

**REPORT OF THE
AUDITOR-GENERAL
FOR LOCAL GOVERNMENTS**

ON THE

**“GENERAL PURPOSE FINANCIAL
STATEMENT OF SEVENTEEN LOCAL
GOVERNMENTS OF YOBE STATE FOR
THE YEAR ENDED 31ST DECEMBER 2024”**

(MANAGEMENT REPORT)

SEPTEMBER, 2025



YOBE STATE GOVERNMENT OF NIGERIA OFFICE OF THE AUDITOR GENERAL FOR LOCAL GOVERNMENT

Email: yobelgad@yahoo.com

TEL: 08065567391

OFFICE ADDRESS:

Local Government Audit Dept
P.M.B. 1058 KM 6 Along Gujba
Road, Damaturu, Yobe State.

Date: 29th September, 2025

AUDIT CERTIFICATE

I have examined the General Purpose Financial Statements of all the seventeen (17) Local Government Councils of Yobe State as at 31st December, 2024 in accordance with section 123(3) and 316(1) of the constitution of Federal Republic of Nigeria 1989 and relevant Local Government Administration Laws. I have obtained information and explanation that, were available for this Audit and the reports. In my opinion, the General Purpose Financial Statements, the available supporting records and statement present a fair view of the State of affairs of the seventeen (17) Local Government of Yobe State as at 31st December, 2024 subject to observations as could appear in this report.

Khalid Yusuf
29/09/2025

REPORTS OF THE AUDITOR-GENERAL LOCAL GOVERNMENTS ON THE ACCOUNTS OF THE 17 LOCAL GOVERNMENT COUNCIL OF YOBE STATE FOR YEAR ENDED 31ST DECEMBER, 2024

The accounts of the seventeen (17) Local Government Council of Yobe State for the year ended 31st December, 2024 have been Audited under my direction in accordance with the provision of the constitution of the Federal Republic of Nigeria, 1999 and the Local Government Law. I have, as result, certified the individual accounts as it appears appropriate. The domestic report of the Auditor-General on the accounts of the seventeen (17) Local Government Councils have been sent to respective Council Chairmen for their attention.

RESPONSIBILITIES OF THE TREASURERS ON THE FINANCIAL STATEMENTS

It is the responsibilities of the Local Government Treasurers of the Seventeen (17) Local Governments to prepare and submit Financial Statements for the year of accounts to the Auditor-General in accordance within the constitution of the Federal Republic of Nigeria within 90 days after the expiration of the financial Year. The submitted financial statements was subjected to Audit in accordance with accepted reporting formats and Auditing standards.

RESPONSIBILITIES OF THE AUDITOR-GENERAL

It is my responsibility to form an independent opinion based on the Financial Statements and accompanying accounts so prepared submitted to me by the Councils Treasurers of the seventeen (17) Local Governments of Yobe State and to report thereupon in accordance with the constitution of the Federal Republic of Nigeria, 1999 as amended.

LOCAL GOVERNMENT JOINT ACCOUNT (LGJAC) TRANSACTION

That the State for the Year ended 31st December, 2024 was observed to have maintained the disbursement protocols of funds accrued to the Joint Accounts from the Federation accounts for which Salaries and Pension as 1st line charge and all other disbursement thereafter.

This was to ensure Public Servants do not suffer the settlement of due wages as a priority for industrial harmony and peaceful co-existence in the State.

These is also the observed non-compliance by the State Government for the remittance of 10% of Internally Generated Revenue of the State to the Local Governments which is stipulated in the Revenue Allocation formula.

THE YOBE STATE HOUSE OF ASSEMBLY (PUBLIC ACCOUNTS COMMITTEE)

The Public Accounts Committee of the State House of Assembly that is saddled with the responsibilities of legislative scrutiny on matters related to public accounts is worthy of commendation despite numerous schedules and duties was able to present to the plenary observations and recommendations as it affects the finances of Local Governments for the previous years to 2023. The committee attends to special reports on issues where public resources are observed in Jeopardy and:-

- i) The Auditor-General's reports for year 2023 was subjected to legislative scrutiny by the Public Accounts Committee and recommendations arising from the committee was adopted in plenary seating of 13th August, 2024 and conveyed for executive action vide correspondence No. YBHA/S/GEN/10/Vol.II

Major extract from the reports was:

- i) Non documentation of public expenditure
- ii) Weakness of internal control
- iii) Poor generation and accounting of internal revenues
- iv) Poor documentation of public assets
- v) Provision of Contract Register

GENERAL ASSESSMENT OF PERFORMANCE IN TRANSPARENT FINANCIAL ADMINISTRATION

The accounts of the seventeen (17) Local Governments have been Audited and reported there upon. The domestic reports of the Audit to 31st December, 2024 have been issued to each Local Government in accordance with the provision with particular emphasis on the followings:

- i) Inadequacies of financial records.
- ii) Bank reconciliation for un-accounted drawing.
- iii) Un-accounted collection and non-observance of discipline in remittances.
- iv) Irregular drawings from non-documentation of expenditure.

- v) Non response to Audit queries as at when due.
- vi) Non-Observance of store regulations and assets registers.
- vii) Weakness in Internal Audit Function.

FINANCIAL POSITIONS AS AT 31ST DECEMBER 2024

Arising from the Local Governments financial statements below presents the closing balances and financial position.

S/N	LOCAL GOVERNMENT	CASH BALANCE	BANK BALANCE ₦	TOTAL ₦
1	BADE			
	First Bank Nig. Plc	-	60,477,649.77	
	First Bank Nig. Plc	-	45,389.08	
	Joint Project Account	-	293,200,840.14	
	Micro Finance		-557,775.96	
				353,166,103.03
2	BURSARI			
	Keystone Bank Plc I	-	75,484,509.35	
	First Bank Nig. Plc	-	3,055,359.97	
	Zenith Bank	-	-	
	Joint Project Account	-	298,344,714.52	
				376,884,583.84
3	DAMATURU			
	Keystone Bank Plc I	-	89,702,115.60	
	Zenith Bank	-	47,578.32	
	Keystone Bank Plc II	-	9,144,490.10	
	Keystone Bank Plc III	-	1,262,679.97	
	Joint Project Account	-	267,481,468.19	
				367,638,332.18

4	FIKA			
	Keystone Bank Plc I	-	2,013,215.05	
	Keystone Bank Plc II	-	12,467,011.28	
	Keystone Bank Plc III	-	425,755.65	
	Joint Project Account	-	298,344,714.52	
				313,250,696.50
5	FUNE			
	Zenith Bank	-	5,330,942.01	
	Keystone Bank Plc	-	31,576,168.45	
	Polaris Bank Plc	-	-	
	Joint Project Account		483,326,192.51	
				520,233,302.97
6	GEIDAM			
	Keystone Bank Plc	-	1,688,400.28	
	First Bank Nig. Plc	-	9,123,203.75	
	Micro Finance	-	1,902,214.47	
	Joint Project Account	-	329,207,960.96	
				341,921,779.46
7	GUJBA			
	Keystone Bank Plc I	-	3,181,224.00	
	Keystone Bank Plc II	-	9,177,132.59	
	Keystone Bank Plc III	-	5,734,228.46	
	Joint Project Account	-	303,488,588.91	
				321,581,173.96
8	GULANI			
	Keystone Bank Plc I	-	1,790.72	
	Keystone Bank Plc II	-	9,000.00	
	Zenith Bank	-	880,479.20	
	Joint Project Account	-	257,193,719.42	
				258,084,989.34
9	JAKUSKO			
	Keystone Bank Plc (Main Acct.)	-	1,956,360.77	
	First Bank Nig. Plc (Project Acct)	-	42,891.53	
	Keystone Bank Plc (Project Acct)	-	5,468,735.62	
	Joint Project Account	-	360,071,207.18	
				367,539,195.10

10	KARASUWA			
	First Bank Nig. Plc I	-	2,512,945.28	
	First Bank Nig. Plc II	-	4,562,380.62	
	Micro Finance Gashua	-	654,746.32	
	Joint Project Account	-	257,193,719.42	
				264,923,791.64
11	MACHINA			
	First Bank Nig. Plc I	-	12,804.61	
	First Bank Nig. Plc II	-	709,307.78	
	Unity Bank	-	103,935.75	
	Joint Project Account	-	246,905,970.64	
				247,732,018.78
12	NANGERE			
	Unity Bank	-	8,899.89	
	Keystone Bank Plc I	-	7,508,692.29	
	Keystone Bank Plc II	-	146,824.50	
	Joint Project Account	-	257,193,719.42	
				264,858,136.10
13	NGURU			
	First Bank Nig. Plc Main	-	1,570,525.50	
	First Bank Nig. Plc Capital	-	34,751,133.14	
	First Bank Nig. Plc Revenue	-	396,104.35	
	Unity Bank	-	433,502.52	
	Joint Project Account	-	298,344,714.52	
				335,495,980.03
14	POTISKUM			
	Zenith Bank I	-	1,542,969.84	
	Zenith Bank II	-	915,728.87	
	Keystone Bank Plc	-	5,466,750.19	
	Joint Project Account	-	329,207,960.85	
				337,133,409.75

