

AUDITOR—GENERAL'S REPORT

**YUNUSARI LOCAL GOVERNMENT
2020 FINANCIAL YEAR REPORTS**

SEPTEMBER, 2021

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REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
ON ACCOUNTS OF YUNUSARI LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2020

1. INTRODUCTION:

The Financial Statements of Yunusari Local Government and relevant operation records for the year ended 31st December, 2020 have been examined in accordance with 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 Account (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 Yunusari Local Government for the year ended 31st December, 2020 was submitted to me on the 17th September, 2021.

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 31st March of the preceding year of operation.

The Accounts and schedule of statements were certified on 20th September 2021 in observance of the provisions.

FINANCIAL OPERATION HIGHLIGHT .

Arising from the inspection of the Bank Statement for lodgment of all receipts and disbursement, Yunusari Local Government collected the sum of **N1,792,247,579.11** from Federation account and **N21,800,166.67** on account of collection from Internal operations of the Revenue Unit of the councils treasurer. The total sum of **N1,809,385,62.11** was the certified total income to the council for the year ended 31 December, 2020.

3. **PREVIOUS AUDIT QUERIES**

Arising from the Auditor General's report for 2018-2019 to the State House of Assembly was observed irregularities in drawings and drawing without vouchers. The Audit reports also highlighted diversion of collected revenues by Revenue Collectors.

The State House of Assembly in its seating of 30th July, 2020 considered and adopted the recommendation of the Public Accounts Committee (PAC) that scrutinized the reports and directed the executive to :-

The poor collection and accounting of generated Internal Revenue was noted with concern and cautioned unless addressed with aggressive executive intervention it will have devastating effect on the future operation of the Local Government considering the continuous dwindling Allocation from the Federation Account.

2. The resolution noted with concern Non attachment of supporting expenditure details on public drawing and directed for the executive to ensure sum drawn without supporting documentation be recovered. This is to ensure that Public resources are managed with high degree of transparency, hence:-

(i) The Head of Administration Department to ensure the refund of N1,800,000.00 irregular drawings in respect of 2018 operation.

(ii) The Primary Health Care Coordinator to ensure refund of N1,088,000 on account of irregular drawings for 2018 operation.

(iii) The Head of Works Department to ensure refund of N3,734,000.00 on account of irregular drawing for 2018 operation.

(iv) The Treasurer to ensure refund of N1,777,000.00 and five (5) Departmental receipt on account of un-remitted collections for 2019 operations .

(v) The Head of Works Department to ensure refund of N1,012,000 on account of irregular drawings for the operation of 2019.

(vi) The Head of General Admin to ensure refund of N650,000 on account of irregular drawings for operation of 2019.

(vii) The Head of Agric and Natural Resources to ensure refund N176,000.00 on account of irregular drawings for 2019 operation.

(viii) Similarly the Education Secretary to ensure refund of N668,800.00 irregular drawing from 2019 operation.

2020 FINANCIAL YEAR REPORTS:

Observations arising from Audit inspection were issued to the Local Government in respect of all departments and each Head of department as vote controllers for which no response could be observed to have been received.

ADMINISTRATION DEPARTMENT

WRONG AND IREGULAR DRAWINGS FOR N4,394,000.00

The sum of N4,394,000.00 was claimed expended on Eight (8) payment vouchers which could not be observed supported with valid expenditure details justifying the expenditure.

Details below: _

S/ NO	NAME	PV /NO	DATE	PARTICULAR	AMOUNT	OBSERVATION
1.	sundry person	59	Jul 20	Purchased of Rams for Sallah	1,540,000	(i) Full details not attached.
2.	Abba K. Bukar	23	Aug20	Hosting & Entertainment of Hon. Commissioner Youth & Sport.	280,000=00	Not processed in subject file No store records for supplies.
3.	AbubakarAuta	64	Mar 20	Payment for recruitment exercise for 79 regular intent	134,000=00	No list of payee attached
4.	Sunday Person	31	Apr 20	Monthly Allowances in respect of security personal for the moth of mar, 2020	600,000=00	No list of payee attached
5.	Abba K. Bukar	43	Apr 20	Assistance to Hon. Kaigama Umar	190,000=00	No valid documentation
6.	Abba K. Bukar	44	Apr. 20	Entertainment and fuel to the national assembly team	150,000=00	No valid documentation
7.	AuduZannah	41	May 20	Monthly security vote	500,000=00	No valid documentation
8.	Sunday Person	81	May20	Monthly allowances of (5) fifty	1,000,000=00	No list of beneficiaries attached to the

				additional vigilante		payment voucher no signed
9.	Total				<u>N4,394,000.00</u>	

Recommended for recovery in accordance with the provisions.

