

# **AUDITOR-GENERAL'S REPORT**

## **POTISKUM LOCAL GOVERNMENT 2022 FINANCIAL YEAR REPORTS**

**SEPTEMBER, 2022**

## TABLE OF CONTENT

Table of Content:	“	“	“	“	“	“	“	“	2
Introduction:	“	“	“	“	“	“	“	“	3
Submission of Financial Statement:	“	“	“	“	“	“	“	“	3
Income Highlight:	“	“	“	“	“	“	“	“	4
Statutory Allocation	“	“	“	“	“	“	“	“	5
Financial Position:	“	“	“	“	“	“	“	“	6
Financial year report 2022	“	“	“	“	“	“	“	“	7-33
Highlight of 2022 Financial Operation:	“	“	“	“	“	“	“	“	34
Personnel Cost:	“	“	“	“	“	“	“	“	35
Overhead/Subvention Expenditure:	“	“	“	“	“	“	“	“	36
Admin Sector Expenditure:	“	“	“	“	“	“	“	“	37
Economic Sector Expenditure:	“	“	“	“	“	“	“	“	38
Regional Development Sector Expenditure:	“	“	“	“	“	“	“	“	39
Social Sector Expenditure:	“	“	“	“	“	“	“	“	40
Budgetary Analysis:	“	“	“	“	“	“	“	“	41
Audit Certification	“	“	“	“	“	“	“	“	42

**REPORT OF THE AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS ON ACCOUNTS OF POTISKUM LOCAL  
GOVERNMENT FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2022**

**1. INTRODUCTION:**

The Financial Statements of Potiskum Local Government and relevant operation records for the year ended 31<sup>st</sup> December, 2022 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 standard ( 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 Potiskum Local Government for the year ended 31<sup>st</sup> December, 2020 was submitted to me on the 25<sup>th</sup> May, 2023.

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 19<sup>th</sup> June, 2023 in observance of the provisions.

## **INCOME HIGHLIGHT.**

Arising from the inspection of the Bank Statement for lodgment of all receipts and disbursements, Potiskum Local Government collected the sum of **₦2,834,415,497.00** from Federation account and **₦75,704,750.00** on account of collection from Internal operations of the Revenue Unit of the council's treasury. The total sum of **₦2,910,120,247** was the certified total income to the council for the year ended 31 December, 2021. The financial statement submitted to the Audit also confirm to below table obtained from the state Local Government Joint Account disbursement.

## **STATUTORY ALLOCATIONS FROM FEDERATION ACCOUNTS**

	FAAC 2022 POTISKUM L.G									
	STATUTORY ALLOCATION	VAT	Exchange Gain	NON OIL REVENUE	Excess Bank Charges Refund	share of non solid	ECOLOGICAL FUND	Intervention	Exchange Differentials	TOTAL
Jan	131,691,223.97	75,202,083.83	1,302,168.95				3,989,801.79			212,185,278.54
Feb.	64,949,918.36	72,413,597.60	1,291,583.15	27,874,338.90			2,823,475.21			169,352,913.22
March	87,436,710.74	65,674,741.58		24,384,302.41			3,354,630.39			180,850,385.12
April	129,070,725.40	79,504,922.09					3,911,997.93	1,383,233.64	9,643,543.75	223,514,422.81
May	115,038,271.27	103,828,336.63		5,574,867.78	2,587,156.24		3,692,746.08			230,721,378.00
June	97,992,144.40	78,406,030.14					3,225,287.60			179,623,462.14
July	154,920,434.25	76,019,423.63					4,647,613.03			235,587,470.91
Aug.	201,086,159.07	70,188,525.12					6,032,584.77			277,307,268.96
Sept	330,793,188.75	83,710,480.58		5,574,867.78			3,608,911.84			423,687,448.95
Oct.	123,244,622.93	77,869,355.40					4,199,076.79			205,313,055.12
Nov.	109,304,568.79	82,586,745.32	1,432,183.48	19,512,037.23		8,362,301.67	4,158,332.74	16,724,603.34		242,080,772.57
Dec.	170,957,261.59	83,234,378.91								254,191,640.50
<b>TOTAL</b>	<b>1,716,485,229.52</b>	<b>948,638,620.83</b>	<b>4,025,935.58</b>	<b>82,920,414.10</b>	<b>2,587,156.24</b>	<b>8,362,301.67</b>	<b>43,644,458.17</b>	<b>18,107,836.98</b>	<b>9,643,543.75</b>	<b>2,834,415,496.84</b>

## **FINANCIAL POSITION AS AT DECEMBER 31<sup>ST</sup> 2022**

The Local Government cashbook and Bank statements for all accounts operated by the Local Government treasury have been examined and below position as presented in the financial statement certified for the closing balance as at December 31<sup>st</sup> 2022`

➤ Zenith Bank 1: Account No	48,123,781.26
➤ Zenith Bank 2: Account No	1,270,355.31
➤ Keystone Bank : Account No	10,347,545.02
➤ Joint Project	292,308,578.75
	<b><u>352,050,260.34</u></b>

## **ADEQUACY OF FINANCIAL RECORDS**

Inspection was made to the treasury and all other subsidiary cost centers (Departments)

Below listed Financial records could not be observed operated and maintained.

1. Departmental expenditure control ledgers (DVA)
2. Store records for the Administration of procurements
3. subsidiary store records of requisition issuance
4. Inventory records and Assets registers
5. subsidiary treasury records of Rev./Exp. abstract
6. subsidiary ledgers of advances/Deposit
7. Council resolution diary.

The absence of these vital financial records for the operation of 2022 financial year accounts renders Audit reporting to be cumbersome for absence clear mandates of vote controllers.

## **2022 FINANCIAL YEAR REPORTS**

Arising from the inspection of the Local government operations for 2022 are below observation:

## **WORKS DEPARTMENT**

### **WRONG AND IRREGULAR PAYMENT ₦370,300.00**

Bellow listed drawing were observed irregular for the absence of supporting expenditure details for a transparent public drawings.