15	TARMUWA			
	First Bank Nig. Plc I	-	28,647.21	
	First Bank Nig. Plc II	-	-	
	First Bank Nig. Plc III	-	-	
	Keystone Bank Plc I	-	-	
	Keystone Bank Plc II	-	-	
	Union Bank		2,457,724.29	
	Joint Project Account		272,625,342.58	
				275,111,714.08
16	YUNUSARI			
	First Bank Nig. Plc I	-	8,305,478.51	
	First bank Nig. Plc II	-	10,100,099.61	
	Union Bank	-	896,587.60	
	Joint Project Account	-	298,344,714.52	
				317,646,880.24
17	YUSUFARI			
	Micro Finance	-	322,646.77	
	First bank Nig. Plc	-	28,290,937.56	
	Joint Project Account	-	293,200,840.14	
				321,814,424.47

No Local Government Account that could be observed to have overdrawn account.

This is commendable and Councils should always be encouraged to be responsible in management of its resources.

WEAKNESS OF THE INTERNAL AUDIT FUNCTION

The State House of Assembly on its resolution on the financial operation of the Council for the year ended 31/12/2023 observed with concern the weakness of the Internal Audit Functions there by Council Chairman direct drawings from public funds without subjecting it to prepayment Internal Audit certification.

This was observed responsible for the poor performances of the Local Government in control of irregular drawings and missing payment vouchers. The attention of the State Government is further drawn to prevail over the supervisory Agencies to improve upon the internal control functions for improved efficiency.

ADEQUACY OF FINANCIAL RECORDS

Reports from the inspection of the 17 Local Governments of the State observed the inadequacy of maintenance of below listed financial records which are paramount to transparent financial management.

The inadequacy of the records presented challenges to the completeness of Audit inspection.

- i) Departmental expenditure control ledger (DVEA)
- ii) Store records for the Administration of procurements
- iii) Subsidiary store records of requisition and issuance
- iv) Inventory and assets registers
- v) Subsidiary Treasury records of Advances/Deposit ledgers
- vi) Subsidiary Treasury records of abstracts of Revenue/Expenditure
- vii) Council diary for Council resolution
- viii) Personnel emolument register
- ix) Investment and security ledgers

FINANCIAL AUDIT STATUS:

1) MISSING PAYMENT VOUCHERS

Drawings from accounts of bellow Councils without certified payment vouchers were observed to which the cashiers claimed the vouchers were missing.

This was observed direct pilferage into public resources.

S/N	LOCAL GOVERNMENT	AMOUNT ₦
1	BADE	180,000.00
2	FUNE	5,659,500.00
3	GUJBA	1,039,000.00
Total		6,878,500.00

The Audit function could not examined the drawings to deterring services or assets achieved from the expenditure.

2) IRREGULAR DRAWINGS

Drawings from bellow listed Councils were observed not supported with relevant expenditure details despite repeated requested for explanation.

Details provided in the Auditor-General reports for the corresponding Local Governments.

S/N	LOCAL GOVERNMENT	NO OF DEPARTMENTS REPORTED	TOTAL DRAWINGS ₦
1	BADE	5 Departments	52,614,560.00
2	BURSARI	1 Departments	2,199,000.00
3	DAMATURU	2 Departments	1,986,000.00
4	FIKA	2 Departments	756,000.00
5	FUNE	5 Departments	22,697,999.99
6	GEIDAM	4 Departments	5,743,000.00
7	GUJBA	2 Departments	11,509,479.93

8	GULANI	2 Departments	1,350,000.00
9	JAKUSKO	3 Departments	2,578,000.00
10	KARASUWA	3 Departments	838,000.00
11	MACHINA	5 Departments	2,199,000.00
12	NANGERE	4 Departments	5,618,250.00
13	NGURU	3 Departments	6,145,900.00
14	POTISKUM	4 Departments	3,965,000.00
15	TARMUWA	4 Departments	49,021,000.00
16	YUSUFARI	5 Departments	14,309,600.00
Total			183,530,789.92

These explain the failure of the Council to the observance of the provisions that sanction drawings to be made only on a well-documented payment voucher in full satisfaction of the provision.

