

OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION, NIGERIA



SUPREME AUDIT INSTITUTION (SAI) PERFORMANCE REPORT

NOVEMBER 2024

Table of Contents

- Abbreviations..... 3**
- Acknowledgments 4**
- (a) Introduction..... 5**
- (b) Independent review statement..... 6**
- (c) Key Findings and Observations on the SAI’s Performance and Impact 7**
 - i) Integrated Assessment of SAI Performance 7
 - ii) The Value and Benefits of Supreme Audit Institutions – Making a Difference to the Lives of Citizens 13
 - iii) Analysis of the SAI’s capacity development efforts and prospects for further improvement 15
- (d) SAI Management and Use of Results..... 17**
- Chapter 1: Assessment Methodology 18**
- Chapter 2 SAI PMF Scoring Methodology 21**
- Chapter 3: Country and SAI Background Information 23**
 - 3.1 Description of country governance arrangements and wider environment in which the SAI operates..... 23
 - 3.2 Description of public sector budgetary environment including public financial management and impact on SAI performance 24
 - 3.3 Description of the SAI’s legal and institutional framework, organizational structure and resources 28
- Chapter 4: Assessment of the SAI’s Performance..... 32**
 - 4.1 Domain A: Independence and Legal Framework 32
 - 4.2 Domain B: Internal Governance and Ethics 41
 - 4.3 Domain C: Audit Quality and Reporting 51
 - 4.4 Domain D: Financial Management, Assets and Support Services 92
 - 4.5 Domain E: Human Resources and Training 95
 - 4.6 Domain F: Communication and Stakeholder Management 101
- Chapter 5: SAI Capacity Development Process 106**
 - 5.1 Recent and On-going Reforms..... 106
 - 5.2 Use of SAI Results by External Providers of Financial Support..... 107
- Annexure..... 109**
 - Annex 1: Performance Indicator Summary..... 109
 - Annex 2: Detailed overview of assessment scores 110
 - Annex 3: Sources of Information and Evidence to Support Indicator Scoring 115

Abbreviations

AFROSAI-E	African Organisation of English-Speaking Supreme Audit Institutions
AGF	Accountant-General of the Federation
AuGF	Auditor-General for the Federation
BOF	Budget Office of the Federation
CBN	Central Bank of Nigeria
CFS	Consolidated Financial Statements
FEC	Federal Executive Council
FGN	Federal Government of Nigeria
IDI	INTOSAI Development Initiative
INCOSAI	International Congress of Supreme Audit Institutions
INTOSAI	International Organisation of Supreme Audit Institutions
OAGF	Office of the Accountant-General of the Federation
OAGF	Office of the Auditor-General for the Federation
PMF	Performance Measurement Framework
SAI	Supreme Audit Institution
SAI PMF	Supreme Audit Institution Performance Measurement Framework
SAI PR	Supreme Audit Institution Performance Report
SCOTAB	Significant Class of Transactions, Account Balances, and Disclosures

Acknowledgments

The Office of the Auditor-General for the Federation (OAuGF) would like to express its deepest gratitude to the International Organisation of Supreme Audit Institutions (INTOSAI) Development Initiative (IDI) for the support and guidance enjoyed from them throughout this assessment period. The resources provided as well as hands on training provided to the OAuGF Assessment Team are well recognised.

In arriving at its results, the OAuGF relied on a range of authoritative standards and guidelines, including the International Standards on Auditing (ISAs), the International Standards for Supreme Audit Institutions (ISSAIs), the AFROSAI-E Implementing Guidelines for the INTOSAI Auditing Standards, the INTOSAI Code of Ethics and Auditing Standards, the International Public Sector Accounting Standards (IPSAS), the International Financial Reporting Standards (IFRSs), and the Guidelines issued by INTOSAI.

We recognise the efforts of the SAI PMF Assessment Team who consist of the following staff:

S/N	Names	Designation	Position
1	Mr. Abbey Oweziarerebo	Director of Audit	Team Leader
2	Mr. Innocent Panni	Deputy Director of Audit	Team Member
3	Mrs. Larai Lamorde-Bombata	Assistant Director of Audit	Team Member
4	Mrs. Linda Soraiye	Chief Auditor	Team Member
5	Mr. Bamidele Ojo	Assistant Chief Auditor	Team Member
6	Mrs. Nya Odepe	Chief Auditor	Deputy Head of Quality Assurance Unit

The support and cooperation the Assessment Team enjoyed from the Directors of Audit, the Heads of Department, and focal persons in providing necessary documents and information is recognised and well appreciated.

Finally, the OAuGF would like to acknowledge the tireless efforts and dedication of its own staff, without whom the successful completion of this project would not have been possible.

(a) Introduction

The Supreme Audit Institutions Performance Measurement Framework (SAI PMF) was developed by the INTOSAI Working Group on the Value and Benefits of SAIs (WGVBS) following a decision at the INTOSAI Congress in South Africa in 2010. In 2016 the SAI PMF was endorsed at the INTOSAI Congress in Abu Dhabi and further strengthened in 2021 after taking into consideration, the INTOSAI Framework of Professional Pronouncements (IFPP) which was adopted in 2016 at the XXII INCOSAI in Abu Dhabi.

The SAI-PMF is an objective performance measurement framework designed to give a high-level overview of SAI performance and to facilitate managing, measuring, and monitoring of SAI performance over time. The SAI PMF assesses SAI contribution towards strengthened accountability, transparency, and integrity thereby giving SAIs an opportunity to become model organizations, leading by example in promoting transparency and accountability through credible public reporting on their own performance. It can be used to improve SAI capacity development and strategic planning by promoting the use of performance measurement and management.

In line with the objectives of INTOSAI-P 12 The Value and Benefits of Supreme Audit Institutions - making a difference to the lives of citizens, the SAI PMF also provides SAIs with an objective basis for demonstrating relevance to citizens and other stakeholders.

The decision to conduct the assessment was made by the Director of Audit Overseeing the Office of the Auditor-General for the Federation with the signing of SAI Readiness Declaration and Statement of Commitment on 20th September, 2023. This was subsequently approved by the Auditor-General for the Federation on 27th November 2023 with the nomination of a 5-Member OAuGF SAI PMF Assessment Team. This is a SAI PMF assessment following the SAI PMF methodology adopted at the XXII INCOSAI in Abu Dhabi.

The Purpose of the exercise, is to carry out a holistic assessment of the OAuGF in preparation for the development of its Strategic Plan (2024-2028) and to benchmark the performance of the Office against the ISSAIs and INTOSAI best practices. The results would further strengthen the OAuGF capacity development activities and guide management in strategic decision making for the overall benefit of the Office.

The assessment commenced in November 2023 with a management sensitization workshop and training of the Assessment Team by the IDI Team. The assessment was scheduled to be completed on the 30th April 2024. The Assessment period is for the 2023 financial year. However, with respect to Domain C, the assessment team will consider the published reports of the Auditor-General for the Federation for the year ended 31st December 2020 for both Financial Audits and Compliance Audits. While

for the Performance Audits, the Assessment Team will review the published reports up to the 2022 financial years.

The assessment was carried out at the Headquarters of the Office of the Auditor-General for the Federation, in Abuja, Nigeria. Although the Office has state branches, the bulk of its activities are centralised in Abuja, thus, the activities of the State Branch Offices were assessed through the States Audit Department.

The OAuGF adopted the self-assessment approach to further upskill its staff and to take advantage of the knowledge sharing experiences from IDI.

(b) Independent review statement

	SAI Performance Report of the Office of the Auditor General for the Federation, Nigeria dated 27 November 2024
<u>Independent Review Statement</u>	
<p>The INTOSAI Development Initiative (IDI), as operational lead on SAI PMF, provides support to SAI PMF assessments where requested. Such support includes conducting independent reviews (IR) of draft assessment reports. A request for such an IR was received from the Assessment team on 20th September 2024.</p>	
<p>This SAI Performance Report (SAI-PR) was prepared by the assessment team consisting of the team leader, Mr. Abbey Oweiziarerebo, and four (4) team members, Mr. Innocent Panni, Mrs. Larai Lamorde-Bombata, Mrs. Linda Soraiye and Mr. Bamidele Ojo. The team leader and team members together are considered to have the appropriate skills and experience to produce a high-quality assessment.</p>	
<p>In compliance with the recommended SAI PMF methodology, the Auditor-General for the Federation received the draft report for review and official comment with the objective of ensuring that the report is factually correct. A quality control check of the draft report was also carried out by Mrs Nya Odepe, Deputy Head of the Quality Assurance Unit who was not part of the assessment team.</p>	
<p>The Independent review arranged by IDI was carried out by Frank Grogan, SAI PMF Consultant and IDI independent reviewer, who had no responsibility for preparing the SAI-PR and is considered to have the appropriate knowledge and experience necessary for this task. The objective of this review was to ensure that the SAI PMF methodology had been adhered to, that the evidence in the SAI-PR was sufficient to justify the indicator scores and that the analysis was consistent with the evidence throughout the report. The review concluded that all objectives have been satisfactorily met in the final report dated 25 November 2024. In arriving at this conclusion, the independent reviewer has relied on the quality control processes of the assessment team and the quality assurance processes of</p>	

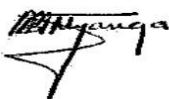
the SAI to ensure that the facts on which the conclusions are based are reliable and accurate.

Significant matters raised during the independent review process have all been satisfactorily addressed in this version of the SAI-PR.

Prepared by: Frank Grogan



Issued by IDI: Brighton Nyanga



Date: 27 November 2024

(c) Key Findings and Observations on the SAI's Performance and Impact

This section provides a *root cause analysis* of the OAuGF's performance based on the assessment.

i) Integrated Assessment of SAI Performance

This section demonstrates how the OAuGF is performing in its core functions under financial, compliance and performance audits.

It also identifies the strengths and weaknesses in the OAuGF's systems, operations, professional capabilities, environment, legal framework, institutional capacity and resources.

These are discussed under the 5 headlines below:

Audit Coverage:

The Office of the Auditor-General for the Federation (OAuGF) in Sec. 85(2) of Constitution of the Federal Republic of Nigeria 1999 (as amended) has the mandate to audit and report on the public accounts of the Federation and of all Offices and Courts of the Federation.

The OAuGF audits the Consolidated Financial Statements (CFS) of the Federal Government of Nigeria (FGN), prepared by the Accountant-General of the Federation and conducts regularity audits of Federal Government Ministries, Departments, and Agencies (MDAs). Based on the provisions of the 1999 Constitution, the Auditor-General audits and reports of the CFS submitted to it by the Accountant General. Thus, with respect to audit coverage of Financial audit, it is 100%. However, there is still a backlog in the audit of the FGN CFS for the financial years 2022 and 2023 owing to the delay in submission of the 2020 audited reports as a result of delay in the appointment of a substantive AuGF to sign off the reports. Until a particular financial year audit is completed, the next year will remain outstanding. The OAuGF only

recently submitted the 2021 financial year audit of the FGN CFS to the Parliament. The FGN MDAs are yet to comply with the provisions of IPSAS and Treasury Circulars which requires that they prepare stand-alone Financial Statements.

Failure of MDAs to submit Stand-alone Financial Statements is a major challenge. The Accountant-General of the Federation continues to consolidate Trial Balances of the MDAs which are extracted from GIFMIS instead of consolidating the standalone financial statements of the MDAs. This has continued to feature in the AuGF's Annual Reports.

The OAuGF carries out regularity audits of all MDAs and checks for the level of compliance with extant rules and regulations. The AuGF presents the reports from the exercise form part of the AuGF's Annual report on Non-compliance/Internal Control Weaknesses In Ministries, Departments, and Agencies (MDAs) of the Federal Government Of Nigeria. Compliance Audit coverage is about 80%. By implication the Auditor-General conducts compliance audits on a minimum of 80% of the MDAs of the Federal Government on an annual basis. However, the selection of entities to be audited was not based on a systematic and documented assessment of risk and materiality.

The Office is not able to carry out Compliance Audits in line with the requirements of ISSAI 4000 due to some constraints. For instance, despite the availability of compliance Audit Manual it was not followed through by the Teams responsible. Also, Section 85(4) of the Constitution of the Federal Republic of Nigeria states "The Auditor-General shall have power to conduct checks of all government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly." This is because the Office does not audit the financial statements of the Corporations, commissions and agencies and is only required to conduct checks. Thus, auditors perform regularity audits of the financial expenditure of the entities. In conducting the periodic checks, Auditors cover all the range of components and operations of the MDAs/Public Sector Entities (PSEs) during the audit/periodic checks exercise. The Office continues to face funding challenges for optimal training and performance of audits, especially when considering that the Office of the Accountant-General of the Federation consolidated a total of one thousand and three (1003) MDAs in 2021 financial year.

For Performance Audit, at least 3 audits are targeted to be conducted annually.

On the Performance Audits, the OAuGF considers Public outcry, requests from the Parliament, and Management's decisions before it carries out the audits. However, due to funding challenges and the extensive nature of Performance Audits, there are delays experienced in finalising PA reports and publishing the same. Audit topics are not selected based on the SAI's strategic [and/or operational] planning process. However, the Office still analyses potential topics and conduct researches to identify risks and problems before embarking on the compliance audits. The AuGF however, can decide on the Performance Audit Topics using his professional judgement, which is consistent

with the provisions of Section 85(6) of the Constitution of the Federal Republic of Nigeria. The Office is not able to publish ten (10) Performance Audit Reports covering all the sectors/topics recommended by the SAI PMF within a year due to funding gaps, despite having trained performance auditors. Also, the turnover of trained performance auditors from the Performance Audit Department, also affects their ability to concentrate on the performance audit assignment given to them, especially when they have their immediate tasks in their current departments, thereby weakening the performance audit function. The Office posts staff from one department to another, especially when a staff has spent between three to five years in a Department, they can be moved to another Department. Thus, posting of performance auditors from one Department to another, affects their concentration when called upon to carry out performance audits coordinated by the Performance Audit Department.

Quality of audit reports and recommendations

Financial Audits

The reviewed audit files indicated that the auditors failed to prepare adequate documentation, which did not clearly explain the work performed, the evidence gathered, and the conclusions reached. It was evident that the auditors did not prepare adequate documentation, resulting in poorly maintained files.

Although, the audited entities were informed about audit-related matters through audit findings, and allowed for their input and responses. Auditors formed opinions based on the audit evidence obtained from their procedures in line with the requirements of ISSAI 2700, ISSAI 2701, ISSAI 2705, and ISSAI 2706.

The FGN has a prescribed Financial Reporting Framework for all MDAs, which is the International Public Sector Accounting Standards (IPSAS) in line with the National Treasury Circular Ref No. OAGF/CAD/026/Vol.II/240 of 23/10/2015 captioned "Commencement of Implementation of IPSAS by all Public Sector Entities refers." However, each MDA do not prepare standalone financial statements for audit hence the repeated audit findings to the Accountant-General of the Federation for consolidating trial balances of MDAs instead of their standalone financial statements. This is due to the failure of the Accountant-General of the Federation to enforce its extant circulars on the preparation and audit of standalone financial statements by MDAs.

In conclusion, while the final audit reports of the selected files were comprehensive, they lacked a documented, coherent progression from the planning stage to the implementation of the audit. Given that this assessment relies on tangible evidence, the lack of necessary working papers to illustrate the execution of each process resulted in a low rating of 2 for this dimension.

This is as a result of the failure of management to train and retrain its staff on the audit methodology and maintenance of proper and updated working papers. This could be

attributed to poor funding of the Office on annual basis which negatively impact on the Office ability to conduct frequent training. The Office does not recruit its staff, an exercise that is performed by the Federal Civil Service Commission, which affects the Office ability to retain highly skilled and professional staff in the fulfilment of its mandate.

Performance Audits

The performance audit reports include findings on how the objectives met the economy, efficiency, and effectiveness requirements and were published and submitted to the Public Accounts Committees of the National Assembly. The reports are comprehensive and logically structured, presenting a clear relationship between the audit objective, criteria, findings, conclusions, and recommendations and are reader-friendly, clear, and straight to the point.

The Office of the Auditor-General for the Federation follows the International Standards of Supreme Audit Institutions (ISSAI 3000) in its performance audit. There was no sufficient evidence retained in the audit files to show how the Audit teams recorded and retained its evidence. There is a need for the Performance Audit Teams to improve their processes by ensuring proper documentation of all the steps followed in the audit processes. This is as a result of failure of management to train and retrain staff on performance audit methodology due to poor funding of the Office.

Compliance Audit

There are no working papers documenting in sufficient detail such that an experienced auditor, having no previous connection to the audit, to understand from the audit documentation the relationship between the subject matter, the criteria, the scope of the audit, the risk assessment, the audit strategy and audit plan and the nature, timing and extent and the results of procedures performed. The audit working papers did not document the audit reasoning on all significant matters that required the exercise of professional judgement and related conclusions and evaluating whether sufficient and appropriate audit evidence was obtained and form relevant conclusions so as to reduce audit risk to an acceptably low level.

However, the audit reports are easy to understand and free from vagueness and ambiguity and include the responses from the Management of the audited entities.

The OAuGF does not have the mandate to recruit its staff, thus it cannot determine the quality of staff being recruited for its operations. Also, the Office suffers funding challenges, which affects its ability to carry out extensive and continuous capacity building programs for its staff, which will further enhance their capabilities to perform their jobs.

Timeliness of audit submission and publication of audit results

Section 85(5) of the Constitution stipulates that " The Auditor-General shall, within ninety days of receipt of the Accountant-General's financial statement, submit his reports under this section to each House of the National Assembly and each House shall cause the reports to be considered by a committee of the House of the National Assembly responsible for public accounts."

Typically, this requirement is observed in practice. However, the submission of the 2020 CFS report, which is essential for this assessment, was delayed due to the absence of a substantive Auditor General, a situation that was not within the control of the SAI. The 2020 CFS was stalled between 30th March (when it was completed) and 30th November 2023 when the report was finally signed and presented to the National Assembly. The second AuGF Annual Report on non-compliance/internal control weaknesses in MDAs of FGN for the year ended 31 December 2020 was submitted to the National Assembly on 20th December 2023 and also published online on 15 January 2024. This represents the Compliance Audits performed across the MDAs in the 2020 financial year.

The Office published the Auditor-General for the Federation's Report on the FGN CFS within 60 days after it had been presented to the Public Accounts Committees of the National Assembly.

On Performance Audits, the Office published its reports within 60 days on its websites. While on Compliance Audits, the Office published its reports after 26 days of its submission to the PAC of the National Assembly.

Despite international best practices that audit reports should be published within fifteen (15) days after the SAI submits its reports to the Parliament, there is no clear Policy regarding publication of the AuGF's reports on its websites, hence the reason for the inconsistency in publication of reports.

SAI follow up of audit results

There is no documented evidence that the Auditors followed up with previous audit findings and recommendations. The OAuGF does not have a policy in place for follow up of its audit recommendations. This is further constrained with the non-consideration of the AuGF's Report at plenary of the National Assembly. Also, there is no process in place to guide the National Assembly on making its own recommendations available for follow up by the OAuGF arising from the AuGF's reports. However, in practice, auditors are required to review the preceding year audit report to gain understanding on the audit findings raised. On the FGN CFS, the audit team carries out an evaluation of implementation of prior year audit recommendations to ascertain the improvements by the authorities in the preparation and presentation of the FGN CFS.

The lack of a follow-up policy has affected the performance and documentation of follow up audits in Compliance and Performance Audits.

Any other material issues, especially issues related to communication and stakeholder management and issues related to the legal framework and the independence of the SAI

The Constitution of the Federal Republic of Nigeria, 1999 (as amended) established the Auditor-General for the Federation, specifically, section 85(1) states “There shall be an Auditor-General for the Federation who shall be appointed in accordance with the provisions of section 86 of this Constitution.”

Section 85(6) of the Constitution of the Federal Republic of Nigeria states "In the exercise of his functions under this Constitution, the Auditor-General shall not be subject to the direction or control of any other authority or person." which guarantees a high degree of initiative and autonomy to the Auditor-General for the Federation concerning his Mandate/function.

While section 85(3) of the Constitution stated that the Office cannot audit government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly, section 85(4) empowers the Auditor-General to conduct checks of all government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly.

Also, the AuGF does not enjoy any form of autonomy when it comes to financial and administrative operations because the Budget and fund releases are determined by the Budget Office of the Federation and the Ministry of Finance respectively while the Federal Civil Service Commission is responsible for the recruitment, promotion and discipline of staff. Section 87 of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) provides rules for the removal of the AuGF. There is no sufficient term of Office for the AuGF except the provision of the Public Service Rules (PSR) which provides the retirement age of 60 years or 35 years in service.

The AuGF's mandate is to audit and report on the public accounts of the Federation and all offices and courts of the Federation but the AuGF does not audit the Sub-nationals because each state government and local government prepares its own budgets independently. The responsibility for auditing state governments lies with the State Auditors-General, who report to the respective State Houses of Assembly. This is in accordance with section 125 of the Constitution.

The Office does not have a Federal Audit Service Bill, which will further grant it administrative and financial autonomy. The House of Representatives of the 10th National Assembly has passed the Federal Audit Service Bill while it is waiting for concurrence in the Nigeria Senate. The Office has included its plans to mobilise support for the passage of the Bill into law as part of its strategic focus in the next five years.

The OAuGF has a communication policy that outlines how to communicate with various stakeholders. The policy also identifies the key stakeholders of the SAI such as CSO, Media, Donors, PAC, auditees etc. The Office administered questionnaires to the different categories of its Stakeholders regarding its Strategic Plan. The key stakeholders shared their views with the Office and also highlighted areas for improvements.

Due to the lack of Strategic Plan at the time of the assessment, the OAuGF Communication Policy did not align with its strategic plan. OAuGF does not monitor the implementation of its Communication policy and does not conduct periodic assessment of its stakeholders on the SAI effective communication.

The OAuGF reports to the parliament through Annual Audit Reports issued by the Auditor General for the Federation in line with section 85 (2) and (5) of the Constitution of the Federal Republic of Nigeria. The OAuGF also publishes its annual reports on the website to ensure accessibility by other Key Stakeholders.

The Office also conducts retreats and workshops, bringing together its stakeholders on issues relating to Accountability in the Public Sector and on the OAuGF quest for the Independence of the Office.

The non-signing into law of the Federal Audit Service Act has always affected the administrative and financial independence of the Office, thereby affecting its ability to recruit and retain professional staff as well as financing its audit functions. Also, the constraints placed on the budgeting of the OAuGF impacts negatively on the Office ability to train and retrain its staff capacities to fulfill its mandate.

The OAuGF engages with its key stakeholders, but is constrained financially, in its ability to engage with the stakeholders regularly.

ii) The Value and Benefits of Supreme Audit Institutions – Making a Difference to the Lives of Citizens

This section explores the value and benefits of the OAuGF by analyzing the impact of its work on society.

1) Strengthening the accountability, transparency and integrity of government and public sector entities

The Office of the Auditor-General for the Federation (OAuGF) has made significant contributions through its audit recommendations. As a result, the Office of the Accountant-General has issued a circular mandating Ministries, Departments, and Agencies (MDAs) to prepare stand-alone Financial Statements, which will undergo auditing before consolidation. Additionally, the Performance Audit on budget has enhanced the budget process in Nigeria. These efforts, though modest, have played a crucial role in reinforcing government and public sector accountability, transparency, and integrity.

Furthermore, the OAuGF publishes its audit reports on its websites to ensure the Citizens and CSOs have access to the reports. This has assisted the CSOs to engage publicly on the audit findings and draw the attention of the Government to the gaps observed by the OAuGF and the need for corrective measures which has contributed positively to the way the public view the operations of the OAuGF and their need to voice out their concerns on the management of public resources.

2) Demonstrating ongoing relevance to citizens, Parliaments and other stakeholders

The 2016 budget of the Federal Government was signed in May 2016, while 2017 and 2018 budgets were signed six months into the year. Also, the 2019 budget was signed in May 2019. The OAuGF conducted a Performance Audit on the Federal Government of Nigeria Budget Preparation process and its implementation in 2020 where the findings pointed to the anomalies affecting the budget process, thereby leading to improvements by the Budget Office of the Federation to return the budget cycle to a predictable January to December. This has been sustained since 2020 to the current financial year of 2024, where budget are passed and assented to before January.

The Office held a technical Session at the Plenary with the Parliament and also held a retreat with Members of the Public Accounts Committees of the National Assembly at the Hilton, Abuja. Through press releases, public enlightenment campaigns, citizens are informed on how to access the official website www.oaugf.ng for the Audit Reports and other activities of the SAI.

The OAuGF Reports have continued to be a subject of public debates (Through media engagement by CSOs) on the internal control weaknesses observed in the Federal MDAs. There have been instances where CSOs took MDAs to court based on the AuGF's Annual Report.

(<https://www.nigeriacommunicationsweek.com.ng/serap-drags-buhari-to-court-over-alleged-missing-mda-funds/>)

3) Being a model organization through leading by example

The OAuGF commenced an engagement with the African Organisation of English-Speaking Supreme Audit Organisations (AFROSAI-E) to adapt its AFROSAI-E SAI Enhancement Audit Tool (A-SEAT) to Nigeria SAI Enhancement Audit Tool (N-SEAT). These activities included training, Pilot Audits of some audit teams covering the Financial Audits, Compliance Audits, Performance Audits and Information Technology Audits. The success from this exercise, will lead to the

whole of Office Training in order to strengthen the technical capacity of the staff and enhance its audit performance.

The installation, configuration, and training of N-SEAT Pilot Teams took place in November to December 2023. N-SEAT administrators were trained as part of the installation program. The Office is planning to hold a full training for all its staff from the 4th quarter of 2024.

This will contribute to timely submission of qualitative reports to the National Assembly and the public, which will ensure corrective measures are taken by the Government.

In 2021, the Office of the Auditor-General for the Federation (OAuGF) prepared its first Financial Statement, although it was neither audited nor published. This is due to the current challenge of not having an Audit Service Act which will provide guidance on the audit of the Operations of the OAuGF. The efforts to prepare the financial statements and its reports, is to enable the Public Accounts Committees of the National Assembly gain insights to the financial operations of the Office. The Office also presents its Budget performance to the Parliament whenever the Office is invited for defence of its budget.

Moving forward, the Office is committed to diligently preparing and auditing both its Financial Statement and performance report. These efforts will contribute to establishing the Office as a model organisation.

The OAuGF will ensure proper controls are put in place to improve on its processes and ensure proper and timely performance of its mandate. This will be done through engagement of Management Team, as well as cascading the results to quarterly departmental meeting with staff of the Office.

Staff will also be trained on the code of conduct of the Office and the need to enforce disciplinary actions against erring staff, while recognising the positive contributions of staff through nomination for awards such as the Head of the Civil Service of the Federation Annual Awards.

iii) Analysis of the SAI's capacity development efforts and prospects for further improvement

The Auditor-General for the Federation approved a refresher training of its staff on the International Public Sector Accounting Standards (IPSAS) and Financial Audit Methodology to further strengthen the Technical and Professional Capacities of the staff in executing the mandate of the OAuGF.

The introduction of an Audit Tool requires further training of staff, which has commenced with a Pilot Team. This will ensure audits performed are properly documented and reviewed, thereby enhancing the quality of the audit reports. On the

Audit Tool (N-SEAT), the OAuGF is currently being supported by the AFROSAI-E Team on installing the software application and currently embarking on Pilot Audits covering four audit types (Financial, Performance, Compliance, and IT Audits). The OAuGF will continue to engage Development Partners on the resources it requires to carry out its mandate.

From the findings from the SAI PMF assessment, the Team had observed challenges in the audit quality for financial audits (Domain C) and the assessors have through the root cause analysis identified low staff capacity on the Financial Audit Methodology and the failure of Accounting Officers in MDAs to prepare stand-alone financial statements for audit. This has necessitated the continuing findings in the AuGF's reports on the need for the Accountant-General for the Federation to only consolidate audited stand-alone financial statements. These efforts have led to the Circulars from the Accountant-General of the Federation to MDAs to ensure the preparation and submission of audited stand-alone financial statements.

The OAuGF's efforts in entrenching the Financial, Compliance and Performance Audits Methodologies between 2018 and 2020 requires additional political will. The process to ensure sustainability of capacity development activities requires planning by the Human Resources Department as well as funding. These are strategies that the OAuGF has identified and commenced working on to ensure the capacity development initiatives are sustained, thereby supporting the development of the OAuGF's professional, organisational and institutional capacity. The OAuGF started a series of training from Oct 28, 2024 on the standalone FS. The audit of standalone Financial Statements of the Ministries will commence from the year ended 31 December 2023 in line with the Accountant-General of the Federation's Circular. There won't be an additional burden because the OAuGF is simply retooling the staff's work approach to be consistent with the Financial Audit Methodology.

