

**A LAW TO PROVIDE FOR THE AUDIT OF PUBLIC ACCOUNTS
OF KADUNA STATE AND FOR OTHER MATTERS
CONNECTED THEREWITH, 2021**

ARRANGEMENT OF SECTIONS

SECTION

PART I

1. Short Title
2. Commencement
3. Interpretation

PART II

STRUCTURE OF THE OFFICE OF THE AUDITOR-GENERAL

4. Establishment of the Office of the State Auditor-General
5. Appointment of Auditor-General
6. Remuneration and Allowance of the Auditor-General
7. Tenure of Office
8. Cessation of Office of the Auditor-General
9. Vacancy in the Office of the Auditor-General

PART III

POWERS AND FUNCTIONS OF THE AUDITORS-GENERAL

10. Powers and Functions of the Auditor-General
11. Powers of the Auditor-General
12. Powers of the Auditors-General to access information and documents
13. Auditors-General to establish comprehensive Human Resource Management System

PART IV

AUDIT STANDARDS AND ANNUAL ACCOUNTS

14. Audit Standards
15. Audit Accounts
16. Audit Query

**PART V
PUBLIC ACCOUNTS COMMITTEE**

17. Establishment of Public Accounts Committee
18. Powers and Functions of the Committee
19. Powers of the Committee
20. Reports of the PAC
21. Annual Certificate and Report of the Auditor-General
22. Review of the Auditor-General's Report
23. Establishment and Functions of the Audit Committee
24. Follow-up on Audit Report
25. Annual Estimates and Expenditure
26. Financial Responsibilities of Other Members of Staff
27. Improper Retention of Public Funds
28. Independence of the Auditor-General

**PART VI
ESTABLISHMENT OF THE OFFICE OF THE AUDITOR-GENERAL
FOR LOCAL GOVERNMENTS**

29. Establishment of the Office of the Auditor-General for Local Governments
30. Appointment of Auditor-General for Local Governments
31. Auditing of Accounts of Local Governments
32. Powers and Duties of Auditors
33. Special Relief
34. Auditor may take evidence on Oath, etc
35. Payments from sums due
36. Recovery
37. Local Government to render annual financial statements to the Legislature
38. Establishment and Composition of the Audit Alarm Committee
39. Functions of the Audit Alarm Committee

**PART VII
AUDIT SERVICE BOARD**

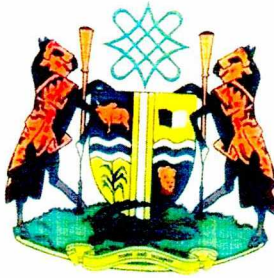
40. Establishment of the Audit Service Board
41. Composition of the Board
42. Functions of the Board
43. Appointment of Executive Secretary
44. Power to co-opt
45. Validity of Proceedings
46. Removal from Office

47. Remuneration
48. Liability of members
49. Tenure of Board members
50. Funds of the Board
51. Annual Estimates
52. Accounts
53. Annual Statement of Account
54. Meetings of the Board

PART VIII
MISCELLANEOUS PROVISIONS

55. Pension and Other Matters
56. Offences and Penalties
57. False Accusation
58. Regulation of Audit Contract
59. Special Assignment
60. Confidentiality
61. External Audit of the Office of the Auditor-General
62. Power to make Regulations
63. Pre-action Notice
64. Acts by Public Officers
65. Savings
66. Repeal

**A LAW TO PROVIDE FOR THE AUDIT OF PUBLIC ACCOUNTS
OF KADUNA STATE AND FOR OTHER MATTERS
CONNECTED THEREWITH, 2021**



Kaduna State of Nigeria

Law No. 9 2021

(30th June 2021)

Date of Commencement

BE IT ENACTED by the House of Assembly of Kaduna State as follows:

Enactment

**PART I
PRELIMINARY**

1. This Law may be cited as the Kaduna State Audit Law, 2021.

Short Title

2. This Law shall come into operation on the.....30th.....day of.....June..... 2021.

Commencement

3. In this Law, unless the context otherwise requires:

Interpretation

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

"Accounting Officer" means the Chief Executive of a Ministry, Department or Agency as defined by the Public Procurement Law of the State;

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

"Auditor" means any person(s) designated to be an auditor by the Auditor-General of the State or Local Governments;

"Audit Alarm Committee" means the Committee established pursuant to Section 39 of this Law"

"Audit Committee" means the Audit Committee established by the accounting officers in any Ministry, Department or Agency of the State;

"Auditors-General" means the Auditor-General for the State and the Auditor-General for the Local Governments;

"Board" means the Kaduna State Audit Service Board established under Section 41 of this Law;

"Commission" means the Kaduna State Civil Service Commission;

"Executive Council" means the Kaduna State Executive Council;

"External Auditor" means Independent Auditors appointed to audit accounts or financial statements and registered with Office of the Auditor-General;

"Financial Year" means the financial year of the State Government and Local Government;

"Governor" means the Governor of the State;

"House of Assembly or House" means the Kaduna State House of Assembly;

"Legislative Council" means the legislative arm of a local government consisting of councillors;

"Local Government" means any of the 23 Local Government Areas in the State;

"Officers" means the holder of an office in the Public Service of Kaduna State;

"Public Accounts Committee (PAC)" means the Public Accounts Committee of the State House of Assembly;

"Public Money/Fund" means and includes the public revenue of the State, Local Government and any other money held in trust for any period of time by any Officer alone or jointly with other persons;

"Revenue" means the State's or Local Government's Share from the Federation Account, internally generated revenue and any other grant or loans;

"Service" means the Kaduna State Public Service as defined by the Public Service Law, 2020;

"State" means the Kaduna State of Nigeria;

"Statutory body" means any Authority established by Law;

"Treasury Single Account" means a consolidated bank account system where all deposit and payment transactions are processed centrally for the State and for each of the Local Government Councils in the State.

PART II STRUCTURE OF THE OFFICE OF THE AUDITOR-GENERAL

4. (1) There is hereby established the Office of the State Auditor-General which shall be a body corporate with perpetual succession and a common seal, may sue and be sued in its corporate name and may acquire, hold or dispose of any property, movable or immovable for the purpose of carrying out its function under this Law.
- (2) The Office of the Auditor-General shall be headed by the Auditor-General for the State.
- (3) The Auditor-General shall establish such number of departments and units as may be required for the effective exercise of his powers and discharge of his duties and functions under this Law.

Establishment of the
Office of the State
Auditor-General

5. (1) The Auditor-General shall be appointed by the Governor on the recommendation of the Civil Service Commission subject to confirmation by the State House of Assembly and shall be:
- (a) a qualified Accountant who has held full membership of a professional accountancy body recognised by an Act of the National Assembly;
- (b) a person with a minimum of fifteen (15) years cognate experience in Accounting and/or Auditing fields.
- (2) In recommending person(s) for appointment as Auditor-General, the Commission shall advertise the vacancy on the State's website, two (2) national dailies, procurement portal and State gazette for a minimum of four weeks before the date set for interview.
- (3) The Civil Service Commission shall thereafter interview shortlisted candidates and recommend the top three candidates to the Governor for appointment.
6. (1) The Auditor-General shall be paid such remuneration as prescribed by the Revenue Mobilisation and Fiscal Allocation Commission.
- (2) The remuneration and pension of the Auditor-General shall be a charge upon the Consolidated Revenue Fund of the State.
- (3) The Auditor-General shall upon retirement be entitled to pension for life at a rate equivalent to the annual salary inclusive of all allowances of the incumbent Auditor-General.
- (4) The remuneration and salaries of the Auditor-General shall not be altered to his disadvantage after his appointment.
7. The Auditors-General shall, except where he is removed in line with the provisions of the Constitution, remain in office until his attainment of the retirement age of sixty-five (65)

Appointment of Auditor-General

Remuneration and Allowance of the Auditor-General

Tenure of Office

years or thirty-five (35) years of service, whichever comes first.

