Revenue official despite audit repeated calls in our previous audit reports.

Therefore, the council Chairman, The Council Secretary and Director of Finance and Supply (DFS) should be advice to produce a credible system for the Local Government Council revenue operations to reduce over dependant on the revenue allocation from the Federal Government which may incapacitate the council to perform their statutory duties if there is reduction or delay in disbursement from state and Federal Government.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
DANDI LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/021/VOL. II dated 16th June, 2020 without response. Therefore, the following observations were noted.

STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

The council cashbook which is the primary book of accounts was not properly maintained in accordance with provision of F.M.19.1. The council cashbook was characterised by incomplete posting of transactions thereby making extraction of opening and closing balances impossible.

b) The council Director of Finance did not prepare bank reconciliation statement for the period as none was submitted for audit verification which is contrary to F.M. 39.3(c) and F.M.19.13-20.

c) Then audit inspection of central store showed non-compliance with F.M. 34.10(3). There was no proper supervision of the store and this was evidenced by non maintenance of appropriate store records which is contrary of .F.M 34.14 to F.M. 34.18 respectively.

d) The council internal audit operations during the year under review was very weak because voucher audit procedure were violated which is contrary to F.M.14.10, F.M.40.3 and F.M. 40.11.

Therefore, the Director of Finance should ensure that the Council Books of Accounts and Records are updated promptly on monthly basis to generate credible and reliable balances for the Local Government Council.

However, some of the treasury records were not kept and maintained by the Local Government Council which includes .D.V.A., Advance register, Deposit ledgers, Daily abstract of Revenue and Expenditure etc, for the period under review without given any reason for the above dismal performances.

2. COUNCIL INCOME AND EXPENDITURE (OTHER CHARGES):-

During the year under review examination of the available financial records revealed that the sum of ₦956,874,998.49 was received as disbursement from Ministry for Local Governments and Chietaincy Affairs out of which the sum of ₦812,959,645.33 was expended leaving unaccounted balance of ₦144,615,453.16 and not recorded in the main council cashbook as per the details below:-

SN	MONTHS	AMOUNT RECEIVED	EXPENDITURE INCURRED ₦: K	BALANCE ₦: K
1.	January	68,445,614.74	44,922,821.96	23,522,792.78
2.	February	69,564,597.54	66,070,220.06	3,494,377.48
3.	March	47,313,629.50	66,070,220.06	3,494,377.48
4.	April	82,155,994/85	79,160,814.91	2,995,179.94
5.	May	68,930,546.71	49,426,007.00	19,504,539.71

6.	June	69,772,628.18	39,129,237.14	9,808,484.34
7.	July	48,937,721.48	39,129,237.14	9,808,484.34
8.	August	135,095,281.04	89,111,865.85	45,985,415.19
9.	September	141,573,126.74	175,880,097.77	(34,306,971.03)
10.	October	47,409,639.40	44,446,865.20	2,962,774.20
11.	November	90,346,638.88	44,290,363.27	46,056,275.61
12.	December	87,329,579.43	74,290,692.29	13,038,889.14
	TOTAL	956,874,998.49	812,259,545.33	144,615,453.16

Therefore, the council chairman and the council Director of Finance should explain the circumstances which lead to unaccounted balance of ₦144,615,453.16 or they should be surcharged for the period under review.

**4. UN PRESENTED OR OUTSTANDING PAYMENT VOUCHERS
OTHER CHARGES (₦3,150,000.00):-**

Audit examination of council payment vouchers revealed that payment voucher no. 82/9/2018 was said to have been paid to Alh. Aliyu Yahaya for the renovation of Fana Juma'at Mosque amounting to ₦3,150,000.00. The payment voucher was dully paid and entered into the council cashbook are not produced for audit examination which is contrary to F.M. 14.29. Consequently it was extremely difficult to ascertain whether the payments was properly authorised, reasonable and judiciously accounted for. The level of fraudulent payment involved could not be determined. Therefore, the Director of Finance and the council cashier should be liable and they should be appropriately surcharged accordingly.

4. VALU ADDED TAX (VAT) AND WITHOLDING TAX (WHT) DEFAULT (₦7,000,000.00):-

Payment were made to suppliers and contractors without deducting the statutory VAT/WHT. A total sum of ₦7,000,000.00 Value Added Tax and Witholding Tax were lost to such contractors. This action was traced to the deduction on payment vouchers but was not posted into the council cashbook during the period under review as per the details below:-

SN	PV NO.	PAYEE /CONTRACTOR	CONTRACT SUM PAID ₦: K	5% VAT/WHT ₦: K
1.	61/12/2018	Abdullahi Sule	2,000,000.00	200,000.00
2.	63/12/2018	Mamaman D/Kwai	2,000,000.00	200,000.00
3.	75/12/2018	Alh. Muslim Sani G.	3,150,000.00	315,000.00
4.	76/12/2018	Abubakar Makera K/K	3,150,000.00	315,000.00
5.	77/12/2018	Yahaya Garba Kamba	3,150,000.00	315,000.00
6	78/12/2018	Alh. Idris Bash	3,150,000.00	315,000.00
7	79/12/2018	Zubairu Attahiru Kamba	3,150,000.00	315,000.00
8	80/12/2018	A. Bashar Musa Shiko	3,150,000.00	315,000.00
9	81/12/2018	A. Shafiu Ahmed M/Gwazo	3,150,000.00	315,000.00
10	82/12/2018	A. Aliyu Yahaya Fana	3,150,000.00	315,000.00
11	83/12/2018	Zubairu Attahiru K	3,150,000.00	315,000.00
12	84/12/2018	A. Imrana Z. Kwakware	3,150,000.00	315,000.00
13	85/12/2018	Saidu Ibrahim Buma	3,150,000.00	315,000.00
14	86/12/2018	A. Hashimu Usman K	3,150,000.00	315,000.00
15	87/12/2018	Muktar M.S D/Kaira	3,150,000.00	315,000.00
16	88/12/2018	Zubairu Attahiru K	1,700,000.00	170,000.00
17	89/12/2018	Director works	7,350,000.00	735,000.00
18	82/12/2018	Director works	16,000,000.00	1,600,000.00
	TOTAL		70,000,000.00	7,000,000.00

5. COUNCIL SALARY ACCOUNTS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

INCOME AND EXPENDITURE:- Audit examination of council salary payment voucher for the period under review revealed that the sum of ₦532,102,403.16 was received as disbursement from Joint Accounts Committee for the payments of council staff salaries out of which the sum of ₦499,820,031.80 was recorded in the council cash book as amount payable or salaries expenditure, leaving the sum of ₦32,282,371.36 un-accounted balance as per the details below:-

SN	MONTHS	AMOUNT OF SALARY RECEIVED	AMOUNT OF PAID SALARIES ₦: K	UN-ACCOUNTED BALANCE ₦: K
1.	January	44,348,638.55	42,422,821.96	1,925,816.59
2.	February	44,232,597.54	43,570,220.06	662,377.48
3.	March	44,313,629.50	42,367,820.95	1,945,808.55
4.	April	44,361,630.40	41,866,158.43	2,495,471.97
5.	May	44,361,630.40	41,426,007.00	2,774,539.71
6.	June	44,292,628.18	42,122,738.93	2,169,889.25
7.	July	44,503,133.48	36,629,237.14	7,873,896.34
8.	August	44,441,233.44	43,475,008.71	966,284.73
9.	September	44,325,508.17	40,404,097.77	3,921,400.40
10.	October	44,306,638.88	41,694,865.29	2,611,773.59
11.	November	44,346,638.88	41,750,363.27	2,596,275.61
12.	December	44,429,579.43	42,090,692.29	2,338,887.61
	TOTAL	532,102,403.16	499,820,031.80	32,282,371.36

6. Similarly, during posting of salary payment vouchers into council cash-book for the period under review, one hundred and eighth (108) payment vouchers worth ₦78,155,002.33 was found out-standing or missing in their volumes. The payment vouchers were either removed from the volumes to avoid audit examination or were not prepared at all. Therefore, we cannot certify the authenticity of the incurred expenditure unless the payment vouchers are produced for our audit examination. Then, the Director of Finance and the council cashier should be held responsible for the missing salary payment vouchers as per the details on appendix "C" attached to Council Chairman main report.

7. COUNCIL INTERNALLY GENERATED REVENUE PERFORMANCE AS AT THE YEAR ENDED 31ST DECEMBER, 2018.

It has been observed with dismay that the Local Government Council was not able to keep and maintained a single Internally Generated Revenue records for the period under review as non was produce for Audit Inspectin. Our observations during audit showed that the Local Government Council Revenue collectors and the treasury staff have failed to discharge their responsibilities as expected because the Local Government Council was heavily over dependent on Federal Government Statutory Allocation which may incapacitate the Local Government Council to perform their statutory duties if there is reduction or delay in disbursement from State or Federal Government especially at this period where statutory allocation,VAT and Exces Crude Oil continue to decline and not reliable.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
DANKO/WASAGU LOCAL GOVERNMENT COUNCIL FOR THE YEAR,
ENDED 31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/041/VOL. II dated 16th June, 2020 without response. Therefore, the following observations were noted.

STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

It was observed that accounting books and records were not properly kept and maintained. The book were characterised by incomplete financial information which made the books to be unreliable which is contrary to FM. 1.8(5) and FM 1.14(5). Therefore, the attention of the management of the Local Government Council has been drawn to these lapses and they must be addressed immediately.

- (a) The monthly Bank Reconciliation Statement were not prepared through out the period under review for early identification of fraudulent items/entries there in.
- (b) Internal Audit Operation in place during the year under review was weak and ineffective due to the followings:-

- i) Voucher Audit procedure were violated contrary to FM 14.10, FM 40.3 and FM 40.10 respectively.
- ii) The Internal Audit Unit of the Local Government Council did not design any Audit programme to work with contrary to FM 41.4.
- iii) The internal Audit correspondence register was not maintained which is contrary to FM 40.12
- (c) Audit inspection of central store showed non-compliance with FM 34.10(B) and at the sometimes there was no proper supervision of the stores and this was evidenced by non-maintenance of appropriate store records contrary to FM 34.14 to 34.18.
- (d) D.E.V.A:- The vote books was badly maintained due to the fact that the entries on expenditure committed by the Local council to reduce the amount of liabilities incurred for the period under review is not done which is contrary to FM 21.7.

2. PAYMENT FOR LAND COMPENSATION AT WASAGU AND BENA TOWNS:-

Audit examination of payment vouchers revealed that the sum of ₦152,932,000.00 was paid to various beneficiaries via payment vouchers Nos. 02/04/2018 and 01/04/2018.

However, no evidencial schedules of the beneficiaries attached to the payment vouchers, non any supporting document to show that the money was used for the purpose for which it is meant for. The details of how contingency of the two township compensation was paid was not known. This is an indication of irregularity and usually end up in fraudulent act. Then failure to provide documentary evidence or relevant supporting documents to the payment voucher is an infraction against the financial memoranda Chapter 19, section 5 which stated that "payment vouchers shall be receipted by the payee or his authorised agent, and the receipt must state clearly in words and figures the actual amount received".

Therefore, the council chairman and the council Director of Finance should held personally liable for non adherence to the provision of financial memoranda.

3. OUT OF POCKET EXPENSES (N645,400.00):

Payment voucher No.03/06/2018 was a payment to the executive chairman to the tune of N645,400.00 as out of pocket expenses for just one month which is more than one third of his salary, the same payment voucher was not charged from the vote book which of course the stated amount is against the provision of the law. Therefore, the sum of N645,000.00 was too exorbitant as out of pocket expenses. The council chairman should explain or be surcharged accordingly.

4. It was observed that payment voucher no 05/1/2018 was said to have been paid to chairman APC Danko/Wasagu Local Government amounting to N500,000.00 to attend the swearing in ceremony of Hon. Commissioners at Birnin-kebbi. But when invited to acknowledge the payment, the party chairman confess that he is not aware of such expenditure against him. Therefore the council chairman and the Director of Finance should be held responsible and they should recover the amount of money involved accordingly.

5. Also the sum of N200,000.00 was said to have been paid to D.P.O Danko/Wasagu Local Government Council for security assistance via payment voucher NO. 19/02/2018. When contacted the D.P.O declared not to received a kobo from the Local Government Council for such purpose. The payment was not control by the officer controlling the vote (OCV) and was not checked by the Local Government Council internal auditor as well as the payee did not sign or acknowledge such payment voucher but it was paid through the Council cashbook. Therefore, the said amount should be recovered from the council Director of Finance and the officer who authorised the payments.

6. It has been observed that, payment voucher no. 01/5/2018 worth ₦6,300,000.00 was said to have been paid to Jafaru Danko for the purchase of motorcycles to vigilantes members, but careful examination of the payments in questions revealed that Jafaru Danko was not a contractor nor an employee of the Local Government Council. Secondly, the cost of the said motorcycles is on the high side because it was directly purchases from market and the cost of each motorcycles is ₦190,000.00 as against the purchased price of ₦250,000.00 per motorcycle thereby showing a fraudulent increase of ₦60,000.00 on each motorcycle. However, our audit investigation revealed that no evidential approval or council resolution authorising the purchase of the motorcycles and the relevant documents were not attached to payment vouchers. Then stores receipt and issue vouchers were not seen in order to ascertain the actual recipients of the motorcycles.

This is a serious financial infraction and possibility of diversion and misappropriation of funds as well as apparent weak of internal control system. Therefore, the official involved should account for the sum of monetary involvement or be surcharged accordingly.

7 **OUTRAGEOUS EXPENDITURE:-** Examination of council payment vouchers revealed that, payment voucher No. 5/6/2018 was said to have been paid to Alh. Audu Sarkin Shanu as part payment of ₦1,000,000.00 out of the total amount of ₦2,400,000.00 use for the purchase of cows during Sallah Festivals. Audit investigation of the payment vouchers indicated that Alh. Audu Sarkin Shanu did not file any application seeking for the payment of cows supplied as alleged. The expenditure would appear to be outrageous and waste of public funds because the payment vouchers were not accounted for and the beneficiaries for the cows were not known. Similarly, another ten (10) cows was said to have been supplied for the same sallah festivals amounting to ₦2,500,000.00 vide payment voucher No. 04/6/2018 which is contrary to FM 14.8.

Therefore, the council Chairman, the Director of Finance and the council secretary should be surcharged the sum of ₦2,500,000.00 not accounted for.

8. Also Hajiya Habiba was paid the sum of ₦336,000.00 via payment voucher no. 02/05/2018 for the supply of un-known materials to Danko/Wasagu Local Government Council women centre. But it has been observed that the list of the items she suppliers is not stated in the application for payment, no receipt for the items supplied, no store receipt voucher was attached to the payment voucher, but the expenditure was paid through the Local Government Council cashbook.

Therefore, the sum of ₦336,000.00 should be recovered from Hajiya Habiba if she fails to accounts for the items she supplied for the women centre.

9. IRREGULAR PAYMENTS OF (₦36,000,000.00):- Audit inspection of the expenditure account revealed that, the sum totaling ₦36,000,000.00 was said to have been paid to a contractor A.G. Engineering for the construction of 13Nos. Hand pumps and solar powered borehole in various fulani locations in Danko/Wasagu Local Government Council area vide payment voucher nos. 03/04/2018, PV No.07/5/2018 and a letter No. MLGCA/S/LGG/134/VOL. II dated 09/4/2018 from Ministry for Local Government and Chietaincy Affairs. Examination of payment procedures indicated a total abuse to the provision of FM chapter 14. Because the expenditure was not charge from the vote book, no estimates was attached to show the location of the various Boreholes constructed, no council extract certificate of completion of the work. When contacted the officer controlling the vote (O.C.V) Director of works disclosed that he is not aware of the job and the site of the contract which warrant him for the certification of the work done. Then VAT deducted to the tune of ₦1,800,358.24 and would not appear to have been paid or remitted to the appropriate Government agency for the period under review.

Therefore, the above observations indicated, fraudulent withdrawals of Local Government funds to un-identify location.

10. Audit examination of payment vouchers revealed that the sum of ₦1,500,000.00 was said to have been paid to Alh. Musa Maidawa, Local Government Council Hajj guide as assistance to 2018 intending pilgrims. But the list of the intending pilgrims was not attached to payment voucher to indicate their acknowledgement of the assistance. When contacted, Alh. Musa Maidawa reveals that he was not aware of the said assistance to intending pilgrims. Therefore, the council Chairman, Director of Finance and the Council Secretary should be held liable or they should be surcharge the sum of ₦1,500,000.00 as per the payment voucher No. 02/6/2018.

11. FIFTY MILLION NAIRA (₦50,000,000.00) CAPITAL GRANT TO DANKO/WASAGU LOCAL GOVERNMENT COUNCIL FOR THE YEAR, 2018

Audit examination of capital project account records revealed that the Sum of ₦50,000,000.00 was release to Danko/Wasagu, Local Government Council from the Ministry for Local Governments and Chieftaincy Affairs for the execution of viable projects within the Local Governments area. But only the sum of ₦26,724,742.00 was said to have been expended without the official endorsement from the officer controlling the vote and internal audit prepayment audit of the payment voucher as per the details below:-

SN	Name payees	Details of payment	Pv. Number	AMOUNT ₦: K
1.	Yahaya Muh'd	Const. of mosque	24/9/2018	1,250,000.00
2.	Danladi Bawa	Renov. Of culvert	30/9/2018	3,000,000.00
3.	Sulaiman Abdullahi	Renov. Of Islamiya	23/9/2018	1,250,000.00
4.	Mal. Ish Tela	Renov. Of mosque	22/9/2018	1,250,000.00
5.	Sani Abdullahi	Const. of culvert	21/9/2018	1,250,000.00
6.	Maidawa Galadima	Completion of mosque	19/9/2018	1,250,000.00
7.	Muh'd Sale Kele	Renov. Of Mosque	18/9/2018	1,250,000.00

8.	Aliyu Adamu Kanya	Renov. Of Mosque	17/9/2018	1,250,000.00
9.	Rabiu Manager	Renov. Of Mosque	16/9/2018	1,250,000.00
10.	Alh. Biodun	Renov. Of Mosque	28/9/2018	4,737,371.00
11.	Alh. Bridum	Renov. Of Mosque	02/9/2018	4,737,371.00
12.	Alh. Biodun	Renov. Of Mosque	20/9/2018	1,250,000.00
13.	Barrister & others	Const. of slaughter house	12/9/2018	1,500,000.00
14.	Barrister & others	Const. of slaughter house	29/9/2018	1,500,000.00
	TOTAL			26,724,724.00

The above table shows a list of capital expenditure committed without the signing of the officer controlling the vote on the affected payment vouchers as enshrine in the FM 14.8. But when contacted the Director of works confirmed to audit that they are not aware of the said expenditure and the recipients would not appear to have been acknowledge the payments contrary to FM 14.16.

12. **SALARY ACCOUNT AS AT THE YEAR ENDED 31ST DECEMBER, 2018**

Audit examination of salary account records revealed that the sum of ₦796,750,874/64 would appear to have been received by Danko/Wasagu Local Government Council out of which the sum of ₦756,875,631/43 would appear to have been paid as council staff salary, thereby leaving a balance of ₦39,878,243.21 unaccounted for as per the details below;-

**DANKO/WASAGU LOCAL GOVERNMENT COUNCIL, DETAILS OF SALARY AND ALLOWANCES
2018**

MONTHS	SALARY RECEIVE ₦	ALLOWANCE RECEIVE ₦	TOTAL ₦	SALARY PAID ₦	ALLOWANCE PAID ₦	TOTAL	DIFFERENCE ₦
JANUARY	61,568,219.19	5,322,000.00	66,890,219.19	59,128,805.60	5,022,000.00	64,150,805.60	2,739,413.59
FEBRUARY	61,440,088.08	5,322,000.00	66,762,088.08	60,048,310.31	5,022,000.00	65,070,310.31	1,691,777.77
MARCH	61,228,033.82	5,322,000.00	66,550,033.82	61,228,033.82	5,022,000.00	66,250,033.82	300,000.00
APRIL	61,445,955.11	5,022,000.00	66,467,955.11	56,399,813.11	5,022,000.00	61,421,813.11	5,046,142.00
MAY	61,445,955.11	5,022,000.00	66,467,955.11	57,804,880.84	5,022,000.00	62,826,880.84	3,641,074.27
JUNE	61,347,410.39	5,022,000.00	66,369,410.39	58,105,197.53	5,022,000.00	63,127,197.53	3,641,074.27
JULY	61,223,518.67	5,022,000.00	66,245,518.67	61,223,263.32	5,022,000.00	66,245,263.32	(255.35)
AUGUST	61,212,556.74	5,022,000.00	66,234,556.74	59,861,875.05	5,022,000.00	64,883,875.05	1,350,681.69
SEPTEMBER	61,223,273.67	5,022,000.00	66,245,273.67	52,298,184.58	5,022,000.00	57,320,184.58	8,925,089.09
OCTOBER	61,164,603.38	5,022,000.00	66,245,278.67	52,298,184.58	5,90,000.00	56,877,155.13	9,309,448.25
NOVEMBER	61,164,603.38	5,022,000.00	66,186,603.38	58,873,11.01	5,022,000.00	63,895,11.01	2,291,492.37
DECEMBER	61,122,657.10	5,022,000.00	66,144,657.10	59,782,001/13	5,022,000.00	64,804,001.13	1,340,565.97
G/TOTAL	735,586,874.64	61,164,000.00	796,750,874.64	701,040,631.43	55,832,000.00	756,872,631.43	39,878,243,21

13. OVER-HEAD COST PAYMENT FOR THE YEAR, 2018

Examination of payment of council allowanceS for the year ended 31st December, 2018 revealed that the council received the sum of ₦61,164,000.00 from Ministry for Local Government and Chieftaincy Affairs out of which the sum of ₦55,832,000.00 was paid through the Local Government Council cashbook leaving un-accounted balance of ₦5,332,000.00. This balance emanated from none rendering of payment vouchers to the tune of ₦900,000.00 Paid to the chairman wife as allowance. Also the Council Chairman could not retired the sum of ₦3,600,000.00 which he claimed as imprest to his office totaling ₦4,500,000.00. while the balance of ₦832,000.00 appears to be diverted and personalized.

Therefore, the sum of ₦5,332,000.00 should be recovered from the council Chairman and Director of Finance and their associates.

