

AUDITOR—GENERAL'S REPORT

**POTISKUM LOCAL GOVERNMENT
2024 FINANCIAL YEAR REPORTS**

SEPTEMBER, 2025

TABLE OF CONTENT

Table of Content:	..	..	..	..	..	..	..	..	..	2
Introduction:	..	..	..	..	..	..	..	..	..	3
Submission of Financial Statement:	..	..	..	..	..	..	..	..	..	3
Income Highlight:	..	..	..	..	..	..	..	..	..	3
Statutory Allocations from Federation Account:	..	..	..	..	..	..	..	..	..	4
2024 Financial Year Reports	..	..	..	..	..	..	..	..	..	5-11
Highlight of 2024 Financial Operation:	..	..	..	..	..	..	..	..	..	12
Personnel Cost:	..	..	..	..	..	..	..	..	..	13
Overhead Cost:	..	..	..	..	..	..	..	..	..	13
Admin Sector Expenditure:	..	..	..	..	..	..	..	..	..	14
Economic Sector Expenditure:	..	..	..	..	..	..	..	..	..	15
Social Sector Expenditure:	..	..	..	..	..	..	..	..	..	16
Regional Development Sector Expenditure:	..	..	..	..	..	..	..	..	..	17
Budget Analysis:	..	..	..	..	..	..	..	..	..	18
Audit Certification:	..	..	..	..	..	..	..	..	..	19

**REPORT OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS ON ACCOUNTS
OF POTISKUM LOCAL GOVERNMENT FOR THE YEAR ENDED 31ST DECEMBER 2024**

1. INTRODUCTION:

The Financial Statements of Potiskum Local Government and relevant operational records for the year ended 31st December, 2024 have been examined in accordance with provisions of the Financial Memorandum F.M 39.1 which is also in 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 basis adopted by the Federation Allocation Committee (FAC) on the Standardization of Financial reporting of the Federal, States and Local Government Councils in Nigeria.

2. SUBMISSION OF THE REPORTS:

The Financial Statements of Potiskum Local Government for the year ended 31st December, 2024 was submitted to me on the 25th June, 2025.

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

The Accounts and schedule of statements were certified on 22nd July, 2025 in observance of the provisions.

3. INCOME HIGHLIGHT

Arising from the inspection of the Bank Statement for lodgment of all receipts and disbursement, Potiskum Local Government collected the sum of **₦4,902,456,837** from Federation account and **₦91,602,748** on account of collection from Internal operations of the Revenue Unit of the council's treasury. The total sum of **₦4,994,059,584** was the certified total income to the council for the year ended 31 December, 2024.

STATUTORY ALLOCATIONS FROM FEDERATION ACCOUNTS

FAAC 2024 POTISKUM LOCAL GOVERNMENT									
	STATUTORY ALLOCATION	VAT	EXCHANGE GAIN	NON OIL REVENUE	ECOLOGICAL FUND	GOOD & VALABLES	ADDITIONAL FAAC ALLOCATION	ELECTRONIC MONEY TRANSFER LEVY	GRAND TOTAL
Jan	91,924,552.52	178,611,802.67	73,374,758.05		5,567,340.64			7,398,196.51	356,876,650.39
Feb.	114,692,086.06	153,996,256.35	68,444,374.41		4,958,979.32			5,844,821.77	347,936,517.91
March	3,889,824.14	171,280,116.12	147,342,128.85		5,494,093.82	165,233,237.98		6,138,043.64	499,377,444.55
April	70,881,643.59	203,369,825.39	70,339,084.91		4,536,958.59			5,964,276.88	355,091,789.36
May	59,340,680.67	184,181,304.29	108,783,463.32		9,280,346.18			7,321,262.96	368,907,057.42
June	32,281,807.05	186,484,419.50	123,295,073.82		4,667,306.43			6,131,795.87	352,860,402.67
July	25,901,456.19	203,977,026.80	118,796,258.92		55,748,677.84			6,383,318.05	410,806,737.80
Aug.	30,977,886.91	231,555,477.82	161,070,253.08	3,309,508.30	6,013,391.79			7,602,629.35	440,529,147.25
Sept	37,898,302.63	212,180,953.31	116,917,778.44		9,126,679.20		31,887,155.10	6,047,641.51	414,058,510.19
Oct.	22,771,975.79	217,012,919.15	115,621,840.03	41,811,508.34	5,406,159.73			6,772,660.25	409,397,063.29
Nov.	13,165,799.15	252,480,827.16	137,332,016.70	27,874,338.90	5,351,164.64			6,933,392.82	443,137,539.37
Dec.	92,962,469.03	229,351,935.02	167,232,194.99		7,805,839.92			6,125,537.75	503,477,976.71
Total	<u>596,688,483.73</u>	<u>2,424,482,863.58</u>	<u>1,408,549,225.52</u>	<u>72,995,355.54</u>	<u>123,956,938.10</u>	<u>165,233,237.98</u>	<u>31,887,155.10</u>	<u>78,663,577.36</u>	<u>4,902,456,836.91</u>

