

AUDITOR—GENERAL'S REPORT

**FUNE LOCAL GOVERNMENT
2019 FINANCIAL YEAR REPORTS**

MARCH, 2020

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REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS

FUNE LOCAL GOVERNMENT

FOR THE YEAR ENDED 31ST DECEMBER 2019

1. INTRODUCTION:

The Financial Statement of Fune 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 Fune Local Government for the year ended 31st December, 2019 was submitted to me on the 6th January 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 in acknowledgement of the schedules as presented in Appendix.

3. PREVIOUS AUDIT REPORTS 2017 FINANCIAL YEAR REPORTS

The Auditor-General report on the operation of 2017 had been scrutinized by the Legislative and recommendation arising from the reports adopted in the plenary of the House on 24th March, 2020 with bellow resolution.

- (i) Poor Internal Revenue Generation
- (ii) Absence of Assets register and inventories
- (iii) Non observance of internal control
- (iv) Poor documentation of expenditure.

4. OUTSTANDING 2018 AUDIT OBSERVATIONS

The Auditor-General has duly forwarded the observation arising from the financial operation of 2018 to the Speaker Yobe State House of Assembly vide letter No. LGAD/ADM/LGFS/73/VOL.I dated 23rd September 2020.

The reports have been committed to the House Committee on Public Accounts for legislature scrutiny.

Highlights of the reports are: -

FINANCE DEPARTMENT

- (i) **UNRETIRED NON PERSONAL ADVANCES:** - The sum of N15,810,000.00 could not be retired for absence of statutory expenditure details as the claimed purpose could not be certified carried out.
- (ii) **MISSING PAYMENT VOUCHER:** - Drawing made without supporting payment vouchers for N83,509,537.55 .
- (iii) **PAYMENT WITHOUT DOCUMENTATION:** - Various payment were made without taking into cognizance the following: -

- Payment not duly process in any subject file.
- Invoice of procurement were not attached.
- Supplies were not taken charge into store.
- Pre-payment Audit not conducted.
- Acknowledgement of Payee were observed not done.

The total involved stood at **N63,701,984.66**

- (iv) **OUTSTANDING REVENUE EARNING BOOKS:** - For the period 2018, Revenue Earning receipt for collection of N1,138,000.00 un-returned with the collections there upon.

PRIMARY HEALTH CARE DEPARTMENT

- (i) **WRONG AND IRREGULAR DRAWINGS:-** The sum of N1,200,000.00 drawn on eight (8) Payment Vouchers without documentation.

WORKS DEPARTMENT

- (ii) **WRONG AND IRREGULAR PAYMENTS:** - The Head of Works was paid the sum of N70,000.00 monthly for period of (8) months amounting to N560,000.00 being payment to effect as Energy bill. However, the total sum as shown by the receipt from the Payee stood at N298,500.00, therefore the sum of N261,500.00 not expended be recovered.

5. 2019 AUDIT OBSERVATION

For the year 2019, observation arising from inspection of operation were forwarded to the council in accordance with the provisions and reminders sent. No response hence for legislative action.

PRIMARY HEALTH CARE DEPARTMENT

1.0 IRREGULAR AND WRONG PAYMENTS WORTH N5,079,000.00

Bellow drawings for the sum of N5,079,000.00 could not be observed supported with the necessary attachments contrary to the payment procedures as stipulated in FM 14:10.

All the payments were raised without adhering to the due process:

- i. The beneficiaries did not acknowledge payment due to their non-sign or endorsement of their signatures.
- ii. Payment Voucher not duly process.
- iii. The Payment Voucher was not supported with Invoice receipts.
- iv. The beneficiaries did not sign the PV.

