



**TRANSPARENCY, ACCOUNTABILITY,  
INTEGRITY AND PROFESSIONALISM**

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OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER, 2021



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**

**UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**



**SAI- NIGERIA (OAGF)**  
– A member of INTOSAI & AFROSAI-E  
- Secretariat of AFROSAI WGEA  
-Secretariat of African Union Board of External Auditors

#### **Our Vision**

“To be a foremost Audit Institution, applying best professional practices towards fostering good governance & providing leadership to other Supreme Audit Institutions.”

#### **Our Mission**

“To audit the Nation’s accounts in the most professional & transparent manner, ensuring value for money in government financial activities for the benefits of the Nigerian people.”





**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION  
UNAUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER, 2021**



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## LIST OF ABBREVIATIONS/ACRONYMS

S/N	ABBREVIATIONS/ACRONYMS	DESCRIPTION
1	AFROSAI WGEA	African Organisation of Supreme Audit Institutions Working Group on Environmental Auditing
2	AuGF	Auditor-General for the Federation
3	CP	Contributory Pension
4	CRF	Consolidated Revenue Fund
5	ECOWAS	Economic Community of West African States
6	FGN	Federal Government of Nigeria
7	FR	Fiscal Responsibility
8	FS	Financial Statements
9	FRC of Nigeria	Financial Reporting Council of Nigeria
10	GAAP	Generally Accepted Accounting Principles
11	INTOSAI	International Organization of Supreme Audit Institutions
12	IPSAS	International Public Sector Accounting Standards
13	MDAs	Ministries, Departments and Agencies
14	NCOA	National Charts of Accounts
15	OAGF	Office of the Accountant-General of the Federation
16	OAuGF	Office of the Auditor-General for the Federation
17	PFM	Public Financial Management
18	PPE	Property, Plant and Equipment
19	SAI	Supreme Audit Institutions
20	SDG	Sustainable Development Goals



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**  
**CORPORATE INFORMATION**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**1. Background**

The mandate of the Auditor-General for the Federation is outlined in Sections 85 (Audit of Public Accounts), 86 (Appointment of Auditor-General) and 87 (Tenure of Office of the Auditor-General) of the Constitution of the Federal Republic of Nigeria (CFRN), 1999 (as amended). Specifically, Section 85(2) of the CFRN, 1999 (as amended) states, “The public accounts of the Federation and of all offices and courts of the Federation shall be audited and reported on by the Auditor-General who shall submit his reports to the National Assembly; and for that purpose, the Auditor-General or any person authorised by him in that behalf shall have access to all the books, records, returns and other documents relating to those accounts.”

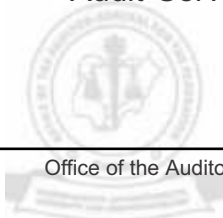
The implication of this is that the Constitution of Nigeria has given the Office of the Auditor-General for the Federation the authority to carry out the audit of all income and expenditure of the Federal Government of Nigeria. However, the Constitution prohibits the Auditor-General from auditing the accounts of “government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly”. As a result, the Office of the Auditor-General for the Federation (OAuGF) cannot audit the financial statements of parastatals, although it can undertake periodic checks in such state owned entities. The meaning of periodic checks in the context of the Constitution has not been properly defined since no accounting/auditing book has ever defined what periodic checks represent.

The mandate of the Auditor-General for the Federation is also restricted to the audit of Federal Bodies. Each of the 36 states of the Federal Republic of Nigeria has two Auditors-General, one for the audit of State Institutions and the other for the audit of Local Governments within the state. In total, there are 73 Auditors-General in Nigeria, more than the whole of the rest of Africa put together.

In accordance with the powers under the Constitution, the Auditor-General for the Federation carries out audits of the Federation Account. This account receives oil and other revenue which belong to the three tiers of government. The audit has raised a lot of interesting revelations and observations which are now before the National Assembly.

The Constitution does provide reasonably strong provisions over the appointment and removal of the Auditor-General, similar to the provision for appointment and removal of the Chief Justice of the Federation. It also provides strong support and a measure of independence for the Auditor-General for the Federation in the discharge of the audit function by providing that the “Auditor-General shall not be subject to the direction or control of any other authority or person” (Section 85(6)).

However, since 1990, the National Assembly has made efforts through drafts of Federal Audit Service Bills that failed to produce Federal Audit Service Law to strengthen the



Auditor-General's Constitutional independence and to appoint Independent Auditor to timely audit the prepared OAuGF Annual Financial Statements.

Unfortunately, the House Committee on Public Accounts (PAC) made up of 80 Honourable Members as per Ref. No. HR/PAC/SC05/9 NASS/AuGF.4/56 of 1<sup>st</sup> September, 2021 led by Honourable Wole Oke on Wednesday 8<sup>th</sup> September, 2021 during an oversight visit to the OAuGF in Abuja accused “Auditor-General of reckless spending” as reported in the New Telegraph Vol.7 No. 2765 of Thursday 9<sup>th</sup> September, 2021 Page 5 and Nigerian Tribune Thursday 9<sup>th</sup> September, 2021 Page 5, respectively, without the report of an independent auditor.

This unaudited Financial Statements was therefore prepared to put financial records of stewardship straight with a view to subjecting same to audit by dully appointed independent auditor. Also, to show that SAI Nigeria can be a model of transparency and accountability in operations, “walk the talk” in financial reporting and auditing in compliance with INTOSAI's approaches to the audit of the SDGs.

