



Provision of Process Review Services

Abia State Government ("ABSG")

Project Azumini – Final Report of Factual Findings

Period covered – 29 May 2015 to 28 May 2023

KPMG Advisory Services

March 2024

This report contains 359 pages



The Executive Governor,
Government House, Umuahia
Abia State
Nigeria

2 March 2024

Attention: Dr. (Mrs.) Njum Onyemenam (FCA), Accountant General, Abia State

Dear Madam,

Final Report: Provision of Process Review Services to Abia State Government

Please find attached an electronic copy of our final report of factual findings on the Provision of Process Review Services to Abia State Government (“ABSG” or “the State”) covering the period from 29 May 2015 to 28 May 2023. This report has been prepared in accordance with the engagement letter dated 13 July 2023.

If you require any clarification on the report, please do not hesitate to contact the undersigned on 0803 403 5542 or saheed.olawuyi@ng.kpmg.com or Bright Anyanwu on 0802 816 271 6244 or bright.anyanwu@ng.kpmg.com or Omolola Abioye on 0806 439 5462 or omolola.abioye@ng.kpmg.com.

We thank you for the opportunity to be of service to you on this important assignment and we look forward to working with you again in the future.

Yours faithfully,

Saheed Olawuyi

Partner, Enterprise Risk Services

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Dr. (Mrs.) Njum Onyemenam, Accountant General, Abia State Government

Hon. Michael Akpara, Commissioner for Finance, Abia State Government

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Glossary of Terms

We have listed the descriptions and explanations of terms and abbreviations used in this report in the table below. However, these descriptions and explanations serve to clarify our report and are not intended to be authoritative. Positions / designations are as at the date of the report, unless otherwise indicated.

Abbreviation	Meaning
ABSG or the State	Abia State Government
Access Bank	Access Bank Plc and Defunct Diamond Bank Plc
AG	Accountant-General, Abia State
Ag. Chairman, ASBIR	Mr. Peacebe Ukaegbu, Acting Chairman, ASBIR up till 24 September 2023
Annual Reports	Annual Reports of the Accountant General
ASBIR	Abia State Board of Internal Revenue
ASOPADEC	Abia State Oil Producing Areas Development Commission
ASPIMSS	Abia State Passengers Integrated Manifest and Safety Scheme
ASUBEB	Abia State Universal Basic Education Board
BIR	Board of Internal Revenue
BPP	Bureau of Public Procurement
C of O	Certificate of Occupancy
CBN	Central Bank of Nigeria
CFF	Contractor Finance Facility
Chairman, ASBIR	Prof. Udochukwu Ogbonna, Executive Chairman, ASBIR
Chief Accountant, Cash Office	Mrs. Sandra Nnamdi Offor, Chief Accountant, Cash Office, Office of the Accountant General, Abia State
Citibank	Citibank Nigeria Limited
Commissioner, Ministry of Lands and Housing	Honourable Commissioner Chaka Chukwumereije, Ministry of Lands and Housing
DAP	Mrs. Chinakwalam Obi Elechi, Director of Account Productions, Office of the Accountant General, Abia State
DF, ASBIR	Mrs. Chioma Orikara, Director of Finance, ASBIR
DF, ASPHCDA	Mrs. Nancy, Director of Finance, Abia State Primary Health Care Development Agency
DF, Ministry of Health	Mr. Ikechukwu Nwabuko, Director of Finance, Ministry of Health

Abbreviation	Meaning
DF, Ministry of Housing	Mr. Alfred Diegwu, Ministry of Housing (now Ministry of Lands and Housing)
DF, Ministry of Lands	Mr. Godwin Nwangaga, Director of Finance, Ministry of Lands
DF, Ministry of Transport	Mrs. Chinyere Kalu, Director of Finance, Ministry of Transport
DF, Ministry of Works	Mr. Vincent Uwajimgba, Director of Finance, Ministry of Works
Director of Administration, Office of the AG	Mr. Akobundu N. Raphael, Director of Administration, Office of the AG
Director of Collections, ASBIR	Mrs. Anthonia Ukaegbu, Director of Collections, ASBIR
Director of Lands, Ministry of Lands and Housing	Mr. Austine O. Ucheibe, Director of Lands, Ministry of Lands and Housing
Director of Transport, Ministry of Transport	Comrade O. Uleka, Director of Transport, Ministry of Transport
DMB	Deposit Money Bank
DPRS, Ministry of Education	Mrs. Ngozi, Director of Planning, Research and Statistics, Ministry of Education
DPRS, Ministry of Works	Mr. Denwoha Udobi, Director of Planning, Research and Statistics, Ministry of Works
DPRS, Office of the Governor	Mr. Godknows Ikpeama, Director of Planning, Research and Statistics, Office of the Governor
DQS, Ministry of Lands and Housing	Engineer Ralph Uche Owoh, Director of Quantity Survey, Ministry of Lands and Housing
Ecobank	Ecobank Nigeria Limited
EFCC	Economic and Financial Crimes Commission
Exco	State Executive Council
F&GPC	Finance & General Purpose Committee
FAAC	Federation Account Allocation Committee
FBNQuest	FBNQuest Limited
FCMB	First City Monument Bank Limited
FGN	Federal Government of Nigeria
Fidelity Bank	Fidelity Bank Plc
FIRS	Federal Inland Revenue Service
FirstBank	First Bank of Nigeria Limited
FMF	Federal Ministry of Finance

Abbreviation	Meaning
FSDH Merchant Bank	FSDH Merchant bank Limited
GIS	Geographic Information Science
Globus Bank	Globus Bank Limited
Greenwich Merchant Bank	Greenwich Merchant Bank Limited
Group Head, Government and Social Services, Interswitch	Mr. Osasere Atohengbe, Group Head, Government and Social Services, Interswitch
GTBank	Guaranty Trust Bank Limited
Head of ICT, ASBIR	Mr. Emmanuel Alozie, Head of ICT, ASBIR
Heritage Bank	Heritage Bank Plc
IGR	Internally Generated Revenue
Immediate Past AG	Mr. Kelechi C. Imeoria - Accountant-General, Abia State from July 2018 to May 2023
Immediate Past Cashier	Mr. Kelechi C. Imeoria – Cashier, Abia State from May 2015 to July 2018
Interswitch	Interswitch Group
ISO	Independent Service Organisation
ISPO	Irrevocable Standing Payment Order
ITT	Invitation to tender
Keystone Bank	Keystone Bank Limited
KPMG	KPMG Advisory Services
Ltd	Limited
MDAs	Ministries Departments and Agencies
MDG	Millenium Development Goals
Ministry of Lands and Housing	Formerly Ministry of Lands, Survey and Urban Planning, and Ministry of Housing up till 28 May 2023
MoJ	Ministry of Justice
MoU	Ministry of Understand
MTB	Ministerial Tenders Board
NBS	National Bureau of Statistics
NEFT	NIBSS Electronic Funds Transfer
NGN or ₦	Nigerian Naira
Nova Merchant Bank	Nova Merchant Bank Limited
OAGF	Office of the Accountant-General of the Federation

Abbreviation	Meaning
Parallex Bank	Parallex Bank Limited
Pay Officer, TPO	Mrs. Angela Edward, Pay Officer, TPO
PAYE	Pay As You Earn
PEP	Politically Exposed Persons
Perm. Sec., Ministry of Rural Development	Mr. Onyema Abarikwu, Permanent Secretary, Ministry of Rural Development, Cooperatives and Poverty Reduction
Plc	Public Limited Company
Polaris Bank	Polaris Bank Limited
PPIDF	Physical Planning and Infrastructure Development Fund
Premium Trust Bank	Premium Trust Bank Limited
Providus Bank	Providus Bank Limited
PVS	Payment Voucher Substitute
Rand Merchant Bank	Rand Merchant Bank Nigeria Limited
Sales Executive, South and Southeast, Interswitch	Mr. Samuel Ngah, Sales Executive, South and South East, Interswitch
Secretary, ASBIR	Mr. Ibeawuchi Adindu, Secretary, ASBIR
Secretary, F&GPC	Mr. Onyebuchi Ajomiwe, Secretary, Finance & General Purpose Committee
SSG	Secretary to the State Government
Stanbic IBTC Bank	Stanbic IBTC Bank Plc
Standard Chartered Bank	Standard Chartered Bank Nigeria Limited
State Cashier	Mr. Okechukwu Gberemakor, Current State Cashier, Office of the Accountant General, Abia State
Sterling Bank	Sterling Bank Plc
Sub-treasurer, TPO	Mrs. Chika Onukwube, Sub-treasurer, TPO
Surveyor General, Ministry of Lands and Housing	Engineer Anthony Ivonye, Ministry of Lands and Housing
TAMA	Tax Audit Monitoring Agent
TCC	Tax Clearance Certificate
Titan Trust Bank	Titan Trust Bank Limited
TOD	Temporary Overdraft Facility
TPO	Treasury Pay Office, Abia State
Transport Officer, GHUM	Emenike Njoku, Transport Officer, Government House, Umuahia

Abbreviation	Meaning
UBA	United Bank for Africa Plc
UBA Branch Manager	Jude Ugwu, UBA Branch Manager, Umuahia
Union Bank	Union Bank of Nigeria Plc
Unity Bank	Unity Bank Plc
USSD	Unstructured Supplementary Service Data
VAS	Value Added Service
Wema Bank	Wema Bank Plc
Zenith Bank	Zenith Bank Plc

1 Introduction

1.1 Background

- a. The administration of Abia State, which was inaugurated on 29 May 2023, has requested KPMG, via the engagement letter dated 13 July 2023 executed between KPMG and ABSG, to provide process review services to ABSG, focusing on the under-listed scope areas and objectives, to cover the period from 29 May 2015 to 28 May 2023, unless otherwise indicated.

1.2 Objectives

S/N	Scope Area	Objective
1	Contracts Award	a. Ascertain whether due process was followed or not, in the selection of contractors, award of contracts and payments to the contractors by ABSG. In addition, identify any possible collusion with beneficiaries.
2	Bank Accounts Period of review: a. UBA: 29 May 2015 – 28 May 2023. b. Zenith Bank and Union Bank: 1 January 2020 – 28 May 2023. These two (2) banks were audit clients of KPMG up to 31 December 2019.	a. Identify the signatories and ascertain the bank balances of ABSG with all banks in Nigeria as at 28 May 2023, via circularisation only. b. Ascertain if there is any misappropriation in the payments made from UBA and Zenith Bank accounts to the beneficiaries. Also identify any possible collusion with the beneficiaries. c. Determine if there is any overcharge of interest and/or charges by UBA, Zenith Bank and Union Bank on current, deposit, escrow or investment accounts, as well as credit facilities granted to the State.
3	Sale and Disposal of Public Assets	a. Determine adequacy or otherwise of the governance and operational process followed in the disposal, retirement and/or write-offs of fixed assets, in accordance with relevant ABSG's policies and procedures.

S/N	Scope Area	Objective
4	Utilisation of Funds from Federal Account Allocation Committee	a. Determine the total allocation received from FAAC and ascertain utilisation therefrom, with a view to identifying any misappropriation and/or leakages in the flow of receipt and utilisation. In addition, identify any possible collusion with the beneficiaries.
5	Utilisation of Credit Facilities obtained by ABSG from UBA, Zenith Bank and Union Bank	a. Ascertain the total credit facilities obtained by the State Government from UBA, Zenith Bank and Union Bank and determine if they were utilized for the intended purposes. In addition, identify any possible collusion with the beneficiaries.
6	Collection and Utilisation of IGR by ASBIR	a. Establish the quantum of the IGR collected by ASBIR and identify any misappropriation and/or leakages in the process of collection, transfer and/or utilisation. In addition, identify any possible collusion with the beneficiaries.

1.3 Nature of our assignment

- a. This assignment was not performed by us in the capacity of a statutory auditor. Hence, this is not any form of financial statements audit of ABSG or any entity listed in the report. We are therefore not required to render an opinion on the financial statements of ABSG or any entity listed in the report.
- b. Rather, we have performed the procedures we considered appropriate in the circumstances and in line with relevant KPMG methodology.
- c. We were also not required to review the adequacy or otherwise of the output of the prior or current external auditors and/or consultants of ABSG, and did not perform any of the following:
 - i. Conduct a trial and / or inquiry in the course of the assignment.
 - ii. Act as a tribunal, commission of inquiry or in judicial or quasi-judicial role.
 - iii. Perform, any adjudicatory function whatsoever in the course of the assignment.
 - iv. Conduct any exercise with a view to determining whether any person was guilty or innocent of any offence.

1.4 Period under review

- a. The procedures performed by us are relevant to events / documentation covering the period from 29 May 2015 to 28 May 2023, unless otherwise stated in this report. Specifically, the period under review for Zenith Bank and Union Bank is from 1 January 2020 to 28 May 2023 as the two (2) banks were KPMG audit clients up to 31 December 2019.

1.5 Limitations and subsequent events

- a. We have included and records information relevant to the scope of work and objectives in line with the executed engagement letter of 13 July 2023, and as provided by the relevant MDAs of ABSG and the banks. Notwithstanding the foregoing, it is possible that documents and / or information exist, which were not made available to us.
- b. The provision of additional documents and / or information after submission of this final report will however attract a separate fee and timeline discussion between KPMG and ABSG.
- c. For ease of understanding of this report, specific limitations (if any) are stated in the relevant sections of this report.

1.6 Legal advice

- a. Although our report may contain references to relevant laws and regulations, we do not provide legal opinion on compliance with such laws and regulations.
- b. Our discussion of the relevant laws and regulations is intended solely to facilitate the determination of applicable facts, which may be relevant to the interpretation and/or application of such laws and regulations.
- c. Should such interpretation require legal advice, we recommend that ABSG obtain an independent legal advice.

1.7 Procedures Performed

To achieve the objectives of the process review, we performed the following activities:

1.7.1 Contract Awards

- a. Held discussions with the under-listed officials of ABSG to obtain an understanding of the contract award process:
 - i. DPRS, Ministry of Works
 - ii. DF, Ministry of Works
 - iii. Secretary, F&GPC

- iv. Director of Quantity Survey, Ministry of Housing¹
- v. DF, Ministry of Health
- b. Reviewed the following records to understand the contracting and payment process.
 - i. Abia State Public Procurement Law 2012
 - ii. Abia State financial regulations (as amended in 2001)
- c. Analysed schedules of contracts awarded during the period under review to determine in-scope contracts from the following sources:
 - i. F&GPC
 - ii. Ministry of Works
 - iii. Ministry of Lands & Housing
 - iv. Office of the Governor
 - v. Education
 - vi. Abia State e-procurement website.² (now defunct)
- d. Reviewed the under-listed supporting documents provided for sample contracts, focusing on business justification, approval process, and completion of project, in line with the relevant policies, procedural manuals and practices.
 - i. Tender Documents
 - ii. Bid Submissions
 - iii. Jobbing Order
 - iv. Contract Agreements
 - v. Minutes of MTB
 - vi. Award Letters
 - vii. Interim Certificates
 - viii. Final Completion Certificate
 - ix. Payment Vouchers
- e. Reviewed and analysed the bank account statements received from 35 circularised banks to determine payments to contractors for the period under review.
- f. Reviewed the following records from ABSG Cash Office, Admin Office, Office of the AG, UBA and Access Bank to ascertain total payments to contractors through CFF:

¹ Ministry of Lands and Ministry of Housing has been merged into Ministry of Lands and Housing in the new administration.

² Retrieved on 5 August 2023 from [Contract Award Publication | Abia State Government](#).

- i. Schedules (containing facility amount, interest rate, tenor, repayment etc.) of credit facilities obtained by ABSG.
 - ii. Offer letters, ISPOs and repayment schedules to determine the purpose of the CFF and total payments to contractors through CFFs.
- g. Performed desktop search and reviewed the nominal roll to identify possible relationships and/or collusion between officials of the State and the beneficiaries of the payments on the selected contracts.
- h. Held discussions with the under-listed officials of UBA to provide outstanding records relating to CFF and payments made directly from ABSG bank accounts.
- i. Alex Alozie – Executive Director / Group Chief Operating Officer, UBA Group.
 - ii. Nnaemeka Longman – Regional Head, East Bank, UBA Group.
 - iii. Chukwuka Agbo – Zonal Head, East Bank, UBA Group.
 - iv. Jude Ugwu – Business Unit Manager, UBA Factory Road Branch, Abia State.

1.7.2 Bank Accounts

- a. We performed the following activities to identify the signatories and ascertain the State's account balances with the banks in Nigeria as at 28 May 2023.
- i. Compiled a list of 35 licensed banks in Nigeria, per CBN Financial Institutions (DMB) reports as at 28 May 2023.
 - ii. Circularised the 35 banks, requesting bank mandates, bank balances and account statements for accounts maintained by ABSG with banks covering the period of review.
 - iii. Reviewed the bank mandates received from the banks and identified the signatories for accounts maintained by ABSG with the banks.
 - iv. Analysed the bank account statements received from the banks to determine the net movements for the period under review, and bank balances as at 28 May 2023.
 - v. Reviewed samples of payments from the banks to reconcile the authorised signatories per list of signatories provided by banks, with the signatories on the sample payment records.
- b. We performed the following activities to ascertain if there is any indication of misappropriation in the payments made from UBA and Zenith Bank accounts to the beneficiaries. Also identify any possible collusion with the beneficiaries.
- i. Held discussions with the under-listed officials to better understand the payment approval and authorization process.
 - Director of Account Productions
 - State Cashier

- Chief Accountant Cash Office
 - Sub-treasurer, TPO
 - Pay Officer, TPO
- ii. Reviewed the following records to ascertain if there is any indication of misappropriation in the payments from UBA and Zenith Bank:
- Requested bank account statements³ for all accounts maintained by ABSG with UBA and Zenith Bank.
 - ABSG annual budget covering the period from 2015 to 2023.
 - ABSG payment vouchers and cheque registers covering the period from 2015 to 2023.
 - ABSG nominal roll covering the period from 2018⁴ to 2023.
 - Supporting documents such as payment advice, e-payment bank mandate, award letters, tenders, quotations, job completion certificates, invoices, receipts, etc. for payments made by ABSG to various beneficiaries.
- iii. Performed desktop search and reviewed the nominal roll to identify possible relationships and/or collusion between officials of the State and the beneficiaries of the payments from UBA and Zenith Bank.
- c. We performed the following to determine if there is any overcharge of interest and/or charges by UBA, Zenith Bank and Union Bank on current, deposit, escrow, or investment accounts⁵, as well as credit facilities granted to ABSG.
- i. Obtained the following records from ABSG Cash Office to ascertain total credit facilities obtained by ABSG during the period under review:
- Schedules (containing facility amount, interest rate, tenor, etc.) of credit facilities, obtained by ABSG from UBA, Zenith Bank and Union Bank.
 - Offer letters, addendums, correspondences, amortization / repayment schedules, loan history records, rate history for the facilities in the schedule provided by ABSG Cash Office.
- ii. Reviewed the following records obtained from UBA, Zenith Bank and Union Bank:
- Schedule (including facility amount, interest paid, outstanding fees and charges, and the outstanding balance) of all credit facilities, obtained by ABSG from the aforementioned banks during the period under review.

³ See Appendix 10.3 for details of all accounts maintained by ABSG.

⁴ ABSG did not provide the nominal roll from 2015 to 2017.

⁵ ABSG did not maintain deposit, escrow, or investment accounts with the three (3) banks.

- Offer letters, addendums, correspondences, amortization / repayment schedules, loan history records, rate history for the facilities in the schedule provided by UBA, Zenith Bank and Union Bank.
- iii. Compared the list of credit facilities noted per ABSG's Cash office records with the schedule of credit facilities provided by the three (3) banks, to ascertain completeness.
- iv. Analysed loan disbursements into the bank accounts maintained by ABSG with the three (3) banks, to ascertain if there were credit facilities not captured in the records provided by ABSG and the three (3) banks.
- v. Reviewed offer letters, correspondences, amortization/repayment schedules, rate history for the facilities sighted in the bank account statements that were not captured in the schedule provided by the three (3) banks and ABSG's Cash office.
- vi. Consulted the extant CBN guidelines and circulars on bank charges and benchmark against the amount charged by the three (3) banks, and independently reviewed and analysed the fees, and payments on the credit facilities, in line with the executed offer letters and extant CBN guidelines.
- iv. Held discussions with the under-listed officials of UBA and Zenith Bank to reconcile the draft findings on analysis of bank statements and credit facilities obtained by ABSG from the two (2) banks:

UBA

- Alex Alozie – Executive Director / Group Chief Operating Officer, UBA Group.
- Nnaemeka Longman – Regional Head, East Bank, UBA Group.
- Chukwuka Agbo – Zonal Head, East Bank, UBA Group.
- Jude Ugwu – Business Unit Manager, UBA Factory Road Branch, Abia State.

Zenith Bank

- John Onyike – Zenith Bank Zonal Head, Abia 2 Zone.
- Ngozi Onyekwue – Zenith Bank Relationship Service Manager, Umuahia 2 Branch.
- Kenneth Ibe – Zenith Bank Relationship Service Manager, Umuahia 2 Branch.
- vii. Identified improvements opportunities in ABSG payment procedure and utilisation of credit facilities.

1.7.3 Sale and Disposal of Public Assets

- a. Held discussions with the under-listed officials to understand the asset disposal process and obtain schedule of public assets disposed if any.
 - i. Commissioner of Lands and Housing

- ii. Surveyor General, Ministry of Lands and Housing⁶
 - iii. DF, Ministry of Lands⁷
 - iv. DF, Ministry of Housing⁸
 - v. Director of Lands 1, Ministry of Lands and Housing
 - vi. Director of Quantity Survey, Ministry of Lands and Housing
 - vii. DF, Ministry of Transport
 - viii. DPRS, Ministry of Education
- b. Reviewed the provisions of the following laws guiding the disposal, write-offs and retirement of assets.
- i. Abia State Public Procurement Law 2012
 - ii. The Land Use Act 1978
- c. Reviewed schedules of assets covering public schools and vehicles from the following MDAs for the period under review to ascertain if the assets were disposed, retired and or written-off.
- i. Ministry of Education
 - ii. Government House
- d. Reviewed records of allocated lands for the period under review to determine the process for the allocation of lands and ascertain if due process was followed.
- e. Reviewed the Annual Reports of the Accountant General for the years 2015-2022 to identify assets that were disposed during the period under review.
- f. Perform desktop searches and vis-à-vis the nominal roll of ABSG officials during the period under review to identify any possible conflict of interest and / or collusion with beneficiaries.
- g. Identified improvements opportunities in ABSG’s sale and asset disposal process and controls and the utilisation of IGR.

1.7.4 Utilisation of Funds from Federation Accounts Allocation Committee (FAAC)

- a. We performed the following procedures to determine the total FAAC revenue allocation received by ABSG during the period under review.

⁶ Ministry of Lands and Ministry of Housing has been merged into Ministry of Lands and Housing in the new administration.

⁷ Now merged with Ministry of Housing.

⁸ Now merged with Ministry of Lands.

- i. Reviewed the provisions of applicable laws⁹ to better understand the provisions guiding the revenue allocation by FAAC.
 - ii. Analysed the following records:
 - FAAC accounts maintained by ABSG during the period under review¹⁰.
 - Monthly FAAC disbursement reports published on the Technical Subcommittee of FAAC.
 - Annual Reports of the Accountant-General from 2015 to 2022.
 - ABSG FAAC revenue schedule maintained from 2015 to 2023.
 - Monthly FAAC meeting reports¹¹ sent to the State Governor from the Office of the Accountant-General.
 - Monthly FAAC expenditure proposals¹²
 - iii. Determined and reconciled the total net FAAC receipts into ABSG's FAAC revenue accounts during the period under review vis-à-vis the monthly FAAC disbursement reports published by the Technical Subcommittee of FAAC.
 - iv. Reviewed and reconciled the total net FAAC receipts with the statutory allocation disclosures captured in the Annual Reports of the Accountant-General from 2015 to 2022.
- b. We performed the following activities to ascertain the utilisation of FAAC revenue allocations received by ABSG during the period under review, with a view to identifying any indication of misappropriation and/or leakages in the flow of receipt and utilisation.
- i. Reviewed ABSG bank accounts that received inflows from the FAAC accounts.
 - ii. Confirmed the receipt of the inter-account / inter-bank transfers from the FAAC accounts in the receiving ABSG accounts. See details in section 6.5.1 of this report.
- c. Held discussions with the under-listed officials to better understand the collection and utilisation of FAAC.
- i. State Cashier
 - ii. Chief Accountant, Cash Office
 - iii. Director of Accounts Production

⁹ Revenue (Federation Account) No. 1 1982, The Constitution of the Federal Republic of Nigeria (1999 as amended).

¹⁰ See Appendix 10.11 for details of all FAAC accounts maintained by ABSG.

¹¹ ABSG provided records for 2017 (July-November), 2020 (January-April), 2021, 2022 and 2023 (January-February).

¹² ABSG provided records for 2016 (March-December) and 2017.

- d. Performed desktop searches and reviewed the nominal roll of ABSG officials during the period under review to identify any possible conflict of interest and / or collusion with the beneficiaries of the payments from the bank accounts above.
- e. Identified improvements opportunities in the collection and utilisation of FAAC allocation to ABSG.

1.7.5 Utilisation of credit facilities obtained by ABSG from UBA, Zenith Bank and Union Bank

- a. Reviewed the following:
 - i. Schedule containing list of credit facilities obtained by ABSG from UBA, Zenith Bank, and Union Bank.
 - ii. Offer letters for credit facilities obtained from UBA, Zenith Bank and Union Bank to determine the purpose of the credit facilities.
 - iii. Supporting documents such as payment vouchers, payment advice, e-payment bank mandates, cheques, award letters, tenders, quotations, job completion certificates, invoices, receipts, etc. and justification (budget) for the utilisation of the credit facilities.
- b. Reviewed the utilisation of funds received from credit facilities and reconciled the utilisation with the purpose of the facilities stated in the offer letters, to ascertain if the credit facilities were used for their intended purposes.
- c. Performed desktop search and reviewed the nominal roll to identify possible relationships and/or collusion between officials of the State and the beneficiaries of the funds received via the credit facilities.

1.7.6 Collection and Utilisation of IGR by ASBIR

- a. Held discussions with the under-listed officials to better understand the process and practice of collection and utilisation of IGR.
 - i. Ag. Chairman, ASBIR
 - ii. DF, ASBIR
 - iii. Secretary, ASBIR
 - iv. Head of ICT, ASBIR
 - v. Director of Collections, ASBIR
 - vi. Group Head, Government and Social Services, Interswitch
 - vii. Sales Executive, South and Southeast, Interswitch
- b. Reviewed the following records:

- i. Bank account¹³ statements for accounts maintained by ASBIR with 35 banks in Nigeria.
 - ii. ASBIR nominal roll covering the period from 2015 to 2023.
 - iii. ASBIR IGR monthly reports covering the period from 1 June 2015 to 31 May 2023¹⁴, to ascertain total IGR collections reported by ASBIR.
 - iv. Abia State Tax Consolidation and Codification Law 2020.
 - v. Appointment letters for TAMAs and other revenue enforcement consultants to benchmark the engagement terms with the provisions of the Abia State Tax Consolidation and Codification Law.
 - vi. Letters of payment instructions from ASBIR to Interswitch.
 - vii. Payment vouchers, transfer instructions and cheques for payments made from ASBIR Zenith Bank overhead other charges bank account with account number 1013921818 between 1 June 2015 to 31 May 2023, to ascertain if there is any indication of misappropriation in the payments made to beneficiaries.
 - viii. Transfers from IGR collection accounts to the three (3) ASBIR overhead bank account¹⁵ with Zenith, Fidelity and Access Bank from 1 June 2015 to 31 May 2023, to ascertain total cost of collection by ASBIR.
 - ix. Letters from the Office of the Governor authorising release of funds to various beneficiaries to ascertain if there is appropriate approval before payments are made to the respective beneficiaries.
- c. Spooled Paydirect settlement position reports covering the period from 1 June 2015 to 31 May 2023 in order to independently verify total IGR collections through Paydirect.
 - d. Determined actual amount to be settled to the State by deducting relevant fees¹⁶ from total cleared collections¹⁷.
 - e. Reconciled actual amount to be settled to the State in (d) above with the remittable amount contained in the Paydirect settlement position reports and noted any variance i.e., excess or shortfall in the amount to be settled to the State.
 - f. Spooled Paydirect settlement split reports covering the period from 1 June 2015 to 31 May 2023 in order to independently verify beneficiaries of IGR collections through Paydirect.

¹³ See Appendix 10.3 for details of all account statements provided by the circularised banks.

¹⁴ Although the State's mandate is for the review to cover the period from 29 May 2015 to 28 May 2023. ASBIR however prepares its reports monthly, and therefore could only provide monthly figures.

¹⁵ See Appendix 10.12 for details of ASBIR overhead bank accounts used for cost of collection .

¹⁶ Fees include fees paid to vendors engaged by ASBIR (i.e., ISO Fee, VAS Provider Fee and Terminal Owner Fee), Collecting Banks Fee, Interswitch Fee and Lead Bank Fee.

¹⁷ This refers to total collections through Paydirect by all collecting banks.

- g. Traced the settlement amount contained in the Paydirect settlement split reports to nine (9) bank accounts¹⁸ to identify leakages in the collection and remittance process.
- h. Analysed six (6) bank accounts¹⁹ maintained by ASBIR to ascertain specific IGR collections.
- i. Analysed nine (9) bank accounts²⁰ maintained by ASBIR for Paydirect collections to ascertain IGR collections outside of Paydirect.
- j. Performed desktop search and reviewed the nominal roll to identify possible relationships and/or collusion between officials of ASBIR and the beneficiaries of the payments from ASBIR bank accounts.
- k. Documented process flowcharts to visualise the end-to-end process of collections of IGR and payments to TAMA and other revenue enforcement consultants.
- l. Identified improvements opportunities in ASBIR's revenue collection process and controls and the utilisation of IGR.

1.8 Sources and Description of Documents Obtained

We did not perform any scientific test on any of the records and / or information provided to us by ABSG and/or the circularised banks during this assignment, to ascertain their authenticity, as this type of assignment does not require scientific test on the records. Therefore, our review, analysis and examination of the records and information provided were limited to the content of such records or information.

1.9 Appendices

We have collated copies of the documentation referred to in the footnotes to this report into appendices and should be read in conjunction with the contents of this report.

¹⁸ See Appendix 10.12 for details of accounts maintained by the State into which Paydirect settles IGR collections.

¹⁹ See Appendix 10.12 for details of ASBIR bank accounts used for specific IGR collections.

²⁰ See Appendix 10.12 for details of ASBIR bank accounts used for paydirect collections.

2 Executive Summary

2.1 Contract Awards

- a. ABSG awarded 560 contracts to 231²¹ contractors during the period under review, with 520 contracts, having a cumulative contract value of ₦294,824,123,365.79.
- b. Notwithstanding that ABSG did not provide sufficient information to enable KPMG to:
 - i. Determine the contract values of the remaining 40 of the 560 contracts.
 - ii. Independently verify the accuracy and completeness of the ₦294,824,123,365.79 contract value of the 520 contracts.

We analysed available records, noting the following:

2.1.1 Payments to Contractors

- a. ABSG paid ₦131,877,519,592.06²² to the 231 contractors, via three (3) means i.e., CFFs (₦71,315,434,474.50), directly from ABSG bank accounts (₦59,467,035,117.56²³), and procuring MDAs (i.e. Ministry of Works – ₦927,200,000.00 and ASOPADEC – ₦167,850,000.00).
- b. We reviewed sample payments of ₦107,234,358,515.21 of the ₦131,877,519,592.06, noting the following exceptions amounting to ₦56,662,966,007.76:
 - i. ₦15,936,522,309.43 – 63²⁴ contractors with **no supporting documents** maintained by the Cash Office, Office of the AG.
 - ii. ₦12,800,851,500.00 – Four²⁵ (4) contractors for **contracts that do not appear to exist**, per available records and discussions with relevant officials. These include:
 - ₦10,000,000,000 to Ferotex on 25 September 2020 for the “**construction of Abia State airport**”.
 - ₦2,000,000,000.00 on 6 June 2022 and 1 September 2022 to Logistics De-Luke, for the “**delivery of 22 different brand-new vehicles**”.
 - iii. ₦9,279,800,000.00 – Seven²⁶ (7) contractors with **no records that the contracts were executed**, per schedules of contracts provided and discussions with relevant officials.
 - iv. ₦4,000,000,000.00, where substantial upfront payments (**i.e. 92% of contract value**) was made to **Track Care Global Construction** for six (6) projects.

²¹ Ministry of Works and Industry did not provide sufficient information to determine the contractors for 8 contracts.

²² Per the schedule of loans provided by Cash Office, offer letters provided by UBA and Access Bank, identifiable transaction narrations in the 77 bank accounts in 14 banks and records provided by 7 Ministries.

²³ It is important to note that there might be additional payments below ₦50,000,000.00 made to the contractors not identified due to unidentifiable narrations such as “NEFT”, which is not included in our sampling.

²⁴ See Appendix 11 in the excel workbook for the details of 63 contractors.

²⁵ See Appendix 12 in the excel workbook for the details of four (4) contractors.

²⁶ See Appendix 13 in the excel workbook for the details of seven (7) contractors.

Moreover, two (2) of the six (6) projects paid for, were still ongoing per the Ministry of Works schedule, as at the date of this report.

- v. ₦1,100,000,000.00 – Tunnel End for four (4) of six (6) contracts **that appear to have been awarded / re-awarded** to other contractors, even though Tunnel End was paid for the six (6) contracts.
- vi. ₦7,461,585,866.44 – 44²⁷ contractors using **Payment Voucher Substitutes (PVS)** instead of the required payment vouchers.
- vii. ₦3,978,304,675.45 – 48²⁸ contractors with **inadequate supporting documents** maintained by the State i.e. any one of the payment vouchers, approvals from TPO, budgetary allocation and e-payment bank mandates were not maintained.
- viii. ₦1,057,776,656.44 – 17²⁹ contractors but **signed by only one of the two (2) required signatories**, contrary to ABSG mandates with UBA, Zenith Bank and Access Bank. However, UBA and Zenith Bank provided regularised copies of the payment vouchers, indicating that the second signatory also subsequently authorised the payment mandates.
- ix. ₦927,200,000.00 – 14³⁰ contractors, but **Ministry of Works did not provide any supporting documents** to determine the **business justification** for the payments.
- x. ₦120,925,000.00 – Six³¹ (6) contractors, where **approval for the payments were made after the payments** to the contractors i.e., payments made before TPO approval.

2.1.2 Selection of Contractors and Award of Contracts

- a. The **rate of non-compliance** to due process relating to the selection of contractors and award of contracts is **64%**, for a sample of 95 contracts (85 contracts valued at ₦157,344,353,425.87 through tendering and 10 contracts valued ₦5,000,683,974.00 through Direct Labour reviewed. Instances of non-compliance include:
 - i. Six (6) MDAs **did not provide “Certificate of No Objection”** from the Bureau of Public Procurement for 82³² contracts worth **₦156,759,362,425.87**, contrary to Section 21 (h) and Section 18 (4) of State Public Procurement Law.
 - ii. Six (6) MDAs³³ **did not provide record of bid evaluation** for 72³⁴ of the 85 sampled contracts with a cumulative value of **₦98,570,680,828.07**, contrary to

²⁷ See Appendix 14 in the MS Excel workbook for details of the 44 contractors.

²⁸ See Appendix 15 in the MS Excel workbook for details of the 48 contractors.

²⁹ See Appendix 16 in the MS Excel workbook for details of the 17 contractors.

³⁰ See Table 7.2.3.1 of the detailed report for details.

³¹ See Appendix 17 in the MS Excel workbook for details of the 6 contractors.

³² See Appendix 18 in the MS Excel workbook for details of the 82 contracts from 6 MDAs.

³³ Ministry of Works, Office of the Governor, Housing, ASOPADEC, Public Utilities and Water Resources and Finance.

³⁴ See Appendix 19 in the MS Excel workbook for details.

Section 24 of Abia State Procurement Law and Section 3303 of the Abia State Financial Regulations.

- iii. **No record that the Governor approved 35³⁵ contracts amounting to ₦83,382,082,143.10**, in line with ABSG’s practice.
- iv. Ministry of Works awarded **₦2,831,458,377.40** worth of contracts to Arab Contractors for the “Reconstruction of Aba Road Umuahia from Enugu – Port Harcourt Express way junction to Railway Crossing at Old Umuahia”, **without records of competitive bids**, contrary to Section 26 (1) of the State’s Procurement law.
- v. Ministry of Works awarded **₦1,418,714,000.00** contract for the “Construction of Itukpa to Ossa Ukwu; Mgboko-Obete to Iheorji Road in Obingwa LGA” to Gemp Engineering, **despite Gemp Engineering submitting bid after the due date of the ITT**.

In addition to the findings above, no sufficient records exist to identify if there was any collusion with the beneficiaries of the afore-mentioned payments. Nonetheless, identified possible conflict of interest is documented in section 2.2.4.

2.2 Bank Accounts

2.2.1 Signatories to bank accounts maintained by ABSG

- a. Contrary to ABSG mandates with the 14 banks, which require two (2) signatories for all payment instructions/mandates, there are **132** instances (see Table 2.2.1 below) where only **one signatory authorised payments totalling ₦4,667,087,700.66** (i.e., ₦4,373,187,700.66 – UBA, ₦15,000,000.00 – Zenith Bank, ₦270,000,000.00 – Access Bank and ₦8,900,000.00 – Polaris Bank) to various beneficiaries³⁶.

Table 2.2.1: Exceptions noted from the review of e-payment bank mandates vis-à-vis their authorised signatories

S/N	Signed only by:	Number of payments	Amount (₦)	Second Signatory that did not sign	Period
1	Immediate past State Cashier (Kelechi Imeoria)	88	3,547,417,700.66	Former AG (Onyedielefu Gabriel)	29 May 2015 – 30 July 2018
2	Former AG (Onyedielefu Gabriel)	3	553,370,000.00	Immediate past State Cashier (Kelechi Imeoria)	29 May 2015 – 30 July 2018
3	State Cashier (Okechwukwu Gberemakor)	36	509,400,000.00	The Immediate past AG (Kelechi Imeoria)	31 July 2018 – 28 May 2023
4	The Immediate past AG (Kelechi Imeoria)	5	56,900,000.00	State Cashier (Okechwukwu Gberemakor)	31 July 2018 – 28 May 2023
Total		132	4,667,087,700.66		

Source: Compiled by KPMG from the records provided by the 14 banks.

³⁵ See Appendix 20 of the MS Excel workbook for details.

³⁶ See Appendix 10.7.

UBA and Zenith Banks' Responses

- a. UBA and Zenith Bank confirmed the instances where they both made payments with payment mandates signed by only one signatory, due to the unavailability of the second signatory, but subsequently regularised upon the availability of the second signatory.
- b. However, UBA did not provide the regularised mandates for nine (9) payments (i.e. ₦179,870,000.000) out of its 122 instances.

2.2.2 Bank Balances as at 28 May 2023

- a. During the period from 29 May 2015 to 28 May 2023³⁷, ABSG maintained 78 bank accounts with 14 of the 35³⁸ circularised banks, with a **net credit balance of ₦3,495,207,127.14** as at 28 May 2023.

2.2.3 Review of payments by ABSG from UBA and Zenith Bank

ABSG made the following payments that have exceptions:

- a. ₦85,781,077,523.68 (UBA) and ₦13,863,892,419.88 (Zenith Bank) – **No payment vouchers or payment instructions/mandates or both.**
- b. ₦33,877,639,399.16 (UBA) and ₦2,337,420,000.00 (Zenith Bank) – **Not supported with payment vouchers** but subsequently **utilized payment voucher substitutes (PVS)**, which are filled after the payments have been made, to regularize absence of payment vouchers.
- c. ₦1,113,680,000.00 (UBA) payments were made **before TPO approvals**, while ₦136,367,350.00 (UBA) were with **no TPO approval.**
- d. **Cash withdrawals of ₦6,281,860,830.00 and ₦11,229,300,000.00** from Government House accounts of UBA and Zenith Bank respectively.

2.2.4 Possible Conflict of Interest

- a. Possible conflict of interest involving **ten (10) ABSG officials**³⁹, who are directors in **seven (7) companies**. The companies benefited from contracts awards amounting to **₦203,625,000.00**.

2.2.5 Bank Charges and interest on Credit Facilities obtained from UBA, Zenith Bank and Union Bank

- a. ₦211,290,712.10 – Due to Abia State from UBA, because of overcharge on COT and Current Account Maintenance Fee, as well as interest on Term Loan, Temporary Overdrafts and CFFs by UBA.

³⁷ Except as otherwise indicated in this report.

³⁸ These are list of licensed DMBs retrieved from CBN websites.

³⁹ See appendix 10.15 for details of the ten (10) ABSG officials and the seven (7) companies.

- b. ₦443,734.43 – Due to Zenith Bank, based on undercharge of interest on Temporary Overdrafts by Zenith Bank.
- c. ₦12,933,374.49 – Due to Union Bank, based on undercharge of interest on term loan by Union Bank.

2.3 Sale and Disposal of Public Assets

- a. Notwithstanding that ABSG's 2015 to 2021 annual reports, reflect that the Ministry of Transport disposed unserviceable vehicles amounting to ₦8,406,150.00, five (5) MDAs circularised i.e., Housing, Transport, Education, Health and Government House;
 - i. Reported that they did not sell or dispose any public assets.
 - ii. Do not maintain asset register/schedule and therefore did not provide schedule of any public assets disposed or sold.
- b. The above MDAs do not include the Ministry of Lands, Survey and Urban Planning, who provided schedule of land allocation. Various exceptions noted in the allocation of lands to 91 individuals and businesses include allottees, who did not submit application letters, who submitted application letters after receiving offer letters, who did not pay the application fees, etc.

2.4 Utilisation of Funds from Federation Accounts Allocation Committee (FAAC)

2.4.1 Collection and Utilisation of Funds from FAAC

Collection

- a. Excluding reversals of ₦28,963,869,442.72, the total net inflows and outflows from the FAAC accounts are **₦468,356,645,293.64** and **₦465,991,676,382.39** respectively, with a consolidated closing balance of **₦2,169,406,016.88**, as at 28 May 2023.
- b. Of the total net inflows of **₦468,356,645,293.64**, **₦394,374,765,886.03** specifically relates to FAAC Collection.

Utilisation

- a. **₦462,219,772,748.67** comprising loan repayments, inter-account and inter-bank transfers, as well as payments to FIRS **appear to be legitimate**⁴⁰.
- b. **₦3,294,788,036.80** (68 payments) to MDAs, Government House (and some Officials) and Contractors **were without supporting documents and contrary to the expected outflows from the FAAC accounts** (i.e., inter-account/inter-bank transfers, loan repayments & CFFs, or bank charges)⁴⁰.

⁴⁰ Exhibit 39 – Confirmation of Understanding between KPMG and the Chief Accountant, Cash Office, Office of the AG dated 28 November 2023.

In addition to the findings above, no sufficient records exist to identify if there was any collusion with the beneficiaries of the afore-mentioned payments. Nonetheless, identified possible conflict of interest is documented in section 2.2.4.

2.5 Utilisation of credit facilities obtained by ABSG from UBA, Zenith Bank and Union Bank

- a. **₦12,462,841,836.43 (UBA) and ₦4,100,000,000.00 (Zenith Bank) – Insufficient records** to determine if utilised as intended or not.
- b. **₦2,500,000,000.00 (UBA), ₦1,000,000,000.00 (Zenith Bank) and ₦250,000,000.00 (Union Bank) were not utilised as intended.**
 - i. UBA facilities were intended and obtained to either meet urgent security issues in the State or urgent need for the payment of parastatals salaries and subvention. However, they were all utilised to reduce the overdraft balance in the FAAC Accounts.
 - ii. No records reflecting that the **₦250,000,000.00** obtained from Union Bank was utilised for the payment of salaries of health workers as stated in the offer letter.

In addition to the findings above, no sufficient records exist to identify if there was any collusion with the beneficiaries of the afore-mentioned payments. Nonetheless, identified possible conflict of interest is documented in section 2.2.4.

2.6 Collection and Utilisation of IGR by ASBIR

- a. ASBIR reported IGR collections of ~~₦~~81,103,735,120.95 instead of ~~₦~~82,610,062,727.79 for the period from 1 June 2015 to 31 May 2023. The ~~₦~~1,506,327,606.84 not reported was however noted in the bank statements.
- b. Interswitch did not remit **₦27,164,671.09** IGR collections due to the State.
- c. **₦1,653,922,058.57** vendors' fee paid/deducted from IGR, has the following exceptions:
 - i. ~~₦~~649,787,065.21 represents over-payment to Atolok. Contrary to the appointment letter dated 17 August 2020, instructed Interswitch to settle 5% and 6.7% of the total IGR Collections to Atolok on 30 December 2020 and 12 February 2021 respectively, instead of the 1.7% of total IGR Collections and 5% in excess of ~~₦~~600,000,000.00 contained in the appointment letter dated 17 August 2020.
 - ii. ~~₦~~503,552,134.36 is for ByteWorks, covering 1 October 2022 to 31 March 2023, was not supported with a contract agreement. However, the Secretary, ASBIR stated that ByteWorks rendered the service during the period.
 - iii. ~~₦~~500,582,859.00 was deducted and paid to Marabef, without any Letter of Instruction supporting the deduction.
 - iv. ~~₦~~2,279,572,500.00 (105 payments) were based on release letters from the Office of the Governor to certain Individuals, Contractors and MDAs without other documents supporting the payments.

- v. ₦891,521,642.13 transferred to MDAs was based on a written approval from the Office of the Governor, stating that 20% of IGR collected by revenue generating MDAs be paid to such MDAs⁴¹, but **no law** supporting the Governor’s approval was provided.
 - vi. ₦135,494,385.23 (Local Government) – The DF, ASBIR stated that the payment relates to Abia Property and Land Use Charge paid to local governments in the State.
- d. Other observations include:
- i. Non-maintenance of schedule of ASBIR bank accounts, as required by Abia State Tax Consolidation and Codification Law of 2020.
 - ii. IGR collections through USSD paid into an unrelated account i.e., BIR Mbaisii Land Acquisition account.
 - iii. Non-reconciliation of Paydirect collections and settlement.
 - iv. Non-compliance with the Law on remittance of IGRs into only one (1) dedicated account. Rather, ASBIR remitted IGR collections into seven (7) accounts maintained by the Office of the AG (3) and ASBIR (4).

In addition to the findings above, no sufficient records exist to identify if there was any collusion with the beneficiaries of the afore-mentioned payments. Nonetheless, identified possible conflict of interest is documented in section 2.2.4.

⁴¹ See section 8.3.2.1.3 for the details of cost of collections to the eight (8) MDAs.

Detailed Findings

3 Contract Awards

Objectives: Ascertain whether due process was followed or not, in the selection of contractors, award of contracts and payments to the contractors by ABSG. In addition, identify any possible collusion with beneficiaries.

3.1 Contracting Process

Per review of Abia State Public Procurement Law 2012 and Financial Regulations 2001, as well as process understanding discussions with relevant ABSG officials⁴², ABSG's contracting process is as follows:

- a. The contract award process could either be initiated by the procuring Ministry through a letter to the Governor or by the State Governor directly.
- b. The State Governor directly identifies projects, due to the strategic and economic need of the State, and then mobilizes the Ministry to commence the contracting process.
- c. The procuring Ministry also initiates a request through a letter to the State Governor requesting for approval to commence a project, which would have been budgeted for in ABSG's Annual Budget.
- d. The procuring Ministry advertises and solicits for bids through the following procurement methods:

- i. Selective Tendering

The procuring Ministry selects existing contractors based on the contractors previous performance and capacity to deliver on the contract. This process is considered, where the project is urgent or upon urgent request of the State Governor and the general tendering process is assessed to be time consuming.

- ii. Open Competitive Bidding

The procuring Ministry advertises for bids in the State's newspaper, on its notice board, at least two national newspapers and any official website of the procuring entity.

- e. The Procuring entity utilizes the period between advertisement and bid submission deadline to prepare in-house estimates.
- f. The Ministerial Tenders Board (MTB) opens submitted bids in the presence of the procuring Ministry and bidders or their representatives.
- g. The MTB evaluates the submitted bids and forwards a brief of the meeting (which includes the analysis of the tenders and the recommended contractor) to the State's Tenders Board, referred to as Finance and General Purpose Committee (F&GPC), where the contract is ₦50,000,000 and above for consideration.

⁴² Exhibit 1 – Confirmation of Understanding between KPMG and the DPRS and DF in the Ministry of Works dated 7 July 2023.

- h. F&GPC reviews and ratifies the tender documents forwarded and then sends to the State Executive Council (Exco) for final approval.
- i. Upon final approval, the Secretary, F&GPC issues contract award letter to the Contractor.

3.2 Contract Award – MDA’s View

- a. Per the schedule of contracts provided by the relevant MDAs⁴³, F&GPC and downloaded from Abia State E-Procurement Website⁴⁴, ABSG awarded 560 contracts to 231⁴⁵ contractors during the period under review. Of the 560 contracts, 520 had a cumulative contract value of ₦294,824,123,365.79, while information provided by ABSG is insufficient to determine the contract value of the remaining 40 contracts, as well as to independently verify the accuracy and completeness of the ₦294,824,123,365.79. See table 3.2 for details.

Table 3.2: Summary of 520 Contracts awarded by ABSG

S/N	MDA	Number of Contracts	Contract Value (₦)
1	Works	227	269,812,168,888.95
2	Office of the Governor	25	6,755,456,674.55
3	Housing ⁴⁶	32	5,778,511,591.00
4	ASOPADEC	140	3,744,462,630.00
5	Public Utilities and Water Resources ⁴⁷	14	1,843,745,107.70
6	Education	28	1,636,522,900.00
7	Environment	2	1,503,935,200.00
8	Local Government and Chieftaincy Affairs	2	1,200,861,604.87
9	Youth and Sports Development	1	1,200,000,000.00
10	Health	44	829,364,626.00
11	Industry ⁴⁸	1	250,095,000.00
12	Finance	1	245,999,142.72
13	Agriculture	3	23,000,000.00
	Total	520	294,824,123,365.79

Source: Compiled by KPMG from records provided by ABSG.

⁴³ Ministry of Works, Housing, Education and Office of the Governor.

⁴⁴ Retrieved on 5 August 2023 from [Contract Award Publication | Abia State Government](#).

⁴⁵ Ministry of Works and Industry did not provide sufficient information to determine the contractors for 8 contracts.

⁴⁶ Now Ministry of Lands and Housing from 29 May 2023.

⁴⁷ Now Ministry of Power and Public Utilities from 29 May 2023.

⁴⁸ Now Ministry of Trade, Commerce and Industry from 29 May 2023.

3.3 Selection of Contractors and Award of Contracts – MDA’s View

- a. We selected a sample of 233 contracts amounting to ₦219,720,085,922.69 representing 75% of the total contract value, to ascertain whether due process was followed or not. Six⁴⁹ (6) of the 13 MDAs circularised did not provide supporting documents⁵⁰ for 138 contracts, amounting to ₦57,375,048,522.82 worth of contracts awarded to contractors.
- b. Consequently, we were provided with the 95 contracts amounting to ₦162,345,037,399.87 i.e., 85 contracts, (₦157,344,353,425.87) through tendering and 10 contracts (₦5,000,683,974.00) through Direct Labour, as documented in table 3.3 below.

Table 3.3: Summary of sampled Contracts awarded by ABSG

MDAs	Number of Sample requested	Sampled Amount requested (₦)	Tendering		Direct Labour		MDA’s rationale
			Number of contracts provided	Amount of contracts provided (₦)	Number of contracts provided	Amount of contracts provided (₦)	
Works	70	195,892,863,343.85	46	149,449,291,456.60	3	1,761,072,500.00	<ol style="list-style-type: none"> a. Ministry of Works provided documents for only 53 of the 70 sample contract requested. We however reviewed 49 contracts as 4 are yet to commence. b. Ministry of Works did not provide all documents requested stating that several other parties including the Panel of enquiry and EFCC, were also requesting for the same contracts documents requested.

⁴⁹ Ministry of Education, Environment, LGC Affairs, Health, Industry and Agriculture.

⁵⁰ The expected supporting documents include Invitation to bid, award letters, tenders, quotations, agreements, minutes of MTB, payment vouchers, Interim certificates, Final Completion certificates etc.

MDAs	Number of Sample requested	Sampled Amount requested (₦)	Tendering		Direct Labour		MDA's rationale
			Number of contracts provided	Amount of contracts provided (₦)	Number of contracts provided	Amount of contracts provided (₦)	
							c. Of the 70 requested, contract files for 53 contracts were provided, with 4 contracts yet to commence, hence we reviewed 49 contracts.
Office of the Governor	25	6,755,456,674.55	21	3,423,806,674.55	-	-	
Housing ⁵¹	32	5,778,511,591.00	-	-	7	3,239,611,474.00	
ASOPADEC	10	2,559,730,732.00	6	1,501,486,560.00	-	-	The DPRS and Cashier, ASOPADEC stated that of the sample of 10 contracts requested: a. The contract files for three (3) contracts amounting to ₦756,692,614.00, could not be located. b. The project "Grading of 10KM Amaiyi Obiloha road" by Direct Labour amounting to ₦301,551,558 does not exist.
Public Utilities and Water Resources ⁵²	14	1,843,745,107.70	10	1,523,769,592.00	-	-	The Ministry stated that only 10 of the 14 contracts files could be located.

⁵¹ Now Ministry of Lands and Housing from 29 May 2023.

⁵² Now Ministry of Power and Public Utilities from 29 May 2023.

MDAs	Number of Sample requested	Sampled Amount requested (₦)	Tendering		Direct Labour		MDA's rationale
			Number of contracts provided	Amount of contracts provided (₦)	Number of contracts provided	Amount of contracts provided (₦)	
Education	28	1,636,522,900.00	-	-	-	-	The DPRS stated ⁵³ that she is not informed of the contracting process in the Ministry. She is only aware of one (1) contract, Construction of 24 shops at Tenant Road, Aba by Stone Technology Electromart Company Ltd, during the period under review for which she does not know the contract value.
Environment	2	1,503,935,200.00	-	-	-	-	Ministry of Environment provided supporting documents for one (1) contract, Reclamation/Erosion Control at Umueledi Village, Old Umuahia by Ngamec Nigeria Ltd amounting to ₦1,200,861,604.87. However, the award letter provided, which is not consistent with the schedule provided by the Secretary, F&GPC, indicate that the project was awarded on 12 June 2014, which is not within the period under review.
Local Government	2	1,200,861,604.87	-	-	-	-	The Permanent Secretary represented ⁵⁴ that all the officers

⁵³ Exhibit 2 – Confirmation of understanding between KPMG and the DPRS, Ministry of Education dated 20 November 2023.

⁵⁴ Exhibit 3 – Response letter provided by Ministry of Local Government and Chieftaincy Affairs dated 21 November 2023.

MDAs	Number of Sample requested	Sampled Amount requested (₦)	Tendering		Direct Labour		MDA's rationale
			Number of contracts provided	Amount of contracts provided (₦)	Number of contracts provided	Amount of contracts provided (₦)	
and Chieftaincy Affairs							are new to the Ministry and they could not locate any of the records to support the sample contracts requested.
Youth and Sports Development	1	1,200,000,000.00	1	1,200,000,000.00	-	-	Not applicable
Health	44	829,364,626.00	-	-	-	-	Ministry of Health responded to the circularisation letter of 4 September 2023, on 19 December 2023, representing that the contracts awarded by the Ministry were executed through Direct Labour. The Ministry did not provide supporting documents for the contracts.
Industry ⁵⁵	1	250,095,000.00	-	-	-	-	The Ministry did not respond to the circularisation letter of 19 October 2023 and our most recent follow up on 29 January 2024.
Finance	1	245,999,142.72	1	245,999,142.72	-	-	
Agriculture	3	23,000,000.00	-	-	-	-	The Ministry represented on 8 December 2023, that the requested contracts were taken over by the Ministry of Digital

⁵⁵ Now Ministry of Trade, Commerce and Industry from 29 May 2023.

MDAs	Number of Sample requested	Sampled Amount requested (₦)	Tendering		Direct Labour		MDA's rationale
			Number of contracts provided	Amount of contracts provided (₦)	Number of contracts provided	Amount of contracts provided (₦)	
							Economy and SME and therefore would be in a better position to provide the information for the contracts. Ministry of Digital Economy and SME responded to our circularization letter on 21 December 2023, however the Ministry did not provide sufficient records.
Total	233	219,720,085,922.69	85	157,344,353,425.87	10	5,000,683,974.00	

Source: Compiled by KPMG from records provided by ABSG.

3.3.1 85 contracts amounting to ₦157,344,353,425.87 executed through Tendering process – MDA's View

We reviewed the supporting documents provided by the seven⁵⁶ (7) MDAs for 85 contracts totalling to ₦157,344,353,425.87, awarded to 53 contractors, noting an average non-compliance rate of 65% (i.e., 69% average non-compliance rate in selection of contractors and 61% in award of contracts), as outlined in Table 3.3.1 below and Appendix 10.14 for details.

⁵⁶ Ministry of Works, Office of the Governor, Housing, ASOPADEC, Public Utilities and Water Resources, Youth and Finance.

Table 3.3.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/85
1	Selection	Governor's approval	35	83,382,082,143.10	41%
2		Record of advertisement / Invitation to bid	73	95,225,934,678.78	86%
3		Record of In-house estimate	33	9,823,996,672.27	39%
4		Contractors bid documents	69	118,704,268,815.67	81%
5		Record of bid opening	85	157,344,353,425.87	100%
6		Ministry's evaluation report	72	98,570,680,828.07	85%
7		MTB memo on recommended contractor	43	56,435,196,068.37	51%
8	Approval & Award of Contract	F&GPC memo on selected contractor	62	140,560,158,959.61	73%
9		Exco conclusion	69	156,838,392,944.87	81%
10		Record of "No Objection" from BPP	82	156,759,362,425.87	96%
11		Award letter	21	97,728,315,044.27	25%
12		Acceptance of award letter	56	64,394,664,822.37	66%
13		Record of signed contract agreement	45	32,492,586,431.07	53%
14		Record of vetting by the MOJ	49	80,101,498,607.67	58%
15	Final Completion Certificate / Goods Received Note	27	20,785,563,834.91	32%	
Average non-compliance rate					64%

Source: Compiled by KPMG from Contracts files provided by ABSG.

3.3.1.1 Selection Process

3.3.1.1.1 No record of Governor's approval for 35 contracts

- a. Discussion with relevant officials⁵⁷ in the Ministries⁵⁸ indicate that the Governor approves a project prior to the commencement of the contracting process. However, there is no record that the Governor approved 35 contracts amounting to ₦83,382,082,143.10.

3.3.1.1.2 Non-adherence to advertisement / invitation to bid for 73 contracts

Findings relating to the 73 non-complaint contracts totalling ₦95,225,934,678.78 are documented below: See Appendix 10.14 for details.

a. No record of advertisement for 73 contracts amounting ₦95,225,934,678.78

- i. Section 26 (1) of the State's Procurement law states that "all procurement of goods and works by all procuring entities shall be conducted by open competitive bidding. Section 27 (1) further states that invitation to bid may be either by way of State Competitive Bidding or Nation Competitive Bidding.
- ii. The Office of the Governor, ASOPADEC, Ministry of Works and Public Utilities and Water Resources did not provide record of advertisements of tender opportunity for 76 contracts amounting to ₦95,225,934,678.78 on the State's newspaper, on its notice board, at least two national newspapers and any official website of the procuring entity.
- iii. For Ministry of Works, the DPRS stated that where there is no ITT, It could either be due to missing records or the contracts were solicited through single sourcing or selective bidding i.e. the Ministry invites selected contractors to bid for the identified project. However, the DPRS did not provide record or justification to support his statement.
- iv. The other Ministries are did not provide responses as at the date of this report.
- v. Furthermore, the Ministries did not indicate or provide justification for the contracting method (i.e. single sourcing or selective bidding) utilised in a contracting process.

b. Contract awarded to Gemp Engineering despite late submission of bid amounting ₦1,418,714,000.00

Ministry of Works awarded for the "Construction of Itukpa to Ossa Ukwu to Mgboko to Obete to Iheorji Road, Obingwa LGA" amounting to ₦1,418,714,000.00 to Gemp Engineering despite submitting bids after the due date of the ITT. The Ministry of Works acted contrary to Section 29 of the Abia State Procurement Law 2012, which states that "any bid received after the deadline for the submission of bids shall not be opened and

⁵⁷ DPRS and DF Ministry of Works, DQS Ministry of Housing, DF, Ministry of Health.

⁵⁸ Ministry of Works, Ministry of Housing, and Ministry of Health.

must be returned to the supplier or contractor which submitted it”. The Ministry did not provide a justification for the deviation of the policy.

Table 3.3.1.1.2: Late submission of bids

S/N	Name of Project	Contract Value (₦)	Bidder	Bid due date	Date of bid submission	Number of days after bid submission deadline
1	Construction of Itukpa to Ossa Ukwu to Mgboko to Obete to Iheorji Road, Obingwa LGA	1,418,714,000.00	Mauphil Company Enterprises	14-Jun-19	21-Jun-19	7
			Gemp Engineering Limited		24-Jun-19	21
			Admau Integrated Service		15-Jul-19	31
Total		1,418,714,000.00				

Source: Compiled by KPMG from Contract files provided by ABSG.

3.3.1.1.3 No record of In-house estimate for 33 contracts

- a. In-house estimate is a rough approximation of the potential cost of construction or procurement. It enables the procuring Ministry make informed and data driven decision when evaluating and selecting a contractor. Per ABSG practice, the In-house estimate should precede the evaluation of submitted bids. However, there is no record of inhouse estimate for 33 contracts amounting to ₦9,823,996,672.27. See Appendix 10.14 for details.
- b. The In-house estimate provided by the Ministry of Finance, Works, Youth, Public Utilities and Water Resources and the Office of the Governor is not dated, hence there is insufficient information to determine the timing of the In-house estimate as stated in the aforementioned practice.

3.3.1.1.4 Award of contracts to contractors despite incomplete bid documents for 69 contracts

- a. Per section 18 (6) of Abia State procurement law, all bidders in addition to requirements contained in any solicitation documents shall possess:
 - i. Professional and technical qualifications to carry out particular procurements
 - ii. Financial capacity
 - iii. Equipment and other relevant infrastructure
 - iv. Legal capacity to enter into the procurement contract
 - v. All its obligations to pay taxes, pensions and social security contributions

- b. Other requirements, in addition to aforementioned requirements, per discussions with the Ministries⁵⁹ and the ITT document include:
 - i. Proposal / Quotation.
 - ii. Record of contractor registration with Abia State Ministry of Works as contractor.
 - iii. Record of payment of non-refundable tender fees.
- c. However, we noted 69 contracts amounting to ₦118,704,268,815.67, which were awarded to contractors with incomplete bid documents. See Appendix 10.14 for details.

3.3.1.1.5 No record of bid opening for 85 contracts

- a. The seven (7) Ministries⁶⁰ did not provide record of bid opening for the 85 sampled contracts with a cumulative value of ₦157,344,353,425.87.
- b. Consequently, there is no record that the seven (7) Ministries complied with Section 32 of the State's Procurement Law, which requires that all bids be opened in public, in the presence of the bidders or their representative and any interested member of the public. See Appendix 10.14 for details.

3.3.1.1.6 No record of Ministry's Evaluation for 72 contracts

- a. According to Section 34 of the Abia State Procurement Law, "a contract shall be awarded to the lowest evaluated responsive bid from the bidders substantially responsive to the bid solicitation. Furthermore, Section 24 of Abia State Procurement Law and Section 3303 of the Abia State Financial Regulations reflect that the relevant tender board has the responsibility for the evaluation of bids.
- b. The Ministry of Works, Finance, Public Utilities and Water Resources, Office of the Governor and ASOPADEC did not provide record of bid evaluation for 72 of the 85 sampled contracts with a cumulative value of ₦98,570,680,828.07.
- c. Consequently, there is no record that the Ministries complied with the relevant law and regulations for the 72 contracts.

3.3.1.1.7 Non-adherence to MTB recommendation to F&GPC for 43 contracts

- a. According to the relevant law and process understanding discussions held with the relevant Ministries, where the contract is ₦50,000,000 and above, the MTB forwards recommended contractor to F&GPC for approval.
- b. However, there is no record that the Office of the Governor, ASOPADEC, Ministry of Works and Public Utilities and Water Resources forwarded MTB recommendation for 43 contracts, amounting to ₦56,435,196,068.37 for contracts above the ₦50,000,000 threshold.

⁵⁹ Ministry of Works, Ministry of Housing, and Ministry of Health.

⁶⁰ Ministry of Works, Office of the Governor, Housing, ASOPADEC, Public Utilities and Water Resources, Youth and Finance.

3.3.1.2 Award of Contract

3.3.1.2.1 Non provision of F&GPC recommendation to the Executive Council for 62 contracts

- a. The Secretary, F&GPC did not provide recommendations to the Executive Council for 62 of 69 sample contracts within the threshold of F&GPC, with a cumulative value of ₦140,560,158,959.61.
- b. However, we sighted F&GPC recommendation for 7 contracts in line with Section 19 (aiii) of the State's Procurement Law.
- c. Consequently, there is no record that F&GPC complied with Section 19 (aiii) of the State's Procurement Law and Section 3302 (iii) of the State's Financial Regulations that require F&GPC to submit contracts awarded by it to the Executive Council for approval.

3.3.1.2.2 Non provision of Exco conclusion for 69 contracts

- a. The office of the SSG did not provide the Exco approval on the recommended contractors for 69 sampled contracts within the threshold of Exco, with a cumulative value of ₦156,838,392,944.87.
- b. Consequently, there is no record that Exco approved the recommended bidders in line with the relevant law and regulation.

3.3.1.2.3 Awarding of the Contracts

a. No record of Award Letter – 21 contracts

- i. The relevant MDAs⁶¹ did not provide award letters for 21 contracts with a cumulative value of ₦97,728,315,044.27, and thus there is no record that the Ministries adhered to the section 3317 of the State's Financial Regulations that require the final award of contract will be to the parties whose tenders have been accepted.

b. Award of contract and payment to Spatial Layers Ltd without due process

- i. F&GPC awarded a contract for "Abia State SFTAS Property Enumeration Project Consultants in ten (10) LGAs of Abia State" to Spatial Layers Ltd with a value of ₦245,999,142.72 on 11 May 2021 before Ministry of Finance performed the following procurement activities, which is contrary to the contract award process.
 - ITT – Ministry of Finance published an ITT on 23 May 2021 after awarding contract to Spatial Layers Ltd (i.e. 12 days before ITT).
 - Submission of bids – Moreso, Spatial Layers Ltd and other bidders submitted bids during the period from 4 March 2021 to 10 March 2021 before the award letter and ITT was published, indicating that the published bids on 23 May 2021 is to

⁶¹ ASOPADEC, Ministry of Works and Youth.

- regularize the absence of an ITT in March 2021, when the actual bids were submitted.
- MTB meeting – Ministry of Finance MTB held on 24 May 2021, after the award letter has been issued to Spatial Layers Ltd, which is contrary to the relevant laws and regulation.
 - Payments amounting to ₦245,992,142.75 were made on 9 April 2021 to Spatial Layers Ltd for the contract i.e. (44 days before award of contract).
- ii. Furthermore, the project justification indicates that the successful implementation of the project would enable the State to access an inflow of \$2.5 million from World Bank.
 - iii. The DF, Ministry of Finance and Project Accountant stated that the project was successfully implemented and the State is expected to receive the inflow from World Bank into any of the accounts maintained by the State. However, the DF, Ministry of Finance and Project Accountant did not provide any record of project completion.
 - iv. The Chief Accountant, office of the AG stated that the inflow is received into ABSG Consolidated IGR account with account number “1013892907”.
 - v. We verified the receipt of the \$2.5 million from World Bank in its naira equivalent amounting to ₦994,700,000.00 on 28 March 2021.

3.3.1.2.4 Non-adherence to “Certificate of No Objection” from BPP for 82 contracts

- a. Per the State Public Procurement Law, “Certificate of No Objection” means the document evidencing that due process have been followed in the conduct of a procurement proceeding and allowing for the procuring entity to enter into contract.
- b. Furthermore, Section 21 (h) of the Law requires the procuring Ministry to obtain a “Certificate of No Objection” to contract award from the Bureau within prior review threshold and Section 18 (4) stipulate that any procurement without a “Certificate of No Objections” to contract Award would be null and void.
- c. However, discussion with the Special Adviser, Due Process⁶² reflect that the Bureau was not functional in Abia state since 2012, and therefore did not issue “Certificates of No Objection”.
- d. Nonetheless, we reviewed the 82 sampled contracts noting that the Ministry of Public Utilities and Water Resources obtained “Certificate of No Objection” for three (3) contracts amounting to ₦584,991,000.00 in 2016, 2017 and 2018, which is contrary to the assertion by the Special Adviser, Due Process.
- e. Hence, there is no record that 82 contracts amounting to ₦156,759,362,425.87 adhered to the requirement of the Law.

⁶² Formerly Abia State Bureau of Public Procurement.

3.3.1.2.5 Acceptance of award letter – 56 contracts

- a. Discussion with relevant officials⁶³ in the Ministries indicate that contractors should accept contract award letter in writing. However, there is no record that 56 contract awards amounting to ₦64,394,664,822.37 were documentarily accepted by contractors.

3.3.1.2.6 No record of signed contract agreement for 45 contracts

- a. The relevant Ministries⁶⁴ did not provide signed contract agreements for 45 contracts with a cumulative value of ₦32,492,586,431.07, and thus there is no record that the Ministries adhered to the section 3317 of the State's Financial Regulations that require the selected contractor to sign the contract agreement.

3.3.1.2.7 No record of ratification by MOJ for 49 contracts

- a. There is no record that the MOJ ratified 49 contract agreements with a cumulative value of ₦80,101,498,607.67, and thus the Ministries⁶⁵ did not adhere to the contracting practice.

3.3.1.2.8 No record of Completion Certificates for 27 contracts

- a. The Ministry of Public Utilities and Water Resources and the Office of the Governor did not provide complete information of the status of completion for the 14 of the 85 sampled contracts.
- b. However, we reviewed the 71 contracts for which we were provided status of completion, noting no record of final completion certificates for 27 of the 71 contracts, with a cumulative value of ₦20,785,563,834.91.

3.3.2 Ten (10) contracts executed through Direct Labour

- a. Direct labour is a method of procurement where the MDA utilizes internal resources to carry out a specified project. The resources could be fully sourced in-house, partially in-house or hire of external labour to the MDA.
- b. The under-listed Ministries provided records for ten (10) contracts amounting to ₦5,000,683,974.00 executed through Direct Labour.
 - i. Ministry of Works (3) – ₦1,761,072,500.00
 - ii. Ministry of Housing (7) – ₦3,239,611,474.00

⁶³ DPRS and DF Ministry of Works, DQS Ministry of Housing, DF, Ministry of Health.

⁶⁴ Ministry of Works, Office of the Governor, ASOPADEC, Public Utilities and Water Resources, Youth and Finance.

⁶⁵ Ministry of Works, Office of the Governor, ASOPADEC, Public Utilities and Water Resources, Youth and Finance.

c. There is no law or standard operating procedure guiding the execution of contracts through Direct Labour in the State. Consequently, we have documented the practice of contracts execution through Direct Labour with the Ministries, noting inconsistencies in the two (2) Ministries.

3.3.2.1 Ministry of Works – Direct Labour

- a. The DPRS stated⁶⁶ that the practice of contracts executed through Direct Labour in the Ministry is as follows:
- i. The Governor approves a project to be executed directly by the Ministry.
 - ii. The Ministry invites selected vendors to submit proposals/quotations for the project due to the ministry not having adequate equipment and labour to perform the project in house.
 - iii. Upon submission of the bids, the MTB meets to evaluate and select the qualifying bidder.
 - iv. Thereafter, the Ministry then awards the project to the contractor, and signs an MoU with the contractor rather than the Agreement in the normal procurement process.
 - v. Payments intended for such contracts are made directly into the Ministry’s account. Subsequently, the Ministry settles the contractor.
- b. Our analysis of the three (3) contracts provided by the Ministry is summarised below

Table 3.3.2.1: Summary of analysis of two (2) contracts

Project Name	Contractor Name	Contract Value (₦)	Governor’s Approval	Bid Documents	Ministry’s evaluation report	Award Letter / Jobbing Order	Record of service delivery
Construction of Itungwa-Owo Ohanze Road (8.1km)	Effdee Nigeria Limited	996,030,000.00	✓	✓	Not applicable due to single sourcing	✓	Ongoing
Rehabilitation/Reconstruction of Faulks Road, Aba	Track Care Global Construction Company Limited	720,000,000.00	✗	✓	✓	✓	✓
Rehabilitation of Failed sections in Azikiwe Raod, Goerges street	Track Care Global Construction Company Limited	45,042,500.00	✗	✓	✓	✓	Ongoing

⁶⁶ Exhibit 3 – Confirmation of Understanding between KPMG and the DPRS and DF in the Ministry of Works dated 7 July 2023.