AGRIC DEPARTMENT

WRONG /IRREGULAR PAYMENT WORTH N640,000.00

S/NO	NAME	PV /NO	DATE	PARTICULAR	AMOUNT	OBSERVATION
1.	BukarGoniUsman	52	Mar 20	Being 2 nd payment for purchased of vaccine equipment and staff allowances	100,000=00	No cash invoices attached. No store records for the supply
2.	Kelle T. Dilala	4	Dec 20	From Revenue Account being logistic payment during the sale of fertilizer	170,000=00	Details of expenditure not observed attached
3.	Kelle T. Dilala	2	Aug 20	From revenue account to enable him service three (3) tractors	220,050=00	Valid expenditure details could not be observed
4.	BukarGoniUsman	32	27/01/20	Part payment for the	150,000=00	Purchase not in store records.

				purchased of vaccine materials		
					640,000.00	

Recommended for recovery in accordance with the provisions.

LOCAL GOVERNMENT EDUCATION AUTHORITY .

MISSING PAYMENT VOUCHERS WORTH N426,000.00

Inspection revealed that, drawings for the sum of N426,000.00 claimed as replenishment of standing imprest could not be observed presented for Audit examination, hence missing payment vouchers.

Details below:-

S/N	NAME OF PAYEE	P.V NO	DATE	AMOUNT
1	ModuLawanAji	Transportation of desk to various Primary Schools	12/11/2020	70,000.00
2	Sundry persons	Monthly Standing Imprest	12/11/2020	178,000.00
3	Sundry persons	"	18/12/2020	178,000.00
	Total			<u>426,000.00</u>

Since the vouchers could not be traced for examination recovery is hereby recommended.

FINANCE DEPARTMENT

WRONG/IRREGULAR PAYMENTS FOR THE SUM OF N2,200,162.00

The sum of ~~₦~~**2,200,162.00** was claimed expended on Ten (10) payment vouchers which were observed not supported with valid expenditure details justifying the drawings.

Details below:-

S/NO	NAME	PV/ NO	DATE	PARTICULAR	AMOUNT	OBSERVATION
1.	ModuGoniTela	74	Dec 20	Purchased of revenue earning book	420,000=00	Claimed receipts not processed. -No store receive voucher contrary to FM14:4 (8) not verify by Internal Audit.
2.	Alh. BarmaJibrin	69	Mar 20	Purchased of fuel to local government official vehicle	150,000=00	Not subject to Internal Audit certification contrary to Fm 14:10 (ii) items were not taken into store contrary to Fm:4 (8)
3.	BuraAlh. Modu	02	Nov, 20	Repair or maintenance of official vehicle	295,000=00	Parts purchased on cash invoice/No. 0474 dated 4/11.20 were not taken on charge to store. Not processed in subject file

						No details of vehicles
4.	NuraAlh. Zakariya	05	Nov, 20	Purchased of fuel to Local Government	194,000=00	- Items purchased on cash invoice with no Number -Not take into store records
5.	Sundry Person	08	Dec 20	Bukarticooks Monthly allowance	227,800=00	(i) Non of the recipient signed contrary to FM14: 4(1) (ii) No pre-audit of payment voucher by internal auditor contrary to Fm14:10.
6.	BuraAlh. Modu	36	Mar 20	Purchased of tires, engine oil & oil treatment	135,000=00	-items purchased not taken on charge to store . -NO details of use
7.	Nura A. Zakariya	52	June 20	Purchased of Fuel to Local Government	220,370=00	(i) items purchased not taken into store records for certification .
8.	Dala Mustapha (L.E.A Head Admin)	4	Mar, 20	From revenue account to enable him distribute furniture to various school across local Government	240,000=00	-Pre-audit of payment voucher was not carried out by the internal auditor. FM14:10 No details of expenditure.
9.	Nura M. Zakariya	35	Mar 20	For the fueling of	150,000=00	-items on cash not taken into

				Government official vehicle for the monthly of Feb.		store contrary to FM14:4 No record of consumption.
10.	Nura M. Zakariya	42	Mar 20	Procurement of fuel to the Local Government	168,000=00	(i) items on cash invoice were not taken into store records contrary to FM14:4
					<u>2,200,162.00</u>	

Since no further valid explanation could be obtained recoveries be effected accordingly.