The OAuGF will further harmonise and align its request for support from and between the INTOSAI, AFROSAI-E, and development partners to ensure that all support is aligned with the OAuGF Strategic Plan 2024-2028. The setting up of the International Audit and Liaison Department will ensure proper coordination between different providers of support towards the implementation of the OAuGF's strategic and operational objectives.

(d) SAI Management and Use of Results

This SAI PMF assessment was a good experience for the OAuGF because it was conducted as a self-assessment. Although, the OAuGF has been conducting a similar exercise using the Institutional Capacity Building Framework (ICBF) Self-Assessment Questionnaire designed by AFROSAI-E. AFROSAI-E uses the results from the exercise to prepare country reports to design support areas to add value to member SAIs.

This SAI PMF assessment was conducted by the OAuGF Team as a Holistic overview of the OAuGF's performance, measured against the ISSAIs and other INTOSAI guidance and good practices which has been adopted by the Office as authoritative standards. The results from this assessment have shown the gaps in the OAuGF compliance with its audit manuals, methodologies, and its management system.

The evidence-driven assessment identifies the strengths, weaknesses, and capacity development needs of the OAuGF. The results from this exercise were used to support the preparation of the OAuGF Strategic Plan 2024-2028 which was publicly presented on 11th September 2024.

The results from this exercise will serve as the baseline of the OAuGF's performance which will be used to compare future SAI-PMF assessments to reflect areas of improvement. Also, the results of this SAI-PMF assessment supported the development of the Office's strategic plan 2024-2028. The results will also enhance the Office's capacity development activities and strengthen its performance for the benefit of the Nigerian People.

Furthermore, the SAI PMF assessment results will be used by the Office as an objective foundation for showcasing its relevance to various stakeholders, including citizens, Parliament, audited entities, civil society organizations, development partners, the Office's staff, and other key stakeholders. The report will also be used for the OAuGF's fund mobilization efforts and capacity development needs.

The Auditor-General for the Federation holds exclusive ownership of the ultimate version of the SAI PMF Assessment Report. The authority to publish the final version lies entirely with the Auditor-General for the Federation, Nigeria. The Assessment Report will be published as part of the Office's strategy to promote transparency in its operations. The report will be uploaded on the OAuGF's official website to show our stakeholders our processes, the gaps, and our efforts towards addressing the gaps, which will further strengthen the work we do in strengthening public probity, accountability, transparency, and good governance in the public sector.



Shaakaa Kanyitor Chira FCNA, FCCrFA, FCCFI, FCTI
Auditor-General for the Federation, Nigeria

Chapter 1: Assessment Methodology

This is the first SAI PMF assessment by the Office of the Auditor-General for the Federation (OAuGF) which will establish a baseline for the Office's performance against which future improvements/progress can be measured. The assessment is based on the SAI-PMF methodology version 2022 and is a self-assessment. The E-SAI-PMF was used to ensure ease of coordination and seamless exercise. A Terms of Reference was prepared and approved by the Auditor-General for the Federation in January 2024.

The assessment scope covered all indicators except for the indicators and dimensions that apply to jurisdictional SAs such as SAI-8(iv) and SAI 18, SAI 19, and SAI 20. Also, the Office does not conduct outsourcing activities for its audit and as a result, the indicator relating to Outsourcing in SAI 5 was not assessed.

The SAI - PMF assessment started in November 2023 with an intensive course (December, 4-8, 2023) and guidance through webinars on the SAI PMF framework and tools. The assessment fieldwork started in January 2024 with an onsite visit from the IDI expert (February 26th to 1st March 2024).

To ensure the assessment's quality, the team excluded team members who were involved with an audit report from assessing their work. The draft report walked through instances of quality control for any factual correctness as part of quality assurance. Quality control throughout the assessment was an ongoing responsibility of the assessment team. The assessment team leader was responsible for the final level of quality control within the team, while the first level review, within the Team, was conducted by the Deputy Team Leader.

An internal quality review to verify the accuracy of the facts upon which the report and its conclusions were based was performed by the Team of Quality Assurance Unit from the OAuGF, not directly involved in the assessment. They reviewed the draft report for factual correctness. The Quality Assurance Unit provided feedback to the assessment team, facilitating corrections of any potential errors in the draft report. However, the assessment scoring and conclusions remained the sole responsibility of the assessment team. Finally, the draft report was submitted to the INTOSAI Development Initiative (IDI) for an independent review.

The assessment team consisted of five (5) members. The team leader as well as the members have the relevant professional background, experience, and knowledge of the SAI-PMF having attended the SAI-PMF training. They also have sufficient knowledge of the ISSAIs and the types of audits performed by the SAI.

During the fieldwork, the team carried out data collection for the assessment. The evidence for the assessment was drawn principally from interviews, document reviews and consultations. Audit files assessed included all planning documents, risk assessments, working papers, draft reports, communications with the audited entities, quality control documentation and the final published reports. The assessment team used a stratified sampling method in reviewing the files.

The main information sources used were the Financial, Compliance and Performance Audit Manuals, the working Papers for FA, CA and PA audits that were carried out for the years selected for sampling. Other sources were OAuGF Annual work plan, The 2024 Budget, OAuGF Organogram, GIFMIS (Government Integrated Financial Management Information System) etc.

The assessment team interviewed some middle management staff, Human Resource (HR) staff, FA, CA and PA Auditors.

The Team made a random selection of 3 Financial Statements audits which consisted of the audit of the Consolidated Financial Statements (CFS) for the year 2020; 1 International Fund for Agricultural Development (IFAD)-Assisted Program and 1 World Bank-Assisted Program, for the year 2022, for assessment against the financial audit indicators. The year 2020 was selected because the Office submitted the Auditor-General for the Federation's reports on the FGN Consolidated Financial Statements (CFS) for the year ended 31st December 2020 to the Parliament on 30th November 2023. Also, three (3) completed Compliance audits for the year 2020 were selected for assessment against the compliance audit indicators. Also, the Auditor General for the Federation's Annual Report on Non-Compliance/Internal Control Weaknesses in Ministries, Departments, and Agencies (MDAs) of the Federal Government of Nigeria was submitted to the Public Accounts Committees of the National Assembly on 20th December 2023. Furthermore, 3 completed Performance audits completed between 2022 and 2023 were selected for assessment against the performance audit indicators. The selection of the samples was done without creating any conflict of interest between the sample selection team and persons who had a significant engagement on the audits selected for the sample. The samples were independently selected and were for audits that have been completed and published.

The files reviewed included:

- **Financial Audit**

- i. Federal Government of Nigeria Consolidated Financial Statements (2020FY)
- ii. Livelihood Improvement Family Enterprises Project in the Niger Delta (2022 FY)
- iii. Mineral Sector for Economic Diversification Project (2022 FY)

- **Performance Audit**

- i. Performance Audit on the Federal Government of Nigeria Budget Preparation process and its implementation
- ii. Performance Audit on the Monitoring of the Maintenance of Federal Roads in Nigeria by the Federal Road Maintenance Agency (FERMA)
- iii. Performance Audit on the Management of resources for the provision of Affordable/Social Homes for Low-income Earners in Nigeria by Family Homes Fund Limited (2018 to 2020)

- **Compliance Audit**

Annual Report on non-compliance/internal control weaknesses in MDAs of FGN for the year ended 31/12/2020 which includes the three sampled files:

- i. Department of Information and Communication Technology, Force Headquarters, Abuja
- ii. Ministry of Niger Delta Affairs
- iii. Financial Reporting Council of Nigeria

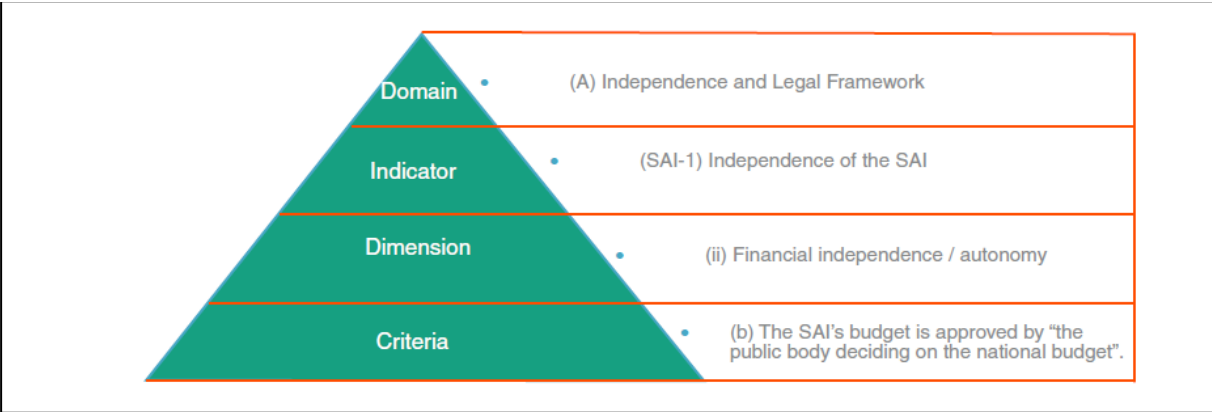
Chapter 2 SAI PMF Scoring Methodology

The SAI PMF consists of 6 domains that assesses the SAI performance in key areas:

- A. Independence and Legal Framework
- B. Internal Governance and Ethics
- C. Audit Quality and Reporting
- D. Financial Management, Assets and Support Structures
- E. Human Resources and Training
- F. Communication and Stakeholder Management

Each of the domains contains a number of indicators, 25 in total. The indicators each consist of between two and four dimensions, which again may contain several criteria. An illustration of how the indicator system is built up is presented in diagram 1 below.

Diagram 1. SAI PMF Terminology



In many cases, the criteria are taken directly from the INTOSAI Framework of Professional Pronouncements (IFPP) or other international good practice. After each criterion is assessed against appropriate evidence and scored either met or not met, the score at the dimension and indicator level is aggregated using the conversion tables in the SAI PMF document.

Indicators and dimensions are scored using a numerical scale from 0 to 4, where 0 is the lowest level, and 4 is the highest. Scores broadly correspond to the level of development in the area measured by the indicator. The SAI PMF does not provide an aggregated score at the domain level or for the sum of the SAI's activities like some other tools do. The level of development and hence the scores, may vary widely across the SAI's activities. The indicator score levels 0-4 reflect the level of development for the different activities as described below:

Score 0: The feature is not established or barely functions

There is no activity or function, or the particular feature only exists in name.

Score 1: The founding level

The feature exists, but is very basic. For example, an SAI is conducting performance audits, but these are so irregular that a systematic approach, and accumulated experience and knowledge have not been obtained, and this is reflected in the quality of the work.

Score 2: The development level

The feature exists and the SAI has begun developing and implementing relevant strategies and policies, but these are not complete and are not regularly implemented. For example, the SAI may have a strategic and development action plan, a human resource strategy and a communications strategy. However, if these are weak and/or only partially implemented, this will be reflected in the score.

Score 3: The established level

The feature is functioning broadly as expected under the INTOSAI-Ps and ISSAIs comprising the fundamental principles of public sector auditing, organizational requirements, and the audit principles related to the three types of audit. Under Domain C, this would mean that compliance, financial and performance audit are all undertaken broadly following the fundamental principles of public sector auditing and the audit principles in the IFPP. A large proportion of the financial statements received are subject to financial audit. Audit reports give a holistic view on the use of all public resources and on the performance of audited bodies. The majority of audit reports are published in a format that is appropriate for the intended audience.

Score 4: The managed level

The feature is functioning following the principles in the INTOSAI-Ps and ISSAIs comprising the fundamental principles of public sector auditing, organizational requirements, and the audit principles related to the three types of audits and the SAI implements the activities in a way that enables it to evaluate and continually improve its performance. For Domain C, compliance, financial and performance audits are all undertaken following the fundamental principles of public sector auditing and the audit principles in the IFPP framework and are seen as adding value by audit clients. In addition, the SAI has undertaken an independent review of its audit practices, for example using the ISSAI Compliance Assessment Tool (iCAT), confirming that the SAI's audit practices comply with the audit standards.

It is also important to point out that even with a top score, it should also be evident that the SAI is making efforts to maintain this level of performance. This could be described in the narrative and drawn into the performance analysis.

Chapter 3: Country and SAI Background Information

3.1 Description of country governance arrangements and wider environment in which the SAI operates

Nigeria is located on the west coast of Africa. It is a culturally diverse country with over 350 indigenous languages. Nigeria has Africa's largest economy. Non-oil sector accounts for over 60% of GDP. As of 2023, Nigeria's GDP ranking is 39th. Oil revenues account for 75% of budgetary revenues and 90% of foreign exchange receipt. Nigeria has a lot of solid minerals and agricultural potentials. According to the African Development Bank (AFDB) Group, Nigeria's real GDP growth fell to 3.3% in 2022 from 3.6% in 2021, precipitated mainly by a decline in oil production. This led to 5% shrinkage in overall industry, which was offset by expansion in services (7%) and agriculture (2%).

In 2022, the National Bureau of Statistics (NBS), reported an estimated population of 88.4 million people in Nigeria lived in extreme poverty. Also, 63% of persons living in Nigeria (133 million people) are multidimensional poor. Indicators such as food security, water reliability, underemployment, security shocks, school lag, and child deprivations were assessed. According to the latest labour force survey in February, 2024, Nigeria's unemployment rate surged to 5% in the third quarter of 2023 from 4.2% in the previous quarter. Inflation Rate in Nigeria increased to 28.20 percent in November 2023 from 27.33 percent in October of 2023.

Nigeria budget, population and economic indicators from 2020 to 2023 are presented in the Table below.

S/N	Years	Budget (Naira)	Population	GDP (Naira)*
1	2020	10.81 trillion	208.3 million	70,800.54 billion
2	2021	13.59 trillion	213.4 million	73,382.77 billion
3	2022	17.13 trillion	218.5 million	75,768.95 billion
4	2023	21.83 trillion	223.8 million	55,824.98 billion

Source: The GDP was obtained from the CBN website (<https://www.cbn.gov.ng/rates/RealGDP.asp>) The Budget was obtained from the Budget Office of the Federation. Population size was obtained from <https://www.unfpa.org/data/world-population/NG>

*2023 GDP is at Q3, 2023

Nigeria is a constitutional democracy and operates a federal system with three Arms of Government, namely, the Executive, Legislature and Judiciary. The head of state is the Executive President elected popularly on the platform of a political party with a four-year term. The president forms a government of ministers. The Legislative makes the laws through passage of bills. When the president, who is the head of the executive arm, assents to the bills passed by the Legislature, they become laws. The Executive

arm enforces the law. The judiciary interprets the law and is independent of the executive and the legislature. The Legislative arm is a bicameral legislative body which means that the National Assembly is made up of the Upper (Senate) and Lower (House of Representatives) Chambers. The number of representatives is 360 while the Senators are 109. They are elected by popular vote to serve four-year terms. Nigeria is a multi-party country with 2 main political parties. The Public accounts committees (PAC) of the National Assembly are made up of the members of the opposition party. This is to checkmate the activities of the executives when it comes to Government spending. The Auditor-General reports to the PAC.

Nigeria has shown progress in the area of democratic reforms. The country is currently on the 25th Year of its Democratic experience since democracy returned to Nigeria in 1999. Despite some seeming challenges, Nigeria has continued to overcome them and improved on its democratic journey.

There are thirty-six (36) States and the Federal Capital Territory that make up the Federation of Nigeria. Each state has an elected Executive Governor and members of the state House of Assembly. There are seven hundred and seventy-four (774) Local Governments. The local government elects a chairman and councillors. The three tiers (Federal, States and Local) of Government are all independent with their own Auditors-General. The Auditor-General for the Federation is responsible for the audit of Federal Government Ministries, Extra Ministerial Departments and Agencies (MDAs). In 2020, the Federal Government of Nigeria had a total number of nine hundred and eighty-five (985) MDAs. The Financial Statements of the MDAs are consolidated annually.

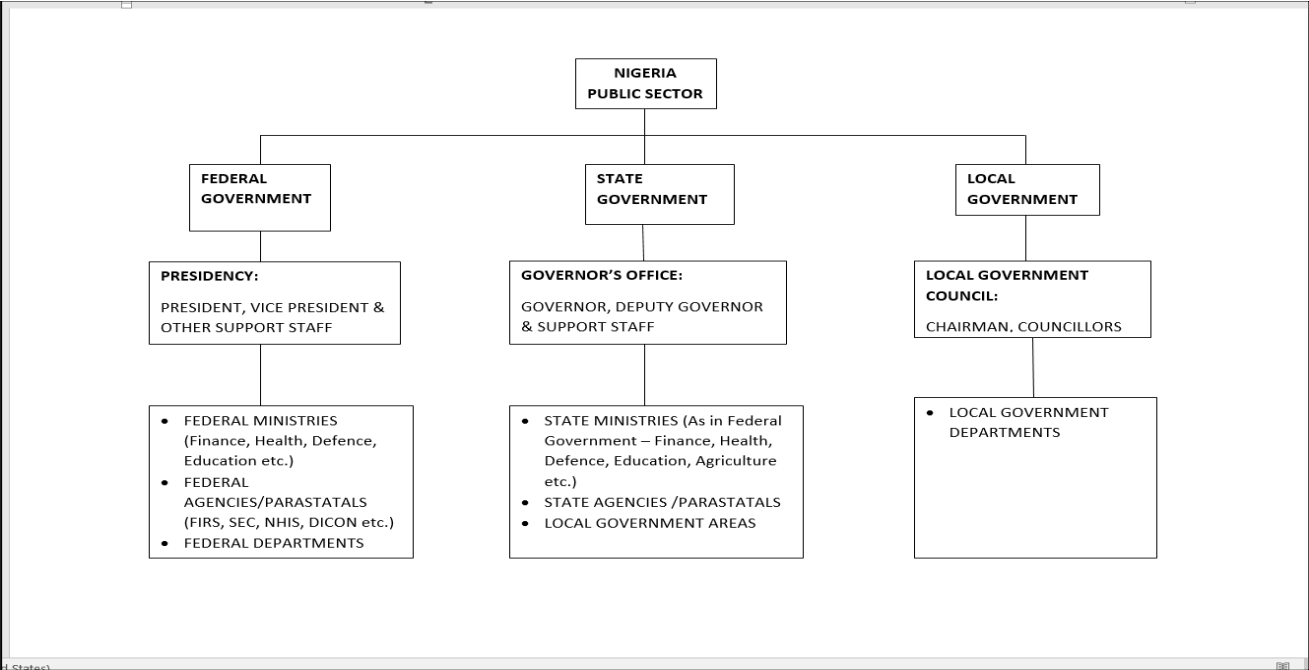
Nigeria has signed the Freedom of Information Act (FOIA) thus giving Nigerians, including the media and other relevant bodies, access to information from Government Agencies, Parastatals, public service etc. The Civil Society Organizations (CSO) also have freedom to carry out their activities. OAuGf publishes completed audit reports that have been submitted to the National Assembly on its website in order to increase the transparency. These reports provide detailed information on the use of public money. Both the media and CSO have been lending their voices to the activities of the OAuGF. Audio-visual media, print media and online media have reported articles related to the findings and recommendations of OAuGF on specific issues addressed in audits. Plenary sessions of the Public Accounts Committees where audit reports are discussed, are aired and televised for the awareness of the public. Also, CSOs have been clamouring for the passage of the Audit bill which will make the OAuGF more independent and effective in carrying out its mandates. The media also put these activities in the public domain.

3.2 Description of public sector budgetary environment including public financial management and impact on SAI performance

The Country is governed by the Constitution of the Federal Republic of Nigeria (1999) as amended, and several other legislations such as the Finance (Control &

Management) Act of 1958, the Companies and Allied Matters Act (CAMA) 2018, Public Procurement Act of 2007, the Pension Reforms Act of 2014 as amended, Fiscal Responsibility Act of 2007, the Financial Reporting Council Act of 2011, etc. The legal and regulatory framework for PFM in Nigeria has its origins in these laws. Most laws governing public financial management (PFM) were revised in recent years such as the Finance Act of 2022 to support fiscal consolidation efforts. These laws include elements of the budgetary system, main PFM processes, and regulates management of public finance for all levels of government.

The Nigerian Public sector encompasses various Government Institutions and agencies responsible for governance, public administration and service delivery across federal, state and local levels. It includes ministries, departments and parastatals tasked with implementing government policies, providing essential services such as healthcare, education, infrastructure and maintaining law and order. The sector faces challenges such as corruption, inefficiency and inadequate funding but also seeks to address these issues through reforms and modernisation efforts. An organogram of the Nigerian public sector is depicted below.



Key aspects of the Nigerian Public Financial Management system are:

1. **Transparency and Accountability:** Ensuring that financial processes and decisions are transparent and accountable to the public, promoting trust and reducing corruption. Efforts have been made to enhance accountability, cash management and transparency through initiatives such as the Treasury Single Account (TSA), Integrated Payroll and Personnel information system (IPPIS). The TSA was first implemented in 2015. It consolidates all government accounts into a single account held at the Central Bank of Nigeria (CBN). IPPIS on the other hand was introduced to automate payroll processes, eliminate ghost

workers from the public sector payroll, ensure accuracy and integrity of personnel records.

- Budgeting and Planning:** Effective budget formulation/preparation, execution and monitoring of government budgets at federal, state and local levels. Evaluation to align government priorities with available resources. Nigeria has achieved giant strides in budgeting and planning processes through the adoption of Medium-Term Expenditure Frameworks (MTEFs) and Performance based budgeting. MTEF is a budget planning tool that outlines government expenditure priorities and projections over a medium-term period (usually three years) Still there are issues with budget implementation and monitoring leading to inefficiencies and delays. The total budget of the Federal Government of Nigeria in 2023 was ₦21.83 trillion with an overall budget deficit of ₦11.34 trillion which also impacts on the growing public debt. The Federal Government's 2024 appropriation was ₦28.78 trillion and has a budget deficit of ₦9.18 trillion, representing 31.9%. The Federal Government of Nigeria's budget grew from ₦21.83 trillion in 2023 to ₦28.78 trillion in 2024 representing 31.83% growth (₦6.95 trillion).

The OAuGF 2024 approved budget was ₦8,165,312,037.00 while the Official estimates made by the OAuGF was ₦24,489,208,629.00 leaving a variance of ₦16,323,896,592.00.

- Revenue Generation and Management:** Efficient collection and management of revenue including taxes, fees, tariffs, and other sources to finance government activities and services. Revenue generation has improved with reforms aimed at broadening the tax base and reducing leakages though there are still challenges with tax evasion, informal sector activities, and enforcement mechanisms. The National tax policy was introduced to reform Nigeria's tax system, simplify tax administration and enhance revenue generation. The National tax policy does not only broaden the tax base but also improve tax compliance and harmonise tax laws across different levels of government.
- Expenditure Control and Management:** Prudent management of government spending to ensure that resources are used efficiently and effectively avoiding waste and mismanagement. There has been great improvement in expenditure control and management through initiatives like the Government Integrated Financial Management Information System (GIFMIS). Though there are concerns about overspending, duplication of projects and inefficiencies in the procurement process. GIFMIS automates budget execution, accounting and Financial reporting processes across government agencies. The Fiscal Responsibility Act (FRA) also was enacted to promote fiscal discipline, transparency and accountability in fiscal operations at both the Federal and state levels. It sets limits on government borrowing, mandates timely budget submission and approval and requires the publication of financial reports.

5. **Public Procurement:** This is the acquisition of goods, works and services by government entities. It encompasses the entire process from identification of needs and budgeting to awarding of contracts, delivery of goods/services and payment. Public procurement in Nigeria is governed by the Public Procurement Act 2007 which established the legal framework for procurement processes at both the Federal and State levels. It ensures transparency, accountability, competition and value for money in public procurement. Several reforms have been implemented to improve public procurement processes, including the establishment of the Bureau of Public Procurement (BPP) and the adoption of electronic procurement systems called e-Procurement. The Nigeria e-Government Procurement (Ne-GP) platform facilitates electronic bidding, bid evaluation, contract management and reporting. These reforms enhance transparency, competitiveness and value for money in public procurement.
6. **Internal Controls:** Establishing robust internal control mechanisms to safeguard assets, prevent fraud and ensure compliance with regulations and policies.
7. **Auditing and Oversight:** Conducting regular audits to assess financial performance, compliance and adherence to regulations. The Auditors at the three levels play this role while the Legislatives at three levels play the oversight functions.
8. **Annual Financial Reports and external audits:** This provides a comprehensive overview of a government entity's financial performance and position for a fiscal year. They are tools for accountability to stakeholders, including citizens, legislators etc. Government entities are required to prepare annual financial reports in accordance with accounting standards and guidelines prescribed by the relevant regulatory bodies. In Nigeria the standards are IPSAS Accrual (International Public Sector Accounting Standards) for Public Sector Entities and IFRS (International Financial Reporting Standards) for Commercial public sector entities. These Annual reports are published and made accessible to the public through government websites, official gazettes etc. This allows stakeholders to assess the financial health and performance of government entities.

External auditors carry out independent examinations of these Financial Statements and internal controls to provide assurance regarding the accuracy, reliability and compliance of government financial reporting and operations. Upon completion of the audit, the auditors express an opinion on the fairness of the Financial Statements and adequacy of the internal controls. External audits are overseen by the Auditor-General's Office at each level of government and some external audit agencies. The Office of the Auditor-General for the Federation vets the audited reports of these external audit agencies. Audit

reports include findings and recommendations for improvements in government financial practices and internal controls.

9. **Public Participation:** Involving citizens and stakeholders in the budgeting process and financial decision- making to enhance transparency, accountability and responsiveness to community needs. Through town hall meetings and citizen engagement platforms, the budgeting process has been strengthened.
10. **Capacity building:** Developing the skills and capacity of public officials involved in financial management to enhance professionalism, efficiency and effectiveness.
11. **Legal and Regulatory Framework:** Establishing clear laws, regulations and guidelines governing public financial management to ensure consistency, transparency and accountability in the system.

3.3 Description of the SAI's legal and institutional framework, organizational structure and resources

OAUFG follows the legislative (Parliamentary) Model. The head of the OAUFG is the Auditor-General for the Federation and is assisted by Directors. The legal framework governing the Office is drawn from the 1999 Constitution and the Audit Act of 1956. To replace the Audit act is a bill for a new law that is before the National Assembly (legislature).

The Office of the Auditor-General for the Federation (OAUFG) is an independent entity whose existence, powers, duties, and responsibilities are provided for in Sections 85, 86 and 87 of the Constitution of the Federal Republic of Nigeria 1999, (as amended), Specifically, Section 85(1) of the Constitution of the Federal Republic of Nigeria 1999 (as amended) establishes the position of the Auditor-General for the Federation.

On the mandate of the Auditor-General for the Federation, Section 85(2) of the Constitution of the Federation Republic of Nigeria 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 report to the National Assembly; and for that purpose, the Auditor-General or any person authorised by him in that regard shall have access to all the books, records, returns and other documents relating to those accounts."

With respect to all government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly, section 85(4) of the Constitution of the Federation Republic of Nigeria 1999, (as amended) limits the power of the Auditor-General for Federation to carry out audit but states that "he shall have power to conduct Periodic Checks on all government

statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly".

Section 85(6) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) provides that the Auditor-General shall not be subject to the direction or control of any other authority or person in the discharge of his duties.

Paragraph 109 (i) of the Financial Regulations (FR) 2009, specifies the Statutory functions of the Auditor-General for the Federation to include:

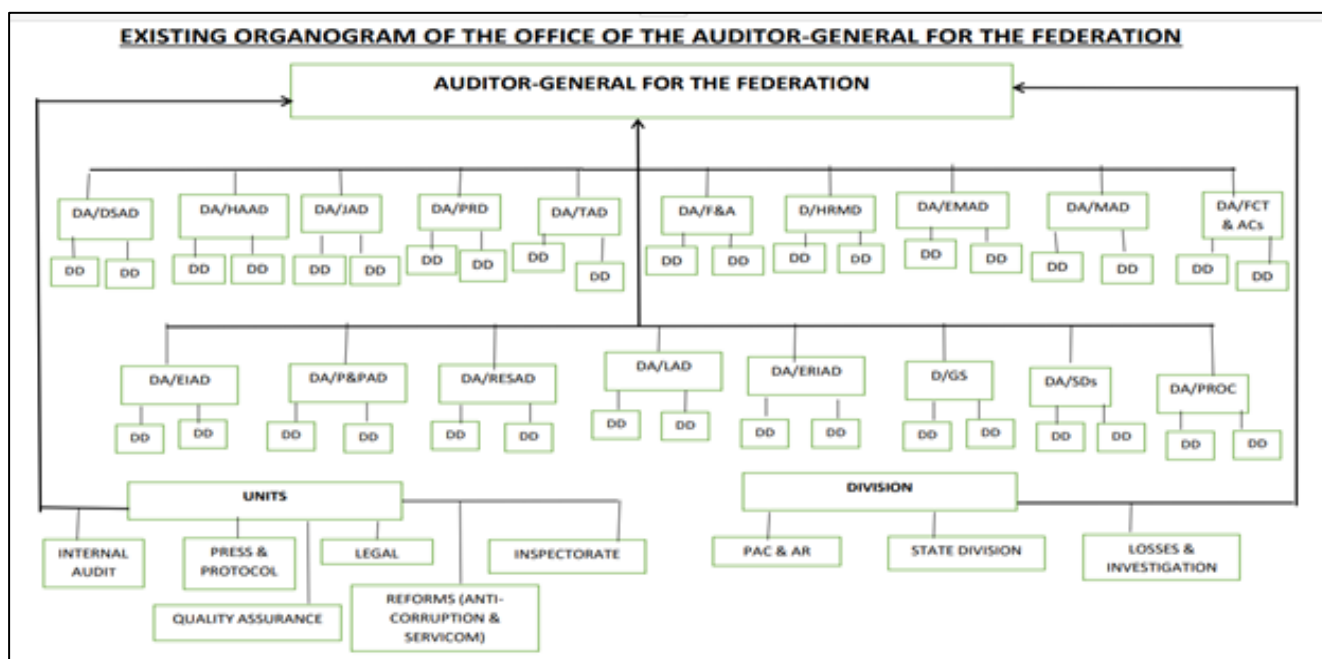
- (a) Financial Audit in accordance with extant laws in order to determine whether government accounts have been satisfactorily and faithfully kept.
- (b) Appropriation Audit-to ensure that funds are expended as appropriated by the National Assembly,
- (c) Financial Control Audit-to ensure that laid down procedures are being observed in tendering, contracts, and storekeeping with a view to preventing waste, pilferage, and extravagance,
- (d) Value-for-Money (Performance) Audit - to ascertain the level of economy, efficiency and effectiveness derived from government projects and programmes.