14. COUNCIL INTERNALLY GENERATED REVENUE PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018

Audit inspection and examination of Danko/Wasagu Local Government Councils revenue accounting records reveled that the council were quite reluctant to the Internally Generated Revenue exercise and further indicated serious neglect and abuse of Internally Generated Revenue earning for the period under review. The Local Government Council was not able to keep and maintain a single Internally Generated Revenue records as non was produced for audit examination despite repeated demand for it's. The Local Government Councils has budgeted the sum of ₦280,500,000.00 for the year 2018. This is a serious over dependant on Federal Government Revenue Allocation. Therefore, the ridiculous performance on Internally Generated Revenue may be consequence upon non-performance appraisal-based environment and non chalant attitude to Revenue driven officer/collectors. Therefore, the council Chairman Suleman Sahabi Shindi, the council Director of Finance Muh'd

Auwal Sani Koko and the Revenue officer Danjuma Yaro should be surcharge in accordance with the provision of FM chapter 39.3(12-13) for the dismal performance in Internally Generated Revenue for the year ended 31st December,2018.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
FAKAI LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/015/VOL. II dated 6th July, 2020 without response. Therefore, the following observations were noted.

1. STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

During Audit examination of relevant accounting books and records, the way and manners in which the records and books of accounts were maintained by Fakai Local Government Council are still not acceptable due to the following lapses:

- a) The treasury combined cash-books were not properly maintained and balanced monthly as stipulated by E.M. 19.20.
- b) The monthly bank reconciliation statements were not prepared during the period under review as none was submitted for audit inspection contrary to F.M. 39.3 @ 4 and F.M. 19.13 – 26.

- c) Stores records and ledgers were not properly maintained in accordance with provision of financial memoranda.

Therefore, the management of the Local Government Council should immediately take corrective measures at ensuring better performance in the operation of the Fakai Local Government Council.

In view of the above not much reliance could be placed on the books since they would not furnish credible information and balances. The Director Finance and Supply of Fakai Local Government Council had been advised to properly and correctly maintain the accounting books and records henceforth or he should be surcharged accordingly.

2. INTERNAL AUDIT OPERATION IN FAKAI LOCAL GOVERNMENT COUNCIL

Our audit investigation revealed that the effectiveness of internal audit operations during the year review was suspect because of the following reasons:

- a) Voucher/audit procedures were violated contrary to F.M. 14.10, FM.40.3 and F.M 40.10 respectively.
- b) The internal audit unit of the local government council did not design any audit programme to work with contrary to F.M. 41.4.
- c) The internal audit correspondence register was not maintained contrary to F.M. 40. Therefore the internal audit should be made to explain these circumstances and henceforth ensure effective and efficient, internal audit procedural operations are put in place for effective internal audit control purpose in the future.

3. CENTRAL STORES OF FAKAI LOCAL GOVERNMENT COUNCIL FOR THE YEAR ENDED 31ST DECEMBER, 2018

Audit inspection of the Council Central Stores showed non-compliance with F.M.34.10(3), and there was no proper supervision of the stores and this evidenced that there was no proper supervision of the stores records, while the stores was regarded a place for dumping old records only.

4. INCOME AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER, 20218

Audit examination of relevant accounting records maintained by Fakai Local Government Council revealed that the total sum of ₦356,818,699.54 was received from Ministry for Local Governments and Chieftaincy Affairs for the payment and execution of recurrent and capital projects as well as the settlement of some essential services provided to the citizenry during the year under review. But it has been observed that the sum of ₦348,341,365.02 were expended by Fakai Local Government Council leaving a balance of ₦8,477,334.52 unaccounted for as per the details bellow:

S/N	Month	Income (₦)	Expenditure (₦)	Differences
1.	January 2018	4,069,676.90	4,064,080.00	5,596.90
2.	February 2018	42,538,000.00	42,041,000.00	497,000.00
3.	March 2018	3,000,000.00	1,933,000.00	1,067,000.00
4.	April 2018	47,794,356.45	47,429,356.45	365,000.00
5.	May 2018	35,050,000.00	35,035,000.00	15,000.00

6.	June 2018	25,480,000.00	25,303,000.00	177,000.00
7.	July 2018	3,000,000.00	2,725,000.00	275,000.00
8.	August 2018	85,939,047.62	83,030,500.00	2,908,547.62
9.	Septem., 2018	67,447,618.57	66,952,428.57	495,190.00
10.	October 2018	3,000,000.00	2,515,000.00	485,000.00
11.	Novem., 2018	13,000,000.00	13,803,000.00	803,000.00
12.	Decem,. 2018	26,500,000.00	23,510,000.00	2,990,000.00
	Total	356,818,699.54	348,341,365.02	8,477,334.52

5. UN-PRESENTED, MISSING OR OUSTANDING PAYMENT VOUCHERS (₦19,000,000.00)

Two (2) payment vouchers amounting to ₦19,000,000.00 duly recorded in the cash book and paid to unknown individuals were not produce for audit examination contrary to F.M. 14.29. It was therefore extremely different for audit to ascertain if the payment were properly authorized and transparently accounted for the level of fraud or misappropriation involved in the unverified sum of ₦19,000,000.00 could not be ascertained.

Therefore the Council Director of Finance and Supply and Council Cashier should be surcharged the sum of money involved in accordance with the provision of F.M. 39.3 as per the details bellow:

S/N	Date	PV. No.	Payee	Purpose of Payment	Amount paid (₦)
1.	21/8/2018	8/2/2018	Unknown	Purchases of motor vehicle Sharon	4,000,000.00
2.	-	1/06/2018	Unknown	??	15,000,000.00
				TOTAL	19,000,000.00

**6. AMOUNT OF OVERHEAD COST FOR THE YEAR 2018
(~~₦~~36,000,000.00)**

Examination of available records revealed that the total sum of ₦36,300,000.00 was received by Fakai Local Government Council from Ministry for Local Governments and Chieftaincy Affairs as overhead cost. However, the sum of 30,524,000.00 was said to have been expended, leaving unaccounted balance of ₦5,776,000.00 as per the details below:

S/N	Date	E-payment No.	Amount received	Expenditure	Differences
1.	25/1/2018	148	3,000,000.00	3,005,000.00	5,000.00
2.	27/2/2018	430	3,300,000.00	3,041,000.00	259,000.00
3.	27/3/2018	861	3,000,000.00	1,933,000.00	1,067,000.00
4.	30/4/2018	267	3,000,000.00	3,635,000.00	365,000.00
5.	24/5/2018	606	3,000,000.00	2,935,000.00	65,000.00
6.	12/6/2018	074	3,000,000.00	2,823,000.00	177,000.00
7.	18/7/2018	826	3,000,000.00	2,725,000.00	275,000.00
8.	15/8/2018	618	3,000,000.00	2,594,000.00	486,000.00
9.	25/9/2018	432	3,000,000.00	2,505,000.00	495,000.00
10.	25/10/2018	762	3,000,000.00	2,515,000.00	485,000.00
11.	27/11/2018	283	3,000,000.00	3,803,000.00	803,000.00
12.	18/12/2018	612	3,000,000.00	10,000.00	2,990,000.00
	TOTAL		36,300,000.00	30,524,000.00	5,776,000.00

**7. UNAUTHORIZED AND UNACCOUNTED PAYMENT VOUCHERS
(₦56,040,416.00)**

Another area of serious concern is the issue of unauthorized payment vouchers. During the period under review the sum of ₦56,040,416.00 were paid without the authority and signature of the officer controlling the vote (OCN) and the expenditure was not properly accounted for contrary to F.M. 14.17 and F.M. 14.4(8). This is a total neglect of financial memoranda and approved budgetary provision as per the details below:

S/N	Date	PV No.	Payee	Details of payment	Amount (₦)
1.	4/5/2018	6/5/2018	Unknown	Security logistics	5,000,000.00
2.	4/5/2018	7/5/2018	Unknown	Security logistics	5,000,000.00
3.	7/2/2018	4/2/2018	AbubakarTanko	Reh. Of 33KV line	10,000,000.00
4.	17/4/2018	3/4/2018	Hon. Musa Rabi'u	Furniture allowance	2,724,636.00
5.	31/8/2018	6/8/2018	KabirGado	Cemetery of G/Kuka	1,039,490.00
6.	31/8/2018	9/8/2018	Alh. Sanusi Isah	Const. of drainage	11,275,000.00
7.	31/8/2018	11/8/2018	Hon. Jamil Ishaka	Dispensary of Kuka	1,414,740.00
8.	31/8/2018	13/8/2018	Jafaru M. Bello	Repairs of leakages	1,800,250.00
9.	31/8/2018	17/8/2018	Umaru Musa Barga	Reh. of Mosque	1,425,000.00
10.	31/8/2018	18/8/2018	TankoGarba	Rehabilitation of Dam	9,361,300.00
11.	11/8/2018	2/8/2018	Aminu Umar	Official visit to H.E	2,000,000.00
12.	10/8/2018	1/12/2018	Director PHC	Flag-off of MNCH	5,000,000.00
				TOTAL	56,040,416.00

8. PAYMENT WITHOUT INTERNAL AUDIT CHECKING

Our audit findings revealed that payment vouchers were paid without pre-payment internal audit checking by the internal auditor of the local government council contrary to the provision of financial memoranda

chapter 14.10 which state that any payment shall not be made by the treasurer without the consent of the internal auditor. The total amount involved is 68,832,584.19 as per the details below:

S/N	Date	PV. No.	Payee	Purpose of payment	Amount (₦)
1.	3/5/2018	11/5/2018	Unknown	Not stated	1,500,000.00
2.	17/5/2018	3/5/2018	Unknown	Logistics & sanitary	9,000,000.00
3.	17/5/2018	4/5/2018	Unknown	Logistics & sanitary	9,000,000.00
4.	25/5/2018	2/5/2018	Alh. Moh'd Musa & others	May day celebration	100,000.00
5.	8/12/2018	5/2/2018	Unknown	Const. of shops	5,000,000.00
6.	7/2/2016	4/2/2018	AbubakarTanko	Reha. Of 33KVA line	10,000,000.00
7.	18/1/2018	1/1/2018	AdamuAbdullahi	Vice President's wife visit	769,676.11
8.	2/3/2018	2/3/2018	Aminu M. Abdullahi	Feeding of official	20,000.00
9.	23/3/2018	11/3/2018	Electoral officer	Voters registration	90,000.00
10.	17/4/2018	4/4/2018	U. Sola Bajida	Furniture allowance	2,559,168.00
11.	15/8/2018	5/8/2018	Dir. Social	Sallah gifts	5,476,000.00
12.	3/8/2018	7/8/2018	BitrusAudu	Ren. of pen. Disp.	1,414,740.00
13.	24/12/2018	3/12/2018	Dir. Agric	Purchase of Rice	15,000,000.00
14.	10/12/2018	1/12/2018	Dir. PHC	Flagg-off of MNCH	5,000,000.00
15.	20/12/2018	2/12/2018	Dir. PHC	Gastro Enteritis	3,500,000.00
16.	26/7/2018	47/7/2018	BabangidaAliyu& others	Monthly imprest	153,000.00
17.	26/7/2018	42/7/2018	Umar Salah & others	Monthly imprest	250,000.00
				TOTAL	68,832,584.19

9. EXPENDITURE NOT ACCOUNTED FOR

The sum of 59,476,000.00 paid to various individuals of the local government council was fraught with the following irregularities:

- a) Necessary supporting documents to prove the genuineness of the expenditure were not attached to the vouchers contrary to F.M. 14.4(8) and F.M. 14.17.
- b) Necessary supporting documents attached to the vouchers lacked credibility as they were not traceable on investigation. Therefore, the expenditure could not be admitted to be properly charged against the council funds.
- c) Copies of appropriate approvals of the various amounts involved were not attached in some cases to the payment vouchers thereby making it doubtful whether the payments were actually approved contrary to F.M. 14.9(10).

In view of the above, this office could not certify that the various sum of money transferred or collected by individual payee were not misappropriated as per the details below:

S/N	Date	Cheque No.	Payee	Amount (₦)
1.	7/2/2018	995	Inuwa Hassan Abdullahi	6,000,000.00
2.	7/2/2018	051	Inuwa Hassan Abdullahi	10,000,000.00
3.	8/2/2018	383	Inuwa Hassan Abdullahi	5,000,000.00
4.	8/2/2018	409	Inuwa Hassan Abdullahi	10,000,000.00
5.	17/4/2018	255	Suleman M.	2,000,000.00
6.	18/5/2018	940	Inuwa Hassan Abdullahi	9,000,000.00
7.	7/9/2018	259	Aliyu	5,476,000.00
8.	7/9/2018	388	Aliyu	5,000,000.00
9.	17/9/2018	833	Abubakar	7,000,000.00
			TOTAL	59,476,000.00

10. PAYMENTS WITHOUT SUPPORTING DOCUMENTS AND EVIDENCE OF EXPENDITURE (₦26,445,000.00)

In the courses of our audit, we observed that the sum of ₦26,445,000.00 were paid to certain officers of the local government without necessary approval, evidence of expenditure and some other supporting documents. Even though payment vouchers were raised, some were not pre-numbered, the table below contain the amount of each individual were paid that cannot be properly accounted for:

S/N	PV. No.	Payee	Purpose of payment	Amount (₦)
1.	1/5/2018	Unknown	Not indicated	15,000,000.00
2.	5/2/2018	Unknown	Const. of 1No. block of shop	5,000,000.00
3.	1/1/2018	AdamuAbdullahi	Vice President Wife Visit	759,000.00
4.	6/8/2018	Director Social	Sallah Gifts	5,476,000.00
5.	20/7/2018	SarkinSamari	Allowance	10,000.00
6.	10/7/2018	Hudu D/Mallam	Allowance	200,000.00
			TOTAL	26,445,000.00

11. PAYMENT OF JOB NOT EXECUTED (₦16,000,000.00)

Audit examination of expenditure accounts revealed that the sum of ₦16,000,000.00 was paid to AbubakarTanko in respect of the payment of voucher nos. 3/2/2018 and 4/2/2018, the payment vouchers was raised and paid for the rehabilitation of 33KVA line through direct labour during

the period under review. The payment was riddle with the following irregularities:

- a) The payment was not properly authorized by the executive committee of the local government council. The expenditure was frequented in various bits purportedly to circumvent the approval of appropriate authority contrary to section 33.2 of the guidelines on administrative procedure of local government councils.
- b) The payment inspection certificates would appear fake and fictitious since the prescribed persons required to endorse the certificates were not fully involved.
- c) The expenditure lacked merits because all the relevant documents such as invoice of the purchased items, S.I.V, SRV was not attached to the payment vouchers.
- d) Physical inspection of the project claimed to have been executed revealed that the project was not properly executed because Marafa and some villages around are still in darkness at the material time the inspection was conducted.

Therefore, the Hon. Council Chairman, the Treasurer and whosoever involved should refund the amount of money involved.

12. Similarly another payment vouchers Nos. 5/2/2018, 6/2/2018 and 7/2/2018 amounting to ₦5,000,000.00, ₦10,000,000.00 and ₦3,000,000.00 was raised and paid to unknown individual for the construction of one block of twelve (12) shops at Mahuta town. Then on the sport verification of the work revealed that the work stopped at 75%

completion, while the contractor has already vacated the site with full contract sum been paid contrary to F.M. 17.14 and F.M. 17.26.

13. SALARY ACCOUNTS, AS AT THE YEAR ENDED 31ST DECEMBER, 2018

(Income and expenditure): Our audit finding revealed that Fakai Local Government Council received the sum of ₦498,780,829.71 as disbursement from Ministry for Local Government and Chieftaincy Affairs for the payment of staff salaries and allowance. While the sum of ₦496,301,309.04 was expended for the period under review leaving a balance of ₦2,479,520.67 unaccounted for.

14. INTERNALLY GENERATED REVENUE PERFORMANCE FOR THE YEAR ENDED 31ST DECEMBER, 2018

We observed in the course of our audit that the internally generated revenue of Fakai Local Government Council was very low ₦325,500.00 which was less than 1% of the total revenue received from Federal Government for the year under review. This amount cannot sustain the local government council as statutory allocations VAT and excess crude oil continue to decline.

The budgeted internal revenue for the local government council was ₦150,000,000.00 in the year under-review, and compare to the actual internally generated revenue (IGR) of only ₦325,500.00 which was just about 2% of the budgeted amount and it is ridiculously small.

Then it is also discovered that out of the estimated internally generated of ₦150,000,000.00 only ₦325,500.00 was actually realized thus

resulting into a revenue shortfall of ₦149,674,500.00 of the estimated revenue. This is a significant shortfall and management of Fakai Local Government Council should address the issue and at the same time the council chairman should explain reasons for this dismal performance.

Therefore, the facts is that the above observations are consequence upon neglect at duties as well as pilfering of revenue cannot be over emphasized which are against the financial memoranda chapter 6, section 21.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
GWANDU LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/019/VOL. II dated 6th July, 2020 without response. Therefore, the following observations were noted.

1. COUNCIL CASH BOOK AS AT THE YEAR ENDED 31ST DECEMBER, 2018

During Audit examination of the council cashbook maintained by Gwandu Local Government Council, it has been observed that the council cashbook was not properly maintained by its custodian (Director Finance and the council cashier). The cashbook appeared not to have been balance monthly throughout the period under review. The council cashbooks entries on the receipt side also appeared not updated as some months cash allocation are not posted in the council cashbook. Therefore, the schedule officer would appear to have abused and ignored the provision of the FM chapter 19.18.

2. BANK RECONCILIATION STATEMENTS:-

Our audit findings also revealed that there was no bank reconciliation statement prepared for the period under review. This inform that none of

he bank reconciliation statement for all the banks they operate were made available for our and audit review.

3. **EXPENDITURE NOT ACCOUNTED FOR:-**

Examination of expenditure accounts revealed that the sum of ₦218,151,896.00 was withdrawn from the Local Government Council account and was expended to execute various programmes and activities of the Local Government council during the period under review. It was observed that the payment vouchers for such withdrawal are not prepared and therefore not posted in the council cashbook. However, the expenditure was also not properly accounted for since supporting documents and the evidence of making such expenditure were not seen or attached to the payment contrary to FM. 14.4(8).

Therefore, there were flagrant violation of the prepayment inspection certificate rules contrary to S.38.2 of the guidelines on Administration procedures of the Local Government Council.

Then, failure to produce substantive audit evidence on the amount expended and response to our audit observation issued thereafter, were testimonies that the funds earmarked and withdrawn for the un-known programmes might have been misappropriated and diverted to private purposes contrary to FM 14.17 and FM. 18.

The Council Chairman, the Director of Finance and the various officers involved should be surcharged the sum of ₦218,151,896.00 appeared to be misappropriated from public funds as per the details below:-

SN	Names	Date	Cheque Number	Amount N=: K
1.	Basher Atiku Zoramawa	02/1/2018	59639391	8,000,000.00
2.	SELF	02/01/2018	59639392	7,500,000.00
3.	Bashar Atiku Zoramawa	02/01/2018	59639395	769,000.00
4.	Bashar Atiku Zoramawa	31/01/2018	59639401	931,896.00
5.	Bashar Atiku Zoramawa	05/02/2018	59657185	1000,000.00
6.	Bashar Atiku Zoramawa	07/02/2018	59657186	8,350,000.00

7.	Bashar Atiku Zoramawa	07/02/2018	59657187	6,659,000.00
8.	Bashar Atiku Zoramawa	07/02/2018	59657188	1,000,000.00
9.	Bashar Atiku Zoramawa	26/04/2018	59657204	2,000,000.00
10	Bashar Atiku Zoramawa	05/06/2018	59657231	5,500,000.00
11	Bashar Atiku Zoramawa	05/06/2018	59657231	9,500,000.00
12	Bashar Atiku Zoramawa	11/06/2018	59657230	2,000,000.00
13	Bashar Atiku Zoramawa	12/06/2018	59657085	2,500,000.00
14	Bashar Atiku Zoramawa	21/06/2018	59657214	2,980,000.00
15	Bashar Atiku Zoramawa	02/08/2018	59657240	5,000,000.00
16	Bashar Atiku Zoramawa	10/08/2018	59657244	300,000.00
17	Bashar Atiku Zoramawa	13/08/2018	59657242	6,000,000.00
18	Bashar Atiku Zoramawa	13/08/2018	59657241	9,000,000.00
19	Bashar Atiku Zoramawa	13/08/2018	59657243	7,000,000.00
20	Bashar Atiku Zoramawa	15/08/2018	59657252	5,000,000.00
21	Bashar Atiku Zoramawa	28/08/2018	59657261	7,520,000.00
22	Bashar Atiku Zoramawa	30/08/2018	59657263	6,125,000.00
23	Bashar Atiku Zoramawa	30/08/2018	59657262	2,875,000.00
24	Bashar Atiku Zoramawa	30/08/2018	59657264	5,000,000.00
25	Bashar Atiku Zoramawa	30/08/2018	59657265	5,000,000.00
26	Bashar Atiku Zoramawa	07/09/2018	59657272	8,500,000.00
27	Bashar Atiku Zoramawa	07/09/2018	59657275	2,125,000.00
28	Bashar Atiku Zoramawa	13/09/2018	59657277	2,125,000.00
29	Bashar Atiku Zoramawa	13/09/2018	59657276	5,000,000.00
30	Bashar Atiku Zoramawa	17/09/2018	59657279	5,000,000.00
31	Bashar Atiku Zoramawa	18/09/2018	59657283	9,500,000.00
32	Bashar Atiku Zoramawa	18/09/2018	59657282	9,500,000.00
33	Bashar Atiku Zoramawa	18/09/2018	59657281	9,500,000.00
34	Bashar Atiku Zoramawa	18/09/2018	59657280	9,500,000.00
35	Bashar Atiku Zoramawa	18/09/2018	59657284	2,000,000.00
36	Bashar Atiku Zoramawa	3/10/2018	59657103	4,450,000.00
37	Bashar Atiku Zoramawa	3/10/2018	59657102	9,521,000.00
38	Bashar Atiku Zoramawa	27/11/2018	59657117	7,500,000.00
39	Bashar Atiku Zoramawa	10/12/2018	59657123	5,000,000.00
40	Bashar Atiku Zoramawa	18/12/2018	59657124	3,000,000.00
41	Bashar Atiku Zoramawa	28/12/2018	59657136	7,500,000.00
				218,151,896.00

4. PAYMENT VOUCHERS WITHOUT PROPER DOCUMENTATION:-

In the course of our audit we observed that the sum of 4,000,000.00 was paid to Alh. Usman Abubakar on payment voucher no. 174/01/2018 for the purchase of vehicles (SHAROON) without necessary approval, evidence of expenditure and other supporting documents. Even though payment voucher was raised, but the vehicle purchased could not be seen. Which we considered as an outright misappropriation of public funds.

5. PAYMENT VOUCHERS NO. 176/01/2018 Was observed to have been paid to Abdullahi Malami in respect of special intervention project worth ₦25,000,000.00. Then further examination made through the payment vouchers revealed that neither estimate nor details of the work to be done was not attach to the payment voucher. But a forged signature of the officer controlling the vote (Director of works). Therefore, on the spot inspection of the project revealed that the said project was not executed. It was only a method to defraud the Local Government Council funds.