Details below: -

S/N	DATE	NAME OF PAYEE	PURPOSE OF PAYEE	PV NO.	HEAD/SUB HEAD	AMOUNT ₦	REMARKS
1.	25/2/19	Sundry Persons	Monthly Standing allowance	17	2008/2012 c/c	79,000.00	Beneficiaries did not acknowledge payment
2.	28/9/19	Abba Moh'dJajere	Medical assistance to undergo treatment in India	10	-	5,000,000.00	PV not processed, no medical Invoice attached and beneficiary

							did not acknowledged.
TOTAL						<u>5,079,000.00</u>	

Since the expenditures were not incurred in accordance with the provision of FM 14:10, Recommended for full recoveries.

1.2 UNACCOUNTED DRAWINGS WORTH N5,021,495.00

Books of account maintained by Primary Health Care department for the period of January to December 2019 revealed that, the department of PHC operated an account maintained at Keystone Bank Account No. 1008621738, to which Overhead remittances from Primary Health Care Management Board (PHCMB) and Fune Local Government jointly operated.

Its observed that the sum of N5,021,495.00 was remitted to the account and duly supported by the Banks Statement. The total sum of N5,141,000.00 was total drawing from the account in the name of Hussaini Ahmed from January to December 2019 without a corresponding Payment Vouchers to support the drawings.

Below are details of drawings made by PHC without documentations: -

S/N	DATE	NAME	CHQ. NO.	AMOUNT ₦
1.	3/1/2019	Hussaini Ahmed	125	119,000.00
2.	4/2/2019	Hussaini Ahmed	126	100,000.00
3.	18/2/2019	Hussaini Ahmed	127	318,000.00
4.	8/3/2019	Hussaini Ahmed	128	101,000.00
5.	5/4/2019	Hussaini Ahmed	129	100,000.00
6.	18/4/2019	Hussaini Ahmed	131	390,000.00
7.	26/4/2019	Hussaini Ahmed	132	1,823,000.00
8.	7/5/2019	Hussaini Ahmed	130	100,000.00
9.	13/5/2019	Hussaini Ahmed	133	390,000.00
10.	6/6/2019	Hussaini Ahmed	134	455,000.00
11.	11/6/2019	Hussaini Ahmed	135	75,000.00
12.	9/7/2019	Transfer from GTB/0045952048 to PHCC		780,000.00
13	22/7/2019	Hussaini Ahmed	137	390,000.00
TOTAL				<u>5,141,000.00</u>

Since the sum were fraudulently drawn without supporting expenditure records recoveries are recommended.

FINANCE DEPARTMENT 2019

1.0 **WRONGFUL OVERPAYMENT MADE TO UNITED SURGICAL LTD WORTH N3,998,106.00 IN JANUARY 2019**

Drawings were made for the settlement of contract agreements for the supply of medical equipment for the sum N190,386,000.00 to United Surgical Limited.

The letter of approval for the said contract was communicated by Ministry for Local Government and Chieftaincy Affairs vide Correspondence Ref. No. MLG/S/FIN/95/5/T.V/66 dated 18/12/2018.

The payment of the actual contract sum was completed on 1st and 2nd payment but fraudulently third payment was claimed to the tune of N3,998,106.00 on PV No. 14 of 01/2019 for which bellow observations were made:

- i. Amount paid was in excess to the original contract sum.
- ii. Deduction of withholding taxes were not consider.
- iii. Invoice receipt attached to the payment could not tally with the suppliers.

The last voucher for the sum does not relates to the supplies as no variation was approval hence recoveries be effected.

1.2 **WRONG AND IRREGULAR PAYMENTS WORTH N17,498,922.67**

Bellow listed Payment Vouchers for the sum of N17,498,922.67 could not be observed effected in compliance to the provisions.

The provision on payment procedures as spelt out in the FM 14:10. includes: -

- i. No payment shall be made unless funds are available.

- ii. Each payment must be supported by a properly authorized payment voucher.
- iii. It must be made out in favour of the person or persons to whom the money is actually due.
- iv. It must be clearly worded, and give full particulars of payment.