Project Name	Contractor Name	Contract Value (₦)	Governor's Approval	Bid Documents	Ministry's evaluation report	Award Letter / Jobbing Order	Record of service delivery
and Georges by Ikot Ekpene road							
Total		1,761,072,500.00					

Source: Compiled by KPMG from Contract files provided by ABSG.

c. We noted the following in the review of the three (3) contracts provided:

i. No record of Governor's approval for two (2) contracts

The filing index reflects that the Governor approved the project through Direct Labour. However, the contract file did not contain the document evidencing the written approval from the Governor.

ii. No Ministry's evaluation report for one (1) contract

- There is no record of Ministry of Works's evaluation report for the construction of Itungwa-Owo Ohanze road from the MTB, reflecting the selection of the qualifying bidder.
- There is only one (1) selected vendor for the project, which is contrary to the practice adopted by the Ministry of Works i.e. selective tendering.

3.3.2.2 Ministry of Housing – Direct Labour

- a. Contrary to the practice of Direct Labour in Ministry of Works, the DQS stated⁶⁷ that the contract executed through Direct Labour follows the process highlighted below:
- i. Governor selects a contractor and requests the Ministry to supervise the execution of the project.
 - ii. A letter of release of fund is sent to the Ministry from the Office of the Governor for the contract sum to be paid directly to the contractor.
 - iii. The Ministry monitors the completion rate of the project and an issues an Interim Valuation Certificate to the contractor.
- b. The Ministry provided records of seven (7) contracts amounting to ₦3,239,611,474.00 awarded to Denzos International Construction Nigeria Limited (“Denzos”) through Direct Labor. Our review of the seven (7) contracts revealed the following:
- i. One of the seven (7) contracts, “Completion of outstanding, adjusted & renewed works at ABSG new Government House” with a contract value of ₦1,194,944,221.00 were awarded to through tendering process. The Ministry invited bids for tenders for the project on 27 October 2022, after the Governor instructed the Ministry on 25 October 2022 to execute the project through Direct Labour.
 - ii. The former Governor instructed Ministry of Housing via a release letter to supervise and pay Denzos for the remaining seven (7) projects.

Table 3.3.2.2: Details of the seven (7) contracts awarded to Denzos

S/N	Project Name	Contract Value (₦)
1	Completion of Outstanding, Adjusted & Renewed Works at ABSG New Government House	1,194,944,221.00
2	Furnishing of the New Government House	852,900,000.00
3	Landscaping work at New Government House premises, Ogurube Layout, Umuahia	650,000,000.00
4	Completion of Drainage, Retaining Wall, Stone Pitch & fence, Gate and Gate Security House	236,990,285.00
5	Construction of 2 Storey Security Staff Lodge Complex	219,076,968.00
6	Painting of and Minor Repair Works in Government Hose Buildings/guest House	50,000,000.00
7	Installation and Supply of Brand New 250KVA Generator Set to Abia State New Government House	35,700,000.00
Total		3,239,611,474.00

Source: Compiled by KPMG from Contracts files provided by Ministry of Housing.

⁶⁷ Exhibit 4 – Per representation of the DQS on 19 July 2023.

3.4 Contract Award – Contractors’ View

- a. Of the 560 contracts awarded to 231⁶⁸ contractors, 520 contracts had a cumulative contract value of ₦294,824,123,365.79 awarded to 221 contractors. See table 3.4 for details of the contractors 221 contractor below.
- b. ABSG did not provide sufficient information⁶⁹ to independently verify and validate the completeness of the total number of contracts awarded during the period under review.

Table 3.4: Details of contracts awarded to contractors – contractors’ view

S/N	Contractor of Interest ⁷⁰	Number of Contracts	Contract value per schedules ⁷¹ of Contracts awarded provided by ABSG (₦)	Sample Number of Contracts Provided	Sampled Amount Provided (₦)	Reference
1	Track Care Global Construction Company Limited	28	76,005,747,447.92	13	64,330,627,212.61	Section 3.4.1
2	Tunnel End Investment Company Limited	9	25,702,628,441.82	4	14,348,102,844.00	Section 3.4.2
3	Ferotex Construction Company Limited	13	20,090,274,810.75	3	6,331,398,692.00	Section 3.4.3
4	China Zhonghao Nigeria Limited	4	15,028,209,797.58	2	6,632,779,351.58	Section 3.4.4
5	Hartland Nigeria Limited	1	9,882,752,246.40	1	9,882,752,246.40	Section 3.4.5
6	Ekcleen Integrated Services Nigeria Ltd	8	9,758,491,489.24	3	7,033,691,688.60	Section 3.4.6
7	Setraco Nigeria Limited	1	8,820,045,347.90	1	8,820,045,347.90	Section 3.4.7

⁶⁸ Ministry of Works and Industry did not provide sufficient information to determine the contractors for 8 contracts

⁶⁹ ABSG does not maintain a schedule of all contracts awarded in the State. However, we requested for a schedule of contracts from F&GPC and other relevant Ministries involved in major contracts during the period under review as well as downloaded a schedule of contracts awarded from Abia State e-procurement website, noting inconsistencies in the schedule of contract awards provided by F&GPC and the relevant Ministries.

⁷⁰ The contractors of interest are ordered per the contractors who obtained CFF from the banks to finance projects awarded by ABSG.

⁷¹ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

S/N	Contractor of Interest ⁷⁰	Number of Contracts	Contract value per schedules ⁷¹ of Contracts awarded provided by ABSG (₦)	Sample Number of Contracts Provided	Sampled Amount Provided (₦)	Reference
8	Rock-Waters Integrated Service Nigeria Ltd	7	8,679,437,713.00	2	5,849,806,876.00	Section 3.4.8
9	Delhope Resources Limited	9	5,604,687,544.11	2	2,906,999,319.11	Section 3.4.9
10	Arab Contractors Limited	2	3,820,618,639.40	2	3,820,618,639.40	Section 3.4.10
11	Masta Service Company Nigeria Limited	1	3,050,000,000.00	-	-	-
12	Yodel Global Resources Limited	4	2,811,832,328.79	3	2,771,832,328.79	Section 3.4.11
13	Sannan Jadoon International Ltd	8	2,151,886,502.00	-	-	-
14	Pumeco Industries Nigeria Ltd	9	2,125,831,856.42	-	-	-
15	Effdee Nigeria Ltd	2	2,093,942,120.00	-	-	-
16	Dawn 'N' Daisy Integrated Service Ltd	2	1,416,977,720.00	-	-	-
17	Bulletine Construction Company Ltd	1	1,219,734,140.00	1	1,219,734,140.00	Section 3.4.12
18	PRO-M Limited	2	900,000,000.00	2	900,000,000.00	Section 3.4.13
19	Vision Cars Ltd	1	854,910,000.00	1	854,910,000.00	Section 3.4.14
20	Logistics De-Luke Ltd	2	612,912,925.00	2	612,912,925.00	Section 3.4.15
21	Innoson Vehicle Manufacturing Company Ltd	1	591,000,000.00	-	-	-
Sub-total		115	201,221,921,070.33	42	136,316,211,611.39	-
22	Other contractors summed up	405	93,602,202,295.46	53	26,028,825,788.48	-
Grand Total		520	294,824,123,365.79	95	162,345,037,399.87	

Source: Compiled by KPMG from records provided by ABSG and the circularized banks.

3.4.1 Track Care Global Construction Company (Track Care)

3.4.1.1 Contractor’s Profile

Table 3.4.1.1-1: Profile of Track Care

Item	Details ⁷²
Registered Address	No 16, Alexandra Crescent Wuse 2, Abuja
Company Type	Private Company Limited By Shares
Incorporation date	15 Jun 2015
Incorporation number	RC 1267268
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.7 for a screenshot of Track Care’s inactive status on CAC’s online portal)
Management	As reflected on NG-check, see details of the Directors below: <ul style="list-style-type: none"> a. Obioma Christian - Director b. Chibuike Charles Iheadindu - Director c. Ugochukwu Amanzenta - Director

ABSG awarded 29 contracts to Track Care through tendering and Direct Labour during the period under review. 28 of the 29 contracts had a cumulative value of ₦76,005,747,447.92, while information provided by ABSG is not sufficient to determine the contract value for the remaining one (1) contract. See details in the table below.

⁷² Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry: TRACK CARE GLOBAL CONSTRUCTION CO. LTD Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.cac.gov.ng/track-care-global-construction-co-ltd-nigeria-company-profile-address-contacts-owners-ng-check-com).

Table 3.4.1.1-2: Summary of contracts awarded to Track Care

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)	Contract Type
1	Expansion and Dualization of ururuka Road, Phase 2 from Umuobiakwa, Obingwa L.G.A. to Isicourt Umuahia South L.G.A.	47,418,944,305.00	47,418,944,305.00	Tendering
2	Reconsruction and Expansion/Dualization of Ururuka Road from Obikabia to Umuobiakwa LGA as well as Construction of Roundabout at Obikabia Junction.	6,943,053,078.78	6,943,053,078.78	
3	Rehabilitation/Overlaying and Desilting of Drainage and Rigid Pavement of final failed sections of Faulks Road, Aba North LGA, Abia State.	2,703,358,912.00	-	
4	Rehabilitation/Reconstruction of Median and Collapsed/Undersized drain at Ikot Ekpene Road dualized Umuoba Road and asphalt overlay at Ukaegbu Road Aba, Abia State.	2,083,654,621.81	-	
5	Rehabilitation/Reconstruction of Nsulu/Olokoro – Ikwuano Road.	2,000,000,000.00	-	
6	Channelization/Drainage Works and Reconstruction and Rehabilitation of Aba-Owerri Road Phase II from Osisioma Junction to Union Bank, Aba, Abia State.	1,880,394,701.40	1,880,394,701.40	
7	Rehabilitation and Resurfacing of Afor Ibeji-Ubakala Road Dualized Phase 2.	1,711,608,091.76	1,711,608,091.76	
8	Construction of Umuobiakwa-Umuokatawom-Ossa Okea Road.	1,668,739,300.00	1,668,739,300.00	
9	Construction of Umuopara Amano Isiugwu to Mgboko Itungwa in Obingwa LGA, with Gully Erosion Remediation.	1,487,674,927.00	-	
10	Construftion of Ukpakiri Abayi, Okoroato-Umuoru Ntighauzor Road in Obingwa LGA, Abia State.	1,143,382,325.00	1,143,382,325.00	

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)	Contract Type
11	Rehabilitation and Desilting of Drain and Reconstruction of Median at Azikiwe Road, Aba.	1,133,585,890.81	1,133,585,890.81	Tendering
12	Construction of Mgboko Umuoria Akpuga –Mgboko Anya Road, Obingwa LGA.	949,821,970.00	-	
13	Asphalt Overlay of 1.3km Dualized Aba – Owerri Road on 2.6km (Single Lane) and Channelized works at Aba – Owerri Road.	657,200,655.00	657,200,655.00	
14	Construction of Umuocham-Umuezi-Umuarughi Rd in Obingwa LGA.	650,442,130.00	-	
15	Construction of Umuobiakwa to Ohanze Road.	609,805,120.00	-	
16	Reconstruction of Afor Ibeji, Old Umuahia Road.	394,900,000.06	394,900,000.06	
17	Rehabilitation/Overlaying and Desilting of Drainage for Clifford Road, Aba.	341,460,850.00	-	
18	Rehabilitation of Opobo Junction to Emelogu Road.	337,154,154.80	337,154,154.80	
19	Rehabilitation/Reconstruction of Road at Clifford University, Ihie in Isiala Ngwa North LGA.	326,773,152.00	-	
20	Construction of Umuola - Umuobasi Estate Road, Aba North and Obingwa LGAs, Abia State.	276,622,210.00	276,622,210.00	
21	Rehabilitation/Overlaying and Desilting of Drainage for Pound Rd, Aba, Abia State.	150,000,000.00	-	
22	Reconstruction of Umunkpeyi Road in Isialangwa South LGA and Umuosu Nsulu in Isialangwa North LGA, Abia State.	125,327,639.70	-	
23	Reconstruction of Road and Fence wall at Shoe Plaza, Aba, Abia State.	111,988,642.00	-	

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)	Contract Type
24	Construction of Okon-Aku Main Bridge.	63,154,570.00	-	Tendering
25	Rehabilitation and Resurfacing of Stella Maris Church Road.	56,657,700.80	-	
26	Reconstruction of Ahiaudele Box Culvert and asphaltic concrete overlay of surround.	15,000,000.00	-	
27	Reconstruction of Seventh – Day Adventist Church Str. Off Udeagbala Road.	-	-	
Subtotal		75,240,704,947.92	63,565,584,712.61	
28	Rehabilitation/Reconstruction of Faulks Road, Aba.	720,000,000.00	720,000,000.00	Direct Labour
29	Rehabilitation of failed sections in Azikiwe Raod, Goerges street and Georges by Ikot Ekpene road.	45,042,500.00	45,042,500.00	
Subtotal		765,042,500.00	765,042,500.00	
Total		76,005,747,447.92	64,330,627,212.61	

Source: Compiled by KPMG from schedules of contract awards provided by ABSG.

3.4.1.2 Selection and award of contracts to Track Care

- a. We reviewed the supporting documents provided for 13 sampled contracts totalling to ₦64,330,627,212.61, i.e., 11 contracts through tendering and 2 contracts through Direct Labour, vis-à-vis the contract award and Direct Labour processes, noting the following:

3.4.1.2.1 Non-adherence to selection and award of contracts

- a. Our review of the 11 sampled contracts amounting to ₦63,565,584,712.61 through tendering, revealed an average non-compliance rate of 58% as outlined, in table 3.4.1.2.1 below, which indicates that Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Track Care.

Table 3.4.1.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/11
1	Solicitation	Governor’s approval	9	61,765,001,732.61	82%
2		Record of advertisement / Invitation to bid	4	9,875,548,435.24	36%
3		Record of In-house estimate	1	276,622,210.00	9%
4		Contractors bid documents	9	13,291,649,990.85	82%
5		Record of bid opening	11	63,565,584,712.61	100%
6	Evaluation	Ministry’s evaluation report	7	14,389,481,717.81	64%
7		MTB memo on recommended contractor	7	7,783,582,793.83	64%
8	Approval & Award	F&GPC memo on selected contractor	10	61,853,976,620.85	91%
9		Exco conclusion	11	63,565,584,712.61	100%
10		Record of “No Objection” from BPP	11	63,565,584,712.61	100%
11		Award letter	5	51,743,001,253.02	45%
12		Acceptance of award letter	4	5,655,642,093.22	36%
13		Record of signed contract agreement	0	-	0%
14		Record of vetting by the MOJ	3	50,231,065,930.00	27%
15	Closure	Final Completion Certificate / Goods Received Note	2	671,522,210.06	18%
Average non-compliance rate					58%

Source: Compiled by KPMG from Contracts files provided by ABSG.

3.4.1.2.2 Direct Labour - No record of Governor’s approval

- a. As required by ABSG’s practice, there are no records indicating that the Governor approved the two (2) contracts amounting to ₦765,042,500.00 through Direct Labour.

3.4.2 Tunnel End Investment Company Limited (Tunnel End)

3.4.2.1 Contractor’s Profile

Table 3.4.2.1-1: Profile of Tunnel End

Item	Details ⁷³
Registered Address	No 14B, Osisioma Industrial Layout Osisioma, Aba, Abia
Company Type	Private Unlimited Company
Incorporation date	29 Jul 2008
Incorporation number	RC 763213
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.8 for a screenshot of Tunnel End’s inactive status on CAC’s online portal)
Management	As reflected on NG-check, see details of the Directors below: <ul style="list-style-type: none"> a. Nwafor Enyinnaya Chima - Director b. Dr. Mrs Kelechi Enyinwafor - Director c. Dame Gladys Nnenwafor` - Director d. Chiekezie Enyinwafor - Director

⁷³ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry: TUNNEL END INVESTMENT CO. LTD Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://ng-check.com).

Item	Details ⁷³
	e. Nwafor Chimaeze Dike - Director
PEP Status	a. Nwafor Enyinnaya Chima is the son of the former deputy Governor of Abia state (1992 -1993, 2003 – 2006) and Governorship Candidate of the Young Progressives Party (YPP) in the 2023 Abia Gubernatorial election.

ABSG awarded 11 contracts to Tunnel End, with a cumulative value of ₦25,702,628,441.82 for or nine (9) of the 11 contracts, during the period under review, while the information provided by ABSG is not sufficient for us to determine the contract value for two (2) contracts. See details in the table below.

Table 3.4.2.1-2: Summary of contracts awarded to Tunnel End

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Expansion/Reconstruction of Obikabia Road.	5,520,000,000.00	5,520,000,000.00
2	Construction of Umuene to Obikabia Roads.	4,647,434,398.82	-
3	Construction of Link Roads to Major Economic Zones of Abia State: a. Amaise-Umuobiakwa-Ohanze Road b. Owo-Ahiafor Agburike-Ohanze c. Umuaro-Umuanunu-Ekwereazu-Nto-Border Road d. Ovom/Umuogele Junction, Ukuenyi-Abala-Ika (Akwa-Ibom Border).	3,370,832,840.00	3,370,832,840.00
4	Construction of Link Roads to Major Economic Zones of Abia State: a. Ezianya-Nvosi-Eketa Rd. 10.0km b. Mgbokonta-Amachi-Umunkpeyi 5.0km c. Umunkpeyi-Amayi-Okpokiri-Umuehim-Umuru Road 9.5km	3,249,572,590.00	3,249,572,590.00

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
5	Reconstruction/Rehabilitation of Obohia Road, Aba, Abia South LGA, Abia State.	2,940,738,180.00	
6	Construction of Umuchiala/Abayi –Ihie Road in Isiala Ngwa South LGA (14.5km).	2,573,537,048.00	
7	Construction of Abayi-Ariaria-Umuojima-Umuakpara Road with a Spur to Umuidiagha.	2,207,697,414.00	2,207,697,414.00
8	Construction/Rehabilitation of Adaelu-Unity Garden Estate Road, Osisioma LGA.	314,062,428.00	
9	Construction of BIR/Bureau of Public Procurement Building.	878,753,543.00	
10	Construction of Umuene-Omoba Roads.	-	
11	Construction of Asa Umunka – Ugwunagbo LGA Headquarters.	-	
Total		25,702,628,441.82	14,348,102,844.00

Source: Compiled by KPMG from schedules of contract award provided by ABSG.

3.4.2.2 Selection and award of contracts to Tunnel End

3.4.2.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for four (4) contracts totalling to ₦14,348,102,844.00, noting an average non-compliance rate of 57% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Tunnel End in table 3.4.2.2.1 below.

Table 3.4.2.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/4
1	Solicitation	Governor’s approval	1	5,520,000,000.00	25%
2		Record of advertisement / Invitation to bid	4	14,348,102,844.00	100%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/4	
3	Evaluation	Record of Inhouse estimate	1	3,370,832,840.00	25%	
4		Contractors bid documents	1	5,520,000,000.00	25%	
5		Record of bid opening	4	14,348,102,844.00	100%	
6		Ministry's evaluation report	4	14,348,102,844.00	100%	
7		MTB memo on recommended contractor	2	8,890,832,840.00	50%	
8		Approval & Award	F&GPC memo on selected contractor	2	6,620,405,430.00	50%
9			Exco conclusion	4	14,348,102,844.00	100%
10	Record of "No Objection" from BPP		4	14,348,102,844.00	100%	
11	Award letter		1	3,370,832,840.00	25%	
12	Acceptance of award letter		2	6,620,405,430.00	50%	
13	Record of signed contract agreement		1	5,520,000,000.00	25%	
14		Record of vetting by the MOJ	2	8,890,832,840.00	50%	
15	Closure	Final Completion Certificate / Goods Received Note	1	5,520,000,000.00	25%	
Average non-compliance rate					57%	

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.3 Ferotex Construction Company (Ferotex)

3.4.3.1 Contractor’s Profile

Table 3.4.3.1-1: Profile of Ferotex

Item	Details ⁷⁴
Registered Address	Km 17 Port Harcourt/Aba Road, Portharcourt, Rivers
Company Type	Private Unlimited Company
Incorporation date	3 May 2006
Incorporation number	RC 652228
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.9 for a screenshot of Ferotex’s inactive status on CAC’s online portal)
Management	As reflected on NG-check, see details of the Directors below: <ol style="list-style-type: none"> 1. Onuh Festus Oshaba - Director 2. Chidera Pascal Oshaba Onuh - Director 3. Chukwemeka Clinton Oshaba - Director 4. Nweke Ejikeme - Director

ABSG awarded 16 contracts to Ferotex, with a cumulative value of ₦20,090,274,810.75 for 13 of the 16 contracts, during the period under review, while the information provided by ABSG is not sufficient to determine the contract value for three (3) contracts. See details in the table below.

⁷⁴ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry, FEROTEX CONSTRUCTION COMPANY LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.cac.gov.ng/ferotex-construction-company-limited-nigeria-company-profile-address-contacts-owners-ng-check-com).

Table 3.4.3.1-2: Summary of contracts awarded to Ferotex

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Construction of Various Roads and Supervision of Execution of Existing Road Contracts in Abia State.	10,000,000,000.00	-
2	Reconstruction and Construction of Uratta-Umuezeke-Umuekechi-Ogwe Road, Aba North and Ukwu West LGAs.	2,916,138,452.50	2,916,138,452.50
3	Construction of Umuaro-Isikor-Umunkiri Owo-Ahiafor.	2,618,431,328.00	2,618,431,328.00
4	Reconstruction umuaro-Nenu Obot-Akara Road.	894,260,640.00	-
5	Channelization/Drainage and Rehabilitation of Aba-Owerri from Brass Junction to Railway Crossing, Aba.	796,828,911.50	796,828,911.50
6	Rehabilitation/Reconstruction of Opobo Junction – Ikot-Ekpene Road.	776,110,407.75	-
7	Construction of Obingwa-omumazor Abbatoir Road, Uratta.	622,438,200.00	-
8	Reconstruction/Rehabilitation of 3 No Roads in Umuahia: Afara, Umuobasi and Ezeogbulafor Streets.	458,719,490.00	-
9	Rehabilitation/Reconstruction of Umule Road, Aba.	398,023,440.00	-
10	Rehabilitation of Failed Sections of 9 No Roads in Aba Area.	315,615,441.00	-
11	Rehabilitation of Asa Road from Bata/Ikot Ekpene Junction to St. Michaels By Asa Road Aba.	120,981,000.00	-
12	Rehabilitation of Umuocham Road, Aba.	98,825,000.00	-
13	Amelloration of Bad Sections of Port Harcourt Aba Expressway from Boundary to Army Checkpoint/Barrack Asa.	73,902,500.00	-
14	Construction of Itungwa – Amairi – Omoba Road.	-	-
15	Construction of Ohuru Ndoki – Obohia Road.	-	-

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
16	Rehabilitation of 25Nos roads by Seven contractors.	-	-
Total		20,090,274,810.75	6,331,398,692.00

Source: Compiled by KPMG from schedules of contracts award provided by ABSG.

3.4.3.2 Selection and award of contracts to Ferotex

3.4.3.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for a sample of three (3) contracts totalling to ₦6,331,398,692.00, noting an average non-compliance rate of 58% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Ferotex in table 3.4.3.2.1 below.

Table 3.4.3.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/3
1	Solicitation	Governor's approval	1	796,828,911.50	33%
2		Record of advertisement / Invitation to bid	3	6,331,398,692.00	100%
3		Record of Inhouse estimate	-	-	0%
4		Contractors bid documents	1	2,916,138,452.50	33%
5		Record of bid opening	3	6,331,398,692.00	100%
6	Evaluation	Ministry's evaluation report	2	3,712,967,364.00	67%
7		MTB memo on recommended contractor	2	3,712,967,364.00	67%
8		F&GPC memo on selected contractor	2	3,415,260,239.50	67%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/3
9	Approval & Award	Exco conclusion	3	6,331,398,692.00	100%
10		Record of “No Objection” from BPP	3	6,331,398,692.00	100%
11		Award letter	1	2,618,431,328.00	33%
12		Acceptance of award letter	1	2,618,431,328.00	33%
13		Record of signed contract agreement	2	3,415,260,239.50	67%
14		Record of vetting by the MOJ	1	2,618,431,328.00	33%
15	Closure	Final Completion Certificate / Goods Received Note	1	796,828,911.50	33%
Average non-compliance rate					58%

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.4 China Zhonghao Nigeria Limited (China Zhonghao)

3.4.4.1 Contractor’s Profile

Table 3.4.4.1-1: Profile of China Zhonghao

Item	Details ⁷⁵
Registered Address	Plot No 7, Inuwa Abdulkadir road, Kaduna South, Kaduna
Company Type	Private Unlimited Company
Incorporation date	07 Feb 2002
Incorporation number	RC 441280
Place of Incorporation	Nigeria
Status with CAC	Active
Management	<p>As reflected on NG-check, see details of the Directors below:</p> <ol style="list-style-type: none"> 1. Beijing Zhonghao Globe Engineering Consltancy Service - Director 2. Zhonghao Overseas Construction Engineering Co.ltd - Director 3. Zhang Yingju - Director 4. M. Ali Abubakar - Director 5. Lanli Jia - Director

ABSG awarded four (4) contracts to China Zhonghao, with a cumulative value of ₦10,830,494,574.58 during the period under review. See details in the table below.

⁷⁵ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry. CHINA ZHONGHAO NIGERIA LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.cac.gov.ng/CHINA-ZHONGHAO-NIGERIA-LIMITED-Nigeria-company-profile-address-contacts-owners-ng-check.com).

Table 3.4.4.1-2: Summary of contracts awarded to China Zhonghao

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Construction of Osioma Flyover Bridge in Aba.	4,755,156,538.44	4,755,156,538.44
2	Construction of Flyover concrete Bridge at Ariaria Junction, Enugu/PH Expressway, Aba.	4,197,715,223.00	-
3	Construction of Flyover Concrete Bridge at Ala Oji Junction, Enugu/PH Expressway, Aba.	4,197,715,223.00	-
4	Reconstruction/Construction of 3 No Roads in Aba (Udeagha, Spur from Umueze to UBA to Mall).	1,877,622,813.14	1,877,622,813.14
Total		10,830,494,574.58	6,632,779,351.58

Source: Compiled by KPMG from schedules of contracts award provided by ABSG.

3.4.4.2 Selection and award of contracts to China Zhonghao

3.4.4.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for two (2) contracts totalling to ₦6,632,779,351.58, noting an average non-compliance rate of 67% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to China Zhonghao in table 3.4.4.2.1 overleaf.

Table 3.4.4.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
1	Solicitation	Governor's approval	1	4,755,156,538.44	50%
2		Record of advertisement / Invitation to bid	2	6,632,779,351.58	100%
3		Record of Inhouse estimate	-	-	0%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
4		Contractors bid documents	1	4,755,156,538.44	50%
5		Record of bid opening	2	6,632,779,351.58	100%
6	Evaluation	Ministry's evaluation report	2	6,632,779,351.58	100%
7		MTB memo on recommended contractor	2	6,632,779,351.58	100%
8	Approval & Award	F&GPC memo on selected contractor	2	6,632,779,351.58	100%
9		Exco conclusion	2	6,632,779,351.58	100%
10		Record of "No Objection" from BPP	2	6,632,779,351.58	100%
11		Award letter	1	4,755,156,538.44	50%
12		Acceptance of award letter	2	6,632,779,351.58	100%
13		Record of signed contract agreement	-	-	0%
14		Record of vetting by the MOJ	-	-	0%
15	Closure	Final Completion Certificate / Goods Received Note	1	4,755,156,538.44	50%
Average non-compliance rate					67%

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.5 Hartland Nigeria Limited (Hartland)

3.4.5.1 Contractor’s Profile

Table 3.4.5.1-1: Profile of Hartland

Item	Details ⁷⁶
Registered Address	No 100, Warrake Road, Auchi, Edo.
Company Type	Private Company Limited By Shares
Incorporation date	23 Oct 1995
Incorporation number	RC 280974
Place of Incorporation	Nigeria
Status with CAC	Active
Management	As reflected on NG-check, see details of the Directors below: 1. Abu Inu-umoru - Director 2. Thelma Inu-umoru - Director 3. Afizu Carlton Inu-umoru - Director 4. Shadi Kawerma - Director 5. Laurant Bancod - Director 6. Kadir & Co Oluwakemi - Secretary

ABSG awarded one (1) contract to Hartland, with a cumulative value of ₦9,882,752,246.40 during the period under review. See details in the table below.

⁷⁶ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry, HARTLAND NIGERIA LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.cac.gov.ng/HARTLAND-NIGERIA-LIMITED-Nigeria-company-profile-address-contacts-owners-ng-check.com).

Table 3.4.5.1-2: Summary of contracts awarded to Hartland

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Reconstruction/Dualization of Port-Harcourt Road with Services Lane on both sides.	9,882,752,246.40	9,882,752,246.40
Total		9,882,752,246.40	9,882,752,246.40

Source: Compiled by KPMG from schedules of contract award provided by ABSG.

3.4.5.2 Selection and award of contracts to Hartland

3.4.5.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for one (1) contract totalling to ₦9,882,752,246.40, noting an average non-compliance rate of 53% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Hartland in table 3.4.5.2.1 below.

Table 3.4.5.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/1
1	Solicitation	Governor's approval	-	-	0%
2		Record of advertisement / Invitation to bid	1	9,882,752,246.40	100%
3		Record of Inhouse estimate	-	-	0%
4		Contractors bid documents	-	-	0%
5		Record of bid opening	1	9,882,752,246.40	100%
6	Evaluation	Ministry's evaluation report	1	9,882,752,246.40	100%
7		MTB memo on recommended contractor	-	-	0%
8		F&GPC memo on selected contractor	1	9,882,752,246.40	100%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/1
9	Approval & Award	Exco conclusion	1	9,882,752,246.40	100%
10		Record of “No Objection” from BPP	1	9,882,752,246.40	100%
11		Award letter	1	9,882,752,246.40	100%
12		Acceptance of award letter	1	9,882,752,246.40	100%
13		Record of signed contract agreement	-	-	0%
14		Record of vetting by the MOJ	-	-	0%
15	Closure	Final Completion Certificate / Goods Received Note	-	-	0%
Average non-compliance rate					53%

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.6 Ekclean Integrated Services Nigeria Limited (Ekclean)

3.4.6.1 Contractor’s Profile

Table 3.4.6.1-1: Profile of Ekclean

Item	Details ⁷⁷
Registered Address	No 18B, Billy Avenue off Timothy lane rumuola, Port Harcourt, Rivers
Company Type	Private Company Limited By Shares
Incorporation date	6 Sep 2013
Incorporation number	RC 1140435
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.10 for a screenshot of Ekclean’s inactive status on CAC’s online portal)
Management	As reflected on NG-check, see details of the Directors below: <ol style="list-style-type: none"> 1. Onu Onyedikachi - Director 2. Onu Chijioke - Director 3. Enebeli Anwuli - Director 4. Uzoma Emeka Onuoha - Secretary

ABSG awarded ten (10) contracts to Ekclean, with a cumulative value of ₦9,758,491,489.24 for eight (8) of the 10 contracts, during the period under review, while the information provided by ABSG is not sufficient for us to determine the contract value for two (2) contracts. See details in the table below.

⁷⁷ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry: EKCLEEN INTEGRATED SERVICES NIG LTD Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://ng-check.com).

Table 3.4.6.1-2: Summary of contracts awarded to Ekleen

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Reconstruction of Link Roads in Aba: a. Sacred Heart-Chibuike-Uzonikpa-Omuma Link Road Off Faulks Road, Aba with Concrete Pavement; b. Ngozi Avenue-Nwokocha Link Road Off Faulks; c. Imo Avenue-Ogbiyi-Omuma Link Road.	3,760,765,027.00	3,760,765,027.00
2	Reconstruction of Omuma Road off Ama Ogbonna.	2,374,890,239.60	2,374,890,239.60
3	Reconstruction of 4No Roads in Aba: a. Mbieri Str. off Ngwa Road with Concrete Pavement b. Victoria Str. Off Ngwa Road with Rigid Pavement and Surfacing c. Okoro-Ibadan-Ohanku Link Roads with Rigid Pavement d. Onyebuchi-Ibere-Ohanku Link Road with Rigid Pavement.	898,036,422.00	898,036,422.00
4	Reconstruction of Link Roads in Aba: a. Orlu Str. Off Ngwa Road b. Arodizuogu Str. Off Ngwa Roads c. Ndiuche Str. Off Ngwa Road d. Akokwa Str. Off Ngwa Road.	864,499,899.64	-
5	Reconstruction of Linked Roads: Ibadan, Agharandu, Emejiaka and Onyebuchi Street in Aba.	617,892,368.00	-
6	Reconstruction of Osusu Road, Aba	588,820,000.00	-
7	Construction of Umuokpo-Owo Ahiafor Link Road in Obingwa LGA.	489,862,533.00	-
8	Reconstruction of Akalanna Street Off Okigwe Road, Aba	163,725,000.00	-
9	Maintenance/Rehabilitation of Ururuka Road.	-	-

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
10	Rehabilitation of some sections of Ururuka road with Concrete Pavement.	-	-
Total		9,758,491,489.24	7,033,691,688.60

Source: Compiled by KPMG from schedules of contract award provided by ABSG.

3.4.6.2 Selection and award of contracts to Ekclean

3.4.6.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for three (3) contracts totalling to ₦7,033,691,688.60, noting an average non-compliance rate of 60% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Ekclean in table 3.4.6.2.1 below.

Table 3.4.6.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts	Value of non-compliant contracts (₦)	Non-compliance rate (%)
			A		A/3
1	Solicitation	Governor's approval	2	4,658,801,449.00	67%
2		Record of advertisement / Invitation to bid	3	7,033,691,688.60	100%
3		Record of Inhouse estimate	-	-	0%
4		Contractors bid documents	3	7,033,691,688.60	100%
5		Record of bid opening	3	7,033,691,688.60	100%
6	Evaluation	Ministry's evaluation report	3	7,033,691,688.60	100%
7		MTB memo on recommended contractor	2	4,658,801,449.00	67%
8		F&GPC memo on selected contractor	2	3,272,926,661.60	67%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/3
9	Approval & Award	Exco conclusion	3	7,033,691,688.60	100%
10		Record of “No Objection” from BPP	3	7,033,691,688.60	100%
11		Award letter	2	4,658,801,449.00	67%
12		Acceptance of award letter	1	3,760,765,027.00	33%
13		Record of signed contract agreement	-	-	0%
14		Record of vetting by the MOJ	-	-	0%
15	Closure	Final Completion Certificate / Goods Received Note	-	-	0%
Average non-compliance rate					60%

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.7 Setraco Nigeria Limited (Setraco)

3.4.7.1 Contractor’s Profile

Table 3.4.7.1-1: Profile of Setraco

Item	Details ⁷⁸
Registered Address	Plot 526 Shehu Yaradua Way, Abuja, FCT
Company Type	Private Unlimited Company
Incorporation date	22 Aug 1977
Incorporation number	RC 22039
Place of Incorporation	Nigeria
Status with CAC	Active
Management	<p>As reflected on NG-check, see details of the Directors below:</p> <ol style="list-style-type: none"> 1. Umoru Abu Inu - Director 2. Khalaf Said - Director 3. Khalaf Fayez - Director 4. Mastrocinque Michelangelo - Director 5. Umoru Afizu Inu - Director 6. Mouannes Ziad - Director 7. Libbos Ghassan - Director 8. Baron Camille - Director 9. Chaudhuri Ray - Director

⁷⁸ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry: SETRACO \(NIGERIA\) LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.cac.gov.ng/SETRACO%20(NIGERIA)%20LIMITED).

ABSG awarded one (1) contract to Setraco, with a cumulative value of ₦8,820,045,347.90 during the period under review. See details in the table below.

Table 3.4.7.1-2: Summary of contracts awarded to Setraco

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Rehabilitation/Expansion of Faulks Road and Rehabilitation/Expansion of Ifeobara Pond (Flood Control)	8,820,045,347.90	8,820,045,347.90
Total		8,820,045,347.90	8,820,045,347.90

Source: Compiled by KPMG from schedules of contract award provided by ABSG.

3.4.7.2 Selection and award of contracts to Setraco

3.4.7.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for one (1) contract totalling to ₦8,820,045,347.90, noting an average non-compliance rate of 73% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Setraco in table 3.4.7.2.1 below.

Table 3.4.7.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/1
1	Solicitation	Governor's approval	-	-	0%
2		Record of advertisement / Invitation to bid	1	8,820,045,347.90	100%
3		Record of Inhouse estimate	0	-	0%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/1
4		Contractors bid documents	1	8,820,045,347.90	100%
5		Record of bid opening	1	8,820,045,347.90	100%
6	Evaluation	Ministry's evaluation report	1	8,820,045,347.90	100%
7		MTB memo on recommended contractor	1	8,820,045,347.90	100%
8	Approval & Award	F&GPC memo on selected contractor	1	8,820,045,347.90	100%
9		Exco conclusion	1	8,820,045,347.90	100%
10		Record of "No Objection" from BPP	1	8,820,045,347.90	100%
11		Award letter	1	8,820,045,347.90	100%
12		Acceptance of award letter	-	-	0%
13		Record of signed contract agreement	1	8,820,045,347.90	100%
14		Record of vetting by the MOJ	1	8,820,045,347.90	100%
15	Closure	Final Completion Certificate / Goods Received Note	-	-	0%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/1
Average non-compliance rate					73%

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.8 Rock-Waters Integrated Services Nigeria Limited (Rock-Waters)

3.4.8.1 Contractor’s Profile

Table 3.4.8.1-1: Profile of Rock-Waters

Item	Details ⁷⁹
Registered Address	22, Vattern crescent off Amazon Street, Maitama, Abuja, FCT
Company Type	Private Company Limited By Shares
Incorporation date	12 Oct 2012
Incorporation number	RC 1071414
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.11 for a screenshot of Rock waters inactive status on CAC’s online portal)
Management	As reflected on NG-check, see details of the Directors below: <ol style="list-style-type: none"> 1. Enyi-nwafor Kelechi Amarachi - Director

⁷⁹ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; ROCK-WATERS INTEGRATED SERVICES NIG LTD Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.cac.gov.ng/ROCK-WATERS-INTEGRATED-SERVICES-NIG-LTD-Nigeria-company-profile-address-contacts-owners-ng-check.com).

Item	Details ⁷⁹
	2. Nwafor Enyinnaya Chima - Director 3. Iheanacho Cynthia Nneoma - Director 4. Ogbonna, Nwanosike - Secretary
PEP Status	Nwafor Enyinnaya Chima is the son of the former deputy Governor of Abia state (1992 -1993, 2003 – 2006) and Governorship Candidate of the Young Progressives Party (YPP) in the 2023 Abia Gubernatorial election.

ABSG awarded seven (7) contracts to Rock-Waters, with a cumulative value of ₦8,679,437,713.00 during the period under review. See details in the table overleaf.

Table 3.4.8.1-2: Summary of contracts awarded to Rock-Waters

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Construction of Link Roads to Major Economic Zones: i. Osokwa-Aro Umueje-Omoba Road ii. Isiahia-Umuode Road iii. Obehie (Foundation Hotel) – Umukalu- Umuituru-Obaha-Obohia-ohandu-Umuibe Road iv. Umunka-Ugwunagbo	3,308,518,166.00	3,308,518,166.00
2	Reconstruction/Rehabilitation of Ohanku Road, Aba	2,541,288,710.00	2,541,288,710.00
3	Rehabilitation/Reconstruction of MCC-Old Express Road, Aba.	1,420,000,000.00	-
4	Construction of Umuakatawom Isiahia-Mgboko Ohanze Road, Obingwa LGA, Abia State	564,676,737.00	-
5	Construction of Umuobiakwa-Itukpa Crescent.	449,857,400.00	-

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
6	Rehabilitation of MCC – Umuojima and Ommne Roads.	273,710,620.00	-
7	Construction of Amapu Ntigha-Abam Ubakala Road in Isialangwa North and Umuahia South LGAs.	121,386,080.00	-
Total		8,679,437,713.00	5,849,806,876.00

Source: Compiled by KPMG from schedules of contract award provided by ABSG.

3.4.8.2 Selection and award of contracts to Rock-Waters

3.4.8.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for two (2) contracts totalling to ₦5,849,806,876.00, noting an average non-compliance rate of 60% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Rock-Waters in table 3.4.8.2.1 below.

Table 3.4.8.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
1	Solicitation	Governor's approval	1	2,541,288,710.00	50%
2		Record of advertisement / Invitation to bid	2	5,849,806,876.00	100%
3		Record of Inhouse estimate	-	-	0%
4		Contractors bid documents	1	2,541,288,710.00	50%
5		Record of bid opening	2	5,849,806,876.00	100%
6	Evaluation	Ministry's evaluation report	2	5,849,806,876.00	100%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
7		MTB memo on recommended contractor	1	2,541,288,710.00	50%
8	Approval & Award	F&GPC memo on selected contractor	2	5,849,806,876.00	100%
9		Exco conclusion	2	5,849,806,876.00	100%
10		Record of “No Objection” from BPP	2	5,849,806,876.00	100%
11		Award letter	1	2,541,288,710.00	50%
12		Acceptance of award letter	2	5,849,806,876.00	100%
13		Record of signed contract agreement	-	-	0%
14		Record of vetting by the MOJ	-	-	0%
15	Closure	Final Completion Certificate / Goods Received Note	-	-	0%
Average non-compliance rate					60%

Source: Compiled by KPMG from schedules of contracts award provided by ABSG.

3.4.9 Delhope Resources Limited (Delhope)

3.4.9.1 Contractor’s Profile

Table 3.4.9.1-1: Profile of Delhope

Item	Details ⁸⁰
Registered Address	No 6, Berger Camp, Ikot Abasi, Akwa Ibom

⁸⁰ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry: DELHOPE RESOURCES LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://cac.gov.ng/registry/DELHOPE-RESOURCES-LIMITED-Nigeria-company-profile-address-contacts-owners-ng-check.com).

Item	Details ⁸⁰
Company Type	Private Company Limited By Shares
Incorporation date	07 Dec 2012
Incorporation number	RC 1083297
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.12 for a screenshot of Delhope's inactive status on CAC's online portal)
Management	As reflected on NG-check, see details of the Directors below: <ol style="list-style-type: none"> 1. Ikechi Nwachukwu - Director 2. Bright Osinachi Gabriel - Director 3. Hope Chioma Innocent-adiele - Director 4. Chief Chukwu Wachukwu - Director 5. Innocent Ndubuisi Adiele - Director

ABSG awarded eleven (11) contracts to Delhope, with a cumulative value of ₦5,604,687,544.11 for nine (9) of the 11 contracts, during the period under review, while the information provided by ABSG is not sufficient for us to determine the contract value for the remaining two (2) contracts. See details in the table below.

Table 3.4.9: Summary of contracts awarded to Delhope

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Construction of Umuobiakwa-Owo-Oricha Ngwa Road.	2,736,251,769.11	2,736,251,769.11
2	Reconstruction of Failed Portions of Akpa – Azumiri Road in Obingwa and Ukwa East LGA.	771,058,225.00	-
3	Erosion Control Works at 6 spots along Uzuakoli-Akara-Ohafia Road.	751,977,710.00	-
4	Construction of Ibere Road in Aba (1.7km).	429,699,950.00	-
5	Rehabilitation and Complete Overlay of Azikiwe road, Park road, School road, East Road (Waterside - Ngwa Road Junction, Aba, Abia State.	310,612,100.00	-
6	Rehabilitation/Reconstruction of Ochefu Road, Owerinta, weeks and School Roads.	271,769,650.00	-
7	Construction of Amorji Junction–Ahiaba Ubi Rd Phase 1.	170,747,550.00	170,747,550.00
8	Rehabilitation of Federal Medical Centre Internal Road Umuahia.	89,898,500.00	-
9	Reconstruction of Aba Area Command, Access Road.	72,672,090.00	-
10	Palliative works on Ngwa Road Good morning market to Etche road Junction.	-	-
11	Rehabilitation of Umuwaya Road.	-	-
Total		5,604,687,544.11	2,906,999,319.11

Source: Compiled by KPMG from schedule of contract awards provided by ABSG.

3.4.9.2 Selection and award of contracts to Delhope

3.4.9.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for a sample of two (2) contracts totalling to ₦2,906,999,319.11, noting an average non-compliance rate of 73% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Delhope in table 3.4.9.2.1 below.

Table 3.4.9.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts	Value of non-compliant contracts (₦)	Non-compliance rate (%)
			A		A/2
1	Solicitation	Governor’s approval	1	170,747,550.00	50%
2		Record of advertisement / Invitation to bid	2	2,906,999,319.11	100%
3		Record of Inhouse estimate	0	-	0%
4		Contractors bid documents	2	2,906,999,319.11	100%
5		Record of bid opening	2	2,906,999,319.11	100%
6	Evaluation	Ministry’s evaluation report	2	2,906,999,319.11	100%
7		MTB memo on recommended contractor	2	2,906,999,319.11	100%
8	Approval & Award	F&GPC memo on selected contractor	2	2,906,999,319.11	100%
9		Exco conclusion	2	2,906,999,319.11	100%
10		Record of “No Objection” from BPP	2	2,906,999,319.11	100%
11		Award letter	2	2,906,999,319.11	100%
12		Acceptance of award letter	1	170,747,550.00	50%
13		Record of signed contract agreement	1	170,747,550.00	50%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
14		Record of vetting by the MOJ	1	170,747,550.00	50%
15	Closure	Final Completion Certificate / Goods Received Note	-	-	0%
Average non-compliance rate					73%

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.10 Arab Contractors Limited (Arab Contractors)

3.4.10.1 Contractor's Profile

Table 3.4.10.1-1: Profile of Arab Contractors

Item	Details ⁸¹
Registered Address	134, Ikorodu Road, Igbobi, Lagos
Company Type	Private Unlimited Company
Incorporation date	28 Dec 1990
Incorporation number	RC 160735
Place of Incorporation	Nigeria
Status with CAC	Inactive

⁸¹ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry: ARAB CONTRACTOR NIGERIA LTD Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://cacr.gov.ng/ARAB-CONTRACTOR-NIGERIA-LTD-Nigeria-company-profile-address-contacts-owners-ng-check-com).

Item	Details ⁸¹
	(See Appendix 10.5.13 for a screenshot of Arab Contractors’s inactive status on CAC’s online portal)
Management	No record found

ABSG awarded two (2) contracts to Arab Contractors, with a cumulative value of ₦3,820,618,639.40 during the period under review. See details in the table below.

Table 3.4.10.1-2: Summary of contracts awarded to Arab Contractors

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Reconstruction of Aba Road Umuahia from Enugu - Port Harcourt Express way junction to Railway Crossing at Old Umuahia.	2,831,458,377.40	2,831,458,377.40
2	Reconstruction of Aba Road Umuahia from Railway Crossing to Eastern Comfort Hotel Dual Carriageway.	989,160,262.00	989,160,262.00
Total		3,820,618,639.40	3,820,618,639.40

Source: Compiled by KPMG from schedule of contract awards provided by ABSG.

3.4.10.2 Selection and award of contracts to Arab Contractors

3.4.10.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for two (2) contracts totalling to ₦3,820,618,639.40, noting an average non-compliance rate of 77% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Arab Contractors in table 3.4.10.2.1 below.

Table 3.4.10.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts	Value of non-compliant contracts (₦)	Non-compliance rate (%)
			A		A/2
1	Solicitation	Governor’s approval	1	989,160,262.00	50%
2		Record of advertisement / Invitation to bid	2	3,820,618,639.40	100%
3		Record of Inhouse estimate	0	-	0%
4		Contractors bid documents	1	989,160,262.00	50%
5		Record of bid opening	2	3,820,618,639.40	100%
6	Evaluation	Ministry’s evaluation report	2	3,820,618,639.40	100%
7		MTB memo on recommended contractor	2	3,820,618,639.40	100%
8	Approval & Award	F&GPC memo on selected contractor	2	3,820,618,639.40	100%
9		Exco conclusion	2	3,820,618,639.40	100%
10		Record of “No Objection” from BPP	2	3,820,618,639.40	100%
11		Award letter	1	2,831,458,377.40	50%
12		Acceptance of award letter	2	3,820,618,639.40	100%
13		Record of signed contract agreement	1	2,831,458,377.40	50%
14		Record of vetting by the MOJ	1	989,160,262.00	50%
15	Closure	Final Completion Certificate / Goods Received Note	2	3,820,618,639.40	100%
Average non-compliance rate					77%

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.10.3 Other findings on Arab Contractors

3.4.10.3.1 No justification for single sourcing from Ministry of Works

- a. Arab Contractors was awarded the “Reconstruction of Aba Road Umuahia from Enugu - Port Harcourt Express way junction to Railway Crossing at Old Umuahia” with a contract value of ₦2,831,458,377.40 without record of competitive bids from other contractors. This indicates that the contractor was single sourced.
- b. The contract file did not include the justification of the single sourcing which is contrary to Section 26 (1) of the State’s Procurement law which states that “all procurement of goods and works by all procuring entities shall be conducted by open competitive bidding. Section 27 (1) further states that invitation to bid may be either by way of State Competitive Bidding or Nation Competitive Bidding. See details in the table below for details of single sourced contract.

3.4.11 Yodel Global Services Limited (Yodel)

3.4.11.1 Contractor’s Profile

Table 3.4.11.1-1: Profile of Yodel

Item	Details ⁸²
Registered Address	24, Stream Road, Umuodara, Port Harcourt, Rivers State
Company Type	Private Company Limited By Shares
Incorporation date	13 Sep 2013
Incorporation number	RC 1141982
Place of Incorporation	Nigeria
Status with CAC	Inactive

⁸² Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; YODEL GLOBAL RESOURCES LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.cac.gov.ng/portal/ycr/ycr-search?search=YODEL%20GLOBAL%20RESOURCES%20LIMITED).

Item	Details ⁸²
	(See Appendix 10.5.14 for a screenshot of Yodel's inactive status on CAC's online portal)
Management	As reflected on NG-check, see details of the Directors below: 1 Ogbonna Nwoko – Director 2 Asuzo Mike Munachiso – Director

ABSG awarded four (4) contracts to Yodel, with a cumulative value of ₦2,811,832,328.79 during the period under review. See details in the table below.

Table 3.4.11.1-2: Summary of contracts awarded to Yodel

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Construction of Ofeme-Nkpa Roads.	2,686,914,280.00	2,686,914,280.00
2	Supply of 1 (No) Brand New Lexus 570 SUV to Abia State Government.	54,878,048.79	54,878,048.79
3	Design & Construction of Six (6) clasrron block at Ezeleke Community Primary School, Umuahia South, LGA.	40,000,000.00	-
4	Supply of 2 (Nos) Medical Ambulances Installation with advance life support Equipment for Abia State Government Emegency Med. Services (Abia EMS).	30,040,000.00	30,040,000.00
Total		2,811,832,328.79	2,771,832,328.79

Source: Compiled by KPMG from schedule of contract awards provided by ABSG.

3.4.11.2 Selection and award of contracts to Yodel

3.4.11.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for three (3) contracts totalling to ₦2,771,832,328.79, noting an average non-compliance rate of 71% as outlined, which indicates that the Ministry of Works and Office of the Governor did not adhere to the required contracting process, before awarding the contracts to Yodel in table 3.4.11.2.1 below

Table 3.4.11.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts	Value of non-compliant contracts (₦)	Non-compliance rate (%)
			A		A/3
1	Solicitation	Governor's approval	2	84,918,048.79	67%
2		Record of advertisement / Invitation to bid	3	2,771,832,328.79	100%
3		Record of Inhouse estimate	2	84,918,048.79	67%
4		Contractors bid documents	2	84,918,048.79	67%
5		Record of bid opening	3	2,771,832,328.79	100%
6	Evaluation	Ministry's evaluation report	3	2,771,832,328.79	100%
7		MTB memo on recommended contractor	1	54,878,048.79	33%
8	Approval & Award	F&GPC memo on selected contractor	2	2,741,792,328.79	67%
9		Exco conclusion	2	2,741,792,328.79	67%
10		Record of "No Objection" from BPP	3	2,771,832,328.79	100%
11		Award letter	0	-	0%
12		Acceptance of award letter	3	2,771,832,328.79	100%
13		Record of signed contract agreement	2	84,918,048.79	67%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/3
14		Record of vetting by the MOJ	2	84,918,048.79	67%
15	Closure	Final Completion Certificate / Goods Received Note	2	84,918,048.79	67%
Average non-compliance rate					71%

Source: Compiled by KPMG from Contracts files provided by ABSG.

3.4.12 Sannan Jadoon International Limited (Sannan Jadoon)

3.4.12.1 Contractor’s Profile

Table 3.4.12.1-1: Profile of Sannan Jadoon

Item	Details ⁸³
Registered Address	B7 Payne Crescent Apapa, Lagos
Company Type	Private Unlimited Company
Incorporation date	24 Dec 2008
Incorporation number	RC 793230
Place of Incorporation	Nigeria
Status with CAC	Not Found (Company’s information not found on CAC’s website)
Management	As reflected on Nigeria 24, see details of the Directors below:

⁸³ Retrieved on 3 November 2023 from [SANNANJADOON INTERNATIONAL LIMITED - Company, directors and contact details | Nigeria24.](#)

Item	Details ⁸³
	3 Muhammed Adi - Director
	4 Muhammed Trfan Khan - Director

ABSG awarded eight (8) contracts to Sannan Jadoon, with a cumulative value of ₦2,151,886,502.00 during the period under review. See details in the table below.

Table 3.4.12.1-2: Summary of contracts awarded to Sannan Jadoon

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Reconstruction of Eziukwu Road and Drainages in Aba (2.38km) concrete base Road.	754,239,320.00	754,239,320.00
2	Reconstruction of Cemenry Road and Drainage.	565,560,887.00	-
3	Reconstruction of Ehi Road, Aba, Abia State.	196,180,025.00	-
4	Overlay of Okigwe Road, Aba.	172,622,200.00	-
5	Reconstruction of Milverton Avenue-Chisco Lane-Ojike Lane, Aba with Drainages.	163,929,140.00	-
6	Overlay of Okigwe Road, Aba.	150,000,000.00	-
7	Reconstruction of Cameroun Road, Aba.	108,053,555.00	-
8	Overlay of Milverton Extension, Aba.	41,301,375.00	41,301,375.00
Total		2,151,886,502.00	795,540,695.00

Source: Compiled by KPMG from schedules of contract awards provided by ABSG.

3.4.12.2 Selection and award of contracts to Sannan Jadoon

3.4.12.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for two (2) contracts totalling to ₦795,540,695.00, noting an average non-compliance rate of 60% as outlined, which indicates that the Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Sannan Jadoon in Table 3.4.12.2.1 below

Table 3.4.12.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts	Value of non-compliant contracts (₦)	Non-compliance rate (%)
			A		A/2
1	Solicitation	Governor’s approval	1	754,239,320.00	50%
2		Record of advertisement / Invitation to bid	2	795,540,695.00	100%
3		Record of Inhouse estimate	0	-	0%
4		Contractors bid documents	2	795,540,695.00	100%
5		Record of bid opening	2	795,540,695.00	100%
6	Evaluation	Ministry’s evaluation report	2	795,540,695.00	100%
7		MTB memo on recommended contractor	1	754,239,320.00	50%
8	Approval & Award	F&GPC memo on selected contractor	1	754,239,320.00	50%
9		Exco conclusion	1	754,239,320.00	50%
10		Record of “No Objection” from BPP	2	795,540,695.00	100%
11		Award letter	1	41,301,375.00	50%
12		Acceptance of award letter	0	-	0%
13		Record of signed contract agreement	1	41,301,375.00	50%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
14		Record of vetting by the MOJ	1	41,301,375.00	50%
15	Closure	Final Completion Certificate / Goods Received Note	1	41,301,375.00	50%
Average non-compliance rate					60%

Source: Compiled by KPMG from Contracts files provided by Ministry of Works.

3.4.13 Bulletine Construction Company Limited (Bulletine)

3.4.13.1 Contractor’s Profile

Table 3.4.13.1-1: Profile of Bulletine

Item	Details ⁸⁴
Registered Address	23, Olowu Street, Ikeja, Lagos
Company Type	Private Unlimited Company
Incorporation date	31 Mar 1989
Incorporation number	RC 128624
Place of Incorporation	Nigeria
Status with CAC	Active
Management	As reflected on NG-check, see details of the Directors below: 1. Faysal Harb - Director

⁸⁴ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry: BULLETINE CONSTRUCTION COMPANY LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.ng-check.com).

Item	Details ⁸⁴
	2. Emmanuel Oyebode Harb - Director
	3. Harb Simon - Director

ABSG awarded one (1) contract to Bulletine, with a cumulative value of ₦1,219,734,140.00 during the period under review. See details in the table below.

Table 3.4.13.1-2: Summary of contracts awarded to Bulletine

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Construction of Umuigwe- Umuakpara Road.	1,219,734,140.00	1,219,734,140.00
Total		1,219,734,140.00	1,219,734,140.00

Source: Compiled by KPMG from schedules of contracts award provided by ABSG.

3.4.13.2 Selection and award of contracts to Bulletine

3.4.13.2.1 Non- adherence to selection and award of contract

- a. We reviewed the supporting documents provided for one (1) contract totalling to ₦1,219,734,140.00, noting an average non-compliance rate of 67% as outlined, which indicates that the relevant Ministry of Works did not adhere to the required contracting process, before awarding the contracts to Bulletin in table 3.4.13.2.1 below

Table 3.4.13.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/1
1	Solicitation	Governor’s approval	0	-	0%
2		Record of advertisement / Invitation to bid	1	1,219,734,140.00	100%
3		Record of Inhouse estimate	0	-	0%
4		Contractors bid documents	1	1,219,734,140.00	100%
5		Record of bid opening	1	1,219,734,140.00	100%
6	Evaluation	Ministry’s evaluation report	1	1,219,734,140.00	100%
7		MTB memo on recommended contractor	0	-	0%
8	Approval & Award	F&GPC memo on selected contractor	1	1,219,734,140.00	100%
9		Exco conclusion	1	1,219,734,140.00	100%
10		Record of “No Objection” from BPP	1	1,219,734,140.00	100%
11		Award letter	0	-	0%
12		Acceptance of award letter	1	1,219,734,140.00	100%
13		Record of signed contract agreement	1	1,219,734,140.00	100%
14		Record of vetting by the MOJ	0	-	0%
15	Closure	Final Completion Certificate / Goods Received Note	1	1,219,734,140.00	100%
Average non-compliance rate					67%

Source: Compiled by KPMG from Contracts files provided by ABSG.

3.4.14 PRO-M Limited (PRO-M)

3.4.14.1 Contractor’s Profile

Table 3.4.14.1-1: Profile of PRO-M

Item	Details ⁸⁵
Registered Address	1B, Rahman Adeboye Ojo Street, Lekki Phase 1, Lekki, Lagos
Company Type	Private Unlimited Company
Incorporation date	19 Jan 2010
Incorporation number	RC 864835
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.15 for a screenshot of PRO-M's inactive status on CAC's online portal)
Management	As reflected on NG-check, see details of the Directors below: <ol style="list-style-type: none"> 1. Olohigbe Okoye - Director 2. Chukwuka Okoye - Director 3. Messrs Habeeb Oredola & Associates - Director

ABSG awarded two (2) contracts to PRO-M, with a cumulative value of ₦900,000,000.00 during the period under review. See details in the table below.

⁸⁵ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; PRO-M LIMITED - Company, directors and contact details | Nigeria24.](#)

Table 3.4.14.1-2: Summary of contracts awarded to PRO-M

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Provision of Developmental and Engineering Consultancy Services to Abia State Government	450,000,000.00	450,000,000.00
2	Supply of Computers, Printers and Office Software for the New Secretariat Complex and the Nnamdi Azikiwe Refurbished Buildings in Umuahia, Abia State	450,000,000.00	450,000,000.00
Total		900,000,000.00	900,000,000.00

Source: Compiled by KPMG from schedules of contract award provided by ABSG.

3.4.14.2 Selection and award of contracts to PRO-M

3.4.14.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for two (2) contracts totalling to ₦900,000,000.00, noting an average non-compliance rate of 87% as outlined, which indicates that the Office of the Governor did not adhere to the required contracting process, before awarding the contracts to PRO-M in Table 3.4.14.2.1 overleaf

Table 3.4.14.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
1	Solicitation	Governor’s approval	0	-	0%
2		Record of advertisement / Invitation to bid	2	900,000,000.00	100%
3		Record of Inhouse estimate	2	900,000,000.00	100%
4		Contractors bid documents	2	900,000,000.00	100%
5		Record of bid opening	2	900,000,000.00	100%
6	Evaluation	Ministry’s evaluation report	2	900,000,000.00	100%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
7		MTB memo on recommended contractor	2	900,000,000.00	100%
8	Approval & Award	F&GPC memo on selected contractor	2	900,000,000.00	100%
9		Exco conclusion	2	900,000,000.00	100%
10		Record of “No Objection” from BPP	2	900,000,000.00	100%
11		Award letter	0	-	0%
12		Acceptance of award letter	2	900,000,000.00	100%
13		Record of signed contract agreement	2	900,000,000.00	100%
14		Record of vetting by the MOJ	2	900,000,000.00	100%
15	Closure	Final Completion Certificate / Goods Received Note	2	900,000,000.00	100%
Average non-compliance rate					87%

Source: Compiled by KPMG from Contracts files provided by ABSG.

3.4.15 Vision Cars Limited (Vision Cars)

3.4.15.1 Contractor’s Profile

Table 3.4.15.1-1: Profile of Vision Cars

Item	Details ⁸⁶
Registered Address	3B, Adeyemo Alakija Street, Victoria Island, Lagos
Company Type	Private Unlimited Company
Incorporation date	26 Nov 1996
Incorporation number	RC 303742
Place of Incorporation	Nigeria
Status with CAC	Active
Management	As reflected on NG-check, see details of the Directors below: 1. Ajudua Stanley - Director 2. Ajudua Maureen - Director

ABSG awarded one (1) contract to Vision Cars, with a cumulative value of ₦854,910,000.00 during the period under review. See details in the table below.

⁸⁶ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; VISION CARS LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://ng-check.com).

Table 3.4.15.1-2: Summary of contract awarded to Vision Cars

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Supply of 45 (Nos) brand new Vehicles to Abia State Government	854,910,000.00	854,910,000.00
Total		854,910,000.00	854,910,000.00

Source: Compiled by KPMG from schedules of contracts awards provided by ABSG.

3.4.15.2 Selection and award of contracts to Vision Cars

3.4.15.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for one (1) contract totalling to ₦854,910,000.00, noting an average non-compliance rate of 87% as outlined, which indicates that the Office of the Governor did not adhere to the required contracting process, before awarding the contracts to Vision Cars in Table 3.4.15.2.1 below

Table 3.4.15.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/1
1	Solicitation	Governor's approval	0	-	0%
2		Record of advertisement / Invitation to bid	1	854,910,000.00	100%
3		Record of Inhouse estimate	1	854,910,000.00	100%
4		Contractors bid documents	1	854,910,000.00	100%
5		Record of bid opening	1	854,910,000.00	100%
6	Evaluation	Ministry's evaluation report	1	854,910,000.00	100%
7		MTB memo on recommended contractor	1	854,910,000.00	100%
8		F&GPC memo on selected contractor	1	854,910,000.00	100%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/1
9	Approval & Award	Exco conclusion	1	854,910,000.00	100%
10		Record of “No Objection” from BPP	1	854,910,000.00	100%
11		Award letter	0	-	0%
12		Acceptance of award letter	1	854,910,000.00	100%
13		Record of signed contract agreement	1	854,910,000.00	100%
14		Record of vetting by the MOJ	1	854,910,000.00	100%
15	Closure	Final Completion Certificate / Goods Received Note	1	854,910,000.00	100%
Average non-compliance rate					87%

Source: Compiled by KPMG from Contracts files provided by Office of the Governor.

3.4.16 Logistics De-Luke Limited (Logistics De-Luke)

3.4.16.1 Contractor’s Profile

Table 3.4.16.1-1: Profile of Logistics De-Luke

Item	Details ⁸⁷
Registered Address	No 1 Commercial road, eleganza plaza, Apapa, Lagos
Website	Not Found
Company Type	Private Unlimited Company
Incorporation date	14 Jul 2008
Incorporation number	RC 759323
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.16 for a screenshot of De-luke’s inactive status on CAC’s online portal)
Management	<ol style="list-style-type: none"> 1. Raymond Mkpuruoma Aliga - Director 2. Uloaku Raymond Aliga - Director 3. Amarachi Precious Raymond Aliga - Director 4. Maunachimso Sylvia Raymond Aliga - Director 5. Chinemerem Divine Raymond Aliga - Director

ABSG awarded two (2) contracts to Logistics De-Luke, with a cumulative value of ₦612,912,925.00 during the period under review. See details in the table below.

⁸⁷ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; LOGISTICS DE-LUKE LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](https://www.cac.gov.ng/LOGISTICS-DE-LUKE-LIMITED-Nigeria-company-profile-address-contacts-owners-ng-check-com).

Table 3.4.16.1-2: Summary of contracts awarded to Logistics De-Luke

S/N	Contract	Contract Value (₦)	Sampled Amount Provided (₦)
1	Installation of Streetlights in some Roads in Aba Metropolis.	378,912,925.00	378,912,925.00
2	Supply of Galvanized Streetlight Poles to Abia State Government	234,000,000.00	234,000,000.00
Total		612,912,925.00	612,912,925.00

Source: Compiled by KPMG from schedules of contracts award provided by ABSG.

3.4.16.2 Selection and award of contracts to Logistics De-Luke

3.4.16.2.1 Non-adherence to selection and award of contract

- a. We reviewed the supporting documents provided for two (2) contracts totalling to ₦612,912,925.00, noting an average non-compliance rate of 80% as outlined, which indicates that the Ministry of Public Utilities and Water Resources did not adhere to the required contracting process, before awarding the contracts to Logistics De-Luke in Table 3.4.16.2.1 overleaf.

Table 3.4.16.2.1: Summary of observations on contract award process for sampled contracts

S/N	Contracting Phase	Requirements	Number of non-compliant contracts	Value of non-compliant contracts (₦)	Non-compliance rate (%)
			A		A/2
1	Solicitation	Governor's approval	1	378,912,925.00	50%
2		Record of advertisement / Invitation to bid	2	612,912,925.00	100%
3		Record of Inhouse estimate	2	612,912,925.00	100%
4		Contractors bid documents	2	612,912,925.00	100%
5		Record of bid opening	2	612,912,925.00	100%
6	Evaluation	Ministry's evaluation report	2	612,912,925.00	100%

S/N	Contracting Phase	Requirements	Number of non-compliant contracts A	Value of non-compliant contracts (₦)	Non-compliance rate (%) A/2
7		MTB memo on recommended contractor	2	612,912,925.00	100%
8	Approval & Award	F&GPC memo on selected contractor	2	612,912,925.00	100%
9		Exco conclusion	2	612,912,925.00	100%
10		Record of “No Objection” from BPP	1	378,912,925.00	50%
11		Award letter	0	-	0%
12		Acceptance of award letter	1	378,912,925.00	50%
13		Record of signed contract agreement	1	378,912,925.00	50%
14		Record of vetting by the MOJ	2	612,912,925.00	100%
15	Closure	Final Completion Certificate / Goods Received Note	2	612,912,925.00	100%
Average non-compliance rate					80%

Source: Compiled by KPMG from Contracts files provided by Ministry of Public Utilities and Water Resources.

3.5 Payments to Contractors

- a. Per process understanding discussions with relevant Ministries⁸⁸, payments to contractors are grouped into the three (3) under-listed categories:
 - i. CFF
 - ii. Directly from the bank accounts
 - iii. Directly from the MDAs (i.e. Ministry of Works and ASOPADEC)
- b. The relevant Ministries did not provide complete interim certificates, payment vouchers and vote book, for the period under review, to identify total payments to the contractors per the contracts awarded. Nonetheless, per the loan schedule provided by Cash Office, offer letters provided by UBA and Access Bank, identifiable transaction narrations in the 77⁸⁹ bank accounts in 14 banks and records⁹⁰ provided by the relevant MDAs, we have analysed payments to contractors of interest (i.e. contractors paid through CFF), in table 3.5 below.

Table 3.5: Details of payments to contractors

S/N	Contractor of Interest	Contract Value ⁹¹ (₦)	Payments to contractors through CFF per ABSG's schedule (₦) A	Payments sighted in ABSG account statements (₦) B	Payments made directly by the MDAs to the contractors (₦) C	Total payments (₦) (A+B+C)	Reference
1	Track Care Global Construction Company Limited	76,005,747,447.92	11,573,251,250.00	10,198,940,625.03	97,500,000.00	21,869,691,875.03	Section 3.5.1
2	Ferotex Construction Company Limited	20,090,274,810.75	11,050,000,000.00	1,551,634,391.81	-	12,601,634,391.81	Section 3.5.2

⁸⁸ Ministry of Works, Housing, Health and ASOPADEC.

⁸⁹ Appendix 10.3 – Details of the 77 bank accounts.

⁹⁰ This includes Payment vouchers, schedule of loan utilisation from Ministry of Works and interim certificates.

⁹¹ Please note that due to insufficient information to verify the completeness of contract awarded during the period of review, we did not compare payments to contractors vis-à-vis the contract awarded to determine the indebtedness/ payments due to the State. The incomplete contract value would result in an unrealistic amount.

S/N	Contractor of Interest	Contract Value ⁹¹ (₦)	Payments to contractors through CFF per ABSG's schedule (₦) A	Payments sighted in ABSG account statements (₦) B	Payments made directly by the MDAs to the contractors (₦) C	Total payments (₦) (A+B+C)	Reference
3	Tunnel End Investment Company Limited	25,702,628,441.82	9,033,060,814.50	4,323,904,545.32	48,750,000.00	13,405,715,359.82	Section 3.5.3
4	Ekcleen Integrated Services Nigeria Ltd	9,758,491,489.24	3,550,000,000.00	2,471,467,896.90	129,400,000.00	6,150,867,896.90	Section 3.5.4
5	Rock-Waters Integrated Service Nigeria Ltd	8,679,437,713.00	3,020,000,000.00	1,018,000,000.00	-	4,038,000,000.00	Section 3.5.5
6	Hartland Nigeria Limited	9,882,752,246.40	3,000,000,000.00	131,127,139.35	-	3,131,127,139.35	Section 3.5.6
7	Delhope Resources Limited	5,604,687,544.11	2,995,000,000.00	1,794,384,959.42	-	4,789,384,959.42	Section 3.5.7
8	Setraco Nigeria Limited	8,820,045,347.90	2,660,000,000.00	650,000,000.00	-	3,310,000,000.00	Section 3.5.8
9	PRO-M Ltd	900,000,000.00	2,500,000,000.00	333,845,704.15	-	2,833,845,704.15	Section 3.5.9
10	Macamuzy Nigeria Ltd	-	2,500,000,000.00	490,000,000.00	-	2,990,000,000.00	Section 3.5.10
11	Sponmor Services Ltd	-	2,408,700,000.00	838,000,000.00	-	3,246,700,000.00	Section 3.5.11
12	Vision Cars Ltd	854,910,000.00	2,130,700,000.00	-	-	2,130,700,000.00	Section 3.5.12

S/N	Contractor of Interest	Contract Value ⁹¹ (₦)	Payments to contractors through CFF per ABSG's schedule (₦) A	Payments sighted in ABSG account statements (₦) B	Payments made directly by the MDAs to the contractors (₦) C	Total payments (₦) (A+B+C)	Reference
13	Effdee Nigeria Ltd	2,093,942,120.00	2,000,000,000.00	-	40,000,000.00	2,040,000,000.00	Section 3.5.13
14	Logistics De-Luke Ltd	612,912,925.00	2,000,000,000.00	358,348,720.00	-	2,358,348,720.00	Section 3.5.14
15	China Zhonghao Nigeria Limited	15,028,209,797.58	1,700,000,000.00	320,161,386.88	-	2,020,161,386.88	Section 3.5.15
16	Dawn 'N' Daisy Integrated Service Ltd	1,416,977,720.00	1,550,000,000.00	2,035,400,000.00	-	3,585,400,000.00	Section 3.5.16
17	Blessed Henken Company Ltd	-	1,500,000,000.00	-	-	1,500,000,000.00	Section 3.5.17
18	Pumeco Industries Nigeria Ltd	2,125,831,856.42	1,239,600,000.00	320,383,017.97	-	1,559,983,017.97	Section 3.5.18
19	Sannan Jadoon International Ltd	2,151,886,502.00	700,000,000.00	250,000,000.00	48,750,000.00	998,750,000.00	Section 3.5.19
20	Chintech Electro Nigeria Limited	-	650,000,000.00	689,075,568.00	-	1,339,075,568.00	Section 3.5.20
21	Blessed Ugo Frank Global Ventures	-	640,000,000.00	12,000,000.00	-	652,000,000.00	Section 3.5.21
22	Universal Energy Oil & Gas (Nig) Ltd	-	524,439,000.00	-	-	524,439,000.00	Section 3.5.22

S/N	Contractor of Interest	Contract Value ⁹¹ (₦)	Payments to contractors through CFF per ABSG's schedule (₦) A	Payments sighted in ABSG account statements (₦) B	Payments made directly by the MDAs to the contractors (₦) C	Total payments (₦) (A+B+C)	Reference
23	Bulletine Construction Company Ltd	1,219,734,140.00	500,000,000.00	57,600,000.00	-	557,600,000.00	Section 3.5.23
24	JMK Construction Company Ltd	-	500,000,000.00	50,000,000.00	-	550,000,000.00	Section 3.5.24
25	Arab Contractors Limited	3,820,618,639.40	420,000,000.00	188,981,491.00	-	608,981,491.00	Section 3.5.25
26	Zinnuche Ventures	-	300,000,000.00	65,000,000.00	-	365,000,000.00	Section 3.5.26
27	Innoson Vehicle Manufacturing Company Ltd	591,000,000.00	270,683,410.00	-	-	270,683,410.00	Section 3.5.27
28	Masta Service Company Ltd	3,050,000,000.00	200,000,000.00	380,000,000.00	-	580,000,000.00	Section 3.5.28
29	Yodel Global Resources Limited	2,811,832,328.79	200,000,000.00	354,878,048.79	-	554,878,048.79	Section 3.5.29
Sub-total		201,221,921,070.33	71,315,395,474.50	28,883,133,494.62	364,400,000.00	100,562,928,969.12	
30	Other contractors consolidated	93,602,202,295.46	-	30,583,901,622.94	730,650,000.00	31,314,551,622.94	
Total		294,824,123,365.79	71,315,434,474.50	59,467,035,117.56	1,095,050,000.00	131,877,519,592.06	

Source: Compiled by KPMG from records provided by ABSG and the circularized banks.