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

Cessation of Office of the Auditor-General

- (1) is removed by the Governor acting on an address supported by two-third majority of the State House of Assembly praying that he be so removed for inability to discharge the functions of the Office (whether arising from infirmity of mind or body) or misconduct; or
- (2) resigns his office by notice in writing under his hand addressed to the Governor.

9. (1) Where the Office of the Auditor-General becomes vacant, the Governor shall appoint a person to perform the duties of the Auditor-General in acting capacity for a period not exceeding six (6) months but which may be extended with the approval of the House of Assembly.
- (2) A person appointed in line with sub-section (1) of this section shall possess the qualifications provided in this Law.

Vacancy in the Office of the Auditor-General

PART III POWERS AND FUNCTIONS OF THE OFFICE OF THE AUDITOR-GENERAL

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

Powers and Functions of the Auditor-General

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

- (c) adequate audit regulations exist for accounting and financial operations in the State and that they are duly observed;
 - (d) monies have been expended with due regard to the economy, effectiveness and efficiency- in accordance with the Public Finances (Control and Management) Law and Financial Regulations pursuant thereto;
 - (e) satisfactory procedures have been established to measure and report the effectiveness of programmes, where such procedures could appropriately and reasonably be implemented;
 - (f) the attention of the appropriate authorities have been drawn to any irregularity observed during the examination of the account as soon as facts of such irregularities have been established and confirmed;
 - (g) all queries and observations that arise as a result of the audit being conducted are addressed to the Accountant-General, the Accounting Officer or any other appropriate person; and provision of any relevant information and explanation by the appropriate persons; and
 - (h) where required, surcharge to the appropriate officer, Ministry, Department, or Agency and specify the amount due from any person surcharged and the reasons for the surcharge; and report the circumstances of the case to the Accounting Officer of the affected Department or Agency.
- (2) The Auditor-General shall, express his opinion as to whether the financial statement or accounts are in line with the requirements of the International Organization of Supreme Audit Institutions or any recognised international auditing organization and represents the financial information in accordance with applicable statutory provisions, stated accounting policies of government, generally accepted accounting principles and standards, and essentially consistent with those of the preceding years.

- (3) The Auditor-General or any person authorized by him to conduct periodic checks on a statutory corporation shall, in addition to the audit report, draw attention to the following:
 - (a) the profitability, liquidity, stability and solvency of a Parastatal, Corporation and all relevant institutions, including but not limited to educational and health institutions;
 - (b) performance of the Corporations' share in the capital market, where applicable;
 - (c) any delay in the payment of the government's portion of any dividend into the Consolidated Revenue Fund.
 - (d) any identified or suspected cases of fraud or loss and, if so, their underlying causes and person(s) responsible for such fraud or losses;
 - (e) any internal control weaknesses which were identified; the general corporate performance indicating achievement against set target and objectives; and
 - (f) whether the finances of the body have been conducted with due regard to economy, efficiency and effectiveness, having regard to the resources utilised.
- (4) Update changes (if any) to auditing standards adopted by the Office as the need arises and conduct quarterly training programs to ensure all members of the Office of the Auditor-General understand the modifications.
- (5) Appoint an officer to monitor trends, give reports on national and international developments in the public sector; changes in auditing standard including International Public Sector Accounting Standards; and any other standard that become applicable in the public sector.
- (6) The Auditor General shall audit the quality of financial management and reporting.

- (7) The Auditor-General shall certify all public expenditure published in the State Gazette.
- (8) The Auditor-General shall account for the funds provided to the Office and ensure judicious use of the funds allocated to it.
11. (1) The Auditor-General shall prepare an annual audit plan and associated budget for the approval of the State House of Assembly not later than three (3) months before the end of the preceding financial year.
- (2) The Auditor-General for the State shall audit or cause to be audited all public accounts of the State.
- (3) The Auditor-General or any person authorised by him in that behalf shall have access to all the books, records, returns and other documents relating to the accounts referred to in subsection (2) of this Section whether kept electronically or otherwise.
- (4) The Auditor-General shall:
 - (a) Seek and receive information from any person, authority, corporation or company without let or hindrance in respect of duties it is empowered to perform under this Law.
 - (b) Without hindrance, obtain account related information or bank statements of ministries, departments or agencies directly from the banks where such account information or bank statements are kept, within 10 working days of his request.
 - (c) Require a public officer to give examination or information which the Auditor-General may require to enable him discharge his duties; and
 - (d) At all reasonable times, have free access to all places, buildings, books and documents in the custody or under the control of a public officer, institution or any other person within the State or in relation to funds of the State, for the purpose of inspecting the books or documents including those

Powers of the Auditor-General

stored or maintained in computers, or on digital, magnetic, optical or electronic media and any property process or matters which the Auditor-General considers necessary or relevant for the purpose of carrying out its functions.

- (5) The Auditor-General is empowered to request the Accountant-General to furnish on a quarterly basis, or at such other intervals that he considers necessary, reports of all inflows and outflows into and out of the Treasury Single Account and the Accountant-General is obliged to provide relevant information.
- (6) The Auditor-General may:
 - (a) request that stock verification be conducted quarterly or at any given time when the need arises;
 - (b) request the Accountant-General to furnish him with detailed information on sources of domestic and foreign loans and the utilisation thereof as well as Government investments;
 - (c) designate personnel from the Office of the Auditor-General to support stock verification processes;
 - (d) immediately bring a matter to the notice of the Governor or the Accounting Officer of the affected Ministry or Agency and to any other officer he may deem fit, and where necessary to the State House of Assembly, if at any time it appears to him that any irregularities have occurred in the receipt, custody, issue sale, transfer or delivery of any securities, stores or other Government property or in the accounting of same.
- (7) The Auditor-General may:
 - (a) seek the advice or opinion of the Attorney-General of the State or any professional on any question or issue arising from the provisions of this Law in respect of all matters and issues that may be necessary for the due performance and exercise of the duties and powers vested on him;

- (b) deploy any officer in his office to any department, authority, commission or Agency to enable the officer carry out his duties effectively for a given period;
 - (c) such Government agency shall provide accommodation and other necessary facilities and documents for the officer to perform his duties.
- (8) The Auditor-General may, subject to the provisions of this Law, do anything necessary and enter into any transaction necessary to ensure the proper performance of the functions. This may include:
- (a) establishing and implementing a comprehensive human resource management system and policies for managing the staff development;
 - (b) developing and maintaining such systems, whether by computer or other means, for the collection, storage, analysis and retrieval of relevant information and promulgating procedures for conducting audit work;
 - (c) engaging the services of professionals to serve on a contract basis for limited engagements, including those required as part of agreements with international organisations, provided that all audit opinions shall remain those of the Auditor-General; and
 - (d) constituting or establishing any standing or ad-hoc committee to facilitate the discharge of the functions of the Office.
- (9) Nothing in subsection (2) of this Section or any other provision of this Law shall be construed as authorising the Auditor-General to audit the accounts of, or appoint auditors for Government statutory corporations, commissions, authorities, Agencies including all persons and bodies established by Law. However, the Auditor-General shall:

- (a) Provide such bodies with a:
 - (i) list of auditors qualified to be appointed by them as external auditors and from which the bodies shall appoint their external auditors;
 - (ii) guideline on the level of fees to be paid to external auditors.
 - (b) Comment on their annual accounts and auditor's report thereon.
 - (c) In the exercise of the powers conferred by subsection (9) (a) (i) of this Section, the Auditor-General may conduct periodic checks on the auditor's process, technology, experience and approach to ascertain the auditor's capability and suitability.
- (10) Further to the provision of sub-section 9 of this Section and to ensure objectivity and independence of the auditors, the Accountant-General shall be empowered to pay the agreed auditors' fees, upon confirmation from the Office.
- (11) The requirement for direct payment by the Accountant-General shall apply only to Agencies that derive majority of their funds from allocations of the State Government.
- (12) The Auditor-General may de-recognise any item of expenditure which is contrary to law and surcharge:
- (a) The amount of any expenditure de-recognised upon the person responsible for incurring or authorising the expenditure.
 - (b) Any sum which has not been duly brought into account upon the person by whom the sum ought to have been brought into account; and
 - (c) The amount of any loss or deficiency upon any person by whose negligence or misconduct the loss or deficiency has been incurred.

- (13) The Auditor-General may:
- (a) compel internal auditors to raise an audit alarm and to conduct an investigation based on audit alarms raised where there is evidence of fraud or irregularities or based on whistle blowing and third party tips provided by external sources;
 - (b) take necessary steps to protect the identity of any person that comes forward with information or irregularities to protect such persons from retaliation or victimisation except such identity is required by a court of competent jurisdiction.

12. (1) The Auditors-General and their staff shall have unrestricted access to such people, documents, computers and other information systems and assets as they consider necessary for the proper performance of their functions and in so doing the Auditors-General shall:

Powers of the Auditors-General to access information and documents

- (a) advise the person in writing of the nature of the information and why it is needed.
- (b) state that the information is required under this law.
- (c) reimburse the person for any reasonable costs associated with producing such information on condition that the person shall not use such information for any other purpose.

- (2) The Auditors-General may, in the course of fulfilling their functions, duties or powers:

- (a) summon a person as witness to give evidence either orally or in writing;
- (b) any person who upon examination pursuant to subsection 2 (a) knowingly gives a false answer to any question or makes any false statement on any

matter shall be deemed to be guilty of perjury and shall be liable to prosecution and punishment.

- (3) For the purpose of performing his functions and duties or exercising his power under this Law, the Auditor-General may:
- (a) examine or audit the account of any person held at any bank if the Auditor-General has reason to believe that the money held in such an account are public funds which had been fraudulently or wrongfully paid into such account.
 - (b) as a pre-requisite to exercising this authority, the Auditor-General may enter into a non-disclosure agreement with the holder of the account and afford such holder absolute assurance that any information disclosed for purposes of examination or audit shall not be used for any other purpose other than as legally intended under this law, and shall not proceed with any such examination or audit without first obtaining a warrant ex-parte from the High Court authorizing such examination.
 - (c) upon being presented with such warrant as is described in this section, the bank officer shall be required to produce all relevant records for the account in question, in any form (hard and/or soft copy) that is in the bank's custody or control.
 - (d) The Auditor-General shall have the right to make copies of any record, including electronic or digital records or the like, obtained in terms of this section and shall have all such copies notarized by a Court appointed notary, the cost of which shall be defrayed by the Auditor-General. The Officer of the bank shall append a suitable endorsement electronically or in indelible ink that at a minimum shall identify the bank from which such records were obtained and the date on which such records were obtained. The Officer of the bank shall electronically initiate in ink or under his own hand and initial each page of any records so provided.

- (4) The Auditor-General shall have the power under this law to:
- (a) at any time access any Government facility, examine the records of an auditee and have extracts taken from any book(s) of account, accounting entries recorded electronically and any other form of accounts maintained that relate to money or stores and as such may have relevance to the subject of an audit without paying any fee;
 - (b) at any time execute a search, without the need for a warrant of the Court, on any State-owned property, person present on such property or vehicle located on such property in order to locate and appropriate any such records, accounts or general information of relevance to the audit;
 - (c) under the authority of the warrant of a Court enter and conduct a search of any private property, premises, vehicle or person if there is reasonable suspicion that a document, account, written or electronic record, general information, or asset which the Auditor-General needs to inspect for reasons of relevance to the audit is hidden or kept on such property, premises, person or in a vehicle located on such property or premises;
 - (d) appropriate and retain any such document written or electronic record, general information, or asset for purposes of completing the audit;
 - (e) request the support of relevant law enforcement Agencies in the execution of the warrant of the Court where considered necessary;
 - (f) the persons conducting the search shall identify themselves to the person in charge of the premises, property or vehicle and shall hand over a copy of the warrant of the Court to the person in charge or affix a copy of the warrant to the premises, property or vehicle in a prominent place;

- (g) any such entry and search of property shall be conducted with due regard for decency, order and constitutional rights of the affected person.
- (5) The Auditor General in the performance of his functions under this Law or any other Law may disallow any item of expenditure which is contrary to law, and surcharge fully or partially:
- (a) (i) the amount of any expenditure disallowed upon the person responsible for incurring or authorizing the expenditure;
- (ii) any sum which has not been duly brought into account upon the person by whom the sum ought to have been brought into account;
- (iii) the amount of any loss or deficiency upon any person by whose negligence or misconduct the loss or deficiency has been incurred.
- (b) Where the Auditor-General makes a surcharge or disallows any expenditure, he shall specify to the appropriate Head of Department or Institution, the amount due from any person upon whom they ~~have imposed a surcharge and shall state the~~ reason for imposing such surcharge and report the results of the examination of relevant accounts, operational processes and circumstances that caused the surcharge to be imposed to the Accounting Officer of the affected Department or Institution.
- (c) Every sum so specified by the Auditor General as a surcharge shall become due for payment by the person on whom such surcharge is imposed, within sixty (60) days after the date on which such surcharge was formally imposed.
- (d) Any such sum as may become payable under this section and which remains outstanding beyond the prescribed period of sixty (60) days shall become recoverable by the relevant Accounting Officer

who may, where necessary, initiate civil proceedings and whereupon judgment is obtained in a Court of competent jurisdiction shall consider any such sum recoverable as civil debt. Where such sum owed as a civil debt is recoverable from a person in receipt of a remuneration from the State Government or any Government institution, such remuneration shall be attached either in full or incrementally to the extent of the sum lawfully due.

