

# Abia State Government



## 2020 Citizens' Accountability Report

Published: 30/09/2021

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## About the Citizens Accountability Report

*A Citizens' Accountability Report (CAR) is a series of graphic and tabular illustrations of the contents of the Audited Financial Statements prepared by a government agency (State Audit office) on behalf of the government (Abia State) to the citizens to ensure accountability of public funds. This report details the government's performance in carrying out the duties assigned to it and the utilization of funds in the coffers of the government. This accountability report is based on the financial statements for the Financial Year (FY) 2020 and reports on State budget revenue and expenditure for 2020.*

### **Explanation of Key Terms used in this Report:**

- *Budget – unless otherwise stated, the budget refers to the Final Budget (i.e. the original budget, plus any adjustments that have been made via a supplementary budget / revised budget).*
- *Actual – this is the actual amount of revenue collected or expenditure incurred over the course of the year.*
- *Variance – for revenue items, this is calculated as Actual minus budget - a negative variance for revenues and inflows means actuals fell below budget, and vice versa for a positive variance. For expenditure, variance is calculated as budget minus actual - a negative variance for expenditures means actual expenditure was above budget, and vice versa.*
- *Performance – this refers to the actual revenue / expenditure as a percentage of the budget. A performance of 100% means the full budgetary allocation was collected (revenue) or spent (expenditure). A performance of less than 100% means the full level of revenue*

*collection or expenditure was not achieved. A performance of more than 100% means more revenue was collected than anticipated, or more money was spent than anticipated in the budget.*

## Executive Summary

*The 2020 Budget of Abia State, the Budget of Economic Repositioning, was passed on the 24<sup>th</sup> December 2019 and budget implementation commenced on 1<sup>st</sup> January 2020. The Covid-19 pandemic and the ensuing global economic downturn, including the reduction in crude oil price and production, was so significant that a revised budget was prepared and passed on the 23<sup>rd</sup> July, 2020. A supplementary budget was subsequently passed on 22<sup>nd</sup> December, 2020.*

*Despite the mid-year budget revision, budget implementation was still hampered by poor revenue performance and mildly optimistic expectations of loans and grants, particularly for Abia State Government.*

*Aggregate revenue performance was 85.7% of the budgeted N131.452 billion in the final budget this is equivalent to N18.8 billion shortfall- both Federation Account revenues and internally generated revenue performing in the region of 85-125%. On the expenditure side, the actual total expenditure was about N26.1 billion (20%) less than the budgeted amount which was N131.449 billion. A closing balance of N2.8 million was Surplus from operating activities.*

*Capital Expenditure took the brunt of the expenditure shortfall, with performance less than 60%. Most of the recurrent expenditure in 2020 was obligatory in nature so, based on the revenue short-fall, capital expenditure was largely focussed on completing ongoing projects. Very few new projects, with the exception of those that targeted COVID-19 responsive matters, were executed.*

*Administrative and Social (Education and Health) sectors enjoyed the highest proportion of recurrent expenditure, whilst Environment and Works received the highest proportion of capital expenditure.*

*Some of the larger contracts were subject to delays due to weather and funding, and some amendments were made. Citizens projects were not implemented as planned and were carry over to 2021 as a result of funding short-falls and shut down of activities as a result of Covid-19 pandemic.*

*The most material audit findings related to Ministry of Health on Store items not taken on ledger charge, and Ministry of Youth Development Excess Expenditure under overhead costs.*

## Section 1 Budget Outturn

The revenue performance (outturn) which shows the aggregate revenue performance is about 86%; thus about 14% different from the anticipated revenue in the budget, this is equivalent to N18.8 billion naira. The critical causes of deviation include Capital Receipts target of N38.8b billion for which only N18.4 (50%) billion was realized and also from the total FAAC Revenue of N64,908,447,448 billion, whereas N55.9 billion, representing about 86.1% was realized.

On the expenditure side, the actual total expenditure is about N26.1 billion (19.8%) less than the budgeted amount which was N131.45 billion. Out of the total Capital expenditure budget of N59.3 billion, the actual capital expenditure was N35.5 billion. This indicates that capital expenditure witnessed the least performance which is approximately 59.9%. The inability of the state to access the desired level of financing (loan from the World Bank) resulted in the shortfall of revenue required for maximum execution of the capital budget, hence this level of performance.

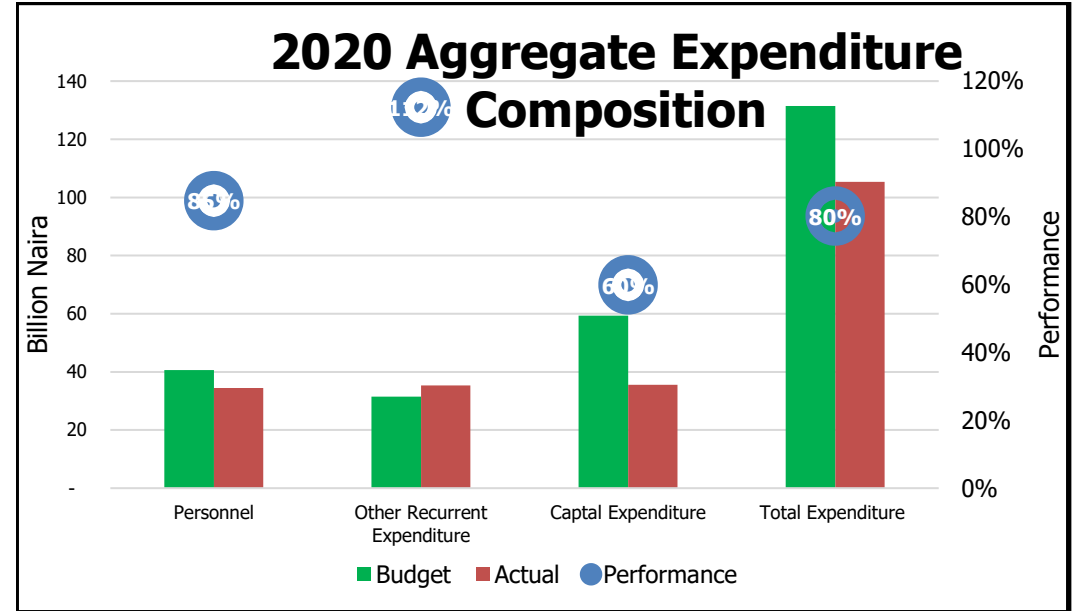
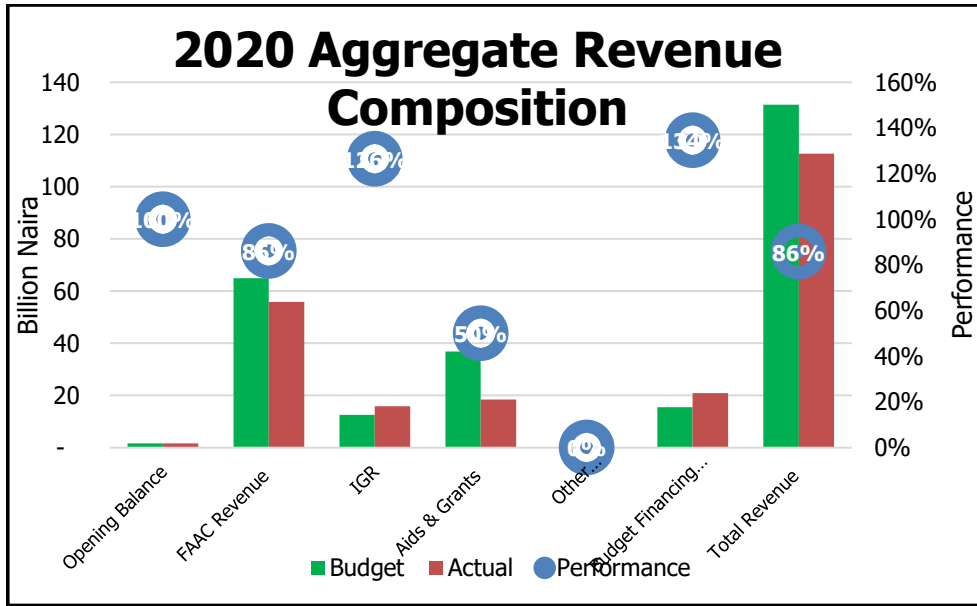
Observe that personnel expenditure (employees' salaries and wages) has fared better in term of outturn. This is due to a more realistic projection as well as the state government policy on reduction of payroll frauds. Conversely, the performance of other recurrent expenditures which include overhead cost, grants, subsidies & subvention to parastatals was about 40% more than the budget target due to hiring of Health Officers and palliatives to the citizens which increased the running cost for the state government.

