

# **AUDITOR—GENERAL'S REPORT**

## **YUSUFARI LOCAL GOVERNMENT 2023 FINANCIAL YEAR REPORTS**

**AUGUST, 2024**

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**REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS**  
**ON ACCOUNTS OF YUSUFARI LOCAL GOVERNMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2023**

**1. INTRODUCTION:**

The Financial Statements of Yusufari Local Government and relevant operation records for the year ended 31<sup>st</sup> December, 2023 have been examined in accordance with the provisions of the Financial Memorandum F.M 39.1 which is also consistent with the provision of the constitution Sec 125 (2) and Sec 85 (2,4-6) of Federal Republic of Nigeria 1999 as amended.

The Annual Financial Statements were prepared in accordance with the provision of International Public Sector Accounting Standards (IPSAS) cash bases adopted by the Federation Allocation Committee (FAC) on the Standardization of Financial reporting of the Federal State and Local Government Councils in Nigeria.

**2. SUBMISSION OF THE REPORTS:**

The Financial Statements of Yusufari Local Government for the year ended 31<sup>st</sup> December, 2023 was submitted to me on the 17<sup>th</sup> July 2024

The provisions of the F.M 32.1 provides that, for prompt and accurate public accountability of Public resources, accounts and schedules of all assets and Liabilities must be prepared and balanced latest by 31<sup>st</sup> March of the preceding year of operation.

The Accounts and schedule of statements were certified on 22<sup>nd</sup> July 2024 in observance of the provisions.

**3. INCOME HIGHLIGHT.**

Arising from the inspection of the Bank Statement for lodgment of all receipts and disbursement, Yusufari Local Government collected the sum of **₦3,345,248,936.00** from Federation account and **₦22,284,199.00** on account of collection from internal operations of the Revenue Unit of the councils. The total sum of **₦3,367,533,135** was the certified total income to the council for the year ended 31 December, 2023. Inspection was also made to the State Local Government Joint Account for details of receipts and disbursement to the Local Government for which below details was observed:

## STATUTORY ALLOCATIONS FROM FEDERATION ACCOUNTS 2023

	STATUTORY ALLOCATION	VAT	Exchange Gain	NON OIL REVENUE	SURE-P	SHARE OF SOLID MINERAL	ECOLOGICAL FUND	Forex Equalization	ADDITIONAL FAAC	Electronic Money Transfer Levy	EXCESS CRUDE	GRAND TOTAL
<b>Jan</b>	165,881,299.59	73,512,679.36	7,607,795.58				5,153,414.79		-	8,070,293.60		260,225,482.92
<b>Feb.</b>	95,794,764.94	73,130,064.94		26,879,407.73			3,801,230.33		-	8,726,194.04		208,331,661.98
<b>March</b>	91,171,444.98	69,891,175.09					4,162,536.70		28,062,101.67			193,287,258.44
<b>April</b>	124,275,794.44	67,143,136.99					7,305,280.24		166,686,941.58	4,914,538.01		370,325,691.26
<b>May</b>	88,278,724.10	64,786,113.66		6,451,057.83		3,900,863.88	4,328,574.60	16,369,559.31	29,760,893.03	4,841,305.41	26,597,673.72	245,314,765.54
<b>June</b>	133,522,374.99	86,616,804.46					4,010,365.70		156,481.57	5,092,974.46		229,399,001.18
<b>July</b>	74,857,067.52	86,826,627.29	79,676,420.50				5,663,317.04		34,243,746.62	4,061,157.95		285,328,336.92
<b>Aug.</b>	97,195,355.68	88,422,339.32	72,085,704.25		185,192,120.34		5,345,465.11		8,901,111.15	4,559,288.82		461,701,384.67
<b>Sept</b>	80,274,266.07	105,385,044.78	58,394,241.39				5,829,570.32		-	4,724,340.91		254,607,463.47
<b>Oct.</b>	97,378,166.19	97,900,441.59	43,700,528.19	47,601,313.38			4,232,360.83		-	3,614,983.79		294,427,793.97
<b>Nov.</b>	75,298,092.46	102,766,859.71	47,616,966.90	16,127,644.67			4,171,281.12		-	5,215,973.04		251,196,817.90
<b>Dec.</b>	89,245,122.61	107,911,858.20	89,708,979.79						-	4,237,316.42	-	291,103,277.02
	1,213,172,473.57	1,024,293,145.39	398,790,636.60	97,059,423.61	185,192,120.34	3,900,863.88	54,003,396.78	16,369,559.31	267,811,275.62	58,058,366.45	26,597,673.72	3,345,248,935.27

