



**IMO STATE OF NIGERIA**

**LAW NO. 5 OF 2021**

**IMO STATE AUDIT LAW, 2021**

**ARRANGEMENT OF SECTIONS**

**Long Title**

**Enactment**

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**IMO STATE OF NIGERIA**  
**LAW NO. 5 OF 2021**

A Law to repeal the Imo State Audit Law No.17 of 2016 and enact a Law to provide for the establishment of the Audit Service Board, Offices of the Auditor-General for the State and Auditor-General for Local Governments for the purpose of ensuring and guaranteeing transparency and accountability in the use of public funds and for other related matters.

*Long Title*

BE IT ENACTED by the Imo State House of Assembly of Imo State of Nigeria as follows -

*Enactment*

**PART I**  
**PRELIMINARY**

1. This Law may be cited as the Imo State Audit Law and shall commence on the **29th** of **June**, 2021.

*Citation*

2. In this law, unless the context otherwise requires –

*Interpretation*

“Accountant-General” means the Accountant-General of Imo State;

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

“Attorney-General” means the Attorney-General and Commissioner for Justice, Imo State;

“Auditor General for Local Governments” means the Auditor General for Local Governments in Imo State as provided for under Section 39 of this Law;

“Auditors-General mean the Auditor-General for the State and the Local Government Auditor General;

“Board” Means the Audit Service Board established under Section 3 of this Law;

“Commissioner” means the Commissioner or any person for the time being charged with responsibility of finance in Imo State;

"Compliance Audit" means an attestation engagement that either examines, reviews, or entails performing agreed-upon procedures on a subject matter or an assertion about a subject matter and reporting on the results. The Compliance Audit, as appropriate, may address agency management representations, assertions, and supporting evidence regarding -

- (a) whether the audited establishment has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law;
- (b) whether the audited establishment has obligated,

- expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use;
- (c) in the case of a State establishment or a Local Government establishment, whether the audited agency has generally complied with applicable laws and regulations, including the State Uniform Accounting System (SUAS), and the International Public Sector Accounting Standard (IPSAS) in its financial and fiscal operations;
  - (d) in the case of a State establishment, whether the records, books and accounts of the audited agency accurately reflects its financial and fiscal operations;
  - (e) in the case of a local establishment, whether the records, books and accounts of the audited agency fairly and accurately reflects its financial and fiscal operations relating to the obligation, receipt, expenditures and use of public funds of the State to the extent that such operations must be reviewed to complete post audit determinations under paragraphs (a) and (b) of this Section;
  - (f) in the case of a State or Local Government establishment, whether the audited agency is maintaining effective internal controls over revenues, obligations, expenditures, assets and liabilities;
  - (g) whether collections of State and Local Government revenues and receipts by the audited establishments are in accordance with applicable laws and regulations and whether the accounting and record keeping of such revenues and receipts is fair, accurate and in accordance with law;
  - (h) in the case of a State or Local Government establishment, whether money or negotiable securities or similar assets handled by the audited agency on behalf of the State or Local Government or held in trust

by the audited agency have been properly and legally administered, and whether the accounting and record keeping relating thereto is proper, accurate and in accordance with law; and

- (i) Whether financial programs and statistical reports of the audited agency contain useful data and are fairly presented;

Compliance Audits are to be performed in accordance with attestation standards issued by recognized professional bodies and international regulatory authorities.

“Employees of the Audit Service Board” include all staff of State Audit Office, Local Governments Audit Office and the Board;

“Executive Council” means the Imo State Executive Council;

“External Auditors” mean independent auditors appointed to audit Financial Statements of Ministries, Departments and Agencies of Imo State Government as well as the financial statements of the Local Government Councils and Local Government Agencies;

"Financial Audit" means a post audit primarily concerned with providing reasonable assurance about whether financial statements are presented fairly in all material respects and in conformity with International Public Sector Accounting Standards (IPSAS). Other objectives of financial audits, which provide for different levels of assurance and entail various scopes of work, may include, as appropriate –

- (a) providing special reports for specified elements, accounts, or items of a statement;
- (b) reviewing interim financial information;
- (c) issuing letters for underwriters and certain other requesting parties;

- (d) reporting on the processing of transactions by service organizations; and
- (e) auditing in compliance with regulations relating to federal award expenditures and other governmental financial assistance in conjunction with or as a byproduct of a financial statement audit.

Financial Audits are to be performed in accordance with generally accepted auditing standards issued by international and domestic regulatory bodies such as the Institute of Chartered Accountants of Nigeria and the Association of National Accountants of Nigeria.

“Finance and General Purpose Committee” (FGPC) means the Executive Committee of the Local Government Council;

“Financial year” means the financial year of Imo State Government;

“Governor” means the Governor of Imo State of Nigeria;

“House of Assembly” means the Imo State House of Assembly;

“Local Government Agencies” mean School Districts, Units of Local Governments and their Offices, Boards, Commissions and the Local Courts, which obligate, receive or use public funds of the Local Governments;

“Local Governments Audit Office” means the office of the Auditor-General for Local Governments established under section 38(2) of this Law;

“Officer” means the holder of an office in the Public Service of the State;

“PAC” means the Public Accounts Committee of the Imo State House of Assembly;

“Performance Audit” means an objective and systematic examination of evidence in order to provide an independent assessment of the performance and management of a program against objective criteria. Performance audits provide information to improve program operations and facilitate decision-making by parties with responsibility to oversee or initiate corrective action, and improve public accountability. Performance audits include management audits, which are also called economy and efficiency audits and program audits. A program audit addresses the effectiveness of a program and typically measures the extent to which a program is achieving its goals and objectives. An economy and efficiency audit concerns whether an agency is acquiring, protecting, and using its resources in the most productive manner to achieve program objectives. Program audits and economy and efficiency audits may include an assessment of -

- (a) the extent to which legislative, regularity, or organizational goals and objectives are being achieved;
- (b) the relative ability of alternative approaches to yield better program performance or eliminate factors that inhibit program effectiveness;
- (c) the relative cost and benefits or cost effectiveness of program performance;
- (d) whether a program produced intended results or product effects that were not intended by the program’s objective;
- (e) the extent to which programs duplicate, overlap, or conflict with other related programs;
- (f) whether the audited entity is following sound procurement practices;
- (g) the validity and liability of performance measures concerning program effectiveness and results or economy and efficiency; and
- (h) the reliability, validity or relevance of financial information

related to the performance of a program.

Performance Audits may also encompass objectives related to internal control and compliance with legal or other requirements. Performance audits are to be performed in accordance with Generally Accepted Government Auditing Standards (GAGAS) current at the time it commenced;

"Post Audit" or "Audit" means a post facto examination of books, documents, records, and other evidence relating to the obligation, receipt, expenditure or use of public funds of the State and Local Government Councils including governmental operations relating to such obligation, receipt, expenditure, or use. A post audit is a financial audit, a compliance audit or other attestation engagement, or a performance audit or some combination of any of the audits defined above;

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

"Revenue" includes the State and Local Government Councils share from the Federation Account, internally generated money and any other grant and loans or receipts;

"Service in the Audit Service Board" includes service in the offices of the State Auditor-General and that of the Auditor-General for Local Governments;

"State" means the Imo State of Nigeria;

"State Agencies" mean all Offices, Boards, Commissions and Agencies created by the Constitution or domestic edicts, whether in the Executive, Legislative or Judicial branch, Departments, boards, Commissions, Agencies, Institutions, Authorities, Universities, Bodies politic and

corporate of the State; and administrative units or corporate outgrowths of the State government which are created by or pursuant to statute, other than units of local government and their officers, school districts and boards of election; all administrative units and corporate outgrowths of the above and as may be created by executive order of the Governor;

“State Auditor-General” means the Auditor-General for Imo State as provided for in section 125(1) of the 1999 Constitution of the Federal Republic of Nigeria (as amended) and section 24 of this Law;

“State Audit Office” means Office of the State Auditor-General established under Section 25 of this Law; and

“Statutory body” means any authority established by Law.

## PART II

### ESTABLISHMENT OF THE AUDIT SERVICE BOARD

- 3.(1) There is established, a body to be known as the Imo State Audit Service Board (referred to in this Law as “the Board”)
  - (2) The Board shall be a body corporate with perpetual succession and a common seal and shall have power to sue and be sued in its own name.
  - (3) The Board may hold, acquire, lease or own moveable and immoveable property.
- 4.(1) The Board shall comprise –
  - (a) a Chairman who shall be a professional accountant with cognate audit experience;
  - (b) three persons representing the three geo-political

*Establishment  
of the Audit  
Service Board*

*Composition of  
the Board*



zones of Imo State who shall –

- (i) be professional accountants with qualifications from a recognized accountancy body; and
- (ii) have cognate audit experience in the private or public sector;
- (c) the Auditor-General for the State;
- (d) the Auditor-General for Local Governments; and
- (e) the Secretary to the Board.

(2) The Chairman and members shall be appointed by the Governor.

5.(1) No person shall be qualified for appointment as a member of the Board if –

*Qualification for  
Membership*

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

(2) Any person employed in the Public Service of the Federation or State shall not be disqualified for appointment as a chairman or member of the Board:

Provided that where such person has been duly appointed, he shall on his appointment be deemed to have resigned or retired from his former office as from the date of his appointment.

6. The Chairman and members of the Board other than ex-officio members shall hold office for a period of four (4)

*Tenure of  
Office of the  
Members of the  
Board*

years from the date of his appointment and may be re-appointed for one more term of four (4) years only.

7. The Chairman or any of the members shall cease to hold office in the event of any of the following –
- (a) if he is removed by the Governor acting on an address supported by two third majority of the House of Assembly praying that he be so removed for inability to discharge the functions of his Office (whether arising from infirmity of mind or body) or for misconduct; or
  - (b) if he resigns his membership of the Board in writing by a letter addressed to the Governor; or
  - (c) in case of permanent incapacity or death; or
  - (d) if he has been convicted of an offence which involves moral ineptitude; or
  - (e) if he becomes bankrupt or makes a compromise with his creditors.

*Cessation of  
Office of  
Members of  
the Board*

8. Any time there is a vacancy in the membership of the Board, the Governor shall within 30 days fill the vacancy.

*Filling of  
Vacancies*

9. The Chairman and members other than the ex-officio members of the Board shall be paid such salaries and allowances as may be applicable to other Boards in the State.

