

**Arrangement of Subjects of
Orders, Rules-Rules etc.**

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A Law to provide for the Establishment of the Audit Service Commission and the Office of the Auditor-General for State and Local Government and for connected matters



Katsina State of Nigeria

Law No.2020

[

]

Date of
commencement

BE IT ENACTED by the House of Assembly of Katsina State of Nigeria as follows ———

1. This Law may be cited as the Katsina State Audit Law, 2020. Short title
2. This Law shall come into operation on the 28th day of December, 2020. Commencement
3. In this Law: Interpretation

"Accountant-General" means the Accountant-General of the State;

"Accounting Officer" means any Permanent Secretary or the Head of an Extra-Ministerial Department;

"Attorney-General" means the Attorney-General and Commissioner for Justice, Katsina 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;

"Auditor-General" means the Auditor-General for Local Government of the State;

"Commission" means the State Audit Service Commission;

"Executive Council" means the Katsina State Executive Council;

"External Auditor" means Independent Auditors appointed for audit purposes;

"Financial year" means the financial year of the State Government;

"Governor" means the Executive Governor of Katsina State;

"House" means the Katsina State House of Assembly;

"Office" means Office of the State Auditor-General;

"Officer" means the holder of an office in the public service of the State;

"PAC" means Public Accounts Committee of the House;

"Public money" means and includes the public revenue of the State and any other money held in trust for any period of time by any officer alone or jointly with other persons;

"Revenue" means the States' share from the Federation Account, internally generated money and any other grant and loans;

"Statutory body" means any authority established by Law;

"State" means Katsina State Government

4.(1) There is established a Commission to be known as the State Audit Commission (referred to in this Law as "the Commission").

Establishment of the State Audit Service Commission

(2) The Commission shall be a body corporate with perpetual succession and shall have power to sue and be sued.

5. The Commission shall comprise of a Chairman and five (5) other members as follows:

Composition of the Commission

- (a) the State Auditor-General who shall serve as the Chairman of the Commission;
- (b) representative of either Institute of Chartered Accountants of Nigeria (ICAN) or representative of Association of National Accountants of Nigeria (ANAN);

- (c) one member each from the three (3) senatorial zones and of auditing profession of not less than fifteen (15) years working experience.

6.(1) No person shall be qualified for appointment as a member of the Commission if:

Qualification for membership

- (a) he is of questionable integrity;
- (b) within the preceding ten (10) years he had been removed as a member of any of the bodies established by Section 197 of the Constitution of the Federal Republic of Nigeria 1999 (as amended) or as the holder of any other office on the ground of misconduct; and
- (c) he has been convicted of a criminal offence by a Court of competent jurisdiction or tribunal.

(2) Any person employed in the Public Service of the Federation or of a State shall not be disqualified for appointment as a Chairman or member of the Commission provided that where such person has been duly appointed, he shall on his appointment be deemed to have resigned or retire from his former office, as from the date of his appointment.

7. A member of the Commission shall hold office for a period of four (4) years from the date of his appointment and may be re-appointed for another term of four (4) years only, subject to confirmation by the House.

Term of office

8. The Chairman and any of the members shall cease to hold office where:

Cessation of office

- (a) he is removed by the Governor acting on an address supported by two-third majority of the House praying that he is to be removed for inability to discharge the functions of his office (whether arising from infirmity of mind or body) or for misconduct;
- (b) he resigns his membership of the Commission in writing by a letter addressed to the Governor;
- (c) he is permanently incapacitated or dies;

- (d) he is involved in any act that may be considered inimical to the interest of the office or the State;
- (e) he becomes bankrupt or made a compromise with his creditors.

9. At the commencement of this Law, or upon the expiration of tenure of members of the Commission, at any time or upon a vacancy occur in the membership of the Commission, the Governor shall within thirty (30) days fill the vacancy upon confirmation by the House.

Filling of vacancy

10. The Chairman and members of the Commission shall be paid such remuneration as may be applicable to other Commissions.

Remuneration and allowances

11.(1) There shall be appointed by the Commission, a Secretary who shall be:

Secretary of the Commission

- (a) a senior officer not below the rank of a Director in the Office of the Auditors-Generals for the State/Local Governments or its equivalent who on appointment shall enjoy all the rights and privileges of a Permanent Secretary in the State Civil Service; and

- (b) the accounting officer of the Commission.

(2) The Secretary shall hold office on such terms and conditions as may be applicable in the State civil service.

(3) Subject to the general direction of the Commission, the Secretary shall be responsible for the day to day administration of the Commission and for the keeping of books and proper records of proceedings of the Commission.

(4) The Secretary shall perform all other duties affecting the Commission as may be assigned to him by the Chairman.

12.(1) The Commission shall appoint persons to hold or act in such other offices as may constitute the Directorates and Units of the office.