Below drawings and remarks for further consideration: -

WRONG, UNDOCUMENTED AND IRREGULAR PAYMENTS MADE BY FINANCE DEPARTMENT FOR THE YEAR 2019 WORTH (N17,498,922.67)

S/N	DATE	NAME OF PAYER	PURPOSE OF PAYMENT	PV NO.	HEAD/SUB HEAD	AMOUNT ₦	REMARK
1.	8/1/2019	Damakasu Multi Links	Construct of 1 block of three Classroom of Maitamba Primary School	08	2005/6	5,675,370.96	No contract document, no recipient signed, not checked by the officer controlling vote, no prepayment Audit and certificate of completion.
2.	30/1/2019	Alis Synergy Concept Nig. Ltd.	Fund payment for renovation of 1 block of 2 Classrooms, Store and Office.	23	2005/6	976,086.23	No certificate of valuation/completion attached
3.	30/1/2019	Ali Kolo Enterprises	70% for construction of 1 block of Classroom, Store, Office at Dubbol Primary School.	7	2005/6	5,254,461.79	No contract agreement, no certificate of valuation or receipt acknowledged.
4.	10/4/2019	AGS Synergy Concept	50% payment for renovation of 1 block of 2 Classroom, Store and Office at Garin IdiBarde	033	5001/1	2,027,876.57	No contract document attached, nor evidence of receipt of payment to the Payee.
5.	10/4/2019	AGS Synergy Concept	85% payment for the renovation of 1 block of 2 Classrooms, Store and Office at Mil Biyar	026	5001/1	2,380,127.12	No contract document attached, no certificate of valuation and receipt from the Payee.
6.	25/5/2019	AlhajiDahiruJajere	Payment for feeding of Jajere Secondary School	49	Nil	250,000.00	- No contract agreement - Not responsibility of Local Govt.
7.	29/5/2019	Sundry Persons	Payment of monthly allowance to security	55	Nil	800,000.00	Not processed and no list Payee.

8.	24/6/2019	Abubakar M. Kule	Purchase of scholarship scratch card.	08	2006/2014	50,000.00	No receipt form LGEA, evidence of payment of scratch card were not attached and no prepayment Audit.
9.	25/10/2019	AlhajiAbubakarUsman	Preparation of 2020 annual budget	50	2001/12	25,000.00	No approval and detail of expenses incurred.
10.	30/10/2019	Ibrahim Aminu	Refund of OPE	51	2005/10	10,000.00	No recipient signature, and receipt covering expenses and items not checked.
11.	30/10/2019	UsmanAbubakar (TR)	Refund of OPE	48	2005/2012	50,000.00	Not checked and no approval granted.
TOTAL						<u>17,498,922.67</u>	

Where the required explanation could not be obtained for absence of valid documents recoveries be effected and Treasury receipts records be forwarded for further certification.

1.3 **A SHORTFALL ON MASS TRANSIT PROCEED ACCOUNT FOR THE YEAR 2019 WORTH N460,000.00**

Books of Account maintained by the Manager Mass Transit for the period under review revealed that, the Local Government had only two (2) serviceable Vehicles throughout the period under review and each vehicle was to remit the sum of N10,000.00 weekly and the sum of N1,040,000.00 was expected to be remitted into the Mass Transit Account, but only the sum of N580,000.00 was observed with a shortfall of N460,000.00.

Where no satisfactory explanation could be advanced for the shortfalls in remittance, the Mass Transit Manager be held liable to refund the sum outstanding and the Treasury receipts be forwarded for subsequent certification.

AGRIC DEPARTMENT

1.0 WRONG AND IRREGULAR PAYMENTS MADE BY AGRIC AND NATURAL RESOURCES DEPARTMENT FOR THE YEAR 2019 WORTH N13,879,575.00

Books of accounts maintained by Agricultural and Natural Resources Department have been examined to which drawings made of N13,879,574.00 on two (2) separate Payment Vouchers.

2. Observations were made over non-documentations and other necessary vital documents supposed to be attached to the Vouchers.

- i. The vouchers were not duly sign by the beneficiaries in order to indicate acknowledgment of the said funds collected.
- ii. Expenditure not processed any subject file for ease of reference, no any contract agreement copy attached.
- iii. No invoice or receipts of the claimed supplies attached.
- iv. No any Store Receipt Voucher (SRV) to indicate the supplier were taken on charged to stores.