**Table 1 Budget Outturn**

Budget Outturn (Originally Approved vs Actual)					
2020 Revenue Composition Performance					
2020 Aggregate Revenue Composition	2020 Original Budget	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*
Opening Balance	1,596,386,215	1,596,386,215	1,596,386,215	0	100.0%
FAAC Revenue	41,723,835,841	64,908,447,448	55,883,177,679	- 9,025,269,769	86.1%
IGR	12,600,000,000	12,600,000,000	15,921,226,180	3,321,226,180	126.4%
Aids & Grants	31,216,370,250	36,823,510,549	18,412,978,921	- 18,410,531,628	50.0%
Other Revenue/Receipts	-	-	-	-	
Budget Financing (Loans)	15,523,840,598	15,523,840,598	20,879,283,691	5,355,443,093	134.5%
Total Revenue	102,660,432,904	131,452,184,810	112,693,052,686	- 18,759,132,124	85.7%
2020 Expenditure Performance by Economic Type					
2020 Aggregate Expenditure Composition	2020 Original Budget	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*
Personnel	38,994,680,538	40,657,547,318	34,456,062,066	6,201,485,252	84.7%
Other Recurrent Expenditure	16,285,660,846	31,495,058,640	35,375,625,705	- 3,880,567,065	112.3%
Capital Expenditure	47,380,091,520	59,296,816,756	35,533,863,437	23,762,953,319	59.9%
Total Expenditure	102,660,432,904	131,449,422,714	105,365,551,207	26,083,871,507	80.2%

\* Variance and Performance is assessed against final budget. Negative Variance for Revenues items means revenue actuals were below budget. Negative variance for expenditure items means actuals were above budget.

Figure 1 Budget Outturn Graphs



## Section 2 Revenue Outturn

*Table 2 below shows the approved and actual revenue generated internally by the State and disaggregated by sources while Table 3 outlines the revenue information from 10 performing revenue agencies in the State.*

*The state government has continued to explore the fiscal space in a manner that would enhance IGR growth. Consequently, various IGR drive initiatives have been implemented by the State. These efforts are expected to boost revenue available for the execution of the annual and effective delivery of services to the citizens of the state.*

*The total IGR performance in the last completed fiscal year was 126.4%. This performance has been attributed to the level of voluntary compliance among the potentially big tax payers in the state, none use of Consultants in revenue collection. The IGR has two broad categories, namely the Tax Revenue and Non-tax Revenue. The outturn for the tax and non-tax revenue was 157.5% and 104.7% respectively.*

*The critical source of Tax Revenue for Abia state include personal taxes which recorded 157.5% performance during the period under review. A key component of the personal taxes is the PAYE recorded the highest level of performance 166.6% because it is generally deducted at source. As indicated in the Table 2 below, except for property tax, Withholding Tax, fines general, fess general and earnings general, the actual realized fall below of the budgeted amount for all other revenue sources.*

*The State Board of Internal Revenue which is the highest revenue generating institution of the state had a budget of N6.1billion but N11.7 billion, equivalent to 191.2%. Strengthening the BIR remains pivotal to the needed scale up in the revenue generation agenda of the state. Following the BIR are the Abia State University Uturu which had a final budget in the tune of N2.1 billion while the actual realized was N1.4 billion, representing 65.2% outturn; and the Abia State Polytechnic, Aba with a budget of N542 million and N525 million as actual; implying 96.9% performance.*

*The MDAs with the highest level of outturn include the Office of the Governor 2272.1%, Physical Planning & Infrastructural Development approximately 267.9%, Abia State College of Health Sciences and Technology 178.7%, Examination Development Commission 132.0%, Abia State Teaching Hospital 120.2%, and Abia State Estate Development Agency while the least performing MDAs include Office of the Secretary to the State Government approximately 7.8% and Abia State Publishing Company 1.2%.*

*This information is presented in Table 3 below*

Table 2 Revenue Outturn by Item

Internally Generated Revenue Performance					
By Item					
IGR Items	2020 Original Budget	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*
Tax Revenue	5,173,857,275	5,173,857,275	8,147,710,763	2,973,853,488	157.5%
Personal Taxes:	3,280,000,000	3,280,000,000	6,630,737,887	3,350,737,887	202.2%
Personal Income Tax (PAYE)	2,425,000,000	2,425,000,000	4,039,129,315	1,614,129,315	166.6%
Personnal Income Tax (Direct Assessment Taxes)	150,000,000	150,000,000	101,820,617	- 48,179,383	67.9%
Penalty For Offences & Interest	705,000,000	705,000,000	2,489,787,955	1,784,787,955	353.2%
Other Personal Tax N.E.C				-	
Other Taxes:	1,893,857,275	1,893,857,275	1,516,972,876	- 376,884,399	80.1%
Sales Tax	9,000,000	9,000,000	38,680,088	29,680,088	429.8%
Lottery Tax/Licence	6,250,000	6,250,000	4,232,280	- 2,017,720	67.7%
Property Tax	36,425,000	36,425,000	41,376,536	4,951,536	113.6%
Capital Gain Taxes	50,000,000	50,000,000	252,666,997	202,666,997	505.3%
Withholding Tax	1,790,432,275	1,790,432,275	1,179,156,975	- 611,275,300	65.9%
Other Taxes N.E.C	1,750,000	1,750,000	860,000	- 890,000	49.1%
Non-Tax Revenue:	7,426,142,725	7,426,142,725	7,773,515,416	347,372,691	104.7%
Licences General	286,059,189	286,059,189	485,797,589	199,738,400	169.8%
Fees – General	6,497,978,612	6,497,978,612	6,791,795,908	293,817,296	104.5%
Fines – General	48,358,548	48,358,548	119,598,060	71,239,512	247.3%
Sales – General	216,819,868	216,819,868	160,492,846	- 56,327,022	74.0%
Earnings – General	273,529,417	273,529,417	165,032,815	- 108,496,602	60.3%
Rent On Government Buildings – General	7,114,473	7,114,473	1,706,573	- 5,407,900	24.0%
Rent on Land and Others – General	6,574,512	6,574,512	4,646,286	- 1,928,226	70.7%
Repayments	6,000,000	6,000,000	-	- 6,000,000	0.0%
Investment Income	5,000,000	5,000,000	-	- 5,000,000	0.0%
Interest Earned			10,388,679	10,388,679	
Reimbursement			-	-	
Miscellaneous Income	78,708,106	78,708,106	34,056,660	- 44,651,446	43.3%
Independent Revenue (IGR)	12,600,000,000	12,600,000,000	15,921,226,180	3,321,226,180	126.4%

\* Variance and Performance is assessed against final budget. Negative Variance for Revenues items means revenue actuals were below budget.



**Table 3 Revenue Outturn by MDA**

Internally Generated Revenue Performance					
By MDA:					
MDA	2020 Approved Budget	2020 Approved Budget	2020 Actual Amount	Variance*	Performance (%)*
Board of Internal Revenue	6,139,147,814	6,139,147,814	11,735,648,294	5,596,500,480	191.2%
Abia State University	2,076,984,250	2,076,984,250	1,354,296,042	- 722,688,208	65.2%
Abia State Poltechnic Aba	541,650,000	541,650,000	524,823,956	- 16,826,044	96.9%
Office of the Governor	10,500,000	10,500,000	238,570,167	228,070,167	2272.1%
Abia State Teaching Hospital Aba	222,180,392	222,180,392	267,159,617	44,979,225	120.2%
Exmination Development Commission	150,000,000	150,000,000	198,050,500	48,050,500	132.0%
Abia State College Of Health Sciences & Mgt Tech	111,729,137	111,729,137	199,622,348	87,893,211	178.7%
Abia State Estate Development Agency	99,000,000	99,000,000	131,708,601	32,708,601	133.0%
Ministry of Trade and Investment	114,420,000	114,420,000	112,451,930	- 1,968,070	98.3%
Physical Planning & Infrastructural Development Board	18,425,000	18,425,000	49,369,620	30,944,620	267.9%
Other Revenue Collecting Agencies	3,115,963,407	3,115,963,407	1,109,525,105	- 2,006,438,302	35.6%
Independent Revenue (IGR)	12,600,000,000	12,600,000,000	15,921,226,180	3,321,226,180	126.4%

\* Variance and Performance is assessed against final budget. Negative Variance for Revenues items means revenue actuals were below budget.