<b>S/ N</b>	<b>NAME</b>	<b>DETAILS</b>	<b>PVNO&amp; DATE</b>	<b>CH EQ UE NO</b>	<b>AMOUNT</b>	<b>REMARK</b>
1.	Suleman Habu (DD Water)	Payment for repairs of overhead tank @Runfar magaji mechanic PKM	93 of Jan 2022		83,000	No attach evidence for the expenditure, payment receipt not enclosed
2.	Jibrin idi (T.O Electric)	Payment for minor repairs at local govt secretariat generator	94 of Mach 22		20,000	No evidence of expenditure attached to Justify the transaction
3.	Alh. Abubakar idi	Payment to purchase tyre to personal car	70 of May 22		60,000	Evidence of purchase not endorsed.
4.	Abdullahi mohammed mandi	Payment for financial assistance for daughter wedding	PV 41 of Aug 2022		13,300	The payee did not acknowledge the received of the payment No wedding evidence attached to support the PV
5.	Idi shehu	Payment for filling of stop coupe at LG secretariat	PV 47 of Sept 22		32,000	No specific location in the secretariat was mention, no water supply all over the secretariat
6.	PHCN	Payment for	PV 48 of		20,000	No evidence

	Potiskum	monthly power consumed by the local government secretariat	Nov 22			of payment attached on the payment voucher
7.	Inna Wuro Alh Umaru	Payment for medical Asst.	PV 44 of Dec 22		5,300	No evidence of sickness attached on the PV.
					<b>370,300.00</b>	

Where no further explanation could be advanced recoveries be effected and full details forwarded for subsequent verification.

**FICTITIOUS DRAWING THROUGH SPECIAL IMPRESS**

S/N	NAME	DETAILS	PV NO & DATE	CHE NO	AMOUNT	REMARK
1.	Abdulkadir Ali (CSO)	Retirement of S.I for the repairs of security vehicle	PV 9 of Feb 22		3,000,000	Name of the specific Vehicle repaired was not mentioned to justify the payment
2.	Brooks range Nig	Payment for 5 % retention	PV 7 of Aug 22		433,500	The name of the company & the name paid are entirely different, the L.G paid Musa Abubakar while the company's supposed to be paid is brooks range Nig ltd.
3.	Mohammed B. Ibrahim	Repairs of 3 fire fighter vehicle.	PV 7 of Sept 22		193,102	The payee did not acknowledge the payment, no evidence of repairs as the PV not supported with any attachment.
4.	Suleman Habu Chiroma	Retirement of S.I for the installation of submersible purp @ Dumbulwa	PV 93 of Dec 22		380,000	No expenditure details attached.
5.	Jibrin idi (To electric)	S.I for repairs of 30 KVA generator	PV 66 of June 22		130,000	No repairs was taken place as started by the payee
6.	Dahiru moh'd dadiye	Retirement of SI for the purchase of plastic tank @ Agric Dept.	PV 5 of June 22 PV 64 of June 22		293,500	Not processed in any subject file  No expenditure attached
			<b>TOTAL</b>		<b>4,430,102.00</b>	

Where no satisfactory explanation could be advanced the sum factiously expended be recovered from the named imprest holders.

## **ADMIN DEPARTMENT**

|Observation revealed that 45 payment voucher worth N8,548,100.00 drawn were not supported with proper documentations of the expenditure as appear in the table below:

<b>S/N</b>	<b>NAME</b>	<b>DETAILS</b>	<b>PVNO&amp; DATE</b>	<b>CHEQUE NO</b>	<b>AMOUNT</b>	<b>REMARK</b>
1.	Ibrahim Haruna (T-O)	Payment for repairs of DSS Boss car	51 of Jan 2022		46,500	Not processed in subject file No expenditure details attached
2.	Sundry person	Payment of allowance for the conduct assignment to two ward of the local gov't.	52 of Jan 2022		200,000	The expending was made without detailed explanation on the activities done, nature of the assignment not mentioned
3.	Sundry person	Payment for logistic to some NPC Staff on special exercise on omission in conduct of 2021 trial census	53 of Jan 2022		130,000	The local government paid allowance of 5 staff while the commission introduce only one person for the exercise
4.	S.M Hukima and co.	Payment for legal service to SM firms on murder attempt in El- Kenemi School Maiduguri			PP250, 000	The firm did not acknowledge the receipt of the payment as no payment receipt was issued to L.G
5.	Ali fugura (information officer)	Payment for publicity on revenue review	PV 94 of Jan 22		83,000	The payee did not acknowledge the receipt of the fund

6.	A.M Kabir (DSS PKM)	Payment for financial Asst. to pay shop rent for repented Boko Haram	PV 105 of Jan 22		100,000	Receipt of the shop rented not enclosed and location of the shop not mentioned
7..	A.M. Kabir (OIC DSS)	Payment for House rent	PV 39 of Feb 22		160,000	Location of the house not mention No payment receipt from the land lord
8.	Aliyu Mohammed Dogonini (recruitment officer)	Payment for attending recruitment exercise between 12 July to 24 July 2021 @ Nguru	PV 44 of Feb 22		90,000	The claimed exercise is fictitious because, no invitation letter
9.	Idiriss Madubah (SEC)	Payment for the hosting of members of staff from YOGIS	PV 57 of Feb 22		150,000	The payee did not acknowledge the receipt of the payment
10.	Umar Sanda Sani	Payment for financial Asst. for transportation and feeding 3 days' workshop in Benue State.	PV 69 of march 22		100,000	No certificate of attendance to Justify the attendance of the workshop.
11.	Ibrahim isa baba	Payment for production of registration certificate & file Jacket for Association	PV 76 of March 22		250,000	No printing press payment receipt, sample of the certificate not enclosed
12.	Acu Ibrahim M. wakili	Payment for office rent of zonal commander vigilante group	PV 77 of March 22		150,000	The group did not acknowledge the receipt of the payment, no landlord payment receipt & agreement letter for the rent.