Details below: -

S/N	DATE	NAME OF PAYEE	PURPOSE OF PAYEE	PV NO.	HEAD/SUB HEAD	AMOUNT ₦	REMARKS
1.	5/3/19	Sundry Persons	Monthly imprest and allowance paid at stall	13	2008/2012	18,000.00	Beneficiaries did not acknowledge payment
2.	18/12/19	Daiya Integrated	Purchase of Agric materials to Fune Local Government	09	2008/2012	13,861,575.00	No approval, no contract document, no SRV, PV is not processed.
TOTAL						<u>13,879,575.00</u>	

Where no satisfactory explanation could be advance recovery be effected as the expenditure lacks merit and substance to be admitted as valid expenditures.

ADMIN DEPARTMENT

IRREGULAR/WRONG DRAWINGS
WITHOUT DOCUMENTATION

Bellow listed drawings were effected without due consideration of the provision.

S/N	DATE	NAME OF PAYEE	PURPOSE OF PAYEE	PV NO.	HEAD/SUB HEAD	AMOUNT ₦	REMARKS
1.	7/2/2019	Sundry Person	Payment made to Sundry Person in respect of H.E visit to Damagum	40	7001/11	1,700,000.00	Name and signature of beneficiaries were not there, no notification letter of H.E visit, no detail of expenses involved.
2.	20/2/2019	TijjaniYakubu	Procurement of fuel, hiring of Chairs and Canopies during the official visit of H.E Governor of Yobe State	39	7002/3	2,250,000.00	- Not subjected to file records. - No expenditure details. - Not checked by the Officer Controlling Votes
3.	3/3/2019	Sundry Person	Standing Imprest granted to listed members of staff	09	A/E	400,000.00	PV not checked, no prepayment audit and some beneficiaries did not acknowledge payments.
4.	2/4/2019	AbubakarKule (Education Secretary)	Purchase of NECO scratch card for common entrance examination.	13	2002/12	150,000.00	No receipt from the education authority, no checked and not subjected to prepayment audit.
5.	25/5/2019	A.M Kime and Sons Nig. Ltd.	Purchase of Toyota Hilux to Fune Local Government	58	2002/11	29,022,500.00	No contract agreement attached, PV not checked, Payee did not acknowledge payment and no prepayment audit.
6.	2/6/2019	KolomiBulamaDaura	Transportation of relief materials from Damaturu to Damagum.	01	2002/11	179,000.00	No approval, not checked, no receipt covering the transport expenses and no prepayment audit.
7.	12/6/2019	Alhaji Isa Bukar	Accommodation, feeding and logistics to biometric data capturing Committee.	06	2001/12	1,700,000.00	No Hotel bills receipt attached, no receipt confirming purchase of food items, details of logistics not mentioned and no prepayment audit, PV not checked.
8.	11/7/2019	Mohammed Musa	Hosting of technical Committee on basic and secondary education for facilities data gathering	31	2006/1	1,000,000.00	PV not checked, Payee did not acknowledge payment, no details of expenses involved and no prepayment audit.

9.	7/8/2019	GoromaZannaYeri	3 months outstanding security allowance and servicing of patrol items Vehicle, fueling and other logistics	17	7001/11	3,100,000.00	No evidence or receipt of purchase of fuel and servicing of Vehicles, list and signature of securities not attached, no SRV and no prepayment audit.
10.	8/10/2019	Alhaji Isa Bukar	Hosting and enlistment of Land Committee	20	2002/2	180,000.00	No approval or checked, Payee did not acknowledge payment and no prepayment audit.
11.	27/10/2019	Alhaji Isa Bukar	Monthly standing imprest for October 2019	36	2002/12	50,000.00	Not receipted, not checked and Payee did not acknowledge payment.
12.	27/10/2019	Alhaji Isa Bukar	Refund of out of pocket expenses.	46	2002/11	50,000.00	No receipt covering the expenses incurred, not checked, no prepayment and Payee did not acknowledge payment.
13.	30/10/2019	Alhaji Isa Bukar	Monthly standing allowance for the month October 2019	49	2002/11	50,000.00	Not receipted, not checked and Payee did not acknowledge payment.
14.	2/9/2019	Adamu Musa Gidiyel	Refund of O.P.E for the repair of official Vehicle, purchase of tyres, renovating of JTF camp and immunization flag off.	08	2001/12	641,000.00	No receipt covering the purchase of tyres and Vehicles repairs, no SRV and no details of expenses included.
TOTAL						<u>54,501,452.55</u>	

