

1.0 AUTHORITY

The Accounts of the Government of Anambra State of Nigeria for the year ended 31st December 2023 have been examined under my direction pursuant to Section 125 (2 & 5) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended).

2.0 SUBMISSION OF 2023 ANNUAL FINANCIAL STATEMENTS

The draft copies of the Financial Statements of the Government of Anambra State with the detailed supporting schedules for the fiscal year ended 31st December, 2023 were received from the State Accountant-General on 23rd February, 2024. The final copies of the Accounts were re-submitted on 8th April 2024 having reflected issues raised in my preliminary examination.

3.0 THE MANNER IN WHICH THE 2023 ANNUAL ACCOUNTS WERE PREPARED

Submitted by the State Accountant-General for my examination and certification were these Financial Statements accompanied by their supporting schedules.

- i. Consolidated Financial Summary
- ii. Cash Flow Statement
- iii. Statement of Assets and Liabilities
- iv. Statement of Consolidated Revenue Fund (CRF)
- v. Statement of Capital Development Fund (CDF)
- vi. Notes to the Financial Statements

- vii. Schedules of Detailed Recurrent Revenue and Expenditures
- viii. Schedules of Detailed Capital Receipts and Expenditures

The above financial documents are attached to this report as an appendix.

4.0 SUBMISSION OF THE AUDITOR GENERAL'S REPORT ON THE 2022 ANNUAL ACCOUNTS

The Report of the State Auditor-General on the Accounts of the Government of Anambra State for the year ended 31st December, 2022 was submitted to the State House of Assembly on 23rd June, 2023 for information and necessary legislative attention. This is in accordance with Section 125 (5) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended).

5.0 REVIEW OF FINANCIAL STATEMENTS

The Financial Statements were examined on test basis of evidence relevant to the figures disclosed.

6.0 LEGAL AUTHORITIES FOR GOVERNMENT FINANCES IN 2023

i. Appropriation Law:

The State Appropriation Bill 2023 was passed into Law by the State House of Assembly. The processes of preparing the Estimates and appropriation conformed to the provisions of the 1999 constitution (as amended) and other extant rules and regulations.

ii. Release of Warrants:

Warrants were regularly issued for monies released from the Consolidated Revenue Fund and Capital Development Fund during the period under review.

7.0 AUDIT PROGRAMME

The programme of work was designed to pursue a continuous audit of all Government Ministries, Departments and Agencies (MDAs) in accordance with Public Sector Auditing Standard.

8.0 RENDERING OF EXPENDITURE RETURNS

Most of the Ministries, Departments and Agencies (MDAs) rendered returns on both recurrent and capital expenditures. However, they were not rendered timeously.

9.0 POOR CIRCULATION OF 2023 APPROVED ESTIMATES

The Audit field officers had serious challenges reconciling expenditures/approvals with budget provisions because the Approved Estimates were not widely and timely circulated to the Ministries, Departments and Agencies (MDAs) by the Budget Office.

10.0 AUDIT QUERIES

Queries raised in the audit of Ministries, Departments and Agencies did not receive timely responses. All the unresolved issues arising from the queries within the accounting year are highlighted herein.

11.0 INTERNAL AUDIT UNITS OF MDAs

In general, the Internal Audit Unit of the MDAs remained largely a rubberstamp and ineffective. Efforts should be made to strengthen the Internal Audit Units to enhance internal control.

12.0 REVIEW OF 2020 PUBLIC FINANCE LAW

The efforts at updating the Public Finance Management framework (Public Finance Law 2020) to meet the peculiarities of the State by the Ministry of Finance did not meet the desired expectations of the various stakeholders. A further review is desirably urgent.

13.0 RETIREMENT OF MONEY RELEASED FROM PUBLIC TREASURY

Poor retirement or lack of retirement of money released to sundry high level public office holders remained a major challenge. It is worthy of note that retirement of public funds is neither a matter of discretion nor status-sensitive. It is a fundamental requirement of rules and regulations guiding the use of public money. The Accountant-General Office should consider not releasing Fund to MDAs in breach of retirement of Funds to them.

14.0 PAYMENT OF HOUSING ALLOWANCE AND PROVISION OF ACCOMMODATION TO POLITICAL APPOINTEES

Public servants inclusive of political appointees are entitled to either accommodation (housing) allowance or

accommodation, not both. The attention of the Secretary to the State Government, Head of Service and Accountant-General is drawn to political appointees occupying Government quarters and still receive accommodation (housing) allowance as part of their monthly emolument.

15.0 DOUBLE CHARGE TO PUBLIC FUND

The out of station allowance is an all-inclusive payment to any traveling officer on official assignment. It is wrong for public office holders to claim out of station allowance and hotel accommodation simultaneously. It constitutes double charge to the public treasury. The Accountant General should not honour such approval.

16.0 ACCOUNTING OFFICER

By the provisions of the Financial Regulations and other treasury circulars, the Permanent Secretary is the Chief Accounting Officer in the Ministry. The conflict as to whose responsibility it is to authorize between the Permanent Secretary and political office holder is therefore needless.

17.0 SUBVENTION TO GOVERNMENT ESTABLISHMENTS

Heads of Government establishments need to be educated on the proper application of subventions to them. For emphasis, subvention is meant to take care of the recurrent expenditures and should not be applied to

the procurement of new assets to avoid the distortion of recurrent expenditures.

18.0 INTEGRATING THE ANAMBRA STATE LIBRARY BOARD IN THE CENTRAL PAYROLL

There is a need to integrate the Anambra State Library Board into the Central Payroll of the Anambra State Government to address the arbitrariness in the management of its monthly subvention. Acting appointments to the post of Director are done without taking into consideration seniority thereby awarding the position to some Heads of Departments that are undeserving. Employment and placements are done whimsically, and capital expenditures are made from the subvention to the Board.

19.0 ANALYSIS OF FINANCIAL STATEMENTS

In the year under review, the revenue projection (revised) was N204,094,277,119.00 (Two hundred and four billion, ninety four million, two hundred and seventy seven thousand, one hundred and nineteen naira) against the (revised) projected expenditure of N269,003,093,968 (two hundred and sixty nine billion, three million, ninety three thousand, nine hundred and sixty eight naira). The revenue components were made up of Statutory Allocation, Internally Generated Revenue and Capital Receipts. The actual revenue as

against projected revenue was N185,416,410,664.36 (one hundred and eighty five billion, four hundred and sixteen million, four hundred and ten thousand, six hundred and sixty four naira and thirty six kobo). Thus, the projection was underachieved by N18,677,866,454.64 (eighteen billion, six hundred and seventy seven million, eight hundred and sixty six thousand, four hundred and fifty four naira and sixty four kobo) representing 9.15% (percent). On the other hand, the total sum of N162,551,996,113.80 (one hundred and sixty two billion, five hundred and fifty one million, nine hundred and ninety six thousand, one hundred and thirteen naira and eighty kobo) was actually expended as against the projected expenditure of N269,003,093,968.00 (two hundred and sixty nine billion, three million, ninety three thousand, nine hundred and sixty eight naira). The projection was underachieved by N106,451,097,854.20 (one hundred and six billion, four hundred and fifty one million, ninety seven thousand, eight hundred and fifty four naira and twenty kobo) representing 39.6%.

20.0 REVENUE

20.1 Recurrent Revenue

The account reported as confirmed, a recurrent revenue of N169,530,955,205.20 (one hundred and sixty nine billion, five hundred and thirty million, nine hundred

and fifty five thousand, two hundred and five naira and twenty kobo) for 2023 financial year. Out of this, statutory allocation (inclusive of VAT) was N133,330,961,199.84 (one hundred and thirty three billion, three hundred and thirty million, nine hundred and sixty one thousand, one hundred and ninety nine naira and eighty four kobo), representing 78.6% of the total revenue. Importantly, the revenue from the Federation Account exceeded the projection by N31,890,970,189.84 (thirty one billion, eight hundred and ninety million, nine hundred and seventy thousand, one hundred and eighty nine naira and eighty four kobo). On the other hand, the internally generated revenue (IGR) was N36,199,994,005.36 (thirty six billion, one hundred and nineteen million, nine hundred and ninety four thousand, five naira and thirty six kobo) representing 21.4% of the total revenue. The details of the contribution of the various revenue windows are shown in the table below;

S / N	REVENUE SUBHEAD	BUDGETED N	ACTUAL N	% VARIANCE	REMARK
1	Statutory Allocation	101,439,991,010.00	133,330,961,199.84	31.44	Overachieved
2	Taxes	27,411,091,254.00	24,534,786,419.36	10.50	Underachieved
3	Licenses	1,539,020,415.00	784,403,090.97	49.03	Under

					achieved
4	Fees	17,422,728,596.00	8,452,938,329.78	51.50	Under achieved
5	Fines	31,990,387.00	95,345,737.57	198.04	Over achieved
6	Sales	708,702,089.00	278,947,281.53	60.63	Under achieved
7	Earnings	421,307,979.00	38,394,470.62	90.89	Under achieved
8	Rent on govt. building	4,396,503.00	926,000.00	78.94	Under achieved
9	Rent on govt. land	457,986,677.00	56,412,803.01	87.70	Under achieved
10	Repayment	25,149,379.00	10,809,628.15	57.02	Under achieved
11	Investment	0.00	5,681,731.70	0.00	No projection
12	Interest	980,140.00	7,740,523.78	689.73	Over achieved
13	Reimbursement	2,501,660.00	0.00	0.00	No activity
14	Miscellaneous	12,581,125.00	1,933,607,988.89	15,269.11	Over achieved

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20.2 Capital Receipt

The total capital receipts of N91,678,599,999.88 (ninety one billion, six hundred and seventy eight million, five hundred and ninety nine thousand, nine hundred and ninety nine and eighty nine kobo). This is comprised of transfers from consolidated revenue fund, aids/grants, internal loans, internal loans and other capital receipts. The budget projection was N118,459,694,691.00 (one hundred and eighteen billion, four hundred and fifty nine million, six hundred and ninety four thousand, six hundred and ninety one naira). This in effect shows that the budget projection was underachieved by N26,781,094,691.12 representing 22.61%.

21.0 Budget Performance-Capital Expenditure

With reference to capital projects execution by various Ministries Departments and Agencies (MDAs) in the year under review, the budget was generally underachieved. The summary of budget performance by various MDAs is tabulated as below.

MDA	BUDGET	ACTUAL	VARIANCE	% PERFORMANCE	REMARK
	N	N	N		

Ex. Gov. Office	5,586,187,326	4,123,617,828.00	1,462,569,479.87	73.81	Under achieved
Dep. Gov.	158,800,000.00	3,920,800.00	154,879,200.00	2.50	Under achieved
SSG	1,960,205,500	988,126,482.07	972,079,017.93	50.41	Under achieved
Public Procurement Agency	173,500,000	41,250,313.25	132,249,686.75	23.77	Under achieved
Min. of culture & tourism	7,711,000,000	3,075,379,170.95	4,635,620,829.05	39.90	Under achieved
House of Assembly	3,667,070,000	2,727,132,960.20	939,937,039.80	74.37	Under achieved
Head of Service	530,942,000	48,116,000	482,826,000	9.06	Under achieved
State Auditor -Gen.	40,000,000	5,352,500	34,647,500	13.38	Under achieved
Auditor -Gen. Local Govt.	17,200,000	0	17,200,000	0	No activity
Civil Service Comm.	30,000,000	3,590,000	26,410,000	11.97	Under achieved
Min. of information	627,700,000	186,072,683	441,627,317	29.64	Under achieved

ANS Signage Agency	20,200,000	8,150,000	12,050,000	40.35	Under achieved
Min. of Agric.	1,938,000,000	797,100,000	1,140,900,000	41.13	Under achieved
Min. of Finance	2,286,000,000	1,326,964,593.70	959,035,406.30	58.05	Under achieved
ANS Int. Rev. Service	641,500,000	69,182,969.50	572,317,030.50	10.78	Under achieved
Office of Accountant Gen.	530,000,000	104,955,347.50	425,044,652.50	19.80	Under achieved
Min. of Trade & Commerce	491,000,000	37,544,491.50	453,455,508.50	7.65	Under achieved
ANS Ind. Dev. Agency	71,000,000	0	71,000,000	0	No activity
Min. of Road, Rail/Water Transp.	4,069,610,000	197,973,250	3,871,636750	4.86	Under achieved
ANS trans Mgt. Agency	51,000,000	41,848,125	9,151,875	82.05	Under achieved

Min. of Road Construction, furniture	78,798,000,000.00	62,325,325,071.93	16,472,674,928.07	79.10	Under achieved
ANS Road Maint. Agency	1,553,500,000	556,863,112.33	996,636,887.67	35.85	Under achieved
Min. of Eco. Planning, budget and Dev.	2,214,000,000	343,327,511.58	1,870,672,488.42	15.50	Under achieved
State Bureau of Statistics	136,000,000	5,805,812	130,194,188	4.27	Under achieved
Min of Housing	6,945,000,000	4,098,449,243.01	2,846,550,756.99	59.01	Under achieved
Min. of Lands, Physical Planning Rur& Urban Dev.	1,975,788,000	536,123,520	1,439,664,480	27.13	Under achieved
ANS Physical Planning	295,430,000	0	295,430,000	0	No activity

g Board					
Min of Power and Domestic water Dev.	8,188,000,000	4,045,543,477.02	4,142,456,522.98	49.41	Under achieved
Judicial Service Comm.	32,000,000	29,045,874.38	2,954,125.62	90.77	Under achieved
Min. of Justice	1,595,000,000	1,042,006,541.00	552,993,459	65.33	Under achieved
High Court	2,341,780,000	765,650,029	1,576,129,971	32.70	Under achieved
Min. Youth and Sports	5,636,770,000	1,889,930,060.71	3,746,839939.29	33.53	Under achieved
Min. of Women Affairs and soc.Welf.	2,628,000,000	69,700,500	2,558,299,500	2.65	Under achieved
Min. of Basic Educ.	6,782,779,565	740,552,009.21	6,042,227,555	10.92	Under achieved
ICT Agency	2,227,500,000	332,069,270	1,895,430730	14.91	Under achieved
ANS Polytechnic Mgbak	728,118,600	0	728,118600	0	No activity

