



# YOBE STATE GOVERNMENT OF NIGERIA OFFICE OF THE STATE AUDITOR-GENERAL

## ANNUAL ACTIVITY REPORT FOR THE YEAR 2025 AND PROPOSED AUDIT WORK PLAN 2026

**September, 2026**

## **FOREWORD**

In compliance to the provision under Section 23(1)(a)(i)(ii) of the Yobe State Public Sector Audit and Other Related Matters Law, 2021; and in line with the requirements of the Global Best Practices, I hereby write to formally present the 2025 Annual Activity Report and Proposed Annual Programme for the year 2026 Audit Work Plan for Office of the State Auditor-General, Yobe State, Nigeria in accordance with the applicable laws for your information and further legislative purposes. This Annual Activity Report is issued by the Office of the State Auditor General (OSAuG), Yobe State comprises of budgeted and actual performance of revenue and expenditure for the year 2024. It further contains detailed of audit processes adopted to achieve the specific goals during the reporting period including projects/programmes carried-out, have been reported upon. While Proposed Annual Programme which is based to provide a step-by-step Audit Work Plan for Auditors to follow in completing our statutory tasks which helps in production the Auditor General's Annual Report within the time frame and avoid any risks, confusion, or inaccuracies. According to International Organization of Supreme Audit Institution (INTOSAI) Principles, Supreme Audit Institutions (SAIs) should adopt standards and methodologies that comply with INTOSAI fundamental auditing principles. SAIs should also communicate what those standards and methodologies are and how they comply with them. While appreciating your usual support and cooperation, please accept the best assurances of my high esteems.



**Mai Aliyu Umar Gulani FCNA, FCCFI, CCrFA,**  
**Auditor-General Yobe State, Nigeria**  
**FRC/2023/PRO/ANAN/004/427269**

## **PART A: ANNUAL ACTIVITY REPORT FOR THE YEAR 2025**

### **1.0 INTRODUCTION**

This report presents the activities, achievements, challenges, and financial performance of the Office of the State Auditor General, Yobe State for the fiscal year 2025. The Office remains committed to upholding transparency, accountability, and efficient financial management in accordance with the Constitution of the Federal Republic of Nigeria (1999, as amended), Yobe State Public Sector Audit Law, 2021, and other extant rules and regulations, as well as International Public Sector Accounting Standards (IPSAS).

### **2.0 CORE MANDATE**

The Office is responsible for:

- i. Auditing the accounts of Ministries, Departments, and Agencies (MDAs),
- ii. Conducting performance, revenue, and compliance audits,
- iii. Reporting audit findings to the State House of Assembly, and;
- iv. Ensuring proper utilization of public funds in line with applicable laws.

### **3.0 KEY ACTIVITIES IN 2025**

#### **3.1 Statutory Financial Audits**

- a) Number of MDAs that posted Audit Inspection team to carry put examinations of accounts and records: 113
- b) Number of MDAs that completed their audit: 96
- c) Number of MDAs that are yet to complete their audit: 17
- d) Submission of 2025 Audit Report to the House of Assembly: May, 2026
- e) MDAs with Issues that resolved and or have been provides clarifications to the Audit: 71
- f) MDAs that have issues that are yet resolve and forwarded to the Yobe State House of Assembly for Public Accounts Committee Sessions: 25

#### **3.2 Revenue Audit Focused audits were carried out on the following:**

- i. Yobe State Internal Revenue Service
- ii. Ministry of Finance & Economic Development
- iii. Ministry of Agriculture and Natural Resources

- iv. Ministry of Commerce, Industry & Tourism
- v. Ministry of Justice
- vi. Ministry of Housing & Urban Development
- vii. Ministry of Transport and Energy
- viii. Yobe Geographical Information Service
- ix. Housing and Property Dev. Corporation
- x. State Water Corporation
- xi. Hospital Management Board
- xii. All Tertiary Institutions

Total Assessed Internally Generated Revenue (IGR): ₦19.8 billion Total Actual Remitted to Treasury: ₦15.5 billion

Variance Detected: ₦4.3 billion

Purpose of non-inclusion into the treasury was as a result of percentages being retained at the MDAs level as approved by law.

Recoveries in MDAs: ₦346 million (as of Dec 31, 2025)

### **3.3 Performance and Compliance Audit**

2 system/performance audits were conducted in health and education sectors.

26 capital projects/programmes were evaluated across the state; 16 were completed, 6 are still ongoing in accordance with specifications, 4 found to be delayed or not funded in good time.