Where the necessary documentation and explanation could not be advance, recovery be effected as the expenditures lacks merit and substance to be admitted as valid expenditures.

LOCAL GOVERNMENT EDUCATION AUTHORITY

EXPENDITURE WITHOUT DOCUMENTARY WORTH N620,750.00

Bellow listed drawings on 29 Nos. Payment Vouchers for the sum of N620,750.00 was observed irregular as no documentary evidences for the expenditures were attached to support the said claims.

2. All the Payment Vouchers were raised without a single document to justify expenditures, nor any file reference as historical support to the expenditures.

3. The Payment Vouchers for the payment of Standing Imprest were not duly retired by the S.I holders.

FUNE LOCAL GOVERNMENT EDUCATION AUTHORITY
EXTRACT FROM PAYMENT VOUCHER WITHOUT DOCUMENTED EVIDENCE
OF TRANSACTION DURING THE YEAR 2019 WORTH N620,750.00

S/N	NAME OF PAYEE	DATE	PV. NO.	CHQ. NO.	DETAILS OF PAYMENT	AMOUNT	REMARK
1.	Ado Idrissa	5/2/2019	03	1866	Standing Impress	20,000.00	No single document to justify expenditures
2.	SaniUsmanTela	5/2/2019	14	1866	Out of pocket expenses Standing Impress	29,750.00	No single document to justify expenditures
3.	Ado Idrissa	5/3/2019	03	1866	Out of pocket expenses Standing Impress	20,000.00	No single document to justify expenditures
4.	Ado Idrissa	5/4/2019	02	1868	Standing Impress	20,000.00	No single document to justify expenditures
5.	SaniUsmanTela	5/4/2019	14	1868	Out of pocket Expenses	25,000.00	No single document to justify expenditures
6.	Ibrahim Adamu	5/4/2019	15	1868	Out of pocket Expenses	27,000.00	No single document to justify expenditures
7.	Ado Idrissa	30/4/2019	02	1868	Standing Impress	20,000.00	No single document to justify expenditures
8.	AbubakarKule	30/5/2019	16	1870	Standing Impress	20,000.00	No single document to justify expenditures
9.	Ado Idrissa	30/5/2019	17	1870	Standing Impress	20,000.00	No single document to justify expenditures
10.	Ahmed Moh'dBorno	30/5/2019	19	1870	Standing Impress	10,000.00	No single document to justify expenditures
11.	Mohammed Adamu	30/5/2019	20	1870	Standing Impress	15,000.00	No single document to justify expenditures