- (e) Where an Accounting Officer is compelled in terms of this section to initiate civil proceedings for the recovery of a surcharge raised by the Auditor-General, a certificate signed by the Auditor-General stipulating the amount payable and describing the circumstances that compelled the raising of such surcharge shall be considered prima facie evidence of the facts certified.
- (f) The Auditor-General if satisfied by new evidence, may at any time, revoke any surcharge imposed in terms of this section.
- (g) Any person aggrieved by a surcharge, the withholding of an emolument or allowance in terms of this section, may appeal to the Public Accounts Committee within sixty (60) days from the date of such directive being issued by the Auditor-General for redress and, thereafter, be afforded a further avenue of appeal to the High Court provided that such appeal is lodged to the High Court not later than fourteen (14) days after the decision of the Public Accounts Committee to uphold the directive of the Auditor-General is made public.

13. (1) The Auditors-General shall establish and implement a comprehensive human resource management system and policy for managing staff development programmes.
- (2) The responsibility for determining the calibre of staff required to ensure the efficient performance and

Auditors-General to
establish Human Resource
Management System

functioning of the Offices of the Auditors-General shall reside with the incumbent Auditor-General who shall further be responsible for aligning cost associated with such recruitment of staff with the funds allocated for remuneration in terms of the vote.

- (3) The Auditors-General shall be responsible for ensuring that all vacancies are widely advertised, applicants shortlisted are in possession of the required minimum qualifications, that such qualifications are duly verified with the relevant accreditation body, and that the required skills and competence levels are confirmed by means of any combination of the following (i.e. interviews, examinations, case study based simulations of the work environment and/or other means of assessment) so as to ensure that persons recruited to positions required by the Auditors-General are consummately suitable for the appointment.
- (4) When a member of staff, as appointed by the Auditor-General, becomes eligible for promotion on the basis of time served and having met all additional qualification criteria, the Auditors-General shall recommend to the Board such member of staff for promotion.
- (5) It shall be the responsibility of the Board to ensure that, ~~once a Staff is recommended for promotion by the Auditor-General~~, such promotion is effected without undue delay.
- (6) It shall be the sole responsibility of the Auditors-General to request the initiation of staff disciplinary processes, articulate the circumstances and nature of breaches in discipline that shall necessitate the commencement of the process to the Board.
- (7) The Auditors-General shall in consultation with the Board, determine in line with the guidelines issued by the National Salaries and Wages Commission the salaries, allowances, pensions and other conditions of service of members of staff of the offices of the Auditors-General;

Provided that the salaries, allowances and conditions of service are competitive enough to attract qualitative personnel for the effective discharge of the mandate of the office.

PART IV
AUDIT STANDARDS AND ANNUAL ACCOUNTS

14. (1) The Auditor-General shall, pursuant to the provision of this Law, determine which auditing standards should be applied and may establish audit programmes and code of ethics specific to the auditors performed by the Office of the Auditor-General. Audit Standards
- (2) The auditing standards shall include:
- (a) Public Sector Auditing Standards issued by the Confederation of Federal and State Auditor-Generals;
 - (b) Accounting standards issued by the Financial Reporting Council of Nigeria (FRC);
 - (c) The Standards and Code of Ethics published or updated from time to time by the International Organisation of Supreme Audit Institutions (INTOSAI) and the International Auditing and Assurance and Standards Board (A&ASB);
 - (d) The Accounting Standards and Code of Ethics published by the International Federation of Accountants (IFAC);
 - (e) International Public Sector Accounting Standards published and/or updated by the International Public Sectors Accounting Standards Board; and
 - (f) Other relevant, recognised or required standards issued or accepted as current best practices by funding or donor organisations,
- (3) The Office shall promote the values of integrity, independence, objectivity, confidentiality and transparency.

15. (1) Within a period of three (3) months after the end of each financial year, the Accountant-General shall present to the Auditor-General, accounts showing the financial position of the State as at the last day of the preceding year.
- (2) Such accounts shall include but not limited to:
- (a) Statement No. 1– Responsibility for Financial Statement;
 - (b) Statement No. 2 – Cash Flow Statement;
 - (c) Statement No. 3 – Statement of Assets and Liabilities;
 - (d) Statement No. 4 – Statement of Consolidated Revenue Fund;
 - (e) Statement No. 5 – Statement of Capital Development Fund;
 - (f) Statement No. 6 – Statement of Recurrent Revenue and Expenditure;
 - (g) Statement No. 7 – Statement of Donations and Grants;
 - (h) Statement No. 8 – Statement of Contractual Liabilities;
 - (i) Statement No. 9 –Statement of Investments;
 - (j) Statement No. 10 – Statement of External and Internal Loans
 - (k) Five year’s Financial Summary
 - (l) Notes to the Financial Statements; and
 - (m) Other statements that may be required by Auditing Standards, Practices or Statutes which will also include:
 - (i) Statement of Financial Position;

- (ii) Statement of Financial Performance;
 - (iii) Statement of Change in Net Assets/Equity;
and
 - (iv) Accounting Policies.
- (3) The Notes to the financial statements shall:
- (a) provide information about the basis of preparations of the financial statements, policies selected and applied for significant transactions and other events for the purpose of users' understanding and comparability.
 - (b) include the following:
 - (i) Statement of compliance with approved accounting standards;
 - (ii) Statement of accounting policies applied;
 - (iii) Supporting information for items presented on the face of the financial statements.
- (4) The Accountant-General shall give a one (1) month notice to the Auditor-General where he envisages a delay in meeting the deadline as provided in subsection (1) of this Section.
- (5) Where the Accountant-General fails to present the accounts to the Auditor-General in line with subsection (1) of this Section, the Accountant-General shall appear before the House of Assembly to give reasons for such failure and make a report in writing to the Governor for such failure.
- (6) Within fifteen (15) days after the end of each month, the Accounting Officer shall prepare and submit to the Accountant-General, with copy to the Auditor-General, returns of income and expenditure under the votes for which they are responsible, showing the:
- (a) services for which the monies were voted;

- (b) sums actually expended on each service during the period of the accounts;
- (c) state of each vote compared with appropriation;
- (d) any other information as may be reasonably required by the office.

PROVIDED that, each account shall contain such variation between the expenditure and the sums voted, such other required information and be in such form as the Auditor-General may direct; and the statement as well as the appropriated accounts shall be signed by the Accounting Officer.

- (7) Without prejudice to any provision of this Law, the accounts shall be presented in line with globally accepted accounting format and standards from time to time, as may be prescribed by the Accountant-General.

- 16. (1) Without prejudice to any other provision of this Law, every person who fails or refuses to reply to an audit query or observation within the period specified in the audit query or after one month from the date the query was issued, whichever is earlier, shall be liable to disciplinary action under applicable Public Service Rules and Financial Regulations. Audit Query
- (2) The Auditor-General may write to the appropriate body for the enforcement of such disciplinary action.

**PART V
PUBLIC ACCOUNTS COMMITTEE**

- 17. There is hereby established a Public Accounts Committee which shall be a Committee of the Kaduna State House of Assembly (in this Law referred to as "PAC"). Establishment of Public Accounts Committee
- 18. The Committee shall: Powers and Functions of the Committee
 - (1) Review the report of the Auditor-General and submit a report of its findings to the House of Assembly;

- (2) Examine such audited accounts of the State and of all offices and Courts within the State and the Auditor-General's report thereon as may from time to time be referred;
- (3) Examine:
 - (a) The accounts and reports of Ministries, Departments and Agencies of the State; and
 - (b) The audit accounts of statutory corporations, boards and other such Government bodies, as may from time to time, be referred to it by the Speaker;
- (4) Determine the causes which led or might have led to any excesses over approved appropriations and make recommendation where the need arises; and
- (5) Perform such other functions as may be assigned to it from time to time by the State House of Assembly.

