

AUDITOR—GENERAL'S REPORT

DAMATURU LOCAL GOVERNMENT

2019 FINANCIAL YEAR REPORTS

MARCH, 2020

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REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS
DAMATURU LOCAL GOVERNMENT
FOR THE YEAR ENDED 31ST DECEMBER 2019

1) INTRODUCTION:

The Financial Statement of Damaturu Local Government and relevant records for the operation of 2019 have been examined in accordance with the provisions of the Financial Memorandum FM.39:1 which is also consistent with the provisions of Sec.125(2) of the constitution of the Federal Republic of Nigeria (1999).

The Annual financial statement, were prepared in accordance with Accounting policies and format adopted by the Federation Allocation Committee (FAC) on the standardization of Federal, State and Local Government Accounts in Nigeria.

2) SUBMISSION OF THE FINANCIAL STATEMENT:

The Financial Statement of Damaturu Local Government for the year ended 31st December, 2019 was submitted to me on the 4th Jan 2021. The provisions of the FM.32:1 provides that for prompt, full and accurate public accountability of Local Government Funds, accounts must be prepared and balanced latest by 31st March of the preceding year operation.

The accounts were certified on 15th January, 2021 for all schedules as presented in the Appendix

PREVIOUS/ OUTSTANDING AUDIT OBSERVATIONS

Audit reports for the year ended 31st – 12- 2017 have been subjected to legislative action through the public account committee scrutiny and adopted in the plenary of the House on 24th March, 2020.

The resolution adopted.

Recovery of ₦3,572,100 on access Slabs to Nayi-nawa Tsallake and payment of ₦1,669,455 on inflated unsupplied electrical materials.

i) The sum of ₦3,572,100 to be recovered from one Alh. Gambo M. Nuhu Damaturu on account of un-completed stone pitching of box culvert and slabs as provided in B.O.Q. The contractor could not comply as one of the culvert that was poorly constructed has developed hole and the laterite filling not effected. After the House resolution, the contractor attached unverifiable forged completion certified claimed signed by the Head of works Abubakar Mohammed Muguram. The forged documents were attached as evidence of completion and all effort to identify source of the document failed. The contractor succeeded in constructing crossing slabs on existing drainage without box culvert observed.

The Audit department requested the contract subject file to examine correspondences but it was observed that, the record do not exist.

The non-completion of the project was as a result of conspiracy and complexity between the Head of works (Mohammed Abubakar Muguram) and (Yakubu Jatau).

Recommendation: by virtue of the conspiracy between Moh'd Abubakar Muguram and Yakubu Jatau, the contractor could be innocent expect for the due officers be charged for the recovery

ii) The sum of ₦1,669,455.00 was on unsupplied electrical materials on contract for the linking of Kukaretato National Grid. The contract was

granted to one **Mustapha Kukaretaa** personnel officer at Government House but a fictitious name of Abubakar Baba Ali was used for the contract execution. Observing the fact that, Mustapha Kukareta being a civil servant working with Yobe State Government House was not worthy of the contract for lack of technical competence, but through manipulation of the records as observed public funds were embezzled. The named contractor is complaining of two figures of ₦1,071,225.00 and ₦1,669,455.00. No recovery was made as the same complexity of the work department between Mohammed AbubakarMuguram and YakubuJatau was observed. Recommendation :- Based on the above, the Local Government Principal officers above and Mustapha Kukareta of Government House be sanctioned for the recovery of the sum involved.

OUTSTANDING 2018 AUDIT OBSERVATION

2018 AUDIT QUERIES

The Auditor General has duly forwarded observation arising from financial observation of 2018 to the speaker Yobe State House Of Assembly vide forwarding letter No NGAD/ADM/LGF/73/VOL. I dated 23rd Sept, 2020

Thereport have been committed to the house committee on public account for legislative scrutiny and conduct of account discussion session.

Highlights of the reports.

a. **ADMIN DEPARTMENT**

Wrong and irregular drawing worth N 715,275.00

b. **FINANCE DEPARTMENT**

- i. Wrong payment worth N 800,000.00
- ii. Non- personal advances worth N 26,139,900.00
- iii. Missing Payment vouchers N 12,631,546.00
- iv. Outstanding revenue earning books (Receipt) worth N 520,000.00

c. AGRIC DEPARTMENT

Wrong and irregular payment of N 370,000.00 .

2019 FINANCIAL YEAR REPORTS

ADMIN DEPARTMENT

WRONG AND IRREGULAR PAYMENT

1. The sum of 11,191,000.00 was irregularly drawn on 21 Nos payment vouchers.

OBSERVATION

- i. The expenditure were mostly not processed in any subject file ease for reference.
- ii. Expenditure lacks authorization
- iii. Attachment of details of expenditure could not be observed
- iv. Procurement were observed not raised through job order neither LPO to ensure value for money.
- v. Purchase claimed were not taken on charge into store records neither do records maintained for obsolete parts.
- vi. Where sundry paymentwere claimed no list of beneficiaries and signature could be observed acknowledgment payment were not supported.