MISSING PAYMENT VOUCHERS FOR N2,800,000.00

On reconciliation of the cash book to the payment vouchers, five (5) payment voucher worth N2,800,000.00 were not presented for Audit inspection hence, termed missing payment vouchers.

Details below: _

S/NO	NAME'S	PARTICULAR	PV NO.	AMOUNT
1.	BaniAlh. Modu	Monthly Record Update	8 of April	100,000.00
2.	Sundry Person	Monthly security allowances	2 Of Oct.	600,000.00
3.	Sundry person	Monthly Vigilante Allowances	6 of Oct.	1,000,000.00
4.	Sundry person	√ √	8 of Oct	1,100,000.00
5.	√ √	√ √		2,800,000.00

Since no voucher could be observed, the sum as drawn be recovered from the account signatories.

UNRETURNED REVENUE RECEIPT

Below listed receipts were issued out from the Treasury store which could not be observed return with proceeds of collections there upon officers.

CATTLE TAX RECEIPTS

S/No	Name's	Book/no.	Counter fail No	
			FROM	TO
1.	Tahiru M. Kayri	47	0851	0900
2.	YerimaLawan	68	4251	4300

DEPARTMENTAL RECEIPTS

S/No	Name's	Book/no.	Counter fail No	
			FROM	TO
1.	WakilLawan	200	15050	15100
2.	DaramaLawan	213	14551	14600
3.	Maina Ibrahim	142	20201	20250

Recommended for recovery of the receipt along with the collection there upon from the revenue officer.

PRIMARY HEALTH CARE DEPARTMENT

WRONG /IRREGULAR PAYMENT WORTH N1,205,000.00

The sum of N1,205,000.00 was drawn on seven (7) payment vouchers for which observation in the remark was made showing deficiencies in the drawing.

Details are as follows: _

S/N	NAMES	PV/NO	AMOUNT	PARTICULAR	REMARKS
1.	Sundry person	2 of Mar/20	100,000	Standing imprest in respect of primary health care staff	i. No expenditure details which contravene provision of F.M 14:4(8)
2.	Alh. Bukar Manga	1 of Mar/20	390,000.00	Staff outreach service in respect of march, 2020	i. No valid expenditure details attached contrary to FM 14:4(8) provision
3.	Sundry person	1 of Feb/20	100,000.00	Standing imprest in respect of primary health care staff for the month of Jan, 2020	i. No valid expenditure details
4.	Sundry person	4 of Jan/20	100,000.00	Standard imprest in respect of primary health care staff for the month of Dec,	No valid expenditure details attached

5.	Muh'dGrema (Dphc)	1 of No, 20	340,000.00	2020 Counter finding for the month of October/November 2020 round	i. No valid expenditure details
6.	Sunday person	2 of Dec, 20	49,000.00	Standing imprest for the month of Dec, 2020	No list of beneficiaries attached with signature acknowledgment
7.	Kyari Ali Kaname	1 of Oct, 20	126,000.00	Transportation of SMC to communities fun. NQ to various CDDS	No cash invoice of NURTW. No valid details attached.
			1,205,000		

Since no contrary opinion with valid documentation could be obtained recovery is recommended.

**HIGHLIGHTS OF 2020 FINANCIAL OPERATION
YUNUSARI LOCAL GOVERNMENT COUNCIL**

Note	Description	Actual 2020	Final Budget 2020	Actual 2019
1	Statutory Allocation	1,282,054,835.57	1,691,244,200.93	1,615,885,393.05
2	Excess Crude Oil	41,340,376.22	166,620,213.00	2,414,401.19
3	Value Added Tax	355,990,681.60	351,206,453.00	371,381,210.47
4	Other FAAC Allocation	112,861,685.72	35,000,000.00	51,241,514.41
	Sub Total	<u>1,792,247,579.11</u>	<u>2,244,070,866.93</u>	<u>2,040,922,519.12</u>
4.	Internal Generated Revenue	17,138,033.00	21,800,166.67	8,481,650.00
	Total Receipts	<u>1,809,385,612.11</u>	<u>2,265,871,033.60</u>	<u>2,049,404,169.12</u>
	RECURRENT EXPENDITURE			
	-Personnel Cost	455,880,958.36	837,405,953.22	293,581,188.71
	-Over Head Exp.	141,649,322.61	41,004,000.00	79,481,650.00
	-Subventions to Boards/	573,400,068.48	-	492,383,114.72
	-Emirate Councils	35,000,000.00	-	33,000,000.00
	-Other operating activities	54,401,470.37	284,744,002.73	160,036,677.66
	Sub- Total	<u>1,260,331,819.82</u>	<u>1,163,153,955.95</u>	<u>1,058,482,631.09</u>
	Total Capital Exp.	574,494,201.52	1,102,717,077.65	974,137,135.37
	Total Expenditure	<u>1,834,826,021.34</u>	<u>2,265,871,033.60</u>	<u>2,032,619,766.46</u>
	Net Cash Balance	(25,440,409.23)	-	16,784,402.66
	Opening 1/1/2020	27,254,319.30	-	10,469,916.64
	Closing 31/12/2020	1,813,910.07	-	27,254,319.30