### **3.4 Employment, Transfers, and Capacity Building of staff:**

55 Staff were employed

13 staff were transferred from Office of the Head of Service

78 staff were trained in various audit professions

## **4.0 FINANCIAL SUMMARY – OFFICE OPERATIONS**

| Category            | Approved Budget<br>(₦)       | Actual Exp.<br>(₦)           |
|---------------------|------------------------------|------------------------------|
| Personnel Costs     | 162,916,000.00               | 162,915,252.38               |
| Overhead Costs      | 449,142,000.00               | 437,017,829.37               |
| Capital Expenditure | <u>12,835,000.00</u>         | <u>0.00</u>                  |
| <b>Total –</b>      | <b><u>624,893,000.00</u></b> | <b><u>599,933,081.75</u></b> |

#### **4.1 Capital Projects Undertaken**

No physical capital projects were undertaken during the year under review

### **5.0 MAJOR FINDINGS AND RECOMMENDATIONS**

#### **5.1 Key Findings:**

The report covers 25 separately identified audit findings across 25 MDAs/entities for the year ended 31<sup>st</sup> December 2025. The matters comprise revenue accountability, contract and retention-payment controls, statutory tax deductions, budgetary and inter-account controls, unsupported expenditure, cash accountability and statutory submission of financial statements.

The audit evidence supplied for the report identifies material weaknesses in compliance with financial controls and statutory accountability requirements. The most recurrent systemic matter is failure by government-owned entities to submit draft financial statements for statutory audit, thereby limiting the Auditor-General's ability to examine their transactions and stewardship.

The quantified matters in the source report include delayed/non-remitted revenue, retention payments without mandatory audit clearance, unsupported expenditure, an unexplained revenue-remittance variance, an unaccounted opening cash balance, statutory tax deductions without evidence of remittance, an unauthorized inter-account transfer and unbudgeted expenditure. The individual amounts cited in these matters total approximately ₦470.733 million when the duplicate components of the Yobe Transport Corporation reconciliation are counted only as the unexplained variance rather than the gross amount reported as remitted.

Overall assessment: The findings demonstrate recurring weaknesses in preventive controls, documentary evidence, reconciliation, statutory reporting and accountability. Corrective action should therefore combine recovery/accountability for individual cases with systemic control improvements across MDAs.

### **Key Quantified Matters**

| <b>Area</b>                                             | <b>Amount</b>   | <b>Primary concern</b>                                 |
|---------------------------------------------------------|-----------------|--------------------------------------------------------|
| Delayed IGR remittance                                  | ₦177,499,352.90 | Revenue retained beyond prescribed period              |
| Retention payments without audit clearance              | ₦192,916,651.00 | Three/four? ministries/agencies; see detailed findings |
| Statutory tax deductions without evidence of remittance | ₦10,460,400.00  | Remittance not evidenced                               |
| Unauthorized inter-account transfer                     | ₦20,000,000.00  | Approval/legislative authority not evidenced           |
| Unbudgeted expenditure                                  | ₦13,265,559.00  | Legislative approval not evidenced                     |
| Final payment with retention provision not evidenced    | ₦34,788,845.00  | Contractual retention compliance not evidenced         |
| Unaccounted opening cash balance                        | ₦3,588,270.00   | No evidence supporting liability/remittance            |
| Unreconciled revenue variance                           | ₦3,716,500.00   | Reported remittance differed from confirmed receipt    |
| Unsupported expenditure                                 | ₦14,496,924.00  | Requisite supporting records unavailable               |

### **6.0 AUDIT CHALLENGES:**

- a) Inadequate funding to expand audit coverage statewide.
- b) Delay in submission of financial statements by some MDAs.
- c) Shortage of specialized Auditors (professionals in ANAN, ICAN, ACCA, forensic, IT).
- d) Limited logistics support for audit staff.

### **7.0 AUDIT ACHIEVEMENT IN THE YEAR 2025**

- i. On the course of verification of pensions and gratuities files, about 720 files of retirement benefit and or death gratuities with the total commitment valued at

3,771,708,680.32 were brought to Audit for certification. However, a total savings of 274,345,910.01 were deducted as a result of overpayment, over stay, wrong computation, etc.