## Section 3 Expenditure Outturn

*Table 4 below looks at the expenditure outturn, how much expenditure was allocated to each main classification, and how much was actually spent. Broadly, capital expenditure got N59.3 billion 45.1% of the total budget size of N131.45 billion while recurrent expenditure was allocated N72.2 billion, equivalent to 54.9% of the total budget size. It should be observed that the state maintained its prioritization of recurrent expenditure, consequently, the share of actual capital expenditure in the total expenditure of N105.4 billion was N35.5 billion representing 33.7% while actual recurrent spending was allotted the remaining N69.8 billion which is (63.2%) approximately. However, in terms of aggregate expenditure outturn, recurrent expenditure received about 3.2% less than its final budget size while the capital expenditure outturn was 60%, implying about 40% deviation or N23.8 billion less than the final capital budget size.*

*The breakdown of recurrent expenditure shows that when compared with other recurrent items, salaries & wages received the highest share of N28.4 billion (21.6%); followed by Public Debt Charges which got N19.4 billion 14.8% and then Over Head, social contribution, social benefits and others which received N30.8 billion (23.4%).*

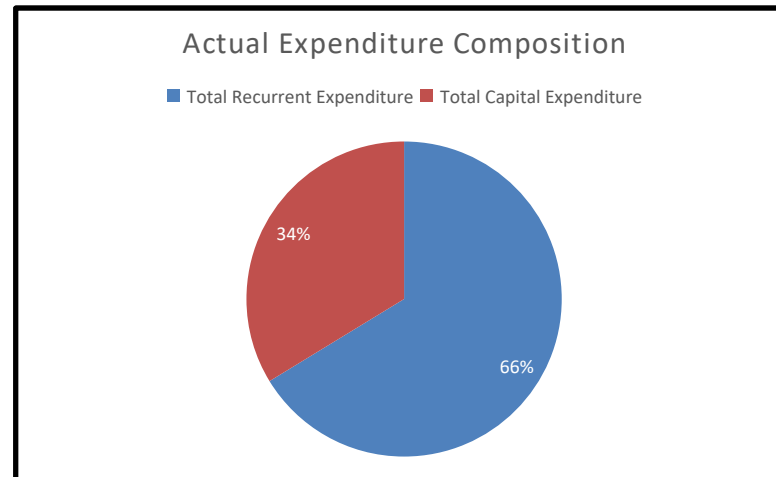
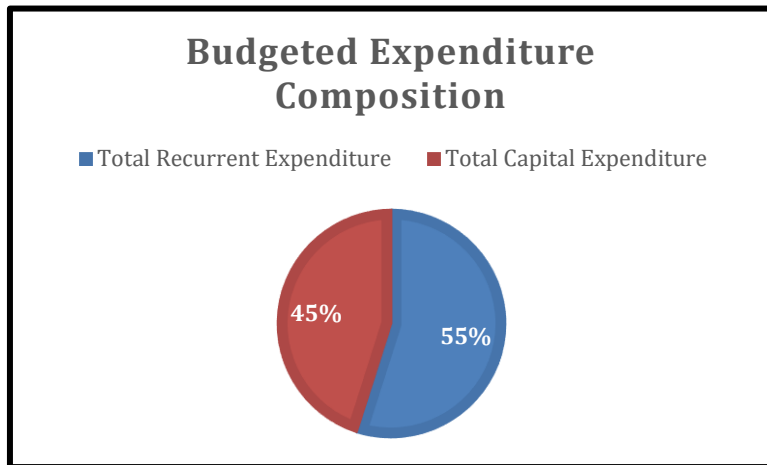
*Clearly, all components of recurrent expenditure performed significantly above average. This performance is due to unprecedented rise in most recurrent expenditure Budget lines which was not envisaged during budget preparation and palliatives and welfare packages given out to sustain the citizens during the Covid-19 pandemic. Interestingly, public debt charges received about 123% more than the budget target. This is in line with the state government resolve to clear backlog debt service charges.*

**Table 4 Expenditure Outturn**

Expenditure: Where does the Money go?						
Aggregate Expenditure Composition as a % of Total Expenditure (Budget Vs Actuals)						
Expenditure	2020 Final Budget	Budget Share (%)	2020 Actual Amount	Actual Share (%)	Variance*	Performance (%)*
Recurrent Expenditure:						
Salaries, Wages and Allowances (inc. CRF)	33,717,547,318	25.7%	28,375,360,905	26.9%	5,342,186,413	84.2%
Social Contribution	-	0.0%	-	0.0%	-	-
Social Benefits	6,940,000,000	5.3%	6,080,701,160	5.8%	859,298,840	87.6%
Overheads	21,451,347,103	16.3%	15,944,851,450	15.1%	5,506,495,653	74.3%
Grants and Subsidies	-	0.0%	-	0.0%	-	-
Public Debt Charges	10,043,711,537	7.6%	19,430,774,255	18.4%	- 9,387,062,718	193.5%
Transfers	-	0.0%	-	0.0%	-	-
<b>Total Recurrent Expenditure</b>	<b>72,152,605,958</b>	<b>54.9%</b>	<b>69,831,687,771</b>	<b>66.3%</b>	<b>2,320,918,187</b>	<b>96.8%</b>
Total Capital Expenditure	59,296,816,756	45.1%	35,533,863,437	33.7%	23,762,953,319	59.9%
<b>Total Expenditure</b>	<b>131,449,422,714</b>	<b>100.0%</b>	<b>105,365,551,207</b>	<b>100.0%</b>	<b>26,083,871,507</b>	<b>80.2%</b>

\* Variance and Performance is assessed against final budget. Negative variance for expenditure items means actuals were above budget.

**Figure 2 Expenditure Composition**



## Section 4 Audit Findings

*This section outlines the findings from the Audit process on fiscal year budget implementation, including queries, unremitted funds, government property sales, etc. The Auditor General's Statement should include revenue and expenditure, audited financial statement, finding from the audit as contained in the audited financial statement.*

### **A: RECURRENT EXPENDITURE PAYMENT VOUCHERS**

During the year under review, the financial statements revealed that the actual recurrent expenditure stood at N78,566,294,976.68 as against the budget figure of N72,152,605,958.00. This shows an overall negative variance of N6,413,689,018.68. However, it must be noted that unbudgeted expenditures totalling N8,734,607,206.04 were incurred on the below the line payments. It is equally pertinent to observe that the notes to the accounts also disclosed that Excess expenditure of N2,610,043,606.05 and N164,209,724 were incurred by Ministries, Departments and Agencies under Personnel Costs and Overhead costs respectively.

**B: CAPITAL EXPENDITURE PAYMENT VOUCHERS.** For the year under review, a total of N59,296,816,756 was budgeted for Capital projects, while actual expenditure stood at N35,533,863,436.74 This shows a difference of N23,762,953,319.26 or 40.07 percent under expenditure of the provision for the year under review. Furthermore records shows an over budgetary expenditure in some subsectors totalling N12,984,353,840.38 for the year ended 31<sup>st</sup> December, 2020

### **C: SUMMARY OF QUERIED PAYMENT VOUCHERS**

### **D: ASSETS (PROPERTY, PLANT AND EQUIPMENT) REGISTER**

### **E: BILLS PAYABLE**

### **F: INVESTMENTS**

The Investment profile of the State as reflected in the 2020 Financial statement stood at N360,547,685.36 which is same in the previous year. It shows no movement of investment and there was no disclosure to explain why the investment remain static in the year under review.

