

11/14/57

PUBLIC ACCOUNTS COMMITTEE

November 1957 Meeting

VERBATIM REPORT

PUBLIC ACCOUNTS JOINT COMMITTEE

(VERBATIM REPORT)

November, 1957, Meeting.

The Committee, which met at the Lugard Hall Committee Room No. 1, from 25th to 30th November, 1957, consists of the following members appointed by the Northern House of Chiefs and Assembly at their 1957 Budget Sessions:-

ALHAJI HARUNA, C.B.E., M.H.C., Emir of Gwandu - (Chairman)
M. ABDULKADIRI, C.B.E., M.H.C., Emir of Ilorin
ALHAJI ABDURRAHMAN, C.B.E., M.H.C., Emir of Daura
M. MUHAMMADU TUKUR, M.H.C., Emir of Yauri
M. SULAIMANU BARAU, O.B.E., M.H.C., Emir of Abuja
M. MUHAMMADU KWORE, M.H.C., Chief of Wambe
M. IBRAHIM LA'ARO, M.H.A. (Ilorin Town)
M. IDIRISU TAFIDA, M.H.A. (Adamawa Northern Trust Territory, North)
M. YAKARU LAME, M.H.A., Magajin Garin Bauchi (Bauchi West)
ALHAJI MUHAMMADU, M.H.A., Magajin Garin Kazaure (Kazaure)
ALHAJI AUDU ANACE, M.H.A., Magajin Garin Kontagora (Kontagora - Wushishi)

OFFICERS OF THE COMMITTEE

ISA S. WALI, Clerk-Assistant to the Legislature - (Secretary)
ADAMU A. MUHAMMED, Interpreter/Translator - (Interpreter)

REPORTERS

M. GIDADO IDIRISU
M. SABO USMAN
MISS S.P. PAINE
MISS A.M. LUMLEY
MISS A.I. SOUTHWELL
MRS. J. TAYLOR

2. The Emir of Ilorin, M. Abdulkadiri, C.B.E., M.H.C., was the only member unable to attend any of the sittings of the Committee. No member has been appointed to replace Mallam Ado Bayele, who vacated his seat on the Committee on his resignation from the House of Assembly.

3. The following Permanent Secretaries and other (vote-controlling) Officers appeared before the Committee and gave information regarding various queries relating to their Ministries and Officers which were contained in the Annual Report of the Director of Audit on the Accounts of the Government of the Northern Region of Nigeria for the year

ended 31st March, 1956 :-

- THE ACCOUNTANT-GENERAL (Mr. N. Turner, O.B.E.), Ministry of Finance (Accounting Division)
- THE PERMANENT SECRETARY, MINISTRY OF AGRICULTURE (Mr. C.W. Michie, O.B.E.)
- THE PERMANENT SECRETARY, MINISTRY OF WORKS (Mr. P.D. Fletcher, M.B.E.)
- THE ACTING PERMANENT SECRETARY, MINISTRY OF EDUCATION (Mr. H.G. Jelf)
- THE PERMANENT SECRETARY, MINISTRY OF HEALTH (Mr. B. Halstead)
- THE ACTING SECRETARY TO THE EXECUTIVE COUNCIL (Mr. A.T. Clark)
- THE ACTING CHIEF REGISTRAR OF THE HIGH COURT OF JUSTICE (Mr. A.M. Skinner)
- THE PERMANENT SECRETARY, MINISTRY OF SOCIAL WELFARE AND CO-OPERATIVES (Mr. D.W. Russell)
- THE SECRETARY, PUBLIC SERVICE COMMISSION (Mr. B.A. Abbott)
- THE PERMANENT SECRETARY TO THE PREMIER (Mr. H.A.S. Johnston, O.B.E., D.F.C.)
- THE PERMANENT SECRETARY, MINISTRY OF FINANCE (Mr. J. Taylor)

4. The following were also in attendance, throughout the meeting :-

- THE ACTING DIRECTOR OF AUDIT (Mr. M.A. Collings, M.B.E.)
- THE REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION) (Mr. D.D. Reid)
- THE REPRESENTATIVE OF THE MINISTRY OF FINANCE (ACCOUNTING DIVISION) (Mr. Wardle / Mr. Wailes)

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PUBLIC ACCOUNTS JOINT COMMITTEE

MONDAY, 25th November, 1957.

The Committee met at 10.00 a.m.

CHAIRMAN:

First of all I wish to welcome all the members.

At this moment also I should like on behalf of the members of this Committee to thank our former Director of Audit Mr. Guthrie who has been very helpful to us. (Hear, hear) We hope him all success and happiness during his retirement. One of the members of this Committee who is no longer with us, M. Ado Bayero, who has been very alert, will not be forgotten for his useful contributions to the Committee. (Hear, hear) We hope him good luck for his new post.

I have also to congratulate our present Director of Audit, Mr. Collings, and assure him all our hearty support and co-operation. (Hear, hear)

The accounts to be considered at this Meeting are:-

- (a) Report of the Director of Audit on the Accounts of the Government of the Northern Region of Nigeria for the year ended the 31st of March, 1956.
- (b) Jos Hill Station Accounts 1955/56
- (c) Northern Region Loans Development Fund, 1954/55.
- (d) Northern Region Voluntary Agencies Building Loans Fund, 1954/55.
- (e) Statement of the Northern Region Capital Development Account 1954/55.
- (f) Northern Region Native Treasuries Joint Special Reserve Fund, 1954/55.
- (g) Annual Reports and Accounts of the Northern Region Development Corporation for the year 1956/57.
- (h) Northern Regional Marketing Board Accounts for the years ended 31st October, 1955, and 31st October, 1956.

In accordance with the procedure adopted at previous Meetings, time has been allowed today for a preliminary discussion of the work to be undertaken at this Meeting. During this general discussion members of this Committee may raise any points they wish or ask for explanations of any matters which are not clear to them. We also hope to deal with a number of the accounts I have just mentioned, as the Director of Audit has raised no observations on them and therefore it has not been necessary to summon before us the officer responsible for the accounts.

On the remaining days of this week half an hour has been set aside at the beginning of each day for discussion of the points to be dealt with during the day. This will enable us to ask the Director of Audit about any matters which are not clear from his Audit Report and, if necessary, seek his advice on the questions we ask. May I remind members that we start business at each day at 9.30 a.m., except on Friday, when we start at 8.30 a.m. We hope to conclude the business of the Meeting on

ACCOUNTANT-GENERAL:

Yes, Mr. Chairman. It affects it considerably in so far as it brings most of our revenue which is derived centrally into our Regional Accounts.

CHAIRMAN:

Could we hear any observation from the Director of Audit?

DIRECTOR OF AUDIT:

I agree that very little can be done to expedite the closure of the Accounts and I think that the Accountant-General's Department did in fact do very well to close the accounts by the 10th of October when very important transactions were not available for incorporation until the 13th of September. However, this paragraph in the Annual Report deals mainly with the submission of the Annual Statements for Audit and I will in the first place, mention that although the Statement of Assets and Liabilities was gazetted in October 1956, the Annual Abstract Account which is an Account required by regulation to be submitted and to be certified by the Director of Audit, was not received until May 1957. The Statement which is published in the Gazette is only an abbreviation of that Abstract Account. You may wish to enquire from the Accountant-General whether in future it would be possible to publish not merely a Statement of Revenue and Expenditure, but a full Annual Abstract Account at the same time as the Statement of Assets and Liabilities is published. I will refer to the other statements when we come to deal with paragraph 3, because they are again referred there. I would like to mention at this stage that the Detailed Statement of Expenditure which was submitted in the beginning of April 1957 was only in pencil form, and incidentally it was audited and returned within ten days, but we have not yet seen a typed copy of this, or any other copy.

ACCOUNTANT-GENERAL:

Mr. Chairman, it is not possible to produce the full Annual Statement simultaneously with the Statement of Assets and Liabilities without delaying the latter. The wish as I understood it, of the Public Accounts Committee, was to close the Assets and Liabilities and Revenue and Expenditure Accounts and publish them as quickly as possible. So it is a choice of either delaying the publication against the wishes of this Committee or not being able to do what the Director of Audit wishes us to do. We cannot do both. I am not sure whether the question with regards to the Statement is more appropriate to paragraph 2 or to paragraph 3, but the fact does remain that the pencil copy referred to by the Director of Audit, which was submitted to the Audit Department in April of this year, was not returned until the middle of last month and up to now I agree, because of that delay, it has not been typed.

DIRECTOR OF AUDIT:

Mr. Chairman, I regret I have to make a statement which is contradictory. It remained with the Accountant-General's Department for a number of months. It was later called for by the Audit Department. It was returned again, and called for a third time, and eventually returned in October. It was not in the possession of the Audit Department for all the period stated. I suggest, therefore, Mr. Chairman, that it may be unprofitable to continue any disagreement of opinion as to where the Statement was, but what the Committee should concentrate about is to arrange that there should be no similar delays in future years.

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ACCOUNTANT-GENERAL:

Mr. Chairman, I agree it is pointless to continue disagreement especially when we have much to do but I would like to place on record what has been said by the Director of Audit that the Audit Department came and asked for the Statement, stating that it was in our possession. My Senior Accountant, who was then in charge of my Main Accounts Branch, stated that he himself had not prepared it but understood from his predecessor that it was in fact in the possession of the Audit Department. We wrote to Mr. Welch who was on leave. He confirmed that it was in the possession of Audit Department and upon a search in the Audit Department the reports were produced, by the Audit Department. Those are the facts as reported to me officially and proved by the letters in our files. I can only rely upon what is in my file.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE

We still want the Accountant-General to give assurance for improvement in the submission of the Annual Accounts.

ACCOUNTANT-GENERAL:

I can assure the House, Mr. Chairman, that every possible effort will be made to complete the accounts in a proper manner at the earliest possible date.

CHAIRMAN:

Are members satisfied? Because I remember last year we had a sort of assurance like this.

ACCOUNTANT-GENERAL:

Mr. Chairman, the Director of Audit has himself stated that if we could not get our figures until the 13th of September, to complete and publish our accounts by the 10th of October it is a very good thing. With regards to the unfortunate business of the Statement we have been discussing, I will make it my personal concern to see that by a proper system of control such incidents and delays, no matter who is responsible, will not recur.

CHAIRMAN:

Members satisfied?

MEMBERS:

Yes.

CHAIRMAN:

Next Paragraph.

SECRETARY:

Paragraph 3. The written reply of the Accountant-General to the Paragraph reads as follows:-

"I agree with the Director of Audit that it would be more satisfactory if my Reports including the Annual Statements were available at the time of the issue of the corresponding Audit Reports." That this is impossible, however, must I assume be obvious to the Director of Audit, as he must be aware that,

amongst other factors, not all the excesses on 1955/56 votes have yet been cleared and until these excesses are cleared the Annual Statements cannot be completed. The other factors are:-

- (a) Production of the Report, including the Annual Statements, has to be fitted in with current work and is adversely affected by any large additional calls upon Treasury facilities; as for example a Salaries Revision.
- (b) The draft statements have to be audited before being printed. This process takes time - in the case of Statements 3 of 1955/56 the time taken was from the 1st week in April, 1957, to the 2nd week in October, 1957; a period of over 6 months.
- (c) After completion of the massive task of drafting the Reports and Statements the draft has to be typed for the Government Printer - the minor task that nevertheless one that takes several weeks.
- (d) The size of the Report invariably means that its printing has to give way to more urgent matters. Also in the past its setting up in the printing department has, due to the many columns of figures, been a slower than average process. The checking of the Printer's drafts has for similar reasons taken time.

2. The implication of this paragraph is, therefore misleading as the production of a report of 12 pages of written comments plus 10 pages of annexures (the text of which is independent of action by other Departments) will always be a far easier and quicker task than producing a report many times longer and more complicated.

3. With regard to the 1954/55 Report the final draft was completed nearly a year ago but owing to difficulties mentioned in (c) and (d) above the report is still in the process of being printed."

CHAIRMAN:

Any comments on this reply?

ACCOUNTANT-GENERAL:

It is the normal procedure, Mr. Chairman, to have draft Statements audited before printing.

MALLAM IBRAHIM LA'ARÓ:

Is the Director of Audit satisfied with this procedure?

DIRECTOR OF AUDIT:

Mr. Chairman, I agree that it has been the procedure in recent years in the Northern Region of Nigeria for the Statements to be audited before they are printed, but that is largely because even if the auditing has been delayed, the printing has been delayed a great deal more. I do not see a real reason why the Statements have to be audited before they are printed and I think it would be very much to the convenience of this Committee if, as soon as the accounts are closed, the Statements can be prepared showing the position at the time of closure of the accounts and that this should be printed and

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submitted for the information of this Committee.

ACCOUNTANT-GENERAL:

Mr. Chairman, I agree that there would seem to be no academic reason why they should not be prepared without auditing, but when I said that it was the established procedure which was normally followed I was not referring just to the Northern Region of Nigeria. Sixteen years ago I was preparing these accounts for Nigeria as a whole and at that time too and ever since, as far as I am aware, they have been audited before they have been printed, so that this is not something new which we have just brought in; which what the Director of Audit has said seems to suggest. Furthermore, as explained in paragraphs C and D of the first paragraph of my reply, the preparation of the larger Statements are not minor tasks. They do take a very long time and we do endeavour to complete them as quickly as possible. There is also the very important question that we cannot complete the biggest Statement of all, Statement No. 3, without quoting the Legislative authority for the covering of excesses, and that normally takes a much longer time to get the authority for the excesses through the Legislature. As an example of which, if you will refer to the first portion of my reply to paragraph 3, you will observe that there is still an outstanding on the 1955/56 Votes which prevents the completion of the Annual Statements for 1955/56.

CHAIRMAN:

Are the members satisfied with this?

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

I understand that the draft Statement was submitted for audit in pencil. I can see some danger in returning Statements in pencil. At least, ink should be used.

ACCOUNTANT-GENERAL:

Mr. Chairman, the member's remarks will be noted and arrangements will be made accordingly.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Another thing, Sir, what is the authority for the covering of excesses? I think it is not necessary to wait for the covering authority before the Annual Statement is submitted. The Accountant-General can make remarks in his Statement that authority was not received or was not approved.

ACCOUNTANT-GENERAL:

Mr. Chairman, my responsibility in the past has been to give a Statement quoting the authority for all excesses of expenditure over those authorised by the Legislature, because, as you are aware, the General Warrant for all expenditure for the financial year is made out to me in my name and similarly any cases of expenditure over the General Warrants are made out by Special Warrant in my name authorising the expenditure. I am not supposed to permit any expenditure not so covered and therefore when it comes to my knowledge that the accounts for any month are closed, it is my very positive responsibility to see that authority is ultimately received for that excess expenditure, and the fact that I have carried out my duty is proved by the completion of the Statement which quote those Special Warrants. If it is the wish of this Committee that the prescribed procedure should not be followed in future I will accept your decision.

CHAIRMAN:

Has any member got any remarks to make on this?

DIRECTOR OF AUDIT:

Mr. Chairman, I would recommend your Committee to consider very seriously the suggestion just made by the Accountant General, that is to say this Committee should make a recommendation or should indicate its wishes as to the manner and time at which the Annual Statements should be submitted. It has never been the view of the Audit Department that the preparation of the detailed Statement of Expenditure need be delayed until the relevant authority for expenditure has been obtained and I have in fact seen many such Statements from other territories which do not include the full details of the authorities for expenditure. There is no very great danger in that procedure because the Director of Audit is relied upon to report what authorities are outstanding and, in any case, the Accountant-General can always in his next Financial Report or Detailed Statement of Expenditure refer to the clearance of any items which were outstanding at the time of the previous Statement. On the other hand, the advantages of having the Detailed Statement of Expenditure early are very considerable, as they enable the Members of this Committee to get a much clearer picture of how money has been spent. I suggest, therefore, Mr. Chairman, that the Committee might like to make a firm recommendation that the Detailed Statement of Expenditure should be drawn up as soon as the accounts are closed and that it should include details of such expenditure authorities as have been received at that time or, if the preparation of the details has itself taken, shall we say, a month or so, then the Statement of authorities outstanding at the date of the actual final preparation of the Statement. That is all, Mr. Chairman.

ACCOUNTANT-GENERAL:

Mr. Chairman, I accept what the Director of Audit has to say. In many ways it will save us work, except for his completely unrealistic statement of producing this Statement in four weeks. It takes five weeks to type alone, apart from the preparation.

CHAIRMAN:

Has the Ministry of Finance got anything to say on this recommendation?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

No. Mr. Chairman, I would make one comment on the question of excesses. I fully agree that if one has to wait for authorities on all excesses in votes then there is bound to be delay. The Ministry of Finance are taking steps to try to ensure that all excesses are cleared earlier than has unfortunately been the case in the past; but even if the majority of cases are cleared, there tend to be a few outstanding ones. I would make that comment on excesses.

CHAIRMAN:

Is the recommendation accepted by the Committee?

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ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Mr. Chairman, Sir. 3 (c) and the reply of the Accountant-General - "after completion of the massive task of drafting the Report and Statements the draft has to be typed for the Government Printer - a minor task, but nevertheless one that takes several weeks". Mr. Chairman, Sir, is it not possible for the Accountant-General to make arrangements for the Government Printer to photograph the figures in order to save his Department typing the whole figures?

ACCOUNTANT-GENERAL:

Mr. Chairman, to be printed, it must first be typed and, in fact, we are arranging now that the Printing Department has now got the new Roto Prints that, whereas formerly, it was typed and then the type was set up from the typewritten Statement, in future they will be typed direct on to the Roto Print forms, for printing, but we cannot photograph pencil or handwritten records for publication in our accounts. They must be typed.

CHAIRMAN:

Is there any other observation from anyone? Has the Director of Audit anything to say?

DIRECTOR OF AUDIT:

Mr. Chairman, I think that the reproduction of the Statements by Roto Printing would effect a very great saving of time, not only in the setting up by the Printing Department, but also in the rechecking of Statements, it would save a very great deal of work.

ACCOUNTANT-GENERAL:

Yes, Mr. Chairman, that is why we have arranged for them to be done by that process by the Government Printer in the future now that he has the machinery at his disposal.

CHAIRMAN:

Are the members satisfied now?

MEMBERS:

Yes.

CHAIRMAN:

Read the next Paragraph.

SECRETARY:

Paragraph 4. The Accountant-General's reply to Paragraph 4 reads:

"Errors of classification may be due to various reasons and are difficult to eliminate when so many of the Departmental and Treasury clerks now concerned are comparatively unexperienced.

2. However, with the possible exception of errors in March Accounts received from the Federation or other Regions, most errors would be detected in time for correction before the accounts for the year are closed if Departments took prompt steps to verify

their D.V.E. account figures with the copy vouchers and schedules they received from the Treasury. These vouchers and schedules are now being issued within 3 months of the close of the month to which the vouchers relate.

3. The vouchers at present being examined by the Audit Department are as follows:-

Payment Vouchers - for September to November 1956
Receipt Vouchers - for October to March 1956,

while the latest Audit Queries received relate to Payment Vouchers for June and Receipt Vouchers for September 1956. Thus errors found by the Audit in Payment Vouchers for the last nine months of 1956/57 will be notified after the close of the accounts for 1956/57. If the Audit of Vouchers were more up to date errors formed in classification could, in the main, be adjusted before the close of the accounts for the year. With regard to the 60 items listed in Annexure 1, 30 were adjusted, 1 was not misclassified and 2, although not correctly classified, had no incorrect effect on the Treasury accounts."

CHAIRMAN:

Is the reply accepted by the Committee?

