



Ebonyi State Ministry of Finance and Economic Development

Ebonyi State Government of Nigeria

# Citizens' Accountability Report

on the Implementation of the 2020 Budget

Budget of Growth, Consolidation and Transformation

**Ebonyi State Ministry of Finance and Economic Development**

**Ebonyi State Government**

**Citizens' Accountability Report**  
**on the Implementation of the**  
**2020 Budget: *Budget of Growth, Consolidation and***  
***Transformation***

**With**

1. Abridged Citizens' Accountability Report by the State Auditor-General
2. Minutes of the meeting with the Citizens on the Abridged Accountability Report
3. Attendance List for the Meeting

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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 office of the state Auditor-General on behalf of the government of Ebonyi 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 actual 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 Ebonyi State, the Budget of Growth, Consolidation and Transformation, was passed on the 20<sup>th</sup> day of December 2019 and budget implementation commenced on 1st 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 20<sup>th</sup> day of July 2020.

The State recorded an impressive revenue performance due to the realistic revenue forecast adopted for the mid-year budget revision.

Aggregate revenue performance was 100.2% of the budgeted N132billion in the final budget. On the expenditure side, the actual total expenditure was N118.69 billion (28.7%) less than the budgeted amount which was N166.45billion due to increase of expenditure through supplementary budget.

Capital Expenditure performed slightly well with 69.4% performance. Much of the recurrent expenditure in 2020 was obligatory in nature and so, based on the performance of revenue, capital expenditure was largely focused on completing ongoing projects. Few new projects, with the exception of those that targeted COVID-19 responsive matters, were started.

Office of the Executive Governor enjoyed the highest proportion of recurrent expenditure, while ministry of Health received the highest proportion of capital expenditure.

Only three out of top ten value projects were not yet completed as at 31<sup>st</sup> December, 2020. The completion period of those projects had not matured. Citizens projects were all implemented.

The material audit findings related to over payments of allowances, spending of internally generated revenues at source, double payments for one contract as well as non-retirement of cash advances.

## **Section 1     Budget Outturn**

The revenue performance (outturn) which shows the aggregate revenue performance of 100.2%. This is 0.2% higher than the anticipated revenue of N132.002billion in the budget. There was no significant deviation in the planned revenue generation for the year. However, Internally Generated Revenue performance was only 59.9% out of the N35.58billion budget representing collection of N21.3billion. Other Revenue/Receipts subhead had 670.3% performance to rank as the highest of all the subheads.

On the expenditure side, the actual total expenditure is N118.6 billion (28.7%) less than the budgeted amount which was N166.4 billion. Out of the total Capital expenditure budget of N110.93billion, the actual capital expenditure was N76.97 billion. This indicates that capital expenditure witnessed a fairly good performance of 69.4%. This performance can be attributed to budget financing loan of N14.3billion.

It was observed that personnel cost (employees' salaries and wages) has fared better in term of outturn when compared to the original budget. Because of the effect of COVID-19 Crises, the original budget was reviewed upward from N17.2billion to N18.3billion. Still, the performance was 90.9%. This Performance was due to a more realistic projection as well as the state government policy on reduction of payroll frauds. The performance of other recurrent

expenditures which included overhead costs, grants, subsidies & subvention to parastatals was about 67.4% of the budget target. This was due to the extreme prudence in the management of public funds in the state.

**Table 1 Budget Outturn**

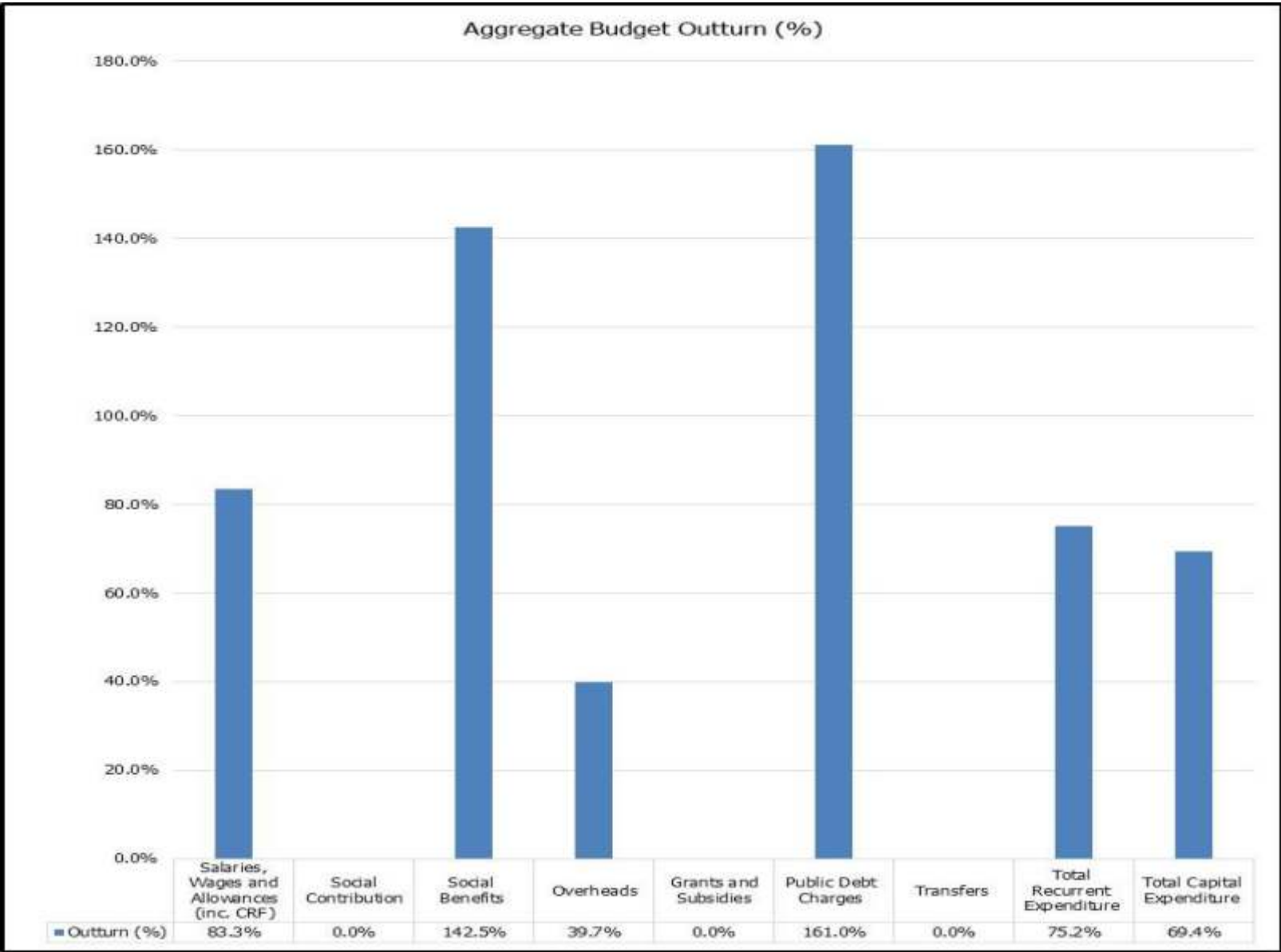
Budget Outturn (Originally Approved vs Actual)					
2020 Revenue Composition Performance					
2020 Aggregate Revenue Composition	2020 Original Budget	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*
Opening Balance	26,049,263,432	26,049,263,432	24,049,263,432	- 2,000,000,000	92.3%
FAAC Revenue	46,191,136,432	46,191,136,432	47,921,256,954	1,730,120,522	103.7%
IGR	35,578,653,681	35,578,653,681	21,304,517,381	- 14,274,136,300	59.9%
Aids & Grants	13,800,000,000	13,800,000,000	16,110,913,474	2,310,913,474	116.7%
Other Revenue/Receipts	1,283,338,082	1,283,338,082	8,602,663,827	7,319,325,745	670.3%
Budget Financing (Loans)	9,100,000,000	9,100,000,000	14,316,771,698	5,216,771,698	157.3%
<b>Total Revenue</b>	<b>132,002,391,627</b>	<b>132,002,391,627</b>	<b>132,305,386,766</b>	<b>302,995,139</b>	<b>100.2%</b>
2020 Expenditure Performance by Economic Type					
2020 Aggregate Expenditure Composition	2020 Original Budget	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*
Personnel	17,202,139,566	18,265,922,377	16,599,565,325	1,666,357,052	90.9%
Other Recurrent Expenditure	27,668,259,552	37,249,822,219	25,121,022,659	12,128,799,560	67.4%
Capital Expenditure	87,131,992,508	110,934,555,053	76,971,657,011	33,962,898,042	69.4%
<b>Total Expenditure</b>	<b>132,002,391,627</b>	<b>166,450,299,650</b>	<b>118,692,244,995</b>	<b>47,758,054,655</b>	<b>71.3%</b>

\* 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 spur 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 buffer revenue available for the execution of the annual budget targets and effective delivery of services to the citizens of Ebonyi State.

The total IGR performance in the last completed fiscal year was 59.9%. This average performance has been blamed on the low performance of not tax revenue particularly fees, fines, rent on government properties and miscellaneous income occasioned by the COVID – 19 impact on revenue generation and operational challenges in the State Revenue Generation Agencies. The IGR has two broad categories, namely the Tax Revenue and Non-tax Revenue. The outturn for the tax and non-tax revenue was 235.7% and 45.4% respectively.

The critical source of Tax Revenue for Ebonyi state included personal taxes which recorded 263.2% performance during the period under review. A key component of the personal taxes is the PAYE which recorded the highest level of performance because; it is generally deducted at source.

The State Internal Revenue Board which is the highest revenue generating institution of the state had a budget of N3 billion but N7billion, equivalent to 233.9% was generated. Further strengthening the IRB will enhance its operational capacity with the resultant effect of increased revenue generations. Following the BIR are the Ministry of Commerce and Industry which had a final budget in the tune of N0.3billion while the actual realized was N3.4 billion, representing 1138.1% outturn; the Ebonyi State University with a nil budget for revenue but generated about N2.1 billion as actual; the Ministry of Solid Minerals which had a budget of N1.2billion but generated over N1.7billion representing 138.4% and the Department of Information and Communication Technology which had a budget of N60million and generated over N200million representing 336.4%

The MDAs with the lowest level of outturn include the Office of the Accountant –General 38.8% and the Ministry of Education approximately 58 % This information is presented in Table 3 below.

**Table 2 Revenue Outturn by Item**

Internally Generated Revenue Performance					
By MDA:					
MDA	2020 Approved Budget	2020 Approved Budget	2020 Actual Amount	Variance*	Performance (%)*
Internal Revenue Service	3,000,480,012	3,000,480,012	7,017,958,361	4,017,478,349	233.9%
Office of the Accountant-General	13,264,346,931	13,264,346,931	5,146,032,991	- 8,118,313,940	38.8%
Ministry of Commerce and Industry	306,580,400	306,580,400	3,489,172,096	3,182,591,696	1138.1%
Ebonyi State University	-	-	2,154,207,295	2,154,207,295	
Ministry of Solid Mineral	1,286,000,000	1,286,000,000	1,779,855,827	493,855,827	138.4%
Capital Territory Development Board	436,120,000	436,120,000	398,303,208	- 37,816,792	91.3%
Ministry of Works and Transport	195,970,000	195,970,000	140,528,758	- 55,441,242	71.7%
Information and Communication Technology	60,000,000	60,000,000	201,816,104	141,816,104	336.4%
Ministry of Education	333,235,200	333,235,200	193,685,933	- 139,549,267	58.1%
Ministry of Power	2,200,000	2,200,000	2,290,000	90,000	104.1%
Other Revenue Collecting Agencies	16,693,721,138	16,693,721,138	780,666,809	- 15,913,054,329	4.7%
<b>Independent Revenue (IGR)</b>	<b>35,578,653,681</b>	<b>35,578,653,681</b>	<b>21,304,517,382</b>	<b>- 14,274,136,299</b>	<b>59.9%</b>

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



**Table 3 - Revenue Outturn by MDAs**

Internally Generated Revenue Performance					
By MDA:					
MDA	2020 Approved Budget	2020 Approved Budget	2020 Actual Amount	Variance*	Performance (%)*
Internal Revenue Service	3,000,480,012	3,000,480,012	7,017,958,361	4,017,478,349	233.9%
Office of the Accountant-General	13,264,346,931	13,264,346,931	5,146,032,991	- 8,118,313,940	38.8%
Ministry of Commerce and Industry	306,580,400	306,580,400	3,489,172,096	3,182,591,696	1138.1%
Ebonyi State University	-	-	2,154,207,295	2,154,207,295	
Ministry of Solid Mineral	1,286,000,000	1,286,000,000	1,779,855,827	493,855,827	138.4%
Capital Territory Development Board	436,120,000	436,120,000	398,303,208	- 37,816,792	91.3%
Ministry of Works and Transport	195,970,000	195,970,000	140,528,758	- 55,441,242	71.7%
Information and Communication Technology	60,000,000	60,000,000	201,816,104	141,816,104	336.4%
Ministry of Education	333,235,200	333,235,200	193,685,933	- 139,549,267	58.1%
Ministry of Power	2,200,000	2,200,000	2,290,000	90,000	104.1%
Other Revenue Collecting Agencies	16,693,721,138	16,693,721,138	780,666,809	- 15,913,054,329	4.7%
<b>Independent Revenue (IGR)</b>	<b>35,578,653,681</b>	<b>35,578,653,681</b>	<b>21,304,517,382</b>	<b>- 14,274,136,299</b>	<b>59.9%</b>

\* 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 deals with the expenditure outturn. It shows how much expenditure was allocated to each main classification and how much was spent. Broadly, capital expenditure got N110.93billion representing 66.6% of the total budget size of N166.45billion while recurrent expenditure was allocated N55.52billion, equivalent to 33.4% of the total budget size. It was observed that the state retained its prioritization of capital expenditure. Consequently, the share of actual capital expenditure in the total expenditure of N118.69billion was N76.97billion representing 64.8% while actual recurrent spending was allotted the remaining N41.72billion which is 35.2% approximately. However, in terms of aggregate expenditure outturn, recurrent expenditure performed about 75.2% of its final budget size while the capital expenditure outturn was 69.4%, implying about 30.6% deviation or N33.96billion less than the final capital budget size.

The breakdown of actual recurrent expenditures shows that, when compared with other recurrent items, Public Debt Charges received the highest share of N13.71billion (11.6%); followed by Salaries, wages and Allowances which got N13.28billion representing 11.2% and then Overheads which received N11.39 billion (9.6%). Salaries, wages and allowances as well as Public Debt Charges had actual expenditures below their budgets while Social Benefits and Salaries, wages and allowances had theirs above the budget targets.