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Nwafor Orizu Coll. Of Educ.	434,019,676	0	434,019,676	0	No activity
Min of Health	5,167,000,000	2,931,883,206.32	2,235,116,793.68	56.74	Under achieved
Primary Health Care Agency	485,938,519	47,702,150	438,236,369	9.82	Under achieved
ANS Oxygen Prod. Plant	50,160,000	38,781,450	11,378,550	77.32	Under achieved
Min. of Environment	97,980,000	62,193,263.17	35,786,736.83	63.48	Under achieved
ANS Park and Garden	217,439,500	500,000	216,939,500	0.23	Under achieved
ANS Clear Drainage	1,024,000,000	0	1,024,000,000	0	No activity
ANS Erosion Watershed & CI	1,189,280,454	299,242,372.41	890,038,081.59	25.16	Under achieved
ANS Sports Dev.	1,509,287,500	334,226,050	1,175,061,450	22.15	Under achieved

Comm					
Min.of L.G. Chieftancy	3,484,000,000	99,775,064.99	3,384,224,935.01	2.86	Under achieved

22.0 GOVERNMENT AND TREASURY ACCOUNTS

22.1 MINISTRY OF HOUSING AND URBAN DEVELOPMENT

22.1.1 NON RETIREMENT OF THE SUM OF TWENTY-FOUR MILLION, FOUR HUNDRED AND FORTY-FIVE THOUSAND, FOUR HUNDRED AND SEVENTY-EIGHT NAIRA (N24,445,478.00).

22.1.1.1 The sum of twenty-four million, four hundred and forty-five thousand, four hundred and seventy-eight naira (N24,445,478.00) was released to the Ministry for construction work and renovation of Court of Appeal Awka complex on Payment Voucher 3 of December, 2019. The money was received and transferred to the State Ministry of Works that carried out the renovation of the Court complex. The State Ministry of Housing that applied for the fund and Ministry of Works that received the money has not accounted for the money neither have they retired the amount despite repeated request by Audit for them to do so.

Audit could not verify the work done neither could it be certified since no officer of both ministries showed where the work was done and evidence of retirement of the amount. Consequently, the Permanent Secretary of Ministry of Housing was directed to account for the money and show work done failing which the amount

should be recovered and evidence forwarded to me for verification.

22.2 UNRETIRED IMPREST OF SIX HUNDRED AND TWENTY-NINE THOUSAND NAIRA (N629,000.00) BY FORMER COMMISSIONER.

22.2.1 The sum of six hundred and twenty-nine thousand naira (N629,000.00) was released to a former commissioner of the Ministry for the evacuation of refuse at Main Market, Bida Road and Ochanja Market all in Onitsha on Payment Voucher of July, 2020. This amount was not retired by the former Commissioner despite repeated request by Audit for him to do so. The Permanent Secretary was directed to ensure that the former commissioner retires the amount but, as at the time of writing this report the amount has not been retired and it is suspected that the money released was not applied for the purpose it was meant for.

Therefore, the former commissioner should show evidence of retirement of the money or refund the amount and evidence of refund forwarded to me for verification.

22.3 UNACCOUNTED RELEASES OF TWELVE MILLION, SEVEN HUNDRED AND FIFTY THOUSAND NAIRA (N12,750,000.00)

22.3.1. On payment voucher 3 of June, 2021, the sum of twelve million, seven hundred and fifty thousand

naira (N12,750,000.00) was released to FACOMORE NIG. LTD. for construction work at Shoe Manufacturing/Leather Products site at Osile Ogbunike. The nature of work to be done or done at the site was not clearly stated. The amount was not accounted for neither was it retired. The contractor did not respond to audit invitation to throw light on what transpired concerning the construction work purportedly done and reason the amount was not retired.

The Permanent Secretary was directed to ensure that the contractor gives a detailed account of work done and retire the amount which he has not complied with as at the time of writing this report. Based on the foregoing, the contractor should show detailed and verifiable evidence of work done with retirement documents of the amount or the sum should be recovered and evidence of recovery forwarded to me for verification.

22.4 NON DEDUCTION OF 1% STATE TAX ON CONTRACTS

22.4.1 Findings in audit during examination of payment vouchers of contracts awarded by the Ministry revealed that one percent (1%) state tax approved to be deducted from contracts paid as contained in Accountant-General Circular AG/AN.S.248/T.II.32 was not been deducted by the Ministry. This is a clear violation of State government directive and by

implication, much needed revenue is denied the state by the Ministry's action. The total sum of two hundred and eighty-one thousand eighty-two naira, sixty-seven kobo (N281,082.67) was the total undeducted 1% taxes.

The Honourable Commissioner was directed to ensure that this amount is recovered from the Contractors failing which it should be recovered from the Head of Accounts that failed to deduct the tax.

These observations were contained in my reports, AS/MIN./REP/1/106 of 15/12/23, AS/MIN./REP/1/105 of 15/12/23 and AS/MIN./REP/1/107 of 16/2/24.

23.0 MINISTRY OF TRANSPORT: ANAMBRA CARGO AND PASSENGER AIRPORT, UMUERI

23.1 LACK OF PROPER DOCUMENTATION OF EXPENDITURES

The Anambra Cargo and Passenger Airport, Umueri, does not maintain proper records of expenditures for the period under review during audit. It was observed that the sum of four hundred and thirteen million, six hundred thousand, ninety nine naira twenty nine kobo (N413,600,099.29) was generated from commencement of flight operations in 2023 to period of audit but the sum of twenty nine million, five hundred and forty-four thousand, six hundred and sixty eight naira, fourteen kobo (N29,544,668.14) was standing as credit balance

in their account showing that the sum of three hundred and eighty four million, fifty five thousand, four hundred and thirty one naira, fifty kobo (N384,055,431.50) was expended without proper records and documentation. Audit views this as a serious breach of the Financial Regulations which demands proper accountability for all revenues earned and expenditure from the revenue. Payment Vouchers were not posted into cashbook, cheque stubs does not have any indication of what the payment was for and bank reconciliation was not done.

These observations was brought to the attention of the Managing Director who was directed to ensure that proper accounting records are maintained and also, account for the sum of three hundred and eighty four million, fifty five thousand, four hundred and thirty one naira, fifteen kobo (384,055,431.15) being revenue spent but not properly documented. Evidence and records of the account should be forwarded to me verification.

23.2 COLLECTION OF REVENUE WITHOUT RECEIPTS.

23.2.1 Audit observed that some revenues are being collected by some officers of the airport without receipts and not brought into account of the government. These revenues are:

1. N300.00 per passenger pick by airport taxi and
2. Sales from outlets managed by the Commercial Department of the airport.

The Managing Director was requested to direct the appropriate Department to provide a detailed account of the revenue from the identified revenue windows and forward to me for further verifications.

23.3 POOR RECORD OF DRIVERS OPERATING AT THE AIRPORT

23.3.1 The list of certified and registered taxi drivers operating at the airport was observed by Audit not to be properly kept by the airport management. The records produced in audit showed that the six (6) drivers that paid N250,000.00 each amounting to N1,500,000.00 was not in the list of registered drivers. The commercial drivers pay an annual fee of N250,000.00 each. The implication is that fees will be collected and not recorded also, the records of drivers that paid will not be reliable because some that paid are not recorded.

Also observed was that a lot of Taxi drivers operate at the airport without evidence of registration with the airport as found out in the records produced. Eleven (11) drivers were found to be operating in the airport

without evidence of paying annual dues thereby leading to loss of revenue,

The Managing Director was directed to explain why the Taxi drivers were allowed to operate at the airport without registration and also, to produce the list of registered Taxi drivers and evidence of payments they made.

23.4 PAYMENTS MADE WITHOUT APPROVAL

23.4.1 It was observed in the audit that the sum of Sixty-four million, six hundred and forty-six thousand, five hundred and seventy-five thousand naira (N64,646,575.00) was payments made to various payees by the airport accounts section without proper approval. The details on the payment vouchers were not clear and the airport Accountant could not explain very clearly these expenditures.

The Managing Director was requested to forward to my office, the detailed description and justification for the expenditures.

These observations were contained in my report AS/OUT.77/01 of 31/7/23.

24.0 ANAMBRA STATE INTERNAL REVENUE SERVICE

24.1 Audit observed that approval to use direct labor for the construction of Enforcement Office Building with tank stand as contained in memo AIRS/HE/113/135 of 17/5/20 by Governor Willie Obiano was not adhered to by the former Chairman of Revenue Service. Rather, he awarded a contract to Ndiwe Chibundu of Doffiah Construction Enterprises, Onitsha, to the tune of ten million, seven hundred and forty-five thousand naira (N10,745,000.00) contrary to the Governor's directive on the approved memo.

This non adherence to the directive led to the contract sum attracting statutory tax deduction of 5% VAT, 2^{1/2}% State deduction totaling eight hundred and five thousand, eight hundred and seventy-five thousand naira (N805,875.00) not deducted and not remitted to appropriate tax authority. This avoidable tax burden will be borne by the State government.

The Chairman was directed in the audit to recover the taxes totaling N805,875.00 from the contractor or he should refund the amount to the State government and furnish me the evidence of refund for verification.

24.2 OPERATING WITHOUT AN INTERNAL AUDITOR

24.2.1 During the period under review it was observed that the ASIRS operated without an internal auditor contrary to the provisions of Financial

Regulations 609. These observations show that there is serious weakness in internal control and also, payments will not be scrutinized properly to ensure its validity of satisfying all necessary requirements.

The Chairman was advised to ensure that the internal audit section was put in place immediately and inform me of action taken.

24.3 POOR CHANNEL OF COMMUNICATION

24.3.1 Audit observed that the proper procedure and right channel of communication before payments was not being observed by the former Chairman especially on payments to Security Personnel that went on enforcement duty and purchases of Fuel and diesel used in the building. Audit observed during examination of attachments to payment vouchers that the former Chairman directly approves and pays the Security personnel and purchase fuel without recourse to the Heads of Department concerned thereby hampering internal check which is an integral aspect of internal control and also, actual confirmation that there is reason for payment.

The former Chairman was advised to adhere to the provisions of Financial Regulation.

24.4 EXPENDITURES YET TO BE RETIRED

24.4.1 The total sum of one million, ninety-three thousand naira (N1,093,000.00) was unretired imprest and advances to various payees of ASIRS contrary to Financial Regulation 3124. This was brought to the attention of the Chairman who was mandated to ensure that the imprests and advances were retired by the payee concerned failing which, the amounts listed against their names should be recovered and evidence of recovery forwarded to me verification.

24.5 NON ADHERENCE TO PROCUREMENT GUIDELINES

24.5.1 It was observed during audit that some procurement approved and made by the ASIRS during the period under review breached the provisions of the state guideline on procurements especially not passing through tenders board process. This is viewed in Audit as a serious and deliberate breach because tenders evaluation are used to enhance value for money in government transactions. The total sum of Forty-one million, seven hundred and ninety thousand naira (N41,790,000.00) was found to be the value of procurements that did not pass through the tenders process and Audit views the prices of items purchased to be manipulated and on the high side. The former Chairman was requested to explain the reason for the payment without passing through tenders board for approval of the procurements.

24.6 INAPPROPRIATE USE OF HONOUR CERTIFICATE

24.6.1 Audit observed that officers and staff of ASIRS indiscriminately use honour certificate to retire expenditures which could have been retired with receipts, invoices and other acceptable documents for amounts that are very significant and transactions that require receipts for retirements. This is a contravention of the provisions of Financial Regulations 617. The officers concerned were directed to properly retire the expenditures listed against their names totaling six hundred and ninety thousand naira (N690,000.00) and forward evidence to me for verification.

24.7 EXPENDITURES YET TO BE RETIRED

24.7.1 The total sum of six million, six hundred and thirty-three thousand five hundred naira (N6,633,500.00) was unretired imprests and advances to various payees of ASIRS contrary to Financial Regulation 3124. This was brought to the attention of the Chairman who was mandated to ensure that the imprests and advances were retired by the payees concerned failing which, the amounts listed against their names should be recovered and evidence of recovery forwarded to me for verification.

These observations were contained in my report BIR/REP/VOL.2/42 and BIR/REP/VOL.2/43 of 15/12/23.

25.0 MINISTRY OF HEALTH

25.1 DOUBTFUL EXPENDITURE

25.1.1 On payment voucher No. 35 of April, 2021, it was observed that the sum of two million, nine hundred and forty thousand naira (N2,940,000.00) was released to an aide of former commissioner for procurement of COVID-19 Basic Assessment and Protective Kits for Exco members. Findings in the audit showed that 70 pieces each of Pulse Oximeter and Air Purifying Tags were approved to be purchased. There was no bidding process for the procurement by tender board, though the contract was awarded to PYPROCHY INT. LTD., the two other companies attached as bidders on the payment voucher could not be verified by Audit as there were no contacts on their documents. Signature of the purported vendor differs on both quotations submitted and the vendor company request for payment. The company seems to have no bank account because payment was made through the aide to the former commissioner. A case of conflict of interest was established and Audit suspects the items were not procured.

