



**OFFICE OF THE AUDITOR GENERAL FOR
LOCAL GOVERNMENTS**

KEBBI STATE, BIRNIN KEBBI

ANNUAL AUDIT REPORT

FOR

THE YEAR ENDED 31ST DECEMBER, 2022

SUBMITTED BY

FARUK B. MUHAMMAD

AG. AUDITOR GENERAL FOR LOCAL GOVERNMENTS

KEBBI STATE, BIRNIN KEBBI

PREAMBLE

Bismillahir Rahmani Raheem. All praises and adorations are due to Allah the almighty, the beneficent, the merciful, for sparing our lives and for giving me the courage and strength to stand in the pages of history, for the successful compilation, completion, and fulfillment of this constitutional responsibility.

Some people regard auditing as a fault finding mission, but literally is on the contrary, though inevitable in auditing. The primary aim of auditing is to establish (under reasonable circumstances) the true and fair nature of the state of affairs with which a given task, undertaking or responsibility has been discharged by the person or persons entrusted with the task or responsibility.

The development and submission of the Auditor-General's Annual Report on the accounts and records maintained by the 21 Local Governments and their co-funded organisations for the period from 1st January to 31st December 2022 is a step towards the fulfillment of my constitutional obligation.

Section 85(5) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) and Kebbi State Local Government Auditor General Law 2021 mandated me to submit my Report on the audited annual financial statements of the Local Governments and there co-funded organisations, to the Executives and State House of Assembly within 90 days of the receipt of the Statements from the mentioned institutions. However, due to delays in the submission of Financial Statements by the above named institutions and change of leadership in this office, which came to effect on the 23rd June, 2023, constrained the submission of this report as at when due.

However, having received the Annual Financial Statements of 21 Local Governments and their Co-funded organisations on the **20th - 25th July, 2023**, I have audited and certified it, in accordance with Section 85(2) and (5) of the

Constitution of the Federal Republic of Nigeria and section 12(1-2) of the Kebbi State Local Governments Auditor General Law 2021. And observations, comments and recommendations are made accordingly.

Consequently, it is our wish to commend the Executive Governor of Kebbi State, **Dr. Nasir Idris, “Kauran Gwandu”** for giving us unlimited opportunity to conduct audit examination on these accounts.

The Office of the Auditor General for Local Governments equally appreciate the renewed efforts by the **9th and 10th State Assembly** towards speedy consideration of our Annual Reports submitted to the Honourable Members. It is my hope that 2022 annual report will be accorded with similar consideration by the Public Accounts Committees of the State House of Assembly. It is also paramount that, concluded recommendations of the Public Accounts Committees, be laid before the House Chamber, for ratification. This legislative endorsement and onward transmission to the Executive Arm of Government for implementation will make the accountability process meaningful and complete.

It is also pertinent to reiterate our call on the State Government, **to come to our rescue and approve the commencement of 0.5% of Local Governments FAAC revenue contribution to the Office of the Auditor General for Local Government as enshrined in section 22.1 of the Auditor General for Local Governments Law 2021.** These funds if approve would be used in the constructions of Permanent Secretariat, seven Zonal Offices, 21 Local Government Offices, procurement of verification vehicles, processing and production of audited reports to the local governments and Annual Reports to the Executives and Legislators. Other areas of expenditure are purchase of ICT equipment, stationaries, purchase of Mikano generator and its maintenance, Transport and Duty Tour Allowances to the staff among others.

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OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATE

The Financial Statements of the 21 Local Government Councils for the period from 1st January to 31st December 2022 have been examined by my office in accordance with the Section 316(1) of the 1999 Constitution of the Federal Republic of Nigeria (As amended), Section 15(1) of the Kebbi State Local Government Auditor General Law 2021, Financial Memoranda, the provision number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008 and in line with International Public Sector Accounting Standard (Cash Basis).

I have obtained substantial information and explanations required for my audit. Base on the records made available to me, I hereby certify that the Audited Financial Statements are the true reflection of the transactions of all the Local Government Councils of Kebbi State.

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF FINANCIAL RESPONSIBILITY

The Directors of Finance and Supplies of the 21 Local Governments are responsible for the preparation and presentation of the financial Statements as enshrined in the relevant provisions of the 1999 constitution of the Federal Republic of Nigeria [as amended] and Financial Memoranda. The presentation shall be done on/or before Ninety days after the expiration of the preceding year.

STATEMENT OF RESPONSIBILITY OF THE AUDITOR GENERAL

Similarly, it is my responsibility as the Ag. Auditor General for Local Governments Kebbi State to form an uninterrupted and independent opinion on the Annual Financial Statements prepared and submitted in accordance with the Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 {1 }, 2 { a & b} Part 1X of the Local Government Law 2008. Furthermore, I carried out my audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Those standards required adherence to ethical requirements, plan and perform the audit to obtain reasonable assurances as to whether the financial statements are free from material misstatements.

ACCOUNTING FRAMEWORK

The Accounts have been prepared based on the Cash basis of Accounting Framework and it is in compliance with the requirements of the International

Public sector Accounting Standard (IPSAS). The Cash basis IPSAS means a basis of accounting that recognizes transactions and other events only when cash is received or paid. The Accounts also comply with the provisions of the 1999 Constitution of the Federal Republic of Nigeria, Kebbi State Local Governments Law (2008) and Financial Memoranda.



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

OPINION OF THE AUDITOR GENERAL

I have audited the Books of Account and Annual Financial Statements of the 21 Local Governments Councils, the Joint Local Government Accounts, Local Government Service Commission (Training Funds), 21 Local Government Education Authority, Local Government Staff Pension Board, Primary School Staff Pension Board, Emirate Councils, Primary Health Care Development Agency (Basket Funds), and Social Security Welfare Fund for the year ended 31st December 2021. The accounts presented appeared to be prepared in accordance with the Generally Accepted Auditing Standards and inconsonance with Public Administration Law NO 2 of 1978.

In my opinion, the accounting books and records together with the supporting statements for the year ended 31st December 2022 (as presented to me) appear to be properly maintained and also reflect “free and fair” view of the public funds entrusted to those organisations. Moreover, all the information and explanation necessary for the purpose of my audit were also made available to me, except on the contrary as indicated in the report.



Faruk B. Muhammad

*Ag. Auditor General for Local Governments
Kebbi State*



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

MANAGEMENT REPORT OF THE AUDITED FINANCIAL STATEMENTS OF 21 LOCAL GOVERNMENT COUNCILS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of the 21 Local Government Councils in Kebbi State together with their co-funded organisations for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Revenue and Expenditure from 1st January to 31st December 2022.
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examinations. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Councils.

As part of our professional responsibility, observations therefrom were forwarded to the Councils’ management for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

In conclusion, the management of Joint Account Committee and Directors of Finance the 21 Local Governments are hereby commended for making tremendous improvement from the observations raised in our previous Annual Report.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

CONSOLIDATED FINANCIAL STATEMENT OF THE 21 LOCAL GOVERNMENTS IN KEBBI STATE

The Annual Financial Statements of the 21 Local Governments in the State have been audited. The statements are hereby consolidated below. The objective is to give statewide assessment of the accounts and form our opinion therefrom.

Faruk B. Muhammad

Ag. Auditor General for Local Governments
Kebbi State

**CONSOLIDATED CASH FLOW STATEMENTS OF 21 LOCAL
GOVERNMENT COUNCILS FOR THE YEAR ENDED 31ST DECEMBER
2022**

<i>CASH FLOW FROM OPERATING ACTIVITIES</i>	NOTE	2022	2021
RECEIPT			
Internally Generated Revenue	3	1,008,090,408.85	456,787,618.90
Grant Subvention	4	431,349,834.07	-
VAT	5	15,008,099,779.12	11,149,264,292.91
Statutory Allocation	6	41,924,724,140.07	30,906,730,605.17
Miscellaneous	7	361,035,026.66	549,168,650.02
Total Receipts		58,733,299,188.77	43,062,451,132.13
PAYMENT			
Personal Enrolment	8	11,068,252,699.06	10,769,954,225.45
Education Services		8,810,225,083.37	7,681,265,444.50
Transport Service		822,915,788.49	1,378,659,464.75
Health Services		1,118,913,468.25	1,055,843,767.38
Mining & Petro-Chemical Services			233,753,962.80
Agricultural Services		2,755,787,989.63	1,372,490,574.00
Other General Nature	9	32,32,952,466,437.82	20,354,145,690.61
TOTAL PAYMENT		57,528,561,466.62	42,846,113,129.58
<i>Net Cash flow from operating Activities</i>		<i>1,204,737,722.15</i>	<i>216,338,002.55</i>
CASH FLOW FROM INVESTMENT ACTIVITIES			
Purchase and Construction of Assets	10	(722,256,458.12)	(102,539,752.10)
Purchase of Financial Market Instrument		(424,669,496.53)	(424,669,496.53)
Proceeds from Sale of Assets			
<i>Net Cash Flow from Investing Activities</i>		<i>(1,146,925,954.65)</i>	<i>(527,206,248.63)</i>
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from loan & Other Borrowing			
Dividend Received		9,853,209.12	56,484,950.00
Payment of Loan			
<i>Net Cash flow from Financing Activity</i>		<i>9,853,209.12</i>	<i>56,484,950.00</i>
<i>Net Increase/Decrease in Cash & its equivalent</i>		<i>67,664,976.62</i>	<i>(254,383,296.08)</i>
Cash & its equivalent as at 01/01/2022		120,208,542.19	374,591,838.27
Cash & its equivalent as at 31/12/2022		187,873,518.81	120,208,542.19

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES OF THE 21
LOCAL GOVERNMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022**

ASSETS	NOTE	CURRENT YEAR 2021	PREVIOUS YEAR 2020
CASH& BANK BALANCE	14	187,873,518.81	121,628,124.52
INVESTMENT	15	424,669,496.53	424,669,496.53
ADVANCES	16	28,108,391.63	56,895,391.63
OTHERS	17	---	---
TOTAL		640,651,406.97	603,190,012.68
LIABILITIES		---	---
DEPOSITS	18	22,913,028.99	38,351,934.01
LOANS	19	---	---
GENERAL REVENUE	20	617,738,377.98	564,838,078.67
TOTAL		640,651,406.97	603,190,012.68

GENERAL COMMENTS ON CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

CASH FLOW STATEMENT

REVENUE ACCOUNTS

From the available records, the twenty one Local Government Councils of Kebbi State receipts the total sum of N41,924,724,140.07 as share of Statutory Allocation, ₦15,008,099,779.12 as Value Added Tax, State Grant/Subvention amounted to N431,349,834.07, Mscellanous receipts stood at N361,035,026.66 and the sum of ₦1,008,090,408.85 were realised as Internally Generated Revenue. These sum of the total receipts of the twenty one Local Government Councils to be ₦58,733,299,188.77 (from the Federation Accounts Allocation Committee {FAAC}, State Government and IGR) for the year ended 31st December 2022.

However, it is disheartening to report that the contributions of Internally Generated Revenue of the 21 Local Government Councils to Total Annual Receipts only stood at 1.72%. This clearly shows over dependence on Statutory Allocation and lack of commitment from either the management and/or lack of political will to sanction the erring Revenue Officers.

Therefore, we recommend total reinvigoration of the Internally Revenue Generating units of the 21 Local Governments, so as to harness the neglected local sources which are too numerous to mentioned.

EXPENDITURE

We are delighted to note that the net cash flow from operating activities shows a positive balance of N1,204,737,722.15 and also Net increase in cash and its equivalent closed at N67,664,976.62. This means there were surplus of income over expenditure during the year under review. That shows a positive response to our previous observations on over spending the total annual income.

STATEMENT OF ASSETS AND LIABILITIES

CASH AND ITS EQUIVALENT

The consolidated closing cash and its equivalents amounted to **N187,873,518.81** for the 21 local Government Councils as at 31st December, 2022. Accumulated bank charges were not vouched as at the time of reporting. That is to say cash and bank balances would be lower than the above figure reported after proper reconciliation have been carried out. This observation has also been communicated to the local Government Councils for their comments and necessary action.

INVESTMENTS

The total consolidated value of all investments held by the 21 local Governments councils remained **N424,669,496.53**. These investments were not properly documented as investment Register/ Ledgers were not maintained by various councils thus, their current values could neither be ascertained nor verified. Most investment have been found to be dormant as no income by way of dividends or additional value been recorded in respect of those investments.

In my opinion, investigation into the current status of these investments should be carried out to establish their existence, viability and fair values.

ADVANCES

These are prepayments for goods, services and or Personnel (Loan), which the local Governments are yet to receive. For the year under review, a consolidated total advances stood at **N28,106,391.63**. Audit investigations revealed that the balance in the advance account was due to the non-retirement of advances after events for which they were granted have been concluded or time given has elapsed.

It is therefore recommended that, the affected Local Governments should immediate recovery of these advances or that there should be a write off of those which have become irrecoverable so that the true position of these accounts can be ascertained. It is also imperative for Audit clearance to be given before officers proceeded on retirement to ensure that such officers don't have unretired advances against them.

LIABILITIES

DEPOSITS

The sum of **N22,913,028.99** represents balance on deposit account as at 31st December, 2018. This includes receipts relating to future accounting period and sum held on behalf of the third party. It mainly consists of dues and Personnel Motorcycle loans.

ADDITIONAL OBSERVATIONS ON THE CONSOLIDATED FINANCIAL RECORDS OF THE 21 LOCAL GOVERNMENTS IN KEBBI STATE FOR THE YEAR ENDED 31ST DECEMBER, 2022

1. STATE OF ACCOUNTS

Audit inspection of the available records revealed an appreciable improvement from the previous year's observations in the areas of records maintenance and update. However, the culture of non attachment of supporting documents to the payment vouchers still persisted in virtually all the 21 local governments. These contravine the provisions of chapter 14.1 -9 of the Financial Memoranda.

The possible risk of abusing Chapter 14 may include, material misstatement, fraud or outright diversion of public funds to unintended beneficiaries. Though the Treasurers in their responses assured me of compliance going forward, but I deem it necessary to report the matter and make it clear that henceforth, appropriate sanctions will be applied to the erring officer(s).

2. SUBSIDIARY RECORDS

Audit examinations of the available records in respect of the 21 Local Governments bring to the fore, the high level of inadequacies and inconsistency in subsidiary records keeping and these findings have been forwarded to the respective Local Governments. These observed anomalies are summarized below:

- a. Departmental Vote of Expenditure Account, either not prepared or not updated.

- b. Movable and immovable Assets registers were either not properly kept or not maintained, improperly kept or not up to date.
- c. Revenue cash book and allied records, not maintained and/not updated.
- d. Investment register/ ledgers were not kept.
- e. Store ledger, not maintained or updated.

3. INTERNAL CONTROL:

Section 14.10 of the Financial Memoranda stipulated that “Section 14.10 of the Financial Memoranda state that “All Payment Vouchers shall be submitted to the Internal Auditor for prepayment audit. Such vouchers shall not be paid the Treasurer until the Internal Auditor has audited the payment voucher”. While scrutinizing the available records of the 21 Local Governments for the period under review, we observed serious slack on internal control and checks. The prepayment audit roles of the Internal Auditors were flagrantly thrown to the bay by the Officers Controlling the Votes, Treasurers and/or Councils Chairmen.

Conversely, it is also disheartening to report that Local Governments’ Internal Auditors were not alive to their responsibilities throughout the period under review. To expose the level of their ineffectiveness, none of the Internal Auditors wrote and submitted any quarterly reports for the attention (s) of their Chairmen, Audit Alarm Committee and/or the Auditor-General for Local Governments.

BANK RECONCILIATION STATEMENT

It’s quite absurd to note that throughout the period covered by this report most of the Local Government Councils did not make even an attempt to reconcile their Cash Books with the Bank Statements, in compliance with the Financial Memoranda Provision number 19.25. In many atimes, cheques are not quoted

against withdrawal made by most of the Local Government Councils which is a serious contravention of Financial Memoranda provision chapter 19.

SUBMISSION OF ACCOUNTS

The late submissions of Financial Statements by the Local Government Treasurers have become recurring issue which calls for concern and change of modus operandi. The 2022 Annual Financial Statements (Nos. 1 – 4) with the Notes to the Accounts were first submitted to my Office on 24th July, 2023, three months behind the provisions of the 1999 Constitution (as amended) in section 85(5). Timeliness in preparation and publication of Annual Financial Statements is considered to be of paramount importance globally, if these Statements are to be relevant and useful.

It is my pleasure to report that prior to writing this report, we had constructive and fruitful engagements with the Local Government Treasurers on modalities that will aid preparation and submission of Annual Financial Statements within the prescribed period. Parts of my recommendations are:

- (i) Every Local Government shall constitute team of Accountants that will ensure timely preparation and submission of Annual Financial Statement to my office for audit.
- (ii) An Allowance of at least N100,000.00 should be approved as allowances to the team on monthly basis to serve as motivator.

ALEIRO LOCAL GOVERNMENT COUNCIL

OF KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2021



ALIERO LOCAL GOVERNMENT COUNCIL

P.M.B 9008 ALIERO, KEBBI STATE

Our Ref:..... Your Ref:..... Date:.....

ALIERO LOCAL GOVERNMENT

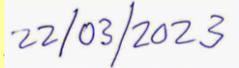
STATEMENT OF FINANCIAL RESPONSIBILITY

These financial statements have been prepared by the treasurer of Aliero Local government Council in accordance with the provisions of the finance (council and management) Act 1958 as amended. The financial statements comply with generally accepted accounting practice.

The treasurer is responsible for establishing and maintaining a system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public finance resources by the local government council. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

Sign:..... 

Treasurer

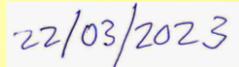
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We accepted responsibility for the integrity of these financial statements, the information they contain and their compliance with the finance (control and management) Act 1958 as amended.

In our opinion these financial statement fairly reflect the financial position of local government as at 31st December 2022 and its operation for the year ended on that date.

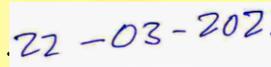
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Treasurer

Date:..... 

..... 

Chairman

Date:..... 



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statement of Aleiro Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statement presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statement is evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Aleiro Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/02/23

Faruk B. Muhammad

Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of Aleiro Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and related documents shows “true and fair” view of the state of affairs of Aleiro Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

 13/09/23

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF ALEIRO LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Aleiro Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council. As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO.1

ALIERO LOCAL GOVERNMENT

CASH FLOWS STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022

CASH FLOW FROM OPENRATING ACTIVITIES	NOTE	YEAR 2022	YEAR 2021
Receipt	---	---	---
Internally generated revenue	3	25,800,200.00	23,577,164.30
Grant subvention	4	---	---
VAT	5	639,000,643.82	521,100,863.96
Statutory allocation	6	936,378,718.98	771,210,574.68
Miscellaneous	7	---	---
Total receipts	---	N1,601,179,562.80	N1,315,888,602.63
PAYMENT	---	---	---
Personnel Emolument	8	396,737,220.70	380,238,620.63
Education services		139,238,870.32	140,189,047.43
Transport Services		20,000,000.00	17,384,400.00
Health services		35,850,811.44	35,850,811.44
Mining & Petrol-chemical services		---	---
Agricultural services		37,390,476.19	---
Other of General Nature	9	975,902,997.81	706,251,925.33
TOTAL PAYMENT	---	N1,605,120,376.46	N1,279,914,804.83
Net cash flow from operation activities	---	(3,940,813.66)	35,973,798.11
CASH FLOW FROM INVESTING ACTIVITIES	---	---	---
Purchase/construction of asset	10	---	---
Purchase of financial market instrument	---	(17,142,857.14)	(7,142,857.14)
Proceeds from sales of assets	---	---	---

Net cash flow from investing activities	---	---	---
CASH FLOW FROM FINANCING ACTIVITIES	---	---	---
Proceeds from loan & other borrowing	11	---	---
Dividends received	12	---	---
Repayment of loan	13	---	---
Net cash flow from financing activities		---	---
Net increase/decrease in cash & its equivalent		(21,083,670.80)	18,830,940.97
Cash & its equivalent at 1/1/2022		21,105,339.17	2,274,398.20
Cash & its equivalent at 31/12/2022		21,668.37	21,105,339.17

STATEMENT NO.2

ALIERO LOCAL GOVERNMENT

STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED

31ST DECEMBER, 2022

ASSETS	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
CASH& BANK BALANCE	14	21,668.37	21,105,339.17
INVESTMENT	15	17,142,857.14	17,142,857.14
ADVANCES	16	---	---
OTHERS	17	---	---
TOTAL		N17,164,525.51	N38,248,196.31
LIABILITIES		---	---
DEPOSITS	18	---	---
LOANS	19	---	---
GENERAL REVENUE	20	17,164,525.51	38,248,196.31
TOTAL		N17,164,525.51	N38,248,196.31

STATEMENT 3
ALIERO LOCAL GOVERNMENT OF NIGERIA
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER,
2022

	NOTES	ACTUAL 2022	YEAR	FINAL BUDGET 2022	VARIANCE ON FINAL BUDGET
Opening Balance:		N		N	%
<u>ADD: REVENUE</u>					
Statutory Allocations: FAAC	1	936,378,718.98		1,476,197,958.00	539,819,239.02
Value Added Tax Allocation		639,000,643.82		754,820,996.00	115,820,352.18
Sub-Total- Statutory Allocation		1,578,379,362.80		2,231,018,954.00	652,639,591.20
Direct Taxes	2	25,800,200.00		676,700,000.00	650,900,000.00
Licences	2				
Mining Rents:	2				
Royalties	2				
Fees:	2				
Fines	2				
Sales	2				
Earnings	2				
Sales/Rent of Government Buildings:	2				
Sales/Rent on Lands and Others:	2				
Repayment: General:	2				
Investment Income	2				
Interest Earned	2				
Re-Imbursements	2				
	2				
Sub-Total – Independent Revenue		25,800,200.00		676,700,000.00	650,900,000.00
Other Revenue Sources of the Government	3				

TOTAL REVENUE:	1,601,179,562.80	2,907,718,954.00	1,306,539,391.20
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LESS: EXPENDITURE

Personal Costs (Including Salaries on CRF 4 Charges):	781,196,747.05	415,206,480.00	(365,990,267.05)
---	----------------	----------------	------------------

Federal/ States/ LGC Govt Contribution to Pension:	88,696,430.62	89,528,219.00	831,788.38
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Overhead Charges:	6	36,000,000.00	177,060,000.00	141,060,000.00
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Consolidated Revenue Fund Charges (Incl Service Wide Votes)	7			
---	---	--	--	--

Subvention to Parastatals:	8	560,264,716.76	645,670,073.00	85,405,356.24
----------------------------	---	----------------	----------------	---------------

OTHER RECURRENT PAYMENTS/EXPENDITURE:

Repayments: External Longs/FGN/States/LGC	19			
---	----	--	--	--

Repayments: FGN/States/LGC Bonds & Treasury Bonds	20			
---	----	--	--	--

Repayments: Nigeria Treasury Bills (NTB)	21			
--	----	--	--	--

Repayments: Development Loan Stock	22			
------------------------------------	----	--	--	--

Repayments: Other Internal Loans (Promissory Notes)	23			
---	----	--	--	--

Repayments: Internal Loans from Other Funds	24			
---	----	--	--	--

TOTAL EXPENDITURE	1,466,157,894.43	1,327,464,772.00	(138,693,122.43)
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OPERATING BALANCE:	135,021,668.37	1,580,254,182.00	1,445,232,513.63
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APPROPRIATIONS/TRANSFERS:

Transfer to Capital Development Funds:	135,000,000.00	1,580,254,182.00	1,445,254,182.00
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CLOSING BALANCE:	21,668.37		
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The accompanying Notes form part of these Statements

Names and Signature of
Accountant-General of the Federation/ Accountant-General of the
State/ Local Government Treasurer

STATEMENT NO. 4
ALIERO LOCAL GOVERNMENT OF NIGERIA
STATEMENT OF CAPITAL DEVELOPMENT FUNDS FOR THE YEAR ENDED 31ST DECEMBER,
2022

	NOTES	TOTAL CAPITAL EXPENDITURE 2022	FINAL BUDGET 2022	PERFORMANCE ON TOTAL
Opening Balance:		N 135,021,668.37		%

ADD: REVENUE

Transfer from Consolidated Revenue Fund:	9	135,000,000.00	1,669,782,401.00	19%
Aid and Grants	10			
External Longs/FGN/States/LGC	19			
FGN/States/LGC Bonds & Treasury Bonds	20			
Nigeria Treasury Bills (NTB)	21			
Development Loan Stock	22			
Other Internal Loans (Promissory Notes)	23			
Internal Loans from Other Funds	24			

TOTAL REVENUE AVAILABLE:

LESS: CAPITAL EXPENDITURE

Capital Expenditure: Administrative Sector:	11		251,000,000.00	0%
Capital Expenditure: Economic Sector	11	135,000,000.00	711,782,401.00	19%
Capital Expenditure: Law and Justice:	11			
Capital Expenditure: Regional Development	11		334,000,000.00	0%
Capital Expenditure: Social Service Sector:	11		373,000,000.00	0%
Capital Expenditure: Funded from Aid and	10			

Grants:

<u>TOTAL CAPITAL EXPENDITURE:</u>	135,000,000.00	1,669,782,401.00	19%
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Intangible Assets

CLOSING BALANCE:	21,668.37
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The accompanying Notes form part of these Statements

Names and Signature of
Accountant-General of the Federation/ Accountant-General of the
State/ Local Government Treasurer

Polaris Bank Limited
Birnin Kebbi Branch
1, Umaru Gwadu Road,
Birnin Kebbi, Kebbi State, Nigeria.
e-mail: info@polarisbanklimited.com
www.polarisbanklimited.com



RC 1525101

09th August, 2023

The Director of Finance
Aliero Local Government
P.M.B 9008
Aliero
Kebbi State.

Dear Sir/Madam,

BANKERS'S CERTIFICATE

Account Name: ALIERO LOCAL GOVERNMENT COUNCIL

Account Number: 1751076626

The captured customer has requested for a letter of bank certificate.

We write to confirm that the closing balance of the account as of 31 December 2022 is N21, 668.37k (Twenty One Thousand Six Hundred and Sixty Eight Naira Thirty Seven Kobo) Only.

Please note that the information contained in this document is giving on the instruction of the referenced customer and without any liability on the part of the bank or any of its officers.

Yours Faithfully,

For: POLARIS BANK LTD


Branch Service Manager


Business Development Manager

Directors:
Muhammad K. Ahmad, OON (Chairman), Adekunle Sonola (Managing Director/CEO), Abdullahi S. Mohammed (ED), Segun Salami Mohammed, Adeleke Alex-Adedipe, Ahmed Almustapha (OFR), Francesco Cuzzocrea, Olabisi

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statement stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Aleiro Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N1,601,179,562.80 which includes N25,800,200.00 from Internally Generated Revenue, FAAC monthly Statutory Allocation amounting to N936,378,718.98 and N639,000,643.82 appeared to be total annual receipts from VAT. The above figures show an increase of N285,290,960.17 over and above the actual receipts recorded in the previous year.

However, it is disheartening to note that the contributions of Internally Generated Revenue to total annual receipts only stood at 1.61%. This clearly show lack of commitment from either the management or lack of political will to sanctioned the erring Revenue Officer(s). Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government and

also the Council members should take their hands off from IGR and concentrate on legislative duties.

EXPENDITURE

The operating results of this Local Government show a negative balance of N3,940,813.66, indicating an overdraws of total receipts. This is a bad signal, especially to the Local Government Council that solely rely on FAAC allocation for its financial obligations.

Moreover, we also noted an increase of about 16.5 million on Personnel Emolument, compared to preceding year. Explanation is highly required on what constituted the increase.

INVESTMENTS

The Value of Aleiro Local Government's stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained stagnant at the rate of N17,142,857.14 and single kobo accrued to the Council as receipt from investment in the name of dividend.

Furthermore, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value of those shares needs to be revaluated to reflect current market realities.

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Furthermore, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

STATEMENTS OF CONSOLIDATED REVENUE FUNDS

It was observed that sum of N1,601,179,562.80 had accrued into the Consolidated Revenue Fund. The recurrent expenditure for the year under review was N1,466,157,894.43, the operating balance closed at N135,021,668.37. In the same vain, the total sum of N135,021,668.37 was transferred into Capital Development Fund to fund Capital projects and leaving a closing balance of N21,668.37. It's our hope that Capital development will be given the required consideration by of increasing its votes.

ADDITIONAL DISCLOSURE IN RESPECT OF ALEIRO LOCAL GOVERNMENTS COUNCIL

2. UNPREPARED VOUCHER:

Examination of the available records revealed that payment vouchers amounting to N3,078,000.00 were not brought to me for examination despite repeated request. Though, the Council treasury in their reply to our query claimed to have traced the vouchers, but yet to present them to me up to the time of writing this report. Details of the payment vouchers were attached to the main report sent to the council.

3. UNCLAIMED PAYMENTS:

Section 14.6 of the Financial Memoranda stipulated vouchers must be signed or acknowledged by the recipient(s). It was observed that payment vouchers amounting N1,474,400.00 were raised and paid to individuals and/or organisations but not signed/acknowledged by the payees. Details of these payment vouchers were sent to the council, but reply received yet.

4. PURCHASE OF VEHICLE /MOTOR CYCLE TO VIGILANTY GROUPS:

PV no. 201/10/2022 amounting to tune of **N20,000,000.00** was paid to **Yakubu Muhammad** for supply of Mitsubishi pick up and others. Scrutiny of the payment voucher revealed that the alleged supplies were not charge to store or seen physically. Moreover, VAT and WHT were neither deducted nor remitted to the appropriate tax bodies.

6. REVENUE COLLECTION:

Examination of the available records revealed that out the amounts alleged to have been generated, only the sum of N6,809,000.00 appeared to have been lodged into the bank.

We therefore, reiterate our earlier recommendation of total overhauling of IGR unit. And also the Management of Aleiro Local Government should take necessary action to ensure revitalization of numerous potential revenue sources available within the Council.

AREWA LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



Office of the Executive Chairman
AREWA LOCAL GOVERNMENT COUNCIL
KANGIWA, KEBBI STATE OF NIGERIA

Our Ref: _____ Your Ref: _____ Date: _____

STATEMENT OF FINANCIAL RESPONSIBILITIES

We accept responsibility of these financial statements, the information contained and their compliance with the finance control and management Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of Arewa Local Government as at 31st December 2022, and its operation for the year ended on the date.

TREASURER

21/8/202

Date: _____

CHAIRMAN

21/8/202

Date: _____



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statement of Arewa Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statement presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirements and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Arewa Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/09/23

Faruk B. Muhammad

Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of Arewa Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Arewa Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to the observations, comments and recommendations raised in the report which were sent to the local government for their responses.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

**AUDIT INSPECTION REPORT IN RESPECT OF AREWA LOCAL GOVERNMENT
COUNCIL THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER,
2022**

We have audited the financial records of Arewa Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

AREWA LOCAL GOVERNMENT
STATEMENT OF CASH FLOW AS AT 31ST DECEMBER, 2022
STATEMENT NO. 1

ASSETS	NOTE	2022	2021
RECEIPT			
Internally Generated Revenue	3	44,256,002.10	41,230,001.19
Grant Subvention	4	-	-
Gov't share of VAT	5	830,108,435.95	677,322,173.16
Statutory Allocation	6	2,310,001,574.56	1,735,866,962.63
Miscellaneous	7	Nil	Nil
Total Receipts		3,185,366,012.61	2,454,419,136.98
PAYMENT			
Personal Enrolment	8	571,244,856.72	571,244,856.72
Education Services		553,450,797.72	553,450,797.72
Transport Service		50,000,000.00	40,000,000.00
Health Services		35,850,811.44	35,850,811.44
Mining & Petro-Chemical Services		-	-
Agricultural Services		25,000,000.00	-
Other General Nature	9	1,929,976,674.84	1,300,589,243.24
TOTAL PAYMENT		3,165,523,140.72	2,461,535,709.14
Net Cash flow from operating Activities		18,842,871.89	(7,116,572.14)
CASH FLOW FROM INVESTMENT ACTIVITIES			
Purchase and Construction of Assets	10	-	-
Purchase of Government property		-	-
Purchase of Financial Market Instrument		(18,404,000.00)	(18,404,000.00)

Proceeds from Sale of Assets	-	
Net Cash Flow From Investing Activities	(18,404,000.00)	(25,320,572.14)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from loan & Other Borrowing	-	-
Dividend Received	-	-
Payment of Loan	-	-
Net Cash flow from Financing Activity	-	(25,320,572.14)
Net Increase/Decrease in Cash & its equivalent	438,871.89	(25,320,572.14)
Cash & its equivalent as at 01/01/2022	518,116.27	26,038,688.41
Cash & its equivalent as at 31/12/2022	956,988.16	518,116.27

AREWA LOCAL GOVERNMENT
STATEMENT OF ASSETS AND LIABILITIES AS AT
31ST DECEMBER, 2022

STATEMENT NO. 2

S/N	PARTICULARS	NOTE	2022	2021
A	<u>ASSETS</u>			
1.	CASH AND BANK BALANCE	14	956,988.16	518,116.27
2.	INVESTMENT	15	18,404,000.00	18,404,000.00
3.	ADVANCES	16	17,208,391.63	17,208,391.63
	TOTAL		36,569,379.79	36,130,507.90
B	<u>LIABILITIES</u>			
4.	DEPOSIT	18	12,795,678.48	12,795,674.48
5.	GENERAL REVENUE BALANCE	20	23,773,701.31	23,334,833.42
6.	LOAN	19	-	-
7.	OVER DRAFT	21	-	-
			36,569,379.79	36,130,509.90

AREWA LOCAL GOVERNMENT

**STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED
31ST DECEMBER, 2022**

2021	DESCRIPTION	STATEMENT NO. 3		BUDGET 2022	VARIANCE %
		NOTE	ACUTAL 2022		
1,735,866,962.63	Statutory allocation FAAC	1	2,310,001,574.56	2,373,085,495.00	- 3%
677,322,173.16	Gov't Share of VAT	1	830,108,435.95	1,059,774,339.00	- 22%
2,413,189,135.79	SUB TOTAL STATUTORY ACCOUNT		3,140,110,010.51	3,432,859,834.00	
10,000,000.00	Direct Taxes	2	10,000,000.00	20,188,150.00	- 50%
20,000,000.00	License fees & Fine	2	20,000,000.00	70,461,850.00	- 72%
10,000,000.00	Earnings	2	10,000,000.00	35,000,.00	- 71%
1,230,001.19	Rent/Sales of Gov't building	2	4,246,002.10	20,900,000.00	- 80%
<i>41,230,001.19</i>	<i>SUB-TOTAL INDEPENDENT REVENUE</i>		<i>44,256,002.10</i>	<i>146,550,000.00</i>	
2,454,419,136.98	TOTAL REVENUE		3,184,366,012.61	3,579,409,834.00	
	<i>Less expenditure</i>				
571,244,856.72	Personnel cost		571,244,856.72	682,552,267.00	- 16%
311,372,600.20	Government Contribution to	5	311,372,600.20	300,000,000.00	3%
36,000,000.00	Overhead Cost	6	36,000,000.00	36,000,000.00	0%
1,122,686,656.48	Sub ventures to Prastatals	8	1,122,606,656.48	1,421,385,242.00	- 21%

21,041,224,113.40	TOTAL EXPENDITURE	2,041,224,113.40	2,439,937,509.00	
413,195,023.58	Opening Balance	1,143,141,899.21	1,139,472,325.00	0.32%
APPRECIATION/TRANSFER				
413,195,023.58	Transfer to Capital Dev. Fund	1,143,141,899.21	1,139,472,325.00	
0.00	Closing Balance		0.00	

AREWA LOCAL GOVERNMENT

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2022**

2021	DESCRIPTION	STATEMENT NO. 4		FINAL BUDGET 2022	VARIANCE %
		NOTE	ACUTAL CAPITAL EXPENDITURE 2022		
413,195,023.58	Transfer from consolidated Revenue fund	9	1,143,141,899.21	1,139,472,325.00	0.32%
414,195,023.56	Total Revenue available		1,143,141,899.21	1,139,472,325.00	0.32%
	LESS CAPITAL EXPENDITURE				
100,000,000.00	Capital Expenditure administrative		300,000,000.00	225,000,000.00	33%
113,195,023.58	Capital Expenditure Economic		400,000,000.00	330,000,000.00	21%
100,000,000.00	Capital Expenditure Social Sector		300,000,000.00	505,000,000.00	- 41%
100,000,000.00	Capital Expenditure Regional Dev.		142,184,911.05	420,000,000.00	- 66%
412,676,907.31	Total Capital Expenditure		1,142,184,911.05	1,480,000,000.00	
518,116.27	Closing Balance		956,988.16		

AREWA LOCAL GOVERNMENT
SCHEDULE OF INVESTMENT FOR THE YEAR ENDED
31ST DECEMBER, 2022

S/N	TYPE OF INVESTMENT	OPENING BALANCE	FOR THE YEAR ENDED	CLOSING BALANCE
1.	BUA CEMENT COMPANY	500,000.00	-	500,000.00
2.	KEBBI HOME SAVINGS & LAONS	11,904,000.00		11,904,000.00
3.	URBAN DEVELOPMENT BANK	500,000.00	-	500,000.00
4.	MICRO FINANCE KANGIWA	5,000,000.00	-	5,000,000.00
5.	FIDELITY BANK	500,000.00	-	500,000.00
		18,404,000.00		18,404,000.00

AREWA LOCAL GOVERNMENT COUNCIL

BANK RECONCILIATION STATEMENT AS AT 31st DECEMBER, 2022

Account No:2028452799

Bank: First Bank

Balance per Bank Statement = ₦1,235,890.54

Less Bank charges = ₦278,902.38

Balance per Cash Book (Main Account) = ₦956,988.16

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statement stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Arewa Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N3,185,366,012.61 which includes N44,256,002.10 from Internally Generated Revenue, FAAC monthly Statutory Allocation amounting to N2,310,001,574.56 and N830,108,435.95 appeared to be total annual receipts from VAT. The above figures shows an increase of N730,946,875.63 over and above the actual receipts recorded in the previous year.

However, it is disheartening to note that the contribution of Internally Generated Revenue to total annual receipts only stood at 1.00%. This clearly show lack of commitment from either the management or lack of political will to sanction the erring Revenue Officer(s). Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government and also the Council members should take their hands off the IGR and concentrate on their legislative duties.

EXPENDITURE

The operating results of this Local Government show that Arewa Local Government operated within frame of its incomes. However, Personnel Emolument, Educational Service and Health Service maintained their previous year's figures, which means changes that may occur as a result of dynamic nature personnel matters were not taken into consideration.

INVESTMENTS

The Value of Arewa Local Government's stake (Shares) in five different companies stagnate N18,404,000.00 and no single kobo accrued to the Council as receipt from investment in the name of dividend.