S/N	NAME OF PAYEE	PV. DATE	PURPOSES	AMOUNT
1	Ahmed SalehFaraFara	183 of Aug	Transportation of voters card	1,000,000.00
2	Umar Gaji	6 of Dec.	Conveyance of party faithful	1,800,000.00
3	AlhHabu Mustapha	15 of Aug	Purchase of rams	1,000,000.00
4	Buhari Campaign	21 of Jan	Contribution	2,750,000.00
5	AuduNajume	19 of Sept	Purchase of uniform	1,500,000.00
6	-	12 of Oct	Ground clearing for Qatar foundation mosque	2,100,000.00
7	AlhBulamaMoh'd	12 of oct	Entertainment of official	65,000.00
8	KalliUsman	105 OF Jul	Compile of logistics	60,000.00
9	Awal Mustapha	80 of Jul	Supply of food items	238,000.00
10	Abubakar Mustapha	104 of Jul	Repair of canopy	20,000.00

11	Marami	82 of Jul	Camping out minor activities	65,000.00
12	Abubakar Mustapha	104 of Jul	Repairs of generator	20,000.00
13	Auwal Mustapha	17 of Aug.	Hosting and purchase of materials	164,000.00
14	Ybc	103 of jul	Coverage of sallah festival	40,000.00
15	BabaganaBukar	18 of sept	Purchase of materials	60,000.00
16	BabaganaBukar	16 of oct	Maintance of mosque	60,000.00
17	Bana Ali	87 of jul	Fencing of grave yard at gwange	20,000.00
18	Musa MainaYau	20-21 of jun	Congratulation message	50,000.00
19	AuduNajume	2 of jul	Entertainment and production of minutes	-
20	Oguntimehim DPO	12 of Nov	Repair of vehicle	60,000.00
21	Audu A Najume	2 of jul	Entertainment during seeing meeting and allowance to members	119,000.00
	<u>TOTAL</u>			<u>11,191,000.00</u>

Recoveries are recommended.

IRREGULAR AND FICTITIOUS PAYMENT OF N 1,735,400.00

The sum of N 1,735,400.00 was drawn on 5nos payment vouchers which were observed:-

- i. Supplies or procurement were not observed through Job- order or LPO to ensure value for money
- ii. Attachment of details of expenditure could not be observed.
- iii. The items claimed supplied were not taken on charge into store records.
- iv. No returns of obsolete parts in store for verification

S/N	NAME OF PAYEE	PV&DATE	PURPOSES	AMOUNT
1	Mal. Isa Yusuf	13 of Sept	purchase of materials	200,400.00
2	Ezekiel	173 of Aug.	repair of gate	625,000.000
3	A. Umar saje	31 of Oct	repair of electrical appliances	700,000.00
4	Auwal Mustapha	6 of oct	purchase of material	150,000.00
5	Ba'ana (HGA)	174 of Aug.	repair of gate	600,000.00
	<u>TOTAL</u>			<u>1,735,400.00</u>

Since no justification could be observed recoveries are recommended.

B. WORKS DEPARTMENT

DETAILS OF UNCERTIFIED SUPPLIES NOT CHARGE TO STORE RECORDS ₦ 4,849,000.00

Bellow listed drawings claimed for repair and procurements for the sum of ₦ 4,849,000.00 on twenty four (24) payment vouchers could not observed in store ledgers maintained for the department for certification.

Details below:-

S/N	DATE	NAME OF SUPPLIER	DETALS	PV	AMOUNT
1	9/4/2019	BabanGidaDahiru	Purchase of fuel pump batteries and tyres	96	135,000.00
2	9/5/2019	Moh'dLalong How	Repairs of bore-hole	190	30,000.00
3	3/7/2019	DawaKoromi	Repairs of bore-hole	8	100,000.00
4	24/10/2019	Balawan Ali	Repairs of bore-hole	96	700,000.00
5	11/7/2019	Ali Liman (To)	Repairs of bore-hole	112	74,000.00
6	9/5/2019	Hassan Mega	Purchase of fuel and lubrication	187	463,000.00
7	9/5/2019	Alh Isa Agribe	Purchase of fuel and lubrication	189	91,000.00
8	30/5/2019	Baba Goni	Repairs of bore-hole	193	60,000.00
9	14/10/2019	Hassan Mega	Supply of fuel and lubricant	92	302,000.00
10	27/8/2019	Isa Ageribe	Purchase of bore hole materials	171	200,000.00
11	28/7/2019	Umar Kalli (Contri)	Repair of bore hole	186	460,000.00
12	17/10/2019	Mustapha Balu	Repair of emirate generator	10	134,000.00
13	8/5/2019	Alh Isa Agribe	Supply of fuel and lubricant	93	38,000.00
14	28/8/2019	Soni Block	Purchase of blocks to LGA	175	420,000.00
15	18/10/19	Moh'd Mustapha Balu	Purchase of kick starter	115	120,000.00
16	3/6/2019	Moh'd Mustapha	Electricity DPM office	3	30,000.00
17	28/10/2019	Moh'd Mustapha	Procurement of diesel to kukareta bore-hole	114	65,000.00
18	28/08/2019	Hassan Mega	Purchase of fuel and lubricant	170	424,000.00
19	15/8/2019	AuwaluNanami	Purchase of bore holes materials	172	164,000.00
20	9/5/2019	Hon. Ali Mai	Repairs of bore hole materials	191	159,000.00

21	2/7/2019	H.O.W	Fency of murfa generator	10	60,000.00
22	6/2/2019	Babangana A. Bukar	Purchase of fuel to bore hole	85	100,000.00
23	28/11/2019	M. Isa Yusuf	Purchase of fuel to bore hole	7	170,000.00
24	july	Alh. Isa Agerbe	Purchase of fuel to bore hole	8	350,000.00
					4,849,000.00

Where the supplies could not be justified recoveries of sum involved be effected accordingly.

WRONG / IRREGULAR PAYMENT WORTH ₦ 3,513,756.00

Drawings to the sum of N 3,513, 756.00 on bellow seventeen 17 Nos payment vouchers were observed to be irregular for the following observations.

OBSERVATIONS ARE:-

- i. Payment voucher were not process in any subject file
- ii. Items procured were not charge to store records
- iii. Payment vouchers were not signed by the receipt to acknowledge receipt of the amount.
- iv. Payment vouchers were not subjected to Internal Audit checks.