2024 FINANCIAL YEAR REPORTS

WORKS DEPARTMENT

1) WRONG AND IRREGULAR PAYMENTS AMOUNTING TO ₦1,875,000.00

Payment were made on seven (7) payment vouchers for various purposes without taking into cognizance the payment procedures as contained in the financial memoranda. Observed discrepancies include.

- i) Documentation such as approval page, and receipt of purchases observed not attached to the payment vouchers
- ii) Store documentation are observed not adhered to.

S/N	NAME OF PAYEE	NATURE OF PAYMENT	PV/DATE	AMOUNT ₦	REMARK
1	Dele Minds (Consultancy)	Prepare quotations for bills of quantity for the renovation of wings b and C of the Local Govt	6/9/24	200,000	No acknowledgement receipt from the firm
2	Alh. Abubakar Idriss (Land Officer)	Demarcate the housing estate along Bauchi road jigawa community	27/9/24	250,000	No documentary evidence to prove, nor supporting document attached
3	Ibrahim Musa (T.O Mechanic)	Procurement of 5 fire official number plate and two security plate number	38/9/24	457,000	No documentary evidence to prove nor supplying document attached (i.e receipt from F.R.S.C/S.I.R)
4	Idi Shehu	Repair of Bubaram concrete cement well	91/4/24	260,000	No documentary evidence to prove nor supporting document attached and the officer is not aware of the payment pls.

5	Musa Adamu Dodo (Zonal Survey)	Completing and designed layout at Jigawa and danchua road	81/3/24	300,000	No documentary evidence to prove, nor supporting document attached
6	Alh. Abubakar Idriss (Land Officer)	Completion democation of danchua cattle route	86/2/24	108,000	No documentary evidence to prove, nor supporting document attached
7	Alh. Abubakar Idriss (Land Officer)	Procurement of some materials to solve dispute between some family and Fulani cattle route	84/2/24	300,000	No documentary evidence to prove, nor supporting document attached
TOTAL				1,875,000	

Since valid documentary evidence to support the expenditure could not be tendered, recovery is recommended.

FINANCE DEPARTMENT

1) **OUT STANDING REVENUE EARNING BOOKS**

Report arising from the inspection officer for the year ended 2024 reveals that the total sum of ₦205,000.00 for various receipt booklets and 6 nos of departmental receipts were observed not return and accounted.

S/N	NAME OF RECEIPIENT	NATURE OF RECEIPT	AMOUNT ₦	DATE OF RECEIVED	BOOK NO	FROM----TO	REMARKS
1.	Umar Adamu	Slaughter	10,000	2/1/24	031	8001 8050	Un-returned
2.	Umar Adamu	Slaughter	10,000	2/1/24	032	8051 8100	Un-returned
3.	Umar Adamu	Slaughter	10,000	27/2/24	119	8351 1100	Un-returned
4.	Hassan Nuhu	Trailer permit	50,000	2/1/24	012	9051 9100	Un-returned
5.	Hassan Nuhu	Trailer permit	50,000	2/1/24	015	9201 9250	Un-returned
6.	Iliya Haruna Akka	Cattle market	10,000	9/1/24	066	30951 31000	Un-returned
7.	Iliya Haruna Akka	Cattle market	10,000	23/4/24	336	10901 10950	Un-returned
8.	Hassan Nuhu	Truck permit	5,000	2/1/24	010	16451 16500	Un-returned
9.	Hassan Nuhu	Truck permit	5,000	2/1/24	011	16301 16400	Un-returned
10.	Hassan Nuhu	Truck permit	5,000	2/1/24	012	16301 16350	Un-returned
11.	Hassan Nuhu	Truck permit	5,000	2/1/24	015	16101 16150	Un-returned
12.	Iliya Haruna Akka	Hawkers	2,500	13/2/24	153	2201 2250	Un-returned
13.	Hassan Nuhu	Hawkers	2,500	20/4/24	196	4651 4700	Un-returned
14.	Iliya Haruna Akka	Departmental	Undetermined	27/2/24	089	3301 5700	Un-returned
15.	Revenue officer (R.O)	Departmental	Undetermined	28/2/24	092	3451 3500	Un-returned
16.	Revenue officer (R.O)	Departmental	Undetermined	28/2/24	096	3651 3700	Un-returned
17.	Revenue officer (R.O)	Departmental	Undetermined	1/4/24	112	4601 4650	Un-returned
18.	Revenue officer (R.O)	Departmental	Undetermined	29/5/24	131	6501 6550	Un-returned

