

ADAMAWA STATE HOUSE OF ASSEMBLY

A BILL FOR

A LAW TO PROVIDE FOR THE ESTABLISHMENT OF THE OFFICE OF THE STATE AUDITOR-GENERAL, ITS FUNCTIONS, POWERS AND STRUCTURE AND MATTERS INCIDENTAL THERETO.

Date of commencement ()

BE IT ENACTED by the House of Assembly of Adamawa State of Nigeria and by the authority of same as follows:-

PART I - PRELIMINARY

Short title and Commencement

1. This Law may be cited as the Adamawa State Audit Law 2016 and shall come into operation on the day of2016.

Interpretation

2. In this Law unless the context otherwise requires:-
"Accountant-General" means the Accountant-General of the State;
"Auditor-General" means the Auditor-general of the State established by section 125 (1) of the Constitution of the Federal Republic of Nigeria, 1999(as amended);
"Accounting Officer" means any Permanent Secretary or head of extra-Ministerial Department;
"Constitution" means the Constitution of the Federal Republic of Nigeria, 1999 (as amended);
"Executive Council" means the State Executive Council;
"Financial Year" means the Financial Year of the Government;
"Government" means the Government of the State;
"Governor" means the Governor of the State;
"Public Money" includes:
(a) the public re venue of the State; and

- (b) any other money held in trust for any period however short by any Officer alone or jointly with other person(s);
- “Revenue” means State share from the Federation Account, internally generated revenue and any other grants and loans;
- “Statutory body” means any authority established under any Act of the Federation or Laws of the State;
- “State” means Adamawa State of Nigeria;
- “HE”/”SHE”/”HIM” refer to both male and female gender;
- “House” means the State House of Assembly.

PART II - ESTABLISHMENT OF THE OFFICE OF THE AUDITOR-GENERAL

Establishment of the office of the Auditor-General

3. (1) There shall be established for the State an office to be known as the Office of the Auditor-General (in this Law referred to as the Office).
- (2) The Office of the Auditor-General shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name.
- (3) The Office shall be headed by the State Auditor-General.
- (4) The Auditor-General shall require every person employed in the office who is to examine the accounts of Government Department under this Law to comply with any security arrangements applicable to and to take any oath of secrecy required to be taken by persons employed in that department and every such person shall comply with the requirement.

Appointment of the State Auditor-General

4. (1) The Auditor-General for the State shall be appointed by the Governor of the State on the recommendation of the State Civil Service Commission subject to the confirmation by the House of Assembly of the State.
- (2) The power to appoint a person to act in the Office of the Auditor-General for the State shall vest in the Governor.

(3) Except with the sanction of a resolution of the House, no person shall act in the Office of the Auditor-General for a period exceeding six months.

(4) There shall be a Deputy Auditor-General whose function shall be to assist and deputize for the Auditor-General.

Qualification

5. Subject to the mode of appointment of the Auditor-General as contained in the Constitution, a person to be appointed Auditor-General shall be a holder of First Degree in Accountancy or any other related field and has qualified as a Chartered Accountant with ICAN, ANAN or any other Chartered Accounting Institution recognized by Federal Government of Nigeria

Duties of the State Auditor-General

6. The Auditor-General of the State shall undertake the following duties:-

- (a) audit the public accounts of the State and all offices including Courts, Universities and Public Institutions of like nature, Public Corporations, Commissions, Boards, Agencies established by Law of the State House of Assembly, Ministries and non-Ministerial Departments and all persons entrusted with the collection and administration of public funds and assets;
- (b) submit his reports to the House and for that purpose, the Auditor-General or any person authorized by him in that behalf shall have access to all the books, records, returns and other documents relating to those accounts;
- (c) the Auditor-General shall have power to appoint external auditors to audit the accounts of Parastatals, Boards, Corporations, Tertiary Institutions, and Agencies, in appointing an external auditor, the Auditor-General shall provide guidelines on the scope of audit and fix the fees to be charged;
- (d) the vote of charge for the payment of external auditors fees shall reside in the

- office of the Auditor-General in the annual Appropriation Laws;
- (e) without prejudice to the oversight role of the Auditor-General, the external auditor appointed is solely responsible for his report and work done;
 - (f) the Public Accounts of the State shall be audited by the Auditor-General and he shall within ninety days of receipt of the Accountant-General's financial statement and annual accounts of the State submit the report to the House and the House shall cause the report to be considered by the relevant committee(s) of the House responsible for Public Accounts;
 - (g) in the report, the Auditor-General shall draw attention to any irregularities in the accounts audited and any other matter, which in his opinion ought to be brought to the notice of the House;
 - (h) the Public Accounts of the State and of all other persons or authorities shall be kept in such form as the Auditor-General shall approve;
 - (i) in the exercise of his powers under this Law the Auditor-General shall not be subject to the direction or control of any person or authority.