12.	Moh'dIdrissa	12/7/2019	02	1871	Standing Impress	20,000.00	No single document to justify expenditures
13.	Ibrahim Adamu N.	12/7/2019	05	1871	Standing Impress	10,000.00	No single document to justify expenditures
14.	Sani Umar Tela	12/7/2019	14	1871	Out of pocket expenses	45,000.00	No single document to justify expenditures
15.	Ado Idrissa	15/8/2019	04	1872	Standing Impress	20,000.00	No single document to justify expenditures
16.	Ibrahim AdamuNingi	15/8/2019	05	1872	Standing Impress	10,000.00	No single document to justify expenditures
17.	MammanAbdullahi	15/8/2019	13	1872	Purchase of items	10,000.00	No approval letter, items not specified,
18.	SaniUsmanTela	15/8/2019	14	1872	Out of pocket expenses	18,000.00	No single document to justify expenditures
19.	Ibrahim AdamuNingi	15/8/2019	15	1872	Out of pocket expenses	25,000.00	No single document to justify expenditures
20.	Ado Idrissa	12/8/2019	02	1875	Standing Impress	20,000.00	No single document to justify expenditures
21.	Ibrahim Adamu	12/8/2019	05	1875	Standing Impress	10,000.00	No single document to justify expenditures
22.	SaniUsmanTela	12/8/2019	14	1873	Standing Impress	10,000.00	No single document to justify expenditures
23.	Ado Idrissa	10/10/2019	03	1874	Out of pocket expenses	20,000.00	No single document to justify expenditures
24.	HashimuInuwa	10/10/2019	14	1874	Standing Impress	10,000.00	No single document to justify expenditures
25.	HashimuInuwa	15/10/2019	18	1875	Monitoring of Primary School and Data Collection	96,000.00	No single document to justify expenditures
26.	Ado Idrissa	8/11/2019	03	1876	Standing Impress	20,000.00	No single document to justify expenditures
27.	UsmanAdamuNingi	8/11/2019	05	1870	Standing Impress	10,000.00	No single document to

							justify expenditures
28.	Ado Idrissa	5/11/2019	02	1875	Standing Impress	20,000.00	No single document to justify expenditures
29.	Ibrahim Adamu N.	5/12/2019	14	1878	Standing Impress	20,000.00	No single document to justify expenditures
TOTAL						<u>620,750.00</u>	

Where these expenditures could not be supported with full details Payment Vouchers, the Officer Controlling the Vote and the Accountants be held liable for the sum involved and forward evidence of same for subsequent verification.

5. INTERNAL CONTROL SYSTEM:

Assessment of the Internal Control of the Local Government for the 2019 operation was observed weak Internal Audit function, could not certify purchase, documentation of store receive vouchers and no certification could be observed of the internal Audit on most of the drawings.

6. INTERNALLY GENERATED REVENUE

The Local Government budgeted the sum of ₦19,452,655.41 for the year ended 31st December, 2019 while the actual collection was ₦5,765,100.00 . Thereby reflecting deficit collection of ₦(13,687,555.41). Poor performances.

SUMMARY OF RECURRENT REVENUE 2019

HEAD	DETAILS OF REVENUE	BUDGETTED 2019	ACTUAL 2019	VARIANCE
		₦	₦	₦
1001	Tax	-	-	-
1002	Rate	2,000,000.00	592,000.00	(1,408,000.00)
1003	Local Licence Fines	7,396,411.41	2,189,337.73	(5,207,073.68)
1004	Earning from Undertaking	8,000,000.00	2,368,000.00	(5,632,000.00)
1005	Rent on Local Government Property	-	-	-
1006	Interest Payment Dividend	-	-	-
1007	Grants	-	-	-

1008	Miscellaneous	2,056,244.00	615,762.27	(1,440,481.73)
	TOTAL INT. GEN. REVENUE	<u>19,452,655.41</u>	<u>5,765,100.00</u>	<u>(13,687,555.41)</u>
1009	Federation Accounts	3,234,901,561.00	2,762,429,498.52	(472,472,062.48)
	GRAND TOTAL	<u>3,254,354,216.41</u>	<u>2,768,194,598.52</u>	<u>(486,159,617.89)</u>

The Local Government needs to improve upon its Internally Revenue Generation taking into cognizance the collection for the period only accounts for - 29.6% of the budgeted IGR.

7. RECURRENT EXPENDITURE 2019

The Local Government budgeted the sum of ~~N~~871,683,819.56 for its recurrent expenditure while the actual expenditure for the period was ~~N~~625,864,815.18 indicating favourable variance of ~~N~~245,819,004.38 this indicates efficiency in Personnel Cost controls.