In view of the foregoing, the Permanent Secretary was requested to obtain from the aide and the former commissioner details of what actually transpired and forward to me for verification.

25.2 EXPENDITURES NOT ACCOUNTED FOR

25.2.1 On Payment Voucher No. 1 of April 2021, the sum of twenty-eight million, seven hundred and twenty-three thousand, four hundred and eighty naira (₦28,723,480.00) was released to a doctor in the Ministry for Protective Care Centre Allowance for Covid-19 Health Care Workers for the month of June, 2020. The amount was neither accounted for nor retired. The Permanent Secretary was directed to obtain the necessary documents and evidence of retirement from the doctor or the doctor should refund the money.

25.2.2 On Payment Voucher of May 2021, the sum of ten million naira was released to Chigbo Okechukwu of Gladida Pharmacy of Suit A14 Spall Mall, Kuchiyako District, Kuje Area Council, Abuja for purchase of Non-Rebreather Mask as an Emergency Intervention Tool for resuscitation of Covid-19 patients. There was no evidence of retirement neither was there evidence that the Mask was supplied by the company. The Permanent Secretary was directed to obtain from the company evidence of delivery of the Masks and receipts for the amount, show evidence of receipt of Mask by the Store

of Ministry or in the alternative request the former Commissioner to refund the sum of ten million naira to the State Government.

25.2.3 On Payment Voucher No. 29 of October 2021, the sum of twelve million naira (₦12,000,000.00) was paid to Ezeliara Chikezie KC (SUDABELT Medical Company) of 11A Oba Idiowu Abiodun Oniru Street V. I. Lagos for NCDC Mandatory Required Non-Medical Equipment needed to kick start the newly renovated molecular laborator at Chukwuemeka Odumegwu Ojukwu University Teaching Hospital, Awka. The money was neither accounted for nor retired. The former Commssioner was directed to ensure the amount was accounted for and retired or it should be recovered.

25.3 OTHER CAPITAL EXPENDITURES OF 2021 YET TO BE RETIRED

The total sum of fifteen million, three hundred and ninety thousand, five hundred naira (₦15,390,500.00) was capital releases to various payees of the Ministry yet to be retired. This was brought to the attention of the Permanent Secretary who was directed to ensure that the amounts listed against their names are retired failing which it should be recovered and evidence of recovery forwarded to me for verification.

25.4 NON DEDUCTION AND REMITTANCE OF TAX TO THE APPROPRIATE AUTHORITY

The sum of twenty-seven million, eight hundred and thirty-one thousand, seven hundred and fifty naira (N27,831,750.00) was paid to Chief Sir C. N. Okechukwu (Ndubuisi Chemist) of No. 30 Uga Street, Onitsha for purchase of Medications for Covid-19. The approved memo contains a provision of 7.5% VAT totaling N1,941,750.00 to be deducted leaving a balance of N25,890,000.00 to be paid to the supplier. Ironically, the full amount of N27,831,750.00 was paid and the VAT not deducted. The former Commissioner should refund the State government the amount and evidence forwarded to me for verification.

25.5 EXPENDITURE NOT ACCOUNTED FOR 2022

25.5.1 On Payment Voucher No. 64 of December 2022, the sum of Five million naira was received by a Medical Doctor in the Ministry for the funding of Task Force on Monitoring of Illegal Hospitals, Clinics and Maternities in 21 LGAs of Anambra State. The money was neither accounted for nor retired despite repeated request by Audit on the Medical Doctor to do so. Audit therefore, directed that he should account for and retire the money or refund it to State coffers and evidence of refund forwarded to me for verification.

25.5.2 On Payment Voucher No. 1 of January 2023, the sum of eight million naira (N8,000,000.00) was released to a staff of the Ministry for conducting of two weeks

free blood pressure, blood sugar, weight, height and body mass index (BMI) measurement in Anambra State. The amount was not accounted for, retired nor the area to be covered in Anambra State stated. The staff was contacted to do the needful but as at the time of writing this report has not complied with Audit demand. The staff should either account for and retire the money or refund same to State Government coffers and furnish me evidence for verification.

25.5.3 The sum of two million, two hundred thousand naira (N2,200,000.00) was paid to HOD Administration of the Ministry for the screening of candidates and conducting of CBT Examination at Nnamdi Azikiwe University Centre, Awka. The officer did not account for the money nor retire it. The officer was directed to retire the amount or refund it to State government coffers and furnish me evidence of refund for verification.

25.6 OTHER EXPENDITURES YET TO BE RETIRED FOR YEAR 2022

The total sum of ninety-one million five hundred and forty-nine thousand, seven hundred and thirty naira (N91,549,430.00) was released to various payees of the Ministry yet to be retired contrary to the provisions of Financial Regulations. This was brought to the attention of the Permanent Secretary who was directed to ensure

that the payees retire the amount listed against their name failing which the amount should be recovered and evidence of recovery forwarded to me for verification.

25.7 NON DEDUCTION AND REMITTANCE OF TAXES TO APPROPRIATE AUTHORITY

The total sum of Five million, six hundred and six thousand, eight hundred and forty-six naira forty-nine kobo (N5,606,846.49) were statutory taxes charged on contracts paid on Payment Vouchers No. 14, 52 and 67 of December, 2022 for beautification of School of Health Technology Obosi to TURNKEY KONSULT LTD not deducted and remitted to relevant tax authorities.

The documents attached to the Payment Vouchers showed that the taxes were agreed upon to be deducted and remitted by both the Contractor and the Ministry but, the Cashier deliberately did not deduct the taxes claiming exigency of time that made her not to deduct the taxes.

This was brought to the attention of the Permanent Secretary who was directed to recover the taxes from the Contractor so that the tax burden should not fall on the State government and also, take disciplinary action on the Cashier for this deliberate action of non-tax deduction. They are to furnish me evidence of actions taken for further verification.

These observations were contained in my reports AS/AUD/MIN/REP/VOL.1/001 of 23/6/23 and AS/AUD/MIN/REP/VOL.1/002 of 30/1/24.

26.0 MINISTRY OF PETROLEUM AND MINERAL RESOURCES (FORMERLY, MINISTRY OF TERTIARY EDUCATION)

26.1 NON RETIREMENT OF EXPENDITURES

26.1.1 Audit observed that the sum of twenty eight million, seven hundred and seventy two thousand naira (N28,772,000.00) was released to the bursar of Anambra State Polytechnic, Mgbakwu on payment voucher number 48 of May, 2020 being expenses for the accreditation of five (5) programmes by the National Board for Technical Education. The amount was not properly accounted for as to how it was utilized neither was the money retired.

26.1.2 Also on payment voucher 21 of August, 2020, the sum of five hundred thousand naira (N500,000.00) was released to one Okosi G. N. of Chukwuemeka Odumegwu Ojukwu University, Igbariam, for the participation of the School Engineering Students Contingent to NUTABOLTIS Racing event. The amount was not retired by the payee despite repeated request by Audit.

The Permanent Secretary was directed to obtain the retirements from the two officers mentioned above or

recover the money and evidence of recovery forwarded to me for verification.

26.1.3 The sum of two hundred and thirty four thousand naira (N234,000.00) was released to an officer of the Ministry on Payment Voucher 1 of December, 2019 for expenses at 38th COREN Engineering Assembly held between 19th to 21st August 2019, at Abuja was found to contain double payment of thirty thousand naira (N30,000.00). The Officer was paid out of station allowance and also paid feeding allowance of thirty thousand naira (N30,000.00).

The Permanent Secretary was directed to recover the double payment of N30,000.00.

26.1.4 On Payment Voucher No. 21 of July, 2019, the sum of eight million naira (N8,000,000.00) was vouched and paid to Nwafor Orizu College of Education, Nsugbe. The money is for expense during their 38th Matriculation ceremony. The payment does not bear any name of recipient apart from a signature which could not be verified in audit. The amount was not accounted for neither was it retired by the payee. The Permanent Secretary was directed to obtain evidence of utilization of the money and the retirements or recover the amount from the payee.

26.1.5 The sum of twenty five million naira (N25,000,000.00) was paid to Mr. G. N. Okosi in favour

of Chukwuemeka Odumegwu Ojukwu University, Igbariam for the accreditation of Pharmaceutical Science Programme in the University. The amount was not accounted for neither was it retired by the payee who claimed that he is not accountable to the Ministry nor answerable to State Audit. The Permanent Secretary was directed to ensure that the amount is retired or recovered from the payee.

26.2 EXPENDITURES WITHOUT SUFFICIENT DOCUMENTATION

26.2.1 It was observed during the audit that the sum of thirty million naira (N30,000,000.00) was released to bursar of Anambra State Polytechnic, Mgbakwu on Payment Voucher 2 of December, 2019. This amount is part of N80,000,000.00 approved for accreditation of five programmes in the School by National Board for Technical Education (NBTE). Findings in the audit revealed that the bursar collected the sum of N10,800,000.00 as refund of loan. He did not produce evidence of who loaned the money to the school neither did he show the school account the loan was paid into. The bursar was directed to produce the evidence of loan collected and beneficiaries refunded the loan or refund the sum of N10,800,000.00 to government coffers.

26.2.2 The sum of N35,000.00 was purportedly paid to Ogbodo Chukwu (N10,000.00) and Orakwue Luis Chukwuemeka (N25,000.00) from Electrical/Electronic Department/Civil Engineering of State Polytechnic, Mgbakwu as allowance which was found to be incorrect as the two officers did not acknowledge receipt of the money on the list of persons paid allowance. The bursar was directed to refund the money.

26.2.3 The total sum of N6,000,000.00 was purportedly paid by the bursar to HEMEBS CONST/MAINTENANCE SERVICES NIG. LTD. of No. 6 Dike Street, Awka on two receipts numbers 133 and 134 of 3/2/20. The payment is for the supply of Laboratory Equipment to the school. There was no evidence of Laboratory Equipment Supply to the School. Further verification showed that the address on the receipt is a residential building that has nothing to do with Laboratory Equipment, the Phone numbers on the receipt belong to one Igwe Okpoko who denied supply of any equipment and further refused to pick his calls. The bursar was directed to furnish Audit with:-

1. Contract Agreement between the School and HEMEBS
2. Evidence of HEMEBS registration as contractor with the School and State government.

3. Minutes of the School tender Board approving the contract.
4. List of items purportedly supplied.

In the absence of the above, the Permanent Secretary was directed to recover the money from the bursar.

26.2.4 The sum of N2,000,000.00 was also claimed to have been paid to SMUC Scientifics of No. 42 Ifite Road, Awka on cash receipt number 000033 of 3/2/20 for supply of Laboratory Equipment. Findings in the audit showed that no equipment was supplied. The address on the receipt is a residential building and the phone number on the receipt shows the company is situated in Nsukka, Enugu State. The bursar was directed to throw more light on this payment or refund the money.

26.2.5 The sum of N7,000,000.00 was also purportedly paid to Jiden Scientific Ltd, of No. 2 Hon. Andy Umelaji Street off Aroma Junction, Awka on receipt number 00009 of 3/2/20 for the supply of Laboratory Equipment. There was no Laboratory equipment supplied as the bursar did not produce evidence of equipment supplied and received by the school, contract agreement was not attached and evidence of registration as contractor was not shown. The bursar was directed to produce the above listed evidences to support the payment made or refund the money.

26.2.6 The sum of N2,500,000.00 was claimed to have been paid to Policy Business Support Service Ltd. of 72/74 Ziks Avenue Uwani, Enugu on receipt of 4/2/20 for unspecified services rendered to the school. Findings in the audit revealed that there was no business transaction between the company and the school as their branch office in 2nd floor Praise Plaza Agbo Market, Nnewi claimed ignorant of the transaction and payment. The bursar was directed to throw light on this payment or refund the money.

26.2.7 The sum of N802,000.00 out of the N30,000,000.00 released to the bursar on the payment voucher 2 of December, 2019 for accreditation was neither accounted for nor retired. The bursar was directed to do the needful or refund the money.

26.2.8 The sum of fifteen million naira (N15,000,000.00) was released to the bursar on Payment Voucher 22 of September, 2019 for the 9th Matriculation ceremony of Anambra State Polytechnic, Mgbakwu. The bursar allegedly paid HEMEBS CONST/MAINTENANCE SERVICES NIG. LTD.) on cash receipts number 161 of 9/12/19, ₦2,990,312.00 and number 160 of 1/9/19, N5,980,625.00 for construction of school podium.

Findings in the audit as earlier explained showed the company is a vague company that occupies residential

building at No. 6 Dike Street, Awka. The bursar did not produce:-

- a. Contract Agreement
- b. Minutes of tenders board
- c. The school podium plan

He was directed to furnish audit with the above requirements for verification or refund the money. The balance of N6,029,062.00 out of the N15,000,000.00 released to the bursar was for unclear and unspecified purpose which he neither accounted for nor retired. He should be compelled to refund the sum of N6,029,062.00 to state government coffers.

26.3 EXPENDITURES NOT RETIRED

26.3.1 The sum of twenty one million, two hundred and twenty eight thousand naira (N21,228,000) was released to one Ezekwona Chinedu E. on behalf of Anambra State Polytechnic, Mgbakwu on payment voucher 27 of March, 2021 for National Board for Technical Education visitation on 2019 for the accreditation of their outstanding programmes. Audit could not understand why visitation by NBTE in 2019 was being paid for in 2021. The amount was neither accounted for nor retired.