6. SALARIES ACCOUNT AS AT 31ST DECEMBER, 2018 (INCOME AND EXPENDITURE)

Audit examination of the salary records revealed that the total sum of ₦520,061,923.47 was received as disbursement for the payment of council staff salary and allowances for the year under review. while the sum of ₦419,436,113.90 has been paid as per the council cashbook leaving only a balance of ₦100,625,809.57 unaccounted for as per the details below:-

SN	MONTHS	INCOME 2018 ₦: K	EXPENDITURE 2018 ₦: K	BALANCE ₦: K
1.	January	43,275,784.51	42,041,807.03	1,233,977.48
2.	February	43,246,319.09	42,637,655.41	708,663.68
3.	March	43,231,057.39	35,862,328.89	7,368,728.50
4.	April	43,136,753.42	38,802,031.75	4,334,721.67

5.	May	43,207,753.42	41,751,446.80	1,405,241.86
6.	June	43,156,688.66	41,751,446.80	1,405,241.86
7.	July	43,344,512.11	38,992,321.68	4,372,190.43
8.	August	43,281,974.72	41,960,930.77	1,321,043.95
9.	Septempter	43,350,246.83	Not posted	43,350,246.83
10.	October	43,422,240.83	28,608,713.96	14,813,532.87
11.	November	43,624,905.41	27,302,524.47	16,322,380.94
12.	December	43,683,681.08	39,419,335.09	4,264,345.99
	TOTAL	520,061,923.47	419,436,113.90	100,625,809.57

7. INTERNALLY GENERATED REVENUE AS AT THE YEAR ENDED 31ST DECEMBER 2018

We observed during the course of our audit that the amount generated internally by Gwandu Local Government Council was ridiculously too low for the period under review. The budgeted for the year 2018 was ₦166,727,940.00 while the internally Generated Revenue (IGR) for the year was ₦4,307,300.00 including Haraji collection for the year 2017/2018 of ₦2,866,300.00. The Local Government Council is over dependent on statutory allocation which may incapacitate the council to perform their statutory duties if there is delay or reduction in the councils disbursements, as per the details below:-

SN	MONTHS	AMOUNT GENERATED 2018 ₦: K	REMITTED 2018 ₦: K	BALANCE ₦: K
1.	January	181,000.00	NIL	181,000.00
2.	February	184,000.00	96,000.00	88,000.00
3.	March	133,000.00	168,060.00	(35,060.00)
4.	April	163,600.00	NIL	163,600.00
5.	May	146,400.00	130,400.00	16,000.00
6.	June	131,200.00	35,000.00	96,200.00
7.	July	97,900.00	NIL	97,200.00
8.	August	90,900.00	NIL	97,900.00
9.	Septempter	91,200.00	NIL	91,200.00
10.	October	67,500.00	NIL	67,500.00
11.	November	97,600.00	50,000.00	47,600.00

12.	December	56,700.00	30,000.00	26,700.00
	TOTAL	1,1441,000.00	509,460.00	931,540.00

Further observations revealed that only the sum of ₦509,460.00 has been deposited into the council revenue account, thereby leaving a resultant balance of ₦931,540.00 misappropriated or diverted to personnel uses. Then, the officer concerned could not give a satisfactory explanation or information for their dismal performance.

8. **HARAJI COLLECTION FOR THE YEAR, 2017/2018:-** It was observed with serious dismay that the sum of ₦2,866,300.00 as Haraji for the year, 2017/2018 vide tax assessment register. But all effort has been made to have the evidence of Haraji collection and lodgements into the council revenue account prove abortive, except a payment of ₦500,000.00 as remittance to Kebbi State Board of Internal Revenue vide payment receipt Nos. 475196,475183 and 475179 respectively leaving a balance of Haraji collection to ₦2,366,300 un-accounted for.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF JEGA
LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED 31ST
DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/028/VOL. II dated 16th June, 2020 without response. Therefore, the following observations were noted.

1. INCOME AND EXPENDITURE ACCOUNTS 2018

Audit examination of income ad expenditure accounts of Jega Local Government councils revealed that the sum of ₦1,133,262,306.65 was released to Jega Local Government Councils for the period from 1st January to 31st December, 2018, in which it was discovered that the sum of ₦937,636,269.07 has been expended and accounted while the remaining balance of ₦195,626,037.58 stands un-accounted for and no any satisfactory explanation was given by the treasury staff on the resulted differences as per the details below:-

SN	MONTHS	INCOME 2018 ₦: K	EXPENDITURE 2018 ₦: K	BALANCE ₦: K
1.	January	59,885,536.58	52,117,954.48	7,767,582.10
2.	February	80,129,958.93	72,773,416.57	7,356,542.36
3.	March	59,052,448.93	57,527,819.99	1,524,629.94
4.	April	150,197,622.86	150,007,067.90	190,554.96
5.	May	79,970,846.41	45,698,639.64	34,272,206.77
6.	June	81,034,876.41	53,991,611.25	27,043,265.16
7.	July	59,882,626.42	54,595,227.39	5,287,399.64
8.	August	143,962,595.11	115,174,947.47	28,787,647.64
9.	Septempter	123,020,106.06	118,518,910.99	4,501,195.07
10.	October	58,716,692.49	55,475,725.58	3,240,966.91
11.	November	70,838,629.73	49,664,897.71	21,193,732.02
12.	December	166,570,366.72	112,110,050.10	54,460,316.62
	TOTAL	1,133,262,306.65	937,636,269.07	195,626,277.19

Therefore, the Director finance and Supply, Director of Personnel management and the Hon. Chairman of the Local Government Councils should be hold responsible for the where about of the sum of ₦195,626,277.58 or they should refund the amount of money involved.

2. **Outstanding or missing payment vouchers (₦6,445,847.00)**

Audit examination of relevant accounting records revealed that thirteen (13) payment vouchers to the tune of ₦6,445,847.00 appeared to have been either not prepared completely before the payment was effected or declared missing in their volumes. But all efforts made to produce the said payment vouchers for audit inspection prove abortive. this attitude is a greet violation of financial memoranda provision No. 14.1,14.2 and 14.3 respectively.

It is also an indication that these payments are fraudulent in nature and were paid without following due process. Even, when they were subsequently raised to cover perpetrated illegal payments, such vouchers

were usually hidden and could not be made available to the Auditors for auditing as per the details below:-

OUTSTANDING OR MISSING PAYMENT VOUCHERS:-

SN	PVS NUMBER	PARTICULARS	PAYEES	AMOUNT N=: K
1.	15/4/2018	Reno. & ofice equip.	Ibrahim Alhaji	624,000.00
2.	18/4/2018	Veh. Maintenance	Alh. Shehu S/Kebbi	810,000.00
3.	19/4/2018	Standing order	Hon. Chirman	1,480,000.00
4.	5/11/2018	Monthly Allowance	Aliyu Abdullahi	30,000.00
5.	6/11/2018	Monthly Allowance	Wakili Dan Ganjo	10,000.00
6.	7.1.2018	Collection of refuse	Yusuf Abdullahi	200,000.00
7.	01/01/2018	Part payment	Hadiza Salihu	152,000.00
8.	2/3/2018	Out pocket expenses	Hadiza Salihu	56,000.00
9.	01/4/2018	Consultancy Services	S.B. Salib BX Co.	200,452.00
10	01/6/2018	Monthly Allowance	Sani Hali Jega	30,000.00
11	2/6/2018	Outspocket Exp.	Hadiza Salihu	50,000.00
12	7/9/2018	Direct Labour	Yusuf Abdullahi	1,140,000.00
13	12/9/2018	Direct labour	Yufuf Abdullahi	1,663,395.00
	TOTAL			6,445,847.00

3. EXPENDITURE NOT ACCOUNTED FOR (N129,347,619.05):-

Audit examination of payment vouchers revealed that the sum of N129,347,619.05 expended by the Local Government councils on various expenses was not adequately accounted for with valid proofs of performance. The expenses were fraud with the following irregularities:-

- (a) Necessary supporting documents were not attached to the payment vouchers contrary to FM 14.4(8) and FM 14.17.

(b) The payments were not authorised contrary to FM 14.2 (b).

(c) There was flagrant violation of the payment inspection certificate contrary to S. 38.2 of the guidelines on administrative procedures for Local Governments laws 2008

Therefore, the sum of ₦129,347,619.05 lacked transparency and accountability and could not be admitted as a proper charge against the funds of the Local Councils. The Chairman and the various payees should be made for refund the sums of ₦129,347,019.05 in accordance with FM 39.(ab) as per the details below:-

SN	Particulars	Date of withdrawals	Amount received ₦: K	Amount Returns ₦: K
1.	Stakeholder meeting	7/2/2018	16,000,000.00	16,000,000.00
2.	Purch. Of fire extinguished	8/2/2018	4,000,000.00	4,000,000.00
3.	Security support	8/5/2018	20,000,000.00	20,000,000.00
4.	Empowerment	5/6/2018	15,000,000.00	15,000,000.00
5.	Statutory Allocation	31/7/2018	1,400,000.00	1,400,000.00
6.	Enlightment voter registration	2/8/2018	5,000,000.00	5,000,000.00
7.	Statutory allocation	15/8/2018	5,476,190.48	5,476,190.48
8.	Flood diseaster	18/9/2018	40,000,000.00	40,000,000.00
9.	Statutory Allocation	27/9/2018	13,971,428.57	7,000,000.00
10.	Security support	27/11/2018	7,000,000.00	7,000,000.00
11.	Statutory	10/12/2018	5,000,000.00	5,000,000.00

	Allocation			
12.	Empowerment	13/12/2018	3,000,000.00	3,000,000.00
13.	Statutory Allocation	20/12/2018	3,500,000.00	3,500,000.00
	TOTAL		139,347,619.05	129,347,619.05

Further observation also revealed tht the said amount were not withdrawn cash and divided to personal uses.

When contacted the officials of the Local Government disclose that the said expenditure was not been carryout but they only act on the directives to prepare such submission as coverage with regards to His Excellency approval and conveyance.

4. Examination of payment voucher No. 22/9/2018 paid to Yusuf Abdullahi (Director of works) for the construction of Round About at Jega town to the tune of ~~₦~~2,000,000.00 as direct labour, the construction was paid 100%. But on the spot verification of the site revealed that the work reach only 30% and the work have been abandoned. When contacted the Director of works could not give a satisfactory explanation.

5. Similarly, payment voucher no 15/9/2018, was paid to Yusuf Abdullahi (Director works) for the renovation of mosque at Dan-gamaji town as a direct labour to the tune of ~~₦~~1,500,000.00, the work was paid 100% and the attached estimate for the completion of mosque stands at the total cost of ~~₦~~1,000,000.00. Then on the spot verification to the site revealed that the work was not been carryout in accordance with estimate.

6. Audit examination of the payment voucher No. 6/9/2018 paid to Yusuf Abdullahi (Director of works and services) for the renovation of

Zawiyya mosque at Kimba town as a direct labour to the tune of ₦1,300,000.00 and the work was paid 100%. But on the spot verification of the site revealed that the work was poorly executed.

7. Audit examination of payment voucher No. 7/9/2018 paid to Yusuf Abdullahi (Director works and Services) to the tune of ₦1,400,000.00 as direct labour for the renovation of Izala mosque at Kimba town in Jega Local Government area. The work was paid 100%. But on the spot verification to the site revealed that only painting of the wall surface was carryout and poorly executed.

8. Payment voucher No. 5/9/2018 paid to Yusuf Abdullahi (Director works and services) for the repairs of Islamiyya class at GRA. Jega through Direct Labour to the tune of ₦2,500,000.00. the down payment of 100% was made. But on the spot verification to the site revealed that the work was also poorly executed. However, it has been observed that all the windows and doors are not replace with new ones while the painting on the wall. Surface as well as some electrical works was not been carryout.

9. In another related development payment voucher Nos. 23/9/2018, 24/9/2018, 25/9/2018, 26/9/2018, 27/9/2018 and 20/9/2018 were all paid to Yusuf Abdullahi (Director of works and services) to the tune of ₦10,598,450.00 and ₦9,901,500.00 for the repairs of Green Tipper, pay loader, Fire fighter, yellow Tipper, Grader and construction/Renovation of women centre Jega, all on direct labour. The payment was made 100% and the transport officer when contacted for the said repairs disclose that he was not aware of the said vehicles repairs while the payment voucher

for the constructions and renovations of women centre was not pre payment audited and sign by both Council Secretary and Internal Auditor of the Local Government Council.

10. Payment without internal Audit checking: (N13,310,000.00):- Audit examination of some payment vouchers revealed that vouchers were paid without prepayment internal audit check by the internal Auditor of the council. This is contrary to the provision of FM chapter 14.10 which states that, any payment shall not be made by treasurer without the consent of Internal Auditor. The total amount involved is N13,310,000.00 as per the details below:-

SN	TO WHOM PAID	PARTICULARS	Pv. Nos #: K	Amount #: K
1.	Nepa officer Jega	Nepa Bills	4/1/2018	100,000.00
2.	Manager Nepa Jega	Birnin Yauri PHC	5/1/2018	50,000.00
3.	Nepa office Jega	Nepa Bills	6/2/2018	100,000.00
4.	Manager Nepa Jega	Birnin Yauri PHC	7/2/2018	50,000.00
5.	Nepa office Jega	Nepa Bills	3/3/18	100,000.00
6.	Director PHC	Dist. Of mosq. Nepa	16/4/18	2,000,000.00
7.	Director PHC	Tran. Of Patient to Kalgo	17/4/18	1,000,000.00
8.	Nepa officer Jega	Nepa Bills	20/4/18	100,000.00
9.	Manage Nepa Jega	Birnin Yauri PHC	21/4/18	50,000.00
10.	Alh. Shehu S/Kabi	Monthly Standing order	2/7/18	800,000.00
11.	Alh. Shehu S/Kabi	Monthly Standing order	1/8/18	1,480,000.00
12.	Sanitation in Jega	Sanitation (monthly)	2/4/18	150,000.00
13.	Alh. Shehu S/Kabi	Monthly standing order	1/8/18	1,480,000.00
14.	Alh. Shehu S/Kabi	Monthly standing order	1/8/18	800,000.00
15.	Bilyaminu Abdullahi others	„	2/8/18	300,000.00
16.	Nepa office Jega	Birnin Yauri PHC	6/8/18	50,000.00
17.	Nepa office Jega	Nepa Bills	8/8/18	100,000.00
18.	Alh. Shehu B/Kebbi	Monthly Staning orders	1/9/18	1,480,000.00
19.	Alh. Shehu B/Kebbi	„	2/9/18	810,000.00
20.	„	„	1/10/18	1,480,000.00

21.	„	„	2/10/18	810,000.00
	TOTAL			13,310,000.00

11. SALARY ACCOUNTS 2018 (INCOME AND EXPENDITURE):-

Audit examination of salary payment vouchers for the year under review revealed that the sum of ₦664,879,767.82 was disbursed to Jega Local Government Councils for the month of January to December, 2018 for the payment of councils staff salaries and Allowances in which the sum of ₦600,018,415.45 has been expended and accounted. While the remaining balance of ₦64,861,352.37 stands unaccounted without any satisfactory explanation by the treasury staff of the Local Government Councils.

12. OUTSTANDING OR MISSING SALARY PAYMENT VOUCHERS FOR THE YEAR ENDED 31ST DECEMBER, 2018

Audit examination of salary payment vouchers revealed, that 591 payment vouchers were recorded missing in their volumes or payment was made by Jega Local Government Councils before preparing payment vouchers, which is contrary to the provision of financial memoranda 14.1 and 14.2 as per the attached appendix "A" to council reports. Therefore, the payment vouchers was paid and posted into the council cashbook and they were not presented for Audit Examination contrary to FM 1.14(a) and FM 14.29. Consequently, audit found it extremely difficult to ascertain whether the payments, were properly authorised, reasonable and judiciously accounted for. The level of the fraudulent in the payments could not be determining in this circumstance. The unverified payments could not therefore be admitted as a proper charged against the Local council funds.

13. **PERSONEL EMOLUMENT REGISTER:-** It was observed that, during the period under review that Jega Local Government Councils refuse to open and maintained personnel emolument register which is contrary to Financial Memoranda provision No. 15.11.

14. **JEGA LOCAL GOVERNMENT COUNCILS INTERNALLY GENERATED REVENUE FOR THE YEAR ENDED 31ST DECEMBER, 2018:-**

During the year, 2018 it was observed that the sum of ₦3,118,840.00 was generated for the period from 1st January to 31st December, 2018 as per Revenue officer's cashbook and Revenue Account statement, on which the sum of ₦1,955,680.00 was deposited into the council Revenue Account, while the sum of ₦480,452.00 was expended by the councils and remaining balance of ₦2,638,388.00 remain unaccounted for.

The shortfall is considered significant in view of its serious adverse effect on the expenditure during the period under review. The dismal revenue performance was due to poor revenue drive, revenue leakages and the revenue collectors engaged by the Local Government Councils. The Chairman should be made to explain the circumstances surrounding the revenue shortfall.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
KALGO LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/017/VOL. II dated 6th June, 2020 without response. Therefore, the following observations were noted.

1. INCOME AND EXPENDITURE OTHER CHARGES

In the course of our audit review exercise, it has been observed that the sum of ₦779,786,188.59 was released to Kalgo Local Government Council from Ministry for Local Governments and Chieftaincy Affairs for the period of 1st January to 31st December 2018 on which the sum of ₦736,504,683.75 were expended and accounted, while the remaining balance of ₦43,281,504.82 stands un-amounted for and no any satisfactory explanation or reasons was given by the treasury staff about the resulted un-accounted differences as per the details below:

S/No.	Month	Income received (₦)	Expenditure (₦)	Difference (₦)
1.	January	54,631,733.54	54,630,287.02	1,446.52

2.	February	61,953,525.95	61,857,582.59	95,945.36
3.	March	40,531,479.89	40,517,577.50	13,902.39
4.	April	73,010,328.91	72,909,004.85	101,324.06
5.	May	62,328,764.68	61,000,591.66	1,328,173.02
6.	June	62,977,459.69	60,306,779.31	2,670,680.38
7.	July	40,847,551.92	39,413,909.47	1,433,642.45
8.	August	122,405,158.14	96,257,734.57	26,147,423.57
9.	September	91,237,516.82	100,996,308.68	9,758,791.86
10.	October	54,744,000.11	46,589,271.43	8,154,728.68
11.	November	47,790,660.52	47,133,641.22	657,019.30
12.	December	67,328,008.57	54,891,995.45	12,436,012.95
	Total	779,786,188.57	736,504,683.75	62,799,090.54

From the above table, this indicated that Kalgo Local Government Council effect the payment before preparing payment vouchers contrary to F.M. 14.1 and 4.2.

2. **UN-ACCOUNTED EXPENDITURE (₦129,347,619.05)**

It was observed with dismay that public funds worth ₦129,347,619.05 was released to Kalgo Local Government Council from Ministry for Local Government and Chieftaincy Affairs for the period from 1st January to 31st December, 2018. Further observation revealed that the said amount was withdrawn cash and diverted to personal uses. When contacted the official of the local government council in order to authenticate the geniuses of the said expenditure. The treasury staff

confirm to us that the expenditure was not been carried out, they were compelled to do so on the local government council directives to prepare such a submission with regards to His Excellency's approval and conveyance as per the details below:

S/N	Date of Receipts	Particulars of Receipt	Date of Withdrawal	Amount received	Amount returned
1.	05/02/2018	Projects execution	06/02/2018	16,000,000.00	16,000,000.00
2.	08/02/2018	Purchase of extinguisher	08/02/2018	4,000,000.00	4,000,000.00
3.	17/05/2018	Security support	18/05/2018	20,000,000.00	20,000,000.00
4.	04/06/2018	Empowerment	05/06/2018	15,000,000.00	5,000,000.00
5.	30/07/2018	Statutory allocation	31/07/2018	1,400,000.00	1,400,000.00
6.	02/08/2018	Three years anniversary	02/08/2018	5,000,000.00	5,000,000.00
7.	15/08/2018	Statutory allocation	15/08/2018	5,476,190.48	5,476,190.48
8.	18/09/2018	Flood disaster	18/09/2018	40,000,000.00	40,000,000.00
9.	03/10/2018	Statutory allocation	03/10/2018	13,971,428.57	13,971,428.57
10.	27/11/2018	Security support	27/11/2018	7,000,000.00	7,000,000.00
11.	10/12/2018	Statutory allocation	10/12/2018	5,000,000.00	5,000,000.00
12.	13/12/2018	Empowerment	13/12/2018	3,000,000.00	3,000,000.00
13.	20/12/2018	Statutory allocation	20/12/2018	3,500,000.00	3,500,000.00
			TOTAL	139,347,619.05	129,347,619.05

Therefore, the said diverted funds of ~~₦~~129,347,619.05 should be recovered from the responsible officers accordingly.

3. It was observed that during audit examinations of payment vouchers revealed that payment voucher Nos. 05/08/2018, 10/09/2018 and 03/10/2018 said to have been paid to Hon. Muhammad Bagudu for the construction of Dispensary at Badariya Village to the tune of ~~₦~~4,378,552.50. The amount for the execution of the project was paid 100%. But on the spot verification of the work to the site showed that the work was completely abandoned and the work reached only 50% completion. When contacted, the Hon. Muhammad Bagudu disclosed that only the sum of ~~₦~~1,075,000.00 was released to him for the execution of the project by the Council Chairman Hon. Alh. Umar Namashaya Diggi.

Therefore the remaining balance of ~~₦~~3,303,552.50 should be recovered from the former Council Chairman Alh. Umaru Namashaya Diggi and any other person involved.

4. It was also discovered that payment vouchers Nos. Pv. No. 03/08/2018, Pv. No. 11/08/2018 and Pv. No. 08/10/2018 was said to have been paid to Hon. Nura Muhammad for the construction of Dispensary Unit at Galaru Village to the tune of ~~₦~~4,318,552.50. The work was said to have been settled 100% down cash payment. But on the spot verification of the site revealed that the work was completely abandoned at the time when the work done reached only 25% of the work done. When contacted to give more light on the job, Hon. Nura Muhammad informed the Auditor that only the sum of ~~₦~~893,000.00 was the actual amount of money

released to him for the execution of the project by the former Council Chairman Hon. Alh. UmaruNamashaya in his house Diggi town, which is contrary to the F.M. Provision 14.13, 14.14, 14.15 and 14.16 respectively.

Therefore, the sum of ₦3,485,553.00 should be recovered from the former Council Chairman (Alh. UmaruNamashayaDiggi and the Council Director of Finance (DFS) for misappropriating public funds.

5. Examination of Council payment vouchers revealed that payment vouchers Nos. Pv. No. 20/08/2018 and Pv. No. 05/10/2018 said to have been paid to Hon. Mohammed SodangiDiggi for the construction of block line drainage at Diggi town amounting to ₦3,274,250.00. But on the spot verification on the work done to the site revealed that the total amount earmarked for the contract was collected by the former Council Chairman Alh. UmaruNamashayaDiggi. Which is contrary to the provision of financial memoranda.