<b>G: AIDS AND GRANTS</b>
<b>H: CONTINGENT LIABILITIES ON BANK GUARANTEES AND</b>
<b>I: PERFORMANCE GUARANTEES</b> <b>No findings</b>
<b>I: ADHERENCE TO PROCUREMENT PROCEDURES</b> <b>No findings</b>

Table 5 Top Ten Audit Queries

Top Ten Audit Queries					
Details of Expenditure	No. of Queries	Nature of Queries	Amount Queried	Total Cash Expenditure	Percentage (%)
Ministry of Agriculture Excess Expenditure on Personnel Cost	1	Over Expenditure of vote on Personnel emolument	98,108,902	541,490,922	18.1%
Ministry of Commerce and Industry, Excess Expenditure on Personnel Cost	1	Over Expenditure of vote on Personnel emolument	52,277,771	301,687,121	17.3%
Judiciary-High Court, Excess Expenditure on Personnel Cost	1	Over Expenditure of vote on Personnel emolument	492,006,559	1,528,547,018	32.2%
Ministry of Transport, under collection of fees. Significant negative variance in Recurrent Revenue collection	1	Under collection of fees on IGR for the Ministry	444,244,312	3,790,688	11719.4%
Ministry of Youth Development Excess Expenditure under overhead costs	1	Over Expenditure of vote on overhead cost	52,189,987	57,289,900	91.1%
Bureau of Special Services	1	Over Expenditure of Vote on Over Head cost	41,610,000	119,610,000	34.8%
Ministry of Education-Insufficiently vouched expenditures	2	There was no supporting document to authenticate the vouching of these expenditures	2,104,800	3,429,900	61.4%
Ministry of Health- Store items not taken on ledger charge	2	Store items not taken on ledger charge	30,000,000	30,464,850	98.5%
Ministry of Petroleum-Insufficiently vouched expenditures	2	Purchase made without proper documentation in the Store records.	2,742,000	3,647,690	75.2%
Ministry of works-Retired Pensioners still in payroll	1	Payment made to retired staff of the Minisgtry	2,687,894	2,687,894	100.0%
<b>Total Number of Queries</b>	<b>12</b>		<b>1,215,284,331</b>	<b>2,589,958,089</b>	<b>46.9%</b>

## Section 5 Audited Financial Statements

*This section outlines a breakdown on the state's audited public expenditure and revenue for the fiscal year in review. The expenditure budget figures, consolidated revenue fund and audited cash flow statement based on the audited financial statement are represented here for citizens' understanding.*

*The tables provide a more detailed breakdown of revenues and expenditures in 2020. Some of the highlights (major variances) are as follows:*

- Statutory Allocation performed fairly due to realistic projection though allocation was poor due to the fall in crude oil and production in 2020 (as a result of COVID-19 and its wider global impacts).*
- Domestic grants also performed poorly – due to ambitious provision in the budget*
- The draw -down of loans was also above the budget, due to State's ability to access most Domestic Loans to cushion effect of Covid-19 to assist the Small & Medium Enterprises, Textile industry and Farmers.*
- Public debt charges (expenditure) benefited from a moratorium on several large principle payments – these are now captured in the 2021 budget.*
- Generally expenditure was low due to low revenue performance – with cuts needing to be made across the board.*
- The State still recorded a surplus on operating activities at the end of 2020.*

Table 6 Statement of Income and Expenditure

Statement of Income and Expenditure							
Item	Previous Actual (2019)	Originally Approved 2020 Budget	2020 Supplementary Budget	2020 Final Budget	2020 Actuals	Variance*	Performance (%)*
<b>Revenue:</b>							
Opening Balance	3,389,649,106	1,596,386,215		1,596,386,215.00	1,596,386,215	0.33	100.0%
Statutory Allocation	36,825,192,829	26,349,752,476	23,184,611,607	49,534,364,083.00	32,108,984,519	- 17,425,379,564.11	64.8%
13% Derivation	6,690,183,989	3,831,553,901		3,831,553,901.00	5,351,784,597	1,520,230,696.17	139.7%
State Government Share of VAT		11,542,529,464		11,542,529,464.00	13,897,632,520	2,355,103,055.59	120.4%
Other Federation Account Distributions	4,267,622,523	-	-	-	4,524,776,043	4,524,776,042.90	
Independent Tax Revenue	5,478,707,463	5,173,857,275		5,173,857,275.00	8,147,710,763	2,973,853,488.00	157.5%
Independent Non-Tax Revenue	10,021,221,798	7,426,142,725		7,426,142,725.00	7,773,515,416	347,372,691.00	104.7%
Foreign Grants	12,704,507,891	19,717,100,000	5,607,140,299	25,324,240,299.00	16,691,978,387	- 8,632,261,912.36	65.9%
Domestic Grants	97,734,715	11,499,270,250		11,499,270,250.00	1,721,000,534	- 9,778,269,715.88	15.0%
Foreign Loans		6,266,128,813		6,266,128,813.00	18,949,182	- 6,247,179,631.00	0.3%
Domestic Loans	25,000,030,061	9,257,711,785		9,257,711,785.00	20,860,334,509	11,602,622,724.30	225.3%
Other Revenues				-		-	
Transfer from other Government Entities				-		-	
<b>Total Revenue (a)</b>	<b>104,474,850,375.23</b>	<b>102,660,432,904.00</b>	<b>28,791,751,906.00</b>	<b>131,452,184,810.00</b>	<b>112,693,052,684.94</b>	<b>- 18,759,132,125.06</b>	<b>85.7%</b>
<b>Expenditure:</b>							
Salaries, Wages and Allowances	27,845,011,886.67	29,696,720,666.00	2,432,828,380.00	32,129,549,046.00	26,273,829,569.03	5,855,719,476.97	81.8%
CRF Charges (Salary)	3,844,571,584.13	2,357,959,872.00	- 769,961,600.00	1,587,998,272.00	2,101,531,336.39	- 513,533,064.39	132.3%
Social Contributions				-		-	
Social Benefits	1,724,125,078.31	6,940,000,000.00		6,940,000,000.00	6,080,701,160.15	859,298,839.85	87.6%
Overheads	19,717,943,024.89	13,031,908,641.00	8,419,438,462.00	21,451,347,103.00	15,944,851,449.61	5,506,495,653.39	74.3%
Grants & Contributions				-		-	
Public Debt Charges	14,034,505,654.67	3,253,752,205.00	6,789,959,332.00	10,043,711,537.00	19,430,774,255.46	- 9,387,062,718.46	193.5%
Transfers				-		-	
Capital Expenditure	46,603,225,240.76	47,380,091,520.00	11,916,725,236.00	59,296,816,756.00	35,533,863,436.74	23,762,953,319.26	59.9%
<b>Total Expenditure (b)</b>	<b>113,769,382,469.43</b>	<b>102,660,432,904.00</b>	<b>28,788,989,810.00</b>	<b>131,449,422,714.00</b>	<b>105,365,551,207.38</b>	<b>26,083,871,506.62</b>	<b>80.2%</b>
<b>Surplus/Deficit from Operating Activities</b>	<b>9,294,532,094.20</b>	<b>-</b>	<b>2,762,096.00</b>	<b>2,762,096.00</b>	<b>7,327,501,477.56</b>	<b>- 44,843,003,631.68</b>	<b>265287.7%</b>
Gains/Loss on Disposal of Asset				-		-	
Gain/Loss on Foreign Exchange Transaction				-		-	
Total Non-Operating Revenue/(Expenses)				-		-	
Surplus/(Deficit) from Ordinary Activities				-		-	
Net Surplus/ (Deficit) for the Period				-		-	

\*Variance and Performance is assessed against final budget. Negative Variance for Revenues items means revenue actuals were below budget. Negative variance for expenditure items means actuals were above budget.

## Section 6 Top Sectoral Allocation

*Tables 8, 9 and 10 outline the financial information on top Ministries, Department Agencies/Sector allocation and the actual expenditure from the implementation of the fiscal year budget.*

**Recurrent Expenditure** - Presented in Table 8 is data on recurrent expenditure of top MDAs. It was observed that for all the sectors listed, most actual expenditures were more than budget. The level of performance is 78.8% across all the MDAs/sectors. Office of the Governor got the highest share of 31.2%, Abia State University Uturu received 8.1%, Secondary Education Management Board got 7.5% while Abia State University Teaching Hospital and Ministry of Health received 4.2% and 3.3% respectively.

**Capital Expenditure** – Table 9 presents capital expenditure of top MDAs/sectors. The sectoral capital expenditure performance shows that only the Ministry of Environment, Office of the Governor and Abia State Environmental Protection Agency received actual capital expenditure more than the amount budgeted. All the other MDAs listed had actual capital expenditure less than their respective budget size. As indicated in the table 9, Ministry of Environment got the highest actual expenditure which is about N11.98 billion or 33.7% of the total capital expenditure (N59.6 billion). Ministry of Works received N10.98 billion, equivalent to 30.9% while Trade, Abia State Planning Commission got N3.7 billion (10.7%). However, Ministry of Environment recorded the highest performance which was 1248% more than its budget but was actual expenditure 1.6% of the total fiscal year actual capital expenditure. Due to the pressure exerted by COVID -19 on the health sector recurrent spending needs, the sector received one the lowest capital expenditure which was about N317.9 million (0.9%) and as low as 12.5% performance.