3.5.1 Track Care Global Construction Company Limited (Track Care) – ₦21,869,691,875.03

Per the schedule of loan provided by Cash Office, identifiable transaction narrations in the 77 bank accounts statements and records⁹² provided by the relevant MDAs, ABSG paid ₦21,869,691,875.03 to Track Care during the period of review. See details in the table below.

Table 3.5.1: Summary of payments to Track Care

Tag	S/N	Description	Amount (₦)
A	1	CFF	4,000,000,000.00
	2		2,115,000,000.00
	3		1,500,000,000.00
	4		1,400,000,000.00
	5		800,000,000.00
	6		750,000,000.00
	7		400,000,000.00
	8		276,412,500.00
	9		266,838,750.00
	10		65,000,000.00
Subtotal			11,573,251,250.00
B	Bank accounts		10,198,940,625.03
C	MDAs		97,500,000.00
Total (A+B+C)			21,869,691,875.03

Source: Compiled by KPMG from records provided by ABSG.

3.5.1.1 Payments made to Track Care through CFFs – ₦11,573,251,250.00

Of the ten (10) CFFs amounting to ₦11,573,251,250.00 paid to Track Care by UBA and Access Bank, the banks provided offer letters for seven (7) CFFs amounting to ₦8,608,251,250.00. See details below of the 7 CFFs.

⁹² This includes payment vouchers, schedule of loan utilization from Ministry of Works and interim certificates.

3.5.1.1.1 Payments of 92% of contracts amount to Track Care despite two (2) ongoing contracts – ₦4,000,000,000.00 Term Loan

- i. Per offer letter dated 16 May 2022, Track Care requested a term loan of ₦4,000,000,000.00 (92% of contract amount) to continue the execution of the following contracts:

Table 3.5.1.1.1-1: Details of contracts relating to the payment of ₦4,000,000,000.00 to Track Care

S/N	Purpose	Amount (₦)	Completion Status
1	Construction of 4.3KM Umuopara Amano Isingwu to Mboko Itungwa in Obingwa LGA with gully erosion remediation	1,487,674,927	Ongoing
2	Construction of 6.2KM Ukpakiri Abayi, Okoroato-Umuoru Ntighauzor Road in Obingwa LGA	1,143,382,325	Ongoing
3	Rehabilitation and Distilling of drain and Reconstruction of median at Azikiwe Road Aba South L.G.A (2.15KM)	787,871,175	Completed and commissioned by the former Governor in December 2022
4	Repair and overlay of failed sections along Opopo Junction/Emelogu & Azumiri Road, Obingwa & Ukwa East LGAs Abia State (2.5km)	337,154,154.80	Completed
5	Rehabilitation / Reconstruction of 2.3km Road at Clifford University, Ihie Isiala Ngwa North LGA, Abia State	326,773,152	Ministry of Works did not provide records to ascertain the status of completion
6	Construction of 1.2km Umuola-Umuobasi Estate road Aba North & Aba Obingwa L.G.A	276,622,210	Completed

Source: Compiled by KPMG from records provided by ABSG and UBA.

- ii. On 16 May 2022, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT/13% Derivation Accounts with monthly repayment amount of ₦347,300,277.46 for a period of 60 months, as repayment for the ₦4,000,000,000.00 term loan.
- iii. UBA disbursed the ₦4,000,000,000.00 term loan to the contractor in tranches as follows:
- 20 May 2022 – ₦2,000,000,000
 - 21 July 2022 – ₦1,000,000,000
 - 28 October 2022 – ₦1,000,000,000
- iv. Despite the State paying 92% contract amount via CFF, two (2) of the six (6) contracts are still ongoing, and Ministry of works did not provide the completion status for one (1) contract.

3.5.1.1.2 No record of contract award

a. ₦276,412,500.00 Term Loan

- i. Per offer letter dated 15 May 2017, Track Care requested a term loan of ₦276,412,500.00 (75% contract amount) for:

Table 3.5.1.1.2-1: Details of contracts relating to the payment of ₦276,412,500.00 to Track Care

S/N	Purpose	Amount (₦)
1	Acquisition of 17 units of KIA Mohave SUV	321,300,000.00
2	Acquisition of one (1) unit of Ford Expedition King Ranch	47,250,000.00

Source: Compiled by KPMG from records provided by ABSG and Access Bank

- ii. ABSG and Access Bank did not provide the ISPO issued by ABSG for repayment of the facility.
- iii. On 1 June 2017, Access Bank disbursed the ₦276,412,500.00 term loan to the contractor.
- iv. Per the schedules⁹³ of contracts awarded by ABSG, there is no contract supporting the payments of ₦276,412,500.00 to Trackcare and discussions with DPRS (Office of the Governor) do not indicate that the contracts exist or are part of the contracts awarded by the Office of the Governor.

b. ₦266,838,750.00 Term Loan

- i. Per offer letter dated 29 March 2017, Track Care requested a term loan of ₦266,838,750.00 (75% contract amount) for:

Table 3.5.1.1.2-2: Details of contracts relating to the payment of ₦276,412,500.00 to Track Care

S/N	Purpose	Amount (₦)
1	Acquisition of 17 units of KIA Mohave SUV	321,300,000.00
2	Acquisition of one (1) unit of Ford Expedition King Ranch	34,485,000.00

Source: Compiled by KPMG from records provided by ABSG and Access Bank.

- ii. ABSG and Access Bank did not provide the ISPO issued by ABSG for repayment of the facility.
- iii. On 29 March 2017, Access Bank disbursed the ₦266,838,750.00 term loan to the contractor.
- v. Per the schedules⁹⁴ of contracts awarded by ABSG, there is no contract supporting the payments amounting to ₦266,838,750.00 to Trackcare.

⁹³ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

⁹⁴ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

3.5.1.1.3 Other payments to Track Care through CFFs

a. ₦2,115,000,000.00 Term Loan

- i. Per offer letter dated 13 May 2022, Track Care requested a term loan of ₦2,115,000,000.00. The offer letter does not indicate the purpose of the loan.
- ii. On 14 December 2021, ABSG issued a combined⁹⁵ ISPO to UBA, instructing UBA to debit its ABSG FAAC Account or deduct from the proceeds of ₦18.7 billion Bridging Finance Facility being granted by FMF with a monthly repayment amount of ₦370,189,991.07 for a period of 6 months, as repayment for the ₦2,115,000,000.00 term loan.
- iii. On 17 January 2022, UBA disbursed the ₦2,115,000,000.00 term loan to the contractor.
- iv. The offer letter did not provide details of the reconstruction/rehabilitation work, hence, no record to identify the reconstruction the contractor is meant to utilise the ₦2,115,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

b. ₦750,000,000.00 Term Loan and ₦800,000,000.00 Term Loan

- i. Per offer letter dated 3 May 2016 and ISPO dated 29 April 2016, Track Care requested term loan of ₦750,000,000.00 to enable Track Care to continue the execution of the following construction work:

Table 3.5.1.1.1-2 : Details of contracts relating to the payments to Track Care

S/N	Purpose	Amount (₦)	Completion Status
1	Expansion / Rehabilitation of Ururuka Road from Obikabia Junction to Umuobiakwa (13KM)	1,432,853,600.00	Completed
2	Asphalt overlay of 13 km dualization of Aba/Owerri Road (2.6KM) single lane & channelization works	486,814,300.00	Completed

Source: Compiled by KPMG from records provided by ABSG and UBA.

- ii. Per the ISPO, ABSG instructed UBA to debit its ABSG FAAC Account with a monthly repayment amount of ₦89,707,367.53 for a period of 9 months, as repayment for the ₦750,000,000.00 term loan.
- iii. On 24 August 2017, Track Care requested an additional term loan of ₦800,000,000.00 to fund the construction work.
- iv. On 18 August 2017, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦52,800,000.00 for a period of 18 months, as repayment for the additional ₦800,000,000.00 term loan.

⁹⁵ The ISPO covers credit facility issued to seven (7) contractors including Track Care.

- v. On 3 May 2016 and 6 September 2017, UBA disbursed ₦750,000,000.00 and ₦800,000,000.00 term loan respectively to Track Care.
- vi. Per the schedules⁹⁶ of contracts awarded by ABSG during the period under review as provided by F&GPC and Ministry of Works, noting that both contracts was completed on 20 June 2022 and 3 March 2022.

c. ₦400,000,000.00 Term Loan

- i. Per offer letter dated 15 May 2020, Track Care requested a term loan of ₦400,000,000.00 (21% contract amount) for ongoing reconstruction in Aba.
- ii. ABSG and UBA did not provide the ISPO issued by ABSG for repayment of the facility.
- iii. On 21 May 2020, UBA disbursed the ₦400,000,000.00 term loan to the contractor.
- iv. The offer letter did not provide details of the reconstruction, hence, no record to identify the reconstruction the contractor is meant to utilise the ₦400,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

3.5.1.2 Payments made to Track Care directly from bank accounts – ₦10,198,940,625.03

3.5.1.2.1 Payments made to Track Care signed by only one signatory

- a. Of the ₦10,198,940,625.03 payments to Track Care, four (4) sample payments amounting to ₦150,000,000.00 from UBA were signed by only the Immediate Past State Cashier, which is contrary to the requirements of Section 804 of ABSG Financial Regulations, which states that “*Cheques drawn against an official bank account shall be signed by two officers, one of whom should be the officer authorised to keep the account* and UBA’s mandate of both signatories to sign payment instructions/mandates.
- b. However, UBA provided regularised copies of the payment vouchers indicating that the second signatory also subsequently authorised the payment mandates. Further details of UBA response is documented in section 4.2.1.

3.5.1.2.2 No documents supporting payments to Track Care

- a. 84 sample payments amounting to ₦4,283,095,826.60 to Track Care were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

⁹⁶ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

3.5.1.2.3 Payments to Track care with inadequate supporting documents

- a. 45 sample payments amounting to ₦2,565,100,000.00 to Track Care were only supported with PVS, which were not signed. The cash office utilized PVS instead of the required payment vouchers. The PVS are filled after payments have been made to the contractors.
- b. 12 sample payments amounting to ₦1,180,000,000.00 to Track Care were only supported with e-payment bank mandates, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded.
- c. Two (2) sample payments amounting to ₦230,000,000.00 to Track Care were not supported with e-payment mandates, this is contrary to ABSG mandates with UBA, has every payment requires a cheque or a payment mandates duly signed by both signatories.

3.5.1.3 Payments made directly to Track Care from MDA

3.5.1.3.1 No documents supporting payments to Track Care

On 16 April 2021, ABSG made payment of ₦920,000,000.00 to Ministry of Works from the credit facility of ₦1,000,000,000.00 obtained from Zenith Bank. Per the schedule of loan utilisation of ₦920,000,000.00⁹⁷ credit facility, Ministry of Works paid ₦97,500,000.00 to Track Care. Ministry of Works did not provide supporting documents to determine the business justification of the payment.

3.5.2 Ferotex Construction Company Limited (Ferotex) – ₦12,601,634,391.81

ABSG paid ₦12,601,634,391.81 to Ferotex during the period of review. See details in the table below.

Table 3.5.2: Summary of payments to Ferotex

Tag	S/N	Description	Amount (₦)
A	1	CFF	10,000,000,000.00
	2		700,000,000.00
	3		350,000,000.00
Subtotal			11,050,000,000
B	Bank accounts		1,551,634,391.81
C	MDAs		-
Total (A+B+C)			12,601,634,391.81

Source: Compiled by KPMG from records provided by ABSG.

⁹⁷ The Ministry made payments amounting to ₦927,200,000.00 to 14 contractors, as the ₦920,000,000.00 was co-mingled with other inflows in the account of Ministry of works.

3.5.2.1 Payments made to Ferotex through CFFs – ₦11,050,000.000.00

3.5.2.1.1 Payment of ₦10,000,000,000.00 Term Loan to Ferotex for apparently non-existent airport project

- a. Per offer letter dated 25 September 2020, Ferotex requested a term loan of ₦10,000,000,000.00 (80% contract amount) to continue the execution of the on-going contract awarded to them by ABSG for the construction of Abia State Airport.
- b. On 8 October 2020, ABSG issued an ISPO to UBA confirming the purpose of Ferotex request (construction of Abia State Airport), and instructing UBA to debit its ABSG FAAC/VAT Accounts with a repayment amount of ₦406,620,817.24 for a period of 30 months, and credit the contractors account domiciled with UBA the ₦10,000,000,000.00 term loan.
- c. UBA disbursed the ₦10,000,000,000.00 term loan to the contractor on 25 September 2020, which was before the date (i.e. 8 September 2020) ABSG sent an ISPO to UBA.
- d. The schedules⁹⁸ of contract awarded by ABSG during the period under review, does not include any records of the contracts, and upon enquiry the Government Officials in the Ministry of Works stated that the Contract does not exist.

3.5.2.1.2 Payment of ₦700,000,000.00 Term Loan to Ferotex for four (4) contracts

- a. Per offer letter dated 24 August 2017, Ferotex requested a term loan of ₦700,000,000.00 (40% contract amount) for the following contracts:

Table 3.5.2.1.2: Details of contracts relating to the payment of ₦700,000,000.00 to Ferotex

S/N	Purpose	Contract Value (₦)	Status
1	Reconstruction / Construction of (9.8km) Uratta Umuezeke Umuekechi Ogwe Road, with Spur Aba.	987,500,000.00	Ongoing
2	Rehabilitation/Reconstruction of (2.6KM) Umule Road Aba.	398,100,000.00	Completed
3	Various jobbing orders for three (3) roads, Bata rail crossing (5.2km), Eziukwu road (0.9km) and Omuma by Osusu (3km).	251,500,000.00	Ministry of Works did not provide records to ascertain the status of completion
4	Rehabilitation of Umuocham Road, Aba (1.8KM).	98,800,000.00	Completed

Source: Compiled by KPMG from records provided by ABSG and UBA.

⁹⁸ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

- b. On 18 August 2017, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦46,010,000.00 a period of 18 months, as repayment for the ₦700,000,000.00 term loan.
- c. On 31 August 2017, UBA disbursed the ₦700,000,000.00 term loan to the contractor.
- d. The payment of ₦700,000,000.00 represents 40% payments of the contracts.
- e. We reviewed the schedules⁹⁹ of contracts awarded by ABSG during the period under review as provided by F&GPC and Ministry of Works, noting one (1) of the two (4) contracts is still ongoing, while Ministry of works did not provide the completion status for one (1) contract.

3.5.2.1.3 **₦350,000,000.00 Term Loan**

- a. Per offer letter dated 17 June 2019, Ferotex requested a term loan of ₦350,000,000.00 for ongoing construction of different projects.
- b. The minutes of Abia state EXCO meeting dated 27 May 2019 indicates the loan is to be secured with ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦13,548,402.54 for a period of 36 months, as repayment for the ₦350,000,000.00 term loan.
- c. On 5 July 2019, UBA disbursed the ₦350,000,000.00 term loan to the contractor.
- d. The offer letter did not provide details of the construction, hence, no record to identify the construction Ferotex is meant to utilise the ₦350,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

3.5.2.2 **Payments made to Ferotex directly from bank accounts – ₦1,551,634,391.81**

3.5.2.2.1 *No documents supporting payments to Ferotex*

14 sample payments amounting to ₦790,000,000.00¹⁰⁰ to Ferotex were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.3 **Tunnel End Investment Company Limited (Tunnel End) – ₦13,405,715,359.82**

ABSG paid ₦13,405,715,359.82 to Tunnel End during the period under review. See details in the table below.

Table 3.5.3: Summary of payments to Tunnel End

Tag	S/N	Description	Amount (₦)
A	1	CFF	3,730,000,000.00
	2		1,210,000,000.00

⁹⁹ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹⁰⁰ This is per the sample payments reviewed.

Tag	S/N	Description	Amount (₦)
	3		1,100,000,000.00
	4		1,000,000,000.00
	5		1,000,000,000.00
	6		993,060,814.50
Subtotal			9,033,060,814.50
B	Bank accounts		4,323,904,545.32
C	MDAs		48,750,000.00
Total (A+B+C)			13,405,715,359.82

Source: Compiled by KPMG from records provided by ABSG.

3.5.3.1 Payments made to Tunnel End through CFF – ₦9,033,060,814.50

Of the six (6) CFFs amounting to ₦9,033,060,814.50 paid to Tunnel End from UBA and Access Bank, the banks provided offer letters for five (5) CFFs amounting to ₦8,033,060,814.50 and ABSG provided the ISPO for one (1) CFF amounting to ₦1,000,000,000.00. Findings relating to six (6) CFFs are documented in subsequent sections.

3.5.3.1.1 Payment to Tunnel End for contracts awarded / re-awarded to other contractors – ₦1,100,000,000.00 Term Loan

- a. Per offer letter dated 20 November 2017, Tunnel End requested a term loan of ₦1,100,000,000.00 to part finance the following construction works:
 - i. Obikabia-Umuere Road
 - ii. Adaelu Road
 - iii. King Jerry Mortuary Umuala Road
 - iv. Agbama Ring Road
 - v. Ozuabam Ndi Oji Arochukwu Road
 - vi. Amibo Acha-Otamkpa Road.
- b. Per the schedule of loan provided by the Cash Office, Access Bank disbursed the ₦1,100,000,000.00 term loan to the contractor for the construction on 28 December 2017.
- c. However, per the schedules¹⁰¹ of contracts award, only two (2) of the six (6) contracts, i.e. Obikabia-Umuere road and Adaelu road, were listed as contracts awarded to

¹⁰¹ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

Tunnel End. Consequently, the remaining four (4) contracts may have been awarded or re-awarded to another contractors even though Tunnel End was paid for the six (6).

3.5.3.1.2 Payment to Tunnel End for unknown projects

a. ₦3,730,000,000.00 Term Loan

- i. Per offer letter dated 24 December 2021, Tunnel End requested a term loan of ₦3,730,000,000.00 to continue with the execution of various road construction contracts.
- ii. On 14 December 2021, ABSG issued a combined¹⁰² ISPO to UBA, instructing UBA to debit its ABSG FAAC Account or deduct from the proceeds of ₦18.7 billion Bridging Finance Facility being granted by FMF with a monthly repayment amount of ₦652,852,272.66 for a period of 6 months, as repayment for the ₦3,730,000,000.00 term loan.
- iii. On 29 December 2021, UBA disbursed the ₦3,730,000,000.00 term loan to the contractor.
- iv. The offer letter did not provide details of the construction, hence, there is no record to identify the reconstruction the contractor is meant to utilise the ₦3,730,000,000.00 for, as the contractor was engaged for various construction / reconstruction projects at the time.

b. ₦1,210,000,000.00 Term Loan

- i. Per offer letter dated 6 April 2020, Tunnel End requested a term loan of ₦1,210,000,000.00 to continue with the execution of road construction contracts.
- ii. On 9 April 2020, ABSG issued a combined¹⁰³ ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦43,139,800.31 for a period of 36 months, as repayment for the ₦1,210,000,000.00 term loan.
- iii. On 21 April 2020, UBA disbursed the ₦1,210,000,000.00 term loan to the contractor.
- iv. The offer letter did not provide details of the construction, hence, there is no record to identify the reconstruction the contractor is meant to utilise the ₦1,210,000,000.00 for, as the contractor was engaged for various construction / reconstruction projects at the time.

c. ₦1,000,000,000.00 Term Loan

- i. Per offer letter dated 10 June 2019, Tunnel End requested a term loan of ₦1,000,000,000.00 for ongoing reconstruction in Aba.

¹⁰² The ISPO covers credit facility issued to seven (7) contractors including Tunnel End.

¹⁰³ The ISPO covers credit facility issued to eight (8) contractors including Tunnel End.

- ii. ABSG and UBA did not provide the ISPO issued by ABSG for repayment of the facility.
- iii. On 23 October 2019, UBA disbursed the ₦1,000,000,000.00 term loan to the contractor.
- iv. The offer letter did not provide details of the reconstruction, hence, there is no record to identify the reconstruction the contractor is meant to utilise the ₦1,000,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

d. ₦993,060,814.50 Term Loan

- i. Per offer letter dated 7 February 2017, Tunnel End requested an Advanced Payment Guarantee of ₦993,060,814.50 for ongoing reconstruction in Aba.
- ii. ABSG and Access Bank did not provide the ISPO issued by ABSG for repayment of the facility.
- iii. Per the schedule of loan provided by the Cash Office, Access Bank disbursed the ₦993,060,84.50 Advanced Payment Guarantee to the contractor for the construction on 20 November 2017.
- iv. The offer letter did not provide details of the purpose of the Advanced Payment Guarantee, hence, there is no record to identify the construction the contractor is meant to utilise the ₦993,060,84.50 for, as the contractor was engaged for various construction projects at the time.

3.5.3.1.3 Payment to Tunnel End for two (2) ongoing projects – ₦1,000,000,000.00 Term Loan

- a. UBA did not provide the offer letter and the ISPO issued by ABSG for repayment of the ₦1,000,000,000.00.
- b. However, per the schedule of loan and ISPOs provided by the Cash Office, UBA disbursed the ₦1,000,000,000.00 term loan to Tunnel End on 1 September 2019 for the following projects:
 - i. Construction of link roads to Major Economic Zones of Abia State (33.9km) – ₦3,370,832,840.00
 - Osokwa-Aro Umueje-Omoba Road 9.8km (Obingwa LGA)
 - Obehie-Umukalu Umuturu-Obaha Obohia-Ohandu Umuibe – 12km (Ukwu west/east LGA)
 - Amaise-Umuobiakwa-Ohanze Road 5.4km Obingwa LGA
 - Owo-Ahiafor-Abgurike-Ohanze Road. 7.5km Obingwa LGA
 - Ovom-Umuogele Junction-Ukuenyi-Abala-Ika (Akwa Ibom Boarder) 12km

ii. Construction of Umuocheala/Abayi-Ihie Road, Isiala Ngwa South LGA (14.5KM) at ₦2,573,537,048.00

c. Per the schedules¹⁰⁴ of contracts award, both projects are still ongoing.

3.5.3.2 Payments made to Tunnel End directly from bank accounts – ₦4,323,904,545.32

3.5.3.2.1 No documents supporting payments to Tunnel End

a. 40 sample payments totalling ₦2,791,704,545.32 to Tunnel End were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.3.2.2 Payments to Tunnel End with inadequate supporting documents

- a. Two (2) sample payments amounting to ₦300,000,000.00 to Tunnel End were only supported with PVS, which were not even signed. The cash office utilized PVS instead of the required payment vouchers. The PVS are filled after payments have been made to the contractors.
- b. 12 sample payments amounting to ₦1,180,000,000.00 to Tunnel End were only supported with e-payment bank mandates, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded..
- c. Two (2) sample payments amounting to ₦230,000,000.00 to Tunnel End were not supported with e-payment mandates, this is contrary to ABSG mandates with UBA, as every payment requires a cheque or a payment mandates duly signed by both signatories.

3.5.3.2.3 Payments to Tunnel End with approval after payments

a. Two (2) payments amounting to ₦30,000,000.00 were made before TPO approval (i.e., late approvals). This is contrary to the requirement of financial regulation stated in Section 4.3 in this report, which stipulates that, voucher is stamped “checked and passed” for payment, and duly signed to that effect by the officer checking in the appropriate place on the voucher before payment is made on such voucher.

3.5.3.3 Payments made directly to Tunnel End from MDAs

On 16 April 2021, ABSG made payment of ₦920,000,000.00 to Ministry of Works from the credit facility of ₦1,000,000,000.00 obtained from Zenith Bank. Per the schedule of loan utilisation of ₦920,000,000.00¹⁰⁵ credit facility, Ministry of Works paid ₦48,750,000.00 to

¹⁰⁴ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹⁰⁵ The Ministry paid made payments amounting to ₦927,200,000.00 to 14 contractors, as the ₦920,000,000.00 was co-mingled with other inflows in the account of Ministry of works.

Tunnel End. Ministry of Works did not provide supporting documents to determine the business justification of the payment.

3.5.4 Ekcleen Integrated Services Nigeria Limited (Ekcleen) – ₦6,150,867,896.90

ABSG paid ₦6,150,867,896.90 to Ekcleen during the period under review. See details in the table below.

Table 3.5.4: Summary of payments to Ekcleen

Tag	S/N	Description	Amount (₦)
A	1	CFF	1,500,000,000.00
	2		1,400,000,000.00
	3		500,000,000.00
	4		150,000,000.00
Subtotal			3,550,000,000.00
B	Bank accounts		2,471,467,896.90
C	MDAs		129,400,000.00
Total (A+B+C)			6,150,867,896.90

Source: Compiled by KPMG from records provided by ABSG.

3.5.4.1 Payments made to Ekcleen through CFFs – ₦3,550,000,000.00

3.5.4.1.1 Payment to Ekcleen for four (4) ongoing projects – ₦1,500,000,000.00 Term Loan

- a. Per offer letter dated 16 May 2022, Ekcleen requested a term loan of ₦1,500,000,000.00 (34% contract amount) for the following:

Table 3.5.4.1.1-1: Details of contracts relating to the payment of ₦1,500,000,000.00 to Ekcleen

S/N	Purpose	Contract Value (₦)	Status
1	Rehabilitation of Link road in Aba (5.9km).	3,760,765,027.00 ¹⁰⁶	Ongoing
2	Reconstruction of 2.2KM 4 No Road in Aba.	898,036,422.00	
3	Reconstruction of 2.2KM 4 No Road in Aba.	864,499,899.64	
4	Construction of 4.5km Umuokpo-Owo-Ahiaofor link road in Obingwa LGA.	489,862,533.00	

Source: Compiled by KPMG from records provided by ABSG.

- b. On 16 May 2022, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT/13% Derivation Accounts with a monthly repayment amount of ₦130,237,607.05 for a period of 60 months, as repayment for the ₦1,500,000,000.00 term loan.
- c. UBA disbursed the ₦1,500,000,000.00 term loan to the contractor in two (2) tranches as follows:

¹⁰⁶ Initial contract value was ₦2,149,008,587.00

- i. 20 May 2022 – ₦1,000,000,000.00
 - ii. 7 July 2022 – ₦500,000,000.00
- d. Per the schedules¹⁰⁷ of contracts awarded by ABSG during the period under review, the four (4) projects are ongoing.

3.5.4.1.2 **₦1,400,000,000.00 Term Loan**

- a. Per offer letter dated 22 December 2021, Ekcleen requested a term loan of ₦1,400,000,000.00 for the following projects:
 - i. Construction of Osusu road
 - ii. Reconstruction of link road in Aba
- b. On 14 December 2021, ABSG issued a combined¹⁰⁸ ISPO to UBA, instructing UBA to debit its ABSG FAAC Account or deduct from the proceeds of ₦18.7 billion Bridging Finance Facility being granted by FMF with a monthly repayment amount of ₦245,038,386.52 for a period of 6 months, as repayment for the ₦1,400,000,000.00 term loan.
- c. On 23 December 2021, UBA disbursed the ₦1,400,000,000.00 term loan to Ekcleen.
- d. Per the schedules¹⁰⁹ of contracts awarded by ABSG during the period under review, one (1) of the contracts is still ongoing while the Construction of Osusu road is completed.

3.5.4.1.3 **Payment for unknown project**

a. ₦500,000,000.00 Term Loan

- i. Per offer letter dated 7 June 2019, Ekcleen requested a term loan of ₦500,000,000.00 for ongoing reconstruction in Aba.
- ii. On 15 May 2019, ABSG issued an ISPO to UBA, instructing UBA to debit its FAAC/VAT Accounts with a monthly repayment amount of ₦19,354,860.78 for a period of 36 months, as repayment for the ₦500,000,000.00 term loan.
- iii. On 21 June 2019, UBA disbursed the ₦500,000,000.00 term loan to the contractor.
- iv. The offer letter did not provide details of the reconstruction, hence, there is no record to identify the road the contractor is meant to utilise the ₦500,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

¹⁰⁷ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹⁰⁸ The ISPO covers credit facility issued to seven (7) contractors including Ekcleen.

¹⁰⁹ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

b. ₦150,000,000.00 Term Loan

- i. Per offer letter dated 7 April 2020, Eckleen requested a term loan of ₦150,000,000.00 to continue the execution of ongoing reconstruction in Aba.
- ii. On 9 April 2020, ABSG issued a combined¹¹⁰ ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦4,769,959.78 for a period of 36 months, as repayment for the ₦150,000,000.00 term loan.
- iii. On 20 April 2020, UBA disbursed the ₦150,000,000.00 term loan to the contractor.
- iv. The offer letter did not provide details of the reconstruction, hence, there is no record to identify the road the contractor is meant to utilise the ₦150,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

3.5.4.2 Payments made to Eckleen directly from bank accounts – ₦2,471,467,896.90

3.5.4.2.1 Payments made to Eckleen signed by only one signatory

- a. Of the ₦2,471,467,896.90 payments to Eckleen, two (2) payments amounting to ₦103,290,790.00 were signed by only the Immediate Past State Cashier, contrary to the requirements of the Section 804 of ABSG Financial Regulations.

3.5.4.2.2 No documents supporting payments to Eckleen

- a. 12 payments amounting to ₦640,000,000.00 to Eckleen were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.4.2.3 Payments to Eckleen with inadequate supporting documents

- a. 18 sample payments amounting to ₦1,080,000,000.00 to Eckleen were only supported with PVS, which were not even signed. The cash office utilized PVS instead of the required payment vouchers. The PVS are filled after payments have been made to the contractors.
- b. One (1) sample payment of ₦200,000,000.00 to Eckleen was only supported with e-payment bank mandates, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded.
- c. One (1) sample payment of ₦20,000,000.00 to Eckleen was not supported with e-payment mandate, this is contrary to ABSG mandate with UBA, as every payment requires a cheque or a payment mandate duly signed by both signatories.

¹¹⁰ The ISPO covers credit facility issued to eight (8) contractors including Eckleen.

3.5.4.3 Payments made directly to Ekclean from MDA – ₦129,400,000.00

3.5.4.3.1 No documents supporting payments to Ekclean

On 16 April 2021, ABSG made payment of ₦920,000,000.00 to Ministry of Works from the credit facility of ₦1,000,000,000.00 obtained from Zenith Bank. Per the schedule of loan utilisation of ₦920,000,000.00¹¹¹ credit facility, Ministry of Works paid ₦129,400,000.00 to Ekclean. Ministry of Works did not provide supporting documents to determine the business justification of the payment.

3.5.5 Rock-Waters Integrated Services Nigeria Limited (Rock-Waters) – ₦4,038,000,000.00

ABSG paid ₦4,038,000,000.00 to Rock-Waters during the period under review. See details in the table below.

Table 3.5.5: Summary of payments to Rock-Waters

Tag	S/N	Description	Amount (₦)
A	1	CFF	1,800,000,000.00
	2		1,000,000,000.00
	3		220,000,000.00
Subtotal			3,020,000,000.00
B	Bank accounts		1,018,000,000.00
C	MDAs		-
Total (A+B+C)			4,038,000,000.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.5.1 Payments made to Rock-Waters through CFF – ₦3,020,000,000.00

3.5.5.1.1 Payment for unknown projects

a. ₦1,800,000,000.00 Term Loan

- i. Per offer letter dated 16 July 2019, Rock-Waters requested a term loan of ₦1,800,000,000.00 to continue the execution of contracts awarded to Rock-Waters.
- ii. On 20 May 2019, ABSG issued an ISPO to UBA, instructing UBA to debit its FAAC/VAT Accounts with a monthly repayment amount of ₦119,185,883.25 for a period of 18 months, as repayment for the ₦1,800,000,000.00 term loan.
- iii. On 24 July 2019, UBA disbursed the ₦1,800,000,000.00 term loan to Rock-Waters.

¹¹¹ The Ministry paid made payments amounting to ₦927,200,000.00 to 14 contractors, as the ₦920,000,000.00 was co-mingled with other inflows in the account of Ministry of works

- iv. The offer letter did not provide details of the contracts, hence, there is no record to identify contract the Rock-Waters is meant to utilise the ₦1,800,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

b. ₦220,000,000.00 Term Loan

- i. Per offer letter dated 3 April 2020, Rock-Waters requested a term loan of ₦220,000,000.00 to continue the execution of ongoing construction.
- ii. On 9 April 2020, ABSG issued a combined¹¹² ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦4,278,327.30 for a period of 36 months, as repayment for the ₦220,000,000.00 term loan.
- iii. On 24 April 2020, UBA disbursed the ₦220,000,000.00 term loan to Rock-Waters.
- iv. The offer letter did not provide details of the construction, hence, there is no record to identify contract the Rock-Waters is meant to utilise the ₦220,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

3.5.5.1.2 Payment for road construction project – ₦1,000,000,000.00

- a. Per offer letter dated 20 November 2017, Rock-waters requested a term loan of ₦1,000,000,000.00 to part finance the construction of link roads to major economic road in Aba.
- b. On 20 November 2017, Access Bank disbursed the ₦1,000,000,000.00 term loan to the contractor.
- c. We reviewed the schedules¹¹³ of contracts award by ABSG during the period under review, noting that the contract with a contract value of ₦3,308,518,166.00 has been completed.

3.5.5.2 Payments made to Rock-Waters directly from bank accounts – ₦1,018,000,000.00

3.5.5.2.1 Payments to Rock-Waters with inadequate supporting documents

Of the ₦1,018,000,000.00,

- a. Two (2) sample payments amounting to ₦235,200,000.00 to Rock-Waters were only supported with PVS, which were not even signed. The cash office utilized PVS instead of the required payment vouchers. The PVS are filled after payments have been made to the contractors.
- b. One (1) sample payment of ₦20,000,000.00 to Rock-Waters was only supported with e-payment bank mandates, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded.

¹¹² The ISPO covers credit facility issued to eight (8) contractors including Rock-Waters.

¹¹³ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

3.5.6 Hartland Nigeria Limited (Hartland)

ABSG paid ₦3,131,127,139.35 to Hartland during the period under review. See details in the table overleaf.

Table 3.5.6: Summary of payments to Hartland

Tag	S/N	Description	Amount (₦)
A	1	CFF	2,000,000,000.00
	2		1,000,000,000.00
Subtotal			3,000,000,000.00
B	Bank accounts		131,127,139.35
C	MDAs		-
Total (A+B+C)			3,131,127,139.35

Source: Compiled by KPMG from records provided by ABSG.

3.5.6.1 Payments made to Hartland through CFFs – ₦3,00,000,000.00

Of the two (2) CFFs amounting to ₦3,000,000,000.00 paid to Hartland by UBA and Access Bank, UBA provided offer letter for one (1) CFF amounting to ₦1,000,000,000.00. See details below of the CFF.

3.5.6.1.1 ₦1,00,000,000.00 Term Loan

- a. Per offer letter dated 31 October 2018, Hartland requested a term loan of ₦1,000,000,000.00 to discount certified invoices with a total value of ₦1,934,000,000.00 earned by Hartland to continue the reconstruction and dualization of Port Harcourt road, Aba valued at ₦9,882,752,246.40.
- b. On 1 November 2018, ABSG issued an ISPO to UBA, instructing UBA to debit its FAAC/VAT Accounts with a monthly repayment amount of ₦178,024,071.42 for a period of 6 months, as repayment for the ₦1,000,000,000.00 term loan.
- c. On 16 November 2018, UBA disbursed the ₦1,000,000,000.00 term loan to Hartland.
- d. Per the schedules¹¹⁴ of contracts award, the road project is ongoing. However, on 12 October 2023, Julius Berger commenced activities on the same road. Ministry of Works did not provide records to confirm the amount of work done by Hartland.

3.5.6.2 Payments made to Hartland directly from bank accounts – ₦131,127,139.35

- a. Per identifiable transaction narration in 77 bank accounts in 14 banks, ABSG paid ₦131,127,139.35 to Hartland.

¹¹⁴ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

3.5.7 Delhope Resources Limited (Delhope) – ₦4,789,384,959.42

ABSG paid ₦4,789,384,959.42 to Delhope during the period under review. See details in the table below.

Table 3.5.7: Summary of payments to Delhope

Tag	S/N	Description	Amount (₦)
A	1	CFF	1,240,000,000.00
	2		700,000,000.00
	3		500,000,000.00
	4		355,000,000.00
	5		200,000,000.00
Subtotal			2,995,000,000.00
B	Bank accounts		1,794,384,959.42
C	MDAs		-
Total (A+B+C)			4,789,384,959.42

Source: Compiled by KPMG from records provided by ABSG.

3.5.7.1 Payments made to Delhope through CFFs – ₦2,995,000,000.00

Of the five (5) CFFs amounting to ₦2,995,000,000.00 paid to Delhope by UBA and Access Bank, UBA provided offer letter for two (2) CFFs amounting to ₦1,595,000,000.00. See details below of the two (2) CFFs.

3.5.7.1.1 1,240,000,000 Term Loan

- a. Per offer letter dated 7 January 2022, Delhope requested a term loan of ₦1,240,000,000.00 to continue execution of the following construction works:
 - i. Construction of Umuabikwa-Owo Onicha Ngwa road.
 - ii. Rehabilitation and completion of:
 - Azikwe Road
 - Park Road
 - East Road
 - School Road
 - iii. Rehabilitation of 5km Road in Ehimiri Housing Estate Umuahia.
 - iv. Erosion control works spots along Uzuakoli Akara-Ohafia Road.
 - v. Construction of Internal Roads in FMC Umuahia.

- b. On 14 December 2021, ABSG issued a combined¹¹⁵ ISPO to UBA, instructing UBA to debit its ABSG FAAC Account or deduct from the proceeds of ₦18.7 billion Bridging Finance Facility being granted by FMF with a monthly repayment amount of ₦217,033,999.49 for a period of 6 months, as repayment for the ₦1,240,000,000.00 term loan.
- c. On 11 January 2022, UBA disbursed the ₦1,240,000,000.00 term loan to Delhope.
- d. However, per the schedules¹¹⁶ of contracts award, only three (3) of the five (5) contracts were listed on the schedules of contract. Therefore, there is no contract supporting payment to Delhope for the other two projects.

3.5.7.1.2 355,000,000.00 Term Loan

- a. Per offer letter dated 20 April 2020, Delhope requested a term loan of ₦355,000,000.00 to continue execution of ongoing road construction contracts:
- b. On 9 April 2020, ABSG issued a combined¹¹⁷ ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦12,656,718.27 for a period of 36 months, as repayment for the ₦355,000,000.00 term loan.
- c. On 24 April 2020, UBA disbursed the ₦355,000,000.00 term loan to Delhope.
- d. The offer letter did not provide details of the construction, hence, there is no record to identify contract the Delhope is meant to utilise the ₦355,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

3.5.7.2 Payments made to Delhope directly from bank – ₦1,794,384,959.42

3.5.7.2.1 No documents supporting payments to Delhope

- a. Of the ₦1,794,384,959.42, 15 sample payments amounting to ₦843,500,000.00 to Delhope were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.7.2.2 Payments to Delhope with inadequate supporting documents

- a. One (1) sample payment of ₦50,000,000.00 to Delhope was only supported with PVS, which was not even signed. The cash office utilized PVS instead of the required payment vouchers. The PVS are filled after payments have been made to the contractors.
- b. One (1) sample payment of ₦30,000,000.00 to Delhope was only supported with e-payment bank mandates, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded.

¹¹⁵ The ISPO covers credit facility issued to seven (7) contractors including Delhope.

¹¹⁶ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹¹⁷ The ISPO covers credit facility issued to eight (8) contractors including Delhope.

3.5.8 Setraco Nigeria Limited (Setraco) – ₦3,310,000,000.00

ABSG paid ₦3,310,000,000.00 to Setraco during the period under review. See details in the table below.

Table 3.5.8: Summary of payments to Setraco

Tag	S/N	Description	Amount (₦)
A	1	CFF	1,360,000,000.00
	2		1,300,000,000.00
Subtotal			2,660,000,000.00
B	Bank accounts		650,000,000.00
C	MDAs		-
Total (A+B+C)			3,310,000,000.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.8.1 Payments made to Setraco through CFFs – ₦2,660,000,000.00

a. ₦1,360,000,000.00 and ₦1,300,000,000.00 Term Loans

- i. Per offer letter dated 22 September 2016, Setraco requested term loan of ₦1,360,000,000.00 to execute the Rehabilitation of Faulks road, Aba.
- ii. Per the ISPO dated 1 September 2016, ABSG instructed UBA to debit its ABSG FAAC Account with a monthly repayment amount of ₦87,425,539.58 for a period of 18 months, as repayment for the ₦1,360,000,000.00 term loan.
- iii. On 24 August 2017, Setraco requested an additional term loan of ₦1,300,000,000.00 to fund the construction work.
- iv. On 18 August 2017, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦85,447,247.87 for a period of 18 months, as repayment for the additional ₦1,300,000,000.00 term loan.
- v. On 7 October 2016 and 11 September 2017, UBA disbursed ₦1,300,000,000.00 and ₦1,360,000,000.00 term loans respectively to Setraco.
- vi. Per the schedules¹¹⁸ of contracts award, the project is ongoing.

¹¹⁸ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

3.5.8.2 Payments made to Setraco directly from bank accounts – ₦650,000,000.00

3.5.8.2.1 Payments made to Setraco signed by only one signatory

- a. Of the ₦650,000,000.00 payments to Setraco, one (1) payment of ₦200,000,000.00 was signed by only the Former AG, which is contrary to the requirements of the Section 804 of ABSG Financial Regulations.

3.5.8.2.2 No documents supporting payments to Setraco

- a. 12 sample payments amounting to ₦640,000,000.00 to Setraco were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.8.2.3 Payments to Setraco with inadequate supporting documents

- a. One (1) sample payment of ₦200,000,000.00 to Setraco was only supported with e-payment bank mandate, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded.

3.5.9 PRO-M Limited (PRO-M) – ₦2,833,845,704.15

ABSG paid ₦2,833,845,704.15 to PRO-M during the period under review. See details of the payments to PRO-M in the table below

Table 3.5.9: Summary of payments to PRO-M

S/N	Description	Amount (₦)	Remark
A	CFF	2,500,000,000.00	See section 3.5.9.1
B	Bank accounts	333,845,704.15	Per identifiable transaction narration in 77 bank accounts in 14 banks, ABSG paid ₦333,845,704.15 to PRO-M
C	MDAs	-	
Total (A+B+C)		2,833,845,704.15	

Source: Compiled by KPMG from records provided by ABSG.

3.5.9.1 Payments made to PRO-M through CFF with no supporting documents – ₦2,500,000,000.00

- a. Per offer letter dated 9 July 2015, PRO-M requested to restructure a term loan of ₦2,120,532,345.34 to ₦2,500,000,000.00 to fund the following projects:
 - i. Resurfacing of roads
 - ii. Rehabilitation of Uwalaka and Gariki roads
 - iii. Supply and installation of computers, networks, printers, scanners and copiers for the new secretariat building and Nnamdi Azikiwe Secretariat building.

- iv. Developmental and engineering consultancy works
- b. On 7 April 2015, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦233,985,949.11 for a period of 12 months, as repayment for the ₦2,500,000.00 term loan.
- c. On 9 July 2015, UBA disbursed the ₦2,500,000.00 term loan to PRO-M.
- d. However, per the schedules¹¹⁹ of contracts award, only two (2) of the four (4) contracts were listed on the schedules of contract. Therefore, there is no contract or records supporting payment to PRO-M for resurfacing of roads and the rehabilitation of Uwalaka and Gariki roads.

3.5.10 Macamuzy Nigeria Ltd (Macamuzy) – ₦2,990,000,000.00

Whilst there are no records of contracts awarded to Macamuzy per the schedules¹²⁰ of contracts award, ABSG paid ₦2,990,000,000.00 to Macamuzy. See details in the table below.

Table 3.5.10: Summary of payments to Macamuzy

S/N	Description	Amount (₦)
A	CFF	2,500,000,000.00
B	Bank accounts	490,000,000.00
C	MDAs	-
Total (A+B+C)		2,990,000,000.00

3.5.10.1 Payments made to Macamuzy through CFF with no supporting records – ₦2,500,000,000.00

- a. Per offer letter dated 7 March 2022, Macamuzy requested a term loan of ₦2,500,000,000.00 for the continuous contract execution of the Rehabilitation of Arochukwu Road with Concrete pavement 20km and with 10km
- b. On 14 December 2021, ABSG issued a combined¹²¹ ISPO to UBA, instructing UBA to debit its ABSG FAAC Account or deduct from the proceeds of ₦18.7 billion Bridging Finance Facility being granted by FMF with a monthly repayment amount of ₦857,055,155.32 for a period of 3 months, as repayment for the ₦2,500,000,000.00 term loan.
- c. On 10 March 2022, UBA disbursed the ₦2,500,000.00 term loan to Macamuzy.

¹¹⁹ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹²⁰ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹²¹ The ISPO covers credit facility issued to seven (7) contractors including Macamuzy.

- d. Per the schedules¹²² of contracts award, there is no contract or records supporting the payments for the projects to Macamuzy. The Chief Accountant, Cash Office, without any supporting records, represented that the contracts relate to purchase of vehicle, contrary to the purpose of the term loan.

3.5.10.2 Payments made to Macamuzy directly from bank accounts – ₦490,000,000.00

3.5.10.2.1 No documents supporting payment to Macamuzy

- a. Six (6) sample payments amounting to ₦300,000,000.00 to Macamuzy were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.11 Sponmor Services Ltd (Sponmor) – ₦3,246,700,000.00

Whilst there are no records of contracts awarded to Sponmor per the schedules¹²³ of contracts award, ABSG paid ₦3,246,700,000.00 to Sponmor. See details in table below.

Table 3.5.11: Summary of payments to Sponmor

Tag	S/N	Description	Amount (₦)
A	1	CFF	1,333,300,000.00
	2		1,075,400,000.00
Subtotal			2,408,700,000.00
B	Bank accounts		838,000,000.00
C	MDAs		-
Total (A+B+C)			3,246,700,000.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.11.1 Payments made to Sponmor through CFFs with no supporting records – ₦2,408,700,000.00

a. ₦1,333,300,000.00 Term Loan

- i. Per offer letter dated 3 June 2021, Sponmor requested term loan of ₦1,333,300,000.00 to purchase of 60 Operational Vehicles for State House of Assembly, as well as Insurance cost, management fee and other related cost.
- ii. Per the ISPO dated 7 June 2021, ABSG instructed UBA to debit its ABSG FAAC Account with a monthly repayment amount of ₦73,213,011.38 for a period of 21 months, as repayment for the ₦1,333,300,000.00 term loan.
- iii. On 11 June 2021, UBA disbursed ₦1,333,300,000.00 term loan to Sponmor.

¹²² Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹²³ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

- iv. Per the schedules¹²⁴ of contracts award, there is no records supporting the payments for the projects to Sponmor. The Chief Accountant, Cash Office, without any supporting records, represented that the contracts relate to purchase of vehicle.

b. ₦1,075,400,000.00 Term Loan

- i. Per offer letter dated 24 December 2021, Sponmor requested term loan of ₦1,075,400,000.00 to purchase of vehicle for newly appointed commissioners and other State functionaries.
- ii. On 14 December 2021, ABSG issued a combined¹²⁵ ISPO to UBA, instructing UBA to debit its ABSG FAAC Account or deduct from the proceeds of ₦18.7 billion Bridging Finance Facility being granted by FMF with a monthly repayment amount of ₦188,224,486.33 for a period of 6 months, as repayment for the ₦1,075,400,000.00 term loan.
- iii. On 29 December 2021, UBA disbursed ₦1,075,400,000.00 term loan to Sponmor.
- iv. Per the schedules¹²⁶ of contracts award, there is no records supporting the payments for the projects to Sponmor.
- v. Furthermore, discussions with DPRS (Office of the Governor) do not indicate that the contracts exist or are part of the contracts awarded by the Office of the Governor.

3.5.11.2 Payments made to Sponmor directly from bank accounts – ₦838,000,000.00

3.5.11.2.1 No documents supporting payment to Sponmor

16 sample payments amounting to ₦800,000,000.00 to Sponmor were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.12 Vision Cars Ltd (Vision Cars) – ₦2,130,700,000.00

ABSG paid ₦2,130,700,000.00 through three (3) CFF to Vision Cars during the period under review. See details in the table overleaf.

Table 3.5.12: Summary of payments to Vision Cars

Tag	S/N	Description	Amount (₦)
A	1	CFF	1,075,500,000.00
	2		849,600,000.00
	3		205,600,000.00
Subtotal			2,130,700,000.00

¹²⁴ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹²⁵ The ISPO covers credit facility issued to seven (7) contractors including Sponmor.

¹²⁶ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

Tag	S/N	Description	Amount (₦)
B		Bank accounts	-
C		MDAs	-
Total (A+B+C)			2,130,700,000.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.12.1 Payments made to Vision Cars through CFFs – ₦2,130,700,000.00

3.5.12.1.1 No record of contract award

a. ₦1,075,500,000.00 Term Loan

- i. Per offer letter dated 17 September 2019, Vision Cars requested a term loan of ₦1,075,500,000.00 to supply 39 units of different Toyota vehicles to Abia State House of Assembly and other expenses including insurance and bank charges.
- ii. On 7 October 2019, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦101,179,083.60 for a period of 12 months, as repayment for the ₦1,075,000,000.00 term loan.
- iii. On 23 October 2019, UBA disbursed the ₦1,075,000,000.00 term loan to the contractor.
- iv. Per the schedules¹²⁷ of contracts awarded by ABSG, there is no contract / record supporting payment of ₦1,075,000,000.00 to Vision Cars.

b. ₦205,600,000.00 Term Loan

- i. Per offer letter dated 22 May 2020, Vision Cars requested a term loan of ₦205,600,000.00 to supply ten (10) units of Toyota Fortuner 2019 model at ₦19,500,000.00 per unit, plus 4% insurance fee.
- ii. On 27 May 2020, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦7,228,285.99 for a period of 36 months, as repayment for the ₦205,600,000.00 term loan.
- iii. On 2 June 2020, UBA disbursed the ₦205,600,000.00 term loan to the contractor.
- iv. Per the schedules¹²⁸ of contracts awarded by ABSG, there is no contract / record supporting payment of ₦205,600,000.00 to Vision Cars.
- v. Furthermore, discussions with DPRS (Office of the Governor) do not indicate that the contracts exist or are part of the contracts awarded by the Office of the Governor.

¹²⁷ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹²⁸ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

3.5.12.1.2 Payment for the supply of 45 vehicles through CFF – ₦849,600,000.00

- a. Per offer letter dated 15 March 2018, Vision Cars requested a term loan of ₦849,600,000.00 for the supply of the following to ABSG:
 - i. 30 Units of Pajero GLS 2017 Model
 - ii. 15 Units of Toyota Hilux 2017 Model
- b. On 24 April 2018, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦88,423,242.61 for the first month and 79,927,242.61 for the remaining 11 months, as repayment for the ₦849,600,000.00 term loan.
- c. UBA disbursed the ₦849,600,000.00 term loan to the contractor in two (2) tranches as follows:
 - i. 10 May 2018 – ₦434,240,000.00
 - ii. 19 July 2018 – ₦415,360,000.00
- d. We reviewed the schedules of contracts award by ABSG during the period under review, noting that the contract was completed.

3.5.13 Effdee Nigeria Ltd (Effdee) – ₦2,040,000,000.00

Per the schedule of loan provided by Cash Office, identifiable transaction narrations in the 77 bank accounts statements and records¹²⁹ provided by the relevant MDAs, ABSG paid ₦2,040,000,000.00 to Effdee during the period of review. See details in the table below.

Table 3.5.13: Summary of payments to Effdee

S/N	Description	Amount (₦)	Remarks
A	CFF	2,000,000,000.00	<ol style="list-style-type: none"> a. Per offer letter dated 20 August 2020, Effdee requested a term loan of ₦2,000,000,000.00 to continue the execution of ongoing road construction contracts in Aba. b. On 21 August 2020, ABSG issued a ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦82,297,933.90 for a period of 30 months, as repayment for the ₦2,000,000,000.00 term loan. c. On 21 August 2020, UBA disbursed the ₦2,000,000,000.00 term loan to Effdee. d. The offer letter did not provide details of the construction, hence, there is no record to identify

¹²⁹ This includes payment vouchers, schedule of loan utilization from Ministry of Works and interim certificates.

S/N	Description	Amount (₦)	Remarks
			contract Effdee is meant to utilise the ₦2,000,000,000.00. However, per the schedules of contract award, Ministry of Works and ASOPADEC awarded Effdee two (2) contracts for the construction of Itungwa-Owo Ohanze Road (8.1km) and Construction of 10KM Ugwuati-Obokwe-Uratta Road.
B	Bank accounts	-	Per payment vouchers, ASOPADEC paid ₦40,000,000.00 to Effdee in relation to one (1) contract for the “Construction of 10km Ugwuati-Obokwe-Uratta Road” in Umuahia.
C	MDAs	40,000,000.00	N/A
Total (A+B+C)		2,040,000,000.00	

Source: Compiled by KPMG from records provided by ABSG.

3.5.14 Logistics De-Luke Limited (Logistics De-Luke) – ₦2,358,348,720.00

ABSG paid ₦2,358,348,720.00 to Logistics De-Luke during the period of review. See details in the table below.

Table 3.5.14: Summary of payments to Logistics De-Luke

S/N	Description	Amount (₦)
A	CFF	2,000,000,000.00
B	Bank accounts	358,348,720.00
C	MDAs	-
Total (A+B+C)		2,358,348,720.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.14.1 Payment to Logistics De-Luke through CFF on unidentified project – ₦2,000,000,000.00

- a. Per offer letter dated 30 May 2022, Logistics De-Luke requested a term loan of ₦2,000,000,000.00 (83% contract amount) to facilitate immediate payment upon confirmation of delivery of 22 different brand-new vehicles to ABSG.
- b. On 16 May 2022, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT/13% Derivation Accounts with a monthly repayment amount of ₦173,650,138.73 for a period of 60 months, as repayment for the ₦2,000,000,000.00 term loan.

- c. UBA disbursed the ₦2,000,000,000.00 term loan to the contractor in tranches as follows:
 - i. 6 June 2022 – ₦1,682,000,000.00
 - ii. 1 September 2022 – ₦318,000,000.00
- d. The schedules¹³⁰ of contracts award during the period under review provided by ABSG did not indicate any contract awarded to Logistics De-Luke, therefore, there is no contract supporting payment to Logistics De-Luke.
- e. Furthermore, discussions with DPRS (Office of the Governor) do not indicate that the contracts exist or are part of the contracts awarded by the Office of the Governor.

3.5.14.2 Payments made to Logistics De-Luke directly from bank accounts – ₦358,348,720.00

3.5.14.2.1 No documents supporting payments to Logistics De-Luke

- a. Five (5) sampled payments amounting to ₦129,000,000.00 to Logistics De-Luke were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.14.2.2 Payments to Logistics De-Luke with inadequate supporting documents

- a. Five (5) sample payments amounting to ₦89,348,720.00 to Logistics De-Luke were only supported with e-payment bank mandates, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded.
- b. One (1) sample payment of ₦50,000,000.00 to Logistics De-Luke was only supported with PVS, which were not even signed. The cash office utilized PVS instead of the required payment vouchers. The PVS are filled after payments have been made to the contractors.
- c. One (1) sample payment of ₦25,000,000.00 to Logistics De-Luke was not supported with e-payment mandate, this is contrary to ABSG mandate with UBA, has every payment requires a cheque or a payment mandate duly signed by both signatories.

3.5.15 China Zhonghao Nigeria Limited (China Zhonghao) – ₦2,020,161,386.88

Per the schedule of loan provided by Cash Office, identifiable transaction narrations in the 77 bank accounts statements and records provided by the relevant MDAs, ABSG paid ₦2,020,161,386.88 to China Zhonghao during the period of review. See details in table 3.5.15.

¹³⁰ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

Table 3.5.15: Summary of payments to China Zhonghao

Tag	S/N	Description	Amount (₦)
A	1	CFF	1,100,000,000.00
	2		300,000,000.00
	3		300,000,000.00
Subtotal			1,700,000,000.00
B	Bank accounts		320,161,386.88
C	MDAs		-
Total (A+B+C)			2,020,161,386.88

Source: Compiled by KPMG from records provided by ABSG.

3.5.15.1 Payments made to China Zhonghao through CFFs – ₦1,700,000,000.00

- a. China Zhonghao requested for three (3) separate term loans totaling ₦1,700,000,000.00 to execute the construction of a flyover concrete bridge at Osioma roundabout, Aba. See details of offer letter below:
 - i. 17 June 2019 – ₦1,100,000,000.00
 - ii. 22 August 2017 – ₦300,000,000.00
 - iii. 6 April 2020 – ₦300,000,000.00
- b. Per ISPO, ABSG instructed UBA to debit its ABSG FAAC Account with a total monthly repayment of ₦72,995,107.63, as repayment for the ₦1,700,000,000.00 term loan obtained. See details below

Table 3.5.1.15.1: Details of ISPO

S/N	ISPO Date	Loan Amount (₦)	Tenure (months)	Monthly Repayment (₦)	Disbursement Date
1	15-May-19	1,100,000,000.00	36	42,580,693.71	26-Jun-19
2	18-Aug-17	300,000,000.00	18	10,695,818.26	31-Aug-17
3	9-Apr-20	300,000,000.00	36	19,718,595.66	20-Apr-20
Total		1,700,000,000.00		72,995,107.63	

Source: Compiled by KPMG from records provided by UBA.

- c. Per the schedules¹³¹ of contracts award, the project is completed and commissioned.

¹³¹ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

3.5.15.2 Payments made to China Zhonghao directly from bank accounts – ₦320,161,386.88

3.5.15.2.1 Payments made to China Zhonghao signed by only one signatory

- a. Of the ₦320,161,386.88 payments to China Zhonghao, one (1) a sample payment of ₦90,000,000.00 was signed by only the Immediate past State Cashier, which is contrary to the requirements of the Section 804 of ABSG Financial Regulations.

3.5.15.2.2 No documents supporting payments to China Zhonghao

- a. Two (2) sample payments amounting to ₦132,580,693.71 to China Zhonghao were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.16 Dawn ‘N’ Daisy Integrated Service Limited (Dawn ‘N’ Daisy) – ₦3,585,400,000.00

Per the schedule of loan provided by Cash Office, identifiable transaction narrations in the 77 bank accounts statements and records provided by the relevant MDAs, ABSG paid ₦3,585,400,000.00 to Dawn ‘N’ Daisy during the period of review. See details in the table below.

Table 3.5.16: Summary of payments to Dawn ‘N’ Daisy

Tag	S/N	Description	Amount (₦)
A	1	CFF	1,200,000,000.00
	2		350,000,000.00
Subtotal			1,550,000,000.00
B	Bank accounts		2,035,400,000.00
C	MDAs		-
Total (A+B+C)			3,585,400,000.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.16.1 Payments made to Dawn ‘N’ Daisy through CFFs – ₦1,550,000,000.00

Of the two (2) CFFs amounting to ₦1,550,000,000.00 paid to Dawn ‘N’ Daisy by UBA, the bank provided offer letter for one (1) CFF amounting to ₦350,000,000.00. See details below of the CFF.

a. ₦350,000,000.00 Term Loan

- i. Per offer letter dated 18 June 2019, Dawn ‘N’ Daisy requested a term loan of ₦350,000,000.00 to continue the execution of ongoing reconstruction in Aba.
- ii. The minutes of Abia state EXCO meeting dated 27 May 2019 indicates the loan is to be secured with ABSG FAAC/VAT Accounts with a monthly repayment amount

of ₦13,548,402.54 for a period of 36 months, as repayment for the ₦350,000,000.00 term loan.

- iii. On 28 June 2019, UBA disbursed the ₦350,000,000.00 term loan to Dawn ‘N’ Daisy.
- iv. The offer letter did not provide details of the construction project, hence, available information is insufficient to identify the construction project that Dawn ‘N’ Daisy is meant to utilise the ₦350,000,000.00 term loan for, as the contractor was engaged for various reconstruction projects at the time.

3.5.16.2 Payments made to Dawn ‘N’ Daisy directly from bank accounts – ₦2,035,400,000.00

3.5.16.2.1 Payments made to Dawn ‘N’ Daisy signed by only one signatory

- a. Of the ₦2,035,400,000.00 payments to Dawn ‘N’ Daisy, one (1) sample payment of ₦90,000,000.00 were signed by only the Immediate past State Cashier, which is contrary to the requirements of the Section 804 of ABSG Financial Regulations.
- b. However, UBA provided regularised copies of the payment vouchers indicating that the second signatory also subsequently authorised the payment mandates. Further details of UBA response is documented in section 4.2.1.

3.5.16.2.2 No documents supporting payments to Dawn ‘N’ Daisy

- a. Nine (9) sample payments amounting to ₦1,045,500,000.00 to Dawn ‘N’ Daisy were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.16.2.3 Payments to Dawn ‘N’ Daisy with inadequate supporting documents

- a. Three (3) sample payments amounting to ₦350,000,000.00 to Dawn ‘N’ Daisy were only supported with PVS, which were not even signed.
- b. One (1) sample payment of ₦25,000,000.00 to Dawn ‘N’ Daisy was only supported with e-payment bank mandates, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded.

3.5.17 Blessed Henken Company Limited (Blessed Henken) – ₦1,500,000,000.00

Per the schedule of loan provided by Cash Office, identifiable transaction narrations in the 77 bank accounts statements and records¹³² provided by the relevant MDAs, ABSG paid ₦1,500,000,000.00 through CFF to Blessed Henken during the period of review. See details in the table 3.5.17.

Table 3.5.17: Summary of payments to Blessed Henken

¹³² This includes payment vouchers, schedule of loan utilization from Ministry of Works and interim certificates.

S/N	Description	Amount (₦)	Remarks
A	CFF	1,500,000,000.00	<p>a. UBA did not provide offer letter, and ISPO issued by ABSG for the repayment of ₦1,500,000,000.00 CFF disbursed to Blessed Henken. Hence, available information is insufficient to identify the project and its purpose as well as the loan amount and disbursement date.</p> <p>b. The Chief Accountant, Cash Office, without any supporting records, represented that the contracts relate to construction of Ariaria market.</p>
B	Bank accounts	-	
C	MDAs	-	
Total (A+B+C)		1,500,000,000.00	

Source: Compiled by KPMG from records provided by ABSG Cash Office.

3.5.18 Pumeco Industries Nigeria Limited (Pumeco) – ₦1,559,983,017.97

ABSG paid ₦1,559,983,017.97 to Pumeco during the period under review. See details in the table below.

Table 3.5.18: Summary of payments to Pumeco

S/N	Description	Amount (₦)
A	CFF	1,239,600,000.00
B	Bank accounts	320,383,017.97
C	MDAs	-
Total (A+B+C)		1,559,983,017.97

Source: Compiled by KPMG from records provided by ABSG.

3.5.18.1 Payments made to Pumeco through CFF – ₦1,239,600,000.00

- a. Per offer letter dated 12 January 2022, Pumeco requested a term loan of ₦1,239,600,000.00 to continue the construction/reconstruction of the following roads:
 - i. Umuwaya Road, Niger Road and 5 roads in Federal Low Cost Housing Estate Umuahia (6.69KM)
 - ii. Internal Access Road, Parking Lots and Erosion control in Abia State House of Assembly
 - iii. 9 roads in Umuahia including:
 - Umuezeagwu-Mbom Road
 - Nkata-Ameke Road

- Ahiaeke Okwuta-Bende Road
 - Agbo-Umueze Road
 - Umueze-Mbom Road
 - Umuoji Road
 - Umufia-Ludu-Ahiaeke Road
 - Mgboko Road
 - Amuzukwu-Mbom Road
- b. On 14 December 2021, ABSG issued a combined ISPO to UBA, instructing UBA to debit its ABSG FAAC Account or deduct from the proceeds of ₦18.7 billion Bridging Finance Facility being granted by FMF with a monthly repayment amount of ₦216,963,988.00 for a period of 6 months, as repayment for the ₦1,239,600,000.00 term loan.
- c. On 18 January 2022, UBA disbursed the ₦1,239,600,000.00 term loan to Pumeco.
- d. Per the schedules¹³³ of contracts awarded by ABSG during the period under review the contracts is two (2) of the three (3) projects are completed.

3.5.18.2 Payments made to Pumeco directly from bank accounts with inadequate supporting documents – ₦320,383,017.97

- a. One (1) sample payment of ₦100,000,000.00 was supported with only e-payment bank mandates, hence, there is no information to ascertain the business justification and to identify payments per the contracts awarded.
- b. One (1) sample payment of ₦50,000,000.00 was supported with only PVS, which were not even signed. The cash office utilized PVS instead of the required payment vouchers. The PVS are filled after payments have been made to the contractors.

3.5.19 Sannan Jadoon International Limited (Sannan Jadoon) – ₦998,750,000.00

ABSG paid ₦998,750,000.00 to Sannan Jadoon during the period under review. See details in the table below.

Table 3.5.19: Summary of payments to Sannan Jadoon

Tag	S/N	Description	Amount (₦)
A	1	CFF	400,000,000.00
	2		300,000,000.00
Subtotal			700,000,000.00
B	Bank accounts		250,000,000.00

¹³³ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

Tag	S/N	Description	Amount (₦)
C	MDAs		48,750,000.00
Total (A+B+C)			998,750,000.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.19.1 Payments made to Sannan Jadoon through CFF – ₦700,000,000.00

a. ₦400,000,000.00 Term Loan

- i. Per offer letter dated 16 July 2019, Sannan Jadoon requested a term loan of ₦400,000,000.00 for ongoing reconstruction in Aba.
- ii. On 15 May 2019, ABSG issued an ISPO to UBA, instructing UBA to debit its FAAC/VAT Accounts with a monthly repayment amount of ₦15,483,888.62 for a period of 36 months, as repayment for the ₦400,000,000.00 term loan.
- iii. On 19 July 2019, UBA disbursed the ₦400,000,000.00 term loan to the Sannan Jadoon.
- iv. The offer letter did not provide details of the reconstruction, hence, there is no record to identify the road the contractor is meant to utilise the ₦400,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

b. ₦300,000,000.00 Term Loan

- i. Per offer letter dated 31 March 2020, Sannan Jadoon requested a term loan of ₦300,000,000.00 for reconstruction of road drainage in Aba.
- ii. ABSG and UBA did not provide the ISPO issued by ABSG for repayment of the facility.
- iii. On 21 April 2020, UBA disbursed the ₦300,000,000.00 term loan to the contractor.
- iv. The offer letter did not provide details of the road, hence, there is no record to identify the reconstruction the contractor is meant to utilise the ₦1,000,000,000.00 for, as the contractor was engaged for various reconstruction projects at the time.

3.5.19.2 Payments made to Sannan Jadoon directly from bank accounts – ₦250,000,000.00

3.5.19.2.1 Payments to Sannan Jadoon with inadequate supporting documents

- a. Two (2) sample payments amounting to ₦100,000,000.00 to Sannan Jadoon were only supported with PVS, which were not even signed.

3.5.19.2.2 No documents supporting payments to Sannan Jadoon

- a. Two (2) sample payments amounting to ₦60,000,000.00 to Sannan Jadoon were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.19.3 Payments made directly to Sannan Jadoon from MDA – ₦48,750,000.00

3.5.19.3.1 No documents supporting payments to Sannan Jadoon

On 16 April 2021, ABSG made payment of ₦920,000,000.00 to Ministry of Works from the credit facility of ₦1,000,000,000.00 obtained from Zenith Bank. Per the schedule of loan utilisation of ₦920,000,000.00¹³⁴ credit facility provided by Ministry of Works, the Ministry paid ₦48,750,000.00 to Sannan Jadoon. The Ministry did not provide supporting documents to determine the business justification of the payment.

3.5.20 Chintech Electro Nigeria Limited (Chintech) – ₦1,339,075,568.00

Whilst there are no records of contracts awarded to Chintech per the schedules¹³⁵ of contracts award, ABSG paid ₦1,189,075,568.00 to Chintech. See details in the table below.

Table 3.5.20: Summary of payments to Chintech

S/N	Description	Amount (₦)	Observations
A	CFF	650,000,000.00	<ul style="list-style-type: none"> a. Per offer letter dated 15 January 2019, Chintech requested a term loan of ₦650,000,000.00 to continue the execution of several contracts. b. On 16 January 2019, ABSG issued a ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦225,024,780.22 for a period of 3 months, as repayment for the ₦650,000,000.00 term loan. c. On 23 January 2019, UBA disbursed the ₦650,000,000.00 term loan to Chintech. d. The schedules¹³⁶ of contracts award during the period under review provided by ABSG did not indicate any contract awarded to Chintech, therefore, there is no contract supporting payment to Chintech.
B	Bank accounts	689,075,568.00	<p>Of 689,075,568.00,</p> <ul style="list-style-type: none"> a. Two (2) payments amounting to ₦150,000,000.00 were supported with only PVS, which were not even signed.

¹³⁴ The Ministry paid made payments amounting to ₦927,200,000.00 to 14 contractors, as the ₦920,000,000.00 was co-mingled with other inflows in the account of Ministry of works.

¹³⁵ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹³⁶ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

S/N	Description	Amount (₦)	Observations
			b. One (1) payment of ₦15,000,000.00 was not supported with payment voucher and e-payment bank mandate to ascertain the business justification and to identify payments per the contracts awarded.
C	MDAs	-	
Total (A+B+C)		1,189,075,568.00	

Source: Compiled by KPMG from records provided by ABSG.

3.5.21 Blessed Ugo Frank Global Ventures (Blessed Ugo) – ₦652,000,000.00

Whilst there are no records of contracts awarded to Blessed Ugo per the schedules¹³⁷ of contracts award, ABSG paid ₦652,000,000.00 to Blessed Ugo. See details in the table below:

Table 3.5.21: Summary of payments to Blessed Ugo

S/N	Description	Amount (₦)	Remarks
A	CFF	640,000,000.00	<p>a. Per offer letter dated 25 February 2020, Blessed Ugo requested a term loan of ₦640,000,000.00 for the supply of 34 units of Toyota vehicles to Abia State Government.</p> <p>b. On 17 February 2020, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦23,137,533.14 for a period of 36 months, as repayment for the ₦640,000,000.00 term loan.</p> <p>c. On 27 February 2020, UBA disbursed the ₦640,000,000.00 term loan to Blessed Ugo.</p> <p>d. Per the schedules¹³⁸ of contracts awarded by ABSG, there is no contract / record supporting payment of ₦640,000,000.00 to Blessed Ugo.</p> <p>e. Furthermore, discussions with DPRS (Office of the Governor) do not indicate that the</p>

¹³⁷ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹³⁸ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

S/N	Description	Amount (₦)	Remarks
			contracts exist or are part of the contracts awarded by the Office of the Governor.
B	Bank accounts	12,000,000.00	
C	MDAs	-	
Total (A+B+C)		652,000,000.00	

Source: Compiled by KPMG from records provided by ABSG.

3.5.22 Universal Energy Oil & Gas Limited (Universal Energy) – ₦524,439,000.00

Per the schedule of loan provided by Cash Office, identifiable transaction narrations in the 77 bank accounts statements and records¹³⁹ provided by the relevant MDAs, ABSG paid ₦524,439,000.00 through CFF to Universal Energy during the period of review. See details in the table below.

Table 3.5.17: Summary of payments to Universal Energy

S/N	Description	Amount (₦)
A	CFF	524,439,000.00
B	Bank accounts	-
C	MDAs	-
Total (A+B+C)		524,439,000.00

Source: Compiled by KPMG from records provided by ABSG Cash Office.

3.5.22.1 Payment to Universal Energy through CFF on unidentified project – ₦524,439,000.00

- a. Per offer letter dated 23 September 2019, Universal Energy requested a term loan of ₦524,439,000.00 for supply of 28 units of different Toyota Fortuner 2019 Model.
- b. On 7 October 2019, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦49,337,291.88 for a period of 12 months, as repayment for the ₦524,439,000.00 term loan.
- c. On 15 November 2019, UBA disbursed the ₦524,439,000.00 term loan to the contractor.
- d. The schedules¹⁴⁰ of contracts award during the period under review provided by ABSG did not indicate any contract awarded to Universal Energy, therefore, there is no contract supporting payment to Universal Energy.

¹³⁹ This includes payment vouchers, schedule of loan utilization from Ministry of Works and interim certificates.
¹⁴⁰ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

- e. Furthermore, discussions with DPRS (Office of the Governor) do not indicate that the contracts exist or are part of the contracts awarded by the Office of the Governor.
- f. Online sources¹⁴¹ reflect that Universal Energy is an Oil and Gas servicing company that markets petroleum product, and is not involve in the sales of cars.

3.5.23 Bulletine Construction Company Limited (Bulletine) – ₦557,600,000.00

ABSG paid ₦557,600,000.00 to Bulletine during the period under review. See details in the table below.