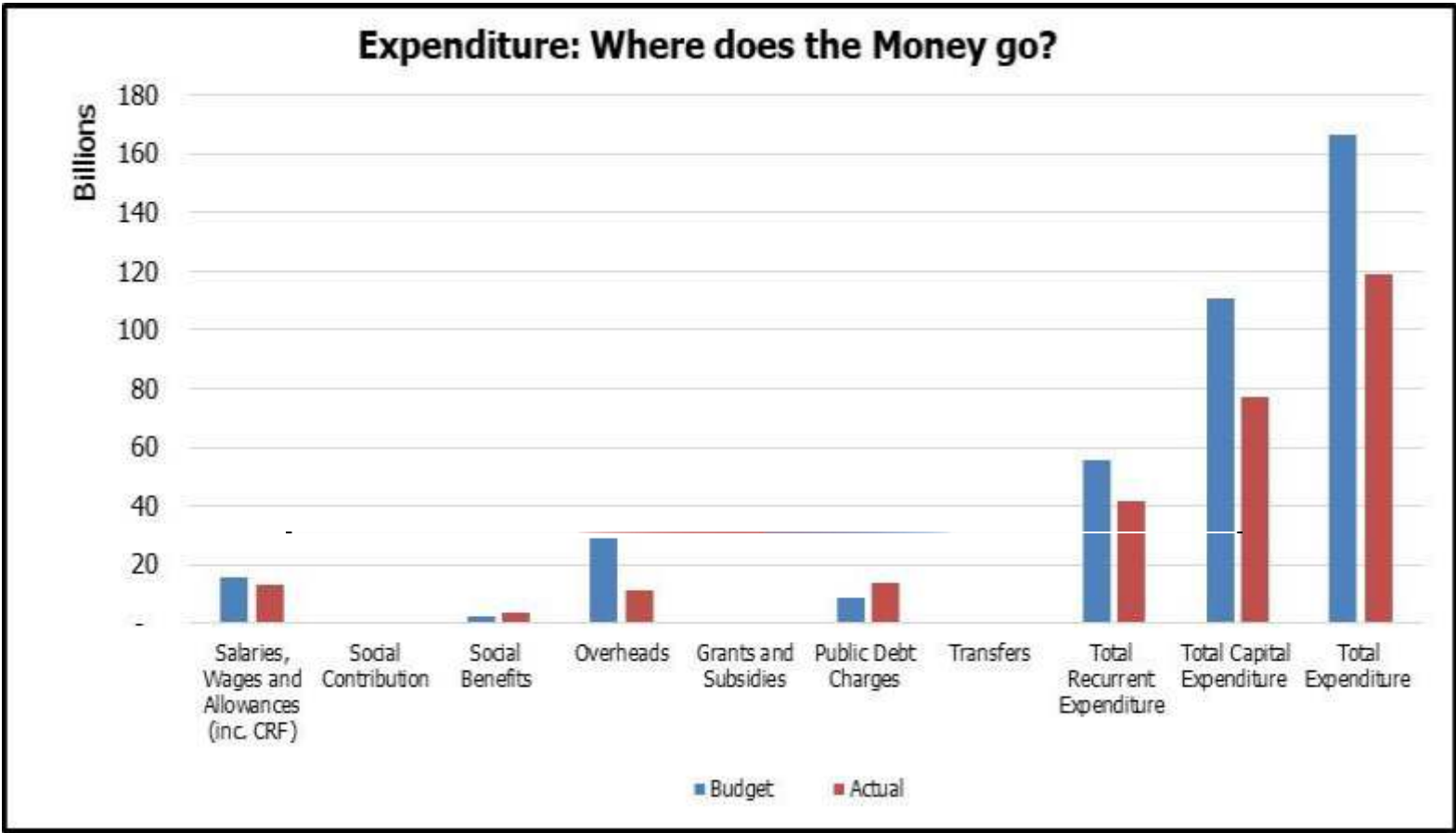
Clearly, public debt charges received about 161% more than the budget target. This is in line with the state government resolve to clear backlog of debt service charges, especially contractors' arrears.

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)	15,938,763,338	9.6%	13,283,529,787	11.2%	2,655,233,551	83.3%
Social Contribution	-	0.0%	-	0.0%	-	
Social Benefits	2,327,159,039	1.4%	3,316,035,537	2.8%	- 988,876,499	142.5%
Overheads	28,721,388,009	17.3%	11,392,035,418	9.6%	17,329,352,590	39.7%
Grants and Subsidies	-	0.0%	-	0.0%	-	
Public Debt Charges	8,528,434,211	5.1%	13,728,987,241	11.6%	- 5,200,553,030	161.0%
Transfers	-	0.0%	-	0.0%	-	
Total Recurrent Expenditure	55,515,744,597	33.4%	41,720,587,984	35.2%	13,795,156,612	75.2%
Total Capital Expenditure	110,934,555,053	66.6%	76,971,657,011	64.8%	33,962,898,042	69.4%
Total Expenditure	166,450,299,650	100.0%	118,692,244,995	100.0%	47,758,054,655	71.3%

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

Figure 2: Expenditure Composition Budget and Actual





## 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.

<p><b>A: RECURRENT EXPENDITURE PAYMENT VOUCHERS</b></p> <p>1) In the ministry of information and state orientation, N11,587,921 worth taxes were not deducted, 2) In the Hospital Management Board, the sum of N775,952 was paid to some staff as allowances. 3) In the State Council on Procurement, Taxes worth the sum of N420,000 was not deducted from payment made to BON MAXIMUS Company. 4) In Ebonyi broadcasting corporation, the sum of N6,181,100.00 advances were not retired. 5) In the Office of the Accountant General, the sum of N500,000.00 was paid without approvals. 6) In the Ebonyi State Council on Public Procurement, unserviceable Vehicles worth N2,502,500 were sold for N911,500. 7) In Ebonyi Broadcasting Corporation, the internally generated revenue worth the sum of N293,385,706.79 was generated but spent at source.</p>
<p><b>B: CAPITAL EXPENDITURE PAYMENT VOUCHERS</b></p> <p>1) In the Ministry of Infrastructural Development for Concession, the sum of N31,742,155.00 was paid double for one contract. 2) In the Ebonyi State Vocational College, the sum of N17,385,817.00 was paid double for a single contract.</p>

<b>C: SUMMARY OF QUERIED PAYMENT VOUCHERS</b> Ten vouchers totaling N99.2 million as presented in Table 5 below.
<b>D: ASSETS (PROPERTY, PLANT AND EQUIPMENT) REGISTER</b> No finding
<b>E: BILLS PAYABLE</b> Bills for the year under review were all paid
<b>F: INVESTMENTS</b> No finding
<b>G: AIDS AND GRANTS</b> No finding
<b>H: CONTINGENT LIABILITIES ON BANK GUARANTEES</b> No finding
<b>I: PERFORMANCE GUARANTEES</b> No finding
<b>J: ADHERENCE TO PROCUREMENT PROCEDURES</b> All procurement procedures were duly observed during the FY 2020.

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 (%)
In ministry of Infrastrural Development, the sum of thirty one million, seven hundred and forty two thousand one hundred and fifty five naira(N31,742,155.00) for assignments was received twice in the year 2020	1	Double payments	31,742,155	63,484,310	50.0%
In Ebonyi State Broadcasting Corporation, the sum of twenty nine million, three hundred and eighty five thousand, seven hundred and six naira, seventy nine kobo (N29,385,706.79) was generated as IGR but not paid to Government	6	Revenue spent at source	29,385,707	29,385,707	100.0%
In Ebonyi State Vocational College, the sum of seventeen million, three hundred and eighty five thousand eight hundred and sixteen naira, fifty kobo for	1	Doubtful payments	17,385,817	34,771,633	50.0%
In the Ministry of Information and State Orientation, 7.5% Value Added Tax, 5% Withholding Tax and 1% Education Levy not deducted for payments made to suppliers of services to the ministry.	19	Loss of revenues to Government	11,587,921	92,632,475	12.5%
In Ebonyi State Broadcasting Corporation, the sum of six million, one hundred and eighty one thousand, one hundred naira(N6,181,100.00) was advanced to some members of staff of the corporation for some expenditures but was not retired	82	Funds not accounted for.	6,181,100	6,181,100	100.0%
Unserviceable Vehicle/Equipments were under sold by one million, five hundred and ninety thousand naira (N1,591,000.00)	1	Loss of revenue	1,591,000	2,502,500	63.6%
In office of the Accountant-General, the sum of five hundred thousand naira (N500,000.00) was paid without approval	1	Payment without approval	500,000	500,000	100.0%
In Hospital Management Board a staff reviewed salaries for sum of two million seven hundred and sixty six thousand, two hundred and forty three naira, twenty eight kobo (N2,766,243.28) in 2020 instead of the sum of two million three hundred and thirty four thousand nine hundred and thirty seven naira sixty kobo (N2,334,937).	1	Overpayment of salaries.	431,306	2,766,243	15.6%
In State Council on Public Procurement, Value Added Tax was not deducted from the payment made to a Contractor.	1	Loss of revenues.	420,000	6,000,000	7.0%
In Hospital Management Board, a staff was paid the sum of three hundred and eighty two thousand, eight hundred and six naira, sixty four kobo (N382,806.64) as Rural Posting Allowance instead of Thirty eight thousand, one hundred and sixty naira. Sixty four kobo (N38,160.64) in 2020	2	Overpayme payment of Allowances	344,646	382,807	90.0%
Total Number of Queries	113		99,225,005	238,223,968	41.7%

## Section 5      Audited Financial Statements

This section outlines a breakdown on the state's audited public expenditures and revenues for the fiscal year in review. The expenditure budget figures, consolidated revenue funds and audited cash flow statement based on the audited financial statements 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 above final budget due to the more realistic revised budget prepared in July 2020 (as a result of COVID-19 and its wider global impacts).
- Domestic grants also performed more than the budget because of SFTAS additional financing to cushion the effect of COVID 19 pandemic in the year 2020.
- The drawdown of loans was also significantly higher than budget, due to much cherished desire by the State Government to transform Ebonyi State as the biggest City in Africa.
- Public debt charges (Recurrent expenditures) were the highest because, Government was committed to ensuring that contractors' arrears were cleared in the year 2020 despite the COVID 19 crises.
- Generally, expenditure was slightly low due to increase of expenditure side of the budget through supplementary budget.
- The State still recorded a surplus on operating activities at the end of 2020.
- Total cash reserves as at the end of 2020 stood at N224.62billion.



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		26,049,263,432		26,049,263,432.14	24,049,263,432	- 2,000,000,000.14	92.3%
Statutory Allocation	36,837,879,241	29,000,000,000		29,000,000,000.00	30,324,686,632	1,324,686,632.00	104.6%
13% Derivation	39,828,184	-		-	-	-	
State Government Share of VAT	10,991,706,236	11,856,981,722		11,856,981,722.00	13,816,936,029	1,959,954,307.00	116.5%
Other Federation Account Distributions	6,448,995,959	5,334,154,710		5,334,154,710.00	3,779,634,293	- 1,554,520,417.00	70.9%
Independent Tax Revenue	5,258,402,784	2,698,880,012		2,698,880,012.00	6,361,234,312	3,662,354,300.00	235.7%
Independent Non-Tax Revenue	4,516,828,500	32,879,773,669		32,879,773,669.00	14,943,283,069	- 17,936,490,600.48	45.4%
Foreign Grants	-	-		-	-	-	
Domestic Grants	1,008,521,280	13,800,000,000		13,800,000,000.00	16,110,913,474	2,310,913,474.00	116.7%
Foreign Loans	-	100,000,000		100,000,000.00	-	- 100,000,000.00	0.0%
Domestic Loans	3,000,000,000	9,000,000,000		9,000,000,000.00	14,316,771,698	5,316,771,698.00	159.1%
Other Revenues	1,197,993,004	1,283,338,082		1,283,338,081.52	5,407,663,827	4,124,325,745.48	421.4%
Transfer from other Government Entities	9,304,733,019			-	3,195,000,000	3,195,000,000.00	
<b>Total Revenue (a)</b>	<b>78,604,888,207.00</b>	<b>132,002,391,626.66</b>	<b>-</b>	<b>132,002,391,626.66</b>	<b>132,305,386,765.52</b>	<b>302,995,138.86</b>	<b>100.2%</b>
<b>Expenditure:</b>							
Salaries, Wages and Allowances	11,926,116,280.16	15,664,176,182.37	274,587,155.96	15,938,763,338.33	13,283,529,787.44	2,655,233,550.89	83.3%
CRF Charges (Salary)	-	-		-	-	-	
Social Contributions	-	-		-	-	-	
Social Benefits	1,659,007,685.26	1,537,963,383.82	789,195,654.94	2,327,159,038.76	3,316,035,537.38	- 988,876,498.62	142.5%
Overheads	11,752,120,847.73	23,068,259,552.04	5,653,128,456.72	28,721,388,008.76	11,392,035,418.35	17,329,352,590.41	39.7%
Grants & Contributions	-	-		-	-	-	
Public Debt Charges	4,239,740,777.56	4,600,000,000.00	3,928,434,210.70	8,528,434,210.70	13,728,987,241.08	- 5,200,553,030.38	161.0%
Transfers	-	-		-	-	-	
Capital Expenditure	39,071,563,004.27	87,131,992,508.43	23,802,562,544.94	110,934,555,053.37	76,971,657,010.95	33,962,898,042.42	69.4%
<b>Total Expenditure (b)</b>	<b>68,648,548,594.98</b>	<b>132,002,391,626.66</b>	<b>34,447,908,023.26</b>	<b>166,450,299,649.92</b>	<b>118,692,244,995.20</b>	<b>47,758,054,654.72</b>	<b>71.3%</b>
<b>Surplus/Deficit from Operating Activities</b>	<b>9,956,339,612.02</b>	<b>- 0.00</b>	<b>- 34,447,908,023.26</b>	<b>- 34,447,908,023.26</b>	<b>13,613,141,770.32</b>	<b>- 47,455,059,515.86</b>	<b>-39.5%</b>
Gains/Loss on Disposal of Asset	-	-		-	-	-	
Remeasurement of Domestic Debts	-	-			6,951,887,024.81	6,951,887,024.81	
Gain/Loss on Foreign Exchange Transaction	-	-		-	61,370,989.74	61,370,989.74	
Total Non-Operating Revenue/(Expenses)	-	-		-	7,013,258,014.55	7,013,258,014.55	
Surplus/(Deficit) from Ordinary Activities	-	-		-	7,013,258,014.55	7,013,258,014.55	
Net Surplus/ (Deficit) for the Period	9,956,339,612.02	- 0.00	- 34,447,908,023.26	- 34,447,908,023.26	20,626,399,784.87	55,074,307,808.13	-59.9%

\* 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.