Functions of
Auditor-General

7. In performing his functions the Auditor-General shall satisfy himself that:-

- (a) all reasonable precautions have been taken to safeguard the collection of public moneys and that the Law, directions and instructions relating thereto have been duly observed and obeyed;
- (b) all moneys appropriated or otherwise disbursed have been expended and applied for the purpose for which the grants made by the Executive Council were intended to provide and that the expenditure conforms to the authority which governs it;

- (c) adequate financial regulations exist for Accounting and financial operations in the State and that they are duly observed;
- (d) money has been expended with due regard to economy, efficiency and effectiveness;
- (e) satisfactory procedures have been established to measure and report the effectiveness of programmes, where such procedures could appropriately and reasonably be implemented;
- (f) anything which under the authority of this Law or of any other Edict, Law, Act or Decree in force at the commencement of this Law is directed to be done by the Auditor-General of the State other than certifying and reporting on the financial statements of the State, may be done by any officer authorized by him;
- (g) if at any time it appears to the Auditor-General of the State that any irregularity have occurred in the receipt, custody or expenditure of public moneys or in the receipt, custody, issue, sale, transfer or delivery of any securities, store or other Government property, or in the accounting of the same, he shall immediately bring the matter to the notice of the Governor or the Accounting Officer of the affected Ministry/Agency and to any other officer that the Auditor-General may deem fit.

Responsibilities of
the Auditor-General

8. (1) In the performance of his functions under this Law the Auditor-General shall:-
- (a) draw the attention of the appropriate authorities to any irregularities observed during the examination of the accounts as soon as the facts of such irregularity have been established and confirmed;
 - (b) as a result of the audit conducted by him, make sure queries and observations addressed to the Accountant-General or any other person and call for such accounts,

vouchers, statements, documents and explanations as he deems fit;

- (c) specify for the appropriate Head of Department or Institution the amount due to or from any person upon whom he had made surcharge and the reason for the surcharge and the circumstances of the case to the Accounting officer of the affected department or institution.

(2) Every such query and observation received by Accountant-General or any other person shall, within 30 days after its receipt by that person, be returned with necessary explanations to the Auditor-General.

(3) Every sum so specified by the Auditor-General to be due to any person shall be paid by that person to the Department or Institution as the case may be, within 60 days after it has been so specified.

(4) Any person aggrieved by a disallowance or surcharge made by the Auditor-General may appeal to the Public Accounts Committee for redress and thereafter if not satisfied, to the High Court not later than the expiration of the period of the 60 days prescribed.

(5) Any sum which is lawfully due under this section shall, on civil proceeding taken by the Accounting Officer in a Court of competent jurisdiction, be recordable as a civil debt, provided that where the person surcharged is in receipt of remuneration from the Government or any Government Institution, the remuneration shall be attached to the extent of the sum lawfully due.

(6) In any proceedings for the recovery of the said sum, a certificate signed by the Auditor-General shall be prima-facie evidence of the facts certified.

(7) The Auditor-General may at any time, revoke any surcharge made under this section.

(8) The Auditor-General may examine any person on oath or affirmation (which oath or affirmation the Auditor-General is hereby empowered to administer) on any matter appertaining to any account subject to audit by him.

(9) Without prejudice to any other provision of this Law, any person who fails or refuses to reply to any

audit query or observations within the appropriate period specified shall, if the Auditor-General so directs, have his emoluments and allowances withheld for so long as the person fails to reply.

Executive Council
may request
Auditor-General
to audit the
Accounts of
anybody or
Organization

9. The provisions of paragraph (i) of Section 6 of this Law, shall not preclude the Executive Council from requesting the Auditor-General in the public interest to audit at any particular time, the accounts of anybody or organization.

Co-operation

10. The Auditor-General may on such conditions as he may determine relate with persons, institutions and associations in the State or elsewhere, and take such steps as he may deem necessary in order to promote or develop his functions and governments auditing in the State or elsewhere.