Power and functions of the Commission

- (2) The Commission shall have power to:

- (a) formulate and implement guidelines;
- (b) perform such other duties and functions under this Law;
- (c) advise the State Government on policy issues relating to audit;
- (d) advise the Governor on the need to provide welfare for office staff;
- (e) implement ethics and code of conduct for auditors employed in the office;
- (f) implement Government policies on audit matters;
- (g) promote, and confirm appointments of persons employed by the Commission; and
- (h) dismiss and exercise disciplinary control over such persons holding or acting in such offices.

Provided that appeals by such employees against dismissal or such other disciplinary measures and until such regulations are made, any instruments relating to the conditions of service of officers in the civil service of the State shall be applicable, with such modification as may be necessary to the employees.

(3) Nothing in this Law shall preclude the creation of more Departments/Units by the office as the need arises and the Commission in accordance with Section 9(1) make appointment into them.

(4) If the Commission thinks it expedient that any vacancy in the staff of the office should be filled by a person holding office in any service of the State, it shall notify the appropriate Service Commission to that effect and the Commission may by arrangement with the Service Commission concerned, cause such vacancy to be filled by way of secondment or transfer.

(5) Where any member of staff of any Service Commission is seconded under Sub-Section (4) of this Section, he shall be notified of the terms and conditions of the secondment; and the secondment shall be without prejudice to any pension rights which, despite the secondment would still accrue to him.

Provided the person seconded pursuant to Sub-Section (4) of this Section may elect, subject to the approval of the Commission, to be transferred to the service of the office in which case any previous service in the service concerned shall count as service for the purpose of pensions subsequently payable by the office.

(6) Any member of staff of the office may elect to transfer or be seconded to any public service of the State and such right of transfer or secondment shall not operate to the disadvantage of the officer concerned.

13. The Commission may co-opt person(s) who are not members of the Commission for any meeting of the Commission or its Committee and such co-opted person(s) may take part in the deliberations of the Commission or any of its Committees but shall not be entitled to vote or be counted as part of the quorum of the meeting.

Power to co-opt

14.(1) The meetings of the Commission shall be convened by the Chairman or by a simple majority of members.

Meetings and
quorum

(2) At any meeting of the Commission, the Chairman shall preside and in his absence any member of the Commission as the other members may elect from among themselves who shall preside.

(3) The quorum for any meeting of the Commission shall be three (3) members including the Chairman.

(4) Any matter which comes before the Commission for decision shall be decided by the vote of a simple majority of the members present, and in the event of equality of votes, the Chairman shall have a casting vote.

(5) The validity of any meeting shall not be affected by reason of the existence of any vacancy in the Commission or any defect in the appointment of any member.

15. The Commission shall have power to regulate its proceedings and may make standing orders for that purpose.

Proceedings of the
Commission

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15. The Commission shall have power to regulate its proceedings and may make standing orders for that purpose.

Proceedings of the
Commission

16. No member of the Commission or Committee shall be liable to be sued in any Court for any act done in the course of exercising his legal duty or function imposed on him by the Commission.

Protection of
members of the
Commission

17.(1) Any report, statement, communication, record of any meeting or proceeding which the Commission may make in the due exercise of its functions or which any member of the Commission may make in the course of performing his official duties shall be privileged.

Privilege of the
Commission

(2) Subject to the provision of Sub-Section (1) above, a report, statement, communication, record of any meeting or proceeding of the Commission may be released on the order of Court or by a resolution of the House.

18. The Commission shall appoint such persons as may be necessary to enable it carry out its functions under the provisions of this Law.

Staff of the
Commission

19. The terms and conditions of service (including remunerations, allowances, benefits and pensions) of the employees of the office shall be as applicable in other Commissions.

Conditions of service
of employees

20.(1) Notwithstanding the provisions of the Pensions Reform Law 2007, Pensions service in the Commission shall be service in the Public Service for the purpose of that Law and accordingly, officers of the Commission shall in respect of their services be entitled to such pensions, gratuities and other retirement benefits are prescribed under the State Pensions Reform Law.

Pension

(2) The period of service of any person in the Commission shall be joined to and deemed to be continuous with the period served by that person previously or subsequently in any other pensionable service.

(3) For the purpose of the application of the provisions of the Pensions Reform Law, any power exercisable under the provisions of that Law by a Commissioner or other authority of

the State (not being the power to make regulations) are vested in and shall be exercisable by the Commission and not by any other person or authority.

(4) Nothing in the provisions of this Section shall prevent the appointment of a person to any office in the Commission on terms which preclude the grant of a pension or gratuity in respect of service in the "office".

21.(1) There shall be established a fund for the Commission and provision for the fund shall be made in the annual budget of the State.

Funds of the Commission

(2) There shall be paid and credited to the fund established under Sub-Section (1) of this Section:

- (a) any sum appropriated to the Commission by the House in each financial year;
- (b) all monies raised for the purposes of the Commission by way of gifts, grants and aids;
- (c) take off grant; and
- (d) proceeds from all other assets that may from time to time accrue to the Commission.