26.3.2 On payment voucher 23 of March, 2021, the sum of one million, two hundred thousand naira

(N1,200,000.00) was purportedly paid to deceased SSA to Governor on Broadcasting/Grassroot Mobilization as scholarship to his children. There was no evidence on the payment voucher that the beneficiaries received the money. The director account was directed to show evidence that the beneficiaries received the scholarship fund or refund the money.

26.3.3 The sum of six million, forty seven thousand, five hundred and fifty naira (N6,047,550.00) was paid to one Mr. Ezenna Innocent of Chukwuemeka Odumegwu Ojukwu University, Igbariam, for NUC accreditation of Philosophy Programme. The money was neither accounted for nor retired.

26.3.4 The total sum of two million, three hundred and ten thousand naira (N2,310,000.00) was unretired imprests and advances by former Commissioner of the Ministry for the year 2021 under review. The Honourable Commissioner was directed to retire the money or refund to state government coffers.

26.3.5 The sum of five hundred thousand naira (N500,000.00) released to the former commissioner of the Ministry for the visit to FUNTAU Head Office at Lagos from 24th – 28th August 2021 on discussion for modalities for energy generation improvement in the state was not accounted for neither was it retired. The

former commissioner was directed to retire the amount or refund.

These observations were contained in my reports AS/MIN.2/REP/1/53 of 7/3/24, AS/MIN.2/REP/1/54 of 7/3/24 and AS/MIN.2/REP/1/55 of 7/3/24.

27.0 MINISTRY OF INFORMATION AND PUBLIC ENLIGHTENMENT

27.1 UNRETIRED EXPENDITURE

27.1.1 The sum of ten million naira (N10,000,000.00) was paid to LSC Consulting Ltd. on payment voucher 36 of November, 2019 for the purchase of the book ‘Triumphant Moments of Nigerian Football’. There was no evidence that the book was received by the Ministry. The amount was not retired by the company. The Permanent Secretary was directed to ensure that the amount is retired or it should be recovered.

27.1.2 The sum of one million naira (N1,000,000.00) was paid to former commissioner of the Ministry on payment voucher 4 of July, 2020, as installment payment to kick start research into writing the biography of the Governor. The payment voucher was not retired neither was any document attached to show what work was done. The former commissioner purportedly released the money to one Mr. David Eleke

who presented Honour Certificate acknowledging receipt of the money. This is not acceptable in audit. Consequently, the former commissioner was directed to properly account for the money and retire it or refund the money and evidence forwarded to me for verification.

27.2 EXPENDITURES WITHOUT SUFFICIENT DOCUMENTS

27.2.1 The total sum of five million naira (N5,000,000.00) was paid to the former commissioner of the Ministry on two payment vouchers dated 3/12/20 for the campaign to make November 16th of every year being the birth date of Dr. Nnmadi Azikiwe, a public holiday. Attachment to the payment voucher revealed that the amount was retired with SilverBird Communications Cash receipts number 00004 of 1/10/19 for N2,000,000.00 and number 00005 of 6/5/20 for N3,000,000.00 which were found to be fictitious. The receipt of 1/10/19 number 00004 for N2,000,000.00 shows the payment was made before memo was originated and approved.

The former commissioner was requested to throw more light on this observation or refund the amount.

27.2.2 On payment voucher 2 of December, 2020, the sum of six million naira (N6,000,000.00) was paid to the former commissioner of the Ministry for expenses

on Public Enlightenment Campaign on Anambra State Digital Security on 11/10/19. Examination of the payment voucher showed that the amount was not fully retired but rather AIT Communications cash receipt number 00002 of 8/10/19 for N3,500,000.00 was used to retire an advert made on the back page of Daily Sun Newspaper. The signature on the AIT receipt and that on Silver Bird receipt are the same. The former commissioner was directed to explain this observed mix up or refund the money.

27.2.3 The sum of two million naira (N2,000,000.00) was paid to the former commissioner of the Ministry on payment voucher of July, 2020 for expenses on daily basis during Covid-19 lockdown on information and lobbying individuals and organizations to donate towards Anambra State Fund on Covid-19. Examination of the Payment voucher and its attachments showed that only Honour Certificate was attached by the former commissioner. This is unacceptable in audit and the former commissioner was directed to show in detail how the sum of N2, 000,000.00 was spent including the individual and organizations lobbied or refund the money to State government coffers.

27.2.4 On payment voucher 2 of November, 2021 the sum of three million naira (N3,000,000.00) was paid to Mr. Tony Okafor of Punch Newspaper being final

payment to team of researchers on the biography of the former governor. Findings in the audit showed the voucher was not backed up with any document neither was the amount retired. The payee was directed to provide details of utilization and retire the amount or refund the amount to government coffers.

27.2.5 On payment vouchers number 1 of November, 2021 for N2,000,000.00 and number 4 of December, 2021 for N3,000,000.00 totaling five million naira (N5,000,000.00) was paid to one Mr. Obika Chidiebele of 1 witness Crew for 1st quarter and 4th quarter 2021 production. The payment did not specify what was produced neither did the payee respond to audit invitation to explain what was produced. The amount was not retired. The Permanent Secretary was directed to ensure that the amount is retired or it should be recovered and evidence of recovery forwarded to me for verification.

27.2.6 The sum of eight hundred thousand naira (N800,000.00) was paid to an officer of the Ministry on payment voucher 2 of December, 2022 to enable the Nigerian Union of Journalist, Ministry of Information Chapter to conduct their Annual Conference. The payment voucher was not supported with any document neither was the amount retired. The officer was directed to produce for audit all relevant documents pertaining to

the payment and also, it's retirement or refund the amount to State Government coffers.

27.3 IMPROPER DOCUMENTATIONS ON PAYMENT VOUCHERS

27.3.1 The sum of Five Million naira (N5, 000,000.00) was paid to Former Commissioner of the Ministry for HIV/AIDS immunization Campaign on payment 2 of June, 2021. Audit observed during examination of the payment voucher that the receipts attached are computer printed receipts rather than original receipts from the media houses. The writing on the request for release of fund and on the receipts are the same. The former Commissioner was requested to furnish audit with details of the advert and other sensitization done or refund the money.

27.3.2 On payment voucher 3 of June, 2021, the sum of two million, three hundred thousand naira (N2, 300,000.00) was paid to the former Commissioner of the Ministry for publication on the back page of Sun Newspaper and ten (10) radio stations exposing Engr. Arthur Eze on how he wants to be Godfather of Anambra State Affairs. Examination of the voucher showed that the receipts attached purported to be issued by the media houses are all computer printed and the same writing was observed to be on most of them with the writing on the request for fund in the payment

voucher. The former Commissioner was requested to show more clarity on this payment with verifiable documents or refund the amount to State Government coffers.

27.3.3 The sum of two million, seven hundred thousand naira (N2, 700,000.00) was paid to the former Commissioner of the Ministry on payment vouchers 4 of June 2021 for publication and broadcast on the back page of the Sun Newspaper and fifteen (15) radio stations. Examination of payment voucher showed the receipts attached are the same. The former Commissioner was requested to throw more light on these observed fictitious attachments or refund the money to State Government coffers.

27.3.4 On payment voucher 9 of November, 2021, the sum of twenty million naira (20,000,000.00) being part of N100,000,000.00 approved for printing of poster and posting campaign materials on bill boards in 21 local Government Area of the State. Findings in the audit revealed that receipts attached for retirement appeared to be fictitious as it has no serial number and the companies allegedly paid did not acknowledge receipt of the money on the receipts. This amount was paid into the personal account of the former Commissioner and he did not show any evidence of paying the service providers from his account suggesting therefore, that he pocketed the money. More twist arose on this payment

as the former Commissioner denied knowledge of the N100,000,000.00 memo he wrote and signed on 1/9/2021 out of which he was paid N20,000,000.00 but claimed the former Chairman Anambra State Signage and Advertisement Agency (ANSAA) did the whole retirements which the former Chairman owned up to. Based on the foregoings, the former Commissioner should provide evidence of payment to the service providers especially Chattel Plus Links, Lagos and explain the source of the receipts attached failing which he should refund the sum of N20,000,000.00 and evidence of refund forwarded to me for verification.

These observations were contained in my reports AS/MIN.6/REP/11/142 of 7/3/24, AS/MIN.6/REP/11/143 of 7/3/24 and AS/MIN.6/REP/11/144 of 7/3/24.

28.0 ACCOUNTS OF PARASTATALS AND STATE OWNED STATUTORY BODIES

Section 125(3) (a & b) of the Constitution of the Federal Republic of Nigeria as amended mandates all government parastatals, boards, commissions and all other statutory bodies to produce annually audited accounts of their financial activities. It is important to state that the essence of audit of these bodies is to ensure that they maintain transparency and accountability in carrying out their businesses. Above all, the audit serves as a means of regular appraisal of the performance of these bodies by Government.

Audit has not found the response of these establishments in meeting up with this all-important constitutional requirement impressive. Therefore, it is my recommendation that the State Government should evoke a serious sanction on the defaulting bodies and compel them to comply with the extant laws. Government should also consider scrapping some of these bodies which have become moribund.

It is also worthy of note that in recent years, a good number of these bodies have not been audited as a result of huge debt they owe to the External Auditors. These auditors declined to do any other work in the organizations until their debts are settled. This obviously will have negative effect on the state's fiscal transparency rating. Government is therefore requested

to see what can be done to clear these debts and ensure seamless auditing of the statutory bodies yearly.

The schedules below are graded to highlight how the establishments responded to this constitutional requirement;

SCHEDULE A: Up-to-date audited bodies

S/N	NAME OF BODY	YEAR LAST AUDITED	REMARKS
1	Anambra State Community and Social Development Agency	2022	The programme ended in August, 2022
2	Anambra State Small Business Agency	2022	
3	Nwafor Orizu College of Education, Nsugbe	2021	
4	Chukwuemeka Odumegwu Ojukwu University, Igbariam	2022	
5	Anambra State Universal Basic Education	2022	In progress
6	Anambra Broadcasting Service	2021	In progress
7	Post Primary Schools Service Commission	2021	In progress
8	Anambra State Housing Development Corporation	2022	
10	Anambra State Education Program Investment Project	2020	Closed
11	Anambra State Health	2022	

	Insurance Agency		
12	Chukwuemeka Odumegwu Ojukwu University Teaching Hospital, Amaku	2022	In progress
13	Anambra State Hospital Management Board, Enugwu-Ukwu	2021	In progress
14	State Primary Health Care Development Agency	2022	
15	State College of Health Technology	2022	

SCHEDULE B: Bodies in arrears

S/N	NAME OF BODY	YEAR LAST AUDITED	REMARKS
1	Anambra State Security Trust Fund	2013	
2	Transport Corporation of Anambra State	2012	
3	ACTDA	2019	
4	Anambra State Physical Planning Board	2018	
5	Anambra State Independent Electoral Commission	2019	In progress
6	Anambra State Investment Promotion and Protection Agency	2019	

SCHEDULE C: Bodies in default

S/N	NAME OF BODY	YEAR LAST AUDITED	REMARKS
1	Anambra State Polytechnic,	-	Yet to be

	Mgbakwu		audited
2	Anambra State Waste Management Agency	-	Yet to be audited
3	Anambra State Hotel And Tourism Board	-	moribund
4	Anambra State Gaming Commission	-	moribund
5	Anambra State Volunteer Service Agency	-	moribund
6	Anambra State Palm Development Agency	-	moribund
7	Anambra State Rural Development Agency	-	Yet to be audited
8	Anambra State Grain Protection Agency	-	Yet to be audited
9	Anambra State Fund For Small Scale Industry	-	Yet to be audited
10	Anambra State Development Trust Fund	-	Yet to be audited
11	Anambra State Road Maintainance Agency, ARMA	-	Yet to be audited
12	Anambra State Traffic Maintainance Agency	-	Yet to be audited
13	Anambra State Newspaper and Printing Corporation	-	Yet to be audited
14	Anambra State Signage and Advertisement Agency	-	Yet to be audited
15	Anambra state home Ownership Agency	-	moribund
16	Anambra State Water Coporation	-	moribund
17	Anambra State Christian Welfare Pilgrims Board	-	Yet to be audited
18	Anambra State Library Board	-	Yet to be audited

19	Anambra State College of Nursing	-	Yet to be audited
20			
21	State Boundary Commission	-	Yet to be audited
22	Operation Clean and Healthy Anambra (OCHA) Bridgade	-	Yet to be audited
23	State Clean Drainage & Forestry Preservation Agency	-	Yet to be audited
24	Leisure, Parks and Street Beautification Agency	-	Yet to be audited
25	Hydrafoam Concrete Block Agency	-	moribund
26	State Fisheries & Aquaculture Business Development Agency	-	Yet to be audited
27	State Non-Formal Education Agency	-	Yet to be audited
28	State Action Committee on AIDS (ANSACA)	-	“ “
29	STATE Bureau of Public Procurement	-	“

Many of the organizations in category “C” above have become moribund. Government is therefore advised to take the necessary steps to revitalize or have them scraped.

28.1 PERIODIC CHECK ON THE OPERATIONS OF TRANSPORT CORPORATION OF ANAMBRA STATE FOR THE PERIOD, 1ST JANUARY, 2017 TO 31ST DECEMBER, 2022.

28.1.1 UNRETIRED EXPENDITURE (N22, 282,980), APPENDIX 1

The total sum of twenty two million, two hundred and eighty two thousand nine hundred and eighty naira (N22, 282,980) only was advanced to sundry staff of the company for various purposes and these are yet to be retired. Examination of the payment vouchers showed that the transactions were not validated by any receipts, invoices or documented evidence to confirm appropriate utilization of the funds in the interest of the Company. The details of the advances are contained in Appendix 1 as attached.