Table 3.5.23: Summary of payments to Bulletine

S/N	Description	Amount (₦)	Remarks
A	CFF	500,000,000.00	<ul style="list-style-type: none"> a. UBA did not provide offer letter, and ISPO issued by ABSG for the repayment of ₦500,000,000.00 CFF disbursed to Bulletine, hence, there is no sufficient information to identify the project the contractor is meant to utilise the loan amount and disbursement date. b. However, per a letter dated 8 June 2017 addressed to the Commissioner of Works, Bulletine Construction requested for an ISPO for the payment of the balance of a contract value for the construction for the “re-construction of Abiriba Junction-Etitiama round-about road Nkporo” same contract for which JMK received a CFF of ₦550,000,000.00. There is no indication if the CFF was granted to Bulletine.
B	Bank accounts	57,600,000.00	
C	MDAs	-	
Total (A+B+C)		557,600,000.00	

Source: Compiled by KPMG from records provided by ABSG.

3.5.24 JMK Construction Company Limited – ₦550,000,000.00

Whilst there are no records of contracts awarded to JMK per the schedules¹⁴² of contracts award, ABSG paid ₦550,000,000.00 to JMK during the period under review. See details in the table below.

Table 3.5.24: Summary of payments to JMK

S/N	Description	Amount (₦)
A	CFF	500,000,000.00
B	Bank accounts	50,000,000.00

¹⁴¹ Retrieved from <https://www.dnb.com/business-directory/company->

¹⁴² Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

S/N	Description	Amount (₦)
C	MDAs	-
Total (A+B+C)		550,000,000.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.24.1 Payment to JMK through CFF for road re-construction may have been awarded to another contractor – ₦500,000,000.00

- a. Per offer letter dated 18 July 2019, JMK requested a term loan of ₦500,000,000.00 for re-construction of Abiriba Junction-Etitiama round-about road Nkporo, Ohaafia LGA (7.0KM).
- b. On 20 May 2019, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Accounts with a monthly repayment amount of ₦19,354,860.78 for a period of 36 months, as repayment for the ₦500,000,000.00 term loan.
- c. On 24 July 2019, UBA disbursed the ₦500,000,000.00 term loan to JMK.
- d. We reviewed the schedules¹⁴³ of contracts award and contract file during the period under review, noting that:
 - i. JMK submitted a bid for the project on 16 January 2016, while Bulletine Construction Ltd submitted a bid for the contract on 20 January 2016.
 - ii. Bulletine Construction Ltd won and completed the contract.
 - iii. There is no contract awarded to JMK during the period of review.
- e. JMK and Bulletine are related entities as Faysal Harb is a Director in both entities.

3.5.24.2 Payment made to JMK directly from bank accounts – ₦50,000,000.00

3.5.24.2.1 No documents supporting payment of ₦50,000,000.00 to JMK

The payment of ₦50,000,000.00 to JMK was not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.25 Arab Contractors Limited (Arab Contractors) – ₦608,981,491.00

ABSG paid ₦608,981,491.00 to Arab Contractors during the period under review. See details in the table below

Table 3.5.25: Summary of payments to Arab Contractors

S/N	Description	Amount (₦)	Remarks
A	CFF	420,000,000.00	a. Per offer letter dated 26 June 2019, Arab Contractors requested a term loan of

¹⁴³ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

S/N	Description	Amount (₦)	Remarks
			<p>₦420,000,000.00 to continue the execution of Aba Road, Umuahia from railway crossing to Eastern Comfort Hotel (Dual Carriageway) 2.65km.</p> <p>b. On 15 May 2019, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦16,258,083.05 for a period of 36 months, as repayment for the ₦420,000,000.00 term loan.</p> <p>c. On 5 July 2019, UBA disbursed the ₦420,000,000.00 term loan to Arab Contractors.</p> <p>d. Per the schedules¹⁴⁴ of contracts award, the project was completed in 2021.</p>
B	Bank accounts	188,981,491.00	
C	MDAs	-	
Total (A+B+C)		608,981,491.00	

Source: Compiled by KPMG from records provided by ABSG.

3.5.26 Zinnuche Ventures (Zinnuche) – ₦365,000,000.00

Whilst there are no records of contracts awarded to Zinnuche per the schedules¹⁴⁵ of contracts award, ABSG paid ₦365,000,000.00 to Zinnuche during the period under review. See details in the table below.

Table 3.5.26: Summary of payments to Zinnuche

S/N	Description	Amount (₦)	Remarks
A	CFF	300,000,000.00	<p>a. UBA did not provide offer letter, and ISPO issued by ABSG for the repayment of ₦300,000,000.00 CFF disbursed to Zinnuche, hence, there is no sufficient information to identify the project the contractor is meant to utilise the ₦300,000,000.00.</p> <p>b. However, per the schedule of loan provided by Cash Office, UBA disbursed the amount to Zinnuche on 1 December 2021.</p>

¹⁴⁴ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

¹⁴⁵ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

S/N	Description	Amount (₦)	Remarks
B	Bank accounts	65,000,000.00	Of 65,000,000.00, a payment of 25,000,000.00 was supported with only PVS, which was not even signed.
C	MDAs	-	
Total (A+B+C)		365,000,000.00	

Source: Compiled by KPMG from records provided by ABSG.

The Chief Accountant, Cash Office, without any supporting records, represented that the contracts relate to purchase of vehicle.

3.5.27 Innoson Vehicle Manufacturing Company Limited (Innoson) – ₦270,683,410.00

Per the schedule of loan provided by Cash Office, Offer letters and ISPOs provided by UBA and Access Bank, identifiable transaction narrations in the 77 bank accounts statements and records¹⁴⁶ provided by the relevant MDAs, ABSG paid ₦270,683,410.00 through CFF to Innoson during the period of review. See details in the table below.

Table 3.5.27: Summary of payments to Innoson

S/N	Description	Amount (₦)	Remarks
A	CFF	270,683,410.00	a. UBA did not provide offer letter, and ISPO issued by ABSG for the repayment of ₦270,683,410.00 CFF disbursed to Innoson, hence, there is no sufficient information to identify the project the contractor is meant to utilise the loan amount. b. However, per the schedule of loan provided by Cash Office, UBA disbursed the amount to Innoson on 5 July 2019.
B	Bank accounts	-	
C	MDAs	-	
Total (A+B+C)		270,683,410.00	

3.5.28 Masta Service Company Limited (Masta Service) – ₦580,000,000.00

ABSG paid ₦580,000,000.00 to Masta Service during the period under review. See details in the table below.

Table 3.5.28: Summary of payments to Masta Service

¹⁴⁶ This includes payment vouchers, schedule of loan utilization from Ministry of Works and interim certificates.

S/N	Description	Amount (₦)
A	CFF	200,000,000.00
B	Bank accounts	380,000,000.00
C	MDAs	-
Total (A+B+C)		580,000,000.00

Source: Compiled by KPMG from records provided by ABSG.

3.5.28.1 Payments made to Masta Service through CFF for road construction – ₦200,000,000.00

- a. Per offer letter dated 23 August 2017, Masta Service requested a term loan of ₦200,000,000.00 to execute the construction of 34km Ozu Abam-Ndi Oji Abam-Ndi Okereke Arochukwu Road and Bridge with a contract value of ₦3,050,000,000.00.
- b. On 18 August 2017, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦13,145,730.44 for a period of 18 months, as repayment for the ₦200,000,000.00 term loan.
- c. On 8 September 2017, UBA disbursed the ₦200,000,000.00 term loan to Masta Service.
- d. Per the schedules¹⁴⁷ of contracts awarded by ABSG during the period under review the contracts is still ongoing.
- e. Further discussions with the DPRS, MOW indicated that the project was reawarded by the present administration to another contractor, which he did not specify.

3.5.28.2 Payment made to Masta Service directly from bank accounts – ₦380,000,000.00

3.5.28.2.1 No documents supporting payment of ₦40,000,000.00 to Masta Service

Per the Bank narration, ABSG paid ₦40,000,000.00 to Masta Service for the construction of Ozu Abam-Ndi Oji Abam-Ndi Okereke Arochukwu Road and Bridge. The narration of the transaction was “TRF MASTA SERV LTD /OZU ABAM NDI OKEREKE”. However, the payments was not supported with payment vouchers and e-payment bank mandates.

3.5.29 Yodel Global Resources Limited (Yodel) – ₦554,878,048.79

ABSG paid ₦554,878,048.79 to Yodel during the period under review. See details in the table overleaf.

Table 3.5.29: Summary of payments to Yodel

¹⁴⁷ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

S/N	Description	Amount (₦)	Remarks
A	CFF	200,000,000.00	<p>a. Per offer letter dated 24 August 2017, Yodel requested a term loan of ₦200,000,000.00 to fund the construction of 24km road from Nkpa to Ofeme Road, Aba.</p> <p>b. On 18 August 2017, ABSG issued an ISPO to UBA, instructing UBA to debit its ABSG FAAC/VAT Account with a monthly repayment amount of ₦13,145,730.44 for a period of 18 months, as repayment for the ₦200,000,000.00 term loan.</p> <p>c. On 7 September 2017, UBA disbursed the ₦200,000,000.00 term loan to Yodel.</p> <p>d. Per the schedules¹⁴⁸ of contracts award, the project is ongoing.</p>
B	Bank accounts	354,878,048.79	Of ₦354,878,048.79, two (2) payments amounting to ₦50,000,000.00 were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.
C	MDAs	-	
Total (A+B+C)		554,878,048.79	

Source: Compiled by KPMG from records provided by ABSG.

3.5.30 Findings from review of payments relating to other contractors

3.5.30.1 Payments made to other contractors directly from bank accounts

3.5.30.1.1 Payments made to 12 contractors signed by only one signatory

- a. 14 sample payments amounting to ₦424,485,866.44 to 12 contractors were signed by only one of the two required signatories, which is contrary to the requirements of Section 804 of ABSG Financial Regulations, which states that “Cheques drawn against an official bank account shall be signed by two officers, one of whom should be the officer authorised to keep the account and UBA’s mandate of both signatories to sign payment instructions/mandates. See table below for details.

Table 3.5.30: Summary of payments to contractors signed by only one signatory

S/N	Bank	Contractor	No. of payments	Amount (₦)	Signed only by:
1	UBA	Cagewox Dot Net	2	153,585,866.44	Immediate past State Cashier
2	UBA	Vision And Wealth Nig	1	52,000,000.00	Immediate past State Cashier

¹⁴⁸ Schedule of contracts awarded provided by Ministry of Works, Housing, Office of the Governor and Education, F&GPC and downloaded from Abia State E-Procurement Website.

S/N	Bank	Contractor	No. of payments	Amount (₦)	Signed only by:
3	UBA	B.O.K Company Limited	1	22,500,000.00	Immediate past State Cashier
4	UBA	Chikwe Tech Nigeria Ltd	1	9,000,000.00	Immediate past State Cashier
5	UBA	Inspiration Function Ltd	1	6,000,000.00	Immediate past State Cashier
6	UBA	Macordel Nig Ltd	1	5,000,000.00	Immediate past State Cashier
7	UBA	Trustlink Ventures Nig Ltd	2	4,500,000.00	State Cashier
8	Access	Worldwide Environment Technologies	1	100,000,000.00	State Cashier
9	Access	Mekaa Investment Services Ltd	1	50,000,000.00	State Cashier
10	Zenith	Dicemokad Consultants Nig Ltd	1	5,000,000.00	State Cashier
11	Zenith	Marguerita Ventures Ltd	1	10,000,000.00	Immediate past AG
12	UBA	Solace Multi Business Concepts	1	6,900,000.00	Immediate past AG
Total			14	424,485,866.44	

Source: Compiled by KPMG from the review of payment instructions/mandates and cheques.

However, UBA and Zenith Bank provided regularised copies of the payment vouchers, indicating that the second signatory also subsequently authorised the payment mandate. Further details of UBA and Zenith Bank’s response is documented in section 4.2.1.

3.5.30.1.2 No documents supporting payments to 48 contractors.

- a. 120 sample payments amounting to ₦3,966,141,243.80 to 48 contractors were not supported with payment vouchers and e-payment bank mandates to ascertain the business justification and to identify payments per the contracts awarded.

3.5.30.1.3 Payments to five (5) contractors with approval after payments

- a. Six (6) sample payments amounting to ₦90,925,000.00 were made to five (5) contractors before TPO approval (i.e., late approvals). This is contrary to the requirement of financial regulation stated in Section 4.3 of this report, which states that, voucher is stamped “checked and passed” for payment, and duly signed to that effect by the officer checking in the appropriate place on the voucher before payment is made on such voucher.

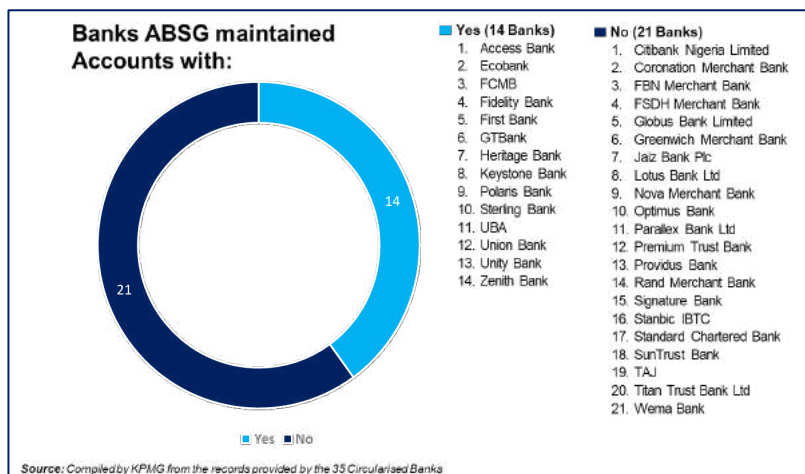
3.5.30.1.4 Payments to contractors with inadequate supporting documents

- a. 59 sample payments amounting to ₦2,506,285,866.44 to 33 contractors were only supported with PVS, which were not signed. The cash office utilized PVS instead of the required payment vouchers. The PVS are filled after payments have been made to the contractors.
- b. 66 sample payments amounting to ₦1,858,955,955.45 to 40 contractors were not supported with any of the payment vouchers, approval from TPO, budgetary allocation and e-payment bank mandates.

4 Bank Accounts

4.1 Overview of ABSG Bank Accounts

Following the response of the 35 circularised banks by KPMG, 14 banks confirmed that ABSG maintained account with them, while 21 banks responded otherwise. See details of the 35 circularised banks below:



During the period from 29 May 2015 to 28 May 2023, ABSG maintained 78¹⁴⁹ bank accounts with the 14 banks.

4.2 Bank Balances as at 28 May 2023 and Signatories to Accounts maintained by ABSG with all banks in Nigeria

Objectives: Identify the signatories and ascertain the bank balances of ABSG with all banks in Nigeria as at 28 May 2023, via circularisation only.

4.2.1 Signatories to bank accounts maintained by ABSG

The list of signatories provided by the 14 banks reflects that there are two (2) signatories to the accounts maintained by ABSG, with a mandate of both signatories to sign payment instructions/mandates and cheques. The two (2) signatories are:

- i. **29 May 2015 to 30 July 2018:** Onyedielefu Gabriel (“Former AG”) and Kelechi Imeoria (“Immediate Past State Cashier”)
- ii. **31 July 2018 to 28 May 2023:** Kelechi Imeoria (“The Immediate Past AG”) and Okechwukwu Gberemakor (“State Cashier”).

However, we reviewed a sample of 2,441 payment instructions/mandates and cheques amounting to ₦154,863,013,015.20 issued to the 14 banks, vis-à-vis the list of signatories, noting that there are 132 instances where only one signatory authorised payments, totalling

¹⁴⁹ See Appendix 10.3 for details for details of the 78 bank accounts.

₦4,667,087,700.66 to various beneficiaries. This practice is contrary to the requirement of the following:

- i. ABSG mandates with the 14 banks provided to us via schedules.
- ii. Section 804 of ABSG financial regulations, which states that “Cheques drawn against an official bank account shall be signed by two officers, one of whom should be the officer authorised to keep the account”. See the listing in table 4.2.1 and Appendix 10.7 for details.

Table 4.2.1: Exceptions from the review of e-payment bank mandates vis-à-vis their authorised signatories

S/N	Amount (₦)	Number of payments	Bank	Signed only by:	Second Signatory that did not sign	Period
1	3,547,417,700.66	88	UBA	Immediate past State cashier	Former AG	29 May 2015 – 30 July 2018
	3,547,417,700.66	88		Sub-Total (A)		
2	553,370,000.00	3	UBA	Former AG	Immediate past State cashier	29 May 2015 – 30 July 2018
	553,370,000.00	3		Sub-Total (B)		
3	270,000,000.00	6	Access Bank	State cashier	The Immediate past AG	31 July 2018 – 28 May 2023
	225,500,000.00	27	UBA			
	8,900,000.00	2	Polaris Bank			
	5,000,000.00	1	Zenith Bank			
	509,400,000.00	36		Sub-Total (C)		
4	46,900,000.00	4	UBA	The Immediate past AG	State cashier	31 July 2018 – 28 May 2023
	10,000,000.00	1	Zenith Bank			
	56,900,000.00	5		Sub-Total (D)		
	4,667,087,700.66	132				Total (A+B+C+D)

Source: Compiled by KPMG from the records provided by the 14 banks.

UBA and Zenith Banks’ Responses

- a. UBA and Zenith Bank confirmed the instances where they both made payments with payment mandates signed by only one signatory, due to the unavailability of the second signatory, but subsequently regularised upon the availability of the second signatory.
- b. However, UBA did not provide the regularised mandates for nine (9) payments (i.e. ₦179,870,000.000) out of its instances.

We discussed the claims made by UBA and Zenith Bank above with a Government Official¹⁵⁰ in ABSG Payment Office, the official confirmed that there were instances where the Banks regularise payment mandates initially approved by one (1) signatory.

4.2.1.1 Payment Instructions/Mandates and Cheques signed only by the Immediate past State Cashier (i.e., 29 May 2015 to 30 July 2018)

There are 88 instances where only the Immediate past State Cashier (Kelechi Imeoria) authorised payments totalling ₦3,547,417,700.66. See table 4.2.1.1 overleaf for details:

Table 4.2.1.1: Payments authorised only by the Immediate past State Cashier

S/N	Bank	Category	Beneficiary	No. of Payments	Amount (₦)
1	UBA	Contractor	Cagewox Dot Net	2	153,585,866.44
			Track Care Global Construction Nig. Ltd	4	150,000,000.00
			Ekcleen Integrated Services Nigeria Limited	2	103,290,790.00
			China Zhonghao Nigeria Limited	1	90,000,000.00
			Dawn N Daisy Integrated Nigeria Ltd	1	90,000,000.00
			Vision And Wealth Nig	1	52,000,000.00
			B.O.K Company Limited	1	22,500,000.00
			Chikwe Tech Nigeria Ltd	1	9,000,000.00
			Inspiration Function Ltd	1	6,000,000.00
			Macordel Nig Ltd	1	5,000,000.00
		Sub-total (A)	15	681,376,656.44	
2		Government House & Officials	Government House Umuahia	40	1,839,352,439.00
			Deputy Governor's Office	4	113,000,000.00
			Office of SSG	1	2,000,000.00
			Sub-total (B)	45	1,954,352,439.00
3		Individual	Hon. Nweke Ned	1	50,000,000.00
			Clara Chime	1	4,000,000.00
			Uchenna Augustine	1	1,000,000.00
			Sub-total (C)	3	55,000,000.00
4		MDA	ASOPADEC	3	273,780,694.29

¹⁵⁰ The Government Official was not willing to confirm this statement due to the sensitive nature of this engagement.

S/N	Bank	Category	Beneficiary	No. of Payments	Amount (₦)
			Treasury Pay Office	5	151,000,000.00
			Abia House of Assembly	3	145,000,000.00
			Ministry of Works	1	100,000,000.00
			Abia State Independent Electoral Commission	1	45,000,000.00
			ASUBEB	1	37,222,910.93
			Enyimba Football Club	1	30,000,000.00
			ASEPA	1	22,500,000.00
			Ministry of Women Affairs	2	11,520,000.00
			Abia State Liaison Office	2	11,000,000.00
			Ministry of Sports	1	10,000,000.00
			Secondary Education Management Board	1	7,165,000.00
			Ministry of Health	1	6,500,000.00
			Ministry of Youth Development	1	3,000,000.00
			Ministry of Public Utilities	1	3,000,000.00
			Sub-total (D)	25	856,688,605.22
Total				88	3,547,417,700.66

Source: Compiled by KPMG from the review of payment instructions/mandates and cheques.

4.2.1.2 Payment Instructions/Mandates and Cheques signed only by the Former AG (i.e., 29 May 2015 to 30 July 2018)

There are three (3) instances where only the Former AG (Onyedielefu Gabriel) authorised payments totalling ₦553,370,000.00. See table 4.2.1.2 below for details:

Table 4.2.1.2: Payments authorised only by the Former AG

S/N	Bank	Category	Beneficiary	No. of Payments	Amount (₦)
1	UBA	Contractor	Setraco Nig Ltd	1	200,000,000.00
2		Government House & Officials	Government House Umuahia	2	353,370,000.00
Total				3	553,370,000.00

Source: Compiled by KPMG from the review of payment instructions/mandates and cheques.

4.2.1.3 Payment Instructions/Mandates and Cheques signed only by the State Cashier (i.e., 31 July 2018 to 28 May 2023)

There are 36 instances where only the State Cashier (Okechuwkwu Gberemakor) authorised payments totalling ₦509,400,000.00. See table 4.2.1.3 below for details:

Table 4.2.1.3: Payments authorised only by the State Cashier

S/N	Bank	Category	Beneficiary	No. of Payments	Amount (₦)
1	UBA	Contractor	Trustlink Ventures Nig Ltd	2	4,500,000.00
			Sub-total (A)	2	4,500,000.00
		Government House & Officials	Government House Umuahia	3	32,500,000.00
			Government House	1	10,000,000.00
			SSG Office (Hon. Acho Nwakanma)	1	3,000,000.00
			Sub-total (B)	5	45,500,000.00
		MDA	ASEPA	2	62,000,000.00
			ABHA	2	30,000,000.00
			Ministry of Women Affairs	1	20,000,000.00
			Ministry of Information	2	15,000,000.00
			Ministry of Environment	2	7,000,000.00
			Ministry of Youth Development	1	5,000,000.00
			Ministry of Housing	2	7,000,000.00
			Abia State Scholarship Board	1	2,000,000.00
			Isialangwa North	1	2,000,000.00
			Ministry of Health	1	2,000,000.00
			WMC Ohuhu Zone	1	2,000,000.00
			WMC Umuahia South	1	2,000,000.00
			Ohafia Zone	1	1,500,000.00
			Sub-total (C)	18	157,500,000.00
Non-Government House Officials	Chief Reg, High Court	1	10,000,000.00		
	The GM/CE Asepa (Aguiyi Kelechi)	1	8,000,000.00		
	Sub-total (D)	2	18,000,000.00		

S/N	Bank	Category	Beneficiary	No. of Payments	Amount (₦)
2	Access Bank	Contractor	Worldwide Environment Technologies	1	100,000,000.00
			Mekaa Investment Services Ltd	1	50,000,000.00
		MDA	Ministry of Works	2	85,000,000.00
		Government House & Officials	Government House	1	25,000,000.00
		Individual	Ndubuisi Ezengwa	1	10,000,000.00
			Sub-total (E)	6	270,000,000.00
3	Polaris Bank	MDA	TPO Umuahia	1	4,600,000.00
			Sub-Treasury Umuahia	1	4,300,000.00
			Sub-total (F)	2	8,900,000.00
4	Zenith Bank	Contractor	Dicemokad Consultants Nig Ltd	1	5,000,000.00
			Sub-total (G)	1	5,000,000.00
Total (A+B+C+D+E+F+G)				36	509,400,000.00

Source: Compiled by KPMG from the review of payment instructions/mandates and cheques.

4.2.1.4 Payment Instructions/Mandates and Cheques signed only by the Immediate Past AG (i.e., 31 July 2018 to 28 May 2023)

There are five (5) instances where only the Immediate Past AG (Kelechi Imeoria) authorised payments totalling ₦56,900,000.00. See table 4.2.1.4 below for details:

Table 4.2.1.4: Payments authorised only by the Immediate Past AG

S/N	Bank	Category	Beneficiary	No. of Payments	Amount (₦)
1	UBA	MDA	Min. of Youth Development	2	30,000,000.00
		Government House & Officials	Government House	1	10,000,000.00
		Contractor	Solace Multi Business Concepts	1	6,900,000.00
		Sub-total	4	46,900,000.00	
2	Zenith Bank	Contractor	Marguerita Ventures Ltd	1	10,000,000.00
Total				5	56,900,000.00

Source: Compiled by KPMG from the review of payment instructions/mandates and cheques.

4.2.2 Bank Balances as at 28 May 2023

Analysis of the 77 bank accounts indicates that ABSG has a net credit bank balance of ₦3,495,207,127.14 as at 28 May 2023. See summary in table 4.2.2 and Appendix 10.3 for details.

Table 4.2.2: ABSG Bank balances as at 28 May 2023

S/N	Bank	No of Accounts	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
			₦	₦	₦	₦
			A	B	C	D = (A+B+C)
1	UBA	20	307,599,994.41	1,112,661,419,505.59	(1,109,212,789,872.11)	3,756,229,627.89
2	Union Bank	1	–	2,089,571,505.72	(1,978,085,834.79)	111,485,670.93
3	Sterling Bank	2	–	2,252,878,570.78	(2,222,076,581.24)	30,801,989.54
4	Access Bank	9	7,940,924.44	48,453,136,200.15	(48,439,968,462.63)	21,108,661.96
5	Fidelity Bank	4	–	5,397,607,165.19	(5,379,823,436.77)	17,783,728.42
6	FirstBank	9	68,143,789.23	34,828,342,787.07	(34,885,500,431.72)	10,986,144.58
7	GTBank	7	2,587,228.81	11,210,373.19	(9,244,603.01)	4,552,998.99
8	Polaris Bank	2	–	2,906,461,763.64	(2,902,080,977.45)	4,380,786.19
9	FCMB	3	5,416,937.02	7,607.91	(4,004,385.50)	1,420,159.43
10	EcoBank	3	675,126.39	199,635.69	(199,625.69)	675,136.39
11	Keystone Bank	3	207,393.03	921,570,551.84	(921,487,261.95)	290,682.92
12	Heritage Bank	1	–	623,155,900.48	(622,993,811.92)	162,088.56
13	Unity Bank	1	–	1,855,003,000.00	(1,854,873,258.03)	129,741.97
Sub-Total (A)		65	392,571,393.33	1,212,000,564,567.25	(1,208,433,128,542.81)	3,960,007,417.77
14	Zenith Bank	13	(331,894,369.55)	160,002,664,163.68	(160,135,570,084.76)	(464,800,290.63)
Sub-Total (B)		13	(331,894,369.55)	160,002,664,163.68	(160,135,570,084.76)	(464,800,290.63)
Total (A+B)		78	60,677,023.78	1,372,003,228,730.93	(1,368,568,698,627.57)	3,495,207,127.14

Source: Compiled by KPMG from the records provided by the circularised banks.

4.3 Proprietary of payments/outflows from ABSG UBA and Zenith Bank accounts

Objectives: Ascertain if there is any misappropriation in the payments made from UBA and Zenith Bank accounts to the beneficiaries.

Section 609 of ABSG financial regulations, states that a sub-accounting officer may not make payment against a voucher unless:

- a. The voucher is certified for payment by the officer who is authorised to do so.
- b. The voucher is stamped “checked and passed” for payment, and duly signed to that effect by the officer checking in the appropriate place on the voucher.
- c. Less than three (3) months has elapsed since the vouchers were signed.
- d. The voucher (other than the checked and passed voucher received under registered cover as provided for in regulation 610) is accompanied by a schedule duly signed by the signature of officer authorising the expenditure.
- e. The vote is stamped, entered in the vote book and signed by the officer responsible for keeping the vote book.

4.3.1 Proprietary of payments/outflows from ABSG UBA accounts

In line with the regulation in Section 4.3 above, we reviewed a sample of 15,021 payments totalling ₦750,264,475,390.50 (representing 83% of total payments of ₦903,547,828,891.54) from 16¹⁵¹ of the 19 bank accounts that ABSG maintained with UBA. The aim is to ascertain budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers. See table 4.3.1 below for details of the review, and our findings in relevant subsections.

Table 4.3.1: Review of proprietary of payments from UBA Accounts

Category	Total Number of Payments	Total Amount (₦)	No. of Samples reviewed	Sampled Amount (₦)	Section No.
Inter-Account Transfers	4,566	473,251,616,646.84	3,480	467,911,698,484.90	4.3.1.1
Loan Repayments	2,788	86,918,367,029.16	2,788	86,918,367,029.16	4.3.1.2
MDAs	4,226	104,962,323,372.16	920	62,959,381,122.06	4.3.1.3
Government House & Officials	6,061	94,105,015,542.49	962	40,431,894,595.37	4.3.1.4
Contractor	1,598	38,542,117,947.26	641	27,582,068,085.26	4.3.1.5
Inter-Bank Transfers	293	20,736,670,945.57	293	20,736,670,945.57	4.3.1.6

¹⁵¹ We did not review salary account, and loan repayment accounts (Counterpart fund and ASUBEB Accounts).

Category	Total Number of Payments	Total Amount (₦)	No. of Samples reviewed	Sampled Amount (₦)	Section No.
Reversals	401	49,509,740,886.42	82	18,126,719,079.29	4.3.1.7
Unknown Beneficiaries	634	15,709,361,074.66	634	15,709,361,074.66	4.3.1.8
FIRS (WHT and VAT)	283	3,648,260,892.75	283	3,648,260,892.75	4.3.1.9
Non-Government House Officials	4454	8,494,340,468.45	586	3,594,289,252.33	4.3.1.10
Individuals	3040	5,677,840,789.80	228	1,813,741,347.51	4.3.1.11
Bank Charges	5,648	420,859,632.35	4,093	403,814,789.95	5.3.1.12
Other bank transfers	9	341,900,000.00	9	341,900,000.00	4.3.1.13
Other Beneficiaries	70	1,229,413,663.63	22	86,308,691.69	5.3.1.14
Total	34,071	903,547,828,891.54	15,021	750,264,475,390.50	

Source: Compiled by KPMG from analysis of bank accounts provided UBA.

4.3.1.1 Inter-Account Transfers – ₦467,911,698,484.90

- a. Of the 4,566 inter-account transfers totalling ₦473,251,616,646.84, we traced a sample of 3,480 transfers totalling ₦467,911,698,484.90 to the following ABSG bank accounts, noting that while the purpose of the inter-account transfers was not stated on the e-payment mandates, we confirmed the corresponding entries in the relevant receiving accounts with UBA. See table 4.3.1.1 for details.

Table 4.3.1.1: Breakdown of inter-account transfers traced to the receiving accounts

S/N	ABSG Account Name	Sample reviewed	Amount (₦)
1	ABSG Overhead 1 Account	1935	154,489,226,094.68
2	ABSG Salary Account	229	152,501,279,052.05
3	ABSG Subvention Account	500	90,598,603,190.24
4	ABSG Special Account	138	24,378,353,441.05
5	ABSG Capital Project Account	352	19,094,650,798.10
6	ABSG Faac Account	25	7,869,791,742.91
7	ABSG Special Subvention Account	37	4,222,000,000.00
8	ABSG Cff Sinking Fund Account	53	4,025,827,898.26
9	ABSG Pension Account	23	2,165,000,000.00
10	ABSG Overhead 2 Account	71	1,831,607,000.00

S/N	ABSG Account Name	Sample reviewed	Amount (₦)
11	ABSG Covid-19 Account	12	1,359,283,500.00
12	ABSG VAT Account	22	1,324,750,000.00
13	ABSG Overhead 3 Account	42	1,146,473,261.99
14	ABSG Ecology Account	24	1,088,852,505.62
15	ABSG Healthcare Project	1	1,025,000,000.00
16	ABSG Local Government Joint Account	8	445,000,000.00
17	ABSG Igr Account	5	150,000,000.00
18	ABSG Bridging Finance A/C	2	100,000,000.00
19	ABSG Paris & London Club Account	1	96,000,000.00
Total		3,480	467,911,698,484.90

Source: Compiled by KPMG from analysis of bank accounts provided by UBA.

4.3.1.2 Loan Repayments – ₦86,918,367,029.16

The review of proprietary of 2,788 loan repayments totalling ₦86,918,367,029.16 from the 16 ABSG accounts is documented in table 4.3.1.2 below.

Table 4.3.1.2: Review of loan repayments

S/N	Description	Sample reviewed	Amount (₦)	Remark	Reference
1	Contractor Finance Facilities (CFFs)	2,174	70,988,679,830.11	<p>a. We reviewed the repayments charged by UBA on CFFs to the extent identifiable by transaction narrations, offer letters and repayment schedules provided by UBA.</p> <p>b. However, because the facilities were disbursed directly into the contractors' accounts, there are no records to trace the repayment amounts to the facilities UBA charged the repayment on.</p> <p>c. The review of the ISPOs issued by ABSG and the repayment schedules provided by UBA for 45 CFFs totalling ₦56,163,971,345.34 out of 57 CFFs totalling ₦65,329,083,410.00 resulted in</p>	Section 4.4.1

S/N	Description	Sample reviewed	Amount (₦)	Remark	Reference
				an overcharge of ₦56,543,439,000.00.	
2	Debit interest on Overdraft	173	5,680,166,124.68	a. The independent analysis of TODs obtained by ABSG from UBA during the period under review resulted in an overcharge of ₦57,960,894.70.	
3	MGT and VAT fees Overdraft	373	3,357,395,085.74	a. No overcharge noted.	
4	Term loan repayments	52	6,818,930,215.26		
6	MGT and VAT fees on Term Loans	13	70,991,273.37		
5	Other loan repayments	3	2,204,500.00		
Total		2,788	86,918,367,029.16		

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and UBA.

4.3.1.3 MDAs – ₦62,959,381,122.06

The review of 920 payments to various MDAs totalling ₦62,959,381,122.06 revealed the following:

Table 4.3.1.3: Breakdown of payments made to MDAs

S/N	Categories	% of Exceptions	No. of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	61	465	38,298,394,073.24	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			465	38,298,394,073.24	
2	Exceptions noted	39	215	11,124,527,495.96	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the 251 payments, which were also not even signed. This is contrary to the requirement of financial regulations stated in Section 4.3 above.

S/N	Categories	% of Exceptions	No. of payments	Amount Paid (₦)	Observations
3			129	7,290,799,724.00	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			82	5,330,659,828.86	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions.
5			29	915,000,000.00	a. The payments were made before TPO approval (i.e., late approvals). This is contrary to the requirement of financial regulations stated in Section 4.3 above, which states that, voucher is stamped “checked and passed” for payment, and duly signed to that effect by the officer checking in the appropriate place on the voucher before payments are made on such vouchers.
Sub-Total (B)			455	24,660,987,048.82	
Total (A+B)			920	62,959,381,122.06	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and UBA.

4.3.1.4 Government House & Officials – ₦40,431,894,595.37

The review of 962 payments to Government House & Officials totalling ₦40,431,894,595.37 revealed the following:

Table 4.3.1.4-1: Breakdown of payments made to Government House & Officials

S/N	Categories	% of Exceptions	No. of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	30	335	12,208,591,676.00	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.

S/N	Categories	% of Exceptions	No. of payments	Amount Paid (₦)	Observations
Sub-Total (A)			335	12,208,591,676.00	
2	Exceptions noted	70	330	15,295,426,036.76	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the 330 payments, which were also not even signed. This is contrary to the requirement of financial regulations Stated in Section 4.3 above.
3			112	5,752,942,816.61	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			179	7,113,734,066.00	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions.
5			6	61,200,000.00	a. The payments were made before TPO approval (i.e., approval after payments). This is contrary to the requirement of financial regulations stated in section 4.3 above, which states that, voucher is stamped “checked and passed” for payment, and duly signed to that effect by the officer checking in the appropriate place on the vouchers before payment is made on such voucher.
Sub-Total (B)			627	28,223,302,919.37	
Total (A+B)			962	40,431,894,595.37	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and UBA.

4.3.1.4.1 Cash withdrawal from Government House accounts

Review of the Government House accounts¹⁵² with UBA revealed that Ikoro Peter and RK Madu who are Government House Officials withdrew ₦6,281,860,830.00 in cash. See table 4.3.1.4.1-1 below for detail:

¹⁵² 1002511660 and 1024613074.

Table 4.3.1.4.1-1: Cash withdrawal from Government House Account

S/N	Name of Official	Period	Account Number	Amount (₦)
1	Ikoro Peter	25 May 2018 to 30 March 2023	1002511660	3,704,077,630.00
		06 June 2022 to 26 April 2023	1024613074	1,072,000,000.00
Subtotal (A)				4,776,077,630.00
2	RK Madu	1 June 2015 to 18 May 2018	1002511660	1,505,783,200.00
Subtotal (B)				1,505,783,200.00
Total (A+B)				6,281,860,830.00

Source: Compiled by KPMG from analysis of Government House Accounts.

4.3.1.5 Contractors – ₦27,582,068,085.26

The review of 641 payments to various contractors totalling ₦27,582,068,085.26 revealed the following:

Table 4.3.1.5: Breakdown of payments made to contractors

S/N	Categories	% of Exceptions	No. of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	12	112	3,421,986,189.39	a. The payments were supported with payment mandate and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			112	3,421,986,189.39	
2	Exceptions noted	88	135	7,266,585,866.44	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the 135 payments which were also not even signed. This is contrary to the requirement of financial regulations stated in Section 4.3 above.
3			323	15,596,522,309.43	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			63	1,176,048,720.00	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business

S/N	Categories	% of Exceptions	No. of payments	Amount Paid (₦)	Observations
					justification, purpose of payments, authorisation / approval for the payment instructions.
5			8	120,925,000.00	a. The payments were made before TPO approval (i.e., late approvals). This is contrary to the requirement of financial regulations stated in Section 4.3 above, which states that, voucher is stamped “checked and passed” for payment, and duly signed to that effect by the officer checking in the appropriate place on the vouchers before payment is made on such vouchers.
Sub-Total (B)			529	24,160,081,895.87	
Total (A+B)			641	27,582,068,085.26	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and UBA.

4.3.1.6 Inter-Bank Transfers – ₦20,736,670,945.57

We traced a sample of 293 transfers totalling ₦20,736,670,945.57 to the following ABSG bank accounts, in a bid to identify any misappropriation or leakages, i.e., while the purpose of the Inter-bank transfers were not stated on the e-payment mandates, we confirmed the corresponding entries in the under-listed receiving accounts.

Table 4.3.1.6: Breakdown of inter-bank transfers traced to the receiving accounts

S/N	Bank	ABSG Account Name	Sample reviewed	Amount (₦)
1	First Bank	ABSG Pension Account	149	13,111,549,846.32
2		ABSG Project Account	14	4,492,309,404.18
3		ABSG Account	1	520,000,000.00
4		ABSG Reserve Account	2	200,000,000.00
5		ABSG Local Gov Joint Account	1	136,000,000.00
6		ABSG Recovery Account	1	57,014,695.07
7	Unity Bank	ABSG Overhead Account	108	2,028,097,000.00
8	Polaris Bank	ABSG Overhead Account	16	142,200,000.00
9	Access Bank	ABSG Foreign Loan Int Refund Account	1	49,500,000.00
Total			293	20,736,670,945.57

Source: Compiled by KPMG from analysis of bank accounts provided by UBA.

4.3.1.7 Reversals – ₦18,126,719,079.29

We reviewed 82 instances where transactions totalling ₦18,126,719,079.29 were reversed, noting that:

- a. All reversal entries had original corresponding entries.
- b. The reversals were to correct wrong entries initially posted in the account.
- c. 18 of the 82 sampled reversals totalling ₦3,161,800,698.94 were effected more than a day (24 hours) after the respective initial entries. The number of days range from two (2) to 57 days. See table 4.3.1.7 for details.

Table 4.3.1.7: Analysis of reversals

S/N	ABSG Account Name	Amount (₦)	Initial entry		Reversed entry		No. of days between the initial and reversed entries	Remark
			Nature	Date (A)	Nature	Date (B)	(B-A)	
1	UBA FAAC (1015372049)	233,985,949.11	Dr	11-Sep-2015	Cr	14-Sep-2015	3	All reversals were returned to the source accounts
2		173,537,998.90	Dr	30-Jul-2021	Cr	6-Aug-2021	7	
3		170,570,591.14	Dr	30-Jan-2022	Cr	1-Feb-2022	2	
4		110,009,304.94	Dr	30-Sep-2015	Cr	12-Oct-2015	12	
5		99,859,755.04	Dr	7-Oct-2015	Cr	12-Oct-2015	5	
6		87,707,367.53	Dr	12-Oct-2016	Cr	21-Oct-2016	9	
7		16,338,508.06	Cr	26-May-2021	Dr	28-May-2021	2	
8		11,777,606.07	Dr	28-May-2020	Cr	4-Jun-2020	7	
9	UBA VAT (1015372032)	1,667,394,880.03	Cr	26-May-2021	Dr	28-May-2021	2	
10	UBA Ecological Fund (1023953744)	10,000,000.00	Dr	14-Apr-2023	Cr	19-Apr-2023	5	



S/N	ABSG Account Name	Amount (₦)	Initial entry		Reversed entry		No. of days between the initial and reversed entries	Remark
			Nature	Date (A)	Nature	Date (B)	(B-A)	
11	Capital Project (1019115284)	50,000,000.00	DR	10-Aug-2021	CR	24-Aug-2021	14	
12		49,000,000.00	CR	14-Dec-2020	DR	16-Dec-2020	2	
13		10,000,000.00	CR	16-Aug-2022	DR	24-Aug-2022	8	
14		1,000,000.00	DR	08-Dec-2021	CR	14-Dec-2021	6	
15	Overhead 1 (1019115026)	20,743,434.30	DR	08-Nov-2016	CR	15-Nov-2016	7	
16	Subvention (1019114830)	393,018,740.75	CR	2-Aug-2018	DR	7-Aug-2018	5	
17		51,241,585.05	CR	11-Jun-2018	DR	7-Aug-2018	57	
18		5,614,978.02	CR	14-Mar-2017	DR	28-Mar-2017	14	
Total		3,161,800,698.94						

Source: Compiled by KPMG from analysis of ABSG Bank Accounts with UBA.

4.3.1.8 Unknown Beneficiaries – ₦15,709,361,074.66

There are 634 payments totalling ₦15,709,361,074.66 made to unknown beneficiaries. See table 4.3.1.8 below for details.

Table 4.3.1.8: Breakdown of payments made to unknown beneficiaries

S/N	Description	Sample reviewed	Amount (₦)	Remark
1	NEFT	283	10,103,158,212.17	a. These are transactions processed through NEFT. b. UBA provided the beneficiaries for our sample of payments of ₦50,000,000.00 and above.
2	Inadequate Narrations	343	5,583,185,207.17	a. The narrations in the bank statements are not sufficient to identify the beneficiaries of these payments.
3	No Narration Provided	8	23,017,655.32	a. There is no narration provided in the bank statements for these outflows, hence, no records to identify the beneficiaries.
Total		634	15,709,361,074.66	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and UBA.

4.3.1.9 FIRS (WHT and VAT) – ₦3,648,260,892.75

These are 283 outflows totalling ₦3,648,260,892.75 relating to WHT and VAT remitted to FIRS during the period under review. However, ABSG did not provide supporting documents (such as e-payment bank mandates / cheques, schedule showing the breakdown of amount remitted, etc).

4.3.1.10 Non-Government House Officials – ₦3,594,289,252.33

The review of 586 payments to Non-Government House Officials totalling ₦3,594,289,252.33 revealed the following:

Table 4.3.1.10: Breakdown of payments made to Non-Government House Officials

S/N	Categories	% of Exceptions	No. of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	64	298	2,288,036,952.33	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			298	2,288,036,952.33	

S/N	Categories	% of Exceptions	No. of payments	Amount Paid (₦)	Observations
2	Exceptions noted	36	23	179,100,000.00	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the 30 payments, which were also not even signed. This is contrary to the requirement of financial regulations stated in Section 4.3 above.
3			61	433,550,850.00	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			46	445,940,000.00	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions.
5			10	16,555,000.00	a. The payments were made before TPO approval (i.e., late approvals). This is contrary to the requirement of financial regulations stated in Section 4.3 above, which states that, voucher is stamped "checked and passed" for payment, and duly signed to that effect by the officer checking in the appropriate place on the voucher before payments are made on such vouchers.
6			17	94,739,100.00	a. The payments were not supported with e-payment mandates, this is contrary to ABSG mandates with UBA, has every payment requires a cheque or a payment mandates duly signed by both signatories.
7			131	136,367,350.00	a. The payments were not stamped checked and passed by TPO as the payment voucher were raised by the Office of the AG.
Sub-Total (B)			288	1,306,252,300.00	
Total (A+B)			586	3,594,289,252.33	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and UBA

4.3.1.11 Individuals – ₦1,813,741,347.51

The review of 228 payments to various individuals totalling ₦1,813,741,347.51 revealed the following:

Table 4.3.1.11: Breakdown of payments made to Individuals

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	88	191	1,588,816,101.45	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			191	1,588,816,101.45	
2	Exceptions noted	12	2	5,000,000.00	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the two (2) payments, which were also not even signed. This is contrary to the requirement of financial regulations stated in Section 4.3 above.
3			20	85,270,054.00	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			8	106,329,962.06	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions.
5			7	28,325,230.00	a. The payments were not supported with e-payment mandates, this is contrary to ABSG mandates with UBA, has every payment requires a cheque or a payment mandates duly signed by both signatories.

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
Sub-Total (B)			37	224,925,246.06	
Total (A+B)			228	1,813,741,347.51	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and UBA.

4.3.1.12 Bank Charges – ₦403,814,789.95

The independent analysis of a sample¹⁵³ of bank charges totalling ₦403,814,789.95 in 16 bank account statements, vis-à-vis the requirement of the CBN extant guidelines¹⁵⁴, reflects an overcharge of ₦112,463,820.68 by UBA. See section 4.4.1.1 below for more details.

4.3.1.13 Other bank transfers – ₦456,656,309.00

ABSG made nine (9) transfers totalling ₦456,656,309.00 among seven (7) accounts maintained by the Office of the AG, however, we did not identify the payments in the receiving accounts based on the bank account statements and schedule of accounts provided by 14 of the 35 circularised banks. See section 6.5.8 for breakdown.

4.3.1.14 Other Beneficiaries – ₦86,308,691.69

The review of 22 payments made to various other beneficiaries totalling ₦86,308,691.69 revealed the following:

Table 4.3.1.14: Breakdown of payments made to Other Beneficiaries

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	14	3	12,700,000.00	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			3	12,700,000.00	
2	Exceptions noted	86	1	7,000,000.00	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the one (1) payment, which was also not even signed. This is contrary to the requirement of financial regulations stated in section 4.3 above.

¹⁵³ We reviewed 100% COT, 100% CAMF, and 45% of other bank charges as we did not review stamp duties, VAT fees, and other charges remitted to FIRS.

¹⁵⁴ See Appendix 10.2 for details of the CBN extant guidelines and Appendix 10.5 for Screenshot of the CBN extant guidelines.

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
3			5	28,608,691.69	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			13	38,000,000.00	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions.
Sub-Total (B)			19	73,608,691.69	
Total (A+B)			22	86,308,691.69	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and UBA.

4.3.2 Proprietary of payments/outflows from ABSG Zenith Bank accounts

In line with the regulation in Section 4.3 above, we reviewed a sample of 1,805 payments/outflows totalling ₦62,477,133,327.35 (representing 93% of total payments of ₦66,970,531,985.23) from 11¹⁵⁵ of the 13 bank accounts that ABSG maintained with Zenith Bank. The aim is to ascertain budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers. See table 4.3.2 below for details of the review and our findings in relevant subsections.

Table 4.3.2: Review of proprietary of payments from Zenith Bank Accounts

Category	Total Number of Payments	Total Amount (₦)	No. of samples reviewed	Sampled Amount (₦)	Section No.
Inter-Account Transfers	53	21,449,033,665.76	45	21,046,950,043.07	4.3.2.1
Loan Repayments	661	15,165,054,299.98	661	15,165,054,299.98	4.3.2.2
MDA	446	12,076,048,611.48	186	10,850,533,861.48	4.3.2.3
Contractor	210	8,188,793,084.94	89	7,241,805,955.45	4.3.2.4
Government House & Officials	401	7,123,860,000.00	242	6,002,760,000.00	4.3.2.5
Inter-Bank Transfers	8	1,009,297,383.00	5	1,005,000,000.00	4.3.2.6

¹⁵⁵ We did not review loan repayment account (Excess Crude Account and FGN Bailout Account) as they are loan repayment accounts for FGN Assisted loans and ABSG did not make payments to third-parties from the accounts.

Category	Total Number of Payments	Total Amount (₦)	No. of samples reviewed	Sampled Amount (₦)	Section No.
Reversals	74	1,072,032,401.05	7	562,031,751.48	4.3.2.7
Individuals	119	604,126,900.00	51	475,135,000.00	4.3.2.8
Non-Government House Officials	73	281,407,831.20	21	127,000,000.00	4.3.2.9
Bank Charges	950	877,807.82	498	862,415.89	4.3.2.10
Total	2,995	66,970,531,985.23	1,805	62,477,133,327.35	

Source: Compiled by KPMG from analysis of bank accounts provided by Zenith Bank.

4.3.2.1 Inter-Account Transfers – ₦21,046,950,043.07

- a. Of the 50 inter-account transfers totalling ₦21,094,033,665.76, we traced a sample of 45 transfers totalling ₦21,046,950,043.07 to the following ABSG bank accounts, in a bid to identify any misappropriation or leakages, i.e., while the purpose of the Inter-Account transfers was not stated on the e-payment mandates, we confirmed the corresponding entries in Zenith Bank as the receiving account. See table 4.3.2.1 for details.

Table 4.3.2.1: Breakdown of sampled inter-account / inter-bank transfers traced

S/N	ABSG Account Name	Sample reviewed	Amount (₦)
1	ABSG IGR Payment Account	22	16,362,631,998.84
2	Consolidated IGR Account	23	4,684,318,044.23
Total		45	21,046,950,043.07

Source: Compiled by KPMG from analysis of bank accounts provided by Zenith Bank.

4.3.2.2 Loan Repayments – ₦15,165,054,299.98

The review of proprietary of 661 loan repayments totalling ₦15,165,054,299.98 from the 11 accounts is documented in table 4.3.2.2 below.

Table 4.3.2.2: Review of loan repayments

S/N	Description	Sample reviewed	Amount (₦)	Remark	Reference
1	Term Loan Repayment	558	14,939,710,308.78	a. The independent analysis of term loan repayment revealed no overcharge.	Section 4.4.2
2	Debit interest on Overdraft	95	199,093,925.22	a. The independent analysis of TODs obtained by ABSG from Zenith Bank during the period under review resulted in ₦443,734.43 not charged by Zenith Bank.	

S/N	Description	Sample reviewed	Amount (₦)	Remark	Reference
3	Management Fee + VAT on Management Fee	8	26,250,065.98	a. No overcharge noted.	
Total		661	15,165,054,299.98		

Source: Compiled by KPMG from analysis of bank accounts provided by Zenith Bank.

4.3.2.3 MDAs – ₦10,850,533,861.48

The review of 186 payments to various MDAs totalling ₦10,850,533,861.48 revealed the following:

Table 4.3.2.3: Breakdown of payments made to MDAs

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	33	67	3,528,897,068.16	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			67	3,528,897,068.16	
2	Exceptions noted	67	10	208,000,000.00	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the ten (10) payments, which were also not even signed. This is contrary to the requirement of financial regulations stated in Section 4.3 above.
3			41	2,640,052,793.32	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			58	3,858,584,000.00	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business justification, purpose of payments,

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
					authorisation / approval for the payment instructions.
5			10	615,000,000.00	a. The payments were not supported with e-payment mandates, this is contrary to ABSG mandates with UBA, has every payment requires a cheque or a payment mandates duly signed by both signatories.
Sub-Total (B)			119	7,321,636,793.32	
Total (A+B)			186	10,850,533,861.48	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and Zenith Bank.

4.3.2.4 Contractors – ₦7,241,805,955.45

The review of 89 payments to various contractors totalling ₦7,241,805,955.45 revealed the following:

Table 4.3.2.4: Breakdown of payments made to contractors

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	54	50	3,904,550,000.00	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			50	3,904,550,000.00	
2	Exceptions noted	46	2	195,000,000.00	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the two (2) payments, which were also not even signed. This is contrary to the requirement of financial regulations stated in Section 4.3 above.
3			7	340,000,000.00	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			12	1,693,703,216.45	a. The payments were supported with only e-payment mandates, hence,

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
					there is no information to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions.
5			18	1,108,552,739.00	a. The payments were not supported with e-payment mandates, this is contrary to ABSG mandates with Zenith Bank, has every payment requires a cheque or a payment mandates duly signed by both signatories.
Sub-Total (B)			39	3,337,255,955.45	
Total (A+B)			89	7,241,805,955.45	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and Zenith Bank.

4.3.2.5 Government House & Officials – ₦6,002,760,000.00

The review of 242 payments to Government House & Officials totalling ₦6,002,760,000.00 revealed the following:

Table 4.3.2.5: Breakdown of payments made to Government House & Officials

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	25	46	1,498,780,000.00	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			46	1,498,780,000.00	
2	Exceptions noted	75	74	1,682,080,000.00	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the 74 payments, which were also not even signed. This is contrary to the requirement of financial regulations stated in section 4.3 above.
3			63	1,407,000,000.00	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
4			25	626,900,000.00	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions.
5			34	788,000,000.00	a. The payments were not supported with e-payment mandates, this is contrary to ABSG mandates with UBA, has every payment requires a cheque or a payment mandates duly signed by both signatories.
Sub-Total (B)			196	4,503,980,000.00	
Total (A+B)			242	6,002,760,000.00	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and Zenith Bank.

4.3.2.5.1 Cash withdrawal from Government House accounts

Review of the Government House account (1010832351) with Zenith Bank revealed that Ikoro Peter withdrew ₦11,229,300,000.00¹⁵⁶ in cash. Other inflows into the Government House Account domiciled with Zenith Bank include inter-bank transfers from UBA, ASBIR, MDAs, etc.

4.3.2.6 Inter-Bank Transfers – ₦1,005,000,000.00

- a. Of the seven (7) inter-bank transfers totalling ₦1,008,798,058.00, we traced a sample of five (5) transfers totalling ₦1,005,000,000.00 to the following ABSG bank accounts, in a bid to identify any misappropriation or leakages, i.e., while the purpose of the Inter-Account transfers was not stated on the e-payment mandates, we confirmed the corresponding entry in the under-listed receiving accounts with other banks. See table 4.3.2.6 for details.

Table 4.3.2.6: Breakdown of sampled inter-account / inter-bank transfers traced

S/N	Bank	ABSG Account Name	Sample reviewed	Amount (₦)
1	UBA	ABSG FAAC Account	1	500,000,000.00
2		Abia State Subvention Account	1	224,000,000.00
3		ABSG Capital Project Account	1	200,000,000.00
4		Abia State Covid 19	2	81,000,000.00
		Total	5	1,005,000,000.00

¹⁵⁶ The ₦11,229,300,000.00 withdrawn in cash includes ₦6,002,760,000.00 from ABSG and ₦5,226,540,000.00 from inter-bank transfers from UBA, ASBIR, MDAs, etc.

Source: Compiled by KPMG from analysis of bank accounts provided by Zenith Bank.

4.3.2.7 Reversals – ₦562,031,751.48

We reviewed seven (7) instances where transaction totalling ₦562,031,751.48 were reversed, noting that:

- a. All reversal entries had original corresponding entries.
- b. The reversals were to correct wrong entries initially posted in the accounts.
- c. The sampled seven (7) transactions totalling ₦562,031,751.48 were reversed to the source account within 24 hours of initial entry.

4.3.2.8 Individuals – ₦475,135,000.00

The review of 51 payments to Individuals totalling ₦475,135,000.00 revealed the following:

Table 4.3.2.8: Breakdown of payments made to Individuals

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	16	5	77,500,000.00	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			5	77,500,000.00	
2	Exceptions noted	84	23	252,340,000.00	a. The payments were not supported with payment vouchers, rather, the cash office utilised Payment Voucher Substitutes (PVS) for the 23 payments, which were also not even signed. This is contrary to the requirement of financial regulations stated in Section 4.3 above.
3			3	43,300,000.00	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			20	101,995,000.00	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
					justification, purpose of payments, authorisation / approval for the payment instructions.
Sub-Total (B)			46	397,635,000.00	
Total (A+B)			51	475,135,000.00	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and Zenith Bank.

4.3.2.9 Non-Government House Officials – ₦127,000,000.00

The review of 21 payments to Non-Government House Officials totalling ₦127,000,000.00 revealed the following:

Table 4.3.2.9: Breakdown of payments made to Non-Government House Officials

S/N	Categories	% of Exceptions	No of payments	Amount Paid (₦)	Observations
1	No Exceptions noted	28	5	35,500,000.00	a. The payments were supported with payment mandates and payment vouchers, reflecting the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
Sub-Total (A)			5	35,500,000.00	
3	Exceptions noted	72	7	42,000,000.00	a. The payments were without any supporting documents such as e-payment bank mandates and payment vouchers to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions and payment vouchers.
4			9	49,500,000.00	a. The payments were supported with only e-payment mandates, hence, there is no information to ascertain the budgetary allocation, business justification, purpose of payments, authorisation / approval for the payment instructions.
Sub-Total (B)			16	91,500,000.00	
Total (A+B)			21	127,000,000.00	

Source: Compiled by KPMG from analysis of bank accounts provided by ABSG and Zenith Bank.

4.3.2.10 Bank Charges – ₦862,415.89

The independent analysis of a sample¹⁵⁷ bank charges totalling ₦862,415.89 in 11¹⁵⁸ of the 13 bank account statements, vis-à-vis the requirement of the CBN extant guidelines¹⁵⁹, reflects no overcharge by Zenith Bank. See section 4.4.2.1 for more details.

4.3.3 Possible Conflict of Interest

Objectives: Identify any possible collusion with the beneficiaries in the payments from UBA and Zenith Bank.

Section 60 of Abia State procurement law reflects that a conflict of interest exist where a Government Official:

- a. Possesses an interest outside his official duties that materially encroaches on the time or attention which should otherwise be devoted to affairs of Government;
- b. Possesses a direct or indirect or indirect interest in or relationship with a bidder, supplier, contractor or services provider that is inherently unethical or that may be implied or constructed to be or make possible personal gain due to the person’s ability to influence dealings.

Conflict of Interest Checks

The review of a sample of 73¹⁶⁰ contractors that received payments from ABSG as reflected in the bank account statements from UBA and Zenith Bank, the nominal roll¹⁶¹ and desktop search on the contractors did not indicate collusion with Government Officials. However, we carried out a conflict of interest checks on the 73 contractors by comparing names of the directors of the 73 companies with the Government Officials on ABSG nominal roll, noting possible conflict of interest. These companies are:

4.3.3.1 Amatec Integrated Service (“Amatec”) – ₦55,000,000.00

Item	Details ¹⁶²
Registered Address	No 27, Ojoto Street, Mile 11 Diobu, Port Harcourt
Company Type	Private Unlimited Company
Incorporation date	11 Aug 2008
Incorporation number	RC 765918

¹⁵⁷ We reviewed 100% CAMF, and 93% of other bank charges as we did not review stamp duties, VAT fees, and other charges remitted to FIRS.

¹⁵⁸ We did not review loan repayment account (Excess Crude Account and FGN Bailout Account).

¹⁵⁹ See Appendix 10.2 for details of the CBN extant guidelines.

¹⁶⁰ See Appendix 10.4 for details of the 73 contractors

¹⁶¹ ABSG only provided the nominal roll from 2018 to 2023, they did not provide nominal role from 2015 to 2017.

¹⁶² Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; AMATEC INTERGRATED SERVICES NIGERIA LIMITED](https://www.cac.gov.ng/AMATEC-INTERGRATED-SERVICES-NIGERIA-LIMITED) Nigeria company profile - address, contacts, owners (ng-check.com).

Item	Details ¹⁶²
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.1 for a screenshot of Amatec’s inactive status on CAC’s online portal)
Management	As reflected on NG-Check see details of the Directors below: a. Rosemary Nwogu - Director b. Godwin Nwogu - Director c. Ikechukwu Nwogu - Director d. Dominic Nwogu - Director e. Lucky Micheal Nwogu – Director
Contracted by:	Ministry of Works for expansion and excavation of Aba Urban creek road in Aba.
Amount paid:	₦55,000,000.00 (₦35,000,000.00 UBA and ₦15,000,000.00 Zenith Bank)
Possible Conflict of Interest	Mrs Rosemary Nwogu is a Director in Amatec Integrated Service and also a Senior Accountant in the Judicial Service Commission of Abia State.

4.3.3.2 Seafair Projects Limited (“Seafair”) – ₦42,000,000.00

Item	Details ¹⁶³
Registered Address	No 36, Constitution Crescent, Aba, Abia
Company Type	Private Company Limited By Shares
Incorporation date	28 Jun 2010
Incorporation number	RC 895601
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.2 for a screenshot of Seafair inactive status on CAC’s online portal)
Management	As reflected on NG-Check see details of the Directors below: a. Emma Chukwu Omokwe - Director b. Ihuoma Omokwe - Director c. Emmanuel Jnr Omokwe - Director d. Leonard Ikenna Omokwe - Director e. Chukwu Emeka Omokwe – Director

¹⁶³ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; SEAFAIR PROJECTS LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](#).

Item	Details ¹⁶³
	f. Omokwe Adaeze Eva – Director
Contracted by:	Ministry of Works for construction of road in Aba.
Amount paid:	₦42,000,000.00 (₦23,000,000.00 UBA, ₦10,000,000.00 Zenith Bank and ₦9,000,000.00 First Bank)
Possible Conflict of Interest	Mrs Ihuoma Omekwe is a Director in Seafair and the Deputy Director, State Counsel in Abia State Liaison Office, Abuja

4.3.3.3 Zamkel Resources Nig Ltd (“Zamkel”) – ₦30,775,000.00

Item	Details ¹⁶⁴
Registered Address	23, World Bank Housing Estate, Abia
Company Type	Private Company Limited by Shares
Incorporation date	28 Aug 2017
Incorporation number	RC 1434752
Place of Incorporation	Nigeria
Status with CAC	Active
Management	As reflected on NG-Check see details of the Directors below: a. Kelechi Chukwuemeka Aguiyi - Director b. Chizaram Mercy Aguiyi - Director c. Stanley Onyemelonu - Director d. Christopher Ezem – Secretary
Contracted by	Ministry of Health for supply of surgical beds for isolation centers in Aba & Umuahia.
Amount paid:	₦30,775,000.00 (₦16,000,000.00 Zenith Bank and ₦14,775,000.00 UBA)
Possible Conflict of Interest	a. Kelechi Chukwuemeka Aguiyi is the Assistant General Manager of ASEPA b. Chizaram Mercy Aguiyi is an Information Officer in the Ministry of Information and Strategy in ABSG c. Christopher Ezem was once the Secretary to the State Governor of Abia State

4.3.3.4 Conduit Resources Ltd (“Conduit Resource”) – ₦27,000,000.00

Item	Details ¹⁶⁵
Registered Address	No 34, Okpororo Road, Port Harcourt, Rivers

¹⁶⁴ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry](#).

¹⁶⁵ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry](#).

Item	Details ¹⁶⁵
Company Type	Private Unlimited Company
Incorporation date	10 Sep 2001
Incorporation number	RC 426261
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.3 for a screenshot of Conduit Resources' inactive status on CAC's online portal)
Management	As reflected on NG-Check see details of the Directors below: a. Emmanuel Ndubuisi - Director b. Akunna T. Ndubuisi – Director
Contracted by:	No records of the contracts awarded
Amount paid:	₦27,000,000.00 (₦16,000,000.00 Zenith Bank and ₦11,000,000.00 UBA)
Possible Conflict of Interest	Mr Emmanuel Ndubuisi is a Director in Conduit Resources and also an accounting officer in the Bureau of Special Services

4.3.3.5 Fincep Construction Company Limited (“Fincep”) – ₦25,000,000.00

Item	Details ¹⁶⁶
Registered Address	152, Aba Road, Umuahia
Company Type	Private Company Limited by Shares
Incorporation date	20 Oct 2015
Incorporation number	RC 1294081
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.4 for a screenshot of Fincep's inactive status on CAC's online portal)
Management	As reflected on NG-Check see details of the Directors below: a. Eze Friday Michael Ikpeazu - Director b. Emmanuel Ugochukwu Ikpeazu - Director c. Emmanuel Onyema Ikpeoha - Director d. Ashola Adigun Murtala – Director
Contracted by:	No records of the contracts awarded

¹⁶⁶ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry](#).

Item	Details ¹⁶⁶
Amount paid:	₦25,000,000.00 (₦15,000,000.00 Zenith Bank and ₦10,000,000.00 UBA)
Possible Conflict of Interest	Mr Emmanuel Ugochukwu Ikpeazu is a Director in the company and a Statistician in the Bureau of Statistics

4.3.3.6 Pal Bese Global Enterprises Ltd (“Pal Bese”) – ₦17,850,000.00

Item	Details ¹⁶⁷
Registered Address	No 25, Nwankpa Street, Abayi, Aba
Company Type	Private Company Limited by Shares
Incorporation date	24 Jan 2018
Incorporation number	RC 1466039
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.5 for a screenshot of Pal Bese inactive status on CAC’s online portal)
Management	As reflected on NG-Check see details of the Directors below: a. Sylvanus Esiaba Ebere - Director b. Onwuka Enyiorji Buoyant - Director c. Nneka Esiaba Chioma - Director d. Calister Enyiorji Chidi - Director e. Nneka Esiaba Chioma – Secretary
Contracted by:	No records of the contracts awarded
Amount paid:	₦17,850,000.00 (₦12,850,000.00 Zenith Bank and ₦5,000,000.00 UBA)
Possible Conflict of Interest	a. Sylvanus Esiaba Ebere is a director in Pal Bese and a political Appointee in ASEPA. b. Mrs Nneka Esiaba Chioma is a Director in Pal Bese and an Information Officer in the Ministry of Information and Strategy.

4.3.3.7 Worldcorp Nigeria Limited (“Worldcorp”) – ₦6,000,000.00

Item	Details ¹⁶⁸
Registered Address	Plot 260, Lclose, First avenue, Festac, Lagos

¹⁶⁷ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; PAL BESE GLOBAL ENTERPRISES LTD Nigeria company profile - address, contacts, owners \(ng-check.com\)](#).

¹⁶⁸ Retrieved on 3 November 2023 from [CAC - Nigerian Corporate Registry; WORLDCORP \(NIGERIA\) LIMITED Nigeria company profile - address, contacts, owners \(ng-check.com\)](#).

Item	Details ¹⁶⁸
Company Type	Private Unlimited Company
Incorporation date	11 May 2001
Incorporation number	RC 410183
Place of Incorporation	Nigeria
Status with CAC	Inactive (See Appendix 10.5.6 for a screenshot of Worldcorp's inactive status on CAC's online portal)
Management	As reflected on NG-Check see details of the Directors below: a. Ladan Shuni - Director b. Martin Apugo - Director c. Elizabeth Ihenacho - Director d. Emeka Apugo – Director
Contracted by:	No records of the contracts awarded
Amount paid:	₦6,000,000.00 via Zenith Bank.
Possible Conflict of Interest	Mr Martins Apugo is a director in Worldcorp and an Executive Officer in the Bureau of Statistics in Abia State Government.

4.4 Bank Charges and interests on credit facilities obtained by ABSG from UBA, Zenith Bank and Union Bank

Objectives: Determine if there is any overcharge of interest and/or charges by UBA, Zenith Bank and Union Bank on current, deposit, escrow or investment accounts¹⁶⁹, as well as credit facilities granted to the State.

4.4.1 Bank Charges and Interests on Credit Facilities obtained from UBA

4.4.1.1 Bank Charges

The independent analysis of sample¹⁷⁰ of bank charges totalling ₦403,814,789.95 in 16¹⁷¹ of the 19 bank account statements, vis-à-vis the requirement of the CBN extant guidelines¹⁷², reflects an overcharge of ₦112,519,565.68 by UBA. See breakdown in table 4.4.1.1 below.

¹⁶⁹ ABSG did not maintain deposit, escrow, or investment accounts with the three (3) banks

¹⁷⁰ We reviewed 100% COT, 100% CAMF, and 45% of other bank charges as we did not review stamp duties, VAT fees, and other charges remitted to FIRS.

¹⁷¹ We did not review salary account, and loan repayment accounts (Counterpart fund and ASUBEB Accounts)

¹⁷² See Appendix 10.2 for details of the CBN extant guidelines and Appendix 10.6 for Screenshot of the CBN extant guidelines.

Table 4.4.1.1: Analysis of Bank charges by UBA (Overcharge (+ve) / Undercharge (-ve))

S/N	Category of Bank charge	Total Bank Charges (₦)	Sample Reviewed (₦) A	Percentage of Sample Reviewed %	Fee applicable per CBN guideline (₦) B	Overcharge (+ve) / Undercharge (-ve) (₦) C = (A-B)	Section
1	COT	40,167,757.68	40,167,757.68	100	17,131,742.08	23,086,015.60	4.4.1.1.1
2	CAMF	346,243,292.18	346,243,292.18	100	256,809,742.10	89,433,550.08	4.4.1.1.2
3	Other Bank Charges	38,480,519.50	17,403,740.09	45	17,403,740.09	–	4.4.1.1.3
Total		424,891,354.32	403,814,789.95		291,345,224.27	112,519,565.68	

Source: Compiled by KPMG from the analysis of UBA Bank Statements.

4.4.1.1.1 Commission on Turnover (“COT”) – ₦23,086,015.60 Overcharge

- a. To the extent identifiable by transaction narrations, there are instances where UBA erroneously charged more than ₦1 per mille on COT eligible transactions in 2015, as well as the correct ₦1 per mille but on non-COT eligible transactions¹⁷³ to determine the COT amount of ₦40,167,757.68. This is contrary to the requirement of the CBN extant guideline, thereby resulting in an overcharge of ₦23,086,015.60. See analysis in table 4.4.1.1.1 below:

Table 4.4.1.1.1: Analysis of COT charges by UBA. (Overcharge (+ve) / Undercharge (-ve))

S/N	Total Debit Turnover (1 June 2015 to 31 December 2015)			COT eligible transactions	% applied by UBA	COT charged by UBA (₦) (A)	% applicable per CBN guideline	COT applicable per CBN guideline (₦) (B)	Overcharge (+ve) / Undercharge (-ve) (₦) (C = A – B)	Remark
	Bank Account	Account Number	Amount (₦)							
1	Overhead 1	1019115026	8,710,338,118.92	8,633,158,518.12	0.3	25,763,600.11	0.1	8,633,158.52	17,130,441.59	UBA charged more than ₦1 per mille, which is contrary to the requirement of the CBN extant guideline.
2	Subvention	1019114830	4,538,558,301.95	4,106,123,493.05	0.2	7,568,602.25	0.1	4,106,123.49	3,462,478.76	
3	Special	1019024009	1,286,766,801.86	1,282,847,228.51	0.3	3,662,542.32	0.1	1,282,847.23	2,379,695.09	
4	VAT	1015372032	3,709,914,771.38	899,022,839.04	0.1	969,023.00	0.1	899,022.84	70,000.16	UBA charged non-COT eligible transactions such as self to self intra-bank transfers, loan repayments, etc.
5	IGR	1007480293	186,843,895.50	181,590,000.00	0.1	224,990.00	0.1	181,590.00	43,400.00	
6	Capital Project	1019115284	2,881,100,735.00	1,979,000.00	0.1	1,979,000.00	0.1	1,979,000.00	–	No overcharge of COT
Total			21,313,522,624.61	15,104,721,078.72		40,167,757.68		17,081,742.08	23,086,015.60	

Source: Compiled by KPMG from the analysis of UBA Bank Statements.

¹⁷³ See Appendix 10.6 for details of the non-COT eligible transactions.

UBA’s position on the overcharge on COT is ₦22,777,605.24, resulting in a variance of ₦308,410.36 between the analysed overcharge of ₦23,086,015.60 and UBA’s response per workpaper provided. The ₦308,410.36 variance was due to the following:

- a. There are two (2) instances where UBA charged ₦258,410.36 COT on reversed amount of ₦258,410,359.89 in ABSG Subvention Account.
- b. UBA charged ₦50,000.00 COT on self-to-self inter account transfer of ₦50,000,000.00 in ABSG Overhead 1 Account. The CBN guidelines exempts self-to-self inter account transactions from COT charges.

Due to the above, we maintained our position on overcharge of ₦23,086,015.60.

4.4.1.1.2 Current Account Maintenance Fee (“CAMF”) – ₦89,433,550.08 Overcharge

- a. To the extent identifiable by transaction narrations, UBA charged CAMF on non-CAMF eligible transactions (such as intra-bank debit transactions, loan repayments, etc.) to determine a CAMF amount of ₦346,243,292.18, which is contrary to the requirement of the CBN extant guideline, thereby resulting in an overcharge of ₦89,433,550.08. See analysis in table 4.4.1.1.2 below:

Table 4.4.1.1.2: Analysis of CAMF charges by UBA (Overcharge (+ve) / Undercharge (-ve))

S/N	Total Debit Turnover (1 January 2016 to 28 May 2023)			CAMF eligible transactions	CAMF charged by UBA (₦) (A)	CAMF applicable per CBN guideline (₦) (B)	Overcharge (+ve) / Undercharge (-ve) (₦) (C = A – B)	Remark
	Bank Account	Account Number	Amount(₦)					
1	FAAC	1015372049	341,307,019,441.58	29,545,470,372.97	104,370,666.27	29,545,470.37	74,825,195.90	a. UBA charged CAMF on non-CAMF eligible transactions such as (self-to-self intra-account transactions, loan repayments, etc between 1 January 2016 and 31 May 2021).