ALHAJI MOHAMMADU, MAGAJIN GARIN KAZAURE:

Chairman, Sir. The reply is accepted, but some errors in classification were reported to the Accountant-General i.e. were brought to his notice, in July, some in August and some in September, 1956. Up to now the Accountant-General has not admitted some of them, whether or not they were actual errors of classification.

ACCOUNTANT-GENERAL:

The errors in classification by the Department that prepared the voucher or whether it was in our own Department, which it might be, are certainly admitted. The first portion states that errors of classification may be due to various reasons

Mr. Chairman, I apologise. I now understand what the question was. I see the member was referring to Annexure 1, Page 15 of the Section D affecting the Below-the-line Accounts not yet admitted by the Accountant-General and Section B affecting Heads of Revenue and Expenditure not yet admitted by the Accountant-General. That, I presume, is the question, and it is replied to in the last four lines of Sub-paragraph 3 of the reply to paragraph 4.

DIRECTOR OF AUDIT:

Mr. Chairman. This Annexure is included in the Annual Audit Report to give some idea of the effect of errors of classification on the Annual Accounts. The Audit Department fully appreciates that errors of classification are bound to occur and that many of them cannot be brought to notice in time for adjustment in the accounts of the year concerned. However, once they have been brought to notice there seems to the Audit Department to be very little reason why the Accountant-General cannot say soon whether he agrees that there was an error of classification or whether he does not agree.

The inclusion of large numbers of apparent errors at B and D of Annexure 1, leaves the Public Accounts Committee in doubt as to whether these were or were not, in fact, errors. The position is that the majority of these errors referred to

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as not yet admitted were, in fact, communicated to the Accountant-General on audit queries, all of which were despatched before the end of 1956 and to which, in most cases, no reply has as yet been received.

Mr. Chairman. I think that it would be of assistance to the Committee if the number of errors which are still in doubt shown in this Annexure could be reduced as much as possible and that could be done by a reply to the queries containing details of the apparent errors of classification. I shall be pleased to supply the Accountant-General with details of the particular queries to which I refer. I would, however, make it quite clear that we do realise that errors can occur and that they often cannot be adjusted before the accounts of the year are closed, but that there seems to be, on the face of it, very little reason why once the error has been brought to notice it cannot be agreed to or not agreed to without delay.

CHAIRMAN:

Would the Accountant-General therefore give us an assurance that in future such errors would be admitted, or the queries would be replied to, promptly?

ACCOUNTANT-GENERAL:

Yes Mr. Chairman, as far as it lies within the power of the Accounting Division to do so. In many cases these must be referred to the Department concerned and, as we have already complained before, Departments do not always give Audit queries the immediate attention they deserve. I am confident that these items are being followed by my staff and I would be very grateful to the Director of Audit to have a complete list of the Audit queries on which these misallocations were raised, so that I can make personal investigations to ensure that there has been no undue delay and, if there has, to take steps to see that they are cleared immediately.

In the last four lines of my reply to which I referred earlier, you will see that more than 50% have, in fact, already been cleared.

CHAIRMAN:

Has the Director of Audit any comments to make?

DIRECTOR OF AUDIT:

No further comment, Mr. Chairman, thank you.

SECRETARY:

Paragraph 5. The Accountant-General's written reply on the paragraph reads:-

"Since the 29th April, 1957, the number of Outstanding Vouchers for 1955/56 have been reduced by 56% from the total of 849 mentioned by the Director of Audit and the present position is:-

Outstanding	R.Vs.	44
"	P.Vs.	325
"	A.Vs.	6
	Total	<u>375</u>

Work on these 375 vouchers is proceeding."

EMIR OF ABUJA:

Mr. Chairman. We congratulate the Accountant-General for the effort he has made. (Hear, hear)

CHAIRMAN:

Is the reply to be accepted?

MEMBERS:

Yes.

SECRETARY:

Paragraph 6. The Accountant-General's reply reads:

"The proposals (a) (b) and (c) were accepted by the Financial Secretary in May 1957.

2. The number of vouchers covered by (b) and (c) was 328 and of these 126 have since been accounted mainly in the form of copy vouchers certified as suggested in (b). Action on the remaining 202 is still proceeding."

CHAIRMAN:

Any comments to make on this? Any observations from the Director of Audit?

DIRECTOR OF AUDIT:

Mr. Chairman. The latest position regarding outstanding vouchers in respect of years before 1955/56 according to Audit Department records, as at today is:-

1952/53 - 41 vouchers outstanding
1953/54 - 25 vouchers outstanding
1954/55 - 222 vouchers outstanding.

That information has been obtained very hastily in the last few minutes and it may not be accurate within a voucher or two, but it does show, I think, that there has been very considerable improvement.

SECRETARY:

Paragraph 9. The Accountant-General's reply reads:-

"Revised instructions have been drafted for issue to Heads of Departments, Revenue Collectors and Sub and Local Treasurers, and are now with the Permanent Secretary, Ministry of Finance and the Director of Audit.

2. These instructions incorporate a number of major amendments to existing Financial Instructions and Circulars but, if implemented, will it is thought go a long way to establishing the control of receipt and licence books on a sounder basis."

CHAIRMAN:

Are the members satisfied with the written reply?

EMIR OF ABUJA:

Mr. Chairman, we are pleased to note that progress is being made.

SECRETARY:

as follows:-

CHAIRMAN:

EMIR OF ABUJA

DIRECTOR OF

SECRETARY:

CHAIRMAN:

MEMBERS:

SECRETARY:

SECRETARY:

Paragraph 10. The Accountant-General's reply reads as follows:-

"In order that Government should not have to bear longer than possible the burden of financing projects reimburseable by the Marketing Board, arrangements were agreed with the Board for the latter to make provisional reimbursements based upon the figures in the published Estimates.

These provisional reimbursements should have been placed on deposit and transfers made to revenue as the actual expenditure was ascertained but, owing to an oversight, they were instead credited direct to Revenue.

The necessary adjustment in consequence appears in 1956/57 accounts."

CHAIRMAN:

Has any member anything to say on this reply?

EMIR OF ABUJA:

No, Sir, we are quite satisfied.

DIRECTOR OF AUDIT:

The reply appears to me to be satisfactory, Mr. Chairman.

SECRETARY:

Paragraph 11. The Accountant-General's reply reads:-

"The Colonial Development and Welfare Fund annual statements have now been audited and forwarded to the Permanent Secretary, Ministry of Finance, for onward transmission to the United Kingdom. Arrangements have been made for the statements for 1956/57 onwards to be drafted at an earlier date so that Audit action may commence upon them as soon as the examination of all the vouchers for the year has been completed and misallocations are known."

CHAIRMAN:

Is the reply accepted?

MEMBERS:

Yes.

SECRETARY:

Paragraph 12. The Accountant-General's reply reads:-

"The items totalling £1,236 9s. 4d. were incorrect credits to Head 207, subhead 8, owing to the subhead particulars on the vouchers being incorrectly classified by the Department concerned. However, as it has now been verified that the £1,236 9s. 4d. was not in respect of sales of condemned Capital Development plant, no transfer to the Capital Development Fund was appropriate and neither the Capital Development Fund nor the General Revenue Balance were incorrectly stated as a result of these items."

CHAIRMAN:

Anything further on this reply?

MEMBERS:

Accepted.

SECRETARY:

Paragraph 16. The Accountant-General's reply reads thus:-

"The first reimbursement payment made was in July 1955 and covered the period April to December 1955. The Ports Authority are now rendering claims more promptly and these are paid without delay."

CHAIRMAN:

Is there any comment on this reply?

EMIR OF ABUJA:

We are satisfied with the reply.

SECRETARY:

Paragraph 17. The Accountant-General's reply to paragraph reads as follows:-

"This paragraph is not understood. Pension Registers have been kept from the outset showing payments made from Northern Regional funds, but registers would not appear to be the appropriate basis for verifying the correctness of pensions. On the other hand, difficulty in verification may refer to outstanding vouchers, a list of which was received from the Director of Audit - a reply with the particulars requested was sent in February, 1957."

CHAIRMAN:

Have members anything to say on this?

EMIR OF ABUJA:

I am not quite satisfied with the answer, Mr. Chairman. I gather that before October 1954, the Register of Pensions kept by the Federal Government and I am wondering, since it has been regionalised, whether the Register is being kept by the Accountant-General from the 1st October, 1954.

ACCOUNTANT-GENERAL:

Yes, Mr. Chairman. Registers have always been kept even in Sub-Treasuries, of payments to Pensioners and when Treasury was regionalised, the Registers were kept on a Regional level. Those Registers were continued to be maintained when the next stage of autonomy came along and we in the North had our own Treasury here in Kaduna; but they are not true account records, they are memorandum accounts. However, from these memorandum accounts plus the particulars which are kept of apportionment of pension issued after the 1st October, 1954, it is possible to check any voucher in respect of payment of pension. I must admit I am not quite sure of the implications of the Director of Audit's observation in this case and if he is not satisfied with my explanation, I should be very glad to discuss it with him to find out more precisely what he wants and to reply to him more precisely what he wants in response.

CHAIRMAN:

What was

DIRECTOR OF AUDIT:

This was General in February officers of his written which is mentioned to cover 260 in 1955/56. Annual Allowance has only been in on to inquire who register for the March, 1956, as in classification referring to the to inform you the records in line the 5th of April the Accountant-General emphasise that it is not in doubt, but had been approved to the correct General has not pointed no register has matter was fully ment and the Audit

ACCOUNTANT-GENERAL:

I than I now understand what was required

CHAIRMAN:

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MEMBERS:

Yes, w

CHAIRMAN:

This is 9.30 a.m. for the attendance of the

ACCOUNTANT-GENERAL:

Thank

CHAIRMAN:

What would the Director of Audit say to this?

DIRECTOR OF AUDIT:

This was brought to the notice of the Accountant-General in February, 1957. Following conversations between officers of his Department and Audit Department, a letter was written which stated "it appears that no register has been mentioned to control payments from Head 259 in 1954/55 and 260 in 1955/56 in respect of Northern Region Pension or Annual Allowances". It is understood that the record in use has only been in use from April 1st, 1956. The letter went on to inquire whether it was proposed to reconstruct the register for the period 1st October, 1954, to the 31st of March, 1956, as it seemed there might have been some errors in classification. The letter which was received in reply, referring to the letter from the Audit Department said "I have to inform you that steps have been taken to bring the Treasury records in line with your requirement". That was received on the 5th of April, 1957. I trust that explains the point that the Accountant-General was enquiring about, but I should emphasise that the question of the correctness of awards was not in doubt, but merely the question whether, once the awards had been approved, the payments were correctly made and charged to the correct Government. The Accountant-General previously has not pointed out that we were wrong in our impression that no register has been in use prior to April, 1956, and the matter was fully discussed between the officers of his Department and the Audit Department. That is all, Mr. Chairman.

ACCOUNTANT-GENERAL:

I thank the Director of Audit for his explanation and I now understand, and as he received our letter telling him what was required of him, I trust he is satisfied.

CHAIRMAN:

Is the Committee satisfied?

MEMBERS:

Yes, we are.

CHAIRMAN:

This sitting is now adjourned until tomorrow morning at 9.30 a.m. for preliminary discussion. We would require the attendance of the Accountant-General at 10.00 o'clock.

ACCOUNTANT-GENERAL:

Thank you.

Sitting adjourned at 1.05 p.m. until tomorrow.

PUBLIC ACCOUNTS JOINT COMMITTEE

TUESDAY 26th November, 1957.

The Committee met at 10.00 a.m.

(Accounting Division of the Ministry of Finance)

CHAIRMAN:

Committee resumes. We are to continue from paragraph 22, with the Accountant-General.

SECRETARY:

Paragraph 22 - Accountant-General's reply:-

"A revised salary voucher form which will eliminate the need for receipt vouchers to support deductions for Rent, W.O.P.S. and C.T.L.S. contributions, Advances' repayments etc. has been drafted and is in the process of being produced. It should save considerable time for all Departments and Offices other than Treasury Headquarters."

CHAIRMAN:

Is the Committee satisfied with the reply on this paragraph?

M. IDRISU TAFIDA:

Can the Accountant-General tell us when the new form will be introduced?

ACCOUNTANT-GENERAL:

Yes, Mr. Chairman. I hope that we will be able to introduce them with effect from the 1st January, 1958. It does depend, of course, upon getting the supplies from the printer, but he tells me that he expects to have them ready for that date.

CHAIRMAN:

Is the member satisfied with this?

M. IDRISU TAFIDA:

Yes.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 25 - Accountant-General's written reply:-

"There were no cash balances at Gusau which is merely a Banking Account operated by the Sub-Treasurer, Sokoto, or at Treasury Headquarters which also only operates a Banking Account. Verification of the balances on these accounts were presumably satisfactorily carried out by examining the reconciled Bank Statements and Cash Book.

2. In accordance with F.I.331 the responsibility for convening Annual Board of Survey is that of the Resident of the Province but Lafia and Wukar are small stations where formal Boards of Survey are less easily arranged. Honour Certificates for these balances have been obtained."

CHAIRMAN:

Is the reply satisfactory?

EMIR OF ABUJA:

I would like to know whether a branch of the bank is now established in Gusau.

ACCOUNTANT-GENERAL:

Yes, Mr. Chairman.

EMIR OF ABUJA:

And, if so, I would like to suggest that a regular Board of Survey in Gusau is now desirable.

ACCOUNTANT-GENERAL:

Mr. Chairman, until the 15th November Gusau had no Treasury. There was a bank there and for the convenience of Government a bank account was kept by the Sub Treasury, Sokoto. As from the 15th November we have actually opened a new Sub Treasury in Gusau and so, in future, both bank and cash transactions will take place and Surprise and Statutory Boards of Survey will, of course, be arranged in future on the cash and bank balances of Gusau Sub Treasury.

CHAIRMAN:

Is the member satisfied?

EMIR OF ABUJA:

Yes.

CHAIRMAN:

Any further observations?

M. YAKABU LAME:

What I want to know is whether the Board which deals with the Sub Treasury in Kaduna deals also with the Accountant General's Headquarters' accounts.

ACCOUNTANT-GENERAL:

Not necessarily, Mr. Chairman. Any Board of Survey upon a Treasury Chest is convened by the Resident of the Province; for Kaduna I don't know who it will be, the Administrator or the Civil Secretary - it can't be the Civil Secretary now - the Administrator of the Capital Territory of Kaduna, I think, and it is at his discretion to appoint the members of the Board.

CHAIRMAN:

Has the Director of Audit got any remarks to make on this?

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DIRECTOR OF AUDIT:

Mr. Chairman, I think perhaps what the member meant was, could not the Board which deals with the Sub Treasury at Kaduna also deal with the bank balance held by the Treasury Headquarters? That is, if it is not thought necessary to appoint a separate Board.

ACCOUNTANT-GENERAL:

Yes, Mr. Chairman, it could be arranged quite easily.

f the bank
CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 26 - The Accountant-General's written reply:-

"The larger Advances Accounts have now been examined in detail to the 31st March, 1956, and action taken on all abnormal items. Authority has been sought from Government to eliminate from Treasury Records the not unclearable balance on Bicycle Advances which at present is a credit of less than £20.

2. The clearance of these old balances is a task which cannot be satisfactorily undertaken in addition to current work by the ordinary Treasury establishment and unfortunately it has been seriously hampered during recent months by my lack of authority to employ the special staff it requires. However, this authority has now been received and it is hoped that when the special staff is operating the present steady but slow progress on these accounts will be greatly increased."

CHAIRMAN:

Any comments by any member?

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Mr. Chairman, may I suggest that the outstanding balances on these advances which are said to be written off should not be written off until the end of the financial year, because some of the people might like to pay what they are owing.

ACCOUNTANT-GENERAL:

Mr. Chairman, whenever it is established that without any question anyone owes money to Government and it is possible to make that money the question of write-off never does arise. It is only when the amount is positively irrecoverable that the write-off is considered.

CHAIRMAN:

Can we hear the Director of Audit's view on this?

DIRECTOR OF AUDIT:

Mr. Chairman, the Audit Department agrees wholeheartedly in principle with the action that the Accountant-General has taken and is taking but the position is that still one or two of these many balances are being cleared up. All

these balances which we think it is not possible to clear have been placed in Suspense Accounts, and recently, when the matter was referred to the Audit Department for comment it was suggested to the Finance Division of the Ministry of Finance that perhaps these Suspense Accounts might be kept open till the close of the current financial year, in the hope that one or two more items might be cleared. This suggestion was made to avoid transferring back from revenue any credit balances that have been transferred to revenue, but the Audit Department agrees that at the end of this financial year these balances should be finally disposed of. I don't think that that suggestion will yet have had time to reach the Accountant-General because it was made only very recently. That is all, Mr. Chairman.

ACCOUNTANT-GENERAL:

I welcome the suggestion of the Director of Audit and it will be followed.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 27 - the Accountant-General's written reply.

"It is understood that steps are being taken to place Miana Piggery on a fully commercial basis with a view to its ultimate sale as a going concern; and that in the meantime the balance on this account is to be carried forward so that the true commercial position can be more easily ascertained and the Piggery can retain adequate working capital."

CHAIRMAN:

Are there any comments?

MALLAM IBRAHIM LAMARO:

No comments.

CHAIRMAN:

Accepted. Next paragraph.

SECRETARY:

Paragraph 29. The Accountant-General's written reply.

"The statement of the account as at the 31st March 1956 was published in the Northern Regional Gazette on the 29th August 1957. The Statement as at 31st March 1956 was submitted to the Director of Audit on the 2nd October 1957. Since December 1955 Account, Statements of Account for the Capital Development Fund have been published in the Gazette at the same time as the monthly Statements of the Region's accounts have been published. The Statement for the 31st March 1956 was thus published on the 25th October 1957.

2. The details which go to make up the Capital Development Account are an integral part of the Treasury Accounts and are, of course, available for audit at all times. The Statement referred to in this paragraph is merely a summarised copy of a Treasury Account which is subject to continuous audit throughout the year.

CHAIRMAN:

EMIR OF AJAJA

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CHAIRMAN:

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3. The under-transfers in 1954/55 have been adjusted and as explained in my comments on paragraph 12 of the Report there was no under-transfer in 1955/56."

CHAIRMAN:

Is the reply as it stands acceptable to the members?

EMIR OF ABUJA:

Mr. Chairman, as regards the statement in the Gazette, I would say that the statement was very brief, it did not give the details. I would suggest that another detailed statement of Expenditure is required. I would like to know what the Director of Audit is going to do.

CHAIRMAN:

We should like to hear the Accountant-General first.

ACCOUNTANT-GENERAL:

Mr. Chairman, we are, of course, perfectly willing to supply any statements that may be required.

CHAIRMAN:

Has the Director of Audit anything to add or ask?

DIRECTOR OF AUDIT:

Mr. Chairman, your Committee might wish to seek an assurance from the Accountant-General that the preparation of the detailed statement which supports the statements published in the Gazette should be undertaken as soon as possible after the closure of the accounts for the year, and that the same procedure should be applied as in the case of the detailed statement of Expenditure which relates to the Government expenditure, that is, ordinary recurrent expenditure.

ACCOUNTANT-GENERAL:

Mr. Chairman, I give that assurance that every possible effort will be made to complete these statements at the earliest possible moment.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 32 - the Accountant-General's written reply:-

"The accounts of this Fund for 1954/55 were published in the Northern Regional Gazette of the 29th August 1957. Those for 1955/56 were similarly published on the 14th November 1957.