**Total Expenditure** – As indicated in Table 10 for the top highest spending MDAs/sectors, Office of the Executive Governor received the highest total actual expenditure which is about N15.7 billion (20.2%) of the total actual expenditure N77.6 billion, followed by Ministry of Environment which got N12.2 billion (15.7%), Ministry of Works received N11.2 billion (14.4%) while Abia State Planning Commission got N4.0 billion (5.2%) while the health sector had an actual expenditure of N317.9 million (0.9%). The performance shows that Office of the Executive Governor, Ministry of Environment, Abia State Oil Producing Development Commission and Judiciary Customary court of Appeal have actual total expenditure more than the budgeted figure while all the other MDAs had a positive variance (actual expenditure less than the budget).



**Table 7 Top Ten Recurrent Expenditure Sectors / MDAs**

Top Ten Recurrent Allocation by Sectors						
MDA/Sectors	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure
11001001 - Office of the Executive Governor	13,746,779,039	13,127,039,039	619,740,000	95.5%	25.7%	31.2%
17021001 - Abia State University - Uturu	4,306,440,431	2,005,745,350	2,300,695,081	46.6%	8.1%	4.8%
12003001 - Abia State House of Assembly	4,294,038,170	2,223,110,514	2,070,927,656	51.8%	8.0%	5.3%
17051001 - Secondary Education Management Board	3,997,968,062	1,963,300,090	2,034,667,972	49.1%	7.5%	4.7%
21026001 - Abia State University Teaching Hospital - Aba	2,262,621,168	1,101,159,617	1,161,461,551	48.7%	4.2%	2.6%
17019001 - Abia State Polytechnic - Aba	1,950,247,525	1,250,131,203	700,116,322	64.1%	3.7%	3.0%
21001001 - Ministry of Health	1,771,410,309	1,590,660,257	180,750,052	89.8%	3.3%	3.8%
26051001 - Judiciary High Court	1,650,929,789	1,635,547,018	15,382,771	99.1%	3.1%	3.9%
26052001 - Judiciary Customary Court of Appeal	1,474,675,858	1,554,703,410	- 80,027,552	105.4%	2.8%	3.7%
11101001 - Abia State Oil Prod. Areas Dev Comm (AS)	295,899,990	939,446,378	- 643,546,388	317.5%	0.6%	2.2%
Other MDA Expenditure	17,671,776,378	14,687,932,817	2,983,843,561	83.1%	33.1%	34.9%
Total (Except Other MDA Expenditure)	35,751,010,341	27,390,842,876	8,360,167,465	76.6%	66.9%	65.1%
Total Budgeted Expenditure	53,422,786,719	42,078,775,693	11,344,011,026	78.8%		

\* Variance and Performance is assessed against final budget. Negative variance for expenditure items means actuals were above budget.

**Table 8 Top Ten Capital Expenditure Sectors / MDAs**

Top Ten Capital Allocation by Sectors						
MDA/Sectors	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure
34001001 - Ministry of Works	18,034,140,299	10,984,309,441	7,049,830,858	60.9%	30.3%	30.9%
17001001 - Ministry of Education	5,273,900,000	519,700,000	4,754,200,000	9.9%	8.8%	1.5%
38001001 - Abia State Planning Commission	4,387,855,000	3,787,969,652	599,885,348	86.3%	7.4%	10.7%
53001001 - Ministry of Housing	1,549,500,000	443,542,414	1,105,957,586	28.6%	2.6%	1.2%
52001001 -Min. of Public & Water Res.	1,518,642,845	661,810,000	856,832,845	43.6%	2.5%	1.9%
11101001 - Abia State oil Producing Area Dev Commis	1,500,000,000	1,253,405,066	246,594,934	83.6%	2.5%	3.5%
11001001 - Office of the Executive Governor	1,114,290,200	2,528,466,826	- 1,414,176,626	226.9%	1.9%	7.1%
12003001 - Abia State House of ASSEMBLY	1,108,000,000	625,000,000	483,000,000	56.4%	1.9%	1.8%
35001001 - Ministry of Environment and Solid Minerals	960,000,000	11,981,146,402	- 11,021,146,402	1248.0%	1.6%	33.7%
35016001 - Abia State Environ Protection Agency	765,000,000	1,088,380,000	- 323,380,000	142.3%	1.3%	3.1%
Other MDA Expenditure	23,401,724,268	1,660,133,637	21,741,590,631	7.1%	39.3%	4.7%
Total (Except Other MDA Expenditure)	36,211,328,344	33,873,729,800	2,337,598,544	93.5%	60.7%	95.3%
Total Budgeted Expenditure	59,613,052,612	35,533,863,437	24,079,189,175	59.6%		

\* Variance and Performance is assessed against final budget. Negative variance for expenditure items means actuals were above budget.

**Table 9 Top Ten Total Expenditure Sectors / MDAs**

Top Ten Total Allocation by Sectors							
MDA/Sectors	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure	
Office of the Executive Governor	14,861,069,239	15,655,507,885	- 794,438,646	105.3%	13.1%	20.2%	
Ministry of Environment	1,168,706,297	12,203,995,287	- 11,035,288,990	1044.2%	1.0%	15.7%	
Ministry of Works	18,191,562,112	11,163,487,371	7,028,074,741	61.4%	16.1%	14.4%	
Abia State Planning Commission	4,672,050,702	4,005,157,997	666,892,705	85.7%	4.1%	5.2%	
Abia State House of Assembly	5,402,038,170	2,848,110,514	2,553,927,656	52.7%	4.8%	3.7%	
Abia State Oil Prod. Areas Dev Comm (ASOPADEC)	1,795,899,990	2,192,851,443	- 396,951,453	122.1%	1.6%	2.8%	
Abia State University - Uturu	4,306,440,431	2,005,745,350	2,300,695,081	46.6%	3.8%	2.6%	
Ministry of Health	4,322,310,309	1,908,595,257	2,413,715,052	44.2%	3.8%	2.5%	
Judiciary Customary Court of Appeal	1,563,997,950	1,569,703,410	- 5,705,460	100.4%	1.4%	2.0%	
Ministry of Education	6,079,437,512	1,347,763,422	4,731,674,090	22.2%	5.4%	1.7%	
Other MDA Expenditure	50,672,326,619	22,711,721,193	27,960,605,426	44.8%	44.8%	29.3%	
Total (Except Other MDA Expenditure)	62,363,512,712	54,900,917,937	7,462,594,775	88.0%	55.2%	70.7%	
Total Budgeted Expenditure	113,035,839,331	77,612,639,130	35,423,200,201	68.7%			

\* Variance and Performance is assessed against final budget. Negative variance for expenditure items means actuals were above budget.