S/N	Total Debit Turnover (1 January 2016 to 28 May 2023)			CAMF eligible transactions	CAMF charged by UBA (₦) (A)	CAMF applicable per CBN guideline (₦) (B)	Overcharge (+ve) / Undercharge (-ve) (₦) (C = A – B)	Remark
	Bank Account	Account Number	Amount(₦)					
2	VAT	1015372032	116,818,614,349.65	11,885,911,666.50	23,051,791.97	11,885,911.67	11,165,880.30	<p>b. UBA Business Unit Manager represented that, a Consultant (name not stated) engaged by ABSG in 2021 instructed UBA to stop charging CAMF on the FAAC/VAT accounts as the accounts are mainly used for loan repayments and inter-account transfers.</p> <p>c. Hence, UBA stopped charging CAMF on the FAAC/VAT accounts in May 2021.</p> <p>d. UBA Business Unit Manager represented via phone conversation that UBA refunded the CAMF fee charged to ABSG FAAC/VAT accounts, however, we did not confirm the repayment in the accounts.</p>
3	Special Subvention	1025212962	31,055,075,843.30	13,649,943,836.04	17,554,785.43	13,649,943.84	3,904,841.59	a. UBA charged CAMF on non-CAMF eligible transactions such as self-to-self intra-account
4	Overhead 1	1019115026	159,653,013,790.38	126,974,845,847.49	128,159,250.60	126,974,845.85	1,184,404.75	

S/N	Total Debit Turnover (1 January 2016 to 28 May 2023)			CAMF eligible transactions	CAMF charged by UBA (₦) (A)	CAMF applicable per CBN guideline (₦) (B)	Overcharge (+ve) / Undercharge (-ve) (₦) (C = A – B)	Remark
	Bank Account	Account Number	Amount(₦)					
								transactions, loan repayments, etc.
5	Paris Club	1019892950	12,129,641,359.55	11,426,980,547.77	11,486,980.59	11,426,980.55	60,000.04	a. UBA charged CAMF on one (1) inter-account transaction ₦60,000,000.00.
6	IGR	1007480293	893,069.64	-	892.03	-	892.03	b. UBA charged CAMF on one (1) loan repayment of ₦892,000.00.
7	Bridging Finance	1024592087	22,979,711,799.75	1,757,055,155.32	1,757,057.38	1,757,055.16	2.22	
Sub-Total (A)			683,943,969,653.85	195,240,207,426.09	286,381,424.27	195,240,207.44	91,141,216.83	
8	13% Derivative Account	1025212955	3,568,835,527.79	2,340,777,677.87	2,339,477.71	2,340,777.68	(1,299.97)	a. UBA charged short charged these accounts. b. UBA Business Unit Manager could not provide the reason why UBA short charged the accounts.
9	Overhead 2	1025082752	7,775,118,963.37	7,567,857,725.20	7,348,973.11	7,388,843.16	(39,870.05)	
10	Covid-19	1022752036	1,596,455,140.64	1,577,490,202.50	1,371,491.93	1,577,490.20	(205,998.27)	
11	Capital Project	1019115284	26,721,705,099.18	4,765,072,621.61	4,477,574.30	4,765,072.62	(287,498.32)	
12	Subvention	1019114830	127,467,272,160.43	45,497,351,002.53	44,324,350.86	45,497,351.00	(1,173,000.14)	
Sub-Total (B)			167,129,386,891.41	61,748,549,229.71	59,861,867.91	61,569,534.66	(1,707,666.75)	
Total (A+B)			851,073,356,545.26	256,988,756,655.80	346,243,292.18	256,809,742.10	89,433,550.08	

Source: Compiled by KPMG from the analysis of records provided by UBA.



- b. UBA admitted to have overcharged ABSG by ~~₦~~1,084,580.10 on CAMF, however, our independent analysis revealed a net overcharge of ~~₦~~89,433,550.08 on CAMF during the period under review.

4.4.1.1.3 Other Charges – No Overcharge

The analysis of other bank charges (including transfer charges, NEFT fee, bank statement charges fee, withdrawal charges, etc.) amounting to ₦17,403,740.09 revealed no overcharge by UBA.

4.4.1.2 Bank Interest on credit facilities obtained from UBA

The review of 19 bank account statements, schedules and offer letters provided by ABSG and UBA, revealed that ABSG obtained 298 credit facilities totalling ₦426,675,998,797.42 during the period under review. See breakdown of the 298 credit facilities in table 4.4.1.2 below. The findings are further explained in the relevant sub-sections.

Table 4.4.1.2: Credit Facilities obtained by ABSG from UBA

S/N	Nature of Facilities	Number of Facilities	Amount (₦)	Section No.
1	Term Loan	10	18,480,915,387.42	4.4.1.2.1
2	Temporary Overdraft Facilities (“TOD”)	231	342,866,000,000.00	4.4.1.2.2
3	Contractor Finance Facilities (“CFF”)	57	65,329,083,410.00	4.4.1.2.3
Total		298	426,675,998,797.42	

Source: Compiled by KPMG from the analysis of records provided by UBA.

4.4.1.2.1 Ten (10) Term Loans totalling ₦18,480,915,387.42

While UBA overcharged ABSG by ₦41,219,427.42 on interest and principal for one (1) term loan totalling ₦6,000,000,000.00, UBA did not charge the State interest amounting to ₦56,666,264.04 on the remaining nine (9) term loans. See details in table 4.4.1.2.1 below.

Table 4.4.1.2.1: Term-Loans obtained by ABSG from UBA during the period under review (Overcharge (+ve) / Undercharge (-ve))

S/N	Facility	Disbursement Date	Number of Facility	Facility Amount	Actual charges by UBA as at 31 May 2023 (₦) (A)	Expected charges per Offer letter as at 31 May 2023 (₦) (B)	Overcharge (+ve) / Not Charged (-ve) (₦) (C = A – B)
1	Counterpart Fund for various Projects	17-Sep-2019	1	3,000,000,000.00	3,815,125,179.54	3,812,584,597.35	2,540,582.19
	Term loan to Settle Overdraft			3,000,000,000.00	3,916,178,793.51	3,877,499,948.28	38,678,845.23
Sub-Total			1	6,000,000,000.00	7,731,303,973.05	7,690,084,545.63	41,219,427.42
2	ASUBEB Counterpart Fund (I)	20-Aug-2020	1	1,519,884,078.68	1,377,798,606.12	1,400,658,470.46	(22,859,864.34)
3	Term loan	8-Dec-2021	1	4,000,000,000.00	4,182,465,696.55	4,200,658,054.67	(18,192,358.12)
4	ASUBEB Counterpart Fund (II)	30-Dec-2016	1	2,836,031,308.74	4,199,269,522.74	4,206,120,879.30	(6,851,356.56)
5	Term loan	15-Apr-2021	1	1,000,000,000.00	1,035,007,747.83	1,041,227,993.41	(6,220,245.58)
6	Counterpart Fund for 2015 MDG Projects	02-Jun-2017	1	600,000,000.00	912,511,209.91	914,163,387.38	(1,652,177.47)
7	Term loan	4-July-2022	1	500,000,000.00	512,927,384.49	513,392,199.29	(464,814.81)
8	Term Loan	15-Feb-2022	1	500,000,000.00	511,286,326.25	511,711,773.41	(425,447.16)
9	COVID-19 Health-Care intervention	14-Oct-2022	1	1,025,000,000.00	90,889,867.67	90,889,867.67	0.00
10	Term Loan	26-Oct-2021	1	500,000,000.00	511,711,773.41	511,711,773.41	0.00
Sub-Total			9	12,480,915,387.42	13,333,639,151.00	13,390,534,399.00	(56,666,264.04)
Total			10	18,480,915,387.42	21,064,943,124.05	21,080,618,944.63	

Source: Compiled by KPMG from the analysis of records provided by UBA and ABSG.

● Not Charged ● Overcharge

1. ₦6,000,000,000.00 Counterpart Fund – ₦41,219,427.42 Overcharge

- a. Per offer letter¹⁷⁴ dated 15 August 2019, ABSG requested a term loan of ₦6,000,000,000.00 as a counterpart fund to finance various developmental projects.
- b. The offer letter reflects:
 - i. **Interest:** 9% interest rate pending the receipt of the counterpart fund. Upon receipt of counterpart fund, the interest rate will change to 19%.
 - ii. **Tenor:** 48 monthly repayments.
- c. However, ABSG communicated a change of purpose to UBA via a letter¹⁷⁵ dated 5 September 2019, stating that the ₦6,000,000,000.00 facility be disbursed in the two tranches as follows:
 - i. ₦3,000,000,000.00 – To finance various counterpart project.
 - ii. ₦3,000,000,000.00 – To settle a temporary overdraft of ₦3,000,000,000.00 running on ABSG FAAC Account.
- d. UBA charged excess amount of ₦2,540,582.19 on the third instalment of (i) above. UBA Business Unit Manager could not explain why UBA charged the excess amount.
- e. UBA did not communicate any interest rate to ABSG on (ii) above. Hence, we applied 18% interest rate on the term loan, a rate we leveraged from the interest charged on another term loan granted by UBA, which was also running at the period. This resulted in ₦38,678,845.23 overcharge of interest and principal on the facility.
- f. UBA Bank manager stated¹⁷⁶ that instead of communicating a new interest rate to ABSG on the ₦3,000,000,000.00 term loan, UBA charged 19% interest rate as the term loan is not tied to the receipt of counterpart fund.
- g. UBA's position on overcharge on these facilities is ₦31,282.14, however, UBA did not provided sufficient records to enable us validate their claim, hence, we maintained our position on overcharge of ₦41,219,427.42.

2. ₦1,519,884,078.68 Counterpart Fund for ASUBEB Project (I) – ₦22,859,864.34 not charged

- a. Per offer letter¹⁷⁷ dated 3 August 2020, ABSG requested a term loan of ₦1,519,884,078.68 as a counterpart fund to finance ASUBEB projects.
- b. The offer letter reflects:

¹⁷⁴ Exhibit 2 – Offer letter for ₦6,000,000,000.00 Counterpart Fund executed by both parties.

¹⁷⁵ Exhibit 3 – Change of purpose letter by ABSG 5 September 2019.

¹⁷⁶ Per representation by UBA Manager.

¹⁷⁷ Exhibit 4 – Offer letter for ₦1,519,884,078.68 Counterpart Fund executed by both parties.

- i. **Interest:** 9% interest rate pending the receipt of counterpart fund. Upon receipt of counterpart fund, the interest rate will change to 18%.
- ii. **Tenor:** 48 monthly repayments.
- c. However, upon receipt of counterpart fund on 29 March 2021, UBA did not change the interest rate from 9% to 18% until 30 November 2021, representing 246 days delay.
- d. Due to the 246 days delay in changing the interest rate, there is a sum of ₦22,859,864.34 not charged by UBA on the facility.
- e. UBA Business Unit Manager could not to explain why UBA did not promptly change the interest rate as required by the offer letter. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by UBA for the repayment.

3. **₦4,000,000,000.00 Term Loan – ₦18,192,358.12 not charged**

- a. Per offer letter¹⁷⁸ dated 6 December 2021, ABSG requested a term loan of ₦4,000,000,000.00 to augment its working capital for payment of salaries and other recurrent expenditures.
- b. The offer letter reflects:
 - i. **Interest:** 17% interest rate per annum.
 - ii. **Tenor:** 6 monthly repayments.
 - iii. **Repayment Amount:** ₦700,109,675.78 monthly.
- c. On 30 May 2022, the last instalment of the facility, UBA charged ₦681,917,317.65, which is ₦18,192,358.12 short of the monthly repayment amount.
- d. UBA Business Unit Manager could not explain why UBA short charged the last instalment amount. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by UBA for the repayment.

4. **₦2,836,031,308.74 Counterpart Fund for ASUBEB Project (B) – ₦6,851,356.56 not charged**

- a. Per offer letter¹⁷⁹ dated 15 September 2016, ABSG requested a term loan of ₦2,836,031,308.74 as a counterpart fund to finance ASUBEB project.
- b. The offer letter reflects:
 - i. **Interest:** 16.75% interest rate per annum.
 - ii. **Tenor:** 60 monthly repayments.
 - iii. **Repayment Amount:** ₦70,102,014.66 monthly

¹⁷⁸ Exhibit 5 – Offer letter for ₦4,000,000,000.00 term loan executed by both parties.

¹⁷⁹ Exhibit 6 – Offer letter for ₦2,836,031,308.74 Counterpart Fund executed by both parties.

- c. UBA charged ₦6,851,356.56 less than the expected monthly repayment of ₦70,102,014.66 on nine (9) month instalments.
- d. UBA Business Unit Manager could not explain why UBA short charged the nine (9) month instalments. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by UBA for the repayment.

5. ₦1,000,000,000.00 Term Loan – ₦6,220,245.57 not charged

- a. Per offer letter¹⁸⁰ dated 13 April 2021, ABSG requested a term loan of ₦1,000,000,000.00 to meet urgent security issues in the State.
- b. The offer letter reflects:
 - i. **Interest:** 14% interest rate per annum.
 - ii. **Tenor:** 6 monthly repayments.
 - iii. **Repayment Amount:** ₦173,537,998.90 monthly
- c. On 30 September 2021, the last instalment period of the facility, UBA charged ABSG ₦167,317,753.33, which is ₦6,220,245.57 short of the monthly repayment amount.
- d. UBA Business Unit Manager could not explain why UBA short charged the last instalment amount. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by UBA for the repayment.

6. ₦600,000,000.00 Counterpart Fund for 2015 MDG Projects – ₦1,652,177.47 not charged

- a. Per offer letter¹⁸¹ dated 21 June 2016, ABSG requested a term loan of ₦600,000,000.00 as a counterpart funding for 2015 MDG projects.
- b. The offer letter reflects:
 - i. **Interest:** 18% interest rate per annum.
 - ii. **Tenor:** 60 monthly repayments.
 - iii. **Repayment Amount:** ₦15,236,056.46 monthly
- c. UBA charged ₦1,652,177.47 less than the expected monthly repayment of ₦15,236,056.46 on eight (8) month instalments.
- d. UBA Business Unit Manager could not explain why UBA short charged the eight (8) month instalments. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by UBA for the repayment.

¹⁸⁰ Exhibit 7 – Offer letter for ₦1,000,000,000.00 term loan executed by both parties.

¹⁸¹ Exhibit 8 – Offer letter for ₦600,000,000.00 term loan executed by both parties.

7. ₦500,000,000.00 Term Loan – ₦464,814.81 not charged

- a. Per offer letter¹⁸² dated 24 June 2021, ABSG requested a term loan of ₦500,000,000.00 to meet urgent need for the payment of parastatals salaries and subvention.
- b. The offer letter reflects:
 - i. **Interest:** 16% interest rate per annum.
 - ii. **Tenor:** 3 monthly repayments.
 - iii. **Repayment Amount:** ₦171,130,733.10 monthly
- c. On 30 September 2022, the last instalment period of the facility, UBA charged ₦170,665,918.29 which is ₦464,814.81 short of the monthly repayment amount.
- d. UBA Business Unit Manager could not explain why UBA short-charged the last instalment amount. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by UBA for the repayment.

8. ₦500,000,000.00 Term Loan – ₦425,447.16 Not Charged

- a. Per offer letter¹⁸³ dated 9 Feb 2022, ABSG requested a term loan of ₦500,000,000.00 to meet urgent need for the payment of parastatals salaries and subvention.
- b. The offer letter reflects:
 - i. **Interest:** 14% interest rate per annum.
 - ii. **Tenor:** 3 monthly repayment.
 - iii. **Repayment Amount:** ₦170,570,591.14 monthly
- c. On 15 May 2022, the last instalment period of the facility, UBA charged ₦170,145,143.97 which is ₦425,447.16 short of the monthly repayment amount.
- d. UBA Business Unit Manager could not explain why UBA short-charged the last instalment amount. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by UBA for the repayment.

4.4.1.2.2 231 Temporary Overdraft Facilities (“TODs”) totalling ₦342,866,000,000.00.

- a. Per the schedule of TODs provided by UBA, UBA granted 231 TODs totalling ₦342,866,000,000.00 to ABSG FAAC (1015372049) and VAT (1015372032) accounts during the period under review. However, UBA only provided offer letters for 59 TODs i.e., 28% totalling ₦96,250,000,000.00.

¹⁸² Exhibit 9 – Offer letter for ₦500,000,000.00 term loan executed by both parties.

¹⁸³ Exhibit 10 – Offer letter for ₦500,000,000.00 term loan executed by both parties.

- b. Nonetheless, of the 231 TODs, we identified 208 TODs totalling ₦293,026,000,000.00 in the two (2) accounts using the management fees charged on the facilities and the applicable dates stated on the schedule of TOD provided by UBA.
- c. The independent analysis of the 208 TODs totalling ₦293,026,000,000.00 revealed ₦57,960,894.70 overcharge of interest. See details in table 4.4.1.2.2 below:

Table 4.4.1.2.2: Analysis of TODs obtained from UBA

S/N	Bank Account	Account Number	No of Facilities	Amount (₦)	Actual charges by UBA as at 31 May 2023 (₦) (A)	Expected charges per Terms of the TODs (₦) (B)	Over (+ve) / Undercharge (-ve) (₦) (C = A – B)
1	FAAC Account	1015372049	123	242,126,000,000.00	5,040,483,343.41	5,008,642,388.87	31,840,954.54
2	VAT Account	1015372032	85	50,900,000,000.00	636,594,622.49	610,474,682.33	26,119,940.16
Total			208	293,026,000,000.00	5,677,077,965.90	5,619,117,071.20	57,960,894.70

Source: Compiled by KPMG from the analysis of records provided by UBA.

1. FAAC Account – ₦31,840,954.54 Overcharge

- a. UBA charged ₦5,040,483,343.41 as interest on 123 TODs totalling ₦242,126,000,000.00, however, during the analysis of the 123 TODs we noted that;
- i. ABSG defaulted on seven (7) TODs totalling ₦13,400,000,000.00.
 - ii. We applied the 1% default clause stated on the offer letters for the seven (7) TODs.
- b. The analysis of the 123 TODs revealed ₦31,840,954.54 overcharge by UBA.
- c. UBA’s position on the overcharge on the FAAC account is ₦18,660,511.27, however, due to the following possible errors noted in the TOD computation workpaper that UBA provided, we maintained our position on overcharge of ₦31,840,954.54.
- i. UBA charged overdraft fee on debit balances at the beginning of the day rather than the total debit balance at the end of the day.
 - ii. UBA also did not apply the default clauses stated on the offer letters for the facilities that ABSG defaulted on.

2. VAT Account – ₦26,119,940.16 Overcharge

- a. UBA charged 636,594,622.49 on 85 TODs totalling ₦50,900,000,000.00, however, during our analysis of the 85 TODs we noted that;
- i. ABSG defaulted on 17 TODs totalling ₦12,650,000,000.00.
 - ii. Of the 17 TODs, we applied the 1% default clause stated on the offer letters for the 10 TODs totalling ₦6,650,000,000.00, as the offer letters for six (6) TODs totalling ₦6,000,000,000.00 does not include a default rate.

- b. The analysis of the 85 TODs revealed ₦26,119,940.16 overcharge by UBA.
- c. UBA’s position of overcharge on the VAT account is ₦21,643,912.81, however, due to the following possible errors noted in the TOD computation workpaper that UBA provided, we maintained our position on overcharge of ₦26,119,940.16.
 - i. UBA charged overdraft fee on debit balances at the beginning of the day rather than the total debit balance at the end of the day.
 - ii. UBA also did not apply the default clauses stated on the offer letters for the facilities that ABSG defaulted on.

4.4.1.2.3 57 Contractor Finance Facilities (“CFFs”) totalling ₦65,329,083,410.00.

- a. Per schedule provided by ABSG Cash office, there are 57 CFFs totalling ₦65,329,083,410.00, which were disbursed to the contractors’ current accounts. However, the repayments of the CFFs are made by the State via ISPOs issued to UBA on the FAAC/VAT Account.
- b. No records for KPMG to analyse the 57 CFFs totalling ₦65,329,083,410.00 as they are disbursed directly into the contractors’ accounts. Nonetheless, based on review of ABSG FAAC/VAT Account with UBA, ISPOs issued by ABSG to the contractors, offer letters and repayment schedules provided by UBA for 45 of the 57 CFFs totalling ₦56,543,439,000.00 (see Appendix 10.9 for breakdown of the 45 CFFs), we noted an overcharge of ₦56,257,088.34 on two facilities totalling ₦1,500,000,000.00. See table below for details.

Table 4.4.1.2.3.1-2: Repayments on two (2) CFFs from UBA (Overcharge (+ve) / Undercharge (-ve))

S/N	Contractor	Loan Amount (₦)	Actual charges by UBA as at 31 May 2023 (₦) (A)	Expected charges per repayment schedules analysis as at 31 May 2023 (₦) (B)	Overcharge (+ve) / Undercharge (-ve) (₦) (C = A – B)
1	Track Care Global Construction Co. Ltd.	800,000,000.00	999,075,513.44	946,492,591.76	52,582,921.68
2	Ferotex Construction Company Ltd	700,000,000.00	831,855,184.45	828,181,017.79	3,674,166.66
Total		1,500,000,000.00	1,830,930,697.89	1,774,673,609.55	56,257,088.34

Source: Compiled by KPMG from the analysis of records provided by UBA.

1. Track Care ~~₦800,000,000.00~~ – ~~₦52,582,921.68~~ Overcharge

- a. Per offer letter¹⁸⁴ dated 24 August 2017, Track Care requested a term loan of ₦800,000,000.00 for:
 - i. Expansion / Rehabilitation of Ururuka Road from Obikabia Junction to Umuobiakwa (13KM).
 - ii. Asphalt overlay of 13 km dualization of Aba/Owerri Road (2.6KM) single lane & channelization works.
- b. The offer letter reflects:
 - i. **Interest:** 22% interest rate per annum.
 - ii. **Tenor:** 18 Monthly repayments.
 - iii. **Repayment Amount:** ₦52,582,921.76 monthly.
- c. On 18 August 2017, ABSG issued an ISPO to UBA, instructing UBA to debit its FAAC/VAT Accounts with an amount of ₦52,800,000.00 for a period of 18 months, as repayment for the ₦800,000,000.00 term loan.
- d. However, UBA charged ₦52,582,921.76 for 19 months instead of the 18 months repayment period stated on the offer letter, this resulted in an overcharge of ₦52,582,921.68.
- e. UBA admitted to charging the excess amount of ₦52,582,921.68 on the facility, hence, UBA committed to refunding the amount overcharged.

2. Ferotex ~~₦700,000,000.00~~ – ~~₦3,674,166.66~~ Overcharge

- a. Per offer letter¹⁸⁵ dated 24 August 2017, Ferotex requested a term loan of ₦700,000,000.00 for:
 - i. Reconstruction / Construction of (9.8km) Uratta Umuezeke Umuekechi Ogwe Road, with Spur Aba
 - ii. Rehabilitation/Reconstruction of (2.6KM) Umule Road Aba
 - iii. Various jobbing orders for three (3) roads, Bata rail crossing (5.2km), Eziukwu road (0.9km) and Omuma by Osusu (3km)
 - iv. Rehabilitation of Umuocham Road, Aba (1.8KM)
- b. The offer letter reflects:
 - iv. **Interest:** 22% interest rate per annum.
 - v. **Tenor:** 18 Monthly repayments.

¹⁸⁴ Exhibit 13 – Offer letter for ₦800,000,000.00 CFF executed by the contractor and UBA.

¹⁸⁵ Exhibit 14 – Offer letter for ₦700,000,000.00 CFF executed by the contractor and UBA.

- vi. **Repayment Amount:** ₦46,010,056.54 monthly.
- c. On 18 August 2017, ABSG issued an ISPO to UBA, instructing UBA to debit its FAAC/VAT Accounts with an amount of ₦46,010,000.00 for a period of 18 months, as repayment for the ₦700,000,000.00 term loan.
- d. However, UBA charged an excess amount of ₦3,674,166.66 on the last five (5) months.
- e. UBA admitted to charging only an excess amount of ₦145,738.47 on the facility, and represented that the additional ₦3,528,428.19 was charged as a default amount on the facility. However, our review of the offer letter and repayment made by ABSG revealed the following:
 - i. Per the default clause on the offer letter, it represented that in a case of default on the facility the borrower is liable to paying the default penalty of 1% per annum on the facility. The borrower on the offer letter is the contractor.
 - ii. Analysis of the repayments charged by UBA on ABSG FAAC Account does not reveal any default on the facility, as UBA charged ABSG monthly in line with the instruction of the ISPO for a period of 18 months.

4.4.1.2.3.1 Total Repayments per analysis of bank statements – ₦48,330,435,182.04

- a. To the extent identifiable by transaction narrations, we noted ₦70,988,679,830.11 unknown loan repayments charged by UBA on various ABSG accounts, which do not relate to any of the credit facilities offer letters provided to us, and may therefore relate to repayment on CFF for various contractors. See details in the table below.

Table 4.4.1.2.3.1-1: Total Repayments on CFFs from UBA as at 31 May 2023

S/N	Contractor	Repayment Amount (₦)
1	Ferotex Construction Company Ltd	12,243,161,475.72
2	Track Care Global Construction Co. Ltd	7,387,931,398.06
3	Tunnel End Investment Ltd	6,847,747,719.91
4	Macamuzy	3,931,093,320.85
5	Setraco Nig Ltd	3,117,340,662.40
6	Rock Water Integrated Services	3,102,882,580.85
7	Eckleen Integrated Services Nig. Ltd	2,431,099,880.79
8	Effdee Nig Ltd	2,342,645,282.46
9	Sponmor Services	2,304,420,721.57
10	Vision Cars Limited	2,129,803,088.99
11	Delhope Resources	2,027,401,902.79
12	China Zhonghao	2,018,885,393.02
13	PRO-M Ltd	1,966,143,123.85

S/N	Contractor	Repayment Amount (₦)
14	Dawn N Daisy	1,774,437,394.87
15	Blessed Hekem	1,506,572,649.66
16	Pumeco Industries	1,075,339,594.28
17	Hartland Nigeria Limited	1,068,144,426.00
18	Sannan Jadoon	891,976,301.00
19	Vision Cars Limited	835,081,897.21
20	Blessed Ugo Frank	827,842,223.80
21	Chintech Electro Nigeria Limited	675,000,000.00
22	Universal Energy	671,421,200.41
23	Jmk	620,263,107.46
24	Arab Contractors	503,571,670.29
25	Logistics De Luke	442,636,295.60
26	Zinnuche Ventures	399,906,324.15
27	Innoson Vehicle Manufacturing Co. Limited	270,683,410.00
28	Masta Services Ltd	253,369,004.19
29	Yodel Global Resources Ltd	238,480,840.73
30	ASP	157,800,000.00
31	Fresno Soln	11,150,381.80
32	Abia Smoh-Anrin	4,584,052.15
Sub-total		64,078,817,324.86
32	Unidentified CFF Repayments	6,909,862,505.25
Total		70,988,679,830.11

Source: Compiled by KPMG from the analysis of records provided by UBA.

4.4.2 Bank Charges, and Interests on Credit Facilities obtained by ABSG from Zenith Bank

4.4.2.1 Bank Charges

- a. The independent analysis of a sample¹⁸⁶ bank charges totalling ₦862,415.89 in 11¹⁸⁷ of the 13 bank account statements, vis-à-vis the requirement of the CBN extant guidelines¹⁸⁸, reflects no overcharge by Zenith Bank. See breakdown in table 4.4.2.1 below.

Table 4.4.2.1: Analysis of Bank Charges by Zenith Bank (Overcharge (+ve) / Undercharge (-ve))

S/N	Category of Bank charge	Total Bank Charges (₦)	Sample Reviewed (₦) A	Percentage of Sample Reviewed %	Fee applied per KPMG's Independent Analysis (₦) B	Overcharge (+ve) / Undercharge (-ve) (₦) C = (A-B)	Section
1	CAMF	793,083.62	793,083.62	100	793,083.62	-	4.4.2.1.1
2	Other Bank Charges	84,724.20	69,332.27	82	69,332.27	-	4.4.2.1.2
Total		877,807.82	862,415.89		862,415.89	-	

Source: Compiled by KPMG from the analysis of Zenith Bank Statements.

4.4.2.1.1 Current Account Maintenance Fee (“CAMF”) – No Overcharge

To the extent identifiable by transaction narration, the analysis of CAMF fee totalling ₦793,083.62 revealed no overcharge. See details as follows:

¹⁸⁶ We reviewed 100% CAMF, and 93% of other bank charges as we did not review stamp duties, VAT fees, and other charges remitted to FIRS.

¹⁸⁷ We did not review loan repayment account (Excess Crude Account and FGN Bailout Account)

¹⁸⁸ See Appendix 10.2 for details of the CBN extant guidelines.

Table 4.4.2.1.1: Analysis of CAMF charges by Zenith Bank

S/N	Total Debit Turnover (1 January 2020 to 28 May 2023)			CAMF eligible transactions	CAMF charged by UBA (₦) (A)	CAMF applicable per CBN guideline (₦) (B)	Difference (₦) (C = A – B)	Remark
	Bank Account	Account Number	Amount(₦)					
1	IGR Payment Account	1014819251	25,114,295,728.24	685,000,000.00	685,000.00	685,000.00	-	No overcharge of interest
2	Consolidated IGR Account (A)	1014327297	3,087,249.33	3,083,622.69	3,083.62	3,083.62	-	
3	Consolidated IGR Account (B)	1016977696	2,167,318,344.34	105,000,000.00	105,000.00	105,000.00	-	
Total			27,284,701,321.91	793,083,622.69	793,083.62	793,083.62		

Source: Compiled by KPMG from the analysis of records provided by UBA, Zenith Bank and Union Bank.

4.4.2.1.2 Other Charges – No Overcharge

The analysis of other bank charges other bank charges (including transfer charges, NEFT fee, bank statement charges fee, withdrawal charges, etc.) totalling ₦69,332.27 revealed no overcharge by Zenith Bank.

4.4.2.2 Bank Interest on credit facilities obtained from Zenith Bank

The review of 13 bank account statements, schedules and offer letters provided by ABSG and Zenith Bank, revealed that ABSG obtained 12 credit facilities totalling ₦6,486,092,990.72 during the period under review. See breakdown of the 12 credit facilities in table 4.4.2.2 below. The findings are further explained in the relevant sub-sections.

Table 4.4.2.2: Credit Facilities obtained by ABSG from Zenith Bank

S/N	Nature of Facilities	Number of Facilities	Amount (₦)	Section
1	Term Loan	10	5,686,092,990.72	4.4.2.2.1
2	Temporary Overdraft Facilities (“TOD”)	2	800,000,000	4.4.2.2.2
	Total	12	6,486,092,990.72	

Source: Compiled by KPMG from the analysis of records provided by ABSG and Zenith Bank.

4.4.2.2.1 Ten (10) Term Loans totalling ₦5,686,092,990.72.

The independent analysis of the ten (10) term loans totalling ₦5,686,092,990.72 revealed a difference of ₦38,121,339.56 between expected repayment per the offer letters and amount charged by Zenith Bank due to a moratorium and two (2) months extension of tenor requested by ABSG on 10 August 2021. See details in table 4.4.2.2.1 below.

Table 4.4.2.2.1: Term-Loans obtained by ABSG from Zenith Bank during the period under review

S/N	Facility	Disbursement Date	Number of Facility	Facility Amount (₦)	Actual charges by the UBA as at 31 May 2023 (₦) (A)	Expected charges per Offer letter as at 31 May 2023 (₦) (B)	Difference (₦) (C = A – B)
1	Counterpart funding for Enyimba Economic City	10-Sep-2020	1	1,000,000,000.00	1,216,346,450.88	1,152,663,910.17	14,643,628.70
2	Term loan	5-May-2021	1	500,000,000.00	564,770,918.08	555,570,551.37	8,696,907.68
3	Term loan	24-Jan-2020	1	1,000,000,000.00	1,164,641,595.73	1,157,521,864.90	7,119,730.83
4	Term Loan	15-Apr-2021	1	1,000,000,000.00	1,185,143,346.74	1,178,365,219.65	6,778,127.09
5	Counterpart funding for Accelerating Nutritious Results in Nigeria (ANRIN)	15-Apr-2021	1	150,000,000.00	168,780,809.41	168,027,985.23	752,824.18
6	Counterpart funding for ABSG Malaria Elimination Project	2-Nov-2020	1	40,000,000.00	43,503,792.21	43,373,671.15	130,121.07
7	Term Loan	23-Apr-23	1	170,000,000.00	88,480,954.08	88,480,954.07	0.01
8	Term Loan	25-Oct-2022	1	376,440,000.00	276,096,132.24	276,096,132.24	0.00
9	Term Loan	30-Jun-2022	1	849,652,990.72	903,888,099.21	903,888,099.21	0.00
10	Term Loan	7-Nov-2022	1	600,000,000.00	631,890,772.66	631,890,772.66	0.00
Total			10	5,686,092,990.72	6,194,114,854.90	6,153,859,618.16	38,121,339.56

Source: Compiled by KPMG from the analysis of records provided by Zenith Bank and ABSG.

● Not Charged ● Difference

1. ₦1,000,000,000.00 Counterpart funding for Enyimba Economic City – ₦14,643,628.70 Difference

- a. Per offer letter¹⁸⁹ dated 25 February 2020, ABSG obtained a ₦1,000,000,000.00 term loan as counterpart funding for the development of Enyimba Economic City.
- b. The offer letter reflects:
 - i. **Interest:** 14% interest rate per annum.
 - ii. **Tenor:** 24 monthly repayments.
 - iii. **Repayment Amount:** ₦48,012,883.27 monthly
- c. Zenith Bank communicated two (2) upward reviews of lending rates due to increase in the Monetary Policy Rate (MPR) via two (2) correspondences. See details in the table below:

S/N	Communication Date	Old Rate (%)	New Rate (%)	Effective Date
1	6 June 2022	14	15.5	17 June 2022
2	27 September 2022	15.5	18	12 October 2022

- d. We considered the interest rates communicated above in the analysis of the ₦1,000,000,000.00 counterpart fund resulting in a total expected repayment of ₦1,153,689,938.91.
- e. The analysis of the term loan revealed a difference of ₦14,643,628.70 between expected repayment per the offer letters and actual amount charged by Zenith Bank, due to a moratorium and two (2) months extension of tenor requested by ABSG on 10 August 2021.
- f. Upon ABSG request in (e) above, Zenith Bank did not charge the principal repayments due for the two (2) months, but charged the interest repayments due, hence, resulting in a 26 months repayment tenor, rather than the 24 months tenor agreed per the offer letter.

2. ₦500,000,000.00 Term Loan – ₦8,696,907.68 Difference

- a. Per offer letter¹⁹⁰ dated 22 March 2021, ABSG obtained a ₦500,000,000.00 term loan for acquisition of 25 Hyundai vehicles for ABSG Commissioners.
- b. The offer letter reflects:
 - i. **Interest:** 14% interest rate per annum.
 - ii. **Tenor:** 24 monthly repayment.

¹⁸⁹ Exhibit 15 – Offer letter for ₦1,000,000,000.00 Counterpart funding executed by both parties.

¹⁹⁰ Exhibit 16 – Offer letter for ₦500,000,000.00 Term Loan executed by both parties.

- iii. **Repayment Amount:** ₦24,006,441.63 monthly
- c. Zenith Bank communicated four (4) upward reviews of lending rates due to increase in the Monetary Policy Rate (MPR). See details in the table below:

S/N	Communication Date	Old Rate (%p.a)	New Rate (%p.a)	Effective Date
1	6 June 2022	14	15.5	17 June 2022
2	27 September 2022	15.5	18	12 October 2022
3	22 November 2022	18	19	5 December 2022
4	24 January 2023	19	19.5	6 February 2023

- d. We considered the interest rates communicated above in the analysis of the ₦500,000,000.00 term loan resulting in a total expected repayment of ₦559,536,115.09.
- e. The analysis of the term loan revealed a difference of ₦8,696,907.68 between expected repayment per the offer letters and actual amount charged by Zenith Bank, due to a moratorium and two (2) months extension of tenor requested by ABSG on 10 August 2021.
- f. Upon ABSG request in (e) above, Zenith Bank did not charge the principal repayments due for the two (2) months, but charged the interest repayments due, hence, resulting in a 26 months repayment tenor, rather than the 24 months tenor agreed per the offer letter.

3. **₦1,000,000,000.00 Term Loan – ₦7,119,730.83 Difference**

- a. Per offer letter¹⁹¹ dated 14 January 2020, ABSG obtained ₦1,000,000,000.00 term loan to finance payment to contractors for various infrastructure projects.
- b. The offer letter reflects:
 - i. **Interest:** 17% interest rate per annum.
 - ii. **Tenor:** 24 monthly repayment.
 - iii. **Repayment Amount:** ₦49,442,264.09 monthly
- c. Zenith Bank did not issue any correspondence on change of interest before the maturity period of the ₦1,000,000,000.00 term loan.
- d. The analysis of the term loan revealed a difference of ₦7,119,730.83 between expected repayment per the offer letters and actual amount charged by Zenith Bank, due to a moratorium and two (2) months extension of tenor requested by ABSG on 10 August 2021.

¹⁹¹ Exhibit 17 – Offer letter for ₦1,000,000,000.00 term loan executed by both parties.

- e. Upon ABSG request in (e) above, Zenith Bank did not charge the principal repayments due for the two (2) months, but charged the interest repayments due, hence, resulting in a 26 months repayment tenor, rather than the 24 months tenor agreed per the offer letter.

4. ₦1,000,000,000.00 Term Loan – ₦6,778,127.09 Difference

- a. Per offer letter¹⁹² dated 26 March 2021, ABSG obtained ₦1,000,000,000.00 term loan to finance developmental projects in the State.
- b. The offer letter reflects:
 - i. **Interest:** 14% interest rate per annum.
 - ii. **Tenor:** 24 monthly repayment.
 - iii. **Repayment Amount:** ₦48,012,883.27 monthly
- c. Zenith Bank communicated four (4) upward reviews of lending rates due to increase in the Monetary Policy Rate (MPR). See details in the table below:

S/N	Communication Date	Old Rate (%p.a)	New Rate (%p.a)	Effective Date
1	6 June 2022	14	15.5	17 June 2022
2	27 September 2022	15.5	18	12 October 2022
3	22 November 2022	18	19	5 December 2022
4	24 January 2023	19	19.5	5 February 2023

- d. We considered the interest rates communicated above in the analysis of the ₦1,000,000,000.00 term loan resulting in a total expected repayment of ₦1,178,365,219.65.
- e. The analysis of the term loan revealed a difference of ₦6,778,127.09 between expected repayment per the offer letters and actual amount charged by Zenith Bank, due to a moratorium and two (2) months extension of tenor requested by ABSG on 10 August 2021.
- f. Upon ABSG request in (e) above, Zenith Bank did not charge the principal repayments due for the two (2) months, but charged the interest repayments due, hence, resulting in a 26 months repayment tenor, rather than the 24 months tenor agreed per the offer letter.

¹⁹² Exhibit 18 – Offer letter for ₦1,000,000,000.00 term loan executed by both parties.

5. ₦150,000,000.00 Term Loan – ₦752,824.18 Overcharge

- a. Per offer letter¹⁹³ dated 22 March 2021, ABSG obtained ₦150,000,000.00 term loan as counterpart funding contribution to Accelerating Nutritious Results in Nigeria.
- b. The offer letter reflects:
 - i. **Interest:** 14% interest rate per annum.
 - ii. **Tenor:** 18 monthly repayment.
 - iii. **Repayment Amount:** ₦9,287,276.10 monthly
- c. Zenith Bank communicated two (2) upward review of lending rate due to increase in the Monetary Policy Rate (MPR). See details in the table below:

S/N	Communication Date	Old Rate (%p.a)	New Rate (%p.a)	Effective Date
1	6 June 2022	14	15.5	17 June 2022
2	27 September 2022	15.5	18	12 October 2022

- d. We considered the interest rates communicated above in the analysis of the ₦150,000,000.00 term loan resulting in a total expected repayment of ₦168,780,809.41.
- e. The analysis of the term loan revealed a difference of ₦752,824.18 between expected repayment per the offer letters and actual amount charged by Zenith Bank, due to a moratorium and two (2) months extension of tenor requested by ABSG on 10 August 2021.
- f. Upon ABSG request in (e) above, Zenith Bank did not charge the principal repayments due for the two (2) months, but charged the interest repayments due, hence, resulting in a 20 months repayment tenor, rather than the 18 months tenor agreed per the offer letter.

6. ₦40,000,000.00 Term Loan – ₦130,121.07 Difference

- a. Per offer letter¹⁹⁴ dated 27 August 2020, ABSG obtained ₦40,000,000.00 term loan as Counterpart funding for contribution to ABSG Malaria Elimination Project.
- b. The offer letter reflects:
 - i. **Interest:** 18% interest rate per annum.
 - ii. **Tenor:** 10 monthly repayment.
 - iii. **Repayment Amount:** ₦4,337,367.11 monthly.

¹⁹³ Exhibit 19 – Offer letter for ₦150,000,000.00 term loan executed by both parties.

¹⁹⁴ Exhibit 20 – Offer letter for ₦40,000,000.00 term loan executed by both parties.

- c. Zenith Bank did not issue any correspondence on change of interest before the maturity period of the ₦40,000,000.00 term loan. However, we noted a difference of ₦130,121.07 due to a moratorium and two (2) months extension of tenor requested by ABSG on 10 August 2021.
- d. The last tenor of the facility was 30 August 2021. Upon ABSG request in (e) above, Zenith Bank did not charge the principal repayments due for the month of August 2021, but charged the interest repayments due, hence, resulting in a 11 months repayment tenor, rather than the 10 months tenor agreed per the offer letter.

4.4.2.2.2 Two (2) Temporary Overdraft Facilities (“TOD”) totalling ₦800,000,000.00.

- a. The independent analysis of the two (2) TODs totalling ₦800,000,000.00 revealed ₦443,734.43 not charged by Zenith Bank.
- b. Zenith Zonal Head could not explain why Zenith Bank short charged the ₦443,734.43. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by Zenith Bank for the repayment.

See details of the analysis of the two (2) TODs in table 4.4.2.2.2 below.

Table 4.4.2.2.2: Analysis of TODs obtained from Zenith Bank

S/N	Bank Account	Account Number	Number of Facilities	Amount (₦)	Expected charges per KPMG analysis as at 31 May 2023 (₦) (A)	Actual charges by Zenith Bank as at 31 May 2023 (₦) (B)	Difference between KPMG Analysis and Zenith Bank (₦) (C = A – B)
1	Consolidated IGR Account	1013892907	2	800,000,000.00	152,284,986.29	151,841,251.86	443,734.43
Total			2	800,000,000.00	152,284,986.29	151,841,251.86	443,734.43

Source: Compiled by KPMG from the analysis of records provided by UBA.

4.4.3 Bank Charges, and Interests on Credit Facilities obtained by ABSG from Union Bank

4.4.3.1 Bank Charges

The analysis of 33 bank charges (including transfer charges, NEFT fee, bank statement charges fee, withdrawal charges, etc.) in the Health Care project bank account totalling ₦1,469.25 revealed no overcharge by Union Bank.

4.4.3.2 Bank Interest on Credit Facilities obtained by ABSG from Union Bank

The independent analysis of the one (1) term loan totalling ₦1,250,000,000.00 revealed that Union bank short-charged ABSG by ₦12,933,374.49 on one (1) term loan totalling ₦1,250,000,000.00. See Section 4.4.3.2.1 for details.

4.4.3.2.1 One (1) term loan totalling ₦1,250,000,000.00 – ₦12,933,374.49 not charged

a. Per offer letter¹⁹⁵ dated 8 May 2020, ABSG requested a term loan of ₦1,250,000,000.00 as COVID-19 Health-Care intervention fund for the following:

- i. TL I – ₦250,000,000.00 – Working capital to meet payment of salaries of health workers in the State and other medical recurrent expenditures.
- ii. TL II – ₦1,000,000,000.00 – Purchase of medical equipment to equip selected¹⁹⁶ hospitals in the State to meet international standard.

a. The offer letter reflects:

i. **Interest:**

- 5% interest rate per annum till 28 February 2021.
- 9% interest rate per annum from 1 March 2021.

ii. **Tenor:**

TL I – ₦250,000,000.00 – 12 Months.

TL II – ₦1,000,000,000.00 – 33 Months.

b. On 1 February 2022, CBN communicated an updated offer letter, which reflects:

i. **Interest:**

- 5% interest rate per annum till 28 February 2022.
- 9% interest rate per annum from 1 March 2022.

ii. **Tenor:**

TL I – ₦250,000,000.00 – 12 Months.

TL II – ₦1,000,000,000.00 – 33 Months.

c. Union Bank disbursed the ₦1,250,000,000.00 term loan on 14 February 2022, which was 14 days after the date of the updated offer letter by CBN.

¹⁹⁵ Exhibit 22 – Offer letter for ₦4,000,000,000.00 term loan executed by both parties.

¹⁹⁶ The Offer letter and the disbursement schedule did not contain the details of the selected hospitals.

- d. The first repayment on the facility was due on 14 March 2022, hence, we applied the 9% interest rate from 1 March 2022 as advised by the updated offer letter. This resulted in ₦12,933,374.49 not charged by Union Bank.
- e. Union Bank Umuahia Branch Manager could not explain why Union Bank did not charge the instalment amount. Notwithstanding, ABSG is exposed to repaying the amount not charged, if there is a demand by Union Bank for the repayment.

5 Sale and Disposal of Public Assets

Objectives: Determine adequacy or otherwise of the governance and operational process followed in the disposal, retirement and/or write-offs of fixed assets, in accordance with relevant ABSG’s policies and procedures.

- a. Based on our review of the Annual Reports of the Accountant General for 2015 to 2022, process understanding discussions and walkthroughs, we identified and circularised the under-listed MDAs, requesting a schedule of all public assets disposed or sold during the period from 29 May 2015 to 28 May 2023.
 - i. Ministry of Lands, Survey and Urban Planning, now Ministry of Lands and Housing.
 - ii. Ministry of Housing, now Ministry of Lands and Housing.
 - iii. Ministry of Transport.
 - iv. Ministry of Education.
 - v. Ministry of Health.
 - vi. Government House.
- b. Asides from Ministry of Lands, Survey and Urban Planning that provided land allocation files for 91 allottees (see Section 5.1 for details), the under-listed MDAs reportedly did not dispose any public asset and did not maintain an asset register during the period under review. See table 5 below for details.

Table 5: MDAs that did not dispose asset during the period under review

S/N	MDA	Comments/Observations
1	Ministry of Housing	a. Ministry of Housing did not maintain a schedule of public buildings during the period under review. b. The DQS stated ¹⁹⁷ that the Ministry did not dispose any public building during the period under review.
2	Ministry of Transport	a. Review of the Annual Reports of the Accountant General for 2015 to 2022 revealed that the sum of ₦8,406,150.00 was generated by Ministry of Transport in 2021, as income from sale of unserviceable vehicles. b. However, the Director of Transport stated ¹⁹⁸ that Ministry of Transport did not own or dispose any vehicle during the period under review and the income recognised by the office of the Accountant General cannot be explained. c. The DAP, Office of the Accountant General is also did not explain the income as stated in the 2021 Annual Reports.

¹⁹⁷ Exhibit 23 – Minutes of meeting held with Director in Charge, Ministry of Housing on 19 July 2023.

¹⁹⁸ Exhibit 24 – Per representation by the Director of Transport on 17 November 2023.

S/N	MDA	Comments/Observations
3	Ministry of Education	<p>a. The DPRS provided a schedule of public schools in the State and stated¹⁹⁹ that 35 schools, which were initially taken over from Church missions were handed over to the Church missions but cannot ascertain the period in which the assets were taken and handed over to the Church Missions.</p> <p>b. The schedule of public schools provided did not contain the status of the schools, facilities, date of acquisition, value etc. as expected in a typical asset register.</p> <p>c. She added that she does not have enough information to ascertain if this constitutes disposal or not.</p> <p>d. In addition, the Abia State Procurement Law of 2012 and financial regulations of 2001 did not state how the handover of schools to missions should be treated.</p>
4	Ministry of Health	<p>a. Ministry of Health through Hospital Management Board (HMB) and Abia State Primary Health Care Development Agency (ASPHCDA) stated²⁰⁰ that the Ministry did not dispose any asset during the period under review.</p> <p>b. The DF, ASPHCDA stated that the 17 local government primary health care centres in the State disposed vehicles totalling ₦708,000.00 through auction sales in 2022.</p> <p>c. Please note that KPMG was not required to and did not review assets disposed at the local government level.</p>
5	Government House	<p>a. The Transport Officer, GHUM provided a schedule²⁰¹ of 28 vehicles, which does not indicate that any vehicle was disposed during the period under review.</p>

Source: Compiled by KPMG from discussions with relevant government officials and records provided by the MDAs.

5.1 Ministry of Lands, Survey and Urban Planning

- a. According to Section 2 of the Land Use Act of 1978, every State is required to have a Land Use and Allocation Committee to be set up by the Governor, which will be responsible for the control and administration of lands in the State and provide advisory functions to the Governor with respect to the lands in the State.
- b. The Director of Lands stated²⁰² that the Land Use and Allocation Committee was not functional throughout the period under review. However, the Commissioner, Permanent Secretary and Director of Lands were responsible for the control and administration of lands in the State

¹⁹⁹ Exhibit 25 – Per representation by the DPRS, Ministry of Education on 20 November 2023.

²⁰⁰ Exhibit 26 – Per representation by the DF, ASPHCDA on 23 November 2023.

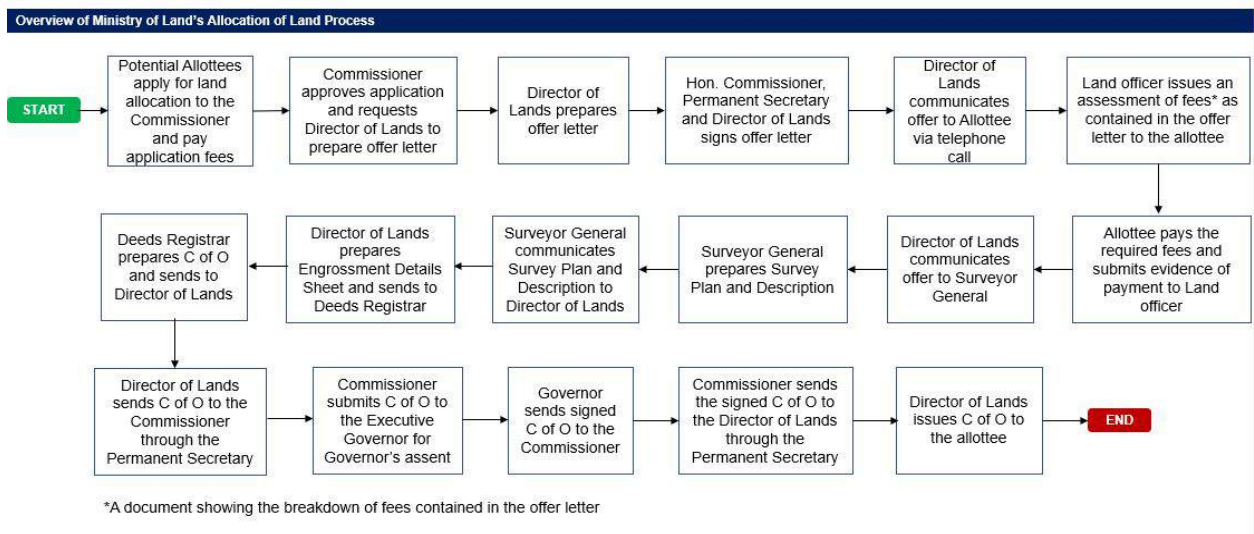
²⁰¹ Exhibit 27 – Schedule of vehicles owned by Government House provided by the Transport Officer.

²⁰² Exhibit 28 – Per representation by the Director of Lands, Ministry of Lands and Housing on 24 November 2023.

during the period under review, which is contrary to the requirement of the Land Use Act of 1978.

- c. The Director of Lands stated that sale of lands is performed in the form of land allocation to interested applicants, and there is no documented policy that guides the land allocation process in the State. Consequently, we have documented the practice of land allocation by the State in the figure 5.1 below.

Figure 5.1: Flowchart depicting the Process of Land Allocation by the Ministry of Land, Survey and Urban Planning



- d. The Ministry did not maintain and thus did not provide a schedule of all lands allocated in the State during the period under review. Nonetheless, the Director of Lands provided the allocation files of 91²⁰³ allottees that were offered land during the period.

5.1.1 Application for Land Allocation

- a. The Director of Lands stated that all allottees are required to apply in writing to the Commissioner of Lands before an offer of allocation can be made to such allottees. An application that qualifies for an allocation must be accompanied with:
- i. An application fee.
 - ii. A passport photograph of the applicant (logo if company) and;
 - iii. Tax Clearance Certificate (TCC) for the last three years before the date of application.
- b. He further stated that, there are allottees who only expressed their interest to the Commissioner verbally without submitting a written application for allocation and were issued

²⁰³ See Appendix 10.10 for schedule of review of the 91 allocation files.

an offer letter. Some of these allottees submitted application letters after offers have been made, whereas some allottees did not submit any application.

c. We analysed the 91 allocation files, noting that 26 allottees submitted application letters, while 65 allottees did not submit application letters to the Commissioner.

i. The 26 allottees that submitted application letters to the Commissioner of Lands comprise;

- Eight (8), who paid the application fees and submitted passports or logos but did not submit TCCs.
- Seven (7), who submitted only passports and did not pay the required application fees.
- Three (3), who paid the application fees but did not submit passports and TCCs.
- Two (2), who paid the required application fees and attached passports and TCCs.
- Two (2), who did not pay the required application fees, attach passports and TCCs.
- Two (2), who paid the application fees and submitted TCCs but did not submit passports or logos.
- One (1), who submitted the necessary documents but did not pay an application fee.
- One (1), who submitted only a TCC but did not pay the required application fee.

Further review of the 26 allottees who submitted applications revealed that 14 allottees submitted their application letters after offers have been made., seven (7) allottees did not include dates in their application letters, while the remaining five (5) allottees submitted application letters before offers were made. See details below:

- 14 under-listed allottees submitted application letters after receiving offer letters, which is contrary to the practice of application for land allocation in the Ministry.

Table 5.1.1-1: Allottees who submitted application letters after offer letter

S/N	Name of Allottee (A)	Offer letter Ref No. (B)	Date of Application Letters (C)	Date of Offer (D)	Number of Days Between Offer and Application Letters Date (E=C-D)
1	Mrs. Felicia Kalu	LUM 5176	20-Jun-22	29-Nov-16	2,029
2	Promise U. Meregini	LUM 2452A	15-Feb-22	28-Nov-18	1,175
3	Sunday Uguru	LUM 2522A	15-Dec-21	28-Nov-18	1,113
4	Augustine Ogbonna Okeorji	LABA 167B	18-Jul-19	26-May-17	783
5	Ugwunna Chikwendu & Ihuoma Uwaoma	LABA 210B	09-Oct-19	22-Nov-18	321
6	Bright Enwereji Enyebire	LABA 103B	23-Apr-18	12-Jun-17	315
7	Okezie Ohaja	LABA 498B	21-Feb-19	26-Jun-18	240
8	Agbo Felix Egbo	LABA 154B	14-Nov-17	26-May-17	172
9	Nigeria Red Cross Society	LABA 78B	14-Oct-19	02-May-19	165
10	Darlington Omerekpe	LABA 163B	19-Sep-17	26-May-17	116
11	Bob Ogu	LUM 3496A	02-Sep-22	06-Jun-22	88
12	Dan Ohajuru & iheanyi Ubani	LABA 285B	29-Aug-17	12-Jun-17	78
13	Chinedum Ogbonna	LABA 120B	07-Aug-17	12-Jun-17	56
14	Emeka Nworgu & Okwubunka Mark	LABA 241B	20-Jul-17	12-Jun-17	38

Source: Compiled by KPMG from allocation files provided by Ministry of Lands, Survey and Urban Planning.

- Seven (7) under-listed allottees application letters did not reflect the dates of application letters, thus, no information to ascertain if these application letters were submitted before offer letters were issued to the allottees. See details in table 5.1.1-2 below.

Table 5.1.1-2: Allottees whose application letters did not contain date of application

S/N	Name of Allottee	Offer letter Ref No.	Date of Offer
1	Nwachukwu Kenneth	LUM 2157A	09-Nov-16
2	Collins Nwakanma	LABA 330B	26-May-17
3	Augustine Irondi	LABA 297B	26-May-17
4	Obinna Boston	LABA 177B	12-Jun-17
5	Nwogu Uloaku Carole	LABA 101B	12-Jun-17
6	Chinyere Boston	LABA 125B	12-Jun-17
7	Nnamdi Imo	LUM 2484A	28-Nov-18

Source: Compiled by KPMG from allocation files provided by Ministry of Lands, Survey and Urban Planning

- The remaining under-listed five (5) allottees submitted their application letters before offer letters of land allocation were issued, which is in line with the land allocation application practice in the Ministry.

Table 5.1.1-3: Allottees who applied before receiving offer letters

S/N	Name of Allottee	Offer letter Ref No.
1	Prince Obinna Sunny	LABA 20B
2	Osondu Nwaigwe	LABA 454B
3	Ekwueme Kenneth & Chikezie Nwaogu	LABA 456B
4	United Butchers Multi-Purpose Co-operative Society Limited Aba	LABA 660B
5	Innovative Hub Business School	LABA 848B/36

Source: Compiled by KPMG from allocation files provided by Ministry of Lands, Survey and Urban Planning.

- ii. The 65 allottees that did not submit application letters to the Commissioner of lands comprise:
 - 46, who did not submit any of the required documents and did not pay the required application fees.
 - Nine (9), who submitted only TCCs, but did not pay required application fees.
 - Six (6), who paid the required application fees, but did not submit any of the required documents.
 - Two (2), who submitted TCCs and attached passports, but did not pay the required application fees.

- One (1), who submitted only TCC and paid the required application fee, but did not attach a passport.
- One (1), who attached a passport and paid the required application fee, but did not submit a TCC.

5.1.2 Acceptance of Allocation Offer

- a. The conditions of acceptance of land allocation offer as stated in the offer letters vary across allocations to different land beneficiaries and the Director of Lands stated that there is no basis for selecting the conditions for allocation of a particular land. However, the various conditions are identified below:
 - i. Offers must be accepted within six (6) months from the date of receipt of the offer letters, with payment of the prescribed fees listed in the offer letters within the same six (6) months period.
 - ii. Allocations remain open for three (3) calendar months from the dates of the offer letters and the offer must be accepted within the period with full payment of the fees stated in the offer letters.
 - iii. Offers must be accepted within two (2) months from the dates of receipt of the offer letters and/or full payment of the fees stated in the offer letters made within three (3) months.
- b. We reviewed the allocation file for each allottee to independently verify if the allottee accepts the allocation offer in line with the conditions stipulated in the offer letter, noting the following exceptions:
 - i. One (1) allottee in person of Nwogu Uloaku Carole with offer letter reference number, LABA 101B received an offer dated 12 June 2017, however the acceptance letter was signed on 24 October 2016, 231 days before the date of the offer.
 - ii. 41 allottees did not complete payment of the prescribed fees within the stipulated time, which is a criterion for acceptance of offer. See details in table 5.1.2-1 overleaf.

Table 5.1.2-1: Allottees who did not complete payment of the prescribed fee

S/N	Name of Allottee (A)	Offer letter Ref No. (B)	Date of Offer Letter (C)	Fees Payable per Offer Letter (D) ₦	Fees paid ²⁰⁴ (E) ₦	Outstanding fees as at 28 May 2023 (F=D-E) ₦
1	Innovative Hub Business School	LABA 848B/36	08-Mar-22	1,992,600.00	-	1,992,600.00
2	Chukwunazom Obi	LUM 3625A	17-Mar-17	1,167,175.00	-	1,167,175.00
3	Lady Victoria Akanwa	LABA 606B	14-May-19	882,500.00	-	882,500.00
4	John Nwakanma	LUM 1090A	06-Mar-17	1,079,675.00	355,550.00	724,125.00
5	Nigeria Red Cross Society	LABA 78B	02-May-19	620,625.00	-	620,625.00
6	Chikezie Alozie	LABA 85B	12-Jun-17	600,000.00	-	600,000.00
7	Dan Ohajuru & iheanyi Ubani	LABA 285B	12-Jun-17	600,000.00	-	600,000.00
8	Charles Nwangwa	LABA 277B	20-Feb-19	600,000.00	-	600,000.00
9	Osondu Nwaigwe	LABA 454B	26-May-17	600,000.00	10,200.00	589,800.00
10	Bright Enwereji Enyebire	LABA 103B	12-Jun-17	600,000.00	12,925.00	587,075.00
11	Augustine Ogbonna Okeorji	LABA 167B	26-May-17	600,000.00	100,625.00	499,375.00
12	Collins Nwakanma	LABA 330B	26-May-17	600,000.00	127,925.00	472,075.00
13	Ekwueme Kenneth & Chikezie Nwaogu	LABA 456B	12-Jun-17	600,000.00	200,000.00	400,000.00
14	Okezie Ohaja	LABA 498B	26-Jun-18	600,000.00	248,125.00	351,875.00
15	Chima Grant Mgbeke	LUM 2188A	04-Apr-17	350,925.00	-	350,925.00
16	Victor O. Ihediwa	LUM 3408A	12-Jun-17	350,000.00	-	350,000.00

²⁰⁴ We verified the fees paid using the record of payment.

S/N	Name of Allottee (A)	Offer letter Ref No. (B)	Date of Offer Letter (C)	Fees Payable per Offer Letter (D) ₦	Fees paid ²⁰⁴ (E) ₦	Outstanding fees as at 28 May 2023 (F=D-E) ₦
17	Emeka Nworgu & Okwubunka Mark	LABA 241B	12-Jun-17	600,000.00	269,775.00	330,225.00
18	Agbo Felix Egbo	LABA 154B	26-May-17	600,000.00	276,200.00	323,800.00
19	Joseph Ibe	LUM 27**A	28-Nov-18	350,000.00	62,500.00	287,500.00
20	Okezie Onymauwa	LUM 3093A	Not Dated	376,050.00	100,500.00	275,550.00
21	Ndubuisi Oti	LUM 3622A	06-Jun-22	271,050.00	-	271,050.00
22	Obioma King Onwuneme	LUM 3806A	06-Jun-22	271,050.00	-	271,050.00
23	Ifeanyi Umesi	LUM 3523A	06-Jun-22	271,050.00	-	271,050.00
24	Bob Ogu	LUM 3496A	06-Jun-22	271,050.00	5,000.00	266,050.00
25	Emmanuel Nwabuko	LUM ****	12-Jun-17	200,000.00	-	200,000.00
26	Chief Paul Meregini	LUM 3031A	22-May-20	223,375.00	25,000.00	198,375.00
27	Godfirst Onwuzuruigbo	LUM 3805A	06-Jun-22	271,050.00	100,000.00	171,050.00
28	Samuel Obinna	LUM 3804A	06-Jun-22	271,050.00	100,000.00	171,050.00
29	Frank Umeham	LUM/OH 860A	03-Dec-21	280,000.00	143,950.00	136,050.00
30	George Awa Eke	LUM/OH 846A	06-Aug-21	220,000.00	96,050.00	123,950.00
31	Ikechi Agwu	LUM/OH 845A	06-Aug-21	218,200.00	96,050.00	122,150.00
32	Mike Anyanwu	LUM 2698A	22-Mar-19	175,000.00	61,050.00	113,950.00
33	Nneoma Ibendiogwu	LUM 3067A	25-Feb-20	376,050.00	296,550.00	79,500.00

S/N	Name of Allottee (A)	Offer letter Ref No. (B)	Date of Offer Letter (C)	Fees Payable per Offer Letter (D) ₦	Fees paid ²⁰⁴ (E) ₦	Outstanding fees as at 28 May 2023 (F=D-E) ₦
34	Nelson Kalu Iro	LUM/OH 861A	06-Dec-21	220,000.00	186,950.00	33,050.00
35	Ebere Awa O.	LUM/OH 833A	06-Aug-21	220,000.00	190,500.00	29,500.00
36	Chukwudi Sylvanus	LUM 3254A	28-Mar-19	366,875.00	349,800.00	17,075.00
37	Augustine Irondi	LABA 297B	26-May-17	600,000.00	585,000.00	15,000.00
38	Awa Agwu Emele	LUM/OH/783	14-Oct-15	79,100.00	67,000.00	12,100.00
39	Ebere Eke	LUM 2725A	28-Nov-18	350,000.00	339,800.00	10,200.00
40	Eleanya Uche P.	LUM/OH 834A	06-Aug-21	220,000.00	210,000.00	10,000.00
41	Darlington Omerekpe	LABA 163B	26-May-17	600,000.00	599,375.00	625.00
Total				19,744,450.00	5,216,400.00	14,528,050.00

Source: Compiled by KPMG from 91 land allocation files provided by Ministry of Lands.

- iii. 35 allottees completed payments of the prescribed fees after the stipulated time of payment, which is contrary to the criteria for acceptance of offer. See details in table 5.1.2-2 overleaf.

Table 5.1.2-2: Allottees completed the prescribed fee after the stipulated time of payment

S/N	Name of Allottee	Offer letter Ref No. (A)	Total Fees Paid (B) ₦	Date of Offer Letter (C)	Date of Last Payment (D)	Number of days between offer letter and last payment date (E=D-C)
1	Chibuike Okoro	LUM 5309/T	276,800.00	29-Nov-16	30-Aug-22	2,100
2	Mrs. Felicia Kalu	LUM 5176	281,800.00	29-Nov-16	10-May-22	1,988
3	Augustine Onyegbule	LUM 8633	288,050.00	29-Nov-16	26-Oct-21	1,792

S/N	Name of Allottee	Offer letter Ref No. (A)	Total Fees Paid (B) ₦	Date of Offer Letter (C)	Date of Last Payment (D)	Number of days between offer letter and last payment date (E=D-C)
4	Gonike International Agency Limited	LABA 736B	4,219,250.00	12-Jun-17	20-May-21	1,438
5	Okeafor Family c-o George Ndubuka	LUM 2627A	26,425.00	28-Nov-18	3-Nov-22	1,436
6	Echefu Charles	LUM 3069A	388,675.00	28-Mar-19	8-Sep-22	1,260
7	Uzoije Ukaumunna	LABA 503B	600,000.00	26-Jun-18	30-Nov-21	1,253
8	Sunday Danlami	LUM 3053A	200,000.00	19-Jun-17	24-Sep-20	1,193
9	Mike Idimmachi Iroukwe	LUM 2946A	26,425.00	25-Feb-20	2-Jun-23	1,193
10	Chuma Onwudiwe	LUM 2418A	257,050.00	26-Jul-18	7-Sep-21	1,139
11	Sunday Uguru	LUM 2522A	31,425.00	28-Nov-18	15-Dec-21	1,113
12	Rita Omaka	LUM 2717A	383,675.00	28-Nov-18	25-Nov-21	1,093
13	Promise U. Meregini	LUM 2452A	31,425.00	28-Nov-18	3-Sep-21	1,010
14	Amara Innocent Onyemachi	LUM 2508A	26,425.00	28-Nov-18	15-Jul-21	960
15	Chidi Dick - Ikechi Families	LUM 3009A	31,425.00	25-Feb-20	7-Jun-22	833
16	Okey Uche	LUM 3142A	276,800.00	22-Sep-20	22-Dec-22	821
17	Cecilia Ojembe	LUM 3216A	368,675.00	28-Mar-19	7-Jun-21	802
18	Apostle Ugbaja	LUM 3024A	26,425.00	25-Feb-20	4-Mar-22	738
19	Apostle Nnomele Ugboaja	LUM 3026A	31,425.00	25-Feb-20	4-Mar-22	738
20	Chibueze Ohaeri	LUM 2550A	26,425.00	28-Nov-18	4-Nov-20	707
21	Ugochukwu Onyediako & Onyemauche Onyediako	LUM 2571A	26,425.00	28-Nov-18	3-Nov-20	706

S/N	Name of Allottee	Offer letter Ref No. (A)	Total Fees Paid (B) ₦	Date of Offer Letter (C)	Date of Last Payment (D)	Number of days between offer letter and last payment date (E=D-C)
22	Ngozi O.-Otuka M. For Oganiru Committee	LUM 2958A	26,425.00	25-Feb-20	18-Nov-21	632
23	Innocent Ogbonna	LUM 2949A	26,425.00	25-Feb-20	2-Nov-21	616
24	Peter Okezie	LUM 2951A	26,425.00	25-Feb-20	2-Nov-21	616
25	Prince Obinna Sunny	LABA 20B	802,425.00	6-Jun-17	24-Aug-18	444
26	Chibugwu Ikoro	LUM 2621A	26,425.00	28-Nov-18	13-Feb-20	442
27	Ngozi Onuigbo, Emmanuel Nzeako, Chika Chinedu, Chukwuemeka Onuigbo & Ndubuisi Onwuegbula	LUM 2562A	26,425.00	28-Nov-18	21-Jan-20	419
28	Ibe Family Mgboko Kindred	LUM 2543A	26,425.00	28-Nov-18	14-Jan-20	412
29	Bathelome Ejikeme	LUM 3021A	26,425.00	25-Feb-20	08-Apr-21	408
30	Marcus Agbara	LUM 2474A	26,425.00	28-Nov-18	20-Nov-19	357
31	Innocent Oriaku	LUM 2515A	26,425.00	28-Nov-18	14-Nov-19	351
32	Chidi Dick	LUM 2631A	26,425.00	28-Nov-18	5-Nov-19	342
33	Sunday Ndubuka	LUM 2599A	26,425.00	28-Nov-18	8-Oct-19	314
34	Uchekukwu Egeonu	LUM 2532A	26,425.00	28-Nov-18	10-Sep-19	286
35	Mrs. Ngozi Nwangwa	LUM ****	200,000.00	12-Jun-17	15-Feb-18	248
Total			9,144,550.00			

Source: Compiled by KPMG from 91 land allocation files provided by Ministry of Lands, Survey and Urban Planning.

- c. However, the Director of Lands stated that the land allocation offers are not revoked if the allottee does not fulfil the condition of acceptance of offer, because it could be as a result of the State not fulfilling its part of the agreement, such as provision of basic infrastructure which is implied in the offer letter.

5.1.3 Ongoing and Completed Allocation Process

- a. The Director of Lands represented that the allocation process is only completed when an allottee has been issued a Certificate of Occupancy (C of O). However, the allottee is entitled to develop the land when the allottee has been given an offer letter by the Ministry.
- b. Our review of the 91 allocation files revealed that the allocation process for only three (3) allottees have been completed and have received their C of Os, and the remaining 88 are ongoing. See details in Appendix 10.10.

6 Utilisation of Funds from Federation Accounts Allocation Committee (FAAC)

Objectives: Determine the total allocation received from FAAC and ascertain utilisation therefrom, with a view to identifying any misappropriation and/or leakages in the flow of receipt and utilisation. In addition, identify any possible collusion with the beneficiaries.

6.1 Overview

- a. Section 162 of the 1999 Constitution as well as the Allocation of Revenue (Federation Account) Act No.1 1982, stipulate that revenues generated by the Federal Government should be credited into the Federation Account and disbursed monthly by FAAC among the three (3) tiers of government.
- b. ABSG maintained nine (9) bank accounts²⁰⁵ for FAAC collection, out of which only three (3) accounts (i.e., UBA FAAC – 1015372049, UBA VAT – 1015372032 and UBA Ecological Fund – 1023953744) received inflows from FAAC during the period under review. The three (3) accounts are hereafter collectively referred to as “FAAC accounts”.
- c. In addition to the inflows from FAAC, the under-listed six (6) categories of inflows were also noted in the FAAC accounts:
 - i. Non-FAAC inflows from OAGF – comprising Sure-P, Special Reserve, Contract Obligation receipts, PTF Covid-19 donation, IGR-related inflows (i.e., Payees deductions from Federal MDA employees resident in Abia State), as well as deductions from the statutory allocations of Rivers and Akwa Ibom states as part of payments due to Abia State from other sources, such as oil well recoveries.
 - ii. Loan disbursements – comprising Term Loans and other credit facilities, such as Temporary Overdrafts, Contractor Finance Facilities (CFFs) and FGN Budget Support.
 - iii. Inter-account transfers – from other ABSG accounts such as Salary, Subvention and Overhead.
 - iv. Inter-bank transfers – from other ABSG accounts such as Salary, Subvention and Overhead.
 - v. Inflows from IGR.
 - vi. Bank-induced credits i.e., interest run at month ends.

²⁰⁵ See Appendix 10.11 for details of the nine (9) FAAC accounts.

6.2 Total allocations received from FAAC accounts

The total inflows into the FAAC accounts during the period under review amount to ₦468,356,645,293.64, excluding reversals of ₦28,963,869,442.72.