## 2. Top Management

S/N	NAME	RANK	DEPARTMENT	REMARKS
1.	Mr. Aghughu Arhotomhenla Adolphus	AuGF	AuGF Office	Appointed on 25 <sup>th</sup> February, 2021
2.	Mrs. Ngaji Maria Effa	Director	General Services	Redeployed
3.	Mr. Owolo Adewale	Director	PPAD	Retired
4.	Mr. Onwudili Ogochukwu Andrew	Director	FCT&AC Audit	
5.	Mr. Gbayan Shirwua Gabriel	Director	HAAD	
6.	Mrs. Ogundowo Adeati Oluseyi	Director	Military Agencies	
7.	Mrs. Ugwu Ngozi Eucharía	Director	Judiciary Audit	
8.	Mr. Isiuku Julius Michael	Director	RESAD	
9.	Mr. Chukwu Daniel	Director	Ex-Ministerial	
10.	Mr. Gandu Magaji Andrew	Director	Education & Research Inst.	
11.	Mr. Ogbonna Ubah Peter	Director	Projects & Performance Audit	
12.	Mr. Oladosu Akinwale Olusegun	Director	Projects & Performance Audit	
13.	Mrs. Nwadike Nwamaka Christiana	Director	Defence & Security	
14.	Mr. Akindele Wasiu Dolamu	Director	HEAD	
15.	Mr. Agesin Eytayo Omololu	Director	AR & PAC	Retired
16.	Mrs. Omotade Olusola Okelola	Director	HR	Retired
17.	Mr. Angbo Yakwo Benjamin	Director	Defence & Security	
18.	Mr. Vandu Ngaduna John	Director	States Division	
19.	Adeyemo (NEE Tiamiyu) Titilope Fatimo	Director	Education Research Inst.	Retired
20.	Mr. Anugwo Chinwendu Jonathan	Director	Treasury Audit	
21.	Mr. Mr. Mtemave Nicholas Tor	Director	Legislature	Deceased
22.	Mr. Onyema Lordson Jide Ferdinand	Director	Defense & Security	
23.	Mrs. Akinlabi-raji Mrorenike Sherifah	Director	States Division	

24.	Dr. Olaleye Yakubu Idowu	Director	Defence & Security	
25.	Mrs. Ibikunle Taiwo Asanat	Director	Ministries Audit	
26.	Mr. Adenuga Peter Olufemi	Director	Ex-Ministerial	

### 3. Legal Adviser

Minister of Justice/Attorney-General of the Federation,  
Federal Ministry of Justice,  
Plot 71B, Shehu-Shagari Way,  
Maitama, Abuja.

**email:** [info@justice.gov.ng](mailto:info@justice.gov.ng)

**Website:** [www.justice.gov.ng](http://www.justice.gov.ng)

### 4. Banker

Central Bank of Nigeria (CBN),  
Plot 33, Abubakar Tafawa Balewa Way,  
Central Business District,  
Cadastral Zone,  
Abuja, Federal Capital Territory.

**email:** [contactcbn@cbn.gov.ng](mailto:contactcbn@cbn.gov.ng)

**Website:** [webmaster@cbn.gov.ng](http://webmaster@cbn.gov.ng)

### 5. Corporate Headquarters

Office of the Auditor-General for the Federation,  
Audit House, Plot 273, Samuel Ademulegun Street,  
Central Business District,  
PMB 128 Garki, Abuja.

**email:** [info@oaugf.ng](mailto:info@oaugf.ng)

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# **THE AUDITOR-GENERAL FOR THE FEDERATION (AuGF)** **25<sup>TH</sup> FEBRUARY 2021 - 7<sup>TH</sup> SEPTEMBER 2022:** **HIGHLIGHTS OF ACHIEVEMENTS AND RECOMMENDATIONS**

## **Preamble**

**Mr. Aghughu Adolphus Arhotomhenla., JP, FCNA, FCTI, MCFI, Dip PA, Ph.D (in-view), Auditor-General for the Federation (AuGF),** was appointed with effect from 25<sup>th</sup> February 2021 as the AuGF by His Excellency, Muhammadu Buhari, GCFR, President, Commander-In-Chief of the Armed Forces of the Federal Republic of Nigeria following the recommendation of the Federal Civil Service Commission and confirmation of the Senate on Wednesday, 17<sup>th</sup> February 2021 in accordance with the provision of Section 86(1) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended).

Born on 07/09/1962, he joined Public Service of the Federation as Auditor 1 on Salary Grade Level 09 on 01/06/1992 in the Office of the Auditor-General for the Federation (OAuGF), promoted to Director of Audit on 01/01/2016, and appointed Director of Audit Overseeing OAuGF from 26/10/2020-24/02/2021. Attain 60 years of age and 30 years of service on 07/09/2022 to earn meritorious retirement from Public Service of the Federation.

## **2. The current OAuGF's Office Logo was designed by Aghughu Adolphus A.**

- i. Designed in full compliance with ISSAI 100:38 that, "the full scope of government auditing includes regularity and performance audit" represented by the scale.
- ii. The left pan of the scale contains coins (money) which stands for Financial/Regularity audit, while the right pan contains green economy (impact of government spending) which stands for Performance Audit
- iii. The entire scale says that government spending/activities should not degrade the environment (sustainable development), the scale should balance, all things being equal
- iv. The Green Ink (FR 3002- 2009 Edition) stands for restriction in the use to Auditors.
- v. Coat of Arm stands for the Constitutional Mandate for the AuGF
- vi. Motto/Core Values: Transparency, Accountability, Integrity and Professionalism

Pioneer Performance Auditor (2010/2011 & 2012/2013 Editions), Performance Audit Report on Food Storage in Nigeria by Department of National Strategic Grain Reserves, FMARD. June 2013





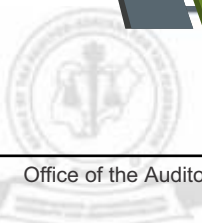
### 3. Highlights of Achievements: Infrastructure/Physical Development

- i. Re-roofing of Audit House, clean Office environment, and solar security light.
- ii. Establishment of Staff Clinic
- iii. Re-constructed OAuGF Gate House Security Post and Automatic Bollards



- iv. Establishment of Financial Forensic Laboratory in collaboration with the Centre for Democracy and Development (CDD) commissioned by Mr. Olusade Adesola PS/FCTA on Monday, 7th June, 2021.