The Auditor-General for the Federation undertakes combined financial and compliance audits. Although, audit opinions are not currently provided on the financial statements of Ministries and Extra-ministerial Departments and Agencies due to non-provision of stand-alone financial statements. However, the AuGF conducts a financial audit on the Consolidated Financial Statements of the Federal Government of Nigeria on which he expresses his opinion.

Also, the Auditor-General for the Federation presents an Annual Report on Non-Compliance/Internal Control Weaknesses of Ministries, Departments, and Agencies (MDAs) of the Federal Government of Nigeria which is submitted separately to the Parliament.

The Office of the Auditor-General for the Federation carries out performance audits and the reports presented to the Parliament. The Auditor-General for the Federation has powers of free access to all books of accounts, files, safes, security documents, and other records and information relating to the accounts of all Federal Ministries, Extra-ministerial offices, and other arms of government or units. He can also require and receive from members of the Public Service such information, reports, and explanations as he may deem necessary for the proper performance and discharge of his duties and functions. The Office does not outsource any of its audits.

Below is the Organogram of the Office of the Auditor- General for the Federation of Nigeria.



The Office has eighteen (18) existing Departments some of which are: Finance and Accounts Department (F&A), Human Resource Management Department (HRMD), Procurement Department (PROC), Extra-Ministerial Audit Department (EMAD) etc. Based on the Office of the Head of the Civil Service of the Federation’s (OHCSF) approval, the Office has 3 Divisions namely, State Division; Losses & Investigation Division; Annual Report and Public Accounts Committee (AR & PAC) and 6 Units namely: Internal Audit Unit; Press & Protocol Unit; Legal Unit; Inspectorate; Reforms (Anti-Corruption & Servicom); and Quality Assurance.

There are about 1,390 (one thousand, three hundred and ninety) staff of the Office of the Auditor-General. The non-audit staff are about twenty (20) mainly in the Human Resources, Procurement and Legal Departments which constitute about 1.4% of the staff while the other remaining 1,370 staff are audit staff. The Headquarters of the Office is located at Plot 273 Samuel Ademulegun Street, Central Business District, Abuja, Nigeria with state branch offices in the 36 States of the Federation.

In relation to other bodies responsible for audit of the Public Sector, Section 85(3) states: “ (3) Nothing in subsection (2) of this section shall be construed as authorising the Auditor-General to audit the accounts of or appoint auditors for government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly, but the 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, and (ii) guidelines on the level of fees to be paid to external auditors; and (b) comment on

their annual accounts and auditor's reports thereon.” Thus, the Auditor General carries out vetting of the audited financial statements of the Government Commercial Public entities audited by external auditors other than the Auditor-General’s Office.

The Office is financed from the allocation from the Federal Government of Nigeria. It receives Personnel, Overhead and Capital allocations to fund its expenditures. The Office resources are not adequate to enable it to deliver on its mandate. The Office has been clamouring for financial autonomy which can be made possible through the passage of its Audit bill.

S/N	Financial Year	Budget	Warrant/AIE	Actual Expenditure
1	2019	3,514,347,917.00	3,453,884,081.32	3,353,054,015.12
2	2020	3,895,983,605.67	3,695,215,626.93	3,497,078,794.00
3	2021	4,960,473,613.99	4,793,272,578.59	4,547,548,925.14
4	2022	5,961,216,251.95	5,435,110,483.22	4,491,377,930.21
5	2023	6,776,313,205.88	6,177,711,441.08	6,177,705,500.64
	TOTAL	25,108,334,594.49	23,555,194,211.14	22,066,765,165.11

The Office reports to the Public Accounts Committee of the National Assembly who considers the report during plenary.

Chapter 4: Assessment of the SAI's Performance

Chapter 4 sets out the detailed results of our assessment of the performance of the OAuGF using the SAI-PMF methodology (Chapter 2). Specifically, Chapter 4 records the results of our assessment using the detailed criteria specified by the SAI-PMF framework. For each Dimension and Indicator of the SAI-PMF framework, we set out whether the relevant criteria are 'Met' or 'Not Met'. This then determines the score we give to each Dimension and Indicator. For ease of reference, Annex 2 to this report summarises for each Dimension and Indicator those criteria we assessed as 'Met' and those we assessed as 'Not Met'.

4.1 Domain A: Independence and Legal Framework

Domain A covers the legal mandate of the OAuGF and its independence from the Government. The purpose of the domain is to consider the institutional basis for the OAuGF's operations, to support the understanding how the OAuGF performs as an organisation. The OAuGF's independence and legal framework are not directly under the control of the OAuGF, but the domain has nevertheless been included in the SAI PMF because the SAI's independence and legal framework significantly contributes to its effectiveness.

Domain A: Independence and legal framework		Dimensions				Overall score
Indicator	Name	1	2	3	4	
SAI-1	Independence of the SAI	3	1	1	2	2
SAI-2	Mandate of the SAI	4	4	4		4

4.1.1 SAI-1: Independence of the SAI - Score [2]

Narrative

SAI-1 measures the degree of independence enjoyed by the OAuGF, by assessing the key aspects of independence as set out in the Lima Declaration (INTOSAI-P1) and the Mexico Declaration (INTOSAI-P10).

The indicator is separated in four dimensions:

- (1) **Appropriate and Effective Constitutional Framework.**
- (2) **Financial Independence / Autonomy.**
- (3) **Organisational Independence / Autonomy.**
- (4) **Independence of the Head of SAI and its Officials.**

The assessment of SAI-1 is mainly based on:

- i. The Constitution of the Federal Republic of Nigeria, 1999 (as amended)
- ii. The Financial Regulations (2009)

- iii. The Public Service Rule (2022)
- iv. The 2023 and 2024 Appropriation Acts of the Federal Government of Nigeria.
- v. Establishment Circulars from the Office of the Head of Civil Service of the Federation.

Dimension (1): Appropriate and Effective Constitutional Framework

The current Constitution of the Federal Republic of Nigeria was adopted in 1999 and it is the fourth constitution since independence from the British Government in 1960.

The Constitution of the Federal Republic of Nigeria, 1999 (as amended) established the Auditor-General for the Federation, specifically, section 85(1) states "There shall be an Auditor-General for the Federation who shall be appointed in accordance with the provisions of section 86 of this Constitution." (Criterion a)

Section 85(6) of the Constitution of the Federal Republic of Nigeria states "In the exercise of his functions under this Constitution, the Auditor-General shall not be subject to the direction or control of any other authority or person." (Criterion b)

Regarding the Independence of the OAuGF, Section 85(6) of the Constitution of the Federal Republic of Nigeria states "In the exercise of his functions under this Constitution, the Auditor-General shall not be subject to the direction or control of any other authority or person." which guarantees a high degree of initiative and autonomy to the Auditor-General for the Federation concerning his Mandate/function. However, the AuGF does not enjoy any form of autonomy when it comes to financial and administrative operations because the b

udget and fund releases are determined by the Budget Office of the Federation and the Ministry of Finance respectively. On recruitment of staff, it is subject to approvals from the Office of the Head of Civil Service of the Federation and the Federal Civil Service Commission. (Criterion c)

The Constitution provides rules on the appointment and cessation of functions of the AuGF while the Public Service Rules establishes the mandatory retirement age for all Offices in the Service of the Federal Government. Specifically, section 87 of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) states "1. A person holding the office of the Auditor-General for the Federation shall be removed from office by the President acting on an address supported by two-thirds majority of the Senate praying that he be so removed... 2. The Auditor-General shall not be removed from office before such retiring age as may be prescribed by law..." Paragraph 020908 of the Public Service Rule stipulates that "the mandatory retirement age for all grades in the Service shall be 60 years or 35 years of pensionable service, whichever is earlier." However, the AuGF retires based on the provisions of the PSR irrespective of the number of years they have in service at the time of taking up the role. There is no tenure for the AuGF and so, upon completion of the mandatory retirement age, the AuGF retires, therefore, this criterion is not met. (Criterion d)

Section 85(6) provides legal protection for the Auditor-General for the Federation. There have never been any such occasions where the Auditor General for the Federation sought Judicial intervention on its independence. The AuGF reports all constraints and audit limitations to the Public Accounts Committees of the National

Assembly through its reports in line with the provisions of Section 85 (2) of the Constitution (Criteria e, f)

The Office maintains its constitutional role/mandate and works within the legal framework available in the Constitution, Financial Regulations, and other extant regulations. Specifically, paragraph 108 of the Financial Regulations. However, the Office is yet to achieve the desired Federal Audit Service Bill, which will further give provisions to its operations and grant it operational and financial autonomy.

The Office continues to engage with the Legislature and other Stakeholders to promote the need for an effective legal framework, all these efforts have not yielded positive achievements. (Criterion g)

Dimension (2): Financial Independence/Autonomy

On the OAuGF's financial independence from the executive, the provisions of paragraph 301 of the Financial Regulations states "The Annual Estimates and Appropriation Act are instruments used to limit and arrange the disbursement of the funds of the Federal Government. No expenditure may be incurred except on the authority of a warrant issued by the Minister of Finance. No expenditure may be incurred by any officer on any service, whether or not included in the Estimates, until he has received an authority to do so in accordance with one of the following provisions in these rules and regulations. Any officer controlling a vote, or part thereof, who incurs expenditure without such authority does so on his sole responsibility and will consequently be held pecuniarily responsible for his actions." The Minister of Finance is responsible for the release of warrants before funds are released to the OAuGF. Thus, the OAuGF does not enjoy explicit or implicit independence from the Executive on its financial independence. (Criterion a)

The National Assembly is responsible for the approval of the Budget of the Federal Government of Nigeria, after its consideration and approval by both the Senate and the House of Representatives, the President either gives assent to the passed bill or withholds assent. However, in the past 3-5years in Nigeria, the President has always given his assent to the budget passed by the National Assembly. The OAuGF's budget is part of the budget of the Federal Government funded MDAs approved by the National Assembly. (Criterion b)

The OAuGF is free to propose its budget to the Ministry of Budget and Economic Planning, through the Budget Office of the Federation (BoF), however, the BoF determines the "Envelope" or threshold to be given to the OAuGF for its budget. While the OAuGF defends its budget through the Public Accounts Committee (PAC) of the National Assembly, there is no evidence that the PAC has increased the budget proposals submitted to them by the Executive. (Criterion c)

The OAuGF utilises the funds allocated to them distinctly as they see fit. However, the Ministry of Finance is responsible for releases to the OAuGF on a monthly/quarterly basis for Overhead and Capital Costs. However, not all budgeted overhead amounts are released to the Office as shown in the Table below: (Criteria d and e)

S/N	Financial Year	Budget	Actual amounts released	Percentage of Budget Released
1	2020	1,357,628,530.58	1,324,061,530.00	98%
2	2021	1,984,230,795.00	1,984,230,795.00	100%

S/N	Financial Year	Budget	Actual amounts released	Percentage of Budget Released
3	2022	1,984,230,795.00	1,818,878,228.75	92%
4	2023	2,113,556,826.06	1,761,297,354.92	83%

The OAuGF does not have the right of direct appeal to the Legislature if the resources provided are insufficient for its operations. It has to be done through the Minister of Finance as specified in Paragraph 316 (iv) of the Financial Regulations which states "All applications for virement shall be collated by the Minister of Finance and submitted to National Assembly for approval before virement warrant shall be issued."

However, before the budget is approved by the Legislature and assented to by the Executive, the Auditor-General for the Federation, may, during the Budget Defense at the Parliament, make appeal for more funds. This effort has not yielded positive considerations by the Parliament.

However, the OAuGF can appeal to the Minister of Finance for special projects which can be accessed from the Service Wide Votes after consideration and approval. Between the 2022/2023 financial year, the OAuGF benefited from such support to procure Operational Vehicles for the Management of the Office. The Executive determines the OAuGF budget using the "Envelope" as well as the level of release of funds, thereby interfering with the OAuGF financial independence/autonomy. (Criteria f, g)

Dimension (3): Organisational Independence/Autonomy

The Office of the Auditor-General for the Federation (OAuGF) does not have full organizational independence/autonomy as required by INTOSAI-P 1:5. The approval of the Office's organizational structure and the employment of its staff are controlled by the Head of the Civil Service of the Federation and the Federal Civil Service Commission (FCSC) respectively. The FCSC is constitutionally independent in its staff recruitment process. The promotion and discipline of staff are also handled by the FCSC in accordance with its constitutional mandate (Section 158(1) of the Constitution of the Federal Republic of Nigeria. (Criterion a)

Although the Legislature and Executive Arms of Government do not directly control the Auditor-General for the Federation, the approval of the Office's organizational structure by the Head of Civil Service of the Federation is necessary for its efficient operation. The actions of the Office of the Head of Service of the Federation have limited the workforce of the OAuGF over the years. The Public Service Rule (PSR) requires the OAuGF to seek establishment authorizations from the Head of Civil Service of the Federation and approvals from the FCSC for appointments. The recruitment embargoes have resulted in a reduced workforce of 1,372 as of October 30, 2023, affecting the Office's ability to retain qualified staff and fulfil its constitutional mandate. (Criterion b)

The Auditor-General for the Federation has the authority to determine its own rules and audit procedures, as stated in the Constitution (Section 85(6)). However, the FCSC has the final say on matters of promotion, conversion, upgrading, advancement, secondment, and discipline. (Section 158 (1) of the Constitution of Nigeria). Also, the Budget Office of the Federation determines the budget envelope of the SAI. Thus, criteria c and d are considered as not met. (Criteria c and d)

The relationship between the OAuGF, Legislature, and Executive is defined by the Section 85 (2) and Section 85(5) of the Constitution, Paragraph 108 and 109 of the Financial Regulations (2009), and other relevant laws and regulations. The Constitution does not explicitly provide oversight of the SAI's activities, but the financial operations of the Office comply with the general guiding principles and regulations applicable to all MDAs. The OAuGF can engage external expertise in line with its mandate provided there is adequate funding to support the action. This is in line with the provisions of Section 85(6) of the Constitution. (Criteria e-g)

Dimension (4): Independence of the Head of the SAI and its members

The Constitution made provisions for the appointments and removal of the Auditor-General for the Federation. Specifically, section 86(1) of the Constitution states "The Auditor-General for the Federation shall be appointed by the President on the recommendation of the Federal Civil Service Commission subject to confirmation by the Senate." is on the appointment, while section 87(1) of the Constitution of the Federal Republic of Nigeria 1999 (as amended) states "A person holding the office of the Auditor-General for the Federation shall be removed from office by the President acting on an address supported by two-thirds majority of the Senate 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." is on the removal which is in line with the requirements of INTOSAI-P 10:2. (Criterion a)

On the requirements for fixed terms, the Auditor-General for the Federation does not have sufficiently long and fixed terms even though section 87(2) of the Constitution provides that "The Auditor-General shall not be removed from office before such retiring age as may be prescribed by law, save in accordance with the provisions of this section." while the Public Service Rule specifies the retirement Age of 60 Years or at 35 years of service in line with the provisions of paragraph 020908 of the Public Service Rule, 2023, irrespective of the age at the time of engagement.

Thus, two previous and successive AuGFs spent 3 years (January 2017 - October 2020) and 2 years (February 2020- October 2022) and retired at the age of 60 years. (Criterion b)

The AuGF is immune from any prosecution for any act that results from the normal discharge of their duties in line with Section 85(6) of the Constitution which says the AuGF cannot be subjected to the direction or control of any other authority. (Criterion c)

On appointment of the substantive AuGF, the previous AuGF retired on 7th September 2022 while the current AuGF was appointed on 20th October 2023 which was a period of one (1) year and 1 month before the new AuGF was appointed. In between, a Director of Audit was appointed to Oversee, which was an interim appointment made by the Federal Civil Service Commission. Section 86(1) of the Constitution states "The Auditor-General for the Federation shall be appointed by the President on the recommendation of the Federal Civil Service Commission subject to confirmation by the Senate." The Federal Civil Service Commission conducted the recruitment process for the substantive AuGF and made recommendations to the President whose decision was communicated to the National Assembly for consideration and approval. The process was done in line with section 86 (1-3) of the Constitution of Nigeria. The

process of the appointment was done transparently. There has never been a case or any instance where an AuGF was removed either through the mechanism of the Parliament or suspension/removal by the Executives. Past/previous AuGF have all retired in line with the provisions of the Public Service Rules at the retirement age of 60 years. (Criteria d-f)

The Legal framework ensures that the Staff of the OAuGF are not influenced by the audited organisations in line with Section 85(6) of the Constitution, however, some staff of the OAuGF are resident in the offices that are provided for by the Audited Entities and where the staff of OAuGF need to carry out verification of information, the Audited Entities are required to provide such resources for logistics and travels. The Assessment Team is of the view that this dependence on the audit client for office accommodation and financial resources has the potential to compromise the auditors' objectivity during the audit of these clients. (Criterion g)

4.1.2 SAI-2: Mandate of the SAI - Score [4]

Narrative

SAI-2 aims to assess the breadth of the OAuGF's mandate in terms of the scope and nature of the duties and responsibilities of the AuGF and OAuGF as well as the OAuGF's ability to access all information it requires to fulfil its functions and its right and obligation to report. The indicator has three dimensions:

- (1) Sufficiently Broad Mandate.**
- (2) Access to Information.**
- (3) Right and Obligation to Report.**

The assessment of SAI-2 is mainly based on:

- i. The Constitution of the Federal Republic of Nigeria, 1999 (as amended)
- ii. The Financial Regulations (2009)
- iii. Establishment Circulars from the Office of the Head of Civil Service of the Federation.

Dimension (1): Sufficiently Broad Mandate

The mandate of the AuGF is specified in section 85 (2) of the Constitution which states "The public accounts of the Federation and of all offices and courts of the Federation shall be audited and reported on to 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." Also, the provisions of paragraph 109 (i) of the Financial Regulations specifies the statutory functions of the AuGF which includes the audit of expenditure from the national budget. (Criterion a)

The AuGF does not audit the Sub-nationals because the Federal Republic of Nigeria practises a Federal System where the 36 States Government and the 774 Local Governments prepare their Budgets independently of the Federal Government while section 125 of the Constitution places the responsibility for the audit of the State

Governments on the State Auditors-General and they report to the various States Houses of Assembly.

The OAuGF's mandate specifically ensures it is responsible for the audit of all central government activities as stipulated in section 85(2) which states "The public accounts of the Federation and of all offices and courts of the Federation shall be audited and reported on to the Auditor-General..." Also, Paragraph 109 (ii) of the Financial Regulations 2009 provides the Scope of work of the Auditor-General. (Criterion c)

Section 85(4) of the Constitution of the Federal Republic of Nigeria states "The Auditor-General shall have power to conduct checks of all government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly." This is because the Office does not audit the financial statements of the Corporations, commissions and agencies and is only required to conduct checks. Thus, auditors perform regularity audits of the financial expenditure of the entities. In conducting the periodic checks, Auditors cover all the range of components and operations of the MDAs/Public Sector Entities (PSEs) during the audit/periodic checks exercise.

The AuGF is free from direction and interference in the selection of its audits and how it plans and performs the audits in line with section 85(6) of the Constitution. Thus, there have not been any instances where the AuGF was given any tasks to influence its independence on its mandate, nor has the Office taken up such responsibilities. There has not been any evidence in the Office operations or in the media that shows interference in the OAuGF's selection of its audit clients or subjects. (Criteria d-f)

The OAuGF performs legality and regularity of Government accounts, quality of financial management and reporting, economy, efficiency and effectiveness of government or public entities' operations as specified in paragraph 109 (i) of the Financial Regulations 2009. Also, the review of Part 2 of the Auditor-General for the Federation's Annual Report on Non-Compliance/Internal Control Weaknesses in MDAs and Published Performance Audit Reports showed the audits were performed. (Criteria g-i)

Dimension (2): Access to Information

The extant regulations and law provide the OAuGF with unrestricted right of access to records, documents and information as expressed in section 85 (2) of the Constitution and the Financial Regulations. Specifically, paragraph 110 of the Financial Regulations states "By virtue of the responsibilities and functions of the Accountant-General and the Auditor-General or their representatives shall, at all reasonable times, have free access to books of accounts, files, safes, security documents and other records and information relating to the accounts of all federal ministries/extra-ministerial offices and other arms of government or units. They shall also be entitled to require and receive from members of the Public Service such information, reports and explanations as they may deem necessary for the proper performance of their functions." (Criterion a)

The OAuGF decides the information it needs for each audit by providing an audit Checklists for the Auditee to provide. This is in line with the provisions of section 85(6) of the Constitution of Nigeria which states "In the exercise of his functions under this Constitution, the Auditor-General shall not be subject to the direction or control of any other authority or person." However, in Practice, some Ministries, Extra-Ministerial Departments and Agencies may delay in responding to some audit requests, however,

they usually provide the records which affect the timelines of the audit engagements. (Criterion b)

The OAuGF reports any restrictions or denial of access to information, to the Public Accounts Committees of the National Assembly. This is because the Auditor-General for the Federation, presents its reports to the Parliament. The Parliament has the responsibility to invite the Chief Executive or the Accounting Officer for questioning. (Criteria c)

Criterion d is not applicable because the OAuGF does not operate Jurisdictional controls.

This is in line with section 85(2) of the Constitution the Staff of the OAuGF have access to the premises of the audited entities in order to perform their audit and also visits other sites where projects being undertaken by the audited entities are located. There are no restrictions to Staff of the OAuGF to access premises. Although, the audit Teams sometimes face delays in commencement of the audits, however, the auditees still grant them access. (Criterion e)

Dimension (3) Right and Obligation to Report

The OAuGF submits its reports to the Public Accounts Committees of the National Assembly as mandated by section 85 (2) of the Constitution. However, the Auditor-General for the Federation submitted its annual reports for the year ended 31st December 2020 to the Public Accounts Committees on 30th November 2023 and 20th December 2023 respectively. This delay was caused by two factors:

1. The Accountant-General of the Federation submitted the Consolidated Financial Statements (CFS) of the Federal Government of Nigeria (FGN) for audit in April 2022, and the adjusted FGN CFS in March 2023.
2. The appointment of a substantive Auditor-General for the Federation was finalized on 1st November 2023, after which the outstanding reports were finalized and published.

The Auditor-General for the Federation publishes its annual reports on its official website (<https://oaugf.ng/index.php/audit-reports>) after submitting them to the Public Accounts of the National Assembly in line with International Good Practices. (Criteria a, b)

The OAuGF also sends reports to the Parliament on important and significant issues during the year. It has the authority to determine the content and format of its audit reports, and has published Manuals on this matter. This is in accordance with section 85 (6) of the Constitution, which ensures the AuGF's independence. (Criteria c, d)

The timing of the annual reports is determined by the OAuGF, except in cases where there are delays in processes beyond its control, such as the submission of the FGN CFS for audit. In the past three years, there has been no interference in the OAuGF's decisions on the content of its audit reports, either from the Executive or the Legislative. There have also been no reports in the media regarding such interference. (Criteria e, f)

Furthermore, there is no evidence, through Government Circulars, legislative motions, or media reports, of any interference in the OAuGF's efforts to publish its audit reports. However, due to delays in publishing the 2020 AuGF Annual Report, the Public

Accounts Committee of the House of Representatives summoned the Director of Audit Overseeing the OAuGF on May 2nd, 2023 (<https://nationnewslead.com/rep-committee-summons-accountant-general-auditor-general-over-non-rendition-of-audit-report/>). The subsequent appointment of a substantive AuGF and the submission of the Reports addressed the challenges of reporting delays to the Parliament. (Criterion 9)

4.2 Domain B: Internal Governance and Ethics

Domain B seeks to assess whether the SAI is managing its own affairs effectively and through good governance setting an appropriate example to others. Domain B has five indicators.

Domain B: Internal Governance and Ethics		Dimensions				Overall score
Indicator	Name	1	2	3	4	
SAI-3	Strategic Planning Cycle	0	1	2	1	1
SAI-4	Organisational Control Environment	0	1	3	2	1
SAI-5	Outsourced Audits	NA	NA	NA		NA
SAI-6	Leadership and Internal Communication	1	2			1
SAI-7	Overall Audit Planning	1	2			1

4.2.1 SAI-3: Strategic Planning Cycle - [1]

Narrative

Strategic planning is a vital component of any SAI as a way of ensuring that the organisation has a clear direction and vision and a properly thought-out plan to deliver it. SAI 3 stresses the importance to an SAI of having a Strategic Planning process to ensure that vision can be transformed into reality in a coherent and logical manner. Strategic Plans need to be supplemented with Annual Operational Plans that will transform Strategic visions and aspirations into operational and institutional reality.

This indicator has four-dimensions:

- (1) **Content of the Strategic Plan.**
- (2) **Content of the Annual/Operational Plan.**
- (3) **Organisational Planning Process (Development of Strategic Plan and Annual/Operational Plan).**
- (4) **Monitoring and Performance Reporting.**

The assessment of SAI-3 is mainly based on the SAI's 2 Annual Work Plans.

Dimension (1): Content of the Strategic Plan

As at the time of this assessment, the Strategic Development Plan 2017 - 2022 has expired and a Committee has been constituted and is drafting the next Strategic Plan 2024-2028 for the OAuGF. Since the strategic plan for the period 2024-28 is yet to be made public at the time of this assessment, all criteria under this dimension have been assessed as 'not met (Criteria a-g)

In addition, though there's no Strategic Plan yet, the one being developed has incorporated stakeholders' expectations, etc. Different questionnaires were developed and administered on both internal and external stakeholders viz: Management and other staff of the Office, selected Ministries, Departments and Agencies (MDAs) of the Federal Government, CSOs, Media, PAC, Development Partners, (Criterion e)

Dimension (2): Content of Annual/Operational Plan

Despite the absence of an active Strategic Plan in the Office right now, there are always Annual Work Plans (AWPs) which is a consolidation of the Work Plans prepared by each Department/Unit in the Office annually. These Work Plans are judiciously adhered to within the relevant period with clearly defined activities, timetables, and responsibilities. The Annual Work Plans are designed to determine the audits to be conducted by each department and the MDAs to be covered annually. (Criterion a)

The AWP includes the support services like the Planning and research, HR and Training Plans. (Criterion b)

There is currently no Strategic Plan in place, so links cannot be easily determined.