<b>Statement of Changes in Net Assets</b>			
<b>Item</b>	<b>Accumulated Surplus</b>	<b>Available for sale Reserve</b>	<b>Total reserve</b>
Opening Balance as at 1 January 2020	101,584,725,901.03	79,602,692,084.28	181,187,417,985.31
Actuarial Gains/(Losses)			-
Change in Fair Value Available-for -sale Financial Assets			-
Surplus/(Deficit) for the period	48,916,289,526.90	(5,487,564,528.01)	43,428,724,998.89
Balance as at 31 December 2020	150,501,015,427.93	74,115,127,556.27	224,616,142,984.20

## Section 6    Top Sectoral Allocation

<p>Tables 8, 9 and 10 outlined the financial information on top Ministries, Department Agencies/Sector allocation and the actual expenditures from the implementation of the fiscal year budget.</p> <p><b>Recurrent Expenditure</b> -Presented in Table 8 is data on recurrent expenditure of top MDAs. It was observed that for all the ministries listed, actual expenditures were lower than budge except Ebonyi Rice World which has nil budgets. The level of performance is 75.2% across all the MDAs. Office of the Executive Governor got the highest share of 14.4%. This was followed by the Office of the Executive Governor which got a share of 13.8%. Others included: Ebonyi State University, Secondary Education Board, Ministry of Finance and Economic Development, Ebonyi State House of Assembly, Ministry of Internal Security which got 9.1%, 7.9% 2.9%, 2.5% and 1.9% respectively</p> <p><b>Capital Expenditure</b> – Table 9 presents capital expenditure of top MDAs. The ministerial capital expenditures performances showed that the Ministry of Project Monitoring, Office of SSG, Ministry of Special Projects and the Ministry of Commerce and Industry received actual capital expenditures more than the amount budgeted. All the other MDAs had actual capital expenditures less than their respective budget sizes. As indicated in the table 9, Ministry of Health got the highest actual capital expenditure which is about N17.55billion or 22.8% of the total capital expenditure of N76.97billion. Ministry of Works and Transport received N15.1billion, equivalent to 19.6% while Ebonyi State Universal Education Board received N6.6billion representing about 8.6%. Others included: Ministry of Infrastructural Development for Concession, Ministry of Commerce and Industry, Ministry of Special Projects, ministry of power, ministry of Housing and Urban Development Office of the SSG and ministry of Project Monitoring which got 8.1%, 10.6%, 9%,4%, 3.4% 3.3% share of the total actual capital expenditure respectively.</p> <p><b>Total Expenditure</b> – As indicated in Table 10 for the top highest spending MDAs, Ministry of Health</p>
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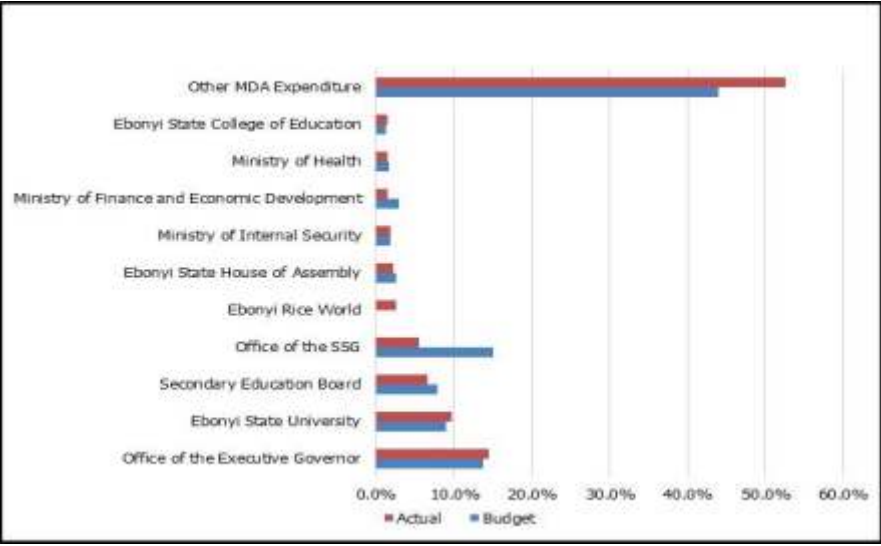
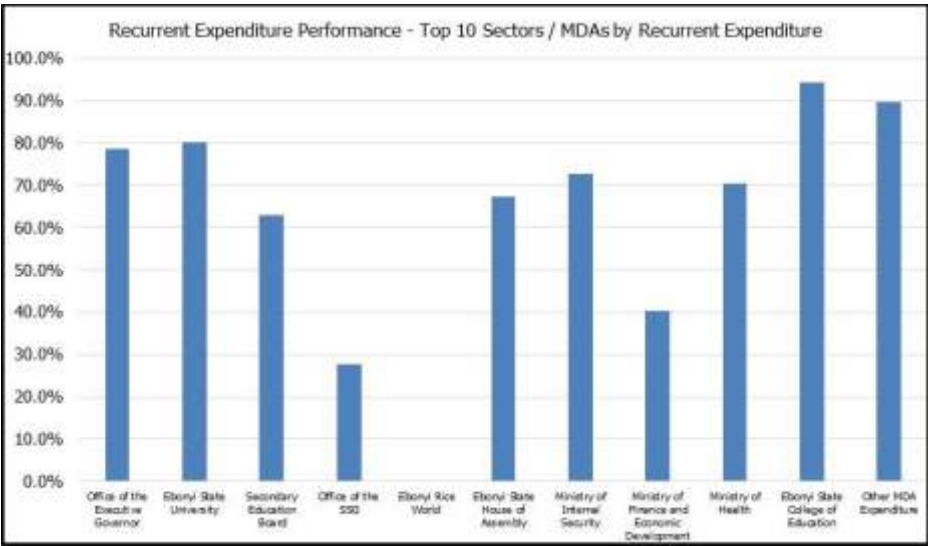
received the highest total actual expenditure which is about N18.19billion representing 15.3% of the total actual expenditure of N118.69billion. The second in the rank is ministry of works and Transport which got N15.16billion representing12.8%. Commerce and Industry received N8.2 billion representing 6.9% of the total expenditure. Others included ministry of Special Projects, Universal Basic Education Board, Ministry of Infrastructural Development for Concession, Office of the Executive Governor, Ebonyi State University, Office of the SSG and the ministry of Power which got 5.8 %,5.7%,5.3%,5.1%,4.6%,4.1% and 2.7% share of the total expenditures respectively. The performances show that only ministry of Commerce and Industry and ministry of Special Projects had 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 Sector/MDAs

Expenditure: Where does the Money go?						
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
Office of the Executive Governor	7,639,870,908	6,001,218,931	1,638,651,977	78.6%	13.8%	14.4%
Ebonyi State University	5,025,477,798	4,032,665,903	992,811,895	80.2%	9.1%	9.7%
Secondary Education Board	4,388,699,000	2,757,426,138	1,631,272,862	62.8%	7.9%	6.6%
Office of the SSG	8,382,540,693	2,322,430,601	6,060,110,092	27.7%	15.1%	5.6%
Ebonyi Rice World	-	1,073,675,000	-	1,073,675,000	0.0%	2.6%
Ebonyi State House of Assembly	1,378,891,232	927,895,637	450,995,595	67.3%	2.5%	2.2%
Ministry of Internal Security	1,065,804,486	775,031,699	290,772,787	72.7%	1.9%	1.9%
Ministry of Finance and Economic Development	1,602,294,785	646,480,715	955,814,070	40.3%	2.9%	1.5%
Ministry of Health	910,550,723	640,086,775	270,463,948	70.3%	1.6%	1.5%
Ebonyi State College of Education	669,846,138	631,420,272	38,425,866	94.3%	1.2%	1.5%
Other MDA Expenditure	24,451,768,834	21,912,256,313	2,539,512,520	89.6%	44.0%	52.5%
Total (Except Other MDA Expenditure)	31,063,975,763	19,808,331,671	11,255,644,092	63.8%	56.0%	47.5%
Total Budgeted Expenditure	55,515,744,597	41,720,587,984	13,795,156,612	75.2%		

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

Figure 3:



**Table 8: Top Ten Capital Expenditure Sector/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
Ministry of Health	25,238,687,701	17,549,100,599	7,689,587,102	69.5%	22.8%	22.8%
Ministry of Works and Transport	19,008,949,960	15,102,990,539	3,905,959,421	79.5%	17.1%	19.6%
Ministry of Commerce and Industry	8,127,969,805	8,159,590,118	- 31,620,313	100.4%	7.3%	10.6%
Ministry of Special Projects	6,351,928,343	6,920,010,225	- 568,081,882	108.9%	5.7%	9.0%
Ebonyi State Universal Basic Education Board	9,189,838,960	6,625,776,577	2,564,062,383	72.1%	8.3%	8.6%
Ministry of Infrastructure	8,352,858,626	6,250,236,192	2,102,622,434	74.8%	7.5%	8.1%
Ministry of Power	4,393,627,204	3,113,562,259	1,280,064,945	70.9%	4.0%	4.0%
Ministry of Housing and Urban Development	3,682,494,219	2,598,279,679	1,084,214,540	70.6%	3.3%	3.4%
Office of the SSG	2,374,700,000	2,571,284,972	- 196,584,972	108.3%	2.1%	3.3%
Ministry of Project Monitoring	112,000,000	2,184,956,111	- 2,072,956,111	1950.9%	0.1%	2.8%
Other MDA Expenditure	24,101,500,234	5,895,869,740	18,205,630,494	24.5%	21.7%	7.7%
<b>Total (Except Other MDA Expenditure)</b>	<b>86,833,054,818</b>	<b>71,075,787,271</b>	<b>15,757,267,547</b>	<b>81.9%</b>	<b>78.3%</b>	<b>92.3%</b>
<b>Total Budgeted Expenditure</b>	<b>110,934,555,052</b>	<b>76,971,657,011</b>	<b>33,962,898,041</b>	<b>69.4%</b>		

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

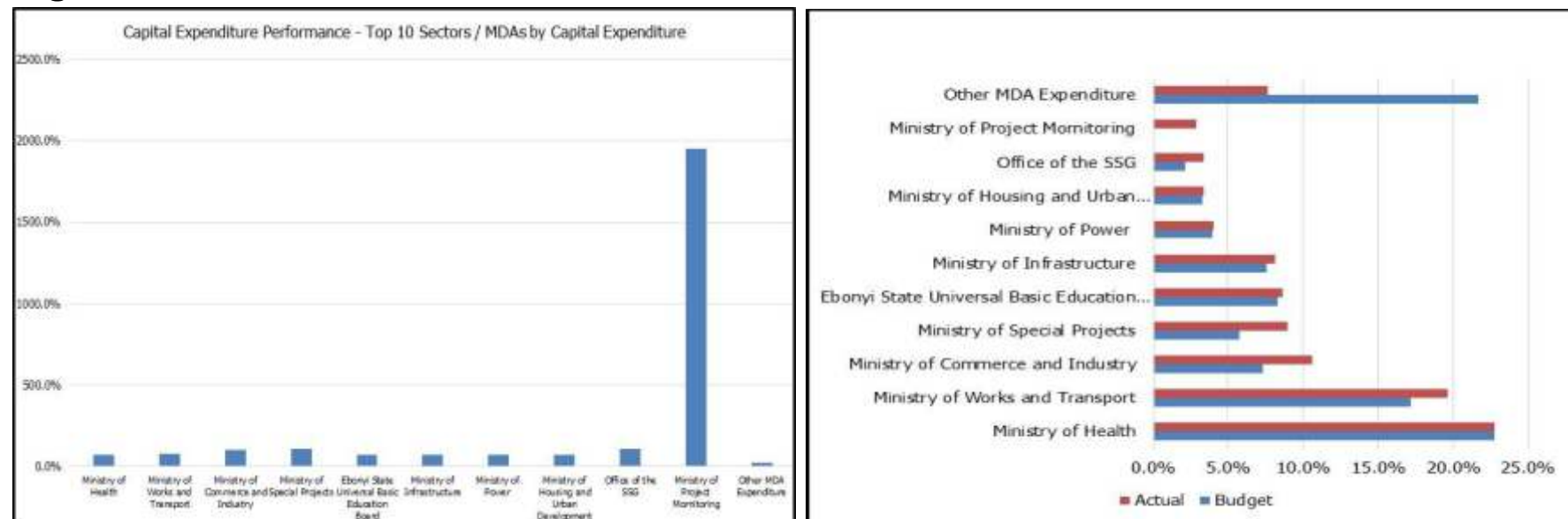
**Figure 4:**

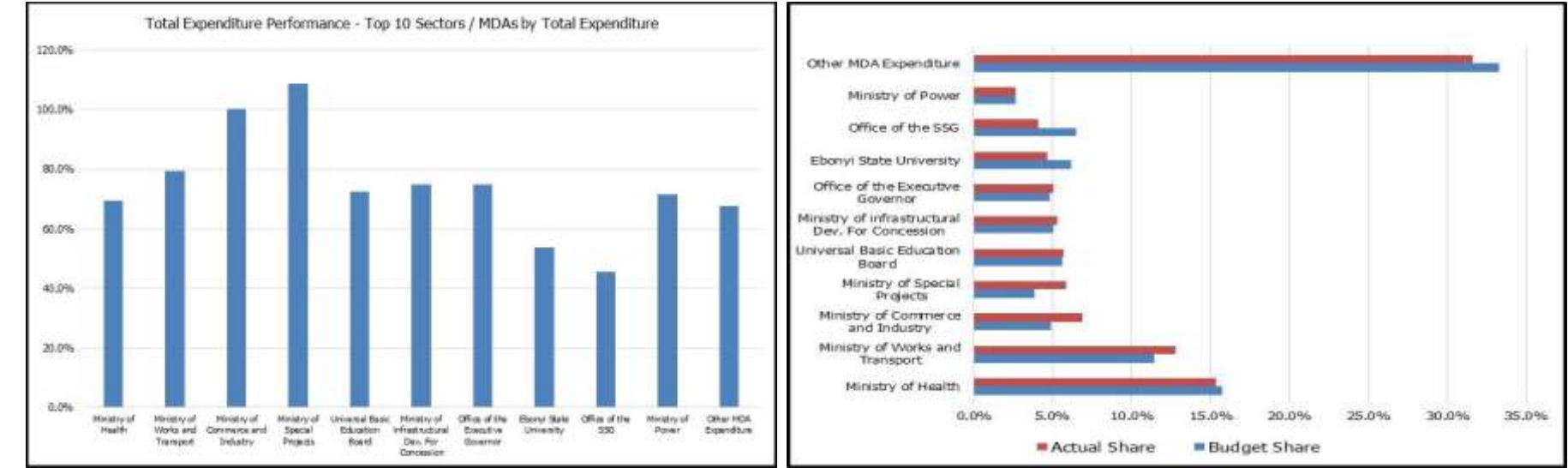


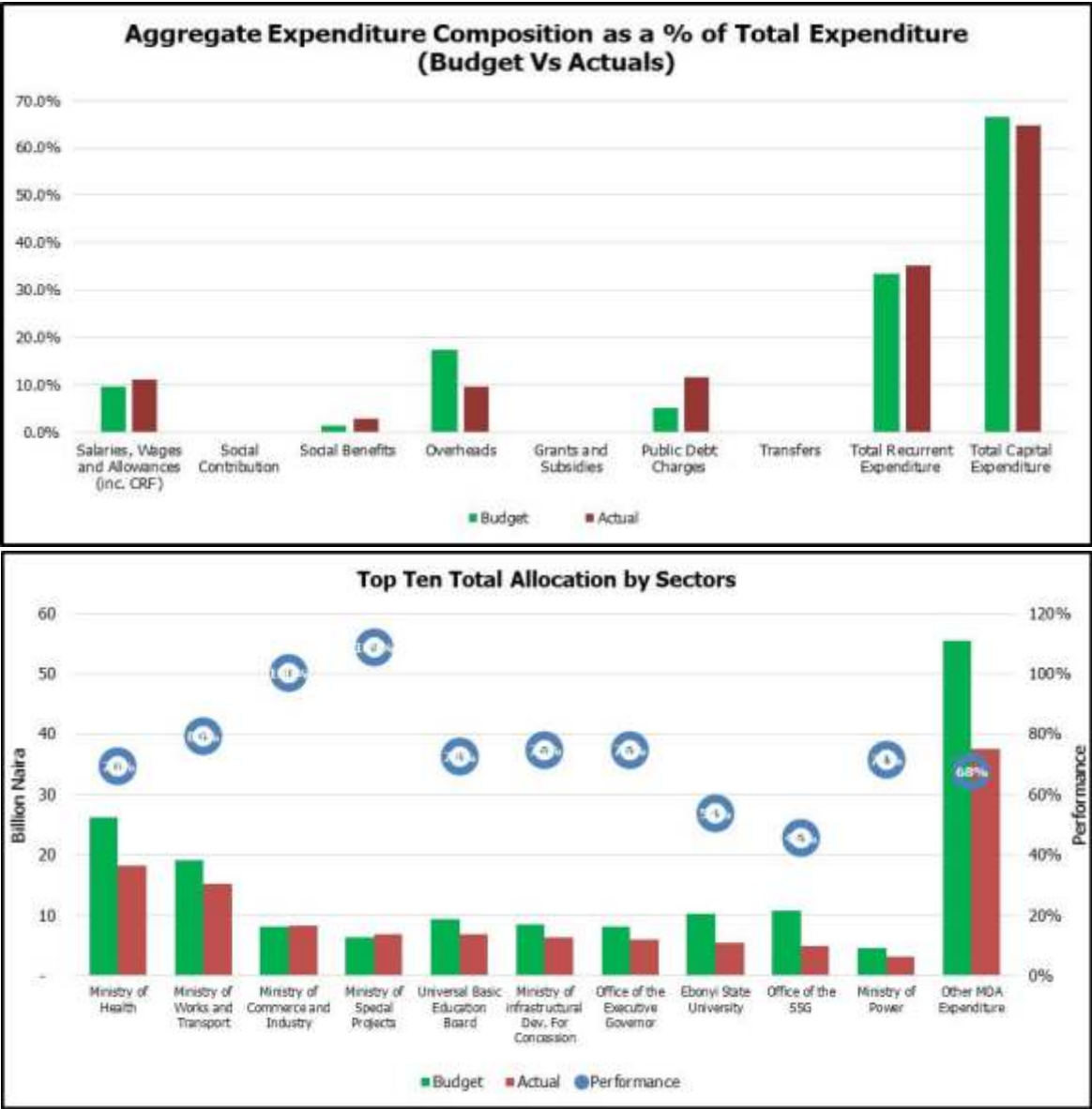
Table 9: Top Ten Total Expenditure Sector/MDAs