19. The Committee shall have power to:

Powers of the Committee

- (1) Procure all such evidence, oral or written, and examine such persons as it may deem necessary or desirable;
- (2) Require any person to produce any books, documents or records as it may deem necessary and desirable;
- (3) Appoint such external persons possessing relevant skills as may be necessary for the discharge of its functions under this Law;
- (4) Perform such other functions as may be assigned to it from time to time by the House of Assembly as the case may be.

20. The Committee shall:

Reports of the PAC.

- (1) Within three (3) months after receipt of the annual report of the Auditor-General, submit a report of its findings to the House of Assembly subject to a review in not more than one month only;

- (2) Within three months after, any other matter referred to it for examination pursuant to the provisions of this Law, prepare and submit to the House of Assembly, a report of the examination; and
 - (3) Within six months after the end of each year, prepare and submit to the Speaker of the House a report on the activities of the Committee during the preceding year.
21. (1) The Auditor-General shall, within ninety (90) days of receipt of the financial statements and annual accounts of the State from the Accountant-General, submit his report to the House of Assembly and the House shall cause the report to be considered by the PAC.
- (2) Such reports submitted to the State House of Assembly shall include but not limited to the following:
- (a) Annual financial statements prepared in accordance with generally accepted accounting principles;
 - (b) Accounts of the implementation of the annual plan;
 - (c) List of public entities audited by the Auditor-General;
 - (d) List of Government ministries and parastatals;
 - (e) Annual report on cases of fraud investigated or prosecuted;
 - (f) Annual performance audit report on projects, supplies and Value for Money Audit;
 - (g) Annual report on taxes and other revenue collections.
- (3) All these reports shall be published in hard and soft copies. Soft copies shall be published on the State website after submission to the State House of Assembly while Hard copies shall be available on request to anyone at the cost of printing.
- (4) All reports of the Auditor-General submitted to the House of Assembly shall be treated as House of Assembly reports

Annual Certificate and
Report of the Auditor-
General

and shall enjoy all privileges accorded to reports of the House.

22. (1) The PAC shall:

Review of the Auditor-General's Report

- (a) consider each report from the Auditor-General and the process may include questioning the Accounting Officer from the relevant public body, receipt of explanations from the Auditor-General and official response from the Government;
 - (b) make recommendations on the basis of the consideration and monitor their implementation;
 - (c) have power to summon the accounting officers, public officials and any member of the public for questioning about the Auditor-General's findings;
 - (d) hold its hearing in public but may choose to hold all part of its hearing in private sessions;
 - (e) prepare a report to the House, which may include comments and recommendations at the end of its review of the Auditor-General's report provided that such reports shall be sent to the Auditor-General and all organizations reported on and shall be made available to the public on demand.
- (2) The report prepared pursuant to subsection 1(e) of this section shall be sent to the Governor for implementation and publication within two (2) months of the State House of Assembly's receipt of the Auditor-General's report.
- (3) The PAC shall give regular feedback to the State House of Assembly on the actions taken by the Executive with regard to the report referred to in subsection 1(e) of this section.

ESTABLISHMENT AND FUNCTIONS OF AUDIT COMMITTEES

23. (1) The Accounting Officers in all Ministries, Departments or Agencies of the State shall establish an Audit Committee.

Establishment and Functions of the Audit Committee

(2) The Audit Committee shall:

- (a) Implement all recommendations contained in the Auditor-General's Report as may be approved by the State House of Assembly and any other resolution or directive of the State House of Assembly; and
 - (b) Prepare annual report showing the status of the implementation of the provisions of subsection 2(a) of this section.
- (3) The report prepared pursuant to subsection 2(a) and (b) of this section shall contain a statement showing the remedial action taken or being taken to avoid or minimize the re-occurrence of undesirable features in the accounts and operations of the Ministry, Department or Agency and the time frame within which the remedial action will be completed if any.
- (4) A copy the Audit Committee's Report shall be forwarded to the Auditor-General within (1) month from receipt of the Auditor-General's report.
- (5) The Auditor-General may share the Report with PAC which shall form part of the feedback to the State House of Assembly in line with the provisions of this Law.
24. (1) There shall be an exit conference between the audit team and audited entity at the conclusion of an audit exercise. Follow-up on Audit Report
- (2) The purpose of the exit conference shall be to:
- (a) present audit observations to auditee entity management in conference before leaving;
 - (b) allow management opportunity to provide clarification to audit observations in conference; and
 - (c) isolate observations that will be reported on.
- (3) The Auditors-General shall schedule post audit meeting with an audited entity within 30 days of issuing the Audit report. The post audit meetings shall hold at the office of the auditee entity to assess the entity's compliance to

audit observations and recommendations. Any unresolved Query/issue will be forwarded to the House of Assembly for further action.

- (4) The comments on Audit observations by the House of Assembly shall be forwarded to responsible audited entities for compliance and to the Auditors-General. A post audit meeting shall be convened by the Auditors-General to resolve such issues.
 - (5) Report of non-compliance to the directives of the House of Assembly in respect of the Queries of previous Audit will be forwarded to the House of Assembly.
 - (6) The Auditor-General shall be under obligation to submit follow up report to the House of Assembly each year.
25. (1) The Auditors-General shall prepare and submit to the House of Assembly at least ninety (90) days before the beginning of each year:
- (a) A draft annual plan that:
 - (i) describes the Auditors-General's proposed work programme for the incoming year; and
 - (ii) includes the interim report for the current financial year;
 - (b) the estimate of revenues and expenditure for inclusion in the State budget; and
 - (c) the operational, administrative and capital expenses of the Audit Offices including salaries, allowances, gratuities and pensions payable to staff.
- (2) The Auditors-General, after considering the comments of the House of Assembly through the Public Accounts Committee that considered the draft plan, may amend the plan as necessary and submit to the Planning and Budget Commission for inclusion in the State Budget for appropriation by the State House of Assembly.

Annual Estimates and
Expenditure

- (3) The House of Assembly shall ensure that the State Auditor-General's Office and the Auditor-General for Local Government Office are properly and sufficiently funded through budgetary allocations and oversight functions to enable the Offices of the Auditors-General perform their statutory functions effectively.
 - (4) Any sum appropriated to the Offices of the Auditors-General in each financial year shall be charged upon the Consolidated Revenue Fund and paid as a first line charge in equal instalments monthly.
 - (5) All funds or finances made available to the Auditor-General for the performance of his statutory responsibilities under this Law shall be controlled and applied exclusively by the Auditor-General in accordance with extant financial regulations and without interference by any person or body of persons.
 - (6) Where the resources provided for the Auditor-General's Office is insufficient to allow him fulfil his mandate, the State Auditor-General shall apply to the House of Assembly.
26. Each member of Staff of the Auditor-General exercising financial management responsibilities must take all reasonable steps within his or her area of responsibility to ensure that:
- (1) The system of financial management and internal control established for the administration is carried out diligently;
 - (2) The financial and other resources of the Office are utilized effectively, efficiently, economically and transparently;
 - (3) Any fictitious or wasteful and unproductive expenditure, and losses resulting from criminal conduct, are prevented;
 - (4) All revenues due to the Officer are collected;
 - (5) The provisions of this Law to the extent applicable to that staff member, including any delegations by the Auditor-General are complied with; and

Financial Responsibilities of
Other Members of Staff

(6) The assets of the Officer are effectively managed, safeguarded and maintained, and that liabilities are property managed.