The AWPs are not linked to the annual budgets, and there is evidence that considerations have been made about this mainly because our audits are not being properly funded through the budget. (Criteria c, d)

The AWPs lack measurable indicators at the outcome and output levels. Furthermore, an assessment of risks associated with achieving the objectives of the plan has not been conducted. (Criteria e, f)

Current baselines and targets for achievements (e.g. No. of MDAs to be audited in the year by Depts/Units/etc.) have not been incorporated in the AWPs (Criterion g)

Dimension (3): Organisational Planning Process (Development of Strategic Plan, Annual Work Plan (AWP)/Operational Plan)

The Annual Work Plans (AWPs) for the Office includes the AWPs from all Departments that are signed off by the Head of Dept., Unit, etc. This is then consolidated, presented to management where it is deliberated upon, approved by the management team and signed by the Head of SAI before implementation. (Criterion a)

The AWPs process involve Depts forming Committees from the staff in their various Departments who are responsible for collecting relevant information from staff, Team Leaders and Units that is then consolidated to form the Departmental Work Plans that is signed off by the Head of Dept and presented for inclusion in the Office's AWP. However, going forward the Office will ensure the operational plans are linked with the Strategic Plan. (Criterion b)

In the SP being developed, different questionnaires were developed for the different stakeholders and administered viz: selected MDAs, CSOs, Media, PAC, Development Partners to get their views on the operations and expectations from the SAI. The responses were analysed and the analysis results will feed into the objectives of the SP. (Criterion c)

The hard copy of AWPs is distributed to all Head of Departments and Unit Heads which are then made available staff in their Departments. (Criterion d)

The last Strategic Development Plan (SDP) 2017-2022 was made available for staff in the intranet but not on the website. The Office will provide its Strategic Plan on its Intranet for all staff and will make it publicly available after it has been presented to the public as part of lessons learned. (Criterion e)

There is no monitoring process for either annual or in-year progress of the Strategic Plan and the Operational Plan (Criterion f)

Though responsibilities and actions are clearly defined, there are no timetables for developing the organizational plans (Criterion g)

While the last SDP expired in December, 2022 the new is still being developed as at February, 2024 (Criterion h)

A gap analysis between the current state and the indicators in the previous SDP was undertaken and an evaluation report prepared to aid the development of the new SP. (Criteria i)

Dimension (4): Monitoring and Performance Reporting

The SAI does not measure, assess and report on its operations and performance. (Criteria a-e)

The AFROSAI-E Team supports the OAuGF through the conduct of Quality Assurance Reviews which is undertaken annually. However, the reports from the exercise are not made available to the public. The reports are made available to the Management of the OAuGF for corrective actions. (Criterion f)

The audit standards and core audit methodologies are always stated in the Letters of Understanding (LoUs) that the Office sends to the auditees. These are also stated in the Auditor-General's Annual Reports that are published on the Office's website - <https://www.oaugf.ng/>. (Criterion g)

4.2.2 SAI-4: Organisational Control Environment - Score [1]

Narrative

SAI 4 provides the principles and expectations for an SAI in terms of: ethical behaviour and standards; internal control within the SAI; quality control throughout the audit cycle; and quality assurance on selected completed audits to assess compliance with the auditing standards and audit manuals.

Well-developed arrangements for establishing, maintaining and developing these competencies are essential for an SAI to operate within an environment that results in audit outputs that can be relied upon by end-users.

This indicator has four-dimensions:

- (1) Internal Control Environment – Ethics, Integrity and Organisational Structure.**
- (2) System of Internal Control.**
- (3) Quality Control System.**
- (4) Quality Assurance System.**

The assessment of SAI-4 is mainly based on:

- i. Code of Ethics**
- ii. Quality Control and Assurance Manual**

Dimension (1): Internal Control Environment – Ethics, Integrity and Organisational Structure

The SAI has a "Code of Ethics and Conduct". These Code of Conduct and Ethics are designed to enable OAuGF as a SAI to maintain its core values of Professionalism, Accountability, Transparency and Integrity" (pg. iv). These and many other values are found in Articles 1 - 11, on pages 4 - 15 of the Code of Conduct and Ethics document. (Criteria a, b)

The OAuGF's Code of Ethics and Conduct was approved in February, 2015, so it is not up to 10 years yet and so not ready for review. (Criterion c)

There has not been awareness creation or training on the requirements of the Office's Code of Ethics and Conduct and it is not publicly available on any of the SAI's platform.

There is no clear statement requiring third parties to adhere to its requirements in the Code of Ethics and Conduct. (Criteria d, e, f)

The SAI is structured into Departments, Units, Sections and so on with clearly defined responsibilities in each of them. In addition, all staff at different levels and cadres have their job roles clearly spelt out and delineated There is no established ethics control system. (Criteria g and h)

Job descriptions are in the Public Service Rules (PSR) and Scheme of Service in the Nigerian Civil Service for Job Descriptions at all Auditor Levels (Criteria I, j)

No tools are being used to assess vulnerability and resilience to integrity violations. (Criteria k, l)

Dimension (2): System of Internal Control

No system exists for identifying, mitigating and monitoring major operational risks. (Criterion a)

Internal control policies and procedures have not been domesticated and are not being applied. (Criterion b)

There's no process for the heads of all SAI Departments/Units providing assurance that they have carried out their risk management responsibilities. (Criterion c)

The SAI does not publish Annual Reports. (Criterion d, e)

Internal Auditors are competent and have the requisite experience but resources are lacking. (Criterion f)

The internal auditors are independent from management and report directly to the Auditor-General for the Federation. (Criterion g)

There is no system for monitoring the implementation of recommendations from internal audits. (Criterion h)

Requirements for whistle blowing is provided for in the Code of Ethics and Conduct. Specifically, paragraph 5.1, Whistle Blowing Policy, of the OAuGF Code of Ethics and Conduct provides the minimum components of the Policy. (Criterion i)

The Office implements a job rotation activity to manage possible conflicts of interest, however there is no documented policy to that effect. (Criterion j)

Dimension (3): Quality Control System

The Office has a Quality Assurance Review Unit, and a Quality Control and Assurance Manual that is aligned to the AFROSAI-E Quality Assurance Handbook. The OAuGF

uses the Federal Government Accounting Manual as well as the central Government Integrated Financial management and information system (GIFMIS) which also has inbuilt controls for monitoring budget performance and resource utilisation. The Director of finance and accounts and few users on the GIFMIS platform are able to monitor the finance. The Office engaged an ICT Consultant and the Director of Planning, Research and Documentation Department is responsible for monitoring the IT operations. (Criteria a and b)

The Quality Assurance Review Unit which directly reports to the Auditor-General is headed by a Deputy Director of Audit (DDA) with three other senior staff. (Criterion c)

The process of Audit work involves the following: Issues are raised by Team Members who submit their work to the Team Lead (TL). The TL collates these reports forming an Inspection Report that is submitted to the Supervisor for his review and then finally to the Director of Audit of the responsible Dept. This is then sent to the Auditee, as an Inspection Report - for their response after which it is finalized and sent to the PAC Department for inclusion in the Annual Report of the Auditor-General (AG). The AG still subjects this report to a Quality Assurance Committee for further review before it is finalized, signed by the AG, sent to the PAC and published. (Criterion d)

Teams are normally constituted with the consideration of quality in the work to be carried out but this is not documented and is not in all instances. (Criterion e)

Dimension (4): Quality Assurance System

The Quality Assurance Review Unit is headed by a Deputy Director of Audit who has sufficient experience and professional qualifications. There are staff working in the Unit and the main job of the Unit is the review of Audit Reports concluded at the Departments/Units and forwarded to the Auditor-General to be finalised and published. The Office has a Quality Control and Assurance Manual that specifies the process of QA Review on every report but not on the frequency of review. Every audit report is expected to pass through this QA Review system. The QA evaluation does not include the wider OAuGF Management system such as risk management processes; monitoring of financial and human resource management, thereby making criterion a to be not met. The OAuGF uses the Federal Government Accounting Manuals and supports its ICT operations through the compliments of an IT Consultant with a Director of Audit responsible for the Planning, Research and Documentation Department overseeing the ICT Centre. (Criteria a, b, c)

The QA Unit forwards the reviewed comments on reports to the appropriate Department/ Unit for necessary correction (if any) before finalisation which are examined by the AuGF, which are not often documented. Hence, the Assessment Team considers this as not met and recommends a process to be instituted where reviews performed by the QA Unit and other Officers are properly documented in line with ISSAI 2230 (Criteria d, e)

The QA Unit is separate from the Departments that carry out audits and reports directly to the AG and not through any directorate. (Criterion f)

Although the Unit noted that it performs monitoring of the system of quality control in the OAuGF. However, the results of the exercise are not reported timely to the AuGF. (Criterion g)

On the need to consider engaging another SAI, or other suitable body, to carry out an independent review of the overall system of quality control of the OAuGF, the Office has enjoyed such relationship with AFROSAI-E who constitutes teams made up of members from different SAIs to carry out peer review. The last exercise was performed in 2023 with recommendations made to the OAuGF for improvements. (Criterion h)

4.2.3 SAI-5: Outsourced Audits - Score [N/A]

Narrative

SAI 5 provides the principles and expectations for an SAI in respect of outsourced audits: the basic requirements for the selection of those contracted to do audits on behalf of the AG; the quality control needed; and, the quality assurance standards to be applied.

This indicator has three-dimensions:

- (1) Process for Selection of Contracted Auditor.**
- (2) Quality Control of Outsourced Audits.**
- (3) Quality Assurance of Outsourced Audits.**

The Office of the Auditor-General for the Federation outsources the vetting of the audited financial statements to consultants which is in line with the requirements of Section 85(3) of the Constitution of the Federal Republic of Nigeria which states “Nothing in subsection (2) of this section shall be construed as authorising the Auditor-General to audit the accounts of or appoint auditors for government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by an Act of the National Assembly, but the 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, and (ii) guidelines on the level of fees to be paid to external auditors; and (b). comment on their annual accounts and auditor’s reports thereon.”

The vetting of audited financial statements is to enable the Auditor-General for the Federation (AuGF) to comment on the accounts in line with the provisions of Section 85(3)(b). The Vetting process is not for the AuGF to express an opinion on the audited financial statements.

The audited entities engage external auditors independently who are responsible for the financial audit of the entity. The entities are responsible for the procurement of the services and payment for such services rendered by the external auditors.

The outsourcing function for the vetting of accounts is not a classical outsourcing function due to the nature of the activities surrounding the vetting. The Extra-Ministerial Department of the Office, is responsible for the vetting activities while some of the audited financial statements are outsourced to external audit firms. The process of vetting is categorized as “Agreed Upon Procedures” to enable the AuGF submit its comments to the Public Accounts Committees of the National Assembly. The percentage of such engagement is less than 10% of the activities of the Office.

Thus, this Indicator is not considered for assessment

Dimension (1): Process for Selection of Contracted Auditor.

This Indicator is not considered for the assessment

Dimension (2): Quality Control of Outsourced Audits.

This Indicator is not considered for the assessment

Dimension (3): Quality Assurance of Outsourced Audits.

This Indicator is not considered for the assessment

4.2.4 SAI-6: Leadership and Internal Communication - Score [1]

Narrative

SAI 6 seeks information on the leadership style of the SAI and how it communicates its decisions and requirements internally. Leadership style is important in all organisations to ensure that senior management establish the 'tone at the top' through setting personal standards of behaviour in, for example, ethical, personal, integrity and objectivity attributes.

All SAI personnel must be kept up to date on all developments affecting the SAI and these can be technical and non-technical information and guidance. In the absence of an effective communication strategy and SAI will run the risk of important messages being missed by intended receivers with the result that expected actions or decisions are not delivered.

This indicator has two-dimensions:

- (1) Leadership.**
- (2) Internal Communications.**

The assessment of SAI-6 is mainly based on OAuGF Communication Policy.

Dimension (1): Leadership

The OAuGF has instituted a Communication Policy that guides the frequency of meetings (Monthly). However, the meetings are not held monthly but regularly and the management could hold emergency meetings to address critical issues affecting the operations of the OAuGF. Key Decisions made by the Management are documented in the Minutes of the meeting and key decisions meant for staff are also communicated through Internal Memos for compliance. For instance, the implementation of N-SEAT was a management decision that was communicated to staff through Internal Memos. (Criteria a, b)

The OAuGF has identified and disseminated its values through various channels including the Office website and publications. However, there has not been proper promotion and regular communication about the core values which is not currently a culture in the SAI. (Criterion c)

The OAuGF has a delegation system in place through the Directors who are heads of Departments and enjoy delegated authorities from the AuGF. The directors also delegate Supervisors, Team Leaders and Team Members on audit engagements. On holding staff accountable, the Office complies with the provisions of the Public Service Rule and the Management has a system where Disciplinary measures are carried out

against erring staff in line with the requirements of Chapter 10 of the Public Service Rules. There have been instances where staff were disciplined through dismissal after the approvals from the Federal Civil Service Commission. (Criterion d)

On motivation and reward systems, the Management approves recommendations to the Head of Civil Service of the Federation for nominations for its annual service award. However, the OAuGF has not instituted an internal reward system for its own staff which is meant to incentivise staff for better performance. (Criterion e)

The OAuGF leadership has established a code of conduct manual, which was distributed to all staff as part of its demonstration to set a tone at the top for accountability. This is also in line with the Public Service Rules that defines the culture of accountability for all civil servants. However, in practice the culture of internal controls for accountability are not explicitly given priority and compliance. The intention to establish a merit-based system has not been translated into action, instead favouritism is still seen in the operations of the Office which affects the high standards of professionalism, accountability and transparency. This has also affected its planned culture for quality management in its operations (Criteria f, g, h)

Dimension (2): Internal Communications

The OAuGF Communication Policy has not been effectively implemented and it is not being monitored. Further to this, the Management has established roll up banners stating the Vision and Mission Statements, and the Core Values of the Office. These banners are strategically placed on the corridors of Office. The OAuGF communicates its mandate through the Official website and the OAuGF Intranet where all staff has access to. The Heads of Departments also meet with their staff on quarterly basis where directives from the Top Management are also communicated with the staff and feedback obtained. The Strategic Development Plan (2017-2022) and Annual Work Plans were distributed to staff. The Office also communicates to Staff through the Office social media channels (Emails, Official websites and Intranet, and WhatsApp platform/groups etc). As part of the internal stakeholders, management communicated to staff seeking their views during the preparation of the strategic plan 2024-2028 using those channels. (Criteria a, b)

The OAuGF Management does not consult its Staff on key issues relating to the OAuGF regularly. However, there have been instances where questionnaires are sent to staff to elicit their comments regarding the Strategic Plan and the implementation of the N-SEAT. These are not part of the usual operations and such is highly encouraged because it gives the staff a sense of duty and commitment to the organisational goals (Criterion c)

The Office has an intranet system where information is disseminated to all staff through emails, newsletters etc. There is a need for more awareness among staff on the use of their official emails as the system works efficiently. (Criterion d)

There are provisions in the OAuGF Communications Policy for regular and open interactions between the Heads of Departments (On behalf of management) and staff on quarterly and half yearly basis. However, such Departmental/Unit meetings hardly ever take place. This affects the level of information the staff has about the strategic and operational goals of the Office. (Criterion e)

The OAuGF has electronic communication system such as the intranet, Official Emails, WhatsApp groups and other social media handles (Twitter, Facebook etc) which are used to as official means of communication in all levels and to also share information (Criterion f).

4.2.5 SAI-7: Overall Audit Planning. Score: [1]

Narrative

SAI 7 seeks information on the processes leading to the production of an overall audit plan for OAuGF and, what should be in the plan.

This indicator has two-dimensions:

- (1) Overall Audit/Control Planning Process.**
- (2) Overall Audit/Control Plan Content.**

The assessment of SAI-7 is mainly based on:

- i. Annual Work Plan of the OAuGF for 2023 and 2024 Financial Years

Dimension (1): Overall Audit/Control Planning Process

The Office sends Internal Memo to all Departments to forward their Annual Work Plan to the Planning, Research and Documentation (PRD) Department for consolidation. All Departments and Units draft their work plans for each year which is then consolidated into the Annual Work Plan by the PRD Department which is then presented for management approval at the beginning of the year. The Work Plan identifies all the audit types i.e. Financial, Performance and Compliance which is in line with the mandate of the OAuGF as enshrined in the Constitution and the Financial Regulations. The OAuGF will ensure the Operational Plans are properly aligned with the Strategic Plan when planning for the 2025 Financial Year. (Criteria a, b)

The OAuGF Annual Work Plan does not include a Risk-Based Methodology. However, on the implementation of the audits, the Audit Teams are required to follow a systematic risk assessment system in conducting the audit. This is also not properly done based on documents reviewed. (Criterion c)

There exists an Annual Work Plan for each Department, however there is no evidence that there are clearly defined responsibilities for planning, implementing and monitoring the audit plan. Though there is a monitoring under the Planning, Research and Documentation Department (PRD), there was no evidence presented that the OAuGF monitors the implementation of its audit plan/control programme. (Criteria d, e)

The OAuGF does not budget for the Audits due to lack of funds to sponsor such audits. The audit planning process for the OAuGF, does not take into account the Office expected budget and resources for the period to which the plan relates. (Criterion f)

Although the Stakeholders' expectations and emerging risks are factored into the Strategic Plans, they are not included in the annual audit plans. This is recommended for the Office to commence in line with its consultations with the Stakeholders. (Criterion g)

Dimension (2): Overall Audit/Control Plan Content

The OAuGF Work Plan has clearly defined Audit Objective(s) as well as the name of the Departmental Head responsible for the audit. The Work Plan clearly states for each quarter, the MDA to be audited under all the directorates and includes all MDAs and special audits that are planned for the year. The OAuGF prepares its annual work plan which indicates all its activities for the year and these are implemented on a quarterly basis by each Department. The compliance audits of MDAs, are performed annually, while the financial audit of the FGN consolidated financial statements are performed within the 90 days constitutionally established timeline. However, the AuGF Report on the FGN CFS for year ended 31 December 2021 was submitted to parliament on 31st July 2024. The Accountant-General of the Federation has not presented the 2022 FGN CFS for audit, hence the additional delays in conducting such audits. (Criteria a, b, c)

There are no financial plans or budgets attached to the planned audits. This is largely due to the inadequacies of funding for the Office. There are no statements of challenges likely to be faced in the conduct of the audits (Criteria d, e)

4.3 Domain C: Audit Quality and Reporting

Domain C aims to assess the quality as well as the outputs of the audit/control work that represents the core function of any SAI. Domain C comprises 13 indicators.

Domain C: Audit Quality and Reporting		Dimensions				Overall score
Indicator	Name	1	2	3	4	
SAI-8	Audit Coverage	4	1	1	N/A	2
SAI-9	Financial Audit Standards and Quality Management	4	3	1		3
SAI-10	Financial Audit Process	1	1	2		1
SAI-11	Financial Audit Results	4	2	0		2
SAI-12	Performance Audit Standards and Quality Management	4	4	0		2
SAI-13	Performance Audit Process	3	2	3		3
SAI-14	Performance Audit Results	4	0	0		1
SAI-15	Compliance Audit Standards and Quality Management	4	1	1		2
SAI-16	Compliance Audit Process	0	0	2		1
SAI-17	Compliance Audit Results	4	3	0		2
SAI-18	Jurisdictional Control Audit Standards and Quality Management	N/A	N/A	N/A		N/A
SAI-19	Jurisdictional Control Audit Process	N/A	N/A	N/A		N/A
SAI-20	Results of Jurisdictional Controls	N/A	N/A	N/A		N/A

4.3.1 SAI-8: Audit coverage - Score [2]

This indicator measures the audit coverage achieved by the SAI across the three main audit disciplines – financial, performance and compliance. This indicator has 4 dimensions”:

- (1) **Financial Audit Coverage.**
- (2) **Coverage, Selection and Objective of Performance Audit.**
- (3) **Coverage, Selection and Objective of Compliance Audit.**
- (4) **Coverage of Jurisdictional Control.**

The assessment of SAI-8 is mainly based on the following key sources of evidence:

1. Financial Audit Manual
2. Compliance Audit Manual
3. Performance Audit Manual
4. The Constitution of the Federal Republic of Nigeria.
5. Annual Work Plan

Dimension (1) Financial Audit Coverage

Financial audit coverage is assessed by comparing the number of financial statements received (and required to be audited under the mandate of the office) to the number of financial statements that were actually audited

OAUFG audits the Consolidated Financial Statements (CFS) of the Federal Government of Nigeria and gives opinion thereon. The CFS is a single set of Financial Statements that combines that of all the MDAs under the Federal Government thus OAUFG receives just one Consolidated Financial Statements yearly for audit in accordance with its mandate as stated in the Constitution of the Federal Republic of Nigeria. The Federal Government Ministries are expected to prepare their stand- alone Financial Statements, the Accountant-General consolidates the Financial Statements and forwards it to the Auditor-General who is expected to audit and give an opinion within 90 days. But in practice, the ministries do not prepare stand-alone Financial Statements. The Accountant-General therefore consolidates the Trial balances. This practice is not in line with international good practice thus the office reports publicly on the non-submission of stand-alone financial statements due from the Ministries of the Federal Government of Nigeria.

The Departments and Agencies of the Federal Government engage the services of external auditors to audit their Financial Statements which they are expected to prepare thus these are easily consolidated by the Accountant-General (For those that are prepared in line with International Public Sector Accounting Standards (IPSAS). The Financial Statements of the Commercial Public sector entities (CPSE) that are prepared in line with International Financial Reporting Standards (IFRS) and not IPSAS are not consolidated because the acceptable legal framework for accounting CPSEs in Nigeria is IPSAS Accruals.

The dimension score is 4 because in the year under review, 100 % of financial statements received (and required to be audited under the mandate of the office) were audited; and the office reported publicly on any non-submission of financial statements due.

At the time of the assessment, the 2020 FY audit had been concluded and it was the basis for the FA coverage during the development of the Terms of Reference (ToR). The AuGF complies with the 90-day constitutional provisions but such compliances are also subject to when the Accountant-General presents or represents the financial statements for audit or after making audit adjustments respectively.

During the execution of the SAI PMF assessment, the 2021 FGN CFS was presented and completed in 2024. The report was submitted to parliament on 31 July 2024, even though it was not included as part of the document to review during the assessment.

For guidance, the 2021 FGN CFS was first presented on 25 January 2024, after the conclusion of audit in March 2024, the OAUFG requested for some audit adjustments from the Accountant-General and the AGF later returned the FGN CFS on May 23, 2024. At this stage, a new 90-day period began for the review and additional audit work due to the updated balances. This formed the basis for the final submission to parliament on 31 July 2024.

As at October 2024, the 2022 FGN CFS was yet to be presented for audit. Hence, the submission of the FGN CFS is not within the control of the OAuGF.

Dimension (2) Coverage, Selection and Objective of Performance Audit

OAuGF has a dedicated department (Performance Audit Department) conducting performance audits and the auditors are specifically trained in performance audit methodology. The Department (PAD) is staffed by auditors focusing entirely on Performance Audits.

The Office set priorities for performance auditing based on the notion that economy, efficiency, and effectiveness are audit objectives and are of equal importance to the legality and regularity of financial management and accounting. This is evidenced in page 126 of the Annual work plan prepared by the Performance Audit department. In addition, the OAuGF has in place a performance Audit Manual which gives guidance on how to conduct a performance audit. Performance audit topics focus on whether the institutions are implementing in accordance with the principles of effectiveness, economy, and efficiency. This is evidenced in the performance audit report and The Performance Audit Manual pages 11 and 12. (Criteria a, b). Also, the Office takes into cognizance of stakeholders' expectations and emerging risks in the audit plan. The Performance working Paper, WP12 pre-study indicates the stakeholders' expectations. (criteria d). A 'Pre-Study memo' is prepared before the actual Performance audit is started. Criteria (a) and (b) are scored as met.

There is no documentation to prove that audit topics are selected "through the SAI's strategic [and/or operational] planning process by analysing potential topics and conducting research to identify risks and problems. (criteria c). Also, in the planning process, auditors are expected to consider that audit topics should be sufficiently significant, auditable and in keeping with the office mandate. (Criteria e, f)). Furthermore, the topic selection process should aim to maximise the expected impact of the audit while taking account of audit capacities (e.g. human resources and professional skills (criteria g). There was no documentary evidence demonstrating that these were done thus these criteria were assessed as not met.

OAuGF issued reports on 4 sectors covering: National economic development, public finance and public administration, Infrastructure and Social security and labour market as against 6 sectors (Criterion h)

Dimension (3) Compliance Audit Coverage

The audit plan identifies entities within OAuGF's mandate that will be subject to compliance audit in the given year. (Criterion a) Unfortunately, the selection of entities to be audited was not based on a systematic and documented assessment of risk and materiality. The Annual Audit Plan did not show evidence of documented risk assessment for the selection process thus this criterion was assessed as not met (Criterion b). Though the process of selecting entities was not based on a documented assessment of risk and materiality, it does ensure that all entities within OAuGF's mandate are audited during the course of a reasonable period of time. This is achieved by sectionalising the audits into quarters as is evidenced in the audit plan. This is in line with the submission of the various Directors of Audit responsible for the departments before it is consolidated by the Planning Research and Documentation

Department. Due to the non-submission of standalone financial statements, and the restrictions provided in section 85(3-4) of the constitution of the Federal Republic of Nigeria, the OAuGF conducts “Periodic Checks” of the MDAs using the Compliance Audit Methodology. The AuGF report on Non-compliance and weaknesses in internal controls of MDAs for the year ended 31 December 2020 was the basis of assessment of the MDAs. (Criterion c). During the past three years topics addressed through audits have included all the following:

- I. Government procurement
- II. Payroll
- III. Revenue collection, as shown in the published 2020 annual report.

Procurement, Revenue collection and more often than not Payroll Audits, are cross cutting issues that are audited year in year out throughout all the entities selected for audit. (Criterion d)

Dimension (4) Coverage, of Jurisdictional Control

This Dimension is not Applicable in the OAuGF.

4.3.2 SAI-9: Financial Audit Standards and Quality Management - Score [3]

This indicator assesses the SAI’s approach to financial auditing in terms of its overall standards and guidance, team management and skills and quality control. The indicator has 3 dimensions:

- (1) Financial Audit Standards and Policies.**
- (2) Financial Audit Team Management and Skills.**
- (3) Quality Control in Financial Audit.**

The assessment of SAI-9 is mainly based on the OAuGF Financial Audit Manual and a review of sampled Financial Audit files.

Dimension (1): Financial Audit Standards and Policies

The information in the OAuGF's Financial Audit Manual provides audit teams with a comprehensive audit methodology. The manual is based on ISSAI 200. Also adopted for further guidance, are the INTOSAI standards (ISSAIs) 2000-2899. The audit working papers are standardised, and the manual provides a systematic approach for documenting and referencing information to ensure consistency across audits.

The Financial Audit Manual of OAuGF meets the criteria under this dimension as demonstrated in the table below (Criteria a – u). The contents of the Manual is consistent with the requirements of ISSAI 2000 therefore, the methodology is built on an internationally recognised framework for conducting audits. However, the OAuGF is yet to adopt specific policies and procedures on how it chooses to implement its audit standards; it largely depends on the requirements in the manual and applicable ISSAI standards for guidance. (Criteria s – v).