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
Ministry of Health	26,149,238,424	18,189,187,374	7,960,051,051	69.6%	15.7%	15.3%
Ministry of Works and Transport	19,065,920,277	15,158,509,606	3,907,410,671	79.5%	11.5%	12.8%
Ministry of Commerce and Industry	8,173,762,405	8,203,123,296	- 29,360,891	100.4%	4.9%	6.9%
Ministry of Special Projects	6,372,614,237	6,936,458,317	- 563,844,079	108.8%	3.8%	5.8%
Universal Basic Education Board	9,373,265,047	6,797,100,268	2,576,164,779	72.5%	5.6%	5.7%
Ministry of infrastructural Dev. For Concession	8,369,058,937	6,264,808,116	2,104,250,821	74.9%	5.0%	5.3%
Office of the Executive Governor	8,026,569,883	6,001,949,931	2,024,619,952	74.8%	4.8%	5.1%
Ebonyi State University	10,247,012,612	5,503,461,039	4,743,551,573	53.7%	6.2%	4.6%
Office of the SSG	10,757,240,693	4,893,715,573	5,863,525,121	45.5%	6.5%	4.1%
Ministry of Power	4,484,451,924	3,204,070,729	1,280,381,195	71.4%	2.7%	2.7%
Other MDA Expenditure	55,431,165,211	37,539,860,748	17,891,304,463	67.7%	33.3%	31.6%
Total (Except Other MDA Expenditure)	111,019,134,439	81,152,384,248	29,866,750,191	73.1%	66.7%	68.4%
Total Budgeted Expenditure	166,450,299,650	118,692,244,995	47,758,054,655	71.3%		

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

Figure 5:





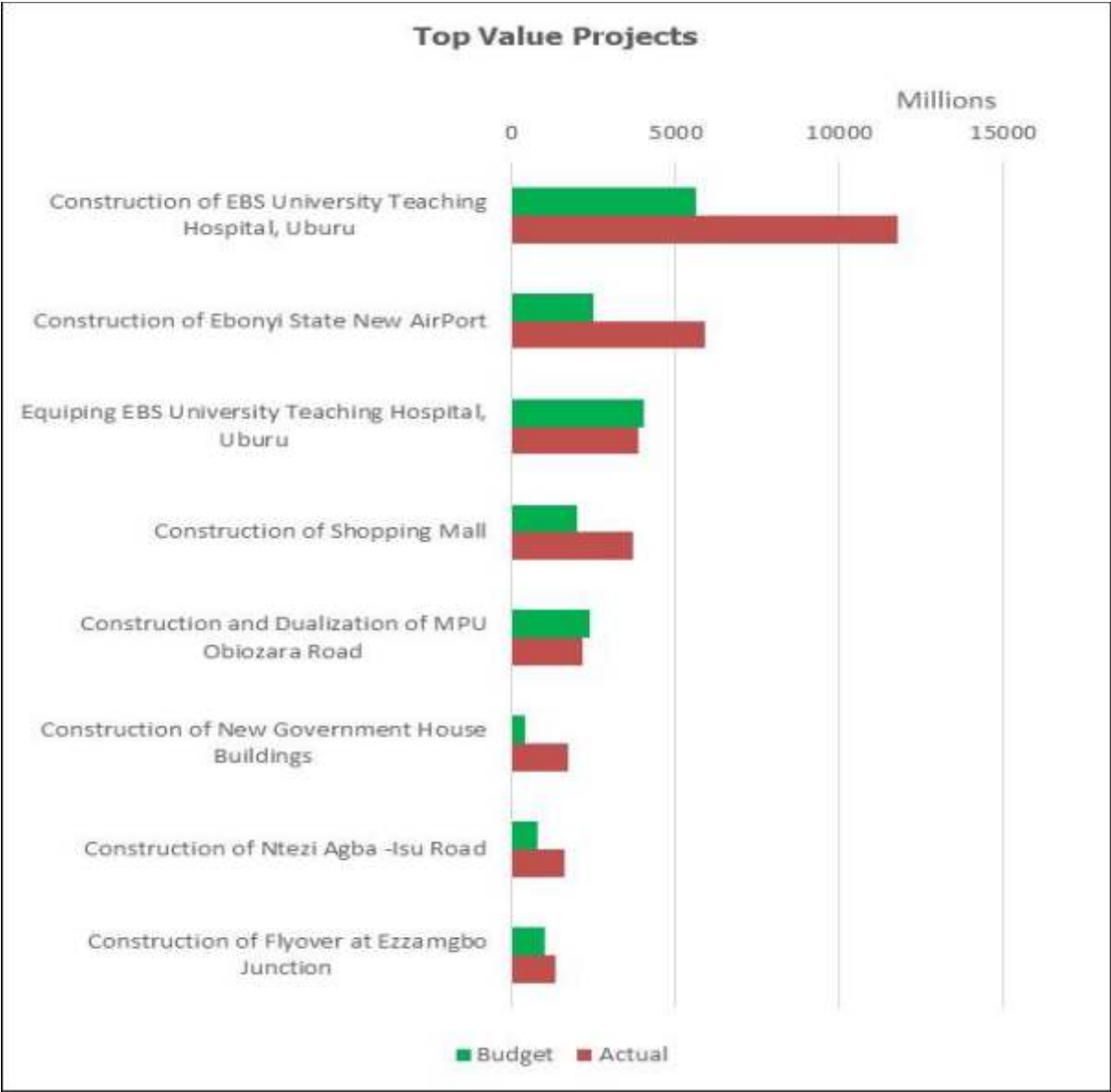
## Section 7 Top Value Capital Projects

This section outlines information on the largest 5-10 capital projects included within the budget and the actual expenditure from the implementation of the fiscal year budget. Table 11 gives more details.

**Table 10: Top Value Projects**

Top Value Projects								
Project	Project Location	Programme Code	MDA Responsible	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*	Completion Status
Construction of EBS University Teaching Hospital, Uburu	Ohaozara LGA	4000036	Ministry of Health	5,600,000,000	11,748,714,612	- 6,148,714,612	209.8%	Complete
Construction of Ebonyi State New AirPort	Ezza South LGA	1700001	Min.of Special Project	2,500,000,000	5,885,531,534	- 3,385,531,534	235.4%	Ongoing
Equiping EBS University Teaching Hospital, Uburu	Ohaozara LGA	4000043	Ministry of Health	4,000,000,000	3,847,599,719	152,400,281	96.2%	Complete
Construction of Shopping Mall	Abakaliki	12000006	Ministry of Commerce and Industry	2,000,000,000	3,683,598,609	- 1,683,598,609	184.2%	Complete
Construction and Dualization of MPU Obiozara Road	Ohaozara LGA	17000066	Ministry of Works and Transport	2,400,000,000	2,178,789,645	221,210,355	90.8%	Complete
Construction of New Government House Buildings	Abakaliki	6000005	Ministry of Housing and Urban Development	400,000,000	1,706,483,194	- 1,306,483,194	426.6%	Complete
Construction of Ntezi Agba -Isu Road	Ishielu LGA	17000012	Ministry of Works and Transport	800,000,000	1,634,207,181	- 834,207,181	204.3%	Complete
Construction of Flyover at Ezzamgbo Junction	Ohaukwu LGA	17000038	Ministry of Infrastructural Development for Concession	1,000,000,000	1,318,496,535	- 318,496,535	131.8%	Ongoing
				18,700,000,000	32,003,421,029	- 13,303,421,029		

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



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

This section outlines the financial information on top Ministries, Department and Agencies allocations to projects nominated by the citizens and the actual expenditure from the implementation of the fiscal year 2020 budget.

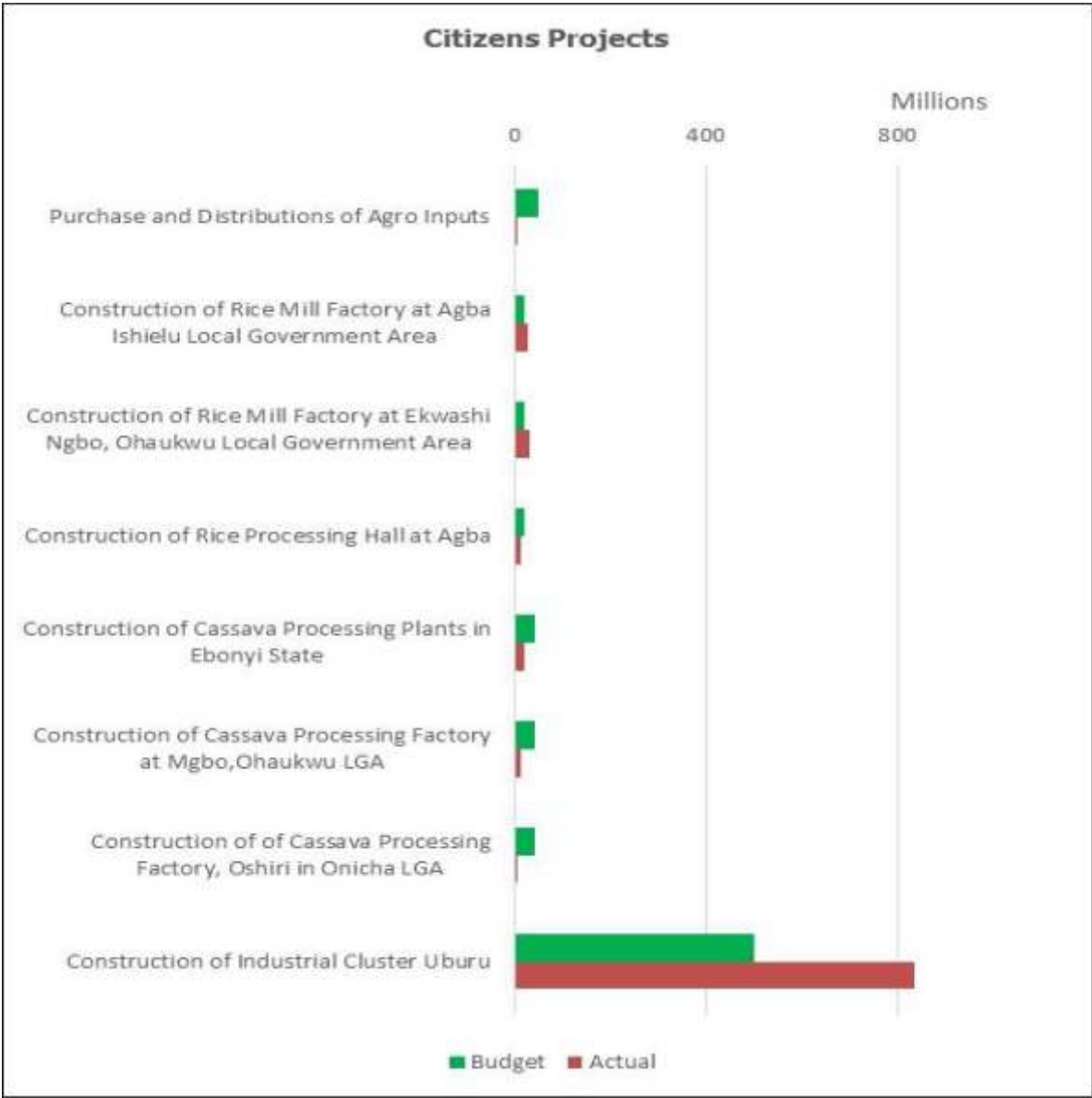
All the four (4) citizens nominated projects were included in the 2020 Budget – those being the purchase and distribution of Agro Inputs, establishment of factories (Rice mill and cassava processing factories), construction of market stalls for market women and establishment of industrial clusters. All were completed as at 31<sup>st</sup> December, 2020 and cost the sum of N1,330,803,128.00 against the budget of N730,000,000.00.