See table 6.2 below for details.

Table 6.2: Breakdown of the total inflows into the FAAC accounts during the period under review.

Year	ABSG Account Name	FAAC Collections (₦)	Non-FAAC Inflows from OAGF (₦)	Loan Disbursements (₦)	Inter-account Inflows (₦)	Inter-bank Inflows (₦)	Inflows from IGR (₦)	Bank-induced credits (₦)	Total Inflows
									(₦)
2015 (29 May to 31 December)	UBA FAAC Account	18,516,376,492.05	1,777,614,195.20	2,120,532,345.34	1,985,326,000	-	-	-	24,399,849,032.59
	UBA VAT Account	4,371,888,840.67	-	-	74,000,000.00	-	-	1,282,220.55	4,447,171,061.22
	UBA Ecological Fund Account	-	-	-	-	-	-	-	-
	Subtotal (A)	22,888,265,332.72	1,777,614,195.20	2,120,532,345.34	2,059,326,000.00	-	-	1,282,220.55	28,847,020,093.81
2016	UBA FAAC Account	23,030,731,785.14	4,332,837,542.70	8,614,000,000.00	50,000,000.00	-	-	-	36,027,569,327.84
	UBA VAT Account	7,968,972,627.12	-	-	30,000,000.00	-	-	289,328,748.04	8,288,301,375.16
	UBA Ecological Fund Account	-	-	-	-	-	-	-	-
	Subtotal (B)	30,999,704,412.26	4,332,837,542.70	8,614,000,000.00	80,000,000.00	-	-	289,328,748.04	44,315,870,703.00
2017	UBA FAAC Account	29,423,437,920.26	4,355,025,367.44	8,382,297,053.98	1,692,000,000.00	-	-	-	43,852,760,341.68
	UBA VAT Account	9,552,235,876.14	-	-	55,200,000.00	-	-	803,376.03	9,608,239,252.17
	UBA Ecological Fund Account	-	-	-	-	-	-	-	-
	Subtotal (C)	38,975,673,796.40	4,355,025,367.44	8,382,297,053.98	1,747,200,000.00	-	-	803,376.03	53,460,999,593.85
2018	UBA FAAC Account	44,508,521,578.82	2,577,411,172.24	700,000,000.00	50,000,000.00	-	-	-	47,835,932,751.06
	UBA VAT Account	10,874,806,636.39	-	-	93,000,000.00	-	-	735,593.74	10,968,542,230.13
	UBA Ecological Fund Account	-	-	-	-	-	-	-	-



Year	ABSG Account Name	FAAC Collections (₦)	Non-FAAC Inflows from OAGF (₦)	Loan Disbursements (₦)	Inter-account Inflows (₦)	Inter-bank Inflows (₦)	Inflows from IGR (₦)	Bank-induced credits (₦)	Total Inflows
									(₦)
	Subtotal (D)	55,383,328,215.21	2,577,411,172.24	700,000,000.00	143,000,000.00	-	-	735,593.74	58,804,474,981.19
2019	UBA FAAC Account	40,370,678,999.34	1,371,277,663.35	3,000,000,000.00	3,057,650,000.00	-	-	-	47,799,606,662.69
	UBA VAT Account	11,556,362,153.48	-	-	60,250,000.00	-	-	1,391,285.40	11,618,003,438.88
	UBA Ecological Fund Account	-	-	-	-	-	-	-	-
	Subtotal (E)	51,927,041,152.82	1,371,277,663.35	3,000,000,000.00	3,117,900,000.00	-	-	1,391,285.40	59,417,610,101.57
2020	UBA FAAC Account	35,336,498,279.42	2,805,550,582.75	-	489,000,000.00	1,029,000,000.00	-	-	39,660,048,862.17
	UBA VAT Account	13,897,632,519.59	-	-	740,000,000.00	-	-	486,787.73	14,638,119,307.32
	UBA Ecological Fund Account	-	-	-	-	-	-	-	-
	Subtotal (F)	49,234,130,799.01	2,805,550,582.75	-	1,229,000,000.00	1,029,000,000.00	-	486,787.73	54,298,168,169.49
2021	UBA FAAC Account	34,193,466,611.30	1,938,390,354.96	1,673,537,998.90	223,537,998.90	-	-	-	38,028,932,964.06
	UBA VAT Account	19,518,587,359.98	-	-	-	-	-	-	19,518,587,359.98
	UBA Ecological Fund Account	578,621,539.22	-	-	146,501,001.56	-	-	-	725,122,540.78
	Subtotal (G)	54,290,675,510.50	1,938,390,354.96	1,673,537,998.90	370,039,000.46	-	-	-	58,272,642,864.82
2022	UBA FAAC Account	37,993,970,871.83	8,543,504,395.76	2,025,000,000.00	-	-	-	-	48,562,475,267.59
	UBA VAT Account	24,941,788,895.15	-	-	600,000.00	-	-	-	24,942,388,895.15
	UBA Ecological Fund Account	519,051,579.86	-	-	952,351,504.06	-	420,000,000.00	-	1,891,403,083.92
	Subtotal (H)	63,454,811,346.84	8,543,504,395.76	2,025,000,000.00	952,951,504.06	-	420,000,000.00	-	75,396,267,246.66
2023	UBA FAAC Account	14,045,980,083.19	6,354,456,218.98	-	1,968,000,000.00	-	-	-	22,368,436,302.17



Year	ABSG Account Name	FAAC Collections (₦)	Non-FAAC Inflows from OAGF (₦)	Loan Disbursements (₦)	Inter-account Inflows (₦)	Inter-bank Inflows (₦)	Inflows from IGR (₦)	Bank-induced credits (₦)	Total Inflows
									(₦)
(1 January to 28 May)	UBA VAT Account	12,995,905,480.67	-	-	-	-	-	-	12,995,905,480.67
	UBA Ecological Fund Account	179,249,756.41	-	-	-	-	-	-	179,249,756.41
	Subtotal (I)	27,221,135,320.27	6,354,456,218.98	-	1,968,000,000.00	-	-	-	35,543,591,539.25
Sub-Total (A+B+C+D+E+F+G+H+I)		394,374,765,886.03	34,056,067,493.38	26,515,367,398.22	11,667,416,504.52	1,029,000,000.00	420,000,000.00	294,028,011.49	468,356,645,293.64

Source: Compiled by KPMG from the review of the FAAC accounts.

6.3 Utilisation of Funds from FAAC

- a. The total outflows from the FAAC accounts during the period under review amount to ₦465,991,676,382.39, excluding reversals of ₦28,963,869,442.72. See table 6.3 below for details.

Table 6.3: Listing of the outflows from the FAAC accounts.

S/N	Category	Nos. of Outflows	Amount (₦)	% of Total	Section Nos.
1	Inter-account transfers	2,491	399,709,644,824.66	85.78%	6.5.1
2	Loan repayments & CFFs	1,554	44,003,054,478.44	9.44%	6.5.2
3	Inter-bank transfers	162	16,602,573,445.57	3.56%	6.5.3
4	FIRS (WHT and VAT)	62	1,904,500,000.00	0.41%	6.5.4
5	MDAs	21	1,490,657,214.00	0.32%	6.5.5
6	Government House & Officials	32	1,169,527,000.00	0.25%	6.5.6
7	Contractors	15	634,603,822.80	0.14%	6.5.7
8	Other ABSG bank transfers	9	341,900,000.00	0.07%	6.5.8
9	Bank charges	1,056	135,215,596.92	0.03%	6.5.9
Total		5,402	465,991,676,382.39	100.00%	

Source: Compiled by KPMG from the review of the FAAC accounts.

6.4 Total Inflows and Outflows in the FAAC accounts

- a. The total inflows and outflows into/from the FAAC accounts are ₦468,356,645,293.64 and ₦465,991,676,382.39 respectively, with a consolidated closing balance of ₦2,169,406,016.88, as at 28 May 2023. See table 6.4 below for details.

Table 6.4: Consolidated closing balance in the FAAC accounts as at end of the period under review.

Tag	Account details	UBA FAAC Account – 1015372049 (₦)	UBA VAT Account – 1015372032 (₦)	UBA Ecological Fund Account – 1023953744 (₦)	Total (₦)
A	Opening Balance as at 29 May 2015	(160,265.25)	(195,402,629.12)	-	(195,562,894.37)
B	Inflows	348,535,611,511.85	117,025,258,400.68	2,795,775,381.11	468,356,645,293.64
C	Outflows	346,377,392,049.60	116,825,227,822.14	2,789,056,510.65	465,991,676,382.39
Closing Balance as at 28 May 2023 (A+B-C)		2,158,059,197.00	4,627,949.42	6,718,870.46	2,169,406,016.88

Source: Compiled by KPMG from the review of the FAAC accounts.

6.5 Utilisation of Outflows from the FAAC accounts

6.5.1 Inter-account transfers – ₦399,709,644,824.66

- a. We confirmed that 2,491 outflows totalling ₦399,709,644,824.66 were transfers that moved between and from the FAAC accounts to the under-listed ABSG accounts in the same bank i.e., UBA, and thus, these funds remained within the State’s accounts.
- b. See table 6.5.1 below for details.

Table 6.5.1: Breakdown of the inter-account transfers traced from the FAAC accounts

S/N	Bank	Beneficiary Account Name	Beneficiary Account Number	Amount (₦)	Nos. of Transfers
1	UBA	Salary	1019024054	136,365,339,871.22	199
2		Overhead I	1019115026	131,013,804,813.55	1,399
3		Subvention	1019114830	83,220,003,238.93	383
4		Special Subvention	1025212962	27,653,573,441.05	169
5		Capital Project	1019115284	7,641,650,798.10	125
6		Sinking Fund I	1025212955	3,060,277,898.26	45
7		FAAC	1015372049	2,719,000,000.00	15
8		Overhead II	1025082752	1,776,607,000.00	70
9		Covid-19 Support	1022752036	1,334,283,500.00	11
10		Overhead III	1025798790	1,146,473,261.99	42
11		Healthcare Project	1025453303	1,025,000,000.00	1
12		Special	1019024009	846,780,000.00	4
13		Ecological	1023953744	641,501,001.56	15
14		Pension	1019114816	566,000,000.00	2
15		VAT	1015372032	464,500,000.00	5
16		Local Government Joint Project	1022121597	100,000,000.00	2
17		Paris & London Club	1019892950	96,000,000.00	1
18		IGR	1007480293	38,000,000.00	2
19		Sinking Fund II	1017087723	850,000.00	1
Total				399,709,644,824.66	2,491

Source: Compiled by KPMG from the review of the FAAC accounts.

6.5.2 Loan repayments & CFFs – ₦44,003,054,478.44

- a. 1,554 repayments for credit facilities obtained by ABSG as well as CFF arrangements with UBA were noted in the FAAC accounts. The analysis of ascertaining the accuracy and completeness of the repayment amounts on these credit facilities are documented in section 4.4.1.2 of this report.

6.5.3 Inter-bank transfers – ₦16,602,573,445.57

- a. We confirmed that 162 outflows totalling ₦16,602,573,445.57 as transfers from the FAAC accounts to other ABSG accounts maintained with the under-listed other banks, and thus, these funds remained within the State’s accounts.
- b. See table 6.5.3 below for details.

Table 6.5.3: Breakdown of the inter-bank transfers traced from the FAAC accounts

S/N	Originating ABSG Account	Receiving banks	ABSG Account Name & Number	Amount (₦)	Nos. of Transfers
1	UBA FAAC – 1015372049	FirstBank	Pension – 2028294506	9,108,549,346.32	90
2			Project – 2014210497	3,308,056,658.96	11
3		Polaris	Overhead – 4030014605	100,200,000.00	11
4		Access	Foreign Loan Int Refund – 0718250445	49,500,000.00	1
Sub-Total (A)				12,566,306,005.28	113
5	UBA VAT – 1015372032	FirstBank	Pension – 2028294506	2,547,000,000.00	38
6			Project – 2014210497	1,184,252,745.22	3
7			Reserve – 2028294362	116,000,000.00	1
8		Sterling Bank	Recovery – 0023041416	57,014,695.07	1
9		Polaris	Overhead – 4030014605	32,000,000.00	4
Sub-Total (B)				3,936,267,440.29	47
10	UBA Ecological Fund – 1023953744	FirstBank	Project – 2014210497	100,000,000.00	2
Sub-Total (C)				100,000,000.00	2
Total (A+B+C)				16,602,573,445.57	162

Source: Compiled by KPMG from the review of the FAAC accounts.

6.5.4 FIRS (WHT and VAT) – ₦1,904,500,000.00

- a. Per the narrations in the account statements, 62 payments totalling ₦1,904,500,000.00 relate to WHT and VAT for the benefit of the FIRS.
- b. The review of the supporting documents maintained for other ABSG bank accounts such as Overhead revealed that payment vouchers and / or payment voucher substitutes are typically used as supporting documents for remittances to the FIRS.
- c. The Office of the AG did not provide the payment vouchers and / or payment voucher substitutes (PVs) that were utilised in remitting the afore-mentioned amount to the FIRS.

6.5.5 MDAs – ₦1,490,657,214.00

- a. Per our review of the account statements and UBA’s representations on the beneficiaries of four (4) outflows with inadequate narrations (i.e., “NEFT”), 21 payments totalling ₦1,490,657,214.00 were made to various MDAs from the FAAC accounts.
- b. The Cash Office did not provide any supporting documents to ascertain the business justification, authorisation and adequate approval for the afore-mentioned payments.
- c. See table 6.5.5 below for details.

Table 6.5.5: Payments to MDAs without any supporting documents

S/N	Year	ABSG Account Name	Name of MDA	Nos. of Payments	Amount received (₦)
1	2015	UBA FAAC Account – 1015372049	Ministry of Works	1	15,000,000.00
2				1	10,000,000.00
3				1	10,000,000.00
4			Secondary Education Management Board (SEMB)	1	47,000,000.00
5	2017		MDGs	1	600,000,000.00
6	2019		Abia State Planning Commission (ASPC)	1	250,000,000.00
7	2020		Abia State College of Education	1	24,000,000.00
8	2021		ABIA State High Court	1	50,000,000.00
9	2021			1	41,157,214.00
10	2021		ABIA State University Teaching Hospital (ABSUTH)	1	50,000,000.00
11	2021			1	50,000,000.00
12	2021			1	50,000,000.00
Sub-Total (A)				12	1,197,157,214.00
13	2021	UBA Ecological Fund Account – 1023953744	ABIA State High Court	1	10,000,000.00
14	2022		ABIA State Free Meal Initiative	1	40,000,000.00
15	2022			1	1,500,000.00

S/N	Year	ABSG Account Name	Name of MDA	Nos. of Payments	Amount received (₦)
16	2022		ABIA State Environmental Protection Agency (ASEPA)	1	25,000,000.00
17	2022		ABIA State Road Maintenance Agency (ABROMA)	1	2,000,000.00
Sub-Total (B)				5	78,500,000.00
18	2015	UBA VAT – 1015372032	ABIA LG JAAC	1	100,000,000.00
19			Secondary Education Management Board (SEMB)	1	45,000,000.00
20	2016		ABIA Polytechnic	1	20,000,000.00
21	2022			1	50,000,000.00
Sub-Total (C)				4	215,000,000.00
Total (A+B+C)				21	1,490,657,214.00

Source: Compiled by KPMG from the review of the FAAC accounts and representations made by UBA.

6.5.6 Government House & Officials – ₦1,169,527,000.00

- Per our review of the account statements and UBA’s representations on the beneficiaries of two (2) outflows with inadequate narrations (i.e., “TRF BO ABSG”), 32 payments totalling ₦1,169,527,000.00 were made to Government House & Officials from the FAAC accounts.
- The Cash Office did not provide any supporting documents to ascertain the business justification, authorisation and adequate approvals for the afore-mentioned payments.
- See table 6.5.6 below for details.

Table 6.5.6: Payments to Government House & Officials without any supporting documents

S/N	Year	ABSG Account Name	Name of MDA	Nos. of Payments	Amount received (₦)
1	2020	UBA FAAC – 1015372049	Government House & Officials	1	50,000,000.00
2				1	50,000,000.00
3				1	50,000,000.00
4				1	50,000,000.00
5				1	30,000,000.00
6				1	50,000,000.00
7				1	50,000,000.00
8				1	20,000,000.00
9				1	50,000,000.00
10				1	50,000,000.00

S/N	Year	ABSG Account Name	Name of MDA	Nos. of Payments	Amount received (₦)
11				1	50,000,000.00
12	2021			1	20,000,000.00
Sub-Total (A)				12	520,000,000.00
13	2020	UBA VAT – 1015372032	Government House & Officials	1	50,000,000.00
14				1	50,000,000.00
15				1	50,000,000.00
16				1	50,000,000.00
17				1	30,000,000.00
18				1	50,000,000.00
19				1	50,000,000.00
20				1	20,000,000.00
21				1	50,000,000.00
22				1	50,000,000.00
23				1	9,527,000.00
24					Deputy Governor's Office
Sub-Total (B)				12	489,527,000.00
25	2022	UBA Ecological Fund – 1023953744	Government House & Officials	1	50,000,000.00
26				1	50,000,000.00
27				1	25,000,000.00
28				1	6,000,000.00
29			Secretary to the State Government (SSG)	1	2,000,000.00
30				1	7,000,000.00
31			Government House & Officials	1	5,000,000.00
32				1	15,000,000.00
Sub-Total (C)				8	160,000,000.00
Total (A+B+C)				32	1,169,527,000.00

Source: Compiled by KPMG from the review of the FAAC accounts and representations made by UBA.

6.5.7 Contractors – ₦634,603,822.80

- a. Per our review of the account statements and UBA’s representations on the beneficiaries of five (5) outflows with inadequate narrations (i.e., “NEFT”), 15 payments totalling ₦634,603,822.80 were made to contractors from the FAAC accounts.
- b. The Cash Office did not provide any supporting documents to ascertain the business justification, authorisation and adequate approvals for the afore-mentioned payments. See table 6.5.7 below for details.

Table 6.5.7: Payments made to contractors without any supporting documents

S/N	Year	ABSG Account Name	Name of Contractor	Nos. of Payments	Amount received (₦)
1	2015	UBA FAAC – 1015372049	Globe Motors Holding Nig. Ltd	1	100,000,000.00
2			Raycon Company Nig. Ltd	1	50,000,000.00
3			Worldwide Envi Tech	1	40,000,000.00
4			Partengoff Nig. Ltd	1	30,000,000.00
5			BOK Co. Ltd	1	26,910,000.00
Sub-Total (A) – Per UBA's representations on NEFT outflows				5	246,910,000.00
6	2015	UBA FAAC – 1015372049	Master Services Limited	1	40,000,000.00
7			Grand Star Limited	1	40,000,000.00
8			Sharp Link Services Limited	1	25,000,000.00
9	2020		SMD Consulting	5	225,693,822.80
Sub-Total (B)				8	330,693,822.80
10	2022	UBA Ecological Fund – 1023953744	MAG AND J	1	7,000,000.00
11	2023		Denzos International Ventures	1	50,000,000.00
Sub-Total (C)				2	57,000,000.00
Total (A+B+C)				15	634,603,822.80

Source: Compiled by KPMG from the review of the FAAC accounts and representations by UBA.

6.5.8 Other ABSG bank transfers – ₦341,900,000.00

6.5.8.1 Untraced ABSG bank transfers – ₦42,000,000.00

- a. Per UBA’s representations, the beneficiary ABSG account of two (2) outflows on 31 March 2020 with the narration “TRF PD IFO ABSG SUBVENTION” totalling ₦42,000,000.00 is ABSG’s Subvention account – 1019114830.
- b. However, we did not identify the two (2) outflows in the aforementioned Subvention account or in the other ABSG accounts based on records provided by 14 of the 35 circularised banks (i.e., bank account statements, schedule of ABSG accounts

maintained, confirmation of account existence / status, etc.). See table 6.5.8.1 below for details

Table 6.5.8.1: Breakdown of untraced transfers from the FAAC accounts

S/N	ABSG Account	Transaction date	Bank Statement Narration	Amount (₦)	Nos. of Transfers
1	UBA FAAC – 1015372049	31-Mar-20	TRF PD IFO ABSG SUBVENTION	32,000,000.00	1
Sub-Total (A)				32,000,000.00	1
2	UBA VAT – 1015372032	31-Mar-20	TRF PD IFO ABSG SUBVENTION	10,000,000.00	1
Sub-Total (B)				10,000,000.00	1
Total (A+B)				42,000,000.00	2

Source: Compiled by KPMG from the review of the FAAC accounts.

6.5.8.2 Untraced ABSG bank transfers with Inadequate Narrations – ₦299,900,000.00

- a. Per UBA’s representations, the under-listed ABSG bank accounts were the beneficiaries of seven (7) outflows totalling ₦299,900,000.00 from the FAAC accounts with inadequate narration (i.e., “NEFT”).
- b. However, we did not independently ascertain the beneficiaries of these outflows as the ABSG bank accounts were not provided by 14 of the 35 circularised banks. See table 6.5.8.2 below for details.

Table 6.5.8.2: Breakdown of untraced ABSG bank transfers with inadequate narration.

S/N	Originating ABSG account	Beneficiary Bank and Account Name (per UBA)		Amount (₦)	Nos. of Transfers
1	UBA FAAC - 1015372049	Access Bank	Abia State Paris Gov.	198,000,000.00	4
2			Abia State Gov.	49,500,000.00	1
3		FirstBank	Abia State Integ. Inf. Dev.	40,000,000.00	1
4			Government House Sta.	12,400,000.00	1
Total				299,900,000.00	7

Source: Compiled by KPMG from the review of the FAAC accounts and representations by UBA.

6.5.9 Bank Charges – ₦135,215,596.92

- a. The analysis of ascertaining the accuracy and completeness of the bank charges in the FAAC accounts is documented in sections 4.4.1.1 of this report.

6.6 Possible Collusion or Conflict of Interest

- a. No sufficient records to identify if there was any collusion with the beneficiaries or not. However, identified possible conflict of interest is documented in section 4.3.3.

7 Utilisation of credit facilities obtained by ABSG from UBA, Zenith Bank and Union Bank

Objectives: Ascertain the total credit facilities obtained by the State Government from UBA, Zenith Bank and Union Bank and determine if they were utilized for the intended purposes. In addition, identify any possible collusion with the beneficiaries.

7.1 Utilisation of Credit Facilities obtained from UBA

We analysed ten (10) term loans totalling ₦18,480,915,387.42 obtained by ABSG from UBA during the period from 29 May 2015 to 28 May 2023, noting the following:

Table 7.1: Utilisation of ₦18,480,915,387.42 term loans

S/N	Facility	Disbursement Date	Number of Facility	Facility Amount	Section
1	ASUBEB Counterpart Fund (I)	30-Dec-2016	1	2,836,031,308.74	7.1.1
2	Counterpart Fund for 2015 MDG Projects	02-Jun-2017	1	600,000,000.00	7.1.2
3	Term loan	17-Sep-2019	1	6,000,000,000.00	7.1.3
4	ASUBEB Counterpart Fund (II)	20-Aug-2020	1	1,519,884,078.68	7.1.4
5	Term loan	15-Apr-2021	1	1,000,000,000.00	7.1.5
6	Term Loan	26-Oct-2021	1	500,000,000.00	7.1.6
7	Term loan	8-Dec-2021	1	4,000,000,000.00	7.1.7
8	Term Loan	15-Feb-2022	1	500,000,000.00	7.1.8
9	Term loan	4-July-2022	1	500,000,000.00	7.1.9
10	COVID-19 Health-Care intervention	14-Oct-2022	1	1,025,000,000.00	7.1.10
Total			10	18,480,915,387.42	

Source: Compiled by KPMG from the analysis of records provided by ABSG and UBA.

7.1.1 ₦2,836,031,308.74 ASUBEB Counterpart Fund

- a. On 30 December 2016, ABSG received ₦2,836,031,308.74 as counterpart fund to finance ASUBEB.
- b. No records to determine the utilisation of this fund because, ASUBEB did not respond to KPMG circularisation letter of 23 October 2023, requesting supporting documents, including contracts, payment vouchers, payment instructions, invitation to bid, award letters, tenders, quotations, job completion certificates, invoices, receipts, evaluation reports, interim certificates, etc.

7.1.2 ₦600,000,000.00 Counterpart Fund

- a. **Purpose of the Facility:** On 2 June 2017, ABSG received ₦600,000,000.00 term loan as counterpart fund for 2015 MDG Projects.

- b. **Utilisation of the Facility:** Analysis of the ABSG MDG Account, vis-à-vis the utilisation of the ₦600,000,000.00 counterpart fund is in table 7.1.2 below.

Table 7.1.2: Utilisation of the ₦600,000,000.00 Counterpart Fund

S/N	Description	Amount (₦)	Remark
1	Abia State Planning Commission	592,125,000.00	a. No records to determine the utilisation, because Abia State Planning Commission did not respond to KPMG circularisation letter of 9 November 2023, requesting supporting documents, including contracts, payment vouchers, payment instructions, invitation to bid, award letters, tenders, quotations, job completion certificates, invoices, receipts, evaluation reports, interim certificates, etc.
2	Management Fee + VAT on Management Fee on the facility	7,875,000.00	a. This is the commitment, management and VAT fee charged by UBA on the ₦600,000,000.00 counterpart fund, which is in line with the provision of the facility offer letter.
Total		600,000,000.00	

Source: Compiled by KPMG from the analysis of records provided by UBA.

7.1.3 ₦6,000,000,000.00 Counterpart Fund

- a. **Purpose of the Facility:** On 17 September 2019, ABSG received ₦6,000,000,000.00 term loan in tranches of ₦3,000,000,000.00 to settle a temporary overdraft of ₦3,000,000,000.00 running on ABSG FAAC Account, and ₦3,000,000,000.00 as a counterpart fund to finance various developmental projects, as requested by ABSG via a change of purpose letter²⁰⁶ sent to UBA on 5 September 2019.
- b. **Utilisation of the Facility:** The analysis of ABSG Counterpart fund account is in table 7.1.3 below.

Table 7.1.3: Utilisation of ₦6,000,000,000.00 term loan

S/N	Disbursement Date	Facility Amount (₦)	Purpose per change of purpose letter	Utilisation per bank account statements	Section
1	17-Sep-2019	3,000,000,000.00	To settle a temporary overdraft of running on ABSG FAAC Account	a. On 3 October 2019, ABSG performed an intra-bank transfer of ₦3,000,000,000.00 from its Counterpart fund account to its FAAC account. b. The transfer was utilised to settle the temporary overdraft	7.1.3.1

²⁰⁶ Exhibit 29 – Change of purpose letter by ABSG 5 September 2019.

S/N	Disbursement Date	Facility Amount (₦)	Purpose per change of purpose letter	Utilisation per bank account statements	Section
				running on its FAAC account, at the time.	
		3,000,000,000.00	Counterpart fund to finance various developmental projects	a. On 3 October 2019, UBA effected the following intra-bank transfers from ABSG Counterpart fund account to the under-listed projects:	
				i. ASUBEB – ₦2,348,277,699.01	7.1.3.2.1
				ii. RAAMP – ₦330,000,000.00	7.1.3.2.2
				iii. FADAMA – ₦133,648,750.00	7.1.3.2.3
				b. On 24 January 2020, UBA effected an intra-bank transfer of ₦50,000,000.00 as counterpart fund to Nigerian For Women Project (NFWP).	7.1.3.2.4
				c. There was an unutilised balance of ₦138,073,550.99 in ABSG Counterpart fund account as at 28 May 2023.	

Source: Compiled by KPMG from the analysis of records provided by UBA.

7.1.3.1 ₦3,000,000,000.00 Term Loan to Settle Overdraft

No exceptions noted in the utilisation of the ₦3,000,000,000.00 term loan, as records indicates that it was utilised to settle the temporary overdraft running on ABSG FAAC account at the time, which is in line with the purpose of the change of purpose letter²⁰⁷.

²⁰⁷ Exhibit 30 – Same as Exhibit 29 above.

7.1.3.2 ₦3,000,000,000.00 Counterpart Fund

ABSG utilised the ₦3,000,000,000.00 counterpart fund as follows:

7.1.3.2.1 ASUBEB – ₦2,348,277,699.01

- i. No records to determine the utilisation of this fund because, ASUBEB did not respond to KPMG circularisation letter of 23 October 2023, requesting supporting documents, including contracts, payment vouchers, payment instructions, invitation to bid, award letters, tenders, quotations, job completion certificates, invoices, receipts, evaluation reports, interim certificates, etc.

7.1.3.2.2 RAAMP – ₦330,000,000.00

- i. RAAMP is a World Bank assisted project that aims to strengthen the institutional and financing base for sustainable management of States and rural networks by providing roads access to rural areas to assist local farmers to store and distribute their farm produce to the consumers.
- ii. RAAMP is financed by World Bank (through International Development Association “IDA”), French Development Agency’s AFD, and Abia State Government through counterpart fund.
- iii. The Ag. PC RAAMP represented²⁰⁸ that counterpart fund is utilised to finance tax element of the French Development Agency’s AFD financing, pre-disbursement activities, payment of PAPs (Project Affected Persons), staff top-up²⁰⁹ and minor operational cost.
- iv. The review of RAAMP’s statement of expenditure account vis-à-vis supporting documents such as workplan budget, payment vouchers, payment receipts, contract documents, etc. revealed that of the ₦330,000,000.00 counterpart fund, RAAMP expended ₦143,472,821.56 during the period under review. See table 7.1.3.2.2 below for details of the expenditure.

Table 7.1.3.2.2: Analysis of RAAMP utilisation of the ₦330,000,000.00 counterpart fund

S/N	Description	Amount (₦)
Counterpart Fund received (A)		330,000,000.00
1	Operating Cost (Staff remuneration, PAYE, Utility Bills, etc.)	(66,127,508.29)
2	Consultancy	(44,363,330.03)
3	Capacity Buildings (Staff trainings)	(32,404,976.00)
4	Goods (Imprest replenishment, Office Stationeries, etc.)	(454,907.40)
5	Bank Charges (CAMF, stamp duty, bank statement charges, transfer charges, SMS charges, etc.)	(122,099.84)
Total Expenditure (B)		(143,472,821.56)
Counterpart Fund Balance as at 31 May 2023 C = (A + B)		186,527,178.44

²⁰⁸ Exhibit 31 – Minute of Meeting with Ag. PC RAAMP on 30 October 2023.

²⁰⁹ Staff top-up includes sitting allowances, salaries, etc.

- v. However, of the ₦143,472,821.56 expended, ₦93,241,401.37 was provided for in RAAMP's expenditure budget between 7 March 2021 to 31 May 2023, with an additional ₦43,502,917.03 approved via a no-objection²¹⁰ by World Bank. There are no records of a no-objection by World Bank for the remaining ₦6,728,503.16 expended by RAAMP²¹¹ during the period from 7 September 2019 to 6 of March 2021.

7.1.3.2.3 FADAMA – ₦133,648,750.00

- i. The PC FADAMA represented²¹² that she resumed office on 12 September 2023 which was after the utilisation of the ₦133,648,750.00 counterpart fund. However, the PC instructed FADAMA's Accountant and Auditor to provide the documents for the utilisation of the ₦133,648,750.00 counterpart fund.
- ii. FADAMA did not provide any records to support the utilisation of the entire ₦133,648,750.00 counterpart fund.

7.1.3.2.4 Nigerian for Women Project (“NFWP”) – ₦50,000,000.00

- i. NFWP is a World Bank assisted project, through the Ministry of Women Affairs that aims to train, support, and assist women in the rural communities, to improve their livelihood²¹³.
- ii. NFWP is financed by World Bank (through International Development Association “IDA”), and Abia State Government through counterpart fund.
- iii. The Accountant NFWP represented²¹⁴ that counterpart fund is utilised for pre-disbursement activities, staff top-up, and minor operational cost, while the core project development activities are financed by World Bank through IDA.
- iv. The review of NFWP's statement of expenditure account vis-à-vis supporting documents, such as workplan budget, payment vouchers, payment receipts, contract documents, etc. revealed no exception in the utilisation of the ₦50,000,000.00 counterpart fund, as the expenditures were duly approved by World Bank and adequately receipted by NFWP.
- v. The utilisation of the ₦50,000,000.00 counterpart fund is analysed in table 7.1.3.2.4 overleaf.

²¹⁰ A “No objection” is a written instruction by World Bank, approving expenses for any World Bank Assisted projects. An invitation for a meeting by World Bank also serves as a “No Objection” for amount spent to attend various World bank meetings and trainings.

²¹¹ Accountant RAAMP represented that the ₦6,728,503.16 expended for site visit between 7 September 2019 to 6 March 2021 is an operational cost, and an operational cost does not require a no-objection.

²¹² Exhibit 32 – Letter provided by FADAMA on 23 November 2023.

²¹³ Exhibit 33 – NFWP Code of Conduct Manual.

²¹⁴ Exhibit 34 – Minute of meeting with Accountant NFWP

Table 7.1.3.2.4: Analysis of NFWP utilisation of the ₦50,000,000.00 counterpart fund

S/N	Description	Amount (₦)
Counterpart Fund received (A)		50,000,000.00
1	Operating Cost (Staff remuneration, PAYE, Utility Bills, etc.)	(30,189,208.00)
2	Construction (Renovation of Office Complex)	(11,502,382.00)
3	Capacity Building (Staff training)	(8,308,410.00)
Total Expenditure (B)		(50,000,000.00)
Counterpart Fund Balance as at 31 May 2023 C = (A + B)		-

Source: Compiled by KPMG from the analysis of records provided by NFWP.

7.1.4 **₦1,519,884,078.68 ASUBEB Counterpart Fund**

- a. On 20 August 2020 ABSG received ₦1,519,884,078.68 as counterpart fund to finance ASUBEB.
- b. No records to determine the utilisation of this fund because, ASUBEB did not respond to KPMG circularisation letter of 23 October 2023, requesting supporting documents, including contracts, payment vouchers, payment instructions, invitation to bid, award letters, tenders, quotations, job completion certificates, invoices, receipts, evaluation reports, interim certificates, etc.

7.1.5 **₦1,000,000,000.00 Term loan**

- a. **Purpose of the Facility:** On 15 April 2021, UBA disbursed the ₦1,000,000,000.00 term loan to ABSG FAAC Account, to meet urgent security issues in the State.
- b. **Utilisation of the Facility:** Analysis of the FAAC Account revealed that ABSG utilised the ₦1,000,000,000.00 term loan to reduce the overdraft balance in the FAAC Account, which is contrary to the purpose of the facility.

7.1.6 **₦500,000,000.00 Term loan**

- a. **Purpose of the Facility:** On 26 October 2021, UBA disbursed the ₦500,000,000.00 term loan to ABSG FAAC Account, to meet urgent need for the payment of parastatals²¹⁵ salaries and subvention.
- b. **Utilisation of the Facility:** Analysis of the FAAC Account revealed that ABSG utilised the ₦500,000,000.00 term loan to reduce the overdraft balance in the FAAC Account, which is contrary to the purpose of the facility.

²¹⁵ The offer letter does not contain the list of the parastatals.

7.1.7 ₦4,000,000,000.00 Term loan

- a. **Purpose of the Facility:** On 8 December 2021, UBA disbursed the ₦4,000,000,000.00 term loan to ABSG Subvention Account, to augment its working capital for payment of salaries and other recurrent expenditures.
- b. **Utilisation of the Facility:** Analysis of the Subvention Account revealed that the ₦4,000,000,000.00 term loan was co-mingled with a credit balance of ₦1,326,500,959.05 in the account prior to the disbursement of the term loan, hence, we cannot attempt to identify specific utilisation of the ₦4,000,000,000.00 term loan. However, upon receipt of the ₦4,000,000,000.00 term loan, there were outflows totalling ₦4,487,823,362.50 before the next inflow into the Subvention Account, see breakdown of the ₦4,487,823,362.50 outflow in table 7.1.7 below.

Table 7.1.7: Utilisation of the ₦4,000,000,000.00 term loan

S/N	Description	Amount (₦)	Remark
	Balance before the inflow of ₦4,000,000,000.00	1,326,500,959.05	
1	Unclear Narration	828,000,000.00	a. UBA described the narration of the outflow in the bank account statement as “Fund Trf”, hence, no sufficient information to identify the beneficiary(ies) of the payment.
2	Abia State Government (FBN) Account	520,000,000.00	a. The payments was confirmed in ABSG FBN Account (₦520,000,000.00), however, the payments were co-mingled with other inflows in the Accounts, hence, we cannot identify the specific utilisation of the payments.
3	Abia State Colleges	430,000,000.00	a. ABSG did not provide supporting documents such as payment vouchers to determine the purpose of the payments.
4	Loan repayment Ferotex	394,807,135.05	a. Loan repayment by ABSG on CFFs.
5	Abia State Polytechnic, Aba.	360,000,000.00	a. ABSG did not provide supporting documents such as payment vouchers to determine the purpose of the payments.
6	Abia State University	300,000,000.00	a. No supporting documents such as payment vouchers to determine the purpose of the payments.
7	ABSG Overhead Account	235,000,000.00	a. The payments were confirmed in the Overhead (₦235,000,000.00), however, the payments were co-mingled with other inflows in the Accounts, hence, we cannot identify the specific utilisation of the payments.
8	ABSUTH Aba	130,000,000.00	a. ABSG did not provide supporting documents such as payment vouchers to determine the purpose of the payment.

S/N	Description	Amount (₦)	Remark
9	ABSG Capital Project Account	88,000,000.00	a. The payments were confirmed in Capital Project Accounts (₦88,000,000.00), however, the payments were co-mingled with other inflows in the Accounts, hence, we cannot identify the specific utilisation of the payments.
10	Loan repayment Effdee	82,297,933.90	a. Loan repayment by ABSG on CFFs.
10	Loan repayment Sponmor	63,307,320.03	b. UBA did not provide the offer letter to determine the expected repayment of these CFFs.
11	Management Fee + VAT Fee on Loan	43,000,000.00	a. This is the management fee and VAT fee charged by UBA on the ₦4,000,000,000.00 term loan, which is in line with the facility offer letter.
12	Ministry of Homeland Security	30,000,000.00	ABSG did not provide supporting documents such as payment vouchers to determine the purpose of the payment.
13	Loan repayment Blessed Ugo Frank	110,000.00	a. Loan repayment by ABSG on CFFs. b. UBA did not provide the offer letter to determine the expected repayment of these CFFs.
14	Bank Charges	973.52	a. These are stamp duties charged on the ₦4,000,000,000.00 inflow, and transfer charges on outflows.
Total		4,487,823,362.50	

Source: Compiled by KPMG from the analysis of records provided by UBA.

7.1.8 ₦500,000,000.00 Term loan

- a. **Purpose of the Facility:** On 15 February 2022, UBA disbursed the ₦500,000,000.00 term loan to ABSG FAAC Account to meet urgent need for the payment of parastatals²¹⁶ salaries and subvention.
- b. **Utilisation of the Facility:** Analysis of the FAAC Account revealed that ABSG utilised the ₦500,000,000.00 term loan to reduce the overdraft balance in the FAAC Account, which is contrary to the purpose of the facility.

7.1.9 ₦500,000,000.00 Term loan

- a. **Purpose of the Facility:** On 4 July 2022, UBA disbursed the ₦500,000,000.00 term loan to ABSG FAAC Account to meet urgent need for the payment of parastatals²¹⁷ salaries and subvention.

²¹⁶ The offer letter does not contain the list of the parastatals.

²¹⁷ The offer letter does not contain the list of the parastatals.

- b. **Utilisation of the Facility:** Analysis of the FAAC Account revealed that ABSG utilised the ₦500,000,000.00 term loan to reduce the overdraft balance in the FAAC Account, which is contrary to the purpose of the facility.

7.1.10 ₦1,025,000,000.00 COVID-19 Health-Care intervention

- a. **Purpose of the Facility:** On 14 October 2022, ABSG received ₦1,025,000,000.00 term loan as COVID-19 Health-Care intervention fund to enable ABSG to equip:
- i. The State University Teaching Hospital (ABSUTH).
 - ii. Five²¹⁸ (5) primary health care centres.
 - iii. Three²¹⁹ (3) General Hospitals in Umuahia, Aba and Ohafia.
- b. **Utilisation of the Facility:** Analysis of the ABSG Health Care Project Account, vis-à-vis the utilisation of the ₦1,025,000,000.00 term loan is in table 7.1.10 below.

Table 7.1.10: Utilisation of the ₦1,025,000,000.00 term loan

S/N	Description	Amount (₦)	Remark
1	ABSG Infrastructure Development	250,000,000.00	a. ABSG and Ministry of Health did not provide supporting documents (including contracts, payment vouchers, payment instructions, invitation to bid, award letters, tenders, quotations, job completion certificates, invoices, receipts, evaluation reports, interim certificates, etc.) to determine the business justification, authorisation, purpose of payment, and approvals of these payments.
2	Uwal Pharm Ltd	200,000,000.00	
3	Linamed Global	170,000,000.00	
4	Ministry of Health	120,000,000.00	
5	ABSG Subvention Account	100,000,000.00	
6	Denzol International	65,000,000.00	
7	Miisab Consulting Limited	50,000,000.00	
8	Rochy Green Limited	30,000,000.00	
9	All the way Success	20,000,000.00	
10	Project 365 Services	20,000,000.00	
Total		1,025,000,000.00	

Source: Compiled by KPMG from the analysis of records provided by UBA.

7.2 Utilisation of Credit Facilities obtained from Zenith Bank

We analysed a sample²²⁰ of eight (8) term loans totalling ₦5,496,092,990.72 out of ten (10) term loans totalling ₦5,686,092,990.72²²¹ that ABSG obtained from Zenith Bank during the period from 1 January 2020 and 28 May 2023, noting the following:

Table 7.2: Utilisation of the ₦5,496,092,990.72 term loans

²¹⁸ The offer letter does not contain the names of the primary health care centres.

²¹⁹ The offer letter does not contain the names of the General Hospitals.

²²⁰ We did not review the utilisation of these facilities as they are below our threshold of term loans above ₦150,000,000.00.

²²¹ See section 7.2.1 to 7.2.8 and for details of the ten (10) term loans.

S/N	Facility	Disbursement Date	Number of Facility	Facility Amount (₦)	Section
1	Term loan	24-Jan-2020	1	1,000,000,000.00	7.2.1
2	Counterpart funding for Enyimba Economic City	10-Sep-2020	1	1,000,000,000.00	7.2.2
3	Term Loan	15-Apr-2021	1	1,000,000,000.00	7.2.3
4	Term loan	5-May-2021	1	500,000,000.00	7.2.4
5	Term Loan	30-Jun-2022	1	849,652,990.72	7.2.5
6	Term Loan	25-Oct-2022	1	376,440,000.00	7.2.6
7	Term Loan	7-Nov-2022	1	600,000,000.00	7.2.7
8	Term Loan	23-Apr-23	1	170,000,000.00	7.2.8
Subtotal (A)			8	5,496,092,990.72	
9	Counterpart funding for ABSG Malaria Elimination Project	2-Nov-2020	1	40,000,000.00	We did not review the utilisation of these facilities as they are below our threshold of term loans above ₦150,000,000.00.
10	Counterpart funding for Accelerating Nutritious Results in Nigeria (ANRIN)	15-Apr-2021	1	150,000,000.00	
Subtotal (B)			2	190,000,000.00	
Total			10	5,686,092,990.72	

Source: Compiled by KPMG from the analysis of records provided by Zenith Bank.

7.2.1 ₦1,000,000,000.00 Term Loan

- a. **Purpose of the Facility:** On 24 January 2020, Zenith Bank disbursed the ₦1,000,000,000.00 to ABSG consolidated IGR account to finance developmental projects in the State.
- b. **Utilisation of the Facility:** Utilisation of the ₦1,000,000,000.00 term loan is in table 7.2.1 below.

Table 7.2.1: Utilisation of the ₦1,000,000,000.00 term loan

S/N	Description	Amount (₦)	
1	Ministry of Works	650,000,000.00	ABSG did not provide supporting documents such as payment vouchers and e-payment mandate to determine whether the payments is in line with the intended purpose.
2	Wilangy Nig Ltd	100,000,000.00	
3	China Zhonghao Nigeria Limited	50,000,000.00	
4	Ekcleen Integrated Services Nig Ltd	50,000,000.00	
5	Francis Jane Aframav Int' Ltd	50,000,000.00	
6	Geemorn Comm Int Ltd	50,000,000.00	
7	Sannan Janjoon Int Ltd	50,000,000.00	

S/N	Description	Amount (₦)	
Total		1,000,000,000.00	

Source: Compiled by KPMG from the analysis of records provided by Zenith Bank.

7.2.2 ₦1,000,000,000.00 Counterpart Fund

- a. **Purpose of the Facility:** On 10 September 2020, Zenith Bank disbursed the ₦1,000,000,000.00 to ABSG consolidated term loan account as counterpart funding for the development of Enyimba Economic City in Abia State.
- b. **Utilisation of the Facility:** Utilisation of the ₦1,000,000,000.00 term loan is in table 7.2.2 below.

Table 7.2.2: Utilisation of the ₦1,000,000,000.00 counterpart fund

S/N	Description	Amount (₦)	Remark
1	ABSG Zenith IGR Payment Account	600,000,000.00	<ol style="list-style-type: none"> a. The ₦600,000,000.00 payment was confirmed in the ABSG Zenith IGR Account. b. Upon receipt of the ₦600,000,000.00, ABSG made payment to the following MDAs: <ol style="list-style-type: none"> i. Ministry of Works – ₦450,000,000.00. ii. Abia State University (ABSU) – ₦100,000,000.00. iii. Ministry of Housing – ₦50,000,000.00. c. ABSG did not provide supporting documents such as contracts and payment voucher to determine the purpose of the payments above.
2	Enyimba Economic City Project Account	400,000,000.00	<ol style="list-style-type: none"> a. The ₦400,000,000.00 payment was confirmed in the Enyimba Economic City Project Account. b. ABSG did not provide supporting documents such as payment voucher and payment instructions to determine the justification and approval of the ₦400,000,000.00 payment. c. Analysis of Enyimba Economic City Project Account revealed that the ₦400,000,000.00 was further transferred to Enyimba Economic City Development Company Ltd on 2 December 2020. d. The State Cashier represented²²² that he does not know the purpose of the ₦400,000,000.00 payment.
Total		1,000,000,000.00	

Source: Compiled by KPMG from the analysis of records provided by Zenith Bank.

7.2.3 ₦1,000,000,000.00 Term Loan

- a. **Purpose of the Facility:** On 15 April 2021, Zenith Bank disbursed the ₦1,000,000,000.00 to ABSG consolidated term loan account to finance payment to contractors for various infrastructure projects.

²²² Exhibit 35 – Minute of meeting with Cashier on 10 October 2023.

- b. **Utilisation of the Facility:** Utilisation of the ₦1,000,000,000.00 term loan is in table 7.2.3 below.

Table 7.2.3: Utilisation of the ₦1,000,000,000.00 term loan

S/N	Description	Amount (₦)	Remark	Section
1	Ministry of Works	920,000,000.00	a. On 16 April 2021, ABSG made payment of ₦920,000,000.00 to Ministry of Works.	7.2.3.1
2	ABSG Zenith IGR Account	80,000,000.00	a. On 16 April 2021, ABSG made payment of ₦80,000,000.00 to ABSG Zenith IGR Account	7.2.3.2
Total		1,000,000,000.00		

7.2.3.1 Ministry of Works – ₦920,000,000.00

On 16 April 2021, ABSG made payment of ₦920,000,000.00 to Ministry of Works. The schedule provided by Ministry of Works, revealed that Ministry of work made payments amounting to ₦927,200,000.00 to 14 contractors, as the ₦920,000,000.00 was co-mingled with other inflows in the account of Ministry of works. See breakdown of the ₦927,200,000.00 in table 7.2.3.1 below.

Table 7.2.3.1: Analysis of the ₦920,000,000.00 payment to Ministry of Works

S/N	Description	Purpose	Amount (₦)	Remark
1	Truck Push Service	Procurement & Installation of solar LED streetlights.	150,000,000.00	Ministry of Works neither provided payment vouchers to determine the purpose of the payment nor e-payment mandates to confirm if the payments were actually made.
2	Eckleen Integrated Service Nigeria Limited	Construction of Omuna road, Aba.	129,400,000.00	
3	Track-Care Global Construction Company Limited	Construction of Umuobikwa-Osa road.	97,500,000.00	
4	PACEO Carretera Nigeria Limited	Construction of Agalaba Ring road, Abia State.	97,500,000.00	
5	Cosmos Engineering Limited	Construction of Immaculate road, Aba.	89,900,000.00	
6	Zubias World Link Limited	Construction of Umuakwu Azuiyi road, and Ikwuano Isuome Ntighe road.	89,900,000.00	
7	4END Ventures Limited	Rehabilitation of Ukome road, Umuahia.	48,750,000.00	
8	Tunnel End Investment	Construction of Umunkpayi-amaiyi Okpakiri road.	48,750,000.00	
9	Sannan Jadson International Limited	Construction of Cemetery Road, Aba.	48,750,000.00	
10	B.O.K Company Limited	Construction of 1.3km road on Agbena Ring road, Umuahia.	39,000,000.00	

S/N	Description	Purpose	Amount (₦)	Remark
11	Izzy Mitime International Limited	Construction of 600m rigid pavement Ihunanya Street, Obingua LGA.	29,250,000.00	
12	Crystalkleen International Agency	Reconstruction of Isiala-Ukuru Mbata in Obingwe LGA.	24,375,000.00	
13	Mc Caumsen International Concept	Palliative works on Chief Ukpai Agwu Ukpai road, ASEPA	24,375,000.00	
14	Odernix Nigeria Limited	Construction of Umuobia Olokeso road.	9,750,000.00	
Total			927,200,000.00	

Source: Compiled by KPMG from the analysis of records provided by Ministry of Works.

7.2.3.2 ABSG Zenith IGR Account – ₦80,000,000.00

Analysis of the Zenith IGR revealed that ABSG utilised the ₦80,000,000.00 term loan to reduce the overdraft balance in the Zenith IGR Account, rather than, to finance payment to contractors for various infrastructure projects, which is contrary to the purpose of the facility.

7.2.4 ₦500,000,000.00 Term Loan

- a. **Purpose of the Facility:** On 5 May 2021, ABSG obtained ₦500,000,000.00 term loan to finance acquisition of 25 Hyundai vehicles for ABSG Commissioners.
- b. **Utilisation of the Facility:** Per offer letter²²³ dated 22 March 2022, the ₦500,000,000.00 will be disbursed to the contractor upon supply of the 25 Hyundai vehicles. The schedule and contracts for vehicles purchased by ABSG during the period under review do not reflect records of the 25 Hyundai vehicles purchased. Zenith Bank reflected that the payment was made to Piccoh Services Limited, however, ABSG did not provide records to ascertain if the 25 Hyundai vehicles were supplied by the contractors.

7.2.5 ₦849,652,990.72 Term Loan

- a. **Purpose of the Facility:** On 30 June 2022, ABSG obtained ₦849,652,990.72 term loan to refinance its outstanding obligations. The offer letter did not provide details of the facilities ABSG refinanced. Zenith Bank did not provide the details of the facilities that ABSG refinanced, upon our enquiry.
- b. **Utilisation of the Facility:** ABSG did not receive the ₦849,652,990.72 as a term loan, rather, the ₦849,652,990.72 restructured loan was utilised to refinance ABSG outstanding obligations to Zenith Bank.

7.2.6 ₦376,440,000.00 Term Loan

- a. **Purpose of the Facility:** On 25 October 2022, ABSG obtained ₦376,440,000.00 term loan to refinance its outstanding obligations. The offer letter did not provide details of the

²²³ Exhibit 36 – Offer letter for ₦500,000,000.00 term loan executed by both parties.

facilities ABSG refinanced. Zenith Bank did not provide the details of the facilities that ABSG refinanced, upon our enquiry.

- b. **Utilisation of the Facility:** ABSG did not receive the ₦376,440,000.00 as a term loan, rather, the ₦376,440,000.00 restructured loan was utilised to refinance ABSG outstanding obligations to Zenith Bank.

7.2.7 ₦600,000,000.00 Term Loan

- a. **Purpose of the Facility:** On 7 November 2022, Zenith Bank disbursed the ₦600,000,000.00 to ABSG IGR Payment Account to finance payments of salaries of staff of Abia State Polytechnic Aba.
- b. **Utilisation of the Facility:** Analysis of the ABSG IGR Payment Account revealed that the ₦600,000,000.00 term loan was co-mingled with a credit balance of ₦1,016,267,152.63 in the account prior to the disbursement of the term loan, hence, we cannot identify specific utilisation of the ₦600,000,000.00 term loan.
- c. Nevertheless, there were no outflows from ABSG IGR Payment Account to Abia State Polytechnic Aba from the receipt of the ₦600,000,000.00 term loan from 7 November 2022 up to 28 May 2023.

7.2.8 ₦170,000,000.00 Term Loan

- a. **Purpose of the Facility:** On 3 April 2023, ABSG obtained ₦170,000,000.00 term loan to refinance its outstanding obligations. The offer letter did not provide details of the facilities ABSG refinanced. Zenith Bank did not provide the details of the facilities that ABSG refinanced, upon our enquiry.
- b. **Utilisation of the Facility:** ABSG did not receive the ₦170,000,000.00 as a term loan, rather, the ₦170,000,000.00 restructured loan was utilised to refinance ABSG outstanding obligations to Zenith Bank.

7.3 Utilisation of Credit Facilities obtained from Union Bank

ABSG utilised the one (1) term loan obtained from Union Bank totalling ₦1,250,000,000.00 as follows:

7.3.1 ₦1,250,000,000.00 COVID-19 Health-Care intervention

- a. **Purpose of the Facility:** On 14 February 2022, ABSG received ₦1,250,000,000.00 term loan as COVID-19 Health-Care intervention fund for the following:

- i. TL I – ~~₦~~250,000,000.00 – Working capital to meet payment of salaries of health workers in the State and other medical recurrent expenditures.
- ii. TL II – ~~₦~~1,000,000,000.00 – Purchase of medical equipment to equip selected 111F hospitals in the State to meet international standard.

b. Utilisation of the Facility: Union Bank disbursed the ~~₦~~1,250,000,000.00 to ABSG Union Bank Health Care Project Account. Utilisation of the ~~₦~~1,250,000,000.00 term loan is in table 7.3.1 below.

Table 7.3.1: Utilisation of the ~~₦~~1,250,000,000.00 term loan

S/N	Description	Purpose	Amount (₦)	Remark
1	Linamed Global Link Ltd	a. Procurement of Medical Equipment for Abia State Specialist Hospital, Aba – ₦ 600,000,000.00 b. Construction of Kidney/Heart Hospital at Aba Health Village – ₦ 45,000,000.00	645,000,000.00	a. No records reflecting that the ₦ 250,000,000.00 was utilised for the payment of salaries of health workers, as documented in the purpose of TL I. b. The unutilised balance of ₦ 59,300,000.00 is in ABSG Union Bank Health Care Project Account as at 28 May 2023.
2	Abia State Rural Infrastructure	a. Completion of Abia State Specialist Hospital, Aba.	320,000,000.00	
3	Ministry Of Health	a. Construction of Ultra-Modern Diagnostic Laboratory at Isuikwuato General Hospital – ₦ 35,000,000.00 b. Procurement of Medical Equipment for Diagnostic Centre at Isuikwuato General Hospital – ₦ 25,000,000.00 c. Rehabilitation of Udo Abia Health Centre and the Upgrade to a cottage Hospital in Umuhie Isiala-Ngwa South LGA. – ₦ 25,000,000.00 d. Refurbishing of a Mini-Laboratory in Umuobiakwa PHC Abia South Senatorial Zone – ₦ 10,000,000.00	105,000,000.00	



S/N	Description	Purpose	Amount (₦)	Remark
		e. Refurbishing/Equipping of a Mini-Laboratory in Leru PHC (Umunneochi) Abia North Senatorial Zone – ₦10,000,000.00		
4	Project 365 Services Ltd.	a. Construction of Doctor's Quarters at General Hospital, Aba.	80,000,000.00	
5	OG-Links Int Services Ltd	a. Renovation, Equipping and Logistic for the proposed Ultra-Modern Paediatric Hospital, Umuahia.	40,700,000.00	
Total			1,190,700,000.00	

Source: Compiled by KPMG from the analysis of records provided by ABSG and Union Bank.

8 Collection and Utilisation of IGR by ASBIR

Objectives: Establish the quantum of the IGR collected by ASBIR and identify any misappropriation and/or leakages in the process of collection, transfer and/or utilisation. In addition, identify any possible collusion with the beneficiaries.

8.1 Overview

- a. ASBIR is vested by Section 16 of the Abia State Tax Codification and Consolidation Law No. 7 of 2020 with the exclusive powers to control, administer, and collect the different taxes and levies in the State.
- b. The IGR monthly reports provided by ASBIR reflect that different forms of taxes and levies are collected through various means. These means of collections are grouped into the five (5) under-listed categories:
 - i. Paydirect
 - ii. Direct Collections
 - iii. Specific Collections
 - iv. PAYE Collections
 - v. Other Collections²²⁴.

We have documented details of each category in subsection 8.2 of this report.

- c. ASBIR is required by Section 19 of the Abia State Tax Codification and Consolidation Law No. 7 of 2020 to remit all IGRs collected to one (1) bank account. However, ASBIR remit IGR collections into different bank accounts²²⁵ domiciled with the office of the AG, after certain deductions have been made²²⁶. These deductions are the utilisation of IGRs and categorised into three (3) as follows:
 - i. Cost of Collection²²⁷
 - ii. Payment to TAMAs and Revenue Consultants²²⁸
 - iii. Payment to Other Beneficiaries²²⁹.

We have documented details of each category in subsection 8.3 of this report.

²²⁴ This comprises contribution from ABIA GIS, PPIDF and ASPIMSS.

²²⁵ See Appendix 10.12 for list of all consolidated IGR accounts.

²²⁶ Per representation of the DF, ASBIR on 6 July 2023.

²²⁷ The scope of work does not cover the review of cost of collection.

²²⁸ These are consultants engaged by ASBIR with approval from the office of the Governor.

²²⁹ These are individuals and MDAs that received transfers from ASBIR, based on instructions in the form of letters of release of fund from the office of the Governor.

8.2 Quantum of IGRs Collected

- a. ASBIR monthly reports²³⁰ of IGR reflect the sum of ₦81,103,735,120.95 during the period from 1 June 2015 to 31 May 2023²³¹.
- b. To verify the collections reported by ASBIR, we circularised 35 banks and spooled Paydirect settlement position reports directly from Paydirect portal (“Paydirect”), hosted by Interswitch.
- c. We reviewed 18 bank statements provided by 13 out of the 35²³² banks circularised and the Paydirect settlement position reports, to independently ascertain the existence, accuracy and completeness of the collections reported in the ASBIR IGR monthly reports.
- d. Of the ₦81,103,735,120.95 reported, we verified ₦68,499,493,708.04 (i.e., 84.5%), resulting in a yet-to-be verified collections of ₦12,604,744,902.91. See table 8.2 below for details.

Table 8.2: Total IGR collections from 1 June 2015 to 31 May 2023

Mode of Collection	IGR Collections by ASBIR (₦)	IGR Collections directly by the State or MDAs (₦)	Total Collections per ASBIR’s IGR Monthly Reports (₦)	Collections Verified with Paydirect Settlement Reports or Bank Statements (₦)	Collections Yet-to-be Verified (₦)
	A	B	C=A+B	D	E=C-D
Paydirect (A)	44,091,898,621.13	-	44,091,898,621.13	45,598,226,227.97	(1,506,327,606.84)
Direct Collections	18,119,611,724.76	-	18,119,611,724.76	10,467,661,858.07	7,651,949,866.69
PAYE Collections	-	16,145,863,431.19	16,145,863,431.19	10,287,441,473.03	5,858,421,958.16
Specific Collections	2,175,308,111.58	-	2,175,308,111.58	2,146,164,148.97	29,143,962.61
Other Collections	-	571,053,232.29	571,053,232.29	-	571,053,232.29
Non-Paydirect Collections (B)	20,294,919,836.34	16,716,916,663.48	37,011,836,499.82	22,901,267,480.07	14,110,569,019.75
Total (A+B)	64,386,818,457.47	16,716,916,663.48	81,103,735,120.95	68,499,493,708.04	12,604,744,902.91

Source: Compiled by KPMG from ASBIR IGR monthly reports.

²³⁰ Reports of monthly IGR collections and deductions sent to the office of the AG by the DF, ASBIR.

²³¹ Although the State’s mandate is for the review to cover the period from 29 May 2015 to 28 May 2023. ASBIR however prepares its reports monthly, and therefore could only provide monthly figures.

²³² The remaining 22 banks stated that ASBIR do not have any accounts maintained with them.

- e. The yet-to-be verified amount of ₦12,604,744,902.91 is due to:
- i. ₦1,506,327,606.84 – Unreported Paydirect Collections by ASBIR.
 - ii. ₦29,143,962.61 – Inconsistent recognition of IGRs through the Specific Collections accounts.
 - iii. ₦14,081,425,057.14 – Insufficient records²³³ for PAYE Collections, Direct Collections and Other Collections.

See details in sections 8.2.1 to 8.2.5.

8.2.1 Collections through Paydirect – ₦44,091,898,621.13

- a. Per our discussion²³⁴ with the Interswitch Group Head, Government and Social Services, ABSG maintains six (6) schemes with Interswitch via Paydirect, during the period from 1 June 2015 to 31 May 2023, as listed below:
- i. Abia IGR Scheme (ABIA).
 - ii. Abia State Motor Vehicle Administration Scheme (ASMVA).
 - iii. Abia State Geographic Information System Scheme (ABGIS).
 - iv. Abia State Agency Scheme (ASGN).
 - v. Abia State IGR Portal Payments Scheme (ABIR).
 - vi. Abia State Paydirect IGR POS Scheme (ABPOS).
- b. Per Paydirect's settlement position reports for the six (6) schemes, ASBIR generated revenue amounting to ₦45,598,226,227.97. See table 8.2.1-1 overleaf for details.

²³³ Bank statements for accounts maintained with Access Bank and Sterling Bank, bank statements for respective MDAs and schedule of PAYE deduction from 28 May 2015 to 31 December 2020.

²³⁴ Exhibit 37 – Mail communication between KPMG and Group Head, Government and Social Services, Interswitch on 31 October 2023.

Table 8.2.1-1: IGR Paydirect collections per Scheme from 1 June 2015 to 31 May 2023

Year	ABIA (₦)	ABPOS (₦)	ASMVA (₦)	ABIR (₦)	ABGIS (₦)	ASGN (₦)	Total (₦)
	A	B	C	D	E	F	G=A+B+C+D+E+F
2015	2,428,108,443.71	653,395.33	-	-	-	-	2,428,761,839.04
2016	5,103,296,251.56	117,018,457.35	222,553,035.00	142,100.00	-	-	5,443,009,843.91
2017	4,930,737,478.19	39,541,692.00	236,523,510.00	150,750.90	41,836,057.78	-	5,248,789,488.87
2018	4,972,003,542.67	20.15	251,529,790.00	751,760.00	96,093,168.80	11,270.00	5,320,389,551.62
2019	4,989,874,410.04	-	296,574,690.00	1,325,908.00	103,610,695.77	85,870.83	5,391,471,574.64
2020	5,959,218,086.35	-	294,573,870.00	97,613,280.78	44,080,212.24	155,645.70	6,395,641,095.07
2021	5,385,041,202.87	-	335,757,084.50	14,952,483.78	28,251,637.10	1,510,889.44	5,765,513,297.69
2022	6,159,276,336.17	-	389,536,920.00	1,000.00	67,997,255.10	24,845,797.00	6,641,657,298.27
2023	2,803,700,724.86	-	127,352,380.00	22,400.00	31,024,789.00	891,945.00	2,962,992,238.86
Total	42,731,256,466.42	157,213,564.83	2,154,401,279.50	114,959,683.46	412,893,815.79	27,501,417.97	45,598,226,227.97

Source: Compiled by KPMG from Abia State Paydirect settlement position reports.

- c. However, the IGR monthly reports for the period from 1 June 2015 to 31 May 2023 reflect ₦44,091,898,621.13, resulting in a net under-reporting of collections by ₦1,506,327,606.84. See table 8.2.1-2 for details.

Table 8.2.1-2: IGR Paydirect collections from 1 June 2015 to 31 May 2023

Year	Collections per IGR monthly reports (₦)	Collections per Paydirect Settlement Position Reports (₦)	(Under)/Over-reporting of Collections (₦)	KPMG Remark
	A	B	C=A-B	
2015	2,429,257,405.97	2,428,761,839.04	495,566.93	The net under-reported collections of ₦1,506,327,606.84 is due to: a. ASBIR did not report collections through the ABPOS, ABIR and ASGN schemes throughout the period under review. b. Collections from ASMVA and ABGIS were not reported until August 2019 and July 2020 respectively.
2016	5,103,155,452.93	5,443,009,843.91	(339,854,390.98)	
2017	4,930,845,478.19	5,248,789,488.87	(317,944,010.68)	
2018	4,948,395,822.22	5,320,389,551.62	(371,993,729.40)	
2019	5,157,958,757.92	5,391,471,574.64	(233,512,816.72)	
2020	6,232,583,863.09	6,395,641,095.07	(163,057,231.98)	
2021	5,752,369,112.49	5,765,513,297.69	(13,144,185.20)	
2022	6,578,059,088.33	6,641,657,298.27	(63,598,209.94)	
2023	2,959,273,639.99	2,962,992,238.86	(3,718,598.87)	
Total	44,091,898,621.13	45,598,226,227.97	(1,506,327,606.84)	

Source: Compiled by KPMG from Abia State Paydirect settlement positions reports.

- d. The Head of ICT, ASBIR stated that he did not expect those schemes to be active during the period under review, thus he did not report the collections for these schemes.
- e. Nonetheless, the total collections amounting to ₦45,598,226,227.97 from all the schemes were settled by Interswitch into the respective accounts²³⁵ maintained by the office of the AG, after payments to vendors and relevant fees have been deducted. This is analysed in detail in section 8.3.

²³⁵ See details of the consolidated IGR accounts utilised for settlement in Appendix 10.12.

8.2.2 Direct Collections – ₦18,119,611,724.76

- a. Direct Collections refer to collections that are:
 - i. Processed through USSD into BIR Mbaisi Land Acquisition account.
 - ii. Paid by the taxpayers directly into designated Paydirect collection accounts, which are not processed through any of the six (6) Paydirect schemes, documented in section 8.2.1.
- b. Per the IGR monthly reports, 13 designated Paydirect collection accounts²³⁶ received direct collections. However, only 11 out of the 13 designated Paydirect collection accounts were provided by the circularised banks.
- c. We verified ₦10,467,661,858.07 out of ₦18,119,611,724.76 (i.e., 57.8% of the total direct collections in the IGR monthly reports), resulting in yet-to-be verified collections of ₦7,651,949,866.69. See details in table 8.2.2 below.

Table 8.2.2: IGR collections outside of Paydirect from 1 June 2015 to 31 May 2023

Year	Collections Per IGR Monthly Reports (₦)	Collections verified per Bank Statements (₦)	Yet-to-be verified Collections (₦)
	A	B	C=A-B
2015	753,218,371.73	595,844,018.50	157,374,353.23
2016	1,221,830,868.56	695,602,076.98	526,228,791.58
2017	1,572,215,217.29	869,251,481.29	702,963,736.00
2018	1,921,558,796.10	1,531,747,819.17	389,810,976.93
2019	1,692,208,471.73	961,231,808.47	730,976,663.26
2020	2,182,471,408.81	867,052,916.03	1,315,418,492.78
2021	3,892,563,533.13	2,328,140,528.61	1,564,423,004.52
2022	3,407,713,296.84	1,918,830,463.77	1,488,882,833.07
2023	1,475,831,760.57	699,960,745.25	775,871,015.32
Total	18,119,611,724.76	10,467,661,858.07	7,651,949,866.69

Source: Compiled by KPMG from ASBIR IGR monthly reports and circularised bank statements.

- d. The yet-to-be verified collections of ₦7,651,949,866.69 is as a result of outstanding bank account statements from two (2) circularised banks, Access Bank and Sterling Bank.

²³⁶ See details of ASBIR accounts that received collections outside of Paydirect in Appendix 10.12.

- e. ASBIR opened the above two (2) accounts together with other 11 accounts (i.e., 13 accounts) as Paydirect accounts, but enable non-Paydirect collections to be received into the accounts. Consequently, ASBIR and not Interswitch is responsible for sweeping the collections from the 13 accounts into the AG’s account.

8.2.3 PAYE Collections – ₦16,145,863,431.19

- a. Per the IGR monthly reports, total PAYE collections is ₦16,145,863,431.19, comprising PAYE for civil servants in the employment of:
- i. ABSG, which is paid directly by the Office of the AG – ₦7,770,313,512.45
- The DF, ASBIR stated that PAYE for civil servants employed by the State is deducted at source by the Office of the AG before salaries are paid to the civil servants. The Office of the AG communicates the total PAYE deductions to ASBIR, but do not remit such to any ASBIR collections account.
 - The salary unit in the Office of the AG stated that she is new to the office and is not aware of any communication of PAYE deductions to ASBIR. However, the DF provided a schedule of PAYE deductions from 1 January 2021 to 30 June 2023 to independently verify the PAYE deductions.

Table 8.2.3-1: PAYE Deductions from 1 June 2015 to 31 May 2023

Year	Collections Per IGR Monthly Reports (₦)	Collections verified per schedule of PAYE deductions (₦)	Yet-to-be verified Collections (₦)
	A	B	C=A-B
2015	1,083,470,325.78	-	1,083,470,325.78
2016	881,088,283.60	-	881,088,283.60
2017	1,235,605,522.60	-	1,235,605,522.60
2018	1,096,032,899.67	-	1,096,032,899.67
2019	635,002,489.14	-	635,002,489.14
2020	775,287,318.23	-	775,287,318.23
2021	1,003,125,417.08	855,337,501.00	147,787,916.08
2022	874,880,825.61	854,689,243.96	20,191,581.65
2023	183,820,430.74	385,831,605.50	(202,011,174.76)
	7,770,313,512.45	2,095,858,350.46	5,674,455,161.99

Source: Compiled by KPMG from ASBIR IGR monthly reports and schedule of PAYE deductions.

- ii. Federal MDAs, recovered by TAMAs – ₦8,375,549,918.74.
 - The DF, ASBIR represented that TAMAs recover PAYE for civil servants of Federal MDAs in the State, such recovery is paid by the OAGF into the FAAC account.
 - We verified ₦8,191,583,122.57 (i.e., ₦4,084,915,712.73 in ABSG FAAC account with UBA and ₦4,106,667,409.84 in ABSG CONSOLIDATED IGR account with Zenith Bank) out of ₦8,375,549,918.74, resulting in yet-to-be verified collections of ₦183,966,796.17. See details in table 8.2.3-2.

Table 8.2.3-2: FMDA PAYE Collections from 1 June 2015 to 31 May 2023

Year	Collections Per IGR Monthly Reports (₦)	Collections verified per Bank Statements (₦)	Yet-to-be verified Collections (₦)
	A	B	C=A-B
2019	1,533,056,634.78	1,349,089,838.61	183,966,796.17
2020	1,805,550,582.75	1,805,550,582.75	-
2021	930,275,291.37	930,275,291.37	-
2022	2,053,333,704.92	2,053,333,704.92	-
2023	2,053,333,704.92	2,053,333,704.92	-
Total	8,375,549,918.74	8,191,583,122.57	183,966,796.17

Source: Compiled by KPMG from ASBIR IGR monthly reports and circularised bank statements.

- The DF, ASBIR stated that the yet-to-be verified amount of ₦183,966,796.17 is a deduction at source by the OAGF before being paid to FAAC account. We requested but were not provided with sufficient information to independently review the deductions.

8.2.4 Specific Collections – ₦2,175,308,111.58

- a. Per the IGR monthly reports, ASBIR maintains six²³⁷ (6) specific collections account, i.e., accounts maintained to collect specific revenues, as listed below.
 - i. Proof of Vehicle Ownership Certificate
 - ii. Plate Number Orders
 - iii. Driving License
 - iv. Plate Number (Other Charges)
 - v. Mbaisii Land Acquisition

²³⁷ See details of ASBIR accounts that received specific IGR collections.

- vi. Motor Vehicle Registration
- b. We verified ₦2,146,164,148.97 (i.e., 98.7% of the total direct collections in the IGR monthly reports) using the six (6) collection accounts, resulting in a variance of ₦29,143,962.61. See details in table 8.2.4 below.

Table 8.2.4: Specific IGR collections from 1 June 2015 to 31 May 2023

Year	Collections Per IGR Monthly Reports (₦)	Collections verified per Bank Statements (₦)	Variance (₦)
	A	B	C=A-B
2015	199,705,827.69	215,703,170.60	(15,997,342.91)
2016	321,731,748.84	305,541,016.00	16,190,732.84
2017	392,391,535.05	388,021,506.57	4,370,028.48
2018	245,728,000.00	236,670,170.00	9,057,830.00
2019	254,001,500.00	251,864,242.47	2,137,257.53
2020	172,277,000.00	171,507,541.98	769,458.02
2021	202,245,500.00	199,581,974.58	2,663,525.42
2022	314,397,000.00	299,204,092.17	15,192,907.83
2023	72,830,000.00	78,070,434.60	(5,240,434.60)
Total	2,175,308,111.58	2,146,164,148.97	29,143,962.61

Source: Compiled by KPMG from ASBIR IGR monthly reports and circularised bank statements.