Assessment Findings and Observations

Dimension	Findings			Score
(1) Financial Audit Standards and Policies	Criteria	Met or Not Met	Reference to [include what type of evidence the assessment is based on]	[4]
	a) "Before commencing a financial audit engagement the auditor should: assess the acceptability of the financial reporting framework of the audited entity; and ensure that the management of the entity acknowledges and understands its responsibility."	Met	Paragraph 1.6 of the Financial Audit Manual (FAM)	
	b) "When the objective is to provide <u>reasonable assurance</u> , the auditor should reduce audit risk to an acceptably low level given the circumstances of the audit." ISSAI 100:40. "In general, reasonable assurance audits are designed to result in a conclusion expressed in a positive form (...)."	Met	Paragraph 5.2, Objective, of the Financial Audit Manual (FAM)	
	c) "The auditor should apply the concept of <u>materiality</u> (...) when planning and performing the audit." ISSAI 200:33	Met	Financial Audit Manual (FAM) Paragraph 1.8 SAI Policies and Procedures,	
	d) "Auditors should prepare audit <u>documentation</u> that is sufficiently detailed to provide a clear understanding of the work performed, evidence obtained and conclusions reached."	Met	page 40-42 of the Financial Audit Manual (FAM) - Paragraph 1.10 Documenting the Audit	
	e) "It is essential that the audited entity be kept informed of all matters relating to the audit. (...) <u>Communication</u> should include obtaining information relevant to the audit and providing management and those charged with governance with timely observations and findings throughout the engagement."	Met	Page 36 of the OAuGF Financial Audit Manual (FAM) Paragraph 1.9 Communication during the audit	
	f) "The auditor should <u>reach a common understanding</u> with management or those charged with governance about the respective roles and responsibilities for each audit engagement."	Met	Page 36-39 of the OAuGF Financial Audit Manual (FAM) Paragraph 1.9	

Dimension	Findings		Score	
	<p>g) <u>“Planning for a specific audit</u> includes strategic and operational aspect. Strategically, planning should define the audit scope, objectives and approach (...). Operationally, planning entails setting a timetable for the audit and defining the nature, timing and extent of the audit procedures.”</p>	Met	<p>Financial Audit Manual (FAM): page 111 Audit Steps, step 12 provides guidance on planning entails setting a timetable for the audit and defining the nature, timing and extent of the audit procedures.”</p> <p>The OAuGF Working paper RA5 on Overall Audit Strategy provides for the strategic planning of audits.</p>	
	<p>h) “The auditor should <u>plan the audit</u> to ensure that it is conducted in an effective and efficient manner (...).”</p>	Met	<p>Financial Audit Manual (FAM) Paragraph 5.3, AUDIT STEPS</p>	
	<p>i) “The auditor should obtain (...) a sufficient <u>understanding of the audited entity</u> and the environment in which it operates (...)”. ISSAI 200:36. Including internal control procedures that are relevant to the audit.</p>	Met	<p>Financial Audit Manual (FAM) Paragraph 3.3 audit steps Page 57 step 4 provides for this.</p>	
	<p>j) “The auditor should identify and <u>assess the risk of material misstatement</u> in the financial statements as a whole, and at assertion level, in order to determine the most appropriate audit procedures to address those risks.”</p>	Met	<p>Financial Audit Manual (FAM) Paragraph 5 provides guidance on how to address the assessed risks of material misstatement in the financial statements, by choosing appropriate audit procedures.</p>	
	<p>k) “The auditor should obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement, by <u>designing and implementing appropriate responses</u> to those risks.” ISSAI 200:41 (I.e.</p>	Met	<p>Financial Audit Manual Paragraph 5.3 provides</p>	

Dimension	Findings		Score
	<p>design further audit procedures whose nature, timing and extent take account of the risks of material misstatement at the assertion level. Such audit procedures usually include tests of control and substantive procedures (analytical procedures and/or tests of detail).</p>	<p>guidance on the need to gather sufficient appropriate audit evidence to confirm or dispel whether a material Uncertainty exists through carrying out audit procedures considered necessary, including considering the effect of any plans of management and other mitigating factors.</p> <p>If you have identified risk of material misstatement, you need to proceed with further audit procedures</p>	
	<p>l) The auditor should design and perform <u>substantive procedures</u> for each material class of transactions, account balance, and disclosure, irrespective of the assessed risks of material misstatement.</p>	<p>Met</p> <p>Financial Audit Manual (FAM) Paragraph 5.3 step 13 of the audit steps</p>	
	<p>m) "As part of the identification and assessment of the risks of material misstatement, the auditor should consider whether <u>material misstatements could arise due to fraud</u>, and undertake appropriate responses to those risks."</p>	<p>Met</p> <p>Financial Audit Manual (FAM) Paragraph 5 Step 14: Addresses risk areas that need specific consideration</p>	
	<p>n) "The auditor should identify the <u>risks of material misstatement due to non-compliance with laws and regulations</u>, and respond appropriately". ISSAI 200:49 and "The auditor should obtain sufficient appropriate audit evidence regarding compliance with the provisions of those laws and regulations having a direct effect on the determination of material amounts and disclosures in the financial statements."</p>	<p>Met</p> <p>Financial Audit Manual (FAM) Paragraph 3 page 60 Step 3 deals with understanding the legal framework of the auditee.</p>	

Dimension	Findings		Score	
	o) "The auditor should design and perform audit procedures in order to obtain <u>sufficient appropriate audit evidence</u> (in terms of quantity and quality) on which to base the audit conclusions and opinion."	Met	Paragraph 6 page 125 of Financial Audit Manual (FAM) gives guidance to the auditor on audit procedures in such a way as to obtain sufficient appropriate audit evidence	
	p) "The auditor should <u>record misstatements</u> identified during the audit, bring them to the attention of management or those charged with governance". ISSAI 200:56 (i.e. The auditor should assess whether uncorrected misstatements are material, individually or in aggregate, to determine what effect they may have on the audit opinion).	Met	Paragraph 7.3 page 144 of the Financial Audit Manual deals with this aspect of evaluation of misstatements found in the audit.	
	q) "Based on the audit evidence, the auditor should form an <u>opinion</u> as to whether the financial statements have been prepared in accordance with the applicable financial reporting framework". ISSAI 200:58. The opinion should be expressed clearly through a written <u>report</u> that also describes the basis for that opinion.	Met	Paragraph 5 Page 147 of Financial Audit Manual (FAM)	
	r) Where relevant: "Auditors engaged to audit <u>consolidated financial statements</u> should obtain sufficient appropriate audit evidence on the reliability of the financial information of the components and the consolidation process to express an opinion on whether the consolidated financial statements have been prepared, in all material respects, in accordance with the applicable financial reporting framework."	Met	Financial Audit Manual (FAM) Paragraph 6 page 125	
	Include a high level description of the evidence assessment of criteria s) – v) are based on.			
	Criteria	Met or Not Met	Reference to [include what type of evidence the assessment is based on]	
s) How to "(...) determine an overall level of <u>materiality</u> for the financial statements as a whole (...)." ISSAI 200:34 (...), the materiality level or levels to be applied to (...) particular	Met	The OAuGF has no standard policies or		

Dimension	Findings		Score
	<p>classes of transactions, account balances or disclosures. "Performance materiality should be used (...)" (Including assessment of materiality by value, nature and context)</p>	<p>procedures on implementing Materiality for the financial statements as a whole or for Significant Classes of Transactions, Accounts Balances or Disclosures (SCOTAB) and how Performance Materiality should be used.</p> <p>However, in the Materiality Working Papers adopted by the OAuGF, there are Guidelines on percentages used for different benchmarks for Materiality, determining the overall materiality, clearly trivial and performance materiality.</p>	
	<p>t) Requirements on the auditor in relation to documentation in the following areas: the timely preparation of audit <u>documentation</u>; the form, content and extent of audit documentation; (...) the assembly of the final audit file.</p>	<p>Met</p> <p>Despite the non-availability of a standard document with regards to the adoption of Policies or procedures on how to implement its audit standards the SAI relies on Financial Audit Manual (FAM) Paragraph 1.10 DOCUMENTING THE AUDIT which provides for this.</p>	

Dimension	Findings		Score	
	u) How to design and implement “(...) further audit procedures whose nature, timing and <u>extent</u> take account of the risks of material misstatement at the assertion level.” ISSAI 200:42. (If necessary including an approach to calculating minimum planned sample sizes in response to materiality and risk assessments, based on an underlying audit model).	Met	Financial Audit Manual (FAM) Paragraph 3	
	v) “When adopting or developing audit standards, SAs also consider the necessity for requirements to obtain <u>sufficient and appropriate audit evidence</u> in relation to: <ol style="list-style-type: none"> I. The use of external confirmations as audit evidence II. Audit evidence when using analytical procedures and different audit sampling techniques III. Audit evidence when using the work of internal audit functions (...) IV. Audit evidence when using external experts. 	Met	Though the OAuGF has not adopted standalone Policies or procedures on how to implement its audit standards, suffice to note that the Financial Audit Manual (FAM) is consistent with these requirements in IV. Paragraphs pages 74,8 II. paragraph 5.2 I. page 113 III.	

Dimension (2): Financial Audit Team Management and Skills

The financial audit department i.e Treasury Department is headed by a director who has the requisite professional qualifications and experience. He is supported by well-qualified staff with years of experience, in-depth knowledge of the entity, and proficiency in audit standards. The OAuGF has a standardised Financial Audit Manual and has provided training to its financial auditors on the methodology and ISSAI audit standards. (criteria a, b)

The OAuGF has instituted an established system that ensures that members of the audit collectively possess the professional competence and skills necessary to carry out the audits. The Office strategically selects audit team members across varying grade levels and by extension experience, skills, and professional qualifications. This deliberate composition ensures a balance of expertise between senior more experienced auditors and their junior colleagues. This also guarantees on-the-job training. This is documented using the Competency Matrix Working Papers. (Criterion c)

In practice, a pre-engagement audit working paper PE 2 on the competency matrix is prepared to ensure that team engagement considers the competence and capabilities of members of the team with specific competency aspects that include years of experience, audit approach, and knowledge of the entity. The engagement teams have knowledge of relevant industries [sectors] in which the audited entities operate. This was the result of the competency matrix and additional training performed for new auditors along with the Team from the Office of the Accountant-General of the Federation. This was done as part of the process to ensure the Teams understood the process of preparing the FGN CFS. (criterion d)

From 2017 auditors were exposed to audit training not only for financial audits, but for compliance and performance as well. The Financial Audit Manual and Audit Quality Control and Assurance Manual clearly outline the office policy and procedures on quality control. Staff have been trained and possess adequate knowledge on reporting. Also, before commencement of the assignment, a one-week training exercise is conducted between the OAuGF and the OAGF Teams. (criteria e, f)

There is a system in place that ensures the knowledge, skills, and expertise required for conducting the financial audit are identified. This is documented using the PE 2 working paper on Competency Matrix. This is further strengthened by the training exercise that is conducted before commencement of the audit of the FGN CFS. (Criterion g)

There is a system in place that ensures there are clear reporting lines and allocation of responsibilities within the team. This is documented using the PE 5 on Team Arrangement. However, in practice, this working paper is only partially completed which shows that the Office needs stronger enforcement in its documentation process in line with the requirements of ISSAI 2230 on Audit Documentation. (Criterion h)

FAM Chapter 5 on Risk Assessments provides guidance on planning, setting a timetable for the audit and defining the nature, timing, and extent of the audit procedures.” The audit working paper RA5 on Overall Audit Strategy makes provision for strategic planning. The working paper UE1 on understanding the entity seeks to evaluate the overall internal control environment and can be applied to gain an understanding of internal control relevant to financial reporting. The working papers were completed to ensure the audit Teams understood the operations and also were able to perform risk assessments at the class of transactions, account balance, and disclosure levels. The audit teams were trained on responses to risks which guides the level of work performed. (criteria i-l)

Dimension (3): Quality Control in Financial Audit

The Office of the Auditor General for the Federation aligns with the International Organisation of Supreme Audit Institutions (INTOSAI) and therefore is committed to adhering to its standards and practices to achieve its mandate. The Audit Quality Control and Assurance Manual outlines the processes to be undertaken to ensure compliance with INTOSAI standards and procedures.

The Quality Control procedure involves three levels of review. The first level is done by the Team Leader, the second level by the Supervisor while the third level is

conducted by the Departmental Head or Director. However, in practice the review processes are not documented which showed that the Office is required to put in place an enforcement mechanism for all documentation. However, all reports are scrutinized by several levels of reviews are performed before final reports are issued. (Criteria a)

There is a Quality Assurance Review Unit in the office whose duty is to perform reviews of the whole audit before issuance of reports. Despite the Office's Quality Assurance (QA) policy detailing procedures for addressing difficult issues encountered during audits, such as the engagement of technical experts, this is yet to be explored. In practice, diverging opinions are managed internally. Although the policy emphasizes documenting these resolutions in the audit working papers, there was no documentary evidence to support this. (Criteria b, c, d)

The Audit Quality Control and Assurance Manual makes provision for the Quality Assurance Review Unit to implement the need for engagement of quality control reviews. Even though quality control processes are carried out throughout the phases of audit, with amendments made if required, audit working paper R4- Representation by Audit Management and the Quality Control questionnaire are meant to provide assurance that quality control reviews are performed during audit work. (Criterion e)

4.3.3 SAI-10: Financial Audit Process - Score [1]

Narrative

SAI-10 examines how financial audits are carried out in practice. It consists of three dimensions:

- (1) Planning Financial audits.**
- (2) Implementing Financial audits.**
- (3) Evaluating Audit Evidence, Concluding and Reporting in Financial Audits.**

The assessment of SAI-10 is mainly based on the review of selected sampled Financial Audits and corresponding working papers of 3 Financial Statements namely;

- i. Federal Government of Nigeria Consolidated Financial Statements (2020FY)
- ii. Livelihood Improvement Family Enterprises Project in the Niger Delta (2022 FY)
- iii. Mineral Sector for Economic Diversification Project (2022 FY)

Dimension (1): Planning Financial Audits

According to ISSAI requirements, before commencing an audit, it is necessary to determine if the preconditions for the audit are present. Working paper P1 is utilized to assess the financial reporting framework of the entity to ascertain its suitability. The FGN mandates the International Public Sector Accounting Standards (IPSAS) as the Financial Reporting Framework for all MDAs, as referenced in the National Treasury Circular Ref No. OAGF/CAD/026/Vol.II/240 dated 23/10/2015, titled "Commencement of Implementation of IPSAS by all Public Sector Entities" (Criterion a).

The overall materiality for the Financial Statements was established in two out of the three audited files sampled (Criterion b).

At the start of each audit in the sampled files, the audited entity received a Letter of Understanding (LoU) outlining the roles of both the auditors and the audited entity. Subsequently, the entity was expected to acknowledge the terms of the letter. Moreover, the audit teams communicated all findings to the entity's management and governance bodies during and after the audit. Additionally, working paper P3 (Audit Issues) served as the foundation for communicating audit findings to the client, and the Management Letter was sent to the audited entity considering the management's responses/comments (Criterion c).

With the exception of the Financial Statements audit for the Livelihood Improvement Family Enterprise, working paper RA 5 (Overall audit strategy) recorded the audit strategy, which was formulated based on the understanding of the entity and the significant risks identified at the financial statement level, including the responses and risks at the SCOTAB (Significant Class of Transactions, Account Balances, and Disclosures) levels (Criterion d).

The audit teams acquired a comprehensive understanding of the entity's Internal Control, assessed the operating environment and risks, and evaluated the Internal Control related to the entity's financial reporting. This was evidenced in two of the three sampled files, which also showed that analytical reviews comparing current year actuals with the previous year's budgetary provisions were conducted (criteria e, f, g). After finalizing the UE 1 working paper, all risks identified by the audits during the entity's assessment were transferred to the Risk Assessments working papers (WP RA 1, WP RA 2, and WP RA 3), where all risks will be addressed (Criteria h, i, j).

The working papers PE3 Code of Ethics Declaration, PE4 Code of Ethics Conclusion, and PA8 Code of Ethics Compliance must be completed with integrity, independence, and objectivity before and during the audit process. Additionally, the PE2 working paper (Competency Matrix) is documented prior to the start of the audit to ensure that team members possess the necessary competency and professional qualifications for the audit. In practice, for working paper PE4, only two audit files met this requirement, while for PE3, although completed, not all staff signed the document. For PA8, only one audit sample successfully completed the process. (criterion k)

In conclusion, Planning for FA audits within the audit process is crucial for ensuring effective financial oversight. The OAuGF Financial Audit Manuals offer comprehensive guidance to financial auditors on this front. However, in practice, the assessment team observed shortcomings in audit documentation and maintenance of working papers, which are pivotal for review and improvement.

Dimension (2): Implementing Financial Audits

The auditors are required to design and implement overall responses which is done in the RA 1 working paper. The eventual results are evaluated to determine the level of Risks of Material Misstatements to one of Low, Medium or High and indicate the appropriate responses to address the risk of material misstatements with guided options for the auditors to choose from. This helps the auditors determine the extent of work to be done and the appropriate audit procedures to perform. The Performance Materiality determines the level of Risk of Material Misstatements and documented using the Working Paper (PA1 - Test of Controls: which will determine if the controls are in place or if they are working effectively), thereafter, the Team will determine the

extent of substantive test of details to be performed using the PA 3, PA 4, PA 5 working papers. Nonetheless, not all the sampled files on financial audit met this criterion as evidence was not provided to reflect compliance. (Criteria a, b)

During the understanding of the entity review phase, only two of the sampled audit files partially completed the documentation necessary to identify the laws or regulations that had financial impacts on the financial statements as addressed using the RA 2 working paper (Response to risks on SCOTAB). The audit teams then decided if they would use the PA 4 (Substantive Test of Details - 100%), or PA 5 (Substantive Test of Details - Sampling) to obtain further evidence of reporting or disclosing such non-compliance. (Criterion c)

The CFS audit team obtained audit evidence in the consolidated financial statements through circularisation to sampled MDAs to obtain their balances. The results are also reflected in the published reports as part of the audit findings. The review of the sampled files demonstrate that two audit files also obtained audit evidence from analytical procedures and test of details by completing the Working Papers PA 4, PA 5 as appropriate. (Criterion d)

The Auditors engaged to audit the FGN Consolidated Financial Statements obtained sufficient appropriate audit evidence from the MDAs against what is consolidated against them by the Accountant-General of the Federation and also reviewed all the financial information before expressing opinion on the reports. The Auditors engaged to audit the FGN Consolidated Financial Statements obtain sufficient appropriate audit evidence from the MDAs against what is consolidated against them by the Accountant-General of the Federation and also reviewed all the financial information before expressing opinion on the reports. This requirement is not applicable to the other two audit files since they do speak to the whole of government financial statements. (Criterion e)

The WP PA 2, PA 3, PA 4 and PA 5 are designed to assist the auditors to design and perform audit procedures with appropriate audit evidence. However, there was little evidence to show that all the teams documented these efforts from the files reviewed. (Criterion f)

The Audit Teams performed the planned audit procedures based on their explanation to the assessment team. However, these actions were not documented in the files that were reviewed, thereby making it difficult to accept their efforts. This implies that all procedures performed should be appropriately documented and retained in the files. (Criterion g)

Dimension (3): Evaluating Audit Evidence, Concluding and Reporting in Financial Audits

The reviewed audit files indicated that the auditors failed to prepare adequate documentation, which did not clearly explain the work performed, the evidence gathered, and the conclusions reached. (Criterion a)

Although there is a specific financial audit methodology documentation that audit teams should follow, it was evident that the auditors did not prepare adequate documentation, resulting in poorly maintained files. (Criterion b)

In all sampled audit files, audited entities were consistently informed about audit-related matters using the P3 (Audit Issues/Query) form, which also provided management and governance bodies with the audit findings, allowing for their input and responses. Consequently, all misstatements identified during the audit were properly communicated to the entities, and the audit reports reflected these results. (Criterion c)

The WP P3 [Audit Issues/Query] Template offers guidance for management's response, which auditors evaluate, and unresolved findings are communicated via the Management Letter and the Auditors' Report. The published audit report included the management's responses. (Criterion d)

Auditors are supposed to document their assessment of uncorrected material misstatements, whether individually or cumulatively, using the Working Paper PA6 (Prior-Current -misstatement). However, this was not done or was only partially completed. (Criterion e)

Auditors form opinions based on the audit evidence obtained from their procedures, documented in the Working Paper R3 (Auditor's Report), which all three audit samples completed. (Criterion f)

The auditors' reports are structured to include all necessary elements as required by ISSAI 2700, ISSAI 2701, ISSAI 2705, and ISSAI 2706. This was performed by the financial auditors as evidenced in Working Paper R3 - Auditor's Report of the Audit samples. (Criterion g)

The reports presented by the auditors were concise and easy to understand. The reports are objective and fair and are based on sufficient and appropriate audit evidence obtained from the audit exercise and documented using the Working Paper R2 (Management Letter) of all the Audit samples. In addition, the audit observations and recommendations are clearly and concisely written and directed to those responsible for the audit (Management) and those charged with Governance (Board/Council) as evidenced in the Working Paper R2 (Management Letter). The responses of the management are also included in the report (Criteria h, i)

The FGN has a prescribed Financial Reporting Framework for all MDAs, which is the International Public Sector Accounting Standards (IPSAS) in line with the National Treasury Circular Ref No. OAGF/CAD/026/Vol.II/240 of 23/10/2015 captioned "Commencement of Implementation of IPSAS by all Public Sector Entities refers." The auditors completed the Working Paper P1 (Evaluating the financial reporting framework at the SAI level) which indicates the OAuGF accepts the IPSAS as the financial reporting framework. (Criterion j)

The reports the assessment team reviewed showed that the reports were not special-purpose financial statements. This is because the Accountant-General of the Federation prepares a General Purpose Financial Statements which also achieves the Fair Presentation Framework. (Criterion k)

In conclusion, while the final audit reports of the selected files were comprehensive, they lacked a well-documented, coherent progression from the planning stage to the implementation of the audit. Given that this assessment relies on tangible evidence, the lack of necessary working papers to illustrate the execution of each process resulted in a low rating for this dimension.

4.3.4 SAI-11: Financial Audit Results - Score [1]

Narrative

SAI-11 assesses the timely submission and publication of the results of the SAIs financial audit work and how such results are followed up. The indicator has 3 dimensions:

- (1) Timely submission of Financial Audit results.**
- (2) Timely publication of Financial Audit results.**
- (3) Follow-up on the Implementation of Financial Audit Observations and Recommendations**

The assessment of SAI-11 is mainly based on the legal framework, final report of the CFS sampled audit, and correspondence between the SAI and the National Assembly. For the other two financial audits sampled, the reports were submitted to the appropriate authorities within the prescribed time frame. Since these reports are not legally mandated to be submitted to the National Assembly, they were not included/considered in this indicator.

Dimension (1): Timely Submission of Financial Audit Results

The Consolidated Financial Statement is the financial statement report from the Accountant General of the Federation. It is a consolidation of all the financial statements of the MDAs and is prepared annually and presented to the AuGF as a single document for audit. Thus, the AuGF receives hundred percent of the financial statements.

Section 85(5) of the Constitution stipulates that " The Auditor-General shall, within ninety days of receipt of the Accountant-General's financial statement, submit his reports under this section to each House of the National Assembly and each House shall cause the reports to be considered by a committee of the House of the National Assembly responsible for public accounts."

Typically, this requirement is observed in practice. However, the submission of the 2020 CFS report, which is essential for this assessment, was delayed due to the absence of a substantive Auditor-General for the Federation, a situation that was not within the control of the office. The 2020 CFS was stalled between 30th March (when it was completed) and 30th November 2023 when the report was finally signed and presented to the National Assembly. Therefore, the submission of the audited report

was within 9 months from completion of the audit. This has affected the preparation and submission of the subsequent Financial Audit Reports, which is a factor that is beyond the control of the OAuGF.

Submission of Financial Audit Reports: 2020

S/N	Financial Audit Report	Date Report signed by the AuGF	Date Report submitted to the Parliament/Entity	Duration between completion and submission to Parliament/Entity (Days)
1	Federal Government of Nigeria Consolidated Financial Statements (2020FY)	30 th November 2023	30 th November 2023	0 day

Despite the prompt submission of the audit reports for the 2020 and 2021 financial years, the assessment team observed that the Accountant-General of the Federation was yet to submit the FGN CFS for the 2022 and 2023 financial years as at August 2024. The non-submission is more than the 6 months stipulated by Section 49 (1) of the Fiscal Responsibility Act (FRA), 2007 on submission of financial statements and Paragraph 69 of the International Public Sector Accounting Standards (IPSAS) 1. The OAuGF completed the audit of the Federal Government of Nigeria Consolidated Financial Statements for the year ended 31st December 2021 and submitted the reports on 31st July 2024, which was more than three (3) years after the financial year end. Since the submission of the FGN CFS for the year ended 31 December 2021 to the National Assembly in July 2024, the Accountant-General of the Federation is yet to present the FGN CFS for the year ended 31 December 2022 for audit.

Dimension (2): Timely Publication of Financial Audit Results

As shown in the table below, the Consolidated Financial Statement Audit Report was submitted to Public Accounts Committees of the National Assembly on the 30th of November 2023 but published 46 days later on the 15th of January 2024. The Transmission to the data centre was not clearly defined. This was done contrary to international best practice that requires a report to be published within 15 days after the SAI has presented the reports to the Parliament.

Publication of Financial Audit Reports: 2020

S/N	Financial Audit Report	Date Submitted to Parliament/Entity	Date Published	Duration between submission and Publication (Days)
1	Federal Government of Nigeria Consolidated Financial Statements (2020FY)	30 th November 2023	15 th January 2024	46 Days

Dimension (3): Follow-up on the Implementation of Financial Audit Observations and Recommendations

The office does not have an internal follow-up mechanism or policy in place to ensure audited entities address matters raised in previous audits, observations, recommendations, sanctions. Therefore, this dimension was graded not met with an ultimate score of 0. (Criteria a-g)

It is worthy of mention that (Although) there was a degree of follow-up on the audit from the previous year in the 2020 Consolidated Financial Statement report, it cannot be definitively stated that this is a routine procedure. An adequate follow-up policy has not been adopted for implementation by the Office.

4.3.5 SAI-12: Performance Audit Standards and Quality Management – Score [3]

Narrative

This indicator assesses the SAI's approach to performance auditing in terms of its overall standards and guidance for performance auditing, as well as how matters of audit team management and skills and quality control are implemented at the audit engagement level. (The quality of these functions at the organisational level is assessed elsewhere in the framework: quality control in SAI-4; professional development and training in SAI-23.)

For the assessment of SAI-12, three dimensions are considered:

- (1) Performance Audit Standards and Policies.**
- (2) Performance Audit Team Management and Skills.**
- (3) Quality Control in Performance Audit.**

The assessment of SAI 12 is mainly based on the review of the OAuGF Performance Audit Manual and a review of the sampled audit files.

Dimension (1): Performance Audit Standards and Policies

The OAuGF has adopted the International Standards of Supreme Audit Institution (ISSAI) 3000-3899 on Performance Auditing as its authoritative Standards. The audit standards are applied by the OAuGF in all its audits and are in compliance with the ISSAI framework. The adopted audit methodology outlined in the OAuGF Performance Audit Manual addresses the requirements of ISSAI 3000 – the international standard which applies to performance audits conducted by Office.

The OAuGF Performance Audit Manual positively meets all the criteria under this dimension as demonstrated in the table below (Criteria a – u). The content of the Performance Audit Manual is consistent with the requirements of ISSAI 3000. Accordingly, the Assessment Team concludes that the performance audit methodology

in OAuGF is built on a strong and internationally recognised framework for conducting performance audits.