- ✓ Thirty Four (34) Forensic Auditors of the OAuGF were inducted as Members of the Computer Forensic Institute (MCFI) by the Computer Forensic Institute of Nigeria (CFIN) on Thursday, 7th April 2022





- v. Purchase of Toyota Prado Jeep
- vi. 3 Motor Vehicles from World Bank: 1 Toyota Prado Jeep (SFTAS PCU); 1 Toyota Hilux pickup and 1 Toyota Hiace Bus (FGIP)
- vii. Entrance Access Control Automated Identity Card, and Attendance Management system;
- viii. Re-opening of Zamfara State branch office
- ix. Renovation of State Branch Offices at Lokoja, Makurdi, Enugun and Benin
- x. Secured allocation of office accommodation for Lagos State branch office at the FMW&H Field Headquarters (Glass House) at TBS Lagos.
  - ✓ *The Old Office at No 5 Mobolaji Street Marina Lagos is to be handed over to the adjudged Owner on 30th June 2022 while awaiting further directives from the Honourable Attorney General of the Federation and Minister of Justice.*
- xi. Re-modelled 40-seater Conference Room with wireless microphones



- xii. Citizens Guide (2021 Edition) on “The Role of the Auditor-General for the Federation.”
- xiii. Electronic Notice Board installed at the Reception and on the 8th Floor for real-time dissemination of information.





- xiv. Constructed Generator House and Plant Manager's Office



- xv. Re-modelled OAuGF Store with modern stores racks and in-built stores Manager's Office

#### 4. Highlights of Achievements: Intangibles

- i. Payment of all outstanding first 28 days allowances in 2 batches amounting to ₦146,203,536.00 as against the sum of ₦45,248,450.00 paid over Four (4) years, leaving no outstanding staff claims.
- ii. With Ref. No. HCSF/SPSO/ODD/E&WP/649540/174 dated 15<sup>th</sup> June 2021, OAuGF got approval for 28 Operational Departments in 2,037 authorized establishment for optimal performance and coverage.
- iii. With Ref. No. HCSF/SPSO/ODD/E&WP/649540/207 dated 27<sup>th</sup> June 2021, OAuGF got approval for 36 Operational Departments in 1,879 authorized establishment for optimal performance and coverage.
- iv. Successful conduct of 2020 and 2021 promotions, upgrading, conversion, and disciplinary cases.
- v. Motivation of Audit Workforce during Office of the Civil Service of the Federation-OAuGF Week 2021 with awards for exceptional productivity to Apoti Salawu; Dagah Sarah (Mrs), and Bamidele Ojo.
- vi. Posting of Legal Officer by the Federal Ministry of Justice and Office of the Attorney-General for the Federation to head OAuGF's Legal Unit.





- vii. Served meritoriously my first 2 Year tenure as Chairperson, the African Union Board of External Auditors as at June 2022.
- viii. Functional OAuGF Inter-Communication Network: website (www.oaugf.ng); email address (info@oaugf.ng) and Telephone line (+234-811-008-8888).
- ix. Automation of the OAuGF's Registry.
- x. Successfully organized Conference of Auditors-General in Nigeria (COAGN) 2021 in December 2021 in Benin City, Edo State.
- xi. Hosting the 2nd AFROSAI-WGEA Planning Meeting of coordinated Environmental Audit of Niger River in Abuja (25th – 29th April, 2022).
- xii. Organised Advanced Course on Performance Auditing in conjunction with AFROSAI-E from 19<sup>th</sup> – 29<sup>th</sup> April, 2022 in Abuja Nigeria.
- xiii. Secured an Approval on the review of request for review of remuneration for the OAuGF by the Presidential Committee on Salaries (PCS) with Ref. Nos. SGF.53/S.1/TB/164 of 14<sup>th</sup> July, 2022 and HMFBNP/SGF/PCS/956 OF 27<sup>th</sup> June, 2022. The Job Specific Allowance remuneration for the Office of the Auditor-General for the Federation to take effect from 1<sup>st</sup> January, 2023 with Ref No. SWC/S/04/S.623/193 of 26<sup>th</sup> August, 2022.

## **5 Highlights of Achievements: Submissions of Reports**

### **a. Country-wide Reports**

- i. Auditor-General for the Federation's Annual Reports on FGN CFS for the year ended 31st December, 2018 submitted on 25th March, 2021, exactly one (1) Month of my appointment as the AuGF.
- ii. Auditor-General for the Federation's Annual Reports on FGN CFS for the year ended 31st December, 2019 submitted on 18th August, 2021.
- iii. Auditor-General for the Federation's Annual Reports on Non-compliance/Internal Control Weaknesses Issues in MDAs of the Federal Government of Nigeria for the year ended 31st December, 2019 dated 15th September, 2021.  
  
*✓ Including Reports on Audit of some Embassies of Nigeria in the 2020 and 2021 Financial years*
- iv. Preparation of first ever stand alone IPSAS Accrual Basis compliant Office of the Auditor-General for the Federation Financial Statements for the year ended 31<sup>st</sup> December, 2021.





## **b. Regional Strides/Reports**

- i. Elected Chairperson, African Union Board of External Auditors on February 23rd, 2021.
- ii. Submission of Audited Annual Report on AU & and Organs CFS for the year ended 31st December, 2020 in May 2021.
- iii. Submission of Audited Annual Report on AU & and Organs CFS for the year ended 31st December 2021 approved by the AUBoEAs on 26th May, 2022 in Addis-Ababa Ethiopia in June 2022.
- iv. 30<sup>th</sup> Anniversary INTOSAI WGEA Winner on the story “what the WGEA has offered to me personally, to my auditing work, and to SAI Nigeria in general”. I also led AFROSAI-WGEA to the 21<sup>st</sup> INTOSAI WGEA General Assembly in Ukulhas Maldives 4-6 July 2022.