Personal liability

11. The Auditor-General or any person acting under his authority shall not be liable in his personal capacity in any civil or criminal proceedings in respect of any act done in good faith;

- (a) in the performance of any duty or the exercise of any power imposed or conferred upon him in this Law or any other Law;
- (b) in giving evidence, explanation or producing any documents before a Committee of House of Assembly in connection with a report of the Auditor-General.

Powers of the
Auditor-General

12. For the purpose of performing his duties under this Law, the Auditor-General shall have power:-

- (a) to call upon any public officer for any explanation and information which he may require in order to enable him discharge his duties;
- (b) to authorize any officer of any other Government in Nigeria to conduct on his behalf any inquiry, examination or audit and such officer shall report thereon to the

Auditor-General provided that any such authority shall be subject to the concurrence of the Head of the Government in which the officer concerned is employed, or in the case of an officer of another Government in Nigeria, to the consent of the Head of the Government;

- (c) to disallow any item of expenditure which he consider contrary to Law and surcharge:
 - (i) the amount of any expenditure disallowed upon the person responsible for incurring or authorizing the expenditure; or
 - (ii) any sum which has not been duly brought into account upon the person by whom the sum ought to have been brought into account;
 - (iii) the amount of any loss or deficiency, upon any person by whose negligence or misconduct the loss or deficiency has been incurred;
- (d) the Auditor-General may at anytime cause search to be made of, and extracts taken from; any books or accounts relating to money or stores, subject to its audit in any public office, without paying any fee thereof;
- (e) to examine upon oath or affirmation any person whom he may deem fit to examine in respect of issues of any stores affected by the provisions of this Law and in respect of all other matters and things, whatsoever necessary for the due performance and exercise of the duties and powers vested in him;
- (f) to lay before the Attorney-General of the State a case in writing as to any question regarding the interpretation of any Edict,. Law, Act, Decree or Regulation and the Attorney General shall give a written interpretation on such case;

- (g) to station in any government department, schools authorities, Commissions and Agencies any person employed in his office to enable him carry out his duties more effectively and such department shall provide the necessary office accommodation and other facilities for any such officers so stationed.

Transaction by Auditor-General

13. For the purpose of discharging the functions of his office, the Auditor-General, subject to the provision of this Law, may do anything and enter into any transaction necessary to ensure the proper performance of these functions, this shall include, but not limited to;

- (a) appointing such staff as he consider necessary to discharge these functions;
- (b) establishing and implementing a comprehensive human resource management system and policies for managing such staff, including staff development program;
- (c) developing and maintaining such system whether by computer or other means, for the collection, storage, analysis and retrieval of relevant information and promulgating procedures for conducting audit work;
- (d) the appointments by the Auditor-General to and /or dismissals from junior/senior level positions shall be subjected to ratification by the State Audit Service Commission;
- (e) in the discharge of his duties, the Auditor-General may engage the services of professionals to serve on contract basis for limited engagements, including those required as part of agreements with international organizations but all audit opinion shall remain those of the Auditor-General.

Removal of the Auditor-General

14. (1) A person holding the office of the Auditor-General shall be removed from office by the Governor acting on an address supported by two-third majority of the House of Assembly praying that he be so removed for

inability to discharge the functions of his office (whether arising from infirmity of mind or body) or proven misconduct.

(2) Provided that prior to such an address, the Auditor-General shall have been given at least 21 days to defend himself on the floor of the House and shall be entitled to legal representation.

(3) The State Auditor-General shall not be removed from office before retirement age of 60 years save in accordance with the provision of this Section.

PART II - STRUCTURE OF THE OFFICE OF THE AUDITOR-GENERAL

Departments of
the office of the
Auditor-General

15. (1) The office of the Auditor-General shall consist of Departments, which shall include:-

(a) Finance and Administration Departments which shall comprise of the following sections:-

- (i) Accounts Section;
- (ii) Administration Section;
- (iii) Pension Section;
- (iv) Transport/Security Unit;
- (v) Planning, Research and Statistics;
- (vi) Legal Services Section;
- (vii) Communication and Public Affairs;
- (viii) Quality Assurance and Standards; and
- (ix) Internal Audit.