2. Paragraph 2 of my comments on paragraph 29 of the Report apply also mutatis mutandis, to the Native Treasuries Joint Special Reserve Fund."

CHAIRMAN:

I think the reply seems to be satisfactory. Are there any comments? Accepted. Next:

SECRETARY:

Paragraph 33. The Accountant-General's written reply

"The accounts of this Fund for 1954/55 were published in the Northern Regional Gazette of the 21st August 1957. Those for 1955/56 were similarly published on the 14th November 1957."

2. Paragraph 2 of my comments on paragraph 29 of the Report apply also, mutatis mutandis, to the Loan Development Fund."

CHAIRMAN:

Are the members satisfied with this?

MEMBERS:

Yes.

CHAIRMAN:

Accepted.

SECRETARY:

Paragraph 34. The Accountant-General's written reply

"The statement in respect of this fund at the 31st March 1956 was sent to the Director of Audit in September 1957."

2. Paragraph 2 of my comments on paragraph 29 of the Report apply also, mutatis mutandis, to the Northern Regional Voluntary Agencies Building Loans Fund."

CHAIRMAN:

Any questions to this reply?

MEMBERS:

Accepted.

SECRETARY:

Paragraph 35 - the Accountant-General's reply:-

"These differences were due entirely to the fact that the Federation and other Regions did not close their accounts at precisely the same time as the accounts of this Region were closed."

2. With one exception the differences automatically cleared themselves as the relevant items were, in due course, brought to account by the Federation and other Regions. The exception was cleared by adjustment in September 1956."

3. The last sentence of this paragraph is not understood. No particular difficulty was experienced in reconciling the various figures and a register of such reconciliations is maintained."

CHAIRMAN:

May I know from the Accountant-General when the register referred to was started?

ACCOUNTANT

Yes, Mr. Deputy Accountant regional accounts. On the 1st October accounts to the autonomy I altered and had reinstated and different continuous the procedure has altered through

CHAIRMAN:

Are you on this?

DIRECTOR OF AUDIT

Mr. Chairman that the Accountant we were led to

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SECRETARY:

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CHAIRMAN:

I have accepted.

SECRETARY:

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CHAIRMAN:

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DIRECTOR OF AUDIT

Mr. Chairman accounts been have been

ACCOUNTANT-GENERAL:

Yes, Mr. Chairman. I am informed by Mr. Wardle, Deputy Accountant-General, that it was started by him when regional accounts were first started on the 1st April, 1952. On the 1st October 1954 when a change in our system of accounts took place because of the further stage in regional autonomy I am informed that the method of reconciliation was altered and then in September 1956 the former register was reinstated again, a variation in method came out and a new and different register was opened in 1956 so that we have had continuous reconciliation since the 1st April 1952, although the procedure which is purely internal within the Treasury has altered three times.

CHAIRMAN:

Are there any comments from the Director of Audit on this?

DIRECTOR OF AUDIT:

Mr. Chairman, my only comment is that we are pleased that the Accountant-General is not experiencing the difficulty we were led to believe he was experiencing. (Laughter)

ACCOUNTANT-GENERAL:

Just a rider, Mr. Chairman. May I add that in fact the last sentence of sub paragraph 2 of my reply to this paragraph is in itself more or less a proof that reconciliation is effected because it was in fact in September that we closed the March account and it was in September that we discovered and rectified this outstanding in the reconciliation.

SECRETARY:

Paragraph 36. The Accountant-General's written reply:-

"Work on these accounts is progressing as fast as is possible with the available staff.

2. Paragraph 2 of my comments on paragraph 36 of the report applies equally to these Deposit Accounts.

CHAIRMAN:

I think the reply is straightforward. The reply is accepted.

SECRETARY:

Paragraph 37. The Accountant-General's written reply:-

"So far as the general ledger is concerned, separate accounts are not necessary and were, as stated, not maintained.

2. The breakdown as between schemes was, however, kept in memorandum form and these memoranda records have been audited."

CHAIRMAN:

Any comments from the members? Has the Director of Audit anything to say in reply?

DIRECTOR OF AUDIT:

Mr. Chairman. My only comment is that had separate accounts been maintained from the beginning I think it would have been easier to prepare the Colonial Development and Welfare

statements, but it does not matter very much now because there are so few Colonial Development and Welfare Schemes in operation. That is all, Mr. Chairman.

ACCOUNTANT-GENERAL:

Mr. Chairman. I agree positively with the Director of Audit. In the light of looking back on things it would have been simpler for us all in the Treasury and the Audit had we kept separate accounts for these. However, no insuperable difficulties arose and as the Director of Audit says, the necessity does not arise in the future as we only have two active schemes.

SECRETARY:

Paragraph 40: Accountant-General's reply:-

"My comments on paragraph eleven of the Report apply also to this paragraph."

CHAIRMAN:

Is this accepted by the members?

MEMBERS:

Accepted.

SECRETARY:

Paragraph 51: Accountant-General's reply:-

"Where a loss of Government funds is due to the dishonesty of a Government officer or employee the existence and adherence to comprehensive instructions will not necessarily deter the dishonest officer or employee from an illegal and dishonest action which would cause a loss to Government but in such circumstances the loss will normally be promptly detected - and this is what has happened in several cases.

2. I agree with the Director of Audit that some of the losses are undoubtedly due to the absence of properly laid down procedures. To assist officers the draft of a circular setting out a simple procedure which, if followed, would provide reasonable security against fraud, was forwarded to the Financial Secretary on the 3rd January, 1957. Its issue is still under consideration."

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Sir. The reply is satisfactory but I should like to ask the representative from the Ministry of Finance the position with regard to the issue of the circular.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION)

Mr. Chairman. The circular has not yet been issued. The reason is that in view of the various changes, such as integration of Ministries, which have taken place during the year, it was decided to wait until they had taken place and to issue a comprehensive circular. This circular will cover such things as the duties of Finance Officers in Ministries and it is intended to issue it very soon. On the general question of losses, may I point out that two circulars have been issued from the Ministry of Finance in recent months, one defining the responsibilities of administrative officers

supervising local payees must not be actually received

CHAIRMAN:

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DIRECTOR OF AUDIT:

Mr. Chairman. Accountant-General principally in Finance Office know of very few places in the Reg. principally are in remote places and advice and view of approved regulations

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supervising local treasuries and the other, stressing that payees must not receipt payments vouchers until they have actually received the money.

CHAIRMAN:

Has the Director of Audit anything more to ask on this?

DIRECTOR OF AUDIT:

Mr. Chairman. I think the circular referred to in the Accountant-General's written reply was one that was intended principally to assist officers in the field in small offices, not Finance Officers of Ministries. I am happy to say that I know of very few losses at Headquarters, but there have been quite considerable numbers elsewhere, generally at rather remote places in the Region, and I think that what is required principally are some simple instructions for officers serving in remote places who have not got access to proper accounting advice and very often have not even got access to copies of the approved regulations.

Your Committee may wish to request the Permanent Secretary to the Ministry of Finance to bear this in mind when issuing any circulars that he may issue.

That is all, Mr. Chairman.

CHAIRMAN:

Is the suggestion agreeable?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman. I shall convey what the Director of Audit has said to the Permanent Secretary, Ministry of Finance.

SECRETARY:

Paragraph 52: Accountant-General's written reply:-

"I agree with the Director of Audit's views in this matter and consider the issue of a circular defining more precisely the supervising duties of administrative officers who are also technically local treasurers, would be useful; and would, I imagine, be welcomed by these officers."

CHAIRMAN:

Any questions arising from the reply?

MALLAM YAKABU LAME:

May we know from the Representative of the Ministry of Finance if that circular has been issued?

ALHAJI MUHAMMADU:

I think Sir, the Honourable Member is referring to paragraph 51, but we are on 52.

MALLAM YAKABU LAME:

No, I am asking about the other circular mentioned in paragraph 52.

CHAIRMAN:

Does the Representative of the Ministry understand what the member is asking?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION)

Mr. Chairman, I regret I did not. Can I have the question again?

MALLAM YAKABU LAME:

There was a mention of a circular to be issued which would help officers supervising treasuries. May we know if the circular has been issued yet?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman. Yes, this circular was issued in August of this year. It defines the duties which administrative officers who are supervising local treasuries must perform. If the Honourable Member would wish to see the circular I would be happy to show it to him.

EMIR OF ABUJA:

We would like to hear a brief account of the details of the circular.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman. The main instructions of the circular is that where the clerk in charge of a local treasury is not at least a second class clerk, the administrative officer must be present when cash is removed from the strongroom and that he must be present when any payments or receipts in excess of £500 are being made.

CHAIRMAN:

With regard to this circular, are there any observations from the Director of Audit?

DIRECTOR OF AUDIT:

I have no observations, Mr. Chairman.

SECRETARY:

Paragraph 54: Accountant-General's written reply:-

"The clerk responsible for this loss was tried in the High Court, Ilorin, and on the 21st September, 1957, sentenced to three years imprisonment for stealing £195. Notice of appeal has, I understand, been filed. The full report of the board of enquiry and other documents required before the loss can be finalised have not been received and presumably their submission is now awaiting the outcome of the appeal."

CHAIRMAN:

Can we hear brief details of this case from the Accountant-General?

ACCOUNTANT-GENERAL:

Mr. Chairman. May I ask my Deputy, Mr. Wardle, who deals personally with losses, to speak on my behalf?

CHAIRMAN:

Yes, of course.

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CHAIRMAN:

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REPRESENTATIVE OF THE MINISTRY OF FINANCE (ACCOUNTING DIVISION):

It is rather long. I don't know what particular details you would like on it.

CHAIRMAN:

Just brief details of the case.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (ACCOUNTING DIVISION):

Now I suggest that I summarize it for you later, after recess. The case has not been completed. The clerk has been sent to prison but the final report has not been put in; so in fact we have not got the details of the case. With these cases, as you probably know, there is a board of enquiry usually and the Department concerned submits a report on a special form and it is when this report is received that the Treasury puts up the final report. In this case, as I have said, we have not received the complete report from the Assistant.

CHAIRMAN:

Is there any further discussion? So the reply may be accepted.

MEMBERS:

Yes.

SECRETARY:

Paragraph 55. Accountant-General's written reply:-

"The final report on this loss is now with the Permanent Secretary, Ministry of Finance."

2. The loss is of the type which the revised instructions mentioned in my comments on paragraph 9 will, it is hoped, do much to prevent occurring in future."

MALLAM IDRISU SANJIDA:

I want to ask the representative of the Ministry of Finance what is the position in regard to this loss?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman. The final report referred to in this paragraph was received in the Finance Division of the Ministry of Finance late last week. I am not certain of the exact date. - I think it was Thursday last week - and normal action is now proceeding as rapidly as possible. Before final action is taken, the comments of the Director of Audit will, of course, be sought and the papers will be returned to him.

CHAIRMAN:

Has the Director of Audit anything to say on this?

DIRECTOR OF AUDIT:

I have no observations, Mr. Chairman.

CHAIRMAN:

The reply is accepted.

SECRETARY:

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Paragraph 59: Accountant-General's written reply:

"As regards the queries shown against the Treasury, the position of 1021 outstanding at the 24th April, 1957, had on the 13th November, 1957, changed to the following:-

1952/53	1953/54	1954/55	1955/56	Total
3	72	148	235	458

2. As indicated in paragraph 3 of my comments on paragraph 4 of the Report of Audit, queries are being issued well over a year after the date of the transaction queried. This delay greatly increases the difficulties the Treasury experiences in clearing Audit Queries, as in most cases the Officer concerned no longer has any clear recollection of the circumstances in which the transaction concerned. Also in very many cases, owing to leave or transfer to another station, the Officer no longer has ready access to any of the documents from which he could ascertain what occurred.

3. It will, therefore, be appreciated that the Treasury work on Audit Queries is necessarily more difficult and prolonged than would be the case if these queries were issued earlier."

CHAIRMAN:

I think the reply is accepted, or is there any observation from the Director of Audit?

DIRECTOR OF AUDIT:

Mr. Chairman. I think the Accountant-General's Department, or rather the Accounting Division, is to be congratulated on reducing the number of outstanding queries from over 1,000 in May 1957 to 458 in November. I am also very pleased to see that the figures which I have for my records correspond very closely with those given by the Accountant-General. Otherwise I have no comment.

CHAIRMAN:

Is the Accountant-General to be congratulated or is his staff? (Laughter)

DIRECTOR OF AUDIT:

He is to be congratulated on reducing the numbers considerably.

CHAIRMAN:

You are congratulated on this. (Laughter and applause) And with that, we have finished with the Accountant-General, with the Accounting Division of the Ministry of Finance.

ACCOUNTANT-GENERAL:

Thank you, Mr. Chairman. Thank you all.

CHAIRMAN:

The sitting will now be adjourned until tomorrow.

Sitting adjourned at 11.00 a.m. until tomorrow.

CHAIRMAN:

The Com Secretary of the already sent a written questions they will

SECRETARY:

Paragraph reply:-

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CHAIRMAN:

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MALLAM IDRIS TA

May I Agriculture why

WEDNESDAY, 27th November, 1957.

The Committee met at 10.00 a.m.

(Ministry of Agriculture)

CHAIRMAN:

The Committee resumes. We are having the Permanent Secretary of the Ministry of Agriculture before us. He has already sent a written reply, but members may ask any more questions they wish.

SECRETARY:

Paragraph 14, Item 5. The Permanent Secretary's written reply:-

"2. The Audit Report states that on 27th April, 1957, the following excesses of expenditure as at 31st March, 1956, had not been authorised:-

(i)	Head 242, Subhead 26 - Mines and Reclamation Capital Expend- iture	- £570 3 8
(ii)	" " " 56 - Equipment	- 3,140 6 0
(iii)	" " " 58 - Expropriation and Clearing	- £2.8 9

In fact, that the date of issue of the Audit Report (18th May, 1957) all three apparent excesses had received retrospective authorisation as follows:-

- (i) covered by Financial Secretary's notification No. FS.577/472 and Release Warrant No. R.31/55-56 dated 11th May, 1957;
- (ii) covered by Financial Secretary's notification No. FS.577/468 and Release Warrant No. R.29/55-56 dated 8th May, 1957;
- (iii) covered by Financial Secretary's notification No. FS.577/469 and Release Warrant No. 30/1955-56 dated 8th May, 1957.

It should be noted that overexpenditure of approved Votes did not in fact occur. It is admitted, however, that reserved funds were expended, as mentioned in the Report, without prior authority being obtained from the Financial Secretary: in the first two cases this resulted from unanticipated debits being charged in the Crown Agent's 1955/56 accounts, and in the third case it resulted from a misallocation of debit which could not be rectified before the 1955/56 accounts were closed."

CHAIRMAN:

I think, if I can recollect to memory, the Director of Agriculture appeared before the Committee at its first Meeting in 1954 and the last Meeting in February 1957, in connection with unauthorised expenditures in 1952-53 and 1954-55 respectively. So members may raise any more points they wish on this matter.

MALLAM IDRISU TAFIDA:

May I ask the Permanent Secretary of the Ministry of Agriculture why unauthorised expenditure continued to occur?

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

Mr. Chairman. May I ask whether this question refers to previous years or to the last-mentioned year? Which financial years, exactly, is he referring to?

MALLAM IDRISU TAFIDA:

The over expenditure has taken place for three consecutive years now, that is why we want an explanation.

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

Well, last year in 1955-56, over-expenditure of the Votes happened in three cases without the permission of the Financial Secretary whose consent should have been obtained. In the first two cases, the first was for £570 odd in connection with Mines Land Reclamation on the Plateau and the second was for £3,140 odd in connection with equipment ordered from England. In both cases the amount of money required for articles ordered on Indent was under-estimated. That was partly due to the rise of prices at that time, and could not, I think, have been foreseen. I am not suggesting that that is an excuse for the over-expenditure, but it is the explanation. In the third case there was an over-expenditure of £2.8s.9d. That was due to expenditure having been debited to the wrong Vote and it was not possible to adjust that before the end of the financial year. In each of these cases, the correction has now been made and the Financial Secretary's approval has been obtained. I hope, Mr. Chairman and Members, that that is an acceptable explanation.

EMIR OF YAURI:

Yes, Mr. Chairman, but in which month did the allocation occur and when was it detected?

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

It was detected, as far as I can see from these records, in March, 1955, and was corrected on the 11th May.

EMIR OF YAURI:

When did it actually occur?

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

I am not sure from the information we have here of the date of the voucher.

EMIR OF YAURI:

May we know why it has taken so long to be corrected?

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

I think perhaps the main reason, Mr. Chairman, was the weakness of the Accounting Division of the Ministry of Agriculture at that time. As I have already said, when we have one more Accountant in 1958/9 I hope the position will continue to improve.

CHAIRMAN:

Are there any more comments from the Members?

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Can we please know whether the unauthorised expenditure was noticed by the Ministry of Agriculture, or until the attention was drawn?

PERMANENT SECRETARY

No, Mr. the Director of

CHAIRMAN:

Any more

ALHAJI MUHAMMADU

If so, I accounts monthly with the Accountant-General

PERMANENT SECRETARY

I regret errors occurred, but as not to be able to do so. I said a few moments ago, as pointed out, records

CHAIRMAN:

Before we Audit make any observations

DIRECTOR OF AUDIT:

In view of the Permanent Secretary's report, I think any very useful further these parts is all, Mr. Chairman

CHAIRMAN:

So we take

PERMANENT SECRETARY

Yes, Mr. Department will be responsible for the expenditure of the

DIRECTOR OF AUDIT:

Mr. Chairman, I have the accounts for 1956/57 before your Committee if you are taking that the position in those accounts is that it will not be reported to any unauthorised expenditure.

PERMANENT SECRETARY

Mr. Chairman, I have the Accounting cadre ready and that assurance and to confirm that the figures are correct at the moment.

ACCOUNTANT-GENERAL

Without confirm.

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

No, Mr. Chairman, it was brought to our attention by the Director of Audit.

CHAIRMAN:

Any more comments?

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

If so, Mr. Chairman, do they not reconcile their accounts monthly with the schedule of vouchers sent in by the Accountant-General?

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

I regret, Mr. Chairman, that at the time these accounting errors occurred, the Accounting cadre of the Ministry was so weak as not to be able to cope satisfactorily with these accounts. As I said a few moments ago, I am satisfied that, as the member rightly pointed out, reconciliation is being carried out now.

CHAIRMAN:

Before we ask for an assurance, could the Director of Audit make any observations on this?

DIRECTOR OF AUDIT:

In view of the assurance which has been given by the Permanent Secretary to the Ministry of Agriculture, I do not think any very useful purpose will be served by investigating further these particular cases which occurred in 1955/56. That is all, Mr. Chairman.

CHAIRMAN:

So we take it that an assurance has been given.

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

Yes, Mr. Chairman, I think the Accounting cadre of this Department will be strong enough in 1958/59 to eliminate over-expenditure of the kind we have been speaking of.

DIRECTOR OF AUDIT:

Mr. Chairman, if I may add one more small point. The accounts for 1956/57 have now been closed and it might reassure your Committee if the Permanent Secretary could give an undertaking that the position regarding the authorisation of expenditure in those accounts will be investigated without delay, so that it will not be necessary to draw attention in the Audit Report to any unauthorised expenditure in the Ministry of Agriculture.

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

Mr. Chairman, as long as the staff position of the Accounting cadre remains as it is just now, I think I can give that assurance and I think the Accountant-General will be able to confirm that there are no outstanding queries standing against us at the moment.

ACCOUNTANT-GENERAL:

Without referring to my file, Mr. Chairman, I cannot confirm.