19.	Iliya Haruna Akka	Goat/Sheep	10,000	29/8/24	515	25751	25800	Un-returned
20	Umar Adamu	Goat/sheep	10,000	2/9/24	525	16251	16300	Un-returned
21	Hassan Nuhu	Truck permit	5,000	2/1/24	101	19801	19850	Un-returned
22.	Bali Kawu	Truck permit	5,000	23/12/24	158	15901	15950	Un-returned
TOTAL			205,000.00					

Since no evidence of remittance was tendered both on fixed receipt value and that of Departmental receipt, recovery is recommended.

2) **NON-REMITTANCE OF REVENUE IN RESPECT OF MASS TRANSIT**

Arising from the inspection report, the total sum of ₦1,479,800.00 was observed not remitted to the Local Government from January – December 2024.

Hence, the action is contradiction to FM.7 been revenue collected not remitted as appropriate.

S/N	VEHICLE NO.	AMOUNT PER WEEK	AMOUNT PER MONTH	AMOUNT PER YEAR	ACTUAL REMITTANT	BALANCE ₦
1	LG 12 YLG	25,000	100,000	1,200,000	850,000	350,000
2	LG 13 PKM	25,000	100,000	1,200,000	800,200	399,800
3	LG 23 PKM	15,000	60,000	720,000	500,000	220,000
4	LG 003 PKM	15,000	60,000	720,000	210,000	510,000
					TOTAL	₦1,479,800

Since no evidence of remittance was tendered, recovery is recommended.

ADMINISTRATION DEPARTMENT

1) WRONG AND IRREGULAR PAYMENT WORTH ~~₦~~1,360,000.00

The sum of ~~₦~~1,360,000.00 was drawn on four (4) payment vouchers and were observed not supported with valid expenditure document to justify public expenditure.

Details below.

S/N	NAME OF PAYEE	NATURE OF PAYMENT	PV/DATE	AMOUNT ₦	REMARK
1	Algon Yobe State Chapter	Contribution to the association of algon Yobe State chapter	114/2/24	500,000.00	No documentary evidence to prove, nor supporting document attached
2	Algon Yobe State Chapter	Contribution To The Association of Algon Yobe State	107/3/24	500,000.00	No documentary evidence to prove, nor supporting document attached
3	Adamu Saidu (Driver)	Monthly allowance	63/3/24	10,000.00	Not sign by the recipient
4	Ibrahim Barde	Payment for procure utensils for use in offices	179/3/24	350,000.00	Not sign by the recipient
TOTAL				₦1,360,000	

Since no valid explanation with material evidence tendered, recovery is recommended.

PRIMARY HEALTH CARE DEPARTMENT

1) WRONG AND IRREGULAR PAYMENT WORTH ~~₦~~400,000.00

The sum of ~~₦~~400,000.00 were drawn on (1) different payment vouchers which could not be supported with documentary evidence as laid down in financial memoranda chapter 14:4 (1-9).

The following observations were raised.

- i) Neither receipt, cash invoice nor SRV attached to the payment voucher for the items purchased or supplied contrary to FM 14:4 (8) and Fm14:4 (9) respectively.
- ii) Expenditure not subjected to file record for reference.