Therefore, the sum of 3,274,250.00 should be recovered from Alh. UmaruNamashaya and his collaborators.

6. Audit examination of payment vouchers also revealed that payment vouchers Nos. 11/8/2018, 180/08/2018 and 02/10/2018 was said to have been paid to Hon. Mohammed SodangiDiggi to the tune of ₦6,202,790.19 for the construction of wall and black filling at to Mutubari road, the contract was fully paid 100%. But on the spot verification to the site revealed that the contract has already been abandoned. When contacted, the Hon. Mohammed SodangiDiggi explained that he received only the sum of ₦4,000,000.00 from Council Secretary out of which the sum of

₦2,000,000.00 was deducted and was given to ten (10) Hon. Councillors to share ₦200,000.00 each as verbal directives from former Council Chairman and promise to paid back letter which he refused to pay.

Therefore, Alh. UmaruNamashaya former Council Chairman should be invited to explain on the sum of ₦3,902,791.00 and the amount should recovered from him and his associate for misappropriating council funds.

7. It was observed with dismay that payment vouchers Nos. 04/8/2018, 183/8/2018, 189,9/2018, 07/8/2018, 184/8/2018 and 06/10/2018 was said to have been paid to Hon. Adamu Sani Zuguru for the construction of 2No. Borehole with rubber overhead tank at Zuguru village at the cost of ₦6,323,750.00.

The work was paid 100% but on the spot verification to the site revealed that 1No. borehole was completed with 1No. rubber overhead tank instead of the approved 2Nos. rubber overhead tank while the second borehole was completely abandoned only the construction of base drilling formation was done. When contacted the Hon. Adamu Sani confirmed to audit that only the sum of ₦1,300,000.00 was released to him leaving the sum of ₦5,023,750.00 un-accounted for remain the hands former Council Chairman.

Therefore the sum of ₦5,023,750.00 should be recovered from former Council Chairman Alhaji Umaru Namashaya Diggiand his associate.

8. Payment vouchers Nos. 19/8/2018, Pv. No. 06/9/2018 and Pv. No. 183/9/2018 was said to have been paid to Hon. AliyuBala for the renovation of village head office at Mutubari village amounting to

₦650,000.00 and the contract amount was paid 100%. But on the spot verification to the site revealed that the work was not satisfactory done, when contacted the Hon. AliyuBala explained that only the sum of ₦150,000.00 was release to him while the remaining balance of ₦500,000.00 was unaccounted for remaining the hands of the former Council Chairman.

Therefore the sum of ₦500,000.00 should be recovered from former Council Chairman Alh. UmaruNamashayaDiggi.

7. Similarly, payment vouchers Nos. 09/08/2018, 02/09/2018 and Pv. No. 190/09/2018 was also said to have been paid to Hon. AliyuBala for the completion of Mutubari Mosque amounting to ₦2,113,650.00. The work was paid 100%. But on the spot verification of the work done to site, revealed that the worth have been carryout on which the doors and windows was not been replaced with new ones as specified in the approved expenditure. When contacted for explanation, the Hon. AliyuBala confirmed to Audit that, the said worth was carried out by the former Council Chairman, Alh. UmaruNamashayaDiggi and Council's Director of Works but his name was used in order to defraud the local government funds. Therefore the ₦1,800,000.00 should be recovered from Alh. Umaru Namashaya Diggi and associate.

10. Audit examination of payment vouchers Nos. 13/08/2018, 13/09/2018 and 193/09/2018 was said to have been paid to Hon. FarukuAliyu for the renovation of Dispensary at Yonga Village to the tune of ₦1,231,125.00. The work was paid 100%. But on the spot verification of

the work to site revealed that the said renovation of Yonga Dispensary has been abandoned as doors, windows, painting and flooring was not done throughout the period under review contrary to F.M. 14.13, 4.14, 14.15, 14.16 and 14.17.

Therefore, the sum of ~~₦~~884,125.00 should be refunded by the former Council Chairman Alh. Umaru Namashaya Diggi and Director of Works for misappropriating public funds.

11. Also payment vouchers Nos. 14/8/2018 and 191/09/2018 were said to have been paid to Hon. Faruk Aliyu for the construction of Borehole with rubber overhead tanks at Gayi Village to the tune of ~~₦~~3,161,875.00. The work was paid 100%. But on the spot verification of the said borehole revealed that the work has been carried out and the initial amount of the contract has been inflated by ~~₦~~1,500,000.00 and the name of Hon. Faruk Aliyu was only used to appear on the payment vouchers without his concept in order to defraud and misappropriate local government funds.

Therefore the sum of ~~₦~~1,500,000.00 should be refunded by Alh. Umaru Namashaya former Council Chairman, Director of Finance (DFS) and any other person involved.

12. Audit examination of payment vouchers revealed that payment vouchers Nos. 08/8/2018, 182/8/2018, 185/09/2018, 18/08/2018, 185/8/2018 and Pv. No. 194/09/2018 were all said to have been paid to Hon. Chairman, Alh. Umaru Namashaya Diggi for the construction of 2 Nos. Borehole with rubber overhead tank at Diggi town to the tune of ~~₦~~3,161,875.00 each totaling ~~₦~~6,323,750.00 the work was paid 100% but

on the spot verification of the work to the site revealed that the work has been completed and the borehole are fully operational. Further observation revealed that the said work have been inflated by ₦3,000,000.00 as against the initial contract sum.

Therefore, the sum of ₦3,000,000.00 should be recovered from council former chairman, Alh. UmaruNamashayaDiggi and anybody involved in the anomiaties.

13. In course of our Audit exercise it was observed that payment vouchers Nos. 15/08/2018, 03/09/2018 and Pv. No. 187/9/2018 was said to had been paid to Hon. Nura Muhammad for the completion of Juma'at Mosque at Kokani Village to the tune of ₦1,800,750.00and that work was paid 100% but on the spot verification of the work done revealed that work has been abandoned. When contacted the Hon. Nura Mohammed disclosed that only the sum of ₦406,500.00 was the actual amount of money given, to him by the former Council Chairman Alh. UmaruNamashaya in his House Diggi town. Therefore, the sum of ₦1,394,250.00 should be refunded by Alh. UmaruNamashaya, former Council Chairman for misappropriating public funds.

14. In another related development payment vouchers Nos. 06/8/2018, 179/8/2018 and Pv. No. 188/9/2018 was said to have been raised and paid to Hon. Musa Abdullahi for the renovation of dispensary at Kutu-Kulu Village amounting to ₦1,302,800.00. The payment was effected and paid 100% of the money. But on the spot verification of the job to site revealed that the work has been carried out but only windows, doors, flooring and

electrical fittings were abandoned. When contacted Hon. Musa Abdullahi explained that only the sum of ₦500,000.00 was the actual amount given to him to do the job by the former Council Chairman, Alh. UmaruNamashayaDiggi. Therefore, the sum of ₦8,800,000.00 should be recovered from Alh. UmaruNamashayaDiggi former council Chairman for diverting public funds to personal uses.

15. Similarly, it has been observed that payment vouchers Nos. 12/8/2018, 01/9/2018 and Pv. No. 192/9/2018 was said to have been raised and paid to Hon. Musa Abdullahi for the renovation of dispensary at Nayelwa Village amounting to ₦1,594,950.00. The renovation was fully paid 100%. But on the spot verification of the work done to site revealed that the works has been carried out, while doors, windows, flooring and other electrical was abandoned. When contacted, the Hon. Musa Abdullahi explained that only the sum of ₦700,000.00 was released to him to do the job by Alh. UmaruNamashayaDiggi in his house Diggi town. Therefore, the remaining balance of ₦894,950.00 should be recovered from Alh. UmaruNamashayaDiggi in order to complete the remaining work for the renovation of Nayelwa dispensary clinic or be surcharging accordingly.

16. Audit examination of payment vouchers Nos. 17/08/2018, 08/9/2018 and Pv. No. 184/09/2018 said to have been paid to Hon. KasimuAbubakar for the completion of Mosque at UnguwarJegi Village amounting to ₦3,289,440.00. The payment vouchers was raised and paid 100%. But on the spot verification of the job to site revealed that the work have been carried out and the initial amount of the work was ridiculously been inflated

by ₦1,200,000.00 then, Hon. KasimuAbubakar explained only the sum of ₦1,000,000.00 was release to him to do the job by former council chairman in his House Diggi.

Therefore remaining balance of ₦1,200,000.00 should be recovered from Alh. UmaruNamashayaDiggi and the Council Director of Works for misappropriating public funds.

17. Examination of payment vouchers revealed that payment vouchers No. 174/05/2018 was raised and paid to Bilyaminu Muhammad amounting to ₦350,000.00 for the repairs of National Identity Management Office at Diggi town. The payment voucher for the repairs was raised and paid 100%. But on the spot verification to the site revealed that there is no National Identity Management Office situated at Diggi town. When contacted the National Identity Management Office explained that they were pledged by the former Council Chairman Alh. UmaruNamashayaDiggi to transfer their services to Diggi town in order to make the people of Diggi town easy access to National Identity Cards for them and a room in his house was given to them for some days but the question of repairs of National Identity Card Management Office at Diggi is not a true statement.

Therefore, Alh. UmaruNamashaya and Bilyaminu Muhammad should be invited to explain or they should be surcharged to refund the amount of money involved accordingly.

18. **SALARIES ACCOUNTS (INCOME AND EXPENDITURE)**

Audit examination of salaries payment vouchers revealed that the sum of N452,140,840.02 was received as disbursement to Kalgo Local

Government Council from Ministry for Local Governments and Chieftaincy Affairs for the payment of staff salary and allowances for the period under review. While the sum of 448,178,016.16 was expended and the remaining balance of ₦3,962,813.86 stands unaccounted for as per the details below:

S/N	Months	Amount Received (₦)	Amount Paid (₦)	Differences
1.	January	38,062,057.35	37,884,219.98	177,837.37
2.	February	37,653,525.95	37,483,420.82	170,105.13
3.	March	37,531,479.89	37,477,950.04	53,718.33
4.	April	37,505,262.46	37,411,544.13	93,718.33
5.	May	37,484,054.68	37,283,591.16	200,463.52
6.	June	37,490,909.69	37,220,644.35	270,265.34
7.	July	37,651,141.92	37,370,841.99	280,299.93
8.	August	37,751,050.80	37,685,582.21	65,468.59
9.	September	37,731,756.82	37,827,808.72	96,051.90
10.	October	37,739,791.54	37,779,776.09	39,984.55
11.	November	37,742,660.52	37,749,641.22	6,980.70
12.	December	37,797,138.40	35,002,995.45	2,794,142.95
	Total	452,140,830.02	448,178,016.16	2,962,813.86

**19. UN-PRESENTED SALARIES PAYMENT VOUCHERS
(₦2,739,566.59)**

Audit examination of salary payment vouchers revealed that twelve (12) original salary payment vouchers to the tune of ₦2,739,566.59 posted into the council cash book were not presented for audit verification

contrary to F.M. 1.14(a) and F.M. 14.29. This is a gross violation of laws and a way of diverting public funds into unauthorized use.

Therefore the Director Finance and the Council Cashier should be held liable for the sum of ₦2,739,566.59 involved as per the details below:

S/N	Name of Payee	Details of Payment	Pv. No.	Amount (₦)
1.	AbubakarAbubakar& Others	Salary for April, 2018	14/4/2018	645,000.00
2.	SulemanMuh'd& Others	Salary for April, 2018	15/4/2018	20,000.00
3.	UmaruAliyuNayilwa& Others	Salary for April, 2018	31/4/2018	48,503.12
4.	Nasir AbubakarKalgo&Others	Salary for April, 2018	33/4/2018	540,000.00
5.	Saratu Umar Kalgo&Others	Salary for April, 2018	55/4/2018	540,000.00
6.	Hassan Adeleke&Others	Salary for April, 2018	77/4/2018	15,000.00
7.	AishatuGambo Ahmed & Others	Salary for April, 2018	109/4/2018	130,000.00
8.	SakinaAliyu& Others	Salary for April, 2018	127/4/2018	465,000.00
9.	Usman Abdullahi& Others	Salary for April, 2018	128/4/2018	10,000.00
10.	SadiyaHaruna& Others	Salary for	129/4/2018	5,000.00

		April, 2018		
11.	Muhammad Yusuf & Others	Salary for April, 2018	164/4/2018	270,000.00
12.	Muhammad Danjuma & Others	Salary for April, 2018	29/5/2018	51,063.47
			TOTAL	2,739,566.59

20. RETIREES AND DEATH OFFICERS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

We observed that during our audit exercise that some retirees and death officers appeared in the salary payment of the local government council after retiring from the services of the local government council as per the details below:

S/N	Names of Retirees	Department	Effective date	Amount paid (₦)
1.	Balarabe Abdullahi M.	Health Rtd.	1/1/2018	24,447.32
2.	Moh'd Danladi Kalgo	Health Rtd.	23/12/2017	21,055.41
3.	Umaru Kinna Zuguru	Health Rtd.	17/12/2017	18,152.51
4.	Umaru Abdullahi Diggi	Health Rtd.	5/12/2017	36,730.92
5.	Jabbo Umaru Diggi	Health Rtd.	11/12/2017	38,968.00
6.	Muh'd Danbidi Diggi	Health Rtd.	5/12/2017	40,936.88
7.	Abubakar Dantani	Health Rtd.	11/12/2017	19,986.00
8.	Jodi Galaru	Health Rtd.	8/1/2017	246,584.00
9.	Alh. Garba Kuka	Admin Death	20/6/2017	953,010.00
10.	Haruna Chindo	Admin Rtd	30/12/2017	17,139.90

11.	Muh'dDanjummaKalgo	Admin Rtd	9/5/2017	25,000.00
12.	UmaruSoja	Admin Rtd	30/7/2018	25,000.00
13.	Bello GarbaSikola	Admin Rtd	26/1/2018	32,363.20
14.	Suleman Umar	Finance Death	6/2/2018	228,748.78
15.	BuhariAbubakar	Finance Death	6/2/2018	272,417.99
16.	KabiruIliyasu	Admin Rtd	31/2/2018	678,404.88
17.	Faruku Umar Kalgo	Finance Rtd	01/12/2018	839,814.40
			TOTAL	3,518,760.19

From the above table it has been confirmed that the sum of ₦3,562,422.72 was collected by the retirees after retirement from the services of Kalgo Local Government Council as at the year ended 31st December, 2018.

Therefore, the sum of ₦3,562,422.72 should be recovered from them or any other officer responsible for the fraud.

21. INTERNALLY GENERATED REVENUE PERFORMANCE

As at the year ended 31st December 2018. We observed that in the course of our audit that the internally generated revenue of Kalgo Local Government Council during the year under review was ridiculously too low ₦2,250,070.00 which was 1.35% of the total budgeted internally generated revenue for the year under review. The budgeted internally generated revenue of the local government council was ₦165,588,196.00 for the year 2018 and compared with actual internally generated revenue (IGR) of ₦2,250,070.00 including Haraji collection which is less than 2% of the budgeted and it is ridiculously small and inadequate. The amount

₦2,250,070.00 cannot sustain the local government as statutory allocation, VAT and excess crude oil continue to decline.

22. AUCTIONS OF LOCAL GOVERNMENT VEHICLES

It was disheartening to observed that 30Nos. of vehicles has been auctioned by the officials of Kalgo Local Government Council in collaboration with State Board of Survey. Further observation also revealed that some of the vehicles included in the auction are not among the scraft vehicle or offroad vehicles recommended to be auction by the auction committee, but a conieval was made between the former Council Chairman and Chairman Board of Survey to include some serviceable vehicle on road such as Toyota Hilux, Fire Fighter, 3Nos. Tippers, Land Rover, Toyota Hiace and Nissan Urvan, just to mention a few as per the details below:

S/N	Auction Date	Beneficiaries	Auction Vehicle	Receipt No.	Amount
1.	5/5/2017	Sani Aliyu	Nissan Urvan	438819	63,000.00
2.	27/7/2017	GarbaSa'adu	Peugeot 505	493421	10,500.00
3.	20/7/2017	AliyuAbubakar	Toyota Hilux	493436	105,000.00
4.	27/7/2017	Alh. Abubakar Ahmed	Fire Fighter	493435	84,000.00
5.	30/6/2017	Ahab Invest. Petrol	Howo-Sino Truck Tipper	414572	210,000.00
6.	30/6/2017	Ahab Invest. Petrol	Styr Truck Tipper	414573	178,500.00
7.	19/5/2017	Sadiq Mohammed	M/Benz Tipper	438379	157,500.00
8.	5/7/2017	Mani Ahmed	Toyota Hilux	438605	63,000.00
9.	5/6/2017	AliyuAbubakar	Nissan Urvan	438818	63,000.00

10.	16/6/2017	Mohammed Usman	Lifan Bus	438912	126,000.00
11.	9/6/2017	Mohammed Ibrahim	New Holland Tractor	438849	126,000.00
12.	9/6/2017	Bello Muhammad	Lifan Canter op body	438848	157,500.00
13.	5/6/2017	Mohammed Ibrahim	Toyota Hilux	438817	84,000.00
14.	27/5/2017	Sama'ila Basaura	Toyota Anaconda	330600	52,500.00
15.	18/5/2017	Hon. Bawa Kuka	Tractor MF375	438725	126,000.00
16.	5/7/2017	Dr. Usman Zuru	Land Rover	438622	73,500.00
17.	10/7/2017	Alh. Aminu Gwanga	Peugeot 504 Saloon	485490	21,000.00
18.	5/7/2017	Dr. Usman Zuru	Honda Henecy	438624	63,000.00
19.	5/7/2017	Mohammed Usman	Mazda Bus	438606	52,500.00
20.	10/7/2017	Ibrahim Umar J. Kuka	Peugeot of 504	485483	10,500.00
21.	10/7/2017	Ibrahim Umar J. Kuka	Peugeot of 505	485482	3,150.00
22.	10/7/2017	Ibrahim Umar J. Kuka	Nissan Urvan	8485484	31,500.00
23.	10/7/2017	Ibrahim Umar	Peugeot of 406	485486	5,250.00
24.	5/7/2017	Dr. Usman Zuru	Lifan Bus	438621	105,000.00
25.	20/7/2017	Nuhu Haruna	Peugeot 406	485122	52,500.00
26.	7/7/2017	Abdullahi Idris	Peugeot 406	432109	42,000.00
27.	10/7/2017	Ibrahim Umar	Toyota Garina II	485485	5,250.00
28.	7/7/2017	Musa Sarki Argungu	Peugeot 505 Saloon	485460	15,750.00

29.	5/7/2017	Mani Ahmed	Toyota Hiace	438605	63,000.00
30.	5/7/2017	Dr. Usman Zuru	Nissan Urvan 2.4	438623	157,500.00
TOTAL					2,307,900.00

Further investigation revealed that the above amount of vehicles auction realized was said to have been deposited into the bank account of the State Board of Internal Revenue instead of the Revenue Account of Kalgo Local Government Council.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
KOKO/BESSE LOCAL GOVERNMENT COUNCIL FOR THE YEAR,
ENDED 31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/017/VOL. II dated 16th June, 2020 without response. Therefore, the following observations were noted.

2. INTERNAL AUDIT OPERATIONS FOR THE YEAR, 2018

It has observed that the internal audit operations during the year under review was suspect because of the following reasons:

- i) Voucher audit procedures were violated contrary to F.M. 14.10, F.M. 40.3 and F.M. 40.10.
- ii) The internal unit of the local government council did not design any audit programme to work with contrary to F.M. 41.4 and the audit correspondence register was not maintained contrary to F.M. 40.

Therefore, the Internal Audit should be made to explain these circumstances and ensure that effective and efficient internal audit procedural operations are put in place for effective internal control purposes in the local government council.

3. **CENTRAL STORES AS AT THE YEAR ENDED 31ST DECEMBER 2018**

Audit inspection of the council central stores showed noncompliance with F.M. 34.10(3) and there was no proper supervision of the stores and this was evidenced by non-maintenance of appropriate stores records which is contrary to F.M. 34.14 and 18.

The central stores of Koko/Besse Local Government Council have been regarded where old books of accounts are put to rest.

4. **INCOME AND EXPENDITURE OTHER CHARGES**

Examination of some accounting records revealed that the sum of ₦140,128,618.17 was received as disbursement from joint account committee (JAC) excluding disbursement of council staff salary and allowance for the year under review.

While the sum of ₦132,447,618.17 would appeared to have been expended, leaving the sum of ₦7,680,000.00 un-accounted for as per the details below:

S/N	Months	Amount Received (₦)	Expenditure Mode (₦)	Differences (₦)
1.	January	20,000,000	20,000,000	Nil
2.	February	20,000,000	20,000,000	Nil
3.	March	Nil	Nil	2,180,000
4.	April	2,180,000	18,000,000	2,000,000
5.	June	Nil	Nil	Nil
6.	July	Nil	Nil	Nil
7.	August	Nil	Nil	Nil

8.	September	64,447,618.17	64,447,618.17	Nil
9.	October	Nil	Nil	Nil
10.	November	7,000,000	5,000,000	2,000,000
11.	December	26,500,000	25,000,000	1,500,000
	Total	140,127,618.17	132,447,618.17	7,680,000.00

5. OVERHEAD COST FOR THE YEAR 2018

It has been observed that during the year under review, the sum of ₦36,000,000.00 was disbursed to Koko/Besse Local Government Council as overhead cost. But to our surprise only a plain paper was seen attached to the payment vouchers, without attaching the necessary supporting documents to support the payment made as per the details below:

S/N	Months	Amount of overhead received (₦)	Remarks
1.	January	3,000,000.00	No attachment only plain
2.	February	3,000,000.00	Sheet of paper
3.	March	3,000,000.00	Pv. not seen
4.	April	3,000,000.00	Pv. not seen
5.	May	3,000,000.00	Pv. not seen
6.	June	3,000,000.00	Only plain sheet of paper
7.	July	3,000,000.00	Pv. not seen
8.	August	3,000,000.00	Pv. not seen
9.	September	3,000,000.00	Pv. not seen
10.	October	3,000,000.00	Pv. not seen
11.	November	3,000,000.00	Pv. not seen

12.	December	3,000,000.00	Pv. not seen
	TOTAL	36,000,000.00	

6. **BANK RECONCILIATION STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2018**

Our findings from the audit review exercise revealed that there was no bank reconciliation statement prepared for all the bank accounts maintained by the Local Government Council in the year under review. This failure and negligence exposed the local government cash asset to fraud and manipulation from the bank and fraudulent officers.