*Remuneration  
of Members*

- 10.(1) There shall be appointed by the Governor, a

*Appointment of  
a Secretary to  
the Board*

Secretary who shall be –

- (a) a Senior Officer not below the rank of a Director in the State Civil Service; or its equivalent and who on appointment shall enjoy all the rights and privileges of a Permanent Secretary in the State Civil Service; and
  - (b) the Accounting Officer of the Board.
- (2) The Secretary shall hold Office on such terms and conditions as may be applicable in the State Civil Service.
  - (3) Subject to the general direction of the Board, the Secretary shall be responsible for the day to day administration of the Board and for the keeping of books and proper records of proceedings of the Board.
  - (4) The Secretary shall perform all other duties affecting the Board as may be assigned to him by the Chairman.

11. The Board shall –
  - (a) provide inputs and administrative oversight over matters of human resource management in the offices of the State Auditor-General and Auditor-General for Local Governments respectively;
  - (b) make recommendations to the Governor for suitable candidates to be appointed Auditor-General for Local Governments.

*Functions of  
the Board*

- 12.(1) The Board shall in consultation with the State Auditor-General and Auditor-General for Local Governments appoint persons to hold office in the State Audit office, the Local Government Audit Office and such other offices as may constitute the Departments and Units of the Board.

*Powers of  
Board to make  
appointments*

- (2) The power of the Board to appoint under subsection (1) of this Section shall include power to –
  - (a) promote, transfer and confirm appointments of persons appointed or employed by the Board;
  - (b) dismiss and exercise disciplinary control over such persons holding or acting in such offices; and
  - (c) perform such other duties and functions as are necessary or expedient for the discharge of its functions under this Law.
- (3) Nothing in this Law shall preclude the creation of more Departments/Units by the Board, the State Auditor-General and the Auditor-General for Local Governments as the need arises and in accordance with the relevant Sections and make appointments into them in accordance with sub-section (1) of this section.
- (4) The Board in consultation with the State Auditor-General and the Auditor-General for Local Governments shall determine if any vacancy in the Board or the offices of the State Auditor-General and that of the Auditor-General for Local Governments, should be filled by a person holding office in any other Service Commission of the State, and shall notify the appropriate Service Commission to that effect and the Board may, by arrangement with the Service Commission concerned cause such vacancy to be filled by way of transfer or secondment.
- (5) Where any member of staff of any Service Commission is transferred or seconded under subsection (4) of this Section, he shall be notified of the terms and conditions of the transfer or secondment. In the case of a transfer, it shall be without prejudice to any pension rights which, despite the transfer would still accrue to him.
- (6) A person seconded pursuant to subsection (4) of this

Section may elect, subject to the approval of the Board, to be transferred to the Audit Service Board in which case any previous service in the service concerned shall count as service for the purposes of pensions subsequently payable by the Board.

- (7) Any member of staff of the Board, the State Audit office or the Local Government Audit Office may elect to transfer or be seconded to any other public service of the State and such right of transfer shall not operate to the disadvantage of the officer concerned.

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

*Staff of the  
Board.*

- 14.(1) The State Auditor-General and the Auditor-General for Local Governments in consultation with the Board shall establish a comprehensive human resources management system and policy for managing staff development programs.

*Appointment of  
Staff of the  
State Auditor-  
General and  
the Auditor-  
General for  
Local  
Governments*

- (2) The responsibility for determining the staff required to ensure efficiency in the performance and functioning of the offices of the State Auditor-General and Auditor-General for Local Governments shall reside with the State Auditor-General and Auditor-General for Local Governments. Consequently, once such staff are determined by the State Auditor-General and the Auditor-General for Local Governments, the Board shall appoint such staff subject to the approval of the Governor or cause them to be posted, transferred or seconded from other Government establishment.
- (3) The Board, in conjunction with the State Auditor-General and the Auditor-General for Local Governments shall be responsible for ensuring that

all vacancies for positions are widely advertised, all applicants shortlisted are in possession of the required minimum qualifications and 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 are consummately suitable for the appointment.

- (4) When any member of staff of the office of the State Auditor-General or Auditor-General for Local Government becomes eligible for promotion on the basis of time served and has met all additional qualification criteria, the State Auditor-General or the Auditor-General for Local Government shall recommend to the Board such members of staff for promotion.
- (5) The Board shall ensure that the recommendations for promotion of staff by the State Auditor-General and the Auditor-General for Local Governments are effected without undue delay.
- (6) It shall be the sole responsibility of the State Auditor-General or Auditor-General for Local Governments as the case may be, to request the commencement of Staff disciplinary processes and to articulate the circumstances and nature of breaches that shall necessitate the commencement of the process by the Board.

15.(1) The State Auditor-General and Auditor-General for

*Conditions of*

Local Governments shall in consultation with the Board determine in line with the guidelines issued by the Salaries and Wages Commission (or the State level equivalent) the salaries, allowances, pensions and other conditions of service of members of Staff of the Board, Offices of the State Auditor-General and that of the Auditor-General for Local Governments respectively.

*Service,  
salaries  
and allowances  
of the Staff*

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.

- (2) The salaries and allowances of the staff of the State Audit office, the Local Governments Audit Office and the Board shall be charged on the Consolidated Revenue Fund of the State Government.

16. The Board may in consultation with the State Auditor-General and the Auditor-General for Local Governments, make regulations relating to the conditions of service of the employees of the Board and without prejudice to the generality of the foregoing, such regulations may provide for –
  - (a) the appointment, promotion and disciplinary control (including dismissal) of employees of the Board; and
  - (b) appeals by such employees against dismissal or such other disciplinary measures and until such regulations are made, any instrument relating to the conditions of service of officers in the Civil Service of the State shall be applicable, with such modifications as may be necessary, to the staff under the Board.

*Staff  
Regulations*

- 17.(1) Notwithstanding the provisions of any Pensions Law in force in the State, service in the Audit Service Board shall be service in the Public Service for the purpose of that Law and accordingly, officers of the Board shall in respect of their service in the Board be entitled to such Pensions, Gratuities and other Retirement Benefits as are prescribed under the State Pensions Reform Law.
- (2) The period of service of any person in the Audit Service Board shall be joined to and deemed to be continuous with the period served by that person previously or subsequently in any other pensionable service.
- (3) For the purpose of the application of the provisions of the Pensions Reform Law, any power exercisable under the provisions of that Law by a Commissioner or other authority of the State (not being the power to make regulations) are vested in and shall be exercisable by the Audit Service Board.
- (4) Nothing in the foregoing provisions of this section shall prevent the appointment of a person to any office under the Board and offices of the State Auditor-General and Auditor-General for Local Governments on terms which preclude the grant of a pension or gratuity in respect of service in the Board.

*Pensions*

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

*Power to co-opt*

- 19.(1) The meetings of the Board shall be convened by the Chairman or by a simple majority of members.

*Meetings of Board.*



- (2) At any meeting of the Board, the Chairman shall preside and in his absence, the other members may elect one person from among themselves to preside.
  - (3) The quorum for any meeting of the Board shall be a third of all the members.
  - (4) Any matter which comes before the Board for decision shall be decided by the vote of a simple majority of the members present, and in the event of equality of votes, the Chairman presiding shall have a casting vote.
  - (5) The validity of any meeting shall not be affected by reason of the existence of any vacancy in the Board or any defect in the appointment of a member.
  - (6) The Secretary of the Board shall not vote at any meeting of the Commission.
20. The Board shall have power to regulate its proceedings and may make standing orders for that purpose.
21. No member of the Board shall be personally liable for any act done in the course of exercising a legal duty or function imposed on him by the Board.
- 22.(1) Subject to the Freedom of Information Act, any report, statement, communication, recording of any meeting or proceedings of the Board made in the due exercise of its functions or which any member of the Board may make in the course of performing his official duties shall be regarded as privileged.

*Board to  
regulate its  
Proceedings*

*Protection of  
Members.*

*Reports,  
Statements to  
be privileged*

- (2) Subject to sub-section (1) of this Section, a report, statement, communication, record of proceedings of any meeting of the Board shall be released on the order of a court of a competent jurisdiction or by a resolution of the Imo State House of Assembly.
- 23.(1) There shall be established, a Fund for the Board and provision for the fund shall be made in the annual budget of the State.
- (2) There shall be paid and credited to the Fund established under subsection (1) of this Section –
- (a) the take off grant;
  - (b) any sum appropriated to the Board by the Imo State House of Assembly in each financial year;
  - (c) all monies realized for the purposes of the Board by way of gifts, grants-in-aid; and
  - (d) proceeds from all other assets that may from time to time accrue to the Board.
- (3) The Board shall defray all expenditure incurred by it from the fund referred to in subsection (1) of this Section including –
- (a) the cost of administration;  
the cost of payment of salaries, fees or other remunerations and allowances, pensions and gratuities payable to members and employees of the Board; and
  - (b) anything done in furtherance to any of its functions under this Law.

*Funds of the  
Board*

### **PART III**

#### **ESTABLISHMENT, APPOINTMENT, FUNCTIONS AND POWERS OF THE AUDITOR-GENERAL FOR THE STATE**

24. Pursuant to Section 125(1) of the 1999 Constitution of the Federal Republic of Nigeria (as amended), there shall be

*Auditor-General  
for Imo State  
(Section. 125 of*

an Auditor-General for Imo State (hereinafter referred to as “the State Auditor-General”)

*the  
Constitution)*

25.(1) There is established, an office to be known as the Office of the Auditor-General for Imo State (hereinafter referred to as “the State Audit Office”)

*Establishment  
of the office of  
the State  
Auditor-General*

(2) The State Audit office shall be headed by the State Auditor-General.

(3) The State Audit Office 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 moveable or immovable property for the purpose of carrying out its functions under this Law.

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

*Appointment of  
the State  
Auditor-General*

(2) The State Auditor-General shall -

(a) be a qualified accountant who has held full membership of a professional accountancy body recognized by an act of the National Assembly for a period of not less than fifteen (15) years post qualification, be able to demonstrate independent testament and competence and shall have a minimum of twelve (12) years cognate experience in auditing the public sector.