**Figure 3 Top Ten Recurrent Expenditure Sectors / MDAs Graph**

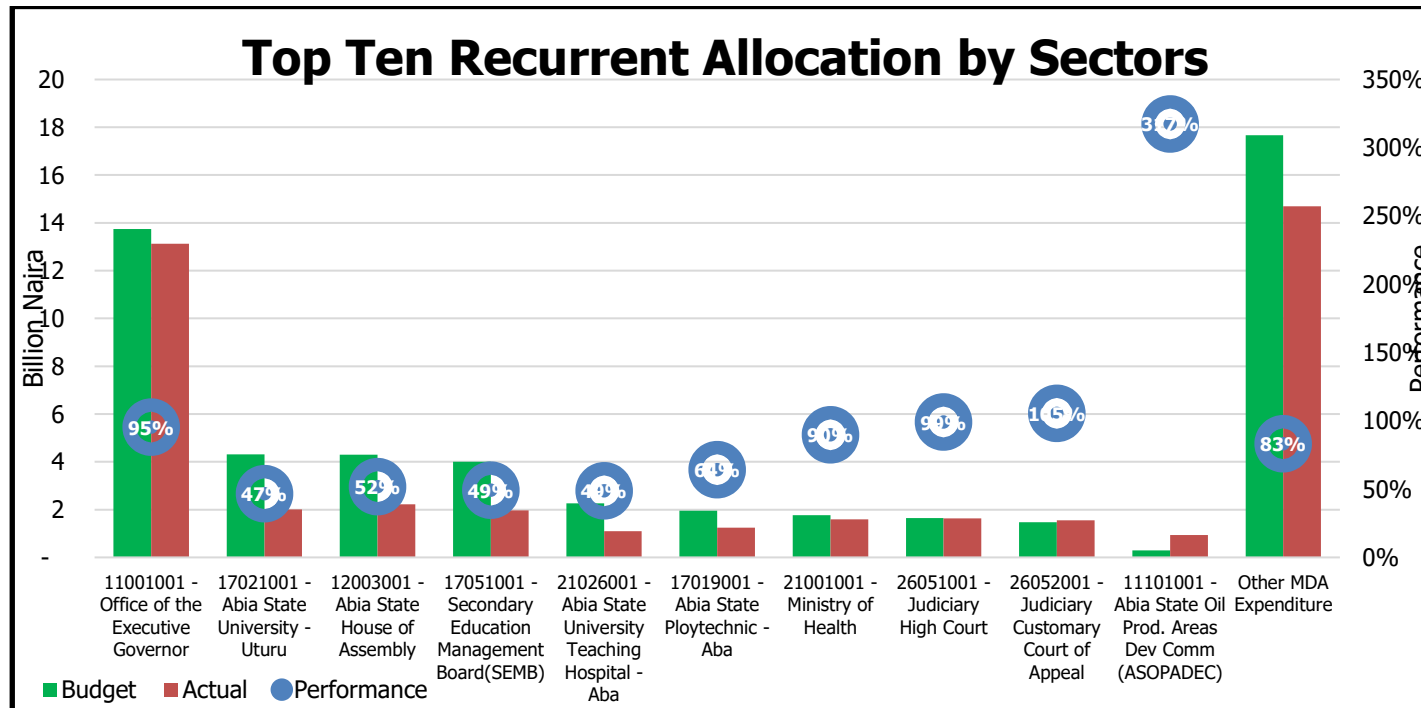


Figure 4 Top Ten Capital Expenditure Sectors / MDAs Graph

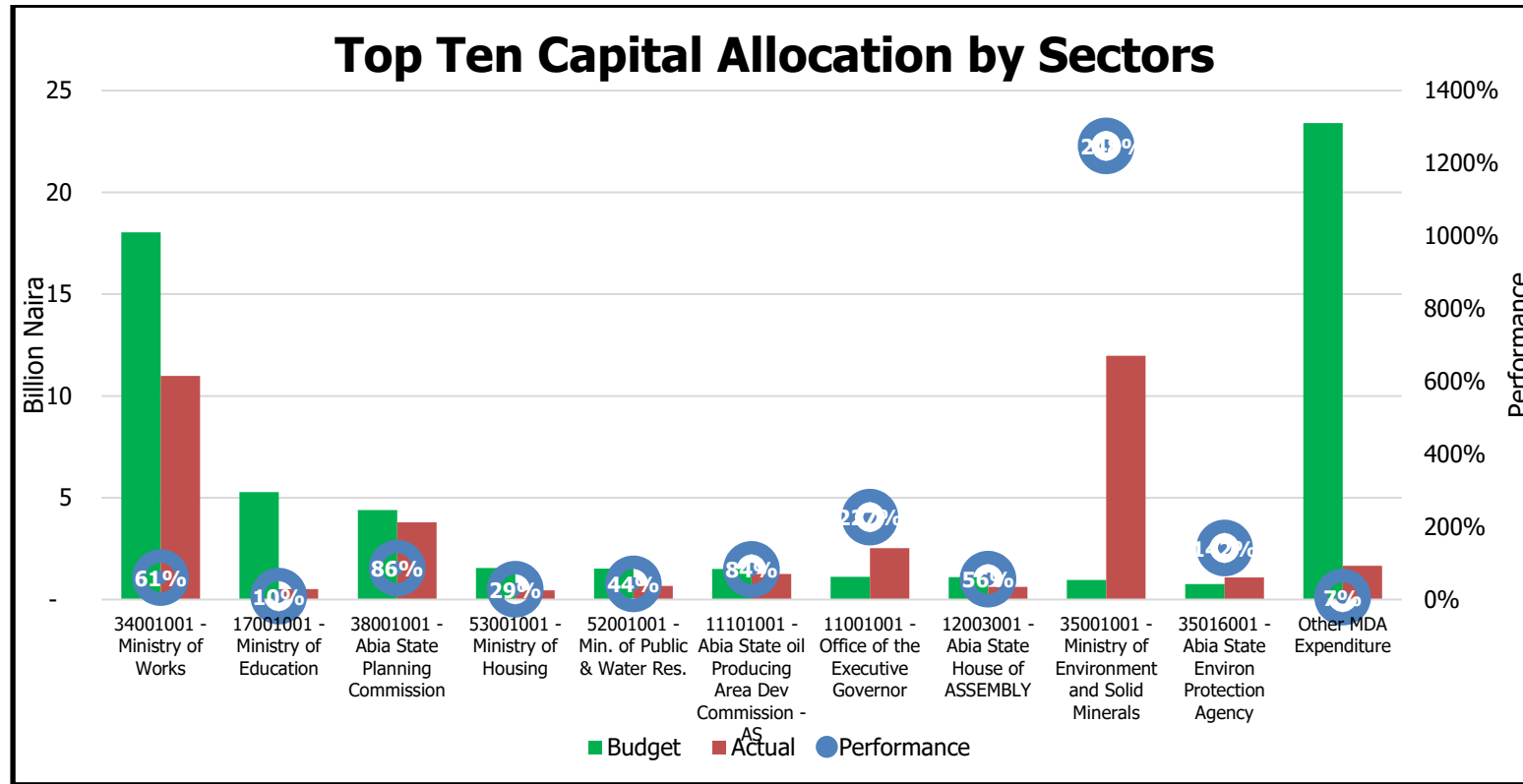
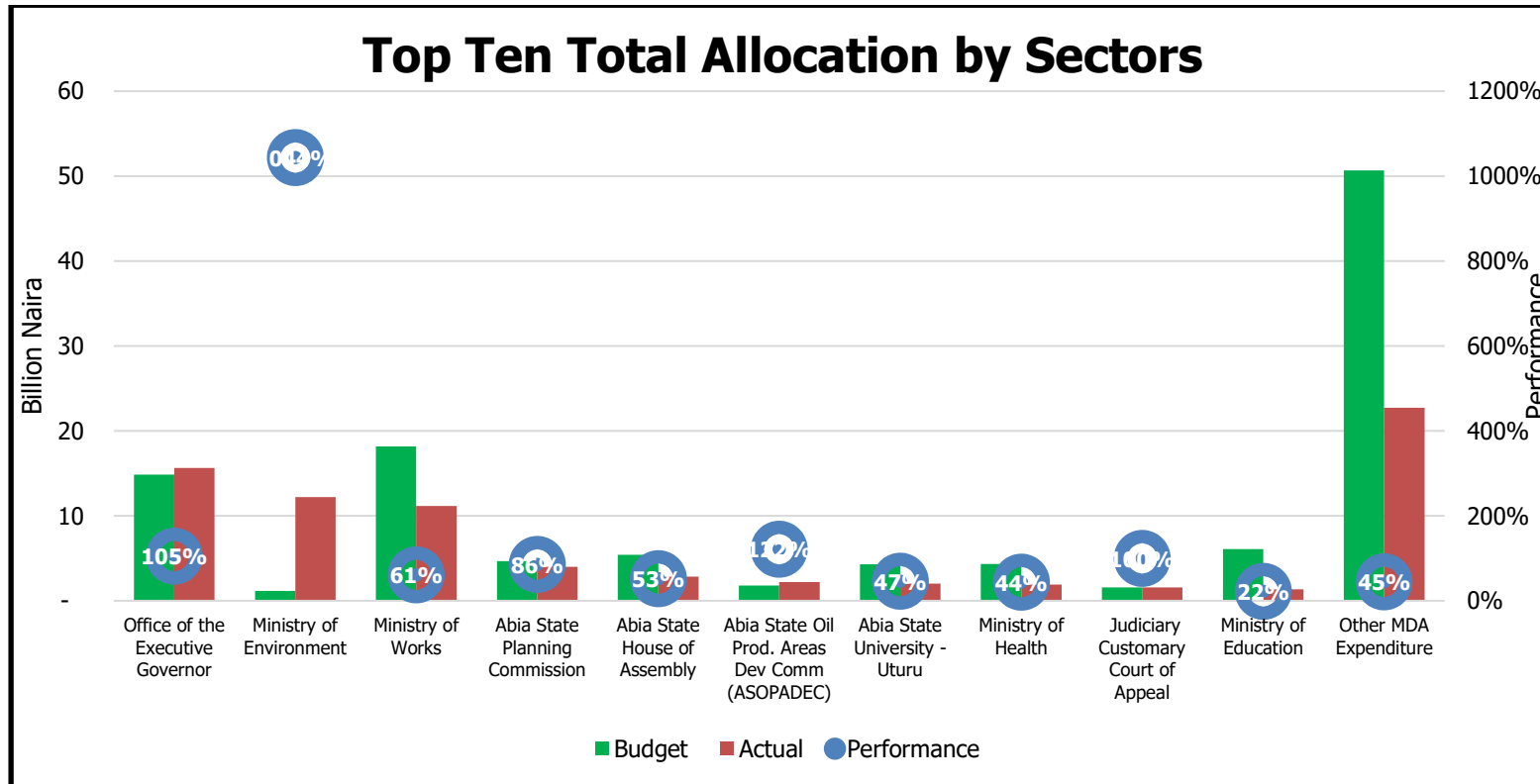