Furthermore, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

1. **OUTSTANDING PAYMENT VOUCHERS:-** Posting of payment vouchers into cash book revealed that vouchers worth ₦194,441,959.28 was not presented for examination. Details of the vouchers in question were sent to Local Government Council and still unable to make them available. This clearly contravene section 15.1-3 of the Local Government Auditor General Law 2021.
2. **PAYMENT VOUCHERS:-** Examination of the available records revealed that payment vouchers No. 100/3/2022 was raised and paid to Usman Ahmed T/Sule to the tune of ₦10,000,000.00 for the General Renovation of Chairman's official resident at Kangiwa Town. But to our dismay, the payment contradict the provision of chapter 14 of the Financial Memoranda (i.e. no approval of the Chairman, no valuation certificate, no certificated of completion, the payee didn't acknowledge the receipt of the payment, among other anomalies observed). Moreover, the work was not completed as at the time of our visit. Explanation given by the council was not satisfactory and therefore, the sum of N10,000,000.00 alleged to have been expended could not be admitted as proper charge against the public funds and therefore be accounted for.
3. In another development, payment voucher No. 105/3/2022 paid to Lawal Usman to the tune of ₦10,000,000.00 in respect of general renovation of Jumu'at Mosque at Bui Town. Project inspection team from my office revealed that the work was not executed in accordance with contract specification. And also the voucher was not supported with necessary documents specified in chapter 14 and 18 of the Financial Memoranda. The Council also failed to furnish me with requested documents or satisfactory explanation.

4. REVENUE

Examination of the Internally Generated Revenue records presented to my office, it was observed that only the total sum of ₦1,820,840.00 appeared to be deposited in the revenue bank account, out of the amounts alleged to have been generated. The inability of the Council to account for the Internally Generated Revenue said to have been realized, left us with no option than to recommend the application of section 39.3(a)(6) to the erring officials.

5. **INVESTMENT:-** The Local Government Council has invested in about 5 companies or organization as follows:-

1. Kebbi Home Savings	₦10,000,000.00
2. Micro Finance Kangiwa	₦5,000,000.00
3. Sokoto Cement	₦4,000,000.00
4. UDB	₦500,000.00
5. Fidelity Bank	₦500,000.00

It was disheartening to note that your council neglected its investment without following the dividend.

ARGUNGU LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



Office of the Executive Chairman

ARGUNGU LOCAL GOVERNMENT COUNCIL

KEBBI STATE OF NIGERIA

Our Ref: _____

Date: _____

STATEMENT OF FINANCIAL RESPONSIBILITY

These financial statement have been prepared by the Treasurer of Argungu Local Government Council in accordance with the provision of the finance (Council and Management) Act 1958 as amended. The financial statements comply with general accepted according practice.

The treasurer is responsible for establishment and maintaining a system of internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and property record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

Sign

Treasurer

We accept responsibility for the integrity of these financial statements, the information they contain and their compliance with the finance (Control and Management Act 1958 as amended).

In our opinion, these financial statements fairly reflect the financial position of Local Government as at 31st December, 2022 and its operations for the year ended on that date.

10th August, 2023

Treasurer

10th August, 2023

Chairman



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statement of Argungu Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statement presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statement is evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows "true and fair" view of the states of affairs of the Argungu Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

Faruk B. Muhammad

Auditor General for Local Governments

Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of Argungu Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and supporting documents shows true and fair view of the state of affairs of Argungu Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF ARGUNGU LOCAL GOVERNMENT COUNCIL THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Argungu Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO.1
ARGUNGU LOCAL GOVERNMENT COUNCIL
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022

	NOTES	CURRENT YEAR 2022	PREVIOUS YEAR 2021
<u>Cash flows from Operating Activities</u>			
<u>Receipts</u>			
“ Internally Generated Revenue	3	42,233,600.00	33,756,900.00
“ Grants Subventions	4		
“ VAT	5	867,992,096.61	389,233,410.15
“ Statutory Allocations	6	3,482,869,524.06	2,120,743,821.62
“ Miscellaneous	7		
Total Receipts		4,393,095,220.67	2,543,734,131.77
<u>Payments</u>			
“ Personal Emoluments	8	483,518,607.40	516,000,000.00
“ Education Services		396,121,069.00	426,000,000.00
“ Transport Services		16,500,000.00	31,414,309.58
“ Health Services		35,850,811.44	35,850,811.57
“ Mining & Petro-Chemical Services			
“ Agricultural Services		220,000,000.00	61,608,333.33
“ Other of General Nature	9	3,266,604,732.82	1,472,066,055.17
Total Payments		4,378,595,220.67	2,542,939,509.65
<i>Net Cash Flow from Operation Activities</i>		14,500,000.00	794,622.12
Cash Flow from Investing Activities			
Purchase of Financial Market instrument		(14,500,000)	(13,705,377.88)
<i>Net Cash Flow from Investing Activities</i>			
Cash Flow from Financing Activities			
Proceeds from Loan & Other Borrowing	11		
Dividends Received	12		1,250,000.00
Repayment of Loans	13		
<i>Net Cash Flow from Financing Activities</i>		NIL	
Net Increase/Decrease in Cash & Its Equivalent		12,940,529.28	12,455,377.88
Cash & Its Equivalent of 1/1/2022		2.66.99	12,457,544.87
Cash & Its Equivalent of 31/12/2022		12,942,694.27	2,166.99

STATEMENT NO.2
ARGUNGU LOCAL GOVERNMENT COUNCIL
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED
31ST DECEMBER, 2023

ASSETS	NOTES	CURRENT YEAR 2022	PREVIOUS YEAR 2021
CASH AND BANK	14	-	-
CASH ON HANDS		-	-
CASH AT BANK		12,942,694.27	2,166.99
INVESTMENT	15	14,500,000.00	14,500,000.00
ADVANCES	16	-	28,787,000.00
TOATL		27,442,694.27	43,289,168.99
LIABILITIES		-	-
DEPORTS	17	-	16,294,445.45
LOANS	18	-	-
GENERAL REVENUE	19	27,442,694.27	26,994,723.54
TOTAL		54,885,388.54	43,289,168.99

STATEMENT NO.3
ARGUNGU LOCAL GOVERNMENT COUNCIL
STATEMENT OF CONSOLIDATED REVENUE FUNDS FOR THE
YEAR ENDED 31ST DECEMBER, 2022.

ACTUAL PREVIOUS YEAR (2020)	OPRNING BALANCE	NOTES	ACTUAL YEAR 2020	FINAL BUDGET 2000	VARIANCE ON FINAL BUDGET
		N	N	N	%
2,120,743,821.62	<u>ADD: RENEVEUE</u>				
389,233,410.15	Statutory Allocations: FAAC	1	3,482,869,524.06	2,103,142,334	
2,507,977,231.77	Value Added Tax Allocation	1	867,992,096.61	1,109,540,493	
	Sub- Total – Statutory Allocation		4,350,861,620.67	3,212,682,827	
		2			135%
14,342,160.23	Direct Taxes:	2	16,980,250.00		
6,242,000.00	Licences	2	7,442,230.00		
	Mining Rents:	2			
	Royalties	2			
	Fess:	2			
	Fines	2			
	Sales	2			
	Earnings	2			
6,120,000.00	Sales / Rents of Government Buildings:	2	8,460,780.42	10,500,000	
5,802,739.77	Sale/Rents on Lands and Others:	2	7,930,220.03	18,100.00	
	Repayment General :	2			

1,250,000.00	Investment Income	2	1,420,119.55	1,470,000	
	Interest Earned	2			
	Re- Imbursements	2			
	Sub-Total Independent Revenue		42,233,600	290,250,000	14.69%
	Other Revenue Source of the ----- ---- Government	3			
2,543,734,131.77	TOTAL REVENUE		4,393,095,220.67	4,540,672,033	96.80%
	LESS EXPENDITURE				
516,000	Personnel Costs (Including Salaries on CRF Charges)	4	483,518,607.40		
89,953,382	Federal/ State/ LGC Govt Contribution to Pension:	5	284,200,818.57		
36,000,000	Overhead Charges:	6	3,600,000		
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	7			
1,085,349,655.82	Subvention to Parastatals:	8	1,406,709,599.14		
	OTHER RECURRENT PAYMENTS/EXPENDITURE:				
	Repayments : External Loans: FGN/States/ LGC	19			
	Repayments: FGN/ States/LGC Bonds & Treasury Bonds.	20			
	Repayments:Nigerian Treasury Bills (NTB)	21			
	Repayment: Development Loan Stock	22			

	Repayments: Other Internal Loans Stock	23			
	Repayments: Internal Loans from Other Funds	24			
1,727,303,038.12	TOTAL EXPENDITURE:		2,178,029,025.11	1,341,467,761	162.40%
816,431,093.64	OPERATING BALANCE:				
	<u>APPROPRIATIONS/ TRANSFERS:</u>		2,215,066,195.56	31,992,041,272	69.2.4%
455,254,190,33	Transfer to Capital Development Fund:		885,206,815.54	2,863,255,336	30.92%
		9			
361,176,903,31	Closing Balance:		1,329,859,380.02	335,948,936	

STATEMENT NO.4
ARGUNGU LOCAL GOVERNMENT COUNCIL
STATEMENT OF CAPITAL DEVELOPMENT FUNDS FOR THE YEAR
ENDED 31ST DECEMBER, 2022.

ACTUAL PREVIOUS YEAR (2020)	OPRNING BALANCE:	NOTES	TOTAL CAPITAL EXPENDITURE 2022	FINAL BUDGET 2022	PERFORMANCE ON TOTAL
		N	N	N	%
	<u>ADD: RENEVEUE</u>				
2,120,743,821.62	Transfer from Consolidated Revenue Fund:	9			
389,233,410.15	Aid and Grants	10			
	External Loans:FGN/States/LGC	19			
	FGN/State/LGC Bonds & Treasury Bonds	20			
	Nigeria Treasury Bills (NTB)	21			
	Development Loan Stock	22			
	Other Internal Loans (Promissory Notes)	23			
	Internal Loans from Other \Funds	24			
			1,329,859,380,02		
	TOTAL REVENUE AVAILABLE				
	LESS: CAPITAL EXPENDITURE				
	Capital Expenditure: Administrative Sector	11	270,369.728.05		
	Capital Expenditure: Economic Sector	11	130,884,039.20		
	Capital Expenditure: Law and Justice	11			
	Capital Expenditure: Regional Development	11			

Capital Expenditure: Social Service Sector:	11		
Capital Expenditure: Funded from Aid and Grants	10		
TOTAL CAPITAL EXPENDITURE		885,206,816	286325536 30.92%
Intangible Assets			
CLOSING BALANCE:		444,652,564.48	2,527,306,4000 17.60%

ARGUNGU LOCAL GOVERNMENT COUNCIL
SCHEDULE OF EXPENDITURE FOR YEAR, 2022

HEAD	DETAILS OF EXPENDITURE	2022	2021
4001	Argungu & Rural Dev.	360,000	61,608,333.33
4002	Livestock	Nil	-
4003	Forestry	150,000,000	-
4004	Fisheries	238,000	-
4005	Manufacturing & Craft	-	-
4006	Rural: Electrification	167,697,761.00	-
4007	Commerce, Finance, Goods & Supply	-	-
4008	Rural Roads & Transportation	471,086,054.55	31,414,309.58
5001	Education	30,000,000.00	146,141,904.00
5002	Health	-	-
5003	Information	-	-
5004	Social Development	-	-
5005	Fire Service	-	-
6001	Water Supply	14,200,000.00	131,069,322.00
6002	Sewage Drainage	25,625,000.00	60,020,321.42
6003	Country & Town Planning	-	-,25,000,000.00
6004	Community Development	-	-
7001	General Admin/Office Building	26,000,000.00	-
7002	Staff Housing	-	-
7003	Workshops	-	-
8001	Repayment of Loan	-	-
	TOTAL	₦885,206,815.55	₦455,254,190.33

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statement stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Argungu Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

Like other Local Governments in the State, Argungu Local relied mainly on two sources of revenue to finance its recurrent and capital expenditure. These sources are: Statutory and Internally Generated Revenue.

Operating result shows significance increase of total revenue by 57.90% compared to previous year.

On the other hand, we frown at the manner in which internally generated revenue was handled. The increase recorded from the previous year was nothing, when we compare IGR with total revenue for the year which stood at just 9.6%. This result clearly portrays total dependence on FAAC revenue to run the affairs of this local government despite its revenue potentials. Looking at the current economic trends, this is not sustainable.

We therefore, recommend total overhauling of IGR unit. And also the Management of Argungu Local Government should take necessary action to ensure revitalization of numerous potential revenue sources available to the Council.

EXPENDITURE

On expenditure to revenue analysis, it was also observed that the Local Government under review restricted its expenditure below its earning.

In another development, audit examination observed an unexplained downward trend of Personnel Emolument. The total sum of N32,481,392.60 fall short of previous year's personnel cost. The questions are: Did Argungu Local Government retired its staff to that tune or retrenched them? Similarly, Educational Services suffer the same fate despite incessant call for improvement in primary educational.

INVESTMENTS

The total sum of N14,500,000.00 appeared to be the value of investment held by Argungu Local Government Council. Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value could neither be ascertained nor independently verified. But base on the available records, these investment have been found to be dormant as no income by way of dividends, interest or sales were recorded.

In my opinion, investigation into the current status of these investments should be carried out to establish their existence, viability and fair values.

ADDITIONAL DISCLOSURE

1. **UNAUTHORIZED PAYMENT VOUCHERS:-** Examination of the available records revealed that payment vouchers worth ₦62,785,575.08 was paid without been controlled by their respective Officers Controlling the Votes, which means payments were been made and the respected(s) Department were charged without the consent of the Directors concern. Contrary to provisions of the Financial Memoranda Chapters 13 and 14 respectively.
2. **CASHBOOK:-** It was surprising to note that, this important book of account was not kept up to date, i.e. monthly balancing, quoting of cheque numbers and rules of contra-entry were all neglected. Contrary to Section 19 of the Financial Memoranda.
3. **STORE RECORDS/CONTRACT REGISTER, MONTHLY ABSTRACT OF REVENUE AND EXPENDITURE/DEPOSIT AND ADVANCE LEDGER:-**
Examination of the available records for the period under review revealed that the above listed books of account were not been maintained by this Local Government. This contrivance chapter 23 of the Financial Memoranda.
4. Payment Voucher No. 083/05/2022 paid to Yusuf Sani (Director Primary Health Care Department) amounting to ₦30,000,000.00 for the payment of evacuation of drainages, clearance of refuse dump site and flood control. It was disheartening to report that the payment voucher was not supported with a single receipt of the purchased materials said to have been used, the materials or equipment were not return to the store or presented to audit exercise and no unequivocal explanation from the Council officials. Therefore, section 39.3(a)(2 & 4) are hereby recommended to be applied to the officers involved.

Revenue

Examination of the Internally Generated Revenue of this Local Government Council revealed that out of the amounts alleged to have been realized, only the sum of ₦7,518,700 appeared to have been lodged into the bank leaving the remaining balance (of the amount stated in the cash flow statement) unaccounted for, with no acceptable explanation. Section 39.3(a)(13) of the Financial Memoranda is hereby recommended to be applied to the officers involved.

AUGIE LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



Office of the Executive Chairman

AUGIE LOCAL GOVERNMENT COUNCIL
KEBBI STATE OF NIGERIA

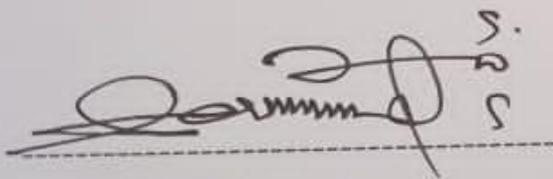
OFFICE ADDRESS: AUGIE LOCAL GOVERNMENT SECRETARIAT, AUGIE, KEBBI STATE

Date

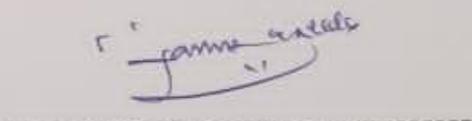
STATEMENTS NO. 1
RESPONSIBILITY FOR FINANCIAL STATEMENTS

We accept responsibility for the integrity of these financial statements, the information they contain and compliance with the finance (control and management) act 1958 as amended.

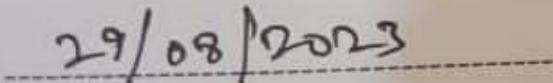
In our opinion, these financial statements fairly reflect the financial position of Local Government as at 31st December, 2022 and its operation for the year ended on that date.



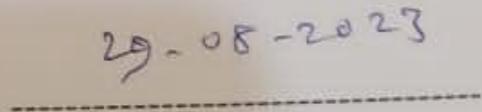
TREASURER



CHAIRMAN



DATE



DATE



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Augie Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statement presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows "true and fair" view of the states of affairs of the Augie Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.



Faruk B. Muhammad
Auditor General for Local Governments
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of Augie Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and supporting documents shows true and fair view of the state of affairs of Augie Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

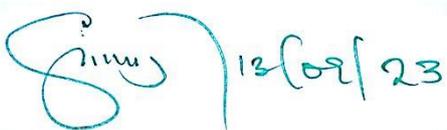
**AUDIT INSPECTION REPORT IN RESPECT OF AUGIE LOCAL GOVERNMENT COUNCIL
THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022**

We have audited the financial records of Augie Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO.3
AUGIE LOCAL GOVERNMENT COUNCIL
CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022

	NOTES	CURRENT YEAR Nm 2022	PREVIOUS YEAR Nm 2021
<u>Cash flow from operating Activities</u>			
<u>Receipts</u>			
*Internally Generated Revenue	3	12,000,000.00	10,500,000.00
*Grants/Subventions	4	-	
*VAT	5	113,383,581.76	106,792,562.16
*Statutory Allocations	6	2,154,288,053.55	1,535,138,653.04
*Miscellaneous	7	-	-
Total Receipts		2,279,671,635.31	652,932,215.20
<u>Payments</u>			
*Personally Emoluments		498,318,761.02	487,290,215.36
*Education services	8	337,195,715.18	334,195,405.99
*Transport services		200,000,000.00	550,000,000.00
*Health services		35,850,811.44	35,850,811.44
*Mining & Petro-Chemical services		-	-
*Agricultural services		37,390,476.19	71,200,000.00
*Other of General Nature		1,119,101,831.09	178,713,103.37
Total payments		2,227,857,594.92	1,652,849,536.16
Net cash flow from Operating Activities		51,814,040.39	
<u>Cash flow from investing Activities</u>			
Purchase/Construction of assets		(35,000,000.00)	30,000,000.00
Purchase of Financial Market Instruments	10	(16,644,161.15)	(16,644,161.15)
Proceeds from Sales and Assets		-	-
Net Cash Flow from Investing Activities		(51,644,161.15)	(46,562,483.11)
<u>Cash flow from Financing Activities</u>			
Proceeds from Loan & Other Borrowing	11	-	-
Dividends Received	12	-	-
Repayment of Loans	13	-	-
Net cash flow from Investing Activities		-	-
Net increase/Decreases in Cash & Its Equivalent		169,879.24	-
Cash & its equivalent at 1/1/2022		194,604.40	46,757,085.51
Cash & its equivalent at 31/12/2022		364,482.64	194,604.40

STATEMENT NO.3

AUGIE LOCAL GOVERNMENT COUNCIL

STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2022

ACTUAL

	NOTES	CURRENT YEAR Nm 2022	PREVIOUS Y EAR Nm 2021
<u>ASSETS</u>			
Cash and Bank Balances	14	194,604.40	41,611,786.71
Investments	15	16,644,111.15	16,644,161.15
Advances	16		
Others	17		
Total		16,838,765.55	58,255,947.86
<u>LIABILITIES</u>			
Deposits	18		
Loans	19		
General Revenue	20	16,838,765.55	58,255,947.86
Total		16,838,765.55	58,255,947.86

SCHEDULE OF INVESTMENTS FOR THE YEAR ENDED

31ST DECEMBER, 2022

S/NO	NATURE OF INVESTMENT	OPENING BALANCE	WITHIN THE PERIOD	CLOSING BALANCE
1	Kebbi Home Saving	2,500,000.00	10,000,000.00	12,500,000.00
2	Cement Company of Northern Nig. Plc	4,144,161.15	-	4,144,161.15
	TOTAL	6,644,161.15	10,000,000.00	16,644,161.15

STATEMENT NO.3

.....GOVERNMENT OF NIGERIA
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2022

ACTUAL PREVIOUS YEAR 2021	OPENING BALANCE:	NOTES	ACTUAL YEAR 2022	FINAL BUDGET 2022	INITIAL/ORIGINAL BUDGET 20XX	SUPPLEMENTARY BUDGET 20XX	VARIANCE ON FINAL BUDGET
	ADD REVENUE						
	Statutory allocation FAAC		2,154,288,053.55	1,695,945,900			
	Value added Tax Allocation		113,383,581.76	858,730,942.00			
	Sub-Total Statutory Allocation						
	Direct taxes						
	Licenses		3,000,000	24,000,000			
	Mining rents						
	Royalties						
	Fees		2,000,000				
	Fines		2,000,000				
	Sales		1,000,000				
	Earnings						
	Sales/Rent of Government Buildings		4,000,000				
	Sales/Rent on Lands and Others						
	Repayments General						
	Investment income						
	Interest earned						
	Re-imbustments						
	Sub-total-Independent Revenue		12,000,000	24,000,000			
	Other revenue sources of the-----Government						
	Total Revenue		2,279,671,635.31				
	LESS: EXPENDITURE						
	Personnel cost (including salaries on CRF charges)		498,318,761.02	468,654,002.00			
	Federal/State/LGC Govt Contribution to pension		122,105,840.63	808,876,369.00			
	Overhead charges		36,000,000	145,300,000.00			
	Consolidated Revenue fund charges(ind. Services wide votes)						
	Subvention to Parastatals		1,571,432,993.27	463,843,699.00			
	OTHER RECURRENT PAYMENTS/EXPENDITURE:						
	Repayments external loans FGN?State/LGC						
	Repayments FGN/State/LGC bonds & Treasury bonds						
	Repayments Nigerian treasury bills NTB						
	Repayment Development loan stock						
	Repayments other internal loans promissory notes						
	Repayments internal loans from other funds						
	TOTAL EXPENDITURE		2,227,857,594.92	1,886,674,070.00			

	OPERATING BALANCE		51,814,040.39			
	APPROPRIATIONS/TRANSFERS					
	Transfer to Capital Development funds		35,000,000			
	Closing Balance:		364,482.64			

The Accompanying Notes form part of these Statements

Name and signature of.....

Accountant-General of the Federation/ Accountant-General of the state/Local Government Treasurer

STATEMENT NO.4

.....GOVERNMENT OF NIGERIA

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2022

ACTUAL PREVIOUS YEAR 2021	OPENING BALANCE:	NOTES	TOTAL CAPITAL EXPENDITURE 2022	FINAL BUDGET 2022	INITIAL/ORIGINAL BUDGET 20XX	SUPPLEMENTARY BUDGET 20XX	PERFORMANCE ON TOTAL
	ADD REVENUE						
	Transfer from consolidated revenue fund		12,000,000				
	Aid and grants						
	External loans						
	FGN/State/GC bonds & treasury bonds						
	Nigerian treasury bonds						
	Development loan stock						
	Other internal loans (promissory notes)						
	Internal loans from other funds						
	Total revenue available						
	LESS CAPITAL EXPENDITURE						
	capital expenditure administrative sector						
	capital expenditure economic sector						
	capital expenditure law and justice						
	capital expenditure regional development						
	capital expenditure social service sector						
	capital expenditure funded from aid and grants						
	TOTAL CAPITAL EXPENDITURE						
	Intangible assets						
	CLOSING BALANCE		364,482.64				

The accompanying notes form of these statements

Name and signature of.....

Accountant –General of the Federation/Accountant-General of the State/ Local Government Treasurer

Our ref: UBA/ARG/CSO/07/09/2023

Tashan Nana Road,
Argungu,
Kebbi State.
7th September, 2023

The Director of Finance,
Augie Local Govt,
Kebbi State.

Dear Sir,

**RE: REQUEST FOR CERTIFICATE OF BANK BALANCE -
1000698633**

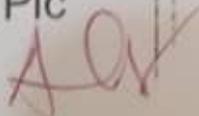
At the request of our customers – AUGIE LOCAL GOVT REVENUE ACCT with account number above; we hereby confirm that the closing balance on the account as at 31st December, 2022 is **N22,990.86 (Twenty two thousand, nine hundred and ninety naira, eighty six kobo only)**

Kindly be informed that this report is given in strict confidence without any liability whatsoever on the part of the bank. Or any of its officers.

Thank you

Yours faithfully,

For UBA Plc



AGAMALAFIAH NEHEMIAH
Customer Service Manager



HARUNA MOHAMMED
Branch Manager

Our ref: UBA/ARG/CSO/07/09/2023

Tashan Nana Road,
Argungu,
Kebbi State.
7th September, 2023

The Director of Finance,
Augie Local Govt,
Kebbi State.

Dear Sir,

**RE: REQUEST FOR CERTIFICATE OF BANK BALANCE -
1000695027**

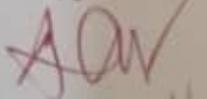
At the request of our customers – AUGIE LOCAL GOVT MAIN ACCT with account number above; we hereby confirm that the closing balance on the account as at 31st December, 2022 is **N296,943.04 (Two hundred and ninety six thousand, Nine Hundred and forty three naira four kobo only)**

Kindly be informed that this report is given in strict confidence without any liability whatsoever on the part of the bank. Or any of its officers.

Thank you

Yours faithfully,

For UBA Plc



AGAMALAFIAH NEHEMIAH
Customer Service Manager



HARUNA MOHAMMED
Branch Manager

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Augie Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

Like other Local Governments in the State, Augie Local Government relied mainly on two sources of revenue to finance its recurrent and capital expenditure. These sources are: Statutory and Internally Generated Revenue.

Operating result shows significance increase of total revenue by N627,240,420.11 compared to previous year.

On the other hand, we frown at the manner in which internally generated revenue was handled. It was observed that the total IGR only account for 0.53%. This result clearly portrays total dependence on FAAC revenue to run the affairs of this local government despite its revenue potentials. Looking at the current economic trends, this is not sustainable.

We therefore, recommend total overhauling of IGR unit. And also the Management of Augie Local Government should take necessary action to ensure revitalization of numerous potential revenue sources available to the Council.

EXPENDITURE

On expenditure to revenue analysis, it was also observed that the management of Augie Local Government adhered to budgetary control mechanism by restricting expenditure below their incomes.

INVESTMENTS

The total sum of N16,644,161,15 appeared to be the value of investment held by Augie Local Government Council. Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value could neither be ascertained nor independently verified. But base on the available records, these investment have been found to be dormant as no income by way of dividends, interest or sales were recorded.

In my opinion, investigation into the current status of these investments should be carried out to establish their existence, viability and fair values.

ADDITIONAL DISCLOSURE

1. STATE OF THE BOOKS OF ACCOUNTS AND RELATED RECORDS:

During audit examination of Augie Local Government Council books of account and related records, it was observed that due diligence and adherence to extent laws were flaws by the schedule officers. Part of the observations includes:

- a. None balancing of cashbook on monthly basis as stipulated by FM 19.20.
- b. Monthly bank reconciliations were not prepared during the period under review, contrary to FM 19.23 - 24.

Therefore, in view of the above, not much reliance could be placed on the council cash book since it lacks credible information.

2. **INTERNAL CONTROL:-** Prepayment audit been one of the prerequisite process before effecting payment(s) was totally neglected during the period under review. Vouchers worth ₦109,970,273.15 were raised and paid without endorsement of the Internal Auditor, which is contrary to FM 40.10.

3. UN-PRESENTED OR OUTSTANDING PAYMENT VOUCHERS

During the posting of paid payment vouchers into the cashbook, it was discovered that vouchers worth ₦79,598,203.36 were not presented to me for inspection despite repeated request. And therefore remain unaccounted for. Details could be seen on the main report sent to Council.

4. UNEXECUTED CONTRACT

Examination of the available records reveals that, payment vouchers worth ₦63,810,952.38 allegedly paid to various contractors for repairs, constructions and rehabilitation of various projects across Local Government Council. The spot verification of the said contract scene

confirmed that the works were not done as alleged. Details were attached to the main report sent to the Council.

10. REVENUE RECORDS:- It was dishearten to observed during the period under review, that revenue records in respect of Augie Local Government Council are yet to be present for audit inspections despite several. These revealed to me that such revenue records were not been maintained by the Revenue Officer, contrary to Financial Memorand provision 6.4, 6.5 respectively.

BAGUDO LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



BAGUDO LOCAL GOVERNMENT COUNCIL

KEBBI STATE

Our Ref: _____

Your Ref: _____

Date: _____

RESPONSIBILITY FOR FINANCIAL STATEMENTS

These financial statement have been prepared by the treasurer of Bagudo Local Government Council in accordance with the Financial (Council and Management) Act 1958 as amended. The Financial Statements comply with generally accepted accounting practice ,IPSAS Cash Basis.

The Treasurer is responsible for Establishing and Maintaining a System of Internal Control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all Public Financial resources by the Local Government Council. To the best of my knowledge, this statement of internal control has operated adequate through the reporting period.

TREASURER

22/8/2023

DATE

We accept responsibility for the integrity of these Financial Statements, the information they contain and compliance with the Financial (Control and Management) Act. 1958 as amended.

In our opinion, these Financial Statements fairly reflect the financial position of Local Government **as at 31st December, 2022** and its operation for the year ended on that date.

TREASURER

CHAIRMAN

22/8/2023

DATE

22/8/2023

DATE



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Bagudo Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statements presented comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statement is evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows "true and fair" view of the states of affairs of the Bagudo Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

Faruk B. Muhammad

Auditor General for Local Governments
Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of Bagudo Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Bagudo Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

**AUDIT INSPECTION REPORT IN RESPECT OF BAGUDO LOCAL GOVERNMENT
COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER,
2022**

We have audited the financial records of Bagudo Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examinations. In our opinion, the financial statements gave “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments

Kebbi State

STATEMENT NO. 1
BAGUDO LOCAL GOVERNMENT

CASH FLOWS STATEMENT

FOR THE YEAR ENDED 31st DECEMBER 2022

S/N	CASH FLOW FROM OPERATING ACTIVITIES	NOTE	YEAR 2022	YEAR 2021
	RECEIPTS		N	N
	Internally Generated Revenue	3	23,243,029.00	20,031,000.00
	Grants And Subventions	4	.	NIL
	Value Added Tax	5	920,705,851.02	761,175,740.19
	Statutory Allocations	6	2,024,631,405.60	1,339,827,585.63
	Miscellaneous	7	.	NIL
	Total Receipts		<u>2,968,580,285.62</u>	<u>2,121,034,325.80</u>
	PAYMENTS			
	Personal Emoluments	8	724,040,500.83	437,519,728.56
	Education Services		652,687,396.46	440,594,555.85
	Transports Services		18,000,000.00	17,000,000.00
	Health Services		166,990,400.59	42,850,811.44
	Mining And Petrol-Chemical Service			NIL
	Agricultural Services		97,000,000.00	75,000,000.00
	Others Of General Nature	9	1,284,188,457.46	1,111,551,742.04
	Total Payment		<u>2,942,906,755.34</u>	<u>2,124,516,837.89</u>
	Net Cash Flow From Operating Activities		25,673,530.28	(3,482,512.09)
	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase/Construction Of Assets			
	Purchase Of Financial Market Instruments	10	(25,750,000.00)	(25,750,000.00)
	Proceeds From Sales Of Assets			
	NETCASH Flow From Investing Activities		(76,469.72)	(29,232,512.09)
	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds From Loan & Other Borrowing	11		-
	Dividends Received	12		-
	Repayment Of Loans	13		
	Net Cash Flow From Financing Activities		-	
	Net Increase/Decrease In Cash & Its Equivalent		(76,469.72)	(29,232,512.09)
	Cash And Its Equivalent As At 1st January 2022		546,036.88	29,778,548.97
	Cash & Its Equivalent As At 31st December 2022		469,567.16	546,036.88

STATEMENT NO.2
BAGUDO LOCAL GOVERNMENT COUNCIL
STATEMENT OF ASSETS AND LIABILITIES

S/NO	INCOME	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
	<u>Assets</u>			
A	Cash and bank balances	14	469,567.16	546,036.88
B	Investments	15	25,750,000.00	25,750,000.00
C	Advances	16	.	NIL
D	Others	17	.	NIL
	<u>Total</u>		<u>26,219,567.16</u>	<u>26,296,036.88</u>
	<u>Liabilities</u>			
A	Deposits	18		NIL
B	Loans	19		NIL
C	General Revenue Reserves	20	26,219,567.16	26,296,036.88
	<u>Total</u>		<u>26,219,567.16</u>	<u>26,296,036.88</u>

STATEMENT NO.3
BAGUDO LOCAL GOVERNMENT
STATEMENT OF CONSOLIDATED REVENUE FUNDS
FOR THE YEAR ENDED 31 DECEMBER, 2022

S/N	Opening Balances	Note	Actual Year 2022	Final Budget 2022	Variance of Final Budget
ADD REVENUE					
	Statutory Allocation: FAAC	1	2,024,631,405.60	1,990,089,483.00	(34,541,922.60)
	Value Added Tax VAT	1	920,705,851.02	1,002,547,333.00	81,841,481.98
	Sub Total – Statutory		2,945,337,256.62	2,992,636,816.00	47,299,559.38
	Direct Taxes	2	5,283,000.00	28,000,000.00	22,717,000.00
	Licences	2	4,781,300.00	25,000,000.00	20,218,700.00
	Mining Rates	2	2,935,400.00	102,984,000.00	100,048,600.00
	Royalties	2			
	Fees	2			
	Fines	2			
	Sales	2			
	Earnings:	2	7,363,300.00	17,800,000.00	10,436,700.00
	Sales/Rent on Govt. Building	2	2,117,400.00	28,000,000.00	25,882,600.00
	Sale/Rent on Lands and O	2			
	Repayment General	2			
	Investment Income	2			
	Interest Earned	2	762,629.00	-	(762,629.00)
	Re-Imbursements	2			
	Sub Total – Revenue		23,243,029.00	201,784,000.00	178,540,971.00
	Total Revenue		2,968,580,285.62	3,194,420,811.00	225,840,525.38

LESS EXPENDITURE

Personnel Cost (Including Salaries on CRF Changes)	4	724,040,500.83	438,551,068.00	(285,489,432.83)
Federal States/LGC Govt. Contribution to pension	5	222,884,398.77	1,093,206,511.00	870,322,112.23
Overhead Charges	6	113,191,057.99	169,122,640.00	55,931,582.01
Consolidated Revenue Fund Charges (Incl. Service Wide Votes)	7			
Subvention to Parastatals	8	1,882,790,797.75	1,974,625,799.00	91,835,001.25
Other Recurrent Payments/Expenditure		25,675,530.28	481,085,207.00	455,409,676.72
Repayments External Loans FGN/States/ LGC	19			
Repayments FGN/States/LGC Bonds & Treasury Bonds.	20			
Repayment Nigeria Treasury Bills (NTB)	21			
Repayments Development Loan Stock	22			
Repayments Other Internal Loan Stock	23			
Repayments other Internal Loans (Promissory Note)	24			
Repayments Internal Loans from other Funds				
Total Expenditure		2,942,906,755.34	3,675,506,018.00	732,599,262.66

Operating Balance

Appropriations/Transfers

Transfer to Capital Development Fund	9	274,190,235.00	1,974,625,799.00	1,700,435,564.00
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Closing Balance

STATEMENT NO.4
BAGUDO LOCAL GOVERNMENT
STATEMENT OF CAPITAL DEVELOPMENT FUND
FOR THE YEAR ENDED 31 DECEMBER, 2022

S/N	Note	Actual Year 2022	Final Budget 2022	Variance of Final Budget
Add Balance				
Transfer from Consolidated Revenue Fund	9	274,190,235.00	1,974,625,799.00	1,700,435,564.00
Total Revenue Available				
Less Capital Expenditure				
Capital Expenditure Administrative Sector	11	-	316,000,000.00	316,000,000.00
Capital Expenditure Economic Sector	11	199,190,235.00	758,125,799.00	558,935,564.00
Capital Expenditure Law and Justice	11	-	-	
Capital Expenditure Regional Development	11	30,000,000.00	497,000,000.00	467,000,000.00
Capital Expenditure Social Service Sector	11	45,000,000.00	403,500,000.00	358,000,000.00
Capital Expenditure Funded from Aid and Grants	10			
Total Capital Expenditure		274,190,235.00	1,974,625,799.00	1,700,435,564.00
Intangible Assets				
Closing Balance		469,567.16		

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statement stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Bagudo Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N2,968,580,285.62 which includes N23,243,029.00 from Internally Generated Revenue, FAAC monthly Statutory Allocation amounting to N2,024,631,405.60 and N920,705,851.02 appeared to be total annual receipts from VAT. The above figures shows an increase of N847,545,959.82 over and above the actual receipts recorded in the previous year.

However, we are not happy to note that the contribution of Internally Generated Revenue to total annual receipts only stood at 1.00% despite economic and revenue potentials of this local government. In our opinion, this is clear indication of lack of commitment from either the management and/or lack of political will to sanction the erring Revenue Officer(s). Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government

and also the Council members should take their hands off the IGR and concentrate on their legislative duties.

EXPENDITURE

The operating results of this Local Government shows that Bagudo Local Government operated within the boundaries of its incomes. However, we observed astronomical increase in Personnel Emolument and Educational Service without explanation to that regard.

INVESTMENTS

The Value of Bagudo Local Government's stake (Shares) in BUA Cement Company and Kebbi Home Savings and Loan Ltd stagnated at N25,750,000.00 and no single kobo accrued to the Council as receipt from investment in the name of dividend.

Furthermore, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

OUTSTANDING PAYMENT VOUCHERS

During the posting of payment vouchers into the cash book, it was observed that payment vouchers worth ₦462,025,532.06 were not presented to me for audit examination, up to the time of writing this report. The details of such payment vouchers were attached to audit report sent to Council (appendix "B" refers).

PAYMENT WITHOUT PROPER DOCUMENTATION

During the period covered by my report, vouchers worth N10,824,134.28 were raised and paid to various individuals and organisations without adhering to the provisions of Financial Memoranda Chapter 14. Details were attached to the main report sent to the Council:

INTERNAL CONTROL

Audit examination of the available records revealed that the roles of OCV and that of Internal Auditor (prepayment audit) stipulated in chapters 13 and 14 of the financial Memoranda were not adhered to. Substantial number of paid vouchers appeared not be endorsed by the Officer Controlling the Votes and/or Internal Auditor, thereby exposing the payments to risk of material misstatement and/or fraud.