(b) not be less than 45 years and where in public service, with not less than six (6) months to retire;

(c) be experienced in public sector auditing;

(d) be highly proficient in the use of computer;

- (e) be a person of proven integrity and good conduct; and
- (f) retire on attaining the age of sixty (60) years unless where he is removed from office in accordance with the provisions of this Law.

- 27.(1) In recommending persons for appointment as State Auditor-General, the State Civil Service Commission shall advertise the vacancy on its website, two (2) national newspapers, the State Official gazette, the procurement journal and two (2) Local Newspapers for a minimum period of six (6) weeks before the date set for interview.
- (2) The State Civil Service Commission shall interview the applicants and recommend the top three to the Governor.
  - (3) The Governor shall appoint one of the three persons recommended by the Civil Service Commission as the State Auditor-General subject to the confirmation of the House of Assembly.

*Procedure for  
Appointment of  
the State  
Auditor-General*

- 28.(1) The power to appoint any person to act as the Auditor-General for Imo State shall vest in the Governor of the State.
- (2) A person appointed under sub-section (2) of this section shall possess the qualifications spelt out under section 26 (2) of this Law.
  - (3) Except with the sanction of a resolution of the House of Assembly, no person shall act in the office of the State Auditor-General for a period exceeding six months.

*Appointment of  
Acting State  
Auditor-General*

29.(1) A person holding the position of the State Auditor-General shall be removed from office by the Governor of the State acting on an address supported by two-third majority of the House of Assembly praying that he be so removed for inability to discharge the functions of his office (whether arising from infirmity of mind or body or any other cause) or for misconduct:

*Removal from office and cessation of office*

Provided that the Auditor-General shall have been given twenty-one (21) days notice in writing for self defence on the floor of the House.

(2) The State Auditor-General shall not be removed from office before such retiring age as may be prescribed by Law (in this case 60 years) save in accordance with the provisions of this section.

(3) The State Auditor-General shall cease to hold office if –  
(a) he resigns his appointment or voluntarily retires from the service of the State;  
(b) he is permanently incapacitated and unable to carry on with his functions effectively based on a report by a legally constituted medical Board or dies while in office;  
(c) he becomes bankrupt or makes a compromise with his creditors; or  
(d) he is convicted of an offence or crime under the laws of Nigeria or any other country.

30. Before assuming office, the State Auditor-General shall take an oath administered by the Chief Judge of State, as specified in the first Schedule to this Law.

*Oath of Office*

31.(1) The State Auditor-General shall be paid such salaries and allowances as may be determined by the Revenue Mobilization Allocation and Fiscal Commission or its state level equivalent.

*Remuneration and allowance of the State Auditor-General*

(2) The remuneration of the State Auditor-General shall be charged on the Consolidated Revenue Fund of

the State.

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

- 32.(1) The State Auditor-General shall audit the Public Accounts of the State and shall submit his reports to the House of Assembly and for that purpose, the State Auditor-General or any person authorized in that behalf shall have access to all books, records, returns and other documents relating to the Public Accounts of the State.

*Functions of  
the State  
Auditor-General*

- (2) The State Auditor-General shall ensure that –
- (a) the Public Accounts of the State and all other authorities referred to in this Law are kept in such form as he may approve ;
  - (b) all reasonable precautions have been taken to safeguard the collection and custody of public monies or other monies subject to his audit and that the laws, directions and instructions relating thereto have been duly observed and obeyed;
  - (c) all monies appropriated or otherwise disbursed have been expended on and applied for the purpose for which the grants made by the State Executive Council and the Imo State House of Assembly were intended, and that the expenditure conforms to the authority which governs it;
  - (d) adequate audit regulations exist for accounting and financial operations in the State and that they are duly observed;
  - (e) monies have been expended with efficiency, effectiveness and due regard to the economy;
  - (f) satisfactory procedures have been established to measure and report the effectiveness of programmes and where such procedures could appropriately and reasonably be implemented;
  - (g) the attention of the appropriate authorities have been

drawn to any irregularity observed during the examination of the accounts as soon as facts of such irregularities have been established and confirmed;

- (h) as a result of the audit conducted by him, all queries and observations are addressed to the Accountant-General, the Accounting Officer or any other appropriate person in an establishment and shall call for such accounts, vouchers, statements, documents and explanations as he deems fit; and
  - (i) where necessary, he shall, make surcharges and specify to the appropriate Heads of Departments, or Institutions, the amount due from any person upon whom he had made such a surcharge and the reason for the surcharge and shall report the circumstances of the case to the Accounting Officer of the affected Department or Institution.
- (3) The State Auditor-General shall, in exercising his functions under the provisions of this Law, express his opinion as to whether the financial statement/accounts represent the financial information in accordance with applicable statutory provisions, laid down stated accounting policies of Government, International Public Sector Accounting Standards (IPSAS), and whether they are essentially consistent with those of the preceding year.
- (4) The State Auditor-General or any person authorized by him to conduct periodic checks on a Statutory Corporation shall, in addition to the audit report, draw attention to the following –
- (a) the profitability, liquidity, stability and solvency of the Parastatals, Corporations and Educational Institutions and also the performance of the shares of the Corporation in the capital market, where applicable;
  - (b) any delay in the payment of the Government's portion of any dividend into the Consolidated

- Revenue Fund;
- (c) any fraud or loss and if so, their underlying causes and person(s) responsible for such fraud or losses;
  - (d) any internal control weaknesses which were identified;
  - (e) the general corporate performance of Statutory Bodies indicating achievement against set targets and objectives; and
  - (f) whether the finances of such bodies have been conducted with due regard to economy, efficiency and effectiveness having regard to the resources utilized.
- (5) The State Auditor-General shall evaluate the adequacy of the State's enterprise risk management strategies and policies and make recommendations for their improvement.
- (6) The State Auditor-General in the exercise of his responsibility, shall publish the Annual Statutory Report of the State Government electronically and manually.
- (7) The State Auditor-General shall audit –
- (a) the use of public monies, resources or assets by a recipient or beneficiary regardless of its legal nature;
  - (b) collection of resources owed to the Government or public entities;
  - (c) the quality of the financial management and reporting of all auditable entities;
  - (d) the performance of auditable entities; and
  - (e) the implementation of policies of government and public entities
- 33.(1) In addition to the functions enumerated above, the State Auditor-General shall prepare an audit plan and associated budget for the approval of the House of



Assembly not later than three months before the end of the year preceding the year to which the budget applies.

- (2) The State Auditor-general shall audit all financial statements and annual accounts of the State.
- (3) The State Auditor-General shall, within ninety days of the receipt of the Accountant-General's financial statement and annual accounts of the State, submit his report to the Imo State House of Assembly.
- (4) The State Auditor-General or any person authorized by him in that behalf shall have unrestricted access to all the books, records, returns, and other documents both electronic and manual, relating to the accounts referred to in subsection (2) of this Section whether kept electronically or otherwise.
- (5) If at any time it appears to the State Auditor-General that any irregularities have occurred in the receipt, custody or expenditure of public monies or in the receipt, custody, issue, sale, transfer or delivery of any securities, stores or other Government property, or in the accounting of same, he shall immediately bring the matter to the notice of the Governor or the Accounting Officer of the affected Ministry or Agency and to any other officer he may deem fit.
- (6) The State Auditor-General may –
  - (a) seek the advice or opinion of the Attorney-General of the State in writing on any question or issue arising from the provisions of this Law in respect of all matters and issues, that may be necessary for the due performance and exercise of the duties and powers vested in him, and the Attorney-General shall give his opinion within fourteen (14) days;

- (b) deploy through the Chief Executive in any Government Ministry, Department, or Agency (MDA), any person employed in his office (referred to in this Law as the “officer”) to enable such an officer carry out his duties effectively for a given period of time.
- (7) For the purpose of discharging the functions of his office, the State Auditor-General shall, subject to the provisions of this Law, do anything necessary and enter into any transactions that will enhance the proper performance of these functions; these shall include -
- (a) establishing and implementing comprehensive human resource management systems and policies for managing staff and instituting staff development programs;
  - (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 contract basis for limited engagements, including those required as part of agreements with international organizations, but all audit opinions shall remain those of the State Auditor-General; and
  - (d) constituting or establishing standing or ad hoc Committees to facilitate the discharge of the functions of the State Audit Office.
- (8) Nothing in subsection (2) of this Section shall be construed as authorizing the State Auditor-General to audit the accounts of or appoint auditors for State Government Statutory Corporations, Commissions, Authorities, Agencies, including all persons and bodies established by Law, but the State Auditor-General shall –
- (a) provide such bodies with-
    - (i) a list of auditors qualified to be appointed by them as external auditors and from which the bodies

- shall appoint their external auditors;
- (ii) a guideline of fees to be paid to the external auditors; and
- (b) comments on their annual accounts and auditor's report thereon.
- (9) The State Auditor-General shall if he deems it necessary-
- (a) require a public officer to give explanation or information which the Auditor-General may require in order to enable him discharge his duties; and
- (b) without the payment of any fees, cause a search to be made and extracts to be taken or copies made from any book, document or record in any public office.
- (10) The State Auditor-General in the performance of his functions under this Law or any other Law shall have power to disallow any item of expenditure which is contrary to Law, and surcharge –
- (a) the amount of any expenditure disallowed upon the person responsible for incurring or authorizing the expenditure;
- (b) any sum which has not been duly brought into account upon the person by whom the sum ought to have been brought into account;
- (c) the amount of any loss or deficiency upon any person by whose negligence or misconduct the loss or deficiency has been incurred.
- (11) A person aggrieved by a disallowance or surcharge made by the State Auditor-General may appeal to the High Court of Imo State.
- (12) The State Auditor-General and his staff shall have unrestricted access to such persons, documents, computers and other information systems and assets as they consider necessary for the proper

performance of their functions by –

- (a) making a written request to such persons stating the nature of the information needed and why it is needed;
- (b) stating that the information requested is required under this Law; and
- (c) reimbursing the person who has provided the information requested for any reasonable costs associated with producing such information: provided that the information shall not be used for any other purpose by the person providing the information.

(13) The State Auditor-General may in the course of carrying out his functions, duties or exercising his powers –

- (a) summon a person as witness to give evidence either orally or in writing;
- (b) administer an oath for the purpose of examining a person

(14) Any person who upon examination, pursuant to sub-section (12) (a) and (b) above, 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.