S/N	DATE	NAME OF PAYEE	PURPOSE	PV NO.	HEAD SUB HEAD	AMOUNT
1	6/2/2019	Baba Zau Councilor	Recoiling GoniHussaini Borehole	68	6001/4	90,000.00
2	9/4/2019	Bilal Gudusu	Purchase Of Fuel And Lubricant	95	6001/4	462,000.00
3	9/4/2019	Bilal Gudusu	Purchase Of Fuel And Lubricant	94	6001/4	289,756.00
4	9/4/2019	Bilal Gudusu	purchase of fuel and lubricant	97	6001/4	228,000.00
5	26/8/2019	Abba Juddum (contractor)	laterite filling material along yobe children academy Damaturu	2	6001/4	250,000.00

6	20/2/2019	Abba Grema (TO Water)	replacement of rotor to kaburulawandamaturu	88	6001/4	50,000.00
7	4/4/2019	Moh'dLaload (HOW)	purchase of empty drums to conveyance of diesel and lubricant to the various borehole	61	6001/4	84,000.00
8	8/4/2019	BabangidaDahiru	purchase of three 75 amps batteries to borehole	61	6001/4	49,000.00
9	30/1/2019	Abba Grema (TO Water)	construction of some collapse portion generator room	1	6001/4	46,000.00
10	11/12/2019	Ali Lawan (Senior B/H Operator)	purchase of (3.4 HP) box starter ningari borehole engine	100	6001/4	35,000.00
11	4/4/2019	LawanShettima (VH)Sandiri (How)	purchase of five slip submersible pump to sendiri B/hole	66	6001/4	50,000.00
12	December 19	moh'dloland(how)	leveling of dtr market with literate sand	229	4009/5	360,000.00
13	December 19	moh'dloland(how)	hiring of scrapper machine for the leveling of literate at dtr temporary market	231	4008/5	420,000.00
14	6/7/2019	Hassan mega	supply of fuel and lubricant to all function B/holes	79	2009/7	1,000,000.00
15	26/3/2019	Ibrahim inuwa	feeding and logistic trip to Maiduguri for filing a case	79	2009/12	30,000.00
16	20/3/2019	adamukallawa (b/hole operator)	purchase of nossele to kallawa borehole	12	6001/4	20,000.00
17	28/1/2019	Ibrahim inuwa	maintenance of motor vehicle	01	2001/6	50,000.00
						3,513,756

Recoveries be effected.

UNACCOUNTED SUM OF ₦ 1,441,500.00 ON SUPPLY OF 50 BAGS OF ALUM (AL2Cos)

The sum of N 1, 537,500.00 was released to the Head of works (Moh'dLoland) as special imprest advance for the procurement of Alum for distribution to various communities to improve quality of cement well purities. This was retired on Pv No 230 of December 2019.

Examination of the payment voucher and store revealed that, 50 bags of the materials were to be procured but only to observe that only 4(four) bags were

supplied to the store for administration to which N 24,000.00 was the procurement rate.

The procurement value of the 46 bags under supplied must be seen supplied or the sum be recovered.

FINANCE DEPARTMENT

WRONG AND IRREGULAR PAYMENT

For the period under review the sum of ₦ 441,994,715.17 was drawn on 38 Nos payment voucher which were observed irregular for bellow listed observation.

OBSERVATION

- i. The expenditure could not be observed subjected to any file records.
- ii. No attachment of details of expenditure could be observed for self-explanatory documentation.
- iii. Items claimed purchased could not be observed taken on charged into store records
- iv. Sundry person payment to the tune of N 230,000 was not supported with list of beneficiaries and signature acknowledging payments

S/N	NAME OF PAYEE	PV & DATE	PURPOSE	AMOUNT
1	Mohammed Mustapha	38 of Sept	Leveling Of Locking At Damaturu Sunday Markets	2,500,000.00
2	Alh. Saidu	103 of Oct	Purchase of fuel and filter	20,000.00
3	BukarAudu	13 of July	Assignment to Maiduguri	66,000.00
4	Moh'd B Gujba	15 of Nov	Upgrading of 2018 records	50,000.00
5	Sundry Person	119 of Dec	Accommodation to guest	230,000.00
6	BukarAudu	138 of March	Logistic to security agents	200,000.00
7	Abba Alh. Musa	9 of Feb	Purchase of items	35,000.00
8	Share Responsibility	7 of Oct	Academic assistance	2,238,000.00
9	Share Responsibility	7 of Sept	Assistance To Cover 2years	1,101,000.00
10	Share Responsibility	15 of Sept	Cash backing for MBBS student	3,900,000.00
11	Share Responsibility	23 of Dec	Variance of promotion implantation	3,057,233.67
12	Share Responsibility	22 of Dec	Variance of promotion	506,014.80