REVENUE ACCOUNT

It was disheartening to report that despite revenue potentials of this local government (which shares borders with Benin, Niger State and a number of Local Governments within the state), the amount alleged to have been realized for period under review could not pay even settled one month salary expenses of the Council.

To be specific our of **N23,243,029.00** alleged to have been generated only the sum of ₦7,955,817.00 appeared to be posted into council's Revenue Cashbook. Further scrutiny of the account revealed that out of the recorded amount, the

total sum of ~~N~~4,089,600.00 were withdrawn with no corresponding entry into the cash book. These anomalies with no option than to recommend the application of FM 39.3(a) (13) Officer(s) involved.

The details of which could be seen below to this report.

S/N	DATE	CHEQUE NO.	AMOUNT
1.	04/01/2022	Counter Cheque	200,000.00
2.	10/01/2022	0000364	500,000.00
3.	17/01/2022	0000365	150,000.00
4.	21/01/2022	0000366	100,000.00
5.	01/02/2022	Counter Cheque	133,000.00
6.	09/02/2022	Counter Cheque	200,000.00
7.	18/02/2022	0000367	200,000.00
8.	07/03/2022	0000368	450,000.00
9.	18/02/2022	0000369	100,000.00
10.	30/03/2022	0000370	136,600.00
11.	05/04/2022	0000371	200,000.00
12.	07/04/2022	Counter Cheque	200,000.00
13.	10/05/2022	0000372	200,000.00
14.	11/05/2022	0000373	500,000.00
15.	01/06/2022	0000374	170,000.00
16.	02/06/2022	0000375	150,000.00
17.	20/06/2022	0000376	250,000.00
18.	20/06/2022	0000377	250,000.00
			N4,089,600.00

**BIRNIN KEBBI LOCAL GOVERNMENT
COUNCIL**

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE CHAIRMAN

BIRNIN KEBBI LOCAL GOVERNMENT

KEBBI STATE

P.M.B. 1011

TEL: 068-320509

IN CASE OF REPLY PLEASE QUOTE

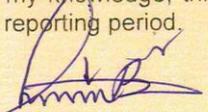
Our Ref: BKLG/Fin/Aud/CC/12/Vol II Your Ref: DA G/AFS/25/Vol. 11 Date: 04/08/2023

STATEMENT OF FINANCIAL RESPONSIBILITY

These financial statement have been prepared by the Treasurer of Birnin Kebbi local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial statements comply with generally accepted accounting practice.

The Treasurer is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory properly record the use of all public financial resources by the Local Government Council.

To the best of my knowledge, this system of Internal control has operated adequately throughout the reporting period.

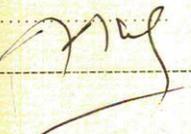
Sign: 
Treasurer

Date: 03/05/2023

We accept responsibility for the integrity of these Financial statement the information they contain and their compliance with the Finance (Control and Management) Act 1958 as amended.

In our opinion these financial statement fairly reflect the financial position of Local Government as at 31st December, 2022 and it operations for the year ended on that date.

TREASURER
DATE: 03/08/2023

CHAIRMAN
DATE: 



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Birnin Kebbi Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. They comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Birnin Kebbi Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.



Faruk B. Muhammad

Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

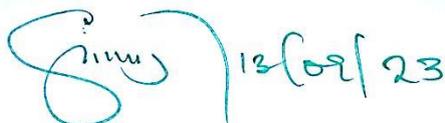
Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of Birnin Kebbi Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and supporting documents shows true and fair view of the state of affairs of Birnin Kebbi Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.



Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF BIRNIN KEBBI LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Birnin Kebbi Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO.1
BIRNIN KEBBI LOCAL GOVERNMENT COUNCIL
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022

	NOTES	CURRENT YEAR 2022 Nm	PREVIOUS YEAR 2021 Nm
Cash flow from operation Activities			
Receipts			
• Internal Generated Revenue	3	381,157,541.33	53,614,120.00
• Grants/Subventions	4	-	-
• V.A.T	5	96,354,551.48	512,824,183.00
• Statutory Allocations	6	4,066,127,825.76	2,624,726,247.00
• Miscellaneous	7	222,189,244.28	109,852,120.00
Total Receipts		5,631,829,182.85	3,301,016,670.00
Payments			
• Personal Emoluments	8	778,396,294.44	813,184,164.24
• Education Services	-	1,306,719,451.28	657,799,721.04
• Transport Services	-	-	-
• Health Services	-	976,341,817.31	36,850,811.44
• Mining and Petro-Chemical Service	-	-	-
• Agricultural Services	-	857,914,613.01	380,619,411.01
• Other of General Nature	9	1,695,166,035.44	1,395,881,125.65
Total Payments		5,614,538,211.48	3,284,335,233.38
Net Cash flow from Operation Activities		17,290,971.37	16,681,436.62
Cash flow from Investing Activities			
• Purchase/Construction of Assets	10	17,142,857.14	(17,142,857.14)
• Purchase of Finance Market Instrument			
• Proceeds from Sales of Assets			
Net Cash flow from Investing Activities		(17,142,857.14)	461,420.00
Cash flow from Financing Activities			
• Proceeds from Loan & Borrowing	11		568,425.00
• Dividends Received	12		
• Repayment of Loan	13		
• Net Cash flow in the Investing Activities		148,114.23	
• Net Increase/Decrease in Cash & its Equivalent		148,114.23	107,004.48
• Cash & its Equivalentents at 1/1/2021.		185,520.65	78,516.17
• Cash & its Equivalentents at 31/12/2022		333,634.88	185,520.65

STATEMENT NO. 2
BIRNIN KEBBI LOCAL GOVERNMENT COUNCIL
STATEMENT OF ASSETS AND LIABILITIES
AS AT 31ST DECEMBER, 2022.

	NOTES	2021	2022
<u>ASSETS</u>			
➤ Cash in Hand	1		
➤ Cash at Bank	2	333,634.88	185,520.65
➤ Investment Account	3	17,142,857.14	17,142,857.14
➤ Advances	4		
		17,476,492.02	17,328,377.79
<u>LIABILITIES</u>			
➤ Bank Overdraft	5		
➤ Deposits	6	3,750,000.00	3,587,000.00
➤ Surplus (Deficit) Account	7	13,726,492.02	13,741,377.79
		17,476,492.02	17,328,377.79

STATEMENT NO. 3
BIRNIN KEBBI LOCAL GOVERNMENT OF NIGERIA
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER,2022

ACTUAL PREVIOUS YEAR (20.....)	OPENING BALANCE	NOTE	ACTUAL YEAR 20.....	FINAL BUDGET (20.....)	INITIAL/ORIGINAL BUDGET (20.....)	SUPPLEMENTARY BUDGET (20.....)	VARIANCE ON FINAL BUDGET
	ADD/REVENUE						
	Statutory Allocation FAAC	1	4,066,127,825.76	3,691,121,925.76			10.16%
	Value Added Tax Allocation	1	962,354,671.48	854,189,641.08			11%
	Sub-Total-Statutory Allocation		5,028,482,397.24	4,545,311,566.84			11%
	Direct Taxes	2	32,000,000	24,000,000			33.34%
	Licenses	2	51,768,085.25	15,320,719.50			238%
	Mining Rents	2	-	-			-
	Royalties	2	-	-			-
	Fees	2	103,536,170.50	30,641,439			119%
	Fines	2	-	82,046,182			-
	Sales	2	-	-			-
	Earnings:	2	162,520,189.01	96,281,320			69%
	Sales/Rent of Government Buildings		-	-			-
	Sales/Rent on Lands and Others		-	-			-
	Repayment: General		-	-			-
	Investment Income	2	825,000	715,000			15.39%
	Interest Earned		-	-			-
	Re-Imbursements		-	-			-
	Sub-Total-Independent Revenue		-	-			-
	Other Revenue Sources of the - Government	3	200,929,255.60	124,147,874			62%
	Total Revenue		5,631,829,182.85	4,933,784,820.84			14.15%
	LESS-EXPENDITURE						
	Personnel Costs (Including Salaries on CRF Charges	4	778,396,294.44	-			-
	Federal States/LGC Govt. Contribution to Pension	5	-				
	Overhead Charges	6	36,000,000				
	Consolidated Revenue Fund Charges(Service Wide Votes)	7	-				
	Subvention to Parastatals	8	1,824,800,926.07				
	OTHER RECURRENT PAYMENTS/EXPENDITURE						
	Repayments: External Loans FGN/States/LGC	19					
	Repayments: FGN/States/LGC Bonds & Treasury Bonds	20					
	Repayments: Nigerian Treasury Bills (NTB)	21					
	Repayments: Development Loan Stock	22					
	Repayment: Other Internal Loans (Promissory Notes)	23					
	Repayments: Internal Loans from Other Funds	24					
	Total- EXPENDITURE		2,639,197,220.51				
	OPERATING BALANCE		2,992,631,962.34				
	APPROPRIATIONS/TRANSFERS						
	Transfer to Capital Development Fund:	9	2,992,298,327.46				
	CLOSING BALANCE		333,634.88				

Name and Signature of.....
Accountant General of the Federation/Accountant General of the State/Local Government Treasurer

STATEMENT NO. 4
BIRNIN KEBBI LOCAL GOVERNMENT OF NIGERIA
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 20.....

ACTUAL PREVIOUS YEAR (20.....)	OPENING BALANCE	NOTE	TOTAL CAPITAL EXPENDITURE 2022	FINAL BUDGET (2022)	INITIAL/ORIGINAL BUDGET (2022)	SUPPLEMENTARY BUDGET (2022)	PERFORMANCE ON TOTAL %
	ADD/REVENUE		N	N	N	N	%
	Transfer from Consolidated Revenue Fund	9	2,992,298,327.46	-	-	-	-
	Aid and Grants	10	-	-	-	-	-
	External Loans: FGN/States/LGC	19	-	-	-	-	-
	FGN/States/LGC Bonds & Treasury Bonds	20	-	-	-	-	-
	Nigerian Treasury Bills (NTB)	21	-	-	-	-	-
	Development Loan Stock	22	-	-	-	-	-
	Other Internal Loans (Promissory Notes)	23	-	-	-	-	-
	Internal Loans from Other Funds	24	-	-	-	-	-
	TOTAL REVENUE AVAILABLE:		-	-	-	-	-
	LESS: CAPITAL EXPENDITURE						
	Capital Expenditure Administrative Sector	11	275,265,219.22	285,265,962.02	235,000,000.00	50,265,962.02	3.51%
	Capital Expenditure: Economic Sector	11	1,892,764,024.17	1,911,764,127.18	702,500,000.00	1,209,264,127.18	1%
	Capital Expenditure: Law and Justice	11	-	-	-	-	-
	Capital Expenditure: Regional Development	11	-	-	-	-	-
	Capital Expenditure: Social Service Sector	11	824,269,084.05	825,269,184.08	444,304,990.00	380,964,194.08	0.13%
	Capital Expenditure: Funded from Aid and Grants	10	-	-	-	-	-
	TOTAL CAPITAL EXPENDITURE		2,992,298,327.46	3,022,299,273.28	1,381,804,990.00	1,640,494,283.28	
	Intangible Assets		-	-	-	-	-
	CLOSING BALANCE		333,634.88	-	-	-	-

Name and Signature of.....
Accountant General of the Federation/Accountant General of the State/Local Government Treasurer



BIRNIN KEBBI BRANCH

August 03rd , 2023

THE DIRECTOR FINANCE,
Birnin Kebbi Local Government,
Kebbi State.

Dear Sir / Madam,

BANKER'S CERTIFICATE

ACCOUNT NUMBER: 2007538665
ACCOUNT NAME: Birnin Kebbi Local Government

The captioned customer has requested for a letter of bank certificate.

We confirm that the closing balance of account as of 31ST December 2022 is N333,634.88(Three Hundred and Thirty Three Thousand Six Hundred and thirty Four Naira Eighty Eight Kobo) Only

This report is given to you in the strictest confidence and without any liability whatsoever on the part of this Bank or any of its officers.

Yours faithfully,
For: FIRST BANK OF NIGERIA Ltd

Relationship Manager

Business Manager

BOARD OF DIRECTORS: Chairman: Ibukun A. Awosika, Managing Director/CEO: Adesola K. Adeduntan, Deputy Managing Director: Gbenga Shobo, Directors: Urum K. Eke (MFR), Ambrose Feese, Tunde Hassan-Odukale, Lawal K. Ibrahim, Ijeoma E. Jidenma, Ebenezer A. Jolaoso, Dauda Lawal, Abiodun Odubola, Remi O. Oni, Obafemi A. Otudeko, Ibrahim D. Waziri



First Bank of Nigeria Ltd. - RC 6250-1 An FBN Holdings Company

UKRUS/1222

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

DISCUSSION AND ANALYSIS OF FINANCIAL STATEMENT

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statement stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Birnin Kebbi Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

This Local Government generated its revenue mainly from three sources: namely, Statutory Allocation for FAAC, Internally Generated Revenue and other miscellaneous. We notice significance increase on the aggregate revenue compared to previous year by 41.39%.

However, the over dependence of federal allocation is still visible. It was observed that out of N5,631,829,182.85 realised during the year under review, only the sum of N381,157,541.33 appeared to have been generated IGR for the same period which is just 6.77%. The Management of Birnin Kebbi Local Government is hereby enjoined to do all what is takes within the ambit of the law, to ensure that numerous potential revenue sources available to the Council are harnessed. Deliberate efforts should be made to improve upon the internally generated revenue to be earned by the Local Government. Because the

common reality is that, this local government cannot afford payment of single month salary without the statutory allocation.

EXPENDITURE

These are Recurrent and Capital expenses incurred during the financial year. We are impressed with emphases given to provision basic necessities (Primary Health Care, Education and Agriculture) to the grass root.

INVESTMENTS

The total sum of N17,290,971.37 appeared to be the value of investment held by Birnin Kebbi Local Government Council. Audit examination revealed that these investments were not properly documented as investment Register/ Ledgers were not maintained. The alleged value could neither be ascertained nor independently verified. But base on the available records, these investment have been found to be dormant as no income by way of dividends, interest or sales were recorded.

In my opinion, investigation into the current status of these investments should be carried out to establish their existence, viability and fair values.

ADDITIONAL DISCLOSURE

2. **CASH BOOK:-** Examination of this vital accounting book revealed that, the format of this book contravened what is obtained in the financial memoranda provision number 19.3. This resulted in missing the vital columns known as “PARTICULARS AND ANALYSIS”, therefore the resultant effect is that, reason and purpose of receiving funds and incurring the expenditure remains unknown.
3. **OUTSTANDING PAYMENT VOUCHERS:-** In the course of posting the payment vouchers into the cashbook, it was noted with dismay that paid vouchers worth ₦10,145,604.03 appear to have been either missing or not prepared at all. And that all effort to traced them proved abortive, consequence upon the above, the genuinity of the purported expenditure could not be established, which is categorically a gross violation of the financial etiquette and payment procedure as well.

SALARY

2. **CASHBOOK MAINTENANCE:-** This vital book of account of the council's treasury appear not to have been maintained in accordance with financial memoranda provision 19.18. In essence, both daily and monthly balances were not even attempted.
3. **OUTSTANDING PAYMENT VOUCHERS (SALARY):-** On furtherance with the posting of the payment vouchers into the cashbook, it was discovered with dismay that payment vouchers worth N6,428,220.11 appear to have been either missing or not prepared at all, and that all effort to trace proved abortive.

Accordingly the genuinity of the purported expenditure could not be ascertained, which is a clear violation of the payment procedure. In essence, the action is contrary with Financial Memoranda Provision no. 14.4 (1 - 9).

4. **INAPPROPRIATE PAYMENT:-** In furtherance with our annual audit of salary and allied allowances, it was discovered that, the sum of ₦2,335,604.03 were vouched and paid every month, on mere list only attached to the payment voucher.

However, the scrutiny of the purported payment proved that, the said beneficiaries were neither employee nor allowances schedule, and that no any expressed approval attached to the payment vouchers. They include PV number 235/06/2022 amounting to ₦2,025,604.30 paid to Sufiyanu Shuaibu and others; and PV no. 246/07/2022 bearing Safiya Abubakar & Others paid the sum of ₦310,000.00.

Therefore, the payments in question would not be admitted as proper charge against the council's fund.

BUNZA LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022


**OFFICE OF THE CHAIRMAN
BUNZA LOCAL GOVERNMENT
KEBBI STATE**

Ref

Your Ref

Date

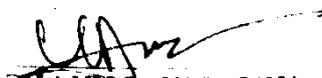
STATEMENT OF FINANCIAL RESPONSIBILITIES

We accept responsibility of these financial statements, the information contained and their compliance with the finance control and management Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of Bunza Local Government as at 31st December 2022, and its operation for the year ended on the date.



TREASURER



CHAIRMAN

Date: 21/8/2023

Date: 21/8/2023



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Bunza Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statement presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Bunza Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.



Faruk B. Muhammad

Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Bunza Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and supporting documents shows true and fair view of the state of affairs of Bunza Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF BUNZA LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Bunza Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO. 1

BUNZA LOCAL GOVERNMENT COUNCIL

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022.

DESCRIPTION	NOTE	2022	2021
CAS FLOW STATEMENT FROM OPERATING ACTIVITIES			
<u>RECIEPT</u>			
Internally Generated Revenue	3	45,216,516.25	28,828,859.82
Grant and Subvention	4	NIL	NIL
Share of VAT	5	687,424,426.40	604,537,390.95
Statutory Allocation	6	2,238,303,796.63	1,403,507,250.08
TOTAL RECEIPT		2,970,944,739.28	2,036,873,500.85
<u>PAYMENTS</u>			
Personal Emolument	8	594,198,520.06	569,958,834.36
Education Service		392,623,391.76	392,623,391.76
Health Service		35,850,811.44	35,850,811.44
Transport Service		25,067,256.20	22,951,714.77
Mining and Petrol chemical services		-	-
Agriculture Service		150,252,925.20	129,586,667.12
Other General Nature	9	1,752,065,444.98	895,031,119.18
TOTAL PAYMENT		2,950,058,349.60	2,039,769,138.52
Net cash flow from operating activities		20,886,389.68	(2,895,637.67)
CASH FLOW FROM INVENTING ACTIVITIES			
Purchase/Const of assets	10	NIL	NIL
Purchase of Financial Market Instrument		(17,000,000)	(17,000,000)
Proceed from sale of assets		NIL	NIL
Net cash flow from investing activities		(17,000,000)	(19,895,637.67)
CASH FLOW FROM FINANCING ACTIVITIES			

Proceed of loan and borrowing	11	NIL	NIL
Dividend Received	12	NIL	NIL
Payment of Loan	13	NIL	NIL
Net Cash flow from financing activities		NIL	NIL
Net Increase/Decrease in cash and its equivalent		3,886,389.68	(19,895,637.67)
Cash and Cash equivalent 1/1/2022		332,490.95	20,228,128.62
Cash and Cash equivalent As at 31/12/2022		4,218,880.63	332,490.95

STATEMENT NO. 2

BUNZA LOCAL GOVERNMENT COUNCIL

STATEMENT OF ASSESTS AND LIABILITIES AS AT 31ST DECEMBER, 2022

SN	PARTICULARS	NOTE	2022	2021
	ASSESTS			
1	Cash and Bank Balance	14	4,218,880.63	332,490.95
2	Investment	15	17,000,000	17,000,000
3	Advances	16	NIL	NIL
4	Others	17	NIL	NIL
	TOTAL ASSETS		21,218,880.63	17,332,490.95
	LIABILITIES			
5	Deposit	18	NIL	NIL
6	Loans	19	NIL	NIL
7	General Revenue Balance	20	21,218,880.63	17,332,490.95
	TOTALS		21,218,880.63	17,332,490.95

STATEMENT NO. 3

BUNZA LOCAL GOVERNMENT COUNCIL

**STATEMENT CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER, 2022**

2021	DESCRIPTION	NOTE	2022 ACTUAL	2022 BUDGETED	VARIANCE %
1,463,507,250.08	Statutory Allocation	1	2,238,303,796.63	1,804,856,133.02	24%
604,537,390.95	Govt, Share of VAT	1	687,424,426.40	867,183,219	-21%
2,007,844,641.03	SUB TOTAL STATUTORY ALLOCATION		2,925,728,223.03	2,672,039,352.02	
8,828,859.82	Direct Taxes	2	15,216,516.25	23,000,000	-33%
10,000,00	Licenses earning fees and fine	2	10,000,000.00	45,000,000	-77%
10,000,000	Earning from commercial undertaking	2	10,000,000	40,000,000	-75%
NIL	Rent on government property	2	5,000,000	35,000,000	-86%
28,828,859.82	SUB TOTAL : INDEPENDENT REVENUE		45,216,516.25	143,000,000	
2,036,873,500.85	TOTAL REVENUE		2,970,944,739.28	2,815,039,352.02	
	LESS EXPENDITURE				
569,958,834.36	personal cost		594,198,520.06	628,725,900	-5%
272,896,296.52	Contribution to pension		272,896,296.52	272,896,296.52	0%
36,000,000	Overhead cost		36,000,000	36,000,000	0%
895,356,862.78	Subvention to prastatals		895,356,862.78	1,118,731,546	20%
1,774,211,993.66	TOTAL EXPENDITURE		1,800,451,679.36	2,058,353,742.52	
262,661,507.19	Operating Balance		1,170,493,059.92	756,685,609.50	55%
262,661,507.19	Transfer to capital Dev. Fund		1,170,493,059.92	756,685,609.50	55%
NIL	Closing Balance		NIL	NIL	NIL

STATEMENT NO. 4

BUNZA LOCAL GOVERNMENT COUNCIL

**STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR
ENDED 31ST DECEMBER, 2022**

2021	DESCRIPTION	NOTE	TOTAL CAPITAL EXPENDITURE 2022	2022 FINAL BUDGETED	VARIANCE %
262,661,507.19	Transfer to capital fund		1,170,493,059.92	756,685,601.56	55%
262,661,507.19	TOTAL REVENUE AVAILABLE		1,170,493,059.92	756,685,601.56	55%
	LESS CAPITAL EXPENDITURE				
162,329,016.24	Capital Exp. Administrative		166,274,179.29	195,000,000	-15%
NIL	Capital Exp. Economic		400,000,000	386,500,000	4%
NIL	Capital Exp. Regional		200,000,000	244,500,000	-18%
100,000,000	Capital Exp. Social services]	400,000,000	424,000,000	6%
262,329,016.24	TOTAL CAPITAL EXPENDITURE		1,166,274,179,29	1,250,000,000	-7%
332,490.95	Closing Balance		4,218,880.63		

BUNZA LOCAL GOVERNMENT COUNCIL
BANK RECONCILIATION STATEMENT AS AT 31ST DECEMBER 2022

FIRST BANK ACCOUNT: 20054144226

BALANCE PER CASH BOOK N4,601,426.64

LESS BANK CHARGES = N382,546.01

BALANCE PER BANK STATEMENT: N4,218,880.63

BUNZA LOCAL GOVERNMENT COUNCIL

SCHEDULE OF INVESTMENT AS AT 31ST DECEMBER, 2022

SN	TYPE OF INVESTMENT	OPENING BALANCE	WITHING THE PERIOD	CLOSING BALANCE
1	Kebbi Home Saving and Loans	10,000,000	-	10,000,000
2.	BUA Cement	7,000,000	-	7,000,000
	TOTAL	17,000,000	-	17,000,000

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Bunza Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N2,970,944,739.28 which includes N45,216,516.25 from Internally Generated Revenue, FAAC monthly Statutory Allocation amounting to N2,238,303,796.63 as well as N687,424,426.40 appeared to be VAT receipts. The above figures show an appreciable of N934,071,238.43 above the actual receipts recorded in the previous year.

However, it is disheartening to note that IGR contributions to the total annual receipts were only 1.52%. That is to say the Council totally rely on FAAC for its financial obligations leaving the strategic internal revenue sector untapped or accounted for. Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government and also the Council members should take their hands off from IGR and concentrate of legislative duties.

EXPENDITURE

We noted that this local government was able to limit its expenditure within its incomes which indicates adherence to budgetary control mechanism.

INVESTMENTS

The Value of Bunza Local Government's stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained at stagnant rate of N17,000,000.00, with no single kobo appeared to be realized as dividend from such investments.

Furthermore, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

1. PV. No. 01/08/2022 paid to Maiwuya Construction Company for the purchase and installation of Solar light in Bunza amounting to the tune of ₦175,105,608.19.

On the spot verification to the side, we discover only 120 streets solar light was installed instead of 380 as specified in the estimate and also 12.5% Vat & Withholding Tax was also included. Our finding revealed that the remaining 260 were nowhere to be found. Similarly, there was no evidence of taxes deductions and/or remittance to the appropriate authorities. We therefore, recommend the immediate completion of the project and taxes remittance or the expenditure in question would not be admitted as proper charge against the public funds and erring officers would be sanctioned accordingly.

2. PV. No. 03/04/2022 allegedly paid to Aminu Auwal (Director of Works Services) amounting to ₦17,810,952.38 for the rehabilitations and extension of electricity across Bunza Local Government Area, the payment was done 100%.

On the spot verification to the site revealed that the work have not been carry out and no satisfactory explanation offered by the Council.

3. PV. No. 01/05/2022 said to have been paid to Honourable Sanusi Umar Bunza for the evacuation of drainage, control of erosion and construction of 1NO motorized borehole in Bunza Town amounting to ₦25,000,000.00.

On the spot verification to the site revealed that the work have not been carry out, all efforts to get tentative explanation from the council proof abortive.

4. PV. No. 01/09/2022 paid to Alhaji Abubakar Muhammed Bunza for the repairs of pay loader, grader and tipper amounting to the tune of ₦16,000,000.00, full payment was effected.

It was observed with dismay that the work was not done. All the vehicles in question still remain off-road.

5. PV. No. 01/06/2022 said to have been paid to Alhaji Abubakar Danbaba Bunza (Hon. Vice Chairman) for the complete overhauling of hand pumps across the Bunza Local Government Area, amounting to the tune of ₦15,000,000.00.

On the physical verifications to the affected areas revealed that the said overhauling of hand pumps was not carryout and no unequivocal explanation offered.

6. **REVENUE**

- a. **HARAJI COLLECTION FOR THE YEAR 2021/2022:-** It was observed with serious dismay that only the sum of ₦1,624,600.00 said to have been collected as Haraji for the year 2021/2022, but not lodged into the Council's Haraji account. Contrary to the provision of financial memorandum chapter 6.1, 6.2, 6.3, 6.4, 6.5 and B (a-f) therefore the Director of Finance & Supply and Revenue officer should be surcharge for contravening the provision of Financial memoranda.

- b. **LOCALLY GENERATED REVENUE:-** It was observed with serious concerned that only the sum of ₦869,700.00 appeared to have been recorded or banked as locally generated revenue for the period from 1st January to 31st December 2022 as per Local Government Council main cash book. Furthermore it has been observed throughout the period covered by this report, the revenue records such as Revenue officers cash book, daily abstract of revenue, Haraji

file, District cash book etc are not maintained contrary to the financial memorandum provision 6.1, 6.2, 6.3, 6.4, and 6.5. Therefore the Director of Finance & Supply and Revenue officer should be surcharged for violations of financial memoranda.

DANDI LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE EXECUTIVE CHAIRMAN
DANDI LOCAL GOVERNMENT

Secretariat Complex Kamba, Kebbi State

Our Ref.....Your Ref.....Date.....

DANDI LOCAL GOVERNMENT COUNCIL.

STATEMENT OF FINANCIAL RESPONSIBILITY

We accept responsibility for the integrity of these financial statements, the information they contain and their compliance with the finance (Control and Management) Act. 1558 (as amended).

In our opinion, these financial statements fairly reflect the financial position of Dandi Local Government as at **31st December, 2022** and its operations for the year ended on that date.

CHAIRMAN

11/8/2023

DATE

TREASURER

11/8/2023

DATE

All correspondence shall be addressed to the Office of the Executive Chairman



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Dandi Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statement presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statement is evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Dandi Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of Dandi Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all the necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Dandi Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF DANDI LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Dandi Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

STATEMENT NO 1.
DANDI LOCAL GOVERNMENT COUNCIL, KAMBA
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER,
2022.

DESCRIPTION	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
CAS FLOW STATEMENT			
FROM OPERATING			
ACTIVITIES			
RECIPT			
Internally Generated Revenue	3	46,212,890	3,750,000
Grant and Subvention	4	NIL	NIL
VAT	5	767,774,467.92	428,020,782.71
Statutory Allocation	6	1,917,716,879.25	1,263,794,252.57
TOTAL RECEIPT		2,731,706,237.17	1,916,902,010.81
PAYMENTS			
Personal Emolument		507,785,018.33	506,562,086.72
Education Service		327,846,723.06	327,846,723.06
Health Service		35,810,811.44	35,810,811.44
Transport Service		15,000,000	14,712,568.41
Agriculture Service		20,530,000.000	12,000,000
Other Nature		1,775,338,458.75	1,103,761,024.09
TOTAL PAYMENT		2,704,781,006.58	2,008,779,988.15
Net cash flow from operating activities		26,831,641.05	6,168,796.77
CASH FLOW FROM INVENTING			
ACTIVITIES			
Purchase/Const of assets		NIL	
Purchase of Financial Market Instrument	10	(27,539,999.67)	(27,539,999.67)
Proceed of assets		NIL	
Net cash flow from investing activities		(27,539,999.67)	21,371,202.90
CASH FLOW FROM FINANCING			
ACTIVITIES			
Proceed of loan and borrowing	11	NIL	
Dividend Received	12	NIL	481,250
Payment of Loan	13	NIL	NIL
Cash flow from financing activities		NIL	589.84
Net Increase/Decrease in cash and its equivalent			
Cash and Cash equivalent 1/1/2022		589.54	20,890,452.44
Cash and Cash equivalent As at 31/12/2022		7230.92	589.54

**STATEMENT NO 2.
DANDI LOCAL GOVERNMENT COUNCIL, KAMBA
STATEMENT OF ASSESTS AND LIABILITIES AS AT 31ST
DECEMBER, 2022**

	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
ASSETS			
Cash and Bank Balance	14	7230.92	589.54
Investments	15	27,539,999.67	27,539,999.67
Advances	16	-	
Other	17	-	
TOTAL		27,547,230.59	27,540,589.21
LIABILITIES			
Deposit	18		
Loans	19		
General Revenue	20	27,547,230.59	27,540,589.21
TOTAL		27,547,230.59	27,540,589.21

**STATEMENT NO 3.
DANDI LOCAL GOVERNMENT COUNCIL, KAMBA
STATEMENT OF CONSOLIDATED REVENUE FUNDS AS AT 31ST
DECEMBER, 2022**

**STATEMENT NO 4.
DANDI LOCAL GOVERNMENT COUNCIL, KAMBA
STATEMENT OF CAPITAL DEVELOPMENT FUNDS AS AT 31ST
DECEMBER, 2022**

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Dandi Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N2,731,706,237.17 which includes N46,212,890 from Internally Generated Revenue, FAAC monthly Statutory Allocation amounted to N1,917,716,879.25 as well as N767,774,467.92 appeared to be VAT receipts. The above figures show an appreciable increase of N722,926,249.02 above the actual receipts recorded in the previous year.

Though the council has positively responded to our calls for need to improve IGR. Only that, the management should inculcate the culture of lodging the revenue into the bank before committing them to any expenditure. This will ensure proper accountability, transparency and prudent management.

EXPENDITURE

We noted that this local government was able to limit its expenditure within its incomes which indicates adherence to budgetary control mechanism.

INVESTMENTS

The Value of Dandi Local Government's stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained at stagnant rate of N27,539,999.67, through the total sum of N715,000.00 appeared to be dividend receipt from BUA Cement Company.

Furthermore, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE IN RESPECT OF DANDI LOCA LOCAL GOVERNMENT COUNCIL

2. CASH BOOK

Despite the importance of this Book of Accounts in the treasury of each Local Government Council in the State, it is disheartening to report that vital columns of the cash book were ignored by the cashier (i.e TR no., Cash and Daily Total columns) so also the balancing of the cash book. It is indeed, significant to note that despite similar observation made last year, no significant improvement appeared to have been made. These observations should not be allowed to remain just like a reference records but application and total compliance should be seen in its entirety.

3. SUBSIDIARY RECORDS

Examination of these Books of Accounts reveals that subsidiary books such as; DVEA, store ledgers, SIV, SRV and P.E Register were either not updated in some cases or not maintained at all. This is another contradiction of Financial Memoranda chapters 15, 16, 23, and 24.

At this juncture, the Director Finance and Supply need to reinvigorate the Treasury Department as whole and specifically, monitor the Principal officers therein closely or replaced the incompetent ones with more capable and reliable hands. Henceforth, non-maintenance or poor records keeping would no longer be condoned, as appropriate sanction awaits any erring officer.

4. UNAUTHORIZED PAYMENT VOUCHER

It has been noted with displeasure that, paid vouchers amounting to ₦4,576,679.00 were raised and fully paid to all and sundry without been

endorsed by the officer(s) controlling the vote. This clearly shows another violation of financial memoranda provisions 14.8 and 14.9 (1 – 10).

5. BANK RECONCILIATION STATEMENT

It's quite absurd to note that throughout the period covered by this report, Dandi Local Government Council did not attempt to reconcile its Cash Book with the Bank Statement in compliance with the Financial Memoranda Provision number 19.25.

In many atimes, transactions were duplicated in the cash book, which make this vital book apparently impossible to agree with bank statement.

6. UNPRESENTED PAYMENT VOUCHERS

Examination of the available records revealed that payment vouchers to the tune of **N6,071,677.00** would appear to have been either not prepared or not presented to me for examination during the period covered by my report. This is contrary to Financial Memoranda provisions in chapter 14.

10. PAYMENTS WITHOUT ENDORSEMENT BY THE INTERNAL AUDITOR:

Section 14.10 of the Financial Memoranda state that “All Payment Vouchers shall be submitted to the Internal Auditor for prepayment audit. Such vouchers shall not be paid the Treasurer until the Internal Auditor has audited the payment voucher”. But it was disheartening to report that this office was reduced to only financial nomenclature in this local government despite previous indictment by this office.

c. REVENUE ACCOUNTS

It is noted with disheartening of mind that the council revenue records were poorly maintained by those charged with the responsibility of managing the unit. This further makes it difficult if not impossible to give holistic assessment on the actual revenue generated within the period under review.

In what appeared to be positive step to salvage the ugly situation, we observed that the total sum of N140,000 was disbursed to the Revenue Officer for the procurement of revenue receipts of various revenue units vide PV no. 3/6/2022.

But the following appeared to be the result of that effort:

1. HARAJI COLLECTION

Examination of the available revenue records revealed a receipt no. KBRCR2495 from the Kebbi State Board of Internal Revenue confirming the receipt of N500,000 as the state share of Haraji for this Local Government, dated 1st January 2022(PVno43/1/2022 refers). But how much was collected? How was it expended remained a mystery up to the time of writing this report.

In view the above, the revenue officer should be compelled to ensure immediate released of comprehensive 2021/2022 Haraji assessment in order to ascertain the actual Haraji due in comparison with what had been collected. And the were about of the local government share of Haraji collected should be made available to me for scrutiny or the revenue officer shall be surcharge in accordance with section 39.3(a)(13).

**DANKO/WASAGU LOCAL GOVERNMENT
COUNCIL**

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE EXECUTIVE CHAIRMAN
DANKO WASAGU LOCAL GOVERNMENT

Secretariat Complex Riabh,
Danko Wasagu Local Government, Kebbi State

Our Ref:..... Your Ref:..... Date:.....

**DANKO/WASAGU LOCAL GOVERNMENT COUNCIL.
STATEMENT OF FINANCIAL RESPONSIBILITY.**



We accept responsibility for the integrity of these financial statements, the information they contain and their compliance with the finance (control and management) Act.1558 as amended.

In our opinion, these financial statements fairly reflect the financial position of Danko/Wasagu Local Government as at 31st December 2022 and its operations for the year ended on that Date.

Treasurer

Chairman

21/8/2023

Date

21/8/2023

Date

All correspondence shall be addressed to the Office of the Executive Chairman



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Danko/Wasagu Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statements presented comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statement is evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Danko/Wasagu Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of Danko/Wasagu Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Danko/Wasagu Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF DANKO/WASAGU LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Danko/Wasagu Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO. 1

DANKO WASAGU LOCAL GOVERNMENT COUNCIL.

CASH FLOWS STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2021

CASH FLOW FROM OPERATING ACTIVITIES	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
RECEIPT:			
	3	24,269,149.39	8,855,925.00
Internally Generated revenue			
Grant Subvention	4		
VAT	5	1,165,305,586.70	860,052,358.46
Statutory Allocation	6	2,132,232,157.30	1,630,498,003.09
Miscellaneous	7		
Total Receipt		3,321,860,890.39	2,499,406,286.55
PAYMENT:			
Personal Emolument	8	788,747,833.39	781,592,521.63
Education Services		690,512,256.43	510,715,652.34
Transport Services		6,749,521.25	5,469,494.82
Health Services		47,925,839.05	43,710,811.44
Mining & Petrol Chemical Services			
Agricultural Service		40,380,848.43	31,848,333.33
Other General Nature	9	1,610,873,926.70	1,103,783,962.61
Total Payment		3,185,190,025.25	2,447,120,776.17
Net Cash Flow From Operating Activities		57,848,219.19	22,285,510.38
Cash Flow from Investing Activities			

Purchase/Construction Assets	10		
Purchase of Financial Market Instruments		(40,394,198.76)	(37,142,804.14)
Proceeds from sale of assets			
Net Cash Flow from Investing Activities		15,078,392.60	14,857,293.76
Proceeds from loan & Other Borrowing	11		
Dividend Received	12	680,250.00	568,425.00
Repayment of loans	13		
Net Cash Flow from investing Activities			
Net Increase/Decrease in Cash & its equivalent		(15,882,659.76)	(14,288,868.76)
Cash & its equivalent at 01/01/2021		15,928,590.76	14,397,142.53
Cash its equivalent at 31/01/2021		810,732.07	108,273.77

STATEMENT NO.2
DANKO WASAGU LOCAL GOVERNMENT COUNCIL.
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST
DECEMBER 2022

REVENUE	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
Cash and Bank Balances	14	810,732.07	108,273.77
Investment	15	40,394,198.76	37,142,857.14
Advances	16		
Others	17		
Total		41,204,930.83	37,251,130.91
LIABILITIES			
Deposit	18		
Loans	19		
General Revenue	20	41,204,930.83	37,251,130.91
Total		41,204,930.83	37,251,130.91

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Danko/Wasagu Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N3,321,860,890.39 which includes N24,269,149.39 from Internally Generated Revenue, FAAC monthly Statutory Allocation amounting to N2,132,232,157.30 and N1,165,305,586.70 appeared to be total annual receipts from VAT. The above figures show an increase of N822,454,603.84 over and above the actual receipts recorded in the previous year. And it is as a result of increased in statutory allocation and VAT.