Details of payment were highlighted below:

S/N	NAME OF PAYEE	NATURE OF PAYMENT	PV/DATE	AMOUNT ₦	REMARK
1	Sundry Persons	Logistic support for the conduct of SOD in the LG	113/2/14	400,000.00	Not sign by the beneficiaries and not counter signed by DPM
TOTAL				₦400,000.00	

Since no valid expenditure document was presented, recovery is recommended.

AGRIC DEPARTMENT

1) WRONG AND IRREGULAR PAYMENT WORTH ₦330,000.00

During the period under review the sum of ~~₦~~330,000.00 was drawn on (1) Payment vouchers expended on, procurement of demarcation items, and was observed not documented to justify expenditure incurred.

Details below:-

S/N	NAME OF PAYEE	NATURE OF PAYMENT	PV/DATE	AMOUNT ₦	REMARK
1	Idriss Shaibu (DHNR)	Procurement of demarcation items at Baba Aura Grazing reserved	20/6/24	330,000	No documentary evidence to prove of the procured items nor supporting document attached
TOTAL				₦330,000	

Since no valid explanation with material evidence was presented, recovery is recommended.

POTISKUM LOCAL GOVERNMENT COUNCIL

FINANCIAL HIGHLIGHTS FOR THE YEAR 2024				
S/No	DESCRIPTIONS	ACTUAL 2024	FINAL BUDGET 2024	ACTUAL 2023
	RECURRENT REVENUE	₦	₦	₦
1	STATUTORY ALLOCATION	596,688,484	1,859,076,994	1,258,375,534
2	VALUE ADDED TAX	2,424,482,864	1,563,217,587	1,219,586,421
3	OTHER FAAC ALLOCATION	1,881,285,490	1,404,165,003	1,154,417,956
4	INTERNAL REVENUE IGR	91,602,748	168,600,000	83,275,225
	SUB TOTAL	4,994,059,584	4,995,059,584	3,715,655,136
	CAPITAL RECIEPTS			
1	GRANTS	-	-	-
2	MISCELLANEOUS	-	-	-
	SUB TOTAL	-	-	-
	TOTAL RECEIPTS	4,994,059,584	4,995,059,584	3,715,655,136
	RECURRENT EXPENDITURE			
1	PERSONNEL COSTS (Including Salaries on CRF charges - Public Office Holders)	772,449,270	1,029,069,346	591,751,845
2	OVERHEAD COSTS	120,000,000	120,000,000	85,000,000
3	SUBVENTIONS TO BOARD and PARASTATALS	1,821,105,100	-	1,547,285,119
4	OTHER OPERATING ACTIVITIES	489,292,857	1,174,546,406	588,859,851
	TOTAL RECURRENT EXPENDITURE	3,202,847,227	2,323,615,752	2,812,896,815
	CAPITAL EXPENDITURE	1,620,052,740	2,671,443,832	1,089,034,789
	TOTAL EXPENDITURE	4,822,899,967	4,995,059,584	3,901,931,604
1	NET CASH BALANCE	171,159,618	-	(186,276,468)
2	OPENING BALANCE	165,773,792	-	352,050,260
3	CLOSING BALANCE	336,933,410	-	165,773,792

POTISKUM LOCAL GOVERNMENT COUNCIL

PERSONNEL COST					
	Description	GEO CODE	Actual 2024	Budget 2024	Variance 2024
21010101	Basic Salaries		502,092,025.64	668,895,074.76	166,803,049.12
21020101-7	Allowances General		249,114,889.64	331,874,864.02	82,759,974.38
21020201	2.75 YCHMB Contribution		21,242,354.93	28,299,407.01	7,057,052.08
	Total		772,449,270.21	1,029,069,345.79	256,620,075.58

OVERHEAD COST					
ECON CODE	Description	GEO CODE	Actual 2024	Budget 2024	Variance 2024
	Overhead cost		120,000,000.00	120,000,000.00	-
	Total		120,000,000.00	120,000,000.00	-

POTISKUM LOCAL GOVERNMENT COUNCIL

DETAILS OF CAPITAL EXPENDITURES (ACCORDING TO SECTOR)