13.	Abdulkadir Ali (CSO)	Payment for complete engine and engine oil to CSO official vehicle	PV 83 of April 22		100,000	The officer has no official vehicle so he use fictitious way to collect Govt. fund, he should refund the said amount to LG Treasury.
14.	Musa Dahiru (councilor)	Payment for financial support to enable him for wedding of his sister.	PV 62 of May 22		100,000	Wedding invitation card must be attached to Justify the reason for the payment
15.	Ali Fugura (w. officer)	Payment for removal of drain waste on various street	PV 55 of June		154,000	Pv lack evidence of execution no attached receipt from NURTW or it equibellent
16.	Electoral officer PKM LG	Payment for logistic support during permanent voter reg.	PV 73 of June 22		200,000	No official letter for that exercise
17.	Danlami Shehu	Payment for security personal allowance during patrol at disputed area b/w nangere& putiskum	PV 8 of Aug 22	Cash	500,000	Name of the security personnel / beneficiary and amount for each not mentioned
18.	Ali Mohammed	Payment for Transport &accommodation on recruitment exercise @ mando.	PV 69 of July 2022		200,000	Recipient could not sign for the collection of fund, the PV lack evidence as no reference letter from inviting organization
19.	Ibrahim barde (protocol officer)	Payment for the hosting of NSCDC State command for his official visit to	PV 63 of July 22		150,000	no official letter from NSCDC for the visit

		PKM				
20.	Aliyu moh'd Dogonini (resentment officer)	Payment for the conveyance of Nigeria police force headquarter DTR	PV 103 of Aug 22		90,000	No invitation letter from the police Headquarters
21.	Abubakar Moh'd Daki (ES)	Payment for financial support to host national bureau for statistics on official assignment	PV 106 of Aug 22		250,000	Education secretary did not acknowledge the receives of the fund,
22.	Ismaila mai adamu (Director general)	Payment for facilitate the process of open competitive bidding for modelling out construction work	PV 3 of Sept 22		1,578,000	Non of the National news paper advertisement was carried out nor the social media plat forms or web side, because no copy of such news papers
23.	Ibrahim barde	Payment security allowance during distribution of animal by northeast multi sectorial crises recovery project	PV 2 of Oct 22		80,000	List of the benefiting security not attached, specific security name not mentions
24.	Dankoli Dynamic invt. ltd	Payment for 20% collection of unclaimed benefit for current divided & demateriazation of share certificate for Potiskum local Govt.	PV 9 of Oct 22		1,891,600	We didn't trace a share from any company that issue dividend to PKM
25.	Ahmed Khalil and co	Payment for attending suit in respect of Potiskum local Govt. on several occasion	PV 70 of Oct 22		300,000	The barrister did not the collect payment as no evidence from him collect payment.
26.	Bar. Adamu Abdullahi	Payment of retainer, filling and appearance	PV 66 of Oct 22		400,000	No evidence the payment was take place because the

		fee to LG lawyer for retainer ship monthly allowance for 7 month				barrister did not issue the LG with payment receipt.
27.	Ibrahim mamman	Payment for medical Asst. to treat his eye	PV 8 of Nov 22		50,000	No medical record or out patient card to show he attend to treatment
28.	Sunday person	Payment for attending workshop	Pv 10 of Nov 22		220,000	There is no letter inviting them to attend workshop.
29.	Ali Fugura	Payment for swearing in of care- taker management committee	PV 74 of Nov 22		325,000	Out of the amount collected only 215,000 was accounted and received, 110,000 should be refunded
30.	Ibrahim mamman	Being payment for financial Assistance	PV 47 of Nov 22		50,000	The payment did not supported with evidence that the sickness is true, no medical record or medical expenses.
31.	Ali modu	Payment for the interview of caretaker chairman by YBC official	PV 58 of Dec 22		100,000	No evidence that YBC collected the said amount for interview because no payment receipt attached on the PV.
32.	Aliyu mohammed dogonini	Payment to attend 84 regular intake in Nguru	PV 78 of Dec 22		100,000	No call letter or any correspondence from Nguru Army barrack to quality the payment.
			<b>TOTAL</b>		<b>8,548,100.00</b>	

Where no further satisfactory records could be advance, recovery be effected and treasury receipts records forwarded for subsequent verification

## LOCAL GOVERNMENT EDUCATION AUTHORITY.

### WRONG/IRREGULAR PAYMENT

The sum of ₦179,00.0 was drawn on Ten (10) payment vouchers which could not be observed supported with relevant expenditure documents to justify such drawings

#### **Details presented below:**

S/N	NAME	DETAILS	PR NO & DATE	CHA NO	AMOUNT	REMARKS
1.	Baba Mai Mai	Payment for the purchase of financial record	PV No 1 of Jun 22	E-pay	20,000	OCV couldn't control the payment voucher and the item not charge to store no SRV attached
2.	Haruna Ahmed	Payment for standing impress of head of school service	PV3 of Jan 22	E-pay	20,000	The officer controlling the voucher didn't control the payment voucher, not attached with supporting document
3.	Ibrahim Auwal (PRS)	Payment for monthly standing impress	PV 4 of Jan 22		20,000	The voucher not attached with expenditure receipt to justify the spending
4.	Admin (HOA)	Payment for monthly impress of HOD Admin P.K.M	PV5 of Feb 22		20,000	OCV did not control the payment voucher No expenditure details attached.
5.	Umar moh'd (Hof)	Being payment for monthly standing impress	PV4 of march 22		20,000	The payee did not retire the expenditure and

						the OCV couldn't sign the payment voucher
6.	Babo Mai Mai	Payment for purchase of statutory	PV8 of march 22		10,000	The item not charge to store as no SRV attached on the payment voucher
7.	Alh Mai Mai	Payment for the purchase of school materials (chalk )	PV4 of April 22		33,000	The item not charge to store as no SRV attached on the PV
8.	Abubakar Moh'd (ES)	Payment for the purchase of wind screen (406) LG 07 PKM	PV1 of May 22		26,000	The item not charge to store because no SRV enclosed on the PV.
9.	Haruna Ahmed	Payment for monthly standing impress to HOSS PKM	PV 5of June 22		15,000	The PV was not control by officer control the Department voucher
10.	Umar moh'd (HOF)	Payment for monthly standing impress	PV7 June 22		15,000	The voucher not retired, not attached with expenditure receipt

The expenditure could not be certified genuinely incurred, hence recovery be effected, copy of the treasury receipt(s) be forwarded for subsequent verification

## **AGRIC DEPARTMENT**

### **WRONGS/IRREGULAR PAYMENT**

The of ₦614,700.00 was drawn on Six (6) payment vouchers claim to have been expended on various activities of the department were observed the following:

- i. The expenditure were not supported with complete document
- ii. The payment did not fully with the receipt or invoice attached to payment voucher
- iii. The payment vouchers were not subjected to Internal Auditors certification in accordance to the provision
- iv. The officer controlling the vote didn't control the payment voucher were not supported with expenditure receipt.