(3) The Commission shall defray all expenditures incurred by it from the fund referred to in Sub-Section (1) of this Section and shall include:

- (a) the cost of administration;
- (b) the payment of salaries, fees or other remuneration or allowances, pensions and gratuities payable to members and employees of the Commission; and
- (c) anything done in furtherance to any of its functions under this Law.

22.(1) There is established an office to be known as the Office of the State Auditor-General (referred to in this Law as the "Office").

Establishment of the office of the State Auditor-General

(2) The office shall be headed by the Auditor-General for Katsina State (referred to in this Law as the "Auditor-General").

(3) There is established an office to be known as the Office of the State Auditor-General for Local Government (referred to in this Law as the "Office").

(4) The office shall be headed by the Auditor-General for Local Government of the State (referred to in this Law as the "Auditor-General").

23.(1) The Auditor-General shall be appointed by the Governor on the recommendation of the State Civil Service Commission, subject to confirmation by the House of Assembly.

Appointment of Auditor-General

(2) The Auditor-General shall be:

- (a) a professional Accountant with a minimum of fifteen (15) post qualification and cognate experience in Accounting and or Auditing fields, three (3) years of which should have been spent in the office of the State Auditor-General; or
- and
- (b) member of a professional Accountancy body recognized by the Law of the Federal Republic of Nigeria

24.(1) The salary/remuneration and other conditions of service for the Auditor-General shall be in accordance with salary and allowances of (Statutory Office Holders and Special Officers) Law of the State.

Remuneration and allowances of the Auditor-General

(2) The remuneration and salaries of the Auditor-General shall be charged upon the Consolidated Revenue Fund of the State.

(3) The remuneration and allowances payable to the Auditor-General and his conditions of service, shall not be altered to his disadvantage after his appointment.

25. The Auditor-General shall remain in office until he has attained retirement age of sixty (60) years.

Tenure of office of the Auditor-General

26. A person holding the office of the Auditor-General shall cease to hold office where:

Cessation of office of the Auditor-General

- (a) he is removed by the Governor acting on an address supported by two-third majority of the

House praying that he be so removed for inability to discharge the functions of his office (whether arising from infirmity of mind or body) or for misconduct.

Provided that he Auditor-General shall have been given at least forty (40) days notice in writing to defend himself in person or legal practitioner of his own choice on the floor of the House;

- (b) he elect to retire before the mandatory retirement age he/she shall provide notice for at least six-months before the proposed separation date so that the Public Account Committee, the Governor, and parliament have sufficient time to select a qualified successor;
- (c) he is permanently incapacitated or dies.

27.(1) In the event of the absence or incapacitation of the Auditor-General or where the office of the Auditor-General is vacant, the Deputy Auditor-General shall perform the duties and functions of the Auditor-General temporarily.

Functions in the office of the Auditor-General

(2) A person appointed in line with Sub-Section (1) above shall possess the qualification spelt out in Section 20(2) of this Law.

(3) No person shall act in the office of the Auditor-General in acting capacity for a period exceeding six (6) months except by resolution of the House.

28.(1) The Auditor-General shall ensure that:

Functions of the Auditor-General

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

- (c) adequate audit regulations exist for Accounting and Financial operations in the State are duly observed;
- (d) monies have been expended with efficiency and effectiveness and due regard to Financial Regulation;
- (e) satisfactory procedures have been established to measure and report the effectiveness of programmes, where such procedures could appropriately and reasonably be implemented;
- (f) the attention of the appropriate authorities have been drawn to any irregularity observed during the examination of the account as soon as facts of such irregularity have been established and confirmed;
- (g) as a result of the audit conducted by him, all queries and observations are addressed to the Accountant-General, the Accountant Officer or any other appropriate person and call for such accounts, vouchers, statements, documents and explanations as he deems fit; and
- (h) Where he deems it fit, surcharge and specify to the appropriate Head of Department or Institution, the amount due from any person upon whom he had surcharged and the reason for the surcharge and shall report the circumstances of the case to the Accounting Officer of the affected department or institutions.

(2) The Auditor-General shall, in exercising his functions under the provision of this Law express his opinion as to whether the financial statement/accounts represent the financial information in accordance with applicable statutory provisions, stated accounting policies of government, generally accepted accounting principles and standards, and are essentially consistent with those of the preceding year.

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

- (a) The profitability, liquidity, stability and solvency of a parastatal, Corporation and Educational Institution and also the performance of the shares of the Corporation in the capital Market, where applicable;
- (b) The auditor-General may at any time examine, the extent to which a public entity including Ministries, Statutory corporations, parastatals, Commissions, Authorities, Agencies, Persons and bodies establish by law is carrying out its activities effectively and efficiently;
- (c) A public entity compliance with its statutory obligations;
- (d) Any delay in the payment of government's portion of any dividend into the Consolidated Revenue Fund;
- (e) Any fraud or loss, and if so, their underlying causes and person(s) responsible for such fraud or loss;
- (f) Any internal control or weakness which were identified;
- (g) The general corporate performance indicating the achievement against set targets and objectives; and
- (h) Whether the finances of the body have been conducted with due regard to economy, efficiency and effectiveness, having regard to the resources utilized.