## **c Special Reports**

- i. Forensic Audit Report of Payments of Retirement Entitlements of former Presidents, Certain Other Officers, Heads of Service and Permanent Secretaries for the period 2015-2021.
- ii. Forensic Audit Report of the Nigeria Customs Service Independent Account Revenue for the period January 2016-December 2020.
- iii. Forensic Audit Report of the Nigeria Customs Service Federation Account Revenue for the period January 2016-December 2020.
- iv. Audit Report on Proposed Framework for the Administration of Subsidy to Small holder Farmers (Vide Ref No. 931/99/CONF/VOL.II/82 of 23<sup>rd</sup> June, 2021).
- v. Performance Audit Report on the “Effective Utilisation of Funds released to Federal Agencies from the Federal Government Asset Recovery Accounts from 2015-2020 in order to ascertain whether the Funds were appropriately spent for their purposes” (Ref No. SH/COS/34/25/A/677 of 15th February, 2021 - Re: Report of the Judicial Commission of Inquiry for the Investigation of Mr Ibrahim Magu, the Ag. Chairman of Economic and Financial Crimes Commission (EFCC) for alleged abuse of office and mismanagement of FG forfeited asset and Finances from May 2015 to May 2020).
- vi. Performance Audit Report on Pre-Shipment Inspection and Monitoring of Crude Oil and Gas Exports by FMFBNP, for the period January 2016 to December 2020 submitted in June 2022.
- vii. Performance Audit Report on Affordable/Social Homes for Low-Income Earners in Nigeria by Family Homes Funds Limited (2018 to 2020) submitted in August 2022.





## 6. Recommendations to Strengthen OAuGF

- I. The imperative of an appropriate legal instrument (**Approval of the Draft Federal Audit Service Bill, 2021**) in tandem with The United Nations General Assembly (UNGA) Resolutions 66/209 of 2011 and 69/228 of 2014 recognizing the important role of supreme audit institutions (SAIs) in promoting the efficiency, accountability, effectiveness, and transparency of public administration, which is conducive to the achievement of national development objectives and priorities as well as the internationally agreed development goals.
  - ii. The increase in retirement age for staff of the OAuGF to the retirement of 65 years of age or 35 years of service, whichever is earlier” is supported by the fact that Human Capital Development is globally defined as an investment. That partly explains why the Commonwealth Secretariat’s retirement age is 65 Years, while most SAIs’ workforce in ECOWAS, Africa, and Commonwealth Countries retire at 65 or 70 years. 65 years of retirement age seeks to retain highly skilled Audit Officers and halt the progressive depletion of the OAuGF’s workforce.
  - iii. In the context of Mexico Declaration on SAI Independence and Legal Framework to cover:
    - a. The existence of an appropriate and effective constitutional/statutory/legal framework and of de facto application provisions of this framework;
    - b. The independence of SAI heads and members (of collegial institutions), including the security of tenure of Office and legal immunity in the normal discharge of their duties;
    - c. A sufficiently broad mandate and full discretion, in the discharge of SAI functions;
    - d. Unrestricted access to information;
    - e. The right and obligation to report on their work;
    - f. The freedom to decide the content and timing of audit reports and to publish and disseminate them;
    - g. The existence of effective follow-up mechanisms on SAI recommendations, and
    - h. Financial and managerial/administrative autonomy and the availability of appropriate human, material, and monetary resources



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**  
**RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

The Office of the Auditor-General for the Federation (OAuGF) Financial Statements (FS) have been prepared in accordance with the provisions of the Financial Reporting Council of Nigeria (FRC of Nigeria) Act 2011 and the National Treasury Circular TRY A5 & B5/2016.OAGF/CAD/026/V.111/7 of 18<sup>th</sup> March, 2016 issued by the Office of the Accountant-General of the Federation (OAGF). The Circular requires that Financial Statements of Ministries, Departments and Agencies (MDAs) of the Federal Government of Nigeria (FGN) shall be prepared in accordance with the provisions of the International Public Sector Accounting Standards (IPSAS), Accrual Basis of Accounting, effective 1<sup>st</sup> January, 2016.

The OAuGF Financial Statements for the year ended 31<sup>st</sup> December, 2021 have been prepared taking advantage of the transitional exemptions permitted under IPSAS 33 for first time adaptors.

To fulfill Accounting and Reporting responsibilities, the Auditor-General for the Federation being the Accounting Officer is responsible for establishing and maintaining an adequate system of internal controls designed to provide reasonable assurance that the transactions recorded are within statutory authority and adequately disclosed the use of all Public resources of the Government.

Consequently, the transactions and other events reported in the OAuGF Financial Statements rests entirely with the Auditor-General for the Federation, i.e the Accounting Officer of the OAuGF in accordance with paragraph 111 (ii) (a-c) and 112 (i) (a-l) of the Financial Regulations, 2009. These Financial Statements reflect operations and financial position of OAuGF as at 31<sup>st</sup> December, 2021.