## **ADEQUACY OF FINANCIAL RECORDS**

Books of financial records of the Treasury Department and Subsidiary records of the Cost Centers (Departments) have been examined and bellow financial records could not be observed maintained:

- (1) Store Records for the Administration of Procurements.
- (2) Subsidiary Store Records for Requisition and Issuance of Store items.
- (3) Inventory and Assets Control Register.
- (4) Subsidiary Treasury Abstract of Revenue and Expenditure.
- (5) Log Book for Vehicles and Tractors on Revenue Generation.
- (6) Personnel Emolument Register.

The in-adequacy of these records at the Cost Centers could not justify effectiveness of Public finance.

## **PREVIOUS AUDIT REPORTS.**

Auditor-General's report for the year ended 31/12/2022 was presented to the State House of Assembly on 18/10/2023 which was scrutinized by the Public Account Committee which resolution were made at the plenary.

Resolutions arising from the House Resolutions of 19/3/2024 was conveyed vide correspondence Ref NO. YBHA/S/GEN/10/VOL. V DATED 25<sup>TH</sup> March, 2024 directing that:

- (a) The State Government to direct the Executive of Yusuari Local Government to immediately recover the sum of N705,000 ( as revenue from financial Manager and remit same to the Treasury account.
- (b) Government should ensure the recovery of the sum of N2,000,000.00 from Head of Agric, Department ( Ibarhim Mani) the un remitted proceed from Tractor Hiring and remit same to the Local Government Treasury. This was done in violation of FM 39.3 (i) and (13) , The said officer should be referred to Civil service punishment for violating such Rules accordingly within 90 days from the date of this resolution.

## 2023 FINANCIAL YEAR REPORTS

Arising from 2023 financial year operations are observations which could not be responded yet from Audit correspondence, hence forwarded for legislative actions.

### OUTSTANDING REVENUE EARNING BOOKS.

Inspection to the Treasury store and revenue records observed below listed receipt upon which revenue were duly collected but could not be observed returned to the Treasury. Details below: -

S/N	NAME	B/N	FROM - TO	DEPARTMENT	TYPE OF RECEIPTS
1	Baffa Juwulu	N/B	440-445	Departmental	Un-determined
2	Ibrahim Kollo	N/B	3801-3850	Departmental	Un-determined
3	Idriss Ado	N/B	4051-4100	Departmental	Un-determined
4	Idriss Ado	N/B	3151-3200	Departmental	Un-determined
25	Baffa Juwulu	N/B	5801-5850	Motor Park	5,000.00
6	Baffa Juwulu	N/B	0451-1000	General Market	5,000.00
7	Baffa Juwulu	N/B	2151-224	General Market	5,000.00
8	Ibrahim Kollo	N/B	1051-1100	General Market	5,000.00
9	Danliti Kumaganam	N/B	3501-3550	General Market	5,000.00
10	Danliti Kumaganam	N/B	2451-2550	General Market	5,000.00
11	Danliti Kumaganam	N/B	2601-2650	General Market	5,000.00
12	Idriss Ado	N/B	0801-0850	General Market	5,000.00
13	Idriss Ado	N/B	1451-1500	General Market	5,000.00
14	Idriss Ado	N/B	1451-1500	General Market	5,000.00
15					5,000.00
16	Lawan Kura	N/B	2201-2251	Motor Park	5,000.00

17	Lawan Kura	N/B	1201-1250	General Market	5,000.00
18	Faruq Mamman	N/B	1101-1150	General Market	5,000.00
19	Faruq Mamman	N/B	1151-1200	General Market	5,000.00
20	Faruq Mamman	N/B	4701-4750	General Market	5,000.00
21	Faruq Mamman	N/B	2351-2400	General Market	5,000.00
	Total				<b>85,000.00</b>

Since the necessary explanation could not be obtained recoveries of the collection is recommended in accordance with the Law.