			CONHENSS	
13	Share Responsibility	21 of Dec	Bulk purchase of bore material	5,530,250.00
14	Share Responsibility	20 of Dec	contribution to joint account	5,000,000.00
15	Share Responsibility	19 of Dec	supply of education materials	2,551,500.00
16	Share Responsibility	18 of Dec	contribution to indigene	9,395,000.00
17	Share Responsibility	17 of Dec	Bulk purchase of sanitation materials	2,464,676.00
18	Share Responsibility	13 of Dec	contribution to GAAT school	2,464,676.70
19	Share Responsibility	14 of Dec	procurement of fuel and lubrication	256,139.70
20	Share Responsibility	12 of Dec	conduct of senior staff examination	235,294.10
21	Share Responsibility	17 of Dec	bedding and basic items	550,000.00
22	Share Responsibility	10 of Dec	biometric exercise	489,114.70
23	Share Responsibility	9 of Dec	2020 budget	117,647.10
24	Share Responsibility	4 of Sept	compensation of 249 traders	50,054,400.80
25	Share Responsibility	5 of Sept	tuition fee MBBS	3,850,000.00
26	Share Responsibility	15 of Sept	settlement of MBBS fees	3,900,000.00
27	Share Responsibility	3 of Sept	school feeding programme	294,117.60
28	Share Responsibility	2 of Sept	settlement of student feeding	4,896,366.52
29	Share Responsibility	10 of Sept	uploading and downloading of salaries	134,760.00
30	Share Responsibility	14 of Sept	68 copies of flyer depicting	344,400.00
31	Share Responsibility	186 of Aug	standing order payment	22,792,491.45
32	Share Responsibility	119 of Aug	salary of PHC & SUBEB pension	65,022,180.22
33	Share Responsibility	2 of Oct	golden voice concept	13,705,680.06
34	Share Responsibility	127 of July	salary acct for 17 LGAS	65,261,385.00
35	Share Responsibility	126 of July	remit of standing payment for july main stream	22,466,020.88
36	Share Responsibility	120 of Oct	main stream PHCMB and SUBEB & pension	64,928,830.13
37	Share Responsibility	15 of June	main stream, PHCMB, SUBEB & Pension	65,205,680.06
38	Share Responsibility	2 of Oct	Monthly expenditure	13,705,680.06
				<u>N441,994,715.17</u>

Appropriate documentation be obtained and forwarded for audit certification.

UN-RETIRED IMPREST ADVANCE ₦ 44,657,106.00

Advances for the sum of ₦ 44,657,106.00 could not be observed retired.

Imprest advances shall automatically be retired at the end of the financial year.

The advances could not be observed retired for absence of authentic record as prescribed by the provision occasioned by non-procurement/Execution of intended items or works.

Details of these advances are as follows

S/N	Date	Name Of Adv Holder	Pv No	Adv No.	Purpose Of Advance	Amount
1	10/1/2019	Aisha Ali Kuda	Nil	52	Purchase of tyre to 14 DT LG	56,000.00
2	5/3/2019	BukarAudu	03	54	feeding and transportation of election in Sasawa and Gimbir	1,975,000.00
3	18/3/2019	Bilal Gudusu	03	58	fuel and lubrication of dtr borehole	228,000.00
4	1/4/2019	Bilal Gudusu	Nil	63	procurement of fuel and lubrication	1,380,000.00
5	19/6/2019	Abba Alhaji Musa	Nil	65	printing of revenue earn book	106,000.00
6	2/4/2019	Bilal Gudusu	Nil	66	reticulation of gwage grave yard	62,300.00
7	4/4/2019	AbubakarDadima	Nil	67	repairs of nayi-nawahandpump	60,000.00
8	8/4/2019	Bilal Gudusu	Nil	73	purchase fuel and lubrication	289,756.00
9	2/5/2019	Bilal Gudusu	Nil	78	purchase fuel to borehole	1,644,000.00
10	6/5/2019	HussainiInuwa	Nil	79	replacement of paring eng 30 KVA B/hole at Damaturu	80,000.00
11	6/5/2019	Aisha Ali Kuda	Nil	80	complete over holding bus No. LG 13 DTR	87,000.00
12	25/5/2019	GoniBukar	Nil	81	purchase of tyres LG 13 DTR	160,000.00
13	15/6/2019	BukarShettima (HTO Electrical)	Nil	82	repairs of existing poles	160,000.00
14	16/7/2019	Abba Grema	Nil	86	purchase of box-star and batries 75 fulari B/H	85,000.00
15	Nil	AuduNajume	Nil	87	feeding & maintain military, vigilante group sasawa	4,800,000.00
16	25/8/2019	AuduNajume	Nil	90	feeding & maintain military,	4,800,000.00

					vigilante group sasawa	
17	17/9/2019	Buakar A Shettima	Nil	94	repair of electrical apples retirement	64,300.00
18	24/9/2019	Moh'dLoland (HOW)	Nil	96	repairs of No 1,100KVA parking engine to dugunkaku B/H	5,593,000.00
19	2/10/2019	Abba Grema	Nil	98	Repair of kukareta B/H	60,000.00
20	2/10/2019	Moh'd Mustapha	Nil	99	2020 call circular budget preparation	100,000.00
21	28/10/2019	BabangidaDahiru	Nil	100	repair of Murfakalam B/HS	120,000.00
22	Nil	BukarShettima	Nil	101	Nil	134,000.00
23	06/08/2019	Aisha Ali Kuda	Nil	103	repair of mass transit	156,000.00
24	20/09/2019	Aisha Ali Kuda	Nil	104	procure of complete starting and tyres	120,000.00
25	2/9/2019	AuduNajume	Nil	105	up-keep of vigilante group sasawa	4,800,000.00
26	10//10//2019	AuduNajume	Nil	106	up-keep of vigilante group sasawa	4,800,000.00
27	6/10/2019	Ibrahim Inuwa	Nil	120	hiring of scrapper	110,000.00
28	3/12/2019	Abba Grema	Nil	126	overhauling off sindri B/H	500,000.00
29	4/12/2019	Abba Grema	Nil	127	supply of water to market borehole	144,000.00
30	20/12/2019	Abba A Musa	Nil	132	replace of gate motor park	49,000.00
31	20/12/2019	Moh'dLoland	Nil	133	hiring of scrapper	420,000.00
32	30/12/2019	Aisha Ali Kuda	Nil	137	purchase of 4 tyres to mass transit	286,000.00
33	30/12/2019	Abba Grema	Nil	139	repair of shari Bore hole	458,000.00
34	21/3/2019	Aisha Ali Kuda	Nil	62	purchase of complete gear box to YBKG 12 DTR	155,000.00
35	25/2/2019	Bilal Gudusu	Nil	64	Procurement of fuel and lubricant	289,756.00
36	7/4/2019	AuduNajume	Nil	71	feeding & maintain of military	4,800,000.00
37	21/2/2019	BukarAudu	Nil	69	transportation and logistics for presidential election	2,660,000.00
38	8/4/2019	Bilal Gudusu	95	72	purchase fuel & lubricate	462,000.00
39	8/4/2019	Bilal Gudusu	74	74	purchase fuel & lubricate	228,000.00
40	8/4/2019	BabagidaTahiru	76	75	purchase fuel pump bettries&tyre to B/H	135,000.00
41	6/3/2019	Abba Grema	01	56	replacement of borehole	65,000.00
42	Feb. 2019	HajaraKantoma	04		transportation and requesting during gubernatorial election	1,975,000.00
						<u>₦44,657,106.00</u>