**Aghughu Adolphus A., JP, FCNA, FCTI, MCFI**  
Auditor-General for the Federation  
*FRC/2019/004/000000/20094*

**2<sup>nd</sup> September, 2022**



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**  
**STATEMENT OF FINANCIAL PERFORMANCE**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	<b>NCOA</b>	<b>(Notes)</b>	<b>Actual 2021</b>
			<b>₹</b>
<b>REVENUE</b>			
Transfer from other Government Entities		9	4,420,905,171.16
<b>Total Revenue (a)</b>			<b>4,420,905,171.16</b>
<b>EXPENDITURE</b>			
Salaries & Wages	21010101 & 21020201 - 21020202	3	2,436,674,376.41
Overhead Costs	22020 - 220208, 220210 & 230501	4	1,841,727,755.85
Depreciation Charges	240101 - 240201	10	155,780,396.55
Public Debt/Bank Charges	220209	5	27,725,803.00
<b>Total Expenditure (b)</b>			<b>4,461,908,331.81</b>
<b>Surplus/(Deficit) from Operating Activities for the Period c=(a-b)</b>			<b>(41,003,160.64)</b>
<b>Total Non-Operating Revenue/(Expenses) (d)</b>			<b>0</b>
<b>Surplus/(Deficit) from Ordinary Activities (e)=(c+d)</b>			<b>(41,003,160.64)</b>
Minority Interest Share of Surplus/ (Deficit) (f)			0
<b>Net Surplus/ (Deficit) for the Period (g)=(e-f)</b>			<b><u>(41,003,160.64)</u></b>



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31ST DECEMBER, 2021**

	<b>NCOA</b>	<b>(Notes)</b>	<b>2021</b>	<b>2021</b>
			<b>₦</b>	<b>₦</b>
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and Cash Equivalents	310101 - 310201	6	245,773,143.89	
Inventories	310501 & 310502	7	<u>215,982,358.40</u>	
<b>Total Current Assets (a)</b>				<b>461,755,502.29</b>
<b>Non-Current Assets</b>				
Property, Plant & Equipment	320101 - 320110	10	2,224,135,278.80	
<b>Total Non-Current Assets (b)</b>				<b><u>2,224,135,278.80</u></b>
<b>Total Assets (c) = (a + b)</b>				<b><u>2,685,890,781.09</u></b>
<b>NET ASSETS/EQUITY</b>				
Capital Grant	430101	8	218,432,074.01	
Reserves	430301		2,508,461,867.72	
Surpluses/(Deficits)	430201		(41,003,160.64)	
<b>Total Net Assets/Equity (d)</b>				<b><u>2,685,890,781.09</u></b>

**Aghughu Adolphus A., JP, FCNA, FCTI, MCFI**  
Auditor-General for the Federation/Accounting Officer  
FRC/2019/004/000000/20094

**Bashir Mohammed Tubo, FCNA, MCFI**  
Director Finance and Accounts

**2<sup>nd</sup> September, 2022**



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**  
**STATEMENT OF CHANGES IN NET ASSETS/EQUITY**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

	<b>NCOA</b>	<b>(Notes)</b>	<b>Capital Grant</b>	<b>Reserves</b>	<b>Surpluses/ (Deficits)</b>	<b>Total</b>
			<b>₦</b>	<b>₦</b>	<b>₦</b>	<b>₦</b>
<b>Balance as at 1st January 2021</b>	Bal. of CRF & CDF (ie Stat. 3 & 4) as at 31/12/2021					
Changes in Accounting Policy	As adjusted					
<b>Restated Balance</b>						
Surplus on Revaluation of Properties	43030101					
Deficit on Revaluation of Investments	43030101 (Closing Less Beginning Bal)					
Net Changes in Reserve during the year/Transitional Reserves				2,508,461,867.72		2,508,461,867.72
<b>For the period</b>			218,432,074.01		(41,003,160.64)	177,428,913.37
Balance at 31 December 2021						
Deficit on Revaluation of Property						
Surplus on Revaluation of Investments						
Net gains and Losses not Recognised in the Statement of Financial Performance						
Net deficit for the Period						
<b>Balance at 31<sup>st</sup> December 2021</b>			<b><u>218,432,074.01</u></b>	<b><u>2,508,461,867.72</u></b>	<b><u>(41,003,160.64)</u></b>	<b><u>2,685,890,781.09</u></b>



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

Description	NCOA	(Notes)	2021	
			₦	₦
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Inflows</b>				
Transfer from other Government Entities	150101		4,420,905,171.16	
<b>Total Inflow from Operating Activities (a)</b>				<b>4,420,905,171.16</b>
<b>Outflows</b>				
Salaries & Wages			2,436,674,376.41	
Overhead Cost	220201 - 220208, 220210 & 230501		1,841,727,755.85	
Finance Cost	220209		<u>27,725,803.00</u>	
<b>Total Outflow from Operating Activities (b)</b>				<b>(4,306,127,935.26)</b>
<b>Net Cash Inflow/(Outflow) from Operating Activities (c) = (a - b)</b>				114,777,235.90
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase/Construction of PPE	320101 -320110	10	(241,391,192.57)	
<b>Net Cash Flow from Investing Activities (d)</b>				(241,391,192.57)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Capital Grant Received	430101	8	218,432,074.01	
<b>Net Cash Flow from Financing Activities (e)</b>				<u>218,432,074.01</u>
<b>Net Cash Flow for the year (f) = (c+d+e)</b>				<b>91,818,117.34</b>
Cash & Cash Equivalents as at 31/12/2020 (g)		6(b)		<u>153,955,026.55</u>
<b>Cash &amp; Cash Equivalents as at 31/12/2021 (h) = (f+g)</b>		6(a)		<b><u>245,773,143.89</u></b>



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**  
**STATEMENT OF COMPARISON OF BUDGET AND ACTUAL**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