- c. Per our review of the six (6) collection accounts, the variance of ₦29,143,962.61 is due to inconsistent recognition of collections over the period. Nonetheless, we verified the collections into the accounts based on the actual period of collection, and not inconsistently as performed by ASBIR, hence, the difference.

8.2.5 Other Collections – ₦571,053,232.29

- a. Per IGR monthly reports, ASBIR reported other collections totalling ₦571,053,232.29 i.e.,
- i. Contribution from Abia GIS (Ministry of Lands) – ₦486,399,652.29,
 - ii. PPIDF collections – ₦67,303,580.00, and
 - iii. ASPIMSS collections – ₦17,350,000.00.

- b. The DF, ASBIR stated that MDAs collected IGRs directly before the introduction of the Abia State Tax Consolidation and Codification Law No 7 of 2020, which authorizes ASBIR to be the sole collector of all sources of IGR for the State, as from 26 August 2020.
- c. Please note that KPMG was not required to and did not review IGRs collected by MDAs, as it is not within the scope of review.

8.3 Utilisation of IGR Collections by ASBIR

- a. The review of the utilisation of the IGR collections by ASBIR totalling ₦64,386,818,457.47 focuses on:
 - i. Utilisation of Paydirect Collections – ₦44,091,898,621.13, and
 - ii. Utilisation of Non-Paydirect Collections (i.e., Direct Collections – ₦18,119,611,724.76 and Specific Collections – ₦2,175,308,111.58) – ₦20,294,919,836.34.

8.3.1 Utilisation of Paydirect Collections – ₦44,091,898,621.13

- a. Per the IGR monthly reports, the total collections through Paydirect is ₦44,091,898,621.13. However, the Paydirect settlement position reports reflect total collections of ₦45,598,226,227.97 and settlement amount totalling ₦38,757,432,320.81 after the deductions of fees for Interswitch, collection partners and lead banks, as well as vendors. See details in table 8.3.1 below.

Table 8.3.1: Utilisation of collections through Paydirect from 1 June 2015 to 31 May 2023

Year	Collections per Paydirect Settlement Position Reports (₦)	Interswitch Fees (₦)	Collection Partner and Lead Bank Fees (₦)	Vendor Fees (₦)	Settlement Amount per Paydirect Settlement Position Reports (₦)
	A	B	C	D	E = A-(B+C+D)
2015	2,428,761,839.04	14,570,283.15	31,265,562.17	2,734,488.20	2,380,191,505.52
2016	5,443,009,843.91	33,781,049.61	58,576,444.07	95,544,601.06	5,255,107,749.17
2017	5,248,789,488.87	32,700,212.91	57,058,260.12	108,237,348.09	5,050,793,667.75
2018	5,320,389,551.62	33,151,523.14	72,930,193.40	85,482,903.07	5,128,824,932.01
2019	5,391,471,574.64	34,391,916.83	74,500,170.38	326,994,947.23	4,955,584,540.20
2020	6,395,641,095.07	40,023,799.78	74,492,839.64	1,118,191,814.31	5,162,932,641.34
2021	5,765,513,297.69	36,382,811.67	41,810,252.34	1,586,894,709.81	4,100,425,523.87
2022	6,641,657,298.27	42,068,076.77	48,320,202.15	1,902,185,828.75	4,649,083,190.60
2023	2,962,992,238.86	18,442,445.15	21,278,090.02	848,783,133.34	2,074,488,570.35
Total	45,598,226,227.97	285,512,119.01	480,232,014.29	6,075,049,773.86	38,757,432,320.81

Source: Compiled by KPMG from Paydirect settlement position reports.

8.3.1.1 Interswitch Fees – ₦285,512,119.01

- a. We reviewed fees amounting to ₦285,512,119.01 withheld by Interswitch during the period under review, noting the following:
 - i. ASBIR and Interswitch did not provide Letter of Instruction, reflecting the applicable fee as at 29 May 2015. Although, Head of ICT, ASBIR and Group Head, Government and Social Services, Interswitch represented that 0.6% commission was agreed between ASBIR and Interswitch.
 - ii. Per Letter of Instruction dated 23 December 2015 from ASBIR to Interswitch, 0.6% commission was agreed with ASBIR on the ABIA, ABPOS, ABGIS, ABIR and ASGN schemes.
 - iii. Per Letter of Instruction dated 23 February 2016 from ASBIR to Interswitch effective 1 March 2016, the agreed fee applicable to Interswitch on the ASMVA scheme is ₦25 per transaction processed through the scheme.
- b. We noted that the fees withheld by Interswitch are in line with Letters of Instruction covering 23 December 2015 and 23 February 2016, effective 1 March 2016.
- c. Please note that during the period from 29 May 2015 to 22 December 2015, where both ASBIR and Interswitch did not provide Letter of Instruction, we applied 0.6% as commission based on representation by Head of ICT, ASBIR and Group Head, Government and Social Services, Interswitch.

8.3.1.2 Collection Partner and Lead Bank Fees – ₦480,232,014.29

- a. The fees paid to Collection Partner and Lead Banks totalling ₦480,232,014.29 comprise:
 - i. Collecting Partner – ₦235,365,088.11, and
 - ii. Lead Bank – ₦244,866,926.18.

8.3.1.2.1 Collection Partner Fees – ₦235,365,088.11

- a. We reviewed fees paid to collecting partners i.e., collecting banks totalling ₦235,365,088.11 during the period under review, noting the following:
 - i. 0.6% was deducted as collecting banks fee on Paydirect collections through the banks from 1 June 2015 to 23 August 2020. Per Letter of Instruction from ASBIR to Interswitch dated 23 December 2015, this fee is in line with the agreement. However, neither Interswitch nor ASBIR provided the agreement before 23 December 2015.

- ii. The Letter of Instruction from ASBIR to Interswitch dated 24 August 2020 reflected that the collecting bank fee be reduced to 0.3% effective 1 August 2020. Per discussion with the Group head, Government and Social Services, Interswitch, an instruction is effective on the date of receipt of such instruction, thus the 0.3% collecting bank fee only became applicable from 24 August 2020.
- b. We noted that the fees deducted by Interswitch for the collecting banks are in line with Letters of Instruction covering 23 December 2015 and 24 August 2020.
- c. Please note that during the period from 29 May 2015 to 22 December 2015, where both ASBIR and Interswitch did not provide Letter of Instruction, we applied 0.6% as commission based on representation by Head of ICT, ASBIR and Group Head, Government and Social Services, Interswitch.

8.3.1.2.2 Lead Bank Fees – ₦244,866,926.18

- a. We reviewed lead bank fees totalling ₦244,866,926.18 during the period under review. The applicable rate of fees to the lead banks during the period under review is represented in table 8.3.1.2.2. below:

Table 8.3.1.2.2: Details of applicable fees paid to the lead banks during the period

Date of Letter of Instruction	Effective Period	Fee deducted by Interswitch		Comment
		Zenith Bank	Access Bank	
Not Provided	01-Jun-15 to 30-Oct-15	0.8%	-	a. Interswitch and ASBIR did not provide the Letter(s) of Instruction. However, per representation by Interswitch, the applicable rate is 0.8%, and which applied, noting no exception.
15-Sep-15	01-Nov-15 to 15-Dec-17	0.48%	-	a. ASBIR appointed Zenith Bank and Fidelity Bank as co-lead banks and the lead bank fee of 0.8% is to be shared in the ratio of 60:40 respectively, which is in line with the fee deducted by Interswitch. b. The 40% to Fidelity Bank is paid under ISO fee and discussed in Section 8.3.1.3.

Date of Letter of Instruction	Effective Period	Fee deducted by Interswitch		Comment
		Zenith Bank	Access Bank	
				c. Group Head, Government and Social Services, Interswitch stated that the instruction became effective on 1 November 2015 after the KYC identification process was completed.
15-Nov-17	16-Dec-17 to 24-Jul-19	-	0.80%	a. ASBIR changed the lead bank to Access Bank and agreed a fee of 0.8% effective thirty days after date of instruction. b. We noted that the fees deducted by Interswitch for the lead banks are in line with Letters of Instruction dated 15 November 2017.
25-Jul-19	25-Jul-19 to 28-May-23	0.80%	-	a. ASBIR changed the lead bank to Zenith Bank but did not state a change in the lead bank fee. b. We noted that the fees deducted by Interswitch for the lead banks are in line with Letters of Instruction dated 25 July 2019.

Source: Compiled by KPMG from circularised bank statements.

8.3.1.3 Vendor Fees – ₦6,075,049,773.86

- a. The total fees deducted by Interswitch for vendors engaged by the State totalling ₦6,075,049,773.86 are grouped as follows:
- i. **VAS Provider fee – ₦803,156,555.11**
 - BIR Overhead (Cost of Collections) – ₦668,971,818.42,
 - Nextzon Advisory Limited – ₦69,105,634.28, and
 - ByteWorks Technology Solution Limited – ₦65,079,102.41.
 - ii. **Terminal Owner fee – ₦1,180,361,836.66**
 - Atelok Limited – ₦1,017,454,002.16, and
 - Courtville Business Solutions Plc – ₦162,907,834.50.



iii. ISO fee – ₦3,614,723,986.65

- ByteWorks Technology Solution Limited – ₦3,058,489,908.26,
- Marabef Global Limited – ₦312,836,356.52,
- BIR Overhead (other charges) – ₦164,519,454.59, and
- Fidelity Bank – ₦78,878,267.26.

iv. Fees deducted through Settlement Split – ₦476,807,395.44

- Appmart Integrated Limited – ₦260,903,570.21,
- ByteWorks Technology Solution Limited – ₦122,943,118.23,
- Oval Integrated Services Limited – ₦66,697,519.02,
- PACMAL Consultancy Services Limited – ₦12,753,011.36,
- Courtville Business Solutions – ₦12,085,656.62, and
- Mirabond Nigeria Limited – ₦1,424,520.00.

b. Of the total fees deducted for vendors engaged by the State totalling ₦6,075,049,773.86, we reviewed a sample of deductions totaling ₦5,937,328,525.63. See details in table 8.3.1.3 below.

Table 8.3.1.3: Vendor Payments by ASBIR through Interswitch

Vendors	Deductions by Interswitch (₦)	Sample Reviewed (₦)
ByteWorks Technology Solutions Limited	3,246,512,128.90	3,202,273,918.57
Atolok Limited	1,017,454,002.16	923,970,964.28
BIR	833,491,273.01	833,491,273.01
Marabef Global Limited	312,836,356.52	312,836,356.52
Appmart Integrated Limited	260,903,570.21	260,903,570.21
Courtville Business Solutions Plc	174,993,491.12	174,993,491.12
Fidelity Bank	78,878,267.26	78,878,267.26
Nextzon Advisory Limited	69,105,634.28	69,105,634.28
Oval Integrated Services Limited	66,697,519.02	66,697,519.02
PACMAL Consultancy Services Limited	12,753,011.36	12,753,011.36
Mirabond Nigeria Limited	1,424,520.00	1,424,520.00
Total	6,075,049,773.84	5,937,328,525.63

Source: Compiled by KPMG from records provided by Interswitch.

- c. We reviewed the fee deductions highlighted in table 8.3.1.3 in line with the vendor agreement and the Letters of Instruction to Interswitch in order to independently ascertain the existence, accuracy, and justification for such payments made to the vendors, noting the following:
- i. Payment to ByteWorks not supported with contract agreement – ₦503,552,134.36.
 - ii. Over-payment to Atolok – ₦649,787,065.21.

iii. Payment to Marabef not supported with Letter of Instruction – ₦500,582,859.00 .

See details in subsequent sections.

8.3.1.3.1 ByteWorks Technology Solutions Limited – ₦3,202,273,918.57

- a. The State entered into a three (3) year agreement with ByteWorks on 16 February 2016 (i.e. from 16 February 2016 to 15 February 2019) for the implementation of building/delivering the centrally internally generated revenue ICT software-based solution in the State.
- b. On 2 October 2019, the State entered into a new three (3) year agreement with ByteWorks for support rollover and renewal with upgrade of the Abia State Internal Revenue Central System.
- c. On 2 October 2019, the State entered into a separate agreement for ByteWorks to capture, generate assessments and monitor all State PAYE/Direct Tax collections.

See table 8.3.1.3.1 for details of applicable fees deducted by Interswitch for ByteWorks during the period under review.

Table 8.3.1.3.1: Breakdown of fees paid to ByteWorks through Interswitch

Date of Agreement	Agreement with the State (A)		Deductions by Interswitch per Letter of Instruction (B)		Over/(Under)-deduction C=B-A	Comments
	Rate	Amount (₦)	Rate	Amount (₦)		
16-Feb-16	60% of 0.7% of total monthly IGR for three (3) years	64,407,388.65	0.42% for three (3) years	64,407,388.65	-	a. Per Letter of Instruction dated 25 February 2016, Interswitch is meant to make monthly deductions of 60% of 0.7% of total IGR collected to ByteWorks for three (3) years effective 16 February 2016.
19-Feb-19	3% of total monthly IGR collected for three (3) years	93,997,374.89	3% from March 2019 to Sep 2019	93,997,374.89	-	a. Per Letter of Instruction dated 27 February 2019, Interswitch is meant to make monthly deductions of 3% of the total IGR collected to



Date of Agreement	Agreement with the State (A)		Deductions by Interswitch per Letter of Instruction (B)		Over/(Under)-deduction C=B-A	Comments
	Rate	Amount (₦)	Rate	Amount (₦)		
						<p>ByteWorks for three (3) years effective 1 March 2019.</p> <p>b. However, this deduction was only made for seven (7) months i.e. 1 March 2019 to 30 September 2019.</p>
2-Oct-19	15% of total IGR for three (3) years	2,417,373,902.44	15% of total IGR for three (3) years effective 1 October 2019	2,920,926,036.80	503,552,134.36	<p>a. The increase in fees is as a result of additional conditions such as enumeration and identity management, security paper supplies and technology integration.</p> <p>b. Per Letter of Instruction dated 31 October 2019, Interswitch is meant to make monthly deductions of 15% of the total IGR collected to ByteWorks for three (3) years effective 1 October 2019.</p> <p>c. We noted that Interswitch made deductions of 15% of total IGR collected till 31 March 2023 resulting in an unsupported payment of ₦503,552,134.36. However, we did not sight any renewal of appointment of ByteWorks after the expiry of the three (3) year contract.</p>

Date of Agreement	Agreement with the State (A)		Deductions by Interswitch per Letter of Instruction (B)		Over/(Under)-deduction C=B-A	Comments
	Rate	Amount (₦)	Rate	Amount (₦)		
2-Oct-19	5% of PAYE/Direct Tax collected by the State	122,943,118.23	5% on total PAYE/Direct Tax collections	122,943,118.23	-	a. Per Letter of Instruction dated 30 December 2020, Interswitch is meant to make monthly deductions of 5% on total PAYE/Direct Tax Collections effective 1 January 2021 to ByteWorks. b. We noted that the fees deducted by Interswitch for ByteWorks are in line with Letters of Instruction covering 2 October 2019.
Total		2,698,721,784.21		3,202,273,918.57	503,552,134.36	

Source: Compiled by KPMG from records provided by Interswitch and ASBIR.

- d. The over-deduction by Interswitch for Byteworks totalling ₦503,552,134.36 is as a result of 15% of total IGR collections through Paydirect for the period from 1 October 2022 to 31 March 2023, that were not supported with a contract agreement between ByteWorks and ASBIR.
- e. However, the Secretary, ASBIR stated²³⁸ that ByteWorks was responsible for the management of the Abia State Internal Revenue Central System during the period as the contract was not officially terminated.

²³⁸ Exhibit 38 – Per representation by the Secretary ASBIR on 29 November 2023.

8.3.1.3.2 Atolok Limited – ₦923,970,964.28

- a. The State engaged Atolok on 17 August 2020 for logistics and demand notice distribution, settlement and payments reconciliation and programmes management with an agreed fee of 1.7% of total monthly IGR plus 5% on revenue in excess of benchmark of ₦600,000,000.00.
- b. However, we sighted Letters of Instruction to Paydirect dated 30 December 2020 stating that 5% on total monthly IGR be paid to Atolok, effective 1 January 2021 and 12 February 2021 reflecting 6.7% of total monthly IGR effective 1 February 2021.

Table 8.3.1.3.2: Breakdown of fees paid to Atolok through Interswitch

Period	Agreement with the State (A)		Deduction by Interswitch (B)		Over/(Under)-Deduction C=B-A
	Rate	Amount	Rate	Amount	
01-Feb-21 to 28-Feb-21	1.7% of total monthly IGR plus 5% on revenue in excess of benchmark of ₦600,000,000.00	9,370,458.16	5% of total IGR	27,560,171.07	18,189,712.91
01-Mar-21 to 31-May-23		264,813,440.91	6.70% of total IGR	896,410,793.21	631,597,352.30
Total		274,183,899.07		923,970,964.28	649,787,065.21

Source: Compiled by KPMG from records provided by Interswitch and ASBIR.

- c. The Secretary, ASBIR stated that the over-deduction by Interswitch for Atolok amounting to ₦649,787,065.20 is as a result of an instruction dated 13 November 2020 from the Governor through Abia Economic Advancement Team (ABEAT), stating that 21.7% be paid to three (3) vendors (ByteWorks – 5%, Nextzon–7.7% and Atolok–9%).
- d. ByteWorks lodged a complaint to the Attorney-General against reduction in its fees from 15% to 5%. The Attorney-General directed the complaints to the Governor in a letter dated 21 December 2020, and the Governor on 22 Decemeber 2020 approved that ByteWorks be paid 15% as its commission.
- e. As a result, ASBIR through Letters of Instruction to Interswitch on 30 December 2020 paid the remaining 6.7% of the 21.7% to Nextzon (1.7%) and Atolok (5%), and on 12 February 2021 stating that 6.7% be paid to Atolok. However, we did not sight any revised contract agreement between the State and Atolok.

8.3.1.3.3 BIR – ₦833,491,273.01

- a. We sighted Letters of Instruction dated 12 February 2021 and 25 April 2023 stating that 5% and 15% of total IGR be paid to ASBIR.
- b. The DF, ASBIR stated that the 5% deduction forms part of ASBIR Cost of Collection and the 15% deduction is as a result of the instruction to stop all deductions to ByteWorks and such was paid into BIR Overhead Other Charges account.

c. The fees deducted by Interswitch for ASBIR are in line with the Letters of Instruction.

8.3.1.3.4 Marabef Global Limited “Marabef” – ₦312,836,356.52, PACMAL Consultancy Services Limited “PACMAL” – ₦12,753,011.36, & Courtville Business Solutions Plc “Courtville” – ₦174,993,491.12

- a. Marabef Global Limited “Marabef” was engaged by the State on 5 February 2016 to automate motor vehicle documentation and administration processing using “Autoreg” platform in the State with an agreed fee of 20% on all vehicles issued in licensing, registration or renewal and other processed road taxes.
- b. On 24 July 2019, Marabef Global Limited sent a notice stating that it is being substituted by PACMAL and all rights, duties and liabilities of Marabef be transferred to PACMAL.
- c. ASBIR and Interswitch did not provide Letter of Instruction stating agreed fee to be paid to Marabef. Due to insufficient information, we did not ascertain the propriety of the fees deducted by Interswitch for Marabef, PACMAL and Courtville.
- d. However, we sighted a letter from Marabef Global Limited instructing Interswitch to pay 25% of Marabef’s commission to Courtville Business Solutions Plc. This is not in line with the practice in ASBIR, as all Letters of Instruction should emanate from the State.

8.3.1.3.5 Appmart Integrated Limited – ₦260,903,570.21

- a. The State engaged Appmart on 26 November 2020 to handle management and support of tax management software on a commission of 5% on total PAYE/Direct Taxes, WHT/CGT collections on monthly basis.
- b. We reviewed the Letter of Instruction to Interswitch dated 26 April 2021 and noted no exception as the instruction was consistent with the vendor engagement letter.

8.3.1.3.6 Fidelity Bank – ₦78,878,267.26

- a. Per Letter of Instruction dated 15 September 2015, ASBIR appointed Fidelity Bank as a co-lead bank with Zenith Bank and Fidelity Bank is entitled to 40% of the lead bank fee of 0.8%.
- b. On 23 December 2015, ASBIR issued a Letter of Instruction stating an increase in lead bank fee from 0.8% to 1.5% as a result of investment in the automation infrastructure by the lead banks and Fidelity Bank has fulfilled its part of the counterpart commitment, thus should receive 40% of the additional 0.7% lead bank fee.
- c. ASBIR requested via an e-mail on 16 January 2019 that the 40% share of the additional 0.7% being paid to Fidelity Bank should be stopped effective 16 February 2019.
- d. We reviewed the fees deducted by Interswitch for Fidelity Bank during the period and are in line with the Letters of Instruction.

8.3.1.3.7 Nextzon Advisory Limited – ₦69,105,634.28

- a. Per Letter of Instruction dated 30 December 2020, 1.7% commission is to be paid to Nextzon Advisory Limited.
- b. ASBIR did not provide any vendor engagement letter for Nextzon Advisory Limited. Thus, we did not ascertain the commission payable to Nextzon.
- c. However, the Secretary, ASBIR stated that ASBIR did not enter into a contract with Nextzon but was acting upon the instruction from the Office of the Governor. ASBIR did not provide a copy of the instruction.

8.3.1.3.8 Oval Integrated Services Limited “OISL” – ₦66,697,519.02 & Mirabond Nigeria Limited “Mirabond” – ₦1,424,520.00

- a. The State engaged OISL on 26 March 2013 to ensure that lands allocated for a specific purpose under any Certificate of Occupancy are not used for a different purpose by regularizing the “Purpose Clause”.
- b. This project was funded through a loan facility of ₦50,000,000.00 from FirstBank. On 26 November 2016, Mirabond was introduced into the Project as an investor due to the inability of OISL to pay down the facility and we sighted a letter from Mirabond to ASBIR stating that facility has been paid down.
- c. Per the agreement with the State, OISL is entitled to 30% of the revenue generated from the Purpose Clause Project and is expected to settle Mirabond.
- d. We reviewed the Letter of Instruction to Interswitch dated 2 July 2019 and noted no exception as the instruction was consistent with the vendor contract agreement.
- e. However, due to non-payment of Mirabond’s entitlement by OISL as stated in a complaint letter from Mirabond to ASBIR, ASBIR issued a Letter of Instruction dated 1 September 2022 requesting that the 30% entitlement to OISL be paid to Mirabond. This is in line with the fees deducted by Interswitch for Mirabond.

8.3.1.4 Remittance of Settlement Amount – ₦38,757,432,320.81

- a. Of the settlement amount totalling ₦38,757,432,320.81, as contained in the Paydirect settlement position reports:
 - i. ₦38,729,256,137.92 was settled to the State. Please refer to Section 4.3 (Bank accounts) for the review of payments from accounts maintained by the office of the AG.
 - ii. ₦27,164,671.09 was not remitted to any bank account of the State. Interswitch did not provide an explanation for the non-remittance.

iii. ₦1,011,511.80 was paid to the account of four (4) ministries, as instructed by ASBIR to aid remitting of commissions. We did not review the settlement to the under-listed four (4) ministries:

- Ministry of Health – ₦770,725.80,
- Ministry of Trade and Investment – ₦183,708.00,
- Ministry of Environment – ₦12,690.00, and
- Ministry of Transport – ₦10,800.00.

8.3.2 Utilisation of Collections through bank accounts – ₦20,294,919,836.34

- a. DF, ASBIR stated that IGR collected through 18 collections bank accounts²³⁹ identified in section 8.2 above are transferred into any of the under-listed accounts.
- i. ABSG Consolidated IGR account with Zenith Bank, Fidelity Bank and Access Bank.
 - ii. BIR Overhead accounts with Zenith Bank, Fidelity Bank and Access Bank.
 - iii. BIR Overhead other charges account with Zenith Bank.
- b. We requested but were not provided with the account statements of two (2) out of the 18 circularised collection bank accounts, thus we reviewed the utilisation of collections amounting to ₦17,712,345,762.11 transferred into the accounts identified above. See details in table 8.3.2 below.

Table 8.3.2: Accounts that received collections through bank accounts

S/N	Beneficiary Bank	Beneficiary Account Name	Nature of Account	Amount (₦)	Analysed in Section
1	Zenith	B.I.R Overhead (other charges)	All deductions	11,949,810,160.94	8.3.2.1
2	Zenith	B.I.R. Overhead	Cost of Collection	2,315,772,034.75	8.3.2.2
3	Access	B.I.R. Overhead		781,371,926.30	
4	Fidelity	B.I.R. Overhead		221,912,472.58	
Sub-total				3,319,056,433.63	
5	Zenith	Abia State Consolidated IGR	Maintained by the office of the AG	1,024,114,275.39	5.3 ²⁴⁰
6	Access	Abia State Consolidated IGR		945,366,123.53	
7	Fidelity	Abia State Government IGR		473,998,768.62	

²³⁹ See Appendix 10.12 for details of the collection bank accounts.

²⁴⁰ See bank accounts section above for details.

S/N	Beneficiary Bank	Beneficiary Account Name	Nature of Account	Amount (₦)	Analysed in Section
Sub-total				2,443,479,167.54	
Total				17,712,345,762.11	

Source: Compiled by KPMG from circularised bank statement.

8.3.2.1 Utilisation from B.I.R. Overhead (other charges) – ₦11,949,810,160.94

- a. The B.I.R. Overhead (other charges) account is utilised for deductions to the underlisted beneficiaries:
- i. TAMAs and revenue consultants²⁴¹
 - ii. MDAs as cost of collections.
 - iii. Local governments
 - iv. Employees
 - v. Release from the Office of the Governor to individuals, contractors and MDAs²⁴².

The balance after deductions is transferred to three (3) accounts maintained by the office of the AG. See table 8.3.2.1-1 below for transaction details in the account.

Table 8.3.2.1-1: Transaction details of B.I.R Overhead (other charges) account

Narration	Amount (₦)
Opening balance	1,056,266.00
Total collections transferred into the account	11,949,810,160.94
Total payments from the account	(11,936,503,832.71)
Bank charges	(12,616,732.99)
Closing balance	1,745,861.24

Source: Compiled by KPMG from circularised bank statement.

- b. We reviewed a sample of 513 payments amounting to ₦8,504,529,826.07 (representing 71.2% of payments totalling ₦11,936,503,832.71) from B.I.R Overhead (other charges) account for business justification, authorisation, purpose of payment, payment instruction to the banks, payment vouchers and approvals. See table 8.3.2.1-2 for details of our review.

²⁴¹ These are consultants engaged by ASBIR with approval from the office of the Governor.

²⁴² These are individuals, contractors and MDAs that received transfers from ASBIR, based on instructions in the form of letters of release of fund from the office of the Governor.

Table 8.3.2.1-2: Review of Utilisation from B.I.R Overhead (other charges) account

Beneficiary Entities	Total Number of payments	Amount (₦)	Sample Reviewed	Sampled Amount (₦)
TAMA and Revenue Consultants	873	5,335,823,709.83	103	3,041,417,946.79
Release from the Office of the Governor to individuals, contractors and MDAs	174	2,688,333,264.94	105	2,279,572,500.00
MDAs	1,053	1,500,547,992.28	154	891,521,642.13
Local Government	460	255,275,513.74	85	135,494,385.23
Employees	38	2,313,000.00	38	2,313,000.00
Sub-total		9,782,293,480.79		
Transfer to ABSG IGR accounts	28	2,154,210,351.92	28	2,154,210,351.92
Total	2,626	11,936,503,832.71	513	8,504,529,826.07

Source: Compiled by KPMG from circularised bank statement and records provided by ASBIR.

8.3.2.1.1 Commission to TAMA and Revenue Consultants – ₦5,335,823,709.83

- a. The DF, ASBIR stated that TAMAs and Revenue Consultants were engaged by ASBIR to add professionalism and efficiency to the process of generating revenue and recovery of tax liabilities for the State.
- b. Whenever recoveries have been confirmed through a TAMA, the TAMA files an application for commission to ASBIR and is paid.
- c. We reviewed a sample of 103 payments totalling ₦3,041,417,946.79 out of ₦5,335,823,709.83 confirmed to be payments to TAMAs and revenue consultant. See table 8.3.2.1.1 below for details.

Table 8.3.2.1.1: Payment to TAMAs and Revenue Consultants

S/N	TAMAs and Revenue Consultants	Frequency	Amount (₦)
1	ByteWorks Technology Solutions Ltd	35	1,360,440,004.72
2	Atolok Limited	22	569,012,881.00
3	SMD Consulting	11	235,422,511.25
4	Eto and Partners	8	168,959,746.07
5	Appmart Integrated	8	160,063,464.00
6	Selfserve Project	2	110,572,747.60
7	Deem Forensic Integrated	4	101,034,904.37

S/N	TAMAs and Revenue Consultants	Frequency	Amount (₦)
8	Yesufu Ahmed & co	4	88,458,033.03
9	Integrated Chiantho	3	87,664,660.06
10	Egghead Consultancy	1	36,000,000.00
11	Whitestone Attorneys	1	30,000,000.00
12	Sam Ubah & Co	1	29,053,006.87
13	Michael Nwachukwu & Co	1	24,949,976.27
14	Chukwuma	1	22,286,011.55
15	Neo La Viv Ltd	1	17,500,000.00
	Total	103	3,041,417,946.79

Source: Compiled by KPMG from circularised bank statement and records provided by ASBIR.

- d. In supporting the above payments, we sighted the following records:
- i. Schedule of payments ASBIR made to TAMAs and revenue consultants for the period from 29 May 2015 to 28 May 2023.
 - ii. Appointment letters for the TAMAs and revenue consultants.
 - iii. Reports from TAMAs and record of payment by taxpayers to verify work done by the TAMAs and revenue consultants in recovering liabilities and collect revenue for ASBIR.
- e. The payments to the TAMAs and revenue consultants are in line with their appointment letters and the record of recovery of IGR.

8.3.2.1.2 Release from the Office of the Governor to individuals, contractors and MDAs – ₦2,668,333,264.94

- a. We reviewed a sample of 105 payments totalling ₦2,279,572,500.00 out of ₦2,688,333,264.94 confirmed to be payments to individuals, contractors and MDAs. See table 8.3.2.1.2 below for details.

Table 8.3.2.1.2: Payments to individuals, contractors and MDAs

S/N	Beneficiary	Frequency	Amount (₦)
1	Logistics De Luke Ltd	39	1,094,972,500.00
2	Chimaeze Nwafor	23	790,000,000.00
3	Ministry of Justice	39	273,000,000.00
4	Abia House of Assembly	2	83,000,000.00
5	Government House	2	38,600,000.00
	Total	105	2,279,572,500.00

Source: Compiled by KPMG from circularised bank statement and records provided by ASBIR.

- b. In supporting the above payments, we sighted letters of release of fund from the office of the Governor instructing ASBIR to make payments directly to the beneficiaries listed above.

However, our review of the bank statement reflected that payment (₦790,000,000.00) accruing to Chimaeze Nwafor was paid into the Government House account.

- c. We were only provided with payment instructions to the banks, as there was no document attached to support the justification for such payments.

8.3.2.1.3 Cost of Collections to MDAs – ₦1,500,547,992.28

- a. Of the ₦1,500,547,992.28 paid to the MDAs as cost of collection, we reviewed a sample of 154 payments amounting to ₦891,521,642.13. See table 8.3.2.1.3 below for details.

Table 8.3.2.1.3: Cost of Collections to MDAs

S/N	MDAs	Frequency	Amount (₦)
1	Abia State Passengers Integrated Manifest Safety Scheme	56	289,027,097.00
2	Ministry of Lands	24	204,835,733.61
3	Abia State Signage and Advertisement Agency	33	201,565,413.27
4	Ministry of Transport	13	59,243,666.00
5	Physical Planning and Infrastructure Development Fund	7	42,906,668.25
6	Abia State Environmental Protection Agency	8	40,638,328.00
7	Ministry of Trade and investment	10	40,246,706.00
8	Office of the Secretary to the State Government	3	13,058,030.00
	Total	154	891,521,642.13

Source: Compiled by KPMG from circularised bank statement and records provided by ASBIR.

- b. In supporting the above payment, we sighted a written approval from the office of the Governor, stating that all MDAs be paid 20% of the revenue generated by such MDAs as cost of collection. However, there is no Act of the State House of Assembly that supports this approval.
- c. We also sighted the schedule of IGR collected by each MDAs and the payment instruction issued to the banks, noting no exception.

8.3.2.1.4 Abia Property and Land use Charge paid to Local Government – ₦255,275,513.74

- a. We reviewed a sample of 85 payments totalling ₦135,494,385.23 out of ₦255,275,513.74 confirmed to be payments to local governments in the State as revenue generated from Property and Land Use Charge. See table 8.3.2.1.4 below for details.

Table 8.3.2.1.4: Payments to Local Governments

S/N	Local Government	Frequency	Amount (₦)
1	Aba South	7	14,506,615.13
2	Aba North	7	14,506,615.13
3	Umuahia North	7	14,205,612.13

S/N	Local Government	Frequency	Amount (₦)
4	Osioma Ngwa	7	13,418,531.56
5	Umuahia South	7	11,807,854.56
6	Obingwa	6	9,071,514.56
7	Ugwunagbo	4	5,279,706.56
8	Arochukwu	4	5,269,793.56
9	Bende	4	5,269,793.56
10	Ikwuano	4	5,269,793.56
11	Isiala Ngwa North	4	5,269,793.56
12	Isiala Ngwa South	4	5,269,793.56
13	Isuikwuato	4	5,269,793.56
14	Ohafia	4	5,269,793.56
15	Ukwa East	4	5,269,793.56
16	Ukwa West	4	5,269,793.56
17	Umunneochi	4	5,269,793.56
	Total	85	135,494,385.23

Source: Compiled by KPMG from circularised bank statements and records provided by ASBIR.

- b. The DF, ASBIR stated that the payment to the local governments relates to the Abia Property and Land Use Charge, but no law authorising the payment was provided.
- c. We also sighted the schedule of Property and Land Use Charge accruing to the different local governments collected by ASBIR on behalf of the local governments and the payment instructions to the banks, noting no exception.

8.3.2.1.5 BIR Cost of Collections paid to Employees – ₦2,313,000.00

- a. Per discussion with the DF, ASBIR, the 38 payments to employees amounting to ₦2,313,000.00 form part of cost of collection in line with Section 18 of the Abia State tax Codification and Consolidation Law of 2020.
- b. Consequently, we reviewed the payment instruction issued to the banks, noting no exception.

8.3.2.1.6 Transfer to IGR accounts maintained by the Office of the AG – ₦2,154,210,351.92

- a. Per discussion with the DF, ASBIR, the balance of ₦2,154,210,351.92 is transferred to the IGR accounts maintained by the office of the AG after all deductions have been made to the respective beneficiaries highlighted in earlier sections.
- b. Consequently, we reviewed the payment instructions issued to the banks, noting no exception.

- c. The collections transferred to these accounts co-mingle with other inflows in the accounts, which is then utilised to make payments to the under-listed categories of beneficiaries which is documented in Section 4.3 (Bank Account).
 - i. Contractors
 - ii. MDAs
 - iii. Individuals
 - iv. Government House and Officials
 - v. Non-Government House Officials.

8.3.2.1.7 Utilisation from B.I.R. Overhead account – ~~₦3,319,056,433.63~~

- a. Per discussion with the DF, ASBIR, the three (3) B.I.R. Overhead accounts highlighted in table 8.3.2 above is used for cost of collection in line with Section 18 of the Abia State tax Consolidation and Codification Law of 2020. The total inflows into the three (3) accounts for the period under review is ~~₦3,319,056,433.63~~ and does not exceed the provision of 5% of total IGR collected by ASBIR as stated in the law.
- b. This is in line with the provision of the Abia State tax Consolidation and Codification Law of 2020.

8.3.2.1.8 Utilisation from Accounts maintained by the Office of the AG – ~~₦2,443,479,167.54~~

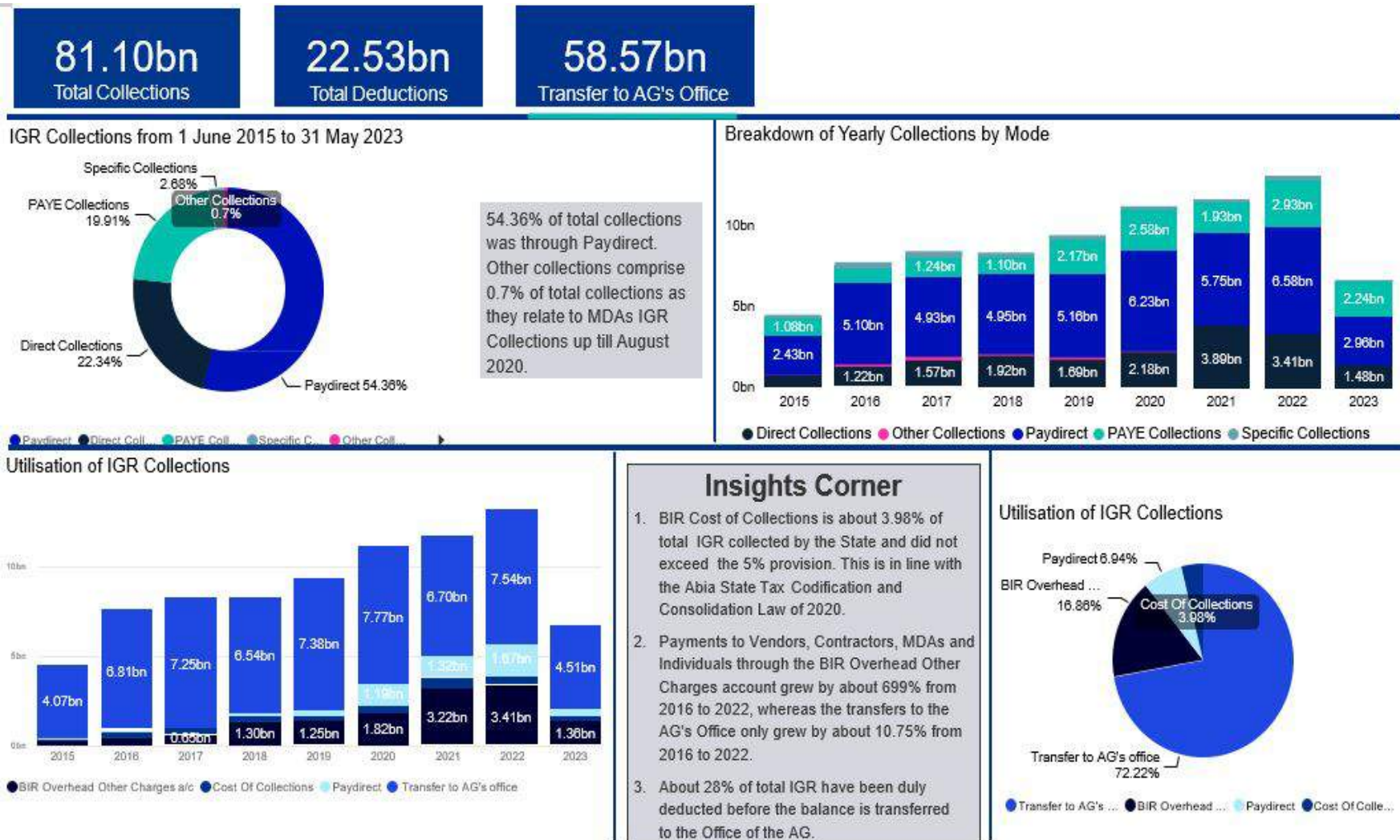
- a. The collections of ~~₦2,443,479,167.54~~ transferred to these accounts co-mingle with other inflows into the accounts, which is then utilised to make payments to the category of beneficiaries identified in Section 8.3.2.1.6 above. See details in Section 4.3 (Bank Accounts).

8.4 Possible Collusion or Conflict of Interest

- a. No sufficient records to identify if there was any collusion with the beneficiaries or not. However, identified possible conflict of interest is documented in section 4.3.3.

8.5 Movement of Collections by ASBIR

Figure 1: Movement of Collections by ASBIR per IGR Monthly reports



9 Improvement Opportunities and Recommendations

Table 9: Improvement Opportunities and Recommendations

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
1	Bank Accounts	<p>Payments authorised by only one signatory</p> <p>a. There are 132 instances where only one signatory authorised payments totalling ₦4,667,087,700.66 to various beneficiaries, which is contrary to ABSG mandate with the 14 banks that ABSG maintained account with.</p>	<p>a. Possible misappropriation of payments by signatories to ABSG bank accounts.</p>	<p>a. Invoke relevant contractual sanctions on banks honouring payments authorised by one (1) signatory instead of two (2), as contained in the bank mandates.</p>	<p>a. The Commissioner of Finance</p>
		<p>Payments made before TPO approval</p> <p>a. 53 payments totalling ₦1,113,680,000.00 were made before TPO's approval.</p> <p>b. The State Cashier represented that these instances occur in case of exigencies, where the Governor already gave approval to make payment before the payment vouchers are cleared by TPO.</p> <p>c. This practice is not in line with the provisions of ABSG financial regulations, as every payment must be stamped "checked and passed" by TPO before payments.</p>	<p>a. Possible diversion of public fund, due to non-compliance with the requirement of ABSG financial regulations.</p>	<p>a. Ensure strict adherence to the provisions of ABSG financial regulations.</p>	<p>a. The AG</p>
				<p>a. Report instances where payments are made contrary to the requirement of ABSG financial regulations.</p>	<p>a. Internal Audit Department</p>

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
		<p>Inadequate Storage / Record Keeping</p> <p>The payment vouchers are kept in sacks, which are then housed in the voucher stores. The nature in which these payment vouchers are kept exposes them to damages²⁴³ from rain or other natural occurrences.</p>	<p>a. Loss of records due to damages.</p>	<p>a. Maintain a secured electronic database for storage of records/documents.</p> <p>b. Scan and upload physical records/documents in the database before filing.</p> <p>c. Serially store the physical records/documents with appropriate tags/index for easy identification in a protected and dry environment to avoid damages.</p>	<p>a. Office of the AG</p>
		<p>Financing projects through CFF</p> <p>Per schedule provided by ABSG Cash Office, ABSG financed 57 CFFs totalling ₦65,329,083,410.00 via ISPOs issued to UBA on the FAAC/VAT Account. The facilities were disbursed directly into the contractors' current accounts. We noted instances where:</p> <p>a. ABSG paid 92% contract sum to Track Care through CFF, however, three (3) of the six (6) contracts paid for are still ongoing.</p> <p>b. ABSG paid Ferotex ₦10,000,000,000.00 (80% of contract amount) through CFF for</p>	<p>a. Performance Risk: The contractor may default on the contract agreement / job execution after receipt of payments.</p>	<p>To mitigate the performance risk, ABSG should seek more effective and efficient project financing strategies to finance its projects.</p>	<p>a. The Commissioner of Finance</p>

²⁴³ See Appendix 10.13 for the conditions of the damaged payment vouchers.

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
		<p>construction of Abia State Airport, however, the contract is not on the schedule provided by F&GPC and Ministry of works, and upon our enquiry the Government Officials in the Ministry of Works stated that the contract does not exist.</p> <p>c. ABSG paid JMK ₦500,000,000.00 through CFF for re-construction of Abiriba Junction-Etitiama round-about road Nkporo, Ohaafia LGA (7.0KM), however, per schedule provided by Ministry of Works, the project was executed and completed by Bulletine Construction Ltd.</p>			
		<p>Repayment of CFFs Prior to disbursement of the facilities to the contractors, ABSG issues ISPOs to the banks, instructing the banks to debit its FAAC/VAT accounts periodically as repayment for the facilities.</p>	<p>a. ABSG repays the facility regardless of the performance or otherwise of the contractors obligations.</p>	<p>a. Adopt the above listed strategy to mitigate performance risk.</p>	
2		<p>Non-setup of Land Use and Allocation Committee a. Contrary to the requirement of Section 2 of the Land Use Act of 1978, the State government did</p>	<p>a. Public assets may be sold or disposed at prices below their market value, to the detriment of the State</p>	<p>a. Set up a Land Use and Allocation Committee that will be responsible for the control and administration of lands in the State, in line</p>	<p>a. The Executive Governor</p>

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
	Sale and Disposal of Assets ²⁴⁴	<p>not set-up the Land Use and Allocation Committee during the period from 29 May 2015 to 28 May 2023.</p> <p>b. This Committee should be responsible for the control and administration of land in the State. However, during the period, the Commissioner of Lands, Permanent Secretary and Director of Lands approve the allocation of lands for interested applicants.</p>	<p>and for personal benefit of some individuals.</p>	<p>with Section 2 of the Land Use Act of 1978.</p>	
		<p>No policy on land allocation</p> <p>a. The Land Use Act of 1978 requires the Land Use and Allocation Committee to draft a policy that will guide the allocation of lands in the State, subject to the approval of the Governor. However, there is no policy with respect to land allocation in the State.</p>	<p>a. The absence of the policy may be exploited for personal benefits.</p> <p>b. Allocation of lands may not be transparent and consistent, and therefore lands may be allocated based on personal bias, such as to unqualified applicants or individuals who did not apply.</p>	<p>a. Issue a Land Use and Allocation policy document that will:</p> <ul style="list-style-type: none"> i. Promote sustainable land use management ii. Protect customary land tenure rights and security for improvements of livelihoods of residents in the State and; iii. Promote responsible investment in land resources and accountable land use administration in order to 	<p>a. Land Use and Allocation Committee</p>

²⁴⁴ We only reviewed the process of land allocation by Ministry of Lands, Survey and Urban Planning as other MDAs of interest reportedly did not dispose any asset during the period under review.

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
				support the economic development in the State.	
		<p>No asset register or schedule</p> <p>a. The six (6) MDAs do not maintain an asset register; thus they did not keep track of public assets managed by such MDAs.</p>	<p>a. Difficulty in ascertaining the assets owned by the State, which may facilitate asset misappropriation.</p>	<p>a. Mandate all MDAs to maintain and regularly update an asset register or schedule of assets under the purview of the MDA. The register should contain:</p> <ul style="list-style-type: none"> i. Description of the asset ii. Asset category iii. Identification code for each asset iv. Location of the asset v. Date of acquisition vi. Cost of acquisition vii. Useful life of the asset viii. Market Value of the asset ix. Date of last valuation x. Status of the asset such as still in use, disposed, allocated, unserviceable etc. 	<p>a. Bureau of Public Procurement and Due Process</p>
				<p>a. Conduct periodic inventory of the assets as may be contained in the asset register.</p>	<p>b. Bureau of Public Procurement and Due Process</p>

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
		<p>Inconsistent land allocation application practice</p> <p>a. Ministry of Lands, Survey and Urban Planning offered land to unqualified applicants such as:</p> <ul style="list-style-type: none"> i. 46, who did not apply nor make payment for application fees. ii. 24, who submitted application letters but did not submit either TCCs, passports or pay the required application fees. iii. 19, who did not submit application letters and did not submit either TCCs, passports or pay the required application fees. iv. 14, who submitted application letters after offer letters have been issued. v. Seven (7), who did not include dates of application in their application letters. 	<p>a. The practice of allocating land to allottees who do not qualify for land offers may continue if not monitored.</p>	<p>a. Offer letters should not be processed or issued unless there is a written application supported with the required documents such as a Tax Clearance Certificate, passport and payment of the required application fees.</p> <p>b. The application should then be evaluated before an offer letter is issued to the applicant.</p> <p>c. Review all ongoing application for land allocation to ensure that all application requirements are satisfied before allocating land to the allottees.</p>	<p>a. Land Use and Allocation Committee</p>
		<p>Non-fulfilment of obligations by the State</p> <p>a. Director of lands stated that the State did not fulfil its own obligations such as provision of infrastructure within the stipulated</p>	<p>a. Land offers for allottees who did not fulfil the conditions of acceptance of offer cannot be revoked.</p>	<p>a. The State should fulfil its obligations in due time, to ensure that it can revoke land offers to allottees, who do not fulfil the conditions of acceptance.</p>	<p>a. Commissioner of Lands and Housing</p>

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
		time of acceptance of offer as contained in the offer letter.			
		<p>Non-revocation of offers for 77 allottees</p> <p>a. Ministry of Lands, Survey and Urban Planning did not revoke land offered to allottees who did not fulfil the condition(s) of acceptance of land offers as stated in the offer letter such as:</p> <ul style="list-style-type: none"> i. 41, who did not complete payment of the prescribed fees within the stipulated time. ii. 35, who completed payments of the prescribed fees after the stipulated time. iii. One (1), who submitted an acceptance of offer letter before an offer letter was issued. 	<p>a. Allottees who did not accept the offers within the stipulated time can still lay claim to such lands.</p>	<p>a. Revoke and re-allot subsequent land offer not accepted within the stipulated timeline.</p>	<p>a. Land Use and Allocation Committee</p>
		<p>Inconsistent conditions of acceptance of offer contained in the offer letters</p> <p>a. The offer letters for different land beneficiaries reflect inconsistent conditions of acceptance of offer within the same time period. The Director of Lands stated that there is no uniform basis for setting the</p>	<p>a. Government officials may exploit the inconsistent conditions of acceptance of offer to manipulate the land allocation and acceptance process.</p>	<p>a. Review the conditions of acceptance of offer for allocations of land that fall within the same class or category, for consistency and transparency.</p>	<p>a. Land Use and Allocation Committee</p>

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
		conditions of acceptance of offer by the allottees.			
3	Utilisation of funds from FAAC	Collection of revenue from FAAC: a. ABSG does not perform monthly reconciliation of the inflows into the FAAC accounts with the expected FAAC allocation contained in the FAAC technical sub-committee monthly reports. b. However, per discussions with the Chief Accountant, the reconciliation process has commenced in the current administration.	a. Under-recognition of FAAC collections. b. Possible under-reporting of FAAC collections in the Annual Reports / other disclosures published by the State.	a. Conduct monthly reconciliation of inflows into the FAAC accounts.	a. The State Accountant-General (AG).
		No supporting documents for certain outflows from the FAAC accounts: a. Per discussions with the Chief Accountant, Cash Office and other relevant officials in the Office of the AG, payments are not made from the FAAC accounts directly to contractors and other beneficiaries. b. However, 68 payments totalling ₦3,294,788,036.80 without any supporting documents were identified in the FAAC accounts. The 68 payments were to various beneficiaries (i.e., Government House & Officials, MDAs and contractors).	a. Leakages / Misappropriation of funds from FAAC.	a. Transfer funds intended for contractors / other beneficiaries to other designated ABSG account heads (e.g., Overhead) before such payments are made.	a. The State Cashier.
				a. Maintain adequate supporting documents (i.e., e-payment bank mandates, payment vouchers, award letters, contract award letters, interim / final completion certificates, etc.) for all direct payments to contractors / other beneficiaries.	a. The Chief Accountant, Office of the AG.

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
4	Collection and Utilisation of IGR	<p>13 accounts opened as Paydirect collection accounts but being utilised for both Paydirect and Non-Paydirect IGR Collections</p> <p>a. ASBIR opened and maintained 13 accounts with 13 banks and designated the accounts as Paydirect collection accounts. During the period under review, the accounts received IGR Collections amounting to ₦18,119,611,724.76.</p> <p>b. Specifically, two (2) bank statements out of the 13 accounts i.e., Access Bank and Sterling Bank were not provided for our review, consequently, no record to independently verify the completeness and accuracy of IGR Collections in the accounts.</p>	<p>a. Given that the IGR collections in these accounts were not processed through any of the Paydirect schemes, the collection may not be accurately and/or completely reported to the State.</p> <p>b. The collections in the 13 accounts may be misappropriated without the knowledge of the State.</p>	<p>a. Designate and distinctly separate accounts for Paydirect and Non-Paydirect collections, to ensure, transparency, integrity and accountability of the collections.</p>	<p>a. DF, ASBIR</p>
		<p>Non-maintenance of ASBIR bank accounts as required by law</p> <p>a. Section 23 of the Abia State Tax Codification and Consolidation Act of 2020 requires the Chairman, ASBIR to submit particulars of all bank accounts maintained by ASBIR to the Office of the AG. However, ASBIR did not maintain a schedule of all bank accounts opened by ASBIR.</p>	<p>a. Possibility of the State not being aware of some IGR collection accounts.</p>	<p>a. Maintain, review and update (as necessary) a schedule of all IGR collection bank accounts for the State.</p>	<p>a. DF, ASBIR</p>

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
		<p>IGR payments to an unrelated account</p> <p>a. IGR collections processed through USSD were paid into an account unrelated to the IGR collections i.e., BIR Mbaisii Land Acquisition account, which was opened to receive Mbaisii land allocation fees.</p>	<p>a. Although, all the IGR collections during the period under review were eventually transferred to relevant IGR accounts, there is however opportunity for misappropriation given the account name.</p>	<p>a. Maintain a dedicated and appropriately named account for collections processed through USSD.</p>	<p>a. DF, ASBIR</p>
		<p>Non-reconciliation of Paydirect Collections and Settlement</p> <p>a. ASBIR does not perform reconciliation of collections and settlement of IGR collections managed by Interswitch.</p> <p>b. Consequently,</p> <p>i. Records reviewed showed that Interswitch did not settle ₦27,164,671.09 to the office of the AG during the period under review, and this was not identified by ASBIR.</p> <p>ii. ASBIR was not aware that ASGN, ABIR and ABPOS Paydirect schemes were active during the period under review, thus they did not report collections through these schemes.</p>	<p>a. The collections from these schemes settled into the accounts maintained by the Office of the AG is under-settled.</p>	<p>a. Conduct periodic reconciliation of collections and settlements of IGRs through Paydirect.</p>	<p>a. Primary: DF, ASBIR</p> <p>b. Secondary: Head of ICT, ASBIR</p>

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
		<p>Inconsistent practice regarding sweeping and reporting of IGR Collections</p> <p>a. ASBIR inconsistently determines the amount of collection (in the six (6) specific collection accounts) to be swept to the respective utilisation accounts and accordingly reflect such in the monthly reports.</p> <p>b. This practice has resulted in under and over sweeping and reporting of collections in certain months, which may possibly regularise over time, but does not state the accurate position at the time of reporting.</p>	<p>a. The collections into these accounts do not reflect the actual position at a particular point in time.</p>	<p>a. Report total IGR collections for each month to facilitate transparency.</p>	<p>a. DF, ASBIR</p>
		<p>Non-compliance with the law on remittance of IGRs into only one (1) dedicated account</p> <p>a. Contrary to the provision of the Abia State Tax Codification and Consolidation Law of 2020 that requires ASBIR to remit all collections into only one (1) bank account, ASBIR transfers collections from the various IGR collection bank accounts to the underlisted accounts.</p> <p>i. BIR Overhead account with Zenith Bank, Fidelity Bank and Access Bank.</p>	<p>a. Utilisation of IGRs from many accounts may be difficult to monitor, thereby facilitating misappropriation.</p>	<p>a. Remit all IGR collections into only one (1) bank account, as required by the law, before deductions are made to different beneficiaries, including cost of collections to BIR and MDAs.</p>	<p>a. Primary: Chairman, ASBIR</p> <p>b. Secondary: DF, ASBIR</p>

S/N	Scope Area	Observations	Possible risk areas/ Impact	Recommendation	Responsibility
		ii. BIR Overhead other charges with Zenith Bank. iii. ABSG Consolidated IGR with Zenith Bank, Fidelity Bank and Zenith Bank.			
		No business justification for certain payments a. No documented business justification for 105 payments amounting to ₦2,279,572,500.00 made to some contractors, Individuals and MDAs, aside an instruction in the form of a letter of release of fund from the Office of the Governor.	a. Payments could be erroneously and/or deliberately diverted.	a. Supporting documents reflecting business justification should be provided before payments are made from the accounts.	a. Primary: Chairman, ASBIR b. Secondary: DF, ASBIR
		No law supporting Governor's approval on MDA's Cost of Collection a. We sighted a documented approval from the Office of the Governor, requesting ASBIR to pay a commission of 20% to revenue generating MDAs as their cost of collections, but no law backing up the approval was provided.	a. The approval may not be consistent with existing law(s).	a. Update the Abia State Tax Codification and Consolidation Law to reflect the applicable rate (where and if required) payable to MDAs as cost of collections.	a. Abia State House of Assembly

Source: Compiled by KPMG.

10 Appendices

10.1 Sources and description of records obtained

S/N	Document Received	Provided by:	Date	Type (Electronic/Hard Copy)	Medium of Collection
1	91 land allocation files	Ministry of Lands and Housing	4 Aug 2023	Hard Copy	
2	Schedule of Vehicles owned by GHUM	Transport Officer, GHUM	24 Oct 2023	Electronic Copy	E-mail
3	Schedule of public schools in the State	DPRS, Ministry of Education	31 Oct 2023	Electronic Copy	Mobile Device
4	IGR Monthly Reports from June 2015 to May 2023	DF, ASBIR	20 Jul 2023	Hard Copy	
5	Appointment Letters for TAMAs and Revenue Consultants	Secretary, ASBIR	20 Jul 2023	Hard Copy	
6	Letters of Release of fund from the Office of the Governor	DF and Secretary, ASBIR	5 Aug 2023	Hard Copy	
7	List of TAMAs and Revenue Consultants	Secretary, ASBIR	20 Jul 2023	Electronic Copy	Mobile Device
8	Paydirect Collections and Settlement Report	Head of ICT, ASBIR	25 Aug 2023	Electronic Copy	Mobile Device
9	ASBIR Nominal Roll	Secretary, ASBIR	6 Jul 2023	Hard Copy	
10	TAMA Commission Template from 2016 to 2023	Director of Collections, ASBIR	11 Aug 2023	Electronic Copy	Mobile Device
11	Letters of Instruction to Interswitch	Secretary, ASBIR	12 Oct 2023	Hard Copy	

S/N	Document Received	Provided by:	Date	Type (Electronic/Hard Copy)	Medium of Collection
12	Loan files for Access, FirstBank and Sterling Bank	Director of Administration, Office of the AG	24 Jul 2023	Hard copy	
13	FAAC Monthly Proposals (May 2015-December 2017) and 2018	DAP	21 Jul 2023	Hard copy	
14	FAAC deuctions (2015-2018)	DAP	5 Aug 2023	Hard copy	
15	FAAC monthly Technical Sub-committee reports (May 2015 to May 2023)	Director of Administration, Office of the AG	4 Nov 2023	Hard copy	
16	Annual Reports (2015-2022)	DAP	21 Jul 2023	Hard copy	
17	Abia State Revenue Allocation	DAP	29 Jul 2023	Hard copy	
18	Abia State House of Assembly Resolution file AG/S.558/1	Director of Administration, Office of the AG	13 Sep 2023	Hard copy	
19	Abia State DMD Loan documents	Chief Accountant, Office of the AG	15 Sep 2023	Hard copy	
20	Payment Vouchers, E-payment bank mandates and Cheque registers within the period (2015-2023)	DAP	24 Jul 2023	Hard copy	

10.2 Details of the CBN Extant Guidelines

- a. We identified one (1) circular and three (3) extant guide to bank charges by CBN. Per our review of the circular and extant guide to bank charges, we have highlighted the requirements of the guidelines in three (3) categories as highlighted in the table below:

Table 11.1: Requirement of CBN extant guide on Bank Charges

S/N	Category of Bank Charges	Requirement of the CBN Guideline	Transactions Exempted by the CBN Guideline
1	Commission on Turnover ("COT")	<p>a. Per CBN extant guide to bank charges 2013, COT applies to customer induced debit transactions on current accounts.</p> <p>b. The COT rate is negotiable subject to maximum of ₦3 per mille in 2013, ₦2 per mille in 2014, ₦1 per mille in 2015 and COT free from 2016.</p>	<p>The guideline exempts the following:</p> <p>a. Bank-induced debit transactions</p> <p>b. Returned outward clearing cheques.</p> <p>c. Reversals</p> <p>d. Loan repayments</p> <p>e. Debit transfers/lodgments to the same customer's account within the bank (intra-bank debit transactions).</p> <p>f. All savings account transactions.</p>
2	Current Account Maintenance Fee ("CAMF")	<p>a. Per CBN extant guide to bank charges 2017 and 2020, CAMF is applicable to current accounts only in respect of customer-induced debit transactions to:</p> <p>i. Third parties and,</p> <p>ii. Debit transfers/lodgments to the customer's account in another bank (inter-bank debit transactions).</p> <p>b. The CAMF fee is negotiable subject to maximum of ₦1 per mille (i.e., ₦1 per every ₦1,000.00 debits).</p>	<p>a. All transactions not stated in the CBN extant guide.</p> <p>b. All savings account transactions.</p>

S/N	Category of Bank Charges	Requirement of the CBN Guideline	Transactions Exempted by the CBN Guideline
3	Other bank Charges (transfer charges, cheque book bank statement charges fee, etc.)	a. Electronic Funds Transfer: ₦50 b. Cost of Cheque Books: ₦100 per leaflet c. Issuance of statement of Account (On special request): Maximum of ₦20 per page	N/A

Source: Compiled by KPMG from review of CBN extant guide on Bank Charges.

10.3 Net Movement Analysis

S/N	Bank	Account Name	Account Number	Status	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
					₦	₦	₦	₦
					A	B	C	D = (A+B-C)
1	UBA	FAAC Account	1015372049	Active	(160,265.25)	373,620,639,655.68	371,462,420,193.43	2,158,059,197.00
2		ABSG Analysis of 13% UBA Derivative Account	1025212955	Active	-	4,306,841,025.73	3,568,835,527.79	738,005,497.94
3		Conterpart Funding Account	1021212232	Active	-	23,174,011,072.20	22,542,800,470.16	631,210,602.04
4		ASUBEB Account	1019310302	Active	-	10,339,864,581.09	10,199,547,542.48	140,317,038.61
5		Abia State Government Salary Account	1019024054	Active	(3,826,333.20)	172,958,108,673.24	172,922,551,991.35	31,730,348.69
6		Abia State Government Overhead	1019115026	Active	-	168,385,096,042.47	168,363,351,909.30	21,744,133.17
7		Capital Project Account	1019115284	Active	-	26,731,199,825.08	26,721,705,099.18	9,494,725.90
8		Abia State Government Special Subvention	1025212962	Active	-	31,062,177,252.61	31,055,075,843.30	7,101,409.31
9		Ecological Account	1023953744	Active	-	2,971,315,381.11	2,964,596,510.65	6,718,870.46
10		Vat Account	1015372032	Active	(195,402,629.12)	120,728,559,699.57	120,528,529,121.03	4,627,949.42
11		Abia State Overhead II Account	1025082752	Active	-	7,778,083,535.57	7,775,118,963.37	2,964,572.20
12		Abia State Government Subvention Account	1019114830	Active	-	127,468,741,556.31	127,467,272,160.43	1,469,395.88
13		Covid_19 Account	1022752036	Dormant	-	1,597,730,273.13	1,596,455,140.64	1,275,132.49

S/N	Bank	Account Name	Account Number	Status	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
					₦	₦	₦	₦
					A	B	C	D = (A+B-C)
14		Abia State Government Overhead Account III	1025798790	Active	-	4,436,339,034.01	4,435,248,616.94	1,090,417.07
15		Abia State Government Paris And London Clubs	1019892950	Dormant	-	12,129,936,481.27	12,129,641,359.55	295,121.72
16		Bridging Finance Account	1024592087	Dormant	-	22,979,779,760.15	22,979,711,799.75	67,960.40
17		Abia State Government IGR Account	1007480293	Dormant	67,779,234.72	120,014,836.01	187,736,965.14	57,105.59
18		ABSG UBA Special Account	1019024009	Dormant	439,999,990.00	847,129,325.00	1,287,129,165.00	150.00
19		ABSG Analysis Of UBA Health Care Account	1025453303	Dormant	-	1,025,000,000.00	1,025,000,000.00	-
20		Abia State Government Sinking Fund A/C	1017087723	Dormant	(790,002.74)	851,495.36	61,492.62	0.00
UBA Bank Balances					307,599,994.41	1,112,661,419,505.59	1,109,212,789,872.11	3,756,229,627.89
21	Union Bank	Health Care Account	141182327	Active	-	2,089,571,505.72	1,978,085,834.79	111,485,670.93
Union Bank Balances					-	2,089,571,505.72	1,978,085,834.79	111,485,670.93
22	Sterling Bank	Abia State Government Stabilisation Acct	0076956538	Active	-	2,162,552,368.20	2,142,629,217.38	19,923,150.82
23		Abia State Government (Fund Recovery) Account	0023041416	Active	-	90,326,202.58	79,447,363.86	10,878,838.72
Sterling Bank Balances					-	2,252,878,570.78	2,222,076,581.24	30,801,989.54



S/N	Bank	Account Name	Account Number	Status	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
					₦	₦	₦	₦
					A	B	C	D = (A+B-C)
24	Access Bank	ABSG Foreign Loan Int Refund Account	0718250445	Active	-	28,095,154,769.54	28,087,838,324.55	7,316,444.99
25		ABSG Cons. IGR	0763857466	Active	-	9,629,707,521.39	9,623,044,410.50	6,663,110.89
26		ABSG Salary Account	0021415743	Dormant	2,316,418.23	0.00	0.00	2,316,418.23
27		ABSG Bailout Salary Account	0005685932	Active	-	1,000,000,000.00	997,733,364.63	2,266,635.37
28		Abia State Infrastructural Development Fund	0765058683	Active	-	7,174,984,137.52	7,173,773,024.58	1,211,112.94
29		ABSG FAAC CACS	0708824261	Active	-	2,131,054,895.11	2,130,203,010.50	851,884.61
30		ABSG FAAC Account	008698648	Dormant	257,235.59	0.00	0.00	257,235.59
31		Abia State Government	0028705965	Active	5,321,605.74	422,234,676.59	427,376,327.87	179,954.46
32		ABSG Special Account	0021415767	Dormant	45,664.88	200.00	0.00	45,864.88
Access Bank Balances					7,940,924.44	48,453,136,200.15	48,439,968,462.63	21,108,661.96
33	Fidelity Bank	Abia State Foreign Loan Interest	5030080546	Dormant	-	200,000,000.00	190,190,065.50	9,809,934.50
34		Traffic And Indiscipline Management	5030065372	Dormant	-	5,976,500.00	58,781.00	5,917,719.00
35		Abia State Government IGR	5030030596	Active	-	5,054,966,810.32	5,053,449,235.40	1,517,574.92



S/N	Bank	Account Name	Account Number	Status	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
					₦	₦	₦	₦
					A	B	C	D = (A+B-C)
36		Abia State Government (ABSG)	5030036828	Active	-	136,663,854.87	136,125,354.87	538,500.00
Fidelity Bank Account Balances					-	5,397,607,165.19	5,379,823,436.77	17,783,728.42
37	First Bank	ABSG Pension Account	2028294506	Active	-	23,682,414,827.05	23,675,580,859.06	6,833,967.99
38		Abia State Projects Account	2014210497	Active	41.22	8,875,927,877.10	8,872,003,711.08	3,924,207.24
39		Abia State Government Airport Account	2025947557	Active	217,690.00	0.00	0.00	217,690.00
40		Abia State Security Fund Account	2022871758	Active	660,279.35		650,000.00	10,279.35
41		Abia State Government Paris Club Refund Account	2032820344	Dormant	-	0.00	0.00	-
42		ABSG Reserve Account	2028294362	Dormant	-	2,270,000,000.00	2,270,000,000.00	-
43		Abia State Government Special Account	2015277684	Dormant	781,236.49	0.00	781,236.49	-
44		Abia State Government Ecological Fund Account	2024215554	Dormant	66,483,258.20	0.00	66,483,258.20	-
45		Abia State Government FAAC Account	2015277701	Dormant	1,283.97	82.92	1,366.89	-
Firstbank Account Balances					68,143,789.23	34,828,342,787.07	34,885,500,431.72	10,986,144.58
46	FCMB	Abia State Government Subsidy Reinvestment And	2000765014	Active	5,224,657.69	7,607.91	4,004,385.50	1,227,880.10



S/N	Bank	Account Name	Account Number	Status	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
					₦	₦	₦	₦
					A	B	C	D = (A+B-C)
		Empowerment Programme (Sure-P) Ac						
47		Abia State Government Project	0339952011	Dormant	192,279.33	0.00	0.00	192,279.33
48		Abia State Government (London/Paris Club Loan Refund Account)	4677974010	Dormant	-	0.00	0.00	-
FCMB Account Balances					5,416,937.02	7,607.91	4,004,385.50	1,420,159.43
49	GTBank	ABSG Schools Renovation Acct	0046601477	Dormant	2,312,986.70	-	121.00	2,312,865.70
50		ABSG Consolidated IGR A/C	0046525562	Dormant	202,985.30	11,210,373.19	9,173,092.37	2,240,266.12
51		Abia State Government Special A/C	0046413427	Dormant	-	-	-	-
52		Abia State Government Special A/C	0046413434	Dormant	-	-	-	-
53		Abia State Government Special A/C	0046413441	Dormant	-	-	-	-
54		Abia State Government Special A/C	0046413410	Dormant	16,995.89	-	17,027.24	(31.35)
55		Abia State Government Special A/C	0046413403	Dormant	54,260.92	-	54,362.40	(101.48)
Gtbank Account Balances					2,587,228.81	11,210,373.19	9,244,603.01	4,552,998.99



S/N	Bank	Account Name	Account Number	Status	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
					₦	₦	₦	₦
					A	B	C	D = (A+B-C)
56	Polaris	Abia State Salary Bailout Account	4030011123	Active	-	1,616,215,196.98	1,612,438,681.98	3,776,515.00
57		ABSG Overhead Account	4030014605	Active	-	1,290,246,566.66	1,289,642,295.47	604,271.19
Polaris Bank Balances					-	2,906,461,763.64	2,902,080,977.45	4,380,786.19
58	Ecobank	Abia State Government Open A/C	2872053253	Dormant	675,126.39	0.00	0.00	675,126.39
59		Abia State Government	2872005537	Dormant	-	199,635.69	199,625.69	10.00
60		Abia State Government 2	2872037790	Dormant	-	0.00	0.00	-
Ecobank Account Balances					675,126.39	199,635.69	199,625.69	675,136.39
61	Keystone	Abia State Government Special Account III	1001191366	Active	182,679.94	184,679.94	187,156.29	180,203.59
62		Abia State Salary Bailout Account	1002820478	Active	4.80	500,078,729.75	500,005,081.15	73,653.40
63		Abia State Government Special Account III	1001191373	Active	24,708.29	421,307,142.15	421,295,024.51	36,825.93
Keystone Bank Balances					207,393.03	921,570,551.84	921,487,261.95	290,682.92
64	Heritage	Abia State Capital Project Account	5900006278	Active	-	623,155,900.48	622,993,811.92	162,088.56
Heritage Bank Balances					-	623,155,900.48	622,993,811.92	162,088.56
65	Unity	ABSG Overhead Account	0031660842	Active	-	1,855,003,000.00	1,854,873,258.03	129,741.97



S/N	Bank	Account Name	Account Number	Status	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
					₦	₦	₦	₦
					A	B	C	D = (A+B-C)
Unity Bank Balances					-	1,855,003,000.00	1,854,873,258.03	129,741.97
66	Zenith	Abia State Government Special Account	1014013949	Active	(26,480.07)	36,400,232,397.62	36,364,899,480.77	35,306,436.78
67		ABSG Special Project Acct (Paris Club)	1014911375	Active	-	6,095,825,680.00	6,067,221,819.97	28,603,860.03
68		ABSG IGR Payment Account	1014819251	Active	-	25,698,054,396.47	25,682,472,652.09	15,581,744.38
69		ABSG Consolidated IGR Acct 2	1014327297	Active	-	3,417,696,481.12	3,406,084,395.96	11,612,085.16
70		Abia State Government Consolidated IGR Acct	1016865898	Active	-	2,214,057,516.49	2,212,252,468.22	1,805,048.27
71		ABSG Consolidated IGR Acct 3	1014655750	Active	-	1,066,012,662.80	1,066,007,455.10	5,207.70
72		Abia State Government Consolidated IGR Acct	1016865908	Active	-	1,332,283,600.82	1,332,281,977.42	1,623.40
73		Abia State Government Consolidated IGR Acct	1016977696	Active	-	2,167,319,363.58	2,167,318,344.34	1,019.24
74		Abia State Government London Paris Refund	1014923266	Dormant	-	2,000.00	1,100.00	900.00
75		ABSG Escrow Account	1015457597	Active	-	200,000,200.00	200,000,150.00	50.00
76	ABSG Project Account	1014013932	Active	(5,295.92)	3,311,229,552.83	3,311,224,377.34	(120.43)	
77	ABSG Excess Crude Account	1014381352	Active	-	25,786,198,814.34	25,956,267,695.55	(170,068,881.21)	

S/N	Bank	Account Name	Account Number	Status	Closing Balance as at 28 May 2015	Total Inflows	Total Outflows	Closing Balance as at 28 May 2023
					₦	₦	₦	₦
					A	B	C	D = (A+B-C)
78		Abia State Government Consolidated IGR Acct	1013892907	Active	(331,862,593.56)	52,313,751,497.61	52,369,538,168.01	(387,649,263.96)
Zenith Bank Balances					(331,894,369.55)	160,002,664,163.68	160,135,570,084.76	(464,800,290.63)

10.4 List of 73 Sampled Contractors

S/N	Companies
1	Dichmark Insurance Broker Ltd
2	Tom Onyeagwa
3	Sonbroson Services Ltd
4	Okey Technical Construction Ltd
5	Track Care Global Const Nig Ltd
6	Ekcleen Integrated Services Nig Ltd
7	Logistics De-Luke Ltd
8	Alphagreen Solution Nig Ltd
9	J Pros International Nig Ltd
10	Urban Elite Co
11	Incomtel Nigeria Limited
12	Tetralock Bus Serv Ltd
13	Eedc Remittance



S/N	Companies
14	Urban Elite Co
15	Rock Waters Integrated Service
16	Kadi Okpara Co
17	Malokpal Nig Ltd
18	Benicoux Nig Ltd
19	Bawas Invt Ltd
20	Amatec Integrated Service
21	Berengaria Ventures
22	Izzy Mitime Int Ltd
23	Seafair Projects Limited
24	Auto Nation Nig Ltd
25	Geemorn Comm Intl Ltd
26	Nextzon Business Services Ltd
27	Worldcorp Nigeria Limited
28	Pal Bese Global Enterprises Ltd
29	Praise Properties Limited
30	Fincep Construction Company Limited
31	Vinoeks Engineering Company Ltd
32	Macordel Nigeria Limited
33	Mag And Joel Nig Ltd
34	Goldbond Standard Company Ltd
35	The Outfit Construction Company



S/N	Companies
36	Solace Multi-Biz Concepts
37	Smut Edge Integrated Services Ltd
38	Okey Technical Construction Company Ltd
39	Ferotex Nig Ltd
40	Conduit Resources Ltd
41	Track Care Global Construction
42	Ekclean Integrated Services Nig Ltd
43	African Export Import Bank
44	Paceo Carretera Nigeria Limited
45	Abdulkadeer Consulting
46	Kati Habitat Nigeria
47	Praise Properties Limited
48	Dicemokad Consultants Nig Ltd
49	Seafair Projects Limited
50	Marguerita Ventures
51	Bawas Investment
52	Paco Consulting Plc
53	Tom Onyeagwa & Co
54	Logistics De-Luke Ltd
55	Zamkel Resources Nig Ltd
56	Appmart Integrated Ltd
57	Wright & Hughes Ltd

S/N	Companies
58	Byteworks Technology Solutions
59	Self Serve
60	Csdc Consulting Enterprise Solutions Nigeria
61	Atolok Ltd
62	Integrated Chiantho
63	Oval Integrated Services
64	Pacmal Consultancy
65	Mirabond Nigeria Limited
66	Courteville Business Solution
67	All The Way Success
68	Denzol International
69	Linamed Global
70	Milsab Consulting Ltd
71	Project 365 Services
72	Rochy Green Ltd
73	Uwal Pharmaceuticals

10.5 Screenshot of Inactive Status with CAC

10.5.1 Amatec Integrated Service Ltd

 RC - 765918
AMATEC INTERGRATED SERVICES NIGERIA LIMITED
NO. 27, OJOTO STREET, MILE II, DIOBU, PORT HARCOURT, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Aug 11, 2008 [View Paid Service](#)

10.5.2 Seafair Projects Ltd

 RC - 895601
SEAFAIR PROJECTS LIMITED
NO. 36, CONSTITUTION CRESCENT, , ABA ,ABIA, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Jun 28, 2010 [View Paid Service](#)

10.5.3 Conduit Resources Ltd

 RC - 426261
CONDUIT RESOURCES LIMITED
NO.34,OKPOROROAD,P/HARCOURT,RIVERS, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Sep 10, 2001 [View Paid Service](#)

10.5.4 Fincep Construction Company Ltd

 RC - 1294081
FINCEP CONSTRUCTION COMPANY LIMITED
152 ABA ROAD UMUAHIA, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Oct 20, 2015 [View Paid Service](#)

10.5.5 Pal Bese Global Enterprises Ltd

 RC - 1466039
PAL BESE GLOBAL ENTERPRISES LTD
NO.25 NWANKPA STREET ABAYI, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Jan 24, 2018 [View Paid Service](#)

10.5.6 Worldcorp Nigeria Limited Ltd

 RC - 410183
WORLD CORP (NIGERIA) LIMITED
PLOT260,LCLOSE,FIRSTAVENUE,FESTAC,LAGOS, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - May 11, 2001 [View Paid Service](#)

10.5.7 Track Care Global Construction

 RC - 1267268
TRACK CARE GLOBAL CONSTRUCTION CO. LTD
NO NO 16 ALEXANDRA CRESCENT WUSE 2 ABUJA, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Jun 15, 2015 [View Paid Service](#)

10.5.8 Tunnel End Investment Company Limited

 RC - 1050328
TUNNEL END MEDICAL SERVICE LTD
14BOSISIOMAININDUSTRIALLAYOUT,OSISIOMA,ABIA, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Jul 13, 2012 [View Paid Service](#)

10.5.9 Ferotex Construction Company

 RC - 236692
FEROTEX CO. NIG LTD
KM 17 PORT HARCOURT/ABA EXPRESS WAY, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Dec 15, 1993 [View Paid Service](#)

10.5.10 Ekclean Integrated Services Nigeria Limited

 RC - 1140435
EKCLEEN INTEGRATED SERVICES NIG LTD
NO.18BBILLYAVENUEOFFTIMOTHYLANERUMUOLA,PORTHARCOURT,RIVERS,,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Sep 6, 2013 [View Paid Service](#)

10.5.11 Rock-Waters Integrated Service Nigeria Limited

 RC - 1071414
ROCK-WATERS INTEGRATED SERVICES NIG LTD
DR. CHIMA NWAFOR ROAD, ABANI,,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Oct 11, 2012 [View Paid Service](#)

10.5.12 Delhope Resources Limited

 RC - 1083297
DELHOPE RESOURCES LIMITED
NO6BERGERCAMPIKOTABASI,KOTABASI,AKWAIBOM,,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Dec 7, 2012 [View Paid Service](#)

10.5.13 Arab Contractors Limited

 RC - 160735
ARAB CONTRACTOR NIGERIA LTD
134, IKORODU RD., IGBOBI , LAGOS ,LAGOS , ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Dec 28, 1990 [View Paid Service](#)

10.5.14 Yodel Global Resources Limited

 RC - 1141982
YODEL GLOBAL RESOURCES LIMITED
24STREAMDRUMUODARA,PHC,RIVERS, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Sep 13, 2013 [View Paid Service](#)

10.5.15 Pro-M Limited

 RC - 864835
PRO-M LIMITED
1B,RAHMANADEBOYEJOSTREETLEKKIPHASE1,LEKKI,LAGOS,LAGOS, ,
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Jan 19, 2010 [View Paid Service](#)

10.5.16 Logistics De-Luke Limited



RC - 759323
LOGISTICS DE-LUKE LIMITED
NO1,COMMERCIALROADELEGANZAPLAZA,APAPA,LAGOS, ;
[View Persons with Significant Control of this Company](#)

Status: **INACTIVE** (Visit CAC and update your status) | Date of Registration - Jul 14, 2008

[View Paid Service](#)

10.6 Screenshot of the CBN Extant Guidelines

SECTION 3: COMMISSION ON TURNOVER

	DESCRIPTION	RATE
3.1	Commission on Turnover:	
	3.1.1 COT applies to customer-induced debit transactions on current accounts. The banks should not charge COT on returned outward clearing cheques, reversal of transactions and all bank-induced debits NOTE: <ul style="list-style-type: none"> • Gradual phase-out of COT from ₦3 (2013) to ₦2 (2014) to ₦1 (2015), and ₦0 (2016) 	Negotiable subject to a maximum of ₦3 per mille in 2013; ₦2 per mille in 2014; ₦1 per mille in 2015; and COT-free (i.e. zero) from 2016
	3.1.2 Loan repayment from current or savings account	COT free
	3.1.3 Debits representing transfer to other accounts in the same name, in the same branch or at another branch of the same bank	No charge

SECTION 3: CURRENT ACCOUNT MAINTENANCE FEE

	DESCRIPTION	RATE
3.1	Current Account Maintenance Fee (CAMF): Applicable to current accounts ONLY in respect of customer-induced debit transactions to third parties and debit transfers/lodgments to the customer's account in another bank. Note that CAMF is not applicable to Savings Accounts	Negotiable subject to a maximum of ₦1 per mille

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10.7 Details of Sample Payments Reviewed

This will be attached in a separate Ms Excel file.