However, it is disheartening to note that the contributions of Internally Generated Revenue to total annual receipts only stood at 0.73%. Though, Danko/Wasagu was affected by the activities of arm bandits (Cattle rustlers and Kidnappers) during the year under review, but still the IGR figure ought have been higher than what was realized.

EXPENDITURE

The operating results of this Local Government show a negative balance of N3,940,813.66, indicating an overdraws of total receipts. This is a bad signal, especially to the Local Government Council that solely rely on FAAC allocation for its financial obligations.

Moreover, this Local Government that was devastated by bandits still increased its Education Service funding by N179.8 million, compared to preceding year. Explanation is highly required on what constituted the increased, together with records.

INVESTMENTS

The Value of Danko/Wasagu Local Government's stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd said to have increased from N37,142,804.14 to N40,394,198.76. But the records as to how increased value came about remain a mystery.

Furthermore, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE IN RESPECT OF DANKO/WASAGU LOCAL GOVERNMENT COUNCIL.

2. SUBSIDIARY BOOKS OF ACCOUNTS

- i. **Departmental Vote of Expenditure Account Book:-** In my effort to reconcile expenditure committed through the Local Government cashbook and the budget, it was discovered that, throughout the period under review, D.V.E.A books would not appear to have been maintain by this Local Government Council. While various expenditures are committed by different departments of the Local Government as against the provision of FM chapter 21.
 - ii. **Abstract Books of Revenue and Expenditure:-** While chapter 21 of the FM is emphasizing on the need to maintain these abstract books, it was observed that not no single abstract books of either revenue or expenditure has been kept by your Local Government.
3. **CASHBOOK:-** In order to ensure adequacy in the utilization of funds released to your Local Government by the Kebbi State Joint Account, the need to maintain, update Local Government cashbook becomes eminent, but in the course of examining the cashbook, it was discovered that, updating and balancing of the cashbook was not done, this is because payment vouchers are not posted in the month the expenditure was made, quoting of cheque numbers in the cashbook against the payment is not also observed.
4. **BANK RECONCILIATION:-** In order to ensure all expenditure committed through the Local Government Bank Accounts reflect the Local Government cashbook, the need for reconciliation become important to my dismay no effort was made to produced even one month bank reconciliation by your Local Government. This is a clear indication that your Local Government did not attached relevance to the provision of FM chapter 19.

6. **UNEXECUTED PROJECTS:-** Attached to the report sent to the Council was list of unexecuted project amounting to ₦18,200,000.00. It was also observed that the expenditure would not appear to have been charge from the vote book, as some of the payment would not appear to have acknowledged by the respective payees.
 - a. On Payment Voucher No. 23/05/22, the sum of Ten Million (₦10,000,000.00) would appears to have been release to one Alh. Haruna Abuyayi & others as logistics for the conduct of Local Government Election Primaries, examination of the payment procedure reveals that, Alh. Haruna Abuyayi confesses not to have received such among and the other stakeholders as indicated in the submission made. The payment voucher was not charge from the vote book and the Departmental Director would not appear to have control the vote of the payment voucher. This would not be admitted as a proper charge against the Local Government funds.

10. **REVENUE:-** It is quite disheartening to observed that all revenue collected for the period covered by this report has been banked and/or accounted for, as no single treasury receipt would appear to have been posted into the cashbook.

FAKAI LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



KEBBI STATE OF NIGERIA
OFFICE OF THE HON. CHAIRMAN

FAKAI LOCAL GOVERNMENT COUNCIL

All correspondences be
addressed to the Hon. Chairman

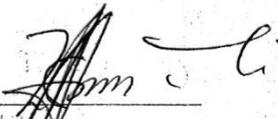
Ref. No: _____

Date: _____

STATEMENT OF FINANCIAL RESPONSIBILITY

These financial statements have been prepared by the Treasurer of Fakai Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The financial statements comply with generally accepted accounting practice cash basis.

The Treasurer is responsible for establishing and maintaining a system of Internal Controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all Public Financial resources by the Local Government Council. To the best of my knowledge, this statement of internal control has operated adequate throughout the reporting period.



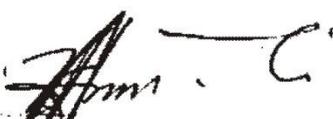
Treasurer

20/07/2023

Date

We accept responsibility for the integrity of these financial statements, the information they contain and compliance with the finance (Control and Management) Act 1958 as amended.

In our opinion, these Financial Statements fairly reflect the financial position of Local Government as at 31st December, 2022 and its operation for the year ended on that date.



Treasurer



Chairman

20/07/2023

Date

20/07/2023

Date



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

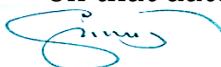
Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Fakai Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Fakai Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/02/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Fakai Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanations required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Fakai Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

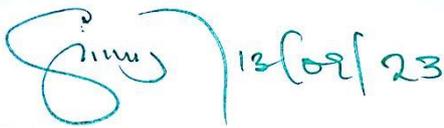
AUDIT INSPECTION REPORT IN RESPECT OF FAKAI LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Fakai Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include:

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examinations. In our opinion, the financial statements gave “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

STATEMENT NO. 1

FAKAI LOCAL GOVERNMENT COUNCIL

CASHFLOW STATEMENT FOR THE YEAR ENDED
1ST DECEMBER, 2022

S/N	PARTICULARS	NOTE	2022 (₦)	2021 (₦)
1.	CASH FLOW FROM OPERATING ACTIVITIES			
a.	<u>Receipts</u>			
	Internally generated revenue	3	46,272,594.20	10,590,000.00
	Grant and Subvention	4	-	-
	VAT	5	743,290,427.60	540,520,659.49
	Statutory allocation	6	1,539,192,275.23	943,575,414.77
	Miscellaneous	7	-	-
	Total		2,382,755,297.03	1,494,686,074.26
b.	<u>Payments</u>			
	Personnel Emoluments	8	483,168,940.71	483,168,940.71
	Education Service		320,581,370.64	320,581,370.64
	Transport Services		-	-
	Health Services		35,850,811.44	35,850,811.44
	Mining & Petrol, Chemical Services		-	-
	Agriculture service and general nature	-	350,000,000.00	Nil
	Other General Nature		1,164,573,912.48	636,923,071.04
	Total payment		2,354,175,035.27	1,476,524,193.83
	<i>Net Cash Flow from operating activities</i>		28,580,261.76	18,161,880.43
2.	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase/construction of assets	10	Nil	Nil
	Purchase of Financial Market Instrument	-	(22,142,857.14)	(22,142,857.14)
	Proceed from sales of assets		-	-
	<i>Net cash flow from investment activities</i>		6,437,404.62	3,980,976.71
3.	CASH FLOW FINANCING ACTIVITIES			
	Proceed from loan and other borrowing	11	-	-
	Dividend received	12	-	-
	Repayment of loans	13	-	-
	<i>Net cash flow from financing activities</i>		-	-
	Net increase or decrease in cash or cash equipment		6,437,404.62	3,980,976.71
	Cash and its equivalent as at 1/1/2022		256,691.13	4,237,667.84
	Cash and cash equivalent as at 31/12/2022		6,694,095.75	256,691.13

STATEMENT NO. 2

**STATEMENT OF ASSETS AND LIABILITIES AT 31ST
DECEMBER, 2022**

S/N	PARTICULARS	NOTE	2022	2021
A.	Assets			
1.	Cash and Bank Balances	1	6,694,095.75	256,691.13
2.	Investment	3	22,142,857.14	22,142,857.14
3.	Advances	4	-	-
	TOTAL		28,836,952.89	22,399,548.27
B.	Liabilities			
1.	Deposit		-	-
2.	General Revenue Balance		28,836,952.89	22,399,548.27
	Total		28,836,952.89	22,399,548.27

STATEMENT NO. 3
FAKAI LOCAL GOVERNMENT OF NIGERIA, KEBBI STATE
STATEMENT OF CONSOLIDATED REVENUE FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DESCRIPTION	NOTE	ACTUAL 2022	BUDGETED 2022	VARIANCE IN %
943,575,414.77	Statutory Allocation	1	1,539,192,275.23	1,499,058,495.00	2.7%
540,520,659.49	Share of VAT	1	743,290,427.60	787,889,998.00	-5.7%
1,484,096,074.26	Sub-Total Statutory Allocation		2,282,482,702.83	2,286,948,493.00	-
3,000,000	Direct Taxes	2	4,000,000	3,000,000	33.33%
2,000,000	License, Fee and Fines	2	15,000,000	50,000,000	-70%
4,000,000	Earnings	2	25,000,000	20,000,000	25%
1,590,000	Sale/Renting Gov't. Building	2	2,272,594.20	17,000,000	-87%
10,590,000	Sub-Total Independent Rev.		46,272,594.20	90,000,000	
1,494,686,074.26	Total Revenue		2,382,755,297.03	2,376,948,493	
	<u>Less Expenditure</u>				
483,168,940.71	Personal Cost		483,168,940.71	594,420,538	-19%
99,124,022.50	Contribution to Pension		101,244,904.52	111,369,395.03	9%
36,000,000	Overhead Cost		36,000,000	36,000,000	Nil
786,761,546.80	Subvention to Parastatals		786,761,546.80	786,761,546.80	Nil
1,405,054,490.01	Total Expenditure		1,407,175,392.08	1,527,551,477.83	
1,405,054,490.01	Operating Balance		1,407,175,392.08	1,527,551,477.83	-8%
	Appropriation/Transfer				
1,405,054,490.01	Transfer Capital Dev. Fund		1,407,175,392.08	1,527,551,477.83	-8%
1,405,054,490.01	Closing Balance		1,407,175,392.08	-	

STATEMENT NO. 4
FAKAI LOCAL GOVERNMENT OF NIGERIA, KEBBI STATE
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2022

2021	DESCRIPTION	NOTE	ACTUAL 2022	BUDGETED 2022	VARIANCE %
	Add Revenue	1	1,539,192,275.23	1,499,058,495.00	2.7%
1,405,054,490.01	Transfer from Consolidated Revenue Fund	1	743,290,427.60	787,889,998.00	-5.7%
1,405,054,490.01	Total Revenue Available				
	<u>Less Capital Expenditure</u>				
90,000,000	Capital Expenditure Administrative Sector		100,000,000	50,000,000	100%
180,000,000	Capital Expenditure Economic Sector		200,000.00	155,000,000	29%
854,997,798.88	Capital Expenditure Regional Sector		850,481,296.33	731,686,554	16.23%
280,000,000	Capital Expenditure Social Sector		250,000,000	187,000,000	34%
1,404,797,798.88	Total Capital Expenditure		1,400,481,296.33	1,123,686,554	
-	Intangible Assets		---	---	
256,691.13	Closing Balance		6,694,095.75	---	

20th July, 2023

Birnin Kebbi Branch

The Office Auditor General,

Kebbi State.

Dear Sir,

RE: BALANCE CONFIRMATION: FAKAI LOCAL GOVERNMENT 4372015739

We write to confirm that the balance as at close of business 31st December 2022 on the subject account is: Six Million Six Hundred and Ninety Four Thousand, Ninety Five Naira Seventy Five Kobo (NGN6,694,095.75).

Kindly note that account is active.

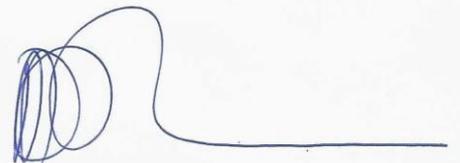
S/N	NAME	ACCT NO.	AMOUNT	DATE
1	Fakai Local Government	4372015739	NGN6,694,095.75	31/12/2022

Kindly acknowledge receipt.

Thank you.



Ejiofor Vivian
Customer service Manager



ABBA Mahmud
Branch manager

FAKAI LOCAL GOVERNMENT

BANK RECONCILIATION STATEMENT AS AT
31ST DECEMBER, 2022

ECO BANK	
A/C No. 4372015739	
Balance per cash book	7,095,746.82
Less Bank Charges	401,651.07
Balance as per Cash Book	<u>6,694,095.75</u>

FAKAI LOCAL GOVERNMENT

SCHEDULE OF INVESTMENT FOR THE YEAR ENDED 2022

	Opening Balance	Within the Period	Closing Balance
Home Saving and Loans Ltd.	17,142,857.14	-	17,142,857.14
Sokoto Cement	5,000,000.00	-	5,000,000.00
Total	<u>22,142,857.14</u>	=	<u>22,142,857.14</u>

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Fakai Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

Fakai Local Government Council generated its funds from two main sources: Statutory allocation from FAAC and Internally Generated Revenue.

Operating result shows significance increase of total revenue by 62.73% compared to previous year. The increase was recorded as a result of substantial increase in VAT and Statutory Allocation FAAC.

In another development, we are not impressed with contributions of Internally Generated Revenue to the Total Revenue, which stood at just 1.94%. This result clearly portrays total dependence on FAAC revenue to run the affairs of this local government despite its revenue potentials.

In our opinion, this unit needs total restructuring to conform to extent tax and other revenue laws.

EXPENDITURE

Though, the Local government tried in restricting its expenditure below its earnings. But we are surprised to observe that expense in respect of Personnel Emolument and Educational Services remained static, despite their volatilities.

Furthermore, audit examination revealed that the sum of N350,000,000.00 was expended in the Agricultural Sector. Records made available to us failed to convince us on how the amount was expended as alleged. In the same vain, Expenditure on Others of General Nature were raised by about 54.69%. All efforts to access information on the causes of this astronomical increase proof abortive.

INVESTMENTS

Fakai Local Government said to have stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd worth N22,142,857.14, To our dismay, this figure remained the same for over three years with no dividend or increase in equity value recorded. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE IN RESPECT OF FAKAI LOCAL GOVERNMENT COUNCIL

1. MAIN ACCOUNT

a. State Of Accounting Records As At 31st December 2022

- i. **STORES:-** Audit inspection of council stores showed noncompliance with FM 34:10(3). There was no proper supervision of store and this was evidence by non-maintenance of appropriate store records contrary to FM 34.14 to FM 14.18.
 - ii. **INTERNAL CONTROL:** The Internal Audit operations during the year under review was very weak due to flagrant violation of provision of FM 14.10, FM 40.3 and FM 40.11 respectively.
- b. **Payment of Overhead Cost:-** Examination reveals that, the sum of ₦3,000,000.00 appear to be monthly subvention in respect of Overhead cost. totaling the sum of ₦36,000,000.00 per annum. But to my surprise this amount remained unaccounted up to the time of compiling this report.
- d. **Contract Not Executed:-** examination reveals that the following payment vouchers worth ₦107,279,783.09 were raised and paid to individuals to construct or rehabilitate one project or the other. But to our dismay, the inspection team reported that the projects were not executive as at the time of their visits. Details of the projects were attached in the main report sent to the council
- e. **Un-documented Payment:-** Payment vouchers totaling the sum of ₦12,249,095.24 paid to different individuals/organizations as allowances and/or assistances without attaching the necessary accounting document. Contrary to Chapter 14 of the Financial Memoranda. Details of these payment vouchers are attached to main report sent to the Council.
- f. **Outstanding Payment Vouchers:-** Examination of the available records revealed that the payment vouchers worth ₦35,123,062.12 were not presented for audit examination, contrary to section 146 of the Local Government Law 2008 and shall not be accepted as

proper charge against the fund of the Local Government. Details were also attached to the report sent to Local Government for response.

g. **Unauthorized Payment Vouchers:-** Further scrutiny of the available records revealed that payment vouchers worth ₦51,474,407.26 were paid without signature from officer controlling the vote (Directors). Section 13.12(2-6) of the Financial Memoranda appeared to be violated.

INTERNALLY GENERATED REVENUE

HARAJI

Revealed the Below Assessment

S/N	District	Rate ₦	Amount Collected	Amount Called	Amount
1.	Fakai	100	370,000	Nil	370,000
2.	Marafa	100	668,400	Nil	668,400
3.	Bajida	100	592,700	Nil	592,700
4.	B/Tudu	100	353,000	Nil	353,000
			₦1,986,800		₦1,986,800

The above table revealed that the sum of ₦1,986,800.00 was realized from collection of Haraji, but not lodged into the Local Government Council bank account.

OTHER REVENUE SOURCES:- Its disheartening to note that this Local Government did not account for a single Kobo out of the amounts alleged to have been generated in the cash flow statement. Therefore, the Local Government Council should institute effective internal control mechanism to block all loopholes and effectively account for the matter in question.

GWANDU LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022

GWANDU LOCAL GOVERNMENT

P.M.B 156, GWANDU, KEBBI STATE



Our Ref: _____ *Your Ref:* _____ *Date:* _____

STATEMENTS OF FINANCIAL RESPONSIBILITY

We accept responsibility of this financial statement, the information contained and their compliance with the finance control and management Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of Gwandu Local Government as at 31st December 2022, and its operation for the year ended on the date.

A handwritten signature in black ink, appearing to be 'D. A. ...', written over a horizontal line.

15/8/2023

TREASURER

A handwritten signature in black ink, appearing to be 'A. ...', written over a horizontal line.

15/8/2023

CHAIRMAN



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Gwandu Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statements presented comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Gwandu Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/02/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Gwandu Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanations required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Gwandu Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF GWANDU LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Gwandu Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include:

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

GWANDU LOCAL GOVERNMENT

**STATEMENT NO. 1
CASHFLOW STATEMENT**

	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
CASH FOLWS FROM OPEARAING ACTIVITIES RECEIPT			
Internally Generated Revenue	3	26,721,225.18	19,592,310.00
Grants/Subventions	4	365,123,827.24	
VAT	5	784,249,160.61	337,083,238.97
Statutory Allocation	6	1,961,531,308.44	1,575,201,656.06
Miscellaneous	7		
Total Receipt		2,772,501,694.23	1,931,877,205.03
Personal Emolument	8	453,577,703.26	536,577,039.26
Education services		323,822,723.21	309,737,609.53
Transport services		103,811,620.61	
Health services		249,850,811.12	35,850,811.14
Mine & Petrol Chemicals Service			
Agricultural service		82,810,952.38	41,262,000.00
Other of General Nature	9	1,454,346,305.36	980,166,146.11
Total Payments		2,758,220,155.94	1,903,593,606.04
Net cash flow from operation activities		14,281,578.29	8,691,288.99
<i>Cash flow from Investing activities</i>			
Purchase/construction of assets	10		
Purchase of Financial Market instruments		17,142,857.15	17,142,857.15
Proceed from sales of assets			
Net cash flow from investing activities		(17,142,857.15)	
<i>Cash flow from financing activities</i>			
Proceed from Loan and other borrowing	11		

Dividends received	12	968,609.12	568,425.00
Repayment of loans	13		
<i>Net cash flow from investing activities</i>		968,609.12	
Net increase/Decrease in cash and it's equivalent		1,892,669.74	9,906,288.99
Cash & its equivalent 1/1/2022		1,968,843.32	16,927,189.25
Cash & its equivalent 31/12/2022		76,173.58	88,888.50

STATEMENT NO.2
GWANDU LOCAL GOVERNMENT
STATEMENT OF ASSET AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER
2022

ACTUAL	NOTE	CURRENT YEAR	PREVIOUS YEAR
CASH AND BANK BALANCE	14	1,968,843.32	88,888.50
INVESTMENTS	15	17,142,857.15	17,142,857.14
ADVANCES	16		
OTHERS	17		
TOTAL		19,111,700.47	17,231,745.64
LIABILITIES			
DEPOSITS	18		
LOANS	19		
GENERAL REVENUE	20		17,231,745.64
TOTAL		19,111,700.47	17,231,745.64

GWANDU LOCAL GOVERNMENT

SCHEDULE OF REVENUE

DECEMBER 2022

HEAD	JAN-NOV	DECEMBER	JAN-DEC
1001.			
1002.			
1003.			
1004.	6,161,122.96	560,102.09	6,721,225.18
1005.			
1006.			
1007.			
1008.			
1009.	2,318,454,292.11	445,281,160.04	2,763,735,452.15
TOTAL	2,324,615,415.07	445,841,262.26	2,770,456,677.33

GWAANDU LOCAL GOVERNMENT

SCHEDULE OF RECURRENT EXPENDITURE FOR THE MONTH

DECEMBER 2022

HEAD	JANUARY- NOV	DECEMBER	JAN-DEC
2001	18,427,443.57	1,675,222.00	20,102,665.57
2002	31,729,333.80	4,590,277.82	36,319,611.62
2003	32,410,327.34	2,946,395.00	30,063,932.34
2004	208,078,596.06	14,344,536.85	221,823,022.91
2005	216,293,948.24	17,403,839.61	233,697,787.85
2006	854,094,882.06	41,262,485.49	895,357,367.55
2007	211,746,075.31	49,046,910.69	260,792,985.64
2008	91,506,350.99	2,650,797.64	94,157,148.63
2009	301,916,399.69	34,665,048.61	326,581,448.30
2010	49,762,179.18	3,805,439.52	53,567,618.70
2016	16,735,413.15	3,514,704.89	20,250,118.04
TOTAL	2,032,700,949.39	175,905,658.12	2,192,713,707.15

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Gwandu Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

Gwandu Local Government Council generated its funds from two main sources: Statutory allocation from FAAC and Internally Generated Revenue.

Operating result shows the total sum of N2,772,501,694.23 appeared to be the total annual receipts for the year under review (N26,721,225.18 from Internally Generated Revenue, N365,123,827.24 being Funds released by JAC, the sum of N1,961,531,308.44 while VAT receipts constituted the sum of N784,249,160.61).

In another development, we are not impressed with contributions of Internally Generated Revenue to the Total Revenue, which stood at just 0.96%. This result clearly portrays total dependence on FAAC revenue to run the affairs of this local government despite its revenue

potentials. In our opinion, this unit needs total restructuring to conform to realities of revenue laws and capable hands should be assigned to steer the affairs of IGR.

EXPENDITURE

Though, the Local government tried in restricting its expenditure below its earnings. But we are surprised to observe that expenses in respect of Personnel Emolument decreased by N82,999,336,00 (during the year under review) with no convincing explanation from the management on what transpired.

INVESTMENTS

Gwandu Local Government said to have stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd worth N17,142,857.15, To our dismay, this figure remained the same for over three years. Thought we have seen the sum of N968,609.12 realised as dividend from BUA Cement Company. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE IN RESPECT OF GWANDU LOCAL GOVERNMENT COUCIL

2. CASHBOOK

The vital books of account of the council's treasury appear not to have been maintained in accordance with the financial memoranda provision 19:18. In essence, the schedule officer would appear to have abused and ignored the content of the FM quoted above.

3. OUTSTANDING PAYMENT VOUCHERS

During the posting of the payment vouchers into cash book, it was discovered with dismay that payment vouchers worth ₦67,650,540.74 appear to have been either missing or not prepared at all, all effort to trace proved abortive.

Accordingly, the genuinity of the purported expenditure could not be ascertained which is therefore a clear violation of the payment procedure. In essence, the action is contrary with financial memoranda provision No. 14.4 (1-9).

4. NON REMITTANCE OF WITHHOLDING AND VALUE ADDED TAXES

The spot scrutiny revealed that, deductions in respect taxable expenditure were not remitted to the appropriate authorities i.e. Federal Inland Revenue and State Board of Internal Revenue. This opinion was formed due to the fact that no any documentary evidence presented to me for audit despite repeated request.

5. WITHDRAWALS NOT PROPERLY ACCOUNTED FOR:

During the posting of bank statement into the council's treasury cashbook, it was discovered with dismay that, the sum of N326,961,489.55 were actually withdrawn from the bank, but they are not properly reflected into the council's cashbook. This clearly contravenes the financial memoranda provision number 19.3.

However, all these withdrawals were mostly made in the name of one Umaru Lawali D/Kaina, who is neither the accounting officer nor the Council's Cashier. Details of these could be seen at appendix "C" of the report sent to the Council.

6. INTERNALLY AUDIT UNIT

The observations on the council's records disclosed that provision number 14.10 of the financial memoranda authorized the Internal Auditor to carry out prepayment audit on every payment. To my disbelief, this vital provision seem to be abused and neglected by the council, in view of the fact that payment vouchers made available to me were not signed by the officer in question, even though, they were actually paid for.

JEGA LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



JEGA LOCAL GOVERNMENT COUNCIL

OFFICE OF THE CHAIRMAN
KEBBI STATE OF NIGERIA

Ref. _____

Your Ref. _____

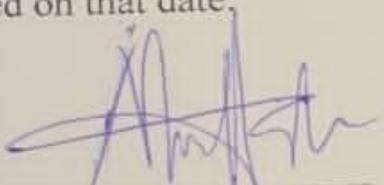
Date: _____

STATEMENT NO. 1

JEGA LOCAL GOVERNMENT COUNCIL STATEMENT OF FINANCIAL RESPONSIBILITY

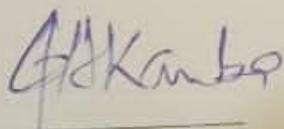
We accept responsibility for the integrity of these financial statements, the information they contain and their compliance with the finance (Control and Management) Act. 1558 as amended.

In our opinion, these financial statements fairly reflect the financial position of **Jega Local Government** as at 31st December, 2022 and its operations for the year ended on that date.



CHAIRMAN'S SIGN

8/8/2023
DATE



TREASURER'S SIGN

8/8/23
DATE



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Jega Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statements presented comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows "true and fair" view of the states of affairs of the Jega Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/02/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Jega Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanations required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Jega Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

 12/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF JEGA LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Jega Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appeared to be largely in agreement with the books of accounts. These statements include:

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements gave "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO. 1.

JEGA LOCAL GOVERNMENT COUNCIL

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022.

DESCRIPTION	NOTE	2022	2021
CAS FLOW STATEMENT FROM OPERATING ACTIVITIES			
<u>RECIPT</u>			
Internally Generated Revenue	3	43,836,238.000	15,478,135.000
Grant and Subvention	4	NIL	NIL
VAT	5	846,186,357.65	489,226,125.22
Statutory Allocation	6	2,486,723,690.06	1,532,246,794.77
Miscellaneous	7	NIL	NIL
TOTAL RECEIPT		3,376,746,285.71	2,036,951,054.99
<u>PAYMENTS</u>			
Personal Emolument	8	695,322,600.53	658,294,316.60
Education and Social Service		285,373,280.40	285,373,280.40
Health Service		35,838,711.44	35,838,711.44
Transport Service		-	-
Mining and Pro-chemical services		-	-
Agriculture Service		31,410,000.00	31,410,000.000
Other General Nature		2,309,348,378.14	1,027,627,789.96
TOTAL PAYMENT		3,357,292,970.51	2,038,544,097.40
Net cash flow from operating Activities		19,453,315.20	(1,593,042.41)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase/Const of assets	10	NIL	NIL

Purchase of Financial Market Instrument		(19,703,657.14)	(19,703,637.14)
Proceed from sale of assets		NIL	NIL
Net cash flow from investing Activities		(19,703,657.14)	(21,296,679.55)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed of loan and borrowing	11	NIL	NIL
Dividend received	12	715,000	
Payment of Loan	13	NIL	NIL
Net Cash flow from financing Activities		715,000	(21,296,699.55)
Net Increase/Decrease in cash and its equivalent		464,568.06	
Cash and Cash equivalent 1/1/2022		596,209.77	21,892,909.32
Cash and Cash equivalent As at 31/12/2022		1,060,867.83	596,209.77

STATEMENT NO 2.

JEGA LOCAL GOVERNMENT COUNCIL

**STATEMENT OF ASSESTS AND LIABILITIES AS AT 31ST DECEMBER,
2022**

SN	PARTICULARS	NOTE	2022	2021
	ASSESTS			
1	Bank Balance	14	1,060,867.83	596,206.77
2	Investment	15	19,703,657.14	19,703,657.14
3	Advances	17	NIL	NIL
	TOTAL ASSETS		20,764,524.97	20,299,866.91
	LIABILITIES			
4	Bank Over Draft	18	NIL	NIL
5	Deposit	19	NIL	NIL
6	General Revenue Balance	20	20,764,524.97	20,299,866.91
	TOTALS		20,764,524.97	20,299,866.91

STATEMENT NO. 3

JEGA LOCAL GOVERNMENT COUNCIL

**SCHEDULE OF CONSOLIDATED REVENUE FUND FOR THE YEAR
ENDED 31ST DECEMBER, 2022**

2021	DESCRIPTION	NOTE	2022 ACTUAL	2022 BUDGETED	VARIANCE %
1,532,246,794.77	Statutory Allocation	1	2,486,723,690.06	1,941,193,812.00	28%
489,226,125.22	Govt, Share of VAT	1	846,186,357.65	1,103,503,280.000	16.5%
2,021,472,919.99	Sub Total		3,332,910,047.71	3,044,697,092	
8,478,135	Direct Tax	2	21,836,238	72,000,000.000	-69%
2,000,000	Licenses	2	5,000,000	48,000,000.000	-89%
NIL	Mining Rate	2	NIL	NIL	
NIL	Royalties	2	NIL	NIL	
1,000,000	Fees	2	4,100,000	48,000,000	-91%
500,000	Fees	2	2,100,000	48,000,000	-96%
NIL	Sales	2	NIL	NIL	
3,500,000	Earning	2	10,800,000	113,792,765.000	91%
NIL	Rent / Sale of Govt Building	2	NIL	NIL	NIL
NIL	Sales / Rent of Land and others	2	NIL	NIL	NIL
NIL	Repayment General	2	NIL	NIL	NIL
NIL	Investment Income	2	NIL	NIL	NIL
NIL	Interest earned	2	NIL	NIL	NIL
NIL	Re-Investment	2	NIL	NIL	NIL
15,478,135.000	Sub Total Independent Revenue		43,836,238.000	329,792,765	NIL
NIL	Other Source of Revenue	2	NIL	NIL	NIL
2,036,951,054.99	TOTAL REVENUE		3,376,746,285.71	3,374,489,857	
LESS EXPENDITURE					
658,294,316.60	Personal Cost	4	695,322,600.53	834,399,120.11	17%

300,363,493.85	Contribution of Pension	5	321,363,493.85	385,636,192.62	17%
36,000,000	Overhead cost	6	36,000,000	36,000,000	0%
NIL	Consolidated Rev. Fund charges	7	NIL	NIL	NIL
863,865,173.48	Subvention to Parestatals	8	863,865,173.48	863,865,173.48	0%
OTHER RECURRENT PAYMENT					
NIL	Repayment external Loan	19	NIL	NIL	NIL
NIL	Repayment bond and treasury bonds	20	NIL	NIL	NIL
NIL	Repayment treasury Bills	21	NIL	NIL	NIL
NIL	Repayment Development loan stock	22	NIL	NIL	NIL
NIL	Repayment other internal loan	23	NIL	NIL	NIL
NIL	Repayment Internal loan from other funds	24	NIL	NIL	NIL
1,858,522,983.93	TOTAL EXPENDITURE		1,916,551,267.86	2,119,900,486.21	9.5%
178,428,071.06	Operating Balance		1,460,195,017.85	1,254,589,370.79	16%
178,428,071.06	Appropriation of Transfer		1,460,195,017.85		16%
178,428,071.06	Transfer to Development Bank		1,460,195,017.85	1,254,589,370.79	16%
178,428,071.06	Closing Balance		1,460,195,017.85		

**STATEMENT
NO.4
JEGA LOCAL GOVERNMENT COUNCIL
SCHEDULE OF CAPITAL DEVELOPMENT FUNDS FOR
THE YEAR ENDED 31ST DECEMBER, 2022**

PREVIOUS YEAR 2021	DESCRIPTION	NOTE	CAPITAL EXPENDITURE 2022	2022 BUDGETED	VARIANCE %
-	OPENING BALANCE		-	-	
	ADD REVENUE				
178,428,071.06	Transfer from consolidated Rev. fund	9	1,460,195,017.85	1,254,589,370.79	16%
NIL	Aids and grant	10	NIL	NIL	NIL
NIL	External Loan	19	NIL	NIL	NIL
NIL	Bonds and treasury Bonds	20	NIL	NIL	NIL
NIL	Treasury Bills	21	NIL	NIL	NIL
NIL	Development loan Stock	22	NIL	NIL	NIL
NIL	Other Internal loan	23	NIL	NIL	NIL
NIL	Internal loan from other funds		NIL	NIL	NIL
178,428,071.06	TOTAL REVENUE AVAILABLE		1,460,195,017.85	1,254,589,370.79	16%
	LESS CAPITAL EXPENDITURE				
90,000,000	Capital Administration Sector		200,000,000	226,000,000	11.50%
	Economic Sector		550,000,000	538,576,500	2%
	Capital Expenditure law and Justice		NIL	NIL	NIL
87,381,864.29	Capital Regional Dev. Sector	11	209,134,150.02	225,968,601	7%
	Capital Expenditure Social	11	500,000,000	458,000,000	9%

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Jega Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

Like other Local Governments in the State, Jega Local relied mainly on two sources of revenue to finance its recurrent and capital expenditure. These sources are: Statutory and Internally Generated Revenue.

Operating result shows significance increase of total revenue by 57.90% compared to previous year.

On the other hand, we frown at the manner in which internally generated revenue was handled. The increase recorded from the previous year was nothing, when we compare IGR with total revenue for the year under

review which stood at just 9.6%. This result clearly portrays total dependence on FAAC revenue to run the affairs of this local government despite its revenue potentials. Looking at the current economic trends, this is not sustainable.

We therefore, recommend total overhauling of IGR unit. And also the Management of Jega Local Government should take necessary action to ensure revitalization of numerous potential revenue sources available to the Council.

EXPENDITURE

On expenditure to revenue analysis, it was also observed that the Local Government under review restricted its expenditure below its earning.

Expenditure on Others of General Nature raised by about 44.50%. All efforts to access information on the causes of this astronomical increase proof abortive.

INVESTMENTS

In another instance, investment figure this Council stagnate at N19,703,657.14 since 2020. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

2. On payment voucher No. 2/8/2022 was a payment made to the Hon. Chairman Murtala Musa Habib Jega in respect of purchased of items to beef up security in Jega Local Government Area worth ₦20,000,000.00. Observations made through the paid voucher revealed that, neither Council's Secretary nor Internal Auditor or recipient counter signed the paid voucher. Furthermore, receipts of the items purported to be purchased and list of the beneficiaries were also not attached to the payment voucher.
3. Payment Voucher Number 122/3/2022 paid to Director Primary Health Care Usman Sani K/Zama worth the sum of ₦10,000,000.00 in respect purchased of drugs for the control of measles outbreak in Jega Local Government Area. Observations made through the payment voucher revealed that, neither S.R.V nor S.I.V or invoice attached to the payment voucher.
4. Payment Voucher No. 6/3/2022 was paid to Buhari Bello Nigeria Limited worth the sum of ₦6,000,000.00 in respect of purchased of 15No. of TVS Motorcycle for effective general patrol and surveillance. Observations made through the paid voucher revealed that, the receipts of the Motorcycle purchased for effective General Patrol and list of the beneficiaries are not attached to the payment voucher, while the recipient is yet to counter signed.
5. On payment voucher No. 5/3/2022 was a payment made to Abubakar Sani & Sons Limited worth the sum of ₦3,800,000.00 in respect of purchase of two motor cars for security intensification in the Local Government Area. Observations made on the paid voucher revealed that, neither receipts of the vehicles purchase nor list of the

beneficiaries attached to the payment voucher, the recipient has also not endorsed.

6. UNACCOUNTED CASH WITHDRAWALS (REVENUE)

It has also been observed that, withdrawals worth ₦1,463,000.00 were through Jega Local Government Council's revenue account for the period under inspection by council's cashier Haruna S. Yamma. Moreover, it was further observed that, payment voucher for such withdrawals were not prepared at all and therefore not appear to have been posted into the cashbook. Details were attached to main report sent to the council.

KALGO LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



KEBBI STATE OF NIGERIA
OFFICE OF THE HON. CHAIRMAN

KALGO LOCAL GOVERNMENT COUNCIL

All correspondences should be
addressed to the Hon. Chairman

Ref. No. _____

Date: _____

STATEMENT OF FINANCIAL RESPONSIBILITY

We accept the responsibility for the integrity of these Financial Statement the information they contain and their compliance with the financial (Control and Management) Act 1958 as amended.

In our opinion these financial statement fairly reflects the financial position of Local Government as 31st December, 2022 and its operations for the year ended on the date.