CHAIRMAN:

I think we are now satisfied with the reply given by the Permanent Secretary and his assurance. We have finished the Permanent Secretary to the Ministry of Agriculture. Thank you very much.

PERMANENT SECRETARY, MINISTRY OF AGRICULTURE:

Thank you.

(Ministry of Works)

CHAIRMAN:

We have now got the Permanent Secretary to the Ministry of Works. We have got his written reply sent, and I will now refer the Secretary to read the paragraph.

SECRETARY:

Paragraph 12 - Permanent Secretary's written reply:-

"The balance of \$938.4s.11d. has now been confirmed by the Director of Public Works to the Director of Audit, subject to corrections of the figure due to meet allocations (Director of Public Works' memo No. 4184/109/T of 11th July, 1957 refers.

2. This amount, however, did not include any proceeds from the sale of Colonial Development and Welfare Plant and vehicles. No subsequent transfer was therefore necessary to the Capital Development Account and the general Balance is correct and not overstated.

CHAIRMAN:

Is there any member with any comments on this paragraph?

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

The answer, Mr. Chairman, is satisfactory, but in the written reply of the Permanent Secretary which says "the sale of Colonial Development and Welfare plant and vehicles", this I think should read "Capital Development Account" because there is not any connection between the Account of Capital Development and the accounts of Colonial Development and Welfare Account.

PERMANENT SECRETARY, MINISTRY OF WORKS:

Mr. Chairman, I should be grateful for further explanation on this.

CHAIRMAN:

I think we should ask the Director of Audit to help in this.

DIRECTOR OF AUDIT:

Mr. Chairman, I think it is possibly just a typing error in the written reply, because the whole discussion in the paragraph of the Audit Report sets down Capital Development Account and proceeds of sales of Capital Development plant and vehicles. There is some small connection between Capital Development Account and Colonial Development and Welfare Account, but not I think in this respect, and if in fact any Colonial Development and Welfare vehicles were sold, the proceeds would probably be credited to

Her Majesty's Government before, I think it I wonder if the Pe

PERMANENT SECRETARY

Mr. Chair

CHAIRMAN:

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SECRETARY:

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authoris (Financi refer).

CHAIRMAN:

I think how these excesses

PERMANENT SECRETARY

Yes Mr.

It was a dire ami book after exp audi other two were a l of checking of ret in this particular month of November and it is very much

EMIR OF YAURI:

Can be a statement?

ACCOUNTANT-GENERAL

Mr. Chair

had that they ad have been misl id however, as th pr to the next, d sh for the progressiv that though they d copies, because th that they woul no accumulative t tal

PERMANENT SECRETARY

Mr. Chair

CHAIRMAN:

Could th

DIRECTOR OF AUDIT:

Mr. Chair

items is intimate position is that have shown these your Committee is was it a fact that was drawn to them

Her Majesty's Government in the United Kingdom. As I mentioned before, I think it is simply a question of a typing error, and I wonder if the Permanent Secretary could confirm that.

PERMANENT SECRETARY, MINISTRY OF WORKS:

Mr. Chairman, I confirm it.

CHAIRMAN:

So the reply is accepted now. Next paragraph.

SECRETARY:

Paragraph 14: The Permanent Secretary's written reply:-

"Items 9-12. All these excesses have now been authorised by Virement Warrant No. W.94/1955-56 (Financial Secretary's memo No. 449/585 of 3rd August refers)."

CHAIRMAN:

I think I have a question to ask here. Could we know how these excesses arose?

PERMANENT SECRETARY, MINISTRY OF WORKS:

Yes Sir. The first two were a mistake in my office. It was a direct mistake because entries were not made in the book after expenditure was incurred on paper for issue. The other two were a little more complicated - that is, the question of checking of returns given to us by the Accountant-General and in this particular case no such returns were received in the month of November. The whole matter has now been rectified and it is very much regretted that it occurred.

EMIR OF YAURI:

Can we ask the Accountant-General to confirm this statement?

ACCOUNTANT-GENERAL:

Mr. Chairman, this is the first information that I have had that they had no returns in November; it is possible they have been mislaid in the post, but that is unknown. But, however, as the progressive abstract accounts go from one month to the next, it should also have been in the December statement for the progressive totals and in any case I am rather surprised that though they did not have returns, they did not apply for copies, because the absence of the November returns would mean that they would not be sure of any of the subsequent month's accumulative totals.

PERMANENT SECRETARY, MINISTRY OF WORKS:

Mr. Chairman, Sir, I think I was misunderstood.

CHAIRMAN:

Could the Director of Audit give us some more information?

DIRECTOR OF AUDIT:

Mr. Chairman, so far as I am aware, only one of these items is intimately connected with the November schedule. The position is that the schedules for the 31st March will undoubtedly have shown these excesses, and the main point that will interest your Committee is why did it take so long to seek covering approval? Was it a fact that these excesses were not noticed until attention was drawn to them by the Audit Department? Thank you Mr. Chairman.

PERMANENT SECRETARY, MINISTRY OF WORKS:

Yes, Mr. Chairman, it is correct.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Can we have an assurance from the Permanent Secretary that such unauthorised expenditures would not occur again, and, if they do occur, they would be detected in time?

PERMANENT SECRETARY, MINISTRY OF WORKS:

Mr. Chairman, Sir, in respect of the first two, yes. In respect of the last, no.

EMIR OF YAURI:

Why not?

PERMANENT SECRETARY, MINISTRY OF WORKS:

Mr. Chairman, because the expenditure for the second was not authorised by me but it was made in another Department, which in error was assigned to my office and so it was not possible for me to incur expenditure authorised elsewhere.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

We want more explanation Mr. Chairman, because there is no reason why it should appear in this paragraph in the Report of the Director of Audit, dealing with this particular Ministry.

DIRECTOR OF AUDIT:

Mr. Chairman, I think the point the Honourable Member is making is if this expenditure was not authorised as a charge against the votes of the Permanent Secretary to the Ministry of Works, why then was it accepted by the Permanent Secretary? And why was it not rejected immediately it came to his notice?

PERMANENT SECRETARY, MINISTRY OF WORKS:

Mr. Chairman, as I have already said, the error is very much regretted. The answer is that, as I have said before, the error was not detected and everything possible will be done in the future to avoid such an omission.

CHAIRMAN:

So I will take it that an assurance has been given. Are the members satisfied?

DIRECTOR OF AUDIT:

Mr. Chairman, Sir, I must say that I find myself somewhat confused as to the position. As I understand, a qualified assurance was first given, and an unqualified assurance followed it, and when the Chairman sought confirmation of that, it was promptly qualified again. (Laughter) However, Mr. Chairman, I am sure the Permanent Secretary now appreciates the serious view which is taken by this Committee of expenditure in excess of the amount authorised, or of delay in detecting that expenditure once it has occurred, and I think the Permanent Secretary will do all in his power to make certain that he does not have to appear on similar point next year. That is all, Mr. Chairman.

CHAIRMAN:

Is this statement endorsed?

PERMANENT SECRETARY:

Yes, Mr. Chairman.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph.

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November

CHAIRMAN:

Is there a paragraph?

MALLAM YAKUBU LAM

How was it the Accountant-General?

PERMANENT SECRETARY:

I think, question, because under Section 14.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph.

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EMIR OF YAURI:

Can we have

PERMANENT SECRETARY:

Yes, Sir, hear the explanation. "It is regretted the reconciliation of the reconciliation of thousands of the Ministry is responsible must slip through of trained staff Director of Audit.

CHAIRMAN:

Are there any other questions on this report?

DIRECTOR OF AUDIT:

Mr. Chairman, that this point is a sub-head and I find it by a responsible person immediately that investigations are

PERMANENT SECRETARY, MINISTRY OF WORKS:

Yes, Mr. Chairman.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 19. The Permanent Secretary's written reply:-

"It is confirmed that a debit of £270 in November, 1955, was a misallocation."

CHAIRMAN:

Is there any member who wishes to comment on this paragraph?

MALLAM YAKUBU LAME:

How was it that the November monthly account sent by the Accountant-General was not observed?

PERMANENT SECRETARY, MINISTRY OF WORKS:

I think, Sir, the answer is the same as in the previous question, because this concerns a misallocation referred to under Section 14.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 20. The Permanent Secretary's written reply:-

"Noted".

EMIR OF YAURI:

Can we assume the same assurance covers this paragraph?

PERMANENT SECRETARY, MINISTRY OF WORKS:

Yes Sir, but it might interest the Honourable Member to hear the explanation which was given me by the Chief Accountant: "It is regretted that this misallocation was not picked up at the reconciliation of the Accountant-General's figures. This reconciliation goes on constantly but, with the many hundreds of thousands of entries in the main sub-heads for which this Ministry is responsible, it seems inevitable that some errors must slip through. This Ministry suffers from the same shortage of trained staff as the Director of Audit on which the Director of Audit comments in paragraph 73 of his Report".

CHAIRMAN:

Are there any observations to be made by the Director of Audit on this remark?

DIRECTOR OF AUDIT:

Mr. Chairman, the only brief observation I would make is that this point involves a credit balance on an expenditure sub-head and I feel that, had the accounts even been scrutinised by a responsible officer, then it would have occurred to him immediately that something was wrong and that he would have had investigations made at once. That is all, Mr. Chairman.

CHAIRMAN:

The meeting will now be suspended for ten minutes.

(Committee suspended at 11.00 a.m.)

(Committee resumed at 11.15 a.m.)

CHAIRMAN:

Committee resumed. We shall continue with the consideration of the written reply submitted by the Permanent Secretary to the Ministry of Works.

SECRETARY:

Paragraph 16. The Permanent Secretary's written reply

"At the time the Board of Survey was held in December, 1955, there was considerable congestion in the Regional Mechanical Workshops Stores, due to the inadequate storage accommodation, and it is possible that the items quoted on Store Form 8 by the Board were not missing but binned elsewhere. It was not, however, possible to check this until a 100% stock check was carried out with the Stores Cost Book and staff then available did not make this possible with the amount of work then in hand.

2. Included in the re-organisation of the Regional Unallocated Stores was the siting of the Mechanical Spares Store-house adjacent to the Workshops and the transfer of all spares to this new building. The 100% stock check on Allocated and Unallocated spares was carried out when this new building was ready and has now been completed.

3. The Permanent Secretary, Ministry of Finance, has been informed in the Director of Public Works' letter No. 0929/13/11/46/T of 1st October, 1957, that a final report on deficiencies will be submitted shortly."

CHAIRMAN:

Yes, may I know whether the final report on deficiencies has now been received?

PERMANENT SECRETARY, MINISTRY OF WORKS:

I regret to say that this has not been sent.

CHAIRMAN:

Any other observations from any member?

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Yes, and please can we know whether the deficiencies are serious and are there any irregularities?

PERMANENT SECRETARY, MINISTRY OF WORKS:

I am afraid, Sir, I am not in a position to give an answer on that. I know that there are deficiencies. I gather that when the stores were reconciled on the 1st April, 1956, new books were made out and now the Director of Audit wishes for a check to be made between the old books and the new books and in view of the repeated delays I have had an officer especially appointed to do nothing else until these are cleared up. Whether there are serious losses or irregularities I am afraid I cannot say yet.

CHAIRMAN:

written reply:

DIRECTOR OF AUDIT

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MEMBERS:

Agreed.

CHAIRMAN:

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CHAIRMAN:

Has the Director of Audit any remarks to make on the written reply?

DIRECTOR OF AUDIT:

Mr. Chairman, my only observation is that it was in December, 1955, in other words nearly two years ago, that deficiencies were suspected, and, although I sympathise very much with the difficulties which the Director of Public Works experienced, I think now that these difficulties have been largely overcome, and the submission of this report should be pressed forward as much as possible. I understand from correspondence which I have received that the Director of Public Works on the 1st October, 1957, promised that the report would be available within a few days. I don't know whether the representative of the Ministry of Finance, Finance Division can give us any further information as to whether this report has now been received, but, subject to those observations, I think the reply can be accepted as satisfactory.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman, as the Permanent Secretary, Ministry of Works has said, the reply has not been received by the Finance Division, Ministry of Finance.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 47. The Permanent Secretary's written reply:-

"The clearing of the reports of the various Boards involved a vast amount of work and was complicated because immediately after the Royal Visit the officials who had been brought to Kaduna to carry out the work either returned to their stations or were sent on vacation leave which had been deferred until the rush of work which the Visit involved was over.

2. It is understood that the Director of Audit now has satisfactory clearances of all the Boards except one. This is a recommendation that the cost of certain water mains in Kaduna which were laid to temporary camps be transferred to the vote of charge for Kaduna Water Supply Extensions. The delay occurred through the loss of the Board's Report between one office and another, the death of one of the officials who started action on the Report and the total loss of sight for several months of the official who took the task over. It is hoped that satisfactory clearance of this last Board will be made in the near future."

CHAIRMAN:

If there are no observations from the members, I think this reply is reasonable and acceptable.

MEMBERS:

Agreed.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 48. The Permanent Secretary's written

"As stated by the Director of Audit, the matter placed in the hands of Crown Counsel, who wrote on 26th June, 1957, to say that judgment had been given against the Auctioneer. In July 1957, the Auctioneer asked permission to pay what he owed from the proceeds of both sales by instalments. The matter was referred to the Financial Secretary for his decision, and it is understood that he has sought legal advice. Further instructions from the Ministry of Finance are awaited."

CHAIRMAN:

Can I know from the Permanent Secretary why there was an apparent delay from May to November, 1956, in connection with the matter in the hands of the Crown Counsel?

PERMANENT SECRETARY, MINISTRY OF WORKS:

You mean, Sir, the delay between July and November?

CHAIRMAN:

I mean from May to November.

PERMANENT SECRETARY, MINISTRY OF WORKS:

I do not think, Sir, it was apparent until August 1956 that the Auctioneer was going to fail to pay. He was a trusted man and it was not until his cheque was dishonoured in August

CHAIRMAN:

Are there any other remarks from the members?

MALLAM YAKUBU LAMF:

Can the representative from the Ministry of Finance let us know the position?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Yes, Mr. Chairman. The present position is that on the advice of the Attorney-General, the matter has been referred to the police to see if the Auctioneer has property which can be distrained and to recover the whole of the money at once. This has involved reference to Lagos, where it is understood that Mr. Williams has some property. If it transpires that he has no property which can be distrained, then his offer to pay in instalments will be accepted.

CHAIRMAN:

Has the Director of Audit any observations to make?

DIRECTOR OF AUDIT:

Mr. Chairman. There seems to me to be one quite important point and that is why was the same Auctioneer entrusted with a sale in July 1956 when he had not accounted for the proceeds of the sale in May, 1956.

CHAIRMAN:

Has the Permanent Secretary anything more to say?

PERMANENT SECRETARY

and I would like

CHAIRMAN:

EMIR OF ABUJAMA

PERMANENT SECRETARY

CHAIRMAN:

SECRETARY:

CHAIRMAN:

PERMANENT SECRETARY

CHAIRMAN:

DIRECTOR OF AUDIT

Mr. Chairman. The work of Boards of Directors has been appointed by the Government. It is a fortunate result of another member of the Board. Your Commission to the effect of Finance should appoint Boards of Directors. Member of the Board.

PERMANENT SECRETARY, MINISTRY OF WORKS:

Only to say that that seems to be a very fair question and I would like to have permission to investigate it further.

CHAIRMAN:

Anything from any member?

EMIR OF ABUJA:

Not, in view of that explanation.

PERMANENT SECRETARY, MINISTRY OF WORKS:

If I have your permission, Mr. Chairman, to investigate I will try to inform the Secretary of the Committee as soon as possible.

CHAIRMAN:

Yes, do. In the meantime, let us proceed to the next paragraph.

SECRETARY:

Paragraph 49. The Permanent Secretary's written reply:-

"On 4th December, 1956, the Provincial Engineer, Kano, drew the attention of the Senior Resident to the fact that the Boards ~~had~~ not completed their task and requested his assistance. One of the Presidents was sick and action had to be deferred until he was fit and able to preside over the proceedings. The Reports were submitted to the Provincial Engineer, Kano, in January, 1957.

2. Another delay then occurred, as the file was temporarily lost. The reports have now, however, been received and have been submitted to the Ministry of Finance for consideration. The officer responsible for the delay in the P.W.D. office, Kano, has been punished."

CHAIRMAN:

My question here is, if the President was sick, could not he ask the Resident to appoint another?

PERMANENT SECRETARY, MINISTRY OF WORKS:

I should imagine, Sir, that lies within the discretion of the Resident. I do not know.

CHAIRMAN:

Has the Director of Audit anything to say on this or are you satisfied?

DIRECTOR OF AUDIT:

Mr. Chairman. There has been a tendency to defer the work of Boards of Survey and Boards of Enquiry once they have been appointed because of sickness and this has often had unfortunate results, because by the time the sick man has recovered, another member of the Board has been transferred to some other station. Your Committee may wish to consider making a recommendation to the effect that the Permanent Secretary of the Ministry of Finance should issue instructions to officers empowered to appoint Boards to the effect that if, owing to the absence of any Member of the Board, for any reason, the holding of the Board is

likely to be delayed, that Member of the Board should be replaced as soon as possible. Mr. Chairman, I think if this Committee makes a general recommendation of that nature, the Permanent Secretary of the Ministry of Finance will be able to issue some sort of instruction which will improve matters.

CHAIRMAN:

Is it the wish of the Committee that this recommendation be made?

MEMBERS:

Yes.

CHAIRMAN:

Is the written reply accepted by all the members?

MEMBERS:

Yes.

SECRETARY:

Paragraph 53: The Permanent Secretary's written

"Information required of this Ministry has been submitted and further instructions are awaited."

EMIR OF YAURI:

What is the information required?

PERMANENT SECRETARY, MINISTRY OF WORKS:

The information required, Sir, is that I think a Board of Enquiry was held into this unfortunate occurrence and the Board's recommendations were submitted to the Ministry of Finance.

MALLAM IDRISU TAPIDA:

Can the Ministry of Finance tell us the position?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman, Sir, this paragraph is also done in answer by the Finance Division of the Ministry of Finance and a written reply has been prepared. The written reply will reach the Committee today. I do not know whether in view of this your Committee would wish to defer further questioning until the Permanent Secretary to the Ministry of Finance comes in person on Friday before the Committee, when he will be subjected to questioning on this paragraph.

CHAIRMAN:

Does the Committee agree to this?

MEMBERS:

Yes.

SECRETARY:

Paragraph 58: The Permanent Secretary's written

"(a) The write-off of the petrol lost and approved in Permanent Secretary, Ministry of Finance, Memo No. SD.2135/34 of 5th October, 1957.

(b) has applied in its

CHAIRMAN:

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MEMBERS:

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SECRETARY:

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MEMBERS:

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CHAIRMAN:

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CHAIRMAN:

Are the Director of Audit

DIRECTOR OF AUDIT

Yes, Mr

CHAIRMAN:

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PERMANENT SECRETARY

Thank y

(b) The Permanent Secretary, Ministry of Finance, has approved the abandonment of further enquiries in his Memo No. FT.453/19 of 22nd October, 1957."

CHAIRMAN:

Unless some members have got some questions to ask on this, I think the reply is acceptable.

MEMBERS:

Accepted.

SECRETARY:

Paragraph 59: The Permanent Secretary's written reply:

"It is regretted that such a large number of Audit queries are still outstanding. These queries have to be passed to Provincial Engineers who in turn often have to send them to sub-offices with consequent delay and, in some cases, loss of the original query. Every effort is being made to clear the outstanding queries."