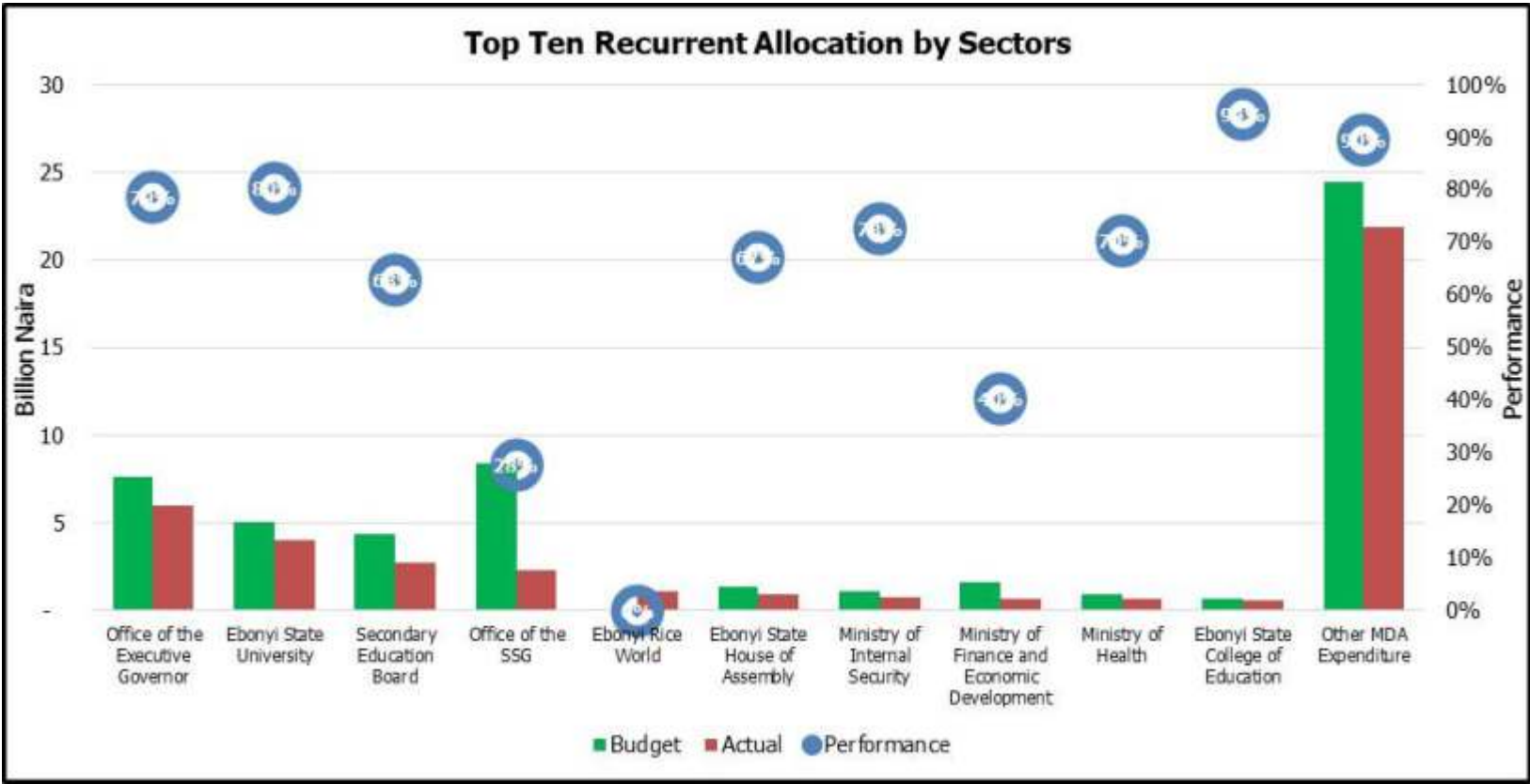
Table 11 Citizens nominated Project

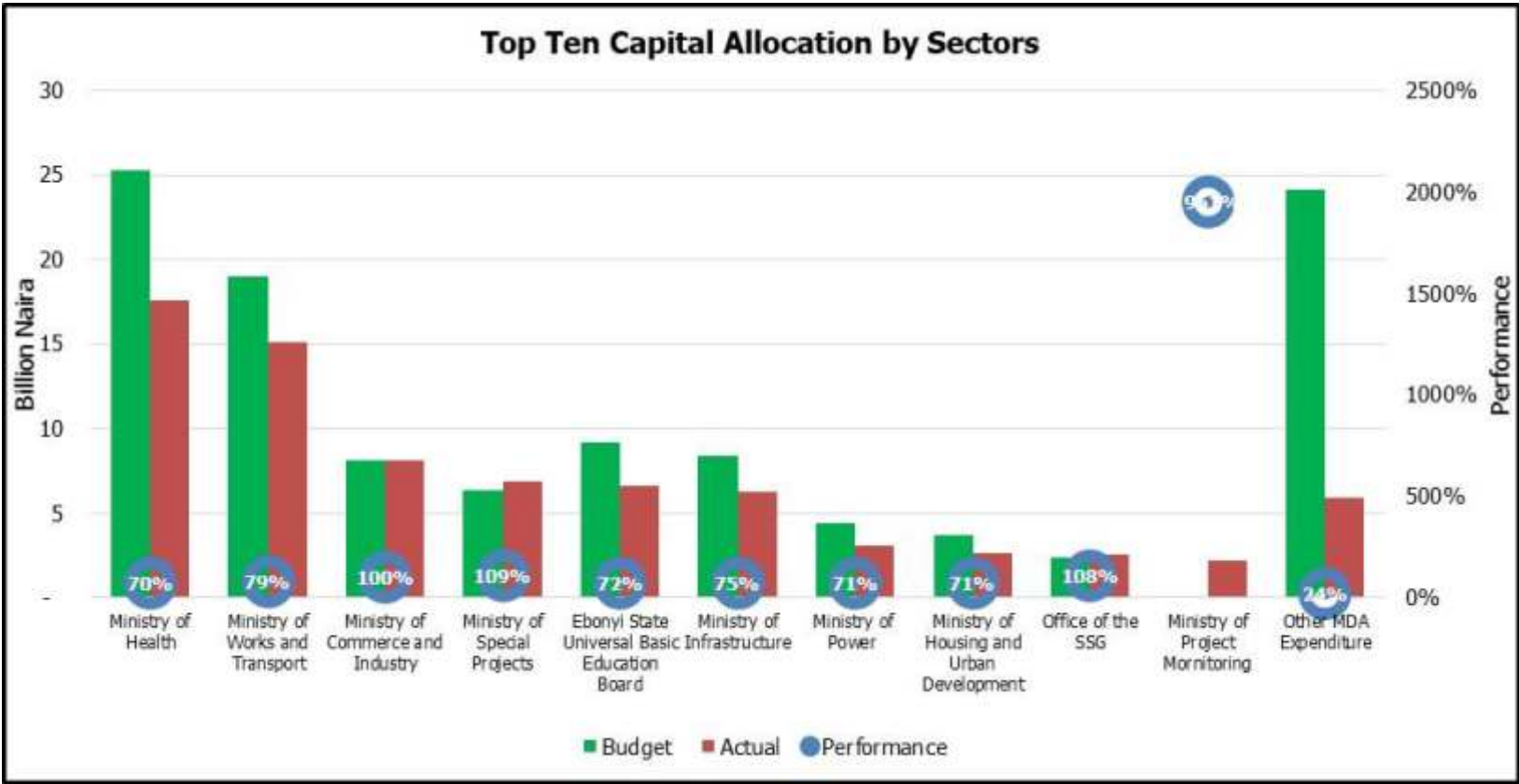
Citizens Nominated Projects								
Project	Project Location	Programme Code	MDA Responsible	2020 Final Budget	2020 Actual Amount	Variance*	Performance (%)*	Completion Status
Purchase and Distributions of Agro Inputs	Abakaliki	1000024	Ministry of Agriculture and Natural Resources	50,000,000	1,385,888	48,614,112	2.8%	Complete
Construction of Rice Mill Factory at Agba Ishielu Local Government Area	Ishielu LGA	1000033	Ministry of Agriculture and Natural Resources	20,000,000	26,499,801	- 6,499,801	132.5%	Complete
Construction of Rice Mill Factory at Ekwashi Ngbo, Ohaukwu Local Government Area	Ohaukwu LGA	1000033	Ministry of Agriculture and Natural Resources	20,000,000	30,777,837	- 10,777,837	153.9%	Complete
Construction of Rice Processing Hall at Agba	Ishielu LGA	1000033	Ministry of Agriculture and Natural Resources	20,000,000	11,699,209	8,300,791	58.5%	Complete
Construction of Cassava Processing Plants in Ebonyi State	Ohaozara LGA	1000030	Ministry of Agriculture and Natural Resources	40,000,000	20,450,060	19,549,940	51.1%	Complete
Construction of Cassava Processing Factory at Mgbo, Ohaukwu LGA	Ohaukwu LGA	1000030	Ministry of Agriculture and Natural Resources	40,000,000	14,212,320	25,787,680	35.5%	Complete
Construction of of Cassava Processing Factory, Oshiri in Onicha LGA	Onicha LGA	1000030	Ministry of Agriculture and Natural Resources	40,000,000	6,431,225	33,568,775	16.1%	Complete
Construction of Open Market Stalls at Margret Umahi International Market.	Abakaliki	12000003	Ministry of Commerce and Industry	0	359,985,676	- 359,985,676		Complete
Construction of Industrial Cluster Uburu	Ohaozara LGA	12000007	Ministry of Commerce and Industry	500,000,000	835,638,431	- 335,638,431	167.1%	Complete
Construction of 1No Block of 10 Units of Lock Up shops and Open Canopy Structure at Umunaga Town Hall, Ohaozara	Ohaozara LGA		Ministry of Commerce and Industry	0	23,722,680	- 23,722,680		Complete
				730,000,000	1,330,803,128	- 600,803,128		

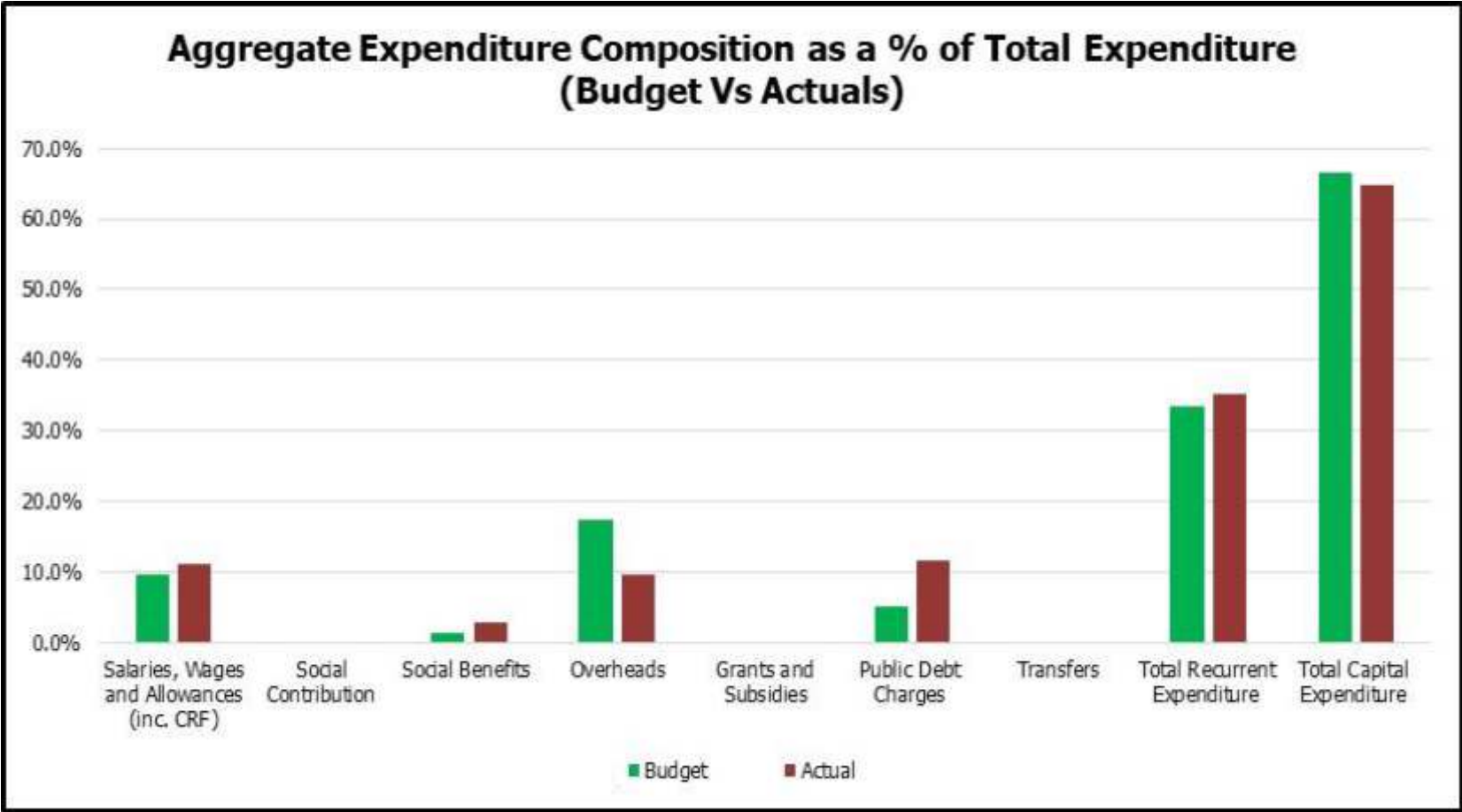


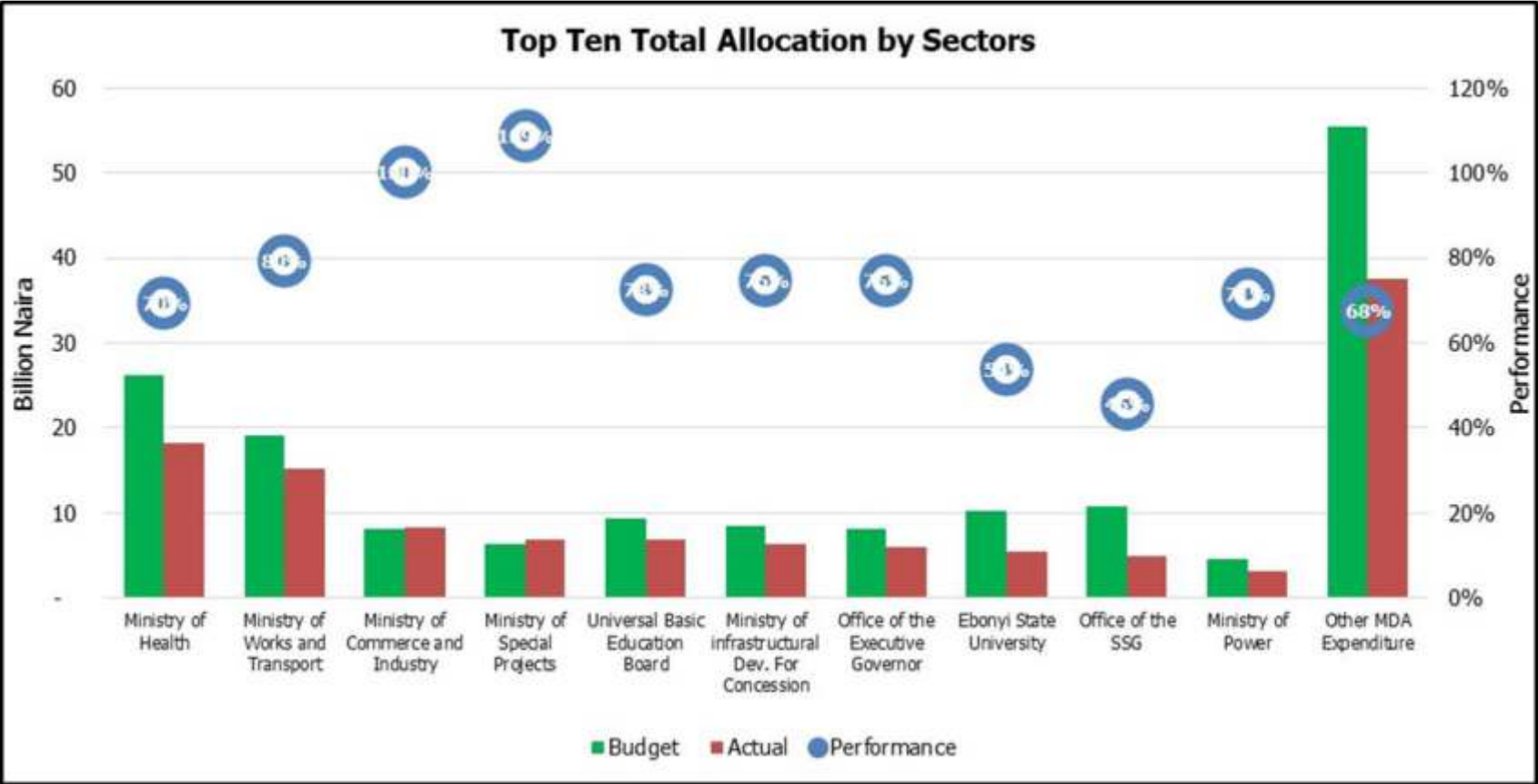
Figure 7: Citizens Nominated Project Graph











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

The FY 2020 Audited Annual Financial Statements for Ebonyi State can be found on the State Government Website, at the following specific address:[https://Ebonyistate.gov.ng/laws\\_and\\_financials](https://Ebonyistate.gov.ng/laws_and_financials). The financial Statements were presented to the citizen in the town hall meeting held with them by the state Government on 29<sup>th</sup> September, 2021. The minutes arising from the public presentation together with the attendance list have been uploaded to the same address above.