Assessment Findings and Observations

Dimension	Findings			Score
(1) Performance Audit Standards and Policies	Criteria	Met or Not Met	Reference to [include what type of evidence the assessment is based on]	4
	a. The need to identify the elements of each performance audit (auditor, responsible party, intended users, subject matter and criteria).	Met	Paragraph 6.2.3 Developing a work plan for the main study (Pages 75-76) of the OAuGF Performance Audit Manual	
	b. The need to “set a clearly-defined audit objective that relates to the principles of economy, efficiency and effectiveness.	Met	Paragraph 1, Performance Auditing (Page 5) of the OAuGF Performance Audit Manual.	
	c. The need to choose an audit approach, to facilitate the soundness of the audit design.	Met	Paragraph 4, Performance Auditing by the OAuGF (Page 15) of the OAuGF Performance Audit Manual	
	d. The need to “establish suitable [audit] criteria which correspond to the audit questions and are related to the principles of economy, efficiency and effectiveness.	Met	Paragraph 4, Performance Auditing By the OAuGF, (Page 15) of the OAuGF Performance Audit Manual	
	e. The need to “actively manage audit risk, which is the risk of obtaining incorrect or incomplete conclusions, providing unbalanced information or failing to add value for users.	Met	Paragraph 7.5 of the OAuGF Performance Audit Manual, on Managing the audit engagement (Page 101)	
	f. The need to “maintain effective and proper communication with the audited entities and relevant stakeholders throughout the audit process and define the content,	Met	Paragraph 7.5.2 of the OAuGF Performance Audit Manual, on Communicating	

Dimension	Findings			Score
	process and recipients of communication for each audit.		during the main study, (page 102)	
	g. The need for the audit team to “have the necessary professional competence to perform the audit.	Met	Paragraph 5, Institutional Capacity for Performance Auditing, of the OAuGF Performance Audit Manual.	
	h. The need to apply professional judgment and scepticism.	Met	Paragraph 5.3, Human resources, of its Performance Audit Manual	
	i. The need for auditors to “apply procedures to safeguard quality, ensuring that the applicable requirements are met	Met	Paragraph 5.4.2, Safeguarding quality in the performance audit process, of the OAuGF Performance Audit Manual	
	j. The need to “consider materiality at all stages of the audit process	Met	Paragraph 6.2.2, Selecting a focus for the audit – an audit problem, of the OAuGF Performance Audit Manual	
	k. The need to “document the audit (...)” so that “information [is] sufficiently complete and detailed to enable an experienced auditor having no previous connection with the audit to subsequently determine what work was done in order to arrive at the audit findings, conclusions and recommendations	Met	Paragraph 7.6, Documenting in the audit file, of the OAuGF Performance Audit Manual	
	l. The need to “plan the audit in a manner that contributes to a high-quality audit that will be carried out in an economical, efficient, effective and timely manner and in accordance with the principles of good project management.	Met	Paragraph 6, Planning the Audit, in the OAuGF Performance Audit Manual	
	m. The need for auditors to “obtain sufficient appropriate audit evidence to establish findings, reach conclusions in response to the audit	Met	Paragraph 7.2 Collecting data and audit evidence, of the	

Dimension	Findings			Score
	objectives and questions and issue recommendations." ISSAI 300:38		OAuGF Performance Audit Manual	
	n. The need for auditors to "strive to provide audit reports which are comprehensive, convincing, timely, reader-friendly and balanced." ISSAI 300:39	Met	Paragraph 7.4 Drafting the report of the OAuGF Performance Audit Manual and paragraph 8.1 Requirements of a good report, of the OAuGF Performance Audit Manual	
	o. That the SAI shall "seek to make their reports widely accessible, in accordance with the mandate of the SAI.	Met	Paragraph 8.3, Submission and distribution of the report, of the OAuGF Performance Audit Manual	
	p. That the SAI shall "seek to provide constructive recommendations" if relevant and allowed by the SAI's mandate.	Met	Paragraph 8.2.3, Finalising and authorising the report, of the OAuGF Performance Audit Manual	
	q. The need to "follow up previous audit findings and recommendations wherever appropriate."	Met	Paragraph 9, Follow-up of the Audit Report, of the OAuGF Performance Audit Manual	
	r. Audit planning, including selection of audit topics. The policies and procedures should be designed to ensure that auditors analyse and research potential audit topics, and consider the significance, auditability and impact of planned audits. They should allow for flexibility in the planning.	Met	The OAuGF includes in the Performance Audit Manual, that it shall establish policies and procedures. The Manual provides guidance on the procedures to take for Audit planning.	
	s. The analytical processes that enable the auditors to obtain sufficient appropriate audit evidence to establish findings and reach conclusions in response to the audit objectives and questions.	Met	In paragraph 7.3, Analysing data, of the OAuGF Performance Audit Manual	

Dimension	Findings		Score	
	t. Format of the audit report, which should contain information about the audit objective, criteria, methodology, sources of data and audit findings, conclusions and recommendations.	Met	In paragraph 7.4 Drafting the report, of the OAuGF Performance Audit Manual	
	u. Audit documentation: The policies and procedures should be designed to ensure that “information [is] sufficiently complete and detailed to enable an experienced auditor having no previous connection with the audit to subsequently determine what work was done in order to arrive at the audit findings, conclusions and recommendations.	Met	paragraph 6.3, Quality control review and documentation of the pre-study, of the OAuGF Performance Audit Manual	

Dimension (2): Performance Audit Team Management and Skills

The Performance Audit Department is led by a Director of Audit who is a trained Performance Auditor. The OAuGF Performance Auditors are also trained and possess extensive knowledge of performance auditing and the relevant auditing standards (ISSAI 3000-3800) and other guidance material, such as the OAuGF Performance Audit Manual. The Office also ensures continuous on-the-job training to further enhance their professional capabilities. This was reflected in the Working Paper - WP12 Pre-study memorandum and work plan. (Criterion a)

The OAuGF Performance Auditors have a solid understanding of research design and evaluation techniques for all performance audit engagements, as well as a sound knowledge of Government Organizations, Programs, and functions. Furthermore, the OAuGF Performance Auditors possess substantial professional experience to exercise professional judgement and exhibit strong analytical, writing, and communication skills, which align with their training. The performance auditors documented their competence using the - WP12 Pre-study memorandum and work plan. (Criteria b, c, d, f)

Paragraph 5.2.3 of the OAuGF Performance Audit Manual outlines clear reporting lines and task allocation within each performance audit team. The Teams reporting lines include the Team Leaders, the Supervisors and Directors of Audit, who are also Performance Auditors. This helps to strengthen the outcomes of the performance audit exercises which was well documented in the - WP12 Pre-study memorandum and work plan (Criterion g)

In paragraph 5.3 of the OAuGF Performance Audit Manual, guidelines are provided on how auditors can develop audit objectives and audit questions that pertain to the principles of economy, efficiency, and effectiveness. The audit teams working papers reviewed showed that the Teams completed the WP12 Pre-study memorandum and work plan and addressed the requirements of the criterion on audit objectives, audit questions, criteria, procedures, etc. (Criteria h, i)

The OAuGF Performance Audit Manual offers guidance on establishing suitable audit criteria that align with the audit questions, as well as audit procedures for gathering sufficient and appropriate audit evidence, in accordance with ISSAI 300. The performance auditors are instructed in the Manual to exercise Professional judgment and skepticism, as well as how to evaluate audit evidence in line with the audit objectives. The audit Team reflected the alignment of audit questions and criteria and types of audit evidences using the working paper WP12 Pre-study memorandum and work plan. (Criteria j, k)

Paragraph 7.4 of the OAuGF Performance Audit Manual provides guidance on drafting comprehensive and balanced audit reports, as well as writing recommendations. The teams documented their audit reports which showed it is balanced as it also contains the management's responses. (Criteria l, m, n)

Dimension (3): Quality Control in Performance Audit

The Performance Audit Working Papers have been structured into 30 which includes Quality control working papers in line with the requirements of ISSAI 1230 on Audit Documentation. This is to ensure the three levels of reviews are performed and documented by the Team Leaders, the Supervisors and the Directors of Audit. The review of the working papers showed that the quality control reviews were not documented by the Performance Auditors and there were no Quality Assurance reviews performed on the files reviewed. (Criterion a).

The Performance Audit Manual highlights the principles that are necessary for conducting a quality performance audit and OAuGF Management has taken steps to ensure auditors uphold these principles. However, in practice and in line with the files reviewed, this is not documented to show the audits are subjected to reviews in line with the manuals. (Criterion b).

The Auditor-General for the Federation can contract subject matter experts to complement the skill set of audit teams where this is necessary. Hence, where difficult and contentious matters arise in the process of conducting a performance audit, the Auditor-General can contract appropriate external technical experts to deal with such matters. In Practice, any contentious matters that the Team Leader cannot resolve, the issues are escalated to the Supervisors (who are usually Deputy Directors). Where the Supervisor cannot resolve the contentious matters, the Director of Audit and in extreme cases, the Auditor-General for the Federation may be involved. During the training of Performance Auditors in 2013-2015, there were strong collaborations between the Office and AFROSAI-E Performance Audit Team who provided expert views and

guidance to the Performance Audit Teams. Although, in the normal operations of the Office, issues are addressed within the Office internal resources. However, there are no evidences that these are documented from the files reviewed. (Criterion c).

Although this is not happening in practice currently, the quality control procedure as highlighted under Paragraph 5.4.3 of the OAuGF Performance Audit Manual, requires that, independent quality control review and quality assurance in the performance audits prior to publication. The Team usually holds a self-assessment review which is coordinated by the Director of Audit responsible for the Department. (Criteria d and e).

The OAuGF Audit Quality Control and Assurance Manual makes provision for the Quality Assurance Review Unit to identify and implement the need for engagement of quality control reviews for the Performance Audit. Hence the structure of the Office where three levels of reviews are performed by the Team Leaders, the Supervisors and the Directors of Audit. The Performance Audit Team takes into account the comments from all the reviews and amend the reports before it is reviewed by the performance audit management and top management before final approval for submission and publication. However, these actions are not documented and retained in the files reviewed. Thus, the need for the quality control process to be improved upon with adequate documentation. Hence the result is considered not met and the assessment team recommends that the review processes should be properly documented and filed. (Criterion f)

4.3.6 SAI-13: Performance Audit Process - Score [3]

Narrative

This indicator looks at how performance audits are carried out in practice. It assesses three dimensions:

- (1) Planning Performance Audits.**
- (2) Implementing Performance Audits.**
- (3) Reporting of Performance Audits.**

The assessment of SAI 13 is based on the review of the OAuGF Performance Audit Manual and review of the following sampled audit files:

- i. Performance Audit on the Federal Government of Nigeria Budget Preparation process and its implementation
- ii. Performance Audit on the Monitoring of the Maintenance of Federal Roads in Nigeria by the Federal Road Maintenance Agency (FERMA)
- iii. Performance Audit on the Management of resources for the provision of Affordable/Social Homes for Low-income Earners in Nigeria by Family Homes Fund Limited (2018 to 2020)

Dimension (1): Planning Performance Audits

The performance audits conducted are preceded by a pre-study, which allows the auditors to understand the subject matter and gain methodological knowledge before the main audit. This is documented in the working paper (WP) 12, pre-study memorandum, and work plan. This follows the guidelines outlined in Paragraph 6 (Planning the Audit) of the OAuGF Performance Audit Manual. (Criterion a)

The Performance Auditors also carry out area watch/sector assessment, documented in WP 1 (Sector assessment). They analyze potential audit topics and conduct research to identify risks and problems in WP 1 and WP 12 before conducting the main audits. This aligns with Paragraph 5.2.2 (Overall planning) of the OAuGF Performance Audit Manual. The team also considers materiality throughout the audit process. (Criteria b, c)

The audit teams establish clearly-defined audit objectives that address the principles of economy, efficiency, and effectiveness, following the provisions of paragraph 5.4.1 (Standards and guidance) of the Manual. (Criterion d)

A review of the working paper on the proposal of audit topics (WP2) shows that the auditors set audit objectives framed into overall audit questions and broken down into sub-questions, in line with paragraph 6 (Planning) of the OAuGF Performance Audit Manual. (Criterion e)

The Teams documented its Sector Assessment in WP 1, from the review of sampled files. The documentation showed that the audits designed an approach considering the three types of approaches provided in the OAuGF Performance Audit Manuals: a system-oriented approach, a result-oriented approach, or a problem-oriented approach. Additionally, the teams documented the establishment of criteria corresponding to the audit questions, demonstrating their relationship with the principles of economy, efficiency, and effectiveness using WP 12, Pre-Study memorandum and work plan. (Criteria f, g)

The teams maintained effective and proper communication with the audited entities and relevant stakeholders throughout the audit process, as evidenced by the minutes of meetings held during the audits. The auditors communicated the audit subject matter, audit objectives and/or audit questions, audit criteria, the time period to be audited, and the government undertakings, organizations, and/or programs to be included in the audit. (Criterion h)

The auditors did not document the audit procedures used for gathering sufficient and appropriate audit evidence, as outlined in paragraph 6 (Planning the audit) of the OAuGF Performance Audit Manual. The teams also did not sufficiently document how they planned their audit and assessed the risks of fraud. (Criteria i, j).

The auditors documented their plans to ensure the audits are performed in a way that brings out high-quality audits through an economical, efficient, effective and timely execution of the audit. The auditors documented their consideration of external expertise during their plan in part II of WP12 in line with paragraph 6.2.3 (Developing a work plan for the main study) of the OAuGF Performance Audit Manual. However, there was no evidence that external expertise was obtained during the audits. The OAuGF had previously enjoyed support from AFROSAI-E towards strengthening the Performance Audit Department in the Office but none of the files reviewed had such external reviews. (Criteria k, l)

Ethical considerations and declarations are mandatory for all audits in the OAuGF and should be documented in WP 14. However, the audit teams did not document their compliance with ethical requirements, as guided by the OAuGF Performance Audit Manual and the OAuGF Code of Ethics manual. (Criterion m)

The teams partially documented their work by completing a few working papers, but not all the required WPs were completed.

Dimension (2): Implementing Performance Audits

Performance Auditors are required to obtain sufficient appropriate audit evidence to establish findings, reach conclusions in response to the audit objectives and questions which are expected to be documented in WP 8 (Minutes of meeting and Interview) and WP 11 (Interview questions). The audits did not document their activities in the working papers. However, the auditors documented their findings and recommendations in the final reports published which the assessment team considers it to be insufficient. (Criterion a)

The auditors did not complete the WP18 (Findings matrix) which was meant for evaluation of evidence instead, the Teams documented WP 19 (audit report), where they evaluated the audit evidence while preparing the reports which was not considered satisfactory. Also, there was no sufficient evidence on the comparison of data from different sources. It also showed that the Teams arrived at a conclusion that answered the audit questions raised during the planning phase and also placed them in context before they reached a conclusion. The reports showed analytical reviews were performed using trend analysis based on evidence gathered during the audits (Criteria b, c, d, e, f)

The code of ethics WP is a mandatory document in the audit exercise in the OAuGF, however, the Teams did not document the WP 14 contrary to the guidance provided in Paragraph 5.3 (Human resources) of the OAuGF Performance Audit Manual. (Criterion g)

The WP18 on Findings Matrix is meant to assist the auditors on managing risks. However, there was no evidence provided that the auditors documented the WP 18. Based on the Assessment Team's engagement with the Performance auditors, it was noted that due care was taken in all audits and reviews done by the three (3) level reviewers to ensure the teams do not arrive at incorrect or inappropriate conclusions, however, these efforts were not documented. (Criterion h)

The Teams considered Materiality and documented it in WP 5 and also used it to determine their reporting in WP 19 in line with the guidance provided in paragraph 5.2.2, (Overall planning) and paragraph 5.4.1 (Standards and guidance), of the OAuGF Performance Audit Manual. (Criterion i)

The auditors documented their communications through interviews and recording of minutes of meetings using WP 8 and WP11, while WP19 is used for communicating audit findings to the auditee. The OAuGF published its reports to external stakeholders on the Official website, which reflects key aspects of the audit, including audit objective, audit questions and subject matter and Management's comments to the audit findings. (Criterion j)

The three audit files did not contain proper documentation of the 30 Stages working papers that ought to have been completed by the Audit teams which requires Management of the OAuGF to enforce compliance with ISSAI 2500 on documentation. (Criterion k)

Dimension (3): Reporting on Performance Audits

The team successfully completed WP19, documenting the performance audit report. The report includes findings on how the objectives met the economy, efficiency, and

effectiveness requirements. It has been published and submitted to the Public Accounts Committees of the National Assembly. (Criterion a)

The auditors' reports are comprehensive and logically structured, presenting a clear relationship between the audit objective, criteria, findings, conclusions, and recommendations. The reports are reader-friendly, clear, and straight to the point. They are also balanced in content and tone, based on unbiased evidence. The report reflects the consideration of materiality throughout the audit, leading to high impact and relevant findings. (Criteria b, c, d, e, f)

The performance audit reports include information about the auditee, criteria, and sources. They also include conclusions related to the audit objectives and questions raised during the audit. Importantly, the reports provide recommendations that will positively impact the audited entity and address control weaknesses identified. (Criteria g, h, i)

The Office of the Auditor-General for the Federation follows the International Standards of Supreme Audit Institutions (ISSAI 3000) in its performance audit. The performance audit report shows the audit findings and management's comments before finalization and publication. (Criteria j, k)

There was no evidence that the Audit teams recorded disagreements, neither was the evidence of analysis or factual errors documented in the working papers. The Performance Audit Teams will be required to improve their processes by ensuring proper documentation of all the steps followed in the audit processes. (Criterion l)

4.3.7 SAI-14: Performance Audit Results - Score [1]

Narrative

This indicator relates to performance audit outputs. It assesses three dimensions:

- (1) Timely Submission of Performance Audit Reports.**
- (2) Timely Publication of Performance Audit Reports.**
- (3) SAI Follow-up on Implementation of Performance Audit Observations and Recommendations.**

The assessment of SAI 14 is based on the review of the Submission and Publication Dates of the following sampled Reports:

- i. Performance Audit on the Federal Government of Nigeria Budget Preparation process and its implementation
- ii. Performance Audit on the Monitoring of the Maintenance of Federal Roads in Nigeria by the Federal Road Maintenance Agency (FERMA)
- iii. Performance Audit on the Management of resources for the provision of Affordable/Social Homes for Low-income Earners in Nigeria by Family Homes Fund Limited (2018 to 2020)

Dimension (1): Timely Submission of Performance Audit Reports

Under Section 85(2) of the Constitution, the Auditor-General for the Federation is required to submit its report to the Public Accounts Committees of the National

Assembly after performing the audits of public accounts of the Federation and of all offices and courts of the Federation. There is no legally defined or agreed timeframe for submitting performance audit reports to Parliament. The assessment of this dimension is therefore based on international best practice.

As indicated in the table below, the performance audits completed between 2020 and 2022 were submitted to Parliament on the same day they were approved by the Auditor-General for the Federation, which resulted in assessing the OAuGF with a score of 4 in this dimension. International best practice requires performance audit reports to be submitted within 15 days of SAI approval.

Submission of Performance Audit Reports: 2020 to 2022

S/N	Performance Audit Report	Date Report signed by the AuGF	Date Report submitted to the Parliament	Duration between completion and submission to Parliament (Days)
1.	Performance Audit on the Federal Government of Nigeria Budget Preparation process and its implementation	22 nd October 2020	22 nd October 2020	0
2	Performance Audit on the Monitoring of the Maintenance of Federal Roads in Nigeria by the Federal Road Maintenance Agency (FERMA)	22 nd October 2020	22 nd October 2020	0
3	Performance Audit on the Management of resources for the provision of Affordable/Social Homes for Low-income Earners in Nigeria by Family Homes Fund Limited (2018 to 2020)	3 rd August, 2022	3 rd August, 2022	0

Dimension (2): Timely Publication of Performance Audit Reports

There is no legally binding timeframe for publishing performance audit reports that have been submitted to the Parliament. Thus the working practice in the OAuGF is that after the presentation of the Performance Audit Reports to the Public Accounts Committees of the National Assembly, it is considered to have become a public document and can be published.

As shown in table below, the performance audit reports produced in 2020 (including one report produced in 2022), were published by the OAuGF after two years with only one report (2022 performance audit report) published after 29 days after submission of the report to the Parliament.

Thus, the OAuGF published the three performance audit reports in an average of 509 days which is over one year, hence the reason the result was scored zero (0). International best

practice requires performance audit reports to be published within 15 days after submission or tabling of the report in Parliament or any other appropriate authority.

Publication of Performance Audit Reports: 2020 to 2022

S/N	Performance Audit Report	Date Submitted to Parliament	Date Published	Duration between submission and Publication (Days)
1	Performance Audit on the Federal Government of Nigeria Budget Preparation process and its implementation	22 nd October 2020	21 st November 2022	2 years and 1 month
2	Performance Audit on the Monitoring of the Maintenance of Federal Roads in Nigeria by the Federal Road Maintenance Agency (FERMA)	22 nd October 2020	21 st November 2022	2 years and 1 month
3	Performance Audit on the Management of resources for the provision of Affordable/Social Homes for Low-income Earners in Nigeria by Family Homes Fund Limited (2018 to 2020)	3 rd August, 2022	1 st September 2022	29 days

Dimension (3): SAI Follow-up on Implementation of Performance Audit Observations and Recommendations

The OAuGF does not have a system in place to follow up on the implementation of audit observations and recommendations for performance audit.

The assessment team did not find any documentation to show the implementation of past PAC recommendations or the performance reports published hence the reason that all the criteria were reported as “not met” and the dimension had a score of zero (0) (criteria a - g).

There is a need for the OAuGF to put a system of follow up in place taking cue from the feedback from the Public Accounts Committees of the National Assembly as well as implementation of audit recommendations. This will enable the Performance Auditors to determine whether the audited entities have addressed the problems and remedied the underlying weaknesses.

4.3.8 SAI-15: Compliance Audit Standards and Quality Management – Score [2]

SAI 15 seeks information on the level of compliance with available standards and other relevant guidance. It also assesses the competencies and experience of the personnel doing these audits.

This indicator has 3 dimensions:

- (1) Compliance Audit Standards and Policies.
- (2) Compliance Audit Team Management and Skills.
- (3) Quality Control in Compliance Audits.

The assessment of SAI-15 is mainly based on:

- i. The OAuGF Compliance Audit manual and
- ii. The working papers for Compliance Audits carried out in the year 2020.
- iii. The reports of the audits are published as the Annual Report of the Auditor-General.

Dimension (1): Compliance Audit Standards and Policies

The Office of the Auditor-General for the Federation (OAuGF) adopted the Compliance Audit Manual (CAM) in 2018 to guide its Compliance Audit practice. This Manual replaced the Regularity Audit Guide (RAG) of 2017. The content of the Compliance Audit Manual is consistent with the requirements of ISSAI 4000 which is the international standard for compliance auditing in the public sector environment.

The Compliance Audit Manual of OAuGF positively meets all the criteria (Criteria a – r) under this dimension from audit risk, materiality, sufficient audit documentation, effective communication etc. to reporting as shown in the table below.

Assessment Findings and Observations

Dimension	Findings			Dimension
(1) Compliance Audit Standards and Policies	Criteria	Met or Not Met	Reference to [include what type of evidence the assessment is based on]	4
	a. “(...) The elements relevant to compliance auditing (...) should be identified by the auditor before commencing the audit.” ISSAI 400:27 (I.e. identify the applicable authorities covering regularity and, if necessary, propriety requirements; the subject matter; intended users of the report; and level of assurance to be provided, whether reasonable or limited) ISSAI 400:28-41	Met	The OAuGF Compliance audit manual on pages 11 to 15 and 30 to 42 itemised the relevant elements that the SAI identifies before commencing a compliance audit.	
	b. “Auditors should consider audit risk throughout the audit process.” ISSAI 400:46 (I.e. The auditor should consider three different dimensions of audit risk: inherent risk, control risk and detection risk) ISSAI 400:46	Met	The OAuGF Compliance audit manual on page 20 and 48 gives guidance on consideration of audit risk throughout the audit process. The	

Dimension	Findings		Dimension
			three different dimensions of audit risk, control risk and detection risk.
	c. "Auditors should consider materiality throughout the audit process." ISSAI 400:47. (I.e. including consideration of materiality by value, nature and context) See also ISSAI 4000:94-99.	Met	Page 21 of the OAuGF Compliance audit manual gives guidance on how auditors should consider materiality throughout the audit including materiality by value, nature and context.
	d. "Auditors should prepare sufficient audit documentation." ISSAI 400:48	Met	Page 21 to 23 of the OAuGF Compliance audit manual gives guidance on how auditors should prepare sufficient, appropriate and timely audit documentation.
	e. "Auditors should establish effective communication throughout the audit process." ISSAI 400:49	Met	Page 24 of the OAuGF Compliance audit manual highlights how auditors should establish effective communication throughout the audit process. Audit issues and management letters are issued to the auditees as part of communication during the audit process.
	f. "Auditors should identify the subject matter and suitable criteria." ISSAI 400:51	Met	Pages 11 to 13 and 30 of the OAuGF Compliance audit manual specifically give guidance on identification of

Dimension	Findings		Dimension
			subject matter and suitable criteria.
	g. "Auditors should determine the audit scope." ISSAI 400:50	Met	In determining the audit scope, pages 10 (1.3) and 37 of the OAuGF Compliance audit manual gives guidance on this. The letter of Understanding signed by both the Auditor and Auditee also outlines the audit scope.
	h. "Auditors should understand the audited entity in light of the authorities governing it." ISSAI 400:52	Met	The OAuGF Compliance audit manual on pages 12 and 13 gives guidance to auditors in understanding the audited entities vis a vis the authorities governing them.
	i. "Auditors should understand the control environment and the relevant internal controls." ISSAI 400:53	Met	Pages 44 and 45 of the OAuGF Compliance audit manual highlights how auditors should understand the control environment and the relevant controls.
	j. "Auditors should perform a risk assessment." ISSAI 400:54 (I.e. to determine the nature, timing and extent of audit procedures) See also ISSAI 4000:120).	Met	The OAuGF Compliance Audit manual on pages 42 to 44 gives guidance on how auditors should perform a risk assessment to determine the nature, timing and extent of audit procedures.
	k. "Auditors should consider the risk of fraud." ISSAI 400:55	Met	Page 44 of the OAuGF Compliance audit

Dimension	Findings		Dimension
			manual highlights how auditors should consider the risk of fraud.
	i. l) "Auditors should [plan the audit by] develop[ing] an audit strategy and an audit plan." ISSAI 400:56	Met	The OAuGF Compliance audit manual gives guidance to auditors on how to plan and develop the audit through an audit strategy and plan.
	m. "Auditors should gather sufficient and appropriate audit evidence to cover the scope of the audit." ISSAI 400:57	Met	Pages 50 to 53 of the OAuGF Compliance audit manual highlights how the auditor should gather sufficient and appropriate audit evidence to cover the scope of the audit. Sufficient and appropriate audit evidence are gathered through examination of relevant documents, interviews, observation, reperformance etc.
	n. "Auditors should evaluate whether sufficient and appropriate audit evidence is obtained and form relevant conclusions." ISSAI 400:58	Met	Pages 61 to 66 of the OAuGF Compliance audit manual highlights how the auditor should evaluate whether sufficient and appropriate audit evidence is obtained and form relevant conclusions. Sufficient and appropriate audit evidence obtained during the audit are evaluated to form relevant conclusions.

Dimension	Findings		Dimension	
	<p>o. “Auditors should prepare a written report based on the principles of completeness, objectivity, timeliness and a contradictory process.” ISSAI 400:59. See also ISSAI 4000:158.</p>	Met	<p>The OAuGF Compliance Audit manual on pages 67 to 74 gives guidance on how auditors should prepare a written report based on the principles of completeness, objectivity, timeliness. The SAI issues Management Letter and a compliance report to the auditees at the conclusion of the audit exercise.</p>	
	<p>The SAI has also adopted policies and procedures about how it has chosen to implement its audit standards, which should cover the following:</p>			
	<p>p. “determining materiality [through] professional judgement [based] on the auditor’s interpretation of the users’ needs (...) in terms of value, (...) the inherent characteristics [nature] of an item [and] the context in which it occurs.” ISSAI 400:47</p>	Met	<p>Though OAuGF does not have specific policies and procedures for Compliance audit, Page 21 of the OAuGF Compliance audit manual gives guidance on how auditors should consider materiality (by nature, value and context) based on the auditor’s professional judgement and users’ needs throughout the audit process.</p>	
	<p>q. requirements for audit documentation, to ensure “the auditor should prepare relevant audit documentation before the audit report or the Auditor’s Report is issued, and the documentation should be retained for an appropriate period of time” ISSAI 400:48</p>	Met	<p>Though OAuGF does not have specific policies and procedures for Compliance audit, Page 21 to 23 of the OAuGF Compliance audit manual gives guidance on how auditors should</p>	

Dimension	Findings		Dimension
			prepare sufficient, appropriate and timely audit documentation.
	r. determining the nature, timing and extent of audit procedures to be performed: <ul style="list-style-type: none"> • in light of the criteria and scope of the audit, characteristics of the audited entity and results of the risk assessment ISSAI 400:54 • for the purpose of obtaining sufficient and appropriate audit evidence ISSAI 400:57 • and to evaluate whether the evidence obtained is sufficient and appropriate so as to reduce audit risk to an acceptably low level including considerations of materiality and the assurance level of the audit ISSAI 400:58 (If necessary including an approach to calculating minimum planned sample sizes in response to materiality, risk assessments, and assurance level, based on an underlying audit model). 	Met	Though OAuGF does not have specific policies and procedures for Compliance audit, pages 11 to 13, 30, 37, 42 to 45, 67 to 74 highlights how to determine the nature, timing and extent of audit procedures to be performed, criteria and scope of audit, risk assessment, sufficient and appropriate audit evidence.

Dimension (2): Compliance Audit Team Management and Skills

OAuGF manages the composition of the audit teams in such a way that engagement teams combine auditors with sufficient qualifications, knowledge of the entity and experience with the audit standards with auditors with less experience to support the mentoring process. Thus the Office has never felt the need to hire external experts. The office has established a system to ensure that “individuals in the audit team collectively possess the knowledge, skills and expertise necessary to successfully complete the compliance audit”. At the point of recruitment, the office (through the civil service commission) ensures that the auditors possess the relevant academic and professional qualifications needed to effectively perform their functions. To further support its auditors, in addition to the Compliance Audit Manual, the office also adopted the Compliance Audit Methodology (CAM) working papers from AFROSAI-E. This assessment was based on the review of the Compliance Audit Manual and the working papers.

OAuGF carries out periodic checks on Federal Government of Nigeria Ministries, Department and Agencies (MDAs). These checks involve compliance to relevant extant laws and regulations guiding their operations. Three Compliance audit files were reviewed but unfortunately the processes carried out during the periodic checks (that are in tandem with the methodology) were not properly documented in the relevant working paper.

Thus, to this effect, the dimension is scored as not met for criteria a – g. This dimension relates to all the criteria pointing to the requirements for - understanding of applicable

standards and authorities (documented in IC1: Identifying the subject matter); understanding the entity's operation (CAP 1: Audit strategy and audit plan for the subject matter); ability to exhibit professional judgement, knowledge, skills, experience (IC2 CA: Establishment of team) depicted in the assessment etc. The low scores allocated to this dimension was due to lack of documentary evidence. Since this assessment is evidence based, in the absence of any working paper indicating the performance of the processes, it was concluded that this dimension for criteria a-g were not met. This will create room for improvement going forward, as the Office will make conscious effort to document all its work in the appropriate working papers. (Criteria a – g)

OAUFG conducted comprehensive training on the Compliance Audit Methodology (CAM) using the CAM Manual thereby providing guidance and support to staff which focuses on acquiring knowledge about identification of applicable authorities (Compliance Audit Manual (CAM) pages 13,14), identification of suitable criteria (CAM: pages 61-66) how to design audit procedures to be used for gathering sufficient and appropriate audit evidence (CAM: pages 50-53), and down to preparation of report based on the principles of completeness, objectivity and timeliness (CAM: pages 67-74) The Compliance Audit Manual of OAUFG positively meets all the criteria under this part of the dimension. This is based on the results from the files reviewed in relation to the requirements of the criteria. (Criteria h – q)

Dimension (3): Quality Control in Compliance Audits

The OAUFG has a quality control manual that outlines all the processes for carrying out quality control of all audits carried out. The quality control procedure in the OAUFG involves three levels of review. The first level review is conducted by the Compliance audit team leader, the second level review by the supervisor of the audit and the final review by the Director of Audit. Apart from these levels of review, OAUFG has a quality control unit that carries out final quality control of all audits in accordance with the quality control manual. Page 27 of the OAUFG Quality control manual highlights procedures in place for authorising reports to be issued. All reports are expected to be thoroughly reviewed by the three levels of review before they are finalised and sent to the auditees.