7. **UN-PRESENTED PAYMENT VOUCHERS (₦12,499,999.82)**

Our audit exercise revealed that twenty eight (28) payment vouchers recorded in the cash book amounting to ₦12,499,999.80 were not available for vouching. Therefore the evidence of expenditure recorded in the cash book cannot be ascertained. This is contrary to F.M. 14.29 and F.M. 42.29 as per the details below:

S/N	Pv. No.	Payee	Details of Payment (₦)	Amount (₦)
1.	09/09/2018	Suleiman Aliyu Koko	Rev. of Mosque	405,207.00
2.	01/09/2018	Bello SarkinLani	Rev. of Dispensary Lani	461,207.00
3.	11/09/2018	SalisuShu'aibu	Rev. of Mosque Dakwala Koko	405,207.00
4.	12/09/2018	Kasimu Umar Zaria	Rev. of Mosque Zaria	267,207.00
5.	14/09/2018	AwaisuLabbo	Const. of Culvert	405,207.00

			Besse town	
6.	15/09/2018	Abdul Bature	Rev. of Mosque	
7.	15/09/2018	Bello S. Zabarmawa	Const. of mosque Besse	801,100.00
8.	16/09/2018	MalamMazoji	Ren. of mosque Mazoji	267,207.00
9.	17/09/2018	MalamMazoji	Const. of culvert T. Tanko	405,207.00
10.	18/09/2018	Umar Ubandoma Koko	Ren. of IslamiyyaHirini	729,056.25
11.	18/09/2018	Abubakar Suleiman	Ren. of IslamiyyaDakwala	604,056.25
12.	19/09/2018	MukhtarAbubakar	Const. of culvert Mazoji	405,207.00
13.	20/09/2018	IsahBature	Const. of culvert at Hiruni	405,207.00
14.	21/09/2018	Bello SarkinHauri	Ren. of Mosque Lani	211,207.00
15.	22/09/2018	Nura Musa Besse	Const. of Drainage Besse	856,899.75
16.	23/09/2018	AwaisuBesse	Const. of Drainage Besse	267,207.00
17.	24/09/2018	Waziri Yusuf	Ren. of Mosque D/Niki	405,207.00
18.	25/09/2018	Waziri Yusuf	Ren. of Mosque Jadadi	267,207.00
19.	26/09/2018	SalisuShu'aibu	Ren. of Mosque at D.	267,207.00
20.	27/09/2018	Mukhtar S. Gobir	At Dada	461,207.00
21.	28/09/2018	MukhtarAbubakar	Mairamu	267,207.00
22.	30/09/2018	Makadi Mohammed	Ren. of M. Fari Koko	333,730.00

23.	30/09/2018	Makadi Mohammed	Ren. of dispensary	338,683.75
24.	31/09/2018	SulemanAliyu	Ren. of Izala mosque Dankade	267,207.00
25.	33/09/2018	Nura Musa Besse	Ren. of Izala mosque Besse	1,439,919.00
26.	34/9/2018	Kasimu Umar Zaria	Ren. of Mosque Besse	405,207.00
27.	35/9/2018	Nasiru Usman	Culvert renovation Bakoshi	672,414.00
28.	36/9/2018	Mukhtar S. Gobir	Renovation of Dasu Mosque	211,207.00
			TOTAL	12,499,999.80

8. ITEMS NOT TAKEN ON CHARGE

Payment voucher NO. 10/7/2018 was paid to fire officer of the local government council for the supply of fire extinguishers for the control of fire outbreak to the tune of ₦4,000,000.00. The items was said to have used without being taken on charge. The purchase of such items are not also recorded as no stores receipt vouchers raised at the time of receiving the supplies.

Therefore, the above practice grossly contravene the provision of financial regulation, Chapter 24, Section 2402(11).

9. VOUCHERS WITHOUT ENDORSEMENT OF THE OFFICER CONTROLLING THE VOTE (O.C.V)

Audit examination of payment vouchers revealed that the sum of ₦8,761,112.76 was paid without endorsement (signature) of the officer

controlling the vote (Director) which is against the provision of the financial memoranda No. 14(8) and (9) as per the details below:

S/N	Pv. No.	Payee (₦)	Amount
1.	33/11/2018	Council Information Officer	65,000.00
2.	32/11/2018	Udud Children Promises (CLO) Besse	40,000.00
3.	40/9/2018	Bello Wakili (P.A to the Chairman)	150,000.00
4.	41/9/2018	Bello Wakili (P.A to the Chairman)	100,000.00
5.	11/6/2018	Hon. Chairman Koko/Besse LG	4,123,056.38
6.	15/2/2018	Hon. Chairman Koko/Besse LG	4,123,056.38
7.	35/11/2018	Kabiru Mohammed Koko & Others	180,000.00
		TOTAL	8,781,112.76

10. **SALARIES ACCOUNT AS AT 31ST DECEMBER, 2018**

During the examination of salaries records it has been observed that Koko/Besse Local Government Council received the total sum of ₦453,670,739.28 from Ministry for Local Governments and Chieftaincy Affairs for the payment of council staff salary for the year under review. While the sum of ₦447,670,735.68 was the total payment made in respect of their staff salary and other allowances, leaving a balance of ₦6,000,003.60 unaccounted for as per the details below:

Summary of salaries paid for the year ended 31st December, 2018

S/N	Months	Amount Recovered (₦)	Amount Paid (₦)	Difference (₦)
1.	January	37,805,894.94	37,305,894.64	5,000,000.03
2.	February	37,805,894.94	37,305,894.64	5,000,000.03
3.	March	37,805,894.94	37,305,894.64	5,000,000.03
4.	April	37,805,894.94	37,305,894.64	5,000,000.03
5.	May	37,805,894.94	37,305,894.64	5,000,000.03
6.	June	37,805,894.94	37,305,894.64	5,000,000.03
7.	July	37,805,894.94	37,305,894.64	5,000,000.03
8.	August	37,805,894.94	37,305,894.64	5,000,000.03
9.	September	37,805,894.94	37,305,894.64	5,000,000.03
10.	October	37,805,894.94	37,305,894.64	5,000,000.03
11.	November	37,805,894.94	37,305,894.64	5,000,000.03
12.	December	37,805,894.94	37,305,894.64	5,000,000.03
	TOTAL	453,670,739.28	447,670,735.68	60,000,000.36

11. POOR PERFORMANCE ON INTERNALLY GENERATED REVENUE: We observed that the Internally Generated Revenue of the Local Government Council was ridiculous and too low ₦1,867,200.00 about 1.03% of the total budgeted revenue for the year under review. Therefore, this amount cannot sustain the local government council as statutory allocation, VAT and excess crude oil continue to decline. The budgeted internally generated revenue of the local government council was ₦180,000,000.00 as compared to actual internally generated revenue (IGR) of only ₦1,867,200.00 less than 3% of the budgeted, this is a derisory small or inadequate.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
MAIYAMA LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/021/VOL. II dated 6th July, 2020 without response. Therefore, the following observations were noted.

1. INCOME AND EXPENDITURE ACCOUNTS 2018

Maiyama Local Government Councils received the sum of ₦1,084,900,294.81 from Ministry for Local Governments and Chieftaincy Affairs through Joint Accounts Committee funds (JAC) for the year, 2018. This figures was confirmed from the posting made in the cashbook and Treasury copies of the receipts books as per the details below:-

SN	MONTHS	INCOME 2018 ₦: K	EXPENDITURE 2018 ₦: K	BALANCE ₦: K
1.	January	38,947,774.13	38,907,201.11	40,573.02
2.	February	92,700,015.65	92,674,015.65	26,000.00
3.	March	338,857,833.65	251,761,570.04	87,096,263.61
4.	April	75,047,760.47	75,047,760.47	-
5.	May	98,569,681.21	98,560,581.11	9,100.00
6.	June	60,549,681.21	60,509,615.14	40,066.07
7.	July	38,068,489.12	38,058,590.80	9,898.32

8.	August	117,215,286.46	115,215,286.46	2,000,000.00
9.	Septempter	102,685,327.78	101.685,327.78	1,000,000.00
10.	October	38,213,977.21	38,213,977.21	-
11.	November	45,513,977.21	44,413,918.21	1,100,059.00
12.	December	38,530,490.71	38,539,490.71	-
	TOTAL	1,084,900,294.81	993,578,334.69	91,321,960.02

Similarly, comparism between the total income and total expenditure of the Local Government councils revealed that the sum of ₦1,084,900,294.81 was received and expended the sum of ₦993,578,334.69 while the remaining balance of ₦91,321,960.02 remain unaccounted for.

2. **OUTSTANDING PAYMENT VOUCHERS (OTHER CHARGES):-**

During the posting of payment vouchers into the main councils cashbook, it was discovered that payment vouchers worth ₦11,142,479.84 appeared to have been declared missing throughout the inspection period or not prepared to surrender them for Audit examination despite repeated request as per the details below as follows:-

SN	Payees	Pv No.	Purpose of payment	Amount ₦: K
1.	Chairman Maiyama L/G	74/2/18	Feb, 2918 security Vote	250,000.00
2.	V. Chairman Maiyama LG	75/2/18	„	150,000.00
3.	Abdullahi Aliyu	93/2/18	DTA Allowance	22,000.00
4.	Sundry Person	84/3/18	Monthly Allowance	2,078,000.00
5.	Abdullahi Aliyu	87/5/18	Monthly Allowance	22,000.00
6.	NEPA Manager	88/5/18	NEPA Bills	240,000.00
7.	Sundry Person	89/5/18	Vehicle maintenance	410,000.00
8.	Sundry person	91/5/18	Monthly Allowance	100,000.00
9.	Director Budget	96/5/18	Monthly Allowance	160,000.00
10.	Director Works	97/5/18	Monthly Allowance	100,000.00
11.	Sundry Person	98/5/18	Monthly Allowance	460,000.00
12.	Abdullahi Aliyu	68/6/18	DTA Allowance	22,000.00
13.	NEPA Manager	69/6/18	Settlement of NEPA Bills	240,000.00
14.	Sundry Person	70/6/18	Vehicle mainternance	250,000.00
15.	Sakina and others	73/6/18	MSS Allowance	60,000.00

16.	Sundry peson	72/6/18	Office maintenace	690,000.00
17.	Sundry person	74/6/18	Monthly Allowance	410,000.00
18.	Director for Health	75/6/18	Monthly Allowance	100,000.00
19.	Director Agric	76/6/18	Monthly Allowance	100,000.00
20.	Director Budget	77/6/18	Office maintenance	100,000.00
21.	Director of works	78/6/18	Office maintenance	100,000.00
22.	Sundry person	79/6/18	Office maintenance	100,000.00
23.	Bello Saidu	68/7/18	Entertainment of Guest	200,000.00
24.	Magajin Karaye	19/9/18	Const. of 3 cells culvert	868,479.84
25.	Nepa manager	128/9/18	Nepa Bills	240,000.00
26.	Director works	129/9/18	Office mainteinance	100,000.00
27.	Director Agric	130/9/18	Office mainteinance	100,000.00
28.	Director budget	131/9/18	Office maintainance	100,000.00
29.	Director Works	80/10/18	Office maintainance	100,000.00
30.	Director Agric	81/10/18	Office maiteinance	100,000.00
31.	Nepa Manager	83/10/18	Nepa bills	240,000.00
32.	Sundry persons	85/10/18	Vehicle maitainance	250,000.00
33.	Sundry persons	76/11/18	Vehicle maintainance	900,000.00
34.	Sundry persons	78/1//18	Veicle mantainance	1,050,000.00
35.	Sundry perons	77/1/18	Vehicle maintainance	250,000.00
36.	Director of works	79/11/18	Vehicle maintainance	100,000.00
37.	Director of Budgets	80/11/18	Office maintainance	100,000.00
38.	Director of works	81/11/18	Office maintainance	100,000.00
39.	Nepa Manager	82/11/18	Nepa bills	240,000.00
	TOTAL			11,142,479.84

3. UN-AUTHORISED PAYMENT VOUCHERS (N53,176,400.00)

Audit examination of payment voucher revealed that some payment vouchers to the tune of N53,176,400.00 was raised and paid to some individuals without the authority and approval of the council chairman and the officer controlling the vote (OCV) for the period under review.

COUNCILS CASH-BOOK:- Audit examination of relevant books of accounts revealed that the councils cash book is not properly maintained as the monthly and daily balances appeared not to have been made in

accordance with FM provision. While daily and monthly totals were ignored by the treasury officers of the Maiyama Local Government Councils.

Similarly, all other subsidiary records maintained by the Local Government Councils were not presented for audit examination which is contrary to the provision of FM and Financial regulations.

4. PROJECTS ACCOUNTS 2018 (N396,445,356.44)

Audit examination of relevant accounting records revealed that Maiyama Local Government Councils was said to have executed certain number of project to the tune of N396,445,356.36 during the year 2018 as per the details blows:-

PROJECT ACCOUNTS FOR THE PERIOD FROM 1ST JANUARY TO 31ST DECEMBER, 2018.

SN	PV NO.	PROJECT EXECUTED	LOCATION	Amount N: K
1.	76/2/18	Renovation Of NYSC Lodge Maiyama	Maiyama	2,073,215.00
2.	77/02/18	Renovation of NYSC lodge	Maiyama	2,011,715.00
3.	78/02/18	Renovation of Corper lodge GRA	Maiyama	4,242,283.00
4.	79/02/18	Renovation of karaye D/Daji 33KVA	Dogon Daji	3,507,000.00
5.	80/12/18	Renovation of corper loadge	Maiyama	3,712,839.00
6.	104/02/18	Renovation of Rafna Nagindi Road	R. Nagindi	8,008,000.00
7.	105/2/18	Const. of Karaye-Sabon Sara Road	Karaye-S. Fera	8,008,000.00
8.	106.2.18	Const. of single cell culvert	Dogond Daji	2,073,000.00
9.	01/4/18	Const. of Residential House	Dogon Daji	8,685,309.00
10.	04/3/18	Const. township Road 1.5Km	Dogon Daji	224,326,809.00
11.	02/04/18	Const. of Residential House	Kawara	3,239,434.80
12.	01/5/18	Const. of open storm water drainage, culvert	Andarai	20,000,000.00
13.	28/5/18	Const. Of Residential House	Kawara	8,098,587.00

14.	29/5/18	Const. of residential House	Dogon Daji	8,685,369.00
15.	101/5/18	Main. Of vehicle M/ vehicle	Maiyama	7,000,000.00
16.	01/6/18	Const. of open storm w. Drainage	Andarai	8,000,000.00
17.	83/06/18	Purchase of material etc	Zuga	2,404,500.00
18.	01/7/18	Const. of Drainage and Culvert	Andarai	20,000,000.00
19.	01/9/18	Renov. Of Dispensary	Kuberi	933,490.29
20.	2/9/18	Renov. Of Dispensary	Gumbin-Kure	1,347,202.50
21.	3/9/18	Renov. Of Dispensary	Sabon Sara	1,881,863.00
22.	4/9/18	Renov. Of Dispensary	Mayalo	1,835,978.00
23.	5/9/18	Renov.of Dispensary	Duhuwa	2,583,263.00
24.	6/9/18	Renov. Od Dispensary	Kambah	1,942,763.00
25.	7/9.18	Const. of one block of 2 classrooms	Masaka	2,621,540.00
26.	8/9/18	Const. of one block of 2 classrooms	Mungadi	2,931,646.25
27.	13/9/18	Const. of one block of 2 classrooms	Masaka	1,319,581.37
28.	10/9/18	Renov. Of Juma'at Mosque	Saran-Dosa	561,751.20
29.	13/9/18	Revon. Of Juma'at Mosque	Saran-Dosa	1,568,188.08
30.	14/9/18	Renov. Of Dorika Mosque	Saran-Dosa	558,118.08
31.	15/9/18	Wall fence & gate at Izala Mosque	Maiyama	445,230.00
32.	16/9/18	Painting of izala mosque	Maiyama	320,760.00
33.	17/9/18	Painting of central mosque	Maiyama	549,432.00
34.	18/9/18	Const. of 5 daily payer mosque	Maiyama	1,395,309.84
35.	20/9/18	Conmpletionof mosque	Gumbin kure	868,479.84
36.	21/9/18	Renov. Of islamiya school	Maiyama	1,369,059.95
37.	22/9/18	Supply & instalation of 500 KVA Transforma	Dogon Daji	2,806,650.00
38.	24/9/18	Renov. Of Dispensary	Kubari	933,490.29
39.	25/9/18	Renov. Of Dispensary	Gunbin kure	484,992.90
40.	26/9/18	Renov. Of Dispensary	Sabon-Sara	677,470.68
41.	27/9/18	Renov. Of Dispensary	Duhuwa	929,974.68
42.	28/9/18	Renov. Of Dispensary	Mayalo	660,952.08
43.	29/9/18	Renov. Of Dispensary	Kambah	699,394.68
44.	30/9/18	Const. of one block of Class room	Masaka	943,754.40
45.	31/9/18	Const. of one block of 4 class room	Mungadi	1,055,392.65
46.	32/9/18	Const. of one block of 2 class room	Masaka	879,720.91

47.	33/9/18	Renov. Of Juma'at mosque second payment	Giwa tazo	540,720.68
48.	34/9/18	Juma'at mosque 2 nd payee	Giwa tazo	855,233.28
49.	35/9/18	Ns payment Juma'at mosque	Aida	855,233.28
50.	36/9/18	2nd payment Juma'at mosque	Sarand-Dosa	374,500.00
51.	37/9/18	2nd payment renov. Of mosque	Saran-Dosa	372,078.72
52.	38/9/18	Wallfence and gate izala Mosque	Maiyama	306,288.00
53.	39/9/18	2 nd payment painting izala mosque	Maiyama	296,820.00
54.	40/9/18	2 nd payment paintng of central mosque	Maiyama	213,840.08
55.	41/9/18	2 nd payment const. of 5 daily prayer	Andarai	930,206.25
56.	42/9/18	2 nd payment mosque const. of 3 cellculvert	Karaye	2,470,842.00
57.	43/9/18	2 nd payment for the const. of mosque	Gunbin-Kure	578,986.56
58.	44/9/18	2 nd payment for the renovation of islamiya school	Mayalo	912,705.30
59.	42B/9/18	2 nd payment for the const. of and open storm water drainage and culvert	Andarai	20,000,000.00
60.	45/9/18	2 nd payment of for the supply and installation of 500 kVA	Transformer	1,871,100.00
61.	11/9/18	Renovation of Juma'at Mosque	Giwatazo	2,375,648.00
62.	12/9/18	Renovation of Juma'at Mosque	Aida	2,375,648.00
	TOTAL			396,445,356.44

Then all effort made by the office of the Auditor General to go and verify the said projects prove abortive. They refuse to allow the auditor to inspect the projects was mainly due to dismal performance involved in the execution of the said project across the Local Government Area.

Similarly, during the examination of projects payment vouchers, some projects was discovered to have been executed to the tune of ₦16,160,000.00 and paid to Director of Works and Service but on the spot veification revealed that the said projects was not executed as per the deals below:-

SN	PAYEES	PV NO	PROJECT EXECUTIVE	AMOUNT N=: K
1	Director works	104/02/18	Rehab. Of Rafin Nagindi Feeder Road	8,080,000.00
2	Director works	105/2/18	Rehab. Of Karaye to sabon-Sara feeder Road	8,080,000.00
	TOTAL			16,160,000.00

But to my surprise a false certificate of completion of the works was fraudulently issued by the Director of works and Services. When contacted the Director of works and service could not give a satisfactory explanation. Therefore the Director of works and Service should be surcharge to refund the amount involved

5. **SALARY ACCOUNTS 2018**

It has been observed that the sum of ~~N~~420,481,777.98 was disbursed to Maiyama Local Government Council from January to December,, 2018 for the payment of staff salary as per the details below:-

SN	MONTHS	AMOUNT N=: K
1	January	34,878,097.94
2	February	34,800,015.65
3	March	34,829,015.65
4	April	34,023,404.02
5	May	35,069,681.21

6	June	35,069,681.21
7	July	35,069,489.12
8	August	35,046,238.84
9	September	35,237,709.21
10	October	35,213,977.21
11	November	35,213,977.21
12	December	35,030,490.71
	TOTAL	420,481,777.98

It was also discovered that the seven (7) salary payment vouchers to the tune of ₦5,683,434.71 appeared to be missing vouchers as per the details below.

**MISSING OR OUTSTANDING SALARY PAYMENT VOUCHERS
(₦5,683,434.71)**

SN	PAYEES	PV NO	DETAILS OF PAYMENT	AMOUNT ₦: K
1	Abdullahi Halidu	14/7/18	April, 2018 salary	2,292,462.31
2	Shuaibu Lawal and others	7/8/18	August 2018, salary	1,160,547.00
3	Saidu Muh'd and others	7/9/18	September, 2018 salary	2,050,298.06
4	Abubakar Zaki & others	67/9/18	September, 2018	51,625.34
5	Isah Umar A and toehrs	68/9/18	September, 2018	58,501.00

6	Aminu Umar A and others	69/9/18	September, 2018	33,000.00
7	Garba S/Abdullahi	70/7/18	September, 2018	37,101.00
	TOTAL			5,683,434.71

6. MAIYMA LOCAL GOVERNMENT COUNCILS REVENUE ACCOUNTS FOR THE ENDED 31ST DECEMBER, 2018

It was disheartening to note that not a single record appeared to have been maintained by Maiyama Local Government Council for the year, 2018

The councils was heavily reliant on statutory allocation from Federal Government and Share of VAT. The indication is that the council lack insight and innovative ideas in using the natural resources and human capital endowment interms of land solid minerals and people to generate revenue.

However, the council should be made to explain the reason for their dismal performance with regards to internally revenue generation in Maiyama Local Government Councils for the year, 2018.

7. VAT AND WITHHOLDING TAX FOR THE YEAR, 2018

Audit examination of payment vouchers revealed that the sum of ₦39,553,350.24 appeared to have been deducted from contractors as VAT and Withholding Tax for the year, 2018. But it was disheartening to discover that the sum of ₦16,458,618.42 was only remitted to relevant tax authority. While the balance of ₦23,093,731.82 remain unaccounted for and liability against the Local Government Council and should be recovered from the DFS and his associates.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
NGASKI LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/017/VOL. II dated 6th July, 2020 without response. Therefore, the following observations were noted.

STATE OF THE BOOKS OF ACCOUNTS AND RECORDS

Audit examination and inspection of Books of Accounts and Records it was observed that accounting books and records were not properly kept and maintained due to the following resources:-

(a) That treasury cash book was not kept in accordance with the provision of FM 19.1. It was characterised with incomplete posting of transactions and there is a lot of cancellation in the cashbook or change of words and figures without initial thereby making extraction of opening and closing balance in practicable.

(b) Monthly bank reconciliation statements were not prepared since none was presented to audit despite repeated demand for it . Therefore, the true position of cash-book balances as at 31st December, 2018 could not be

ascertain. But salaries payments vouchers were prepared and posted into the cashbook.