A recovery is recommended in accordance with the provisions.

MISSING PAYMENT VOUCHER WORTHS ₦ 151,500.00

Below listed drawings observed from the cash book entries for the sum of ₦141,500.00 could not be submitted for Audit Certification which could be termed as missing or not prepared at all when the funds were drawn.

Details of these is below:-

SN	DATE	NAME	PURPOSE	PV	HEAD SUBHEAD	CHQ	AMOUNT
1	11/10/2019	lawanali	Standing imprest	9	2001	7	10,000.00
2	11/10/2019	alh. Malarhe	Liman assistance	10	2009	12	10,000.00
3	10/10/2019	Sundry person	Inceative allowance	11	2005	2	8,000.00
4	10/10/2019	Sundry person	Inceative allowance	12	2005	2	16,500.00
5	28/10/2019	Sundry person	Transfer to main account	16	2005-2		16,500.00
6	28/10/2019	Sundry person	Transfer to main account	17	2005-9		8,000.00
7	28/10/2019	Alh. Gadarimadu	Financial Assistance	18	2005-9		30,000.00
8	31/11/2019	Sundry person	Inceative allowance	20	2005-2		16,500.00
9	31/11/2019	Sundry person	Inceative allowance	21	2005-2		8,000.00
10	31/11/2019	Sundry person	Inceative allowance	22	2004-2		20,000.00
11	31/12/2019	Sundry persons	supervisor allowance	8	200-2		8,000.00
			TOTAL				151,500.00

Recovery is recommended to be observed from the cashier for effecting payments without certified payment vouchers.

DAMATURU LOCAL GOVERNMENT JANUARY TO DECEMBER 2019
OUTSTANDING PAYMENT VOUCHERS AMOUNTING TO ₦
127,912,353.97 MAIN CASH BOOK

S/N	Name	Purpose	Date	Pv No.	Head (Subhead)	CH	Amount
1	Sundry Person	council salary	31/1/2019	33		E.pty	1,419,359.00
2	Sundry Person	monthly allowance	6/2/2019	82			5,000.00
3	Alhaji Sheriff Goni	monthly allowance	28/2/2019	95	2004-IC	0987	24,000.00
4	Sundry Person	Staff salary	28/2/2019	101		0987	1,443,531.00
5	Hassan mega	No purpose	1/4/2019	81			426,000.00
6	Hassan mega	No purpose	April	88			100,000.00
7	DPM	Accommodation	June	10			71,000.00
8	DPM	No purpose	17/6/2019	19			32,000.00
9	Hons.	Allowance	June	29			74,000.00
10	Chairman	Labour Fencing	July	12			120,000.00
11	Sundry Person	Council Salary	5/7/2019	14	2001-A		542,075.00
12	17 LGL 8 other Agencies	pension fund	6/7/2019	18	C-C		7,299,650.14
13	Murfa V/D-D/H	No purpose	July	85	C-C		20,000.00
14	Grave yard	Fencing	July	106			20,000.00
15	Hassan mega	fuel and lubricant	6/8/2019	78			400,000.00
16	Alh. Isa Agribe	Purchase	5/8/2019	79			200,000.00
17	AuwalNanami	No purpose	5/8/2019	80			150,000.00
18	Alh. Habu Mustapha	purchase of rams					
19	Share Resp Acct	July 19 DTR LG OH	29/8/2019	184	C-C		22,466,028.88
20	Sundry person	council allowance	September	2			120,000.00
21	Sundry person	council allowance	September	20		E-pyt	169,296.35

22	Key stone bank Plc	transfer to key stone bank ltd	September				300,000.00
23	share resp acct	sept 19 DTR LG staff Pyt	7/10/2019	118	C-C		23,792,499.46
24	Alh. Habu Mustapha	no purpose	29/10/2019	123	7001-1		1,000,000.00
25	jiddoms peter international Ltd	No purpose	29/10/2019	124	7001-1		605,000.00
26	BukarKyeri	no purpose	Nov. 2019	4		E-pyt	5,000.00
27	HauwaBalaGdm	No purpose	Nov. 2019	5	D-C	E-pyt	10,000.00
28	Alh. BulamaModu	security vote	4/11/2019	9	C-C	E-pyt	500,000.00
29	Sundry Person	council salary	27/11/2019	26		E-pyt	513,075.00
30	17 Lgc Account	council allowance	27/11/2019	27	2005-12	E-pyt	93,925.00
31	17 Lgc Acct	main stream others	27/11/2019	28	2003-6	E-pyt	64,817,914.14
32	GremaBazua	VTV	December	3	2005-12	E-pyt	30,000.00
33	Umar Sheriff	Party distribution	December	16	2003-6	E-pyt	110,000.00
34	Ahmed Arabi	monthly allowance	December	32	2005-12	1074	5,000.00
35	ModuKulobe	monthly allowance	December	33	2002-7	1074	5,000.00
36	AuduNajume	monthly allowance	December	36	2002-7	1074	5,000.00
							N127,912,353.97

Since details could be produced, the sum as drawn be recovered accordingly.