CHAIRMAN:

Any comments?

MEMBERS:

No.

CHAIRMAN:

Accepted.

SECRETARY:

Paragraph 62: The Permanent Secretary's written reply:

"This report, which covered the period January 1954 to February 1956 comprising a multiplicity of relatively minor matters, was sent to the Provincial Engineer, Jos, on 1st May, 1956. The Provincial Engineer sent an interim reply to the Director of Audit on 27th August, 1956 and a full reply on 27th May, 1957. In his letter dated 27th July, 1957, the Director of Audit made a number of comments which are now being attended to. Owing to shortage of staff, there has been no P.W.D. Accountant in Jos for some time, but a new appointment has been sent there to clear all outstanding Audit queries and to do no other work until this has been completed."

CHAIRMAN:

Are there any comments on the written reply? Is the Director of Audit satisfied with it?

DIRECTOR OF AUDIT:

Yes, Mr. Chairman.

CHAIRMAN:

The written reply is accepted. That finishes the accounts with the Ministry of Works. Thank you very much.

PERMANENT SECRETARY, MINISTRY OF WORKS:

Thank you, Sir.

CHAIRMAN:

The sitting will now be adjourned until 9.30 a.m. tomorrow morning. We shall start formal discussions at 10.00 a.m.

THURS

T. C.

Committee adjourned at 12.00 noon until tomorrow.

CHAIRMAN:

Committee to the Ministry of Health. If members have any queries they are to be discussed in the graphs.

SECRETARY:

Paragraph

23, St. Joseph's Hospital, No. 1, F. 1.

CHAIRMAN:

At the

MALLAM IDRIS TALIB

Major Idris Talib taken to limit the

PERMANENT SECRETARY:

Mr. Chairman, in fact to excess is not possible. It is required; it varies. We have a token vote. In the review we require funds by virtue of the for funds to be voted. There were sufficient subhead 25. This expresses our policy.

CHAIRMAN:

An

MALLAM IDRIS TALIB

Yes, Secretary that

CHAIRMAN:

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DIRECTOR OF JUDICIAL

Mr. Chairman, explanation of how there is, I think

PUBLIC ACCOUNTS JOINT COMMITTEE

THURSDAY, 28th November, 1957.

The Committee met at 10.00 a.m.

(Ministry of Health)

CHAIRMAN:

Committee resumes. We have the Permanent Secretary to the Ministry of Health. He has sent his written replies. If members have any more questions to ask on the written replies they are to do so. I will ask the Secretary to read the paragraphs.

SECRETARY:

Paragraph 14/3: The Permanent Secretary's written reply:-

"Authority for the excess of £2,008 under Head 237, Subhead 25, Grants to Native Authorities for Hospital Staff, was granted by Virement Warrant No. F.88/1955-56 dated 16th April, 1957."

CHAIRMAN:

Are there any questions from any member?

MALLAM IDRISU TAFIDA:

May I know from the Permanent Secretary the steps taken to limit the expenditure?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Mr. Chairman. The excess of expenditure here was due in fact to excessive expenditure under "Epidemic Control". It is not possible to estimate exactly in advance exactly what is required; it varies so much year to year. For that reason we have a token vote of £100. In the accounts of the year under review we required an extra £1,900 and we sought the additional funds by virement. In fact the application was by an error made for funds to be vired from subhead 25 instead of subhead 35. There were sufficient funds under subhead 35, but not under subhead 25. This was a careless mistake for which we can only express our apologies.

CHAIRMAN:

Any more comments on this?

MALLAM IDRISU TAFIDA:

Yes, Sir. Can we have an assurance from the Permanent Secretary that steps will be taken to stop recurrence?

CHAIRMAN:

I think before we have the assurance can we hear what the Director of Audit has to say.

DIRECTOR OF AUDIT:

Mr. Chairman. I have not previously heard this explanation of how the unauthorised expenditure occurred, and there is, I think, only one question which should be asked, and

that is were there in fact sufficient savings at the end of the year under subhead 35 to meet this £2,008?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Mr. Chairman. There were sufficient funds under subhead 35.

DIRECTOR OF AUDIT:

Mr. Chairman. In that case I think the reply can be accepted.

CHAIRMAN:

Now, can the Permanent Secretary give an assurance that steps have been taken to prevent recurrence in future?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Yes, Mr. Chairman, I think such a mistake should not recur. If on this occasion the title of the subhead had been quoted as well as the number, I do not think the mistake would have happened. I have instructed that in future the name of the subhead should be quoted as well as the number.

SECRETARY:

Paragraph 14/4: The Permanent Secretary's written

"Authority for the excess of £145 1s. under Head 237 Subhead-head 16201 - Pharmacy Training School Zaria was granted by Special Warrant No. 108/1955-56 dated 28th May, 1957."

CHAIRMAN:

Is there any question from any member?

MALLAM YAKABU LAME, MAGAJIN GARIN BAUCHI:

Yes, Sir. Can we know from the Permanent Secretary the excess did in fact occur?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Mr. Chairman. This was the result of an unfortunate error in the amount that was quoted by the Treasury as available in this vote. The figures when the final statement was received showed a total amount of £1,400, whereas the amount issued amounted to £1,200. This was noticed at the time the final statement was made in October 1956, but there was some difficulty in reconciling this figure with the figures we thought were the correct figures. I understand that although the Ministry was responsible for the control of this vote the Ministry had in fact had very little control because the application was made by the Public Works Department. This, I believe, has been the case frequently before where the Public Works Department have been responsible for the construction of some building of this sort that they have in fact applied for the funds although it falls upon the Ministry to be responsible for these funds. It seems to me that that is rather unsatisfactory.

CHAIRMAN:

Has the Director of Audit anything to say on this?

DIRECTOR OF AUDIT:

Mr. Chairman. You may wish to seek the observations the representatives both of the Accounting Division and the Finance Division of the Ministry of Finance on the statements

by the Permanent Secretary
REPRESENTATIVE OF

Mr. Chairman. I regret that the additional provision of £200 was not included in the statements to be audited. This was a typing error. It was corrected by £200.

CHAIRMAN:

Are there any other questions?

REPRESENTATIVE OF

Mr. Chairman. I regret that the additional provision of £200 was not included in the statements to be audited. This was a typing error. It was corrected by £200.

CHAIRMAN:

Are there any other questions?

MEMBERS:

Yes.

DIRECTOR OF AUDIT:

Mr. Chairman. I regret that the additional provision of £200 was not included in the statements to be audited. This was a typing error. It was corrected by £200.

CHAIRMAN:

Can we have any other questions?

PERMANENT SECRETARY:

Mr. Chairman.

SECRETARY:

Paragraph 14/4.

Final statement.

MALLAM YAKABU LAME:

Mr. Chairman. I regret that the additional provision of £200 was not included in the statements to be audited. This was a typing error. It was corrected by £200.

PERMANENT SECRETARY:

No other questions.

by the Permanent Secretary.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (ACCOUNTING DIVISION):

Mr. Chairman. The mistake arose on Special Warrant D,5 which was issued by the then Financial Secretary. The additional provision shown under this subhead was £1,200. This was a typing error for £1,000. As a result of that, our statements to Medical Department increased the provision erroneously by £200.

CHAIRMAN:

Are there any remarks from anyone?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman. It does appear that a typing error was made in the then Financial Secretary's office, which I can only regret occurred. On the other point mentioned by the Permanent Secretary regarding the Ministry of Works making application for expenditure of funds from a Medical vote, I do not think that this is likely to occur under present arrangements. The Permanent Secretaries of the Ministries concerned control the respective votes and if it is a Medical vote it would be clearly controlled by the Permanent Secretary, Ministry of Health, who will himself apply for expenditure.

CHAIRMAN:

Are members satisfied?

MEMBERS:

Yes.

DIRECTOR OF AUDIT:

Mr. Chairman. You may wish to seek an assurance from the Permanent Secretary that the authority for expenditure during the year 1956-57, the accounts for which have just been closed, that the position in regard to those will be investigated and, if necessary, any additional provision will be sought promptly.

CHAIRMAN:

Can we have this assurance?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Mr. Chairman, it has already been done.

SECRETARY:

Paragraph 43 - The Permanent Secretary's written reply:-

"A Stock Verifier was appointed with effect from the 1st September, 1957."

MALLAM YAKABU LAME, MAGAJIN GARIN BAUCHI:

Mr. Chairman, Sir. It is very satisfying to note that a Stock Verifier was appointed with effect from the 1st September, 1957. Can we hear from the Permanent Secretary whether this Stock Verifier has been able to submit reports since his appointment?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Not yet, Mr. Chairman.

CHAIRMAN:

Are members satisfied?

EMIR OF YAURI:

May we know why he has not been able to

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Well, Mr. Chairman. He arrived only on the 1st September and it is a very large store he has to inspect and therefore I think the two months he has had are hardly adequate to submit a report.

MALLAM IDRISU TAFIDA:

How soon, Mr. Chairman, is it expected before the Stock Verifier is able to issue his first report?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Mr. Chairman. I hope that we shall have a report by the end of January.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 16 - the Permanent Secretary's written report

The balance of the loss of funds at Paiksha Hospital amounting to £26.16s.3d. was written off on Adjustment Voucher No. 110/56-57 of July 1957 under the authority of Financial Secretary's Letter No. F.2060/14 of 10th May 1957.

All Medical Officers in charge of Department have been reminded of their responsibilities under F.I.46.

Regarding the failure to obtain a writ of execution against the Warden's property held by the Medical Department, application was made to the Crown Counsel, Jos in July 1956 and it was not until March 1957 that his opinion was received that there was insufficient evidence against Mallam Zaria to justify the institution of Civil proceedings against him."

EMIR OF ABUJA:

Mr. Chairman. Before accepting the reply, will the Permanent Secretary give us assurance that such a delay will be avoided in the future?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Yes, Mr. Chairman, I shall certainly do all I can to see that it does not happen again. I propose to issue instructions whenever a loss of this sort is notified and Police action, if any, has been taken, it should be the first responsibility of the officer concerned to see that whatever funds can be recouped from the individual are so recouped. All I can say about this particular instance is to express our regret that it has in fact occurred and there has been this very considerable delay in dealing with it.

CHAIRMAN:

Can we know he is satisfied with

DIRECTOR OF AUDIT:

Mr. Chairman by the Permanent Secretary

EMIR OF YAURI:

May we know taken against this done is, I think,

PERMANENT SECRETARY:

Mr. Chairman action against the

EMIR OF YAURI:

Yes.

PERMANENT SECRETARY:

Mr. Chairman been considered by Commission. If the Service Commission against superior officers there is in fact a Commission.

REPRESENTATIVE OF

Mr. Chairman the question of the concerned was considered. His Excellency appointed Service Commission question of discipline

DIRECTOR OF AUDIT:

Mr. Chairman eventually decided was in view of this case. It was to punish officers more than two years

CHAIRMAN:

Any question

EMIR OF YAURI:

May I Finance whether was correct.

REPRESENTATIVE OF

Mr. Chairman

EMIR OF YAURI:

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CHAIRMAN:

Can we know from the Director of Audit whether he is satisfied with the written reply?

DIRECTOR OF AUDIT:

Mr. Chairman. In view of the assurance now given by the Permanent Secretary, I am satisfied with the reply.

EMIR OF YAURI:

May we here know whether any action is going to be taken against this officer? Just to say that nothing can be done is, I think, unsatisfactory.

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Mr. Chairman. Is the enquiry about disciplinary action against the officer?

EMIR OF YAURI:

Yes.

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Mr. Chairman. I am not certain whether this has been considered but it would be a matter for the Public Service Commission. If the matter has not been referred to the Public Service Commission in connection with disciplinary action against superior officers, I will undertake to see whether there is in fact a case that can go to the Public Service Commission.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman. From information we have in the file, the question of the surcharging of the Medical Officer concerned was considered by the Public Service Commission and His Excellency approved the recommendation of the Public Service Commission that no action should be taken, so the question of disciplinary action has been considered.

DIRECTOR OF AUDIT:

Mr. Chairman. I think the reason that it was eventually decided that no disciplinary action should be taken was in view of the delay which has occurred in dealing with this case. It was considered that it would not be fair to punish officers for faults for which they had been responsible more than two years before. That is all, Mr. Chairman.

CHAIRMAN:

Any questions?

EMIR OF YAURI:

May I ask the representative of the Ministry of Finance whether the statement made by the Director of Audit was correct.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman. Yes it is correct.

EMIR OF YAURI:

May I take it that if a man commits a crime and escapes detection for about two years he will go scott free?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman. I can only say that the full facts were placed before the Public Service Commission; the decision was entirely that of the Public Service Commission and was not the result of any recommendation by the then Financial Secretary that the Public Service Commission should take this action. The decision of what should be done was taken by His Excellency on the recommendation of the Public Service Commission.

CHAIRMAN:

I do not think it is our duty actually to go into details of disciplinary action against Head of Departments and officers concerned.

EMIR OF YAURI:

My question is on principle, not on detail.

DIRECTOR OF AUDIT:

Mr. Chairman. If I may explain - I think this Committee has no power to deal with disciplinary proceedings but I think this Committee would be entitled to comment upon any effects on the keeping of accounts which such disciplinary proceedings might or might not have. For instance, if nobody was ever punished for anything and this led to a deterioration in accounting standards, I think this Committee would be entitled to draw attention to the fact, but the Committee of course, as you mentioned, has no power to consider disciplinary proceedings in individual cases.

CHAIRMAN:

Satisfied?

EMIR OF YAURI:

Yes.

LAMIDO OF ADAMAWA:

I think we are satisfied now, Mr. Chairman.

EMIR OF ABUJA:

We are satisfied, Mr. Chairman, about the reply.

SECRETARY:

Paragraph 57 - the Permanent Secretary's written reply:-

"Recovery of the value of drugs found deficient - viz £60. 7s. 11d. is being recovered from the officer concerned.

It has since been confirmed that a new system for the control of issue and receipts of drugs at the Kaduna Nursing Home has been installed by the Hospital Secretary which facilitates the reconciliation of drugs received from the Medical Stores with subsequent issues to the dispensary and to patients on prescription."

CHAIRMAN:

I think the written reply is satisfactory and can be accepted by the members.

MEMBERS:

Accepted.

SECRETARY:

Paragraph 59 - the Permanent Secretary's written r

"of the 51 queries reported outstanding at 24th April, 1957; 38 have since been settled and 2 the remaining 14 have been submitted to the Minister of Finance for write off approval."

Action is still proceeding on the 12 queries still outstanding which are mainly in respect of uncollected hospital fees and charges for the private use of Government Transport.

Delay in settling these types of queries is usually unavoidable owing to the difficulty experienced in tracing the debtors concerned and convincing them of their liability to Government which invariably involves considerable correspondence."

CHAIRMAN:

Can I ask for an assurance that these queries will be dealt with promptly in future?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Yes, Mr. Chairman.

MALLAM IDRISU TAFIDA:

I want to have from the Permanent Secretary, Ministry of Finance, some information about the answers to the two queries sent to them.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman, I cannot state the exact position on two queries, but I can assure the members that the procedure to refer applications for write-off to the Director of Audit, his observations and if he recommends that write-off should be placed his advice will normally be followed.

MALLAM IDRISU TAFIDA:

Has the matter been referred to the Director of Audit?

PERMANENT SECRETARY, MINISTRY OF HEALTH:

Mr. Chairman, may I say that one of them has been written off and the other one has not yet been received.

CHAIRMAN:

Is the member satisfied?

MALLAM IDRISU TAFIDA:

Yes Sir.

CHAIRMAN:

Thank you. We have now finished with the Ministry of Health.

CHAIRMAN:

We have no Council. He has all members can ask any

SECRETARY:

Paragraph Council's written re

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CHAIRMAN:

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EMIR OF YAURI:

Mr. Chairm

ACTING SECRETARY TO

Mr. Chairm and travelling, which Without Portfolio in question, the rates were raised and as is much regretted, had been reserved

CHAIRMAN:

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EMIR OF YAURI:

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CHAIRMAN:

We have now the Acting Secretary to the Executive Council. He has also sent in his written reply and the members can ask any questions on the written reply.

SECRETARY:

Paragraph 14 (1) - the Secretary to the Executive Council's written reply:-

"I have to refer to your letter No. 341/3.1/231 of the 11th October, 1957 and to say that the sum of £181 was released from the amount previously reserved under His Excellency's General Warrant by Expenditure Warrant R27/1955-56, No. FS577/464 of 23rd April, 1957."

CHAIRMAN:

Are the members satisfied with the written reply?

EMIR OF YAURI:

Mr. Chairman, Sir, may we know how the excess occurred?

ACTING SECRETARY TO THE EXECUTIVE COUNCIL:

Mr. Chairman, the subhead in question is Local Transport and travelling, which is used mainly on behalf of the Ministers Without Portfolio in the Executive Council. In the year in question, the rates of motor vehicle allowance, etc. for Ministers were raised and as far as I can see, due to an oversight, which is much regretted, at the end of the year a certain portion which had been reserved had in fact spent.

CHAIRMAN:

Was this noticed before or until attention was drawn by the Audit Department?

ACTING SECRETARY TO THE EXECUTIVE COUNCIL:

It does not appear that it was, Mr. Chairman.

EMIR OF YAURI:

Does the Department receive monthly reconciliation books from the Accountant-General?

ACTING SECRETARY TO THE EXECUTIVE COUNCIL:

The Office does receive these figures eventually, Mr. Chairman, Sir, but as you know, the subhead for Local Transport and Travelling is one which invariably causes trouble in all Departments: against it are debited Railway Vouchers and Air Warrants and things like that which are not usually easy to take precise liability for: the Railway Corporation usually send their debits very very much later after the journeys have been taken.

CHAIRMAN:

Can an assurance be given that steps are being taken to prevent a recurrence of this?

ACTING SECRETARY TO THE EXECUTIVE COUNCIL:

Certainly, Mr. Chairman. I might explain that one of the reasons, as I said before, why this over-expenditure took place was that by an oversight (I presume by the Finance Clerk involved) it was over-looked that a certain portion of the vote had in fact been reserved; and I believe the reason for part of the subhead being reserved was that in the office responsible for the preparation of the complete Estimates, there was a

mistake in addition or something resulting in an excess of £3,000 in the grand total; and the only way that office was able to present the Estimates in proper form for the Legislature was to put in an extra £3,000 somewhere and, so save them the reprinting of the parts already set up.

EMIR OF YAURI:

Mr. Chairman, Sir, is it the normal way? (Laughter)

CHAIRMAN:

Has the Director of Audit any observations to make?

DIRECTOR OF AUDIT:

Mr. Chairman, I must confess that I am a little surprised at the news I have just heard, but I think now that assurance has been given that steps are being taken to prevent the recurrence of over-expenditure without permission, the reply can be accepted as satisfactory.

CHAIRMAN:

The reply is accepted.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

I have one comment to make, Mr. Chairman, on what the Secretary to the Executive Council has said. It reminds of the old saying - "when you have a bad case, abuse the plaintiff's attorney!" (Laughter)

ACTING SECRETARY TO THE EXECUTIVE COUNCIL:

I accept that comment, Mr. Chairman, Sir, without malice, but I thought I would make a statement of fact. (Laughter) Thank you. "Na barku lafiya."

CHAIRMAN:

I think it is time to have a break of 10 minutes.

Committee suspended at 11.45 a.m.

Committee resumed at 11.55 a.m.