(b) Government Accounts Department which shall comprise of the following sections:-

- (i) Ministries and Extra-Ministerial Departments;
- (ii) Annual Accounts;
- (iii) Losses/queries;
- (iv) Board of Survey on unserviceable items;
- (v) Revenue Unit;
- (vi) Systems/Information Technology Unit; and

- (vii) House of Assembly Liaison;
- (c) Parastatals/Special Investigation Department Shall be made up of the following sections:-
 - (i) Boards;
 - (ii) Corporations;
 - (iii) Tertiary Institutions;
 - (iv) Special Investigations; and
 - (v) Forensic Audit;
- (d) Out-Station Department shall be made up of the following sections:-
 - (i) secondary Schools; and
 - (ii) Out-Station Offices of Ministries and Extra-ministerial Departments;
- (e) Project monitoring and Evaluation Departments shall comprise of the following Sections:-
 - (i) Project Units; and
 - (ii) Specialize Skills Section.

(2) The Auditor-General may vary the Departments and Section/Units as he deem fit.

Periodic checks
on Statutory
Corporations,
Commissions etc

16. (1) The Auditor-General shall upon conducting periodic checks on accounts of Statutory Corporations, Commissions etc express his opinion as to whether the accounts present fairly the financial information in accordance with applicable statutory provisions, stated accounting policies of governments, with generally accepted accounting principles, and are essentially consistent with those of the preceding year.

(2) The Auditor-General or any person authorized by him to conduct periodic checks on a Statutory Corporation shall, in addition to the audit report, draw attention to the following:-

- (a) the profitability, liquidity, stability and solvency of the corporation on the capital markets, where applicable;
- (b) whether there was any delay in payment of the government's portion of any declared dividend into the consolidated Revenue Fund of the State;

- (c) any significant case of fraud or losses and, if so, the underlying causes and person(s) responsible for such fraud or losses;
- (d) any internal control weakness which were identified and the general corporate performance:
 - (i) achievements against set targets and objectives; and
 - (ii) whether the finances of the body have been conducted with due regard to economy, efficiency and effectiveness, having regards to the resources utilized.

Audit Standards

17. (1) The Auditor-General shall determine which auditing standards should be applied and may establish audit programmes and code of ethics specific to the audits performed by the Office of the Auditor-General

(2) The auditing standards shall include:-

- (a) Public sector Auditing Standards issued by the conference of Federal and State Auditor-General;
- (b) Accounting Standards issued by the Nigerian Accounting Standards Board (NASB);
- (c) the Auditing Standards and code of ethics published by the International Organization of Supreme Audit Institutions (INTOSAI) and the International Audit and Assurance Standards Board (IAASB);
- (d) the Auditing Standards and Code Ethics published by the International Federation of Accounting (IFAC);
- (e) other recognized or required standards issued or accepted by funding or donor organizations may be required in conducting audits of their projects.

Immunity/ Independence of the Auditor- General

18. (1) The Auditor-General or any person employed by him acting on his authority shall not be liable in his personal capacity in any Civil or Criminal proceedings in respect of anything done in good faith:

- (a) in the performance of any duty or exercise of any power imposed or conferred upon him under this Law;
- (b) in giving evidence or an explanation or producing any documents before a Committee of the House in connection with the report.

(2) The provisions of this Section apply to:-

- (a) the Auditor-General in his personal Capacity; and
- (b) every person employed by the Auditor-General, whether acting as an appointed auditor or not, in connection with the performance or exercise of the functions, duties or powers of the Auditor-General.

Remuneration of Auditor-General Staff

19. (1) The salary, super-annuation and benefits of the Auditor-General shall be as recommended by the Revenue Mobilization, Allocation and Fiscal Commission and shall be charged upon the Consolidated Revenue Fund of the State.

(2) The salary other than the allowances payable to the Auditor-General, his rights in respect of leave of absence, retirement benefits or retiring age shall not be varied to his disadvantage after his appointment.

(3) The Auditor-General shall be entitled to pension for life at a rate equivalent to the annual salary and allowance of the incumbent Auditor-General.

(4) Any pension granted by virtue of sub-section (3) shall be a charge upon the Consolidated Revenue Fund of the State.