SUMMARY OF RECURRENT EXPENDITURE 2019

HEAD	DETAILS	BUDGETED 2019	ACTUAL 2019	VARIANCE
		₦	₦	₦
2001	Office of the Chairman			
	Personnel Cost	40,236,113.00	35,979,445.88	4,256,667.12
	Overhead	15,000,000.00	10,865,000.00	4,135,000.00
2002	Office of the Secretary			
	Personnel Cost	52,238,000.00	37,768,980.00	14,469,020.00
	Overhead	15,000,000.00	8,865,000.00	6,135,000.00
	Personnel Cost	43,800,000.00	21,898,000.00	21,902,000.00
	Overhead	10,000,000.00	2,000,000.00	8,000,000.00
2004	Personnel Management			
	Personnel Cost	113,787,100.26	123,101,239.16	(9,314,138.90)
	Overhead	15,000,000.00	8,865,000.00	6,135,000.00
2005	Treasury			
	Personnel Cost	99,113,815.10	76,170,808.21	22,943,006.89
	Overhead	15,000,000.00	8,701,000.00	6,299,000.00
2006	Education			
	Personnel Cost	-	-	-
	Overhead	5,000,000.00	2,710,000.00	2,290,000.00
2007	Primary Health Care			
	Personnel Cost	100,222,710.20	57,758,124.42	42,464,585.78
	Overhead	15,000,000.00	9,112,000.00	5,888,000.00
2008	General Agric			
	Personnel Cost	137,238,771.00	95,839,527.41	41,399,243.59
	Overhead	10,000,000.00	8,700,000.00	1,300,000.00
2009	Works			
	Personnel Cost	106,929,100.00	74,619,661.00	32,309,439.00
	Overhead	15,000,000.00	13,682,000.00	1,318,000.00
2010	Traditional Council			
	Personnel Cost	58,118,210.00	25,963,929.10	32,154,280.90
	Overhead	5,000,000.00	3,265,100.00	1,734,900.00
2011	MISCELLANEOUS			
	Personnel Cost	-	-	-
	Overhead	-	-	-
TOTAL		<u>871,683,819.56</u>	<u>625,864,815.18</u>	<u>245,819,004.38</u>

9. CAPITAL EXPENDITURE:

The Local Government budgeted the sum of ₦3,228,469,344.55 as its capital expenditure for the 2019 Financial year operations while the actual incurred expenditure was ₦1,200,607,049.45 with a budget variance of ₦2,027,862,295.10.

Details summarized below: -

S/N	EXPENDITURE DETAILS	BUDGETED 2019 ₦	ACTUAL 2019 ₦	VARIANCE ₦
1	Economic Sector	981,666,400.00	363,216,568.00	618,449,832.00
2	Social Dev. Sec	798,836,478.55	295,569,497.06	503,266,981.46
3	Area Dev. Sec	949,901,017.00	351,463,376.29	593,437,640.71
4	Admin Sec.	498,065,449.00	190,357,608.10	307,707,840.70
	Total	<u>3,228,469,344.55</u>	<u>1,200,607,049.45</u>	<u>2,027,862,295.10</u>

The budget was not based on Macro Economic realities of Nigeria as global Oil market was unfavourable.

AUDIT CERTIFICATION

In accordance with the provision of Section 125 (2) of the Constitution of the Federation Republic of Nigeria 1999 (as amended). I have examined the Accounts and Financial Statement of Fune 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 my responsibilities vested in me by the provision of the draft Laws and the Constitution, Statement of Assets and Liabilities of **Fune Local Government** for the year ended 31st December 2019 have been certified subject to my observations on unaccounted funds in my correspondences

In my opinion the Financial Statements and Schedules presents a true and fair view of the Fune 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