(Ministry of Education)

CHAIRMAN:

We have now got the Permanent Secretary to the Ministry of Education. He has already sent us his written replies and I will now ask the Secretary to read the paragraphs.

SECRETARY:

Paragraph 18 - the Permanent Secretary's written reply

With regard to para. 18 therein it may be said that the original Technical Education Development Plan made no provision for the grant of basic allowance as a general rule to Technical Instructors. In early 1955 it was decided that in order to perform their duties, particularly their extra-mural duties, more satisfactorily Technical Instructors should receive basic allowance. It was considered that in all probability the C.D.W. Funds available for Technical Local Transport and Travelling would be insufficient

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MEMBERS:

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SECRETARY:

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to meet the additional charges thus incurred and that it was doubtful whether it would be proper to seek an increase in this Subhead as the original plan made no provision for these charges. It was accordingly decided that for the Financial Year 1955/56, the only one affected, the Local Transport and Travelling expense of the Kaduna Technical Institute and Trade Centre should be charged to Regional funds and not to C.D.W. funds."

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CHAIRMAN:

I think the written reply seems to be straightforward, unless there is any member who has got something to ask. Otherwise it could be accepted. Is it accepted by the members?

MEMBERS:

Yes.

SECRETARY:

Paragraph 44 - the Permanent Secretary's written reply:-

"It is understood that an Audit Report has recently been completed on Eukuru Trade Centre and it is considered that comments on paragraph 44 of the Report might usefully be deferred until this Report has been received. It is further understood that the Permanent Secretary, Ministry of Finance, will speak on the subject of the Board of Survey referred to."

CHAIRMAN:

I think members may have got some questions to ask on this reply.

MALLAM YAKABU LAME, MAGAJIN GARIN BAUCMI:

I want to know, Mr. Chairman, why the September Audit queries were not answered early and in full.

PERMANENT SECRETARY, MINISTRY OF EDUCATION:

Mr. Chairman, I wonder if the Representative of the Ministry of Finance here could possibly say something first regarding what happened to the relevant Board of Survey.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman, Sir, paragraph 44 is also down for answer by the Permanent Secretary to the Ministry of Finance, and a written reply has been submitted. The Committee may wish to question the Permanent Secretary to the Ministry of Finance in detail when he appears here tomorrow. I can say, however, that I admit that there were some delays in dealing with these Boards of Surveys. The delays were the fault of individual officers.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Mr. Chairman, Sir, the Hon. Member is referring to the paragraph where it says "An audit inspection report on the stores accounts of this Trade Centre was issued in September, 1954, and invited attention to a considerable number of procedural irregularities. Confirmation that necessary action has been taken on all the matters dealt with in the report has not yet been received." That is what the Hon. Member is asking, Mr. Chairman.

PERMANENT SECRETARY, MINISTRY OF EDUCATION:

The procedural irregularities, Mr. Chairman, are largely due to the shortage of trained stores staff. As you know,

Mr. Chairman, the Trade Centre is a big organisation and it is estimated that in Bukuru there is something in the region of 250,000 worth of stores of various sorts. I am extremely worried on the question of Trade Centre Stores and I have been in consultation with the Finance Officer of the Ministry and the Chief Education Officer (Technical) on what we can do. The action we have taken is to close down store for daily issue and open for a half day a week. The requisition has been sent through the Principal of the Trade Centre. No new training orders are being accepted, and we are only finishing off the old ones; shortly we are sending Technical Instructors to assist the Stores Officer there to put things in order. Mr. Chairman, I would very much like to hear if possible from the Director of Audit if other people are having trouble with big stores in the same way as we do because I do not want to hide anything from this Committee and I do not really believe that these stores will ever be put in order in a way satisfactory to the Committee until we have (a) some sort of training scheme for Stores Officers. As you know, Mr. Chairman, looking after stores of this magnitude needs very considerable skill. It is not a thing which can be done without training. It is also a point whether we should not set up a system of internal audit by seeking the employment of Stock Verifiers to go round constantly checking stores as a full-time job. The identification of the stores - of the different items of stores - Mr. Chairman, of a Trade Centre needs very great technical skill in itself, and we shall never solve this problem by employing men of all grades without adequate training.

CHAIRMAN:

Before we ask for the Director of Audit's observations can an assurance be given that the recent Audit Report will receive very early attention?

PERMANENT SECRETARY:

Yes, Mr. Chairman.

CHAIRMAN:

Has the Director of Audit got any observations to make on this?

DIRECTOR OF AUDIT:

Mr. Chairman, I am sure your Committee will be very pleased to hear the constructive remarks which have been made by the Permanent Secretary. I think that if the problem of stores accounting is tackled in the way he suggests there will be very great improvements. He enquired whether the Audit Department had encountered similar trouble with other stores and I would say, generally speaking, we have not had so much trouble with other large stores as we have had with Trade Centre stores. The reason for this is, I think, that the maintenance of very large and very varied stocks of stores by the Education Department, or now the Ministry of Education, is a comparatively new thing in the Northern Region of Nigeria, and they have not been able to build up a sufficiently large body of trained men. Also, I think, the accent has been on the training of the apprentices, who must be produced at all cost rather than on looking after the stores.

In regard to training courses for Stores Officers, I think this would be a very good idea indeed and your Committee may wish to make a recommendation to that effect - or rather to the effect that such courses should be introduced. In this connection, it may be of interest to members to know that in the Executive Officers' Training Course, of which the second is now in progress, particular attention is paid to stores

accounts and a set a comprehensive stores accounting number of Executive problems of store This, however, do because it is necessary junior officers

The Per of internal audit Instructions in audit. I am not hand - I think it be internal check I would be interested out at the Trade Stock Verifiers first at any rate to counting the endeavour to see of the keeping of regard to the Audit reply, I regret Ministry of Education was a very voluminous This Report, I am ment at all in the and, with your permission one extract from Auditor who carries stores, he says:-

and s They v of the ity a numer super keepi

The A remarks with an examples. However the Permanent Secretary he gives an assurance quickly as pract Audit Report will can ask him to received early but if he can g on one side, th accept the report this year's s all, Mr. Chairman

PERMANENT SECRETARY:

I gi will be taken officer's leave that he can do considerable in the long-term much, of course permit extra altogether with put to the app

accounts and a senior member of the Audit Department gives a comprehensive series of lectures on all aspects of general stores accounting. Thus I hope we will soon have a fair number of Executive Officers who are familiar with all the problems of stores accounting and know how to overcome them. This, however, does not dispose of the problem completely because it is necessary to have quite a large number of junior officers who are in immediate charge of the stores.

The Permanent Secretary also mentioned the question of internal audit - there is provision in the Financial Instructions in the Stores Section for a form of internal audit. I am not sure of the number of the instruction off-hand - I think it may be no. 937, which says that there shall be internal checks of selected items from time to time, and I would be interested to know whether these have been carried out at the Trade Centres. However, I think that the use of Stock Verifiers would be of considerable advantage, but at first at any rate they should not confine themselves merely to counting the number of stores actually there, but should endeavour to see that there is some improvement in the standard of the keeping of the ledgers and other records. Now, in regard to the Audit Report which is referred to in the written reply, I regret that it was not possible to send this to the Ministry of Education until yesterday. This was because it was a very voluminous report and the typing took a long time. This Report, I am sorry to say, does not reflect any improvement at all in the store-keeping at the Buhuru Trade Centre, and, with your permission, Mr. Chairman, I would like to read one extract from the Report which we received from the Senior Auditor who carried out the inspection. Referring to the main stores, he says:-

"The organisation, accounts, records, control and supervision were entirely unsatisfactory. They were inadequate for the multiple operations of the Centre and as a safeguard against irregularity and fraud. The nature and variety of the numerous queries listed reveal that control and supervision have been lax and the standard of store-keeping and accounting poor".

The Audit Report goes on to substantiate these remarks with an extraordinarily large number of specific examples. However, your Committee has heard the plans that the Permanent Secretary has for improving matters and, providing he gives an assurance that these will be pressed forward as quickly as practicable, and gives an assurance that this recent Audit Report will receive early attention (I do not think you can ask him to give an assurance that a full reply will be received early - I think that would be asking rather a lot) but if he can give an assurance that it will not just be pushed on one side, then I suggest that your Committee may wish to accept the reply to this paragraph as satisfactory as far as this year's sittings of the Committee are concerned. That is all, Mr. Chairman.

PERMANENT SECRETARY, MINISTRY OF EDUCATION:

I give an assurance that as early action as possible will be taken on this Report and I can say that a senior officer's leave has already been postponed on this account, so that he can deal with it before he leaves. This will be a considerable incentive, of course, to early action. As regards the long-term plans for Stock Verifiers and training schemes, much, of course, depends on the willingness of Government to permit extra expenditure in this connection. That is not altogether within my control, but specific proposals will be put to the appropriate Ministry as soon as possible.

CHAIRMAN:

Are the members satisfied?

MEMBERS:

Yes.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 45 - the Permanent Secretary's written re

"With regard to paragraph 45 of the Director of Audit's Report, the quarter referred to is on charge to the Public Works Department and the proceedings of the Board have not been brought to this Ministry's attention."

CHAIRMAN:

I assume this paragraph seems to be all right, unless members have got something to ask.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

As far as the Ministry of Education is concerned, it is all right, Sir.

CHAIRMAN:

The Ministry's reply is accepted. We have now finished with the Ministry of Education. Thank you.

(Ministry of Social Welfare and Co-operatives)

CHAIRMAN:

We have the Permanent Secretary of the Ministry of Social Welfare and Co-operatives. I think members have got copies of his written reply, so I will ask the Secretary to read the paragraphs.

SECRETARY:

Paragraph 14/8 - the Permanent Secretary's written reply:-

"A grant of £2,500 was made in 1955/56 to Kano Native Administration to assist with the capital cost of rebuilding Kano Reformatory. The sum was charged to Head 249, Subhead 11 - Capital Grants to Native Authorities for construction of Remand Homes and Reformatories.

2. The Financial Secretary's letter No. 400/S.42/ of 31st March, 1955, in which the Ministry was informed that the provision under Head 249, Subhead 11, was reserved under General Grant, was regrettably overlooked. It was thought that the position was the same as in the previous year when the corresponding provision was free. Approval for release of funds was not therefore sought from the Financial Secretary.

3. The expendi The Fin Warrant the Acc pre iou Warrant

ALHAJI MUHAMMADU

Mr. Ch which was sen fr over-looked?

PERMANENT SECRET

The le Senior Social We to trace it.

ALHAJI MUHAMMADU

Is the PERMANENT SECRET

Mr. Ch was raised.

EMIR OF YAURI:

Is th the Estimates h are not suppose approval?

PERMANENT SECRE

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ALHAJI MUHAMMAD

Mr. C Senior Social W

PERMANENT'S SECRE

Estimates with the Vote, at 1955, the seni the Financial reserved in re to the pre iou letter to the in assumi th only six weeks spend the none

EMIR OF YAURI:

Mr. representative

REPRESENTATIVE

Mr. certainly sen written reply

3. The Director of Audit queried this over-expenditure and the above explanation was given. The Financial Secretary then issued Expenditure Warrant FS 577/467 of 7th May, 1957, in which the Accountant-General was informed that £2,500 previously reserved, had been released by General Warrant.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Mr. Chairman, Sir, how came about that this letter which was sent from the Financial Secretary's Office was over-looked?

PERMANENT SECRETARY, MINISTRY OF SOCIAL WELFARE AND CO-OPERATIVES:

The letter was forwarded from the Ministry to the Senior Social Welfare Officer, who regrets that he is unable to trace it.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Is the letter still untraced?

PERMANENT SECRETARY, MINISTRY OF SOCIAL WELFARE AND CO-OPERATIVES:

Mr. Chairman, I sent him a further copy when the query was raised.

EMIR OF YAURI:

Is the official of that Ministry not aware that, after the Estimates have been approved by the Legislature, such amounts are not supposed to be spent without the Financial Secretary's approval?

PERMANENT SECRETARY, MINISTRY OF SOCIAL WELFARE AND CO-OPERATIVES:

Mr. Chairman, it was the letter telling him that the funds were reserved which the Senior Social Welfare Officer said he could not trace.

ALHAJI MUHAMMADU, MAGAJIN GARIN KAZAURE:

Mr. Chairman, Sir, what authority was given to the Senior Social Welfare Officer to have this expenditure?

PERMANENT SECRETARY, MINISTRY OF SOCIAL WELFARE AND CO-OPERATIVES:

Mr. Chairman, I regret I have not got a copy of the Estimates with me, so I am not sure who was the officer controlling the Vote, but I would like to say that, on the 15th February, 1955, the Senior Social Welfare Officer was sent a letter from the Financial Secretary which told him that this Vote was not reserved in respect of 1955-56. Mr. Chairman, that referred to the previous financial year and, not having received any letter to the contrary, I imagine that anyone would be justified in assuming that the same arrangements would hold good. It was only six weeks after receiving this letter saying that he could spend the money that this other letter was sent.

EMIR OF YAURI:

Mr. Chairman, may we have any comments from the representative of the Ministry of Finance.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman, the letter reserving this provision was certainly sent from the then Financial Secretary's Office. The written reply from the Permanent Secretary states that "the

letter was regrettably overlooked", which implies that it was in fact, received. I should be grateful if the Permanent Secretary would inform me whether this letter was, or was not received. This is a point which could be cleared up by reference to Despatch and Receipt Books, etc. I have not checked on this point myself because it was assumed from the statement "regrettably overlooked" in the reply that it had not, in fact, been received.

PERMANENT SECRETARY, MINISTRY OF SOCIAL WELFARE AND CO-OPERATION

Mr. Chairman, it was received in my Ministry and it was in my Ministry that it was overlooked. I am assured that it was not received by the Senior Social Welfare Officer, but I can check on this statement, although it was on the 12th April, 1951, that this was sent to him.

EMIR OF YAURI:

Mr. Chairman, is the Vote from the Accountant-General's Department sent to the Headquarters of the Ministry?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (ACCOUNTING DIVISION)

Mr. Chairman, at that time the Vote was controlled by the Senior Social Welfare Officer and the tabulation of expenditure was sent to that officer, not to the Ministry.

CHAIRMAN:

Before we ask for an assurance against recurrence, we hear what the Director of Audit has to say?

DIRECTOR OF AUDIT:

Mr. Chairman, a member raised a point just now, the full significance of which I do not think was appreciated. I was under the impression that this vote was, according to the Estimates, under the control of the Permanent Secretary to the Ministry of Social Welfare. I am open to correction on this point and I am sorry that I have not got a copy of the Estimate here to put the matter beyond doubt.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (ACCOUNTING DIVISION)

Authority was delegated to the various Heads of Departments at that time and Treasury were requested to continue to send tabulations and vouchers to the same people as before, as the Ministries then had not got the accounting staff to control expenditure. The only Statements sent to Ministries were in respect of the Ministry itself.

DIRECTOR OF AUDIT:

Mr. Chairman. That raises a very important point. The control of these Votes was vested in the Permanent Secretaries of Ministries. I am not saying that they were not entitled to delegate control to officers of what were then Departments and now Divisions, but it does seem to me that they should pass on the officers concerned authorities which are conveyed to them, that I think is the point which the member was raising just now when he asked what authority was given to the Social Welfare Officer to incur the expenditure. Was the Social Welfare Officer informed by the Permanent Secretary of the precise amounts which he was permitted to spend? That is all, Mr. Chairman.

If I may add one point, Mr. Chairman, that is, I do not think any similar circumstances will arise under the present organisation of Ministries. This arose, I think, through the rather exceptional circumstances which were then obtaining.

CHAIRMAN:

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PERMANENT SECRETARY

Well, Ministries one of Secretary over various Departments

CHAIRMAN:

Now, taken to preven

PERMANENT SECRETARY

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CHAIRMAN:

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CHAIRMAN:

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SECRETARY:

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CHAIRMAN

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CHAIRMAN:

Have the members anything to say?

PERMANENT SECRETARY, MINISTRY OF SOCIAL WELFARE AND CO-OPERATIVES:

Well, Mr. Chairman, I think with the integration of Ministries one can expect far greater control by the Permanent Secretary over the Votes than was the case when delegated to various Departments.

CHAIRMAN:

Now, can the assurance be given that steps have been taken to prevent a recurrence?

PERMANENT SECRETARY, MINISTRY OF SOCIAL WELFARE AND CO-OPERATIVES:

Yes, Mr. Chairman.

CHAIRMAN:

We have finished with the Ministry of Social Welfare and Co-operatives. Thank you.

(Public Service Commission)

CHAIRMAN:

We now have the Secretary to the Public Service Commission. He has sent a written reply. We will ask the Secretary to read the paragraphs.

SECRETARY:

Paragraphs 14/3 and 14/4 - The Secretary to the Public Service Commission's written reply:-

"I regret that, despite efforts to trace the exact vouchers whereby the following excess expenditure was incurred, it has not been possible to produce an exact explanation:-

Head 258	Sub-head 6	Local Transport and Travelling	£3. 8s. 7d.
	7	Office General	£4.10s.10d.

2. I can only express regret that it appears that the monthly reconciliation with the statement by the Accountant-General could not have been completely carried out throughout the period and that when the final statement for that Financial Year was produced the over-expenditure was not detected, and action to obtain official sanction to this over-expenditure was not sought at an early date.

3. I would like to assure the Committee that the proper system of regularly checking statements received from the Accountant-General with this office's Record Books is now being followed and will be followed in the future. I therefore hope that the Committee will have no cause for complaint in the future."

CHAIRMAN:

Has any member got any observation to make on the written reply?

EMIR OF YAURE:

Well, I think, Mr. Chairman, since the account involved is so small and he has given a written assurance that this will not occur again, I think the reply given is quite acceptable.

CHAIRMAN:

Has the Director of Audit anything to say on this?

DIRECTOR OF AUDIT:

I have no observations, Mr. Chairman. I think the reply can be regarded as satisfactory.

CHAIRMAN:

So the written reply is accepted by the members.

(High Court)

CHAIRMAN:

The sitting resumes now. We have now the Acting Chief Registrar to the High Court of Justice. He has also sent his written reply. Members may ask questions on them if they want. I will ask the Secretary to read the paragraph.

SECRETARY:

Paragraph 14/2 - the Registrar's written reply:-

"This excess expenditure amounting to £52.0s.6d. is referred to at paragraph 14 (item 2) of the Annual Report of the Director of Audit, Northern region, in respect of the Financial Year which ended on the 31st March, 1956.

2. Whilst on vacation leave in the Western Region Mr. O. Ogunmuyiwa, then a Registrar, Grade II, and Assistant Chief Clerk of this Department, was paid his salary for the months of February and March, 1956 amounting in all to the sum of £65. The paying officer at Abeokuta wrongly debited Sub-head 18 of my Vote and when the respectiveoucher Schedules were subsequently received here for acceptance, this was not detected. Hence the saving of the sum of £12.19s.6d. on this Sub-head became a deficit of £52.0s.6d.

3. Whilst deprecating this oversight by the officer responsible for the checking of such Schedules, I wish to say that he may have been misled by the abbreviation "PE" (Personal Emoluments) appearing thereon into thinking that the correct Sub-head had been debited."

CHAIRMAN:

Are there any observations from any member?

MALLAM IDRISU TAFIR:

Yes, Sir. I think the answer is straightforward, but we should like assurance from the Chief Registrar of the High Court that monthly reconciliation would be made regularly when copies of payment vouchers are received from the Accountant-General's office as soon as they are received.

CHAIRMAN:

But before there are any more

THE ACTING CHIEF R

Several for 1956-57 and I application for pe made it clear how to accept responsibility about them

CHAIRMAN:

Can you this?