DESCRIPTION	ACTUAL	FINAL BUDGET 2021	SUPPLEMENTARY BUDGET 2021	INITIAL BUDGET 2021	VARIANCE ON FINAL BUDGET
	₦	₦	₦	₦	₦
	A	B(C+D)	C	D	E(B-A)
<b>REVENUE</b>					
Transfer from other Government Entities	4,420,905,171.16	4,420,905,171.41			- 0.25
Other Funds	-	-			
<b>Total Revenue (a)</b>	<b>4,420,905,171.16</b>	<b>4,420,905,171.41</b>	-	-	- 0.25
<b>RECURRENT EXPENDITURE</b>					
Salaries & Wages	2,436,674,376.41	2,436,674,376.41			0.00
Overhead Cost	1,841,727,755.85	1,984,230,795.00			142,503,039.15
Depreciation Charges	155,780,396.55	0			(155,780,396.55)
Public Debt Charges	27,725,803.00	0			(27,725,803.00)
<b>Total Recurrent Expenditure (b)</b>	<b>4,461,908,331.81</b>	<b>4,420,905,171.41</b>	-	-	<b>(41,003,160.40)</b>
<b>CAPITAL EXPENDITURE</b>					0.00
PPE	241,391,192.57	218,432,074.00			(22,959,118.57)
<b>Total Capital Expenditure (c)</b>	<b>241,391,192.57</b>	<b>218,432,074.00</b>			<b>(22,959,118.57)</b>
<b>Total Expenditure (d) = (b+c)</b>	<b>4,703,299,524.38</b>	<b>4,639,337,245.41</b>			<b>(63,962,278.97)</b>
<b>Budget Surplus/(Deficit) (e) = (a) - (d)</b>	<b>(282,394,353.21)</b>	<b>(218,432,074.00)</b>			<b>63,962,278.72</b>



**OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER, 2021**

**1. Statement of Compliance with the International Public Sector Accounting Standards (IPSAS)**

The Auditor-General for the Federation Financial Statements complied with the provisions of the International Public Sector Accounting Standards (IPSAS) Accrual Basis issued by the International Public Sector Accounting Standards Board (IPSASB).

**2. Summary of Significant Accounting Policies**

**2.1 Basis of Preparation and Legal Provisions**

The OAuGF Financial Statements are prepared under the historical cost convention and in a manner required by relevant Treasury Circulars and Extant Regulations.

**2.2 Accounting Period**

The accounting year of the Office of the Auditor-General for the Federation which is consistent with the FGN is from 1<sup>st</sup> January to 31<sup>st</sup> December every year.

**2.3 Reporting Currency**

The OAuGF Financial Statements (FS) are prepared and presented in Nigerian Naira. Transactions in foreign currency (if any) are translated at the of exchange on the transaction date while foreign currency account balances (if any) are translated at the rate of exchange on 31<sup>st</sup> December.

**2.4 Notes to the Financial Statements**

The Notes to the Financial Statement have been presented in a systematic manner. Each Note is cross referenced to related components in the Financial Statements.

**2.5 Revenues**

These are inflows within the financial year. These comprised receipts from:

- i. Receipts from Consolidated Revenue Fund (CRF)
- ii. Tender Fees
- iii. Audit Registration & Renewal

These items have been disclosed at the face of the Statement of Financial Performance for the year in accordance with the standardized Notes to FS. Because of unrealistic data, revenue receivable from registered audit firms were not accounted for.



## **2.6 Expenses**

All expenses are reported on accrual basis, i.e all expense are recognized in the period they are incurred or when the related services are enjoyed, irrespective of when the payments are made.

## **2.7 Employees Entitlements**

Under the defined contributory pension, the Office of the Auditor-General makes pension contributions on behalf of employees in accordance with the provisions of Pension Act 2014. The contributions are treated as payments to a defined contributory pension.

A defined contribution pension scheme is a pension scheme under which fixed contributions are paid in to a separate pension entity fund managed by Pension Fund Administrators (PFAs) voluntarily chosen by employees.

The contributions are recognized as employees benefit expense when they are paid. Contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

## **2.8 Statement of Cash Flow**

This Statement is prepared using the direct method in accordance with the International Public Sector Accounting Standards (IPSAS) Accrual Basis. However, the reconciliation of cash and cash equivalents with the reported surplus/deficits is provided.

## **2.9 Cash and Cash Equivalents**

Cash and Cash equivalents comprised the bank balances at the Treasury held by the OAGF on behalf of OAuGF as at 31<sup>st</sup> December.

## **2.10 Account Receivables**

Account receivables are shown at the estimated realizable value after providing for bad and doubtful debts.

## **2.11 Prepayments**

Prepaid expenses are amounts paid in advance for works, goods or services and are reported as prepayments in the Statements of Financial Position.

## **2.12 Inventories**

Inventories are valued at the lower of cost and net realizable value and are reported under the Current Assets in the Statement of Financial Position.

## **2.13 Property, Plants & Equipment (PPE)**

Property, Plants & Equipment (PPE) are stated at historical cost less accumulated depreciation and any impairment losses. Historical cost includes expenditure that are attributable to the acquisition of the items.



The cost of an item PPE shall comprise: its purchase price, including import and non-recurring cost and directly attributable costs of bringing the assets to its location and working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

The following depreciation rates are applicable to all PPE acquired within the financial year:

- i. Land & Building - General 2%
- ii. Plant & Machinery - General 25%
- iii. Transportation Equipment - General 20%
- iv. Office Equipment - General 25%
- v. Furniture & Fittings - General 20%

### 2.14 Reserves

Reserves are classified under Equity in the Statement of Financial Position and they include: revaluation reserves (if any) for the year. Also, transitional reserves i.e. net difference between assets and liabilities (if any) recognized on transition to IPSAS Accrual are included in reserves. The transitional reserves will be adjusted for the effect of other assets and liabilities that may be recognized subsequently.