- ii. Recommendation for the establishment of salary ledgers at the MDAs level to avoid ghost workers.
- iii. Key Achievements in Service Delivery – Office of the State Auditor-General, Yobe State
- iv. Timely Audit of Government Financial Statements: The Office successfully audited the Financial Statements and Annual Accounts of the Government of Yobe State for the year ended 31<sup>st</sup> December 2025, strengthening public financial accountability and supporting timely statutory reporting.
- v. Strengthening Accountability in MDAs: The Office conducted and published the 2025 Non-Compliance/Internal Control Weaknesses Audit Report, identifying areas of non-compliance and weaknesses in internal control systems across MDAs and providing recommendations for corrective action.
- vi. Improved Performance and Value-for-Money Auditing: The Office expanded its focus beyond traditional financial auditing to assess the economy, efficiency and effectiveness of government programmes and services, including audits of Basic Education and Primary Healthcare.
- vii. Introduction of Audit Follow-Up Mechanisms: Follow-up audits were undertaken on the Performance Audit of the Basic Education System and Primary Healthcare, enabling the Office to assess implementation of previous recommendations rather than merely issuing audit reports.
- viii. Enhanced Public Access to Audit Information: The Office has strengthened transparency by publishing audit reports, financial statements, non-compliance reports, performance audit reports and follow-up reports on its official website, making audit information more accessible to citizens and stakeholders.
- ix. Improved Legislative Accountability: The Office continues to fulfil its statutory reporting responsibility by transmitting the Auditor-General's Annual Reports and obtaining acknowledgement of submission to the State House of Assembly. The 2025 acknowledgement was recorded on 20<sup>th</sup> May, 2026.
- x. Promotion of Stronger Internal Controls: Through its audit findings and recommendations, the Office has drawn the attention of MDAs to deficiencies in

documentation, authorization, financial management, asset management, procurement and other control processes, thereby encouraging corrective action and improved stewardship of public resources.

- xi. Greater Focus on Citizen-Oriented Auditing: Performance auditing has increasingly focused on sectors that directly affect citizens, particularly education and primary healthcare, thereby linking public expenditure with actual service delivery and outcomes.
- xii. Institutionalization of Modern Audit Practices: The Office has developed and maintained audit resources, including a Performance Audit Manual, annual audit activity programmes and structured follow-up mechanisms, supporting more consistent and professional audit delivery.
- xiii. Enhanced Transparency and Good Governance: Overall, the Office has strengthened its role as an independent oversight institution by providing objective audit evidence to government, the legislature and citizens, thereby contributing to transparency, accountability, financial discipline and good governance in Yobe State.

## **8.0 OUTLOOK FOR 2026**

- i. Complete audit automation system (e-audit).
- ii. Establishment of Forensic Audit & investigation Laboratory
- iii. Increase audit coverage to 100% of MDAs and public institutions.
- iv. Partner with anti-corruption agencies for enforcement of audit recommendations.
- v. Additional recruitment of staff with specialized skills in different professions.

## **9.0 CONCLUSION**

The Office of the State Auditor General has made significant progress in promoting transparency and financial discipline in Yobe State in the year 2025. We reaffirm our commitment to public sector accountability and call for continued collaboration with the Legislature, Executive, and relevant stakeholders to strengthen the state's financial governance.

## **PART B: PROPOSED ANNUAL AUDIT PROGRAMME FOR 2026/2027 AUDIT SESSIONS**

### **Introduction**

The Annual Audit Programme and Work Plan of the Office of the State Auditor-General, Yobe State, provides a comprehensive framework for audit activities to be undertaken during the period 1<sup>st</sup> January, 2026 to 31<sup>st</sup> March, 2027 fiscal years. The plan is designed to promote accountability, transparency, and efficiency in the management of public funds in line with constitutional provisions, financial regulations, and international auditing standards.

### **Objectives of the Audit Programme**

- i. To ensure effective oversight over the collection and utilization of public funds.
- ii. To evaluate the adequacy of internal controls within MDAs (Ministries, Departments, and Agencies).
- iii. To assess compliance with financial regulations and laws of Yobe State and the Federation.
- iv. To promote transparency and accountability in governance.
- v. To provide timely audit reports to the Legislature, and relevant oversight bodies.

### **Scope of Audits**

The programme shall cover the following key areas:

- i. Revenue Audit: Examination of all revenue-generating agencies and reconciliation with Treasury records.
- ii. Payroll and Personnel Audit: Review of staff payrolls, pensions, and personnel records to eliminate ghost workers.
- iii. Expenditure Audit: Verification of expenditures in all MDAs to ensure conformity with budgetary approvals.
- iv. Accounts Audit: Review of accounting records, cashbooks, ledgers, and financial statements.
- v. Parastatals Audit: Audit of State-owned enterprises, commissions, and boards.

- vi. Special/Investigative Audits: On-the-spot checks and investigations as may be directed by the Auditor-General.
- vii. ICT/Systems Audit: Examination of electronic financial management systems (where applicable).

**Annual Audit Work Plan for the year 2026/2027 sessions (Activities & Timeline) Note that Plan will start from 1<sup>st</sup> April, 2026 to 31<sup>st</sup> March, 2027.**