(4) The Auditor-General shall evaluate the adequacy of the state's enterprise risk management strategies and policies and make recommendations for their improvement.

(5) The Auditor-General in the exercise of his responsibility shall publish the annual statutory report of the state Government electronically and in the Newspapers for public consumption.

25.(1) Funding of the salaries and overhead of the Office of the State Auditor-General shall be in accordance with the appropriation act of the State House of Assembly.

Funding of the Office of the Auditor-General for the State Local Government

(2) Any amount standing to the credit of the Office of the State Auditor-General in the annual appropriation Bill shall be paid on a first line charge to the State Auditor-General and disbursed as approved by the State House of Assembly.

(3) To effectively carryout value for money audit in respect of capital expenditure, contract and projects, the Office of the State Auditor-General shall be required to carry out project audit, regular monitoring and shall engage professionals. Thus the Office of the Auditor-General shall be entitled to 0.06% on all payments for all projects executed by the State.

(4) Similarly, to enable the Auditor-General carry out Quality Assurance on all consolidation of same for submission to the House of Assembly, the Auditor-General shall be entitled to 5% on professional fees payable to external auditors.

(5) Subject to subsection (3) above, any amount standing to the credit of the Office of the State Auditor-General shall be paid directly to the official Bank Account of the Office of the State Auditor-General.

(6) The State Government shall provide such monthly allocation that will enable the Office of the State Auditor-General carry out its routine and continuous audits, in order to strengthen good governance and transparency.

30.(1) The Auditor-General shall prepare an audit plan associated Budget for the approval of the House not later than three (3) months before the end of the budget year.

Powers of the Auditor-General

(2) The Auditor-General of the State shall audit all public accounts of the State.

(3) The Auditor-General shall, within ninety (90) days of the receipt of the Accountant-General's financial statement and annual accounts of the State submit his report to the House.

(4) 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 the account referred to in Sub-Section (2) of this Section whether kept electronically or otherwise.

(5)(a) If at any time it appears to the Auditor-General that any irregularities have occurred in the receipt, custody or expenditure of public monies or in the receipt, custody, issue, sale, transfer or delivery of securities, stores or other Government property, or in the accounting of same, he shall immediately bring the matter to the notice of the Governor or the Accounting Officer of the affected Ministry or Agency and to any other officer he may deem fit.

(b) All Officers are personally and pecuniarily responsible for the due performance of the financial duties of their ministries/Extra-ministerial offices and other arms of government, for the proper collection and custody of all public moneys receivable by them, and for any inaccuracies in the accounts rendered by them or under their authority. The responsibility of the Auditor-General for checking and reporting any shortcomings, in connection with public accounts or finance does not absolve any officer mentioned in Section 123 of Financial Regulations, from his responsibility for complying or securing compliance with regulations within the scope of his own authority.

(6) The Auditor-General may:

- (a) seek the advice or opinion of the Attorney-General of the State in writing on any question or issue arising from the provisions of this Law in respect of all matters and issues, that may be necessary for the due performance and exercise of the duties and powers vested in him and the Attorney-General shall give his opinion within fourteen (14) days;
- (b) subject to the directive of the Head of Service deploy any officer in his office to any government department, authority, commission

- and agency to enable the officer carry out his duties effectively for a given period; and
- (c) such Government Agency shall provide accommodation and other necessary facilities for the officer to perform his duties.

Functions of the Auditor-General

(7) For the purpose of discharging the functions of the office, the Auditor-General, subject to the provisions of this Law, may do anything necessary and enter into any transaction necessary to ensure the proper performance of these functions, and this may include:

- (a) establishing and implementing a comprehensive human resource management system and policies for managing the staff and staff development programmes;
- (b) developing and monitoring such systems, whether by computer or other means for the collection, storage, analysis and retrieval of relevant information and promulgating procedures for conducting audit work;
- (c) engaging the services of professional to serve on a contract basis for limited engagements, including those required as part of agreements with international organizations, provided that all audit opinions shall remain those of the Auditor-General; and
- (d) constituting or establishing any standing or ad-hoc Committee to facilitate the discharge of the functions of the office.

(8) Nothing in Sub-Section (2) of this Section shall be construed as authorizing the Auditor-General to audit the accounts of or appoint External Auditors for government statutory Corporations, Authorities, Agencies, including all persons and bodies established by Law, however, the Auditor-General shall:

- (a) provide such bodies with:

- (i) a list of auditors qualified to be appointed by them as external auditors and from which the bodies shall appoint their external auditors;
 - (ii) a guideline on the level of fees to be paid to external auditors; and
 - (c) comment on their annual accounts and auditor's report thereon.
- (9) The Auditor-General may:
- (a) require public officer to give explanation or information which the Auditor-General may require in order to enable him discharge his duties; and
 - (b) without the payment of fee, cause a search to be made from any book, document or record in any public office; and
 - (c) for the purpose of exercising of performing the Auditor-General's functions, duties or power , he/she may examine or audit the account of any person in any bank if the Auditor-General has reason to believe that the money belonging to the public has been fraudulently or wrongfully paid into such person's account.