## OFFICE OF THE STATE AUDITOR-GENERAL

P.M.B. 034, Abakaliki, Ebonyi State. +234704 752 5790; ebsauditorgeneral@gmail.com

*Our Ref.:*

*Date:*

*Your Ref.:*

### **ABRIDGED 2020 AUDITOR-GENERAL'S ACCOUNTABILITY REPORT TO EBONYI STATE INDIGENES AND RESIDENTS**

#### **1. Preamble:**

Section 125(2) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended) and Section 13 of Ebonyi State Public Sector Audit Law 008 of 2021 bestow on the Auditor-General of Ebonyi State the duties and responsibilities to audit and report on:

- The Public accounts of all Offices and Courts of the State
- The Consolidated Financial Statements as submitted by the Accountant-General

AND Section 20 (4&5) States that:

- The annual audit report of the Auditor-General shall be considered a public document and as such shall be made available and accessible to members of the public at nominal cost after its submission to the Ebonyi State House of Assembly. This is one of the reasons we are here today.
- The Auditor-General shall place the annual audit report on the State Government's website after submission to the Ebonyi State House of Assembly and to allow electronic access to interested members of the public at no cost. These have been done.

I received the Ebonyi State Accountant-General's report with the Consolidated Financial Statements for the year ended 31<sup>st</sup> December 2020, on 9<sup>th</sup> May 2021, carried out the audit and submitted my Report to the Ebonyi State House of Assembly on 26<sup>th</sup> July 2021 after the audit and uploaded same on 31<sup>st</sup> July 2021.

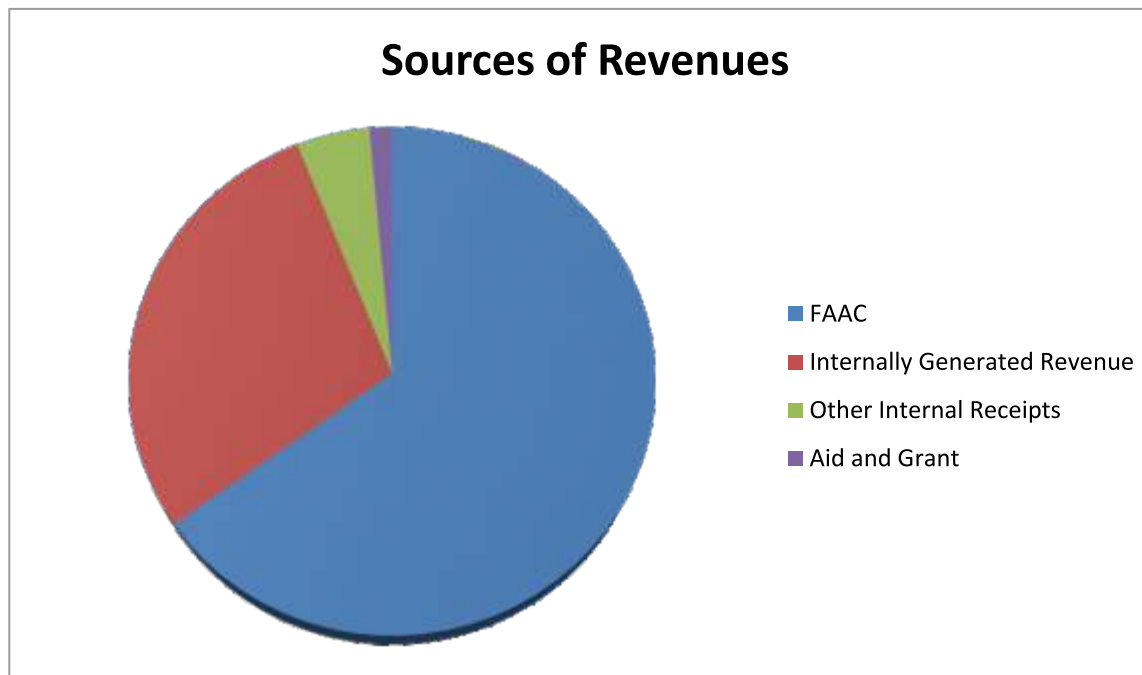
It is based on my Report and the year 2020 Audited Financial Statements this Accountability Report being presented to you this 28<sup>th</sup> day of September, 2021 was prepared.

## 2.0. REVENUE

2.1. In summary, the funds received by Ebonyi State Government for its activities in 2020 are as follows:

SOURCE		AMOUNT (₦)	% OF TOTAL
FAAC		47,605,635,213.45	53.96
Internally Generated Revenue		21,112,849,944.61	23.93
Other Internal Receipts		3,386,667,437.30	3.84
Aid and Grants		<u>16,110,913,474.08</u>	<u>18.26</u>
		<b><u>88,216,066,069.44</u></b>	<b><u>100.00</u></b>

This is shown diagrammatically in the following Pie Chart



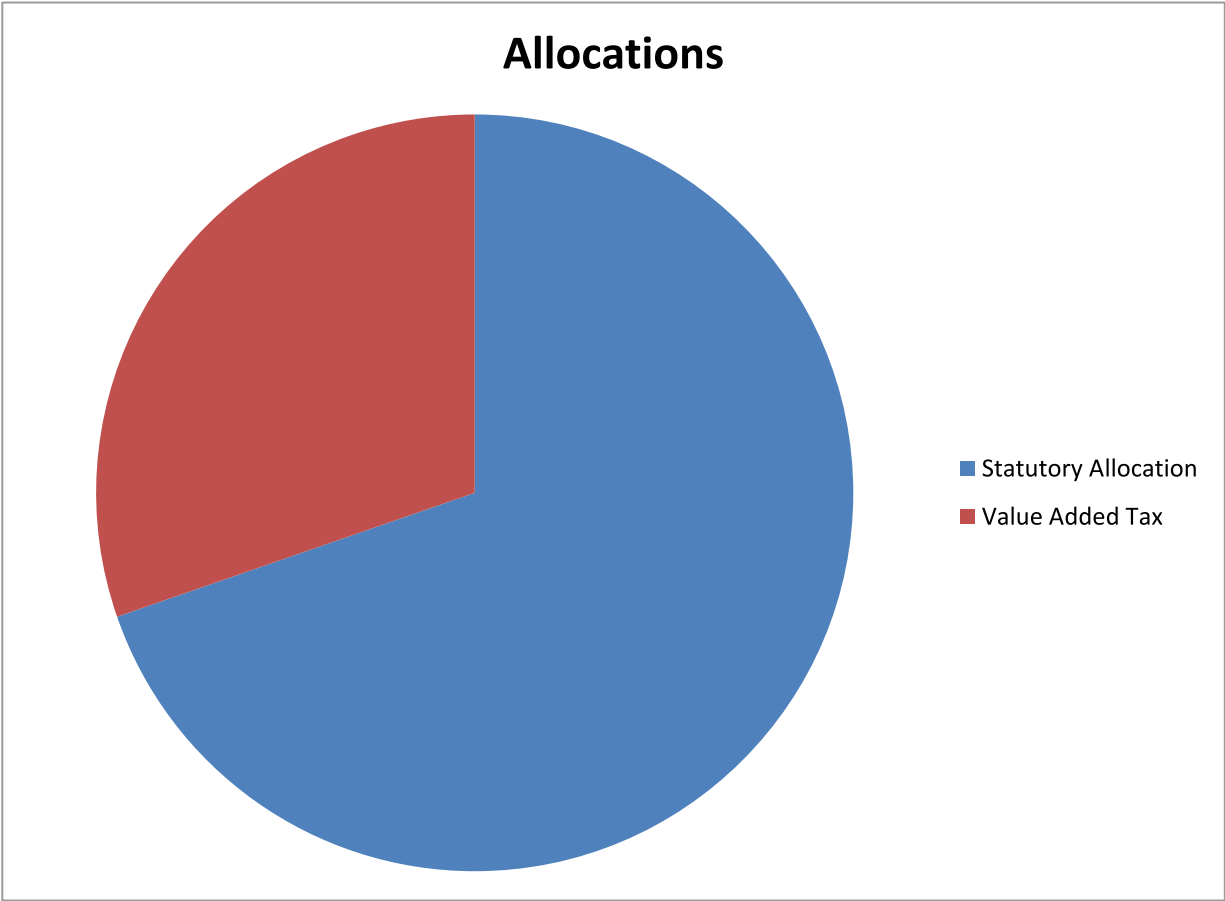
2.2. FAAC REVENUE

Receipts from Federation Accounts Allocation Committee (FAAC) for the year ended 31<sup>st</sup> December, 2020 amounted to ~~N~~47,605,635,213.45 The receipts are in two broad categories-Statutory Allocation and Value Added Tax.

For the year, each Category

	<del>N</del>	% Contribution
Statutory Allocations	33,176,667,580.37	69.69
Value Added Tax	<u>14,428,967,633.08</u>	<u>30.31</u>
<b>Total</b>	<b><u>47,605,635,213.45</u></b>	<b><u>100.00</u></b>

The Contribution of each Category is as represented in the Pie Chart below.



**2.3. THE STATUTORY ALLOCATION CATEGORY FOR THE YEAR** is made up of the

following items:

<b>Items</b>	<b>Amount</b>
	<b>₦</b>
Statutory Allocation	29,344,523,636.69
Excess Crude Allocation	655,387,968.29
Exchange Rate Gain Difference	942,907,616.80
Excess Bank Charge	339,128,555.93
Forex Equalization	421,743,119.28
Goods and Valuables Consideration	185,001,705.41
Non Oil Revenue	409,755,378.63
FGN Intervention Fund	789,756,212.84
Solid Mineral Revenue	<u>88,463,386.50</u>
<b>Total</b>	<b><u><u>33,176,667,580.37</u></u></b>

The two Categories together met the budget the State prepared for them in 2020 as shown below:

	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
	<b>₦</b>	<b>₦</b>	<b>₦</b>
Statutory Allocation	34,334,154,710.37	33,176,667,580.00	(1,157,487,130.37)
Value Added Tax	<u>11,856,981,722.00</u>	<u>14,428,967,633.08</u>	<u>2,571,985,911.08</u>
<b>Total</b>	<b><u><u>46,191,136,432.37</u></u></b>	<b><u><u>47,605,635,213.08</u></u></b>	<b><u><u>1,414,498,780.71</u></u></b>

The State exceeded the FAAC budget by ₦1,414,498,781.08 for the year.

## 2.4. INTERNALLY GENERATED REVENUE (IGR)

Ebonyi State made Internally Generated Revenue (IGR) amounting to N21, 112,849,944.61 in the year ended 31<sup>st</sup> December, 2020. The IGR is made up of two categories of receipts:

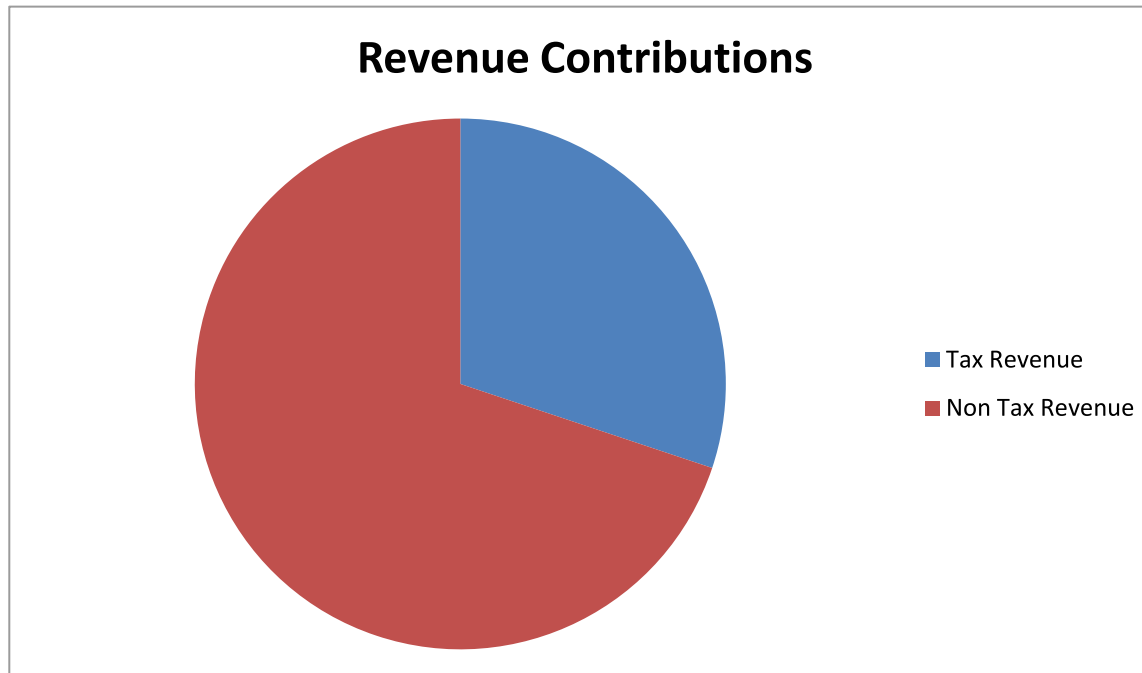
Tax Revenue;

Non Tax Revenue.

The two Categories contributed revenue in the following proportion:

Category	Revenue Contribution	% of Total IGR
Tax Revenue	6,361,234,312.26	30.13
Non Tax Revenue	14,751,615,632.35	69.87
<b>Total</b>	<b>21,112,849,944.61</b>	<b>100</b>

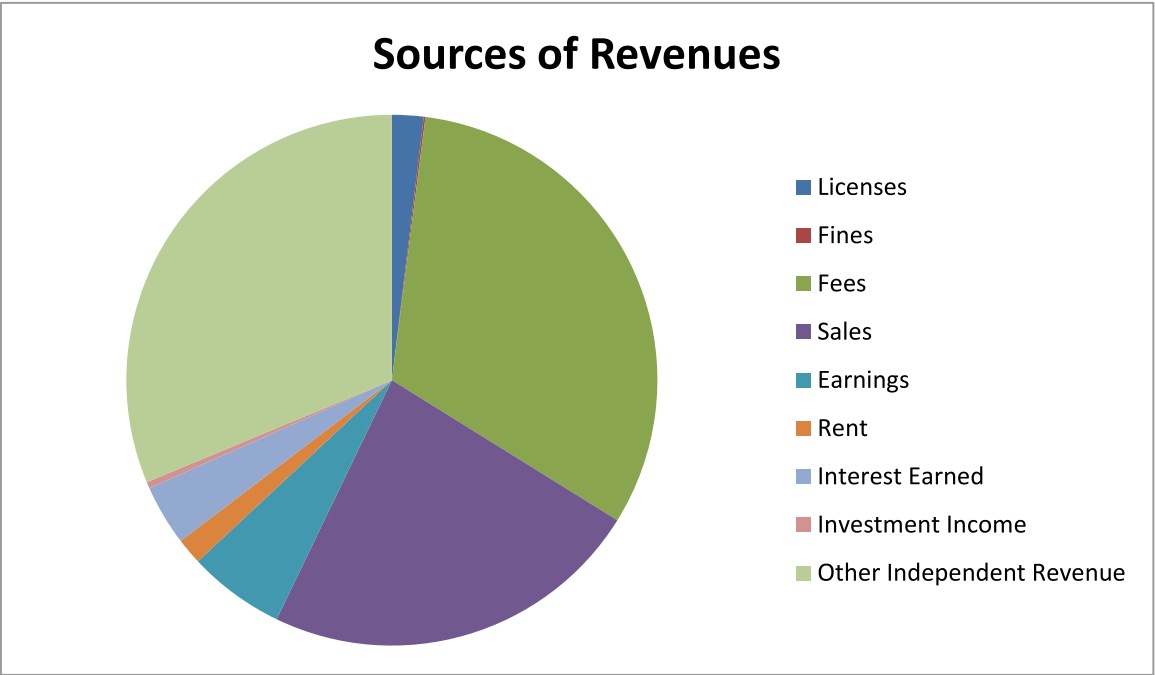
The contribution of the two categories is represented diagrammatically in the following pie chart.