<b>S/N</b>	<b>NAME</b>	<b>DETAILS</b>	<b>PVNO&amp; DATE</b>	<b>CHEQUE NO</b>	<b>AMOUNT</b>	<b>REMARK</b>
1.	Dahiru Dadiya (Forestry sup.)	Payment for the purchase of forestry material & working tools.	PV101 of Feb 22		300,000	Doctored invoice attached on the PV, receipt not carbonated.
2	Abdulrahman Ali	Payment for medical	PV 50 of nor 22		28,000	No outpatient medical card attached to prove the truth of the treatment.
3		Payment for the purchase of office furniture	PV 3 of July 22		136,000	The items not charge to store, SRV not enclosed as evidence

## **STORE ADMINISTRATION AGRIC DEPARTMENT**

It was observed that, a supplies worth ₦127,000.00 was executed in Agric Department but was not charged to store records

### **Details below:**

<b>S/ N</b>	<b>NAME</b>	<b>DETAILS</b>	<b>PVNO&amp; DATE</b>	<b>CHEQ UE NO</b>	<b>AMOUNT</b>	<b>REMARK</b>
1.	Idriss Shu'aibu (vet sup.)	Payment for supply of environmental sanitation material.	PV 88 of Jan 22		127,000	The items not charge to store record.

You are required to advance convincing expenditure as to why recovery would not be effected.

## **BANK RECONCILIATION STATEMENT**

it was observed that transactions worth ₦100,486,00 were not posted in the cash book hence explanation is required the details as below

<b>S/NO</b>	<b>DETAILS</b>	<b>VALUE DATE</b>	<b>AMOUNT</b>	<b>REMARK</b>
1.	Transfer levy	13-Jan – 22	50,000	Not posted to cash book
2.	Monthly transfer levy	23 – Feb -22	50,000	Not posted to cash book
3.	SMS charge	25 –Feb 22	8.00	Not posted to cash book
4.	Electronic money transfer levy	17- march 22	50.00	Not posted to cash book
5.	SMS charge	1-April 22	8.00	Not posted to cash book
6.	SMS charge	18- April 22	8.00	Not posted to cash book
7.	Electronic money transfer	22- April 22	50.00	Not posted to cash book
8.	SMS charge	27- April 22	8.00	Not posted to cash book
9.	Electronic transfer levy	13- May 22	50.00	Not posted to cash book
10.	SMS charge	23-May 22	4.00	Not posted to cash book
11.	Electronic Money transfer levy	16- June 22	50.00	Not posted to cash book
12.	Electronic Money transfer levy	29- July 22	50.00	Not posted to cash book
13.	Electronic Money transfer levy	15-sept 22	50.00	Not posted to cash book
14.	Electronic Money transfer levy	21-oct 22	50.00	Not posted to cash book

				book
15.	Electronic Money transfer levy	18-Nov 22	50.00	Not posted to cash book
16.	Electronic Money transfer levy	14	50.00	Not posted to cash book
	TOTAL		100,486.00	

Were convincing explanation with material evidence could not be advance recoveries be effected and evidence of same forwarded for subsequences verification

## **PRIMARY HEALTH CARE DEPARTMENT.**

### **WRONG AND IRREGULAR PAYMENT WORTH N999,000.00**

The sum of N999,000.00 was drawn on six (6) Nos payment vouchers expended to observed the following:

- i.** some items were not charge to the store officials
- ii.** the items not supply, the store keeper was instructed to write in the store ledger
- iii.** The Storekeeper issue SRV without inspecting the items
- iv.**

S/N	NAME	DETAILS	PV NO & DATE	CHE QUE NO	AMOUNT	DEPT	REMARKS
1.	Haruna mamuda (Disease control officer)	Payment to curtrail emergency outbreak of measles @ grain bah	PV 70 of April 22		100,000	PHC	The item not supplied to the store they were only instructed the store keeper to write in store ledger
2.	Haruna mamuda (DCO)	Payment to procure drug for control of ailment at yarimaram & Danchuwa ward	PV 77 of June 22		200,000	PHC	The store keeper did not seen the item but instructed to write in his store ledger
3.	Haruna Dauda Mamuda	Payment for control of outbreak	PV 1 of July		250,000	PHC	The store issue SRV without witnessing the items.
4.	Haruna dauda mamuda	Payment of control of Gastro centric disease for Dancha ward.	PV 53 of Aug 22		250,000	PHC	The store keeper just issue SRV without witnessing the items.
5.	Ibrahim Haruna Musa (to mech)	Payment for repairs of council bus LG PKM	PV 76 of Aug 22		72,000	PHC	Items not charge to store

You required advancing convincing why recoveries could not be effected

## **WRONG AND IRREGULAR PAYMENT WORTH ₦1,769,000.00**

The sum of N1,755,700.00 drawn on Ten (10) payment vouchers for the various purpose as stated in the table below:

The following observation were made

- i. Valid expenditure details could not attached
- ii. the programme executed two year before the payment in June 2022, and ended of being liabilities
- iii. the expenditure could not be observed in any subject fill items not receive in the store for expenditure history

Therefore this expenditure details could not be admitted as charge in the account of the Local Government where necessary explanation could not be advanced, recoveries be effected