(c) Further more other vital treasury records such as advance deposits, investment, suspension, remittance and loan ledgers were not kept and maintained by the Local Government Councils, since none was presented for audit examination despite repeated request contrary to Fm 24.11 and 24.21.

(d) The Audit inspection of security and the central stores showed non-compliance with FM 34.10(3) and there was no proper supervision of the stores by the Local councils. The Internal control system was weak and not effective in view of the various anomalies noted above.

2. **INCOME AND EXPENDITURE ACCOUNTS:-**

Audit examination and reconciliation of Books of accounts coupled with records maintained by the Ngaski Local Government Councils revealed that the sum of ₦979,199,307.22 was disabused to them from January to December, 2018 as per the details below:-

SN	MONTHS	INCOME 2018 ₦: K	EXPENDITURE 2018 ₦: K	BALANCE ₦: K
1.	January	65,398,871.39	50,207,407.20	15,191,464.19
2.	February	75,633,273.84	52,743,533.56	22,889,740.28
3.	March	66,077,018.38	51,092,810.19	14,984,208.19
4.	April	86,625,616.55	48,715,204.83	37,910,411.72
5.	May	86,200,030.10	71,176,264.08	15,023,766.02
6.	June	76,640,044.34	24,302,021.08	52,338,023.26
7.	July	54,205,470.27	-	54,205,470.27
8.	August	136,210,517.91	13,212,961.20	122,997,556.71
9.	Septempter	118,366,806.61	36,767,038.02	81,599,768.59
10.	October	59,958,244.74	49,653,462.12	10,304,782.62
11.	November	64,948,459.74	50,829,089.74	14,119,380.00
12.	December	88,934,953.33	51,129,982.63	37,804,960.70
	TOTAL	979,199,307.22	499,829,784.65	479,369,522.57

From the table above it has been observed that the sum of ~~₦~~979,198,307.22 was received from Joint Account committee (JAC) and the sum of ~~₦~~499,829,784.65 was expended while the remaining balance of ~~₦~~479,369,522.57 was unaccounted for.

3. OUTSTANDING OR MISSING PAYMENT VOUCHERS

Audit examination of the payment vouchers revealed that original payment vouchers, thirty eight (38) in number totaling ~~₦~~51,430,448.83 posted into the Council cashbook were not presented for audit verification contrary to FM 1.14 (a) and FM 14.29. This is a gross violation of laws and a way of diverting public fund into unauthorised use. The Director Finance and supply should be held liable for the sum ~~₦~~51,430,448.83 involved.

INTERNAL AUDIT OPERATIONS IN NGASKI LOCAL GOVERNMENT COUNCIL FOR THE YEAR, 2018

During the year, 2018 it has observed that the in effectiveness of Internal Audit operations within the Local Government Council was suspect because of the following reasons:-

- (a). Vouchers Audit procedures was violated during the year under review contrary to the FM 14.10, FM 40.3 and 40.10 respectively.
- (b). The Internal Audit Unit of the Local councils did not design any audit programme to work with contrary to FM 41.4.
- (c). The Audit correspondence register was not maintained contrary to FM. 40.

Therefore, the Internal Audit should be made to explain these circumstances and henceforth ensure that, effective and efficient internal Audit procedural operation are put in place for effective Internal Audit Control purposes.

5. OVERHEAD PAYMENTS NOT ACCOUNTED FOR (₦36,000,000.00)

During the period under review, it was discovered that a total of ₦36,000,000.00 was paid to Ngaski Local Government Councils as overhead cost from January to December, 2018. However, it has been observed that the amount of money paid as overhead cost to the Local Government Councils was not recorded or mentioned in any book of accounts of the Local Government councils which is contrary to the provision financial memoranda. Therefore, the Treasurer should review the Financial records in-line with errors noted.

6. IRREGULAR PAYMENT (₦2,824,000.00)

Audit examination revealed that the sum of ₦2,824,000.00 was expended as contributions, Bill settlement, purchases and maintenance of equipment to organisations and individuals without proper a documentation to validate and properly legalised the use of public funds. In accordance with the provision of Financial Memoranda no. 14.16 and 14.17 as per the details below:-

SN	PV. NUMBER	NAME OF PAYEES	PURPOSE OF PAYMENT	AMOUNT PAID ₦: K
1.	27/1/2018	Secretary YEDA	Contribution of Yeda	100,000.00
2.	29/2/2018	Secretary YEDA	Contribution of Yeda	100,000.00
3.	28/3/2018	Secretary YEDA	Contribution of Yeda	100,000.00
4.	25/4/2018	Secretary YEDA	Contribution of Yeda	100,000.00
5.	55/10/2018	Secretary YEDA	Contribution of Yeda	100,000.00
6.	58/11/2018	Secretary YEDA	Contribution of Yeda	100,000.00
7.	44/12/2018	Secretary YEDA	Contribution of Yeda	100,000.00
8.	52/2/2018	Manager NEPA	Electricity Bills	110,000.00
9.	53/1/2018	Manager NEPA	Electricity Bills	110,000.00
10.	54/2/2018	Manager NEPA	Electricity Bills	200,000.00
11.	30/10/2018	Abdullahi Yahaya	Electricity Bills	110,000.00
12.	28/11/2018	Abdullah Yahaya	Electricity Bills	110,000.00

13.	37/12/2018	Abdullahi Yahaya	Electricity Bills	110,000.00
14.	50/1/2018	Isah Hassan Wara	State Sadaqat and Zakkat Commission	100,000.00
15.	51/3/2018	Isah Hassan Wara	„	100,000.00
16.	34/11/2018	„	„	100,000.00
17.	52/2/2018	„	„	100,000.00
18.	48/4/2018	„	„	100,000.00
19.	33/10/2018	„	„	100,000.00
20.	4/12/2018	„	„	100,000.00
21.	27/3/2018	„	„	38,000.00
22.	27/3/2018	„	„	38,000.00
23.	2/2/2018	„	„	38,000.00
24.	21/4/2018	„	„	38,000.00
25.	58/10/2018	„	„	38,000.00
26.	57/11/2018	„	„	38,000.00
27.	41/12/2018	„	„	38,000.00
28.	57/1/2018	Director of Works	Maintenance of Generator	102,000.00
29.	58/3/2018	„	„	102,000.00
30.	59/3/2018	„	„	102,000.00
31.	55/4/2018	„	„	102,000.00
	TOTAL			2,824,000.00

7. CAPITAL PROJECT ACCOUNTS FOR THE YEAR, 2018

Audit examination of project account records revealed that the council cash book did not show any capital entries or contract awarded by the Local Councils in the year ended 31st December, 2018. Similarly, there were no single contract voucher presented for Audit verification or recorded in the councils financial records. Therefore, taxes are not incurred or deducted through contract payments made during the period under review. Then the councils Chairman should provide reasons for the dismal performance.

8. SALARIES ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2018

Examination and inspection, of salaries records presented for audit examination revealed that the following are the monthly disbursement received and expenditure incurred by Ngaski Local Government Councils as personnel expenditure for the year, 2018 as per the details below:-

SN	MONTHS	DISBURSEMENT 2018 N=: K	PAID SALARIE 2018 N=: K	DIFFERENCES N=: K
1.	January	50,810,031.98	49,223,007.09	1,587,024.89
2.	February	51,065,726.34	51,097,260.45	(31,534.11)
3.	March	51,077,018.38	51,110,810.19	(33,791.81)
4.	April	51,111,500.10	48,712,264.90	2,399,235.20
5.	May	51,111,500.10	37,428,764.80	13,682,735.30
6.	June	51,081,144.34	24,302,021.18	26,779,123.16
7.	July	50,915,470.29	Nil	
8.	August	50,961,470.29	Nil	
9.	September	50,919,188.04	Nil	
10.	October	50,850,984.74	49,653,462.92	1,197,521.82
11.	November	50,883,984.74	50,829,089.74	54,895.00
12.	December	50,934,953.30	50,416,992.63	517,960.67
	TOTAL	611,722,972.64	412,773,673.9	198,949,298.74

The salaries disbursement and payment as listed above shows a fluctuating nature of both disbursement and payment of salaries from one month to another. It could also be observed that in the months of July, August and September, 2018. Salaries payment vouchers were not recorded or posted in the council's cash book as at 31st December, 2018.

Also it was observed that some vital salaries and other allied records such as personnel emolument Register was not actually maintained by the Local Government councils.

9. NGASKI LOCAL GOVERNMENT COUNCIL INTERNALLY GENERATED REVENUE ACCOUNTS FOR THE YEAR, 2018

Audit examination of Revenue Account records indicated that the Local Government Councils recorded internal revenue shortfall of ₦248,314,590.00 on four (4) Revenue Heads and sub-head during the year. In this connection, it was observed that, out of the estimated budgeted internally generated revenue of ₦250,000,000.0 a total sum of ₦1,685,410.00 was actually collected leaving a sum of ₦248,314,590.00 of the estimated internally generated revenue uncollected. The shortfall is considered significant because of the adverse effect on the expenditure profile of the Local Government councils for the period under review. The council's Chairman and the Treasurer should be invited to explain reasons for the dismal performance or they should be surcharge accordingly.

10. HARAJI COLLECTION 2018.

The sum of ₦1,425,000.00 was expected to be the Haraji Collection of the council for the year under review as per the details below:-

- i. Maginga District - 75Booklet
- ii. Birnin-Yauri District - 60Booklet
- iii. Kambuwa District - 50 Booklet
- iv. Maurdi District - 50Booklet

however, with the distribution above the expected Haraji collection could be as follows:-

- i. Maginga District - ~~₦~~375,000.00
- ii. Ngaski District - ₦300,000.00
- iii. Birnin-Yauri District - ~~₦~~250,000.00
- iv. Kambuwa District - ₦250,000.00
- v. Maurdi District - ₦250,000.00

Grand total

₦1,425,000.00

Therefore, the sum of **₦1,425,000.00** was collected from Haraji collection and the sum of ~~₦~~260,410.00 was generated from markets and motor-park which gives a total internally generated revenue (IGR) as at 31st December, 2018 was ~~₦~~831,000.00 leaving a balance of ~~₦~~854,410.00 un-accounted for.

Other revenue units of the Local Government Councils such as slaughter slap, GSM, Mass, water transport, luck up shops, Rent on Local Government Councils properties etc has no records to be maintained by the council revenue office.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
SAKABA LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary actions vide the letter No. LGA/AG/AR/R/022/VOL. II dated 16th June, 2020 without response. Therefore, the following observations were noted.

**STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE
YEAR ENDED 31ST DECEMBER, 2018**

Audit examination observed that accounting books and records were not properly kept and maintained. The books were characterise by incomplete financial information which made the book to be unreliable which is contrary to FM. 1.8(5) and FM. 1.14(5). The attention of the Local Government Council management had been drawn to these lapse and they must be addressed accordingly.

- a). The treasury cash book was not kept in accordance with the provision of FM 19.1.
- b). Monthly Bank Reconciliation Statements were not timely and properly prepared during the period under review as non was produce for audit verification.

c). Appropriate store records were not kept which is contrary to FM. 34.10(3) despite past reports and there was no much improvement in supervision of the council central stores.

d). Departmental Vote 'Books was not properly kept and maintained which is contrary to Fm 13.15.

F). **Abstract Book of Capitala and Expenditure:-** It is dishertening to note that expenditure incurred were not recorded which is contrary to FM 21.17.

g). The effectiveness of Internal Audit unit was suspect because the voucher audit procedures were violated. The internal audit did not neither design audit programme nor maintain audit correspondent register which is contrary to FM. 14.10, F.M.41.4 and FM.40.12 respectively. Then from the aforementioned, the true position of council cashbook balance as at 31st December, 2018 could not be ascertained.

2. **COUNCIL 5% CONTRACT VAT DEDUCTION:-** Audit examination of council payment vouchers (other charges). It has been observed that the sum of ₦2,475,625.00 would appear to has been deducted as VAT, but only the sum of ₦833,000.00 would appear to have been remitted to VAT office vide the receipt No. FBN/FIRS/221935 dated 25/09/2018 thereby leaving un-accounted balance of ₦1,1642,625.00 as liability against the Local Government Council for the period under review.

Similarly, the deduction was not done with regards to 5% withholding TAX (WHT) which was intentionally done just to defy the state government of its revenue for the period covered as per the details below:-

EXPENDITURE ON FIFTY MILLION NAIRA (₦50,000,000.00) CAPITAL GRANT FOR THE YEAR, 2018

MONTH OF ACCOUNT	NAME OF CONTRACTOR	CONTRACTUAL DETAILS	TOTAL CONTRACT SUM ₦: K	LESS 5% VAT ₦: K	NET PAYABLE ₦: K	REMARKS
01/09/2018	Usman Muh'd	Const. of Dispensary	4,537,265.00	226,863.25	4,310,401.75	No. Receptiant Acknowledgement
02/09/2018	Shehu Kabiru	Const. of Dispensary	4,537,265.00	226,863.25	4,310,401.75	_____ do _____
03/09/2018	Lawal Usman G.	Renov. Of Mosque	4,171,650.00	208,582.50	3,963,067.50	_____ do _____

04/09/2018	Director Agric	Const. of Slaughter House	287,700.00	14,385.00	273,315.00	_____ do _____
05/09/2018	Director Works	Const. of culvert	5,712,125.00	285,636.25	5,427,088.75	_____ do _____
01/10/2018	Abubakar Usman	Const. of culvert	1,231,931.00	61,596.55	1,170,334.45	_____ do _____
02/10/2018	Alh. Sabo Diri	Renov. Of P.H.C	3,021,400.00	151,700.00	2,870,330.00	_____ do _____
03/10/2018	Abubakar Usman	Supply of laterite	686,700.00	34,335.00	652,365.00	_____ do _____
04/10/2018	Alh. Musa Aliyu	Renov. Of PHC	1,516,500.00	75,825.00	1,440,675.00	_____ do _____
05/10/2018	Lawal Usman G.	Renov. Of UMCA	300,000.00	-	300,000.00	_____ do _____
06/10/2018	Abubakar Usman	Renov. Of mosque	2,630,145.00	131,507.25	2,498,637.75	_____ do _____
07/10/2018	Yusuf Muh'd DJ	Renov. Of PHC	3,021,480.00	15,174.00	2,870,406.00	_____ do _____
08/10/2018	Lawal Usman G	Const. of Classroom	2,595,757.00	129,787.85	2,465,969.15	_____ do _____
09/10/2018	Lawal Usman G	Renov. Of UMCA	200,000.00	-	200,000.00	_____ do _____
10/10/2018	Lawal Usman G	Compl of Mosque	621,810.00	31,090.00	590,719.50	_____ do _____
11/10/2018	Abubakar Usman	Const. of Drainage	2,008,450.00	100,422.50	1,908,027.50	_____ do _____
12/10/2018	Alh. Sabo Diri	Renov. Of Dispensary	1,439,310.00	71,965.00	1,367,335.00	_____ do _____
13/10/2018	Alh. Garba Ibrahim	Const. of Mosque	2,142,639.00	107,131.95	2,035,507.05	_____ do _____
14/10/2018	Abubakar Usman	Const. of culvert	1,231,931.00	61,596.55	1,170,334.45	_____ do _____
15/10/2018	Lawal Umar Gwalli	Const. of Mosque	2,142,639.00	107,131.95	2,035,507.05	_____ do _____
16/10/2018	Lawal Umar Gwalli	Const. of Mosque	2,142,639.00	107,131.95	2,035,507.05	_____ do _____
17/10/2018	Lawal Umar Gwalli	Renov. Of Mosque	3,819,984.00	190,999.20	3,628,984.80	_____ do _____
			49,999,320	2,475,625	47,523,695	

3. **COUNCIL SALARY ACCOUNTS AS AT THE YEAR ENDED 31ST DECEMBER, 2018:-**

Audit examination of salary payment vouchers revealed that the Local Government Council received the sum of ~~₦~~442,712,365.05 as disbursement from Ministry for Local Government and Chietaincy Affairs for the payment of council staff salaries for the period under review. while the sum of ~~₦~~42,891,753.70 would appear to have been paid leaving un-accounted balance of ~~₦~~19,820,629.35.

4. Similarly, the sum of ~~₦~~46,629,000.00 was also released to Sakaba Local Government Council for the payment of council Allowances. But examination of the council cashbook and payment vouchers shows a balance of ~~₦~~897,000.00 un-accounted for.

5. In another related development, the Local Government Council also received the sum of ~~₦~~36,000,000.00 as council over-headcost during the year under review, but only the sum of ~~₦~~16,210,000.00 would appear to have been expended thereby leaving un-accounted balance of ~~₦~~19,790,000.00 as per the details below:-

SAKABA LOCAL GOVERNMENT COUNCIL, DETAILS OF SALARY AND ALLOWANCES 2018

MONTHS	SALARY RECEIVED ₦	ALLOWANCE RECEIVE ₦	OVERT HEAD COST ₦	TOTAL RECEIPTS ₦	SALARY PAID ₦	ALLOWANCE PAID ₦	OVER HEAD COST ₦	TOTAL PAYMENT ₦
JANUARY	36,776,829.00	4,111,000.00	3,000,000.00	43,887,829.00	36,776,774.53	3,811,000.00	1,500,000.00	42,087,774.53
FEBRUARY	36,835,843.16	4,111,000.00	3,000,000.00	43,987,829.56	36,835,843.16	3,811,000.00	3,000,000.00	43,646,843.16
MARCH	36,944,936.40	4,111,000.00	3,000,000.00	44,055,936.40	36,540,945.91	3,811,000.00	2,000,000.00	42,351,945.91
APRIL	36,954,936.40	3,811,000.00	3,000,000.00	43,765,936.40	36,356,079.86	3,811,000.00	1,270,000.00	41,437,079.86
MAY	36,941,736.40	3,811,000.00	3,000,000.00	43,752,736.40	36,541,540.13	3,811,000.00	2,200,000.00	42,552,540.13
JUNE	36,941,736.40	3,811,000.00	3,000,000.00	43,752,736.40	36,461,689.81	3,811,000.00	1,900,000.00	42,172,689.81
JULY	36,965,736.40	3,811,000.00	3,000,000.00	43,776,736.40	25,117,085.09	3,811,000.00	2,790,000.00	31,718,085.09
AUGUST	36,904,247.20	3,811,000.00	3,000,000.00	43,715,247.47	35,939,701.98	3,811,000.00	NIL	40,172,701.98
SEPTEMBER	36,857,114.47	3,811,000.00	3,000,000.00	43,668,114.47	35,939,701.98	3,811,000.00	NIL	39,750,701.98
OCTOBER	36,863,083.11	3,811,000.00	3,000,000.00	43,674,083.11	34,079,133.05	3,811,000.00	1,380,000.00	39,270,133.05
NOVEMBER	36,863,083.00	3,811,000.00	3,000,000.00	43,674,083.00	36,863,083.00	3,811,000.00	NIL	40,674,083.00
DECEMBER	36,863,083.11	3,811,000.00	3,000,000.00	43,674,083.11	35,018,572.72	3,811,000.00	150,000.00	38,979,572.72
G/TOTAL	442,712,365.05	46,632,000.00	36,000,000.00	525,341,365.05	422,891,735.65	45,732,000.00	16,210,000.00	484,833,735.65

From the above table it shows the un-accounted balances of ₦19,820,629.35, ₦897,000.00 and ₦19,790,000.00 for both council salaries and allowances totaling ₦40,507,629.35 was recorded as surplus and un-accounted balance for the year ended 31st december, 2018.

6. COUNCIL INTERNALLY GENERATED REVENUE PERFORMANCE AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Audit examination of revenue records and accounts disclosed council Internal Revenue short fall totaling ₦215,587,066.19 was recorded under three (3) Heads, that is Haraji, Markets and Motorpark for the period under review. Then out of the budgeted estimated Internally Generated Revenue of ₦218,000,000.00, a total sum of ₦2,412,933.81 was only realized as council actual internally generated revenue for the year ended 31st December, 2018. This is a 1.11% shortfall which is contrary to Local Government Council Administration law and FM 39.3(a)12.

Audit observed that the Local Government Council refused to bond all their revenue collectors in accordance with FM 42.3 and FM 8. Therefore, the Council Chairman, Council Secretary and the Council Director of Finance should be vicariously liable and surcharged for any loss of Local Government Council fund, established to have been embezzled by the Revenue Officer/Collectors.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF
SHANGA LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED
31ST DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/017/VOL. II dated 16th July, 2020 without response. Therefore, the following observations were noted.

STATE OF THE BOOKS OF ACCOUNTS AND RECORDS FOR THE YEAR, 2018

During the year under review significant improvement was not recorded in the records keeping and accounts of Shanga Local Government Councils. However, some inadequancies were noted in the maintenance of the treasury cash book in the entries of deduction and bank charges. Then only few accounting transaction are recorded in the council cash book.

(b) The Local Government Councils did not prepare monthly Bank Reconciliation statements contrary to FM 39.3(a) and FM 19.13 – 26. Therefore no reliance could be placed on the council cashbook to have properly reflected the financial transactions of the Local Council.

(c) Daily abstract or revenue and expenditure where revenue and expenditure are summarised on monthly basis is left without recording anything as at the year ended 31st December, 2018.

The councils Director of Finance and supply and schedule officer, responsible for the preparation of Bank Reconciliation statement and Books of Accounts should be vigorously liable and they should be surcharged accordingly for any loss sustained by the Local Government councils due to Bank Fraud emanating from delay or non preparation of bank reconciliation statements.

(d) Stores records keeping:- Audit investigation revealed that the Local Government Council did not maintained any security store, but it was regarded as a place where old books of accounts were kept. Like wise necessary accounting documents and records inform of SRV, SIV, Store ledger etc. were not properly maintained.

(e) Internal Audit operation:- Shanga Local Government council despite previous years reports, the Local Council is yet to improve on the Internal Audit operation in accordance with provision of Financial regulations.

2. UNPRESENTED PAYMENT VOUCHERS (~~N~~45,415,000.00)

Fifty four (54) payment vouchers amounting to ~~N~~45,415,000.00 recorded in the cashbook and also paid were not produced for Audit examination contrary to FM. 13.09 as per the details below.