A review of a sample of compliance audit files indicates that overall, quality control procedures are applied at all stages of the review process but unfortunately these processes were not backed by documentary evidence in the form of well signed off compliance audit working papers by the responsible level of reviewer. OAUFG did not engage the services of technical and review experts. Thus criteria a, b, c, and d are assessed as not met.

The OAUFG control process is well documented showing the first level reviewers as the Team Leaders, the 2nd level reviewers as the Supervisors and the 3rd Level reviewers are the Directors. The reviews are not documented, thereby making this assessment as Not Met. (Criterion e)

Page 27 of the OAUFG Quality control manual highlights procedures in place for authorizing reports to be issued. The Office ensures the reviews are performed before

reports are communicated to the auditees and eventually to the Parliament. (Criterion f)

4.3.9 SAI-16: Compliance Audit Process - Score [1]

SAI 16 seeks information on how compliance audits are done in practice at the planning, implementation and reporting stages of the audit cycle.

This indicator has three-dimensions:

- (1) Planning Compliance Audits.
- (2) Implementing Compliance Audit.
- (3) Evaluating Audit Evidence, Concluding and Reporting of Compliance Audits.

The results of the assessment carried out by the SAI PMF team are based on the file review of three compliance audits for 2020 as follows: (i) Department of Information and Communication Technology, Force Headquarters, Abuja (ii) Ministry of Niger Delta Affairs (iii) Financial Reporting Council of Nigeria.

Dimension (1): Planning Compliance Audits

OAUFG did not carry out an independent assessment (e.g. quality assurance review, peer or independent review, iCAT subject to independent quality assurance, conducted within the past three years) of its compliance audit practice confirming that it has complied with all the requirements in the audit standards of the ISSAIs relevant to this dimension (including all the criteria). OAUFG SAI-PMF team carried out its own review which was based on three compliance audit files. This is applicable to dimensions (2) and (3). The result of this dimension is based on the evaluation results of the file review process and also interviews with audit teams for these specific audits.

A review of the three sampled files revealed that only criterion (f) was met, criteria a – e and g - k) were assessed as not met. Criterion (f) assessed the auditor's determination of the scope as a clear statement of focus, extent and limits in terms of the subject matter's compliance with the criteria. This was assessed as met because audit scope is included in the letter of understanding (or engagement letter). The letter is signed by both the auditor and auditee before the commencement of the audit. For the three audit files reviewed, each had an engagement letter that contained the scope of the audit. Apart from this working paper, there were no working papers documenting that all the requirements of criteria (a - e and g - k) were met.

In practice, all the requirements of criteria (a - e and g – k) which includes identification of the elements relevant to compliance auditing, subject matter and suitable criteria, consideration of audit risk throughout the audit process and risk of fraud, consideration of materiality, understanding the entity and control environment, maintaining of effective communication etc. were carried out but due to lack of documentary evidence, they were scored as not met. Thus, the overall score for this dimension is Zero (0) since less than two criteria are in place.

To enshrine the spirit of documenting processes using the relevant working papers going forward, OAuGF has started the implementation of N-SEAT (Nigeria SAI Enhancement Audit Tool) which is a computer assisted audit tool designed to document an audit process from the planning to reporting stage. It is also designed to capture all the relevant review processes and adequate sign off of each process.

Dimension (2): Implementing Compliance Audits

A review of the three sampled files revealed that apart from criteria c which is not applicable because OAuGF does not engage the services of external experts. There were no working papers documenting that all the requirements of criteria a, b, d, e were met. criteria a, b, d, e was assessed as not met.

Also, in practice, all the requirements of criteria a, b, d, e which includes determination of the nature, timing and extent of audit procedures to be performed in light of the criteria and scope of the audit, characteristics of the audited entity and results of the risk assessment, exhibition of professional in instances of non-compliance indicative of fraud, gathering of sufficient and appropriate audit evidence to provide the basis for the conclusion or opinion etc. were carried out but due to lack of documentary evidence, they are scored as not met. Here again, the dimension is scored zero (0) because none of the criteria is in place.

It is important to reiterate that the N-SEAT being deployed by the office will take care of this anomaly.

Dimension (3): Evaluating Audit Evidence, Concluding and Reporting of Compliance Audits

A review of the three sampled files revealed that criteria a - d were assessed as not met, criteria e - i were met while criterion j is not applicable. There are no working papers documenting that the requirements of criteria a - d were met. These criteria were based on the following:

Documenting sufficient detail to enable an experienced auditor, having no previous connection to the audit, to understand from the audit documentation the following: the relationship between the subject matter, the criteria, the scope of the audit, the risk assessment, the audit strategy and audit plan and the nature, timing and extent and the results of procedures performed; the audit evidence obtained to support the auditor's conclusion, opinion or report; and to record reasoning on all significant matters that required the exercise of professional judgement and related conclusions. (Criteria a); following the requirements for audit documentation (Criterion b); evaluating whether sufficient and appropriate audit evidence was obtained and form relevant conclusions so as to reduce audit risk to an acceptably low level (Criterion c) and maintaining effective communication throughout the audit process, and during the audit instances of material non-compliance etc (Criterion d).

On a positive side, all the three sampled files revealed that there is provision for responses from the audited entity in the Management letter presented for review (criterion e) The final audit report which is the Auditor-General's Annual report is based on the principles of completeness, objectivity, timeliness and a contradictory process.

(criterion f). Also, the audit reports present all the required elements such as title, addressee, scope, description of subject matter to recommendations, report date and signature etc. (Criterion g). It is easy to understand and free from vagueness and ambiguity (criterion h). Audit comments and recommendations are written clearly and concisely and are directed to those responsible for ensuring they are implemented, (Criterion i).

All compliance audits under review have not resulted in an opinion. (Criterion j) The Compliance audit report of the Office of the Auditor-General does not include opinion thus this criterion is not applicable. The score for this dimension is 2 because Criterion (e) and at least four criteria are in place.

4.3.10 SAI-17: Compliance Audit Results - Score [2]

SAI-17 assesses how efficient the SAI is in the submission and publication of reports. This SAI seeks information on how compliance audits are done in practice at the planning, implementation and reporting stages of the audit cycle. This indicator has three-dimensions:

- (1) Timely Submission of Compliance Audit Results.**
- (2) Timely Publication of Compliance Audit Results.**
- (3) SAI Follow-Up on Implementation of Compliance Audit Observations and Recommendations.**

The assessment of SAI-17 is mainly based on the Constitution of the Federal Republic of Nigeria, final reports of the sampled audits (which is the Auditor-General's Annual Report), and correspondences between the OAuGF and the National Assembly.

Dimension (1): Timely Submission of Compliance Audit Results

There is no legally defined or agreed time frame for submitting compliance audit reports to the National Assembly unlike the Financial audit where the Constitution stipulates a time frame of 90 days from the time Accountant-General submits the Consolidated Financial Statements (CFS) to the Auditor-General for audit. So, the timely submission is calculated as the time at the end of the period to which the audit relates and the date of submission to the audited entity. Best practice would be submission in less than six months from the end of the period audited. It is assumed that the Management letter for the compliance audit should be submitted immediately the audit is completed to the auditee as the final report which is the Auditor-General's Annual Report normally accompanies the CFS Report.

For the three sampled files, the reports were promptly submitted to the audited entity within 6 months from the end of the period to which the audit relates. It is worthy to note that though, the audits were ready for submission to the parliament (National Assembly), there was no substantive Auditor-General to approve and sign the report thus the 2020 audit reports were submitted in 2023 when a substantive Auditor-General was appointed by the President of the Federal Republic of Nigeria.

The dimension score is 4 because at least 80% of compliance audits, the audit opinion and/or report is submitted to the audited entity or other appropriate authority within the

established legal or agreed time frame (or where no time frame is defined), within 6 months from the end of the period to which the audit relates. The compliance report cycle commences with when the period the audit is conducted, after which the reports are communicated to the Audited Clients for responses. Thereafter, the Audit Director communicates the Management Letter to the audited entities signaling the end of the communication with the entity.

However, the annual paragraphs are extracted from the reports and submitted to the Public Accounts Committee and Annual Report Department who will collate and review all the reports before submission to the AuGF for final reviews and approvals. While the audit of the 2020 financial year may have been conducted between 2021 and 2022, the report was only submitted in December 2023, the delay was largely due to the absence of a substantive AuGF in between September 2022 and October 2023.

Submission of Compliance Audit Reports: 2020

S/N	Compliance Audit Report	Date Report signed by the AuGF	Date Report submitted to the Parliament	Duration between completion and submission to Parliament (Days)
1.	Annual Report on non-compliance/internal control weaknesses in MDAs of FGN for the year ended 31/12/2020 which includes the three sampled files: <ol style="list-style-type: none"> 1. Department of Information and Communication Technology, Force Headquarters, Abuja 2. Ministry of Niger Delta Affairs 3. Financial Reporting Council of Nigeria 	20/12/2023	20/12/2023	Same day of approval

Dimension (2): Timely Publication of Compliance Audit Results

This Dimension focuses on the time gap between the date that the office is allowed to publish the Audit Report and the date that the Office actually publishes the Report. The Office is entitled to publish the Audit Report as soon as the Report is certified and signed by the Auditor-General. There is no legally binding timeframe for publishing compliance audit reports that have been submitted to the Parliament.

For the 2020 Auditor-General's Annual report on non-compliance/internal control weakness, it was published on 15th January 2024, 26 days after it was submitted to the National Assembly (Parliament) as is shown in the table below. The publication of the report ought to have been done within 15 days after the OAuGF submitted to Parliament in line with international best practices.

The report can be found on the website of OAuGf using this link <https://oaugf.ng/download-report#sort=name&sortdir=desc&page=2>

Publication of Compliance Audit Reports: 2020

S/N	Compliance Audit Report	Date Submitted to Parliament	Date Published	Duration between submission and Publication (Days)
1.	Annual Report on non-compliance/internal control weaknesses in MDAs of FGN for the year ended 31/12/2020 which includes the three sampled files: 1. Department of Information and Communication Technology, Police Force Headquarters, Abuja 2. Ministry of Niger Delta Affairs 3. Financial Reporting Council of Nigeria	20/12/2023	15/1/2024	26

Dimension (3): SAI Follow-Up on Implementation of Compliance Audit Observations and Recommendations

OAUFG does not have an internal follow-up system to ensure that the audited entities properly address their observations and recommendations.

The office has no internal follow-up mechanism or system in place, thus criteria a–f were assessed as not met. This dimension is Scored zero (0) because there is no follow up report nor follow up mechanism in the office. There is no follow up mechanism that allows the office to know the extent of implementation of its recommendations.

4.4 Domain D: Financial Management, Assets and Support Services

Domain D examines whether the SAI is managing its own operations economically, efficiently and effectively and complies with applicable rules and regulations. Domain D comprises a single indicator.

Domain D: Financial Management, Assets and Support Services		Dimensions			Overall score
Indicator	Name	1	2	3	
SAI-21	Financial Management, Assets and Support Services	2	1	2	2

4.4.1 SAI-21: Financial Management, Assets and Support Services - Score [2]

SAI-21 examines the SAI's internal system of financial management and control, as well as its policies and practices regarding the support services and resources it requires. Those include IT, assets and infrastructure, as well as administrative support. This indicator has 3 dimensions:

- (1) **Financial Management.**
- (2) **Planning and Effective Use of Assets and Infrastructure.**
- (3) **Administrative Support Services.**

The assessment of SAI-21 is mainly based on the GIFMIS manual, Head of Service of Federation Scheme of service hand book, Call circulars from the Budget Office, Financial Regulation (FR) 2009 and OAuGF Organogram.

Dimension (1): Financial Management

There is a structure that comprises the Director of Finance and Accounts and other Accounts and internal audit staff who are saddled with the responsibility of financial management. The OAuGF clearly assigns responsibilities for major financial management activities through a well described job description and Organogram.

There is a well cut out segregation of duties (which includes initiating, processing, recording, reviewing, verification and Reconciliation of financial transactions), levels of authorization and approval. These segregations are spelt out in the Government Integrated Financial Management Information System (GIFMIS) and OAuGF Organogram. (Criterion a)

The Finance and Accounts department delegates the authority to incur /approve expenditure on behalf of the Office within its department and they follow the guidelines in section 2 pages 2 to 7 and section 4 pages 8 to 30 of the GIFMIS manual. Roles are created on the system for each staff that is assigned financial management activity. (Criterion b)

OAUFG uses the Financial Regulation (FR), 2009 and treasury circulars issued by the Office of the Accountant General as its financial manuals. This manual and circulars are made available to all staff. (Criterion c)

OAUFG ensures that staff tasked with budgeting and accounting have the appropriate skill set, experience, and resources to do the job. The Head of Service Scheme of Service Hand Book in pages 182 to 186 detailed the necessary skill set and qualification needed to carry out Accounting and budgeting tasks. At the point of recruitment, applicants are assessed against these skill sets before being offered employment. (Criterion d)

The Budget office of the Federation issues a call circular at the beginning of each quarter before the kick off of the budgeting process. The Circular sets out the necessary requirements and instructions required for the preparation of the budget. OAUFG uses the timetables and procedures laid down by the Budget Office and in the Financial Regulations as well as Treasury Circulars issued by the Office of the Accountant General of the Federation and Minister of Finance to prepare its annual budget and to guide budgeting processes (Criterion e)

OAUFG uses a central functional Management Information System, which includes financial and performance information called the GIFMIS. This system is domiciled at the Office of the Accountant General of the Federation. The system is used in the OAUFG to perform all its transactions in line with the budgetary allocations to the Office. The system includes the procurement process that allows the Office utilise its capital allocations. (Criterion f)

OAUFG makes use of the GIFMIS to record staff cost. Staff cost and other costs (costs associated with Local and International Travels, Training, Duty Tour Allowance, Estacode, etc) are part of the budgetary allocations to the office, which are recorded using this central system (GIFMIS). As part of the controls within the GIFMIS, it assigns financial roles to key players in a transaction process, from initiator, reviewer to approver. The OAUFG is connected to the Integrated Personnel Payroll Information System (IPPIS) for all staff salaries and allowances. (Criterion g)

In the last three years and beyond, OAUFG's actual expenditure deviated from the budgeted expenditure by more than 10%. This has been a trend since the Office does not have financial autonomy. The Office depends on the allocation from the Federal Government and these releases are not always equivalent to the amount budgeted. (Criteria h)

The appropriate financial reporting framework for OAUFG is the IPSAS Accrual but OAUFG has not been preparing its Financial Statement/ Financial report annually. OAUFG prepared its first and only Financial Statement for 2021 Financial year. It was not made public nor subjected to external independent audit or parliamentary review. (Criteria i, j, k) Going forward, especially with the circular from the Accountant General of the Federation demanding that MDAs should prepare stand-alone Financial Statements, the OAUFG will prepare its Financial Statements and Annual Report regularly.

Dimension (2): Planning and effective use of assets and infrastructure

The current Office strategy has expired and OAUFG is in the process of developing a new one. The office outsourced its IT services to a consultant. Short term plans for IT needs have not been developed (criteria a). Currently, staff of OAUFG are located at the Head Office and a few are located at the MDAs Offices as resident Auditors. Some

are also resident at the State Offices. There is no documentary evidence revealing that the SAI has reviewed the size, staffing and locations of its accommodation in relation to the location of its audit clients within the past 5 years. (Criterion b) Also, the Office has not reviewed the adequacy of its IT infrastructure (including computers, software and IT network) within the past 3 years. (Criteria c) Unfortunately, the Office does not report on any inadequacies relating to its assets and infrastructure in an annual report because the Office does not prepare an annual report for its activities (Criterion d). The Office has both physical and online archiving facilities to securely store and access all relevant records over several years. The intranet on the OAuGf's website has a compendium of past Audit reports securely filed. (Criterion e) Only this criterion was assessed as met.

Dimension (3): Administrative support services

The Office outsourced its IT support to an IT Consultant who was selected after carefully evaluating the competencies and services it has to offer the Office. The IT Consultant reports to the Auditor-General. He is assisted by his team and two staff from the Nigerian Head of Civil Service. The Head of Service staff report to the Director Planning, Research and Documentation (PRD). The PRD department oversees the activities of the IT Consultant. (Criterion a).

File management and archiving of all online documents is assigned to the IT Consultant while management of all physical files is manually handled by staff of the Registry unit under the Human Resources and Administration Department (HRA). Hard copies of staff files and Policy files are archived at the Registry. All OAuGF staff personal files have been scanned and are being managed by the IT Consultant while the hard copies are still at the Registry. The policy files are yet to be digitised. Once the HR module on the Government Integrated Financial Management Information System (GIFMIS) is activated all file management will be handled by the HR while the IT Consultant will concentrate on the technical issues.

Completed Audit files are manually archived at the various departments and not centrally. There is a plan to centrally file all completed audit files with the PRD department going forward for easy access. (Criterion b).

All assets and infrastructure are managed by the Chief Maintenance Officer and the Transport Officer (for Vehicles). They both report to the Director of HRA within the Office. Unfortunately, these Officers do not keep an updated Fixed Asset register though there are inventory cards and vehicle logbooks indicating the assets in each office and movement of vehicles. (Criterion c) Because of this lacuna, this criterion is assessed as not met.

Administrative support functions have not been reviewed within the past 5 years but a plan is underway for its review. There is a need to capture all assets with their financial values, re-define reporting lines and align duties to the relevant departments etc. All these and other areas of improvement will be addressed then. (Criterion d) Thus this criterion too is assessed as not met.

4.5 Domain E: Human Resources and Training

Domain E assesses the way in which the SAI manages and develops its human resources insofar as it has the power to do so. Domain E comprises two indicators.

Domain E: Human Resources and Training		Dimensions				Overall score
Indicator	Name	1	2	3	4	
SAI-22	Human Resource Management	3	0	3	4	2
SAI-23	Professional Development and Training	1	1	1	1	1

4.5.1 SAI-22: Human Resource Management - Score [2]

Narrative

This indicator assesses elements of the SAI's resource management. The assessment builds on the requirements of ISSAI 40 which stipulates that the SAI's human resource policies and procedures should include, amongst other things: recruitment, professional development, performance evaluation and promotion. It assesses four dimensions:

- (1) Human Resources Function
- (2) Human Resources Strategy
- (3) Human Resources Recruitment
- (4) Remuneration, Promotion and Staff Welfare

The assessment of SAI-22 is mainly based on the Nigerian Constitution, Public Service Rules, Scheme of Service, Guidelines for Appointments, Promotion and Discipline, Conditions of Service, Civil Service Handbook and Annual Performance Evaluation Report (APER). Other sources of evidence include OAuGF Annual work plan, OAuGF Organizational chart and interviews with officers responsible for the human resource function.

Dimension (1): Human Resources Function

The OAuGF has a dedicated Department that is responsible for Human Resource Management activities, as indicated in the Organisational chart. To discharge its function, the Department is staffed with experienced HR personnel drawn from the government pool. The HR function is headed by a director assisted by a deputy with over twenty years' experience in Administration and Human Resource management, the team has ascended through various ranks and participated in numerous training and workshops to enhance their expertise. They are supported by competent staff also drawn from the government pool and within the OAuGF who are responsible for Training, Staff Welfare and Appointment, Promotion and Discipline. (Criterion a)

Under the purview of the HRM Department lies the development and maintenance of HR Strategy and Policies. While a draft HR policy is currently under development, it remains unutilized until approved and implemented. However, it is pertinent to note

that, the OAuGF is part of the Federal Public Service System whose Human Resource operations are guided by Public Service HR policies including the Federal Civil Service Strategy and Implementation Plan (2021-2025) of the Office of the Head of Civil Service of the Federation (OHCSF). Moreover, the Human Resources Plans and activities are subject to the approval of the Office of the Head of Civil Service of the Federation. Therefore, this criterion is rated as not met since the draft HR policy is not yet approved. (Criterion b)

The OAuGF did not establish a competency framework but relies on the Federal Government's Scheme of Service (revised in May 2000) also published by the OHCSF. This specifies a generic set of core competencies, methods of entry and advancement, duties for various cadres in the Service. The Department oversees the maintenance of an annual performance evaluation appraisal system crucial for staff promotion. Identifying personal development needs is a key element in the Annual Performance Evaluation Report (APER). Efforts are underway to align this system with the newly introduced Performance Management System (PMS) detailed in the Revised 2021 edition of Public Service Rules Chapter 5. (Criteria c, e)

Complementing these functions is the Training and Staff Welfare (TSW) Division within the HRM Department, responsible for nurturing the professional growth of employees. The TSW annual workplan sets out how the Division proposes to respond to identified needs. However, in practice, the ability to meet these needs is restricted by limited resources. Additionally, the department offers guidance and consultation on HR matters while also managing the maintenance of staff files. (Criteria d, f, g)

Dimension (2): Human Resource Strategy

The Office of the Auditor General for the Federation neither has a stand-alone document that emphasizes guidance on training, staff welfare or performance management nor a current operational strategic plan.

The OAuGF Strategic Development Plan (2017-2022), which had a strategic approach to key aspects of its HR function, expired in the 2022 financial year. Presently, the OAuGF lacks an approved Human Resource Strategy. A draft Human Resource Policy remains pending approval and is currently under development. Nevertheless, the OAuGF's Human Resources activities are in sync with the strategic plan of the Office of the Head of Civil Service of the Federation (FCSSIP 2021-2025), ensuring alignment with broader governmental HR initiatives and policies. (Criterion a)

The OAuGF has no responsibility and consequently no strategic approach in relation to remuneration as this lies outside the control of the Office. Specifying and setting salaries, remuneration are the responsibility of the National Salaries, Income and Wages Commission. (Criterion b)

The OAuGF does not have an approved Human Resource Strategy for the period of the assessment and the Strategic Development Plan was no longer operational as at 2023 financial year. The Office will be required to develop its Human Resource Strategy in line with a new Strategic Plan. (Criteria c-g)

Dimension (3): Human Resources Recruitment

The Federal Civil Service Commission (FCSC) stands as the body responsible for recruitment for government offices under the core service which also oversees the promotion and discipline of staff. The Scheme of Service of the Federal Government provides the minimum qualification requirements for aspiring staff. Furthermore, Public Service Rules (PSR) and the Guidelines for Appointments, Promotion, and Discipline provide guidance for entry into the Federal Public Service. Though the Office itself is not vested with the power to independently recruit professional staff (grade level 08 and above as such prerogatives are reserved for the FCSC, the Office is granted the latitude to recruit junior staff, specifically non-audit personnel on Grade levels 6 and below, as per the FCSC's delegation.

To manage these delegated tasks, a committee is formed, as the recruitment decision-making process often involves multiple government agencies. This includes the recruiting Ministry, Department, or Agency (MDA), the FCSC, the Federal Character Commission, the Budget Office, and the Office of the Head of the Civil Service of the Federation (OHCSF). The Budget Office of the Federation provides the necessary financial endorsement before any recruitment activities can commence, ensuring a structured and well-governed approach to public service staffing. Though recruitment takes into consideration an analysis of organizational needs, ultimately, the recruitment plans hinge on the approval of the Head of the Civil Service of the Federation, who has the authority to grant waivers for recruitment to the requesting organization. (Criteria d, e)

The recruitment protocols/ procedures are made public and consider diversity which is consistent with the Federal Character Policy of the Government as enshrined in Section 8 (1) b of the Third Schedule Part 1 C of the Constitution of the Federal Republic of Nigeria. The Federal Government also has a policy that requires MDAs to reserve five per cent employment slots to persons with disabilities across the country.

Presently, an embargo on recruitment exists, but advertisements of positions are carried out by the FCSC for certain grade levels - 12 and above, as it is not mandatory to advertise for grade levels 8-10. (Criteria a, b, c, f)

As earlier stated, some HR staff are drawn from the government pool. The internal human resources are supplemented by outside expertise as the need arises although there is no framework that explicitly provides for this criterion. (Criterion g)

Dimension (4): Remuneration, Promotion and Staff Welfare

An interview with the HR Department highlighted that annual appraisals are carried out for all staff as it is a requirement for promotions. Promotions follow established procedures as provided for in the Guidelines for Appointments, Promotion and Discipline. This procedure considers assessment of performance and potential to perform at a higher level through APER and promotion interviews. The appraisal assesses employee performance against job description annually. However, a new Performance Management System is being introduced to replace the old appraisal system using the APER system. (Criteria a, b, d, e)

Remuneration of staff is not under the purview of the OAuGF. The Office has a functioning staff welfare policy as enshrined in the PSR which has recently been reviewed by the Federal Government of Nigeria. A policy direction in the office to consider incentivising staff, reward system is being developed. Also, an Audit Act is in the process of promulgation in Nigeria. (Criterion c)

The Office has a functioning staff welfare policy as enshrined in the PSR which has recently been updated by the Federal Government of Nigeria. Equally, the Office maintains a safe work environment where staff are free to voice concerns. The Office has suggestion box in place on the ground floor where staff are free to submit their views on issues affecting them or the Office operations. The Office also communicated questionnaire to the staff and management between September and October 2023, during the development of its strategic plan, where staff expressed themselves regarding the operations of the Office. On the issue of staff welfare for instance Management consent was sought for crowd funding to aid an ailing member of staff pay exorbitant medical bills which was granted. The Management has a staff clinic within the Office, while staff are placed on the National Health Insurance Scheme (NHIS). Staff are also given financial support during festivities. (Criteria f, g, h)

4.5.2 SAI-23: Professional Development and Training - Score [1]

Narrative

This indicator assesses how the SAI as an organisation is able to promote and ensure professional development to improve and maintain the competency of its staff. It is linked to ISSAI 12. This states that SAIs should promote continuing professional development that contributes to individual, team and organisational excellence. It assesses four dimensions:

- (1) Plans and Processes for Professional Development and Training**
- (2) Financial Audit Professional Development and Training**
- (3) Performance Audit Professional Development and Training**
- (4) Compliance Audit Professional Development and Training**

The assessment of SAI-23 is mainly based on the annual workplan and interviews with officers responsible for the human resource function.

Dimension (1): Plans and Processes for Professional Development Training:

The OAuGF develops a plan for professional development and training. Annually, a workplan indicating various trainings are outlined including personal skills training, management training, familiarization training for new staff where applicable. (Criterion a)

Although the OAuGF includes training in its annual workplan, it has not yet developed a Human Resources Strategy or a Strategic Plan. Consequently, the annual plan is not aligned with any tailored learning strategy or specific goal. Instead, it depends on the administrative procedures of the Federal Civil Service. Despite acknowledging the importance of training within its annual workplan, the OAuGF has not yet charted a definitive course for the professional growth of its staff. The absence of a training needs analysis leaves a gap in understanding the specific skills and knowledge areas that require enhancement. The broader national Public Service Training and Capacity Development Policy, while in existence, does not focus on the specialized fields of Performance Audit (PA), Financial Audit (FA), or Compliance Audits (CA). (Criterion b)

The Office lacks established procedures for selecting staff to participate in training and acquire professional qualifications. The absence of a development plan that is tied to annual appraisals means that monitoring its execution is not carried out. As it stands, there is no competency framework, needs assessment or clear procedures for selecting audit and non-audit staff for professional training opportunities. Currently, staff members, driven by personal initiative, often seek out professional training on their own or in some instances, some particular training approved by the AGF, staff selection may be based on response to training calls through Expression of Interests. The Office's annual operational plan also identifies cadres it wishes to develop in order to discharge its mandate. Reference Annual Workplan. Although cadres are identified for development, the implementation of such training is subject to availability of funds. (Criteria c, d, e, and f)

Furthermore, the office lacks standardized mechanisms to monitor and evaluate the impact of any professional development activities on its staff. (Criterion g)

Dimension (2): Financial Audit Professional Development and Training

The Human Resource Management Department has a Unit, Training and Staff Welfare (TSW) that is assigned the responsibility for the general professional development and training of officers in the office though not specifically assigned to financial audit training. (Criterion a)

Though there is an annual workplan which caters to training all cadres of staff in the Office, no competency framework has been developed for the various staff grades in financial auditing. Additionally, there is no documented plan specifically for financial audits that addresses identified needs and competencies. However, the Office of the

Auditor-General for the Federation (OAuGF) has organized office-wide training on financial audit methodology. Also, within the Treasury department, refresher training on the job is carried out as the need arises. Presently, a refresher training is being proposed by the Auditor General for training of staff on audit of stand-alone financial statements for resident auditors. This is due to a recent circular from the Accountant-General requiring all MDAs to prepare standalone financial statements. These isolated training courses are neither structured nor sufficient. Although an annual work plan for training all levels of staff is prepared, there is no specific plan for professional development and training in financial auditing that includes mentoring and membership in relevant professional bodies. Nevertheless, the Office does encourage the personal development of staff. (Criteria b,c,d)

Dimension (3): Performance Audit Professional Development and Training

HR is responsible for the broad professional development and training of office officers, although not specifically for performance audit training. An officer in the Department of Human Resource Management is tasked with the professional development and training of all staff, managing their training requirements. (Criterion a)

Supported by AFROSAI-e, the Office has trained numerous performance auditors, especially within the performance audit department. In 2022, performance audit training was conducted for the department's staff. While there is no dedicated training plan for performance auditors, the Office participates in the regional training program organized by AFROSAI-e. More than 20 performance auditors have gained from this regional support. An annual work plan exists to facilitate the training of all cadres of Office staff, yet a competency matrix framework to determine the needs of different staff grades is lacking. There is a necessity for training needs assessment at various staff levels within Performance Audit. The annual work plan for PA is derived from the management's strategic and annual plans. (Criteria b, c, d)

Dimension (4): Compliance Audit Professional Development and Training

Although no specific officer is tasked with the responsibility for Compliance Audit professional development and training, the OAuGF has appointed officers within the Department of Human Resources (Training and Staff Welfare) that oversee professional development and training (Criterion a).