Treasurer

Chairman

17/8/2023

Date

17/8/2023

Date



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Kalgo Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. They comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Kalgo Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Kalgo Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanations required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Kalgo Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State

STATEMENT NO.1
STATEMENTS OF CASHFLOW FOR THE YEAR ENDED 31ST
DECEMBER, 2022

CASHFLOW FROM OPERATION ACTIVITIES	NOTE	YEAR 2022	YEAR 2021
RECEIPT	3		
Internally Generated Revenue	4	19,699,641.00	18,349,215.16
Grant Subjection	5		
Value Added Tax (VAT)	6	607,191,854.71	406,549,979.59
Statutory Allocation	7	1,306,411,264.49	1,193,162,001.69
Miscellaneous			
Total receipts		1,933,302,760.20	1,618,061,196.44
<u>PAYMENT</u>			
Personal Emolument	8	552,365,902.98	522,062,282.22
Education & Social Services		321,227,011.62	262,511,718.30
Transport Services		33,039,912.52	106,262,145.21
Health Services		300,973,105.84	204,163,137.00
Mining & Petro-Chemical Services			
Agricultural Service		31,585,299.72	192,187,224.60
Other General Nature	9	18,338,224.99	211,876,669.41
<u>TOTAL PAYMENT</u>		1,257,529,457.67	1,580,065,157.16
Net cash flow from operating activities		675,773,302.53	37,996,039.28
<u>Cash Flow From Investing Activities</u>			
Purchase/construction of asset	10	(655,613,600.98)	(17,420,866.34)
Purchase of financial market instrument			
Proceeds from sales of Assets		(18,998,019.64)	(18,998,019.64)
Net cash flow from investing activities		1,161,681.91	1,577,153.30
<u>Cash Flow From Finance Activities</u>			
Proceeds from loan & other borrowing	11		
Dividend Received	12		
Payment of Loan	13		
Net Cash Flow From Investing Activities			
Net Increase/Decrease in Cash & its Equivalent		1,161,681.91	1,577,153.30
Cash & its Equivalent at 1/1/2019		4,337,824.56	2,760,671.26
Cash & its Equivalent at 31/12/2019		5,499,506.47	4,337,824.56

STATEMENT NO. 2
KALGO LOCAL GOVERNMENT
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR
ENDED 31ST DECEMBER, 2022

	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
ASSETS			
Cash and Bank Balances	14	1,161,681.91	1,577,153.30
Investments	15	18,537,959.09	18,325,624.31
Advances	16	-	-
Other G.	17	-	
TOTAL		19,699,641.00	19,702,777.61
LIABILITIES			
Deposit	18	-	(379,897.01)
Loans	19	-	-
General Revenue	20	19,699,641.00	20,082,674.62
TOTAL		19,699,641.00	19,702,777.61

STATEMENT NO. 3

KALGO LOCAL GOVERNMENT COUNCIL

STATEMENT OF CONSOLIDATED REVENUE FUNDS FOR THE YEAR ENDED 20222

ACTUAL PREVIOUS YEAR (2021)		NOTES	ACTUAL YEAR 2022	FINAL BUDGET 2022	VARIANCE ON FINAL BUDGET
	Openig Balance:		N	N	%
	<u>ADD: REVENUE</u>				
1,193,162,001.69	Statutory Allocations: FAAC		1,301,411,264.49	1,715,733,843.00	
406,549,979.59	Value Added Tax Allocation		607,191,854.71	745,171,033.00	
1,559,711,981.28	Sub-Total - Statutory Allocation		1,913,603,119.20	2,466,904,876.00	
2,815,000.00	Direct Taxes		2,860,070.00	1,500,000.00	
2,860,200.00	Licences		2,726,700.00	3,500,000.00	
	Mining Rents:				
	Royalties				
	Fees:				
750,200.00	Fines		510,000.00	2,000,000.00	
1,260,117.00	Sales		402,400.00	7,000,000.00	
1,224,883.00	Earnings:				

480,000.00	Sales/Rent of Government Buildings:		419,250.00	3,000,000.00	
3,302,400.00	Sale/Rent on Lands and Others:		4,260,120.00	10,000,000.00	
	Repayment: General:				
	Investment Income				
	Interest Earned				
	Re-Imbursements				
	Sub-Total - Independent Revenue				
5,656,355.16	Other Revenue Sources of the ----- ----Government		8,522,101.00	7,000,000.00	
1,618,061,196.44	TOTAL REVENUE:		1,933,302,760.20	2,495,904,876.00	
	<u>LESS: EXPENDITURE</u>				
572,062,282.22	Personnel Costs (Including Salaries on CRF Charges):		321,277,011.62	355,890,729.00	
762,687,967.90	Federal/States/LGC Govt Contribution to Pension:		674,246,990.98	296,914,368.00	
314,312,926.68	Overhead Charges:		281,003,474.71	778,386,300.00	
	Consolidated Revenue Fund Charges (Incl. Service Wide Votes				
	Subvention to Parastatals:				
	<u>OTHER RECURRENT PAYMENTS/EXPENDITURE:</u>				

	Repayments: External Loans: FGN/States/LGC				
	Repayments: FGN/States/LGC Bonds & Treasury Bonds.				
	Repayments: Nigerian Treasury Bills (NTB)				
	Repayments: Development Loan Stock				
	Repayments: Other Internal Loans (Promissory Notes)				
	Repayments: Internal Loans from Other Funds				
1,599,063,176.80	TOTAL EXPENDITURE:		1,276,527,477.31	1,431,190,397.00	
	OPERATING BALANCE:				
	<u>APPROPRIATIONS/TRANSFERS:</u>				
17,420,866.34	Transfer to Capital Development Fund:		655,613,600.98	1,064,713,479.00	
1,577,153.30	Closing Balance:		1,161,681.91		

The Accompanying Notes Form Part of these Statements

Name and Signature of -----

STATEMENT NO. 4

KALGO LOCAL GOVERNMENT COUNCIL

STATEMENT OF CONSOLIDATED REVENUE FUNDS FOR THE ENDED 31ST DECEMBER, 2022

	<u>ADD: REVENUE</u>				
	Transfer from Consolidation Revenue Fund:		655,613,600.00		
	Aid and Grants				
	External Loans: FGN/States/LGC				
	FGN/States/LGC Bonds & Treasury Bonds.				
	Nigerian Treasury Bills (NTB)				
	Development Loan Stock				
	Other Internal Loans (Promissory Notes)				
	Internal Loans from Other Funds				
	TOTAL REVENUE AVAILIABLE:		655,613,600.00		
	<u>LESS: CAPITAL EXPENDITURE</u>				

7,213,000.00	Capital Expenditure: Administrative Sector:		114,788,161.00	1,064,713,479.00	
5,920,700.00	Capital Expenditure: Economic Sector:		260,414,000.00	313,482,923.00	
	Capital Expenditure: Law and Justice:				
2,006,200.00	Capital Expenditure: Regional Development		140,271,861.98	273,000,000.00	
2,280,966.34	Capital Expenditure: Social Service Sector:		200,139,578.00	322,521,814.00	
	Capital Expenditure: Funded from Aid and Grants:				
17,420,866.34	TOTAL CAPITAL EXPENDITURE:		655,613,600.98	1,064,713,479.00	
	Intangible Assets				
	CLOSING BALANCE:		1,161,681.91		

The Accompanying Notes Form Part of these Statements

Name and Signature of -----

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statement stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Kalgo Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

Kalgo Local Government Council generated its funds from two main sources: Statutory allocation from FAAC and Internally Generated Revenue.

Operating result shows the total sum of N1,306,302,760.20 appeared to be the total annual receipts for the year under review (N19,699,641.00 from Internally Generated Revenue, the sum of N1,307,411,264.49 while VAT receipts constituted the sum of N607,191,854.71).

In another development, we are not impressed with contributions of Internally Generated Revenue to the Total Revenue, which stood at just 01.02%. This result clearly portrays total dependence on FAAC revenue to run the affairs of this local government despite its revenue potentials. In our opinion, this unit needs total restructuring and capable hands should also be assigned to steer the affairs of IGR.

EXPENDITURE

We are pleased to report that the Kalgo Local government adhered to the dictates of budgetary control by restricting its expenditure below its earnings.

INVESTMENTS

Kalgo Local Government said to have stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd worth N18,998,019.64, To our dismay, this figure remained the same for over three years. And no single kobo was said to have been realised as dividend from any of the companies where Kalgo Local Government has stake. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

2. **UN-PRESENTED PAYMENT VOUCHERS:-** It was observed that, payment vouchers worth the sum of N18,227,393.05 were either not completely prepared or declared missing and all efforts to trace them for inspection became abortive, this violates financial memorandum 14.3 and 14.4 respectively. Details of the affected vouchers are presented in the table below.

S/N	NAME OF PAYEE	PARTICULARS OF PAYMENT	P.V No	AMOUNT
1.	Haruna Jada Bashar	Medical Check-up	13/09/2022	6,000,000.00
2.	-	-	194/10/2022	1,523,809.52
3.	Board of Internal Revenue	Development Levy	01/11/2022	301,000.00
4.	-	Revenue Account	02/11/2022	50,000.00
5.	Nura Umar Dolekaina	Financial Support	220/11/2022	350,000.00
6.	Usman Bello	Procurement of Chemical	221/11/2022	300,000.00
7.	Aminu Moh'd	Contribution to Hirishi Road	222/11/2022	404,000.00
8.	Aminu Moh'd	Financial Assistance	223/11/2022	100,000.00
9.	Alhassan Salihu	Construction of Open Dug-well	01/12/2022	6,632,583.53
10.	-	Preparation of Budget	02/12/2022	1,500,000.00
11.	Programme Manager	Assistance	187/12/2022	150,000.00
12.	Kabiru Abubakar Wala	Donation	188/12/2022	150,000.00
13.	Aminu Bello Kalgo	Purchase of Books	189/12/2022	350,000.00
14.	Mal. Hassan Haruna	Assistance to Arabic Board	191/12/2022	420,000.00
				₦18,227,393.05

3. PV No. 08/01/2022 purported to have been paid to Alh. Aliyu Musa for the procurement of cement (1200 bags) to various Communities, amounting to the tune of ₦5,000,000.00. But surprisingly when contacted, the alleged effected communities denied knowledge of such assistance from the Local Government Council. Therefore, the amounts remained unaccounted for.
4. PV. No 06/02/2022 allegedly said to have been paid to Alh. Umaru Gulumbe (Local Government Secretary) for the repairs of yellow and green tipper amounting to the tune of ₦5,000,000.00. It was observed that the full payment was effected with no any correspondence, receipt

and council resolution attached to the payment voucher, when contacted, the Director of Works confirms that the repairs was not in consonant with specifications. Moreover, replaced parts were not presented to me for inspection. Further observations the estimate attached, described the services as contract not direct labour (alluding that VAT, WHT and prelim are chargeable, but evaded).

7. PV. No. 01/10/2022 said to have been remittance to the Federal Inland Revenue Services, B/Kebbi branch for the settlement outstanding Value added Taxes amounting to the tune of ₦14,273,359.16. It was observed with dismay that, no any receipt, breakdown and/or Council deliberation to authenticate the said expenditure.

REVENUE

It was observed with dismay, that out of amounts alleged to have been generated, only the sum of N4,115,810.00 was recorded in their books of accounts as IGR.

**KOKO/BESSE LOCAL GOVERNMENT
COUNCIL**

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE EXECUTIVE CHAIRMAN

KOKO/BESSE LOCAL GOVERNMENT

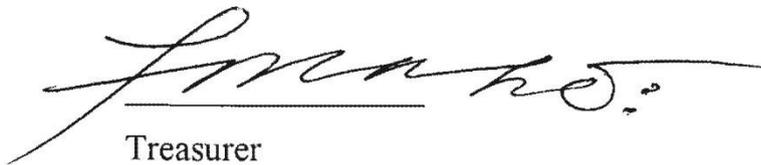
Secretariate Complex Besse, Kebbi State.

Our Ref:..... Your Ref..... Date.....

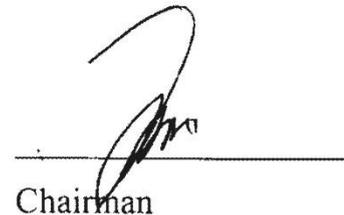
STATEMENT OF FINANCIAL RESPONSIBILITY

We accept responsibility for the integrity of these financial statements, the information they contain and compliance with the finance (control and management) act 1958 as amended.

In our opinion these financial statement, fairly reflect the financial position of Local Government as at 31st December 2023 and its operation for the year ended on the date.



Treasurer



Chairman

Date: 25/8/2023

Date: 25/08/2023



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Koko/Besse Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statements presented comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Koko/Besse Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Koko/Besse Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Koko/Besse Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF KOKO/BESSE LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Jega Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include:

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examinations. In our opinion, the financial statements give "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO .1**KOKO BESSE LOCAL GOVERNMENT COUNCIL****CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST
DECEMBER, 2022.**

DESCRIPTION	NOTE	2022	2021
CAS FLOW STATEMENT FROM OPERATING ACTIVITIES			
<u>RECIEPT</u>			
Internally Generated Revenue	3	47,215,612.20	19,071,180.28
Grant and Subvention	4	NIL	NIL
Government Share of VAT	5	780,577,771.47	449,750,496.15
Statutory Allocation	6	2,417.985,019.85	1,486,173,893.96
Miscellaneous	7	NIL	NIL
TOTAL RECEIPT		3,245,778,403.52	1,954,995,570.49
PAYMENTS			
Personal Emolument	8	303,099,861.99	303,099,861.99
Education Service		283,336,670.00	283,336,670.00
Transport Service		50,000,000	41,723,411.73
Health Service		81,829,527.04	68,528,600.82
Mining and Petrol chemical services		-	-
Agriculture Service		45,394,000.00	42,046,646.40
Other General Nature	9	2,450,117,350.89	1,198,196,597.72
TOTAL PAYMENT		3,213,777,409.92	1,936,931,788.66
Net cash flow from operating activities		32,000,993.60	18,064,781.83
CASH FLOW FROM INVENTING ACTIVITIES			
Purchase/Const of assets	10	NIL	NIL
Purchase of Financial Market Instrument		(18,525,000)	(18,525,000)
Rent on Govt property		NIL	NIL

Proceed from sale of assets		NIL	NIL
Net cash flow from investing activities		(18,525,000)	(460,218.17)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed of loan and borrowing	11	NIL	NIL
Dividend Received	12	2,457,675	NIL
Payment of Loans	13	NIL	NIL
Net cash flow from financing activities		2,457,675.00	(460,218.17)
Net Increase/Decrease in cash and its equivalent		15,933,668.60	(460,218.17)
Cash and Cash equivalent 1/1/2022		1,998,916.22	2,456,134.39
Cash and Cash equivalent As at 31/12/2022		17,932,584.82	1,998,916.22

STATEMENT NO 2.

KOKO BESSE LOCAL GOVERNMENT COUNCIL

**STATEMENT OF ASSESTS AND LIABILITIES AS AT 31ST
DECEMBER, 2022**

SN	PARTICULARS	NOTE	2022	2021
	ASSESTS			
1	Cash and Bank Balance	14	17,932,584.82	1,998,916.22
2	Investment	15	18,525,000	18,525,000
3	Advances	16	NIL	NIL
4	Others	17	NIL	NIL
	TOTAL ASSETS		36,457,584.82	20,523,916.22
	LIABILITIES			
1	Bank overload		NIL	NIL
2	Deposit	18	NIL	NIL
3	Loans	19	NIL	NIL
4	General Revenue Balance	20	36,457,584.82	20,523,916.22
	TOTALS		36,457,584.82	20,523,916.22

STATEMENT NO.3

KOKO BESSE LOCAL GOVERNMENT COUNCIL

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED DECEMBER, 2022

2021	DESCRIPTION	NOTE	ACTUAL 2022	BUDGETED 2022	VARIANCE IN %
1,486,173,893.96	Statutory Allocation FAAC	1	2,417,985,019.85	1,731,639,065	40%
449,750,496.15	Govt share of VAT	1	780,577,771.47	962,936,301	-19%
1,935,924,390.11	Sub Total: statutory allocate	1	3,198,562,791.32	2,694,574,366	
7,000,000	Direct Taxes	2	8,000,000	6,800,000	18%
6,000,000	License fees and fine	2	20,000,000	18,400,000	90%
6,071,180.28	Earnings	2	19,215,612.20	29,400,000	-31%
19,071,180.28	Total Independent Revenue		47,215,612.20	53,600,000	
1,954,955.570.49	TOTAL REVENUE		3,245,778,403.52	2,748,174,366	
LESS EXPENDITURE					
303,099,861.99	Personal cost		303,099,861.99	536,962,913.00	-44%
201,840,637.45	Contribution to Pension		201,840,637.45	311,210,679	-35%
36,000,000	Overhead Cost		36,000,000	36,000,000	
754,399,580.94	Subvention to parastatals		754,399,580.94	847,734,597	11%
1,295,340,080.38	TOTAL EXPENDITURE		1,295,340,080.38	1,734,908,189	
1,452,834,285.62	Operating Balance		1,950,438,323.14	1,013,266,177	92%
APPROPRIATION/TRANSFER					
1,452,834,285.62	Transfer to capital Dev.fund		1,950,438,323.14		92%
00.00	Closing Balance		00.00		

STATEMENT NO.4

KOKO BESSE LOCAL GOVERNMENT COUNCIL

STATEMENT OF CAPITAL DEVELOPMENT FOR THE YEAR ENDED DECEMBER, 2022

2021	DESCRIPTION	NOTE	CAPITAL EXPENDITURE 2022	FINAL BUDGET 2022	VARIANCE IN %
1,452,834,285.62	Transfer from consolidated revenue fund	1	1,950,438,323.14	1,013,266.177	92%
1,452,843,285.62	Total Revenue Available		1,950,438,323.14	1,013,266.177	92%
LESS CAPITAL EXPENDITRE					
250,000,000	Capital expenditure Administration		200,000,000	160,000,000	25%
300,000,000	Capital expenditure Economic		400,000,000	324,000,000	23%
600,000,000	Capital expenditure Social Sector		800,000,000	637,000,000	26%
302,835,369.40	Capital expenditure regional sector		532,505,738.32	292,114,126	82%
1,450,835,369.40	Total Capital expenditure		1,932,505,738.32	1,413,114,126	
NIL	Intangible Assets		NIL		
1,998,916.22	Closing Balance		17,932,584.82		

KOKO BESSE LOCAL GOVERNMENT COUNCIL
BANK RECONCILIATION STATEMENT AS AT 31ST DECEMBER 2022

BALANCE PER CASH BOOK: N18,449,442.55

LESS BANK CHARGES: N516,857.73

BALANCE PER BANK STATEMENT: N17,932,584.82

KEYSTONE BANK: 1005312024 = N272,853.23

FIRST BANK: 2006608660 = N17,659,731.59

= N17,932,584.82

KOKO BESSE LOCAL GOVERNMENT COUNCIL

SCHEDULE OF INVESTMENT, DECEMBER, 2022

SN	TYPE OF INVESTMENT	OPENING BALANCE	WITHING THE PERIOD	CLOSING BALANCE
1	Kebbi Home Saving and Loans	10,725,000	-	10,725,000
2.	Cement Company of Nigeria (BUA Cement)	4,000,000	-	4,000,000
3	Gamji Bank	2,800,000	-	2,800,000
4	U.D.A	1,000,000	-	1,000,000
	TOTAL	18,525,000.00	-	18,525,000.00

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS IN RESPECT OF KOKO/BESSE LOCAL GOVERNMENT

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Koko/Besse Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N3,245,778,403.52 which includes N47,215,612.20 from Internally Generated Revenue, FAAC monthly Statutory Allocation amounting to N2,417,985,019.85 and N780,985,771.47 appeared to be total annual receipts from VAT. The above figures show an increase of N1,290,782,833.03 over and above the actual receipts recorded in the previous year. And it was as a result of increased in statutory allocation and VAT.

However, we noted that the contributions of Internally Generated Revenue to total annual receipts only stood at 1.45%. This Local Government is known for its cosmopolitan nature and economic hub, but yet with IGR of less than 2% of its

annual receipts is disheartening. In our opinion, the revenue unit need to be reinvigorated so as to optimally harness its economic and IGR potentials.

EXPENDITURE

We are pleased to report that this Local Government operated within its available resources with a positive balance of N15,933,668.60 as Net increase in cash and its equivalent.

INVESTMENTS

The Value of Koko/Besse Local Government's stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd said to have been static over the years i.e. N18,525,000. However, we commend the efforts of the management of this Local Government for taken concrete and professional means to secure the sum of N2,457,675.00 from BUA Cement Company as dividend (the highest dividend receipts from the company, by the local governments in the state). Same effort is expected to be applied on Kebbi Home Savings and Loan Ltd.

Notwithstanding, we frown at the poor handling of investments records, as investment Register/ Ledgers were not maintained. Also alleged values of the shares need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

1. DEPARTMENT VOTE BOOKS:- It was observed throughout the period under review that the vote books were characterized by cancellation and alteration of figures without been initiated by the officer controlling the vote. This of course has gone contrary to the provision of **chapter 15** of the FM.

2. ABSTRACT BOOK OF REVENUE AND EXPENDITURE:-

In yet another development, examinations of the abstract book for the period under review i.e. was observed that some months were skipped while making posting into the respective ledgers. This contradicts FM 21.7.

3. PREPAYMENT AUDIT

Below table is a list of payments made to the tune of ~~₦~~8,770,000.00 without the consent of the Local Government's Internal Auditor, contrary to FM provision No. 14.10. This would not be accepted as proper charges against the Local Government funds.

SALARY ACCOUNTS

The salary and allowances records made available to our office shows the sum of ~~₦~~440,778,856.52 was released to Koko/Besse Local Government for payment of salary and allowances and of the sum of ~~₦~~435,426,638.60 appears to have been expended for the payments thereby showing an apparent balance of ~~₦~~5,352,217.92 unaccounted for in the Local Government Council cash book.

See details below:-

S/N	MONTHS	SALARY RECEIVED	SALARY PAID	BALANCE
1.	JANUARY	28,869,159.22	31,730,429.17	2,861,269.95
2.	FEBRUARY	32,035,840.10	31,879,091.75	156,748.35
3.	MARCH	32,527,033.59	31,060,167.53	1,623,614.41
4.	APRIL	32,463,801.65	31,051,196.92	1,412,604.73
5.	MAY	32,527,033.59	32,429,306.07	97,727.52

6.	JUNE	32,967,961.82	32,035,840.10	932,121.72
7.	JULY	32,936,009.40	32,869,59.22	66,850.18
8.	AUGUST	32,923,028.77	32,844,363.75	78,665.02
9.	SEPTEMBER	32,923,065.77	32,844,363.75	78,702.02
10.	OCTOBER	32,948,496.27	32,869,159.30	79,336.97
11.	NOVEMBER	32,844,363.75	32,736,496.27	107,867.48
12.	DECEMBER	33,213,062.59	32,923,065.77	289,998.82
	TOTAL	₦389,178,856.52	₦387,727,637.60	₦1,906,218.92

OVERSTATEMENT OF SALARY PAYMENTS:-

It has been observed from the salary payment vouchers that appears in appendix “C” the report sent to the Local Government that the monthly salary was ₦47,150,135.84, while the actual amount was ₦44,560,071.31, leaving a balance of ₦2,590,064.53 un accounted.

REVENUE ACCOUNT

Examination of the revenue records revealed that only the sum of ₦9,793,822.21 appeared to have been recorded/banked out of the amounts alleged to have been generated during the under review.

MAIYAMA LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



MAIYAMA LOCAL GOVERNMENT

KEBBI STATE OF NIGERIA

OFFICE OF THE EXECUTIVE CHAIRMAN

All correspondence shall be addressed to the Office of the Executive Chairman

Our Ref:..... Your Ref..... Date.....

STATEMENT OF FINANCIAL RESPONSIBILITY

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the Finance (Control and Management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of Maiyama Local Government as at 31 December, 2022 and its operations for the year ended on that date.

Treasurer

Date 16/8/2023

Chairman

Date 16/8/2023



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Maiyama Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. They comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows "true and fair" view of the states of affairs of the Maiyama Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

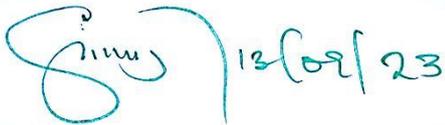
Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Maiyama Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Maiyama Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

 13/09/23

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF MAIYAMA LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Maiyama Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include:

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements gave "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO. 1**MAIYAMA LOCAL GOVERNMENT COUNCIL****CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022**

	NOTES	CURRENT 2022	PREVIOUS 2021
<u>Cash Flows from Operating Activities</u>			
RECIEPTS			
• Internal General Revenue	3	29,954,854.93	27,473,718.15
• Grants/Subventions	4	NIL	NIL
• V.A.T	5	773,480,920.16	487,640,878.12
• Statutory/Allocation	6	1,794,016,433.59	1,351,844,635.71
• Miscellaneous	7	NIL	NIL
Total Receipts		2,597,452,208.68	1,866,959,231.98
PAYMENTS			
• Personal Emoluments	8	408,554,972.76	439,501,346.57
• Education Services		268,748,696.58	268,743,115.27
• Transport Services		138,412,811.01	140,116,311.00
• Health Services		179,482,719.00	42,773,820.18
• Mining & Petro-Chemical Services		NIL	NIL
• Agricultural Services		341,644,711.00	178,922,614.00
• Others General Nature	9	1,238,494,586.32	773,400,465.71
Total Payments		2,575,338,588.67	1,843,457,672.73
<i>Net Cash Flow from Operation Activities</i>		22,113,720.01	23,501,559.25
<u>Cash Flow from Investing Activities</u>			
Purchase/Construction of Assets	10		
Purchase of Financial Market Instruments		(22,850,390.00)	(22,850,390.00)
Proceeds from Sales of Assets			
<i>Net Cash Flow from Investing Activities</i>		(736,669.99)	651,169.25
<u>Cash Flow from Financing Activities</u>			
Proceeds from Loans & Other Borrowing	11	NIL	NIL
Dividends Received	12	NIL	NIL
Repayments of Loans	13	NIL	NIL
<i>Net Cash Flow From Financial Activities</i>			
<i>Net Increase/Decrease in Cash & Its Equivalent</i>		(736,669.99)	651,169.25
Cash & Its equivalent at 1/1/2022		83,664,817.65	103,404,197.65
Cash & Its equivalent at 31/12/2022		82,928,147.66	83,664,817.96

STATEMENT NO. 2**MAIYAMA LOCAL GOVERNMENT****STATEMENT OF ASSET AND LIABILITIES AS AT 31/12/2022**

ASSETS	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
CASH AND CASH AT BANK BALANCE	14	82,928,147.66	83,664,817.96
INVESTMENT	15	22,850,390.00	22,850,390.00
ADVANCES	16	10,900,000.00	10,900,000.00
TOTAL		116,678,537.66	117,415,207.96
OTHERS	17	NIL	NIL
LIABILITY			
DEPOSIT	18	3,086,100.51	3,086,100.51
LOANS	19	NIL	NIL
GENERAL REVENUE		113,592,437.15	114,329,107.45
TOTAL		116,678,537.66	117,415,207.96

STATEMENT NO. 3
MAIYAMA LOCAL GOVERNMENT COUNCIL
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2022

ACTUAL PREVIOUS YEAR (20XX-1)	Opening Balance	NOTES	ACTUAL YEAR 2022	FINANL BUDGET 2022
			N	N
Xx	ADD: REVENUE			
Xx	Statutory Allocations: FACC	1	1,794,016,433.59	1,961,141,395.00
Xx	Value Added Tax Allocation	1	773,480,920.16	928,482,821.00
	Sub-Total Allocation		2,567,497,353.75	2,889,624,216.00
			Xx	xx
Xx	Direct Taxes	2	4,327,600.00	21,850,000.00
Xx	Licences	2	4,168,712.05	8,725,500.00
Xx	Mining Rents:	2	Xx	xx
Xx	Royalties	2	Xx	xx
Xx	Fees:	2	5,846,900.00	xx
Xx	Fines	2	4,511,712.18	xx
Xx	Sales	2	Xx	xx
Xx	Earnings:	2	7,642,070.70	29,508,003.00
Xx	Sales/Rents of Government Buildings:	2	3,007,860.00	22,110,516.00
Xx	Sales/Rents of Lands and Others:	2	Xx	xx
Xx	Repayment: General:	2	Xx	xx
Xx	Investment Income	2	Xx	xx
Xx	Interest Eamed	2	Xx	xx
Xx	Re-Imbursements		Xx	xx
	Sub-Total-Independent Revenue		29,954,854.93	82,194,019.00
		3	Xx	xx
Xx	Other Revenue Sources of the Government		Xx	xx
			Xx	xx
.0.00	TOTAL REVENUE		2,597,452,208.6	
			Xx	xx
	LESS:EXPENDITURE		Xx	xx
Xx	Personnel cost (including Salaries of CRF Charges):	4	408,554,972.76	573,042,040.49
Xx	Federal/State/LGC Govt Contribution of Pension:	5	280,320,211.05	330,320,211.05
Xx	Overhead Charges:	6	138,100,200.00	180,200,701.00

Xx	Consolidated Revenue Fund Charge (Incl. Service Wide Votes)	7	Xx	xx
Xx	Subvention to Parastatals:	8	1,032,000,000.00	1,067,418,020.00
	OTHER RECURRENT PAYMENTS/EXPENDITURE:			
Xx	Repayments: External Lons:FGN/States/LGC	19	Xx	xx
Xx	Repayments:FGN/State/LGC Bonds & Treasury Bonds.	20	Xx	xx
Xx	Repayments: Nigerian Treasury Bills (NTB)	21	Xx	xx
Xx	Repayments: Development Loan Stock	22	Xx	xx
Xx	Repayments: Other Internal Loans (Promissory Notes)	23	Xx	xx
Xx	Repayments: Internal Loans from Other Funds	24	Xx	xx
			Xx	xx
.0.00	TOTAL EXPENDITURE		1,858,975,383.81	2,150,980,972.54
			Xx	xx
Xx	OPERATING BALANCE		738,476,824.87	
			Xx	xx
	APPROPRIATIONS/TRANSFERS:		Xx	xx
Xx	Transfer to Capital Development Fund:	9	Xx	xx
			Xx	xx
Xx	Closing Balance		Xx	xx

The Accompanying Notes form part of these Statements

Name and Signature of.....

Accountant-General of the Federal/Accountant-General of the State/Local Government Treasurer

STATEMENT NO. 4

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2022

ACTUAL PREVIOUS YEAR (20XX-1)		Opening Balance	NOTES	TOTAL CAPITAL EXPENDITURE 2022	FINAL BUDGET 20XX
2021				N Xx	N
		ADD: REVENUE			
Xx		Transfer from Consolidated Revenue Fund:	9	Xx	xx
Xx		Aid and Grants	10	Xx	xx
Xx		External Loans: FGN/States/LGC	19	Xx	xx
Xx		FGN/States/LGC Bonds & Treasury Bonds:	20	Xx	xx
Xx		Nigerian Treasury Bills (NTB)	21	Xx	xx
Xx		Development Loan Stock	22	Xx	xx
Xx		Other Internal Loans (Promissory Notes)	23	Xx	xx
Xx		Internal Loans from Other Funds	24	Xx	xx
0.00.		TOTAL REVENUE AVAILIABLE:		0.00	0.00
		LESS: CAPITAL ENPENDITURE			
Xx		Capital Expenditure: Administrative Sector	11	271,840,000.00	150,140,111.00
Xx		Capital Expenditure: Economic Sector:	11	150,318,200.00	98,200,000.00
Xx		Capital Expenditure: Law and Justice	11	Xx	xx
Xx		Capital Expenditure: Regional Development	11	Xx	xx
Xx		Capital Expenditure: Social Service Sector:	11	290,258,478.48	291,871,605.00
Xx		Capital Expenditure: Funded from Aid and Grants:	10	Xx	xx
.0.00		TOTAL CAPITAL ENPENDITURE:		440,576,678.48	390,071,605.00
		Intangible Assets			
		CLOSSING BALANCE:			

The Accompanying Notes form part of these Statements

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Maiyama Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

Maiyama Local Governments receives its funding from statutory Allocation from FAAC on Monthly Basis and other incomes generated from Internally Generated Revenue.

Operating result shows significance increase of total revenue by N725,492,976.70 compared to previous year. The increase was recorded as a result of substantial increase in VAT and Statutory Allocation FAAC.

However, Locally Generated Revenue appeared not making any visible impact on the Total Revenue. Only 1.15% said to be the contributions of IGR to the Total Revenue during the period under review. In simple terms, Maiyama Local Government Council cannot finance the expenses of a single Department (for Just a Month) without statutory allocation from the FAAC. Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government.

EXPENDITURE

On the other hand, the Local government tried in restricting its expenditure below its earnings. But we are surprised to observe that expense in respect of Educational Services remained static, despite their volatilities.

INVESTMENTS

The Value of Maiyama Local Government stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained at stagnant rate of N22,850,390.00, with no dividend or increase in equity value. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

2. **UNACCOUNTED CASH WITHDRAWALS:-** During the posting of cheques into the cash book, it was observed that cheques worth ₦3,563,450.00 appeared to have been withdrawn through the Maiyama Local Government Council accounts by the Local Government cashier Jibrin Hamza Attahiru, for transaction which has not been reflected in the council's cash book, see details below:-

UNACCOUNTED CASH WITHDRAWALS

S/ N	PAYEE	CHEQUE NO	DATE	AMOUNT
1.	Jibrin Hamza Attahiru	00156346	31/01/2022	380,000.00
2.	Jibrin Hamza Attahiru	00156350	02/02/2022	88,450.00
3.	Jibrin Hamza Attahiru	156352	08/02/2022	100,000.00
4.	Jibrin Hamza Attahiru	-	29/03/2022	170,000.00
5.	Jibrin Hamza Attahiru	-	29/03/2022	400,000.00
6.	Jibrin Hamza Attahiru	00156363	31/03/2022	184,000.00
7.	Jibrin Hamza Attahiru	-	28/04/2022	662,000.00
8.	Jibrin Hamza Attahiru	156601	07/09/2022	554,000.00
9.	Jibrin Hamza Attahiru	-	30/09/2022	407,000.00
10.	Jibrin Hamza Attahiru	-	31/10/2022	113,000.00
11.	Jibrin Hamza Attahiru	-	08/12/2022	505,000.00
				₦3,563,450.00

3. On Payment Voucher No. 02/01/2022 Sabiu D/Tani Secretary Maiyama Local Government Council appeared to have been paid the sum of ₦30,000,000.00 to tackle emerging security challenges across the Local Government Area. Observations on the payment voucher revealed that neither the Council's Secretary nor the Internal Auditor signed the paid voucher, while the recipients are yet to be ascertained. Furthermore, details of the actual expenditure incurred to tackle the security challenges in the Local Government Area were not attached to the payment voucher.

4. On Payment Voucher No. 87/4/2022 was a payment made to Hon. Chairman Maiyama Local Government Council Zayyanu Muhammad Bello for direct purchase and distribution of assorted grains for fasting period worth ₦40,000,000.00. Observations on the payment voucher revealed that neither Council's Secretary nor Internal Auditor endorsed the payment voucher and it was also not acknowledged by the recipient. Moreover, receipts and distribution list of the assorted grains have not been attached to the payment voucher making it very difficult to ascertain the exact number of bags, quality of grains purchased and distributed to the public.

5. Payment Voucher No. 5/3/2022 was a payment made to Director Health Services Ibrahim Buhari Jega for the purchase of drugs in respect of measles outbreak at Mungadi, Nikki, Kuberi, Maiyama and Botoro worth ₦10,000,000.00. Observations made on paid voucher revealed that neither Council's Secretary nor Internal Auditor signed the payment voucher; recipient and officer controlling the vote have also not endorsed the voucher. Furthermore, receipts of the drugs purported to have been purchased and report of the outbreak from the affected areas have also not been attached.

8. **UNACCOUNTED WITHDRAWALS (REVENUE):-** It has been observed that withdrawals worth ₦1,347,000.00 were made through Maiyama Local Government Council's revenue account for the period under review. Payment vouchers for such withdrawals were not prepared at all and therefore not appear to have posted into the cashbook. See details below:-

S/ N	PAYEE	CHEQUE NO	DATE	AMOUNT
1.	Jibrin Hamza Attahiru	00138885	09/02/2022	50,000.00
2.	Jibrin Hamza Attahiru	00138889	04/04/2022	55,000.00
3.	Jibrin Hamza Attahiru	00138888	04/04/2022	170,000.00
4.	Jibrin Hamza Attahiru	00138890	14/04/2022	60,000.00
5.	Jibrin Hamza Attahiru	-	17/05/2022	180,000.00
6.	Jibrin Hamza Attahiru	-	22/06/2022	173,000.00
7.	Jibrin Hamza Attahiru	-	07/07/2022	74,000.00

8.	Jibrin Hamza Attahiru	-	10/08/2022	95,000.00
9.	Jibrin Hamza Attahiru	138897	14/09/2022	150,000.00
10	Jibrin Hamza Attahiru	138898	11/10/2022	140,000.00
11	Jibrin Hamza Attahiru	-	13/12/2022	100,000.00
12	Jibrin Hamza Attahiru	138902	22/12/2022	100,000.00
				₦1,347,000.00

NGASKI LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE EXECUTIVE CHAIRMAN
NGASKI LOCAL GOVERNMENT
SECRETARIAT COMPLEX, WARRA

Our Ref: _____

Date: _____

STATEMENT OF FINANCIAL RESPONSIBILITY

These Financial Statement have been prepared by the Treasurer of Ngaski Local Government Council in accordance with the provisions of the Finance (Council and Management) Act 1958 as amended. The Financial Statements comply with general accepted according practice.

The Treasurer is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and property record the use of all public financial resources by the Local Government Council. To the best of my knowledge, this system of internal control has operated adequately throughout the reporting period.

Sign

Treasurer

We accept responsibility for the integrity of these Financial Statements, the information they contain and their compliance with the finance (Control and Management Act 1958 as amended).

In our opinion, these financial statements fairly reflect the financial position of Local Government as at 31st December 2022 and its operations for the year ended on that date.

15/2/2022

15/2/2022



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Ngaski Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. They comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Ngaski Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Ngaski Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanations required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Ngaski Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF NGASKI LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Ngaski Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad
Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO. 1

.....NGASKI.....LOCAL GOVERNMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022

	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
Cash flow from operating activities			
Receipts			
Internally generated revenue	3	3,501,111.00	3,205,375.00
Grants/subvention	4	34,304,059.18	-
VAT	5	730,869,945.13	507,636,347.00
Statutory allocations	6	1,489,198,835.39	1,522,694,294.10
Miscellaneous	7		-
Total receipts		2,257,407,951.20	2,033,536,016.10
Payments			
Personal Enrolment	8	601,855,136.12	599,759,765.43
Education services		287,909,085.15	343,041,588.24
Transport			-
Health services		35,850,811.44	35,850,811.44
Mining and petro-chemical services			-
Agricultural services		22,757,233.11	22,757,233.11
Other of general nature	9	1,284,751,477.02	1,007,734,677.66
TOTAL PAYMENTS		2,233,123,742.84	2,009,144,075.88
Net cash flow from operating activities		24,284,208.36	24,391,940.22
Cash flow from investing activities			
Purchase/construction of assets	10		-
Purchase of financial market instruments		(25,000,000.00)	(25,000,000.00)
Proceeds from sales of assets			-
Net cash flow from investing activities		(715,791.64)	(608,059.78)
Cash flow from financing activities			
Proceeds from loans and other borrow	11		-
Dividends received	12	715,000.00	568,425.00
Repayments of loans	13		-
Net cash flow from financing activities		(715,791.64)	(608,059.78)
Net increase/decrease in cash & its equivalent		(791.62)	(39,634.77)
Cash & its equivalent as at 1/1/2021		16,468.51	56,103.28
Cash & its equivalent as at 31/12/2021		15,676.89	16,468.51

STATEMENT NO. 2

.....NGASKI.....LOCAL GOVERNMENT

STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER, 2022

	NOTE	CURRENT YEAR 2022	PREVIOUS YEAR 2021
Assets			
Cash and bank balance	14	15,676.89	16,468.51
Investments	15	25,000,000.00	25,000,000.00
Advance	16		-
Others	17		-
Total		25,015,676.89	25,016,468.51
Liabilities			
Deposits	18		
Loans	19		
General revenue	20		
		25,015,676.89	25,056,103.28

.....NGASKI.....LOCAL GOVERNMENT

**SCHEDULE OF EXPENDITURE FOR THE YEAR ENDED 31ST
DECEMBER 2022**

HEAD	JAN-22	TO	DEC-22
2001	4,278,763.39		4,278,763.39
2002	3,552,000.00		3,552,000.00
2003	23,768,360.07		23,768,360.07
2004	369,989,512.69		369,989,512.69
2005	182,449,492.25		182,449,492.25
2006	573,946,311.97		573,946,311.97
2007	473,499,939.12		473,499,939.12
2008	55,207,841.44		55,207,841.44
2009	51,574,786.23		51,574,786.23
2010	34,887,002.55		34,887,002.55
2011	275,012,873.27		275,012,873.27
2012	9,982,646.38		9,982,646.38
2013	-		-
2014	23,153,648.64		23,153,648.64
TOTAL	2,119,303,178.00		2,119,303,178.00

.....NGASKI.....LOCAL GOVERNMENT

**SCHEDULE OF CAPITAL EXPENDITURE
FOR THE YEAR ENDED 31ST DECEMBER 2022**

<i>HEAD</i>	<i>JAN-22</i>	<i>TO</i>	<i>DEC-22</i>
4001	40,000,000.00		40,000,000.00
4002	-		-
4003	-		-
4004	-		-
4005	-		-
4006	1,100,000.00		1,100,000.00
4007	-		-
4008	2,900,000.00		2,900,000.00
5001	22,186,907.78		22,186,907.78
5002	30,200,000.00		30,200,000.00
5003	-		-
5004	-		-
5005	-		-
6001	54,852,322.00		54,852,322.00
6001	-		-
6002			
6004	71,125,000.00		71,125,000.00
7001	38,600,000.00		38,600,000.00
7002	1,400,000.00		1,400,000.00
7003	-		-
8001	-		-
TOTAL	-		-
	262,364,229.78		262,364,229.78

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Ngaski Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N2,257,407,951.20 which includes N3,501,111.00 from Internally Generated Revenue, N34,304,059.13 as Subvention, FAAC monthly Statutory Allocation amounting to N1,489,198,835.39 as well as N730,869,945.13 appeared to be VAT receipts. The above figures show an appreciable increase of N223,871,935.03 above the actual receipts recorded in the previous year.