(5) Apart from the normal allowance currently payable in the service, the Auditor-General and the Staff therein shall be paid additional allowance as may be determined and approved by the Head of Service in respect of the following:-

- (a) 100% basic salary as consolidated allowance;
- (b) at least 50% of basic salary as hazard allowance

- (c) 50% of basic salary as clothing allowance; and
 - (d) such other allowance as the Governor of the State may approved from time to time.
- (6) Members of staff of the office of the Auditor-General other than the Auditor-General shall in addition to the provisions of this Law enjoy rights and privileges as are contained in the public service of the State and shall retire upon the attaining the age of 60 years or service period of 35 years or as the Constitution and Pension Act may from time to time stipulate.

PART III - ESTABLISHMENT OF STATE AUDIT COMMISSION

Establishment
of State Audit
Commission

20. (1) There shall be established for the State a State Audit Commission (herein after referred to as the Commission).
- (2) The Members of the Commission shall serve on part-time basis.
- (3) The Commission shall consist of the following members:-
- (a) a reputable and professional retired administrator as Chairman;
 - (b) the Auditor-General;
 - (c) two members of Professional Accounting bodies;
 - (d) a retired Auditor-General of the State;
 - (e) a representative from the Civil Society Organizations; and
 - (f) a Director of State Audit as Secretary .

Tenure

21. (1) The tenure of office of a member of the Commission shall be four years.
- (2) A member of the Commission including the Chairman who is a member by virtue of the position held thereof other than the Chairman shall vacate office if:
- (a) he cease to hold the specific office or position;
 - (b) in the case of the Director he shall hold office at the pleasure of the Chairman;

- (c) for other members at the expiration of four years, subject to renewal of another term of four years.

Functions of
the Commission

22. The functions of the Commission includes:-

- (a) appointments, promotion, dismissal and exercise of disciplinary control over staff of the Commission and the office of the Auditor-General;
- (b) implementation of ethics and code of conduct for Auditors;
- (c) determination of remuneration for Auditors;
- (d) ensuring adherence to international Audit standards;
- (e) controlling and disbursement all moneys (capital and recurrent) for services of the Commission;
- (f) dealing with other matters relating to broad issues of policy and administration of the Commission ,
- (g) appointment of External Auditors for the Audit of the office of the Auditor-General.

Procedure of
the Commission

23. (1) The Commission's procedure shall include:-

- (a) determination of its own procedure, including the procedure of establishing an Executive Committee, if necessary;
- (b) making regulations concerning the manner in which the personnel of the office shall be managed;
- (c) making such regulations known in a manner it deems fit.

(2) At a meeting of the Commission a quorum shall be at 2/3 of members, in the absence of the Chairman, Members present shall appoint a Chairman for the purpose of the meeting.

Appointment
and remuneration
of members

24. (1) The members of the Commission shall be appointed by the Governor and shall be paid allowances from funds appropriated for the Commission, such amount as the House of Assembly may determine.

(2) Notwithstanding the payments of such allowances to a member, he shall not merely by reason thereof be deemed to hold an office of profit in the service of the State.

PART IV - AUDIT PROCESS

Annual certificate
and report of the
Auditor-General

25. (1) The Auditor-General shall within 90 days of receipt of the Accountant-General's financial statements and Annual accounts of the State, submit his report to the House and it shall cause the report to be considered by the Public Accounts Committee.

(2) The Auditor-General shall include in his annual report:-

- (a) his opinion on the truth and fairness of the public accounts of the State ;
- (b) such significant findings and recommendations which he considers should be brought to the notice of the House including:-
 - (i) any act of commission or omission by any officer relating to the probity, regularity or value for money with which public money is managed;
 - (ii) any deficiencies which have been identified in the internal control system of any public body;
 - (iv) details of essential records that have not been maintained or the rules and procedures applied that have been insufficient to safeguard and control assets, to secure an effective check on the assessment, collecting and proper allocation of revenue and to ensure that expenditures have been made only as authorized;
 - (iv) any money that has been expended without due regard to economy, efficiency and effectiveness.

(3) Notwithstanding the provisions of sub-section (1), the House may by direction extend the time to a further

period not exceeding three months within which such reports shall be submitted.

(4) The Auditor-General may at anytime, if it appears to him desirable, issue a special report to the Governor on any matter incidental to his powers and duties under this Law.

(5) The Auditor-General shall submit his report to the Speaker of the House, the reports may include comments from the relevant Accounting Officers, but the Auditor-General has full editorial control over his reports.