(10) (1) The Auditor-General in the performance of his functions under - this law or any other law may disallow any item of expenditure which is contrary to law. And surcharge-

- (a) the amount of any expenditure disallowed upon the person responsible for incurring or authorizing the expenditure;
- (b) any sum which has been duly brought into account upon the person by whom the sum ought to have been brought into account; and
- (c) the amount of any loss or deficiency upon any person by whose negligence or misconduct the loss or deficiency has been incurred.

(2) A person aggrieved by disallowance or surcharge made by the Auditor-General may appeal to the High Court of Karnataka State.

(11) The Auditor-General shall not be subject to the direction or control of any other person or authority in the exercise of the functions conferred on him under this Law.

(12) The Auditor-General and his/her staff shall have unrestricted access to such people, documents, computers and other information systems and assets as the Auditor-General considers necessary for proper fulfillment of his/her functions, duties and powers.

31. The public account committee shall on the recommendation of Auditor-General appoint an Independent auditor for the office of the Auditor-General from the list of Auditors forwarded to it by the Auditor-General, to audit the financial statements of accounts of the office and other information for each Financial Year.

Appointment of an Independent Auditor

32. There is established the office of the Deputy Auditor-General. The office shall be headed by the deputy Auditor-General to be in charge of state government Audit or any other department that may be assigned to him.

Establishment of the position of Deputy Auditor-General

33. The deputy Auditor-General shall be appointed by the Governor on the recommendation of the Audit Service Commission.

Appointment of the Deputy Auditor-General

34. The salary and allowances of the Deputy Auditor-General shall be same with Chief Executive of Parastatals.

Remuneration and allowances of the Deputy Auditor-General

35.(1) The Deputy Auditor-General is wholly responsible to the Auditor-General in deed and act directly without infringement to any section of this law.

Limitation of the Deputy Auditor-General

(2) The Auditor-General reserves the right by this law the prerogative to recommend to Audit Service Commission for the immediate removal of any Deputy Auditor-General for insubordinate or any act inimical to the achievement of corporate goal of the establishment.

36.(1) All reports of the Auditor-General submitted to the House of Assembly shall be treated as House of Assembly reports and shall enjoy all privileges accorded in House of Assembly reports.

Audit report

(2) All reports issued by the Auditor-General shall be considered public document when the reports are presented to the House, as public document and the House shall be made available to the public for a minimal cost recovery fee.

(3) The Auditor-General may make his/her reports publicly available in electronic format on the internet.

(4) The Auditor-General shall provide copies of his/her published reports to:

- (a) The Government Archivist;
- (b) All Public and University Libraries in the state;
- (c) The national Broadcasting Corporation; and
- (d) The Press.

37.(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.

Audit Standards

(2) The auditing standards shall include:

- (a) Public Sector Auditing Standards issued by Conference of Federal and State Auditors-General;
- (b) Accounting Standards issued by the Nigerian Financial Reporting Council (FRAC);
- (c) The Auditing Standards and Code of Ethics published by the International Organization of Supreme Audit Institutions (INTOSAI) and the International Auditing and Assurance Standards Board (IAASB);
- (d) The Accounting Standards and Code of Ethics published by the International Federation of Accounting (IFAC);

- (e) International Public Sector Accounting Standards (IPSAS); and
- (f) Other recognized or required standards issued or accepted as current best practices by funding or donor organisations.

38.1) Within a period of six (6) months after the end of each financial year, the Accountant-General of the State, shall present to the Auditor-General, accounts showing "the fiscal position of the State as at the last day of the preceding year".

Submission of
Annual Accounts

(2) Such accounts 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 Statements of Recurrent Revenue and Expenditure;
- (g) Statement No. 7 Donations and Grants;
- (h) Statement No. 8 Statement of Contractual Liabilities;
- (i) Statement No. 9 Statement of Investment;
- (j) Statement No. 10 Statement of External and Internal Loans;
- (k) Notes to the Financial Statements; and
- (l) Other statements that may be required by Auditing Standards, Practices or Statutes.

(3)(a) The Notes to the financial statements shall provide information about the basis of preparation 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;

(c) The Notes shall include the following:

- (i) statement of compliance with approved accounting standards;
- (ii) statement of accounting policies applied;
- (iii) supporting information for items presented on the face of the financial statements; and
- (iv) supporting statements.