**ADMIN DEPARTMENT**

**WRONG AND IRREGULAR PAYMENT WORTH N1,130,000.00**

The sum of N1,130,000.00 was drawn on five (5) payment vouchers claimed sum expended on the various services. The payment voucher was observed deficient as the expenditure could not be observed supported with details of expenditure incurred.

Details below: \_

<b>S / N</b>	<b>NAME</b>	<b>PORPOSES</b>	<b>DATE/ P.V</b>	<b>AMOUNT</b>	<b>REMARK</b>
1	Isah Abdullahi	Being payment made to the above other for the purchase of fuel to Admin activities	64/ Feb	230,000	1) Not charge to store records 2. No invoice/cash receipt attached
2	Isah Abdullahi	Being payment made to the above other for the purchase of fuel to Admin activities	02/Mar ch	250,000	1) Not charged to store records 2) No Invoice of receipt
3	sundry Person	Being payment of month by standing impress granted to the above named officers	62/MA R	100,000	No list/details of the beneficiaries and signature for acknowledgeme nt of payment.
4	Isah Abdullahi	Being payment made to the above officer for the purchase of fuel to Administration Dept	54/Jan.	250,000	No Approval page 1) No SRV No Invoice or Receipt Not charged to store records
5	Ambalam Kaumi	Being payment made to the above named persons for the compilation resolution of committee	70/Jan.	300,000	1) No details of expenditure incurred is attached

		reports			
	<b>Total</b>			<b>1,130,000.00</b>	

Since there was no authentic expenditure document(s) could be advance to certify the remarks, recovery is recommended.

## WORKS DEPARTMENT

### WRONG AND / IRREGULAR PAYMENT AMOUNTING TO N280,000.00

Drawings of N280,000.00 was made on 2 payment vouchers which were observed effected without adherence to the provisions of the financial memoranda

Observed abnormalities include: -

-No attachment of store voucher for procurement

-Expenditure not subjected to file approval

-Absence of Internal Auditor certification.

Details as shown below: \_

<b>S/N</b>	<b>NAME</b>	<b>PURPOSE</b>	<b>DATE</b>	<b>P/V</b>	<b>AMOUNT</b>	<b>REMARKS</b>
1	YEDC	Electricity	Dec/22	55	150,000	No certify bill attached
2	YEDC	Electricity	April/23	32	130,000	No certify bill attached
	<b>Total</b>				<b><u>280,000.00</u></b>	

Since there was no authentic YEDC Bills and payment receipts attached, recovery is hereby recommended in accordance with the provisions.