(15) For the purpose of performing his functions and duties or exercising his powers under this Law, the State Auditor-General may –

- (a) examine or audit the account of any person in any bank if the State Auditor General has reason to believe that the money held in such an account are public funds which had been

fraudulently or wrongly paid into the account;  
(b) as a condition for exercising this authority, enter into a non-disclosure agreement with the holder of the account and afford such holder absolute assurance that any information disclosed for purpose 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 an *exparte* warrant of the High Court authorizing such examination;

(16) Upon being presented with such warrant as described in sub-paragraph (b) above, the bank shall be required to produce all relevant records for the account in question, in any form (hard or soft copy), that is in the bank's custody or control.

(17) The State Auditor-General shall have the right to make copies of any record including electronic or digital records or the like, obtained in line with this section and shall have all such copies notarized by a court appointed notary and the cost shall be defrayed by the State Auditor-General.

(18) The Bank shall cause to be appended, a suitable electronic endorsement or an indelible mark which shall identify the bank from where such records were obtained and the date such records were obtained. The Bank shall also cause each page of the documents obtained to be electronically endorsed or signed by an authorized officer of the Bank.

- (19)The State Auditor-General shall have the power under this Law to –
- (a) access any government facility, examine the records, have extracts taken from any book(s) of account, accounting entries recorded electronically and any other form of accounts maintained which relates to money or stores and such may have relevance to the subject of an audit without paying any fee;
  - (b) execute a search at any time 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 or relevance to the audit;
  - (c) enter and conduct a search of any private property, premises, vehicle or person pursuant to the authority of a court warrant or order, if there is reasonable suspicion that a document account, written or electronic record, general information, or asset which the State Auditor-General needs to inspect for reason of relevance to the audit appear 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 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:

Provided that any such entry and search of property shall be conducted with due regard for decency, order and constitutional rights of the affected person.

- (20) The State Auditor-General in the performance to 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) the amount of any expenditure disallowed upon the person responsible for incurring or authorizing 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;
  - (c) the amount of any loss or deficiency upon any person by whose act or misconduct the loss or deficiency has been incurred.
- (21) Where the State Auditor-General makes a surcharge or disallows any expenditure, he shall specify to the appropriate Head of Department or Institution, the amount due from the person upon which a surcharge was imposed 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.
- (22) Every sum so specified by the State 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.

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



- (26) The State Auditor-General shall establish an internal follow-up system including post audit meetings with audited entities to ensure that audited entities properly address the observations and recommendations as well as those made by the House of Assembly and to confirm that corrective and remedial actions are taken.
- (27) There shall be an exit conference between the audit team and audited entity at the conclusion of an audit exercise and the purpose shall be –
- (a) to present audit observations to the audited entity's management in conference before leaving;
  - (b) to allow management opportunity to provide clarification to audit observations in conference; and
  - (c) to isolate observations that will be reported.
- (28) The State Auditor-General shall schedule post audit meeting with an audited entity within thirty (30) days of issuing the Audit report and the post audit meetings shall hold at the office of the audited entity to assess the entity's compliance to audit observations and recommendations while any unresolved query or issue shall be forwarded to the State House of Assembly for further action. Comments on audit observations by the House of Assembly of the State shall be forwarded to responsible audited entities for compliance and to the State Auditor-General after which a post audit meeting shall be convened by the Auditor-General to resolve such issues.
- (29) The State Auditor-General shall submit follow-up reports to the House of Assembly on the implementation of audit recommendations including reports of non compliance to the directives by the House of Assembly in respect of previous audits.
- (30) The State Auditor-General shall submit an annual activity report to the House of Assembly and the report shall be

made available to the public through an electronic portal.

- 34.(1) Subject to section 125(6) of the 1999 Constitution of the Federal Republic of Nigeria (as amended), the State Auditor-General shall not be subject to the direction or control of any other authority or person in the performance of its functions under this Law especially as it relates but not limited to the following –
- (a) selection of audit issues;
  - (b) selection, programming, conduct, reporting and follow up of the audit; and
  - (c) organization and management of the office of the State Auditor-General.

*Autonomy  
Independence  
and Neutrality  
of the State  
Audit Office*

- (2) The State Auditor-General shall have full discretion in the discharge of his responsibilities, to cooperate with Government or public entities that strive to improve the use and management of public funds.
- (3) The State Auditor-General shall not be involved or seen to be involved in any manner whatsoever in the management of any auditable entity.
- (4) The State Auditor-General shall perform his functions under this Law impartially, without fear, favour or prejudice and shall exercise the powers independently.

- 35.(1) The State Audit Office shall consist of the following Departments -
- (a) the Ministerial Audit and Extra-Ministerial Audit Department;
  - (b) the Treasury Audit Department;
  - (c) the Special Duties Department;
  - (d) the Projects Audit Department;
  - (e) the Parastatals Audit Department;

*Structure of the  
State Audit  
Office*

- (f) the Administration and Finance Department; and
- (g) any other Department as may be created by the State Auditor-General.

- (2) The State Auditor-General shall from time to time, review the administrative structure of the office to meet the prevailing needs.

#### **PART IV**

##### **FUNDS OF THE STATE AUDIT OFFICE**

- 36.(1) There shall be established, a fund for the State Audit Office and provision for the fund shall be made in the annual budget of the State.
- (2) There shall be paid and credited to the fund established under sub-section(1) of this section –
  - (a) any sum appropriated to the State Audit Office by the House of Assembly in each financial year;
  - (b) all monies realized for the purpose of the office by way of gifts and grants-in-aid;
  - (c) proceeds from all assets of the office that may accrue to the office from time to time
- 37.(1) The State Auditor-General shall defray costs from the established funds, all the amount payable, being sums representing –
  - (a) the running cost of the State Audit Office;
  - (b) cost of acquisition, rent or upkeep of premises; and
  - (c) any other payment incidental to the performance of his functions under this law.
- (2) The State Auditor-General shall manage the funds of the State Audit Office in conformity with the approved budget and expenses to be paid from the funds shall include –
  - (a) salaries and allowances of staff of the State Audit Office;
  - (b) costs of training and professional development

*Funds of the  
State Audit  
Office*

*Application of  
the funds of the  
State Audit  
office*

- project; and  
(c) any capital development project or special expenditure.

## PART V

### ESTABLISHMENT, APPOINTMENT, FUNCTIONS, POWERS ETC OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS

38. There shall be an Auditor-General for Local Governments in Imo State *Auditor-General for Local Governments*
- 39.(1) There is established, an office to be known as the Office of the Auditor-General for Local Governments in Imo State (hereinafter in this law referred to as the "Local Governments Audit Office".) *Establishment of the office of the Auditor-General for Local Government*
- (2) The Local Governments Audit office shall be headed by the Auditor-General for Local Governments
- (3) The Local Government Audit Office 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 property (moveable or immovable) for the purpose of carrying out the functions under this Law.
- 40.(1) The Auditor-General for Local Governments shall be appointed by the Governor on the recommendation of the Audit Service Board, subject to confirmation by the House of Assembly. *Appointment of the Auditor-General for Local Governments*
- (2) The Auditor-General for Local Governments shall –  
(a) be a qualified accountant who has held full membership of a professional accountancy body recognized by an Act of the National Assembly

for a period of not less than fifteen (15) years post qualification, is able to demonstrate independent testament and competence and shall have a minimum of twelve (12) years cognate experience in auditing the public sector;

- (b) not be less than 45 years and where in public service, with not less than six (6) months to retire.
- (c) be experienced in public sector finance;
- (d) be highly proficient in the use of computers;
- (e) be a person of proven integrity and good conduct; and
- (f) retire on attaining the age of sixty (60) years.

41.(1) In recommending persons for appointment as Auditor-General for Local Governments, the Audit Service Board shall advertise the vacancy on its website, in two national newspapers, the State's official gazette and the procurement journal and two (2) local newspapers for a minimum period of six weeks before the date set for interview.

*Procedures  
For  
Appointment  
for  
Auditor-General  
for Local  
Governments*

(2) The Audit Service Board shall interview the applicants and recommend the top three candidates to the Governor for appointment.

(3) The Governor shall appoint one of the three persons recommended to him by the Audit Service Board as the Auditor-General for Local Governments subject to the confirmation of the House of Assembly.

42.(1) In event of the absence or incapacitation of the Auditor-General for Local Governments or where the Office of the Auditor-General for Local Governments is *vacant*, the most senior Director in the office of the Auditor-General

*Vacancy in the  
Office of the  
Auditor  
General for  
Local  
Governments*

for Local Governments shall act in the capacity of Auditor-General for Local Governments for a period not exceeding six (6) months pending the appointment of the substantive Auditor-General for Local Governments.

- (2) The Governor shall, on the recommendation of the Audit Service Board, appoint a person to the vacant position after which the acting Auditor-General for Local Governments shall vacate the office.
- (3) A Person appointed in line with sub-section (1) of this Section shall possess the qualifications spelt out in Section 40(2) of this Law.
- (4) Except with the sanction of a resolution of the House of Assembly, no person shall act in the Office of the Auditor-General for Local Governments for a period exceeding six months.

43.(1) As in the case of the State Auditor-General, the Auditor-General for Local Governments shall not be removed from Office before such retiring age as prescribed by Law; that is until attainment of retiring age of sixty (60) years, except where he is removed from office acting on an address supported by two third majority of the House of Assembly praying that he be so removed for inability to discharge the functions of his office (whether arising from infirmity of mind or body or any other cause) or misconduct.

Provided that the Auditor-General shall have been given twenty-one (21) days notice in writing for self defence on the floor of the House.

- (2) In addition to the provisions of subsection (1) of this Section, the Auditor-General for Local Governments shall cease to hold office if –
  - (a) he resigns his appointment or voluntarily retires from the service of the State;
  - (b) he is permanently incapacitated and unable to carry on with his functions effectively based on a report by a legally constituted medical Board or dies while in office;
  - (c) he becomes bankrupt or makes a compromise with his creditors; or
  - (d) he is convicted of an offence or crime under the laws of

*Tenure of  
Office  
Of the Auditor  
General  
For Local  
Governments  
and cessation  
of office*

Nigeria or any other country; and  
(e) he was not in the public service of the State when appointed and has served out his term of office.