Figure 5 Top Ten Total Expenditure Sectors / MDAs Graph



## Section 7 Top Value Capital Projects

*This section outlines information on the largest capital projects included within the budget and the actual expenditure from the implementation of the fiscal year budget.*

*The top valued Capital projects includes the Nigeria Erosion & Watershed Management Projects with an actual of N11.8 billion (7145%) followed by the Construction of Umuobikwa – Itukpa Crescent with actual of N820 million (1640%) and Reconstruction/Rehabilitation of various Completed Failed Roads in the State with actual of N4.6 billion (924.2%) performance.*

**Table 10 Largest Projects**

Top Value Projects								
Project	Project Location	Programme Code	MDA Responsible	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*	Completion Status
Nigeria Erosion & Watershed Management Project (NE)	UMUJAHIA NORTH	23040102/09000025	MINISTRY OF ENVIRONM	165,000,000	11,790,364,962	- 11,625,364,962	7145.7%	Ongoing
Reconstruction/Rehabilitatn of Various Completely Fail	STATE-WIDE	23030113/17000209	MINISTRY OF WORKS	500,000,000	4,621,170,683	- 4,121,170,683	924.2%	Ongoing
Counterpart Funding for CGS ASUBEB Project	UMUJAHIA NORTH	23050101/13000087	ABIA STATE PLANNING C	275,000,000	1,519,884,079	- 1,244,884,079	552.7%	Complete
Construction of Aboyi - Ariaria - Umuojima - Umuokpar	OSISIOMA	23020114/17000269	MINISTRY OF WORKS	50,000,000	1,210,000,000	- 1,160,000,000	2420.0%	Ongoing
Purchase of Motor Vehicles for Government House/MD	UMUJAHIA NORTH	23010105/13000003	GOVERNMENT HOUSE	230,850,000	1,209,000,000	- 978,150,000	523.7%	Complete
Construction of Umuobikwa - Itukpa Crescent	OBINGWA	23020114/17000268	MINISTRY OF WORKS	50,000,000	820,000,000	- 770,000,000	1640.0%	Complete
Purchase of Power Generating Set for Govt House/Lia	UMUJAHIA NORTH	23010119/13000008	GOVERNMENT HOUSE	55,000,000	640,000,000	- 585,000,000	1163.6%	Complete
Construction of Traffic/Street Light	STATE-WIDE	23020123/14000004	MINISTRY OF PUBLIC UT	700,112,845	591,585,000	108,527,845	84.5%	Ongoing
Rapid Response to Environmental Intervention & Emer	STATE-WIDE	23040104/09000008	ASEPA	302,750,000	584,480,000	- 281,730,000	193.1%	Ongoing
Abia State Primary School Lunch Programme	STATE-WIDE	23050104/05000029	MINISTRY OF EDUCATIO	2,482,000,000	480,000,000	2,002,000,000	19.3%	Ongoing
Establishment of Refuse dump Site and Land Fill at A	ABA NORTH & UMUJAHIA SOUT	23040104/09000012	ASEPA	300,000,000	423,400,000	- 123,400,000	141.1%	Ongoing
Purch. of 30 Vehicles (25 prado jeep 2 hummer buses	UMUJAHIA NORTH	23020101/13000001	ABIA STATE HOUSE OF	415,000,000	400,000,000	15,000,000	96.4%	Complete
Counterpart Funding for CGS -SDGs Project -State	UMUJAHIA NORTH	23020106/13000006	ABIA STATE PLANNING C	340,000,000	390,304,382	- 50,304,382	114.8%	Ongoing
Construction of Flyover Ogbor Hill Aba and Osisioma	ABA NORTH	23020114/17000303	MINISTRY OF WORKS	165,000,000	300,000,000	- 135,000,000	181.8%	Ongoing
Rehabilitation of Cementry Road	ABA NORTH	23030113/17000194	MINISTRY OF WORKS	11,000,000	300,000,000	- 289,000,000	2727.3%	Ongoing
Purchase of Health/Medical Equipments for Govt Hous	UMUJAHIA NORTH	23010122/04000003	GOVERNMENT HOUSE	119,150,000	255,200,000	- 136,050,000	214.2%	Complete
Purchase of Buses for Government House/MDAs	UMUJAHIA NORTH	23010108/13000006	GOVERNMENT HOUSE	153,500,200	205,600,000	- 52,099,800	133.9%	Complete
Reconstruction of Amapu Ntigha-Umuogele-Nsirimo R	ISIALANGWA NORTH	23020114/17000073	MINISTRY OF WORKS	55,000,000	202,409,831	- 147,409,831	368.0%	Ongoing
Construction/Maintenance of Public Building in the Sta	STATE-WIDE	23020104/06000004	MINISTRY OF HOUSING	1,000,000,000	198,076,252	801,923,749	19.8%	Ongoing
Desilting Works Generally	STATE-WIDE	23040105/09000030	MINISTRY OF WORKS	256,000,000	131,261,440	124,738,560	51.3%	Ongoing
Rehabilitation of Uzuruka Road	OBINGWA	23030113/17000190	MINISTRY OF WORKS	2,082,500,000	125,000,000	1,957,500,000	6.0%	Ongoing
Reconstruction of John Udeagbala Bypass (Ayaba Ur	OSISIOMA	23020114/17000181	MINISTRY OF WORKS	127,500,000	124,686,361	- 97,186,361	453.4%	Ongoing
Construction of SeaPort Project at Obeaku -in - Ukwa	UKWA EAST	23020115/19000001	GOVERNMENT HOUSE	165,000,000	119,916,826	45,083,174	72.7%	Ongoing

\* Variance and Performance is assessed against final budget. Negative variance for expenditure items means actuals were above budget.