However, it is disheartening to note Ngaski Local Government Council had no functional IGR unit despite its richness in solid mineral resources, river Niger and numerous commercial potentialities. Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government and also the Council members should take their hands off from IGR and concentrate of legislative duties.

EXPENDITURE

We noted that this local government was able to limit its expenditure within its incomes which indicates adherence to budgetary control mechanism.

INVESTMENTS

The Value of Ngaski Local Government's stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained at stagnant rate of N25,000,000.00, through the total sum of N715,791.64 appeared to be dividend receipt from BUA Cement Company.

Furthermore, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

2. **Bank Reconciliation Statement:-** This is very important procedure in simple book keeping process of accounting systems where the bank and its customer agree on at end of the month balance or annually. Failure to undergo this process lead to material misstatement and flagrant violation of Financial Memoranda 19:24.

3. OUTSTANDING PAYMENT VOUCHERS

S/N	Description of Payment	Payee	Pv. No	Amount
1.	Salary Payment Voucher	Haruna & others	65/5/2022	1,979,670.00
2.	Salary Payment Voucher	Abdullahi Buhari	68/5/2022	444,546.68
3.	Standing Order	Umar & others	47/10/2022	73,000
4.	Allowances	Alhassan Adamu	18/1/2022	2,497,216.68
5.	Security Vote	Abdullahi Buhari	27/1/2022	400,000.00
				₦3,092,216.68

The above figure revealed that amount worth of ₦3,092,216.68, were paid vouchers not presented to me for inspection, contrary to Section 146 of the Local Governments Law 2008.

4. UNDOCUMENTED PAYMENT VOUCHERS

S/N	Details of Payment	Payee	Pv. No	Amount
1.	Allowances	Suleiman Liman & others	35/01/2022	300,000
2.	Allowances	Abdullahi Buhari	18/02/2022	400,000
3.	Women empowerment	Safiya Ibrahim	-	300,000
4.	Security vote	Abdullahi Buhari	56/08/2022	400,000
5.	L/Govt Pension Board Contri.	The Secretary	10/08/2022	2,954,572.92
6.	Women empowerment	Safiya Ibrahim	33/09/2022	300,000
7.	Security vote	Abdullahi Buhari	32/09/2022	400,000
8.	Contribution to APC	Chairman Party	33/10/2022	250,000
9.	Contribution to APC	Chairman Party	50/12/2022	250,000
				₦5,554,572.92

The above stated figure worth the sum of ₦5,554,572.92 were payment vouchers without any or relevant accounting document attached. Contrary to FM 14.4.

5. UNCLAIMED PAYMENT VOUCHERS

S/N	Details of Payment	Payee	Pv. No	Amount
1.	Allowances	Umar H.	31/10/2022	73,000
2.	Security Vote	Abdullahi Buhari	18/02/2022	400,000
3.	Allowance	DPO & others	10/3/2022	279,000
4.	Allowance	Suleiman Liman & others	15/3/2022	280,000
5.	Allowance	APO & others	19/5/2022	279,000
6.	Allowance	Suleiman & others	33/06/2022	300,000
7.	Allowance	Suleiman & others	36/07/2022	300,000
8.	Payment dues	YAFDAF	34/10/2022	100,000
				₦2,011,000

The above stated figure worth the sum of ₦2,011,000 were payment vouchers paid without the beneficiaries acknowledging the receipts of the amounts.

6. OVERHEAD COST

S/N	MONTHS	OVERHEAD RECEIVED	AMOUNT EXPENDED	DIFFERENCE
1.	JANUARY	3,000,000	2,700,000	300,000
2.	FEBRUARY	3,000,000	1,770,000	1,230,000
3.	MARCH	3,000,000	2,700,000	300,000
4.	APRIL	3,000,000	2,700,000	300,000
5.	MAY	3,000,000	2,100.00	900,000
6.	JUNE	3,000,000	2,700,000	300,000
7.	JULY	3,000,000	2,700,000	300,000
8.	AUGUST	3,000,000	3,000,000	300,000
9.	SEPTEMBER	3,000,000	3,000,000	Nil
10.	OCTOBER	3,000,000	3,000,000	Nil
11.	NOVEMBER	3,000,000	3,000,000	Nil
12.	DECEMBER	3,000,000	3,000,000	Nil
	TOTAL	₦36,000,000.00	₦32,370,000	₦3,630,000

Ngaski Local Government Council have received the sum of ₦36,000,000 yearly for payment of overhead cost while the sum of ₦32,370,000 would appear to have been expended leaving the sum of ₦3,630,000 unaccounted for.

7. DEPARTMENT VOTE OF EXPENDITURE ACCOUNT, STORE RECORDS, CONTRACT REGISTER, MONTHLY ABSTRACTS OF REVENUE AND EXPENDITURE, ADVANCE AND DEPOSIT LEDGERS

The above books of account which are to be prepared and kept the treasury and taken care off by schedule officers each and every day were neglected and left empty. This negligence need to be given a serious attention by management for proper accountability, prudence and transparency.

INTERNALLY GENERATED REVENUE

1. **Haraji:-** The Local Government Council have realized the sum of N999,000.00 from taxpayer Ngaski Local Government, paid 70% N699,300 to the Board of Internal Revenue and the remaining 30% i.e. 299,700.00 to the Local Government concern. The records in respect of this rationing and remittances were not made available to me for audit exercise.
2. **Annual Collection:-** Sources include; shops, filling stations, sales of bottle or sachet water, bakery, PHCN poles, medicine stores, private schools, private hospitals, commercial riders (Kabu-Kabu) viewing centres, computer business centers', GSM masts and restaurant businesses; only the sum of ₦810,000 was recorded as amount generated.
3. **Market/Motor Parks/Cattle Market:-** The above mentioned sources of revenue was not encouraging at all, despite important of this source only the sum of N640,000 was banked.
4. **Mineral Resources (Especially Mining):-** Ngaski Local Government was blessed with a lot of mineral deposit on its area but yet nothing was realized from this area, the mining and money realized was on the hand of few individual.

SAKABA LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



SAKABA LOCAL GOVERNMENT COUNCIL

KEBBI STATE OF NIGERIA

Local Government Secretariat
Sakaba Road,
P.M.B 001, Dirin Daji
Kebbi State

of:

Your Ref:

Date: 10/08/2023

STATEMENT OF FINANCIAL RESPONSIBILITY

We accept responsibility for the integrity of these financial statements, the information they contained and their compliance with finance act 1958 as amended.

In our opinion, these Financial Statements fairly reflect the financial position of Sakaba Local Government as at 31st December, 2022 and its operations for the year ended on that date.

Director Finance

Chairman

10/8/23

Date

10/8/23

Date



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Sakaba Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statements presented comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements is evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Sakaba Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Sakaba Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanations required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and supporting documents shows true and fair view of the state of affairs of Sakaba Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government Council.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE**

Our Ref: _____

Date: _____

**AUDIT INSPECTION REPORT IN RESPECT OF SAKABA LOCAL GOVERNMENT COUNCIL'S
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022**

We have audited the financial records of sakaba Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include:

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained all necessary information and explanations required for the purpose of our examinations. In our opinion, the financial statements give "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO. 1**SAKABA LOCAL GOVERNMENT****CASH FLOWS STATEMENT FOR THE YEAR ENDED 31ST
DECEMBER 2022**

CASH FLOW FROM OPERATING ACTIVITIES	NOTE	CURRENT YEAR	PREVIOUS YEAR
Receipt			
Internally Generated Revenue	3	37,092,167.65	6,600,035.00
Grant Subvention	4	Nil	Nil
VAT	5	671,679,135.30	554,407,090.73
Statuary Allocation	6	1,181,668,240.55	787,876,019.56
Miscellaneous	7	138,845,782.38	439,316,530.02
Total Receipt		2,029,285,325.88	1,788,199,675.31
PAYMENT	8		
Personal Emoluments		539,020,585.17	481,354,129.92
Educational Services		281,859,919.04	280,325,538.15
Transport Services		20,000,000.00	8,000,000.00
Health Services		53,450,811.11	56,800,000.00
Mining & Petrol Chemical Services		Nil	Nil
Agricultural Services		227,966,776.78	36,240,000.00
Other General Nature		889,040,622.12	912,631,441.05
Total Payment	9	2,011,338,714.27	1,775,351,109.12
NET CASH FLOW FROM OPERATION ACTIVITIES			
Cash Flow from Investing Activities		17,946,611.61	12,848,566.19
Purchase/Construction Assets	10	Nil	Nil
Purchase of Financial Market Instrument		(17,142,852.14)	(17,142,857.14)
Proceeds from Sales of Assets		Nil	Nil
Net Cash Flow from Investing Activities			4,294,290.95
Cash Flow from Financial Activities		Nil	Nil
Proceeds from Loan and Other Borrowing	11	Nil	Nil
Devi Dents Received	12	Nil	480,000,000.00
Repayment of Loans	13		
Net Cash Flow from Investing Activities		Nil	Nil
Net Increase / Decrease in Cash and its Equivalent		803,754.47	3,814,290.95
Cash and its Equivalent at 1 st January, 2022		74,881.21	3,889,182.16
Cash and its Equivalent at 1 st December, 2022		878,635.68	74,891.21

STATEMENT NO. 2

**SAKABA LOCAL GOVERNMENT STATEMENT OF ASSETS AND LIABILITIES FOR
THE YEAR ENDED 31ST DECEMBER, 2022.**

ASSETS	NOTE	CURRENT YEAR	PREVIOUS YEAR	REMARK
Cash at Hand				
Cash at Bank	14	878,635.68	74,891.21	
Investment Account	15	17,142,857.14	17,142,857.14	
Advance	16			
Others	17			
Total		18,021,492.82	17,217,748.35	
LIABILITIES				
Deposits	18		Nil	
Loan	19	Nil	Nil	
General Revenue	20	18,021,492.82	17,217,748.35	
Total		18,021,492.82	17,217,748.35	

STATEMENT NO. 3
SAKABA LOCAL GOVERNMENT
STATEMENT CONSOLIDATED REVENUE FOR THE ENDED 31ST
DECEMBER, 2022

	NOTE	CURRENT YEAR BUDGETED ₦	CURRENT YEAR ACTUAL ₦	VARIANCE
<u>ADD REVENUE</u>				
Statutory Allocation	1	1,498,639,938.00	1,181,668,240.00	0.2%
Value Added TAX	1	784,529,619.00	671,679,135.30	5.3%
Sub. Total		2,283,169,457.00	1,853,347,275.85	
Rate	2	30,000,000.00	22,000,000.00	0.26%
Fine, Fees & Licenses	2	50,000,000.00	50,000,000.00	0.6%
Earning & Sales	2	30,000,000.00	24,000,000.00	0.02%
Rent on Gov't Property	2	30,000,000.00	29,000,000.00	0.03%
Interval & Divided	2	-	-	-
Taxes	2	10,000,000.00	7,700,000.00	2.3%
Sub Total of Independent Revenue		150,000,000.00	132,700,000.00	
Total Revenue		2,433,169,457.00	1,986,047,375.85	
Less Expenditure				
Personal Cost	4	640,838,644.00	553,943,2555.00	0.13%
Pension Contribution	5	65,771,792.00	54,983,220.00	0.16%
Over Head Cost	6	62,592,089.00	36,000,000.00	0.42%
Subvention to Other Agencies	7	864,889,327.00	781,439,626.65	0.09%
Total Expenditure		1,634,091,852.00	1,426,366,111.65	
Operating Balance		799,077605.00	559,681,264.20	0.29%
Appropriation Transfer		1,554,905,690.00	1,335,649,228.00	0.14%
Closing Balance		955,828,085.00	775,967,963.80	

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Sakaba Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N2,029,285,325.88 which includes N37,092,167.65 from Internally Generated Revenue and N1,181,668,240.55 from FAAC monthly Statutory Allocation and N671,679,135.30 appeared to be VAT receipts. The total figures above indicates a difference of N241,085,650.57 above the actual receipts recorded in the previous year.

But, Locally Generated Revenue figures appeared not impressive. Only 1.83% said to be the contributions of IGR to the Total Revenue during the period under review. In our opinion, the Internally Revenue Generating unit of this Local Government should be managed by capable hands and those currently in charge be transferred to another schedule.

EXPENDITURE

Audit examination observed that this local government adhered to budget control mechanisms by limiting its expenditure within its incomes. But like what is

obtainable in other local governments, expenditure in respect of Personnel Emolument was increased by N57,666,455.25 without any record justifying such increased. Moreover, we also observed that P.E register was not maintained throughout the period under review.

INVESTMENTS

The Value of Sakaba Local Government stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained at stagnant rate of N17,142,852.14, with no dividend or increase in equity value. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

2. **CASHBOOK:-** The examination of this main book of accounts is not encouraging in that, posting of payment vouchers into the cashbook is not done as at when due, this because date of cash withdrawals and posting of the payment vouchers differs. Further examination reveals that cheque numbers are not quoted to indicate how contra-entry are exhausted in the cashbook, this is a clear violation of the provision of chapter 19 of the Local Government Financial Memoranda.

3. **UNREMITTED TAX DEDUCTION:-** Appendix "C" to the report sent to the local government, is a table of tax deduction that was not remitted to the appropriate government agencies in the name of VAT and Withholding Tax amounting to a tune of ₦10,274,962.50. While the sum of ₦862,207.00 would have been revenue the Local Government would have generated as Tender fees.

4. **REVENUE:-** It is a known fact that Local Governments generate revenue through various sources as enshrine in the Local Government Laws 2008 and the financial memoranda, it is against the background. I write to hear from you why 2022, revenue collection was never receipted as at the time of writing this report. Haraji collection was not also done for the period under review,

SHANGA LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



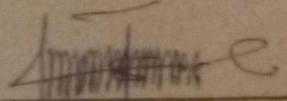
OFFICE OF THE EXECUTIVE CHAIRMAN
SHANGA LOCAL GOVERNMENT
KEBBI STATE

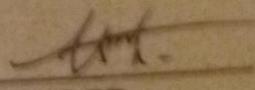
Our Ref:..... Your Ref:..... Date:.....

FINANCIAL STATEMENT

The Financial Statement have been prepared by the treasurer of Shanga Local Government Council in accordance with provision of finance (council and management) act 1958 as amended. We used international accounting standard (IAS) and National Accounting Standard (NAS) in preparation of financial statement. Furthermore, accounting policy was based on cash basis of accounting system. The financial statement complies with generally accept of accounting principle.

The treasurer is responsible for establishing all maintaining internal control design to promote reasonable assurance that the transaction was properly recorded with the use of all public financial resources by Shanga Local Government Council, to the best of my knowledge, these system of internal control has been operates adequately during the reporting period.


CHAIRMAN


TREASURER

Date: 15/05/2023

Date: 15/08/2023



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Shanga Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statements presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Shanga Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

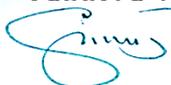
Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Shanga Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanations required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and supporting documents shows true and fair view of the state of affairs of Shanga Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

 13/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

**AUDIT INSPECTION REPORT IN RESPECT OF SHANGA LOCAL GOVERNMENT COUNCIL'S
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022**

We have audited the financial records of shanga Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examinations. In our opinion, the financial statements gave "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO. 1
SHANGA LOCAL GOVERNMENT COUNCIL
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022

DESCRIPTION	NOTE	2022	2021
CASH FOLLOWS FROM OPERATING ACTIVITIES			
RECEIPT			
Internally Generated Revenue	3	49,254,113.20	48,670,000.00
Grants/Subventions	4	Nil	Nil
Gov't Share of VAT	5	734,387,782.82	575,438,876.47
Statutory Allocation	6	1,561,000,229.99	1,180,228,952.34
Total Receipt		<u>2,344,642,126.01</u>	<u>1,804,337,628.81</u>
PAYMENT			
Personal Emolument	8	532,212,112.10	532,212,112.10
Education services	9	276,892,148.28	276,892,148.28
Transport services	10	15,000,000.00	10,800,000.00
Agric Services	11	38,395,000.00	38,395,000.00
Health Services		55,850,811.44	55,850,811.44
Mining Petrol Chemical Services		Nil	Nil
Other General Nature		1,363,711,534.26	901,567,500.57
Total Payments		<u>2,282,061,606.08</u>	<u>1,815,817,572.39</u>
Net cash flow from operation activities		62,580,519.93	(11,479,943.58)
<i>Cash flow from Investing activities</i>			
Purchase/construction of assets	10	Nil	Nil
Purchase of Financial Market instruments		(17,142,857.14)	(17,142,857.14)
Proceed from sales of assets		Nil	Nil
Net cash flow from investing activities		(17,142,857.14)	(17,142,857.14)
<i>Cash flow from financing activities</i>			
Proceed from Loan and other borrowing	11	Nil	Nil
Dividends received	12	Nil	Nil
Repayment of loan	13	Nil	Nil
<i>Net Cash Flow from Financing Activities</i>			
Net increase/Decrease in cash and it's equivalent		45,437,662.79	(6,733,869.92)
Cash & its equivalent as at 1/1/2022		898,951.02	
Cash & its equivalent as at 31/12/2022		46,336,613.81	898,951.02

STATEMENT NO. 2
SHANGA LOCAL GOVERNMENT
STATEMENT OF ASSET AND LIABILITIES

PARTICULAR	NOTE	2022	2021
CASH AND BANK BALANCE	1	46,336,613.81	898,951.02
INVESTMENTS	3	17,142,857.14	17,142,857.14
ADVANCES	4	NIL	NIL
OTHERS	5	NIL	NIL
TOTAL		46,336,613.81	18,641,808.16
LIABILITIES			
BANK OVERDRAFT	5	NIL	NIL
DEPOSITS	6	NIL	NIL
GENERAL REVENUE BALANCES	7	46,336,613.81	18,641,808.16
TOTAL		46,336,613.81	18,641,808.16

STATEMENT NO. 3

**SHANGA LOCAL GOVERNMENT COUNCIL, KEBBI STATE OF NIGERIA
STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST
DECEMBER 2022**

2021	DESCRIPTION	NOTE	2022	BUDGET 2022	VARIANCE IN %
1,180,228,752.34	Statutory Allocation	1	1,561,000,229.99	1,746,056,426.00	11%
575,438,876.47	Govt. Shale of VAT	1	734,387,782.82	915,868,783.00	20%
1,755,667,628.81	Sub-Total: Statutory Allocation		2,295,388,012.81	2,661,925,209.00	
8,670,000.00	Direct Taxes	2	9,554,113.20	3,500,000.00	164%
25,000,000.00	Licence Fine & Fees	2	20,000,000.00	70,000,000.00	71%
15,000,000.00	Turnings	2	20,000,000.00	45,000,000.00	55%
48,690,000.00	Sub-Total Independent Revenue		49,254,113.20	118,500,000.00	
1,804,337,628.81	Total Revenue		2,344,642,126.01	2,780,425,209.00	2,780,425,209.00
LESS EXPENDITURE					
532,212,112.10	Personal Cost	4	532,212,112.10	373,235,680.00	43%
129,630,473.08	Local Govt. Contr. Pension	5	129,630,473.08	120,000,000.00	8%
36,000,000.00	Overhead Cost	6	36,000,000.00	36,000,000.00	0%
728,356,693.74	Subvention to Parastatals	8	728,356,693.74	789,881,136.00	8%
1,426,199,278.92	Total Expenditure		1,426,199,278.92	1,319,116,816.00	

378,138,349.89	Operation Balance		918,442,847.09	1,461,308,393.00	
APPROPRIATION TRANSFER					
378,138,349.89	Transfer to Capital Development Fund		918,442,847.09	1,461,308,395.00	37%
00.00	Closing Balance		00.00		

STATEMENT NO. 4**SHANGA LOCAL GOVERNMENT COUNCIL, KEBBI STATE OF NIGERIA
STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST
DECEMBER 2022**

2021	DESCRIPTION	NOTE	TOTAL CAPITAL EXPENDITURE 2022	FINAL AUDIT 2022	VARIANCE IN %
378,138,349.89	Transfer from Consolidated Revenue Fund		918,442,847.09	1,461,308,393.00	37%
378,138,349.89	Total Revenue Availabilities Capital Expenditure		918,442,847.09	1,461,308,393.00	37%
LESS EXPENDITURE					
77,339,398.87	Capital Exp. Administrative Sector		300,000,000.00	285,000,000.00	5%
	Capital Economic Sector		200,000,000.00	770,488,491.00	74%
150,000,000.00	Capital Regional Sector		172,106,233.91	514,000,000.00	67%
150,000,000.00	Capital Social Service Sector		200,000,000.00	332,000,000.00	40%
377,239,398.87	Total Capital Expenditure		872,106,233.91		
898,951.02	Closing Balance		46,336,613.81		

SHANGA LOCAL GOVERNMENT COUNCIL

BANK RECONCILIATION STATEMENT AS AT 31ST DECEMBER 2022

FIRST BANK ACCOUNT NO: 2012508697

BALANCE PER CASH BOOK	-	46,526,763.17
LESS BANK CHARGES	-	190,149.30
BALANCE PER BANK STATEMENT	-	46,336,613.81

SHANGA LOCAL GOVERNMENT COUNCIL

SCHEDULE OF INVESTMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

S/N	TYPE OF INVESTMENT	OPENING BALANCE	WITH THE PERIOD	CLOSING BALANCE
1.	Kebbi Home Saving and Loans	10,000,000.00	-	10,000,000.00
2.	BUA Cement	7,142,857.14	-	7,142,857.14
TOTAL		17,142,857.14	-	17,142,857.14

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Shanga Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The actual receipts during the year under review stood at N2,344,642,126.01 consisting of N49,254,113.20 realized from Internally Generated Revenue and N1,561,000,229.99 from Statutory Allocation from FAAC and N734,387,782.82 being VAT receipts. The total figures above indicates a difference of N540,304,497.20 above the actual receipts recorded in the previous year.

Conversely, Locally Generated Revenue appeared not making visible impact on the Total Revenue. Only 2.10% said to be the contributions of IGR to the Total Revenue during the period under review. In essence, Shanga Local Government Council cannot finance the expenses of a single Department (for Just a Month) with statutory allocation from the FAAC. Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government.

EXPENDITURE

It is gratifying to report that this local government was able to limit its expenditure within its capacity. But like what is obtainable in other local governments, expenditure in respect of Personnel Emolument and Educational Services remained unchanged, despite staff promotions, retirements and death. We also observed that P.E register was not maintained throughout the period under review.

INVESTMENTS

The Value of Shanga Local Government stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained at stagnant rate of N17,147,857.14, with no dividend or increase in equity value. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

1. THE COUNCIL CASH BOOK

During the period under review, it has been observed that the upkeep of this important book was not encouraging although most of accounting transactions were not recorded in both credit and debit side of the cashbook. Still more effort should be made to ensure that, the cashbook has been balance off at end of accounting year in accordance with provision of FM 19.20 and 19.34 respectively.

OUTSTANDING PAYMENT VOUCHERS

Examination of cashbook and payment vouchers at my disposal revealed that, payment vouchers worth the sum of ₦23,488,876.76 were not be made available to me during audit inspection, contrary to Section 146 of the Local Government Law 2008. Details were attached to main report sent council.

2. UNCLAIMED PAYMENT VOUCHERS

We also observed that payment vouchers worth the sum of ₦6,977,000 were paid to sundry persons as allowances or assistance, surprisingly none of the beneficiaries signed the amount across their names. Details were attached to the main report sent to the Council.

3. PAYMENT OF OVERHEAD COST

S/N	MONTHS	AMOUNT RECEIVED	AMOUNT EXPENDED	DIFFERENCE
1.	JANUARY	3,000,000.00	957,416.54	2,042,583.46
2.	FEBRUARY	3,000,000.00	3,000,000	NIL
3.	MARCH	3,000,000.00	2,590,000	410,000
4.	APRIL	3,000,000.00	3,000,000	NIL
5.	MAY	3,000,000.00	3,000,000	NIL
6.	JUNE	3,000,000.00	3,000,000	NIL

7.	JULY	3,000,000.00	3,000,000	NIL
8.	AUGUST	3,000,000.00	NIL	3,000,000
9.	SEPTEMBER	3,000,000.00	3,000,000	NIL
10.	OCTOBER	3,000,000.00	3,000,000	NIL
11.	NOVEMBER	3,000,000.00	3,000,000	NIL
12.	DECEMBER	3,000,000.00	3,000,000	NIL
	TOTAL	₦36,000,000	₦30,547,416.54	₦5,452,583.46

This Local Government Council has received the sum of ₦3,000,000 monthly, with grand sum of ₦36,000,000 per annum for payment of day to day expenses incurred by the Local Government Council but surprisingly only the sum of ₦30,547,416.46 would appear to have been expended leaving the sum of ₦5,452,583.46 unaccounted for.

5. DEDUCTION AND REMITTANCE OF VAT AND WITHHOLDING TAXES

P.V No	Contract Sum	VAT 7.5%	Withholding Tax 5%	Total Tax Not Remitted
05/01/2022	15,000,000	1,125,000	750,000	1,875,000
05/04/2022	17,810,925.38	1,333,750	890,546.27	2,226,290.27
				₦4,101,296.78

The above shows a figure of ₦4,101,296.78 that should be deducted as VAT and withholding Taxes, but to my surprise the amount in question has not been remitted to the organizations concern.

6. DEPARTMENTAL VOTE EXPENDITURE ACCOUNT, STORE RECORDS, CONTRACT REGISTER, MONTHLY ABSTRACT OF REVENUE AND EXPENDITURE DEPOSIT AND ADVANCE LEDGERS

It is quiet noted with displeasure the way and manner upon which this important book of accounts were kept and maintained during the period under review.

The treasurer failed to attach the importance to this books account. Thereby making the schedule officers not discharged their functions in line with FM provision of 13.3 to 13.15 (1-7).

7. PAYMENT OF ALLOWANCES

S/N	MONTHS	AMOUNT RECEIVED	AMOUNT EXPENDED	DIFFERENCE
1.	JANUARY	5,165,000	4,864,000	301,000
2.	FEBRUARY	5,165,000	4,864,000	301,000
3.	MARCH	5,165,000	4,864,000	301,000
4.	APRIL	5,165,000	4,864,000	301,000
5.	MAY	5,165,000	4,864,000	301,000
6.	JUNE	5,165,000	4,864,000	301,000
7.	JULY	5,165,000	4,864,000	301,000
8.	AUGUST	5,165,000	4,864,000	301,000
9.	SEPTEMBER	5,165,000	4,864,000	301,000
10.	OCTOBER	5,165,000	4,864,000	301,000
11.	NOVEMBER	5,165,000	4,864,000	301,000
12.	DECEMBER	5,165,000	4,864,000	301,000
	TOTAL	₦61,980,000	₦58,368,000	₦3,612,000

The above stated figures revealed that, your Local Government Council has received the sum of ₦61,980,000 for the period under review for payment of allowances but surprisingly only the sum of ₦58,368,000 would appear to have been expended leaving the sum of ₦3,612,000 unaccounted for.

8. REVENUE

- 1. Haraji:-** Examination revealed the Local Government Council lodged only the sum of N1,200,000 into the bank as revenue for the year ended 2021/2022 season.

2. Mass Communication

MTN 2 Antenna x 40,000 = 80,000

The sum of ~~₦~~80,000 was realized from MTN as revenue but no accounting document will show the entrance to accounts of Local Government and how it was expended.

Annual Collection, Motor Park/Cattle Market indigene Certificate

The above stated sources of revenue only banked the sum of ~~₦~~500,000.

SURU LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022

OFFICE OF THE CHAIRMAN
SURU LOCAL GOVERNMENT COUNCIL
DAKINGARI, KEBBI STATE OF NIGERIA

Local Government Secretariat,
Headquarters - Dakingari,
Kebbi State, Nigeria

Our Ref: _____

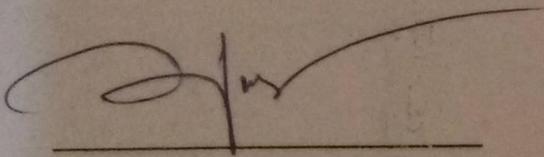
Your Ref: _____

Date: _____

STATEMENT OF FINANCIAL RESPONSIBILITY

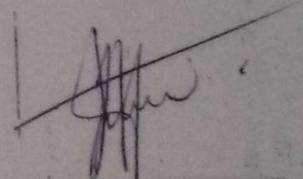
We accept responsibility for the integrity of these financial statement, the information conform and their compliance with the financial (Control and management) act 1958 as amended.

In our opinion these financial statements fairly reflect the financial position of the local government as at 31st December, 2022 and its operations for the year ended on that date.



Treasurer

Date: 1/7/2023



Chairman

Date: 03-07-23



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Suru Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. These statements comprise Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows "true and fair" view of the states of affairs of the Suru Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/02/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

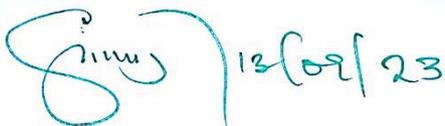
Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Suru Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Suru Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

 12/09/23

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

**AUDIT INSPECTION REPORT IN RESPECT OF SURU LOCAL GOVERNMENT COUNCIL'S
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022**

We have audited the financial records of Suru Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include:

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements gave "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO.3

SURU

..... LOCAL GOVERNMENT COUNCIL

CASHFLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER 2022

S/N	Cash flow from operating Activities	Notes	Current year (2022)	Previous Year (2021) NM
	Receipts			
1	Internal Generated Revenue	3	22,861,175:16	23,300,000
2	Grants Subventions	4	Nil	Nil
3	VAT	5	769,089,350:92	580,234,222:28
4	Statutory Allocations	6	1,548,198,199:77	1,046,047,687:06
5	Miscellaneous	7	Nil	Nil
	Total Receipts		2,340,148,725:85	1,649,581,909:34
	Payments			
6	Personal Emoluments	8	204,494,379:75	506,116,645:78
7	Education Services		281,199,479:09	283,822,808:89
8	Transport Service		72,957,502:93	390,460,231:66
9	Health Service		188,790,290:23	155,325,357:40
10	Mining and Petrol-Chemical Services		Nil	Nil
11	Agricultural Services		21,061,822:40	22,331,704:50
12	Other of General Nature	9	1,552,196,980:15	289,921,919:85
	Total Payments		2,320,700,454:55	1,647,978,668:08
13	Net Cash Flow from Operation Activities		19,448,271:30	22,021,098:40
	Cash Flow from Investing Activities			
14	Purchase/Construction of Assets			
15	Purchase of Finance market Instrument	10	(20,417,857:14)	(20,417,857:14)
16	Proceeds from sales of Assets		Nil	Nil
17	Net Cash Flow from Investing Activities		(20,417,857:14)	1,603,241:26
	Cash flow from Financing Activities			
18	Proceeds from Loan & Borrowing	11	Nil	Nil
19	Dividends Received	12	1,430,000	Nil
20	Repayment of Loan	13	Nil	Nil
21	Net Cash Flow from Investment Activities		1,430,000	Nil
22	Net Increase/Decrease in Cash & its Equivalent		460,414:16	1,603,241:26
23	Cash & its equivalent at 1/1/2021		757,976:23	8,575,512:26
24	Cash & its equivalent at 31/12/2022		1,188,390:84	1,603,241:26

STATEMENT NO.2

SURU

..... LOCAL GOVERNMENT COUNCIL

STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2022

S/N	Cash flow from operating Activities	Notes	Current year (2022)	Previous Year (2021) NM
	<u>ASSETS</u>			
1	Cash and Bank Balance	14	1,188,390:84	1,603,241:26
2	Investment	15	20,417,857:14	20,417,857:14
3	Advances	16	Nil	Nil
4	Other	17	Nil	Nil
	Total Receipts	19	21,606,247:98	22,021,098:98
	<u>LIABILITIES</u>			
	Deposit	18		
	Loan	19		
	General Revenue	20	21,606,247:98	22,021,098:98
	TOTAL		21,606,247:98	22,021,098:98

SURU LOCAL

STATEMENT NO.3

GOVERNMENT OF NIGERIA

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER, 2022

Actual Previous Year 2021	OPENING BALANCE	NOTES	ACTUAL YEAR 2022	FINAL BUDGET 2022	INITIAL BUDGET 2022	SUPPLEMENTARY BUDGET 2022	VARIANCE ON FINAL BUDGET 2022
8,575,512:28	Opening Balance		767,976:23	17,500,000			(1,742,023:77)
	ADD: REVENUE						
1,046,047,687:06	Statutory Allocations: FAAC		1,548,198,199:77	1,404,514,961			143,683,238:72
580,234,222:28	Value Added Tax Allocation		769,089,350:92	886,167,802			(117,078,451:08)
	Sub-Total – Statutory Allocation						
2,657,300	Direct Taxes		2,657,300	3,200,000			(542,700)
500,000	Licenses		500,000	10,000,000			(9,500,000)
8,142,700	Mining Rents		9,561,175:16	4,500,000			5,061,175:16
	Royalties		-	-			-
	Fees		-	-			-
	Fine		-	-			-
2,000,000	Sale		2,000,000	10,000,000			(8,000,000)
	Earning		8,142,700	4,500,000			3,647,700
10,000,000	Sale/Rent of Gov't Building						
-	Repayment General						
-	Investment Income		(20,417,857:14)	(24,000,000)			(3,582,142:86)
-	Interest Earned		1,430,000	-			1,430,000
-	Re-Imbursement		-	196,500,000			(196,500,010)
	Sub-Total – Independent Revenue		-	-			-
	Other revenue Source		-	-			-
1,649,581,909:34	Total Revenue		2,321,918,844:94	2,507,382,763			183,128,403:74

	LESS: EXPENDITURE					
506,116,645:78	Personnel Cost (Including Salaries on CRF Charges)		531,927,763:75	538,985,225:20		(7,057,461:95)
1,082,562,022:30	Federal/States/LGC Gov't Contribution to Pension		1,729,911,516:14	2,008,906,007:80		(278,994,484:76)
36,000,000	Overhead Charges		36,000,000	36,000,000		-
23,300,000	Consolidated Revenue Fund Charges (Incl. Services Wide Votes)		22,861,175:16	35,800,000		(12,938,824:84)
1,647,978,668:08	Subvention to Parastatals		-	-		
			2,320,700,454:55	2,619,691,233		(298,990,778:45)
	OTHER RECURRENT PAYMENTS/EXPENDITURE					
	Repayments: External Loans: FGN/States/LGC		-	-		
	Repayments: FGN/ States/LGC Bonds & Treasury Bonds		-	-		
	Repayments: Nigerian Treasury Bills (NTB)		-	-		
	Repayments: Development Loan Stock		-	-		
	Repayments: Other Internal Loans (Promissory Notes)		-	-		
	Repayments: Internal Loans from other Funds		-	-		
			-	-		
1,647,978,668:08	TOTAL EXPENDITURE		2,320,700,454:55	2,619,691,233		(298,990,778:45)
22,021,098:40	OPERATING BALANCE		19,448,271:30	-		19,448,271:30
	APPROPRIATIONS/TRANSFERS:					

	Transfer to capital Development Fund						
1,603,241.26	Closing Balance:		1,188,390.84				(1,188,390.84)

SURU LOCAL

STATEMENT NO.4

GOVERNMENT OF NIGERIA

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER, 2022

Actual Previous Year 2021	OPENING BALANCE 2022	NOTES	TOTAL, CAPITAL EXPENDITURE 2022	FINAL BUDGET 2022	INITIAL/ORIGINAL BUDGET 2022	SUPPLEMENTARY BUDGET 2022	PERFORMANCE ON TOTAL
8,575,512:28	Opening Balance		757,976:23	2,500,000			(1,742,023:77)
	ADD: REVENUE						
1,649,581,909:34	Transfer from Consolidated Revenue Fund:		2,321,918,844:94	2,619,691,233			(297,772,388:06)
	Aid and Grants						
	External Loans: FGN/LGC						
	FGN/States/LGC/ Bonds & Treasury Bonds						
	Nigeria Treasury Bills (NTB)						
	Development Loan Stock						
	Other Internal Loans (Promissory Notes)						
	Internal Loans from Other Funds						
1,658,157,421:62	TOTAL REVENUE AVAILABLE:		2,322,676,821:17	2,622,191,233			(299,514,411:83)
	LESS: CAPITAL EXPENDITURE						
720,000,000	Capital Expenditure: Administrative Sector		773,921,937:85				
	Capital Expenditure: Economic Sector						
	Capital Expenditure: Law and Justice						
65,234,752:39	Capital Expenditure: Regional Development		291,063,955:74				
68,240,000	Capital Expenditure: Social Service Sector:		200,000,000				
	Capital Expenditure: Funded from Aid and Grants						
573,009,692:37	TOTAL CAPITAL EXPENDITURE:		1,264,985,893:59	948,911,801			(316,074,092:59)
	Intangible Assets						
1,603,241:26	CLOSING BALANCE:		1,188,390:84				(1,188,390:84)

SURU LOCAL GOVERNMENT
SCHEDULE OF CAPITAL INVESTMENT FOR THE
YEAR ENDED 31ST DECEMBER 2022

S/N	INVESTMENT	OPENING BALANCE WITHIN PERIOD	CLOSING BALANCE
1	Cement Company of Sokoto	7,417,857:14	7,417,857:14
2	Home Saving and Loan	10,725,000	10,725,000
3	Gamji Bank PLC	2,275,000	2,275,000
	Total	20,417,857:14	20,417,857:14

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statement are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Suru Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The actual receipts during the year under review stood at N2,340,148,725.85 consisting of N22,861,175.16 realized from Internally Generated Revenue and N1,438,198,199.77 from Statutory Allocation from FAAC and N769,089,350.92 being VAT receipts. The total figures above indicates a difference of N694,101,038.79 above the actual receipts recorded in the previous year.