SN	PV. NUMBER	PAYEE	DETAILS OF PAYMENT	AMOUNT PAID N=: K
1.	3/1/2018	Ahmed Garba	Wife of Vice visit to Kebbi State	769,000.00
2.	73/1/2018	Abdullahi Hassan	Assistance give to him	80,000.00
3.	2/2/218	Abdullahi Hassan	Assistance give to him	9,000,000.00
4.	3/2/2018	Muh'd Ibrahim	..	6,000,000.00
5.	4/2/2018	1,000,000.00
6.	5/2/2018	Bala Karfe	APC chairman	4,000,000.00
7.	11/2/2018	Muh'd Sani Y/Besse	Allowance for the math	140,000.00
8.	14/2/2018	Abdulrahman	Allowance	5,000,000.00

9.	54/2/2018	Babayo Aliyu	„	20,000.00
10.	56/2/2018	Kabir Daudu	„	30,000.00
11.	56/2/2018	Kabir Daudu	„	100,000.00
12.	57/2/2018	Garba maidaji	„	110,000.00
13.	58/2/2018	Abubakar Hela man	„	270,000.00
14.	59/2/2018	Muh'd Sani Y/Besse	„	20,000.00
15.	60/2/2018	Boda Nomau (CIB)	„	10,000.00
16.	61/2/2018	Sani Alh. Muh'd and others	„	330,000.00
17.	62/2/2018	Aminu Muh'd Arzika	Sanitazation Vote	250,000.00
18.	63/2/2018	Usman Shaibu	„	150,000.00
19.	29/3/2018	Abubakar Luka	Allowance	5,000.00
20.	30/3/2018	Achemu John	„	10,000.00
21.	31/3/2018	Lawali Shehu	February Allowance	60,000.00
22.	32/3/2018	Stella micheal	Mm	10,000.00
23.	33/3/2018	Aminu Muh'd Arzika	„	250,000.00
24.	30/3/2018	Umaru Shuaibu Dogo	„	150,000.00
25.	35/3/2018	Abbas Abubakar	„	150,000.00
26.	48/3/2018	m. Bala Koko	„	150,000.00
27.	49/3/2018	Abubakar Muh'd & others	„	822,000.00
28.	50/3/2018	Yunusa Ibrahim	„	50,000.00
29.	51/3/2018	Isiyaka Danjumma	March Allowance	10,000.00
30.	52/3/2018	Umaru Mustapha	„	20,000.00
31.	53/8/2018	Ester Ademije	„	10,000.00
32.	54/8/2018	Babayo Atunju	„	20,000.00
33.	55/3/2018	Abdulhamid Muh'd	„	20,000.00
34.	56/3/2018	Muh'd Bello	„	301,000.00
35.	57/3/2018	Kabiru Daudu	„	100,000.00
36.	58/3/2018	Gambo Maidaji	„	110,000.00
37.	59/3/2018	Muh'd Sani Y/Besse	„	20,000.00
38.	60/3/2018	Gambo Maidaji	„	25,000.00
39.	61/3/2018	Abubakar Hellan	„	270,000.00
40.	18/4/2018	Kasimu Dauda	„	30,000.00
41.	28/4/2018	Abubakar Musa	„	100,000.00
42.	80/4/2018	Shamsudeen Yakubu	„	200,000.00
43.	81/4/2018	Hon. Aminu Muh'd	„	250,000.00

44.	82/4/2018	Lawali Dugu	„	368,000.00
45.	83/4/2018	Adamu Musa & others	„	305,000.00
46.	53/6/2018	Muh'd Sani Y/Besse	„	20,000.00
47.	58/6/2018	Ayodele Solomon	„	40,000.00
48.	59/6/2018	Hassan kwando	„	40,000.00
49.	60/6/2018	Abubakar Luka	„	5,000.00
50.	80/9/2018	Isyaka D/Jumma	„	10,000.00
51.	10/10/2018	„	„	9,000,000.00
52.	10/10/2018	„	„	5,000,000.00
53.	58/10/2018	Hassan Kwando	„	40,000.00
54.	62/10/2018	Abubakar Musa	„	100,000.00
	TOTAL			45,415,000.00

3. INCOME AND EXPENDITURE (OTHER CHARGE):-

Examination of Shanga Local Government council accounting records revealed that the sum of ₦293,591,782.64 was received by Shanga Local Government council as total disbursement from Kebbi state Joint Account Committee (JAC) as part of their share of revenue from Federal Government, while the sum of ₦270,591,782.64 would appear to have been expended leaving apparent balance of ₦23,000,000.0 unaccounted for. As per the details below:-

SN	MONTHS	DISBURSEMENT 2018 ₦: K	PAID SALARIE 2018 ₦: K	DIFFERENCES ₦: K
1.	January	NIL	NIL	NIL
2.	February	32,415,116.00	7,200,000.00	NIL
3.	March	NIL	NIL	NIL
4.	April	32,415,116.00	30,415,116.45	2,000,000.00
5.	May	32,000,000.00	32,000,000.0	NIL
6.	June	22,480,000.00	22,480,000.00	NIL
7.	July	5,000,000.00	NIL	5,000,000.00
8.	August	77,549,047.62	77,549,047.62	NIL
9.	Septempter	64,447,618.57	64,447,618.67	NIL

10	October	NIL	NIL	NIL
11	November	7,000,000.00	7,000,000.00	NIL
12	December	29,500,000.00	29,500,000.00	NIL
	TOTAL	293,591,782.64	270,591,782.64	23,000,000.00

4. **UN-ACCOUNTED EXPENDITURE (₦3,612,000.00):-** Audit examination of payment vouchers revealed that the sum of ₦3,612,000.00 was withdrawn from Local Government Councils account and paid to Adult Education officer as monthly allowance to Adult Education Students. The amount was not paid to actual beneficiaries but diverted by the Executive Chairman for his own personnel used as per the details below:-

SN	MONTHS	PAYEES	PV NO	AMOUNT PAID ₦: K
1.	January	Muh'd Bello & others	57/1/2018	301,000.00
2.	February	..	NIL	301,000.00
3.	March	..	NIL	301,000.00
4.	April	..	NIL	301,000.00
5.	May	..	78/5/2018	301,000.00
6.	June	..	NIL	301,000.00
7.	July	..	42/7/2018	301,000.00
8.	August	..	46/08/2018	301,000.00
9.	September	..	72/9/2018	301,000.00
10.	October	..	76/10/2018	301,000.00
11.	November	..	72/11/2018	301,000.00
12.	December	..	28/12/2018	301,000.00
	TOTAL			3,612,000.00

5. **UN-AUTHORISED PAYMENT VOUCHERS (7,948,105.00)**

Another area of serious concerns is the issue of unauthorised payment vouchers. During the period under review the sum of ₦7,948,105.0 were paid without the authority of officer controlling the vote (Directors or Head of Department).

This is a total neglect of financial memoranda and approved budgetary provision. The amount involved was also paid without the endorsement of the same officer controlling the vote which is against provision of FM NO. 14(8) and (9) as per the details below:-

SN	PV. NUMBER	PAYEE	AMOUNT N=: K
1.	68/1/2018	Abdulhamid Muh'd	1,100,000.00
2.	39/1/2018	Ayidele Sunday (DPO)	20,000.00
3.	62/1/2018	Bala Nomau (OGCIB)	10,000.00
4.	66/1/2018	Ayodele Sunday (DPO)	40,000.00
5.	64/1/2018	Muh'd Sani PA Chairman	140,000.00
6.	64/1/2018	Lawali shehu B/Yauri	60,000.00
7.	34/1/2018	Khalid Sani Y/Besse	20,000.00
8.	61/1/2018	Abdulrahman Luka	5,000.00
9.	11/1/2018	Abbas A. Kwaifa (DFS)	150,000.00
10.	48/1/2018	Abubakar Musa Yauri	100,000.00
11.	42/1/2018	Talatu and others	170,000.00
12.	43/1/2018	Hassan Kwaidu (Migitrate)	160,000.00
13.	37/1/2018	Sulaiman Gaffar and others	105,000.00
14.	51/1/2018	Kabiru Dauda (DSD) shanga	1,00,000.00
15.	55/1/2018	Abubakar Muh'd and others	822,000.00
16.	38/1/2018	Mal. Bala Koko (NOA)	10,000.00
17.	40/1/2018	Yanusa ibrahim Mungadi	20,000.00
18.	50/1/2018	Isiyaku D/Jumma	10,000.00
19.	52/1/2018	Umaru Mustapha	20,000.00
20.	53/1/2018	Ester Deneyi	10,000.00
21.	54/1/2018	Babayo Aliyu Area Command	20,000.00
22.	55/1/2018	Muh'd Bello and others	301,000.00
23.	59/1/2018	Garba maidaji & others	110,000.00
24.	60/1/2018	Abubakar Hella & others	270,000.00
25.	36/1/2018	Bala Gebbe and others	15,000.00
26.	63/1/2018	Liman Alh. Muh'd & others	330,000.00

27.	35/1/2018	Stelle Micheal	10,000.00
28.	19/1/2018	Acheme john (NDLEA)	10,000.00
29.	56/1/2018	Abdulhamdi Muh'd M. Legion	20,000.00
30.	09/1/2018	Mal. Ismail Taraba	50,000.00
31.	10/1/2018	Abubakar magaji Alele	180,000.00
32.	47/1/2018	Shamsudeen Isyaka	200,000.00
33.	46/1/2018	Isah Adamu (disabled)	171,000.00
34.	49/1/2018	Nuhu DAuda (CDC Shanga)	110,000.00
35.	72/1/2018	Alhassan T/Giwa	669,105.00
36.	65/1/2018	Hon. Muh'd Aminu Arzika	250,000.00
37.	69/1/2018	Alh. Bala Karfe and others	700,000.00
38.	44/1/2018	Muh'd Z. Muh'd (DPM)	150,000.00
39.	35/1/2018	Umar shuaibu Umar	150,000.00
40.	06/2/2018	Hon. Nafisa Aliyu	2,000,000.00
41.	39/2/2018	Hassan Kwaido (Magistrate)	40,000.00
42.	64/2/2018	Ajedele Sunday (CLO)	40,000.00
43.	46/2/2018	Shamsudeen Isiyaka	200,000.00
		Total	7,948,105.00

6. SHANGA LOCAL GOVERNMENT SALARY ACCOUNTS 2018

Audit examination of Salary payment voucher revealed that the sum of ₦462,955,871.52 was received from Joint Account Committee (JAC) for the payment of staff salaries and the sum of ₦455,317,707.05 was expended leaving the sum of ₦7,638,162.48 unaccounted for as per the details below:-

SN	MONTHS	AMOUNT RECEIVED ₦: K	AMOUNT PAYABLE ₦: K	DIFFERENCES ₦: K
1.	January	38,579,655.96	37,943,142.42	636,513.54
2.	February	38,579,655.96	37,943,142.42	636,513.54
3.	March	38,579,655.96	37,943,142.42	636,513.54
4.	April	38,579,655.96	37,943,142.42	636,513.54

5.	May	38,579,655.96	37,943,142.42	636,513.54
6.	June	38,579,655.96	37,943,142.42	636,513.54
7.	July	38,579,655.96	37,943,142.42	636,513.54
8.	August	38,579,655.96	37,943,142.42	636,513.54
9.	September	38,579,655.96	37,943,142.42	636,513.54
10.	October	38,579,655.96	37,943,142.42	636,513.54
11.	November	38,579,655.96	37,943,142.42	636,513.54
12.	December	38,579,655.96	37,943,142.42	636,513.54
	TOTAL	462,955,871.52	455,317,709.05	7,638,162.48

7. REVENUE ACCOUNTS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Our findings during the course of our audit review exercise revealed that Shanga Local Government effort in generating revenue internally was very poor in the year under review. it is also disheartening to note that after several request for the revenue records to be presented for audit verification. Then the revenue officer fails to perform his civil responsibilities as require by law and to my surprise such accounting records was not properly kept and maintained by Shanga Local Government Council. This is a serious over-dependent on Federal Allocation.

Therefore, the ridiculous performance may be consequence upon non-chalant attitude to revenue driven responsibilities.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF SURU
LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED 31ST
DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/020/VOL. II dated 16th June, 2020, which reply was received. Therefore, the following observations were noted.

STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

(a) Treasury Cashbook which is the book of prime entry around which all other entries in the subsidiary ledgers revolve was not properly kept and maintained in accordance with the provision of FM 19.1. It was full of incomplete posting of transactions thereby making extraction of opening and closing balances impossible.

(b) The treasury did not prepare Bank Reconciliation Statements for the period as none was submitted for audit verifications which is contrary to FM 39.3(c) and FM 19.13-20.

(c) Audit inspection of council central store showed non-compliance with FM 34.10(3). There was no proper supervision of council store and this was evidenced by non-maintenance of appropriate store records which is contrary to FM 34.14 and FM 34.18.

(d) The Internal audit operation during the year under review was very weak. Because voucher audit procedures were violated which is contrary to FM 14.10, FM 40.3 and FM 40.11.

Therefore, the Director Finance and Supply should ensure that the books of accounts and records are updated promptly to generate credible and reliable balances such as DVEA, Deposit and advance ledges, daily abstracts of Revenue and Expenditure stores ledgers etc.

2. COUNCIL INCOME AND EXPENDITURE AS AT THE YEAR ENDED 31ST DECEMBER, 2018.

Audit examination of accounting records revealed that the sum of ₦902,893,703.19 was received by Suru Local Government Council as disbursement from Joint Accounts Committee (JAC) for the year under review. while the sum of ₦734,482,656.62 was expended thereby leaving un-accounted balances of ₦168,411,046.57 as per the details below:-

SN	MONTHS	AMOUNT RECEIVED 2018 ₦: K	TOTAL EXPENDITURE 2018 ₦: K	DIFFERENCES ₦: K
1	January	69,675,877.11	69,675,873.28	3.83
2	February	69,933,447.71	70,013,638.06	(80,190.35)
3	March	48,562,447.10	48,528,457.55	407,261.77
4	April	83,464,803.73	83,057,541.96	407,261.77
5	May	70,148,447.28	70,143,163.66	5,203.62
6	June	71,079,122.01	65,456,108.65	5,623,013.36
7	July	56,759,293.23	52,591,398.44	4,167,894.79
8	August	132,188,774.25	53,366,528.53	78,822,246.42
9	September	102,788,898.90	89,890,074.64	12,898,824.26
1	October	56,527,470.33	43,939,468.29	12,588,002.04
1	November	53,808,045.33	44,756,601.37	11,051,443.96
1	December	85,957,075.51	43,063,803.19	42,893,272.32
	TOTAL	902,893,703.19	734,482,656.62	168,411,046.57

3. EXPENDITURE NOT ACCOUNTED FOR (N81,364,909.28):-

Expenditure incurred on Ten (10) payment vouchers amounting to N81,364,909.28 was paid to various officers of the Local Government Council to defraud sundry expenses during the year ended 31st December, 2018 were either not transparently accounted for or not accounted at all. The expenditure did not conform with laid down financial Regulations as observed below:-

- a). Necessary Supporting Documents were not attached to the payment vouchers which is contrary to FM 14.4(8).
- b). Most of the payment vouchers were not acknowledged by the payees which is contrary to FM 14.16.
- c). There was flangrant violation of the prepayment inspection certificate rules which is contrary to S.38.2 of the guidelines on Administrative procedure of the Local Government Council.

In view of the foregoing, this office could not certify that the sum of money collected were not misappropriated. Therefore, the council chairman and the various payees should produce evidence of actual expenditure or they should be surcharged accordingly. The details of such payment vouchers could be seen below:-

SN	PV NUMBER	PAYEES	DETAILS OF PAYMENT	AMOUNT N=: K
1.	81/1/2018	D.P.M Suru L/Gov.	Fulani/Farmers Conflict	20,000,000.00
2.	39/5/2018	D.P.M Suru L/Gov.	Security Measures	20,000,000.00
3.	67/2/2018	Director of Works	Repairs of Plant & machinery	16,000,000.00
4.	70/6/2018	Hadiza Usman & others	Disable empowerment	15,000,000.00
5.	135/7/2018	Muh'd Sani Umar	Public & Current Serv.	2,595,233.09
6.	68/2/2018	Alh. Bako Bala	Purchase of Toyota	4,000,000.00

		T/Lafiya	Sharon	
7.	72/11/2018	Ibrahim Abubakar	Supply of materials	1,000,000.00
8.	72/11/2018	Director Social	Conveyancae of NYSC	1,000,000.00
9.	62/1/2018	D.P.M Suru L/Govt.	Payment of legal return	1,000,000.00
10.	84/2/2018	Director Social	Attending ope. ceremony	769,676.19
	TOTAL			81,364,909.28

4. UN-AUTHORISED EXPENDITURE (₦1,200,000.00):-

Examination of payment vouchers revealed that three (3) payment vouchers amounting to ₦1,200,000.00 paid for the renovations of some mosques in some villages around the Local Government areas. Via payment vouchers Nos. 59/10/2018,60/10/2018 and 61/10/2018 without proper authorisation of the executive committee of the Local Government Council which is contrary to FM 14.7(1), S.33.2 and S.32.2 of the guidelines on Administrative procedures for Local Governmetn council.

The payment vouchers were not supported with cash receipts, the payment vouchers were not endorsed by council secretary, the officer controlling the vote (O.C.V) and the prepayment audit of the payment vouchers by the Internal Audit unit of the Local Government Council being evidence of expending fund released for the purpose it was meant.

The contractor, Abubakar Haruna, Salim Muh'd and Nura Usman should be surcharged the sum of ₦1,200,000.00 for an un-authorized expenditure which cannot be legally charged against the fund of the Local Government council.

5. COUNCIL WITHOLDING TAX (WHT) AND VALUE ADDED TAX (VAT) AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Audit of contract payment vouchers revealed that the Local Government Council has not fully abided with the directive that all revenue collection should be paid directly to designated banks by the payee. The situation

where revenue officers /cashiers still collect revenue and issue general receipt before banking could lead to various financial scandal and malpractices, such as teeming and leading as well as under lodgment of cash so collected or deducted.

However, audit inspection of some payment vouchers revealed that the sum of ₦4,999,999.90 was deducted by Suru Local Government Council as withholding tax and value added tax (VAT) during the period under review, but the Local Government Councils deliberately failed to remitt the said amount to the appropriate tax agencies but, only the sum of ₦560,000.00 was said to have been remitted to Kebbi State Board of Internal Revenue via payment no. 62/6/2018 without official endorsement of the officer controlling the vote, council secretary and council internal auditor which is contrary to the provision of FM 14.10.

Therefore, Value Added Tax (VAT) and withholding Tax (WHT) to the tune of ₦4,439,999.90 were diverted to other uses then, the purpose intended for the period under review.

6. SEMINARS/WORKSHOOPS NOT ACCOUNTED FOR:- Audit examination of payment vouchers revealed that the sum of ₦120,000.00 their was paid to various officers of the Local Government Council to enable then participate at different seminars and workshops were riddled with the following anomalies during the year under review.

a). Necessary supporting documents were not attached such as circulars or invitations letters, certificate of attendance and seminars receipts as an evidence to justify that such seminars/workshops was attended as claimed contrary to FM 14.4(8).

b). Payment inspection certificates rules were violated contrary to S.38 of Guidelines on Administrative procedures for the Local Government Councils.

Therefore, the sum of ₦120,000.00 should be recovered from the council Executive Chairman and the various payees.

7. QUESTIONABLE PAYMENTS FOR THE PURCHASE OF DRUGS:-

Payment voucher for the purchase of emergency drugs was questionable. This is because there is no any documentary evidence such as purchase invoices and reports from the affected villages in respect of the outbreak to prove that the expenditures incurred is genuine. The amount involved was ₦1,500,000.00 vide payment vouchers no. 131/7/2018.

Similarly, the Village Head of Kwakware and the Director of Personnel management Suru Local Government Council was said to have been paid the sum of ₦405,000.00 each totaling ₦810,000.00 in respect of the disputed between Fulani and farmers at Kwakware village in Suru Local Government Council. The expenditure was questionable because no official reports were received from either the District Head of the area and there was no any documentary evidence attached to the payment voucher to prove that such expenditure was transparently and judiciously been made.