27. (1) Where during the course of an audit, the Auditor-General becomes aware of an improper retention or misappropriation of public money or any other activity that may constitute an offence under the criminal laws of Nigeria or any existing law; or misappropriation of public money or such other activity, he shall report to the Accounting Officer or any other authority charged with that function by the State.

Improper Retention of
Public Funds

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

(3) The provisions of subsection (1) of this section shall apply to a staff of the Office or any auditor appointed pursuant to the provisions of this Law.

28. (1) The Auditors-General shall not be subject to the direction, control or interference of any authority or person(s) or any institution(s) or any branch of Government in carrying out the functions of their Office especially but not limited to:

Independence of the
Auditors-General

(a) the selection of audit issues;

(b) planning, programming, conduct, reporting and follow-up of the audits; or

(c) organization and management of his office and

(d) enforcement of decisions.

(2) The Auditors-General shall perform their functions impartially, without fear, favour or prejudice and shall exercise their powers independently.

(3) The Auditors-General shall not be involved or seen to be involved in any manner, whatsoever in the management of any auditable entity.

- (4) The approved budget for the Office of the Auditors-General shall not be withheld or delayed.
- (5) The Auditors-General shall manage the Office's subvention in conformity with extant financial regulations. Expenses to be paid from this subvention shall include, but are not limited to:
 - (a) costs of training and professional development activities;
 - (b) the monies for travelling, transportation and subsistence needed by staff engaged in conducting duties of the Auditor-General;
 - (c) the administrative expenses of the Office of the Auditor-General; and
 - (d) any capital development project or special expenditure.

PART VI
ESTABLISHMENT OF THE OFFICE OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS

- 29. (1) There is hereby established an Office of the Auditor-General for Local Governments which shall be a body corporate with perpetual succession and a common seal, may sue and be sued in its corporate name and may acquire, hold or dispose of any property, movable or immovable for the purpose of carrying out its function under this Law.

Establishment of the Office of the Auditor-General for Local Governments
- (2) The Office of the Auditor-General shall be headed by Auditor-General for Local Governments.
- (3) The Auditor-General for Local Governments shall establish such number of departments and units as he may require for the effective exercise of his powers and discharge of his duties and functions under this Law.
- 30. (1) The Auditor-General for Local Governments shall be appointed by the Governor on the recommendation of

Appointment of Auditor-General for Local Governments

the Civil Service Commission subject to confirmation by the State House of Assembly and shall be:

- (a) a qualified Accountant who has held full membership of a professional accountancy body recognised by an Act of the National Assembly;
 - (b) a person with a minimum of fifteen (15) years cognate experience in Accounting and/or Auditing fields.
- (2) In recommending person(s) for appointment as Auditor-General for Local Government, the Commission shall advertise the vacancy on the State's website, two (2) national dailies, procurement portal and State gazette for a minimum of four weeks before the date set for interview.
- (3) The Civil Service Commission shall thereafter interview shortlisted candidates and recommend the top three candidates to the Governor for appointment.
31. (1) The accounts of the Local Governments and all other offices shall be audited annually in accordance with the provisions of this section and submitted to the Legislative Council. Auditing of Accounts of Local Governments
- (2) The Auditor-General shall, within six months from the end of each financial year, submit his report to the House of Assembly.
- (3) A Local Government shall:
- (a) make available at all times the accounts subject to audit, together with all books, papers, vouchers and records relating thereto, for inspection by the auditor; and
 - (b) prepare and submit to such auditor, statements or abstracts containing such particulars and relating to such periods.

- (3) In exercise of his functions under this Law, the Auditor-General shall not be subject to the direction or control of any authority or person.
- (4) The Auditor-General shall, in addition to the powers specifically conferred on him by this Law, exercise such other powers and observe such audit standards vested in the Auditor-General of the State in relation to the Local Governments as specified under sections 13 and 14 of this Law.
32. (1) It shall be the duty of an auditor at every audit held by him to:
- Powers and Duties of Auditors
- (a) disallow any expenditure which is contrary to the Public Finances (Control and Management) Law, the Public Procurement Law or any existing Law in the State or in violation of any Financial Memoranda issued or is unsupported by proper records or accounts, or which he considers unreasonable;
 - (b) surcharge any sum which has not been duly brought into account upon the person by whom that sum ought to have been brought into account;
 - (c) surcharge the amount of any loss or deficiency upon any person by whose negligence or misconduct the loss or deficiency has been incurred;
 - (d) certify, at the conclusion of the audit, his allowance of the accounts subject to any disallowance or surcharges which he may have made.
- (2) It is hereby declared that for the avoidance of doubt that in subsection (1) of this section the word "person" includes:
- (a) any employee or former employee of a Local Government;

- (b) any person who, though not an employee of a Local Government, holds or formerly held an office the emoluments attaching to which are or were paid wholly or partly from the revenue or other funds of a Local Government;
- (c) any Chairman or other member of a Local Government Council, Committee or Management appointed for a Local Government; or
- (d) any Administrator or former Administrators appointed for a Local Government.

33. Notwithstanding any of the provisions of the last preceding section, no liability to surcharge shall be incurred by an employee of the Local Government who can prove to the satisfaction of the Auditor that he acted in pursuance of, and in accordance with, the terms of a resolution of the Local Government to whose orders, in relation to the matter in question, he was subject Special relief

PROVIDED that nothing in this section shall exempt any person from liability to surcharge in accordance with the provision of section 35 where that person knew or ought reasonably to have known that the terms of any resolution or any written instruction as aforesaid were unlawful.

34. For the purpose of any examination under the provisions of this part the Auditor may take evidence and examine witness, upon oath or affirmation (which, oath or affirmation the Auditor is hereby empowered to administer), and may, by summons under his hand, require all such persons as he may think fit, to appear personally before him at a time and place stated in such summons and to produce all such books and papers, including the minutes of the proceedings of the Council or of the Committee thereof, as he may consider necessary for such examination. Auditor may take Evidence on Oath etc.

35. Every sum certified by the Auditor to be due from any person shall be paid by that person to the treasury of the Local Government concerned within sixty days after it has been so certified, or if an appeal with respect to that sum has been made within thirty days after the appeal is finally disposed of Payments from Sums Due

or abandoned whether or not by reason of the non-prosecution thereof.