44. Before assuming office, the Auditor-General for Local Governments shall take an oath administered by the Chief Judge of State, as provided in the First Schedule to this Law.

*Oath of Office*

45.(1) The Auditor-General for Local Governments shall be paid such salary, allowances and pension as may be determined by the Revenue Mobilization Allocation and Fiscal Commission or its state level equivalent .

*Remuneration  
and  
Allowances of  
the  
Auditor-General  
for  
Local  
Governments*

(2) The remuneration of the Auditor-General for Local Governments shall be charged on the Consolidated Revenue Fund of the State.

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

46.(1) The Auditor-General for Local Governments shall audit the public accounts of every Local Government; Local Government Pensions Board, Local Government Education Board and Authorities, Local Government Training Funds and all funds and offices of the Local Government and shall submit his report to the House of Assembly of the State for review. Notwithstanding the provisions of this Section, the Auditor-General for Local Governments may carry out the auditing of a Council whenever there is an audit alarm.

*Powers of the  
Auditor General  
For Local  
Governments*

(2) For the purpose of carrying out the above duties, Auditor-General for Local Governments or any person authorized by him in that behalf shall have access to all books,

records, returns and other documents relating to the Accounts of the Local Government Agency or Council concerned.

- (3) The Public Accounts Committee of the House of Assembly shall have powers to carry out investigations into Local Government Accounts through the office of the Auditor-General for Local Governments and review the reports submitted by the Auditor-General for Local Governments.
- (4) The Auditor-General for Local Governments and his staff shall have unrestricted access to such persons, documents, computers and other information systems and assets as they consider necessary for the proper performance of their functions by –
  - (a) making a written request to such persons stating the nature of the information needed and why it is needed;
  - (b) stating that the information requested is required under this Law; and
  - (c) reimbursing the person who has provided the information requested for any reasonable costs associated with producing such information: provided that the information shall not be used for any other purpose by the person providing the information.
- (5) The Auditor-General for Local Governments may in the course of carrying out his functions, duties or exercising his powers –
  - (a) summon a person as witness to give evidence either orally or in writing;
  - (b) administer an oath for the purpose of examining a person



- (6) Any person who upon examination, pursuant to subsection (13) (a) and (b) above, 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.
- (7) For the purpose of performing his functions and duties or exercising his powers under this Law, the Auditor-General for Local Governments may –
- (a) examine or audit the account of any person in any bank if the Auditor-General for Local Governments has reason to believe that the money held in such an account are public funds which had been fraudulently or wrongly paid into the account;
  - (b) as a condition for exercising this authority, enter into a non-disclosure agreement with the holder of the account and afford such holder absolute assurance that any information disclosed for purpose 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 an *ex parte* warrant of the High Court authorizing such examination;
  - (c) upon being presented with such warrant as described in sub-paragraph (b) above, the bank shall be required to produce all relevant records for the account in question, in any form (hard or soft copy), that is in the bank's custody or control
- (8) The Auditor-General for Local Governments shall have the right to make copies of any record

including electronic or digital records or the like, obtained in line with this section and shall have all such copies notarized by a court appointed notary and the cost shall be defrayed by the Auditor-General for Local Governments.

- (9) The Bank shall cause to be appended, a suitable electronic endorsement or an indelible mark that which shall identify the bank from where such records were obtained and the date such records were obtained. The Bank shall also cause each page of the documents obtained to be electronically endorsed or signed by an authorized officer of the Bank.
- (10) The Auditor-General for Local Governments shall have the power under this Law to –
- (f) access any local government facility, examine the records, have extracts taken from any book(s) of account, accounting entries recorded electronically and any other form of accounts maintained which relates to money or stores and such may have relevance to the subject of an audit without paying any fee;
  - (g) execute a search at any time without the need for a warrant of the court, on any local government-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 or relevance to the audit;
  - (h) 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 for Local Governments needs to inspect for reason of relevance to the audit appear or kept on such property, premises, person or in a vehicle located on such property or premises;
- (i) appropriate and retain any such document written or electronic record, general information, or asset for purposes of completing the audit;
  - (j) request the support of relevant law enforcement agencies in the execution of the warrant of the court where 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:

Provided that any such entry and search of property shall be conducted with due regard for decency, order and constitutional rights of the affected person.

- (11)The Auditor-General for Local Governments in the performance to 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) the amount of any expenditure disallowed upon the person responsible for incurring or authorizing 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;
  - (c) the amount of any loss or deficiency upon any person by whose act or misconduct the loss or

deficiency has been incurred.

- (12) Where the Auditor-General for Local Governments makes a surcharge or disallows any expenditure, they shall specify to the appropriate Head of Department or Institution, the amount due from the person upon which a surcharge was imposed 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.
- (13) Every sum so specified by the Auditor-General for Local Governments 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.
- (14) 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 a civil debt. Where such owed as a civil debt is recoverable from a person in receipt of remuneration Local Government or any Local Government Institution or Agency, such remuneration shall be attached either in full or incrementally to the extent of the sum lawfully due.
- (15) Where an Accounting Officer is compelled in line with this section to initiate civil proceedings for the recovery of a surcharge raised by the Auditor-General for Local Governments, a certificate signed by the Auditor-General for Local Governments stipulating the amount payable and describing the circumstances that compelled the raising of such surcharge shall be considered prime facie

evidence of the facts certified.

- (16) The Auditor-General for Local Governments, if satisfied by any new evidence, may at any time, revoke any surcharge imposed under this section and any person aggrieved by a surcharge, the withholding of an emolument or allowance under this section may appeal to the Public Accounts Committee within sixty (60) days from the date of such directive being issued by the Auditors-General for redress and, thereafter, be afforded a further avenue of appeal to the High Court provided that such appeal is lodged at the High Court not later than fourteen (14) days after the decision of the Public Accounts Committee to uphold the directive of the Auditors-General is made public.
- (17) The Auditor-General for Local Governments shall establish an internal follow-up system including post audit meetings with audited entities to ensure that audited entities properly address the observations and recommendations as well as those made by the House of Assembly and to confirm that corrective and remedial actions are taken.
- (18) There shall be an exit conference between the audit team and the audited Local Government entity at the conclusion of an audit exercise and the purpose shall be –
- (a) to present audit observations to the audited entity's management in conference before leaving;
  - (b) to allow management opportunity to provide clarification to audit observations in conference; and
  - (c) to isolate observations that will be reported.
- (19) The Auditor-General for Local Governments shall schedule a post audit meeting with an audited Local Government entity within thirty (30) days of issuing the

Audit report and the post audit meetings shall hold at the office of the audited entity to assess the entity's compliance to audit observations and recommendations while any unresolved query or issue shall be forwarded to the State House of Assembly for further action. Comments on audit observations by the House of Assembly of the State shall be forwarded to responsible audited entities for compliance and to the Auditor-General for Local Governments after which a post audit meeting shall be convened by the Auditor-General for Local Governments to resolve such issues.

(20)The Auditor-General for Local Governments shall submit follow-up reports on the implementation of audit recommendations including reports of non compliance to the directives of the House in respect of previous audits.

47.(1) The Auditor-General for Local Governments shall ensure that –

- (a) the Public Accounts of the Local Government Councils and Local Government Agencies and other persons or authorities referred to in this law shall be kept in such form as the Auditor-General for Local Governments may approve;
- (b) all reasonable precautions have been taken to safeguard the collection and custody of public monies or other monies subject to his audit and that the laws, directions and instructions relating thereto have been duly observed and obeyed.
- (c) all monies appropriated or otherwise disbursed have been expended on and applied for the purpose for which the grants made by the Finance and General Purposes Committees of every Local Government and the Local Government Councils were intended, and that the expenditure conforms to the authority which governs it;
- (d) adequate audit regulations exist for accounting and

*Functions of  
the  
Auditor General  
for  
Local  
Governments.*

financial operations of Local Government Councils and Local Government Agencies and that they are duly observed;

- (e) monies have been expended with efficiency, effectiveness and due regard to the economy;
  - (f) satisfactory procedures have been established to measure and report the effectiveness of programmes and where such procedures could appropriately and reasonably be implemented;
  - (g) the attention of the appropriate authorities have been drawn to any irregularity observed during the examination of the records and books of accounts as soon as facts of such irregularities have been established and confirmed;
  - (h) as a result of the audit conducted by him, all queries and observations are addressed to the authorities of the Local Government Councils, the Local Government Agencies or any other appropriate person or officer that may call for such accounts, vouchers, statements, documents and explanations as he deems fit; and
  - (i) he makes surcharges and specifies to the appropriate Heads of Departments or Institutions, where he deems it fit, the amount due from any person upon whom he had made surcharge and the reason for the surcharge and shall report the circumstances of the case to the Accounting officer of a Local Government Agency and Chairman of the Local Government Council.
- (2) The Auditor-General for Local Governments shall, in exercising his functions under the provisions of this Law express his opinion as to whether the financial statement/ accounts represent the financial information in accordance with applicable statutory provisions, accounting policies, International Public Sector Accounting Standards (IPSAS) and whether they are

essentially consistent with those of the preceding year.