8. PROJECT ACCOUNT AS AT THE YEAR ENDED 31ST DECEMBER, 2018:-

During audit examination of project accounts it is quite noted with displeasure that the Local Government Council received the sum of ₦50,000,000.00 for the execution of various projects within the Local Government Area during the year under review. But surprisingly the sum of ₦48,200,000.00 would appear to have been expended, thereby leaving unaccounted balance of ₦1,799,999.78 as per the details below:-

SN	Name payees	Details of project & location	AMOUNT ₦: K
1.	Bashiru Muh'd	Renov. Of Kwakware Mosque D/Gari	2,601,853.89
2.	Umar Imam	Renov. Of Dispensary at Quatrat Suru	2,601,853.89
3.	Umar Imam	Renov. Dispensary at Sangelu	2,601,853.89
4.	Musa S. Dutse	Renov. Of Juma'at Mosque T.	2,601,853.89

		Gero & Hore	
5.	Abubakar Umar	Completion of mosque at Daniya	2,601,853.89
6.	Bello Umar	Repairs. Of central mosque Aljannare	2,601,853.89
7.	Gimba Hakimi	Completion of Mosque at Barbarijo	2,601,853.89
8.	Abubakar Haruna	Renov. Of Double faces Dispen. Of Zakuwa	2,601,853.89
9.	Salim Muh'd Giro	Renov. Of Izala mosque at Giro	2,601,853.89
10.	Lukman Usman	Renov. Of Karika Mosque of Kwaifa	2,601,853.89
11.	Muh'd Nura	Renov. Of izala mosque of kwakwa	2,601,853.89
12.	Abdulrahman Minister	Const. of maternity clinic	14,695,977.75
13.	Abdurahman Minister	Completion of Juma'at mosque Burgaji	4,883,629.68
	TOTAL		48,200,000.00

9. SALARIES ACCOUNT AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Audit examination of salaries payment vouchers for the period under review revealed that the sum of ₦548,518,692.80 was received as disbursement from Ministry for Local Government and Chieftaincy Affairs for the payment of council staff salary. While the sum of ₦2,332,292.18 was found to be tapped up or inflated in forty nine (49) salary payment vouchers as per the details below:-

SN	Name payees	Pv No	Depart.	Amount ₦: K	Amount ₦: K	difference ₦: K
1.	Usamatu Aliyu & others	19/1/18	Works	155,000.00	150,000.00	5,000.00
2.	Abu malam Na Labbo & others	23/1/18	Finance	235,000.00	230,000.00	5,000.00
3.	Sha'awa Mande &	47/1/18	MDGS	620,000.00	600,000.00	20,000.00

	others					
4.	Umar Naw & others	49/1/18	Works	630,000.00	595,000.00	35,000.00
5.	Nazira Muh'd & others	56/1/18	DD MC	565,000.00	560,000.00	5,000.00
6.	Dinara Muh'd & others	77/1/18	Health	570,000.00	560,000.00	10,000.00
7.	Aminu Usman & others	66/2/18	Admin	805,000.00	800,000.00	5,000.00
8.	Umaru S. Kwaifa & others	55/2/18	Finance	685,000.00	675,000.00	10,000.00
9.	Uamr Nawo & others	29/2/18	Works	635,000.00	630,000.00	5,000.00
10.	Nazira Muh'd & others	26/2/18	Adminc	505,000.00	550,000.00	15,000.00
11.	Sani Umar Giro & others	27/2/18	Healt	365,000.00	340,000.00	25,000.00
12.	Salamatu Basiru & others	28/2/18	Amdin B.	540,000.00	525,000.00	15,000.00
13.	Abu Malam Na Labbo& other	30/2/18	Finance	235,000.000	230,000.00	5,000.00
14.	Abu Malam na Labbo & others	36/3/18	Finance	235,000.00	230,000.00	5,000.00
15.	Samira Kabiru & others	57/4/18	Finance	730,000.00	720,000.00	10,000.00
16.	Aisha Suleiman & othes	26/4/18	Admin C.	160,000.00	140,000.00	20,000.00
17.	Nazira Muh'd & others	25/4/18	Admin	565,000.00	560,000.00	5,000.00
18.	Umaru Nono & others	5/4/18	Works	595,000.00	510,000.00	85,000.00
19.	Nasiru Muh'd & others	29/5/18	Admin	565,000.00	550,000.00	15,000.00
20.	Aisha Suleman & others	31/5/18	Admin	160,000.00	140,000.00	20,000.00
21.	Samira Kabiru & others	21/6/18	Finance	730,000.00	725,000.00	5,000.00
22.	Dinara Muh'd & others	36/5/18	Health	555,000.00	550,000.00	5,000.00
23.	Zinatu Abubakar & othes	12/6/18	Health	385,000.00	380,000.00	5,000.00
24.	Usman Aliyu & others	16/6/18	Works	125,000.00	120,000.00	5,000.00
25.	Aisha Suleiaman & others	76/6/18	Admin C.	160,000.00	140,000.00	20,000.00
26.	Nazira Muh'd & others	76/7/18	Admins C.	565,000.00	510,000.00	55,000.00
27.	Hadiza usman &	81/7/18	Admin C.	315,000.00	290,000.00	25,000.00

	others						
28.	Muh'd Hassan & others	87/7/18	Admin C.	565,000.00	510,000.00	55,000.00	
29.	Yahaya Umar & others	106/7/18	Health	460,000.00	455,000.00	5,000.00	
30.	Muh'd Dantata & others	106/7/18	Healt B.	1,549,274.00	1,489,974.00	59,300.00	
31.	Uamr shehu Zagga & others	12/7/18	Health	2,550,404.00	2,463,308.00	87,096.00	
32.	Suwaiba Arzika & others	31/7/18	Health	899,100.00	810,740.00	88,360.00	
33.	Lamido D/Gari & others	49/8/18	Admin	905,635.68	895,636.05	9,999.63	
34.	Rilwanu umar & others	13/8/18	Agric	1,623,061.00	1,442,998.30	180,062.70	
35.	Suwaiba Arzika & others	57/8/18	Health	907,600.00	771,890.00	135,700.00	
36.	Jabir Aliyu & others	70/8/18	Budget	440,000.000	435,000.00	5,000.00	
37.	Abubakar Musa Liman & others	16/9/18	Budget	398,426.97	388,426.93	10,000.00	
38.	Rilwanu Usman & others	13/9/18	Agric	1,615,061.00	1,589,058.00	26,003.00	
39.	Yau Abubakar & others	2/9/18	Health A.	4,399,253.55	2,884,753.55	1,514,500.00	
40.	Aminu usman & others	68/9/18	Admin A.	880,000.00	790,000.00	90,000.00	
41.	Lamido D/Gari & others	64/10/18	Admin	741,892.98	790,868.95	(48,975.97)	
42.	Rilwanu Usman & others	12/10/18	Agric	1,615,061.00	1,503,076.00	111,985.00	
43.	Abubakar Musa Liman & others	12/10/18	Agric	1,615,061.00	1,503,076.00	111,905.00	
44.	Suwaiba Arzikas & others	14/11/18	Health	974,200.00	944,200.00	30,000.00	
45.	Yau Abubakar & others	9/11/18	Health	2,986,842.07	2,982,831.03	4,011.04	
46.	Yaur Abubakar & others	4/12/18	Health A	2,824,351.34	2,782,174.03	42,177.31	
47.	Suwaiba Arzika & others	9/12/18	Health	969,200.00	946,600.00	22,600.00	
48.	Ibrahim Maisala & others	7/12/18	Health	2,200,123,98	1,646,123.98	554,000.00	
49.	Abubakar Musa Liman & others	3/12/18	Budget	394,422.19	388,427.19	5,995.00	
	TOTAL			18,379,773.38	16,047,481.20	2,332,292.18	

10. UN-PRESENTED OR OUTSTANDING SALARY PAYMENT VOUCHERS (N11,631,886.30):-

Audit examination of the salary payment vouchers and records revealed that payment vouchers worth N11,637,886.30 was found outstanding in the volume. The payment vouchers were either removed from the volume to avoid examination or were not prepared at all. Therefore, as a result of that audit can not ascertained the genuineness of these payments. Then the council Director of Finance and Supply and his cashier should be held liable for the missing payment vouchers.

11. TOTAL NEGLECT OF INTERNALLY GENERATED REVENUE PERFORMANCE AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Our Audit findings during the course of our audit exercise revealed that Suru Local Government Council effort in generating revenue Internally was very poor in the year under review. The Local Government Council was not able to maintain and produce a single revenue records for audit examination despite repeated demand for it. This is a serious over dependent on Federal Allocation.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF YAURI
LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED 31ST
DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1- 4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/020/VOL. II dated 6th June, 2020 without response. Therefore, the following observations were noted.

1. STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

Our findings during the course of our audit review exercise revealed that the combined council cashbook which is a primary bill of account and other related records are not properly maintained in accordance with provision of F.M. 19.1. It was characterized by incompleting posting of transactions thereby making extraction of opening and closing balances to be impossible.

The council treasury did not prepare Bank Reconciliation statements for the period as none was submitted for audit inspection which is contrary to F.M. 39.3(c) and F.M. 19.13-20.

Then, audit inspection of council central store showed noncompliance with F.M. 34.10(3). In fact there was no proper supervision of the store and this was evidence by non-maintenance of appropriate store records contrary to F.M. 34.14 to F.M. 34.18.

The internal audit operation during the period was very weak because voucher audit procedures were essentially violated contrary to F.M. 14.10, F.M. 40.3/ and F.M. 40.11.

Therefore, the treasury staff of the local government council should ensure that the councils books of accounts and records such as advance lodgers, deposit, investment, D.V.E.A etc. are updated promptly and properly kept and maintained so as to generate credible and reliable information for the local council.

2. **INCOME AND EXPENDITURE ACCOUNT, FOR THE YEAR 2018**

Audit examination of relevant accounting records revealed that the total sum of ₦784,470,652.25 was received as part of their disbursement from Ministry for Local Government and Chieftaincy Affairs. While the sum of ₦614,340,176.57 was said to be expended but the sum of ₦170,130,475.68 remain unaccounted for as per the details below:

S/N	Month of A/C	Total received (₦)	Total expenditure (₦)	Differences (₦)
1.	January 2018	44,038,168.95	40,403,545.10	3,634,623.85
2.	February 2018	61,736,369.57	59,851,788.79	1,884,580.78
3.	March 2018	40,313,808.04	44,130,598.12	3,816,790.08
4.	April 2018	72,773,690.01	96,839,347.14	24,065,657.13

5.	May 2018	72,301,951.12	56,241,142.08	16,060,809.04
6.	June 2018	62,678,583.74	35,949,165.85	26,729,418.09
7.	July 2018	40,593,950.36	39,554,827.44	1,039,122.92
8.	August 2018	127,815,139.08	59,044,245.13	68,770,893.95
9.	September 2018	104,677,737.03	83,175,676.61	21,502,060.42
10.	October 2018	40,479,352.21	34,691,147.12	5,788,205.09
11.	November 2018	47,603,543.09	32,504,563.96	15,098,979.13
12.	December 2018	69,458,358.85	31,954,129.23	37,504,229.62
	TOTAL	784,470,652.05	614,340,176.57	170,130,475.68

3. PAYMENT OF MAINTENANCE OF VEHICLE WITHOUT EVIDENCE OF EXPENDITURE (₦16,000,000.00)

Audit examination of payment vouchers that ₦16,000,000.00 was collected and claimed to have been paid to Hon. Council Chairman Yauri Local Government Council via payment voucher No. 49/2/2018 for the maintenance of official vehicle of the local government. But the estimate attached to payment voucher shows that the sum of ₦1,470,000.000 and ₦14,530,000.00 for the repairs of Toyota Hilux and Pay Loader with no registration number.

However there was no evidence that the money was actually utilized for the reason as there is no document supporting the said expenditure. But on the spot verification of the expenditure revealed that these vehicles had already been auctioned some years ago before the expenditure was claimed as conveyance letter was attached to the payment voucher which is not an approval to that expenditure.

4. PAYMENTS WITHOUT SUPPORTING DOCUMENTS AND EVIDENCE OF EXPENDITURE (₦75,141,190.48)

In the course of our audit exercise we observed that the sum of ₦75,141,190.48 was paid to certain officers of the local government council without necessary approval, evidence of expenditure and other supporting documents. Even though payment vouchers were raised, some were not pre-audited by the internal audit unit of the local government council. The table below contain the amount that each individual were paid and cannot be properly accounted for.

S/N	PV. No.	Payee	Details of payment	Amount (₦)
1.	60/5/2018	Dir. Personnel	Security support	20,000,000.00
2.	70/7/2018	Dir. Personnel	Mr. President's Visit	10,476,190.48
3.	89/3/2018	Dir. Personnel	Mr. President's Visit	1,000,000.00
4.	71/9/2018	Dir. Social Services	Asst. to water flood victims	40,000,000.00
5.	49/3/2018	PHCN Yauri	NEPA bills	250,000.00
6.	59/12/2018	PHCN Yauri	NEPA bills	250,000.00
7.	46/11/2018	PHCN Yauri	NEPA bills	250,000.00
8.	88/1/2018	PHCN Yauri	NEPA Bills	250,000.00
9.	84/3/2018	PHCN Yauri	NEPA Bills	250,000.00
10.	87/1/2018	Dir. Works	Vehicle maintenance	305,000.00

11.	52/3/2018	Dir. Works	Vehicle maintenance	305,000.00
12.	46/2/2018	Dir. Works	Vehicle maintenance	305,000.00
13.	74/2/2018	Dir. Agric.	Purchase engine	1,500.00
			TOTAL	75,141,190.48

5. SALARIES ACCOUNT AS AT 31ST DECEMBER, 2018

The salaries and other allied records maintained by Yauri Local Government Council has been examined, it has been observed that the total amount of ₦446,568,542.02 was received as salaries disbursement from Ministry for Local Government and Chieftaincy Affairs for the payment of council staff salaries and allowances. But the amount of expenditure incurrent for the payment of council staff salaries and monthly allowances paid was not recorded in the council cash book for the year under review as per the details below:

S/N	MONTH	AMOUNT
1.	January 2018	37,256,592.76
2.	February 2018	37,156,369.57
3.	March 2018	37,231,808.04
4.	April 2018	37,199,573.56
5.	May 2018	37,223,951.12
6.	June 2018	37,197,583.94
7.	July 2018	37,107,448.36
8.	August 2018	37,170,118.46

9.	September 2018	37,230,118.46
10.	October 2018	37,266,584.09
11.	November 2018	37,280,534.09
12.	December 2018	37,247,859.57
	TOTAL	446,568,542.02

6. POOR PERFORMANCE OF INTERNALLY GENERATED REVENUE AS AT THE YEAR ENDED 31ST DECEMBER, 2018

We observed that in the course of our audit that the internally generated revenue of the local government council was very low ₦2,137,200.00 which was less than 2% of the total revenue for the year under review. The budgeted internally generated revenue of the local government was ₦109,000,000.00 in the year 2018 and compare to the actual Internally Generated Revenue (I.G.R) of ₦2,137,200.001 of the budgeted and it is ridiculous small. This cannot sustain the local government council as statutory allocation, VAT and excess crude oil continue to decline.

Audit also observed that revenue operation for the local government council were neither maintained nor formulated by the legislature arm of the local government council. This is meant for guiding revenue collection and monitoring revenue performance with a view to prevent malpractices associated with revenue collection.

**REPORT OF THE AUDITOR GENERAL ON THE ACCOUNTS OF ZURU
LOCAL GOVERNMENT COUNCIL FOR THE YEAR, ENDED 31ST
DECEMBER, 2018**

In compliance with the Provision of Section 146 Sub-Section, 1-4 of the Kebbi State Local Government Administration Law of 2008, the accounts and other financial records maintained by the above named Local Government Council have been audited. The accounts as presented to us showed "True and Fair" position of the public funds entrusted to the council for the year under review. However, observations, arising therefrom are hereby forwarded to the Council Chairman for their Comments and any other further necessary action vide the letter No. LGA/AG/AR/R/018/VOL. II dated 16th June, 2020, which was responded. Therefore, the following observations were noted.

STATE OF THE BOOKS OF ACCOUNTS AND RECORDS AS AT THE YEAR ENDED 31ST DECEMBER, 2018

During the year ended 31st December, 2018, it has been observed that the council cashbook which is the book of prime entry around which all other entries in the subsidiary ledger was not correctly maintained.

b). Monthly Bank Reconciliation statements were not prepared. There is need for such statement in order the council to detect and identify fraudulent items/entries therein. Audit inspection of Council Central Store showed non-compliance with FM 34.10(3). There was no proper supervision of the store and this was evidences by non-maintenance of appropriate stores records contrary to FM 34.14 to FM 14.18.

c). The internal Audit operation during the year under review was very weak because voucher Audit procedures were violated which is contrary to FM 14.10, FM.40.3 and FM. 40.11. Therefore, the Director of Finance

should ensure that the council Books of Accounts and records are updated promptly to generate credible and reliable balances for the Local Government Council.

2. COUNCIL INCOME AND EXPENDITURE AS AT THE YEAR ENDED 31ST DECEMBER, 2018:-

Audit examination of Book of accounts and records revealed that the total sum of ₦358,266,415.70 was received as disbursement from Ministry for Local Governments and chietaincy affairs out of which the sum of ₦230,608,336.48 would appear to have been expended excluding staff salary leaving un-accounted balance of ₦127,658,079.22 for the year under review as per the details below:-

SN	MONTHS	INCOMCE RECEIVED	EXPENDITURE ₦: K	DIFFERENCE ₦: K
1	January	3,567,676.00	-	3,567,676.00
2	February	67,190,000.00	55,000,000.00	12,190,000.00
3	March	NIL	NIL	NIL
4	April	35,514,116.45	33,514,116.45	2,000,000.00
5	May	32,800,000.00	21,500,000.00	11,300,000.00
6	June	24,480,000.00	11,500,000.00	12,980,000.00
7	July	NIL	NIL	NIL
8	August	89,059,047.62	58,618,027.55	30,441,020.07
9	September	68,487,372.57	50,476,192.48	10,011,180.49
1	October	5,000,000.00	NIL	5,000,000.00
1	November	7,000,000.00	NIL	7,000,000.00
1	December	25,166,203.06	NIL	25,166,203.06
	TOTAL	358,266,415.70	230,608,336.48	127,658,079.22

3. PAYMENT OF OVER HEAD COST FOR THE YEAR ENDED, 2018

Audit examination of some accounts records revealed that the sum of ₦3,000,000.00 was received on monthly basis to take care of their day to day running cost of the Local Government Council totaling ₦36,300,000.00 per annum was used to solve the council immediate and personal problems as per the details below:-

SN	MONTHS	DATE AS PER BANK STATEMENT	AMOUNT RECEIVED ₦: K
1.	January	24/01/2018	3,000,000.00
2.	February	27/02/2018	3,000,000.00
3.	March	26/03/2018	3,000,000.00
4.	April	05/04/2018	3,000,000.00
5.	May	24/05/2018	3,000,000.00
6.	June	12/06/2018	3,000,000.00
7.	July	18/07/2018	3,000,000.00
8.	August	15/08/2018	3,000,000.00
9.	September	24/09/2018	3,000,000.00
10	October	15/10/2018	3,000,000.00
11	November	26/11/2018	3,000,000.00
12	December	18/12/2018	3,000,000.00
	TOTAL	902,893,703.19	36,300,000

4. UNPRESENTED OR OUTSTANDING PAYMENT VOUCHERS (₦8,443,452.19)

Audit examination of payment vouchers revealed that eighteen (18) payment vouchers totaling ₦8,443,452.19 already posted into council cash book of the Local Government were not presented for audit verification which is contrary to FM.13(a) thus making it impossible for audit to determine whether the payments were reasonable and judiciously accounted for. Therefore, the Director of Finance and some of his treasury staff should provide the payment vouchers or be surcharge the sum of ₦8,443,452.19 as per the details below:-

SN	Payees	Details of payment	Pv No.	Amount on pvs ₦: K
1.	Shehu Sani	Flogup senior seal chamber	75/1/2018	2,500,000.00
2.	Micheal N.	NYSC transportation	77/1/2018	769,616.19
3.	Isyaku Daudu	Buget Broduction	70/1/2018	340,000.00

4.	Audu Ango Kanya	Entertainment	79/1/2018	380,000.00
5.	Revenue officer	Evacuation refuse	77/2/2018	230,000.00
6.	Muh'd Kabiru & others	D.T.A	78/2/2018	130,000.00
7.	Matha, Kaka	Hiring of feeding	28/3/2018	769,076.00
8.	Muh'd kabir A.	Entertainment	79/1/2018	280,000.00
9.	Matha Kaka	D.T.A. workshop	27/3/2018	200,000.00
10	Director for Health	Distribution of Nets	37/4/2018	2,000,000.00
11	Tand 2 Plaza	Accomodation guest	34/4/2018	2,000,000.00
12	Revenue officer	Market clearing	32/6/2018	45,000.00
13	Bala Rambo	D.T.A.	41/7/2018	180,000.00
14	Bala Rambo & others	D.T.A.	28/8/2018	110,000.00
15	Ahmed Umar	D.T.A.	32/9/2018	90,000.00
16	Abdul-karim Abdullahi	entertainment	42/10/2018	100,000.00
17	Revenue officer	Entertainment	44/10/2018	100,000.00
18	Ahmed Sani	Project supervision	26/11/2018	140,000.00
	TOTAL			8,443,452.19

5. UN-ACCOUNTED EXPENDITURE (₦1,800,000.00)

Examination of expenditure accounts revealed that expenditure totaling ₦1,800,000.00 was expended under twelve (12) payment vouchers for the payment of old-age allowance for the period under review. It was observed that the expenditure was not properly accounted for because the officer controlling the vote (OCV) that is Director Social in person of Alh. Nuradeen Wasagu claimed ignorance of the payment made as per the details below:-

PAYMENT OF OLD-AGE ALLOWANCE FOR THE YEAR ENDED, 2018

SN	MONTHS	PV NUMBER	AMOUNT N: K
1.	January	NIL	150,000.00
2.	February	19/02/2018	150,000.00
3.	March	02/03/2018	150,000.00
4.	April	28/04/2018	150,000.00
5.	May	11/05/2018	150,000.00
6.	June	22/06/2018	150,000.00
7.	July	23/07/2018	150,000.00
8.	August	19/08/2018	150,000.00
9.	September	14/09/2018	150,000.00
10	October	35/10/2018	150,000.00
11	November	22/11/2018	150,000.00
12	December	16/12/2018	150,000.00
	TOTAL	902,893,703.19	1,800,000.00

The council Director of Finance, the Director of Personnel and the various officers involved should be surcharge the sum of ₦1,800,000.00 suspected to be mis-appropriated from public fund.

6. **PAYMENT VOUCHERS WITHOUT NECESSARY SUPPORTING DOCUMENTS (₦40,000,000.00)**

Some payment vouchers totaling ₦40,000,000.00 was made during the period under review, were neither supported with relevant payment vouchers non supported with appropriate supporting documents which is contrary to FM 39.3(a.b), FM.14.9(6) and F.M. 14.29.

Therefore, it was very difficult for the audit to ascertain whether the payments were properly authorised and judiciously accounted for. The payment could not therefore be considered as being validly made and properly charged against the Local Government Council funds as proper documentation required could not be produced.

7. ITEMS NOT TAKEN ON CHARGE (N8,490,000.00)

Audit investigation revealed that payments was made to Nasiru Muhammed amounting to N8,490,000.00 for the direct supply of handpump. On the spot verification of the supply revealed that such supply was not in existence and not properly executed. Because the item said to have been supplied was not taken to the stores for verification and the necessary supporting documents, such as SRV, SIV, the executive committee approval and other evidential documents were not attached contrary to FM 14.4(8). Therefore, the amount of money in question was suspected to be apparently misappropriated or diverted for their own personnel uses.

8. COUNCIL SALARY ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER, 2018

Audit examination of council salary accounts records for the period under review revealed that the sum of N600,340,193.76 was received as disbursement from Ministry for Local Governments and Chietaincy Affairs for the payment of council staff salaries out of which the sum of N598.180,199.28 would appear to have been expended leaving unaccounted balance of N2,159,994.48 as per the details below:-

SN	MONTHS	AMOUNT RECEIVD 2018 N=: K	SALARY PAID 2018 N=: K	DIFFERENCES N=: K
1.	January	50,028,349.48	49,848,349.94	179,999.54
2.	February	50,028,349.48	49,848,349.94	179,999.54
3.	March	50,028,349.48	49,848,349.94	179,999.54
4.	April	50,028,349.48	49,848,349.94	179,999.54

5.	May	50,028,349.48	49,848,349.94	179,999.54
6.	June	50,028,349.48	49,848,349.94	179,999.54
7.	July	50,028,349.48	49,848,349.94	179,999.54
8.	August	50,028,349.48	49,848,349.94	179,999.54
9.	September	50,028,349.48	49,848,349.94	179,999.54
10.	October	50,028,349.48	49,848,349.94	179,999.54
11.	November	50,028,349.48	49,848,349.94	179,999.54
12.	December	50,028,349.48	49,848,349.94	179,999.54
	TOTAL	600,340,193.76	598,180,199.28	2,159,994.48

9. COUNCIL INTERNALLY GENERATED REVENUE PERFORMANCE FOR THE YEAR, ENDED 31ST DECEMBER, 2018

Audit inspection of revenue records revealed that the Local Government Council recorded Internal Revenue shortfall totaling ₦161,413,219.77. Then, out of the total budgeted of ₦164,800,000.00 internal revenue generated during the period under review, only the sum of ₦3,466,780.23 was collected. This represents 2.10% shortfall of the budgeted estimated internally generated revenue. The revenue shortfall is considered significant in view of the adverse effect on the council expenditure profile for the year, 2018.

Audit examination further confirmed that the Local Government Council lacked checks on Revenue Collectors, did not use charts for revenue collectors and failed to bond revenue officials which is contrary to revenue regulations. This might have contributed to the poor performance noted.

Therefore, the Local Government Council should institute effective Internal control mechanism to block all the loopholes to harness the Internally generated revenue performance of the Local Government Council.