36. (1) Any sum which is certified by the Auditor to be due and has become payable shall be recoverable as a civil debt. Recovery
- (2) In any proceedings for the recovery of such a sum, a certificate signed by the Auditor shall be conclusive evidence of the facts certified, and a certificate signed by the Secretary to the Local Government concerned or any employee whose duty it is to keep the accounts that the sum certified to be due has not been paid shall be conclusive evidence of non-payment unless it is proved that the sum certified to be due has been paid since the date of the certificate.
- (3) Unless the contrary is proved, a certificate purporting to be signed by the Auditor, or by the Secretary or the employee whose duty it is to keep the accounts, shall be deemed to have been signed by such Auditor, Secretary or employee as the case may be.
37. Every Local Government shall render to the Legislative Council an annual financial statement in such form as the Legislature may direct and, unless the Legislature shall otherwise direct, shall before the first day of September in each financial year publish such annual financial statement and the report of the Auditor, thereon at its own offices, and in any other manner customary in the area. Local Government to Render Annual Financial Statements to the Legislature
38. (1) There shall be an Audit Alarm Committee for the Local Governments in the State. Establishment and Composition of Audit Alarm Committee
- (2) The Audit Alarm Committee shall comprise of the –
- (a) Auditor-General of Local Governments as the Chairman;
- (b) Director responsible for Local Government Inspectorate for the State; and
- (c) Representative of the Accountant-General of the State.

39. (1) The functions of the Audit Alarm Committee shall be to:

- (a) meet and deliberate on any audit alarm brought to the Committee's notice;
- (b) ensure that fraudulent or irregular payments are not made;
- (c) impose sanctions on any erring officer; and
- (d) notify the Public Accounts Committee of House of Assembly of any alarm of significant importance and serious payment audit queries for which the Accounting Officer of the Local Government is responsible;

(2) The work of the Audit Alarm Committee shall be facilitated by the following officers –

- (a) the Resident Auditor;
- (b) the Local Government Inspector; and
- (c) the Head of Internal Audit.

(3) It shall be the individual and collective responsibility of the officers stated in subsection (2) of this section to alert the Audit Alarm Committee before irregular or illegal payments are made by the Local Government, or as soon as possible after discovery of such payments.

(4) Where an officer stated in subsection (2) of this section fails to promptly alert the Audit Alarm Committee of an irregular or illegal payment, he shall be liable to sanctions as provided under the guidelines on audit queries and sanctions applicable in the State.

(5) Members of the public shall also have the power to raise alarm to the Committee if they become aware of any irregular or illegal payment by a Local Government.

(6) Once a pre-payment audit alarm has been raised, it shall be an offence for any Local Government officer to process any queried payment under the Audit Alarm

system any further, without an audit clearance certificate issued by the Auditor General of Local Governments.

PART VII
AUDIT SERVICE BOARD

40. There is hereby established for the State a Board to be known as the Kaduna State Audit Service Board, which shall be a body corporate with perpetual succession and a common seal having the power to sue and be sued. Establishment of the Audit Service Board
41. (1) The Board shall consist of the following: Composition of the Board
- (a) a part-time Chairman;
 - (b) the State Auditor-General;
 - (c) the Auditor-General for Local Governments;
 - (d) three (3) part-time members, representing three senatorial zones in the State;
 - (e) representatives not below the rank of Directors from the following Ministries, Departments or Agencies -
 - (i) Office of the Head of Service;
 - (ii) Planning and Budget Commission;
 - (ii) Ministry responsible for Local Government Affairs;
 - (iii) Ministry responsible for Finance; and
 - (f) the Executive Secretary of the Board.
- (2) The appointment of the Chairman and the members shall be made by the Governor.

42. The Board shall have the power to:

Functions of the Board

- (a) confirm the selection, appointment and promotion of staff of the Auditors-General;
- (b) subject any staff of the Offices of the Auditors-General to disciplinary proceedings and impose sanction based on the recommendation of the Auditors-General;
- (c) perform such other duties and functions as are necessary or expedient for the purpose of discharging its functions under this Law.

43. (1) A member of the Board shall hold office for a period of four years and may be reappointed for another term of four years only.

Tenure of Board members

(2) A member, other than an ex-officio member, may at any time resign his membership by sending a notice of resignation in writing under his hand to the Governor

44. (1) There shall be an Executive Secretary for the Board not below the rank of a Permanent Secretary to be appointed by the Governor.

Appointment of Executive Secretary

(2) The Executive Secretary shall, subject to any rules of the Board, be:

- (a) the Accounting and Chief Administrative Officer of the Board;
- (b) responsible for the execution of policy and the day to day management of the Board;
- (c) making arrangements for meetings of the Board;
- (d) conveying decisions of the Board to members and, where appropriate, to other persons or organisations;

(e) performing all other functions affecting the Board as the Chairman of the Board may direct.

45. Where the Board desires to obtain the advise or service of any person upon any matter, the Board may co-opt the person to be a member of such meeting and the person whilst so co-opted shall have all the rights and privileges of a member save that he shall not be entitled to vote at any such meeting. Power to Co-opt
46. No act or proceeding of the Board shall be invalid on account of any vacancy among its members or on account of the appointment of any member being defective. Validity of Proceedings
47. The Chairman or a member, other than an ex-officio member, shall only be removed from the office by the Governor acting on grounds of inability by the member to discharge the functions of his office, whether arising from infirmity of mind or body or any other just cause for misconduct. Removal from Office
48. There shall be paid to every member, other than an ex-officio such remuneration and allowances as may be determined by the Governor. Remuneration
49. A member shall not be personally liable to be sued for any act or omission or any default as long as such act, omission or default is in good faith and in the course of the operation of the Board. Liability of members
50. (1) The Board shall maintain Account from which there shall be defrayed all expenses incurred by it. Funds of the Board
- (2) There shall be paid and credited to the Account of the Board:
- (a) such sums as may be appropriated by an Appropriation Law of the State;
 - (b) all such monies paid to the Board by way of grant, donation, gifts, fees, subscriptions, interest and royalties;
 - (c) monies raised by way of loans obtained with the prior approval of the Governor; and

- (d) all other sums which may in any manner become payable in respect of any matter incidental to the discharge of its functions.

- 51. The Board shall prepare and submit to the Planning and Budget Commission each year, an estimate of income and expenditure for the next succeeding year. Annual Estimates

- 52. (1) The Board shall cause to be kept proper books of accounts and other records in respect of its functions. ACCOUNTS
 - (2) The Board shall prepare in respect of each financial year Statement of Accounts in such form as the Governor may approve.
 - (3) The Board shall ensure that the annual Statement of Accounts is a fair and accurate position and the result of the financial year to which it relates.

- 53. The Board shall cause the Annual Statement of Accounts required under this Law to be audited not later than four (4) months after the end of each financial year. Annual Statement of Account

- 54. (1) The Board shall hold such number of meetings as may be necessary for the due discharge of its functions, Meetings and Quorum of the Board

PROVIDED that, a meeting shall be held in each quarter of a year.

 - (2) The quorum for any meetings of the Board shall be the Chairman and five (5) members but where the Chairman is absent from any meeting the members present shall nominate one of them to act as the Chairman for that purpose.

**PART VIII
MISCELLANEOUS PROVISIONS**

- 55. The staff of the Office of the Auditor-General shall be entitled to payment of pension and other retirement benefits as provided in their conditions of service and State Pension Reform Law. Pension and Other Matters

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

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

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

- (a) In the case of an individual, to the actual loss arising as a result of his actions or inactions plus a fine of not less than one million naira only (₦1,000,000.00) or to a term of imprisonment of not less than two (2) years or both; and
- (b) In the case of a body corporate or firm, to the actual loss arising as a result of its actions or inactions plus a fine of not less than five million naira only (₦5,000,000.00).