**Figure 6 Largest Projects Graph**



## Section 8 Citizen-Nominated Projects - Implementation Status Report

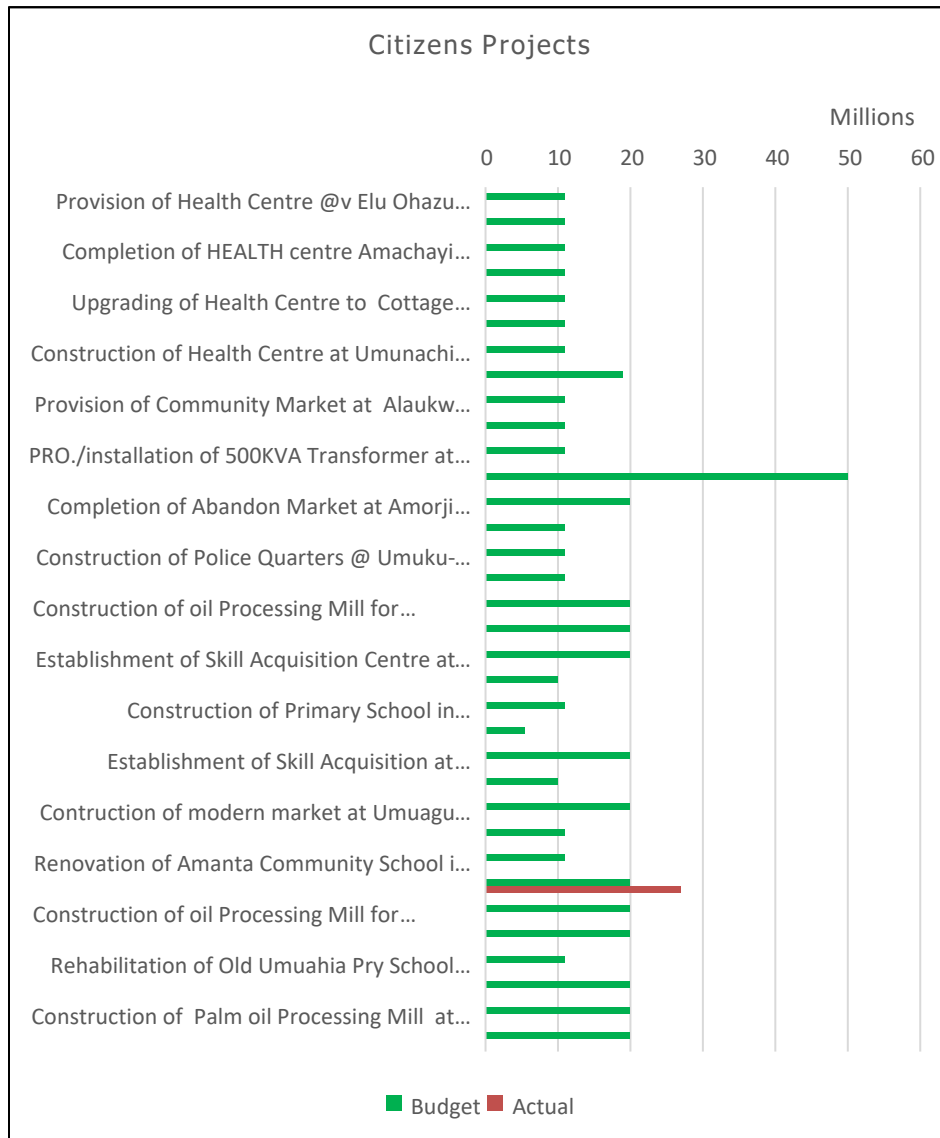
*This section outlines the financial information on top Ministries, Department and Agencies/Sector allocations to projects nominated by the citizens and the actual expenditure from the implementation of the fiscal year budget. Thirty (34) citizens nominated projects were included in the 2020 but only one was completed. There was delay in the commencement of Capital projects due to budgetary adjustments and slight revenue shortfall in 2020. The remaining projects were captured in the 2021 budget and the contract award processes for the commencement are in top gear.*

**Table 11 Citizens Nominated Projects**

Project	Project Location	Programme Code	MDA Responsible	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*	Completion Status
Provision of Health Centre @v Elu Ohazu Ikwuibuike	Aba South	23020106/04000028	ABIA STATE PRIMARY HE	11,000,000		11,000,000	0.0%	Not Yet Started
Provision of Community Market at Eziukwu Aba, Aba S	Aba South	23010129/12000045	TRADE AND INVESTMEN	11,000,000		11,000,000	0.0%	Not Yet Started
Completion of HEALTH centre Amachayi Ikwuano	Ikwuano	23020106/04000023	ABIA STATE PRIMARY HE	11,000,000		11,000,000	0.0%	Not Yet Started
Fencing and equipping of Community Hospital, Obuohia	Ikwuano	23020106/04000024	ABIA STATE PRIMARY HE	11,000,000		11,000,000	0.0%	Not Yet Started
Upgrading of Health Centre to Cottage Egbelu Ihie Isia	Isiala Ngwa North	23020106/04000004	HOSPITAL MANGEMENT	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of Health Centre at Umuogege in Isiala-Ng	Isiala Ngwa North	23020106/04000025	ABIA STATE PRIMARY HE	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of Health Centre at Umunachi in Isiala-Ng	Isiala Ngwa South	23020106/04000019	ABIA STATE PRIMARY HE	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of Market Stores	Isiala Ngwa South	23020124/13000004	ASTDI	19,000,000		19,000,000	0.0%	Not Yet Started
Provision of Community Market at Alaukwu umuobiaki	Obingwa	23010129/12000046	TRADE AND INVESTMEN	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of Primary health Centre, Osusu Amaukw	Obingwa	23020106/04000026	ABIA STATE PRIMARY HE	11,000,000		11,000,000	0.0%	Not Yet Started
PRO /installation of 500KVA Transformer at Obuzor O	Osisioma	23030104/10000016	PUBLIC UTILITIES AND W	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of Culverts/drainage System at ife Strean	Osisioma	23020114/17000342	WORKS	50,000,000		50,000,000	0.0%	Not Yet Started
Completion of Abandon Market at Amoriji Ihie in Ugwun	Ugwunagbo	23020103/14000002	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Construction of Primary health Centre, Osusu Umueler	Ugwunagbo	23020106/04000027	ABIA STATE PRIMARY HE	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of Police Quarters @ Umuku-uko Ukwa V	Ukwa West	23020104/13000001	HOMELAND SECURITY	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of Teachers Quarters in Umuaka Comm	Ukwa West	23020107/05000017	ABIA STATE UNIVERSAL	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of oil Processing Mill for women at Isingw	Umuahia North	23020103/14000006	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Construction of culverts with Big drainage @ Lodu Il lin	Umuahia North	23020114/17000343	WORKS	20,000,000		20,000,000	0.0%	Not Yet Started
Establishment of Skill Acquisition Centre at Umuogor A	Aba North	23050101/14000003	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Upgrading of Existing Market Eziana, Aba North LGA	Aba North	23020103/14000005	MIN OF RURAL DEVELOP	10,000,000		10,000,000	0.0%	Not Yet Started
Construction of Primary School in Ohabuike/Obiese Is	Arochukwu	23020107/05000018	ABIA STATE UNIVERSAL	11,000,000		11,000,000	0.0%	Not Yet Started
Construction/Provision of Toilet Infrastructure	Arochukwu	23020118/09000001	ABIA STATE RURAL WAT	5,500,000		5,500,000	0.0%	Not Yet Started
Establishment of Skill Acquisition at Ibinaukwu Igbere E	Bende	23050101/14000004	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Construction of Market Stores	Bende	23020118/12000001	MIN OF RURAL DEVELOP	10,000,000		10,000,000	0.0%	Not Yet Started
Contruotion of modern market at Umuagu Isuikwuato L	Isuikwuato	23020103/14000007	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Grading Eluamanume- Nnnochie Feeder Farm Road, I	Isuikwuato	23020103/14000013	MIN OF RURAL DEVELOP	11,000,000		11,000,000	0.0%	Not Yet Started
Renovation of Amanta Community School in Ohafia LG	Ohafia	23030106/05000019	ABIA STATE UNIVERSAL	11,000,000		11,000,000	0.0%	Not Yet Started
Construction of Market Stores	Ohafia	23020124/13000002	ASTIDI	20,000,000	27,000,000	-7,000,000	135.0%	Complete
Construction of oil Processing Mill for women at Obuoh	Ukwa East	23020103/14000008	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Establishment of Skill Acquisition Centre at Ijaw Akirika	Ukwa East	23020103/14000009	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Rehabilitation of Old Umuahia Pry School umuahia So	Umuahia South	23030106/05000020	ABIA STATE UNIVERSAL	11,000,000		11,000,000	0.0%	Not Yet Started
Construction and Equipping of Skill Acquisition Centre	Umuahia South	23020103/14000010	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Construction of Palm oil Processing Mill at Amalato U	Umunneochi	23020103/14000011	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started
Completion and Equipping of Skill Acquisition centre at	Umunneochi	23020103/14000012	MIN OF RURAL DEVELOP	20,000,000		20,000,000	0.0%	Not Yet Started

\* Variance and Performance is assessed against final budget. Negative variance for expenditure items means actuals were above budget.

**Figure 7 Citizens Nominated Projects Graph**





## Section 9 Public Consultations with Citizens presenting the Annual Financial Statements

*The FY 2020 Audited Financial Statements for Abia State can be found on the State Government Website at the following specific address :[www.abiastate.gov.ng](http://www.abiastate.gov.ng)  
Abia State published Government published the Audited Annual Financial Statements on 31<sup>st</sup> July, 2021. The Publication was also published in the national daily Newspaper ( Vanguard, Wednesday, August 4, 2021 ) page 30-32.*