<b>3. Salaries &amp; Wages</b>			
<b>S/N</b>	<b>NCOA</b>	<b>DETAILS</b>	<b>AMOUNT (N)</b>
1	21010101	Salaries paid for 2021 - GIFMIS Platform	2,165,932,778.41
2	21020201	NHIS paid for 2021 - GIFMIS Platform	108,296,639.00
3	21020202	Contributory Pension paid for 2021 - Employer's contribution (GIFMIS Platform)	162,444,959.00
	<b>TOTAL</b>	<b>Salaries &amp; Wages (b)</b>	<b>2,436,674,376.41</b>

<b>4. Overhead Costs</b>			
<b>S/N</b>	<b>NCOA</b>	<b>DETAILS</b>	<b>AMOUNT (N)</b>
1	22020101	LOCAL TRAVEL & TRANSPORT: TRAINING	47,765,707.00
2	22020102	LOCAL TRAVEL & TRANSPORT: OTHERS	484,551,088.18
3	22020103	INTERNATIONAL TRAVEL & TRANSPORT: TRAINING	36,932,247.00
4	22020104	INTERNATIONAL TRAVEL & TRANSPORT: OTHERS	276,232,891.95
5	22020201	ELECTRICITY CHARGES	17,166,108.72
6	22020202	TELEPHONE CHARGES	4,544,454.00



7	22020203	INTERNET ACCESS CHARGES	14,375,825.00
8	22020204	SATELLITE BROADCASTING ACCESS CHARGES	517,051.47
9	22020205	WATER RATES	2,363,663.00
10	22020206	SEWERAGE CHARGES	2,412,906.00
11	22020301	OFFICE STATIONERIES / COMPUTER CONSUMABLES	30,766,783.14
12	22020302	BOOKS	1,733,350.00
13	22020303	NEWSPAPERS	978,400.00
14	22020305	PRINTING OF NON SECURITY DOCUMENTS	2,633,041.86
15	22020307	DRUGS & MEDICAL SUPPLIES	6,529,332.05
16	22020310	TEACHING AIDS / INSTRUCTION MATERIALS	1,821,254.00
17	22020401	MAINTENANCE OF MOTOR VEHICLE / TRANSPORT EQUIPMENT	9,986,479.00
18	22020402	MAINTENANCE OF OFFICE FURNITURE	6,686,198.00
19	22020403	MAINTENANCE OF OFFICE BUILDING / RESIDENTIAL QTRS	141,691,798.66
20	22020404	MAINTENANCE OF OFFICE / IT EQUIPMENTS	24,684,913.71
21	22020405	MAINTENANCE OF PLANTS/GENERATORS	9,412,382.00
22	22020406	OTHER MAINTENANCE SERVICES	5,932,539.18
23	22020501	LOCAL TRAINING	134,051,216.18
24	22020601	SECURITY CHARGES	13,384,200.00
25	22020603	OFFICE RENT	4,760,000.00
26	22020605	SECURITY OPERATIONS (OVERHEAD)	5,515,215.00
27	22020606	CLEANING AND FUMIGATION SERVICES	17,038,076.00
28	22020701	FINANCIAL CONSULTING	278,450,000.00
29	22020703	LEGAL SERVICES	2,092,400.00
30	22020707	AUDITING OF FEDERATION ACCOUNT	9,132,803.00
31	22020708	MEDICAL CONSULTING	11,325,889.00
32	22020801	MOTOR VEHICLE FUEL COST	14,359,257.90
33	22020803	PLANT / GENERATOR FUEL COST	30,505,498.86
34	22021001	REFRESHMENT & MEALS	9,065,635.00
35	22021002	HONORARIUM & SITTING ALLOWANCE	9,947,085.00
36	22021003	PUBLICITY & ADVERTISEMENTS	5,170,514.25
37	22021007	WELFARE PACKAGES	112,975,527.30
38	22021008	SUBSCRIPTION TO PROFESSIONAL BODIES	1,846,612.38
39	22021009	SPORTING ACTIVITIES	12,310,700.00
40	22021013	PROMOTION (SERVICE WIDE)	7,228,084.06
41	22021014	ANNUAL BUDGET EXPENSES AND ADMINISTRATION	2,609,878.00



42	22021023	ANNUAL CONFERENCE OF AUDITORS - GENERAL	29,545,750.00
43	41040107	LEGAL COMMITMENTS	695,000.00
	<b>TOTAL</b>		<b>1,841,727,755.85</b>

#### 5. Public Debt Charges/Bank Charges

S/N	DATE	BENEFICIARIES	PURPOSE	AMOUNT (N)
1	29/12/2021	GLOBAL TREND INSURANCE BROKERS LTD	INSURANCE PREMIUM	25,602,140.50
2	31/12/2021	GLOBAL TREND INSURANCE BROKERS LTD	INSURANCE PREMIUM	2,123,662.50
	<b>TOTAL</b>			<b>27,725,803.00</b>

#### 6 (a) Cash and Cash Equivalents as at 31/12/2021

S/N	CODE	PURPOSE	AMOUNT (N)
1.	31020101	Cash Balance: - Capital	130,995,907.99
2.	31020103	Cash Balance: - Overhead	114,777,235.90
	<b>TOTAL</b>		<b>245,773,143.89</b>

#### 6 (b). Cash and Cash Equivalents as at 31/11/2020

S/N	CODE	PURPOSE	AMOUNT (N)
1.	31020101	Cash Balance: - Capital	153,935,328.12
2.	31020103	Cash Balance: - Overhead	19,698.43
	<b>TOTAL</b>		<b>153,955,026.55</b>

#### 7. Inventories as at 31/12/2021

S/N	NCOA	NAME OF ITEMS	AMOUNT (N)
1	31050109	STATIONERIES STORES	32,601,559.20
2	31050117	COMPUTER/INFORMATION TECHNOLOGY STORE	48,086,562.40
3	31050119	EQUIPMENT STORE	5,564,786.80
4	31050124	MOTOR SPARE STORE	100,570,000.00
5	31050127	FURNITURE STORE	12,343,200.00
6	31050129	PLANT/ EQUIPMENT SPARE STORE	16,816,250.00
	<b>TOTAL</b>		<b>215,982,358.40</b>