<b>S/N</b>	<b>NAME</b>	<b>DETAILS</b>	<b>PVNO&amp; DATE</b>	<b>AMOUNT</b>	<b>REMARK</b>
1.	Umar ebeth (sanitation officer)	Payment for dis infection of culvert & drainage	50 of Feb 22	120,000	The officer did not list and itemized the items to campout the activity, No purchase recent
2.	Hauwa Ibrahim chana (Nut officer )	Payment of transportation of RUTF commodities from DTR to PKM	16 of June 2022	50,000	No SIV from issuing organization, No NURW Receipt for transportation No SRV from PHC PKM
3.	Auwal M. Habu (L.G Focal Person)	Payment for hosting of officials from Health & development support program	49 of June 22	80,000	Payment made in June 22 and the Programe executed two years before 2022.
4.	runa Daida mamodo	Payment for control of outbreak	1 of June 2022	250,000	Specific area of the outbreak not mention, thus, they only made the payment without

					true process which made the expenditure fictitious.
6.	Haruna Dauda Momodo (DCO)	Emergency payment for the control of out break	PV 52 of July 22	250,000	The receipt attached was not carbonated its doctored the store keeper records without witness the items
7.	Alh Usman Gimba	Payment for the purchase of sweet to be given to eligible children for vaccination	PV 44 of Sept 22	165,000	The purchase receipt attached is doctored, items not charge to Store for Documentation
8.	Haruna Dauda Mamodo	Payment for medical Assistant	PV 5 of Nov 22	50,000	No evidence of sickness because No Hospital Record or Doctor prescription attached
9.	Haruna D. Momodo	Payment for Disease Control	PV 88 of Dec 22	191,500	No purchase se receipt attached. Item not taken to Store
10.	Sunday Person	Payment of Local Government area Health workers team for the month	PV 1 of Nov 22	500,000	No Sunday name attached to certify the payment
11.	Sunday	Payment for L.G.A AS word focal person for the month	PV 2 of Nov 22	100,000	No Sunday name attached to justify the payment, it is fiction.

## **FINANCE DEPARTMENT.**

### **WRONGS AND IRREGULAR PAYMENT**

The sum of ₦784,000.00 was drawn on three (3) PV claims to have been expended on various activities which were observed deficient of the following.

- a) No official correspondence attached while NPC takes full responsibilities of its routine duties
- b) No Expenditure details to justify payment
- c) Not processed in subject file.

S/N	NAME	DETAILS	PV NO & DATE	CHA QUE NO	AMOUNT	REMARKS
1.	Ibrahim Barde (protocol office)	Payment for hosting of staffs from national population commissions accommodation allowance & logistics	PV 5 Jan 2022		284,000,000	Not processed in subject file  No expenditure details attached.
2.	Sundy person	Payment for national common entrance exams for primary school student for scratch card	PV 73 of April 22		500,000	No expenditure details to justify the transaction not enclosed  Not subjected of file record

You are required to advance convincing explanation with material evidence as to why recovery would not be effected or alternatively the sum drawn be recovered and evidence of same forwarded for subsequent verification

## **UN-REMITTED COLLECTION REVENUE**

inspection in to revenue collection records reveals that collections worth **₦1,011,000.00** was not remitted into the Local Government account

Details could be seen below:

## **INDIGENE CERTIFICATE**

<b>S/N</b>	<b>FROM</b>	<b>TO</b>	<b>AMOUNT</b>
1.	25951	26000	25,000
2.	26001	26040	25,000
3.	25651	25703	25,000
4.	23701	23750	25,000
5.	25601	25650	25,000
6.	23751	23800	25,000
7.	25851	25900	25,000
8.	23851	23900	25,000
9.	23551	23600	25,000
10.	23801	23850	25,000
11.	25501	25550	25,000
12.	18751	18800	25,000
13.	25501	25550	25,000
14.	25901	25950	25,000
			<b>N350,000</b>

S/N	Book NO	Counterfoil No.	Unit of Collection	Name of defaulter	Amount
1.	318	2085-2089	Timber	Bah Kano	1,000
2.	317	2001-2050	„	„	10,000
3.	312	01001-01050	Town Service	HarunaMuh'd	25,000
4.	370	0023351-0023402	Hawkers	✓	✓
5.	369	1123301-0023350	✓	✓	✓
6.	438	4801-4850	✓	✓	✓
7.	323	01501-01550	✓	✓	✓
8.	322	01501-01550	✓	✓	✓
9.	320	00401-00450	✓	✓	✓
10.	321	01451-01500	✓	✓	✓
11.	324	01601-01650	✓	✓	✓
12.	313	01051-01100	✓	✓	✓
13.	469	0020051-0020100	✓	✓	✓
14.	316	001201-001250	✓	✓	✓
15.	317	001251-001300	✓	✓	✓
16.	318	00301-00350	✓	✓	✓
17.	315	00151-00200	✓	✓	✓
18.	344	01101-01150	✓	✓	✓
19.	373	0023501-0023350	✓	✓	✓
20.	379	0023551-0023600	✓	✓	✓
21.	379	0023801-0023850	Hawkers	✓	✓
22.	376	0023651-002370	✓	✓	✓
23.	377	0023701-1123750	✓	✓	✓
24.	371	0023401-0023450	✓	✓	✓
25.	378	0023751-0023800	✓	✓	✓
26.	372	0023451-0023500	✓	✓	✓
27.	382	0023951-0024000	✓	✓	✓
28.	380	0023851-0023900	✓	✓	✓
					<b>661,000</b>

The revenue receipt and the collection there upon be recovered within 14 days of this correspondences for subsequent certification.