- (3) Where a body corporate or firm is convicted of an offence under this section, every director of the company or principal officer of the firm shall be liable to a fine of not less than two million naira only (~~₦~~2,000,000.00) or to a term of imprisonment of not less than three (3) years or both unless he is able to prove that the offences upon which the conviction was based were committed without his knowledge, consent, connivance or collusion.
- (4) Where an Accounting Officer fails to make necessary recovery and it is proved that he fails to make reasonable efforts to recover the said loss, he commits an offence and shall be liable up on conviction to a penalty of not less than two million naira only (~~₦~~2,000,000.00) plus the amount not recovered.
- (5) The Auditor-General, commits an offence if he:
 - (a) Deliberately misleads or withholds information from the Auditor-General's external Auditor on any matter relating to the administration of the Auditor-General; or collects any bribe, gratification, compensation or reward.
 - (b) Deliberately provides false or misleading information in:
 - (i) the financial records of the Office of the Auditor-General submitted to the external Auditor; or
 - (ii) the Auditor-General's annual report, and shall be liable to a penalty of not less than five million Naira (~~₦~~5,000,000.00) plus the amount of loss involved (if any) or to a term of imprisonment of not less than five (5) years or both unless he is able to prove that the offences upon which the conviction was based were committed without his knowledge, consent, connivance or collusion.

57. Any member of staff of the Office of the Auditor-General who:

False Accusation

- (1) (a) makes false accusation against the Auditor-General and member of the Office; or
- (b) makes any report to the Auditor-General which he knows to be false or which he has no reason to believe to be true; or
- (c) breaches confidentiality with respect to information obtained during the course of duty,

commits an offence under this Law and shall be liable to a fine of not less than two million Naira (₦2,000,000.00) plus the amount of loss involved (if any) or to a term of imprisonment of not less than five (5) years or both.

- (2) fails to report to the Auditor-General any abuse or irregularity coming to his notice in the course of his duties in relation to any account audited,

commits an offence under this Law and shall be liable to a fine of not less than two million Naira (₦2,000,000.00) plus the amount of loss involved (if any) or to a term of imprisonment of not less than five (5) years or both.

- (3) demands or takes any bribe, gratification, compensation or reward for the neglect or non-performance of his duty,

commits an offence under this Law and shall be liable to a fine of not less than two million Naira (₦2,000,000.00) plus the amount of loss involved (if any) or to a term of imprisonment of not less than five (5) years or both.

58. (1) Pursuant to the provisions of this Law, all private audit firms and consultants taking up consultancy jobs relating to audit work in the State and Local Government must be registered with the Public Procurement Authority.

Regulation of Audit Contract

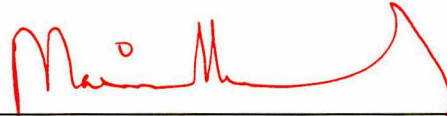
- (2) Copies of the report of all audits shall be submitted to the organisations, ministries, departments or agencies involved and to the Auditor-General.

- (3) The Office of the Auditor-General shall keep a register of all Registered Audit Consultants.
59. (1) The Governor or the House may by resolution, if so Special Assignment required, cause an inquiry to be made into a:
- (a) matter relating to the financial affairs of the State, Local Government or public property or
 - (b) person or organisation that has received financial aid from the State Government or Local Government.
- (2) The Auditor-General may, where in his opinion such assignment does not interfere with his primary responsibilities, report to the Governor or the House of Assembly on such assignments.
60. The Auditor-General and each person employed in the Office or appointed or engaged to assist the Auditor-General for a limited period of time or in respect of a particular matter shall keep confidential, all matters that come to his knowledge in the course of his employment or duties under this Law and shall not communicate those matters to another person, except as may be required in connection with the discharge of his responsibilities. Confidentiality
61. (1) The House of Assembly shall, in respect of each financial year, appoint an independent auditor to audit and report on the financial statement, accounts and other information relating to the performance of the Office of the Auditor-General in the year. External Audit of the Office of the Auditor-General
- (2) The independent auditor so appointed shall submit copies of his report to the House of Assembly.
- (3) The appointment of an independent auditor under this Section shall be concluded one (1) month before the end of the financial year.
- (4) The annual external audit of the Office of the Auditor-General shall commence no later than the first (1st) month after the end of the financial year under review and the report of the audit presented to the House within ninety (90) days from commencement of the external audit.

62. The Auditor-General may, make rules, regulations or publish manuals for the purpose of giving effect to the provisions this Law. Power to make Regulations
63. (1) No suit shall be commenced against the offices of the Auditor-General of the State or Local Government before the expiration of one (1) month after written notice of intention to commence the suit shall have been served on the Auditor-General. Preaction Notice
- (2) The notice referred to in sub-section(1) of this section shall clearly and explicitly state the cause(s) of action, the particulars of the claim, the name and place of abode of the intending plaintiff and the relief(s) which he claims.
64. (1) The provisions of the Public Officers (Protection) Law shall apply in relation to any suit instituted against the Auditor-General of the State or Local Government or their employees. Acts by Public Officers
- (2) In the performance of their duties under this Law, the Auditors'-General or any person authorized by them to act on their behalf, shall not be personally liable for any act or omission done in good faith in the normal discharge of their duties.
65. (1) As from the date of repeal of the legislation referred to in this Law: Savings
- (a) the person who was the Auditor-General immediately before the repeal of such legislation, remains the Auditor-General for the unexpired part of the term for which that person was appointed;
- (b) a person who was an employee of the Office of the Auditor-General immediately before the repeal of such legislation, remains an employee of the Office of the Auditor-General; and
- (c) all the funds, assets, liabilities, rights and obligations of the Office of the Auditor-General, including any money balance belonging to the Office, become the funds, assets, liabilities, right and obligations of the Office of the Auditor-General.

- (2) The repeal of the law referred to in section 66 does not affect the conditions of employment of a person referred to in subsection (1)(a), or (b), including any accumulated pension, leave or other benefits to which such a person was entitled immediately before the repeal of that law, and such a person remains subject to the same conditions of employment applicable to that person immediately before the repeal of that legislation without a break in those conditions of employment.
66. (1) The Kaduna State Audit Law No. 14 of 2021 is hereby Repeal repealed.
- (2) Sections 81-92 of the Local Government Law No. 3 of 2018 are hereby repealed.

DATED AT KADUNA this ^{29th}..... day of ^{June}.....2021.

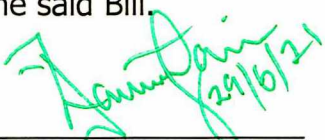

Malam Nasir Ahmad El-Rufai, OFR
Governor, Kaduna State.

EXPLANATORY NOTE

(This note does not form part of this Law and has no legal effect.)

The purpose of this Law is to provide for the Audit of Public Accounts of the State and Local Governments.

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


RT. HON. YUSUF IBRAHIM ZAILANI
(Speaker)


BELLO ZUBAIRU IDRIS Esq.
(Clerk to the Legislature)