As already mentioned, an annual work plan for staff training exists. However, the Office has not developed a specific plan for the professional development of Compliance Audit staff. The OAuGF has conducted office-wide training on Compliance Audit methodology for all officers. The office still needs to create tailored competency requirements for different staff grades in Compliance Audit, based on an analysis that addresses the identified training needs of audit staff (Criteria b, c, d).

4.6 Domain F: Communication and Stakeholder Management

Domain F looks at the extent to which the SAI has established effective communications with its key stakeholders. Domain F comprises two indicators.

Domain F: Communication and Stakeholder Management		Dimensions				Overall score
Indicator	Name	1	2	3	4	
SAI-24	Communication with the Legislature, Executive and Judiciary	2	2	2	0	1
SAI-25	Communication with the Media, Citizens and Civil Society Organisations	4	4			4

4.6.1 SAI-24: Communication with the Legislature, Executive and Judiciary - Score [1]

Narrative

SAI 24 seeks information on the existence of a current strategy to regulate communications at levels for the SAI. It also explores the status of communications channels and their effectiveness with a range of other interested parties. The outputs from an SAI are reports. The content of these needs to be made available in a coherent way to those who will be expected to have an interest or are mandated to act upon the content of these reports. This indicator has four-dimensions:

- (1) **Communications Strategy.**
- (2) **Good Practice Regarding Communication with the Legislature.**
- (3) **Good Practice Regarding Communication with the Executive.**
- (4) **Good Practice Regarding Communication with the Judiciary and/or Prosecuting and Investigating Agencies.**

The assessment of SAI-24 is mainly based on the following key sources of evidence used:

- i. **Communication Policy**
- ii. **Official Website of the OAuGF**

Dimension (1): Communications Strategy.

OAuGF has a communication policy that outlines how to communicate with various stakeholders. The policy also identifies the key stakeholders of the SAI. (Criterion a)

The Communication policy identifies the key stakeholders with whom the SAI needs to communicate. The stakeholders include CSO, Media, Donors, PAC, auditees etc. (Criterion b)

Page 3 of the communication policy identified the key message the Office wants to communicate. (Criterion c)

Page 5 of the communication policy identified the tools and approaches to be used in communicating with the various stakeholders. Some of the approaches are Press

releases, Newsletters, Audit report, Websites, interviews, seminars, meetings etc. (Criterion d)

OAU GF Communication Policy does not align with the Strategic Development Plan. (Criterion e)

OAU GF does not monitor the implementation of its communication policy. (Criterion f)

OAU GF does not conduct periodic assessment of its stakeholders on the SAI effective communication.

Dimension (2): Good Practice Regarding Communication with the Legislature.

OAU GF report its findings annually to the parliament through Annual Audit Reports issued by the Auditor General for the Federation. This is in line with section 85 (2) and (5) of the Constitution of the Federal Republic of Nigeria. (Criterion a)

Though cross cutting issues are identified and published in the Annual audit Report, these issues are not discussed with the key stakeholders. (Criterion b)

OAU GF Communication Policy establishes the procedures for communicating with the Legislature on pages 5, 6 and 8 of the Communication Policy. The Director of Audit, Department of Public Accounts Committee (PAC) is responsible for this communication. (Criterion c)

OAU GF raise awareness of its role and mandate to the Legislature through retreats and technical sessions. The Office held a retreat with Members of the Public Accounts Committees of the National Assembly at the Hilton, Abuja in 2023. Also, the Office raise awareness through Press releases, public enlightenment campaigns where citizens are informed on how to access the Official website www.oaugf.ng for the Audit reports and other activities of the SAI. Also, the Office publishes Citizens' guide to further enlighten Members on its role and mandate. (Criterion d)

At the retreat and technical sessions, OAU GF explain the contents of the audit report to help them better understand and take appropriate actions on the reports. (Criterion e)

The OAU GF ensures that it submits its Annual report to the PAC through its clerk within the 90 days framework required by section 85 (5) of the constitution. These reports are discussed during the plenary sessions of the PAC. (Criterion f)

Though OAU GF give some form of expert opinions to some professional bodies, attend some town hall meetings to give their voice to some professional issues, it has not provided an expert opinion or comments on the draft laws to the legislature. (Criterion g)

The OAU GF does not have feedback sessions with the legislature. (Criterion h)

Dimension (3): Good Practice Regarding Communication with the Executive.

The OAU GF does not in any way get involved in the management of the Organizations they audit. The OAU GF communicates to the auditees, through its Letter of

Understanding, the objectives of the audit, the responsibility of the auditor and the auditees. (Criteria a, b)

The OAuGF does not invite senior members of the Executive to meetings to discuss issues of concern to both the Office and the Executive, including common findings, trends and root causes the SAI has identified through analysis of its audit reports. (Criterion c)

The OAuGF does not seek feedback from the audited entities about the quality and relevance of audit reports and the audit process. Although, the Office sought their views as part of stakeholder's engagement during the development of the OAuGF Strategic Plan (Criterion d)

Dimension (4): Good Practice Regarding Communication with the Judiciary and/or Prosecuting and Investigating Agencies.

The communication policy does not provide for communication with the Judiciary or prosecuting Agencies. (Criterion a)

The OAuGF does not carry out awareness raising activities with the Judiciary and/or prosecuting and investigating agencies on the SAI's role, mandate and work. (Criterion b)

The Communication Policy does not provide for communication with the Judiciary or prosecuting agencies. Thus, the OAuGF does not Communicate with the Judiciary and/or prosecuting and investigating agencies about the role of the SAI in relation to investigations and legal proceedings that are initiated on the basis of the SAI's audit findings and as such does not have a system for follow-up. (Criteria c, d)

The OAuGF does not carry out Jurisdictional functions. (Criterion e)

4.6.2 SAI-25: Communication with the Media, Citizens and Civil Society Organisations – [4]

Narrative

This indicator assesses the extent to which the SAI reaches out to the wider public through the media and civil society to inform about its role and the results of its work. It has 2 dimensions:

(1) Good Practices Regarding Communication with the Media.

(2) Good Practices Regarding Communications with the Citizens and Civil Society Organisations.

The assessment of SAI-25 is mainly based on the Communication Policy and the OAuGF website

Dimension (1): Good Practices regarding Communication with the Media

A Technical Session at the Plenary of the National Assembly and a retreat by the OAuGF held at the Hilton which was used to Communicate and Promote the Value and Benefits of the OAuGF. (Criterion a)

Press releases that are issued are usually uploaded on the OAuGF website. A reference to the recently published Audit report was featured on the Guardian

Newspaper dated 13th February 2024 which made reference to the disclosure of unapproved spendings by Ministries, Departments and Agencies of the Federal Government of Nigeria. (Criterion b)

The Office has a Head PR/Communications who ensures the reports are uploaded on the OAuGF website which is a public domain. The reports are submitted to the Public Accounts Committee with the Media present for news item and reports on the submission made by the OAuGF. An example was the press release published in The Guardian, 08 January, 2024. The Head of PR, monitors the accredited media correspondents to the OAuGF. (Criteria c, d)

The SAI has a Communication Policy which enables proper channel of communication as the need arises or as the case may be. With reference to the OAuGF Communication Policy. Where the media is engaged, the Head of PR/Communications engages with the media through Press releases, Website, Interviews etc. Reference to www.oaugf.ng Newsletters, Publications, Reports, (Criterion e)

The Head of PR has a structured point of communication from the OAuGF's accredited journalists/media. Every news item or publication is disseminated through a URL or link shared on a WhatsApp group (also on Dropbox and Google drive) created by the Head of PR for further transmission. (Criterion f)

Dimension (2): Good Practices regarding Communication with Citizens and Civil Society Organisations

The mandate of the OAuGF has been made public on the website (<https://www.oaugf.ng/about-us/about-oaugf>) as well as the OAuGF Citizens Guide 2022 Edition (Criterion a)

The Auditor General for the Federation's reports generally include a description of the AuGF's role. which is made for easy understanding highlighting the 5 Cs of Audit reporting. For easy understanding, the Audit Reports are summarized explaining the results of Audit Reports. See ref:

<https://www.oaugf.ng/component/search/?searchword=audit%20report&searchphrase=all&limit=20> (Criterion b)

The Head of PR understands the overall objectives of OAuGF and also makes it public through photographed news, feature placements of the OAuGF on the internet. Civil societies have been engaged through media sensitization which have integrated a wider impact plan. (Criterion c)

Through Press releases, public enlightenment campaigns, citizens are informed on how to access the website www.oaugf.ng for the Audit reports and other activities of the SAI. (Criterion d)

Using the internet as an Information and Communication Technology, initiatives ie the OAuGF hotline has been created, thereby making it an instrument for diffusion of public information in order to foster citizens participation through deliberations and consultations. (<https://www.oaugf.ng/contact-us>) (Criterion e)

The OAuGF website has provided an accessible and powerful kit to highlight the activities of the Office thereby showcasing its activities and events to make a wider audience aware of the SAIs existence. (Criterion f)

The OAuGF is assisting the Federal Government deliver change in the President's Renewed Hope Agenda through the public sector performance by breaking down government silos and ensure interagency information sharing which will enhance transparency in the public sector. (Criterion g)

All feedback and communications are captured and made available through the web portal. The entire process is automated with a tool which does not require dedicated resources to manage the process. Relevant comments are forwarded to the appropriate channel of communication for follow up and further action. (Criterion h)

Chapter 5: SAI Capacity Development Process

5.1 Recent and On-going Reforms

The OAuGF commenced the development of its Strategic Plan in September 2023, this to ensure the Strategic Goals of the Office is properly communicated to all its Internal and External Stakeholders in order to positively impact the Citizens of Nigeria in line with the requirements of INTOSAI-P 12.

Furthermore, the Office engaged with the INTOSAI Development Initiative (IDI) to build the capacity of some staff on Stakeholders' Engagement, Development of Strategic Plan, SAI Independence and development of its Operational Plan.

Also, the OAuGF commenced engagement with the African Organisation of English-Speaking Supreme Audit Organisations (AFROSAI-E) to adapt its AFROSAI-E SAI Enhancement Audit Tool (A-SEAT) to Nigeria SAI Enhancement Audit Tool (N-SEAT). These activities included training, Pilot Audits of some audit teams covering the Financial Audits, Compliance Audits, Performance Audits and Information Technology Audits. The success from this exercise, will lead to the whole of Office Training in order to strengthen the technical capacity of the staff and enhance its audit performance.

The Accountant-General of the Federation, through a Federal Treasury Circular vide Ref. No. TRY A3& B3/2024 OAGF/CAD/026/V.1/855 dated 4th April 2024 mandated Federal Ministries, Departments and Agencies (MDAs) to prepare and submit Stand-alone annual financial statements. The Auditor-General for the Federation approved a refresher training of its staff on the International Public Sector Accounting Standards (IPSAS) and Financial Audit Methodology to further strengthen the Technical and Professional Capacities of the staff in executing the mandate of the OAuGF.

The Central Coordination of Audits in the AuGF's Office is to further strengthen communication to the Auditees and ensure reports are submitted within the expected timeframe. The delays experienced in releasing the 2021 - 2023 AuGF's Annual Report were due to a combination of elongated period of appointing the AuGF as well as internal delays in finalising reports. These are currently being addressed with a road map that will see the AuGF and the Accountant-General of the Federation, work together to ensure all the FGN Consolidated Financial Statements are audited, and all outstanding reports (2021-2023 financial years) are audited and published by the end of 2024.

However, since the completion and submission of the FGN CFS for the year ended 31 December 2021 on 31 July 2024, the Office of the Accountant-General of the Federation has not submitted the 2022 and 2023 FGN CFS for audit. This implies that

the Accountant-General has not complied with the roadmap to clear the outstanding reports by the end of 2024, a situation which is beyond the OAuGF's control.

5.2 Use of SAI Results by External Providers of Financial Support

The OAuGF collaborates with Public Accounts Committees of the National Assembly, the Executive, Development Partners and CSOs when its reports are reviewed to strengthen public probity and accountability.

The Office implements these through special audit requests from the Parliaments and the executives, which aids the Government in its efforts to strengthen accountability in the public space. Also, CSOs use the reports of the AuGF to draw the public's attention to gaps observed while calling on the appropriate authorities to take corrective measures or apply the relevant sanctions to erring Public Office Holders.

Some Development Partners such as the World Bank, African Development Bank, Global Fund etc engage the OAuGF to perform audits of their projects/programmes within the country. Part of the overarching goal of the Memorandum of Understanding, is to support the Capacity Building of the OAuGF Staff. These are done through capacity development programmes organised by the Partner or through the OAuGF Internal Mechanism to prepare the staff for the audit engagement. These are usually done on a need basis as identified by the Director responsible for the audit engagement. The audits of World Bank and Development Partners projects and programmes performed by the OAuGF, are not considered as being financed since the projects or programmes only pay allowances and travel costs to the participating staff and not to the operations of the Office.

In 2019, the OAuGF planned and executed the audit of financial statements for twenty three (23) World Bank Assisted Projects in Nigeria.

This was further strengthened when the AuGF was engaged as the Independent Verification Agent (IVA) on a World Bank Assisted Programme, called the States Fiscal Transparency Accountability and Sustainability (SFTAS) Programme for Results (PforR). Teams from the OAuGF worked with 3rd Party Audit Firms like the PwC, Nigeria and jointly carried out an Annual Performance Assessment (APA) for the 36 participating States of the Federation. This programme was implemented from 2019 to 2022.

The Office is also in discussion with some partners and as a result, the Office is ensuring the capacity development of its staff internally to enable it to achieve its mandate and also provide increased services to its clients.

The engagements further strengthen the technical capacities of the OAuGF staff engaged, in terms of planning, executing, and reporting. The knowledge from such engagements/assignments is applied by the OAuGF staff when performing their functions. The Teams also share their knowledge with their colleagues who may be engaged in future exercises.

The OAuGF is funded by the Federal Government of Nigeria and as a result, the Office does not perform external programmes and Projects audits at the expense of its mandate.

Annexure

Annex 1: Performance Indicator Summary

Indicator	Indicator Name	(1)	(2)	(3)	(4)	Overall Score
Domain A	SAI Independence and Legal Framework					
SAI-1	Independence of the SAI	3	1	1	2	2
SAI-2	Mandate of the SAI	4	4	4		4
Domain B	Internal Governance and Ethics					
SAI-3	Strategic Planning Cycle	0	1	2	1	1
SAI-4	Organisational Control Environment	0	1	3	2	1
SAI-5	Outsourced Audits	N/A	N/A	N/A		N/A
SAI-6	Leadership and Internal Communication	1	2			1
SAI-7	Overall Audit Planning	1	2			1
Domain C	Audit Quality and Reporting					
SAI-8	Audit Coverage	4	1	1	N/A	2
SAI-9	Financial Audit Standards and Quality Management	4	3	1		3
SAI-10	Financial Audit Process	1	1	2		1
SAI-11	Financial Audit Results	4	2	0		2
SAI-12	Performance Audit Standards and Quality Management	4	4	0		2
SAI-13	Performance Audit Process	3	2	3		3
SAI-14	Performance Audit Results	4	0	0		1
SAI-15	Compliance Audit Standards and Quality Management	4	1	1		2
SAI-16	Compliance Audit Process	0	0	2		1
SAI-17	Compliance Audit Results	4	3	0		2
SAI-18	Jurisdictional Control Standards and Quality Management	N/A	N/A	N/A		N/A
SAI-19	Jurisdictional Control Process	N/A	N/A	N/A		N/A
SAI-20	Results of Jurisdictional Controls	N/A	N/A	N/A		N/A
Domain D	Financial Management, Assets, and Support Services					
SAI-21	Financial Management, Assets, and Support Services	2	1	2		2
Domain E	Human Resources and Training					

Indicator	Indicator Name	(1)	(2)	(3)	(4)	Overall Score
SAI-22	Human Resource Management	3	0	3	4	2
SAI-23	Professional Development and Training	1	1	1	1	1
Domain F	Communication and Stakeholder Management					
SAI-24	Communication with the Legislature, Executive and Judiciary	2	2	2	0	1
SAI-25	Communication with the Media, the Citizens and Civil Society Organisations	4	4			4

Annex 2: Detailed overview of assessment scores

Assessment scoring

Indicator/Dimension	Findings	Score
SAI-1: Independence of the SAI		2
1: Appropriate and effective constitutional framework	Met: a, b, d, e, f, g Not met: c	3
2: Financial independence/autonomy	Met: b, d Not met: a, c, e, f, g	1
3: Organizational independence/autonomy	Met: e, g Not met: a, c, b, d, f	1
4: Independence of the Head of SAI and its Officials	Met: a, c, e, f Not met: b, d, g	2
SAI-2: Mandate of the SAI		4
1: Sufficiently broad mandate	Met: a, c, d, e, f, g, h, l Indicator N/A: b	4
2: Access to information	Met: a, b, c, d, e	4
3: Right and obligation to report	Met: a, b, c, d, e, f, g	4
SAI-3: Strategic Planning Cycle		1
1: Content of the Strategic Plan	Not met: a, b, c, d, e, f, g	0
2: Content of the Annual Plan/Operational Plan	Met: a, b Not met: c, d, e, f, g	1
3: Organizational Planning Process	Met: a, b, c, d, l Not met: e, f, g, h	2
4: Monitoring and Performance Reporting	Met: g Not met: a, b, c, d, e, f	1
SAI-4: Organizational Control Environment		1
1: Internal Control Environment – Ethics, Integrity and Organizational Structure	Met: a, b, c, h, i, j Not met: d, e, f, g, k, l	0
2: System of Internal Control	Met: g, l Not met: a, b, c, d, e, f, h, j	1

Indicator/Dimension	Findings	Score
3: Quality Control System	Met: a, b, c, d Not met: e	3
4: Quality Assurance System	Met: c, d, f, h Not met: a, b, e, g	2
SAI-5: Outsourced Audits		N/A
1: Process for Selection of Contracted Auditor	Indicator N/A: a, b, c, d, e, f, g	N/A
2: Quality Control of Outsourced Audits	Indicator N/A: a, b, c, d	N/A
3: Quality Assurance of Outsourced Audits	Indicator N/A: a, b, c, d, e, f, g	N/A
SAI-6: Leadership and Internal Communication		1
1: Leadership	Met: a, b, d Not met: c, e, f, g, h	1
2: Internal Communication	Met: b, d, f Not met: a, c, e	2
SAI-7: Overall Audit Planning		1
1: Overall Audit Planning Process	Met: a, b Not met: c, d, e, f, g	1
2: Overall Audit Plan Content	Met: a, b, c Not met: d, e	2
SAI-8: Audit Coverage and coverage of the control of regularity of the accounts and management operations		2
1: Financial Audit Coverage	Met: a N/A: b, c, d, e	4
2: Coverage, Selection and Objective of Performance Audit	Met: a, b, d Not met: c, e, f, g, h	1
3: Coverage, Selection and Objective of Compliance Audit	Met: a, c, d Not met: b	1
4: Dim 4-Option 1 Coverage control of regularity of accounts	N/A: a, b, c, d, e	N/A
5: Dim 4-Option 2 Coverage control of regularity of accounts	N/A: a, b, c, d	N/A
SAI-9: Financial Audit Standards and Quality Management		3
1: Financial Audit Standards and Policies	Met: a, b, c, d, e, f, g, h, i, j, k, l, m, n, o, p, q, r, s, t, u, v	4
2: Financial Audit Team Management and Skills	Met: a, b, c, d, e, f, g, i, j, k, l Not met: h	3
3: Quality Control in Financial Audit	Met: e Not met: a, b, c, d	1
SAI-10: Financial Audit Process		1

Indicator/Dimension	Findings	Score
1: Planning Financial Audits	Met: a, c Not met: b, d, e, f, g, h, i, j, k	1
2: Implementing Financial Audits	Met: e Not met: a, b, c, d, f, g	1
3: Evaluating Audit Evidence, Concluding and Reporting in Financial Audits	Met: c, d, f, g, h, i, j Not met: a, b, e N/A: k	2
SAI-11: Financial Audit Results		1
1: Timely Submission of Financial Audit Results	Met: a N/A: b, c, d, e	4
2: Timely Publication of Financial Audit Results	Met: c N/A: a, b, d, e	2
3: SAI Follow-up on Implementation of Financial Audit Observations and Recommendations	Not met: a, b, c, d, e, f	0
SAI-12: Performance Audit Standards and Quality Management		3
1: Performance Audit Standards and Policies	Met: a, b, c, d, e, f, g, h, i, j, k, l, m, n, o, p, q, r, s, t, u	4
2: Performance Audit Team Management and Skills	Met: a, b, c, d, e, f, g, h, i, j, k, l, m, n	4
3: Quality Control in Performance Audit	Not met: a, b, c, d, e, f	0
SAI-13: Performance Audit Process		3
1: Planning Performance Audits	Met: a, b, c, d, e, f, g, h, k, l Not met: i, j, m	3
2: Implementing Performance Audits	Met: d, e, f, i, j Not met: a, b, c, g, h, k	2
3: Reporting on Performance Audits	Met: a, b, c, d, e, f, g, h, i, j, k Not met: l	3
SAI-14: Performance Audit Results		1
1: Timely Submission of Performance Audit Reports	Met: a N/A: b, c, d, e	4
2: Timely Publication of Performance Audit Reports	Met: e N/A: a, b, c, d	0
3: SAI Follow-up on Implementation of Performance Audit Observations and Recommendations	Not met: a, b, c, d, e, f, g	0
SAI-15: Compliance Audit Standards and Quality Management		2

Indicator/Dimension	Findings	Score
1: Compliance Audit Standards and Policies	Met: a, b, c, d, e, f, g, h, i, j, k, l, m, n, o, p, q, r	4
2: Compliance Audit Team Management and Skills	Met: h, i, j, k, l, m, n, o, p, q Not met: a, b, c, d, e, g N/A: f	1
3: Quality Control in Compliance Audit	Met: f Not met: a, b, c, d, e	1
SAI-16: Compliance Audit Process		1
1: Planning Compliance Audits	Met: f Not met: a, b, c, d, e, g, h, i, j, k	0
2: Implementing Compliance Audits	Not met: a, b, d, e N/A: c	0
3: Evaluating Audit Evidence, Concluding and Reporting in Compliance Audits	Met: e, f, g, h, l Not met: a, b, c, d N/A: j	2
SAI-17: Compliance Audit Results		2
1: Timely Submission of Compliance Audit Results	Met: a N/A: b, c, d, e	4
2: Timely Publication of Compliance Audit Results	Met: b N/A: a, c, d, e	3
3: SAI Follow-up on Implementation of Compliance Audit Observations and Recommendations	Not met: a, b, c, d, e, f	0
SAI-18: Jurisdictional Legal Framework and system to ensure quality of the control of the accounts		N/A
1: Jurisdictional Laws, internal regulations and policies	Indicator N/A: a, b, c, d, e, f, g, h, i	N/A
2: Control of the accounts staff competencies and quality	Indicator N/A: a, b, c, d, e, f, g, h	N/A
SAI-19: Jurisdictional Activities		N/A
1: Planning the control of the accounts	Indicator N/A: a, b, c, d, e	N/A
2: Conducting the control of the accounts	Indicator N/A: a, b, c, d, e, f	N/A
3: Legal proceedings - Decision-making Process	Indicator N/A: a, b, c, d, e, f, g, h, i	N/A
4: Legal proceedings - Final Decision	Indicator N/A: a, b, c, d, e, f, g, h	N/A
SAI-20: Results of Legal Proceedings		N/A
1: Notification of results	Indicator N/A: a, b, c, d, e	N/A
2: Publication of results	Indicator N/A: a, b, c, d, e	N/A

Indicator/Dimension	Findings	Score
3: Follow-up by the SAI on the implementation of results	Indicator N/A: a, b, c, d	N/A
SAI-21: Financial Management, Assets and Support Services		2
1: Financial Management	Met: a, b, c, d, e, f, g Not met: h, i, j, k	2
2: Planning and Effective Use of Assets and Infrastructure	Met: e Not met: a, b, c, d	1
3: Administrative Support Services	Met: a, b Not met: c, d	2
SAI-22: Human Resource Management		2
1: Human Resources Function	Met: a, d, e, f, g Not met: b, c	3
2: Human Resources Strategy	Not met: a, b, c, d, e, f, g	0
3: Human Resources Recruitment	Met: a, b, c, d, f Not met: e, g	3
4: Remuneration, Promotion and Staff Welfare	Met: a, b, d, e, f, g, h N/A: c	4
SAI-23: Professional Development and Training		1
1: Plans and Processes for Professional Development and Training	Met: a, e Not met: b, c, d, f, g	1
2: Financial Audit Professional Development and Training	Met: a Not met: b, c, d	1
3: Performance Audit Professional Development and Training	Met: a Not met: b, c, d	1
4: Compliance Audit Professional Development and Training	Met: a Not met: b, c, d	1
SAI-24: Communication with the Legislature, Executive and Judiciary		1
1: Communications Strategy	Met: a, b, c, d Not met: e, f, g	2
2: Good Practice Regarding Communication with the Legislature	Met: a, c, d, e, f Not met: b, g, h	2
3: Good Practice Regarding Communication with the Executive	Met: a, b Not met: c, d	2
4: Good Practice Regarding Communication with the Judiciary, Prosecuting and Investigating Agencies	Not met: a, b, c, d N/A: e	0
SAI-25: Communication with the Media, Citizens and Civil Society Organizations		4
1: Good Practice Regarding Communication with the Media	Met: a, b, c, d, e, f	4

Indicator/Dimension	Findings	Score
2: Good Practice Regarding Communication with Citizens and Civil Society Organizations	Met: a, b, c, d, e, f, g, h	4

Annex 3: Sources of Information and Evidence to Support Indicator Scoring

List of Interviewees

- i. Representatives of the Human Resources Department
- ii. Representatives of the Finance and Accounts Department
- iii. Representatives from Departments (A WhatsApp Platform was created for all representatives of Departments for ease of communication)

Documents Reviewed

- i. Constitution of the Federal Republic of Nigeria 1999 (as amended)
- ii. Financial Regulations (2009)
- iii. Public Service Rule (2009 and 2023 editions)
- iv. OAuGF Communications Policy
- v. OAuGF Annual Work Plans
- vi. AuGF Annual Report 2020
- vii. Financial Audit Manual
- viii. Compliance Audit Manual
- ix. Performance Audit Manual
- x. Strategic Development Plan 2017-2022
- xi. Regularity Audit Guide
- xii. Audit Quality Control and Assurance Manual
- xiii. OAuGF Budget Performance - 2023
- xiv. Scheme of Service
- xv. Guidelines for Appointments, Promotion and Discipline
- xvi. Conditions of Service
- xvii. Civil Service Handbook
- xviii. Annual Performance Evaluation Report (APER).
- xix. The 2023 and 2024 Appropriation Acts of the Federal Government of Nigeria.
- xx. Establishment Circulars from the Office of the Head of Civil Service of the Federation
- xxi. OAuGF Code of Conduct and Ethics

Audit Files Reviewed

- **Financial Audit**
 - i. Federal Government of Nigeria Consolidated Financial Statements (2020FY)
 - ii. Livelihood Improvement Family Enterprises Project in the Niger Delta (2022 FY)
 - iii. Mineral Sector for Economic Diversification Project (2022 FY)

- **Performance Audit**

- i. Performance Audit on the Federal Government of Nigeria Budget Preparation process and its implementation
- ii. Performance Audit on the Monitoring of the Maintenance of Federal Roads in Nigeria by the Federal Road Maintenance Agency (FERMA)
- iii. Performance Audit on the Management of resources for the provision of Affordable/Social Homes for Low-income Earners in Nigeria by Family Homes Fund Limited (2018 to 2020)

- **Compliance Audit**

Annual Report on non-compliance/internal control weaknesses in MDAs of FGN for the year ended 31/12/2020 which includes the three sampled files:

- i. Department of Information and Communication Technology, Force Headquarters, Abuja
- ii. Ministry of Niger Delta Affairs
- iii. Financial Reporting Council of Nigeria