PERSONNEL COST 2020

DOMESTIC GRANTS					
S/N	Description	CODE	BUDGETTED 2020	Actual 2020	Variance 2020
1	Basic Salaries	21010101	544,313,869.59	296,322,622.93	247,991,246.66
2	Allowances General	21020101-7	270,063,419.92	147,021,609.08	123,041,810.84
3	2-75 YCHMB Contribution	21020201	23,028,663.71	12,536,726.35	10,491,937.36
	Total		<u>837,405,953.22</u>	<u>455,880,958.36</u>	<u>381,524,994.86</u>

OVERHEAD/SUBVENTION EXPENDITURE 2020

S/N	Description	CODE	BUDGETTED 2020	Actual 2020	Variance 2020
1	Office Materials and Supplies	22020413	5,025,000.00	-	5,025,000.00
2	Minor Motor Vehicle Maintenance	22020405	7,035,000.00	989,999.94	6,045,000.06
3	Minor Road Maintenance		-	39,500,000.00	(39,500,000.00)
4	Security Service Coverage	22020601	3,350,000.00	49,303,058.76	(45,953,058.76)
5	Sanitation Service	22020803	1,675,000.00	6,991,760.34	(5,316,760.34)
6	Plants/Generator fuel cost		3,350,000.00	2,122,003.57	1,227,996.43
7	Staff Welfare packages		2,680,000.00	1,937,250.00	742,750.00
8	Meetings Entertainment		3,350,000.00	-	3,350,000.00
9	Contingencies		1,474,000.00	-	1,474,000.00
10	Legislature Vote		13,065,000.00	40,805,250.00	(27,740,250.00)
11	Subvention		-	608,400,068.48	(608,400,068.48)
12	Electricity Charges	22020207	1,000,000.00	560,000.00	440,000.00
13	Drugs/Lab/Medical Supplies	22020307	185,000,000.00	3,770,970.37	181,229,029.63
14	Computer Materials and Supplies	22020312	5,845,000.00	1,674,000.00	4,171,000.00
15	Production of Council Minutes	22021022	3,000,000.00	850,000.00	2,150,000.00
16	Chairman 's Hosp.	22021028	2,500,000.00	4,800,000.00	(2,300,000.00)
17	Residential Rent	22020603	1,500,000.00	1,850,000.00	(350,000.00)
18	Motor Vehicle Fueling Cost	22020801	36,850,000.00	28,960,000.00	7,890,000.00
19	Workshop, Conferences and Seminars	22020503	19,286,000.00	2,500,000.00	16,786,000.00
20	Medical Expenses (Local)	22021001	7,000,000.00	936,500.00	6,063,500.00
21	Provision of Fertilizers to Farmers	23020129	18,257,200.00	8,500,000.00	9,757,200.00
22	Purchase of Information Gadgets	23010161	4,505,802.73	-	4,505,802.73
	Total		<u>325,748,002.73</u>	<u>804,450,861.46</u>	<u>(478,702,858.73)</u>

ADMINISTRATION SECTOR EXPENDITURE 2020

ECON CODE	Description	GEO CODE	BUDGETTED 2020	Actual 2020	Variance 2020
23010112	Procurement of Office Furniture	23511600	164,700,000.00	36,619,446.24	128,080,553.76
23010113	Procurement of Office Equipment	23511600	114,024,850.00	17,703,393.16	96,321,456.84
23010105	Purchase of Toyota (fairly use)	23511600	24,035,150.00	40,015,242.76	(15,980,092.76)
TOTAL			<u>302,760,000.00</u>	<u>94,338,082.16</u>	<u>208,421,917.84</u>