Against the foregoing, the respective staff members whose names appeared in the attached Appendix 1 are required to retire the amounts standing against their names in line with paragraph 3124 of the Financial Regulations; otherwise management should commence immediate recovery of the money from the staff concerned and furnish my office with the documentary evidence of such recovery for confirmation.

28.2 NON RETIREMENT OF OVERHEAD/ADVANCES TO MANAGEMENT STAFF (N13, 793,900), APPENDIX 3

The total sum of thirteen million, seven hundred and ninety three thousand, nine hundred naira (N13, 793,900) only is discovered to be overhead given to

management staff of the company in the period under consideration which is yet to be retired.

Details of the advances are shown in the attached Appendix 3. It is pertinent to note that despite providing them with these allowances, the official vehicle of the Managing Director/CEO and that of other management staff are still being fuelled by the company. The above depicts lack of prudence on the part of the Management of the Company in handling the resources of the company, as this unnecessary extra cost reduces the income accruable to the Company and by extension the State Government.

It is further observed that these payments were sometimes made without the approval and authorization of the Chief Executive Officer which further underscores the level of effectiveness and efficiency of the internal control system in the organization.

In this regards, the management was requested to produce the authority backing the monthly payment of the above amount to the management staff. They were also to prevail on the concerned staff to retire appropriately the amount standing against their names as shown in Appendix 3. However, Audit recommended that further advances should not be given to them until after retirement of the stated amount and documented evidence of such forwarded to me for confirmation.

28.3 INDISCRIMINATE RECRUITMENT OF STAFF/CONTRACT STAFF

Audit observed the bizarre manner with which people are employed in the Company at irregular intervals. These irregularities were noted as follow;

- i. Interviews were conducted at no definite time or date and sometimes twice or more in a week.
- ii. Staff were employed and deployed indiscriminately without minding whether there were vacancies for those positions.
- iii. In some occasions the HOD Personnel/Administration would not be aware of the interview arrangement.
- iv. There were no established or structured salary schedules especially for the contract staff as they are fixed at will in accordance with the incumbent directives.
- v. There were no criteria whatsoever for employing staff and even when some contract staff attained the termination date of their employment, some continued to work illegally in the Company with the consent of the CEO/M.D. For instance, in 2016 when the Board at the time was dissolved, two Board members did not withdraw with other members but continued to work with the

company till the date of this report without any definite terms. They now assumed themselves to be permanent staff without due process of recruitment.

Also the personnel check exercise carried out in May 2018, revealed that about seventeen persons working with the company were not employed through legal process but have since been working as part of taxi scheme and Anambra state Mass Transit workforce. Instances of illegal employment and deployment of this sort also abounds. These depicts the level of impudence with respect to engaging new staff who were employed without proper checks and due process needed to employ competent and skillful personnel, thereby creating unnecessary redundancy in the system.

Currently, the staff strength of the company is about 241 comprising of 212 staff and 29 contract staff as at March 2023. In 2021/2022 financial year only, the Company incurred the following expenses on employee emolument.

S/N	ITEM	AMOUNT (N)
1.	Salaries and wages	98,917,510.90
2.	Salaries and wage(non performing)	2,153,899.19
3.	Leave allowance	6,394,911.47
4.	Medical expenses of M.D.	120,000
5.	Staff training and recruitment	143,000
6.	Other Employee costs	23,332,080
	TOTAL EMPLOYEE COSTS FOR THAT YEAR	130,918,401.56

The above table shows that the Company spent excessively on employee cost due to over-staffing of which some of them might not be adding meaningful value to the Company despite the exorbitant salaries and wages.

There is therefore need for urgent and total overhaul of the entire Company with a view to streamline its structures and sanitize its operations in line with extant government policies and regulations.

Management was also advised to adopt a cost effective approach in all its activities especially in personnel matters.

28.4 ILLICIT COLLECTION OF INTERVIEW ALLOWANCE (N938, 000), APPENDIX 2

The sum of nine hundred and thirty eight thousand naira (N938, 000) only was paid to some principal staff members for conducting interview in the Company as shown in Appendix 2. The payment was made to each of these management staff whenever interview was held in the Company, irrespective of the number of times it was conducted in a day or week. These were made in the following order;

S/N	NAMES	AMOUNT (N)
1.	CEO/M.D	15,000
2.	HOD. Personnel/ADMIN.	10,000
3.	HOD Finance	10,000
4.	HOD Internal Audit	10,000
5.	S.A.	5,000
6.	Account staff	5,000

The above disbursements were approved by the past CEO despite not having any backing in the law establishing TRACAS. Regrettably, this trend continued under the present Chief Executive Officer since 2022.

Consequent upon the above, the Managing Director of TRACAS was requested to produce the authority from which he derived his power to make such payments and forward same to my office. Otherwise he should recover

from all staff involved the amount against their names. He should also discontinue these payments forthwith.

28.5 UNAUTHORIZED PAYMENTS OF HOSPITAL BILLS

The sum of N13,600 only was paid vide payment voucher number 018 of 2nd August, 2019 in favour of the HOD internal audit unit for eye treatment at Regina Ceali hospital, Awka. However, on 23rd June, 2022 the sum of N120, 000 only was also paid to the CEO/M.D, for medical treatment as detailed hereunder;

Change of medical spectacle – N30, 000

Consultancy fee ----- N30, 000

Tooth removal ----- N30, 000

Consultancy fee ----- N30, 000

It is pertinent to note that the payment voucher for N120,000 has no number and no retirement documents attached to the payment vouchers. These payments were therefore not acceptable in audit as they have no place in the Company’s enabling law and/or manual.

Management was requested to provide the relevant backing and authority for paying hospital bills for the management staff of the Company and forward such to me. Meanwhile the CEO/M.D was requested to recover from the former CEO/M.D and the HOD internal audit

unit the above sums and forward evidence of such recovery to me for verification.

28.6 FUELING OF LONG BUSES

The sum of one million, one hundred and ninety four thousand, five hundred naira (N1, 194,500) only was spent by the Company for fueling of long buses in 2022 financial year. Details of these payments made are shown hereunder;

S/ N	DATE	PAYE E	PV NO.	PURPOSE	AMOUN T	REMA RK
1.	30/9/20	Siluch oil	004	Being diesel consumed from 4 th September – 19 th September 2020.	159,000	N.R.A.
2.	19/5/22	Silluch oil	017	Cost of diesel from 26 th April – 30 th April 2020.	121,800	N.R.A.
3.	24/5/22	Siluch oil	018	Cost of diesel for long buses	110,200	N.R.A.
4.	23/6/22	Siluch oil	034	Cost of diesel from 7 th – 11 th May 2022	104,400	N.R.A.
5.	30/6/22	Siluch oil	037	Cost of diesel for long buses	107,400	N.R.A.
6.	15/7/22	Silluch Oil	025	Cost of diesel from 10 th – 14 th May 2022	150,800	N.R.A.
7.	21/7/22	Silluch oil	031	Cost of diesel for long buses from 19 th – 21 st May 2022.	72,500	N.R.A.
8.	26/7/22	Silluch oil	038	Cost of diesel from 24 th – 28 th May 2022	180,800	N.R.A.
9.	6/8/22	Siluch oil	022	Cost of diesel for long buses	130,000	N.R.A.
10.	21/9/22	Silluch oil	024	Being payment of diesel for long buses	57,600	N.R.A.
		TOTAL			1,194,500	

Notwithstanding the whooping amount allegedly spent on repair and maintenance of these vehicles in the

period under consideration, they were not in use as they were packed at the Company premises as at the time of the audit exercise. Valuable information with regards to these vehicles could not be obtained as the information on them were neither contained in the Asset register presented to us nor in any of the Company's document. Audit has reasons to believe that the activities concerning these buses are flawed with irregularities for the following reasons;

1. There were no records of income from these buses in the years under review.
2. The incomes from these buses are usually collected cash instead of lodging them into the Company's bank accounts. As such, there were no ways to determine the actual income from them.
3. Agreed that the buses were provided by the former Governor, His Excellency Dr. Willie Obiano as a way of easing transportation cost in the state, the Management would have ensured efficiency in running them to at least meet the objective for which they were procured in the first place.

The Managing Director was then requested to give account of the operations of the buses giving reasons why these vehicles under her watch were not put to use despite the amount spent on their fueling and

maintenance. She should also account with documentary evidence, for the monies realized from them, from 2018 to 2022 financial year and inform me for further necessary actions.

28.7 UNACCOUNTED EXPENDITURES TAGGED OTHER EXPENSES, (N66, 890,760.83)

The following information was derived from the Depot's Audit Analysis records for several months in the period under review. According to the information therein, a huge sum which could not be identified as any expenditure item or classified under any expenditure head in the Company's chart of account was being expended under the title of "Other Expenses" in the period under consideration.

This information from the Analyses record is as presented below;

S/N	MONTH/ YEAR	GRAND TOTAL OF REVENUE	OTHER EXPENSES N	TOTAL EXPENSES N	DIFFERENCE (PROFIT) N
1.	October /2018	100,140,031	208,300	3,696,194	96,443,837
2.	November /2018	98,936,098	227,537.5	3,390,728.5	95,545,369.5
3.	December/ 2018	131,447,434	1,518,290.83	4,141,271.5	127,306,162.5
4.	August/ 2019	128,093,303	7,495,789.5	110,276,007	17,817,296

5.	July /2019	109,479,015	6,243,568	6,671,924	102,807,091
6.	January /2020	32,763,174	9,145,815	10,237,698.77	22,525,475.23
7.	February/ 2020	29,080,457	6,777,211	8,416,606	20,663,851
8.	March/ 2020	12,615,337	1,561,058	1,814,913	10,800424
9.	April /2020	3,148,430	189,039	264,039	2,884,391
10.	May 2020	1,236,718	301,896	341,896	894,822
11.	June /2020	1,601,283	409,215	508,815	1,092,468
12.	August /2020	12,272,867	3,432,981	3,625,701	8,647,166
13.	September / 2020	13,784,889	3,752,013	4,100,313	9,684,576
14.	October /2020	11,886,973	3,189,212	3,368,439	3,368,439
15.	November /2020	14,785,737	3,903,212	4,214,979	10,570758
16.	December/ 2020	18,305,378	4,807,524	6,821,868	11,483,510
16.	January /2021	18,672,935	4,311,760	4,993,178	13,679,757
17.	February /2021	13,344,156	3,604,732	4,042,292	9,301,864
18.	October/ 2022	22,002,075	5,811,607	6,336,847	15,665,228
	TOTAL		66,890,760.83		

The total sum of N66,890,760.83 tagged as 'other expenses' appeared to have been diverted as it is not tied to any specific expenditure item.

Against the foregoing, the management was then requested to;

1. Establish the status of the expenditures incurred in the above mentioned months of the years under review.
2. Account for the sum of N66, 890,760.83 only stated as Other Expenses indicated above.
3. Obtain explanation from the accountant as to the approval to incur such expenses as shown above and inform me accordingly.

28.8 NON REMITTANCE OF REVENUE TO THE GOVERNMENT

On Payment Voucher no. FBN/18/011 of 10th December, 2018, the sum of two million naira (N2, 000, 000) was approved to be paid into government coffer as internally Generated Revenue (IGR) for the state, but only one million naira was remitted as contained in the payment voucher.

Examination of the payment vouchers and other documents of the company revealed that the Company did not make any remittance from 2020 despite the surpluses recorded. Information obtained from the management was that the past Managing Director made only three (3) remittances to the Government in the period of her administration. However, the Accountant was not usually available to provide Audit with

necessary information regarding some issues that needed clarification. Also, the Company did not keep proper records of the revenues remitted in the past and there were no established measures put in place for remitting revenue in the first place.

Management was requested to investigate into the alleged remittance as claimed above and forward the documentary evidence of the remittance of balance of N1, 000,000 and other remittances made in the period under review to me for confirmation. Also, the immediate past Managing Director was required to explain in writing and forward same to me why the remittances were not done and by so doing denied the state government revenues accruable to it from the activities of the Company.

28.9 RAISING PAYMENT VOUCHERS IN THE NAME OF NON STAFF MEMBERS (N8,886,000), APPENDIX 6

Audit observed the use of non-staff names who are not members of the staff to raise payment vouchers in the period covered by the audit exercise. In the course of examining the transactions, it was discovered that aside the attached memo requesting for these payments there were no other document to confirm the identities of the payee and to further prove the existence of such transactions. It is germane to note that these payments were not validated by any supporting documents and the

payees did not acknowledge receipts of these amounts and so audit considers these transactions doubtful as their authenticity could not be ascertained.

The use of non - staff and company names not registered with the company to raise payment vouchers is unacceptable as the payments are not traceable to any staff and hence no means of recovering these amounts in case of non - retirement. Paragraph 613 of the Financial Regulations provides that vouchers must be receipted in the presence of the paying officer by the payee or his properly authorized representative and the authorizing officer to be furnished with the proof of identity if need be.

Against the foregoing, the management should proceed to identify the staff involved in these transactions as detailed in Appendix 6 to retire the various amounts stated or otherwise refund the said amount to the Company and inform me accordingly.