(6) The annual audit report of the Auditor-General:-

(a) shall be considered public documents and so shall be made available to the public at reasonable cost-recovery fee after submission to the House; and

(b) shall be made publicly available in electronic format on the Internet.

Review of Audit Reports by Public Accounts Committee

26. (1) The Public Accounts Committee (hereafter referred to as “the Committee”) shall consider each report from the Auditor -General, which is tabled before the House.

(2) The consideration may include questioning the Accounting Officer from the relevant public body, explanation from the Auditor-General and official responses from the Government; the Committee shall make recommendations on the basis of this consideration and shall monitor their implementation.

(3) The Committee shall have the power to summon the Accounting Officers, Public Officials and any member of the public to be questioned about the Auditor-General’s findings.

(4) The Committee shall normally hold its hearing in public but may choose to hold all or part of its hearing in private session.

(5) The Committees shall prepare a report.

Audit Contracts

27. All private audit firms and consultants taking up Consultancy jobs relating to audit work must be registered with the office of the Auditor-General and their engagement letters shall be issued by him, such contracts on audit work shall include but not limited to:-

- (a) revenue audit and consultancy work including tax audit;
- (b) Government bank accounts audit;
- (c) audit of Government offices including special investigations;
- (d) pension audit including verification of “I am alive certificate”;
- (e) staff audit including payment at sight;
- (f) contracts in respect of estate/building valuation or valuation of specialized government assets; and
- (g) assessment and evaluation of effective government electronic information system.

Access to
People,
documents
and property

28. (1) The Auditor-General and his staff shall have unrestricted access to such people, documents, computers and other information system, and assets as he consider necessary for the proper performance of his functions.

(2) The Auditor-General may also obtain such information, as he considers necessary in the performance of his functions from a person who is not a member, employee or public office holder, to do this, he shall:-

- (a) advise the person in writing of the nature of the information and why it is needed; and
- (b) reimburse the individual for any reasonable costs associated with producing such information provided that the individual shall not use such information for any other purpose.

(3) The Auditor-General may in the course of performing his functions, duties or exercising his powers:-

- (a) require a person to give evidence either orally or in writing;
- (b) for the purpose of examining a person, the Auditor-General may administer an oath or affirmation on such a person and sanctions relating to perjury are applicable;
- (c) he may examine or audit the account of any person in any bank if he has reason to believe that the money belonging to a public

- body has been fraudulently or wrongfully paid into such person's account;
- (d) in exercising this authority, the Auditor-General shall establish that the information obtain shall not be used for any other purpose other than legally intended and shall first obtain a warrant of a court authorizing such examination.
 - (e) when presented with the warrant, the bank officer shall produce any documents or provide requested information relating to an account in the bank's custody or control;
 - (f) the Auditor-General may make copies of any document so produced.

PART V - FINANCIAL PROVISIONS

Funds

29. (1) The Auditor-General shall establish and maintain a fund consisting of such monies as may in each financial year be appropriated by the House of Assembly, such fund shall not be less than 1% of the total monthly internally generated revenue (IGR) of the State.
- (2) The Auditor-General may receive from any Non-Governmental organization whether national or international and keep for its own use financial and other assistance for the enhancement of his functions.
- (3) The Auditor-General shall defray from the fund established pursuant to Sub-Section (1) of this Section, all the amount payable under or in pursuance of this Law, the sum representing:-
- (a) the running cost of the office;
 - (b) the cost of acquisition or renting and up keep of premises rented by or belonging, to the office, any other capital expenditure of the office;
 - (c) any other payment for anything incidental to any other function of the Auditor-General.
- (4) For the effective and practical independence of the office of the Auditor-General, approved Budget for the office shall be released fully on monthly or quarterly basis.

(5) The Auditor-General shall manage the funds of the office in conformity with the approved budget, expenses to be paid from this fund shall include but not limited to:

- (a) the salary and allowances payable to the Auditor-General;
- (b) Salary and allowances of staff of the office;
- (c) cost of training and professional development activities;
- (d) the funds for travelling, transportation and subsistence needed by staff engage in conducting duties of the Auditor-General;
- (e) the administrative expenses of the office of the Auditor-General;
- (f) any capital development project or special expenditure.

Annual Account

30. (1) Within a period of six months after the end of each financial year, the Accountant-General shall present to the Auditor-General, accounts showing the financial position of the State as at the last day of the preceding year.