ADMINISTRATIVE SECTOR					
ECON CODE	Description	GEO CODE	Actual 2024	Budget 2024	Variance 2024
23030131	Remodelling of Potiskum Government Lodge		750,426,219.95	867,569,999.00	117,143,779.05
23020116	Construction of Water Way		55,340,112.00	67,200,000.00	11,859,888.00
22020503	Workshp & Seminar		20,000,000.00	55,000,000.00	35,000,000.00
	Purchase of Solar Inverter		261,139,896.77	500,000,000.00	238,860,103.23
23050140	Scholarship		52,329,400.96	72,340,000.00	20,010,599.04
	Total Administrative Sector		1,139,235,629.68	1,562,109,999.00	422,874,369.32

POTISKUM LOCAL GOVERNMENT COUNCIL

ECONOMIC SECTOR EXPENDITURE					
ECON CODE	Description	GEO CODE	Actual 2024	Budget 2024	Variance 2024
23010156	Purchase of Chemical		31,756,422.00	40,700,000.00	8,943,578.00
23010156	Purchase of Vet Drugs Equipment		15,336,100.00	30,000,000.00	14,663,900.00
23020129	Purchase of Fertilizer		35,780,000.00	64,170,000.00	28,390,000.00
23030155	Rehabilitation of Abattoir		27,429,250.00	40,130,000.00	12,700,750.00
23030154	Repairs & Maintenance of Tractor		20,170,338.39	25,000,000.00	4,829,661.61
	Total Economic Sector		130,472,110.39	200,000,000.00	69,527,889.61

POTISKUM LOCAL GOVERNMENT COUNCIL

SOCIAL SECTOR EXPENDITURE					
ECON CODE	Description	GEO CODE	Actual 2024	Budget 2024	Variance 2024
23050141	Supply of Instructional Materials		49,330,102.00	82,349,000.00	33,018,898.00
23010159	Imminization & Malaria		41,626,388.00	86,188,921.00	44,562,533.00
23010123	Purchase of Fie Fighting Equipment		2,000,000.00	35,112,100.00	33,112,100.00
32020147	Procurement & Supply of Maternity Equipmnet		40,133,400.00	90,000,100.00	49,866,700.00
23020147	Purchase of MCH (Drugs)		17,255,110.00	52,100,000.00	34,844,890.00
	Total Social Sector		150,345,000.00	345,750,121.00	162,386,223.00

POTISKUM LOCAL GOVERNMENT COUNCIL

REGIONAL DEVELOPMENT SECTOR EXPENDITURE					
ECON CODE	Description	GEO CODE	Actual 2024	Budget 2024	Variance 2024
23030130	Rehabilitation of Borehole		50,320,000.00	100,000,200.00	49,680,200.00
23050284	Arre Development Programme		62,105,116.00	102,555,610.00	40,450,494.00
23050215	Evacuation of Drainage		35,114,390.00	225,407,802.00	190,293,412.00
23020105	Counter Funding to Rural Water		52,460,494.00	135,620,100.00	83,159,606.00
	Total Regional Sector		200,000,000.00	563,583,712.00	363,583,712.00

BUDGET ANALYSIS

INTERNALLY GENERATED REVENUE

The Local Government projected the sum of **₦168,600,000** for the year ended 31st December 2024, while the actual collection of **₦91,602,748**. The collection is inadequate and could be observed that unless aggressive instructions are given, the Local Government could not improve.

RECURRENT EXPENDITURE

The Council Budgetted the sum of **₦1,029,069,346** as personnel cost, while the actual expenditure was **₦772,449,270**. The overhead cost, subventions to MDAs and other operating activities stood at **₦2,430,397,956**.

CAPITAL EXPENDITURE

The Local Government Budgeted the sum of **₦2,671,443,832** as capital expenditure while the actual expenditure was **₦1,620,052,740**. This may be as a result of improvement in the Federation allocation.

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 31st December, 2024.

The Audit conducted in line with Auditing Principles and practice as verified in line with the Audit procedures in practice. In the discharge of the responsibilities vested in me by the provisions of the draft law and section 125 (5) of the above Constitution, the Statement of Assets and Liabilities of Potiskum Local Government for the year ended 31st December, 2024 have been certified subject to compliance to my correspondences in the report.

In my opinion the Financial Statements and Schedules presents a true and fairs view of Potiskum Local Government for the year ended 31st December, 2024.

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


**KULE MAINA CNA
AUDITOR-GENERAL (LOCAL GOVTS)
YOBE STATE
FRC/2025/PRO/ANAN/004/017360**