(4) Within three (3) months after the close of each fiscal year, the Accounting Officer shall prepare and submit to the Accountant-General with copy to the Auditor-General, appropriation accounts of the monies expended under the votes for which they are responsible, showing the:

- (a) Services for which the monies were voted;
- (b) Sums actually expended on each service during the period of the accounts; and
- (c) State of each vote compared with the appropriation.

(5) Without prejudice to Section 33 Sub-Section 2 above, the account shall be presented in line with globally accepted accounting format and standards from time to time.

39.(1) The office of the Auditor-General shall consist of these and any other departments.

Structure of the office

(a) **Administration and HRM Department functions:**

- (i) Coordinating recruitment, promotion, discipline and other staff welfare issues of the Office;
- (ii) Coordinating management and development activities;
- (iii) Coordinating management staff meeting;
- (iv) Interpreting, advising on and ensuring compliance with establishment circulars and other service instrument;
- (v) Coordinating and ensuring timely submission of monthly, quarterly and

- annual returns on personnel of the Office;
- (vi) Preparation of annual personnel budget with inputs from other departments of the Office;
- (vii) Provision of support services (maintenance, infrastructure, protocol, logistics and security) to the Office;
- (viii) Undertaking registry and records functions.

**(b) Administration/Finance Department:
functions:**

- (i) Management of the Payroll of the Office;
- (ii) Preparation of annual appropriation accounts of the Office;
- (iii) Accessing of fund from Ministry of Budget and Economic Planning and Finance;
- (iv) Preparation of income and expenditure statement on monthly basis;
- (v) Making of payments on behalf of the Auditor-General;
- (vi) Keeping the various books of accounts for OSAG;
- (vii) Maintaining various statutory deductions and Remittances;
- (viii) Capturing and uploading financial transactions information into SAP.

**(c) Government Account Department:
functions:**

- (i) Monthly examination of books of accounts and records maintained by MDAs;
- (ii) Preparing of monthly, quarterly and yearly reports;
- (iii) Auditing appropriations accounts of MDAs;
- (iv) Auditing State ISR;
- (v) Certifying purchases;
- (vi) Initiating queries and reports on audit issues relating to ministries;

- (vii) Following up on Audit queries up to compliance and enforcement level;
- (viii) Conduction audit examinations of State Annual Accounts and submitting a Report to the Auditor-General.

(d) Education Department;

Functions:

- (i) Monthly examination of books of accounts and records maintained by education institutions;
- (ii) Preparing of monthly, quarterly and yearly reports;
- (iii) Auditing/reviewing books of accounts of educational institutions;
- (iv) Certifying purchases of educational institutions;
- (v) Initiating queries and reports on audit issues relating to the educational institutions;
- (vi) Following up on Audit queries up to compliance and enforcement level.

e. Parastatals Audit Department

Functions:

- (i) Registration of qualified External Auditors;
- (ii) Provision of list of qualified and registered external Auditors for appointment by Parastatals and Agencies;
- (iii) Advise on reasonable audit fees payable by Parastatals and agencies to the appointed external Auditors;
- (iv) Review and comment on the audited accounts and reports issued by the external auditors;
- (v) Periodic checks on Parastatals accounts;
- (vi) Conducting fact-finding exercises on financial matters of establishments that are not covered by existing Laws of the State;

- (vi) Certification of purchases;
- (vii) Undertaking audit investigations when necessary.

f. Value for Money (Performance) Audit Department

Functions:

- (i) Detailed scrutiny of contracts awarded for compliance and due process;
- (ii) Review of expenditures incurred on various projects and programmes;
- (iii) Project monitoring and assessment through inspections and verifications to evaluate performance;
- (iv) Evaluation/impact assessment to determine value for money;
- (v) To generate reports and follow up with recommendations.

g. Planning, Research and Statistics Department

Functions:

- (i) Providing (research) statistical information to the Management of the Office;
- (ii) Coordinating and preparing budget of the Office;
- (iii) Coordinating the overall programmes and set targets of achievement for the year;
- (iv) Preparing overall annual report of the Office;
- (v) Managing data for the OS&G;
- (vi) Tracking and providing asset information for the State;
- (vii) Carrying out price survey for the State;
- (viii) Monitoring execution of the annual budget of the Office;
- (ix) Ensuring due process in the award of contracts in the Office;
- (x) Serving as the secretaries of the Tenders Board of the Office;

- (xi) Representing the interest of the Field Offices with the Auditor-General and the Head Office generally;
- (xii) Liaising with the Field Offices on behalf of departments in the Head office.

h. IT-Systems Audit/Emerging Audit Unit Functions:

- (i) Conducts the audit of major information system platforms in MDAs;
- (ii) Ensure compliance with policies and procedures on installed ICT infrastructure in the State;
- (iii) Ensure adequate and functional Business Continuity and Disaster Recovery Plan in major ICT platforms in the State;
- (iv) Ensure ICT performance standards in the State are in line with Best Practices;
- (v) Detect and ensure rectification of deviation from Extant Rules, Regulations and relevant Laws and data capturing, processing, storage and transmission;
- (vi) Attends to request for investigation on ICT related matters from MDAs;
- (vii) Serve as Help desk on ICT matters;
- (viii) Warehouses data for other department of OSAG;
- (ix) Maintain ICT infrastructure to ensure confidentiality, Integrity and availability of data, systems and networks;
- (x) Liaise with Consultants to ensure that Best Practices are adhered to in development and deployment of new or upgrade system;
- (xi) Audit, review and evaluate IT management and IT Security Initiatives in major ICT platforms in the State;
- (xii) Undertakes oversight review function of activities in all the departments and Field

Offices of OSAG as it pertains to ICT and systems audit, which functions shall include sanctions where warranted.