FUNE 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		5,765,100.00	140,962,364.00
➤ Grants and Subventions		-	-
➤ Value Added Tax		513,551,015.45	482,027,163.15
➤ Statutory Allocation		2,176,513,978.80	2,304,511,851.18
➤ Miscellaneous (Excess Crude)		72,364,504.27	86,179,660.04
TOTAL RECEIPTS		<u>2,768,194,598.52</u>	<u>3,013,681,038.37</u>
<u>Payments</u>			
➤ Personal Emolument		549,299,715.18	579,190,278.57
➤ Education Services		315,756,296.50	99,750,000.00
➤ Transport Services		65,477,568.00	57,000,000.00
➤ Health Services		204,248,296.50	156,548,973.99
➤ Mining and Petro-Chem Services		-	-
➤ Agric Services		114,700,000.00	105,000,000.00
➤ Overheads		76,565,100.00	200,962,364.40
➤ Other General Value		1,400,801,857.37	1,792,869,922.54
TOTAL PAYMENTS		<u>2,726,848,833.55</u>	<u>2,891,571,539.50</u>
<u>Net Cash Flow from Operation Activities</u>			
Purchases/Construction of Ass.		-	-
Purchase of Financial Market Instrument		-	-
Proceeds from Sales of Assets		-	-
Net Increase/Dec. in Cash and Equivalent		40,229,064.38	-
Cash and Equivalent as at 1 st /1 /2019		1,116,700.59	6,786,372.51
Cash and Equivalent as at 31 st /12/2019		41,345,764.97	1,109,571.38

STATEMENT No. 4

FUNE LOCAL GOVERNMENT COUNCIL

STATEMENT OF ASSETS AND LIABILITIES FOR THE YEAR ENDED 31ST DECEMBER, 2019

	NOTE	CURRENT YEAR 2019 ₪	ACTUAL PREVIOUS YEAR 2018 ₪
<u>ASSETS</u>			
➤ Cash and Bank Balances		41,345,764.97	1,109,571.38
➤ Investment		-	-
➤ Advances		-	28,036,300.00
➤ Others		-	-
		41,345,764.97	29,145,871.38
<u>LIABILITIES</u>			
➤ Deposits		-	-
➤ PAYYEE		-	-
➤ NULGE		-	-
➤ MHWU		-	-
➤ B.I.R.		-	-
➤ Loans		-	-
➤ General		-	-
		41,345,764.97	29,145,871.38

STATEMENT No. 5
FUNE 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 %
6,786,372.51	Opening Balance			
	<u>ADD: REVENUE</u>			
18,514,360.07	Rate	2,000,000.00	592,000.00	(1,408,000.00)
29,726,669.13	Fines Fees and License	7,396,411.41	2,189,337.73	(5,207,073.68)
33,337,040.50	Earning from Undertaking	8,000,000.00	2,368,000.00	(5,632,000.00)
33,598,789.71	Rent on Govt. Property	-	-	-
-	Interest & Dividend Payment	-	-	-
-	Taxes	-	-	-
-	Grants/Cont.	-	-	-
2,304,511,851.18	Statutory Allocation	2,544,048,080.00	2,176,513,978.80	(367,534,101.20)
111,965,164.63	Miscellaneous Revenues	229,528,759.00	72,979,266.54	(156,549,492.46)
482,027,163.15	VAT	463,380,966.00	513,552,015.45	50,171,049.45
3,020,467,410.88	TOTAL REVENUE	<u>3,254,354,216.41</u>	<u>2,769,311,299.11</u>	<u>485,042,917.30</u>
	<u>LESS: EXPENDITURE</u>			
665,974,328.16	General Administration	368,179,423.25	285,160,151.30	83,019,271.95
370,448,135.78	Health and Environment	115,222,710.20	262,006,420.92	(146,783,710.72)
533,945,560.56	Works and Housing	121,929,100.00	88,301,661.00	33,627,439.00
107,990,000.00	Education	5,000,000.00	271,618,472.87	(266,618,472.87)
204,902,199.05	Agric& Social Development	147,238,771.00	104,539,527.41	42,699,243.59
333,924,570.31	Capital Projects	2,356,785,524.99	1,200,607,049.49	1,156,178,475.50
774,136,745.64	Miscellaneous Expenses	-	514,616,550.56	514,616,550.56
<u>2,991,321,539.50</u>	TOTAL EXPENDITURE	<u>3,114,355,529.44</u>	<u>2,726,848,833.55</u>	<u>387,506,695.89</u>