DIRECTOR OF A IT

Mr. Chairman in regard to the satisfactory. He was requested by that reconciliation the Accountant-General and that necessary which come to light because it seems should not be any how an excess should in the case which to errors of the Chief Registrar they become separate statements provided therefore, to be in fact regular.

THE ACTING CHIEF R

It is originally a case Region, as I have had the monthly Region been reported would have been the Committee to more thorough in future.

CHAIRMAN:

Is the DIRECTOR OF A UDI

Statistical REPRESENTATIVE C

Mr. C of Finance? P expenditure and the Finance give the duties of the iation of month With your permission

CHAIRMAN:

But before we have that assurance, may I know if there are any more excesses for 1956-57?

THE ACTING CHIEF REGISTRAR TO HIGH COURT:

Several excesses have been brought to my attention for 1956-57 and I have taken action as requested and made application for permission to set off these excesses. I have made it clear, however, in my application that I am not prepared to accept responsibility for these excesses until I know more about them.

CHAIRMAN:

Can we hear what the Director of Audit has to say on this?

DIRECTOR OF AUDIT:

Mr. Chairman. The reply given by the Chief Registrar in regard to the excess which occurred in 1955-56 appears to be satisfactory. However, I would like to hear the assurance which was requested by a member of the Committee just now to the effect that reconciliation with the schedules and vouchers provided by the Accountant-General is effected as soon as these are received and that necessary action is taken at once on any discrepancies which come to light or any excess expenditure that is noticed because it seems to me that if this is done regularly then there should not be any difficulty at the end of the year in knowing how an excess shown in the Treasury Accounts has occurred. As in the case which happened in 1955-56, such excesses might be due to errors of allocation, but it would be the responsibility of the Chief Registrar to draw attention to such errors as soon as they become apparent to him from his reconciliation with the statements provided by the Accountant-General. You may wish, therefore, to press for this assurance that a reconciliation is in fact regularly and promptly effected.

THE ACTING CHIEF REGISTRAR TO THE HIGH COURT:

It is I think clear that this excess for 1955-56 originally arose because of a misclassification in the Western Region, as I have explained. It is equally clear, however, that had the monthly statements from the Accountant-General of this Region been properly reconciled by my Finance Section this mistake would have been detected long before it was. I hasten to assure the Committee that steps have already been taken to ensure a much more thorough reconciliation of the monthly statements in the future.

CHAIRMAN:

Is there anything more from the Hon. Members?

DIRECTOR OF AUDIT:

Satisfied, Mr. Chairman.

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman, may I comment on behalf of the Ministry of Finance? Particularly arising out of this case of over-expenditure under Judicial, a circular was recently issued by the Finance Division of the Ministry, setting out in full detail the duties of officers controlling vote regarding the reconciliation of monthly statements with the Accounting Division. With your permission, Mr. Chairman, I would like to

read a short extract from the Director -

"It is... established that it is the duty of all... to... vote... of December with the... of this Ministry. Any... and..."

It is... in adjustment... future.

DIRECTOR OF A...:

... ..

CHAIRMAN:

With the... the assurance given by the Chief Registrar, we have finished with the Chief Registrar.

I think the Chairman the business of the day and the Committee now adjourns until tomorrow morning at 8.30. Formal meeting, however, starts at 9.00 a.m.

Committee... ..

CHAIRMAN:

... .. Office.

SECRETARY:

CHAIRMAN:

Any... ..

MEMBER:

... .. took...

CHAIRMAN:

MEMBER:

CHAIRMAN:

SECRETARY:

CHAIRMAN:

MEMBER:

MEMBER:

read on... ..

CHAIRMAN:

FRIDAY, 29th November, 1957.

The Committee met at 9.00 a.m.

(Premier's Office)

CHAIRMAN:

Committee resumes. We have, appearing before us, the Permanent Secretary to the Premier. He is not actually responsible for the accounts we are considering now, because he has just recently taken over. However, members may wish to ask him some questions, for his views and for some further information. I will now ask the Secretary to read the paragraphs in the Audit Report concerning the Premier's Office.

SECRETARY:

Paragraph 52.

CHAIRMAN:

You will notice that there is no written reply sent. Any comments from any member?

PERMANENT SECRETARY TO THE PREMIER:

Mr. Chairman, may I seek your permission and that of the Committee to postpone consideration of paragraphs 52, 54 and 55 until the Permanent Secretary to the Ministry of Finance comes here? He will be here soon and it was suggested that we should take paragraphs 64 and 65 first, which I will answer for, and he expressed the wish to be present while we took paragraphs 52, 54 and 55.

CHAIRMAN:

Has the Committee agreed to this suggestion?

MEMBERS:

Yes.

CHAIRMAN:

Right, we will proceed.

SECRETARY:

Paragraph 64.

CHAIRMAN:

Can we have an explanation of the delay in replying to the Audit Queries, as mentioned in this paragraph?

PERMANENT SECRETARY TO THE PREMIER:

With your permission, Mr. Chairman, I should like to read an extract from the letter sent to us by the Resident, Plateau, in response to our question.

CHAIRMAN:

Yes.

PERMANENT SECRETARY TO THE PREMIER:

He says with regard to the question of why five reminders were necessary before replies were given to these queries - "I have gone through the files in question in some detail. At this particular time the Provincial Office and the Divisional Office shared files and there was only one file on Audit and Treasury queries. There is an unbelievable mass of minor queries in this file and it seems likely that while these were being dealt with in the Provincial Office the reminders to District Officer, Jos, were overlooked. The Divisional Office now has its own files and a similar mistake should not occur again."

CHAIRMAN:

Are the members satisfied?

EMIR OF YAURI:

Is the Permanent Secretary satisfied that there won't be a recurrence?

PERMANENT SECRETARY TO THE PREMIER:

Well, I should like to apologise to the Committee and to the Director of Audit for these delays, which were certainly unwarranted, but the action taken by the Resident, who has divided the files and now has one file for Provincial Office queries and another for Divisional Office queries, should prevent this from happening again.

CHAIRMAN:

Has the Director of Audit any observations to make

DIRECTOR OF AUDIT:

No observations, Mr. Chairman.

SECRETARY:

Paragraph 65.

CHAIRMAN:

I think the same thing applies to this paragraph as well. There has been a long delay in supplying a full reply to the audit observations.

PERMANENT SECRETARY TO THE PREMIER:

Mr. Chairman, we have now had a reply from the Resident, Katsina, and, with your permission, I will give the facts to the Committee. The total sum outstanding uncollected was in the neighbourhood of £90. Out of that total £24.14s.0d. has been collected. A further sum of £16.17s.9d. will have to be the subject of an application for write-off because the officers who owed it have now left the country. That leaves a balance of £50.10s.5d. The Resident is still trying to collect this money. The officers who owe it have in the intervening years been posted to other Provinces and most of them do not reply to the letters he writes to them. Having failed to elicit answers from them, he is now contemplating taking legal action. From this, I hope the Committee will appreciate that the Resident has been by no means idle. He has been trying to collect this money and he proposes to take stronger measures in the future. I should like to apologise again, however, for the failure to reply to the Director of Audit's two letters and reminders and I propose, after this meeting, to write to the Resident and invite his attention to this failure to reply and, if the Committee wishes me to add anything, I will of course be very happy to do so.

CHAIRMAN:

I think authority to have left the thing to be done.

PERMANENT SECRETARY:

If it would be necessary for failure to question.

EMIR OF YAURI:

As officials, I to their Head administrative that be conveyed.

PERMANENT SECRETARY:

Well wish of the C to the Resident.

CHAIRMAN:

Is

MEMBERS:

Yes

DIRECTOR OF AUDIT:

Mr. case is that outstanding generally more than from a the facility have and I an action should of taking the concerned on the Ministry to the Permanent to the Resident personally it became obvious is to say it promptly, the standing amount.

CHAIRMAN:

I sent to the

PERMANENT SECRETARY:

M the comment the wish of observation

CHAIRMAN:

I think I have only a question to ask. If the authority to write off the amount in question for those who have left the country is not approved, what is the next thing to be done?

PERMANENT SECRETARY TO THE PREMIER:

If the application were not approved, I think it would be necessary to ascertain where the responsibility for failure to collect lay and surcharge the officer in question.

EMIR OF YAURI:

As most of these debts were owed by Government officials, I feel they could have been reported much earlier to their Heads of Departments first for the necessary administrative pressure, even before legal action. Could that be conveyed to the Resident for future?

PERMANENT SECRETARY TO THE PREMIER:

Well, Mr. Chairman, I will certainly, if it is the wish of the Committee as a whole, I will certainly convey that to the Resident when I write to him.

CHAIRMAN:

Is it the wish of the Committee?

MEMBERS:

Yes, Mr. Chairman.

DIRECTOR OF AUDIT:

Mr. Chairman. One rather disturbing feature of this case is that it appears almost without exception all the amounts outstanding were due from Government Officers. Now, it is generally much easier to recover money from a Government Officer than from a member of the public, because generally he has not the facility for vanishing that members of the public often have and I am a little surprised that the question of legal action should have been mentioned before there was any mention of taking the matter up with the Heads of the Departments concerned or, as it would now be, the Permanent Secretaries of the Ministries concerned. Your Committee may wish to suggest to the Permanent Secretary to the Premier that when he writes to the Resident, Katsina, he mentions this point, because I personally feel that had that action been taken as soon as it became obvious that these officers were not about to pay, that is to say if application had been made to Heads of Departments promptly, there would not have been this long list of outstanding amounts. That is all, Mr. Chairman.

CHAIRMAN:

Is that to be endorsed in the letter going to be sent to the Resident?

PERMANENT SECRETARY TO THE PREMIER:

May I say, Mr. Chairman, that I entirely agree with the comments that the Director has just expressed and if it is the wish of the Committee I shall certainly include those observations.

With your permission, Mr. Chairman, I suggest I remain

here while you deal with these next three queries and the Permanent Secretary to the Ministry of Finance will come in and join me and we shall answer jointly.

CHAIRMAN:

There is no objection to that.

(The Permanent Secretary to the Ministry of Finance was led in by the Secretary.)

CHAIRMAN:

We have got some three paragraphs to deal with in the presence of both the Permanent Secretary to the Premier and the Permanent Secretary to the Ministry of Finance. We now have the Permanent Secretary to the Ministry of Finance with us. The first one is Paragraph 52. If members have got any comments to make on this Paragraph, they may do so now.

EMIR OF YAURI:

Mr. Chairman, Sir. May we know the circumstances leading to this loss?

PERMANENT SECRETARY, MINISTRY OF FINANCE:

It is, really, Mr. Chairman, as summarized in Paragraph 52. A strong room door was opened and the money was taken out and the money was left out over night and just disappeared. A Clerk, Mr. Chairman, was charged and convicted and the Divisional Officer concerned's case was referred to the Public Service Commission and I understand that some two or three days ago His Excellency approved that he should be surcharged \$50. We have issued circulars regarding the receipting of vouchers. Failure to get a receipt from the payee was contributory to the shortage and we have required Administrative Officers to exercise closer supervision over 3rd Class Clerks. They are to be put in charge of the Treasury. Normally, we only permit 1st and 2nd Class Clerks to take charge of local Treasuries, but in view of the great shortage of clerical staff, of which I think the Chairman and members will be aware, it is necessary to put the 3rd Class Clerk in charge in only to have someone to pay out money when the District Officer is on tour, but we have circulars of which I think members have received copies, requiring additional supervision in the way of supervising any payment or receipt in excess of \$500.

EMIR OF YAURI:

May we know from the Permanent Secretary whether he is sure the circular will have the desired effect?

PERMANENT SECRETARY, MINISTRY OF FINANCE:

Well, Mr. Chairman, it should at least minimise the number of losses by setting an upper limit on the amount a 3rd Class Clerk is allowed to disperse without being supervised.

CHAIRMAN:

Any further comments from any member?

ALHAJI MUHAMMADU, MAGAZIN OFFICER, KAZAURE:

Mr. Chairman, Sir. According to the answer from the Permanent Secretary to the Ministry of Finance, the money was stolen from the strong room at night.

PERMANENT SECRETARY

No, the present of aid, instead of placed in the the key. (The come into the without taking the money was just took the

CHAIRMAN:

Now to the Premier Officers for the safeguarding of

PERMANENT SECRETARY

Well all responsibility on the shoulder losses would have to spend supervising the Officers already energy and spend their time in their other spending too deplorable to pay for having field and in Native Authority mistake if we on the shoulder matters.

CHAIRMAN:

He on this?

DIRECTOR OF A

NO

PERMANENT SECRETARY

Members of the many vacancies Administrative Chief Clerk Class Clerk, Now, if there been a responsibility and this loss

CHAIRMAN:

A

PERMANENT SECRETARY

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PERMANENT SECRETARY, MINISTRY OF FINANCE:

No, Mr. Chairman. It was actually taken out in the presence of the Administrative Officer in the strong room and, instead of being paid promptly to the payee, it was placed in the safe overnight of which the Clerk alone had the key. (The money was payment to a Missionary who had come into the office, had given a receipt but had gone away without taking the money. As the Missionary did not return, the money was placed in the safe overnight and the Clerk just took the money overnight.)

CHAIRMAN:

Now, what are the views of the Permanent Secretary to the Premier regarding the responsibilities of District Officers for the administration of their Districts and the safeguarding of Government funds?

PERMANENT SECRETARY TO THE PREMIER:

Well, Mr. Chairman. My views are as follows. If all responsibility for the safety of money was placed squarely on the shoulders of District Officers and they felt that any losses would be brought home to them personally, they would have to spend far more of their time than at present in supervising these sometimes very inexperienced clerks. District Officers already, for the most part, work to the limit of their energy and strength. If they have to spend a great deal of their time in local Treasuries they will have less time for their other duties and I personally should be sorry to see them spending too much time in their offices. I think that, deplorable though these losses are, it is not too high a price to pay for having District Officers doing their work in the field and in contact with the Chiefs and Councillors of the Native Authorities. Consequently, I think it would be a mistake if we tried to put more responsibility than at present on the shoulders of District Officers for these financial matters.

CHAIRMAN:

Has the Director of Audit any observations to make on this?

DIRECTOR OF AUDIT:

No observations, Mr. Chairman.

PERMANENT SECRETARY TO THE PREMIER:

Mr. Chairman, on the subject of shortage of staff, members of the Committee might be interested to know just how many vacancies there are in the clerical service. In the Administration, as a whole, there are 8 unfilled vacancies for Chief Clerk and Assistant Chief Clerk, 33 vacancies for 1st Class Clerk, and something like 50 vacancies for 2nd Class Clerk. Now, if these vacancies had been filled there would probably have been a responsible Clerk at Biu instead of an irresponsible one and this loss might never have occurred.

CHAIRMAN:

Are these vacancies likely to be filled at all?

PERMANENT SECRETARY TO THE PREMIER:

Well, Mr. Chairman, we hope that the vacancies at the bottom of the Service will be filled in the next few years when our Clerical Training Schools come into production, but it will,

of course, take time for these new entrants to work their way up and the vacancies at the top are therefore likely to be open longer.

CHAIRMAN:

We shall now proceed to the next paragraph.

SECRETARY:

Paragraph 54.

CHAIRMAN:

May I know if the Permanent Secretary is in a position to give a brief outline of the details of the case.

PERMANENT SECRETARY, MINISTRY OF FINANCE:

All we have so far, Mr. Chairman, is a notification of the losses from the Accountant-General, who states that it appears that the Divisional Officer, Kaiama, intended this amount to be placed on deposit, but instead it was misappropriated in the Treasury. The matter appears to have been taken up with the police as required by Financial Instructions and the Clerk in charge of the local Treasury, according to the "Citizen" of 25th September last, was sentenced to three years' imprisonment for stealing £195. The Clerk concerned has appealed, Mr. Chairman, and that is presumably why the case is still subjudice and why the Resident has not submitted his final report to the Accountant-General for his comment and onward transmission to me, and I hope, Mr. Chairman, that I will not be pressed upon this point further until the result of the appeal is known. Action, Mr. Chairman, is being delayed owing to the length of time these cases take in the Courts.

CHAIRMAN:

Any comments?

ALHAJI MOHAMMADU, MAGAJIN GARIN KAZAURE:

Mr. Chairman, can we hear from the Permanent Secretary to the Premier whether he has any suggestion on this to avoid recurrence of this nature?

PERMANENT SECRETARY TO THE PREMIER:

Mr. Chairman, I should prefer to defer comment until the case has been finished in the Courts and until we have had the final report from the Resident. My reason is, that if the cause of the loss was pure dishonesty on the part of the Clerk who has been convicted, it would have been very difficult for the officer supervising the funds to have stopped it, because a man is determined to steal money, you seldom know until too late, and ordinary supervision does not prevent him from getting away with it. If, on the other hand, the theft was made possible by negligence on the part of the District Officer who was supervising the Clerk, then, of course, we should have to try and devise methods for preventing it in future.

CHAIRMAN:

Has the Director of Audit any observations to make?

DIRECTOR OF AUDIT:

Mr. Chairman, Sir, I think the Committee may wish to defer consideration on this particular case until its next meeting. From such information as I have in my possession, it appears

that there was in the first noticed that he made were of the loss v not wish to e in this matter be deferred

CHAIRMAN:

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that there was in fact negligence and inadequate accounting
in the first place and that when an audit came along and
noticed that something was wrong, the recommendations which
he made were not put into effect. Had they been, the amount
of the loss would have been very much reduced. However, I do
not wish to anticipate the findings of any Board of Enquiry
in this matter and I will therefore recommend that this case
be deferred to the next meeting of the Committee.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 25.

MEMBER OF BOARD:

May we know whether the report of the Accountant-
General has been received?

REPRESENTATIVE OF THE MINISTRY OF FINANCE (FINANCE DIVISION):

Mr. Chairman, this report was received in our office
on the 20th of November and the comments of the Director of
Audit were received yesterday, but we have not yet gone through
it and if the Chairman should defer any consideration in this
case, the comment of the Audit Department will be referred back
to the Resident, Lok Ja, and the recommendations on that part
is particularly not so good.

CHAIRMAN:

Any more comments from the members?

MEMBER OF BOARD, (SPEAKING FROM THE CHAIR):

Mr. Chairman, can we know from the Permanent Secretary
of Finance whether there is any standing instruction issued to
the Revenue Collectors which the officers are to have followed?

PERMANENT SECRETARY, MINISTRY OF FINANCE:

Mr. Chairman, the Revenue Collectors are
being kept in the financial instructions, in addition,
I should like to draw attention to paragraph 6 of the
report, where it says:-

"The period instructions regarding the rendition
of returns of earnings in the Government do not appear to
have been considered in any detail and have not produced the
desired improvement. It is being suggested that
a simplified method of collection of revenue
collection could be considered by the sub-
mission of a single consolidated return from each
Department, supported by individual returns (including
"nil" returns, where applicable) from revenue collectors,
showing only the amount of tax payable, which were
still entered in the Government's books. This procedure
was already in use by the Government."

DIRECTOR OF AUDIT:

Mr. Chairman, the instructions which have been
issued in the Audit Department of Lok Ja, the position is
now that none of the officers are to be held by the
Accountant-General's office, and then the decision of the
Permanent Secretary to the Ministry of Finance will be awaited.
However, I think the point which the Board was making just now
is whether there is any instruction regarding the supervision
of Revenue Collectors. If so, this is the point on which I

understand further information is being sought from the Resident; so your Committee may be prepared to defer consideration of this case until its next meeting.