L. Field Offices

Functions:

- (i) Auditing all state establishments that fall under Government audit which fall within their allotted areas;
- (ii) Generating and remitting reports to OSAG Headquarters;
- (iii) Conducting audit investigation in any of the government offices in their field;
- (iv) Verifying purchases;
- (v) Sourcing professional hands from the Head of Office for their duties, where imperative;
- (vi) Reporting cases of financial process infraction to the Auditor-General;
- (vii) Preparing the work-plan for the Field Office.

40. Nothing in Sub-Section (1) of this Section shall preclude the addition, abolition or merger of any of the departments established therein.

Refused to answer
audit query

41.(1) At the conclusion of audit work, the Auditor-General shall provide the relevant accounting officer or governing body with a report including findings and recommendations, and the accounting officer or governing body shall provide a written response to the Auditor-General within 21 days.

establishment and
functions of audit
Committee

(2) 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 period specified in the audit query or a reasonable time thereafter shall have his emoluments and allowances withheld for so long as the person fails to reply and/or shall be liable to disciplinary action under the State Civil Service Rules.

42.(1) The House shall cause the report submitted by the Auditor-General within the stipulated period to be considered by the Public Account Committee (referred to in this Law as "PAC").

Review of the Auditor-General's audit report by Public Account Committee

(2) The Auditor-General's Report shall be published and made available to the public after its deliberation by the House of Assembly; this shall be on demand and non-payment of a minimal fee.

43.(1) The Auditor-General shall prepare and submit to the Public Accounts Committee, on a quarterly basis, a report on the performance and operation of the office of the Auditor-General.

Submission of performance and financial report

(2) The Auditor-General shall submit annually to the Public Accounts Committee a copy of an Annual performance and financial audit report with respect to the office of the Auditor-General. The report shall include a report on extent to which the Auditor-General achieved his/her annual plan and audited financial statements of the office of the Auditor-General.

(1) The PAC shall:

- (a) Considered each report from the Auditor-General and the process may include questioning the Accounting officer from the relevant public body, receipt of explanations from the Auditor-General and official responses from the Government;
- (b) make recommendations on the basis of the consideration and monitor their implementation;
- (c) have power to summon the accounting officers, public officials and any member of the public for questioning about the Auditor-General's findings;
- (d) hold its hearing in public but may choose to hold all or part of the hearing in private sessions; and
- (e) prepare a report to the House of Assembly, which may include comments and recommendations at the end of its review of each of the Auditor-General's reports; such

reports shall be sent to the Auditor-General and all organizations reported on .

(2) The action of the PAC shall be governed by the standing order of the House of Assembly.

44. The Auditor-General or any person acting under his authority shall be immune from legal prosecution in the discharge of his duty during and after he has left office.

Immunity

45.(1) The accounting officers in any Ministry, Department and Agency of the State shall established an Audit Committee.

Audit Committee

(2) The Audit Committee shall:

- (a) implement all recommendations contained in the Auditor-General's report which are approved by the House of Assembly and any other resolution or directives of the House of Assembly; and
- (b) prepare annually a report showing the status of the implementation of the provisions of Sub-Section 2(a) of this Section.

(3) The report prepared pursuant to Sub-Section 2(a) and (b) of this Section shall contain a statement showing the remedial action taken or being taken to avoid or minimize the occurrence of the undesirable features in the accounting and operations of the Ministry, Departments or Agencies and the time from within which the remedial will be completed if any.

(4) A copy of the report shall be forwarded to the Auditor-General.

46.(1) The Auditor-General shall prepare and submit (in line with Section 26 Sub-Section (1) to the House the following documents:

Annual estimate and expenditure

- (a) a draft annual plan that:
 - (i) describes the Auditor-General's prepared work programme for that year; and
 - (ii) includes the interim report for that financial year.

any existing law, the Auditor-General shall immediately report the improper retention or misappropriation of public money or other activity to the prosecuting authority or any other authority charged with that function by the State.

(2) In addition to reporting under Sub-Section (1) of this Section, the Auditor-General shall attach to his annual report to the House, a list containing a general description of the incidents referred to in Sub-Section (1) and the dates on which those incidents were reported.