28.10 DISPARITY IN THE INFORMATION ON REVENUE RECORDS OF THE COMPANY.

There was a wide difference between the information contained in the Company's Revenue manifest and the records from their various Depot Transaction Analysis in the period under consideration. This difference is detailed in a table below;

S/ N	DATE	LOCATION	COMPANY'S MANIFEST	DEPOT TRANSACTION ANALYSIS	DIFFERENCE
1.	October 2021	Abakaliki to Awka	105,800	115,850	10,050
2.	October 2021	Awka 2	1,219,180	1,146,771	72,409
3.	October 2021	Onitsha North	527,800	514,730	13,070
4.	January 2022	ANSU – ULI	19,090	132,340	113,250
5.	January 2022	BIDA	62,800	82,800	20,000
6.	January 2022	Onitsha main	450,192	453,422	3,230
7.	February 2022	Abakaliki to Awka	548,825	480,100	68,725
8.	February 2022	Onitsha North	997,800	-	997,800
9.	March 2022	Abakaliki to Awka	416,800	406,700	10,100

10	Mar ch 2022	Awka 2	1,354,100	-	1,354,100
11	Apr l 2022	Awka 2	1,201,800	-	1,201,800
12	May 2022	Onitsha North	429,340	440,950	11,610
13	May 2022	Awka 2	1,217,100	677,924	539,176
14	May 2022	ANSU ULI	74,160	188,460	114,300
15	May 2022	Awka 1	455,814	623,529	167,713
16	June 2022	Awka 2	999,860	1,471,467.50	471,607.5
17	July 2022	Onitsha North	487,420	489,020	1,600
18	July 2022	Awka 2	1,009,460	-	1,009,460
19	July 2022	ANSU ULI	191,410	190,560	850
20	Aug ust 2022	Awka 2	1,181,100	-	1,181,100
21	Sept emb er 2022	Abakaliki to Awka	332,475	336,100	3,625
22	Sept emb er 2022	Onitsha North	535,890	472,140.50	63,749.5
23	Sept emb er 2022	Awka 2	1,118,460	-	1,118,460

Sequel to the above, the Head of Accounts was requested to offer reasons for the above disparity. However, the management was requested to consolidate the revenue units of the various Depots and ensure that all revenue due and accruable to the Government is fully collected, accurately recorded and properly accounted for in the period they were earned.

28.11 UNACCOUNTED HIRE PURCHASE AMOUNT

The Company paid a certain amount every month as Hire purchase cost of Sienna and interest to some unidentified persons and companies in the period under review. Information on this could not be established as no records were made available to Audit upon enquiry. These are shown below;

In 2019,

S/N	DATE	PV NO	PAYEE	PARTICULARS	AMOUNT
1.	12/1/19	022	Great faith multi – link concept ltd	Part payment of hire purchase cost of sienna vehicle and interest	346,160
2.	24/1/19	021	Solid golden wall investment	Part payment of hire purchase	346,160

			Ltd	cost of sienna vehicle and interest	
3.	1/2/19	001	Solid golden wall investment Ltd	Part payment of hire purchase cost of sienna vehicle and interest	346,160
4.	8/2/19	003	Great faith multi – link concept	Part payment of hire purchase cost of sienna and interest	346,160
5.	8/2/19	002	Solid golden wall investment Ltd	Part payment of hire purchase cost of sienna vehicle and interest	346,160
6.	14/2/19	004	Great faith multi - link concept	Part payment of hire purchase cost of sienna and interest	346,160
7.	28/2/19	002	Great faith multi – link concept	Part payment of hire purchase cost of sienna vehicle and interest	346,160

8.	28/2/19	061	Solid golden wall investment	Part payment of hire purchase cost of sienna vehicle and interest	346,160
9.	4/3/19	003	Shander Construction	Consultancy on sienna	192,308
10.	7/3/19	019	Solid golden wall	Hire purchase cost and interest	346,160
11.	18/3/19	021	Shander Construction	Consultancy fee	192,308
12.	22/3/19	026	Solid goodwill	Hire purchase cost and interest	213,660
13.	2/4/19	001	Shander Construction	Consultancy fee	192,368
14.	12/4/19	018	Great faith multi – link ventures	Cost of hire purchase and interest	311,544
15.	12/4/19	017	Solid Golden wall	Part payment of hire purchase cost of sienna vehicle and interest	346,160
16.	23/4/19	024	Great faith multi – link	Part payment of hire purchase	311,544

				cost of sienna and interest	
17.	23/4/19	023	Solid golden wall venture	Hire purchase cost and interest	346,160
18.	25/4/19	026	Solid golden wall venture	Part payment of hire purchase cost of sienna and interest	346,160
19.	25/4/19	025	Great faith multi – link	Part payment of hire purchase cost of sienna and interest	311,544
			SUB-TOTAL		5,879,196

In 2020,

S/N	DATE	PV NO.	PAYEE	PARTICULARS	INTEREST AMOUNT	COST	TOTAL
20	4/12/20	010	Outomax Enterprise	Being part payment of Hire purchase cost of Sienna and interest	9,600	19,200	28,800
21	4/2/	01	Ikechu	Payment	19,230	38,4	57,69

.	20	2	kwu Nwiyi	for hire purchase and interest		62	2
22	4/12/20	011	Anyan yo Esther	Payment for hire purchase and interest	8,173	4,808	12,981
23	4/12/20	009	St. Peter's multi-purpose	Payment for hire purchase cost of sienna and interest	9,600	19,200	28,800
			SUB-TOTAL				128,273

In 2021,

S/N	DATE	PV NO	PAYEE	PARTICULARS	AMOUNT
24.	5/1/21	001	Great faith multi – link	Part payment of hire purchase cost of sienna and interest	311,544
25.	19/1/21	002	Outomax Enterprise	Part payment of hire purchase cost of sienna and interest	600,000
26.	19/1/21	017	Nwaokike Cyril	Part payment of hire purchase cost of sienna and	600,000

				interest	
27.	19/1/21	018	Okaforeze Samuel	Cost of sienna vehicle and interest	600,000
28.	29/1/21	041	Great faith multi – link	Cost of sienna vehicle and interest	311,544
29.	29/1/21	067	St.Peter’s multi-purpose	Part payment of hire purchase cost of sienna vehicle and interest	600,000
30.	29/1/21	069	Outo max Enterprise	Part payment of hire purchase cost of sienna and interest	28,800
31.	29/1/21	070	Ikechukwu Nwiyi	Part payment of hire purchase cost of sienna and interest	57,692
32.	29/1/21	072	Dominic Ndife	Part payment of hire purchase cost of sienna vehicle and interest	28,800
33.	29/1/21	001	Modilim Chukwueme ka	Part payment of hire purchase cost of sienna and interest	500,000
34.	4/2/21	005	Faith multi – link	Part payment of hire purchase cost	311,544

				of sienna and interest	
35.	4/2/21	034	Ikechukwu Nwiyi	Part payment of hire purchase cost and interest	57,692
36.	8/2/21	004	Nwaokeke Cyril	Part payment of hire purchase cost of sienna cost of sienna vehicle /interest	400,000
37.	12/2/21	003	Solid golden wall (batch B)	Part payment of hire purchase cost of sienna and interest	653,860
38.	19/2/21	045	Great faith multi – link	Part payment of hire purchase and interest	311,544
39.	4/3/21	033	St peter’s Multi - Purpose	Part payment of hire purchase cost of sienna vehicle and interest	28,800
40.	4/3/21	035	Okaforeze Samuel	Cost of sienna vehicle and interest	53,863
41.	4/3/21	036	Modilim Chukwueme ka	Part payment of hire purchase cost of sienna and interest	28,846
42.	4/3/21	037	Dominic	Part payment	28,846

			Ndife	of hire purchase cost of sienna and interest	
43.	4/3/21	031	Anyanyo Esther	Part payment of hire purchase cost of sienna vehicle and interest	12,981
44.	9/4/21	009	Great faith multi – link	Cost of sienna vehicle on hire purchase and interest	311,544
45.	16/4/21	021	Solid golden wall(Batch A)	Cost of sienna vehicle on hire purchase and interest	346,160
46.	23/4/21	032	Solid golden wall(Batch A)	Cost of sienna vehicle and interest	346,160
47.	26/4/21	034	Solid golden wall (Batch B)	Cost of sienna on hire purchase and interest	411,312
			SUB TOTAL		6,941,532
			GRAND TOTAL		12,949,001

Audit considers these payments doubtful for the following reasons;

1. No documentary evidence or acknowledgement from the principal/creditors attached to the

- payment vouchers to reveal the identity of the person(s) to whom the money was paid to.
2. The Company did not maintain any record of the creditors and as such we could not obtain any tangible evidence on them.
3. No documented information on the terms and the conditions with regards to the hire purchase arrangement was made available in audit.
4. No information on the number of vehicles on hire purchase.
5. The validity of the interest repayment as claimed by the Company could not be ascertained since the cost and the interest rate were not clearly stated.
6. The means of collecting the proceeds of the Hire purchase arrangement is not known.
7. The outstanding amount if any could not be determined.
8. These installmental payments by TRACAS Management could not be traced to the respective vehicles as shown in the table above.

Furthermore, their legal owners could not be established as the repayment agreement between the Company and the creditors was also not provided. Information gathered in audit revealed that these arrangements were put in place by the former CEO with a few key management staff of the Company.

Consequent upon the above, the former Chief Executive Officer of the Company was requested to account appropriately for the payment of Twelve million, nine hundred and forty nine thousand and one naira (N12, 949,001) paid to the above persons/companies giving relevant information in respect to the Hire purchase arrangement as stated above. The documentary evidence of these should be forwarded to my office for further necessary actions.

28.12 DISPARITY BETWEEN REVENUE REALIZED AND THE AMOUNT BANKED

On the 13th of September, 2022 the total revenue realized from Manifest, yellow ticket, promo, courier services for the month of August of the same year was N15, 475,318 while total amount banked for the same month from lease vehicles commissions, manifest, tickets promo and courier services was N10,908,112. This is an indication that serious irregularities might be going on at the various depots. It is pertinent to note that the company usually collects this revenue in cash which makes the system prone to all kinds of manipulations that can result to loss of revenues.

Against the foregoing, Management was requested to prevail on the concerned individuals to account for the difference of N4, 567,206 resulting from the disparity between revenue realized (N15,475,318) and amount

actually (N10,908112) banked. Documented evidence of this account should be communicated to me for confirmation.

28.13 PAYMENTS WITHOUT APPROVAL (N3,917,870), APPENDIX 5

It was observed that most of the payment vouchers used during the period under consideration were not properly approved by the Managing Director. These are detailed in Appendix 5 as attached.

Regrettably, some of these payments were not supported by any official receipts or documentary evidence. This is inconsistent with the provisions of the Financial Regulations paragraph 401, which states that any officer making, allowing or directing any disbursement without approval from proper authority shall be personally responsible for the amount involved and any officer whose duties require him to render accounts shall similarly be held responsible for any error or misstatement in his account. This statement makes both the Managing Director and the Authorizing officer liable and responsible for these irregularities which negates the effective working of the internal control in the system in the corporation.

The Managing Director of TRACAS was by this requested to desist from this practice and take serious measures to ensure that every payment voucher

prepared has the approval and authorization of the proper authority before any payment is made to them. Nevertheless, these transactions should be further probed to ascertain their authenticity and also ensure prompt retirement of outstanding payments. Action taken should be communicated to me for confirmation.

28.14 ABSENCE OF INTERNAL CONTROL

Audit observed issues of internal control system failure in the period under consideration. This manifests mainly in retirement of advances, recruitment of staff, record keeping and Approvals. Most of the payment vouchers used in the period under consideration have no payment voucher numbers, no requisitions and some were not approved by the Managing Director as could be seen under ‘‘payments without approvals’’ Appendix 5. Sometimes, the amount approved by the Managing Director were not the actual amount paid to the payee.

Other issues regarding employment of staff without first engaging them through a rigorous and competitive interview exercise were also noted. This underscores the level of workability of the internal control system in the company.

Management therefore, was by the above requested to put in place functional internal control system to forestall the occurrence of the above scenario

28.15 DOUBTFUL PAYMENTS

The total sum of one million, seven hundred and ninety one thousand seven hundred and sixty four naira twenty two kobo (N1, 791,764.22) was paid to some unidentified companies/ persons for various purposes yet to be retired. The details of the transactions are shown below;

S/ N	DATE	PV NO	PAYEE	PURPOSE	AMOUNT N
1.	9/9/22	004	Leadway Tax Pension	Being staff pension contribution for the month of August	109,606
2.	9/9/22	006	Fidelity tax Pension	Staff pension contribution	237,066.30
3.	9/9/22	010	Anambra State internal Revenue Service	Being PAYE for the month of August	125,166.37
4.	9/9/22	001	Federal Mortgage Bank	Being for National housing Fund contribution for August.	71,368.95
5.	9/9/22	001	VERITAS Pension	Being staff pension contribution for August	196,729.74
6.	9/9/22	002	TRUST FUND pension	Being staff pension contribution for August	375,826.86

7.	20/9/22	018	Jide Sunday	Cost of electrical construction at the Head office.	206,000
8.	23/9/22	026	Obiorah Chisom	Being cost of perimeter survey of PLZ.	120,000
9.	27/9/22	027	Obi John	Being part payment for cost of repair and maintenance of ftso124 & 23	350,000
			TOTAL		1,441,764.22

In the course of examining the payment vouchers, the following irregularities were discovered;

- a. No requisitions were made in respect of the above transactions.
- b. No approval of the CEO.
- c. Signature of the officer authorizing expenditure was not appended on any of the vouchers.
- d. Acknowledgements were not made by the recipients of the amount.
- e. The internal auditor's stamp and signature were also missing in the payment vouchers. Audit wonders as to how these payments were made without the knowledge of any of the principal officers.