But, Locally Generated Revenue figures appeared not impressive. Only 0.98% said to be the contribution of IGR to the Total Revenue during the period under review. In categorical term, Shanga Local Government Council cannot finance the expenses of a single Department (for Just a Month) without statutory allocation from the FAAC. Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government.

EXPENDITURE

It is gratifying to report that this local government was able to limit its expenditure within its incomes. But like what is obtainable in other local governments, expenditure in respect of Personnel Emolument and Educational Services had drastically reduced from what is obtained in previous year, raising the question of whether there was retrenchment or something of that nature. We also observed that P.E register was not maintained throughout the period under review.

INVESTMENTS

The Value of Suru Local Government stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained at stagnant rate of N17,147,857.14, with no dividend or increase in equity value. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

COMPARISM BETWEEN CASHBOOK AND BANK STATEMENT

On comparism between bank statement and cashbook for the period under review. Audit examination revealed that paid cheques totaling the sum of ₦1,132,000.00 could not be traced into council cashbook. The cheques were neither supported by payment vouchers not reflected in the council cashbook contrary to FM 19.7. see detail below.

S/N	Date	Payee	Cheque	Amount
1.	14/1/2022	Self Suru L/Government	01377	100,000.00
2.	24/1/2022	Self Suru L/Government	34894	550,000.00
3.	28/1/2022	Self Suru L/Government	13777	110,000.00
4.	28/1/2022	Self Suru L/Government	183778	58,000.00
5.	1/6/2022	Self Suru L/Government	34896	314,000.00
				₦1,132,000.00

RECEIPT AND PAYMENT OF SALARY

During examination of salary payment vouchers revealed that the sum of ₦531,927,763.25 was received as salary disbursement from Ministry For Local Government and Chieftaincy Affairs for the year under review. While the sum of ₦527,276,078.04 was paid leaving unaccounted balance of ₦4,651,685.21. The details of which could be seen on appendix B attached to the report sent to the Local Government.

REVENUE RECORDS

Examination of the above mentioned records was done to the fact that the said records were not produce for audit inspection after several requests. Despite several promises the revenue officer was only able to present revenue statement of account to my office. The attention of Director Finance and Supply was further drawn to this unwanted situation but proof abortive either.

INTERNALLY GENERATED REVENUE

Further examination revealed that only the sum ₦1,487,150.00 were lodged in to the bank.

YAURI LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



Office of the Executive Chairman
YURI LOCAL GOVERNMENT COUNCIL

YELWA-YAURI, KEBBI STATE OF NIGERIA

SECRET

Local Government Secretariat
Yelwa-Yauri, Kebbi State

Year Ref: _____ Date: _____
STATEMENT OF FINANCIAL RESPONSIBILITY

We accept responsibility for the integrity of these financial statement, the information they contain and their compliances with the finance (Control and management) Act 1958 as amended.

In our opinion, these financial statements fairly reflect the financial position of Local Government as at 31st December 2022 its operations for the year ended on that date.

Treasurer: _____

Chairman: _____

Date: _____

7/9/2023

Date: _____

7/9/2023



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Yauri Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statements presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Yauri Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Yauri Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statements, supporting accounts and supporting documents shows true and fair view of the state of affairs of Yauri Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

**AUDIT INSPECTION REPORT IN RESPECT OF YAURI LOCAL GOVERNMENT
COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022**

We have audited the financial records of Yauri Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include:

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements gave "true and fair" view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

STATEMENT NO. 1
YAURI LOCAL GOVERNMENT COUNCIL
CASH FLOWS STATEMENT FOR THE YEAR ENDED
31ST DECEMBER, 2022

CASH FLOW FROM	NOTE	CURRENT	PREVIOUS
OPERATING ACTIVITIES		YEAR	YEAR
Internally Generated Revenues	3	26,370,001.12	25,900,000
Grant Subvention	4	-	-
VAT	5	688,279,379.58	478,253.718
Statutory Allocation	6	1,235,269,899.08	1,481,090,574.23
Miscellaneous	7	-	-
TOTAL RECEIPTS		1,949,919,279.78	1,985,244,292.23
PAYMENT			
Personal Enrolment	8	488,227,172.99	462,332,176.54
Education Services	-	342,636,214.79	372,265,640.87
Transport Services	-	38,777,172.97	32,065,231.12
Health Services	-	36,442,321.12	35,850,811.44
Mining & Petrol Chemical Services	-	-	-
Agriculture	-	39,512,379.16	24,604,111.17
Other General Nature	9	985,757,786.60	1,061,503,055.85
TOTAL PAYMENT		1,931,353,047.63	1,958,619,026.39
Net Cash Flow From Operating Activities		18,566,232.15	(3,374,734.16)
CASH FLOW FROM INVESTMENT ACTIVITIES			-
-			
Purchase/Construction of Asset	10	-	-
Purchase of financial market Instrument	-	(17,000,000:00)	(17,000,000:00)
Proceed from sale of asset		-	3220,000:00
Net cash flow from investment activities	-	(17,000,000:00)	(17,154,734.16)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceed from Loan and Other	11	-	-
Borrowing			
Divides received	12	1,742,675:00	-

Repayment of Loan	13	-	-
Net cash flow from investing activities		1,742,675.00	-
Net increase/decrease in cash equivalent		3,308,907.15	(17,154,734.16)
Cash its equivalent at 01/01/2022		1,418,990.81	18,573,724.92
Cash its equivalent at 31/13/2022		4,727,897.96	1,418,990.81

STATEMENT NO. 2
YAURI LOCAL GOVERNMENT COUNCIL
STATEMENT OF ASSET AND LIABILITIES FOR THE
YEAR ENDED 31ST DECEMBER, 2022

ASSETS	NOTE	CURRENT YEAR	PREVIOUS YEAR
CASH AND BANK BALANCES	14	4,727,897.96	1,418,990.81
INVESTMENT	15	17,000,000:00	17,000,000:00
ADVANCES	16	-	-
OTHERS	17	-	-
TOTAL		21,727,897. 96	18,418,990.81
LIABILITIES			
DEPOSIT	18	-	-
LOANS	19	-	-
GENERAL REVENUE	20	21,727,897.96	18,418,990.81
TOTAL		21,727,897.96	18,418,990.81

STATEMENT NO. 3

YAURI LOCAL GOVERNMENT

STATEMENT OF CONSOLIDATED REVENUE FUND FOR THE YEAR ENDED 31ST DECEMBER 2022

ACTUAL PREVIOUS YEAR 2021	OPENING BALANCES	NOTE	ACTUAL YEAR 2022	FINAL BUDGET 2022	VARIANCES OF FINAL BUDGETS
1,481,090,574.23	ADD REVENUE Statutory Allocation FAAC	1	1,235,269,899.08	1,642,281,281	407,011,381.92
1,959,344,292.23	Value Added Tax Allocation	1	688,279,379.58	478,255,748	-210,025,631
1,985,244,293.24	Subtitle Statutory		1,923,549,278.66	2,120,535,029	196,955,950.34
1,500,000:00	Direct Tax	2	4,000,000	23,500,000	19,500,000
2,300,000:00	Licences	2	1,723,333.33	29,000,000	27,276,666.67
-	MINING RENT	2	-	-	-
-	ROYALTIES	2	-	-	-
1,000,000.00	FEES	2	2,723,333.33	29,000,000	26,276,666.67
1,000,000.00	FINES	2	723,333.33	29,000,000	28,276,666.67
-	SALES	2	-	-	-
5,700,000:00	EARNING S	2	5,657,325	59,815,000	52,475,000
-	SALES /RENT	2	-	-	-
2,700,000:00	Sale/Rent of Government building	2	3,250,000.13	47,500,000	44,249,999.87
2,000,000:00	Sale/Rent on Land and others	2	-	-	-
-	Repayment General	2	-	-	-
4,700,000	Investment Income	2	2,800,000	55,000,000	52,200,000
-	Interest Earned	2	1,742,675.00	-	-
20,900,000	Subtotal: Independent Revenue		22,620,000.12	272,815,000	250,195,000
5,000,000.00	Other Revenue Sources of the Govt	3	3,750,000.01	-	-
1,985,244,292.23	TOTAL REVENUE		1,949,919,278.79	2,393,350,029	2,809,511,779.21
	LESS EXPENDITURE				
462,332,176.54	Personal cost including salaries on SRF charges	4	488,227,172.99	555,754,931	67,527,758.01
254,727,351.02	Federal state LG Govt Contribution to pension	5	242,636,214.79	69,297,556	173,338,658.79
36,000,000.00	Over head charge	6	36,000,000	169,300,000	133,300,000

-		Constitutional revenue fund charge (including services vote)	7	-	-	-
821,558,361.99		Subvention To Parastatal	8	793,241,466.89	875,708,026	82,466,559.11
		OTHER RECURRENT REPAYMENT EXPENDITURE				
-		Repayment External Loan FGN/state/LGC	19	-	-	-
-		Repayment FGN/State/LGC bond treasury bond	20	-	-	-
-		Repayment Nigerian treasury bills (NTB)	21	-	-	-
-		Repayment Development Loan Stoute	22	-	-	-
-		Repayment other internal loan promontory note	23	-	-	-
-		Repayment internal Loan from other fund	24	-	-	-
1,574,617,889.55		Total Expenditure		1,560,104,854.67	1,670,060,513	109,955,658.33
410,626,402.68		Opening Balances		389,814,424.12		
		APPROPRIATION TRANSPORT				
405,625,942.49		Transfer to capital DEV fund	9	387,414,2,3.07	883,732,128	496,317,914.93
5,000,460.19		Closing Balances		2,400,211.05		

STATEMENT NO. 4

YAURI LOCAL GOVERNMENT

STATEMENT OF CAPITAL DEVELOPMENT FUND FOR THE YEAR ENDED 31ST DECEMBER 2022

Actual Previous Year 2022		NOTE S	TOTAL CAPITAL EXPENDITURE 2022	FINAL BUDGET YEAR 2022	PERFORMACE S ON TOTAL
	OPENING BALANCES		2,400,211.05		
405,625,942. 49	TRANSFER FROM CONSOLIDAT ED REV FUND	9	387,414,213.07	883,732,12 8	496,317,914. 99
-	AID & GRANTS	10	-	-	-
-	External Loan FGN/State/LG C	19	-	-	-
-	FGN/State/LG C bond & treasury bond	20	-	-	-
-	Nigeria Treasury bills (NTB)	21	-	-	-
-	Development loans stock	22	-	-	-
-	Other internal loan (promisory note)	23	-	-	-
-	Internal loan from other fund	24	-	-	-
410,626,402. 69	Total Revenue Available		389,814,424.12	883,732,12 8	493,917,703. 88
180,079,209. 99	Capital Expenditure Administrative		195,278,213.06	97,000,000	1,721,786.94
47,897,656.1 2	Capital expenditure		54,777,217.17	85,000,000	30,222,782.8 3

	economic sector				
	Capital expenditure & justice		-	-	-
	Capital expenditure reground dev		-	-	-
89,579,289.09	Capital expenditure social services sedies		167,193,263.94	229,232,128	62,038,864.26
91,651,256.67	Capital expenditure funded from aid & grants		53,999,498	372,260,227	318,260,229
409,207,411.87	Total capital Expenditure		371,248,191.97	783,492,355	412,243,663.03
	Intangible Assets		-		
1,418,990,81	Closing Balance		18,566,232.15		

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statements are stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Yauri Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N1,949,919,279.78 which includes N26,370,001.12 from Internally Generated Revenue, FAAC monthly Statutory Allocation amounting to N1235,269,899.08 and N688,279,378.58 appeared to be total annual receipts from VAT. The above figures shows a deficit of N35,325,012.45 from the actual receipts recorded in the previous year.

However, it is disheartening to note that the contribution of Internally Generated Revenue to total annual receipts only stood at 1.35%. The resultant effect of inactive IGR unit is visible. Because its abysmal performance, deficit recorded from the general income could not be covered. Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government and also the Council members should take their hands off the IGR and concentrate on their legislative duties.

EXPENDITURE

The operating results of this Local Government show that fiscal control was exhibited by way of operating within limit of its incomes. The changes recorded on expenditure appeared to be within the acceptable range.

INVESTMENTS

The Value of Yauri Local Government's stake (Shares) in BUA Cement Company and Kebbi State Home Savings and Loan Ltd also stagnated at N17,000,000.00 and also the sum of N1,742,675.00 appeared have accrued to the Council as receipt from investment in the name of dividend.

However, Audit examinations revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

2. RECORDS MAINTENANCE:-

In the course of examining the records made available to me, we discovered that vital treasury records were either not presented or incomplete (i.e. Counterfoil cheques not presented, bank statement incomplete).

Similarly, cash-books appeared to be poorly maintained. Observed that amount receipted not recorded on the debit side, cheques numbers not quoted, rules of contra entry not adhered to and numerous cancellations without initials of the schedule officer.

3. PAYMENTS NOT ACKNOWLEDGED BY THE RECIPIENTS:-

The sum of ₦2,913,809.52 appeared to have been paid to different organizations, institutions and groups without acknowledgement from the payees by way of signing the vouchers or presenting acknowledgement letter as enshrined in Section 14.16 & 17 of the Financial Memoranda. Appendix "B" attached to report sent to the Council refers.

4. UNAUTHORISED PAYMENTS:-

In what appeared to be flagrant abuse of chapter 13 and 14 of the Financial Memoranda, payment vouchers worth N7,896,602.25 were raised and paid without the endorsement of the Officer Controlling the Votes. Details were attached to main report sent to the Council:

5. PAYMENT VOUCHERS

Scrutiny of the available records revealed the sum of ₦20,000,000.00 was paid to Nasiru Bawa (P.A) vid Pvs No. 1/1/2022 for the purchase of relief materials to IDPs. However, when payee was contacted, he denied ever receiving such amount. Furthermore, receipts/invoices were not attached to the purported purchases, no list of beneficiaries, no store records to support the claim e.g. SRV/SIV, store ledgers etc, contrary to the provisions of FM in chapter 34.

LOCALLY GENERATED REVENUE:-

As highlighted earlier, the amount alleged to have been generated as IGR were not lodged into the Revenue Account of the Local Government, based on the records made available to me.

In another development, the Council treasury failed to maintain the following vital revenue records:-

- Daily revenue cash books.
- Distribution registers.
- Counterfoil revenue receipts.
- Daily abstract of revenue & expenditure etc.

ZURU LOCAL GOVERNMENT COUNCIL

KEBBI STATE

AUDITED FINANCIAL STATEMENTS

FOR

THE YEAR ENDED

31ST DECEMBER 2022

ZURU LOCAL GOVERNMENT COUNCIL

(Office of the Chairman)

Local Government Secretariat
P.M.B.,
Zuru, Kebbi State

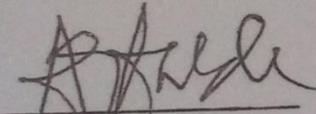
Ref No _____

Date _____

RESPONSIBILITY FOR FINANCIAL STATEMENT'S

These Financial Statement have been prepared by the treasurer of Zuru Local Government Council in accordance with the Financial (Council and Management) Act 1958 as amended. The Financial Statements comply with generally accepted accounting practice.

The Treasurer is responsible for Establishing and Maintaining a system of internal Control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all Public Financial resources by the Local Government Council. To the best of my knowledge, this statement of internal control has operated adequate through the reporting period.

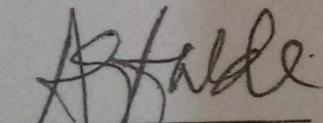


TREASURER

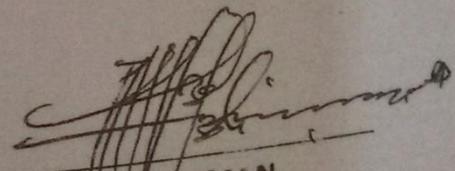
11/08/2023
DATE

We accept responsibility for the integrity of these Financial Statements, the information they contain and compliance with the Financial (Control and Management) Act 1958 as amended.

In our opinion, these Financial Statements fairly reflect the financial position of Local Government as at 31st December, 2022 and its operation for the year ended on that date.



TREASURER



CHAIRMAN

11/08/2023
DATE

DATE



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial statements of Zuru Local Government Council for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 146 (1), 2 (a & b) Part 1X of the Local Government Law 2008. The statement presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards. The statement presented comprises Statement of Cash Flow, Statement of Assets and Liabilities, Statement of Consolidated Revenue Funds as well as Statement of Capital Development Funds.

The presented statements are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the Zuru Local Government Council as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

 12/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statements of Zuru Local Government Council of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all necessary information and explanation required for my audit.

Base on the aforementioned and examinations of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and supporting documents shows true and fair view of the state of affairs of Zuru Local Governments as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report which were sent to the local government.

Therefore, observations presented in this report are those that are yet to be resolve with Local Government or they failed to adequately respond to.

Faruk B. Muhammad

Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF ZURU LOCAL GOVERNMENT COUNCIL'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of Zuru Local Government Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the statements presented to us appear to be largely in agreement with the books of accounts. These statements include

- Cash flow statements from 1st January to 31st December 2022.
- Statement of Assets and Liabilities from 1st January to 31st December 2022.
- Statement of Consolidated Revenue Funds from 1st January to 31st December 2022.
- Statement of Capital Development Funds from 1st January to 31st December, 2022
- Accompanying Notes to the Accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to the Council for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments
Kebbi State

STATEMENT NO.1
ZURU LOCAL GOVERNMENT COUNCIL
CASH FLOWS STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2022

<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	NOTE	YEAR 2022 R	YEAR 2021 R
Receipts			
• Internally Generated revenue	3	10,922,750.00	14,413,680.00
• Grant Subvention	4	Nil	Nil
• VAT	5	790,768,051.51	660,126,720.62
• Statutory Allocation	6	2,140,978,767.94	1,815,237,447.15
• Miscellaneous	7	Nil	Nil
Total Receipts		2,942,669,569.45	2,489,777,847.77
PAYMENTS			
• Personal Emoluments	8	669,504,609.17	664,963,697.24
• Education Services	10	509,103,922.00	509,346,327.59
• Transport Services		Nil	-
• Health Services		35,850,811.44	35,850,811.44
• Mining & Petrol Chemical Service		Nil	-
• Agricultural Services		37,390,476.06	-
• Other General Nature	9	1,678,313,397.20	1,281,415,216.47
TOTAL Payments		2,930,163,215.87	2,491,576,052.74
Net Cash Flow From Operating activities		12,506,353.58	(1,798,204.97)
Cash flow from Investing Activities			
Purchase/Construction Assets		Nil	Nil
Purchase of Financial Market instruments		(18,055,857,.14)	(18,055,857.14)
Rent on Local Government Property		Nil	Nil
Proceeds from Sales of Assets		Nil	Nil
Net Cash Flow from Investing Activities		(18,055,857.14)	
Cash Flow From Financial Activities:			
Proceeds From Loan and Other Borrowings	11	Nil	Nil
Dividends Received	12	1,144,000.00	Nil
Repayment of Loans	13	Nil	Nil
Net Cash Flow From Financial Activities		1,144,000.00	
Net Increase/Decrease In Cash & Its Equivalent		4,405,503.56	(19,854,062.11)
Cash and Its Equivalent at 1 st January, 2021		4,814,552.04	24,668,614.15
Cash and Its Equivalent at 31 st December, 2021		409,048.42	4,814,552.04

STATEMENT NO.2

ZURU LOCAL GOVERNMENT COUNCIL

**STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER,
2021**

ASSET	NOTE	YEAR 2022 ₦	YEAR 2021 ₦
Cash at Hand	14	Nil	Nil
Cash at Bank	14	409,048.06	4,814,552.04
Cash in Transits		Nil	Nil
Investments	15	18,055,857.14	18,055,857.14
Advances	16	Nil	Nil
Others	17	Nil	Nil
TOTAL		18,464,905.20	22,870,409.18
<u>LIABILITIES</u>			
Bank Overdraft		Nil	Nil
Deposits	18	Nil	Nil
Loans	19	Nil	Nil
General Revenue Reserve	20	18,464,905.20	22,870,409.18
TOTAL		18,464,905.20	22,870,409.18

ZURU LOCAL GOVERNMENT
STATEMENT OF REVENUE FOR THE YEAR ENDED
31ST DECEMBER, 2021

HEAD	DETAILS OF REVENUE	YEAR 2022 ₦	YEAR 2021 ₦
1001	Taxes	2,891,650.00	2,901,780.00
1002	Rates	1,450,200.00	1,600,000
1003	Local License, Fees & Fines	680,100	990,000.00
1004	Earnings from Commercial Undertakings	2,220,600	3,800,000.00
1005	Rent of Local Property	3,680,200.00	4,800,000
1006	Interest Payment and Dividend		320,100.00
1007	Grants	Nil	Nil
1008	Miscellaneous	Nil	Nil
	Total Internal Generated Revenue	10,922,750.00	14,413,680.00
1009	VAT	790,768,051.51	495,072,833.56
	Statutory Allocations	2140,978,767.94	1,980,291,334.21
	Total Statutory Allocations	2,931,746,819.45	2,475,364,167.77
	Grand Total	2,942,669,569.45	2,489,777,847.77

ZURU LOCAL GOVERNMENT
STATEMENT OF RECURRENT EXPENDITURE FOR THE YEAR ENDED
31ST DECEMBER, 2021

HEAD	DETAILS OF REVENUE	YEAR 2022	YEAR 2021
		₦	₦
2001	Office of the Chairman	8,980,672.43	8,857,835.79
2002	Office of the Secretary	5,670,923.80	5,583,477.00
2003	Council	78,943,870.00	63,818,400.00
2004	Central Administration	168,629,274.84	125,806,095.59
2005	Finance and Supply	80,206,541.59	77,499,472.95
2006	Social Comm. Development	194,298,674.80	160,468,837.52
2007	Health	199,887,461.47	190,071,594.99
2008	Agriculture and Nat. Resources	139,406,729.36	126,434,807.15
2009	Works, Transport & Services	79,921,080.24	73,031,250.90
2010	Traditional Offices	48,972,681.90	41,588,740.57
2013	Miscellaneous	Nil	Nil
2016	Budget and Planning	31,287,987.27	30,462,298.92
2015	Recurrent Surplus	Nil	Nil
	Other (PAYE, NUGLE, MHWU, etc.)	62,454,647.49	62,867,475.39
	Total	1,098,660,545.19	966,490,256.97

ZURU LOCAL GOVERNMENT
STATEMENT OF CAPITAL EXPENDITURE FOR THE YEAR ENDED
31ST DECEMBER, 2021

HEAD	DETAILS OF REVENUE	YEAR 2022 ₦	YEAR 2021 ₦
4001	Agric and Rural Development	- - -	- - -
4002	Livestock	- - -	- - -
4003	Forestry	- - -	- - -
4004	Fisheries	- - -	- - -
4005	Manufacturers	- - -	- - -
4006	Rural Electrification	17,810,952.38	- - -
4007	Commerce and Industry	- - -	- - -
4008	Road Transport and Bridges	- - -	40,000,000.00
5001	Education	- - -	- - -
5002	Health and Services	10,000,000.00	- - -
5003	Information	- - -	- - -
5004	Social Dev. Youth & Sports	81,010,952.26	- - -
5005	Fire Services	- - -	8,000,000.00
6001	Water Resources	25,000,000.00	30,000,000.00
6002	Sewages and Drainages	95,000,000.300	35,000,000.00
6003	Town & Country Planning	- - -	- - -
6004	Community Development	- - -	46,000,000.00
7001	General Administrative	199,587,184.40	- - -
7002	Staff Housing	20,000,000.200	- - -
7003	Workshop	- - -	- - -
8001	Repayment of Loan & Interest	- - -	- - -
	Total capital Expenditure	448,409,089.04	159,000,000.00

FINANCIAL STATEMENT DISCUSSION AND ANALYSIS

Statement of Accounting Policies

The principal accounting policies in the preparation of these financial statement stated below. These policies have been consistently applied to all the transactions presented unless stated.

Basis of Preparation

The Zuru Local Government Council financial statements have been prepared on cash basis accounting policy and in accordance with International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

The financial statements have been prepared on the historical cost basis unless otherwise stated in the accounting policies. And it is also presented in Nigerian Naira, the functional and reporting currency of the country.

REVENUE ACCOUNT

Revenue recognition:

The total receipts during the year under review stood at N2,294,669,569.45 which includes N10,992,750.00 from Internally Generated Revenue and N2,140,978,767.94 from FAAC monthly Statutory Allocation and N790,768,051 appeared to be VAT receipts. The total figures above indicates a difference of N452,891,721.83 above the actual receipts recorded in the previous year.

But, Locally Generated Revenue figures appeared not impressive. Only 0.37% said to be the contribution of IGR to the Total Revenue during the period under review. Basically, Zuru Local Government Council cannot finance the expenses of a single Department (for Just a Month) without statutory allocation from the FAAC. Therefore, we recommend total overhauling of Internally Revenue Generating unit of this Local Government.

EXPENDITURE

It is commendable to report that this local government was able to limit its expenditure within its incomes. But like what is obtainable in other local governments, expenditure in respect of Personnel Emolument and Educational Services appeared to be virtually the same from what is obtained in previous year. The question here was that increment on promotions and decrement from retirement, death of personnel and/or disciplinary actions did not cause any fluctuation effect on the emolument figures? We also observed that P.E register was not maintained throughout the period under review.

INVESTMENTS

The Value of Zuru Local Government stake (Shares) in both BUA Cement Company and Kebbi Home Savings and Loan Ltd remained at stagnant rate of N18,055,857.14, with no dividend or increase in equity value. Similarly, Audit examination revealed that these investments were not properly documented, as investment Register/ Ledgers were not maintained. The alleged value need to be revaluated to reflect current market realities.

ADDITIONAL DISCLOSURE

2. **THE COUNCIL CASH BOOK:-** Examination of available accounting records at my disposal revealed that, although accounting transaction has been recorded in the credit and debit side of the cash book, but the book had not been balance off, contrary to FM 19.20

3. **BANK RECONCILIATION STATEMENT:-** It is very important aspect of book keeping were bound and Local Government concern agree on particular figure to be the last balance in the bank statement and cash book. If this procedure is not carrying on, the whole process is abused contrary to FM 19:23.

4. **THE DIFFERENCE BETWEEN STATEMENT AND CASH BOOK:-**
Examination revealed that, there is disagreement between bank statement and cash book, the sum of ₦541,555,715.61 appear withdrawn while the total sum of ₦513,778,692.82 would appear recoded in the cash book leaving the sum of ₦27,777,022.79 unaccounted for. Details was attached in the report sent to the Council (appendix "C").

5. **CHEQUES NOT POSTED INTO CASH BOOK:-** Examination between cash book and cheques revealed that, payment vouchers worth the sum of ₦492,848,523.00 has been paid but not entered into cash book. Also refer to appendix "D" attached to report sent to the Council for details.

6. **OVERHEAD COST:-** Cross examination revealed that, Zuru Local Government has received the sum of ₦36,000,000.00 per annum while the sum of ₦32,070,000.00 would appear to have been expended leaving the sum of ₦3,930,000 unaccounted for. See appendix "F" of the report sent to the Council for details.

7. **UNAUTHORIZED PAYMENT VOUCHERS:-** Examination revealed that, payment voucher worth the sum of ₦217,599,039.16 have been paid without signature from the officer controlling vote (Directors), contrary to FM 14.18 and 14.19 respectively. Appendix “G” of the report sent to the Council refers for details.

8. **UNDOCUMENTED PAYMENT VOUCHERS:-** Yet in another development, it was observed that, the payment voucher worth the sum of ₦97,310,952.26 have been paid without supporting the payment vouchers with essential accounting document. See appendix “H” attached to the report sent to your council for details.

9. **D.V.E.A’s STORE RECORD, CONTRACT REGISTER, PE REGISTER, MONTHLY ABSTRACT OF REVENUE AND EXPENDITURE DEPOSIT AND ADVANCE LEDGER**
 These are all important treasury record but to my surprise none appeared to have been maintained for the year under review.

REVENUE:-

1. Mass Communication as regard mass revealed that:-

i.	8 Antenna 40,000.00	=	320,000.00
ii.	2 AIRTEL 30,000.00	=	60,000.00
iii.	1 GLO 30,000.00	=	30,000.00
Total		=	410,000.00

Only the sum of ₦410,000.00 was realized from this source and there is no documentary evidence indicating such amount has been lodged into Local Government account. Please comment.

IGR:- The sum of ₦3,398,050.00 appeared to be the only amount lodged in to the bank out of the total IGR realized within the period under review.

**KEBBI STATE JOINT LOCAL GOVERNMENTS
ACCOUNT COMMITTEE**

ANNUAL AUDIT REPORT

FOR

THE YEAR ENDED 31ST DECEMBER, 2022

SUBMITTED BY

FARUK B. MUHAMMAD

AG. AUDITOR GENERAL FOR LOCAL GOVERNMENTS

KEBBI STATE, BIRNIN KEBBI



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF THE KEBBI STATE JOINT LOCAL GOVERNMENTS ACCOUNT COMMITTEE (MAIN ACCOUNT) FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of the Kebbi State Joint Local Governments Account Committee (Main Account) for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the records presented to us appear to be largely in agreement with the books of accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examinations. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to you for your comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

 12/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

INCOME AND EXPENDITURE FOR THE YEAR ENDED 2022

S/N	MONTH	INCOME	EXPENDITURE	DIFFERENCE
	Opening Balance	6,710,538,981.10	-	6,710,538,981.10
1	January	4,037,821,520.04	5,434,533,859.70	(1,396,712,339.66)
2	February	179,916,118.00	392,000,000.00	(212,083,882.00)
3	March	6,705,586,581.99	7,368,182,892.76	(662,596,310.77)
4	April	2,776,825,185.81	5,999,336,082.82	(3,222,510,897.01)
5	May	4,101,28,439.77	6,529,894,097.18	(2,428,165,657.41)
6	June	4,728,499,558.70	3,717,334,181.07	1,011,165,377.63
7	July	4,126,346,284.16	3,845,999,758.23	280,346,525.95
8	August	6,754,870,497.33	5,601,530,984.05	1,153,339,513.28
9	September	4,010,393,874.19	5,090,333,817.96	(1,079,939,943.77)
10	October	9,901,888,920.69	3,426,987,721.41	6,474,901,199.28
11	November	5,963,083,593.16	4,785,104,976.95	1,177,978,616.21
12	December	5,178,581,559.53	3,868,452,933.66	1,310,128,625.89
	Closing bal.	-	9,098,121,201.91	(9,098,121,201.91)
	Total	65,176,081,114.47	N65,157,812,507.70	N18,268,606.77

It was observed that total sum of N65,176,081,114.47 (Sixty Five billion, one hundred and seventy six million, eighty one thousand, one hundred and fourteen naira, fourty seven kobo) appeared to have been accrued in to the above account as annual receipts from FAAC, and State Contributions. The total sum of N56,059,691,305.79 (Fifty six billion, fifty nine million, six hundred and ninty one thousand, three hundred and five naira and seventy nine kobo) were disbursed to the 21 Local Government Councils for the settlement of recurrent and capital expenses. The sum of N9,098,121,201.91 (Nine billion, ninety eight million, one hundred and twenty one thousand, two hundred and one naira and ninety one kobo) appeared to be the account balance as at 31st December, 2022 (i.e. Closing Balance). However, the balance of N18,268,606.77 remain unaccounted at the time of writing this report.

**KEBBI STATE 0.55% JOINT ACCOUNT
COMMITTEE**

ANNUAL AUDIT REPORT

FOR

THE YEAR ENDED 31ST DECEMBER, 2022

SUBMITTED BY

FARUK B. MUHAMMAD

AG. AUDITOR GENERAL FOR LOCAL GOVERNMENTS

KEBBI STATE, BIRNIN KEBBI

JOINT ACCOUNT COMMITTEE MEMBERS

- | | | |
|----|--|-----------|
| 1. | Hon. Commissioner MLGCA | Chairman |
| 2. | Permanent Secretary MLGCA | Member |
| 3. | Auditor General for L/Govts | Member |
| 4. | Accountant General MoF | Member |
| 5. | Three Chairmen for each Senatorial Districts | Members |
| 6. | Four Persons Appointed by H.E | Members |
| 7. | Executive Secretary JAC | Secretary |

BANKERS

First Bank Nigeria Plc

Birnin Kebbi Branch

Kebbi State

AUDITORS

Office of the Auditor General for Local Governments

PMB 1059, Haliru Abdu Secretariat

Birnin Kebbi

Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

STATEMENT OF OPINION OF THE AUDITOR GENERAL

I have examined the financial records of 0.55% Joint Local Governments Account for the year ended 31st December, 2022, as stipulated by Section 15(3) of the Kebbi State Local Government Auditor General Law 2021, chapter 32 of the Financial Memoranda, and provisions number 144 of the Local Government Law 2008. The statement presented by the Treasurer appeared to be prepared in accordance with Generally Accepted Accounting Principles (GAAP) and also in compliance to IPSAS (Cash Basis) accounting Standards.

The presented financial records are evaluated and tested using the Generally Accepted Auditing Standards (GAAS) which are the set out requirement and guidance on how to conduct audit examinations. Prior to the above, I have obtained all the information and explanations considered necessary for the purpose of my audit.

In my opinion, the Financial Statements as presented to me shows “true and fair” view of the states of affairs of the 0.55% Joint Local Governments Account as at 31st December, 2022 and of the financial transactions for the fiscal year ended on that date, subject to the observations contained herein.

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT CERTIFICATION

I have examined the financial statement of the 0.55% Joint Local Governments Account Committee of Kebbi State for the period from 1st January to 31st December, 2022 in accordance with **Section 125 (2), (4) and (5) of the 1999 Constitution of the Federal Republic of Nigeria as amended**. I have obtained all the necessary information and explanations required for my audit.

Base on the aforementioned and examination of the records made available to me, I certify that (in my opinion), the financial statement, supporting accounts and supporting documents shows true and fair view of the state of affairs of the 0.55% Joint Local Governments Account Committee as at 31st December, 2022 and of transactions for the year under review, subject to my observations, comments and recommendations raised in the report.

Faruk B. Muhammad
Ag. Auditor General for Local Government
Kebbi State



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF THE KEBBI STATE 0.55% JOINT LOCAL GOVERNMENTS ACCOUNT COMMITTEE FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of the 0.55% Joint Local Governments Account Committee of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the records presented to us appear to be largely in agreement with the books of accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to you for your comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

 12/02/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

KEBBI STATE 0.55% JOINT LOCAL GOVERNMENT ACCOUNTS

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 2022

		₦
Opening Balance		17,279,847.10
Total Income		<u>257,771,252.90</u>
		₦275,051,100.00
Less Expenditure:		
Allowances to JAC Members	2	11,556,000.00
Purchase of Stationaries & Office Equip.	3	12,052,500.00
Purchase of Diesel & Maint. Of Gen.	4	15,380,700.00
Entertainment and Hospitality	5	3,553,000.00
Media Coverage	6	3,940,000.00
Monitoring & Evaluation of projects	7	13,315,230.01
Maintenance of Public Toilet	8	438,000.00
Allowances	9	180,000.00
Settlement of NEPA Bill	10	2,688,000.00
NYSC Allowances	11	275,000.00
General JAC Maintenance	12	7,683,000.00
Fueling & Maintenance of Vehicles	13	3,802,600.00
Others	14	194,272,306.35
Bank Charges	11	8,981.00
Total Expenses		₦229,829,893.03

Closing Bank Balance 31/12/22

₹27,286,424.33

Unaccounted Balance

₹17,934,782.92

KEY AUDIT FINDINGS

The key audit findings are those observations that in our professional judgments are of most significance in our audit of the financial records for the period under review. These observations are evaluated within the context of extent laws guiding the operations of this account and forming our opinion thereon.

2. CASH BOOK

Examination of this vital accounting book revealed that the format of this book contravened what is obtained in the Financial Memoranda provision number 19.3. Instead, the Committee under your stewardship used ordinary Note Book as against the specification of the Financial Memoranda. Please comment on why your Head(s) of Treasury would not be sanctioned for an apparent violation of the above FM provision.

3. INTERNAL CONTROL

Section 14.10 of the Financial Memoranda states that “All Payment Vouchers shall be submitted to the Internal Auditor for prepayment audit. Such vouchers shall not be paid by the Treasurer until the Internal Auditor has audited the payment voucher”. But it was disheartening to report that this office is only a nomenclature with JAC Secretariat.

3. INCOME AND EXPENDITURE

The 0.55% JAC Account opened its financial year (2021) with an opening balance of ₦17,279,847.10 and received the sum of ₦257,771,253.23 as 21 Local Governments contribution to the account totaling ₦275,051,100.33 (as annual income). Similarly, the Committee expended the total sum of ₦229,829,893.03. And the total sum of ₦27,286,424.33 remained the closing

balance as at 31st December, 2022 while the sum of ₦17,934,782.97 appear to be unaccounted for.

4. PAYMENTS IN RESPECT OF SECURITY CHALLENGES IN SOME LOCAL GOVERNMENTS:

a. 0.55% funds are meant to cater for the operations and efficient management of the Joint Local Governments Account, its secretariat and exigencies that are keenly attached to the aforementioned. However, in the course of our audit, we discovered fund disbursement to various Local Governments in respect of tackling security challenges. Expenditure of this nature should either be charged from the balances of the affected Local Government at the JAC or an express approval of His Excellency has to be invoked. But to our dismay, the total sum of N25,400,000.00 appeared to have been disbursed to various Local Governments in the name of tackling security challenges.

b. Similarly, another set of payment vouchers worth N31,937,615.01 were raised and paid to individuals in respect of organizing and holding of security meetings with Chairmen, security agencies and District Heads. Scrutiny of these payment vouchers revealed that copies of invitation letters/circulars, list of attendants, details of expenses and their corresponding invoices/receipt etc. were not attached.

5. PURCHASE OF OFFICE EQUIPMENT AND RENOVATIONS

Another set payment vouchers worth N20,900,000.00 were raised and paid to some officials of the Ministry for Local Governments and Chieftaincy Affairs, in respect of the above. Examinations of these payment vouchers revealed that necessary store records authenticating the expenditure (such as SRV, SIV and store Ledger) were not attached or presented to me for audit

inspection. Furthermore, invoices/receipts attached are also questionable, hence did not pass audit test. I shall be grateful for your comments and actions taken to ameliorate the anomaly.

6. TRAVELS AND TOUR EXPENSES:

Payment vouches amounting to N6,325,000.00 were raised and to some officials in respect of the above. But, circulars/approvals, as well as receipt/invoices were neither attached to PVs nor presented to me for audit inspection. Contrary to Local Governments Auditor General Law 2021, section 8.1-6, FM 39.1(1) and Kebbi State Local Governments Law 2008, section 146(1). Please comment.