CHAIRMAN:

Can we know whether the Permanent Secretary to the Ministry of Finance is satisfied with the criticism of the Senior Officer in the Provincial Office?

PERMANENT SECRETARY, MINISTRY OF FINANCE:

You, Mr. Chairman, have here already said, the matter is being put on to the Resident, Lokaj, for further comment.

CHAIRMAN:

As we have now finished with the Permanent Secretary to the Ministry we are grateful to him.

PERMANENT SECRETARY, MINISTRY OF FINANCE:

Thank you, Mr. Chairman.

CHAIRMAN:

I think it is time we have a break of 15 minutes.

Written communication to the Chairman.

(Ministry of Finance)

CHAIRMAN:

Committee members. We are having the Permanent Secretary to the Ministry of Finance. He has sent his written replies. I think all the members have got copies. Now I will ask the Secretary to read the paragraphs.

SECRETARY:

Paragraph 6. The Permanent Secretary's written reply.

"Draft revised instructions in respect of Revenue returns have been prepared. They are at present being considered by the Director of Audit."

CHAIRMAN:

I think that the reply is satisfactory to the members.

MEMBERS:

Yes.

CHAIRMAN:

Agreed.

SECRETARY:

Paragraph 15. The Permanent Secretary's written reply:-

"No payment to the Federal Government has been made because no reimbursement has yet been claimed. The matter is under discussion with the Federal Minister of Finance."

CHAIRMAN:

Are the members satisfied with the written reply?

EMIR OF ABUJA:

It is accepted, Mr. Chairman.

CHAIRMAN:

Next one.

SECRETARY:

Paragraph 23. The Permanent Secretary's written reply:

"The question of the representation of Provincial Tenders Boards, to ensure greater unofficial representation, is under consideration. There is no evidence that any contracts have been wrongly awarded or that the highest standards of fairness and integrity have not been shown by the existing Provincial Tenders Boards."

CHAIRMAN:

It is likely that their suggestions to be made by the members.

EMIR OF YAURE:

Yes, Mr. Chairman. Personally, I don't like bringing in unofficial members to the Tenders' Boards. In the reply of the Permanent Secretary he has said that "there is no evidence that any contracts have been wrongly awarded or that the highest standards of fairness and integrity have not been shown by the existing Provincial Tenders Boards." Now, to have unofficial members on these Tenders' Boards, especially to give them authority, is more likely to bring in abuse in awarding tenders. I think the whole aim is to guard the best interests of the Government. Well, if unofficial members are introduced and given a majority, the accent will be shifted from the best interests of the Government to the best interests of the contractors. (Laughter) If the present set-up is considered unsatisfactory - I don't know whether each Province has got a representative on the Tenders Board - if that is so, I think members can be changed whenever a tender is going to be considered, or neither of the Department concerned can be excluded from the Tenders Board. That is my suggestion, Mr. Chairman.

CHAIRMAN:

Any other observations from any member? Do members share the views expressed by the Emir of Yauri?

LADY OF ADAMAWA:

Yes, Mr. Chairman.

PERMANENT SECRETARY:

For the Tenders' Department, Mr. Chairman, the present composition of the Provincial Tenders Board is laid down by Financial Instructions: - Chairman - the Senior Administrative Officer; Members - the Provincial Engineer, the senior member of another Department other than the Audit officer, and the Director of the Department concerned.

CHAIRMAN:

Any further observations?

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EMIR OF YAURI:

Well, as I have said, there is nothing wrong with the whole set-up, as already stated in the Permanent Secretary's reply. There has not been any case of reported abuse. My suggestion is that if there is any complaint from any quarter, but there is a need for any change in the membership of the Boards, well, my recommendation is that either the members of the Boards should be changed regularly or the Board should have different members, i.e. to have the membership change frequently, from time to time, that is to have members of the Board sitting for not more than three or four times a year. I don't know whether this is possible, not to have the same sort of members sitting for more than three or four times a year. That is my suggestion.

CHAIRMAN:

May we hear the reply of the Permanent Secretary.

PERMANENT SECRETARY, MINISTRY OF FINANCE:

I do not think any comment from me would be proper at the moment, Mr. Chairman. It is a matter for the Regional Government. No doubt the Committee's view will be brought to the notice of the Regional Government when the report of this Committee is published.

CHAIRMAN:

Has the Director of Audit got anything to say?

DIRECTOR OF AUDIT:

Mr. Chairman, no, I am content to await the decision of the Regional Government in this matter.

ALHAJI MULLIMADU, WALLEN GAREN KAZAURE:

Mr. Chairman, Sir may I suggest that the same procedure be followed if possible as the members of the Court of Appeal are selected; that is in every Province a list of persons is made up in a roster form, and selection be made only from that roster. The District Officer will remain the Chairman of the Tenders Board, but members are selected from this list from time to time, to sit on the Board.

CHAIRMAN:

Has the Committee any resolution to this end?

EMIR OF YAURI:

Oh yes, we can pass a resolution. In fact, I am not suggesting any improvement. My suggestion is to limit the unofficial members, that is my main objective. Personally, I can see nothing wrong with the present set-up but I have strong objection to having unofficial members in the majority.

CHAIRMAN:

Do you agree that what you have suggested be brought to the notice of the Regional Government?

EMIR OF YAURI:

Well, can we say that we do not feel that it is wise to have unofficial members on the Tenders Boards, especially in the majority, except for a specific purpose?

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Mr. Chairman, Sir, with all respect to the Emir of Yauri, the reason why he does not like the unofficial representation to be in the majority is to me not a tenable reason. Public opinion today is all in favour of increased unofficial representation.

EMIR OF YAURI:

I have explained what I mean about three times now; these Tenders Boards sit to give out contracts with the object in view to serve the best interests of the Government and of the Government House. Now, if you have unofficial members on the Tenders Boards and especially if you put them in the majority, what they would do is that they come there in the interests of the contractors, and the members may be well aware that it is quite possible for contractors to have influence on unofficial members. So, instead of Government getting this work done in the most economical way, you will have the contractors, doing well, having enormous amounts of profit, and thereby the Government suffering considerably. That is my reason.

ALHAJI MUHAMMADU, ALGAJIH GARIH KONTAGORA:

Mr. Chairman, Sir, I am sorry I do not share the same views with the Emir of Yauri; I am sure that the Government will select only the best people, therefore, I do not see why unofficial representation should not be in the majority on this Board.

EMIR OF YAURI:

But, truly speaking, whose views are those unofficial members going to represent? Whose interests, I mean?

EMIR OF ABUJA:

Mr. Chairman, I would say I support the last speaker but one. The reason is getting the greater number of unofficial representation would help the official members to know the best contractors, because I think the unofficial members will be more familiar with the contractors. Sometimes there have been complaints to the Provincial Engineer that the contracts are not given to the local people, or something like that. That is my view in supporting the last speaker but one. Sometimes the local contractors are given either to Westerners or the Easterners.

CHAIRMAN:

Do we need a strong recommendation, Director of Audit?

DIRECTOR OF AUDIT:

Mr. Chairman, I think the Committee should put on record its views on this point, even if it means saying that some members thought one thing, and other members thought something else. I think some statement of the Committee's views should be recorded. For example, the committee might report on this fact "the Committee is pleased to note that consideration is being given to the inclusion of unofficial representation on Tenders Boards". Something general of that nature.

CHAIRMAN:

The views expressed by some of our members have already been heard. I think we should leave the matter to the Regional Government to decide.

EMIR OF YAURI:

But to say that some members of the Committee "are pleased to note that consideration is being given to the inclusion of unofficial representation" does not convey the feelings of all members of the Committee.

CHAIRMAN:

I think the feeling of the Committee as a whole will be noted in the Report. The Secretary has submitted a draft of what may be a compromise agreement on the general views of the Committee on the matter. The draft reads:-

"The Committee considered the question of the re-organisation of the Provincial Tenders Board and was of the opinion that, whatever form this re-organisation should take, the object should be to safeguard and ensure the best interests of Government, and to avoid any procedure whereby the influence of the contractors might be brought to bear on the deliberations of the Provincial Tenders Board."

Is that paragraph acceptable to the Emir of Yauri?

EMIR OF YAURI:

Yes, Mr. Chairman, perfectly acceptable.

CHAIRMAN:

Does that also cover the general views of the other members?

MEMBERS:

Yes, we are satisfied.

CHAIRMAN:

Well, we shall now proceed to the next paragraph.

SECRETARY:

Paragraph 24. The Permanent Secretary's written

reply:-

"Copies of the Auditor's report and Accounts on Nigeria Hotels for the years ending 31/8/55 and 31/8/56 have been submitted to the Director of Audit. It is now proposed to lay these accounts before the Legislature, following the Federal Government practice."

CHAIRMAN:

members.

MEMBERS:

Yes, Mr. Chairman.

CHAIRMAN:

Next paragraph.

SECRETARY:

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SECRETARY:

Paragraph 31. The Government Secretary's written

reply:-

"Marine loanwords (and) draft rules have been drawn up. The Ministry of Trade and Industry are now giving consideration to amendments suggested by the Director of Audit to the first draft."

CHAIRMAN:

I think both of them should be accepted, but the Director of Audit should have the approval of the Rules.

DIRECTOR OF AUDIT:

I will, Mr. Chairman.

PARLIAMENT SECRETARY, MINISTRY OF FINANCE

Mr. Chairman, they will be submitted for final approval, with the agreement of the Director of Audit, to the Regional Joint Standing Committee on Finance, as has been done with other funds of that nature.

CHAIRMAN:

Next paragraph.

SECRETARY:

Paragraph 32. The Government Secretary's written

reply:-

"Trade Centre, subcommittee is proceeding to finalise outstanding matters on these Boards of Survey."

PARLIAMENT SECRETARY, MINISTRY OF FINANCE

Mr. Chairman, may I ask the Government Secretary to the Ministry of Finance what steps are being taken to finalise outstanding surveys. We understand it is six months today and nothing has been done to assist the report on the Board's finance.

PARLIAMENT SECRETARY, MINISTRY OF FINANCE

The only thing I can say, Mr. Chairman, is that a former officer in my Ministry appears to have been responsible for having lost the file containing the original Report, which was, as I think members will remember, Mr. Chairman, fairly complicated and had already involved considerable correspondence. The officer now working in my Ministry has gone to considerable trouble to locate the original reports concerned and he has managed to locate the file, which is now ready for submission to the Director of Audit for final comments. I can only apologise to the former officer in my Ministry and would like to apologise that, since the new man took over the Boards of Survey, I am satisfied that there has been a considerable improvement in the manner of dealing with them and we hope that such a situation will not recur. I think the Director of Audit will confirm, Mr. Chairman, there is a tremendous number of these write-ups, Boards of Survey and Boards of Enquiry coming in, many of which require, in some cases, reference to Treasury and Audit, in some cases reference to other departments and in practically all cases reference back for irregularities, and it is an extremely exacting task and it does involve the officer concerned in a great deal of work or overtime.

CHAIRMAN:

Can we hear the Director of Audit's comments, please.

DIRECTOR OF AUDIT:

Mr. Chairman, I think the reply of the Permanent Secretary may be accepted. There is just one point that I would like to make and that is, no doubt he has already considered this and made arrangements but, if not, I wonder whether he would be prepared to consider that when a second or third reminder is received about previous correspondence, that that is dealt with by someone fairly senior in his office. I am afraid very large numbers of reminders have been issued from the Audit Department to the Permanent Secretary's office and sometimes when the file concerned is referred to us later we notice that not all the reminders which have been sent seem to have found their way on to the relevant file. The Audit Department would be very grateful if the Permanent Secretary could consider whether there is any means of ensuring that when a reminder is received it is just not put on one side by a junior officer. However, I am very happy to say that the number of reminders which have been necessary recently is quite small. That is all, Mr. Chairman.

PERMANENT SECRETARY, MINISTRY OF FINANCE:

Some three months ago, Mr. Chairman, we in the higher levels of my office became conscious of that backlog of outstanding action on reports of this nature; and we introduced a system whereby all Boards of Enquiry and Boards of Survey are entered on a schedule and kept by the Assistant Secretary concerned the moment they come in. That schedule is brought up to the Assistant Secretary once a week and he is required to make sure that action is proceeding and, perhaps it is due to the introduction of that system that the Director of Audit is able to report that there has been a considerable reduction in the number of reminders during the last few weeks.

CHAIRMAN:

Is the Director of Audit satisfied with the new system?

DIRECTOR OF AUDIT:

Mr. Chairman. I only know the system by its results and I must say that so far they seem to be satisfactory.

SECRETARY:

Paragraph 45 - The Permanent Secretary's written reply

"Action is proceeding to finalise this matter; a Police Report from Jos, which the Resident has been asked to expedite, is required before action can be completed."

CHAIRMAN:

Can the Permanent Secretary please explain the delay in obtaining the further information which appears to be necessary?

PERMANENT SECRETARY, MINISTRY OF FINANCE:

Part of the delay, Mr. Chairman, was due to the reason for the delay in the previous paragraph, in that the officer concerned in my Ministry lost the file. Again the file has been reconstructed and we await reply to a telegram we sent to the Resident, Jos, asking for a police report on the matter. So far

we have sent four telegrams to Jos, Mr. Chairman, so far without result. The explanation being given is that the delay is due to that Federal Department, The Nigeria Police.

CHAIRMAN:

Is there any further observation?

EMIR OF ABUJA:

Accepted.

CHAIRMAN:

What about the Director of Audit?

DIRECTOR OF AUDIT:

No further observation, Mr. Chairman.

SECRETARY:

Paragraph 59 - The President's Secretary's written reply:-

"Action has now been completed on this Board of Enquiry and the names have been written-off. The delay here was due to the failure of the President, a Federal officer, to submit the Board's reports once its proceedings were complete."

CHAIRMAN:

I think the reply is accepted.

MEMBERS:

Yes.

SECRETARY:

Paragraph 65 - The President's Secretary's written reply:-

"The report of the Board of Enquiry and all relevant documents have been forwarded to the Public Service Commission, so that recommendations in regard to disciplinary action may be made to His Excellency."

EMIR OF ABUJA:

Yes, Mr. Chairman. Do you know the present position and also why the delay is occurring in dealing with the matter?

PERMANENT SECRETARY, PUBLIC SERVICE COMMISSION:

This is an entire and a very complicated matter involving five officers - an officer of the Federal Ministry of Aviation, the Chief Pilot, the Divisional Engineer, the Chief Architect and the District Architect - and I am afraid their statements do not tally in all respects and the matter has been brought to the Public Service Commission for certain disciplinary action. We have and His Excellency's decision is still awaited. It is again complicated, Mr. Chairman, by the complicated nature of the Aircraft Safety Regulations and I must say that I cannot bring business altogether, but I can perhaps be allowed to give a final report on the matter at the earliest when His Excellency's decision in the disciplinary case at Jos is known.

CHAIRMAN:

Is the member satisfied now?

EMIR OF ABUJA:

Satisfied.

SECRETARY:

Paragraph 5 - The Permanent Secretary's written reply:-

"Action on this matter has now been completed. The parcel of 2,172 gallons has been written off and authority has been given to abandon further investigation into the question of the missing petrol drums."

CHAIRMAN:

I think the reply can be accepted.

MEMBERS:

Yes.

SECRETARY:

Paragraph 6 - The Permanent Secretary's written reply:-

"A system has been introduced which should ensure that all audit queries, both those submitted for assistance in securing replies and those addressed direct to the Ministry of Finance (which still handles all Administration Audit Queries) are dealt with as promptly as possible. As regards the former class, the recent creation of the posts of Finance Officers in the larger Ministries may be expected to bring about an improvement in the present situation."

CHAIRMAN:

The reply is satisfactory and I think will be accepted.

SECRETARY:

Paragraph 7 - The Permanent Secretary's written reply:-

"The matter was taken up with the Resident, Sokoto, who was asked the Director of Audit referred it to the then Financial Secretary. The Resident has now submitted a reply to the Director of Audit."

CHAIRMAN:

Could we have an explanation of the considerable delay on this paragraph?

PERMANENT SECRETARY (MINISTRY OF FINANCE):

I do not think, Mr. Chairman, my Ministry can be held responsible for the delay. At the time we were responsible for the policy of catering Rest Houses and numerous reminders had been sent and, in the written replies we, we have at last got a reply from the Resident and have submitted it to the Director of Audit.

CHAIRMAN:

Has the Director of Audit any observation to make?

DIRECTOR OF AUDIT:

Mr. Chairman. Catering Rest Houses are now, I believe, the responsibility of the Ministry of Internal Affairs, but as

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there was no other point to raise with that Ministry, it did not seem necessary to ask the Permanent Secretary to appear to answer questions about this Audit Report. In a way it is a pity that he has not been here in the same way as the Permanent Secretary to the Premier, in order that he might see how this Committee works and hear the kind of questions it is likely to ask. Your Committee may wish to accept the written reply of the Permanent Secretary to the Ministry of Finance.

PERMANENT SECRETARY, MINISTRY OF FINANCE:

It was, Mr. Chairman, I see from the file, that the matter was referred to us on the 10th May, 1957, asking for our assistance to get replies and on the 25th May, we wrote and asked for the Resident's assistance in getting a reply from the Lady Supervisor, and we sent various correspondence - there are four pages here of telegrams on the subject - and I think, Mr. Chairman, you will agree that we did our best.

SECRETARY:

Annexure II (a) - The Permanent Secretary's written reply:-

- (i) Schedule of Additional Provision Nos. A.16, J.11 and D.12/1955/56 were approved by the Legislature at its session in September, 1957.
- (ii) Schedule of Additional Provision No. J.12/1955/56 has been given anticipatory approval by the Regional Joint Standing Committee on Finance. It will be included in the report of the Regional Joint Standing Committee on Finance which will be presented to the next Meeting of the Legislature.
- (iii) The Supplementary Appropriation Law referred to was enacted at the September, 1957, meeting of the Legislature."

CHAIRMAN:

Are the members satisfied with that reply? Or are there any other comments?

MEMBERS:

Accepted.

PERMANENT SECRETARY, MINISTRY OF FINANCE:

We have issued a circular, Mr. Chairman, in rather strong terms about a week ago in which we mentioned that this Committee has expressed its concern at the long delays in seeking covering approval and asking Ministries to be more prompt in future. I do not know whether a copy of this circular should be circulated to members.

CHAIRMAN:

No need, no need.

With that we have finished the accounts which affect the Permanent Secretary to the Ministry of Finance. And that brings us to the end of our consideration on the Report of the Director of Audit on the Government Accounts.

OTHER ACCOUNTS

The following Other Accounts and Statements, copies of which had been laid on the Table of the Houses, were circulated to, and examined by the members :-

- (i) Accounts of the Northern Regional Loans Development Fund, 1954-55.
- (ii) Accounts of the Northern Region Voluntary Agencies Building Loans Fund, 1954-55.
- (iii) Statement of the Northern Region Capital Development Account, 1954-55.
- (iv) Statement of the Northern Region Native Treasury Joint Special Reserve Fund, 1954-55.
- (v) Mos Hill Station Accounts, 1955-56.
- (vi) Annual Report and Accounts of the Northern Region Developmental Corporation for the year 1955-57.
- (vii) Reports and Accounts of the Northern Regional Marketing Board for the period ended the 31st of October, 1955, and the year ended the 31st of October, 1956.

The Committee made no further comments on these Accounts and agreed to recommend that they should be accepted by the Legislature.

The Committee held another sitting the next day to consider the draft Report of their Meeting, which was approved and directed to be printed for laying on the Table of the Houses at their next Meetings.