## **MISSING PAYMENT VOUCHERS**

Below listed drawings for the sum of ₦2,349,500.00 could not be submitted for Audit verification which could be termed missing or not prepared at all when the funds were drawn

Details as below:

### **OUTSTANDING PAYMENT VOUCHERS PKM LG JAN-DEC 2022**

<b>S/N</b>	<b>NAME OF PAYEE</b>	<b>DETAILS OF PAYMENT</b>	<b>CHQ NO</b>	<b>PV NO</b>	<b>DATE</b>	<b>HEAD</b>	<b>AMOUNT</b>
1.	Sale yahaya	Payment of financial Asst.	000643	71	Feb 22	2004/12	5,000
2.	-NIL	„	000643	72	Feb 22	2002/12	3,300
3.	Sunday person (Nulge)	Payment of monthly All	„	73	Feb 22	2004/12	20,000
4.	Nil	NIL	000656	96	Mach 22	NIL	35,000
5.	NIL	NIL	„	97	Mach 22	NIL	35,000
6.	NIL	NIL	000662	64	April 22	NIL	20,000
7.	NIL	NIL	000668	98	April 22	NIL	35,000
8.	NIL	NIL	„	99	April 22	NIL	35,000
9.	NIL	NIL	000672	50	May 22	NIL	40,000
10.	NIL	NIL	000677	75	May 22	NIL	60,000
11.	NIL	NIL	000681	82	May 22	NIL	50,000
12.	NIL	NIL	000683	84	May 22	NIL	50,000
13.	Sunday person	Payment of Allowance	-	10	April RV	2004/11	21,000
14	Sunday person (disable)	Payment of monthly allowance	-	10	May 22 RV	2001/12	31,000
15.	Sunday person (disable)	payment monthly allowance	-	8	June 22 M	2001/12	103,500
16.	Sunday Secretly)	Payment of Monthly allowance	000695	12	July 22 M	2001/13	629,000
17.	NIL	NIL	000703	3	Aug 22 M	-	100,000
18.	NIL	NIL	000703	68	Sept 22	-	10,000
19.	NIL	NIL	000728	17	Oct 22	-	45,000
20.	Ibrahim Barde (protocol)	Enterlanet Hospital	000737	71	Oct 22	2001/11	97,000
21.	PHCN Potiskum	Payment of medical Asst.	000706	48	Nov 22 month	4006/1	20,000
22.	Abduraman Ali	Payment Medical Asst.	„	50	Nov 22 m	2008/11	7,700

23.	Ibrahim barde	Payment Special impress	✓	75	✓	A / 70	700,000
24.	NIL	NIL	000 738	81	Nov 22	-	15,000
25.	Ibrahim barde (protocol)	Purchase of staizin	✓	53	Dec 22	2003/11	85,000
26.	NIL	NIL	✓	54	Dec 22	2001	25,000
27.	NIL	NIL	✓	70	Dec 22	NIL	42,000
28.	NIL	NIL	✓	90	✓	NIL	20,000
29.	NIL	NIL	✓	91	✓	NIL	10,000

Where the original certified vouchers could not be produce for inspection the signatures to the account should be held for the sum drawn and treasury receipt forwarded for subsequent verification.

## **UN-RETURNED USED REVENUE BOOKS**

The provision of the FM provides that, no new revenue earning book be issued to a collection until the one presently issued were fully exhausted and returned however, revenue earning books for the collection of ₦142,500.00 are outstanding on various collection.

You are required to ensure their books are return with the collection there from and from office of the Auditor-General be notified in accordance with the provision.

## **UNRETURNED RECEIPTS**

<b>S/No</b>	<b>Book No</b>	<b>Receipt Number from -To</b>	<b>Date issued</b>	<b>To whom issued</b>	<b>Type of receipt</b>	<b>Amount</b>
1.	005	0201-0250	5/1/22	Sale shuddi	Departmental	✓
2.	014	1886-1900	11/1/22	Musa isa	✓	✓
3.	037	4601-4650	15/2/22	Jigawa Dist.	✓	✓
4.	048	5151-5200	5/2/22	Sec yandiski D/H	✓	✓
5.	055	5501-5550	22/3/22	Hussaini	✓	✓
6.	106	3101-3150	19/6/22	Eveth	✓	✓
7.	107	3151-3200	19/6/22	Eveth	✓	✓
8.	137	6651-6700	21/7/22	Lambababta	✓	✓
9.	151	7401-7450	15/8/22	Mustapha Ibrahim	✓	✓
10.	393	7301-7350	12/12/22	Abubakar II	Departmental	✓
11.	407	8001-8050	27/12/22	Bab kawu	✓	✓
12.	408	8051-8100	✓	✓	✓	✓
13.	104	0551-0600	16/3/22	Haruna H	✓	N2500
14.	243	14551-14600	24/5/22	Harunamoh'd	✓	✓

15.	244	14601-14650	✓	✓	✓	✓
16.	319	00351-00400	✓	✓	✓	✓
17.	340	00402-02450	✓	✓	✓	✓
18.	437	4751-4800	27/12/22	Harunamoh'd	✓	✓
19.	440	4901-4950	21/12/22	Harunamoh'd	Town service permits	N2500
20.	441	4951-5000	✓	✓	✓	✓
21.	448	6301-6350	✓	Ali s. tasha	✓	✓
22.	449	6351-6400	28/12/22	✓	✓	✓
23.	450	6401-4450	✓	✓	✓	✓
24.	451	6451-6500	✓	✓	✓	✓
25.	452	6501-6550	✓	✓	✓	✓

S/No	Book No	Receipt Number from -To	Date issued	To whom issued	Type of receipt	Amount
1.	027	3651-3700	16/1/22	Haruna C.	Hawkers permit	2500
2.	215	9451-9500	29/3/22	Bah kawu	✓	✓

3.	247	16051-16100	21/6/22	Harunamohd	✓	✓
4.	248	16101-16150	✓	✓	✓	✓
5.	249	16151-16200	✓	✓	✓	✓
6.	250	16201-16250	✓	✓	✓	✓
7.	251	16251-16300	✓	✓	✓	✓
8.	252	16301-16350	✓	✓	✓	✓
9.	253	16351-16400	✓	✓	✓	✓
10.	254	16401-16450	✓	✓	✓	✓
11.	255	16451-16500	✓	✓	✓	✓
12.	283	0019001-0019050	26/7/22	Harunamoh'd	✓	✓
13.	284	0019051-0019100	✓	✓	✓	✓
14.	285	0019101-0019150	✓	✓	✓	✓
15.	286	0019151-0019200	✓	✓	✓	✓
16.	287	0019151-0019250	✓	✓	✓	✓
17.	364	0023051-0023100	23/8/22	Harunamoh'd	✓	✓
18.	363	0023001-0023050	✓	✓	✓	✓
19.	365	0023101-0023150	✓	✓	✓	✓
20.	368	0023251-0023300	✓	✓	✓	✓

The departmental receipts have no limit of revenue collection which the sum of N142, 500.00 on the tickets collected also not remitted.