7. PAYMENTS TO UNAUTHORISED PERSONS:

Section 14.4(1) of the Financial Memoranda revealed that payment voucher shall be prepared "...in favour of the person or persons to whom the money is actually due". We observed that payments worth N16,300,000.00 (in the name of some local governments, but paid to individuals who were neither employee nor contracted by those local governments to act on their behalves.

8. NON SEPARATION OF 0.55% EXPENDITURE FROM THAT OF MINISTRY FOR LOCAL GOVERNMENTS AND CHIEFTAINCY AFFAIRS:

The above organisations are two distinctive entities with different Economic Codes, NCOA Codes and responsibilities. But drawing line of demarcation between the two organisations (in respect of financial obligations) become cumbersome. It was observed that most of the Ministry for Local Government's running costs are been financed with 0.55% funds.

In our candid opinion, this is against the principle of transparency and prudent management of funds. We therefore, recommend that, going forward, the two institutions should limit their expenditure to their approved budgets, except where exigencies arise and should be formalized.

JAC 0.55%
PAYMENTS IN RESPECT OF SECURITY CHALLENGES IN SOME
LOCAL GOVERNMENTS, 2022

S/N	PAYEE	REASON FOR PAYMENT	PV. NO	AMOUNT
1	Abdullahi Magaji Koko	Security Challenges in K/Besse LG	5/7/22	3,000,000.00
2	Fakai Local Government Council	Security Challenges in Fakai LG	640/10/22	5,000,000.00
3	Chairman D/Wasagu LG	Security Challenges in D/Wasagu LG	659/11/22	1,000,000.00
4	Alh. Muhd Hudu D/Mallam	Security Challenges in Fakai LG	093/2/22	1,100,000.00
5	Hussaini M. Chairman	Security Challenges in D/Wasagu LG	359/6/22	2,000,000.00
6	Shehu Muh'd Abdullahi	Security Challenges in D/Wasagu LG	333/5/22	1,200,000.00
7	Shehu Muh'd Abdullahi	Security Challenges in D/Wasagu LG	407/7/22	2,000,000.00
8	Shehu Muh'd Abdullahi	Security Challenges in Some LGAs	492/8/22	4,100,000.00
9	Kabiru Bako koko	Security Challenges in D/Wasagu LG	029/1/22	600,000.00
10	Shehu Muh'd Abdullahi	Security Challenges in Ngaski/Yauri	100/4/22	500,000.00
11	D.A MLGCA	Security Challenges in Ngaski/Yauri	253/4/22	2,500,000.00
12	D.A MLGCA	Security Challenges in D/Wsg & Sakaba	252/4/22	2,400,000.00
	Total			N25,400,000.00

JAC 0.55%
SCHEDULE OF SECURITY MEETINGS WITH CHAIRMEN,
SECURITY AGENCIES AND DISTRICT HEADS FOR YEAR ENDED
2022

S/N	PAYEE	REASON FOR PAYMENT	PV. NO	AMOUNT
1	Kabiru Bako Koko	Meeting with Shanga, Yauri & Ngaski LGs	85/2/22	750,000.00
2	Shehu Muhd Abdullahi	Meeting with Securities	99/2/22	500,000.00
3	Sabiu D/Tani Jandutse	Meeting with 21 LG Secretaries	35/1/22	420,000.00
4	D.A. MLGCA	Conduct of Security meeting	41/1/22	2,600,000.00
5	Shehu Muhd Abdullahi	Meeting with Chiefdoms	10/1/22	510,000.00
6	Kabiru Bako Koko	Meeting with Chairmen	487/8/22	500,000.00
7	D.A. MLGCA	Meeting with Chairmen, Vigilante Group and District Heads	462/8/22	4,100,000.00
8	Shehu Muhd Abdullahi	Meeting with Chairmen and Traditional Rulers	374/6/22	4,900,000.00
9	Kabiru Bako Koko	Meeting with Securities Agencies	143/3/22	350,000.00
10	D,A, MLGCA	Meeting with Traditional Rulers and Securities	179/3/22	3,500,000.00
11	Chairman D/Wasagu & Council	Emerging security challenges	162/3/22	1,500,000.00
12	Kabiru Bakom Koko	Meeting with Chairmen	107/3/22	350,000.00
13	D.A. MLGCA	Meeting with Chairmen	103/2/22	2,500,000.00
14	D.A. MLGCA	Meeting with Securities	637/10/22	3,457,615.01
15	21 LG Chairmen	Meeting with all Chairmen	696/11/22	3,000,000.00
16	D.A. MLGCA	Meeting Chairment, District Heads & Village Heads	590/9/22	3,000,000.00
	TOTAL			N31,937,615.01

JAC 0.55%
PAYMENTS IN RESPECT OF PURCHASES AND SUPPLIES OF
OFFICE EQUIPMENTS FOR THE YEAR ENDED 2022

S/N	PAYEE	REASON FOR PAYMENT	PV. NO	AMOUNT
1	Engr. Aliyu Mode Gwn	Supply and Fixing of Security wire	8/2/22	800,000.00
2	D.A MLGCA	Purchase of Refrigerator	178/3/22	1,400,000.00
3	D.A MLGCA	Purchase of Tyres and half engine	102/2/22	2,400,000.00
4	D.A MLGCA	Purchase of engine & Ren.	042/1/22	2,300,000.00
5	Perm. Sec. MLGCA	Ren. & Purchase of Computer	552/9/22	5,000,000.00
6	Perm. Sec. MLGCA	Ren. & Purchase of Computer	647/10/22	2,000,000.00
7	Perm. Sec. MLGCA	Ren. & Purchase of Computer	644/10/22	7,000,000.00
	Total			N20,900,000.00

JAC 0.55%
SCHEDULE OF PAYMENT VOUCHERS WITHOUT SUPPORTING
DOCUMENTS FOR YEAR ENDED 2022

S/N	PAYEE	REASON FOR PAYMENT	PV. NO	AMOUNT
1	Abubakar Idris Kuka	Outstanding Allowances	16/1/2022	2,500,000.00
2	Chairman JAC	Air return ticket	474/8/2022	650,000.00
3	Kabiru Bako Koko	Tour to Local Governments	9/1/2022	475,000.00
4	Abubakar Magaji	Accommodation and Hotel	194/3/2022	250,000.00
5	Tukur Bako Koko	Revenue Mobilisation	290/5/2022	250,000.00
6	Hon. Chairmen/Perm Sec.	Official trip to Abuja	289/5/2022	500,000.00
7	Kabiru Bako Koko	Official trip to Abuja	493/8.2022	300,000.00
8	Shehu Muhd Abdullahi	Financial support to others	411/7/2022	1,400,000.00
	Total			N6,325,000.00

JAC 0.55%
PAYMENTS TO AUTHORIZED PERSONS, FOR THE YEAR ENDED
2022

S/N	PAYEE	REASON FOR PAYMENT	PV. NO	AMOUNT
1	Abdullahi Magaji Koko	Security Challenges in K/Besse LG	5/7/22	3,000,000.00
2	Shehu Muh'd Abdullahi	Security Challenges in D/Wasagu LG	333/5/22	1,200,000.00
3	Shehu Muh'd Abdullahi	Security Challenges in D/Wasagu LG	407/7/22	2,000,000.00
4	Shehu Muh'd Abdullahi	Security Challenges in Some LGAs	492/8/22	4,100,000.00
5	Kabiru Bako koko	Security Challenges in D/Wasagu LG	029/1/22	600,000.00
6	Shehu Muh'd Abdullahi	Security Challenges in Ngaski/Yauri	100/4/22	500,000.00
7	D.A MLGCA	Security Challenges in Ngaski/Yauri	253/4/22	2,500,000.00
8	D.A MLGCA	Security Challenges in D/Wsg & Sakaba	252/4/22	2,400,000.00
	Total			N16,300,000.00

**KEBBI STATE LOCAL GOVERNMENTS
SERVICE COMMISSION**

BIRNIN KEBBI

**AUDIT REPORT IN RESPECT OF LOCAL GOVERNMENTS
TRAINING FUNDS**

FOR

THE YEAR ENDED

31ST DECEMBER 2022



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF THE KEBBI STATE LOCAL GOVERNMENTS SERVICE COMMISSION (TRAINING FUNDS) FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of the Kebbi State Local Governments Service Commission (Training Funds) for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to. However, the records presented to us appear to be largely in agreement with the books of accounts.

Additionally, we have obtained necessary information and explanations required for the purpose of our examinations. In our opinion, the financial statements give “true and fair” view of the public funds entrusted to the management of the Local Government Council.

As part of our professional responsibility, observations therefrom were forwarded to you for your comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

 12/02/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

SCHEDULE OF INCOME AND EXPENDITURE

S/N	MONTH	INCOME	EXPENDITURE	DIFFERENCE
	Opening Bal.	221,508,563.34		221,508,563.34
1	January	12,168,454.87	36,075,967.25	(23,907,512.38)
2	February	3,819,856.40	30,162,668.00	(26,342,811.60)
3	March	30,323,464.60	46,829,007.50	16,505,542.90)
4	April	14,983,929.12	57,527,313.00	42,543,383.88)
5	May	18,521,281.05	46,411,095.75	27,889,814.70)
6	June	13,290,911.44	31,578,564.25	(18,287,652.81)
7	July	10,573,894.26	15,751,261.75	(5,177,367.49)
8	August	36,253,175.35	25,936,415.75	10,316,759.60
9	September	30,785,075.92	30,632,062.50	153,013.42
10	October	24,511,310.83	34,332,217.50	(9,820,906.67)
11	November	20,495,438.71	9,405,140.00	11,090,298.71
12	December	27,388,020.23	30,325,018.75	(2,936,998.52)
	Closing bal.		55,656,544.10	(55,656,544.10)
	Total	N464, 623,376.12	N450,623,376.10	N14,000,000.02

Audit examination of the available records revealed that, the Commission begins its financial year with an opening of balance of N221,508,563.34 and received the total sum of N243,114,812.78 as contributions by the 21 local governments during the year under review (totaling N464,632,376.12). It was further observed that the total sum of N394,966,832.00 were expended during the same period. Moreover, sum of N55,656,544.10 was the closing balance as at 31st December, 2022. However, the balance of N14,000,000.02 appeared to be not accounted for as at the time of writing this report.

KEBBI STATE COUNCIL OF CHIEFS

BIRNIN KEBBI

AUDIT REPORT IN RESPECT OF FOUR EMIRATE COUNCILS

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF FOUR EMIRATE COUNCILS' FINANCIAL RECORDS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of the Emirate Council of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to.

We have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial records give “true and fair” view of the public funds entrusted to the management of the Emirate Councils in the State.

As part of our professional responsibility, observations therefrom were communicated to the affected Authorities for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

2. INCOME AND EXPENDITURE STATEMENT

In pursuant to section 107(1 &2) of the Local Governments Law 2008, the four Emirate Councils Received the total sum of N1,018,259,556.47 during the period under review as statutory contribution from the 21 Local Governments in the State. Meanwhile, the total sum of N1,010,276.21 appeared to spent in financing both recurrent and capital expenditure of the Councils. An apparent balance of 8,105,241.09 appeared to be unaccounted for.

We therefore, recommended that the Secretaries and Directors of Finance be made to account for the said amounts and sanctioned accordingly. See details below:

S/N	EMIRATE COUNCIL	INCOME (JAN - DEC. 2022) N	EXPENDITURE (JAN - DEC 2022) N	DIFFERENCE
1	GWANDU	441,774,528.70	439,429,240.98	2,,345,287.72
2	ARGUNGU	233,698,730.28	233,403,114.07	288,247.04
	YAURI	135,488,292.45	131,523,142.65	3,965,149.80
4	ZURU	207,298,335.04	205,791,778.51	1,506,556.53
	TOTAL	1,018,259,886.47	1,010,147,276.21	8,105,241.09

3. PAYMENTS WITHOUT OFFICIAL RECEIPTS:

In the course of our audit inspection we observed payment vouchers amount to N978,350.00 (N735,750.00 and 242,600.00 for Argungu and Yauri Emirate Councils respectively) raised and paid various beneficiaries without official receipt or acknowledgement letter been attached. This a clear violation of section 14.16 & 17 of the Financial Memoranda. We therefore

maintained our position that the receipts have to be provided before admitting the payments as proper charge against the public funds.

4. TRAVEL DOCUMENTS NOT RETIRED:

Examinations of the available records revealed that payment vouchers worth N9,586,800.00 (4,211,800.00 and 5,375,000.00 for Gwandu and Argungu respectively) in respect of Air travels of vaous destinations, where paid without the necessary travel documents been attached. Contrary to provision of Financial Memoranda section 14.2, 16 & 17. Again, we equally maintained our position that the receipts have to be provided before admitting the payments as proper charge against the public funds.

5. PURCHASE OF SERVICE (CLOSES) MATERIALS:

In a similar instance, we observed that the total sum of N13,362,000.00 were alleged to have been spent on the supply of closes to Gwandu and Yauri (10,812,000.00 and 2,550,000.00 respectively). Store records in respect of the aforementioned supply were not made available to us for examinations. Contrary to provision of Financial Memoranda section 14.2, 16 & 17. Again, we also maintained our position that the receipts have to be provided before admitting the payments as proper charge against the public funds.

**LOCAL GOVERNMENTS EDUCATION
AUTHORITIES**

KEBBI STATE

CONSOLIDATED AUDIT REPORT IN RESPECT OF 21 LGEAS'

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF 21 LOCAL GOVERNMENTS EDUCATION AUTHORITIES' FINANCIAL RECORDS FOR THE YEAR ENDED 31ST DECEMBER, 2022

We have audited the financial records of the 21 Local Governments Education Authorities of Kebbi State for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to.

We have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial records gave "true and fair" view of the public funds entrusted to the management of the Local Government Education Authorities in the State.

As part of our professional responsibility, observations therefrom were communicated to the affected Authorities for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.



Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

2. MONTHLY ALLOCATION

The 21 Local Governments Education Authorities received the total sum of **N7,414,681,756.86** during the year for the payment of staff salaries. The total sum of **N7,374,884,712.21** appeared to have been expended, leaving an unaccounted balance of **N39,797,042.65**.

These contravene the Financial Memoranda provision number 1.14(1, 3&9) which states that there should be strict compliance with Financial Memoranda in all financial dealings. The Treasurers are also instructed to ensure that “All instructions relating to expenditure of public funds by the accounting officers are in writing”. And “No payments are made unless properly authorized and funds are available”. Also **14.4(1)** states “it must be made in favour of person or persons to whom the money is actually due”.

We therefore recommended that the Education Secretaries and their Directors of Finance should:

- i. Explain in an unequivocal terms why the above quoted provisions was contradicted .
- ii. Recover the sum of **N39,797,042.65** and remit same back to their respective Treasuries;
- iii. Forward evidences of remittance to my office for confirmation.
- iv. Otherwise, the principal officers would be sanctioned in accordance with FM 39.3(a)(6 &16). Appendix “A” attached for details.

3. OVERHEAD COST

Examinations of the 21 Local Government Education Authorities records revealed that the total sum of **N126,498,686.39** were received during the

year under review for the above subject matter and the total sum of N123,093,617.74 appeared to have been expended, leaving an apparent balance of N3,405,068.65 unaccounted for. In our opinion the affected authorities should be made to account for amount in questioned and surcharged accordingly. Appendix "B" attached for details

4. UNION DUES:

Similarly, audit inspection of the 21 Local Government Education Authorities records revealed that the total sum of N111,001,801.69 were deducted from the staff salaries as Union dues, but only the total sum of N91,445,077.75 appeared to have been remitted to the appropriate body, leaving an apparent balance of N19,556,723.94 unaccounted for. In our opinion the affected authorities should be made to account for amounts in questioned and surcharged accordingly. Appendix "C" attached for details

5. NHF DEDUCTIONS:

In yet another development, audit inspection of the 21 Local Government Education Authorities records revealed that the total sum of N69,908,835.52 were deducted from the staff salaries as NHF contributions, but only the total sum of N57,650,942.17 appeared to have been remitted to the appropriate body, leaving an apparent balance of N12,257,893.35 unaccounted for. In our opinion the affected authorities should be made to account for amount in questioned and surcharged accordingly. Appendix "D" attached for details

**CONSOLIDATED L.G.E.A INCOME & EXPENDITURE STATEMENT FOR
YEAR ENDED 31ST DECEMBER, 2022.**

APPENDIX "A"

S/N	L.G.E.A	INCOME (Jan – Dec. 2022	EXPENDITURE (Jan – Dec. 2022 (₦)	DIFFERENCE (₦)
1.	ALIERO	140,429,551.28	137,721,419.32	2,708,131.96
2.	AUGIE	337,820,974.30	336,850,326.41	970,647.89
3.	ARGUNGU	444,498,620.87	439,567,335.10	4,931,285.77
4.	AREWA	565,476,254.54	565,034,942.13	441,312.41
5.	BAGUDO	435,344,275.99	433,436,387.28	1,907,888.71
6.	BUNZA	385,281,560.10	383,327,788.14	1,953,980.96
7.	BIRNIN KEBBI	662,776,059.91	661,383,358.23	1,392,701.68
8.	DANDI	321,514,985.89	319,768,360.12	1,746,626.77
9.	D/WASAGU	361,750,751.70	359,614,631.31	2,136,120.39
10.	FAKAI	320,956,465.48	314,376,390.18	6,580,075.30
11.	KOKO BESSE	303,107,914.46	302,711,587.91	396,326.55
12.	GWANDU	350,422,581.49	349,519,957.70	902,623.79
13.	KALGO	259,286,321.64	257,897,404.36	1,388,917.27
14.	JEGA	321,614,898.62	321,118,051.80	496,846.82
15.	MAIYAMA	267,748,696.57	263,018,832.54	4,729,504.03
16.	NGASKI	270,769,939.97	269,556,889.07	1,402,407.36
17.	SAKABA	270,769,934.97	265,395,576.59	1,213,045.27
18.	SHANGA	257,023,839.38	256,697,230.19	326,609.28
19.	SURU	280,059,544.92	277,183,579.4	2,875,965.04
20.	YAURI	372,436,906.94	271,921,647.75	515,259.19
21.	ZURU	490,420,869.69	488,782,865.65	1,638,005.04
	Total	7,414,681,754.86	7,374,884,712.21	39,797,042.65

**CONSOLIDATED L.G.E.A OVERHEAD COST FOR YEAR ENDED 31ST
DECEMBER, 2022**

APPENDIX "B"

S/N	L.G.E.A	INCOME	EXPENDITURE (₦)	DIFFERENCE (₦)
1.	ALIERO	3,420,000.00	3,366,000.00	54,000.00
2.	AUGIE	5,820,000.00	5,820,000.00	NIL
3.	ARGUNGU	7,980,000.00	7,695,000	285,000
4.	AREWA	5,820,000.00	5,762,571	57,429
5.	BAGUDO	8,856,800	7,659,444.44	1,197,355.56
6.	BUNZA	5,760,000	5,760,000	NIL
7.	BIRNIN KEBBI	6,000,000	5,860,200	139,800
8.	DANDI	5,820,000	5,820,000.00	NIL
9.	D/WASAGU	9,000,000	8,879,484.73	120,515.27
10.	FAKAI	5,760,000	5,760,000	NIL
11.	KOKO BESSE	5,820,000.00	5,800,000	20,000
12.	GWANDU	6,000,000	5,909,900	90,100
13.	KALGO	3,358,952.55	3,358,952.55	NIL
14.	JEGA	5,820,000.00	5,720,000	100,000
15.	MAIYAMA	5,820,000.00	5,510,000	310,000
16.	NGASKI	5,802,933.84	5,427,168.93	375,764.91
17.	SAKABA	5,820,000.00	5,607,813.73	212,186.27
18.	SHANGA	6,000,000	6,000,000	NIL
19.	SURU	6,000,000	6,000,000	NIL
20.	YAURI	6,000,000	5,903,800	96,200.00
21.	ZURU	5,496,000	5,473,282.36	346,717.64
	Total	126,498,686.39	123,093,617.74	3,405,068.65

**CONSOLIDATED L.G.E.A NUT DUE DEDUCTIONS AND REMITTANCES
FOR THE YEAR ENDED 31ST DECEMBER, 2022.**

APPENDIX "C"

S/N	L.G.E.A	AMT DEDUCTED (JAN-DEC. 2022	AMT REMITTED JAN-DEC. 2022 (N)	DIFFERENCE (N)
1.	ALIERO	2,805,417.96	NIL	2,805,417.96
2.	AUGIE	4,697,496.96	2,348,748.48	2,348,748.48
3.	ARGUNGU	8,201,555.64	8,201,555.64	Nil
4.	AREWA	6,998,988.00	6,998,988.00	Nil
5.	BAGUDO	7,245,516.41	7,245,516.41	NIL
6.	BUNZA	5,348,110.32	NIL	5,348,110.32
7.	BIRNIN KEBBI	7,728,545.88	7,728,545.88	NIL
8.	DANDI	4,836,000	NIL	4,836,000
9.	D/WASAGU	5,652,336.00	5,652,336.00	NIL
10.	FAKAI	4,703,082.36	4,703,082.36	NIL
11.	KOKO BESSE	4,279,579.56	4,279,579.56	Nil
12.	GWANDU	753,258.16	753,258.16	NIL
13.	KALGO	3,872,961.00	1,936,480.50	1,936,480.50
14.	JEGA	4,665,339.12	4,665,339.15	Nil
15.	MAIYAMA	6,655,342.44	6,655,342.44	NIL
16.	NGASKI	4,205,516.88	4,205,516.88	NIL
17.	SAKABA	5,022,363.06	5,022,363.06	Nil
18.	SHANGA	6,977,402.32	6,997,402.32	NIL
19.	SURU	4,562,790.48	2,280,823.80	2,281,966.68
20.	YAURI	5,378,833.36	5,378,833.36	NIL
21.	ZURU	6,571,365.24	6,571,365.24	Nil
	Total	111,001,801.69	91,445,077.75	19,556,723.94

**CONSOLIDATED L.G.E.A N.H.F DEDUCTIONS AND REMITTANCES FOR
THE YEAR ENDED 31ST DECEMBER, 2022.**

APPENDIX "D"

S/N	L.G.E.A	AMT DEDUCTED (JAN – DEC. 2022)	AMT REMITTED (JAN – DEC. 2022 (N)	DIFFERENCE (N)
1.	ALIERO	1,482,031.12	1,088,759.86	393,271.36
2.	AUGIE	2,646,735.00	441,122.50	2,205,612.50
3.	ARGUNGU	4,386,000.00	4,386,000.00	NIL
4.	AREWA	5,152,959.00	5,152,959	NIL
5.	BAGUDO	4,200,000	2,800,000	1,400,000
6.	BUNZA	3,942,240.00	NIL	3,942,240.00
7.	BIRNIN KEBBI	5,436,000.00	5,436,000.00	NIL
8.	DANDI	2,400,000.00	NIL	2,400,000.00
9.	D/WASAGU	3,602,057.25	3,601,564.00	493,25
10.	FAKAI	2,713,773.75	2,400,000.00	313,773.75
11.	KOKO BESSE	3,184,065.00	3,184,065.00	NIL
12.	GWANDU	3,426,000.00	3,426,000.00	NIL
13.	KALGO	3,025,935.00	3,025,935.00	NIL
14.	JEGA	2,500,630.20	2,500,630.20	NIL
15.	MAIYAMA	2,754,000	2,753,032.51	967,49
16.	NGASKI	2,616,131.52	2,616,131.52	Nil
17.	SAKABA	2,438,102.64	2,438,102.64	Nil
18.	SHANGA	2,341,776.00	2,339,941.00	1,935.00
19.	SURU	3,199,200.00	1,599,600.00	1,599,600.00
20.	YAURI	3,517,199.04	3,517,199.04	NIL
21.	ZURU	4,944,000	4,944,000	NIL
	Total	69,908,835.52	57,650,942.17	12,257,893.35

**KEBBI STATE LOCAL GOVERNMENTS STAFF
PENSION BOARD**

BIRNIN KEBBI

**AUDIT REPORT IN RESPECT OF LOCAL GOVERNMENTS STAFF
PENSION BOARD**

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

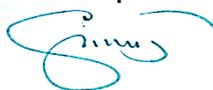
Date: _____

AUDIT INSPECTION REPORT IN RESPECT OF KEBBI STATE LOCAL GOVERNMENTS STAFF PENSION BOARDS' FINANCIAL RECORDS FOR THE YEAR ENDED 31ST DECEMBER, 2022.

We have audited the financial records of the above named institution for the year ended 31st December, 2022. The guidelines of the Generally Accepted Auditing Standards are strictly adhered to.

We have obtained necessary information and explanations required for the purpose of our examination. In our opinion, the financial records gave "true and fair" view of the public funds entrusted to the management of the Local Government Staff pension Board.

As part of our professional responsibility, observations therefrom were communicated to the affected organisation for their comments and further necessary action. Therefore, issues raised are those that we deem significant to report therein.

 12/09/23

Faruk B. Muhammad

Ag. Auditor General for Local Governments

Kebbi State

2. RECORDS MAINTENANCE

Chapters 18 and 19 extensively explain the necessary accounting books, forms and manners in which Local Governments and its co-funded institutions are to keep and/or maintained them. But to our displeasure, the Board resorted in using electronic medium (storage device) as the only source of records maintenance. Examination of the available records revealed that Kebbi State Local Government Staff Pension Board did not maintained cash book in respect of monthly pension payments or in other words the cash book was not presented to me for audit exercise. This is an outright violation of the above provisions.

3. INCOME AND EXPENDITURE STATEMENT

Examination of the available records revealed that Kebbi State Local Governments Staff Pension Board received the total sum of N3,889,040,327.19 as statutory contributions from the 21 local governments in the state for the payment of local government retirees monthly pensions and gratuities. The total sum of N3,931,498,797.19 appeared to be expended during the same period, while sum of N3,662,551.93 appeared to be the closing balance as at 28/12/2021 (as per bank statement presented). An over expenditure of N38,795,918.07 is hereby observed. How was it financed, records on that regard remain elusive up to the time of writing this report.

4. INTERNAL AUDIT UNIT

Section 14.10 of the Financial Memoranda empowers the Internal Auditor to carry out prepayment audit on every payment of the Board and any payment made without prior approval from the said officer is considered as null and void. But to our disbelieve, this vital unit (responsible for ensuring internal

control and financial discipline) had not done its job or were not allowed to carry out prepayment audit, because none of the payment vouchers made available to us were signed or endorsed by the officer in question.

5. UNRECEPTED PAYMENT VOUCHERS

Section 14.17 of the Financial memoranda enshrined that “An official printed receipt must be obtained and attached to the payment voucher in respect of a payment to Government, another Local Government or a commercial firm”. But while examining records presented to us, we discover that payment vouchers in respect of Union Due for the period under review, which alleged to have been remitted to Nigeria Union of Pensioners were neither acknowledged nor receipted.

6. ANALYSES OF BANK STATEMENT:

Careful examination of the Board’s Bank Statement of account no.... keystone bank, we discovered discrepancies between statements or explanations made in the narration column and what was alleged to have been deducted in the debit column of the bank statement. The total sum of N15,060,000.00 appeared to be the difference between these columns of the statement. Details could be seen in Appendix “B” attached.

6. PAYMENT OF GRATUITY

The Local Staff Pension Board paid the sum of N853,268,521.11 as death benefits from 2019 – 2022 beneficiaries and N1,501,901,432.94 as gratuity to pensioners as retirement gratuity. But we could give an independent opinion on the true position of the payments, due to the fact that Pension and Gratuity Register(s) were recipients acknowledge the receipts of their benefits was not presented to us for inspection.

**KEBBI STATE PRIMARY SCHOOL STAFF
PENSION BOARD**

BIRNIN KEBBI

**AUDIT REPORT IN RESPECT OF PRIMARY SCHOOL STAFF
PENSION BOARD**

FOR

THE YEAR ENDED

31ST DECEMBER 2022

**RE: AUDIT INSPECTION REPORT IN RESPECT OF KEBBI STATE PRIMARY SCHOOL
STAFF PENSION BOARD FOR THE PERIOD FROM 1ST JANUARY TO 31ST
DECEMBER 2022.**

The accounts and other allied records maintained by the above named organisation have been examined. Observations arising therefrom are hereby forwarded to you for your perusal and comments.

2. INCOME AND EXPENDITURE STATEMENT

Examination of the available records revealed that Kebbi State Primary School Staff Pension Board received the total sum of N1,817,186,102.33 as pension contributions from the 21 local governments in the state for the payments of retired Primary Schools Teachers' monthly pensions. The total sum of N1,817,186,102.33 appeared to be expended during the same period, while sum of N489.73 appeared to be the closing balance as at 31/12/2022.

S/N	MONTH	INCOME	EXPENDITURE	DIFFERENCE
	Opening Balance	489.23	-	
1	January	146,587,288.29	146,587,288.29	
2	February	147,352,868.17	147,352,868.17	
3	March	147,815,346.53	147,815,346.53	
4	April	148,841,868.97	148,841,868.97	
5	May	149,607,766.01	149,607,766.01	
6	June	151,029,578.65	151,029,578.65	
7	July	152,021,470.77	152,021,470.77	
8	August	152,576,193.12	152,576,193.12	
9	September	153,627,437.07	153,627,437.07	
10	October	154,656,476.09	154,656,476.09	
11	November	156,045,583.82	156,045,583.82	

12	December	157,024,224.84	157,024,224.84	
	Closing bal.	-	489.23	
	Total	1,817,186,591.56	1,817,186,591.56	

3. PAYMENT OF GRATUITY

Examination of the available records revealed that payment vouchers amounting to N2,315,929,508.89 were raised and paid various individual as Gratuity and Death Pension. However, we could not give independent opinion on the effectiveness of the payments due to the fact that bank records and registers on how the funds were disbursed to those beneficiaries were not made available to us despite repeated request. Therefore, the Executive Secretary and the then Director Finance are to accountable for any anomaly and also be surcharge for deny us access to this vital records.

SCHEDULE OF PAYMENTS OF GRATUITY AND DEATH PENSIONS FOR THE YEAR ENDED 31ST DECEMBER, 2022.

S/N	PV NO.	PARTICULARS	AMONT (N)
1	007/3/2022	Death Benefits	156,564,921.83
2	005/3/2022	Retirement Benefits	247,145,865.23
3	006/3/2022	Death Benefits	194,988,939.68
4	0012/4/2022	Death Benefits	63,852,948.66
5	0011/4/2022	Death Benefits	81,832,280.93
6	0010/4/2022	Retirement Benefits	364,606,324.45
7	0019/7/2022	Gratuity	499,639,242.90

8	0020/7/2022	Death Benefits	148,651,385.06
9	0021/7/2022	Death Benefits	46,002,558.80
10	0034/12/2022	Gratuity	394,124,911.14
11	0035/12/2022	Death Pension	113,510,978.91
12	0036/12/2022	Death Pension	35,008,151.33
	Total		N2,315,929,508.89

**KEBBI STATE PRIMARY HEALTH CARE
DEVELOPMENT AGENCY**

BIRNIN KEBBI

**AUDIT REPORT IN RESPECT OF BASKET FUNDS AND 21
PRIMARY HEALTH CARE AUTHORITIES**

FOR

THE YEAR ENDED

31ST DECEMBER 2022



**OFFICE OF THE AUDITOR GENERAL
FOR LOCAL GOVERNMENTS**
P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

**RE: AUDIT FINDINGS IN RESPECT OF KEBBI STATE PRIMARY HEALTH
CARE DEVELOPMENT AGENCY FOR THE YEAR ENDED 31ST DECEMBER,
2022**

In an effort to uplift the standard of primary health care and fulfill Sokoto declaration of Primary Health Care Under One Roof, the 21 Local Government Councils in the State agreed to remit the sum of N2,987,562.62 monthly to the Basket funds totaling N35,850,751.44 (per Local Government) annually. The funds are being transferred to various Local Government Health Authorities with a coordination and supervisory role by the Kebbi State Primary Health Care Development Agency.

Audit observed that:

- i. The sum of **₦752,865,780.24** appear to have been contributed by the 21 Local Government Councils during the year under review .
- ii. Only the total sum of **N462,924,000.00** was disbursed to the Local Government Health Authorities.
- iii. The balance of **N289,941,780.24** were withheld by the Kebbi State Primary Health Care Development Agency. Details of how it was expended were not made available to me up to the time of writing this report.

RISK

- i. Possible diversion of public funds by the management KBSPHCDA
- ii. Misapplication of funds
- iii. Payment of jobs not executed

RECOMMENDATION

- I. The Executive Secretary should be made to surrender the records in respect of balances at this custody for audit examinations.

See tables below for details.

CONTRIBUTION TO SPHCDA 2021

KEBBI STATE JOINT LOCAL GOVERNMENT ACCOUNT

S/N	MONTHS	DETAILED OF PAYMENT	AMOUNT (₦)
1.	JANUARY	SPHCD Health Contribution	62,738,920.02
2.	FEBRUARY	SPHCD Health Contribution	62,738,920.02
3.	MARCH	SPHCD Health Contribution	62,738,920.02
4.	APRIL	SPHCD Health Contribution	62,738,920.02
5.	MAY	SPHCD Health Contribution	62,738,920.02
6.	JUNE	SPHCD Health Contribution	62,738,920.02
7.	JULY	SPHCD Health Contribution	62,738,920.02
8.	AUGUST	SPHCD Health Contribution	62,738,824.10
9.	SEPTEMBER	SPHCD Health Contribution	62,738,303.96
10.	OCTOBER	SPHCD Health Contribution	62,738,920,02
11.	NOVEMBER	SPHCD Health Contribution	62,738,920.02
12.	DECEMBER	SPHCD Health Contribution	62,738,920.02
		TOTAL	N752,867,040.24

**TOTAL DISBURSEMENTS TO 21 PRIMARY HEALTH CARE AUTHORITIES
FROM THE BASKET FUNDS FOR THE YEAR ENDED 2021**

S/N	LOCAL GOVT.	DISBURSEMENT TO BASKET FUNDS (JAN - DEC)	DISBURSEMENT TO HEALTH AUTHORITIES FROM BASKET FUNDS (JAN - DEC)	DIFFERENCE
1	ALEIRO	35,850,751:44	22,044,000.00	13,806,751.44
2	AREWA	35,850,751:44	22,044,000.00	13,806,751.44
3	ARGUNGU	35,850,751:44	22,044,000.00	13,806,751.44
4.	AUGIE	35,850,751:44	22,044,000.00	13,806,751.44
5	BAGUDO	35,850,751:44	22,044,000.00	13,806,751.44
6	BIRNIN KEBBI	35,850,751:44	22,044,000.00	13,806,751.44
7	BUNZA	35,850,751:44	22,044,000.00	13,806,751.44
8	DANDI	35,850,751:44	22,044,000.00	13,806,751.44
9	DANKO/WASAGU	35,850,751:44	22,044,000.00	13,806,751.44
10	FAKAI	35,850,751:44	22,044,000.00	13,806,751.44
11	GWANDU	35,850,751:44	22,044,000.00	13,806,751.44
12	JEGA	35,850,751:44	22,044,000.00	13,806,751.44
13	KALGO	35,850,751:44	22,044,000.00	13,806,751.44
14	KOKO/BESSE	35,850,751:44	22,044,000.00	13,806,751.44
15	MAIYAMA	35,850,751:44	22,044,000.00	13,806,751.44
16	NGASKI	35,850,751:44	22,044,000.00	13,806,751.44
17	SAKABA	35,850,751:44	22,044,000.00	13,806,751.44
18	SHANGA	35,850,751:44	22,044,000.00	13,806,751.44
19	SURU	35,850,751:44	22,044,000.00	13,806,751.44

20	YAURI	35,850,751:44	22,044,000.00	13,806,751.44
21	ZURU	35,850,751:44	22,044,000.00	13,806,751.44
	TOTAL	752,865,780.24	462,924,000.00	289,941,780.24

SOCIAL SECURITY WELFARE FUNDS

KEBBI STATE, BIRNIN KEBBI

**AUDIT REPORT IN LOCAL GOVERNMENTS CONTRIBUTIONS
TO SSWF**

FOR

THE YEAR ENDED

31ST DECEMBER 2022



OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENTS

P.M.B. 1059, BIRNIN-KEBBI, KEBBI STATE

Our Ref: _____

Date: _____

RE: AUDIT FINDINGS IN RESPECT OF 0.25% SOCIAL SECURITY WELFARE FUND FOR THE YEAR ENDED 31ST DECEMBER 2021

Examination of the Joint distribution table shows that the sum of **₦67,374,565.36** would appear to have been contributed to the welfare fund by the 21 Local Government Councils. We could not form an independent opinion on the expenditure due to the fact that the records were not made available to us for audit examinations.

Risk:

- Possible diversion of public funds.
- Payment for work not done.

Recommendations:

- i. Executive Secretary should explain why the records are not released.
- ii. Explain why contravening financial regulations.
- iii. Account for the funds receipts.

The table below shows the total contribution of the 21 Local Governments Councils to the Social Security Welfare Funds for the year ended 31st December 2022:

**0.25% SOCIAL SECURITY WELFARE FUND 2021
KEBBI STATE JOINT LOCAL GOVERNMENT ACCOUNT**

S/N	LOCAL GOVT.	DETAILED OF PAYMENT	AMOUNT (Jan - Dec) N
1.	ALEIRO	0.25% Social Security Welfare Fund	2,506,478.91
2.	AREWA	0.25% Social Security Welfare Fund	4,097,686.29
3.	ARGUNGU	0.25% Social Security Welfare Fund	3,400,900.33
4.	AUGIE	0.25% Social Security Welfare Fund	3,965,632.08
5.	BAGUDO	0.25% Social Security Welfare Fund	3,259,513.35
6.	B/KEBBI	0.25% Social Security Welfare Fund	4,643,797.60
7.	BUNZA	0.25% Social Security Welfare Fund	2,935,364.39
8.	DANDI	0.25% Social Security Welfare Fund	3,360,003.81
9.	D/WASAGU	0.25% Social Security Welfare Fund	4,080,019.93
10.	FAKAI	0.25% Social Security Welfare Fund	2,906,043.72
11.	GWANDU	0.25% Social Security Welfare Fund	3,069,535.75
12.	JEGA	0.25% Social Security Welfare Fund	3,386,943.82
13.	KALGO	0.25% Social Security Welfare Fund	2,818,095.08
14.	K/BESSE	0.25% Social Security Welfare Fund	3,234,459.89
15.	MAIYAMA	0.25% Social Security Welfare Fund	3,685,437.26
16.	NGASKI	0.25% Social Security Welfare Fund	2,997,784.86
17.	SAKABA	0.25% Social Security Welfare Fund	2,957,515.24
18.	SHANGA	0.25% Social Security Welfare Fund	3,056,075.33
19.	SURU	0.25% Social Security Welfare Fund	3,639,962.42
20.	YAURI	0.25% Social Security Welfare Fund	2,850,046.41
21.	ZURU	0.25% Social Security Welfare Fund	3,404,906.31
	TOTAL		N69,139,265.39