ECONOMIC SECTOR EXPENDITURE 2020

ECON CODE	Description	GEO CODE	BUDGETTED 2020	Actual 2020	Variance 2020
23010139	Procurement of Tractors	23511600	39,365,650.00	26,226,475.00	13,139,175.00
23040102	Environmental Degradation	-	152,801,427.65	82,903,529.41	69,897,898.24
23010127	Purchase of Farm Tools and Agricultural equipment	-	56,250,000.00	38,000,000.00	18,250,000.00
TOTAL			<u>248,417,077.65</u>	<u>147,130,004.41</u>	<u>101,287,073.24</u>

REGIONAL DEVELOPMENT SECTOR EXPENDITURE 2020

ECON CODE	Description	GEO CODE	BUDGETTED 2020	Actual 2020	Variance 2020
23020177	Drilling of Solar Boreholes at various location	23511607	180,000,000.00	165,697,852.50	14,302,147.50
23030130	Repairs of Boreholes	235603-8	71,055,000.00	114,443,713.10	(43,388,713.10)
23050184	Women Emp. Wrappers	23511600	-	16,200,000.00	(16,200,000.00)
TOTAL			<u>251,055,000.00</u>	<u>296,341,565.60</u>	<u>(45,286,565.60)</u>

SOCIAL SECTOR EXPENDITURE 2020

ECON CODE	Description	GEO CODE	BUDGETTED 2020	Actual 2020	Variance 2020
23010158	Furnitures to Schools	23010158	134,200,000.00	36,684,549.35	97,515,410.65
23020146	Construction/Renovation of Dispensary	-	126,630,000.00	-	126,630,000.00
23010161	Purchase of Information Address Syt.	-	16,940,000.00	-	16,940,000.00
23020119	Construction of Mini Stadium	-	10,780,000.00	-	10,780,000.00
23010123	Purchase of Fire Fighting Equipment	-	11,935,000.00	-	11,935,000.00
			<u>300,485,000.00</u>	<u>36,684,549.35</u>	<u>263,800,450.65</u>

BUDGETARY ANALYSIS

INTERNAL GENERATED REVENUE:

The Local Government Budgeted the sum of N21,800,166.67 for the year ended 31st December 2020, of which actual collection was N17,138,033.67 , thereby reflecting deficit of N4,662,133.67 The Council to improve upon performance.

RECURRENT EXPENDITURE:

The Council Budgeted the sum of N837,405,953.22 and expended the sum of N455,880,985.36 on personal cost, while the sum of N804,450,861.46 were expended on overhead cost, subventions to MDAs and other operating activities. The management of personnel cost through Biometric data is so efficient.

CAPITAL DEVELOPMENT PROGRAMME.

The Council Budgeted the sum of N1,163,155,955.95 for its capital expenditure, but the actual expenditure stood at N574,494,201.52 which shows under performance by over 60%. This might not be unconnected with the drop in federation allocation receipts.

INTERNAL CONTROL PROCEDURE.

The assessment of the Internal control of the Local Government for the year 2020 operation indicates that, the Internal Audit function was very weak, most payment vouchers were not supported with relevant expenditure detail and store records not observed for procurements.

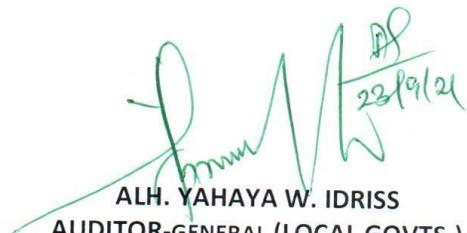
AUDIT CERTIFICATION

In accordance with the provision of section 125(2) of the constitution of the Federal Republic of Nigeria 1999 (as amended). I have examined Accounts and Financial Statements of Yunusari Local Government for the year ended 31st December, 2020.

The Audit was conducted in line with auditing principles and practice as specified in the Draft Audit Laws of Yobe State. Projects and programmes were verified in line with the Audit procedures in practice. In the discharge of the responsibilities vested in me by the provision of the draft Laws and Sec. 125(5) of the above constitution, the statement of Assets and liabilities of Yunusari Local Government for the year ended 31st December, 2020 have been certified subject to compliance to my correspondence as could appear in the reports.

In my opinion the financial statements and schedules presents a true and fair view of Yunusari Local Government for the year ended 31st December, 2020.

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