- (3) The Auditor-General for Local Governments or any person authorized by him to conduct periodic checks on Statutory Local Government Agencies shall in addition to the audit report, draw attention to the following –
- (a) the profitability, liquidity, stability and solvency of the Local Government Agencies;
  - (b) any delay in the remittance of the internally generated revenue or dividends into the Statutory revenue fund of the Councils or Local Government Agencies;
  - (c) any fraud or loss and if so, their underlying causes and person (s) responsible for such fraud or losses;
  - (d) any Internal Control weaknesses which were identified;
  - (e) the general corporate performance of the Local Government Agencies and Councils indicating achievements against set targets and objectives; and
  - (f) whether the finances of the Local Government Agencies or Councils have been managed with due regard to the economy, efficiency and effectiveness, having regard to the resources utilized.
- (4) The Auditor-General for Local Governments in the exercise of his responsibility shall publish the Annual Statutory Reports of the Local Government Councils and Local Government Agencies electronically and manually. (Soft and hard copies).
- 48.(1) The Auditor-General for Local Governments shall not be subject to the direction and control of any other authority or person in the performance of his functions under this Law especially as it relates to but not limited to the following areas –
- (a) selection of audit issues;

*Autonomy,  
independence  
and Neutrality  
of the Auditor-  
General for  
Local  
Governments*



- (b) planning, programming, conduct, reporting and follow up of audits; and
  - (c) organization and management of the office of the Auditor-General for Local Governments.
- (2) The Auditor-General for Local Governments shall have full discretion in the discharge of responsibilities to cooperate with government or public entities that strive to improve the use and management of public funds.
- (3) The Auditor-General for Local Governments shall not be involved or seen to be involved in any matter whatsoever in the management of any audible entity.
- (3) The Auditor-General for Local Governments shall perform the functions under the Law impartially, without, favour or prejudice and shall exercise the powers independently.
- 49.(1)The Local Governments Audit Office shall consist of Departments which shall include: -
- (a) the Administration and General Services Department;
  - (b) the Finance and Accounts Department;
  - (c) the Local Governments Councils Accounts Department;
  - (d) the Project Monitoring and Evaluation Department;
  - (e) the Local Government Education Authorities Accounts;
  - (f) the Community Government Councils Account Department;
  - (g) the Procurement and Due process Department; and
  - (h) the Local Government Agencies Accounts Department and any other Department as may be created by the Auditor-General for Local Governments.
- (2) The Auditor-General for Local Governments shall from time to time, review the administrative structure of the

*Structure of the  
Local  
Government  
Audit Office*

Local Government Audit office to meet the prevailing needs.

## PART VI

### FUNDS OF THE LOCAL GOVERNMENT AUDIT OFFICE

- 50.(1) There shall be established, a fund for the Local Government Audit office and provision for the fund shall be made in the annual budget of the State.
- (2) There shall be paid and credited to the fund established under sub-section (1) of this section -
- (a) any sum appropriated to the Local Governments Audit office by the House of Assembly in each financial year;
  - (b) all monies realized for the office by way of gifts and grants-in-aid; and
  - (c) proceeds from all assets of the Local Government Audit office that may from time to time accrue to the office.
51. The Auditor-General for Local Governments shall defray costs from the established funds, and manage the funds of the Local Governments Audit Office in conformity with the approved budget and expenses to be paid from the funds shall include –
- (a) salaries and allowances of staff of the Local Government Audit Office;
  - (b) cost of training and professional development project;
  - (c) any capital development project or special expenditure;
  - (d) cost of acquisition, rent or upkeep of premises;
  - (e) cost of acquisition, rent or upkeep of premises; and
  - (f) any other payments incidental to the performance of his functions under this Law.

*Funds of the  
Local  
Government  
Audit office*

*Application of  
Funds.*

## PART VII

### CONDUCTING AUDITS ETC

52. It shall be the duty of an Auditor appointed under this Law at every conducted by him to –
- (a) disallow any item of account which is contrary to any Law or to the Financial Memoranda or is unsupported by proper records or accounts, or which he considered unreasonable;
  - (b) surcharge the amount of any expenditure disallowed upon the person responsible for incurring or authorizing the expenditure;
  - (c) 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;
  - (d) surcharge the amount of any loss or deficiency upon any person by whose negligence or misconduct, the loss or deficiency has been incurred;
  - (e) certify, the amount due from any person whom he has made a surcharge, and
  - (f) certify, at the conclusion of the audit, his allowance of the accounts subject to any disallowances or surcharges which he may have made;
53. All reports of the State Auditor-General and Auditor-General for Local Governments submitted to the House of Assembly shall be treated as House of Assembly Reports and shall enjoy all privileges accorded to House of Assembly reports.
- 54.(1) When, in the course of conducting a financial, compliance or performance audit or any emerging audit, staff from the Office of the State Auditor-General or Auditor-General for Local Governments or auditors appointed under this law, discover what they believe to be criminal, fraudulent or corrupt acts, they shall immediately notify the State Auditor-General or the Auditor General for Local Governments as the case may be.

*Duties of an Auditor appointed under this Law*

*Audit Report Privileges.*

*Reporting Fraud*

(2) If the State Auditor-General or the Auditor General for Local Governments is satisfied that sufficient evidence exists to warrant special investigation, he shall carry out detailed investigation and make special reports on his findings to the Imo State House of Assembly.

55.(1) The State Auditor-General and the Auditor-General for Local Governments shall determine which Audit Standards should be applied and may establish audit programs and Code of Ethics specific to the audits performed by the State Audit Office and the Local Governments Audit Office respectively.

*Audit  
Standards*

(2) The auditing standards shall include –

- (a) Public Sector Auditing Standards issued by the Conference of Federal and State Auditors-General;
- (b) Accounting Standards issued by the Financial Reporting Council of Nigeria, ICAN and ANAN;
- (c) the Auditing Standards and Code of Ethics published by the International Organization of Supreme Audit Institutions (INTOSAI), African Organization of Supreme Audit Institutions, (AFROSAI) and the International Auditing and Assurance Standards Board (IA&ASB);
- (d) the Accounting Standards and Code of Ethics published by the International Federation of Accountants (IFAC);
- (e) International Public Sector Accounting Standards (IPSAS) and the International Financial Reporting Standards (IFRS); and
- (f) other recognized or required standards issued or accepted as current best practices by funding or donor organizations.

56.(1) The State Auditor-General and the Auditor-General for Local Governments and their staff shall have unrestricted access to such people, documents, computers and other

*Access to  
People,  
Documents  
and Property*

information systems, and assets as the State Auditor-General and the Auditor-General for Local Government shall consider necessary for the proper performance of their functions.

- (2) The State Auditor-General and the Auditor-General for Local Governments shall obtain such information as they may consider necessary in the performance of their functions from a person who is not a member of staff or public office holder.

To do this, the State Auditor General or the Auditor General for Local Governments as the case may be shall advise the person in writing of the nature of the information and why it is needed.

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

*Annual  
Accounts of the  
state to be  
presented by  
the Accountant-  
General*

- (2) Such accounts shall include –
- (a) Statement No.1 - Responsibility for Financial Statement;
  - (b) Statement No.2 - Cash Flow Statement;
  - (c) Statement No.3 - Statement of Assets and Liabilities;
  - (d) Statement No. 4 - Statement of Consolidated Revenue Fund;
  - (e) Statement No.5 - Statement of Capital Development Fund;
  - (f) Statement No.6 - Statement of Recurrent Revenue and Expenditure
  - (g) Statement No. 7 - Donations and Grants;
  - (h) Statement No.8. - Statement of Contractual

- Liabilities;
- (i) Statement No. 9 - Statement of Investments;
  - (j) Statement No.10 - Statement of External and Internal Loans;
- (3) The accounts shall also include the following –
- (a) the Statement of compliance with approved accounting standards;
  - (b) the Statement of accounting policies applied;
  - (c) the supporting information for items presented on the face of the Financial Statements; and
  - (d) all the supporting statements
- 58.(1) Within a period of six (6) months after the end of each fiscal year, the Treasurer of a Local Government Council shall present to the Auditor-General for Local Governments, accounts showing the financial position of the Local Government Council as at the last day of the preceding year.
- Annual  
Accounts/  
Financial  
Statements of  
Local  
Government  
Councils*
- (2) Such Financial Statements shall include:-
- (a) Statement No.1 - Responsibility for Financial Statement;
  - (b) Statement No.2 - Opinion of the Auditor-General on the Accounts;
  - (c) Statement No.3 - Cash Flow Statement;
  - (d) Statement No.4 - Statement of Assets and Liabilities;
  - (e) Statement No.5 - Statement of Revenue and Expenditure.
  - (f) Statement No.6 - Notes to the Financial Statement; and
  - (g) other Statements that may be required by auditing or accounting standards, practice or statutes.
- (3) The accounts shall also include the following: -

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

*Audit Query*

59. Without prejudice to any provision of this Law, any person who fails or refuses to reply to an audit query or observation within the period specified in the audit query or a reasonable time thereafter shall have his emoluments and allowances withheld for so long as he fails to reply and/or shall be liable to disciplinary action under the State Civil Service and Public Service Rules.

60.(1) The State Auditor-General shall within ninety (90) days of the receipt of the Accountant-General's financial statements and reports on the annual accounts of the State, submit his report to the Imo State House of Assembly and the Imo State House of Assembly shall cause the reports to be considered by a Committee of the House responsible for Public Accounts (referred to in this Law as "the PAC").

*Submission of  
Annual  
Accounts*

(2) The Auditor-General for Local Governments shall within ninety (90) days of receipt of reports of the Local Governments' Treasurers on the financial position of the Local Governments, submit his report to the Imo State House of Assembly, and the Imo State House of Assembly shall cause the reports to be considered by the Public Accounts Committee of the House of Assembly (hereinafter referred to as "the PAC").

(3) The State Auditor-General's report and that of the Auditor-General for Local Governments shall be published and made available to the public after submission to the Imo State House of Assembly; soft copies are to be published

online while the printed hard copy will be available at the cost of printing.

61. The Public Accounts Committee of the Imo State House of Assembly shall –

*Duties of the  
Public  
Accounts  
Committee*

- (a) consider the reports from the State Auditor-General and the Auditor-General for Local Governments and this process may include questioning accounting officers of relevant establishments or questioning any affected or queried officer based on explanations from the State Auditor-General or the Auditor-General for Local Governments as the case may be and official responses from any of the relevant establishments;
- (b) make recommendations on the basis of the review and monitor their implementation;
- (c) have power to summon the accounting officers, public officials and any member of the public for questioning about the findings of the State Auditor-General and that of the Auditor-General for Local Governments;
- (d) hold its hearing in public but may choose to hold all or part of its hearing in private sessions;
- (e) prepare a report to be presented to the House of Assembly, which may include comments and recommendations at the end of its review of the reports of the State Auditor-General and those of the Auditor General for Local Governments.

62.(1) The Accounting Officers in –

*Establishment  
of Audit  
Committees*

- (a) any of the Ministries, Departments and Agencies of the State Government; and
- (b) the Local Government Councils and Local Government Agencies shall establish Audit Committees in their various establishments.