(2) Such account shall include:-

- (a) Statement No. 1: Responsibility for financial statement;
- (b) Statement No. 2: Cash flow statement;
- (c) Statement No. 3: Statement of assets and liabilities;
- (d) Statement No. 4: Statement of Consolidated Revenue Fund;
- (e) Statement No. 5: Statement of capital Development Fund;
- (f) Statement No. 6: Statement of Recurrent Revenue and Expenditure;
- (g) Statement No. 7: Statement of contractual liabilities;
- (h) Statement No. 8: Statement of Investments;
- (i) Statement No. 9: Statement of External and Internal loans;
- (j) Note to the financial statements;

the notes to the financial statements should present information about the basis of presentation of the

financial statements and the specific accounting policies selected and applied for significant transactions and other events for the purpose of users' understanding and comparability.

(3) Note to the accounts shall be presented in the following order:-

- (a) statement of compliance with approved accounting standards;
- (b) statement of accounting policies applied;
- (c) supporting information for items presented on the face of the financial statements; and
- (d) supporting statements.

(4) Within five months after the close of each financial year, Accounting Officers shall prepare and transmit to the Auditor-General general appropriation accounts of the moneys expended under the votes for which they are responsible, showing the services for which the moneys were voted, the sums actually expended on each service during the period of accounts and the state of each vote compared with the appropriation, each such variation between the expenditure and the sums voted, and shall contain such other information and shall be in such form as the appropriation account shall be signed by the Accounting Officer.

(5) When submitting an appropriation account to the Auditor-General, the accounting Officer shall forward a copy to the Accountant-General.

PART VI - MISCELLANEOUS PROVISIONS

Offences

31. Any person who without lawful justification or excuse:-

- (a) obstructs, hinders or resists the Auditor-General or any person authorized by him in the performance of his duties and exercise of his powers under this Law;
- (b) refuses or fails to comply with any lawful request of the Auditor-General or his representative;
- (c) fail to produce for inspection to the Auditor-General access to any book, record, returns,

payment voucher, revenue receipt or other documents relating or relevant to any account to be audited by the Auditor-General, when so requested;

- (d) fails to keep proper books of accounts or proper records in relation thereto when so required by the provision of any enactment;
- (f) makes a statement or gives information to the Auditor-General or his representative which is false or misleading; commits an offence under this Law.

Penalties

32. (1) Any person who commits an offence under Section 31 of this Law shall on conviction be liable to a fine not exceeding N200, 000.00 or to imprisonment for six months.

(2) In case of a body corporate, it shall be liable to a fine not exceeding N500, 000.00.

Failure to reply an audit query

33. Without prejudice to any other provision of this Law, any person who fails or refuses to reply to an audit query or observation within the appropriate period specified in this Law, shall have his emoluments and allowance withheld so long as the person fails to reply, shall be guilty of an offence and liable on summary conviction.

Offence by staff of Auditor-General

34. Any member of staff of the Auditor-General's office who:-

- (a) demands or takes any bribe, gratification, recompense or reward for the neglect or non-performance of his duty; or
- (b) willfully fails to report to the Auditor-General any abuse or irregularity coming to his notice in relation to any account audited by him; or
- (c) makes any report to the Auditor-General which he knows to be false or which he has no reason to believe to be true;

Commits an offence under this Law and shall on conviction be liable to a fine not exceeding N100, 000.00 or imprisonment for two years or both such fine and imprisonment.

Offence by body
Corporate and
Partnership

35. (1) In case of offence committed under this Law by body of persons:-

(a) where the body of persons is a body corporate, other than a partnership, every Director and Officer of that body corporate shall be deemed also to be guilty of that offence; and

(b) where the body is a partnership every partner shall be deemed guilty of an offence, provided that no such person shall be deemed to be guilty of an offence under paragraph (a) of this Section if he proves that the offence was committed without his knowledge or that he exercise due diligence to prevent the commission of the offence.

(2) Accounting Officers shall be held responsible for recovery of losses discovered from erring officers.

(3) Where an Accounting Officer fail to make necessary recovery, he shall be guilty of an offence and shall be liable to a fine not exceeding N500,000.00 plus the amount of loss involved, if it is proved that he fails to make reasonable effort to recover the said loss.

Repealed of
Audit Law
Cap 58 of 1958

36. The Audit Law Cap 58 of 1958 is hereby repealed.