OUTSTANDING DEPOSIT ₦4,651,500.00

Examination of Deposit ledger and other records of Yusufari Local Government reveals deduction of ₦12,609,000.00 from contract payment on 7.5% VAT to which only the sum of ₦7,951,500 was certified paid leaving balance of ₦4,651,500 unsettled.

VALUE FOR MONEY AUDIT TEST

Inspection into drawings on settlement of contracts and procurements for which required values could not be certified.

S/N	LOCAL GOVT	DETAILS OF REHABILITATION EXPENDITURE	UNREALISED VALUES (₦)
1	BADE		
	i	Provision of classroom in Islamiya School	3,000,000.00
	ii	Construction of market stall at General Market	4,246,000.00
2	FIKA		
	i	Fumigation of Local Government Secretariat	3,000,000.00
	ii	Construction of 2km Township Road and 4km Drainage	82,310,054.87
3	FUNE		
	i	Conversion of Borehole only Alagarno was completed	51,577,520.00
	ii	Conversion of 10 Nos Borehole to Solar Borehole only one location is completed	17,800,000.00
4	GEIDAM		
	i	Conversion of 10 Nos. Boreholes 2 Nos not executed	48,224,500.00
5	JAKUSKO		
	i	Drilling of 5 Nos Boreholes 2 Nos not drilled	59,489,394.80
6	KARASUWA		
	i	Conversion of Boreholes at 10 Nos locations to which only one not executed (Garin Gawo)	20,361,037.50
7	YUNUSARI		
	i	Drilling and Installation of complete package Boreholes at 6 locations. Only 4 locations were completed and put to use	24,381,333.00
TOTAL			314,389,840.17

OUTSTANDING REVENUE COLLECTION

Because of poor coordination of revenue collection and accounting, some collected revenues were directly misappropriated and revenue receipts upon which collections were duly collected were not returned for validation of correct collection.

S/N	LOCAL GOVERNMENT	CASH REVENUE (₦)	REVENUE RECEIPTS
1	BADE	1,650,000.00	Mass Transit Proceed
2	BURSARI	Undetermined	64 Nos of Departmental Booklets
3	DAMATURU	30,000.00	Various Receipt
			6 Booklets Undetermined
4	FIKA	260,000.00	6 Nos Booklets and 1 No Undetermined Booklets
5	FUNE	25,000.00	3 Nos Undetermined Booklets
6	GEIDAM	3,889,000.00	Unremitted Revenue of T.H.U
		982,500.00	Various Receipt
		Undermined	28 Nos of Departmental Booklets
7	GUJBA	197,500.00	Amounts on various Receipt
			7 Nos Undetermined Receipt
8	JAKUSKO	175,000.00	Various Receipt
			2 Nos undetermined Booklets
9	KARASUWA	242,500.00	Various receipt
			6 Nos Booklets of Departmental

10	MACHINA	15,000.00	Various receipt
			1 Nos Departmental Booklets
11	POTISKUM	205,000.00	Various Receipt
		1,479,800.00	Unremitted proceeds on Mass Transit Buses
12	TARMUWA	1,916,000.00	Unremitted proceed on Mass Transit Buses
		151,800.00	Unaccounted Jangali
13	YUSUFARI	2,222,000.00	Unremitted Mass Transit Proceeds
TOTAL		13,441,100.00	

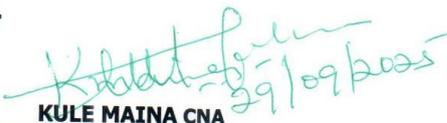
The Councils were advised to strengthen the administration of revenue collections and accounting hence it should be observed.

DWINDLING CAPACITY IN THE LOCAL GOVERNMENT

From inspections and qualities of records maintained at the Local Government, professionalism and efficiency has reduced to the bearest minimum.

The negative implications of these can affect service delivery and translate into wide gap between planned and achievements.

Setting of targets and strategies to achievements could not be observed because of non-observances of stating with the required capacity hence to be addressed by the executive.


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