(2) The Audit Committee so established shall –



- (a) in the case of the Ministries, Departments and Agencies of the State Government, implement all recommendations contained in the reports of the State Auditor-General for the concerned establishments and prepare annually, a report showing the status of the implementation of the said reports.
  - (b) in the case of the Local Government Councils and Agencies, implement all recommendations contained in the reports of the Auditor-General for Local Governments for the concerned establishments and prepare annually, a report showing the status of the implementation of the said reports.
- (4) The reports prepared pursuant to Subsections 2(a) and 2(b) of this Section shall contain a statement showing the remedial action taken or being taken to avoid or minimize the occurrence of the undesirable features in the accounts and operations of any of the establishments so listed and their time frame within which the remedial action will be completed if any.
- (5) Copies of the reports shall be forwarded to the –
- (a) State Auditor-General for the reports concerning the Ministries, Departments and Agencies of the State; and
  - (b) Auditor-General for Local Governments for reports concerning the Local Government Councils and Local Government Agencies.
- 63.(1) The State Auditor-General shall prepare and submit to the Imo State House of Assembly at least 90 days before the beginning of each year the following documents –
- (a) a draft annual plan, that –
    - (i) describes the State Auditor-General's proposed work programme for the incoming year; and
    - (ii) includes the interim report for the current financial

*Annual  
Estimates from  
the State  
Auditor General*

- year;
  - (b) the estimates of revenues and expenditure for inclusion in the State budget; and
  - (c) the operational and administrative expenses of the State Audit Office including salaries, allowances, gratuities and pensions payable to staff.
- (2) The State Auditor-General, after considering the comments of the Imo State House of Assembly through the Public Accounts Committee of the House of Assembly that considered the draft plan, may amend the plan as necessary and submit to the Ministry of Economic Planning and Budget for inclusion in the State Budget for appropriation by the Imo State House of Assembly.
- (3) Any sum appropriated to the State Audit Office by the Imo State House of Assembly in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as a first line charge in equal installment every month of the year.
- (4) The State Auditor-General shall manage the budget of the office and allocate it as appropriate.
- (5) The State Auditor-General shall discharge his fiduciary duty in terms of the funds appropriated to the office by the House of Assembly of the State in accordance with the requirements or relevant legislations and the prescripts of existent Financial Regulations.
- (6) It shall be the responsibility of the State House of Assembly to ensure that the State Auditor-General and the office have proper resources to meet obligations of the Office.

- 64.(1) The Auditor-General for Local Governments shall prepare and submit to the Imo State House of Assembly: -
- (a) a draft plan that includes –
    - (i) the Auditor-General for Local Government's proposed work programme for the incoming year;
    - (ii) an interim report for the current financial year.
  - (b) the annual estimates of revenues and expenditure for inclusion in the State Budget; and
  - (c) the annual operational and administrative expenses of the Local Governments Audit Office including salaries, allowances, gratuities and pensions payable to staff.
- (2) The Auditor-General for Local Governments after considering the comments of the Imo State House of Assembly through the Public Accounts Committee that considered the draft plan, may amend the plan as necessary and submit to the Ministry of Economic Planning and Budget for inclusion in the State Budget for appropriation by the Imo State House of Assembly.
- (3) Any sum appropriated to the Local Government Audit Office by the Imo State House of Assembly in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as first line charge in equal installment every month of the year.
- (4) The Auditor-General for Local Governments shall manage the budget of the office and allocate it as appropriate.
- (5) The Auditor-General for Local Governments shall discharge his fiduciary duty in terms of the funds appropriated to the office by the House of Assembly

*Annual  
Estimates from  
the Auditor  
General for  
Local  
Governments*

of the State in accordance with the requirements or relevant legislations and the prescripts of existent Financial Regulations.

- (6) It shall be the responsibility of the State House of Assembly to ensure that the Auditor-General for Local Governments and the office have proper resources to meet obligations of the Office.

- 65.(1) Where, during the course of an audit, the State Auditor-General or the Auditor General for Local Governments becomes aware of an improper retention or misappropriation of public funds, public money or any other activity that may constitute an offence under any Criminal Law in Imo State or any other existing Law, the State Auditor-General or the Auditor-General for Local Governments shall immediately report the improper retention or misappropriation of public money or other activity to the prosecuting authority or any other authority charged with that function by the State.

*Improper  
Retention of  
Public Funds*

- (2) In addition to the report referred to in sub-section (1) of this Section, the State Auditor-General and the Auditor-General for Local Governments shall in their annual reports to the House of Assembly attach lists containing the general description of those incidents referred to in the said sub-section (1) of this section and the dates when those incidents were reported.
- (3) The provisions of sub-section (1) of this section shall apply to staff of the State Audit Office and the Local Governments Audit Office and any Auditor appointed pursuant to the provisions of this Law.

66. The State Auditor-General shall, for the purpose of establishing the efficiency and effectiveness of the operations of any Government Ministry, Department and

*Performance  
Audits by the  
State Auditor  
General*

Agency (hereinafter referred to as MDAs) or institution in respect of which appropriation, or other accounts are required to be prepared under any Law of the Imo State House of Assembly or the Constitution of the Federal Republic of Nigeria, 1999, (as amended) inquire into, examine, investigate or undertake performance audits and report as he considers necessary on –

- (a) the expenditure of public moneys and the use of public resources by MDAs and all public institutions;
- (b) the conduct of, and performance of their functions by: -
  - (i) accounting officers;
  - (ii) heads of MDAs; and
  - (iii) heads of other public Institutions
- (c) the extent to which a public entity including Ministries, Statutory Corporations, Parastatals, Commissions, Authorities, Agencies, persons and bodies established by a Law of the Imo State House of Assembly, are carrying out their activities economically, efficiently and effectively;
- (d) any act of omission of a public entity to determine whether waste has resulted or may have resulted or may result;
- (e) any act showing or appearing to show a lack of probity or financial prudence by a public entity or any of its members, office holders and employees; and
- (f) any other activity undertaken by the MDAs and all Public Institutions referred to in this section.

67. The Auditor-General for Local Governments shall, for the purpose of establishing the efficiency and effectiveness of the operations of any Local Government Council or Local Government Agency or Institution in respect of which appropriation, or other accounts are required to be prepared under any Law of the Imo State House of

*Performance  
Audit by Auditor  
General for  
Local  
Governments*

Assembly or the Constitution of the Federal Republic of Nigeria, inquire into, examine, investigate or undertake performance audits and report as he considers necessary on: -

- (a) the expenditure of public moneys and the use of public resources by Local Government Councils, Agencies and all public institutions under the Local Government.
  - (b) the conduct of, and performance of their functions by -
    - (i) accounting Officers;
    - (ii) heads of Local Government Councils and Agencies; and
    - (iii) heads of public Institutions under the Local Governments;
  - (c) the extent to which a public entity including Local Government Councils, and its Agencies, parastatals, Commissions, Authorities, persons and bodies established by a Law of the State Assembly, are carrying out their activities economically, effectively and efficiently;
68. The State Auditor-General and the Auditor-General for Local Governments shall each provide a list of qualified auditors who are duly registered with the State Audit Office and the Local Governments Audit Office as the case may be to the management of the Ministries, Departments and Agencies of the State Government and the Management of the Local Government Agencies respectively out of which one shall be chosen by the management of the above stated establishments for a defined period not exceeding three (3) years.
- (2) The audit firm so chosen shall carry out its mandate in accordance with professional standards acceptable to the State Audit Office and the Local Governments Audit Office.
- (3) The audit firm –
  - (a) appointed by a Ministry, Department or Agency of

*Audit of MDAs  
and Local  
Government  
Agencies*

- the State Government shall submit its report to the State Auditor-General for evaluation and subsequent delivery to the Imo State House of Assembly;
- (b) appointed by a Local Government Council or any Local Government Agency shall submit its report to the Auditor-General for Local Governments for evaluation and subsequent delivery to the Imo State House of Assembly.
- (4) The Speaker of the Imo State House of Assembly shall table the reports from the State Auditor- General and the Auditor-General for Local Governments before the House of Assembly within a reasonable time after consideration by the Public Accounts Committee of the House of Assembly.

## **PART VIII**

### **OFFENCES AND PENALTIES**

- 69.(1) It shall be an offence for any person, without justification or excuse to –
- (a) obstruct, intimidate, harass, hinder the State Auditor-General or the Auditor-General for Local Governments or any person authorized by them in the exercise of their duties and powers under this Law;
- (b) refuse or fail to comply with any lawful request of the State Auditor-General or the Auditor General for Local Governments or their representative;
- (c) fail to produce for inspection to the State Auditor-General or the Auditor-General for Local Governments or their representatives or otherwise refuse the State Auditor-General or the Auditor-General for Local Governments or their representatives access to any book, record, return, payment voucher, revenue receipt or other documents relating or relevant to any account to be

*Offences and  
Penalties*

- audited by the State Auditor-General or the Auditor-General for Local Governments or their representatives 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 State Auditor-General or Auditor General for Local Governments or their representatives which is false or misleading; and
  - (f) suppress any information required by the State Auditor-General or the Auditor-General for Local Governments in the performance of their 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 a fine of not less than N250,000.00 or to a term of imprisonment not exceeding 2 years or to both such fine and term of imprisonment;
  - (b) in the case of body corporate or firm, to a fine of not less than N500,000.00
- (3) Where a body corporate or firm is found guilty by a court of competent jurisdiction of an offence under this section, every director of the company or firm shall be liable to a fine of not less than N250,000.00 or to a term of imprisonment not exceeding 2 years or both unless he proves that the offence upon which the conviction was based was committed without his knowledge, consent or connivance.
- 70.(1) Any member of staff of the State Audit Office or Local Governments Audit Office who –
- (a) demands or takes any bribe, gratification, compensation or reward during the performance of his duty; or

*Sanctions on  
Staff of the State  
Auditor General  
and Auditor  
General for Local  
Governments*



- (b) fails to report to the State Auditor-General or Auditor-General for Local Governments as the case may be, any abuse or irregularity coming to his notice in the course of his duties in relation to any account audited; or
- (c) makes any report to the State Auditor-General or Auditor-General for Local Governments as the case may be, which he knows to be false or which he has no reason to believe to be true;

commits an offence under this Law and shall be liable on conviction to a fine of not less than N200, 000.00 or imprisonment for two (2) years or to both such fine and term of imprisonment.