DRAWINGS WORTH ₦ 48,759.70 WITHOUT CASH BOOK ENTRIES

The sum of N 48,759 783.13 was observed drawn through cheques and transfer but not posted into the Local Government Treasury cash book.

Details of there in below:-

S/N	DATE	CHEQUE No.	AMOUNT	REMARK
1	2/9/2019	36383535	N 346,000.00	Not posted to cash book
2	9/9/2019	810999080	1,128,186.76	Not posted to cash book
3	25/9/2019	810999080	132,760.70	Not posted to cash book
4	27/9/2019	0112718669	4,710,881.70	Not posted to cash book
5	2/10/2019	0810999080	550,000.00	Not posted to cash book
6	2/10/2019	0810999080	931,411.76	Not posted to cash book
7	15/10/2019	1007746430	2,500,000.00	Not posted to cash book
8	18/10/2019	Transfer	3,261,500.00	Not posted to cash book
9	25/10/2019	Transfer	32,840,278.28	Not posted to cash book
10	25/10/2019	48 Ahmed Sale FaraFara	500,000.00	Not posted to cash book
11	25/10/2019	48 Ahmed Sale FaraFara	1,856,764.71	Not posted to cash book

Where certified vouchers couldnot be observed and not posted to the records assets and services could not be justified hence, recovery is recommended.

UNREMITTED COLLECTED REVENUES FOR THE SUM OF N385,000.00

The sum of ₦385,000.00 was observed long revenue receipts upon which due collections were made but could not be observed remitted to the Treasury records. Recoveries be effected accordingly.

WORKS DEPARTMENT (CAPITAL PROJECT)

UN-ACCOUNTED V.A.T AND T.A.X DEDUCTION AMOUNTING TO ₦ 5,646,692.42

- i. On 17 of January 2019 the sum of ₦ 3,252,616.90 was deducted from contracts for the renovation of primary school in Damaturu this amount could not be observed remitted to the appropriate tax authorities.
- ii. On 20 of February 2019 Cheque Number 3638921 was drawn for ₦ 1,066,366.01 as being settlement of 5% VAT and 5% TAX.No receipt of the tax authorities could not be observed attached.
- iii. On 17 may 2019 the sum of ₦ 482,891.06 were drawn vide cheque number 3638526 being settlement for VAT and TAX without the official receipt of the tax authorities attached.
- iv. On 31 of May 2019 another payment were made for ₦ 844,818.44 was also drawn as settlement of 5% VAT and 5% TAX. The cheques were converted to cash without corresponding official receipt of the tax authorities.

The tax due on the transaction be seen recovered.

**RENOVATION OF DAMATURU LOCAL GOVERNMENT
SECRETARIAT FOR THE OVER PAYMENT OF N2,237,904.00.**

The sum of ₦104,254,851.00 was released to a contractor Sopre Nig. LTD for complete renovation of Damaturu Local Government secretariat however inspection carried out on site reveals that the contract been completed however there are difference between the approved bill of quantity amount of ₦ 102,016,947.00 and the expenditure of ₦ 104,254,851.00 arising from wrong arithmetic summation of ₦ 2,237,904.00.

You are required to review the BOQ details and request the contractor to effect the refund of over-payment of ₦ 2,237,904.

PRIMARY HELTH CARE DEPARTMENT

WRONG AND IRREGULAR PAYMENT WORTHS N 5,122,880.00

1. The sum of ₦70,000.00 was drawn on Pv. 214 April, 2019 claimed sum expended on immunization exercise.

The payment voucher was observed deficient as the expenditure could not be observed supported with details of expenditure incurred.

2. The sum of ₦ 5,052,880.00 drawn for the procurement of essential drugs transferred from Zenith Bank to keystone Bank on 24th September 2019 was not posted into the Local Government cash book, hence the amount is un-accounted.

No drugs were supplied and the sum could not be observed accounted to any public service. The sum of ₦ 5,052,889.00 be recovered from signatures to account for effecting the transaction.

AGRIC DEPARTMENT

WRONG AND IRREGULAR PAYMENT

1. Retirement of imprest advance worth N 1,260,000.00 was raised on payment voucher No 04 of April in the name of Ali Modu for the purchase of uniform to forest guard.

Expenditure of the payment voucher reveals.

- i. The expenditure could not be observed processed in any subject file for authorization and ease of reference.
- ii. The S.I holder (Ali Modu) is junior officer on grade level 02 to which such impress advance is greater than hiss annual emolument.
- iii. The S.I holder only acknowledged the sum of N 800,000 out of the quantum sum to which necessary purchased was made and items

theretaken on charge into store records leaving balance of N460,000.00 unaccounted for

The sum of N 460,000.00 being excess discovered during the procurement process be recovered from the HOD Agric (AishatuBulama) who was responsible for the unaccounted sum.

2. The sum of N 521,000.00 was drawn on 4nos payment vouchers claimed sum expended on purchases and repairs of tractors.

OBSERVATION

- i. Attachment of details of expenditure incurred could not be observed supported on the voucher contrary to provision.
- ii. The store receipt voucher attached to the payment vouchers was not issued by the departmental store officer, instead fake records was used as could not be observed in the store ledgers.
- iii. Obsolete part for the claimed purchase for repairs were not taken on charge to stores.