Remittance be effected and the return details of the departmental receipts forwarded for audit certification

<b>S/No</b>	<b>Book No</b>	<b>Counterfoil No From -To</b>	<b>Unit collection</b>	<b>of Name Defaulter</b>	<b>of Amount.</b>
1.	296	5601-5700	✓	Jigawa	N10,000
2.	036	13801-13900	✓	Jigawa	N10,000
3.	034	13601-13700	✓	Jigawa	N10,000

<b>S/No</b>	<b>Book No</b>	<b>Receipt Number from -To</b>	<b>Date issued</b>	<b>To whom issued</b>	<b>Type receipt</b>	<b>of Amount</b>
1.	116	5351-5400	14/11/22	Ali s Tasha	Trailer permit	N25000
2.	127	5851-5900	✓	✓	✓	✓
3.	129	5951-6000	✓	✓	✓	✓
4.	130	6001-6050	✓	✓	✓	✓
5.	131	6051-6100	✓	✓	✓	✓
6.	132	6101-6150	✓	✓	✓	✓
7.	001	0001-0100	27/10/22	Ali S Tasha	Stickers	N1000
8.	002	0101-0200	✓	✓	✓	✓
9.	003	0201-0300	27/10/22	✓	✓	✓
10.	004	0301-0400	✓	Ba'abaHaruna	✓	✓
11.	005	0401-0500	✓	Moh'dYanga	✓	✓
12.	006	0501-0600	✓	✓	✓	✓
13.	009	0801-0900	✓	Bah kawu	✓	✓
14.	010	0901-1000	✓	✓	✓	✓

**POTISKUM LOCAL GOVERNMENT COUNCIL  
FINANCIAL HIGHLIGHTS FOR THE YEAR 2022**

S/No	DESCRIPTIONS	ACTUAL 2022	FINAL BUDGET 2022	ACTUAL 2021
	<b>RECURRENT REVENUE</b>	<b>N</b>	<b>N</b>	<b>N</b>
1	STATUTORY ALLOCATION	1,716,485,230	1,585,640,303	1,345,435,814
2	VALUE ADDED TAX	948,638,621	810,769,574	786,202,956
3	OTHER FAAC ALLOCATION	169,291,646	153,011,548	105,905,200
4	INTERNAL REVENUE IGR	75,704,750	200,149,880	88,724,467
	<b>SUB TOTAL</b>	<b>2,910,120,247</b>	<b>2,749,571,305</b>	<b>2,326,268,437</b>
	<b>CAPITAL RECIEPTS</b>			
1	GRANTS	162,547,056	-	-
2	MISCELLANEOUS	-	-	-
	<b>SUB TOTAL</b>	<b>162,547,056</b>	<b>-</b>	<b>-</b>
	<b>TOTAL RECEIPTS</b>	<b>3,072,667,303</b>	<b>2,749,571,305</b>	<b>2,326,268,437</b>
	<b>RECURRENT EXPENDITURE</b>			
1	PERSONNEL COSTS (Including Salaries on CRF charges - Public Office Holders)	539,637,397	754,904,047	560,435,300
2	OVERHEAD COSTS	60,000,000.000	120,000,000	42,500,000
3	SUBVENTIONS TO BOARD and PARASTATALS	876,143,661.790	-	1,238,809,873
4	OTHER OPERATING ACTIVITIES	683,025,384.550	780,377,407	122,551,168
	<b>TOTAL RECURRENT EXPENDITURE</b>	<b>2,158,806,443.370</b>	<b>1,655,281,454</b>	<b>1,964,296,341</b>
	CAPITAL EXPENDITURE	696,434,478.950	1,048,813,750.00	377,691,647
	<b>TOTAL EXPENDITURE</b>	<b>2,855,240,922.320</b>	<b>2,704,095,204.01</b>	<b>2,341,987,988</b>
1	NET CASH BALANCE	217,426,380.708	45,476,100.99	(15,719,551)
2	OPENING BALANCE	134,623,879.218	212,210,149.00	169,245
	OPENING BALANCE (ii Project Joint Acc)	-		150,174,185
3	CLOSING BALANCE	352,050,259.927		134,623,879

**POTISKUM LOCAL GOVERNMENT  
PERSONNEL COST**

<b>3</b>	<b>PERSONNEL COST</b>					
	<b>Description</b>		<b>Actual 2022</b>	<b>Budget 2022</b>	<b>Variance 2022</b>	<b>Remarks</b>
21010101	Basic Salaries		350,764,308.06	490,687,630.55	139,923,322.49	
21020101- 7	Allowances General		174,033,060.54	243,456,555.16	69,423,494.62	
21020201	2.75 YCHMB Contribution		14,840,028.43	20,759,861.30	5,919,832.87	
	<b>Total</b>		<b><u>539,637,397.03</u></b>	<b><u>754,904,047.01</u></b>	<b><u>215,266,649.98</u></b>	

**POTISKUM LOCAL GOVERNMENT  
OVERHEAD EXPENDITURE**

**OVERHEAD COST**

	<b>Description</b>		<b>Actual 2022</b>	<b>Budget 2022</b>	<b>Variance 2022</b>	<b>Remarks</b>
	Overhead Cost		60,000,000.00	120,000,000.00	60,000,000.00	
	<b>Total</b>		<u><b>60,000,000.00</b></u>	<u><b>120,000,000.00</b></u>	<u><b>60,000,000.00</b></u>	