**YUSUFARI LOCAL GOVERNMENT COUNCIL  
FINANCIAL HIGHLIGHTS FOR THE YEAR 2023**

S/No	DESCRIPTIONS	ACTUAL 2023	FINAL BUDGET 2023	ACTUAL 2022
	<b>RECURRENT REVENUE</b>	<b>N</b>	<b>N</b>	<b>N</b>
1	STATUTORY ALLOCATION	1,213,172,474	1,525,549,427	1,655,170,515
2	VALUE ADDED TAX	1,024,293,145	831,310,846	776,918,776
3	OTHER FAAC ALLOCATION	1,107,783,317	35,000,000	163,097,678
4	INTERNAL REVENUE IGR	22,284,199	167,000,000	19,726,530
	<b>SUB TOTAL</b>	<b>3,367,533,135</b>	<b>2,558,860,273</b>	<b>2,614,913,499</b>
	<b>CAPITAL RECIEPTS</b>			
1	GRANTS	-	-	156,745,192
2	MISCELLANEOUS	-	-	-
	<b>SUB TOTAL</b>	<b>-</b>	<b>-</b>	<b>156,745,192</b>
	<b>TOTAL RECEIPTS</b>	<b>3,367,533,135</b>	<b>2,558,860,273</b>	<b>2,771,658,691</b>
	<b>RECURRENT EXPENDITURE</b>			
1	PERSONNEL COSTS (Including Salaries on CRF charges - Public Office Holders)	364,269,303	958,146,102	356,663,635
2	OVERHEAD COSTS	85,000,000	120,000,000	60,000,000
3	SUBVENTIONS TO BOARD and PARASTATALS	686,714,637	-	469,511,380
4	PUBLIC DEBTS CHARGES	-	-	-
5	OTHER OPERATING ACTIVITIES	1,293,676,874	149,257,568	656,428,858
	<b>TOTAL RECURRENT EXPENDITURE</b>	<b>2,429,660,814</b>	<b>1,227,403,670</b>	<b>1,542,603,873</b>
	CAPITAL EXPENDITURE	1,138,620,454	1,331,456,603	936,586,888
	<b>TOTAL EXPENDITURE</b>	<b>3,568,281,269</b>	<b>2,558,860,273</b>	<b>2,479,190,761</b>
1	NET CASH BALANCE	<b>(200,748,134)</b>	-	<b>292,467,930</b>
2	OPENING BALANCE	324,157,689	-	31,689,760
3	CLOSING BALANCE 31/12/2022	123,409,555		324,157,689

**YUSUFARI LOCAL GOVERNMENT  
PERSONNEL COST**

3	PERSONNEL COST				
	Description		Actual 2023	Budget 2023	Variance 2023
21010101	Basic Salaries		236,775,046.95	622,794,966.30	386,019,919.35
21020101-7	Allowances General		117,476,850.22	309,002,117.70	191,525,267.48
21020211	2.75 YCHMB Contribution		10,017,405.83	26,349,018.00	16,331,612.17
	<b>Total</b>		<b><u>364,269,303.00</u></b>	<b><u>958,146,102.00</u></b>	<b><u>593,876,799.00</u></b>

**YUSUFARI LOCAL GOVERNMENT COUNCIL  
RECURRENT EXPENDITURE FOR 2023**

**OVERHEAD COST**

<b>Description</b>		<b>Actual 2023</b>	<b>Budget 2023</b>	<b>Variance 2023</b>	<b>Remarks</b>
Overhead cost		85,000,000.00	120,000,000.00	35,000,000.00	
<b>Total</b>		<b><u>85,000,000.00</u></b>	<b><u>120,000,000.00</u></b>	<b><u>35,000,000.00</u></b>	

**YUSUFARI LOCAL GOVERNMENT  
ADMIN SECTOR**

	<b>Administrative Sector</b>				
	<b>Description</b>		<b>Actual 2023</b>	<b>Budget 2023</b>	<b>Variance 2023</b>
23020131	General Administration (Purchases and Construction)		85,900,000.00	106,256,603.37	20,356,603.37
23020180	Staff Housing, Budget, Workshop and Mechanical		90,060,263.42	161,499,999.63	71,439,736.21
	<b>Total Administrative Sector</b>		<b><u>175,960,263.42</u></b>	<b><u>267,756,603.00</u></b>	<b><u>91,796,339.58</u></b>