S/N	NAME OF PAYEE	PV/DATE	PURPOSE	AMOUNT
1	Aisha Bulama	39 of sept.19	Purchase of calon for spraying three grave yards	90,000.00
2	Aisha Bulama	31 of Nov. 19	Launching of 120 animals by Chard Basin Dev't Commission.	100,000.00
3	Aisha Bulama	113 of Dec	Purchase of agro chemical for clearing of two orchard	274,000.00
4	Ali Modu	of June 19	servicing of 2 tractors and repairs	57,000.00
TOTAL				521,000.00

The drawings lacks merit hence recoveries be effected.

6) INTERNAL CONTROL SYSTEM:

Assessment of the Internal Control of the Local Government for the 2019 operation indicates that the Internal Audit function was very weak as payment vouchers for purchase were not supported with store receive vouchers, invoices

and no certification could be observed of the Internal Audit on most of the drawings

7. INTERNALLY GENERATED REVENUE.

The Local Government budgeted the sum of N20,401,174.31 for the year ended 31st December, 2019 while the actual collection was N24,527,973.00 thereby reflecting a favourable variance of ₦4,126,798.69. The collection is satisfactory.

DAMATURU LOCAL GOVERNMENT SUMMARY OF RECURRENT REVENUE 2019

HEAD	DETAILS OF REVENUE	BUDGETTED 2019	ACTUAL 2019	VARIANCE
		₦	₦	₦
1001	Tax	3,500,104.31	3,500,000.00	(104.31)
1002	Rate	-	-	-
1003	Local Licence Fines	4,000,000.00	6,470,900.00	2,470,900.00
1004	Earning from Undertaking	10,401,070	11,857,073.00	1,456,003.00
1005	Rent on Local Government Property	-	-	-
1006	Interest Payment Dividend	-	-	-
1007	Grants	-	-	-
1008	Miscellaneous	2,500,000.00	2,700,000.00	200,000.00
	TOTAL INT. GEN. REVENUE	<u>20,401,174.31</u>	<u>24,527,973.00</u>	<u>4,126,798.69</u>
		2,066,603,051.00	1,803,644,026.49	(262,959,024.51)
		<u>2,087,004,235.31</u>	<u>1,828,171,999.49</u>	<u>(258,832,225.82)</u>

The attention of the council is hereby drawn to ensure effective administration, collection and proper accounting of Internally Generated Revenues.

8. RECURRENT EXPENDITURE 2019

The Local Government budgeted the sum of N510,494,829.00 for its recurrent expenditure while the actual expenditure for the period was N356,858,546.83 signaling a favorable variance N153,636,282.17 which could be attributed to efficient personal cost management.

Details presented below:

HEAD	DETAILS	BUDGETTED 2019	ACTUAL 2019	VARIANCE
		₦	₦	₦
2001	Office of the Chairman			
	Personnel Cost	23,429,689.74	15,679,834.43	7,719,855.13
	Overhead	5,000,000.00	5,731,670.00	2,268,330.00
2002	Office of the Secretary			
	Personnel Cost	19,529,741.45	13,066,528.70	6,458,212.75
	Overhead	5,000,000.00	4,776,390.00	223,610.00
2003	The Council			
	Personnel Cost	11,714,844.87	7,839,917.22	3,874,987.65
	Overhead	7,000,000.00	2,865,000.00	4,135,000.00
2004	Personnel Management			
	Personnel Cost	39,049,482.90	26,133,057.42	12,916,425.50
	Overhead	13,000,000.00	9,552,700.00	3,447,300.00
2005	Treasury			
	Personnel Cost	78,098,965.80	52,266,114.80	25,832,851.00
	Overhead	19,000,000.00	16,329,513.00	2,670,487.00
2006	Education			
	Personnel Cost	-	-	-
	Overhead	-	-	-
2007	Primary Health Care			
	Personnel Cost	39,049,482.90	26,133,057.39	12,916,425.51
	Overhead	20,000,000.00	9,552,700.00	10,447,300.00
2008	General Agric			
	Personnel Cost	70,289,069.22	47,039,503.00	23,249,566.02
	Overhead	13,000,000.00	9,650,000.00	3,350,000.00
2009	Works			
	Personnel Cost	89,813,810.67	60,106,031.99	29,707,778.68
	Overhead	25,000,000.00	21,970,000.00	3,030,000.00
2010	Traditional Council			
	Personnel Cost	19,524,741.45	13,066,528.70	6,458,212.75
	Overhead	-	5,500,000.00	(5,500,000.00)
2011	MISCELLANEOUS			
	Personnel Cost	-	-	-
		10,000,000.00	9,600,000.00	400,000.00
TOTAL		<u>510,494,829.00</u>	<u>356,858,546.83</u>	<u>153,636,282.17</u>

9. CAPITAL EXPENDITURE

The Local Government budgeted the sum of N1,281,563,816.54 for its capital expenditure for the 2019 Financial operations while the actual incurred expenditure was N594,935,482.74 revealing low performance in expenditure of capital project. There seemed to be over estimation of collection from federation account allocation.

DAMATURU LOCAL GOVERNMENT **SUMMARY OF CAPITAL EXPENDITURE 2019**

S/N	DETAILS OF EXPENDITURE	BUDGETTED 2019	ACTUAL 2019	VARIANCE
1	ECONOMIC SECTOR	304,407,815.54	141,571,846.96	162,835,968.58
2	SOCIAL SECTOR	259,376,063.00	120,628,756.05	138,747,266.95
3	AREA DEV. SECTOR	486,779,938.00	226,386,191.65	260,393,746.35
4	ADMIN SECTOR	231,000,000.00	107,431,856.13	123,568,143.87
5	Repayment of Loan	-	-	-
GRAND TOTAL		<u>1,281,563,816.54</u>	<u>594,935,482.74</u>	<u>685,628,333.80</u>

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 Damaturu Local Government for the year ended 31st December, 2019.