10.8 List of TODs in FAAC and VAT accounts

10.8.1 TODs in FAAC account

S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
1	4/18/2023	4/30/2023	3,000,000,000.00	Y	24	0	Y	0
2	3/8/2023	4/6/2023	1,500,000,000.00	Y	24	0	Y	0
3	2/28/2023	5/28/2023	3,000,000,000.00	Y	24	0	N	0
4	2/24/2023	3/25/2023	3,000,000,000.00	Y	24	0	Y	0
5	1/23/2023	3/21/2023	4,000,000,000.00	Y	22	0	Y	0
6	1/23/2023	2/21/2023	3,000,000,000.00	Y	22	0	Y	0
7	12/22/2022	3/21/2023	4,000,000,000.00	Y	22	0	N	0
8	12/5/2022	1/3/2023	3,000,000,000.00	Y	21	0	Y	0
9	11/3/2022	12/2/2022	3,000,000,000.00	Y	22	0	Y	0
10	10/5/2022	11/3/2022	3,000,000,000.00	Y	20	0	N	0
11	9/12/2022	12/10/2022	5,000,000,000.00	Y	18	0	Y	0
12	9/7/2022	10/7/2022	3,000,000,000.00	Y	18	0	N	0
13	8/9/2022	9/7/2022	3,000,000,000.00	Y	17	0	N	0
14	7/5/2022	8/3/2022	3,000,000,000.00	Y	16	0	Y	0
15	6/7/2022	9/4/2022	5,000,000,000.00	Y	17	0	Y	0
16	5/31/2022	6/29/2022	3,000,000,000.00	Y	16	0	Y	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
17	5/6/2022	6/4/2022	3,000,000,000.00	Y	14	0	N	0
18	3/30/2022	4/28/2022	3,000,000,000.00	Y	14	0	Y	0
19	3/4/2022	6/1/2022	5,796,000,000.00	Y	17	0	Y	0
20	2/28/2022	3/29/2022	3,000,000,000.00	Y	14	0	Y	0
21	1/26/2022	2/24/2022	3,000,000,000.00	Y	14	0	Y	0
22	12/14/2021	1/12/2022	3,000,000,000.00	Y	14	0	Y	0
23	11/25/2021	2/22/2022	6,520,000,000.00	Y	14	0	Y	0
24	11/25/2021	2/20/2022	6,520,000,000.00	Y	14	0	N	0
25	11/1/2021	11/30/2021	3,000,000,000.00	Y	17	0	Y	0
26	9/30/2021	10/29/2021	3,000,000,000.00	Y	15	0	Y	0
27	8/25/2021	11/22/2021	7,020,000,000.00	Y	14	0	Y	0
28	8/25/2021	9/23/2021	3,000,000,000.00	Y	17	0	Y	0
29	8/5/2021	9/3/2021	200,000,000.00	Y	17	0	Y	0
30	7/29/2021	8/27/2021	3,000,000,000.00	Y	17	0	Y	0
31	6/30/2021	7/29/2021	3,000,000,000.00	Y	17	0	N	0
32	6/16/2021	9/13/2021	5,510,000,000.00	Y	16	0	Y	0
33	6/16/2021	6/26/2021	3,000,000,000.00	Y	16	0	Y	0
34	6/2/2021	6/26/2021	3,000,000,000.00	Y	16	0	N	0
35	5/28/2021	6/26/2021	3,000,000,000.00	Y	15	0	N	0
36	4/29/2021	5/28/2021	3,000,000,000.00	Y	15	0	N	0
37	3/26/2021	4/24/2021	3,000,000,000.00	Y	15	0	Y	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
38	3/17/2021	6/14/2021	6,000,000,000.00	Y	15	0	Y	0
39	2/23/2021	3/24/2021	3,000,000,000.00	Y	15	0	Y	0
40	1/26/2021	2/24/2021	3,000,000,000.00	Y	15	0	N	0
41	12/21/2020	1/19/2021	3,000,000,000.00	Y	16	0	Y	0
42	12/11/2020	3/10/2021	6,000,000,000.00	Y	15	0	Y	0
43	11/25/2020	12/24/2020	3,000,000,000.00	Y	16	0	N	0
44	10/28/2020	11/26/2020	3,000,000,000.00	Y	16	0	N	0
45	10/9/2020	10/28/2020	500,000,000.00	Y	16	0	N	0
46	9/22/2020	10/21/2020	2,500,000,000.00	Y	16	0	Y	0
47	9/3/2020	9/16/2020	500,000,000.00	Y	18	0	Y	0
48	8/25/2020	9/23/2020	2,500,000,000.00	Y	18	0	Y	0
49	8/5/2020	8/24/2020	500,000,000.00	Y	18	0	Y	0
50	7/22/2020	8/20/2020	2,500,000,000.00	Y	18	0	Y	0
51	7/3/2020	7/22/2020	500,000,000.00	Y	18	0	Y	0
52	6/23/2020	7/22/2020	2,500,000,000.00	Y	18	0	N	0
53	6/3/2020	6/22/2020	500,000,000.00	Y	18	0	Y	0
54	5/20/2020	6/18/2020	2,500,000,000.00	Y	18	0	Y	0
55	4/27/2020	5/26/2020	2,500,000,000.00	Y	18	0	N	0
56	4/6/2020	5/5/2020	250,000,000.00	Y	18	0	Y	0
57	3/31/2020	4/29/2020	500,000,000.00	Y	18	0	Y	0
58	3/26/2020	4/24/2020	2,000,000,000.00	Y	18	0	Y	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
59	3/5/2020	4/3/2020	500,000,000.00	Y	18	0	N	0
60	2/28/2020	3/28/2020	1,500,000,000.00	Y	18	0	N	0
61	2/3/2020	3/3/2020	500,000,000.00	Y	18	0	Y	0
62	1/29/2020	2/27/2020	1,000,000,000.00	Y	18	0	Y	0
63	12/13/2019	1/11/2020	1,000,000,000.00	Y	23	0	Y	0
64	12/3/2019	1/1/2020	500,000,000.00	Y	23	0	Y	0
65	10/31/2019	11/29/2019	200,000,000.00	Y	23	0	Y	0
66	9/26/2019	10/25/2019	3,000,000,000.00	Y	23	0	Y	0
67	8/28/2019	9/26/2019	3,000,000,000.00	Y	23	0	N	0
68	7/31/2019	8/29/2019	3,000,000,000.00	Y	23	0	N	0
69	7/5/2019	8/3/2019	3,000,000,000.00	Y	23	0	N	0
70	5/30/2019	6/28/2019	3,000,000,000.00	Y	23	0	Y	0
71	5/17/2019	5/31/2019	200,000,000.00	Y	19	0	Y	0
72	5/7/2019	6/5/2019	3,000,000,000.00	Y	23	0	N	0
73	4/11/2019	5/10/2019	250,000,000.00	Y	19	0	Y	0
74	4/3/2019	5/2/2019	3,000,000,000.00	Y	23	0	Y	0
75	3/5/2019	4/3/2019	3,000,000,000.00	Y	23	0	N	0
76	2/1/2019	3/2/2019	3,000,000,000.00	Y	23	0	Y	0
77	12/7/2018	2/4/2019	3,100,000,000.00	Y	23	0	N	0
78	12/7/2018	1/5/2019	3,100,000,000.00	Y	23	0	Y	0
79	11/27/2018	12/11/2018	200,000,000.00	Y	23	0	N	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
80	11/1/2018	11/30/2018	3,000,000,000.00	Y	23	0	Y	0
81	10/22/2018	11/5/2018	200,000,000.00	Y	23	0	N	0
82	10/4/2018	11/2/2018	3,000,000,000.00	Y	23	0	N	0
83	9/14/2018	10/3/2018	400,000,000.00	Y	23	0	Y	0
84	9/5/2018	10/4/2018	2,800,000,000.00	Y	23	0	Y	0
85	8/9/2018	8/23/2018	500,000,000.00	Y	23	0	Y	0
86	7/25/2018	8/23/2018	2,500,000,000.00	Y	23	0	Y	0
87	6/7/2018	6/26/2018	400,000,000.00	Y	23	0	Y	0
88	5/30/2018	6/28/2018	2,600,000,000.00	Y	23	0	Y	0
89	5/17/2018	5/31/2018	400,000,000.00	Y	23	0	N	0
90	5/4/2018	6/2/2018	2,600,000,000.00	Y	23	0	N	0
91	4/19/2018	5/3/2018	400,000,000.00	Y	23	0	Y	0
92	4/9/2018	5/8/2018	2,400,000,000.00	Y	23	0	N	0
93	3/15/2018	3/29/2018	500,000,000.00	Y	23	0	Y	0
94	3/2/2018	3/31/2018	2,000,000,000.00	Y	23	0	Y	0
95	2/15/2018	3/1/2018	500,000,000.00	Y	23	0	Y	0
96	1/31/2018	3/1/2018	2,000,000,000.00	Y	23	0	Y	0
97	12/15/2017	2/12/2018	4,100,000,000.00	Y	23	0	N	0
98	11/15/2017	12/4/2017	400,000,000.00	Y	23	0	Y	0
99	10/31/2017	11/29/2017	1,800,000,000.00	Y	23	0	Y	0
100	10/5/2017	11/3/2017	1,800,000,000.00	Y	23	0	N	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
101	8/30/2017	9/28/2017	1,800,000,000.00	Y	22	0	Y	0
102	8/3/2017	9/1/2017	1,800,000,000.00	Y	22	0	N	0
103	6/29/2017	7/28/2017	1,850,000,000.00	Y	22	0	Y	0
104	6/14/2017	6/28/2017	250,000,000.00	Y	22	0	Y	0
105	6/5/2017	7/4/2017	1,600,000,000.00	Y	22	0	Y	0
106	5/24/2017	5/30/2017	200,000,000.00	Y	20	0	Y	0
107	5/9/2017	6/7/2017	1,500,000,000.00	Y	20	0	N	0
108	4/26/2017	5/2/2017	200,000,000.00	Y	20	0	Y	0
109	3/29/2017	4/27/2017	1,500,000,000.00	Y	20	0	Y	0
110	3/20/2017	3/29/2017	350,000,000.00	Y	20	0	Y	0
111	3/20/2017	4/18/2017	350,000,000.00	Y	20	0	N	0
112	3/2/2017	3/31/2017	1,500,000,000.00	Y	20	0	N	0
113	2/21/2017	2/28/2017	350,000,000.00	Y	20	0	Y	0
114	1/27/2017	2/25/2017	1,400,000,000.00	Y	20	0	Y	0
115	12/2/2016	1/30/2017	2,800,000,000.00	Y	20	0	N	0
116	12/2/2016	12/31/2016	2,800,000,000.00	Y	20	0	N	0
117	11/11/2016	11/30/2016	300,000,000.00	Y	20	0	Y	0
118	10/28/2016	11/27/2016	1,400,000,000.00	Y	20	0	Y	0
119	9/30/2016	10/29/2016	1,400,000,000.00	Y	20	0	N	0
120	8/30/2016	9/28/2016	1,400,000,000.00	Y	18	0	Y	0
121	7/29/2016	8/27/2016	1,400,000,000.00	Y	18	0	Y	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
122	7/16/2016	7/29/2016	200,000,000.00	Y	18	0	N	0
123	7/8/2016	7/31/2016	1,400,000,000.00	Y	18	0	N	0
124	6/1/2016	6/24/2016	1,400,000,000.00	Y	18	0	Y	0
125	5/3/2016	5/26/2016	1,400,000,000.00	Y	18	0	Y	0
126	4/20/2016	4/26/2016	150,000,000.00	Y	18	0	N	0
127	4/1/2016	4/24/2016	1,000,000,000.00	Y	18	0	Y	0
128	4/1/2016	4/24/2016	1,000,000,000.00	Y	18	0	N	0
129	3/4/2016	3/27/2016	1,000,000,000.00	Y	22	0	Y	0
130	2/16/2016	3/1/2016	100,000,000.00	Y	22	0	Y	0
131	2/8/2016	3/2/2016	700,000,000.00	Y	22	0	Y	0
132	1/28/2016	1/29/2016	750,000,000.00	Y	22	0	Y	0
133	1/6/2016	1/29/2016	500,000,000.00	Y	22	0	N	0
134	12/10/2015	12/28/2015	650,000,000.00	Y	22	0	Y	0
135	12/1/2015	12/2/2015	500,000,000.00	Y	22	0	Y	0
136	11/23/2015	11/30/2015	650,000,000.00	Y	22	0	Y	0
137	11/5/2015	12/2/2015	500,000,000.00	Y	22	0	N	0
138	10/20/2015	10/31/2015	500,000,000.00	Y	22	0	Y	0
139	9/1/2015	9/25/2015	300,000,000.00	Y	22	0	Y	0
140	8/17/2015	8/30/2015	500,000,000.00	Y	22	0	Y	0
141	6/9/2015	6/23/2015	300,000,000.00	Y	24	0	Y	0

10.8.2 TODs in VAT account

S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
1	2/24/2023	3/25/2023	1,000,000,000.00	Y	24	0	Y	0
2	1/23/2023	2/21/2023	1,000,000,000.00	Y	22	0	Y	0
3	12/5/2022	1/3/2023	1,000,000,000.00	Y	21	0	Y	0
4	11/3/2022	12/2/2022	1,000,000,000.00	Y	22	0	Y	0
5	10/5/2022	11/3/2022	1,000,000,000.00	Y	20	0	N	0
6	9/7/2022	10/6/2022	1,000,000,000.00	Y	18	0	Y	0
7	8/9/2022	9/7/2022	1,000,000,000.00	Y	17	0	N	0
8	7/5/2022	8/3/2022	1,000,000,000.00	Y	16	0	Y	0
9	5/31/2022	6/29/2022	1,000,000,000.00	Y	16	0	Y	0
10	5/6/2022	6/4/2022	1,000,000,000.00	Y	14	0	N	0
11	3/30/2022	4/28/2022	1,000,000,000.00	Y	14	0	Y	0
12	2/28/2022	3/29/2022	1,000,000,000.00	Y	14	0	Y	0
13	1/26/2022	2/24/2022	1,000,000,000.00	Y	14	0	Y	0
14	12/14/2021	1/12/2022	1,000,000,000.00	Y	14	0	Y	0
15	11/2/2021	12/1/2021	1,000,000,000.00	Y	17	0	Y	0
16	9/30/2021	10/29/2021	1,000,000,000.00	Y	15	0	Y	0
17	8/25/2021	9/23/2021	1,000,000,000.00	Y	15	0	Y	0
18	8/25/2021	9/23/2021	1,000,000,000.00	Y	14	0	N	0
19	7/29/2021	8/27/2021	1,000,000,000.00	Y	17	0	Y	0
20	6/30/2021	7/29/2021	1,000,000,000.00	Y	17	0	N	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
21	6/1/2021	6/26/2021	1,000,000,000.00	Y	16	0	Y	0
22	5/28/2021	6/26/2021	1,000,000,000.00	Y	15	0	N	0
23	4/29/2021	5/28/2021	1,000,000,000.00	Y	15	0	N	0
24	3/26/2021	4/24/2021	1,000,000,000.00	Y	15	0	Y	0
25	3/17/2021	4/5/2021	200,000,000.00	Y	15	0	Y	0
26	2/23/2021	3/24/2021	1,000,000,000.00	Y	15	0	Y	0
27	1/26/2021	2/24/2021	1,000,000,000.00	Y	15	0	N	0
28	1/15/2021	1/26/2021	500,000,000.00	Y	15	0	Y	0
29	12/21/2020	1/19/2021	1,000,000,000.00	Y	16	0	Y	0
30	11/25/2020	12/24/2020	1,000,000,000.00	Y	16	0	Y	0
31	11/4/2020	12/3/2020	500,000,000.00	Y	16	0	N	0
32	10/28/2020	11/26/2020	500,000,000.00	Y	16	0	N	0
33	10/9/2020	10/28/2020	500,000,000.00	Y	16	0	N	0
34	9/22/2020	10/21/2020	500,000,000.00	Y	16	0	Y	0
35	8/25/2020	9/23/2020	500,000,000.00	Y	18	0	Y	0
36	7/22/2020	8/20/2020	500,000,000.00	Y	18	0	Y	0
37	6/23/2020	7/22/2020	500,000,000.00	Y	18	0	N	0
38	5/20/2020	6/18/2020	500,000,000.00	Y	18	0	Y	0
39	4/27/2020	5/26/2020	500,000,000.00	Y	18	0	N	0
40	3/26/2020	4/24/2020	500,000,000.00	Y	18	0	Y	0
41	2/28/2020	3/28/2020	500,000,000.00	Y	18	0	N	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
42	1/29/2020	2/27/2020	500,000,000.00	Y	18	0	Y	0
43	1/2/2020	1/31/2020	500,000,000.00	Y	23	0	N	0
44	12/3/2019	1/1/2020	500,000,000.00	Y	23	0	Y	0
45	10/31/2019	11/29/2019	500,000,000.00	Y	23	0	Y	0
46	9/26/2019	10/25/2019	500,000,000.00	Y	23	0	Y	0
47	8/28/2019	9/26/2019	500,000,000.00	Y	23	0	N	0
48	8/21/2019	9/19/2019	200,000,000.00	Y	23	0	Y	0
49	7/31/2019	8/29/2019	500,000,000.00	Y	23	0	N	0
50	7/16/2019	7/30/2019	300,000,000.00	Y	23	0	Y	0
51	7/5/2019	8/3/2019	500,000,000.00	Y	23	0	N	0
52	6/21/2019	7/5/2019	200,000,000.00	Y	19	0	Y	0
53	5/30/2019	6/28/2019	500,000,000.00	Y	23	0	Y	0
54	5/7/2019	6/5/2019	600,000,000.00	Y	23	0	N	0
55	4/3/2019	5/2/2019	500,000,000.00	Y	23	0	Y	0
56	3/5/2019	4/3/2019	500,000,000.00	Y	23	0	N	0
57	2/1/2019	3/2/2019	500,000,000.00	Y	23	0	Y	0
58	12/7/2018	2/4/2019	400,000,000.00	Y	23	0	N	0
59	12/7/2018	1/5/2019	400,000,000.00	Y	23	0	Y	0
60	11/1/2018	11/30/2018	400,000,000.00	Y	23	0	Y	0
61	10/4/2018	11/2/2018	400,000,000.00	Y	23	0	N	0
62	9/5/2018	10/4/2018	400,000,000.00	Y	23	0	Y	0



S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
63	7/25/2018	8/23/2018	400,000,000.00	Y	23	0	Y	0
64	5/30/2018	6/28/2018	400,000,000.00	Y	23	0	Y	0
65	5/4/2018	6/2/2018	400,000,000.00	Y	23	0	N	0
66	4/9/2018	5/8/2018	400,000,000.00	Y	23	0	N	0
67	3/2/2018	3/31/2018	500,000,000.00	Y	23	0	Y	0
68	1/31/2018	3/1/2018	500,000,000.00	Y	23	0	Y	0
69	12/15/2017	2/12/2018	900,000,000.00	Y	23	0	N	0
70	10/31/2017	11/29/2017	450,000,000.00	Y	23	0	Y	0
71	10/5/2017	11/3/2017	450,000,000.00	Y	23	0	N	0
72	8/30/2017	9/28/2017	450,000,000.00	Y	22	0	Y	0
73	8/3/2017	9/1/2017	450,000,000.00	Y	22	0	N	0
74	6/29/2017	7/28/2017	500,000,000.00	Y	22	0	Y	0
75	6/5/2017	7/4/2017	400,000,000.00	Y	22	0	Y	0
76	5/9/2017	6/7/2017	300,000,000.00	Y	20	0	N	0
77	3/29/2017	4/27/2017	300,000,000.00	Y	20	0	Y	0
78	3/2/2017	3/31/2017	300,000,000.00	Y	20	0	N	0
79	1/27/2017	2/25/2017	300,000,000.00	Y	20	0	Y	0
80	12/2/2016	1/30/2017	600,000,000.00	Y	20	0	N	0
81	10/28/2016	11/27/2016	300,000,000.00	Y	20	0	N	0
82	9/23/2016	10/8/2016	300,000,000.00	Y	20	0	Y	0
83	8/10/2016	8/23/2016	150,000,000.00	Y	21	0	Y	0

S/N	Applicable Date	Limit Exp. Date	Sanction Limit	Limit Lvl Flg.	Normal Interest	Penal Interest	Supersede Flg.	Margin Interest
84	8/4/2016	9/2/2016	200,000,000.00	Y	18	0	Y	0
85	8/4/2016	9/2/2016	200,000,000.00	Y	18	0	N	0
86	7/18/2016	7/29/2016	200,000,000.00	Y	18	0	Y	0
87	7/16/2016	7/29/2016	200,000,000.00	Y	18	0	N	0
88	6/27/2016	7/3/2016	100,000,000.00	Y	18	0	Y	0

10.9 Breakdown of 16 CFFs UBA provided offer letters

S/N	Contractor	Contract Amount (₦)	Loan Amount (₦)	% of Loan Amount	Total Expected repayment per repayment schedule (₦)
1	Ferotex Construction Company Ltd	12,500,000,000.00	10,000,000,000.00	80	12,198,624,517.09
2	Track Care Global Construction Co. Ltd.	4,359,477,743.80	4,000,000,000.00	92	5,209,504,161.96
3	Logistic De-luke Company Ltd	2,400,000,000.00	2,000,000,000.00	83	2,886,382,929.56
4	Eckleen Integrated Services Nig. Ltd	4,401,407,441.64	1,500,000,000.00	34	523,535,644.11
5	Vision Cars Limited	Not sighted	1,075,500,000.00	N/A	1,214,149,003.16
6	Tunnel End Investment Ltd	Not sighted	1,000,000,000.00	N/A	1,256,959,344.72
7	Vision Cars Limited	Not sighted	849,600,000.00	N/A	959,126,911.28
8	Track Care Global Construction Co. Ltd.	1,887,000,000.00	800,000,000.00	42	946,492,591.76
9	Ferotex Construction Company Ltd	1,735,900,000.00	700,000,000.00	N/A	828,181,017.79

S/N	Contractor	Contract Amount (₦)	Loan Amount (₦)	% of Loan Amount	Total Expected repayment per repayment schedule (₦)
10	Universal Energy Oil & Gas (Nig) Ltd	Not sighted	524,439,000.00	N/A	592,047,502.62
11	JMK Construction Company Ltd	Not sighted	500,000,000.00	N/A	696,774,988.01
12	Ekcleen Integrated Services Nig. Ltd	Not sighted	500,000,000.00	N/A	696,774,988.01
13	Track Care Global Construction Co. Ltd	Not sighted	400,000,000.00	N/A	506,261,275.72
14	Sannan Jadoon Int'l Ltd	Not sighted	400,000,000.00	N/A	557,419,990.41
15	Sannan Jadoon Int'l Ltd	Not sighted	300,000,000.00	N/A	385,049,457.29
16	Vision Cars Limited	205,600,000.00	205,600,000.00	100	260,218,295.72
Total			24,755,139,000.00		29,717,502,619.21

10.10 Schedule of Review of 91 Land Allocation Files

S/N	Name of Allottee	Date of Offer	Offer Letter Reference	Purpose	Application form	Application fee	Passport	TCC	C OF O
1	Awa Agwu Emele	14-Oct-15	LUM/OH/783	Residential	No	No	No	No	No
2	Nwachukwu Kenneth	09-Nov-16	LUM 2157A	Residential	Yes	No	No	No	No
3	Chibuike Okoro	29-Nov-16	LUM 5309/T	Residential	No	Yes	No	No	No
4	Mrs. Felicia Kalu	29-Nov-16	LUM 5176	Residential	Yes	Yes	No	No	No
5	Augustine Onyegbule	29-Nov-16	LUM 8633	Residential	No	Yes	Yes	No	No
6	John Nwakanma	06-Mar-17	LUM 1090A	Public	No	Yes	No	No	No
7	Chukwunazom Obi	17-Mar-17	LUM 3625A	Residential	No	No	No	No	No
8	Chima Grant Mgbeke	04-Apr-17	LUM 2188A	Residential	No	No	No	No	No
9	Collins Nwakanma	26-May-17	LABA 330B	Residential	Yes	No	Yes	No	No
10	Augustine Ironi	26-May-17	LABA 297B	Residential	Yes	Yes	Yes	No	No

S/N	Name of Allottee	Date of Offer	Offer Letter Reference	Purpose	Application form	Application fee	Passport	TCC	C OF O
11	Osondu Nwaigwe	26-May-17	LABA 454B	Residential	Yes	No	Yes	No	No
12	Agbo Felix Egbo	26-May-17	LABA 154B	Residential	Yes	Yes	Yes	No	No
13	Augustine Ogbonna Okeorji	26-May-17	LABA 167B	Residential	Yes	Yes	Yes	No	No
14	Darlington Omerekpe	26-May-17	LABA 163B	Residential	Yes	Yes	Yes	No	No
15	Prince Obinna Sunny	06-Jun-17	LABA 20B	Residential	Yes	Yes	No	No	No
16	Ekwueme Kenneth & Chikezie Nwaogu	12-Jun-17	LABA 456B	Residential	Yes	No	Yes	No	No
17	Chikezie Alozie	12-Jun-17	LABA 85B	Residential	No	No	No	No	No
18	Obinna Boston	12-Jun-17	LABA 177B	Residential	Yes	No	Yes	No	No
19	Nwogu Uloaku Carole	12-Jun-17	LABA 101B	Residential	Yes	Yes	Yes	No	No
20	Emeka Nworgu & Okwubunka Mark	12-Jun-17	LABA 241B	Residential	Yes	Yes	Yes	No	No
21	Chinedum Ogbonna	12-Jun-17	LABA 120B	Residential	Yes	No	Yes	Yes	No
22	Bright Enwereji Enyebire	12-Jun-17	LABA 103B	Residential	Yes	No	Yes	No	No
23	Dan Ohajuru & iheanyi Ubani	12-Jun-17	LABA 285B	Residential	Yes	Yes	Yes	No	No
24	Chinyere Boston	12-Jun-17	LABA 125B	Residential	Yes	No	Yes	No	No
25	Gonike International Agency Limited	12-Jun-17	LABA 736B	Public	No	No	No	Yes	No
26	Victor O. Ihediwa	12-Jun-17	LUM 3408A	Residential	No	No	No	No	Yes
27	Emmanuel Nwabuko	12-Jun-17	LUM ****	Residential	No	No	No	No	No
28	Mrs. Ngozi Nwangwa	12-Jun-17	LUM ****	Residential	No	No	No	No	No
29	Sunday Danlami	19-Jun-17	LUM 3053A	Residential	No	No	No	No	No
30	Uzoije Ukaumunna	26-Jun-18	LABA 503B	Residential	No	No	No	No	No
31	Okezie Ohaja	26-Jun-18	LABA 498B	Residential	Yes	Yes	Yes	Yes	No
32	Chuma Onwujiwe	26-Jul-18	LUM 2418A	Residential	No	Yes	No	No	No
33	Ugwunna Chikwendu & Ihuoma Uwaoma	22-Nov-18	LABA 210B	Residential	Yes	Yes	No	Yes	No
34	Sunday Ndubuka	28-Nov-18	LUM 2599A	Residential	No	No	No	No	No
35	Ikechukwu Ebogu	28-Nov-18	LUM 2457A	Residential	No	No	No	No	No
36	Callystus Alozie Agomuo	28-Nov-18	LUM 2564A	Residential	No	No	No	No	No

S/N	Name of Allottee	Date of Offer	Offer Letter Reference	Purpose	Application form	Application fee	Passport	TCC	C OF O
37	Chidi Dick	28-Nov-18	LUM 2631A	Residential	No	No	No	No	No
38	Promise U. Meregini	28-Nov-18	LUM 2452A	Residential	Yes	Yes	Yes	Yes	No
39	Ebere Eke	28-Nov-18	LUM 2725A	Residential	No	No	No	Yes	No
40	Okeafor Family c-o George Ndubuka	28-Nov-18	LUM 2627A	Residential	No	No	No	No	No
41	Ibe Family Mgboko Kindred	28-Nov-18	LUM 2543A	Residential	No	No	No	No	No
42	Chibugwu Ikoro	28-Nov-18	LUM 2621A	Residential	No	No	No	No	No
43	Innocent Oriaku	28-Nov-18	LUM 2515A	Residential	No	No	No	No	No
44	Rita Omaka	28-Nov-18	LUM 2717A	Residential	No	Yes	No	No	No
45	Ugochukwu Onyediako & Onyemauche Onyediako	28-Nov-18	LUM 2571A	Residential	No	No	Yes	Yes	No
46	Ngozi Onuigbo, Emmanuel Nzeako, Chika Chinedu, Chukwuemeka Onuigbo & Ndubuisi Onwuegbula	28-Nov-18	LUM 2562A	Residential	No	No	No	Yes	No
47	Joseph Ibe	28-Nov-18	LUM 27**A	Residential	No	No	No	No	No
48	Amara Innocent Onyemachi	28-Nov-18	LUM 2508A	Residential	No	No	No	No	No
49	Chibueze Ohaeri	28-Nov-18	LUM 2550A	Residential	No	No	No	No	No
50	Uchechukwu Egeonu	28-Nov-18	LUM 2532A	Residential	No	No	No	No	No
51	Sunday Uguru	28-Nov-18	LUM 2522A	Residential	Yes	Yes	No	Yes	No
52	Marcus Agbara	28-Nov-18	LUM 2474A	Residential	No	No	No	No	No
53	Mr. Goddy Iroakazi	28-Nov-18	LUM 2760A	Residential	No	No	No	No	No
54	Nnamdi Imo	28-Nov-18	LUM 2484A	Residential	Yes	No	Yes	No	Yes
55	Charles Nwangwa	20-Feb-19	LABA 277B	Residential	No	No	No	No	No
56	Mike Anyanwu	22-Mar-19	LUM 2698A	Residential	No	No	No	No	No
57	Cecilia Ojembe	28-Mar-19	LUM 3216A	Residential	No	No	Yes	Yes	No
58	Chukwudi Sylvanus	28-Mar-19	LUM 3254A	Residential	No	No	No	No	No
59	Echefu Charles	28-Mar-19	LUM 3069A	Residential	No	Yes	No	No	No
60	Nigeria Red Cross Society	02-May-19	LABA 78B	Public	Yes	Yes	Yes	No	No
61	Lady Victoria Akanwa	14-May-19	LABA 606B	Residential/Commercial	No	No	No	No	No

S/N	Name of Allottee	Date of Offer	Offer Letter Reference	Purpose	Application form	Application fee	Passport	TCC	C OF O
62	United Butchers Multi-Purpose Co-operative Society Limited Aba	27-Nov-19	LABA 660B	Commercial	Yes	No	No	Yes	Yes
63	Nneoma Ibendiegwu	25-Feb-20	LUM 3067A	Residential	No	No	No	No	No
64	Mike Idimmachi Iroukwe	25-Feb-20	LUM 2946A	Residential	No	No	No	No	No
65	Innocent Ogbonna	25-Feb-20	LUM 2949A	Residential	No	No	No	Yes	No
66	Peter Okezie	25-Feb-20	LUM 2951A	Residential	No	No	No	Yes	No
67	Apostle Ugbaja	25-Feb-20	LUM 3024A	Residential	No	No	No	No	No
68	Bathelome Ejikeme	25-Feb-20	LUM 3021A	Residential	No	No	No	Yes	No
69	Chidi Dick - Ikechi Families	25-Feb-20	LUM 3009A	Residential	No	Yes	No	Yes	No
70	Apostle Nnomele Ugboaja	25-Feb-20	LUM 3026A	Residential	No	No	No	No	No
71	Ngozi O.-Otuka M. For Oganiru Committee	25-Feb-20	LUM 2958A	Residential	No	No	No	No	No
72	Chief Paul Meregini	22-May-20	LUM 3031A	Residential	No	No	No	No	No
73	Okey Uche	22-Sep-20	LUM 3142A	Residential	No	No	No	Yes	No
74	Stella Onyekachi	11-Jan-21	LUM 3243A	Residential	No	No	No	Yes	No
75	George Awa Eke	06-Aug-21	LUM/OH 846A	Residential/Commercial	No	No	No	No	No
76	Ikechi Agwu	06-Aug-21	LUM/OH 845A	Residential/Commercial	No	No	No	No	No
77	Eleanya Uche P.	06-Aug-21	LUM/OH 834A	Residential/Commercial	No	No	No	No	No
78	Ebere Awa O.	06-Aug-21	LUM/OH 833A	Residential/Commercial	No	No	No	No	No
79	Frank Umeham	03-Dec-21	LUM/OH 860A	Residential	No	No	No	No	No
80	Nelson Kalu Iro	06-Dec-21	LUM/OH 861A	Residential/Commercial	No	No	No	No	No
81	Innovative Hub Business School	08-Mar-22	LABA 848B/36	Public	Yes	No	No	No	No
82	Godfirst Onwuzuruigbo	06-Jun-22	LUM 3805A	Residential	No	No	No	No	No
83	Samuel Obinna	06-Jun-22	LUM 3804A	Residential	No	No	No	No	No
84	Chukwudi Apugo	06-Jun-22	LUM 3424A	Residential	No	Yes	No	No	No

S/N	Name of Allottee	Date of Offer	Offer Letter Reference	Purpose	Application form	Application fee	Passport	TCC	C OF O
85	Ndubuisi Oti	06-Jun-22	LUM 3622A	Residential	No	No	No	No	No
86	Obioma King Onwuneme	06-Jun-22	LUM 3806A	Residential	No	No	No	No	No
87	Bob Ogu	06-Jun-22	LUM 3496A	Residential	Yes	Yes	No	No	No
88	Ifeanyi Umesi	06-Jun-22	LUM 3523A	Residential	No	No	NO	No	No
89	Sunny Oriaku	01-Feb-23	LUM 4079A	Residential	No	No	No	No	No
90	Vivian Uju Uwaja	01-Feb-23	LUM 4197A	Residential	No	No	No	No	No
91	Okezie Onymauwa	Not Dated	LUM 3093A	Residential	No	No	No	Yes	No

10.11 List of identified FAAC accounts

S/N	ABSG Account Name	Bank	Status	ABSG Account Number
1	FAAC	UBA	Active	1015372049
2	VAT		Active	1015372032
3	Ecological Fund		Active	1023953744
4	FAAC	Access Bank	Inactive	1489135674
5	VAT		Inactive	0006193494
6	FAAC	FBN	Inactive	2015277701
7	Ecology		Inactive	2024215554
8	FAAC	Diamond	Inactive	0008698648
9	FAAC	(Access Bank)	Inactive	2150000048

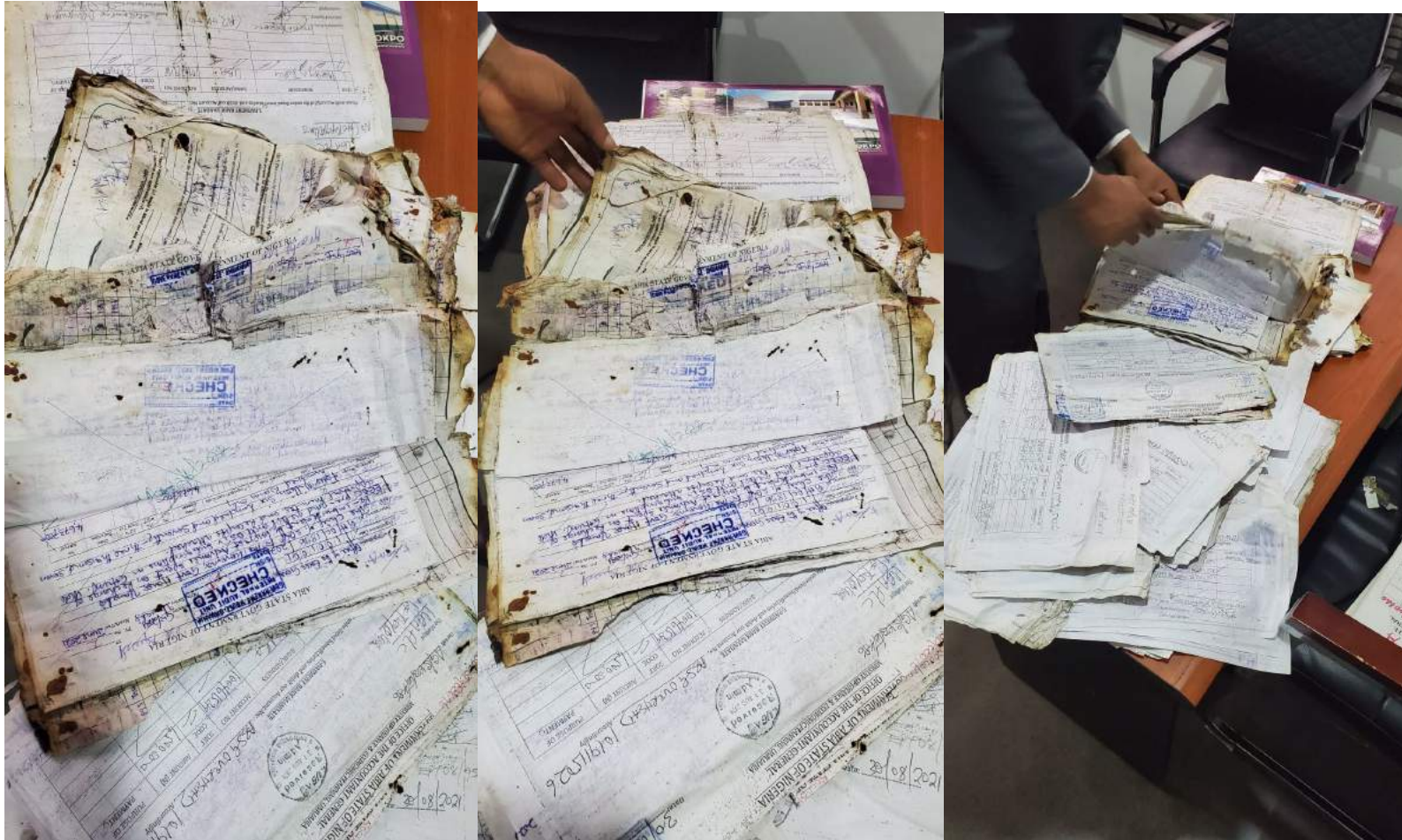


10.12 Schedule of Accounts Utilised by ASBIR

S/N	BANK	Account Number	Account Name	Nature of Account
1	Access Bank	0006194075	Abia State Board of Internal Revenue IGR	Paydirect & Direct Collections
2	Sterling Bank	0690003293	Board of Internal Revenue (IGR)	
3	Ecobank	1362002324	Board of Internal Revenue	
4	FCMB	0532313019	Board of Internal Revenue (IGR)	
5	Fidelity Bank	5030039197	Abia State IGR Paydirect	
6	FirstBank	2011609573	Board of Internal Revenue (IGR)	
7	GTBank	0046428876	Abia State Board of Internal Revenue IGR	
8	Heritage Bank	6000412190	Abia State Board of Internal Revenue (I.G.R.)	
9	Heritage Bank	6001028558	Abia State IGR Paydirect Collection	
10	Polaris Bank	1771142026	Board of Internal Revenue (IGR)	
11	UBA	1012403173	Board of Internal Revenue (IGR)	
12	Union Bank	0032976336	Interswitch PYD Abia State IGR	
13	Zenith Bank	1011758344	Board of Internal Revenue (IGR)	
14	Diamond Bank	0008694963	Board of Internal Revenue IGR Tax Clearance	Paydirect Collections only
15	Fidelity Bank	5030013304	Board of Internal Revenue (IGR)	
16	Keystone Bank	1002824500	Board of Internal Revenue (IGR)	
17	Keystone Bank	1005926807	Abia State IGR Paydirect Settlement	
18	Stanbic IBTC Bank	0015083192	Board of Internal Revenue (IGR)	
19	Unity Bank	0017855026	Board of Internal Revenue Abia	
20	Wema Bank	0122920518	Abia State Board of Internal Revenue	

S/N	BANK	Account Number	Account Name	Nature of Account
21	FCMB	4196382017	Board of Internal Revenue (Mbaisii Land Acquisition Project Obingwa)	Specific Collections
22	Fidelity Bank	5030013328	Abia State Government Autoreg Vehicle License 2	
23	Zenith Bank	1010803601	Abia State BIR (Special)	
24	Zenith Bank	1010803577	Abia State BIR (Driving Licence)	
25	Zenith Bank	1013185948	BIR Umuahia Number Plate (Other Charges)	
26	Zenith Bank	1013194292	BIR Proof Of Ownership	
27	Zenith Bank	1013921818	BIR Overheads (Other Charges)	Utilisation
28	Access Bank	0769269090	Board of Internal Revenue Overhead	Cost of Collections
29	Fidelity Bank	5030037674	Board of Internal Revenue Overhead Transit	
30	Zenith Bank	1013921818	BIR Overheads (Other Charges)	
31	Access Bank	0763857466	Abia State Consolidated IGR	Paydirect Settlement
32	Fidelity Bank	5030079858	ABIAGIS Joint Collection Account	
33	Fidelity Bank	5030030596	Abia State Government IGR	
34	FirstBank	2040405418	Abia State Government Consolidated IGR	
35	Zenith Bank	1013892907	Abia State Consolidated IGR	

10.13 Damaged Payment Vouchers



10.14 Non Compliance in contract process

Table 10.14-1: Key to Table 10.14-2

Label	Description
1	Governor’s approval
2	Record of advertisement / Invitation to bid
3	Record of Inhouse estimate
4	Contractors bid documents
5	Record of bid opening
6	Ministry’s evaluation report
7	MTB memo on recommended contractor
8	F&GPC memo on selected contractor
9	Exco conclusion
10	Record of “No Objection” from BPP
11	Award letter
12	Acceptance of award letter
13	Record of signed contract agreement
14	Record of vetting by the MOJ
15	Final Completion Certificate / Goods Received Note
×	Non Complaint
□	Complaint

Table 10.14-2: Details of non compliance in the collected contract samples

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
1	Expansion and Dualization of ururuka Road, Phase 2 from Umuobiakwa, Obingwa L.G.A. to Isicourt Umuahia South L.G.A.	Track Care Global Construction Company Limited	47,418,944,305.00	x	✓	✓	x	x	✓	✓	x	x	x	x	✓	✓	x	✓
2	Reconstruction/Dualization of Port-Harcourt Road with Services Lane on both sides.	Hartland Nig. Limited.	9,882,752,246.40	✓	x	✓	✓	x	x	✓	x	x	x	x	✓	✓	✓	✓
3	Reconstruction of Faulks Road/Rehabilitation and Expansion of Ifeobara Pond.	Setraco Nig. Limited	8,820,045,347.90	✓	x	✓	x	x	x	x	x	x	x	✓	x	x	✓	
4	Reconstruction and Expansion/Dualization of UrurUka Road from Obikabia to Umuobiakwa LGA as well as Construction of Roundabout at Obikabia Junction, measuring	Track Care Global Construction Company Limited	6,943,053,078.78	x	x	✓	x	x	x	✓	x	x	x	✓	✓	✓	✓	✓
5	Expansion/Reconstruction of Obikabia Road.	Tunnel End Investment Company Limited	5,520,000,000.00	x	x	✓	x	x	x	x	✓	x	x	✓	✓	x	x	x
6	Construction of Osisioma Flyover Bridge in Aba.	China Zhonghao Nigeria Limited	4,755,156,538.44	x	x	✓	x	x	x	x	x	x	x	x	✓	✓	✓	x
7	Reconstruction of Link Roads in Aba: (i) Sacred Heart-Chibuike-Uzonikpa-Omuma Link Road Off Faulks Road, Aba with Concrete Pavement; (ii) Ngozi Avenue-Nwokocha Link Road Off Faulks;	Ekcleen Integrated Services Nigeria Limited	3,760,765,027.00	x	✓	✓	x	x	x	x	✓	x	x	x	✓	✓	✓	✓



S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	(iii) Imo Avenue-Ogbiyi-Omuma Link Road.																	
8	Construction of Link Roads to Major Economic Zones of Abia State: 1. Amaise-Umuobiakwa-Ohanze Road, 2. Owo-Ahiafor Agburike-Ohanze, 3. Umuaro-Umuanunu-Ekwereazu-Nto-Border Road 4. Ovom/Umuogele Junction, Ukuenyi-Abala-Ika (Akwa-Ibom Border).	Tunnel End Investment Company Limited	3,370,832,840.00	✓	×	×	✓	×	×	×	×	×	×	×	×	✓	×	✓
9	Construction of Link Roads to Major Economic Zones: Osokwa, Aro-Umuejie-Omoba Roads, Isiahia-Umuode Road, Obehie (Foundation Hotel) Umukalu-Umuturu-Obaha-Obohia-Ohanku-Umuibe, Umunka-Ugwunagbo.	Rock-Waters Integrated Service Nigeria Limited	3,308,518,166.00	✓	×	✓	✓	×	×	✓	×	×	×	✓	×	✓	✓	✓
10	Construction of Link Roads to Major Economic Zones of Abia State: Eziama-Nvosi-Eketa Rd. 10.0km, Mgbokonta-Amachi-Umunkpeyi 5.0km, Umunkpeyi-Amayi-Okpokiri-Umuehim-Umuru Road 9.5km	Tunnel End Investment Company Limited	3,249,572,590.00	✓	×	✓	✓	×	×	✓	×	×	×	✓	×	✓	✓	✓
11	Reconstruction and Construction of Uratta-Umuezeke-Umuekechi-	Ferotex Construction Company Limited	2,916,138,452.50	✓	×	✓	×	×	×	×	×	✓	×	×	✓	✓	✓	✓

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award						
				1	2	3	4	5	6	7	8	9	10	11	12	13	14
	Ogwe Road, Aba North and Ukwa West LGAs																
12	Reconstruction of Aba Road Umuahia from Enugu - Port Harcourt Express way junction to Railway Crossing at Old Umuhia.	Arab Contractors Limited	2,831,458,377.40	✓	*	✓	✓	*	*	*	*	*	*	*	*	✓	*
13	Construction of Umuobiakwa-Owo-Onicha Ngwa Road (10km)	Delhope Resources Limited	2,736,251,769.11	✓	*	✓	*	*	*	*	*	*	*	✓	✓	✓	✓
14	Construction of Ofeme-Nkpa Roads	Yodel Global Services Ltd.	2,686,914,280.00	✓	*	✓	✓	*	*	✓	*	*	*	✓	*	✓	✓
15	Construction of Umuaro – Isikor – Umunkiri – Owoahiafor Road.	Ferotex Construction Company Limited	2,618,431,328.00	✓	*	✓	✓	*	✓	✓	*	*	*	*	*	*	✓
16	Reconstruction/Construction of Ohanku Road	Rock-Waters Integrated Service Nigeria Limited	2,541,288,710.00	*	*	✓	*	*	*	*	*	*	*	*	✓	✓	✓
17	Reconstruction of Omuma Rd, Aba, off Ama Ogbonna Aba with Cement Technology in Abia State.	Ekcleen Integrated Services Nigeria Limited	2,374,890,239.60	✓	*	✓	*	*	*	✓	*	*	*	✓	✓	✓	✓
18	Construction of Abayi-Ariaria-Umuojima-Umuakpara Road with a Spur to Umuidiagha.	Tunnel End Investment Company Limited	2,207,697,414.00	✓	*	✓	✓	*	*	✓	✓	*	*	✓	✓	✓	✓
19	Construction/Dualization of Ogurube Layout Roads in New Government House Area, Umuahia.	Metropolitan Nig. Limited.	1,941,188,234.50	✓	*	✓	*	*	*	✓	*	*	*	✓	*	✓	✓



S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
20	Channelization/Drainage Works and Reconstruction and Rehabilitation of Aba-Owerri Road Phase II from Osisioma Junction to Union Bank, Aba, Abia State	Track Care Global Construction Company Limited	1,880,394,701.40	*	*	✓	*	*	*	*	*	*	*	*	*	✓	✓	✓
21	Reconstruction of Udeagbala Road, Aba, spur from Umueze to UBA, Aba-Owerri Road and spur to Aba Mall (Total 6.812km)	China Zhonghao Nigeria Limited	1,877,622,813.14	✓	*	✓	✓	*	*	*	*	*	*	✓	*	✓	✓	✓
22	Construction of Amaorji-Osusu Okpuala Ngwa Amauzu-Ovungwu-Ntigha-Umukalu Road, with Spurs at Obikabia, Iheorji, Palace Road, Egbelu and Umuosi-Ntigha Roads.	Royal And Blue Venture Limited	1,802,904,300.00	✓	✓	✓	*	*	✓	✓	*	*	*	✓	✓	✓	✓	✓
23	Construction of Umuagu-Ossa-Ukwu-Owo-Umuobiakwa-Ohuru Ring Road.	Rockbase Construction Company Limited	1,722,390,364.00	✓	*	✓	*	*	*	✓	*	*	*	✓	*	✓	✓	✓
24	Rehabilitation and Resurfacing of Afor Ibeji-Ubakala Road Phase 2	Track Care Global Construction Company Limited	1,711,608,091.76	*	✓	✓	✓	*	*	*	✓	*	*	*	*	✓	✓	✓
25	Construction of Umuobiakwa-Umuokatawom-Osaa Okea Roads.	Track Care Global Construction Company Limited	1,668,739,300.00	*	✓	✓	*	*	*	*	*	*	*	✓	*	✓	*	✓
26	Construction of Orié Agalaba Ohanzu- Amaise- Ndiakata-Nlagu Road, Obingwa LGA (9.8km).	Geemorn Communication Int'l Ltd.	1,642,767,800.00	✓	*	✓	*	*	*	✓	*	*	*	✓	*	*	✓	✓
27	Construction of Mbawsi Urban Roads Isiala Ngwa North LGA (19.4km):	Petrophase Nigeria Limited	1,537,431,440.00	✓	*	✓	✓	*	*	✓	*	*	*	✓	*	✓	✓	✓

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	i) Mbawsi – Umuezeukwu Road. - 5.5km ii) Mbawsi – Umuosu Road - 5.0km iii) Mbawsi – Umuomayiukwu Road - 3.9km iv) Eziala – Amaugbe (Amoji) Mkt Rd. 5.0km																	
28	Construction of Atan-Eziafor-Ndiakorle Abam Road in Arochukwu LGA	Vitagracia Investment Ltd	1,477,905,632.00	✓	*	✓	*	*	*	✓	*	*	*	✓	*	*	✓	✓
29	Construction of Itukpa – Ossa Ukwu – Mgboko – Obete – Iheorji Road, Obingwa LGA.	Gemp Engineering Nig. Limited.	1,418,714,000.00	✓	✓	✓	*	*	✓	✓	*	*	*	✓	✓	✓	✓	✓
30	Construction of Ohafia Township Roads.	Mekaan Investment Resources Ltd.	1,353,342,000.00	✓	*	✓	*	*	*	✓	*	*	*	✓	✓	✓	✓	✓
31	Construction of Abiriba Junction – Etitiamia Nkporo Road.	Bulletin Construction Company Ltd	1,219,734,140.00	✓	*	✓	*	*	*	✓	*	*	*	*	✓	*	✓	*
32	Construction for Upgrade Of Umuahia Township Stadium In Umuahia North Lga, Abia State	ARON NIGERIA LTD.	1,200,000,000.00	✓	✓	*	✓	*	✓	✓	*	*	*	*	*	*	*	*
33	Construction of Bende-Idima-Abam, Road.	Sharp Link Service Limited	1,156,605,848.00	✓	*	✓	*	*	✓	✓	*	*	*	✓	*	✓	✓	✓
34	Construction of Ukpakiri-Abayi, Okoroato – Umuoru Ntighuzor Obingwa.	Track Care Global Construction Company Limited	1,143,382,325.00	✓	✓	✓	✓	*	✓	✓	*	*	*	✓	✓	✓	*	✓

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
35	Rehabilitation and Desilting of Drain and Reconstruction of Median at Azikiwe Road, Aba.	Track Care Global Construction Company Limited	1,133,585,890.81	*	✓	✓	*	*	*	*	*	*	*	✓	✓	✓	✓	✓
36	Construction of 10KM Ugwuati-Obokwe-Uratta Road	EFFDEE NIGERIA LIMITED	1,097,912,120.00	✓	*	✓	*	*	✓	*	*	*	*	*	*	*	*	✓
37	Reconstruction of Aba Road Umuahia from Railway Crossing to Eastern Comfort Hotel Dual Carriageway.	Arab Contractors Limited	989,160,262.00	*	*	✓	*	*	*	*	*	*	*	✓	*	✓	*	*
38	Construction of Okpu Umuobo road to Mgboko Obingwa (6km.)	Rivcon Energy Limited	911,550,000.00	✓	*	✓	*	*	*	✓	*	*	*	✓	✓	✓	✓	✓
39	Reconstruction of 4No Roads in Aba: (1) Mbieri Street off Ngwa Road with Concrete Pavement; (ii) Victoria Street Off Ngwa Road with Rigid Pavement and Surfacing; (iii) Okoro-Ibadan-Ohanku Link Roads with Rigid Pavement (iv) Onyebuchi-Ibere-Ohanku Link Road with Rigid Pavement.	Ekleen Integrated Services Nigeria Limited	898,036,422.00	*	*	✓	*	*	*	*	*	*	*	*	✓	✓	✓	✓
40	Supply of 45 (Nos) brand new Vehicles to Abia State Government	Vision Cars Ltd	854,910,000.00	✓	*	*	*	*	*	*	*	*	*	✓	*	*	*	*
41	Channelization/Drainage and Rehabilitation of Aba-Owerri from Brass Junction to Railway Crossing, Aba	Ferotex Construction Company Limited	796,828,911.50	*	*	✓	✓	*	*	*	*	*	*	✓	✓	*	✓	*

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
42	Reconstruction of Eziukwu Road and Drainages in Aba (2.38km) concrete base Road.	Sannan Jadoon International Limited	754,239,320.00	*	*	✓	*	*	*	*	*	*	*	✓	✓	✓	✓	✓
43	Supply of 50 (Nos) Vehicles to Abia State Government viz:- 5 units 2 units 4x4 25 units SUV 10 units SEDAN 10 Units of Pick-up 2.4	Eastern Vehicle Assembly Limited	716,260,000.00	✓	*	*	*	*	*	*	*	*	*	✓	*	*	*	✓
44	Asphalt Overlay of 1.3km Dualized Aba – Owerri Road on 2.6km (Single Lane) and Channelized works at Aba – Owerri Road.	Track Care Global Construction Company Limited	657,200,655.00	✓	*	✓	*	*	*	*	*	*	*	✓	✓	✓	✓	✓
45	Reconstruction/Rehabilitation of Ofeme-Empire Road, Ofeme Town	Tosaco Construction Nig Limited	590,523,005.50	✓	*	✓	*	*	*	✓	*	*	*	✓	✓	✓	*	✓
46	Provision of Developmental and Engineering Consultancy Services to Abia State Government	PRO-M Limited	450,000,000.00	✓	*	*	*	*	*	*	*	*	*	✓	*	*	*	*
47	Supply of Computers, Printers and Office Software for the New Secretariat Complex and the Nnamdi Azikiwe Refurbished Buildings in Umuahia, Abia State	PRO-M Limited	450,000,000.00	✓	*	*	*	*	*	*	*	*	*	✓	*	*	*	*
48	Reconstruction of Afor – Ibeji/ Old Umuahia Road.	Track Care Global Construction Company Limited	394,900,000.06	*	*	✓	*	*	*	*	*	*	*	*	*	✓	✓	*

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award								
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
49	Installation of Streetlights in some Roads in Aba Metropolis.	Logistics De-Luke Ltd.	378,912,925.00	*	*	*	*	*	*	*	*	*	*	*	✓	*	*	*	✓
50	Rehabilitation of Opopo Junction to Emelogu Road to Azumini	Track Care Global Construction Company Limited	337,154,154.80	*	✓	✓	*	*	✓	*	*	*	*	*	✓	✓	✓	✓	✓
51	Supply of 10 New Vehicles to Abia State *Lexus LX 570 FWD V8 A/T *Lexus LX 570 bullet proof Prado TxL (4) Toyota Land Cruiser VxR v 8 Peugeot 508 Allure Bullet Proof Toyota Hilux Double Cabin Toyota Corolla Automatic	Autonation Nigeria Limited	335,443,910.00	✓	*	*	*	*	*	*	*	*	*	*	✓	*	*	*	*
52	Construction of Umuola - Umuobasi Estate Road, Aba North and Obingwa LGAs, Abia State.	Track Care Global Construction Company Limited	276,622,210.00	*	✓	*	*	*	✓	✓	*	*	*	✓	✓	✓	✓	✓	*
53	Abia State SFTAS Property Enumeration Project Consultants in ten (10) LGAs of Abia State	SLL-SPATIAL LAYERS LTD	245,999,142.72	✓	✓	*	*	*	*	✓	*	*	*	✓	*	*	*	*	*
54	Supply of Galvanized Streetlight Poles to Abia State Government	Logistics De-Luke Ltd.	234,000,000.00	✓	*	*	*	*	*	*	*	*	*	✓	✓	✓	✓	*	✓
55	<u>Construction of 1.1KM Ukaegbu Estate Afaraukwu road</u>	RAYCON AND COMPANY NIG LTD	207,006,220.00	*	*	✓	*	*	*	*	*	*	*	✓	*	*	*	*	✓
56	Supply of Electric Transformers to Abia State Government	Best Link Int'l Ltd	205,320,000.00	✓	*	*	*	*	*	*	*	*	*	✓	✓	*	*	*	✓

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award								
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
57	Supply of 50 Units Distribution Transformers to Abia State	Goldbond Standard Coy. Ltd.	180,161,500.00	*	*	*	*	*	*	*	*	*	*	*	✓	✓	*	*	✓
58	Construction of Amorji Junction – Ahiaba Ubi Road, Isiala Ngwa South LGA (3.2km).	Delhope Resources Limited	170,747,550.00	*	*	✓	*	*	*	*	*	*	*	*	*	*	*	*	✓
59	Construction of Water Scheme at Akanu Item in Abia North Senatorial Zone using AVU Stream as Source of Water Supply	MV WORKS Ltd	145,671,000.00	✓	*	✓	✓	*	✓	*	*	*	✓	✓	*	✓	✓	✓	
60	Construction of Umudike Water Scheme	So-Safe Water Technologies Ltd	101,008,000.00	*	*	*	*	*	*	*	✓	*	*	✓	✓	✓	*	✓	
61	Installation of streetlight at Ossah Oke, Itukpa road, Umuobiakwa	Punnucc Nig. Ltd.	85,968,220.00	✓	*	✓	*	*	✓	*	*	*	*	✓	*	*	*	✓	
62	Supply and Installation of 34 Nos HF base and Mobile Radio for Security for Abia State Government	Incontel Nig Limited	82,980,000.00	✓	*	*	*	*	*	*	*	*	*	✓	*	*	*	*	
63	Supply of Solar Batteries and Solar Controllers to Abia State Government	Global Solutions and Contracting Serv. Ltd	80,000,000.00	*	*	*	*	*	*	*	*	*	*	✓	*	*	*	✓	
64	Construction for Rural Electrification on 33KV Line for Uturu - Inter Township in Isuikwuato LGA	Down Town Engineering Services LTD.	71,362,787.00	✓	*	✓	✓	*	✓	✓	*	*	*	✓	✓	*	*	✓	
65	Installation of Conventional Streetlight at Ozu Abam, Arochukwu LGA	Octec Limited	66,316,380.00	*	*	*	*	*	*	*	*	*	*	✓	*	*	*	✓	
66	Supply and Installation of Communication Equipment for Abia	Incontel Nig Limited	64,300,000.00	✓	*	*	*	*	*	*	*	*	*	✓	*	*	*	✓	

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
	State Government (Abia Area Police Command, Abia State)																	
67	Construction of Ozuitem Water Scheme	So-Safe Water Technologies Ltd	61,017,000.00	*	*	*	*	*	*	*	✓	*	*	✓	✓	✓	*	✓
68	Purchase and Supply of One(1 NO.) New Mercedes Benz 6.63 SUV to Abia State Government	Hatched Nig. Ltd.	60,975,609.76	*	*	*	*	*	*	*	*	*	*	✓	*	*	*	✓
69	Supply of 1 (No) Brand New Lexus 570 SUV to Abia State Government	Yodel Global Services Ltd.	54,878,048.79	*	*	*	*	*	*	*	*	*	*	✓	*	*	*	*
70	Valuation of some Abia State fixed corporate assets nation wide, excluding Local Government Secretariats	Kachi Okpara & Co	47,500,000.00	*	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*
71	Supply and Installation of Air Conditioners, AC Kits, AC Hangers, Water Heaters, Door Fittings and other additional Fitting works at Governor's Lodge, Umuahia	Richiella Construction Company Ltd.	47,200,000.00	✓	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*
72	Overlay of Milverton Extension, Aba	Sannan Jaddoon International Limited	41,301,375.00	✓	*	✓	*	*	*	✓	✓	✓	*	*	✓	*	*	*
73	Reconstruction and Building of Market stalls in Ore Umuajiohu Obuzor Asa Community Market	Prigold Project Services Ltd.	40,600,000.00	*	*	✓	*	*	*	✓	✓	✓	*	*	*	*	*	✓
74	Supply and Installation of high-definition TV Set, home theatres and Refrigerators at Governor's lodge, Umuahia	Geemorn Communication Int'l Ltd.	40,200,000.00	✓	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*

S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
75	Construction of Prof. Ikonne Avenue (IBB Housing) Ikot Ekpene road Phase 1	Zecoh And Company Limited	40,000,000.00	*	*	✓	*	*	*	✓	✓	✓	*	✓	*	*	*	✓
76	Supply of 5 (Nos) Nissan Pick-up Double Cabin 2.4L 4WD Manual Transmission and Installation of Security Lights to the Vehicles	Incontel Nig Limited	37,868,187.00	✓	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	✓
77	Procurement of 5(Nos) Stallion Tata Force Pick up 4x4 WD, Double cabin	Izzymitime International Limited	32,725,000.00	✓	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*
78	Installation of Fire Fighting Equipment to Abia State Government at Governor's Lodge Umuahia	GENA Availables Ltd.	31,141,986.00	*	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*
79	Supply of 2 (Nos) Medical Ambulances Installation with advance life support Equipment for Abia State Government Emergency Med. Services (Abia EMS)	Yodel Global Services Ltd.	30,040,000.00	*	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*
80	Production and Installation of 2 (No.) Two Eagles Nest Logo at the new Government House Complex, Ogurube Layout, Umuahia	Heartonthrone Investment LTD	30,000,000.00	✓	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	✓
81	Construction of Market stalls at Ogwe	UDIC Oil & Gas Nig Ltd.	30,000,000.00	*	*	✓	*	*	*	✓	✓	✓	*	✓	✓	*	*	✓
82	Supply of Industrial Kitchen Equipment to Government of Abia State for Governor's Lodge Umuahia	Fredrick Industrial Kitchen Equipment Ltd.	18,483,933.00	✓	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*



S/N	Project Name	Contractor Name	Contract Value (₦)	Selection							Approval & Award							
				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
83	Supply of 4 (Nos) Hyundai Accent Classic 1.4L - MT to Abia State Government	Cuemorn Communications International Limited	17,600,000.00	✓	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*
84	Supply of 2 (Nos) 50KVA Power Generating sets for Abia State Government	Richiella Construction Company Ltd.	14,700,000.00	*	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*
85	Supply of one 1 (Nos.) IVM 5000: Petrol Engine, 14-seater passenger bus to Abia State Government	Cuemorn Communications International Limited	6,600,000.00	*	*	*	*	*	*	✓	✓	✓	*	✓	*	*	*	*
Total			157,344,353,425.87	35	73	33	69	85	72	43	62	69	82	21	56	45	49	27

10.15 Possible Conflict of Interest

S/N	Government Officials	Contractor	Position held in Contractor Company	Amount Paid by ABSG (₦)	Contracted by:
1	Mrs Rosemary Nwogu (Senior Accountant – Judicial Service Commission)	Amatec Integrated Service	Director	55,000,000.00	Ministry of Works – Expansion and excavation of Aba Urban creek road in Aba.
2	Mrs Ihuoma Omekwe (Deputy Director, State Counsel – Abia State Liaison Office, Abuja)	Seafair Projects Limited	Director	42,000,000.00	Ministry of Works – Construction of road in Aba.
3	Kelechi Chukwuemeka Aguiyi Aguiyi – Assistant General Manager of ASEPA	Zamkel Resources Nig Ltd	Director	30,775,000.00	Ministry of Health – Supply of surgical beds for isolation centers in Aba & Umuahia.
	Chizaram Mercy Aguiyi – Information Officer – Ministry of Information and Strategy		Director		
	Christopher Ezem – Former SSG Abia State		Director		
4	Mr Emmanuel Ndubuisi – Accounting Officer in the Bureau of Special Services	Conduit Resources Ltd	Director	27,000,000.00	No records of the contracts awarded
5	Mr Emmanuel Ugochukwu Ikpeazu – Statistician in the Bureau of Statistics	Fincep Construction Company Limited	Director	25,000,000.00	
6	Sylvanus Esiaba Ebere – a Political Appointee in ASEPA	Pal Bese Global	Director	17,850,000.00	

S/N	Government Officials	Contractor	Position held in Contractor Company	Amount Paid by ABSG (₦)	Contracted by:
	Mrs Nneka Esiaba Chioma – <i>Information Officer in the Ministry of Information and Strategy</i>	Enterprises Ltd	Director		
7	Mr Martins Apugo – <i>Executive Officer in the Bureau of Statistics</i>	Worldcorp Nigeria Limited	Director	6,000,000.00	
Total				203,625,000.00	

Source: Compiled by KPMG from review of online records and ABSG nominal roll