These payments were made when the new MD Mr. Chike Obiakor was about to assume his position as the CEO of the Company, hence the likelihood of any staff taking advantage of this lacuna at the time. The incumbent CEO is therefore requested to investigate the alleged payment of the sum of N1, 791, 764.22 to the above persons and organizations in order to ascertain the authenticity or otherwise of these transactions. Documentary evidence of such action taken should be communicated to me for verification.

28.16 APPROVAL IRREGULARITIES

Audit observed a very disturbing incident in the Company where two (2) different signatures were appended as approvals for payments. The specimen signatures which were discovered to belong to the former Managing Director, were sometimes appended on different financial documents supporting the same transaction.

However the approval took another turn in September 2022, when the incumbent assumed the position of the Managing Director of the company. He would state these phrases as approvals; "finance kindly do the needful" or "Approved for payment" only without the date, specific amount approved and amount written in words, indicating that finance should pay whatever amount they think is right.

The Managing Director should refrain from this practice which can leave the system prone to fraud and manipulations.

28.17 ABUSE OF HONOUR CERTIFICATE (N819, 700), APPENDIX 4

Audit observed with dismay the abuse and fragrant disregard of government extant regulations on the use of honour certificate in the period under consideration. Some transactions which ought to have been retired with receipts were perfunctorily retired with honour certificate. Detailed information on these is contained in the attached Appendix 4.

Sequel to the above, the staff members whose names appear as detailed in Appendix 4 are required to account for the various sums of money against their names. Alternatively they should refund appropriately these amounts and forward documented evidence of such refund to me for confirmation.

28.18 STAFF LOANS AND ADVANCES (N2,407,002), APPENDIX 8

The total sum of two million, four hundred and seven thousand and two naira (N2,407,002) was discovered to be loans advanced to sundry staff members of the Company between 2017–2018. No evidence of repayment of these loans as detailed in Appendix 8 was sighted in audit. Also, the Ledger which states “non–

performance” only did not show evidence of refund by the concerned staff. Meanwhile, these advances contravenes the provisions of the Company’s handbook and policies section 6.5.3 which states that “salary advance when granted , shall not exceed the employee’s one month salary and the repayment period should not exceed three months”.

Management was therefore requested to forward the documented evidence of repayment of the loans to my office for confirmation. Otherwise immediate commencement of the loan deduction from the salaries of various staff concerned should be effected and the evidence of such deductions forwarded to me for verification.

28.19 AUTHORIZING PAYMENT (FR (2009)) 115

It was observed that all the payment vouchers used during the period under consideration were signed by the Managing Director as the authorizing officer. This is inconsistent with the provisions of Financial Regulations (2009) 115 which makes authorization of payment one of the duties of the Director of finance in any MDA.

Therefore, Management was requested to correct this anomaly and inform me accordingly.

28.20 SECURITY SALARY (OMABALA)

The sum of four hundred and fifty thousand naira (N450,000) only was paid to a staff at various times for security personnel logistics in the period under review . Details of the payments are reproduced below;

S/N	DATE	PV NO	PAYEE	PURPOSE	AMOUNT N
1.	2/2/21	001	Omabala guard	Security salary	90,000
2.	1/4/21	019	Obi John	Omabala guard's salary	90,000
3.	1/2/22	001	Omabala guard	Omabala guard	90,000
4.	3/3/22	019	Obi John	Omabala guard's salary	90,000
5.	31/3/22	048	Omabala guard	Security guard's salary	90,000
			TOTAL		450,000

Audit considers these payments irregular for the following reasons;

- i. No information on the number of security personnel receiving these payments.
- ii. Their identities were not disclosed.
- iii. The actual amount paid to each of them could not be ascertained.
- iv. There were no acknowledgements of receipt by the security men involved.

The staff concerned was by this requested to account properly for the sum of N450,000 for security salary and forward documentary evidence of payments to each person containing their names, phone numbers, amount paid to each of them indicated against their names as well as their acknowledgements to me for confirmation. Alternatively, he should refund the above sum to the Company's account and furnish me with the documentary evidence of such refund for verification.

28.21 TOURING ADVANCES (N1, 698,286), APPENDIX 9

The total sum of N1, 698,286 paid as touring advance to sundry staff of the Company during the period covered by this audit exercise were with perceived irregularities as detailed in Appendix 9.

Management is requested to prevail on the staff concerned to clear any issue outstanding against their names in the attached appendix. In the alternative, they should refund appropriately to the Company the various sums of money against their names and forward the documented evidence to that effect to me for confirmation.

28.22 DISINTEGRATION OF PERSONNEL/ADMINISTRATION DEPARTMENT

Audit observed the splitting of Personnel and Administration Department into two which are now headed by two different officers. Information available

in the salary printout of the Company provided to Audit showed that both officers received N134, 459.43 each, as their net salaries as at December 2022.

This is an unnecessary duplication of office with its attendant consequences of increase in the wage bill of the company. Furthermore, this separation has no place in the Law establishing the Company and as such should not be sustained.

Information obtained upon enquiry was that the separation was effected by the former Managing Director for no particular reasons other than personal motives. Audit observed with dismay that the then Managing Director literally ran the Company as her personal property in which she can take actions at will.

The Managing Director of TRACAS was requested as a matter of urgency to reconsolidate these departments into one again and inform me as soon as this is done for confirmation.

28.23 HANDOVER NOTE

Several attempts made to obtain the handover note of the past CEO from the incumbent Managing Director proved abortive. The handover note was very crucial in ascertaining claims made with regards to some assets of the Company whose ownership/status are yet to be established.

Information gathered in Audit with respect to these vehicles, was that the former Managing Director engaged with some persons in the past on issues pertaining some vehicles (sienna) which was later brought into the Company and that, no one else other than she could offer candid explanations on them. There are also issues of information lag on the Anambra state city cab scheme in which N100, 000 was paid monthly to the Manager as overhead and long buses operations.

The Chief Executive Officer/Managing Director of TRACAS was therefore requested to demand for the handover note from his predecessor and forward same to me for further necessary action. It is worthy of note that this will help clear some underlying issues affecting the smooth operations of the Company. Aside being one of the requirements when one is vacating any government office, it is also a way to foster accountability in government activities.

28.24 PRINTING OF DOCUMENTS IN PLACES OTHER THAN THE GOVERNMENT PRESS (N3, 010,272.3), APPENDIX 7

It was observed in the course of review that the Company gives out printing works to Companies and organizations other than the Government press in flagrant disregard of government circular. The continuing printing of these materials affects the viability of Government Press adversely and severely

thereby making Government to lose reasonable amount of money. This is detailed in Appendix 7.

Sequel to the above, therefore, the Managing Director was requested to explain in writing the rationale for continuing printing of Government documents outside the Government Press contrary to extant Government circulars and forward same to my office for further action.

28.25 TRANSFERS WITHOUT APPROVAL

The following transfers were made by the Company to their various banks without any authority as per the transfer document attached to the payment vouchers.

S/N	DATE	PV. NO.	PAYEE	PARICULARS	AMOUNT	REMARK
1.	3/12/20	FC MB/004	TRACAS NIG. LTD.	Being transfer from FCMB to Fidelity Normal	2,600,000	No authority to transfer was attached
2.	3/12/20	EC O/O 01	TRACAS NIG. LTD.	Being transfer from Eco Bank to Fidelity normal	400,000	N.A .T.

3.	22/12/20	FC MB/034	TRACAS NIG.LTD.	Being transfer of fund from FCMB to Fidelity staff salary	700,000	N.A.T.
4.	23/12/20	-	TRACAS NIG. LTD.	Being Transfer from FCMB to Zenith Normal	70,000	N.A.T.
			TOTAL		3,770,000	

It is pertinent to know that these vouchers had no requisition nor any supporting document whatsoever attached to it. Transfers of any kind must have the signature and approval of relevant officers to the account. Management was requested to provide evidence of the authority backing the above transfers to me for verification.

28.26 CASH BOOK NOT PROVIDED FOR AUDIT

The cashbooks of the company for the period under consideration were not produced for audit despite several appeals to the Accountant. It is worthy of note that more of the Company's activities involves cash as a result of this, numerous transactions allegedly carried out in these period by the Company could not be

established. The bank ledger provided in place of the cash book does not have all the particulars of a standard cash book thereby making it difficult to trace and reconcile the supposed figures of the ledger with that in other financial records.

Management should prevail on the cashier to provide the cashbooks covering the period being audited to my office as failure to do this will attract severe sanction.

The foregoing observations and recommendations were communicated to the Managing Director/CEO of TRACACAS in my letter referenced, AS/OUT.24/VOL.4/07 of 21st July, 2023 and no response have been received from him.

28.27 REPORT OF AUDIT INVESTIGATION CARRIED OUT AT COMPREHENSIVE MEDICAL CENTRE, AWKUZU, FOR THE PERIOD JANUARY TO APRIL 2023.

28.27.1 ACTIVITIES OF THE PIONEER CHIEF MEDICAL OFFICER)

Audit observed that the pioneer Chief Medical Officer of the Medical Centre did not render account of her stewardship throughout her tenure as the Chief Medical Officer of Awkuzu Comprehensive Medical Centre. Contrary to extant rules, all hospital bills and other fees and charges paid by patients were collected by her and when not on seat, she directed that any hospital revenue collection made should be paid into her personal

account with Union Bank Plc., Account Number 0041742740.

The Pioneer Chief Medical Officer ran the Centre as her personal establishment, trampling on junior medical officers and nurses, confiscated and ran alone the Pharmacy Department, acting as cashier and collecting hospital fees and failed to maintain the required books and records needed for proper management of the medical Centre. These created chaos in the Medical Centre which made many patients to stop accessing healthcare through the Centre. As a result of this, the State of the art equipment and facilities put in place by the Awkuzu Community in conjunction with the State Government were grossly under-utilized during the period (January to April, 2023) covered by the audit exercise.

The former Chief Medical Officer Comprehensive Medical Centre, Awkuzu is therefore requested to account for the total money collected from patients during the period under review. Documentary evidence of such account and/or refund to the State should be forwarded to me for confirmation.

28.27.2 PILFERRING AND CONVERSION OF HOSPITAL PROPERTY AND EQUIPMENT INTO PERSONAL USE

Audit observed that the Medical Centre property and equipment were pilfered and converted into personal use by the former Chief Medical Officer which is against government rule as contained in financial instruction volume 11 on stores 4801,4802,4803,4804

and 4805. She refused to appear before audit despite repeated invitation and request for her to come and throw light on these issues, clear all allegations and/or return the properties and equipment she carted away.

Consequently, the Hospital Administrator should as a matter of urgency prevail on her to return the hospital properties and equipment she took away from the medical center failing which she should be sanctioned appropriately for pilfering, illegal conversion and confiscation of government property. Action taken concerning this should be communicated to me for verification.

Below are the list of medical equipment and property carted away by her;

1. One Accoson Sphygmomanometer
2. One Foetal Doppler
3. QD Mercury Free Sphygmomanometer
4. Litman Classic Stethoscope
5. Glucometer and strips
6. Spare keys to cupboard
7. One Dupont personal protection gown
8. Television set, DStv decoder and remote control

28.27.3 TEARING OF ORIGINAL COPIES OF RECEIPT LEAFLETS

In the course of audit, it was observed that original copies of revenue receipt leaflets issued to the Medical Centre for collection of hospital bills and other fees was

torn off by the pioneer Chief Medical Officer contrary to Financial Instruction provision 0712, 0713,0714, 0715 and 0716. The Original copies of the leaflets was torn off by her to collect undisclosed amount of money from patients which she didn't account for. Tearing of revenue receipts by officers entrusted with revenue collection is a fraudulent and criminal act punishable as stipulated in the State extant laws.

Therefore, she was requested to account for the monies collected on the original of the torn receipt leaflets with the following numbers; a. 082051 b. 082052 c. 082053 d. 082054 and e.082055. She is to provide documented and verifiable evidence for the account and show cause why she should not be sanctioned in line with laid down rules and regulations. She was required to forwarded her response to me for further actions.

28.27.4 PAYMENT OF GOVERNMENT REVENUE INTO PERSONAL ACCOUNT

Audit observed that government revenue generated within the period under review by the Medical Centre was paid into the personal account of the Pioneer Chief Medical Officer with Union Bank Plc, account number, 0041742740 contrary to financial Instruction provision 1128. Audit could not ascertain the actual amount paid into her private account because she did not maintain relevant records in the Medical Centre meant for capturing of financial transactions (cash inflow and outflow) during the period. This serious breach by the said Officer calls for investigation because a lot of money must have been paid into her personal account as

against the financial regulations covering handling of government revenue. Actions taken on this issue were to be forwarded to me for verification and follow-up.

28.27.5 HOSPITAL BILLS, FEES AND CHARGES NOT ACCOUNTED FOR.

The sum of three hundred and thirty three (₦333,000.00) and one hundred and seventy thousand, four hundred and fifty naira (₦ 170,450.00) totaling five hundred and three thousand, four hundred and fifty naira (₦ 503,450.00) were collections made by the former Chief Medical Officer as government revenue on card fees at ₦ 2000 per patient, consultation/service charge at ₦1000 per patient and hospital bills as determined by her which she did not remit to government coffers. Also, she collected unspecified amounts from some of the patients in the list of out patients' cards and ante-natal register shown to audit during the period she managed the Medical Centre.

The Hospital Administrator is hereby requested to, as a matter of urgency get the former Chief Medical Officer to account for the sum of five hundred and three thousand, four hundred and fifty naira (₦ 503, 450, 00) being collections from patients between January to April 2023, on card fee, consultation/service charge and hospital bills failing which the amount should be recovered from her and evidence of recovery forwarded to me for verification.