The Non Tax IGR is made up of revenue from the following sources:

Sources	Contribution N	% Contribution
Licenses	282,805,828.52	1.92
Fines	15,532,283.88	0.11
Fees	4,695,594,365.26	<b>31.83</b>
Sales	3,436,117,543.35	23.29
Earnings	869,587,092.62	5.89
Rent	235,982,128.59	1.6
Interest Earned	544,464,828.33	3.69
Investment Income	57,268,513.34	<b>0.39</b>
Other Independet Revenue	4,614,263,048.46	31.28
<b>Total</b>	<b>14,751,615,632.35</b>	<b>100.00</b>

The Contribution of each source to non tax revenue can be represented in a pie chart as shown below:



Other Internal Receipts by the State in 2020 included the following:

	N
Reimbursement	191,667,437.30
Transfer from Other Government Entities	3,195,000,000.00
<b>Total</b>	<b>3,386,667,437.30</b>

The Reimbursements refer to recoveries from the loans given to public servants and others in cash and kind by the State. The transfer from other government entities refer to contribution by local government areas towards its joint projects with the State and to provide support for farmers in their L.G.As.

These were not classified as IGR because they are not independent revenue.

The performance of these internal sources of revenue against the budget for the year is as shown below

Source	Budget	Actual	Variance
Taxes	2,698,880,012.34	6,361,234,312.26	3,662,354,299.92
Non Tax Revenue	20,307,426,737.68	14,751,615,632.35	(5,555,811,105.33)
Other Revenue	2,069,421,181.59	3,386,667,437.30	<u>1,317,246,255.71</u>
			<u><b>(576,210,549.70)</b></u>

Together, the States projection of revenue from internal sources was not realized. Actual receipt, fell short of budget by ~~N~~576,210,549.70 in 2020



**2.5. AID AND GRANT**

The State received Aids and Grants totaling ~~₦~~16, 110,913,473.08 in 2020. This is made up of the following.

ITEM	AMOUNT <del>₦</del>
SFTAS Grant	6,954,000,000.00
FGN Covid-19 Grant	1,000,000,000.00
UBEC Fund	7,700,000,000.00
Other Covid-19 Grant	<u>456,913,474.08</u>
	<b><u>16,110,913,474.08</u></b>

The donation of corporate organizations and individuals to the State in support of the fight against COVID-19 is classified as other COVID-19 Grants.

**3.0. EXPENDITURE**

Expenditures of Ebonyi State for the year ended 31<sup>st</sup> December, 2020 were classified into:

- Recurrent Expenditure
- Capital Expenditures

**3.1 Recurrent Expenditure**

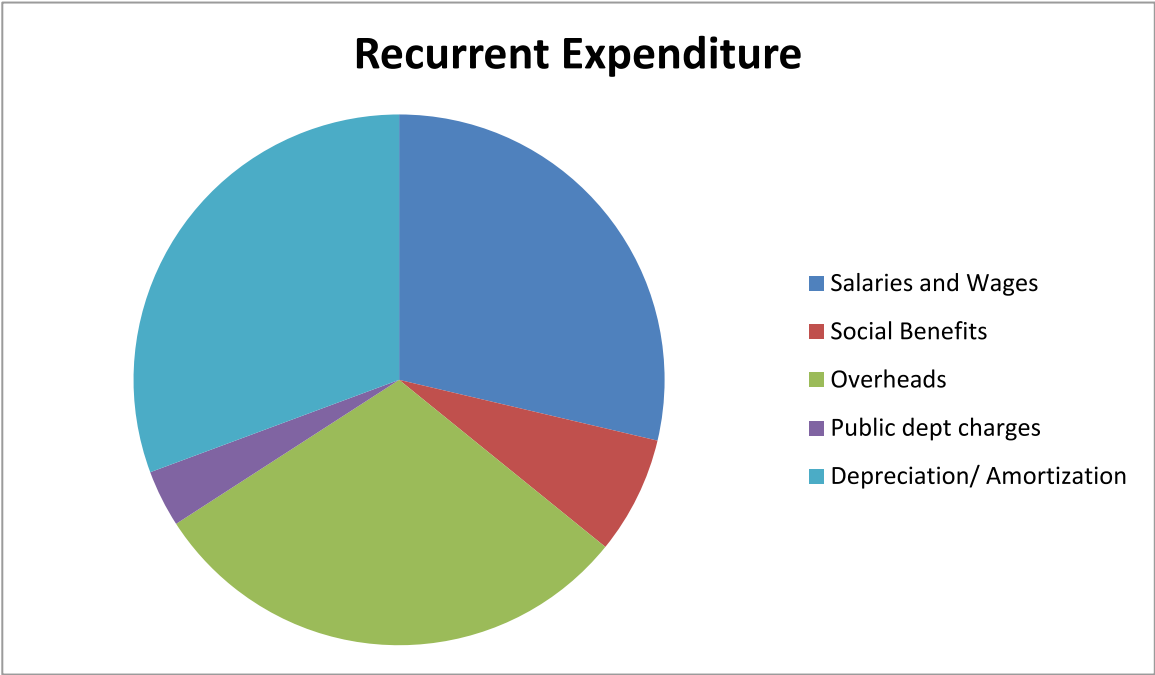
Recurrent Expenditure include:

- Salaries and Wages
- Social benefits (pension and gratuity)
- Overheads (cost of running the government)
- Public debt charges (interest and other charges on loans)
- Depreciation and amortization (the part of fixed asset cost used up in a particular year)

For the 2020 financial year, recurrent expenditure was incurred as follows:

EXPENDITURE ITEM	AMOUNT ( <del>₦</del> )	% OF TOTAL RECURRENT EXPENDITURE
Salaries and Wages	13,283,529,787.44	28.68
Social Benefits	3,316,035,537.38	7.16
Overheads	13,909,479,039.34	30.03
Public dept charges	1,606,696,714.08	3.47
Depreciation/ Amortization	<u>14,197,293,478.85</u>	<u>30.66</u>
	<b><u>46,313,034,557.09</u></b>	<b><u>100.00</u></b>

Depreciation and Amortization does not involve the movement of cash from the State purse.



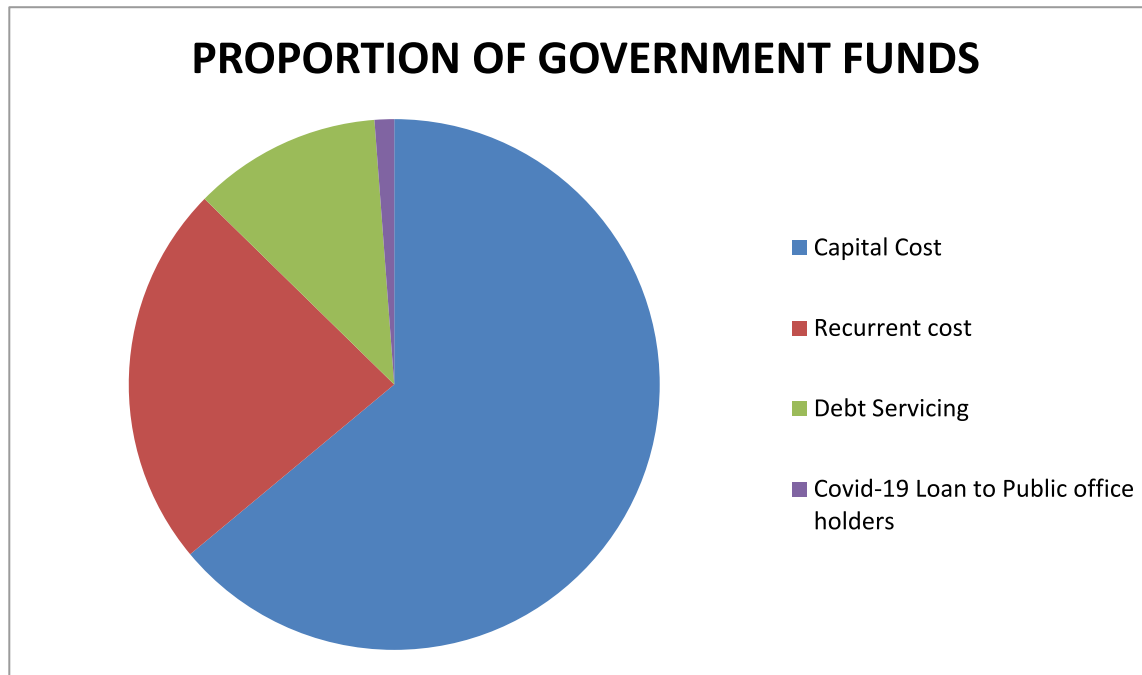
Among Recurrent Expenditure requiring cash movement, budget performance is as follows:

ITEM	BUDGET (N)	ACTUAL (N)	VARIANCE (N)
Salaries and Wages	15,851,942,549.34	13,283,529,787.44	2,568,412,761.90
Social benefits	2,327,159,038.76	3,316,035,537.38	(988,876,498.62)
Overhead cost	28,721,388,008.76	13,909,479,039.34	14,811,908,969.42
Public Debt Charge	2,704,043,983.29	1,606,696,714.08	<u>1,097,347,269.21</u>
			<u><b>17,488,792,501.91</b></u>

All recurrent Expenditure items except Social Benefits were within budget. Altogether, recurrent Expenditure had a positive variance of ~~N~~17,488,792,501.91.

### 3.2. Capital Expenditure

Capital Expenditure of Ebonyi State for the year ended 31<sup>st</sup> December 2020, amounted to ₦76,571,657,010.95. Capital Expenditure representing 64.51% of all payments by the State in 2020. The following diagram illustrates the proportion of government funds spent on capital, recurrent and other costs.



Assets acquired during the year include

ASSET TYPE	AMOUNT (₦)	% OF CAPITAL EXPENDITURE
Land and Building	33,335,980,589.88	43.54
Infrastructure: Water	284,716,467.57	0.37
Infrastructure: others	17,450,819,689.72	22.79
Plant and Machinery	2,486,476,367.09	3.25
Furniture and fittings	448,047,894.93	0.59
Motor vehicles	1,941,618,480.00	2.54
Office and other Equipment	4,907,320,447.91	6.41
IT Equipment	84,256,240.00	0.11
Asset under Construction	<u>15,605,333,380.84</u>	<u>20.38</u>
<b>Total PP &amp;E</b>	<b>76,544,569,557.95</b>	<b>99.98</b>
<b>Intangible Assets:</b>		
Computer Software	23,651,750.00	
Broadcasting rights	<u>1,600,000</u>	
<b>Biological Assets</b>	<u>1,835,703.00</u>	0.00
<b>(Min. of Environment)</b>		
<b>Capital Expenditure for year 2020</b>	<b><u>76,571,657,010.95</u></b>	<b><u>100.00</u></b>

Closing balances of **Property, Plant and Equipment** and other **Capital Assets** as at 31<sup>st</sup> December 2020 are as detailed below:

<b>ASSET TYPE</b>	<b>CLOSING BALANCE (₦)</b>	<b>% OF TOTAL HOLDING</b>
Land and Building	91,134,581,518.89	32.58
Infrastructure : Water	12,462,426,998.56	4.46
Infrastructure: Others	118,594,852,614.87	42.40
Plant and Machinery	7, 270,591,068.79	2.60
Furniture and fittings	1,041,852,732.16	0.37
Motor vehicles	4,415,308,385.72	1.58
Office and other Equipment	4,292,810,217.16	1.53
IT Equipment	172,425,934.99	0.06
Assets under construction	<u>40,227,951,304.81</u>	<u>14.38</u>
<b>Total PP&amp;E</b>	<b>279,612,800,775.94</b>	<b>99.97</b>
<b>Intangible Assets</b>	<b>36,901,107.42</b>	<b>0.01</b>
<b>Biological Assets</b>	<u><b>37,778,066.40</b></u>	<u><b>0.02</b></u>
<b>Total Assets 31/2/2020</b>	<u><b>279,687,479,949.76</b></u>	<u><b>100.00</b></u>

#### **4.0 DEBT STATUS OF THE STATE**

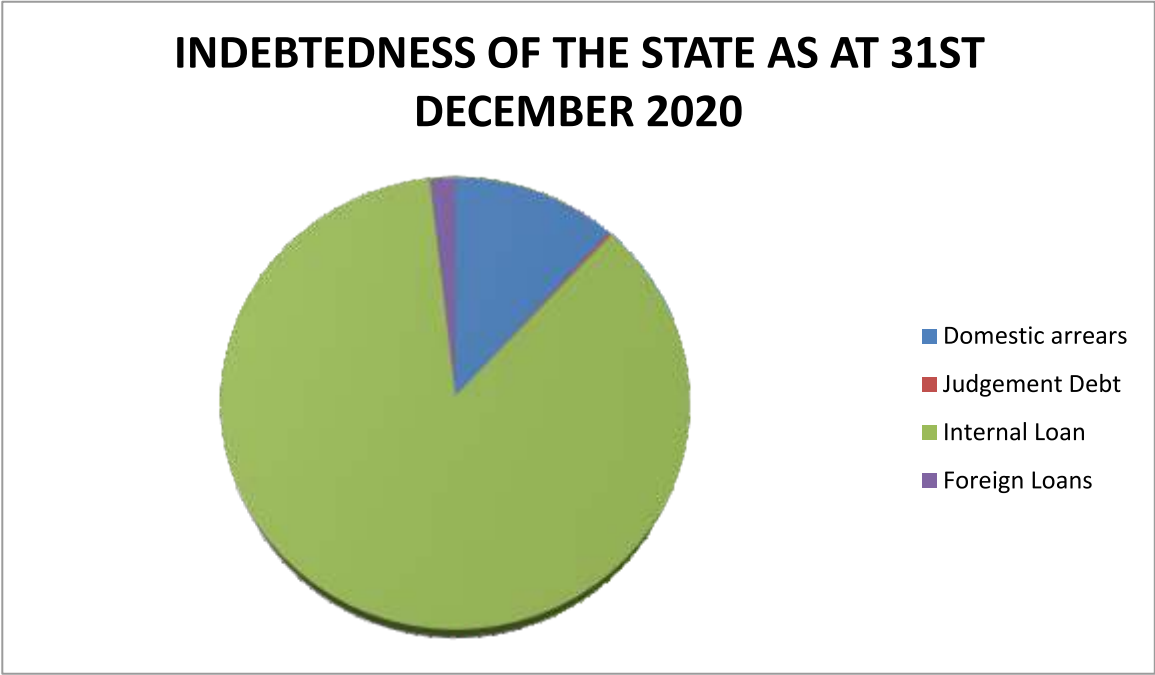
The State Indebtedness arose from the following sources

- Domestic Arrears/ Judgments debts
- Internal loans
- Foreign Loans

**4.1** In summary, the State is indebted to the tune of ₦70,406,663,483.04 as at 31<sup>st</sup> December 2020 as shown below:

DEBT	AMOUNT (₦)	PROPORTION OF TOTAL DEBT (%)
Domestic arrears	5,438,064,457.58	7.72
Judgement Debt	83,327,926.91	0.12
Internal Loan	39,824,336,202.29	56.56
Foreign Loans	<u>25,060,934,895.41</u>	<u>35.59</u>
<b>Total</b>	<b><u>70,406,663,483.04</u></b>	<b><u>100.00</u></b>

- 
- This is shown diagrammatically in the pie chart below:



**4.2 Domestic Arrears**

As at 31<sup>st</sup> December 2020, the State had the following Domestic Arrears:

	₦
Salary Arrears (Ebonyi State University)	1,131,998,119.63
Arrears of Pension and Gratuity	3,806,746,867.62
Contracts retention arrears	<u>499,319,470.33</u>
	<b><u>5,438,064.457.58</u></b>

**4.3. Judgment Debt**

At 31<sup>st</sup> December 2020, the State was owing a total of ~~₦~~83,327,926.91 in Judgment debts.