**YUSUFARI LOCAL GOVERNMENT  
ECONOMIC SECTOR**

	<b>Economic Sector</b>				
	<b>Description</b>		<b>Actual 2023</b>	<b>Budget 2023</b>	<b>Variance 2023</b>
23010156	Maintenance of Tractor and Faming implement		53,000,000.00	133,000,000.00	80,000,000.00
23020123	Veterinary/livestock division		50,000,000.00	82,000,000.00	32,000,000.00
23020161	Provision of Economic Trees		18,000,000.00	75,500,000.00	57,500,000.00
23020130	Finance/commerce and Industry		95,500,000.00	110,000,000.00	14,500,000.00
13040101	Road and Bridges		84,098,400.50	15,000,000.00	(69,098,400.50)
	<b>Total Economic Sector</b>		<b><u>300,598,400.50</u></b>	<b><u>415,500,000.00</u></b>	<b><u>114,901,599.50</u></b>

**YUSUFARI LOCAL GOVERNMENT  
REGIONAL DEVELOPMENT SECTOR**

	<b>Regional Development Sector</b>				
	<b>Description</b>		<b>Actual 2023</b>	<b>Budget 2023</b>	<b>Variance 2023</b>
23020177	Water supply (Drilling of Borehole and Contribution to Wash Unit)		294,500,000.00	211,500,000.00	(83,000,000.00)
23020177	Construction of Drainages and Culvert		95,000,000.00	50,000,000.00	(45,000,000.00)
23020177	Purchase of Agric Materials		35,000,000.00	30,000,000.00	(5,000,000.00)
23020153	Materials for operation			32,000,000.00	32,000,000.00
23020105	Relief material to IDP's		66,978,590.66	130,500,000.00	63,521,409.34
23030104	Reticulation of pipe line				-
	<b>Total Regional Sector</b>		<b><u>491,478,590.66</u></b>	<b><u>454,000,000.00</u></b>	<b><u>(37,478,590.66)</u></b>

**YUSUFARI LOCAL GOVERNMENT  
SOCIAL SECTOR**

	<b>Social Sector</b>				
	<b>Description</b>		<b>Actual 2023</b>	<b>Budget 2023</b>	<b>Variance 2023</b>
230010112	Purchase of Instruction Material		55,000,000.00	55,000,000.00	-
23020106	Procurement of Drugs and Equipment's		95,000,000.00	120,000,000.00	25,000,000.00
23010159	Social Development Materials		15,000,000.00	9,200,000.00	(5,800,000.00)
23050182	Support to Fire Service Operations		5,583,199.83	10,000,000.00	4,416,800.17
	<b>Total Social Sector</b>		<b><u>170,583,199.83</u></b>	<b><u>194,200,000.00</u></b>	<b><u>23,616,800.17</u></b>

## **BUDGET ANALYSIS**

### **INTERNALLY GENERATED REVENUE**

The Local Government budgeted the collection of **N167,000,000.00** for which the sum of **N22,284,199.00** collected which stands at only 40%. The Local Government should improve its generation despite the economic crunch.

### **INTERNAL CONTROL**

The Local Government could not be observed to have an effective Internal Control procedure put in place as some collection could be seen unremitted and recurrent expenditure voucher not passed through the internal Audit check.

### AUDIT CERTIFICATION

In accordance with the provision of section 125(2) of the Constitution of the Federal Republic of Nigeria 1999 ( as amended), I have examined the Accounts and Financial Statement of **Yusufari** Local Government for the year ended 31<sup>st</sup> December, 2023.

The Audit was conducted in line with Auditing Principles and practice as verified in line with the Audit procedures in practice. In the discharge of the responsibilities vested in me by the provisions of the draft law and section 125(5) of the above Constitution, the Statement of Assets and Liabilities of **Yusufari** Local Government for the year ended 31<sup>st</sup> December, 2023 have been certified subject to compliance to my correspondences in the report.

In my opinion the Financial Statements and Schedules presents a true and fair view of **Yusufari** Local Government for the year ended 31<sup>st</sup> December, 2023.

OFFICE OF THE AUDITOR GENERAL  
LOCAL GOVERNMENTS  
P.M. 1058, KM 3 GUJBA ROAD  
DAMATURU, YOBE STATE

  
(IBRAHIM M. ALIYU, ACTIN)  
AUDITOR -GENERAL (LOCAL GOVTS)  
YOBE STATE