- (2) Accounting officers shall be held responsible for full recovery of losses discovered from erring officers.
- (3) Where an accounting officer fails to make necessary recovery and it is proved that he failed to make reasonable effort to recover the said loss, he shall be guilty of an offence and shall be liable to a penalty of two hundred thousand naira only ₦200,000.00 plus the amount of loss involved.

## PART IX

### MISCELLANEOUS PROVISIONS

- 71.(1) All private audit firms and consultants taking up audit contracts and consultancy jobs relating to audit work shall be registered with the State Audit Office and the Local Government Audit Office as the case may be and their engagement letters shall be issued by the State Auditor-General and the Auditor General for Local Governments

*Regulation of  
Audit  
Contracts.*

respectively.

- (2) Contracts on audit work shall include but shall not be limited to :
  - (a) revenue audit and consultancy work including tax audit;
  - (b) Government bank accounts audit and bank reconciliation
  - (c) audit of State Government and Local Government Offices including special investigations;
  - (d) personnel audit including payment at sight;
  - (e) pension audit including verification;
  - (f) contracts in respect of estate/building valuation or valuation of some specialized State and Local Government assets; and
  - (g) assessment and evaluation of effective Government information systems
- (3) Copies of the reports of such contracts shall be submitted to the organizations involved through the State Auditor-General and the Auditor General for Local Governments as the case may be.

- 72.(1) The State Auditor-General or Auditor General for Local Governments may at their discretion, undertake special assignments, where in their opinion, such special assignments do not interfere with their primary responsibilities under this Law and whenever the Governor or the Imo State House of Assembly by resolution so requires, inquire into and report on –
- (a) a matter relating to the financial affairs of the State or Local Governments or to public property; or
  - (b) a person or organization that has received financial aid from the State Government or Local Government or in respect of which financial aid from the State Government or Local Government is sought.

*Special  
Assignments*

- (2) Where the State Auditor-General or the Auditor General

for Local Governments makes a report in accordance with sub-section (1) of this section, they shall report to the Governor or the House of Assembly as the case may be.

73. The State Auditor-General and the Auditor-General for Local Governments and any person employed in their respective offices, appointed or engaged to assist either the State Auditor-General or the Auditor-General for Local Governments for a limited period of time or in respect of a particular matter shall keep confidential, all matters that come to their knowledge in the course of their 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*
74. The Board, the State Auditor-General, the Auditor-General for Local Governments, employees of their respective Offices and persons acting on the directives of the Board, State Auditor-General or Auditor General for Local Governments are not personally liable for any act or omission done or omitted to be done in good faith in the exercise of the functions of the Office –  
(a) in the performance of any duty or in the exercise of any power vested or conferred upon, them under this Law; or  
(b) in giving evidence or an explanation or producing any document before a Committee of the State House of Assembly in connection with any of their reports. *Immunity*
75. Before assuming office, staff of the Board, State Audit Office and Local Government Audit Office shall swear an Oath of Secrecy to be administered by the State Auditor-General and Auditor General for Local Governments respectively as provided in the second schedule to this Law. *Oath of Secrecy*

76. The State Auditor-General and the Auditor-General for Local Governments shall, with inputs from the Board, make Regulations for carrying into effect the provisions of this Law and for the due administration of its provisions and may in particular make regulations which shall include but not be limited to prescribing fees to be paid by any statutory body for the audit of its accounts.

*Additional  
Power to make  
Regulations.*

77.(1) The State Auditor-General and the Auditor-General for Local Governments may make rules for governing the operations of their offices as may be necessary or advisable in the execution of their duties, except as it relates to issues where this law requires or authorizes the adoption of Regulations. Rules of the State Auditor-General and Auditor-General for Local Governments shall not be inconsistent with the provisions of this Law.

*Rules*

- (2) Such rules may be made, amended, or repealed by the State Auditor-General or the Auditor-General for Local Governments respectively. The State Auditor General and Auditor General for Local Governments shall file a copy of any proposed rule with the Board, at least 30 days before its final adoption. After a rule has been adopted, the State Auditor-General and the Auditor General for Local Governments shall immediately send a copy of the rule to the Board through the Secretary of the Commission.
- (b) In addition to rules required by other provisions of this law, State Auditor-General and the Auditor-General for Local Governments shall make rules establishing –
- (i) guidelines for the supervision and conduct of post audits, including allocation of supervisory responsibilities, procedures for examining and copying books, records, and documents,

persons, procedures for questioning, procedures for taking depositions, and maintenance of records and working papers relating to post audits;

- (ii) qualifications and procedures for special assistant auditors, their appointments and contracts;
- (iii) guidelines for the use by employees and by authorized special assistant auditors of their authority to take depositions and administer oaths; and
- (iv) procedures for employees and auditors to secure the approval of subpoenas which may be desired by persons responsible for an audit.

78.(1) The Public Accounts Committee of the House of Assembly shall in respect of each financial year, appoint an independent Auditor to audit the financial statements, accounts and other information relating to the performance of the Board, Offices of the State Auditors-General and that of the Auditor-General for Local Governments in that year.

*Appointment  
of  
Independent  
Auditors*

(2) The State Auditor-General and Auditor-General for Local Governments may provide a list of qualified Auditors to the House of Assembly from which one Auditor each must be chosen by the Public Accounts Committee of House of Assembly for the annual audit of the Board, Offices of the State Auditor-General and Auditor-General for Local Governments respectively.

(3) The Auditors chosen shall have the same powers and perform the same duties of auditing the Audit Service Board and Offices of the State Auditor-General and that of Auditor-General for Local

Governments respectively.

- (4) Pursuant to subsection (1) above, the House of Assembly shall select and appoint for a period not in excess of three (3) years, an audit firm from the list of approved independent audit firms compiled by the State Auditor-General and the Auditor-General for Local Governments.
- (5) The Audit firm shall be appointed for one term only.
- (6) Subject to subsection (1) of this section, a firm is qualified for appointment as independent Auditor to the Board or Offices of the State Auditor-General and Auditor-General for Local Governments if such a firm has not been a consultant to any of their offices for at least a period of three (3) years prior to such appointment.
- (7) The Board and Offices of the State Auditor-General and that of the Auditor-General for Local Governments shall, within three months after the end of its financial year prepare and submit to the Auditor appointed under subsection (1) of this section financial statements of the Board and offices of both the State Auditors-General and the Auditor-General for Local Governments respectively.
- (2) The Auditor appointed under subsection (1) of this Section shall have access to all books of accounts, vouchers and other records of the Board and offices of the State Auditor-General and that of the Auditor-General for Local Governments and is entitled to any information and explanation required in relation to such records.

(3) The Auditor shall submit copies of his report to the House of Assembly, the Board and Offices of the State Auditor-General and Auditor-General for Local Governments respectively.

(10) The Speaker of the House shall cause to be tabled before the House of Assembly, the Independent Auditor's report within a reasonable time.

79. Subject to the provisions of this Law, officers serving in the State Audit office and Local Government Audit Office shall, at the commencement of this Law be deemed to have been appointed in accordance with the provisions of this Law.

*Transitional  
provision with  
regards to  
staff of the  
State and  
Local  
Government  
Audit offices*

80.(1) The Imo State Audit Law No.17 of 2016 is repealed.

*Repeal and  
Savings*

(2) The Repeal of the above Law shall not affect any documents made or any action taken under the repealed enactment.

(3) Nothing on this Law shall affect the validity of enforceability of any agreement, deed, order, regulation or act done pursuant to the repealed enactment.

**FIRST SCHEDULE  
(SECTIONS 30 AND 43)**

**OATH OF OFFICE OF AUDITOR-GENERAL FOR THE  
STATE/AND AUDITOR-GENERAL FOR LOCAL  
GOVERNMENTS**

I..... having been appointed the Auditor-General, do solemnly swear in the name of the Almighty God/affirm that I will be faithful and bear true allegiance to the Federal Republic of Nigeria; that as the Auditor-General for the State/Auditor-General for Local Governments, I will discharge my duties to the best of my ability, faithfully and in accordance with the Constitution of the Federal Republic of Nigeria and the State Audit Law; that I will not allow my personal interest to influence my official conduct or my official decisions; that I will abide by the code of conduct contained in the fifth schedule to the Constitution of the Federal Republic of Nigeria; that in all circumstances, I will do right to all manner of people, according to law, without fear or favor, affection or ill-will; that I will not directly or indirectly communicate or reveal to any unauthorized person, any matter which shall be brought under my consideration or shall become known to me as the Auditor-General for the State/Auditor-



General for Local Governments, except as may be required for the due discharge of my duties as the Auditor General for the State/Auditor-General for Local Governments; that I will devote myself to the service of Imo State and Nigeria.

**So help me God.**

## **SECOND SCHEDULE**

### **(SECTION 74)**

#### **OATH OF OFFICE OF MEMBERS OF STAFF OF THE STATE AUDIT OFFICE/THE LOCAL GOVERNMENT AUDIT OFFICE**

I, ..... do solemnly swear in the name of the Almighty God/affirm that I will be faithful and bear true allegiance to Imo State and the Federal Republic of Nigeria; and that I will discharge my duties and perform my functions honestly to the best of my ability and faithfully in accordance with the Constitution of the Federal Republic of Nigeria and the State Audit Law; that as officer/employee in the State Audit Office/Local Government Audit Office, I will not directly reveal to any unauthorized person, any matter, document, communication or information that comes to my knowledge in the discharge of my duties.

So help me God.

### THIRD SCHEDULE

#### OATH OF A WITNESS/OFFICER ON INVITATION BY THE STATE AUDITOR-GENERAL/THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS

I, .....do solemnly swear before the  
Auditor-General/this Honourable Assembly; that the evidence I  
shall give on this examination, shall be the truth, the whole truth,  
and nothing but he truth.

**So help me God.**

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

**BARR. CHINELO ADAORA EMEGHARA**  
Clerk of the House of Assembly  
Imo State of Nigeria

Assented to by me this 29<sup>TH</sup> day of JUNE, 2021



**SEN. HOPE UZODINMA**  
Governor  
Imo State of Nigeria

Assent withheld by me this .....day of ....., 2021

**SEN. HOPE UZODINMA**  
Governor  
Imo State of Nigeria

Passed again by the Imo House of Assembly by two-thirds majority this .....  
Day of ....., 2021.



**RT. HON. PAUL EMEZIEM**  
Speaker  
Imo State House of Assembly