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 provisions of the draft law and section 125(5) of the above Constitution, the Statement of Assets and Liabilities of Damaturu Local Government for the year ended 31st December 2019 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 Damaturu Local Government for the year ended 31st December 2019.

**OFFICE OF THE AUDITOR-
GENERAL,
LOCAL GOVERNMENTS,
P.M.B. 1058, KM3 GUJBA ROAD,
DAMATURU, YOBE STATE.**

**ALH. YAHAYA W. IDRIS
AUDITOR-GENERAL (LOCAL GOVTS)
YOBE STATE**

STATEMENT No. 3
DAMATURU GOVERNMENT COUNCIL
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER,
2019

NOTE	CURRENT YEA 2019 ₦	ACTUAL PREVIOUS YEAR 2018 ₦
<u>Cash flows from operation Activities</u>		
<u>Receipt</u>		
➤ Internal Generated Revenue	24,527,973.00	201,344,405.95
➤ Grants and Subventions	-	-
➤ Value Added Tax	344,683,412.15	352,590,894.07
➤ Statutory Allocation	1,414,323,686.47	146,675,638.55
➤ Miscellaneous (Excess Crude)	44,636,927.87	27,878,418.58
TOTAL RECEIPTS	1,828,171,999.49	2,048,579,357.15
<u>Payments</u>		
➤ Personal Emolument	261,330,573.83	313,033,728.37
➤ Education Services	60,444,262.22	66,918,875.26
➤ Transport Services	290,983,170.30	200,246,219.91
➤ Health Services	117,853,582.13	71,387,942.13
➤ Mining and Petro-Chem Services	-	-
➤ Agric Services	19,305,820.01	78,564,637.18
➤ Overheads	95,527,973.00	261,344,405.95
➤ Other General Value	963,564,517.29	1,058,342,945.47
TOTAL PAYMENTS	1,809,009,898.78	2,049,838,754.90
<u>Net Cash Flow from Operation Activities</u>		
Purchases/Construction of Ass.		
Purchase of Financial Market Instrument		
Proceeds from Sales of Assets	18,461,678.38	
Net Increase/Dec. in Cash and Equivalent		1,259,397.73
Cash and Equivalent as at 1 st /1 st /2019	700,422.38	1,556,649.66
Cash and Equivalent as at 31 st /12/2019	19,162,100.71	297,251.91

STATEMENT No. 4
DAMATURU LOCAL GOVERNMENT COUNCIL
STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED
31ST DECEMBER, 2019

	NOTE	ACTUAL	
		CURRENT YEAR 2019 ₹	PREVIOUS YEAR 2018 ₹
<u>ASSETS</u>			
➤ Cash and Bank Balances		19,162,100.71	297,251.91
➤ Investment			
➤ Advances		42,682,112.00	26,139,151.10
➤ Others			
		<u>61,844,212.71</u>	<u>26,437,151.91</u>
<u>LIABILITIES</u>			
➤ Deposits			
➤ PAYYEE			
➤ NULGE			
➤ MHWU			
➤ B.I.R.			
➤ Loans			
➤ General			
		61,844,212.71	<u>26,437,151.91</u>

STATEMENT No. 5
DAMATURU LOCAL GOVERNMENT COUNCIL
REVENUE AND EXPENDITURE FOR THE YEAR ENDED 31ST DECEMBER, 2019

ACTUAL PREVIOUS YEAR 2018 ₦	NOTES	BUDGET CURRENT YEAR 2019 ₦	ACTUAL CURRENT YEAR 2019 ₦	VARIANCE %
1,556,649.66	Opening Balance		700,422.33	700,422.33
	<u>ADD: REVENUE</u>			
9,390,000.50	Rate	-	-	-
69,650,150.20	Fines Fees and License	4,000,000.00	6,470,900.00	(2,470,900.00)
49,500,600.50	Earning from Undertaking	10,401,070.00	11,857,073.00	(1,456,003.00)
1,650,000.00	Rent on Govt. Property	-	-	-
4,750,650.10	Interest & Dividend Payment	-	-	-
18,403,914.50	Taxes	3,500,104.31	3,500,000.00	104.31
1,466,765,638.55	Grants/Cont.	-	-	-
325,590,894.07	Statutory Allocation	2,066,603,051.00	1,803,644,026.49	262,959,024.51
	VAT	-	-	-
102,578,656.82	Miscellaneous Revenues	2,500,000.00	2,700,000.00	(200,000.00)
<u>2,049,898,754.90</u>	TOTAL REVENUE	<u>2,087,004,225.31</u>	<u>1,828,872,421.82</u>	<u>258,131,803.49</u>
	<u>LESS: EXPENDITURE</u>			
394,581,846.13	General Administration	243,342,466.21	172,807,254.27	70,535,211.94
121,387,942.13	Health and Environment	59,049,482.90	35,685,757.39	23,363,725.51
133,948,352.26	Works and Housing	14,813,810.67	82,076,031.99	32,737,778.68
96,918,875.26	Education	-	-	-
108,564,637.81	Agric& Social Development	83,289,069.22	56,689,503.18	26,599,566.04
443,687,042.43	Capital Projects	1,281,563,816.54	594,935,482.74	686,628,333.80
750,750,058.96	Miscellaneous Expenses	10,000,000.00	866,815,869.21	856,815,869.21
<u>2,049,838,754.90</u>	TOTAL EXPENDITURE	<u>1,792,058,645.54</u>	<u>1,809,009,898.78</u>	<u>16,951,253.24</u>