<b>8. Capital Grants for 2021</b>			
<b>S/N</b>	<b>DATE</b>	<b>DESCRIPTION</b>	<b>AMOUNT (N)</b>
1	01/05/2021	Capital Grant	51,756,192.75
2	01/08/2021	Capital Grant	81,914,503.45
3	01/10/2021	Capital Grant	2,540,417.62
4	01/12/2021	Capital Grant	82,220,960.19
	<b>TOTAL</b>		<b>218,432,074.01</b>

<b>9. Receipts from CRF to Fund MDA Recurrent Expenditures (Overheads &amp; Salaries)</b>			
<b>S/N</b>	<b>MONTHS</b>	<b>DETAILS</b>	<b>AMOUNT (N)</b>
1	January	Receipt from CRF to fund Overheads	165,352,566.25
2	February	Receipt from CRF to fund Overheads	165,352,566.25
3	March	Receipt from CRF to fund Overheads	165,352,566.25
4	April	Receipt from CRF to fund Overheads	165,352,566.25
5	May	Receipt from CRF to fund Overheads	165,352,566.25
6	June	Receipt from CRF to fund Overheads	165,352,566.25
7	July	Receipt from CRF to fund Overheads	165,352,566.25
8	August	Receipt from CRF to fund Overheads	165,352,566.25
9	September	Receipt from CRF to fund Overheads	165,352,566.25
10	October	Receipt from CRF to fund Overheads	165,352,566.25
11	November	Receipt from CRF to fund Overheads	165,352,566.25
12	December	Receipt from CRF to fund Overheads	165,352,566.00
	<b>SUB-TOTAL</b>	<b>Overheads (a)</b>	<b>1,984,230,794.75</b>
1	21010101	Salaries paid for 2021 - GIFMIS Platform	2,165,932,778.41
2	21020201	NHIS paid for 2021 - GIFMIS Platform	108,296,639.00
3	21020202	Contributory Pension paid for 2021 - Employer's contribution (GIFMIS Platform)	162,444,959.00
	<b>SUB-TOTAL</b>	<b>Salaries &amp; Wages (b)</b>	<b>2,436,674,376.41</b>
	<b>TOTAL</b>	<b>Revenue (c) = (a - b)</b>	<b>4,420,905,171.16</b>



## 10. Property, Plant & Equipment

		Land & Building - General	Infrastructure - General	Plant & Machinery - General	Transportation Equipment - General	Office Equipment - General	Furniture & Fittings - General	Total
	(Notes)	320101	320102	320103	320104	320105	320106	
<b>COST</b>		(N)	(N)	(N)	(N)	(N)	(N)	(N)
As at 01/01/2021		2,187,923,297.19		64,908,767.00	230,999,334.80	184,428,000.34	14,323,408.24	2,682,582,807.57
Additions during the year	11	209,576,702.81		10,351,233.00		16,803,930.00	4,659,326.76	241,391,192.57
Reclassification								
Revaluation								
Disposal								
<b>As at 31/12/2021 (a)</b>		2,397,500,000.00	-	75,260,000.00	230,999,334.80	201,231,930.34	18,982,735.00	2,923,974,000.14
<b>DEPRECIATION</b>								
As at 01/01/2021		388,000,000.00	-	51,925,000.00	42,468,033.92	60,054,590.88	1,610,700.00	544,058,324.80
For the year		47,950,000.00	-	7,526,000.00	46,199,866.96	50,307,982.59	3,796,547.00	155,780,396.55
Reclassification								
Disposal								
<b>As at 31/12/2021 (b)</b>		435,950,000.00	-	59,451,000.00	88,667,900.88	110,362,573.47	5,407,247.00	699,838,721.35
Carrying Amount before impairments as at 31/12/2021 (c) = (a-b)		1,961,550,000.00	-	15,809,000.00	142,331,433.92	90,869,356.88	13,575,488.00	2,224,135,278.80
<b>IMPAIRMENTS</b>								
As at 01/01/2021								
For the year								
<b>As at 31/12/2021 (d)</b>								
<b>Carrying Amount after Impairments as at 31/12/2021 (e) = (c-d)</b>		1,961,550,000.00	-	15,809,000.00	142,331,433.92	90,869,356.88	13,575,488.00	2,224,135,278.80



<b>11. Assets acquired during the year (2021)</b>			
<b>S/N</b>	<b>NCOA</b>	<b>FURNITURE AND FITTINGS</b>	<b>AMOUNT (₦)</b>
1	23010112	PURCHASE OF OFFICE FURNITURE AND FITTINGS	4,659,326.76
		<b>SUB-TOTAL</b>	<b>4,659,326.76</b>
		<b>OFFICE EQUIPMENT - GENERAL</b>	
2	23010113	PURCHASE OF COMPUTERS	10,924,164.00
3	23010114	PURCHASE OF COMPUTER PRINTERS	3,677,262.00
4	23010117	PURCHASE OF SHREDDING MACHINES	550,956.00
5	23010118	PURCHASE OF SCANNERS	1,651,548.00
		<b>SUB-TOTAL</b>	<b>16,803,930.00</b>
		<b>PLANT &amp; MACHINERY</b>	
8	23010119	PURCHASE OF POWER GENERATING SET	7,761,500.00
9	23010123	PURCHASE OF FIRE FIGHTING EQUIPMENT	2,589,733.00
		<b>SUB-TOTAL</b>	<b>10,351,233.00</b>
		<b>BUILDING - GENERAL</b>	
12	23030121	REHABILITATION / REPAIRS OF OFFICE BUILDINGS	114,324,605.19
13	23050171	GOVERNANCE/INSTITUTIONAL REFORM	95,252,097.62
		<b>SUB-TOTAL</b>	<b>209,576,702.81</b>
		<b>GRAND TOTAL</b>	<b>241,391,192.57</b>