**POTISKUM LOCAL GOVERNMENT  
ADMIN SECTOR- EXPENDITURE**

	<b>Administrative Sector</b>					
	<b>Description</b>		<b>Actual 2022</b>	<b>Budget 2022</b>	<b>Variance 2022</b>	<b>Remarks</b>
23020151	Construction of Town Hall/Event Centre		46,750,500.00	110,000.00	(46,640,500.00)	
22020503	Workshop and Seminar		7,500,000.00	10,000,000.00	2,500,000.00	
23020102	Construction/Renovation of 13 Local Govt House		11,497,010.00	44,500,000.00	33,002,990.00	
23050223	Constrution to state Independent elet. Commission		20,000,000.00	80,000.00	(19,920,000.00)	
23050140	scholarship		11,710,000.00	25,500,000.00	13,790,000.00	
23020169	Construvtion of Local Govt Lodge		15,700,000.00	110,000,000.00	94,300,000.00	
23050261	ICT Traninig		2,202,865.00		(2,202,865.00)	
	<b>Total Administrative Sector</b>		<b>115,360,375.00</b>	<b>190,190,000.00</b>	<b>74,829,625.00</b>	

**POTISKUM LOCAL GOVERNMENT  
ECONOMIC SECTOR EXPENDITURE**

	<b>Economic Sector</b>					
	<b>Description</b>		<b>Actual 2022</b>	<b>Budget 2022</b>	<b>Variance 2022</b>	<b>Remarks</b>
23030154	Repairs/Mantence of Tractors		4,000,000.00	76,750,000.00	72,750,000.00	
23010159	Purchase of Fertilizer		60,000,000.00	60,000,000.00	-	
23030103	Rehabilitation of Street Light in Potiskum Town		8,757,230.00	100,000.00	(8,657,230.00)	
23040101	Provision of Annual Tree Planting Campaign		6,140,000.00	20,000,000.00	13,860,000.00	
23030155	Rehabilitation of Potiskum Abbotaor		23,572,000.00	47,750,000.00	24,178,000.00	
23020156	Fencing of Agric Depat		9,076,005.00	25,000,000.00	15,923,995.00	
23050212	Evacuation of Drainage whing the Local/Govt.		17,500,000.00	17,500,000.00	-	
23010141	Purcahse of 10 300kva Tranformers		61,429,230.00	150,000,000.00	88,570,770.00	
	<b>Total Economic Sector</b>		<b>190,474,465.00</b>	<b>397,100,000.00</b>	<b>206,625,535.00</b>	

**POTISKUM LOCAL GOVERNMENT  
REGIONAL DEVELOPMENT EXPENDITURE**

	<b>Regional Development Sector</b>					
	<b>Description</b>		<b>Actual 2022</b>	<b>Budget 2022</b>	<b>Variance 2022</b>	<b>Remarks</b>
23050284	Area Development Programmes		74,250,000.00	80,500,000.00	6,250,000.00	
23020177	Drilling of Borehole at Mamudo		35,750,000.00	50,000,000.00	14,250,000.00	
23020177	Drilling of Borehole at Dogo Nini		43,800,000.00	40,600,000.00	(3,200,000.00)	
23050215	Evacuation of Sewage and Drainages		12,700,000.00	13,900,000.00	1,200,000.00	
23010152	Purchase of Survey Equipment		18,500,000.00	20,000,000.00	1,500,000.00	
23020105	Counterpart Funding to rural water supply		20,000,000.00	20,000,000.00	-	
23030130	Rehabilitation of Borehalls		15,000,000.00	15,000,000.00	-	
	<b>Total Regional Sector</b>		<b><u>220,000,000.00</u></b>	<b><u>240,000,000.00</u></b>	<b><u>20,000,000.00</u></b>	

**POTISKUM LOCAL GOVERNMENT  
SOCIAL SECTOR EXPENDITURE**

	<b>Social Sector</b>					
	<b>Description</b>		<b>Actual 2022</b>	<b>Budget 2022</b>	<b>Variance 2022</b>	<b>Remarks</b>
23010158	Purchase of Classroom furniture for distribution across the L.G				-	
23020106	Construction of Dispensary at G/Babur		27,500,000.00	38,800,000.00	11,300,000.00	
23030105	Renovation of Dispensary at Dogo Tebo		13,676,250.00	29,950,000.00	16,273,750.00	
32020147	Procurement & Supply of Metyernity Equipt.		45,000,000.00	45,000,000.00	-	
32020106	Contraction of new Despensary of Janboy		52,800,000.00	60,750,000.00	7,950,000.00	
23050153	sustainebility of Immunization malaria control/chlare		9,599,638.95	25,000,000.00	15,400,361.05	
2301016	Purchase of Information Gadget		20,023,750.00	20,023,750.00	-	
23020150	Purchase of Sewing Machine across the Local Govt		2,000,000.00	2,000,000.00	-	
	<b>Total Social Sector</b>		<b>170,599,638.95</b>	<b>221,523,750.00</b>	<b>50,924,111.05</b>	

## **BUDGETTARY ANALYSIS**

The Local Government budgeted the sum of N2,749,571,305 for statutory allocation and 75,704,750.00 collections from internal Generated Revenue source. The Federal Allocation for the year certified for N2,910,120,247.00 .

### **(1) INTERNALLY GENERATED REVENUE**

The Local Government budgeted the collection of N200,149,880.00 for which the sum of N75,704,750 was collected accounting for ...% performance. The council would perform better with efficient supervision.

### **(2) INTERNAL CONTROL**

The Local Government Council could not be observed to have a standing internal control procedure put in place as collections could be observed efficiently administered and expenditure vouchers not be observed processed through the Internal Audit certification. The Internal control should be strengthen for better result.

### **(3) STORE REGULATIONS FOR ASSETS/INVENTORIES**

The Council despite the resolution of the House arising from the 2017 recommendation, it still observed poor or absence of Assets Register and proper inventory of stocks and other assets. This have to be addressed

**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 Potiskum Local Government for the year ended 31<sup>st</sup> December, 2022.

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 Potiskum Local Government for the year ended 31<sup>st</sup> December 2022 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 Potiskum Local Government for the year ended 31<sup>st</sup> December 2022.

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

  
24/9/23  
**(IBRAHIM M. ALIYU CNA,ACTIN)  
AUDITOR-GENERAL (LOCAL GOVTS)  
YOBE STATE**