**4.4. Internal Loans**

Internal Loans at the end of 2020 amounted to ~~₦~~39,824,336,20

The Internal Loans were sourced as detailed below:

<b>LOAN ITEM</b>	<b>CLOSING BALANCE</b>
	<b>(₦)</b>
Salary Bail Out Loan	3,651,438,261.06
Excess Crude Loan	9,050,317,542.84
Commercial Agric Credit Scheme	5,622,287,439.16
Budget Support Loan	17,500,292,959.29
MSME Development Fund	2,000,000,000.00
Medical Equipment Loan	<u>2,000,000,000.00</u>
<b>Total</b>	<b><u>39,824,336,202.29</u></b>

**4.5 Foreign Loans**

At 31<sup>st</sup> December 2020. Foreign Loans of the State amounted to ~~₦~~25,060,934,895.40. The foreign loans are draw downs on development projects funded by the World Bank over the years. They include:

<b>FOREIGN LOAN ITEMS</b>	<b>CLOSING BALANCE 2020</b>
	<b>(₦)</b>
State HIV Project	1,060,067,003.66
Health system development project	1,049,332,154.79
Comm. Based urban Dev. project	5,723,911,131.84
Universal Basic Education project	1,065,180,002.60
Comm. Based Poverty reduction project	1,295,909,504.72
Comm. Social development project	1,651,114,233.01
National FADAMA development project	2,083,634,562.43
Health system dev. Project (additional financing)	558,523,308.24
State second HIV/AIDS programme	776,362,352.18
Nigeria Erosion and Water shield Management project	<u>9,796,900,641.94</u>
<b>Total</b>	<b><u>25,060,934,895.41</u></b>

**5.0.** It is pertinent to mention that all queries issued within the year were resolved and refunds, where applicable made.



**Elder U.S.A Udu, PhD, FCNA, FCTI, CPA Ireland, FCAI, FCAS, ACrF, MNIM, WAC, DP, JP.**

**Auditor-General**

**Ebonyi State**

**29.09.2021**





Ebonyi State Government 2020 Citizens Accountability Report.

THE MINUTES OF THE MEETING OF CITIZENS OF EBONYI STATE DURING THE PRESENTATION OF EBONYI STATE YEAR 2020 AUDITED FINANCIAL STATEMENTS ON 29<sup>TH</sup> SEPTEMBER, 2021 AT EXCO CHAMBERS, OLD GOVERNMENT HOUSE, ABAKALIKI.

**1. Attendance**

A total number of thirty nine (39) Ebonyi Citizens are present in the meeting. They were comprised of the following:

- i. Elder Dr. U.S.A. Udu - The Ebonyi State Auditor-General
- ii. Mrs Alobu Pauline - The Auditor-General for Local Governments
- iii. Mrs Patricia Okiri - The Permanent Secretary, MOFED/Representative of the Hon. Commissioner for Fin. & Econ. Dev

Others included:

- i. Civil Servants;
- ii. Representatives of Physically Challenged Persons;
- iii. Representatives of Market Women Associations;
- iv. Representatives of Nigeria Bar Association;
- v. Members of the Civil Society Organizations (CSOs).

**2. Commencement**

The meeting commenced with opening prayer said by Mrs Ituma Chinenye at exactly 11:51am. This was followed by an opening remarks presented by Mrs Patricia Okiri who represented the Hon. Commissioner for Finance and Economic Development. In the remarks, she said that the purpose of the meeting was to present Citizen Accountability Report for the year 2020 Financial Activities of Ebonyi State to her citizens. She also said that the citizens were adequately consulted during the 2020 budget preparation and that today is for the citizens to know the extent the State Government had implemented the budget as contained in the Financial Statements.

**3. Introductions**

Each person in the meeting introduced his or herself.

**4. Presentation of Abridged 2020 Auditor-Generals Accountability Report to Ebonyi State Citizens**

The Auditor-General, Dr. U.S.A Udu presented the abridged 2020 Auditor General's Accountability Report. In the report, he mentioned when his office received the 2020 Accountant-General's reports, when the audit of the report was carried out and when he submitted his report to the Ebonyi State House of Assembly.

He presented details of revenues received by Ebonyi State Government and the expenditures made for the period ended 31<sup>st</sup> December, 2020 as follows:

**Revenues**

The total sum of N88,216,066,069.44 was received by the State Government for the year 2020. The makeup of the revenues included:

-	FAAC	47,605,635,213.45
-	IGR	21,112,849,944.61
-	Other Receipts	3,386,667,437.30
-	Aids & Generals	<u>16,110,913,474.08</u>
	<b>Total</b>	<b><u>88,216,066,069.44</u></b>

The receipt showed that FAAC revenue was made up of the following:

Statutory Allocaton	33,176,667,580.37
Value Added Tax	<u>14,428,967,633.08</u>
<b>Total</b>	<b><u>47,605,635,213.45</u></b>

Internally Generated Revenue (IGR) was made up of the following categories:

-	Tax Revenue	6,361,234,312.26
-	Non Tax Revenue	<u>14,751,615,832.35</u>
	<b>Total</b>	<b><u>21,112,850,144.61</u></b>

Tax revenue included Pay As You Earn (PAYE) and Company Taxes while Non Tax revenue included Licenses, Fees, Fines, Rent, Sales, Earnings, Interest Earned, Investment Income and other Independent Revenues.

Aids and Grant received included the following:

SFTAS Grant	6,954,000,000.00
FGN COVID-19 Grant	1,000,000,000.00
UBEC Fund	7,700,000,000.00
Other Covid-19 Grant	<u>456,913,474.08</u>
<b>Total</b>	<b><u>16,110,913,474.08</u></b>

**Expenditures**

The report revealed that expenditures were in two categories viz:

- Recurrent Expenditures and
- Capital Expenditures

The total recurrent expenditure was N46,313,034,557.09 which included salaries, social benefits, overheads, public debt charges as well as Depreciation/Amortization. He however, pointed out that Depreciation and Amortization did not involve the movement of cash from the State purse. Again, the report revealed that all recurrent Expenditure items except Social Benefits were within budgetary limit and that, in total, recurrent expenditure had a positive variance of N17,488,792,501.91.

The total Capital Expenditure of Ebonyi State for the year ended 31<sup>st</sup> December, 2020 amounted to N76,571,657,010.95. This represented 64.51% of all payments by the State in the year 2020.

The Capital Expenditures were incurred in acquiring the following assets:

<b>Asset Type</b>	<b><del>N</del></b>
Land & Building	33,335,980,589.88
Infrastructure: water	284,716,467.57
Infrastructure: others	17,450,819,689.72
Plant & Machinery	2,486,476,367.09
Furniture & Fitting	448,047,894.93
Motor Vehicles	1,941,618,480.00
Office & Other Equipment	4,907,320,447.91
IT Equipment	84,256,240.00
Assets Under Construction	15,605,333,380.84
Other Assets	<u>27,087,453.00</u>
<b>Total</b>	<b><u><u>76,571,657,010.94</u></u></b>

**Closing balance of PP & E & Other Capital Assets**

The closing balances of Property, Plant and Equipment and other Capital Assets as at 31<sup>st</sup> December, 2020 stood at N279,689,479,949.76.

**Debt status of the State**

The State was indebted to the tune of N70,406,663,483.04 as at 31<sup>st</sup> December, 2020 as shown below:

	<del>N</del>
Domestic Arears	5,438,064,457.58
Judgment Debt	83,327,926.91
Internal Loans	39,824,336,202.29
Foreign Loans	25,060,934,895.41
<b>Total</b>	<b>70,406,663,482.19</b>

In conclusion, the Auditor-General said that all queries arising from routine audits were resolved within the year and refunds made where applicable.

**5. Responses**

**Ajah Chima Oliver**

He commended the State Auditor –General for making a good presentation. He said that the State government was becoming more transparent to the citizens and requested that this practice be continued. However, he noted that the presentation should have been more detailed to show the Sectoral Performances especially the social sector. He equally asked the following questions:

- i. Why did the State still owe salaries where as the State government got SFTAS grant which should have been used to offset any salary arrears?
- ii. Why was the debt level of the State Government up to the tune of N70 billion?

He was made to know that no Public/Civil servant in the State was owed any salary except the Ebonyi State University staff that were owed due to COVID-19 Crises that resulted to the closure of the University. On the debt level, he was made to know that not all the debts were not contracted by this government but inherited from the parent States. (Abia and Enugu in addition to other palliative Loans from the Federal Government.

Paul Nwafor

A representative of Civil Society Organizations (CSOs) commended the Auditor-General for the presentation. He noted that the report revealed that the State Government actually focused more on Capital Expenditure than the Recurrent. However, he pointed out that some revenue heads did not perform well, particularly, Rent. He therefore suggested that the State Government can have the option of embarking on massive house constructions and be collecting rents. He said that this will not only increase revenue generation but also solve the problem of accommodation and unemployment in the State.

Nnenna Otuonye

A representative of Market Women Organization, thanked the State Government for carrying her citizens along in the affairs of the State. She suggested that State Government should look more into small and medium enterprises in the State and incorporate those things that will make them thrive well into the State budget for next year. She also put forward the following suggestions to the State Government:

- The State should endeavour to have more realistic budgets.
- The State should limit the level of her borrowings
- The State should avoid double taxation.

She was made to know that, from the presentation made, those suggestions had been taken care of.

Mr. Silas Egede

A representative of physically challenged persons begged the State Government to increase humanitarian services to enhance the well being of the olds, the elderstatesmen as well as the physically challenged persons in the State.

Comrade Emmanuel Mbam advised the State Government to put in place a mechanism for checkmating implementation of budgets. This is to ensure that the budgetary provisions are implemented to the later.

## **6. Closing Remarks:**

Mr. Chijioke Ogbodo gave closing remarks. In the remarks, he thanked the respondents for their response and suggestions for improvements. He reminded Mrs. Nnenna Otuonye that the State Government had been encouraging SMES in the State by registering small businesses in CAC. He pointed out that tax reliefs were granted to SMEs last year. Mr. Chijioke referred to Mr. Silas Egede and advised him to start from the Ministry of Women Affairs and Social Development for inclusion of his groups needs in the budget of the coming year.

**7. Closing Prayer**

Closing prayer was said by Mrs. Nnenna Otuonye at exactly 1:04pm.



**Mrs. Nnenna Otuonye**  
Market Women Organization  
07032214643  
29-09-2021



**Mr. Ajah Chima Oliver**  
DIG Foundation  
08035384102  
29-09-2021



**Mrs. Patricia Okiri**  
Perm. Sec. Budget, MOFED  
08037406950  
29-09-2021























**Dr. Obiamaka Egbo**  
States to States (S2S)  
08033158694  
29-09-2021



**Mr. Emmanuel Iboko**  
Secretary, SFTAS  
07031215693  
Ebonyi State  
29-09-2021

EBONYI STATE MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

PARTICIPANTS LIST FOR THE CITIZEN'S ACCOUNTABILITY REPORT PRESENTATION (2020 FINANCIAL YEAR)

S/N	NAME OF PARTICIPANT	ORGANISATION	LOCAL GOVERNMENT	PHONE NUMBER	SIGNATURE
1	EGEDE SILAS S	WRITERS OF Political Dispute	EBONYI	08068515870	
2	Nwagbala Benjamin N	11 11	1221	08078770393	
3	Nkwere Godwin E	State Audit	Abakaliki	08037951185	
4	Ihekwe Emmanuel	State Audit	Ezouye	07031215693	
5	Agah Chima Okeke	DIG Foundation	Afikpo South	08055384102	
6	Ndu Maurice C	NEW Foundation	ABIA	08034037004	
7	Chidinma Eze Nwaele	DIG Foundation	Afikpo South	08138347172	
8	Ogodo Chijioke	Labour (TUC)	Chaulkwa	08035072956	
9	Renshen Okoné	TUC	Chadoma	08037905630	
10	Abiri Ngozi B.	State Audit	<del>Abakaliki</del>	08069113862	
11	Ochie Scholastica C.	State Audit	KNO	07031846672	
12	Emmanuel Mbein	Vicman NLC	Abakaliki	08038293799	
13	Comrade Nwadi Chawkes	TUC	Abakaliki	07030863407	
14	Shim Inyia	USAID S2S	Ezouye	08036664807	
15	Pisella Chikbonam Nkechi	State Audit	Abakaliki	08160328582	
16	Elder Dr. U.S. A. Udu	State Audit	Afikpo South	08037988804	
17	Okechukwu Catherine	MKT W. ASSO.	Afikpo North	08146012685	
18	MRS Patricia Okiri	Budget Planning MOFED	KIND	08037406950	
19	Okechukwu Choma R	Market women's group	Chaulkwa	08068627477	
20	Okeke Nneoma	MOFED		08134456864	



EBONYI STATE MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

PARTICIPANTS LIST FOR THE CITIZEN'S ACCOUNTABILITY REPORT PRESENTATION (2020 FINANCIAL YEAR)

S/N	NAME OF PARTICIPANT	ORGANISATION	LOCAL GOVERNMENT	PHONE NUMBER	SIGNATURE
21	Cooksey Michael	MOFED			
22	Okoro Anyimba	MOFED		09021001234	
23	Ituma Chinyere	BUDGET		08063518291	Chinyere
24	Oyari Katherine O.	MOFED	Akpo North	08068377741	
25	Dr. Obiamaka Ego	S2S		08033158694	
26	Uzoma B. I.	SCPP	Onicha	08034415188	
27	Onu Chidinma Oni	MOFED		08034813392	
28	Orak Jacob Obaji	EXCO	Ikpe	07033028264	
29	Ngachu Nigora A.I	EXCO	Obakry	0803047854	
30	Bessy Orji U.	EXCO	Akpo South	08104016296	
31	Nwando Paul R	Human Resource	CSO	08084199966	
32	Otuonye-Chin Nwennu	NGO women	Exe Sec	08032214643	
33	Nwadi patience	NGO women	1221	08030605096	
34	Chroma ODEKA KEGINAM Uoleh	Human Right Project	Ebonyi State	08133268808	
35	Pauline Gladys Banah	Human Right Project	Ebonyi State	08067435695	
36	Barr. Nnenna Urah	MOFED	Ebonyi State	08035751107	
37	UTO MOROS-D	MOFED	Obakry	07085500411	
38	Atsby P.N (Mrs)	LGAUD	KNO	08038331063	
39	Oyo christiana-f.	LGAUD	1221	07086380086	
40					