(3) The provisions of Sub-Section (1) of this Section shall apply to a staff of the office of any auditor appointed pursuant to the provisions of this Law.

48.(1) It is an offence for any person who without lawful justification or excuse to:

Offences and penalty

- (a) obstruct, intimidate, harass, hinder the Auditor-General or any person authorized by him in the exercise of his duties and powers under this Law;
- (b) refuse or fail to comply with any lawful request of the Auditor-General or his representative;
- (c) fail to produce for inspection to the Auditor-General or his representative or otherwise refuse the Auditor-General or his representative 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 or his representative when so requested;
- (d) fail to keep proper books of account or proper records leading to any loss of public funds;
- (e) make a statement or give information to the Auditor-General or his representative which is false or misleading; and
- (f) suppress any information required to the Auditor-General in the performance of his functions under this Law or any other Law.

(2) Any person who commits an offence under the provision of this Law shall on conviction be liable:

- (a) in the case of an individual, to a fine of not less than Two Hundred and fifty Thousand Naira (N250,000.00) or a term of imprisonment not exceeding two (2) years or both; and
- (b) in the case of body corporate or firm, to a fine of not less than Five Hundred Thousand Naira (N500,000.00).

(3) Where a body corporate or firm is convicted of an offence under this Section, every director of the company or firm shall be liable to a fine of not less than Two Hundred and Fifty Thousand (N250,000.00) or to a term of imprisonment not exceeding two (2) years or both unless he proves that the offence upon which the conviction was based was committed without his knowledge, consent or connivance.

49.(1) Any member of staff of the office of the State Auditor-General who:

Continued on staff of Auditor-General

- (a) demands or takes any bribe, gratification, compensation or reward for the neglect or non-performance of his duty; or
- (b) fails to report to the Auditor-General any abuse or irregularity coming to his notice in the course of his duties in relation to any party account audited; 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; and
- (d) framed as follows, without the consent of the Auditor-General, publish or disclose information obtain in the course of an audit to any person other than on the course of his/her duties or when lawfully required to do so by Court commits an offence under this Law and shall be liable on conviction to a fine of not less One Hundred Thousand Naira (N100,000.00) or imprisonment for two (2) years or both.

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

(3) Where an Accounting Officer fails to make necessary recovery and it is proved that he fails to make reasonable effort to recover the said loss, he shall be guilty of an offence and shall be liable to a penalty of Five Hundred Thousand Naira (N500,000.00) plus the amount of loss involved.

50.(1) 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 the Auditor-General.

Registration of audit contract

(2) Such contracts on audit work shall include:

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

(3) Copies of the report of such contracts shall be submitted to the organizations involved and to the State Auditor-General.

51.(1) Whenever the Governor or the House by resolution so required an inquiry into:

Social assignment

- (a) a matter relating to the financial affairs of the State or public property; or
- (b) a person or organisation that has received financial aid from the State Government or in respect of which financial aid from the State Government is sought, the Auditor-General may

where in his opinion such assignment does not interfere with his primary responsibilities report to the Governor or the House.

53. The Auditor-General and each person employed in the office or appointed or engaged to assist the Auditor-General for a limited period of time, or in respect of a particular matter shall keep confidential all matters that come to his knowledge in the course of his employment or duties under this Law and shall not communicate those matters to another person, except as may be required in connection with the discharge of his responsibilities.

Confidential

53.(1) The Auditor-General shall provide a list of qualified auditors to the House, one of which must be chosen by the House for the annual audit of the office of the Auditor-General.

Audit of office of the Auditor-General

(2) The Auditor so chosen shall have the same powers and perform the same duties of auditing the office of the Auditor-General.

(3) The Auditor shall submit copies of his report to the House, the Governor and the Auditor-General.

(4) The Speaker of the House shall table the Auditor's report before the House within a reasonable time.

54. The Auditor-General may subject to the Regulation Approval Law of Katsina State make regulations for carrying into effect the purpose of this Law.

Power to make regulations

55. Subject to the provisions of this Law, officers serving in audit offices shall at the commencement of this Law be deemed to have been appointed in accordance to this Law.

Transitional provision

56. The Audit Law, CAP. 11 Laws of Katsina State of 1991 is hereby repealed.

Repeal

MADE at Katsina this 24th day of December, 2020.

Amiru Bello Masari
RT. HON. AMIRU BELLO MASARI, CFR
GOVERNOR,
KATSINA STATE OF NIGERIA

SCHEDULE

FORM A

(Section 6)

This printed impression has been carefully compared by me with the Bill which has passed the Kansas State House of Assembly and found by me to be a true and correctly printed copy of the said Bill.


Clerk to the Legislature

FORM B

Section 7 (1)

I assent this 20th day of December, 2008.


Governor

FORM C

Section 7 (2)

I withhold my assent this _____ day of _____, 2008.

Governor

FORM D

Section 7 (3)

Passed again by the Kansas State House of Assembly by a two thirds majority this _____ day of _____, 2008.

Speaker