Furthermore, the Hospital Administrator is required to obtain the cards of the out-patients as contained in attached Appendixes A,B and C in order to ascertain the

treatments they received and costs of each treatment as well as the total amount to be recovered from the officer in question as she did not remit same into government coffers. Action taken and evidence of recovery were to be forwarded to me for verification.

28.27.6 NON MAINTENANCE OF NECESSARY HOSPITAL RECORDS

Audit observed with dismay that necessary hospital records were not maintained by the Medical Centre between January to April, 2023 that the former Chief Medical Officer managed the Medical Centre. Required and necessary hospital records like patients register, cashbook, revenue collection register, patient folders, inventory of hospital equipment, revenue receipts and revenue returns file were not maintained contrary to the provisions of Financial Instructions 0606.

Audit views this as a deliberate act meant to divert revenues collected from patients.

The Hospital Administrators is required to ensure that all required and necessary records are opened and maintained in the Medical Center.

The above observations and recommendations were communicated to the Hospital Administrator in letter, referenced, AS/OUT.6/VOL2/63 of 1ST August, 2023 and his response is being awaited

28.28 INSPECTION REPORT ON THE ANAMBRA INTERNATIONAL CARGO AND PASSENGER AIRPORT, UMUERI FROM INCEPTION TO 31ST MAY, 2023

28.28.1 IMPROPER DOCUMENTATION OF EXPENDITURES

Between the date of commencement of operations and 31st May 2023, the Anambra International Cargo and Passengers Airport (AICPA), Umueri generated in revenue the total sum of N413,600,099.29 (four hundred and thirteen million, six hundred thousand and ninety-nine Naira and twenty-nine kobo).

The breakdown of the above total sum by revenue windows is contained in my report to the Airport's Management.

As at the time of the audit, the balance standing to the credit of the Anambra International Cargo and Passengers Airport (AICPA), Umueri was N29,544,668.14 (twenty-nine million, five hundred and forty-four thousand, six hundred and sixty-eight Naira and fourteen Kobo). The details of how the sum of N384,055,431.15 (three hundred and eighty-four million, fifty-five thousand, four hundred and thirty-one Naira, fifteen Kobo) out of the total revenue was used were not established in the audit. The account of the expenditures was not only sketchy, but improperly maintained. Where payment vouchers were raised they were not posted into the cashbook. Cheque stubs lacked any narration and bank reconciliation was not done.

In view of the foregoing, the Managing Director of the Anambra International Cargo and Passengers Airport (AICPA), Umueri was requested to direct the Accounts Department to write up the cashbook and account properly income (N413,600,099.29) generated in the Airport from inception to 31st May, 2023 and forward evidence of such to my Office within three weeks of receipt of my report.

28.28.2 COLLECTION OF REVENUE WITHOUT RECEIPT

It was observed in audit that certain categories of revenue were collected without the payers being issued with any receipt. These categories of revenue include:

- i. N300 (three hundred naira) fees from taxi drivers per passenger picked.
- ii. Sales by outlets managed by the Commercial Department of the Airport.

Revenue from these sources was not brought to account. The Managing Director was requested to direct the appropriate Department(s) to provide a detailed account of the revenue from the identified revenue windows. The details were to be forwarded to my Office within three weeks of receipt of this report. Henceforth, all revenue of the Airport must be receipted for proper accountability.

28.28.3 POOR RECORD OF DRIVERS OPERATING AT THE AIRPORT

It was observed in the audit that the records of certified and registered commercial drivers at the Airport were not properly kept. From the records produced during the audit at least 6 (six) names of commercial drivers that paid a cumulative amount of N1,500,000 were not in the list of registered drivers. Each of the commercial drivers paid an annual fee of N250,000 (two hundred and fifty thousand Naira).

The details of the drivers are presented in the table hereunder.

S/N	NAMES	DATES	REC. NO	AMOUNT	MODE OF PAYMENT
1	Jude & Stella Achebe	31/5/22	000209	250,000	Transfer
2	Okoye Godwin	No date	000210	250,000	Not specified
3	Amakom Sunday	20/7/22	000219	250,000	Transfer
4	Obiorah Uchenna	26/8/22	000240	250,000	Transfer
5	Eziefuna Chidinma	29/8/22	000241	250,000	Transfer
6	John Owara C.	13/9/22	000254	250,000	Transfer

Conversely, the names of commercial drivers without any evidence of payment of the annual due were found in the list produced in the audit. These persons

conducted their activities within the airport unhindered. The names of the commercial drivers are shown in the table below.

S/N	NAME	REMARK
1	Micheal Uchenna Okonkwo	There's no evidence of payment of annual due.
2	Anyanebechi uche Callistus	There's no evidence of payment of annual due.
3	Christopher Nwabunwanne	There's no evidence of payment of annual due.
4	Okoye Fredrick Chichetam	There's no evidence of payment of annual due.
5	Okeke Jude	There's no evidence of payment of annual due.
6	Obi Ikechukwu	There's no evidence of payment of annual due.
7	Izuchukwu Nnaluo	There's no evidence of payment of annual due.
8	Anwusi Innocent	There's no evidence of payment of annual due.
9	Donatus Nwachukwu	There's no evidence of payment of annual due.
10	Anierobi Ndubueze	There's no evidence of payment of annual due.
11	Ignatus Ufoaro	There's no evidence of payment of annual due.

The Managing Director was requested to explain in writing why the commercial drivers were allowed to operate in the airport without payment of relevant fees. He is also to produce a comprehensive list of all the commercial drivers registered to operate in the airport with evidence of their payment of annual due.

28.28.4 WEAK INTERNAL CONTROL

The Internal control system of the Anambra International Cargo and Passengers Airport, Umueri was observed to be generally non-existent and where any existed it was very weak.

Some items were purportedly purchased and put into use without involving the store unit. There was no asset register. Receipt booklets were printed by the Managing Director in the most opaque and brazen manner. There were neither records of serial numbers of receipts printed nor how they were distributed to the various end users. These irregular acts made it difficult for the assets to be traced and receipts to be verified.

The non-maintenance of store records is wrong and unacceptable as it contravenes the provisions of the Financial Regulations. The absence of control over public assets, which the stores unit provides, creates loopholes for persons of doubtful character to pilfer or steal Government property. Store records allow for the easy trace of the movement and location of Government property.

The Managing Director was thus requested to comply with the provisions of the Financial Regulations by ensuring a functional Stores and internal control system Unit in the Airport.

28.28.5 PAYMENTS MADE WITHOUT APPROVAL

Payments cumulatively valued at N64,646,575 (sixty-four million, six hundred and forty-six thousand, five

hundred and seventy-five Naira) were made to sundry persons/bodies in the period under review without any evidence of authorization from either the State Government or supervising Ministry. The breakdown is presented in the table below.

P. V. NO. & DATES	PAYEE	DESCRIPTION	AMOUNT
1 of June 2022	Chibuiké Christian	Printing of access gate ticket	69,300
2 of June 2022	FAAN	July Payment to FAAN	40,000,000
3 of June 2022	Donrize Hotel	Hostel accommodation	3,000,000
4 of June 2022	MIZDORA Hotel	Hotel accommodation	3,000,000
1 of May 2022	MIZDORA Hotel	Hotel accommodation	18,577,275
		Total	64,646,575

The contents of the Payment Vouchers were sketchy that no reasonable deductions could be made from them. Regrettably, the Accountants were unable to provide explanations for the expenditures.

The Managing Director was thus requested to forward to my office, within two weeks of receipt of this report, detailed descriptions and justification for the expenditures contained in the table above.

28.28.6 PAYROLL ADMINISTRATION

The Anambra International Cargo and Passengers Airport (AICPA), Umueri has a staff strength of 147

personnel. As of the end of May 2023, the total personnel cost stood at N15,454,338.62 (fifteen million, four hundred and fifty-four thousand, three hundred and thirty-eight Naira, sixty-two Kobo). However, the parameters for determining the personnel emolument were not established in the audit. Neither the Managing Director nor the Accountants could provide the approved salary structure in use.

The Managing Director was thus requested to produce the salary structure which has been in use for preparing the monthly emolument of the staff.

28.28.7 POOR ALIGNMENT OF PERSONNEL WITH QUALIFICATIONS

It was observed in the audit that a number of staff were merely recruited not out of need but for other considerations. They were posted to departments where they lacked the basic skills to meet the demands of such offices. Many were not aligned with their qualifications. For example, in the Finance Department, there were two officers who graduated in Accountancy and Business Administration. Other graduates of Accountancy were posted to the Operations Department and Fire & Safety Department. Again, in the Corporate Affairs Department were graduates of Philosophy, Biochemistry and Adult/Health Education while graduates of Mass Communication, Sociology, Law and Public Administration were posted elsewhere.

The above observations and recommendations were communicated to the Managing Director of the

Airport through the report referenced; AS/OUT.77/01 of 31st July, 2023 and his response is being awaited.

28.29 PERIOD CHECK ON THE ACTIVITIES OF PSYCHIATRIC HOSPITAL, NAWFIA FROM 1ST JANUARY, 2018 TO 31ST DECEMBER, 2022.

28.29.1 PAYMENT VOUCHERS NOT WRITTEN UP AND DOCUMENTS NOT PROVIDED FOR AUDIT

In 2018, most of the payment vouchers were not properly written up as the portion for payee, dates, payment voucher number, signature of the authorizing officer, particulars and even the amount were blank. The only documents were the requests for the payments which were usually attached to the blank vouchers sometimes without retirement.

Furthermore, the cash book and other records of the hospital for the 2018 financial year were not made available for audit.

The Chief Consultant was by this requested to prevail on the former accountant to give reasons why the payment vouchers used in 2018 were all blank. He should also provide the cashbook and the bank reconciliation statement for the same year for audit.

29.0 PENSIONS DEPARTMENT

A total number of 1,810 retirement/death benefits of Public Servants including recalculation cases were scrutinized and certified by my office during the year under review in accordance with the 1979 Pension Acts.

In the course of audit examination of pension files, it was observed that over payment of ₦193,578,882.30 (One hundred and ninety-three million five hundred and seventy-eight thousand, eight hundred and eighty two naira thirty kobo) was recovered from the benefits of retired/deceased officers. The over payments and surcharges of retirees came as a result of the following circumstances:-

1. Overstay in Service
2. Salary payment after retirement
3. Inability to prorate salaries upon retirement
4. Non-compliance with requirements on notice of retirement.

The table below shows the distribution of the recoveries indicating that the highest percentage came from Primary School teachers from ASUBEB (Anambra State Universal Basic Education Board) with 72%. This is followed by tutorial and non-tutorial staff of Post Primary School Service Commission with a percentage of 18 and lastly the Civil Servants with 10%.

SCHEDULE OF RECOVERIES

S/N	DESCRIPTION	AMOUNT (₦)	PERCENTAGE (%)
1	Primary School Teachers	139,309,843.08	72
2	Civil Servants	19,404,532.94	10
3	Tutorial & Non-tutorial staff of Secondary Schools	34,864,506.28	18
		193,578,882.30	100

Schedule of Recoveries by different sub-treasuries are shown in the table below:-

S/ N	Sub-Treasuries	NO. OF FILES TREATED			OVER PAYMENTS AMOUNTS (N)		
		PRI MA RY	SEC ON- DAR Y	CIV IL SER VAN TS	PRIMARY	SECON- DARY	CIVIL SERVANTS
1	Abagana	30	20	20	1,897,820.47	5,690,711.94	805,442.33
2	Aguata	48	17	13	5,743,694.71	2,375,010.29	2,177,373.43
3	Ajalli	15	2	2	2,316,956.17	69,701.26	124,478.54
4	Anaocha	47	9	5	4,257,527.74	259,023.75	377,667.90
5	Awka	89	59	69	10,947,275.3	549,198.07	4,835,793.20
6	Dunukofia	14	3	3	1,274,832.18	76,605.11	378,640.47
7	Ekwusigo	8	2	2	600,750.81	31,663.44	
8	Ihiala	34	9	11	9,631,861.94	1,545,489.29	1,252,946.67
9	Nnewi	58	37	9	10,758,651.4	3,498,388.77	640,040.8
10	Nzam	3	-	3	382,820.36		10,514.79
11	Ogbaru	2	1	2	470,714.39	395,793.00	15,388.61
12	Ogidi	83	41	22	13,286,865.26	5,644,141.32	3,001,861.73
13	Onitsha	120	59	15	14,318,551.7	6,251,675.19	1,434,751.68
14	Otuocha	5	4	4	2,505,682.36	1,270,809.39	206,468.56
15	Oyi	12	5	19	1,877,504.7	1,553,046.42	1,744,799.7
16	Umunze	36	5	5	4,239,033.96	597,781.92	713,594.64
17	Unknown Sub	604	83	42	54,799,299.79	112,680.07	1,684,769.89
	Sub-total	1,208	356	246	139,309,843.08	34,864,506.28	19,404,532.94
	GRAND TOTAL	1,810 Files			₦193,578,882.30		

The officers in the Administration, Accounts or Finance Departments in the respective MDAs are advised to stop the payment of salaries of officers after retirement.

My candid advice is that a system whereby all the Ministries, Departments and Agencies should make available their nominal roll to the Computer Centre and JAAC where each civil servants particulars are seen, including retirement date instead of waiting for the pin-off letter from the MDA, the desk officer can work directly from the system already installed. This will help to avert the delay in logistics which causes continued payment after retirement.