

IMO STATE GOVERNMENT ON NIGERIA



CITIZENS' ACCOUNTABILITY REPORT ON THE IMPLEMENTATION OF THE 2020 BUDGET OF SHARED PROPERITY

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INTRODUCTION

Government holds resources of the people in trust, as such are agents of them. As Agents of the people, the operators should give account of their stewardship at the end of each financial year. Communicating to its citizens in the way and manner they can understand the report is the whole essence of Citizens Accountability Report.

This Citizens Accountability Report is a series of pictorial illustrations of the contents of Imo State 2020 Audited Financial Statements prepared by the Office of the Accountant General in Conjunction with the Ministry of Budget, Economic planning & Statistics, and State Auditor General Office on behalf of Imo State Government, intended to explain to the people how the funds generated or collected on their behalf were utilized.

EXPLANATION OF TERMS USED IN THIS REPORT

BUDGET: This is the estimate of revenue and activities of an organization, State or Country for a particular period, usually one year. Unless otherwise stated, the Budget in this report means Final Budget ie Original budget plus Supplementary Budget or any other adjustments made within year 2020.

ACTUAL: This is the actual amount of Revenue collected or Expenditure incurred for year 2020

VARIANCE: For Revenue items, it is calculated as actual minus budget. A positive variance means that actual is greater than budget. For Expenditure items, if budget is greater than actual it is a positive variance. It is a negative variance where actual is greater than budget.

PERFORMANCE: This is the actual revenue/ Expenditure expressed as a percentage of the Budget. A performance of 100% means the full budgetary allocation was realized for Revenue or expended for Expenditure. However, if the performance is less than 100%, it means the actuals are less than the budget, and vice versa

EXECUTIVE SUMMARY

The Original budget of Imo State which was passed by Law No 43 of 2019 was revised through the State Appropriation Law No 12 of 2020, consequent upon COVID 19 Pandemic which shut down World Economies and slowed international trade.

This impacted negatively on the global Oil Prices upon which the 2020 budget of Nigeria and that of Imo State were predicated. As a result, the original Budget size of One Hundred and Ninety-Seven Billion, Seven Hundred and ninety-two million, six hundred and forty-three thousand two hundred sixty-seven naira (N197,792,643,267) was reduced to One Hundred and Eight Billion, three hundred and eighty-five million, eight hundred and thirty-six thousand, one hundred and thirty naira (N108,385,836,130).

The State generated a total revenue of One Hundred Billion, one hundred and one million, one hundred and eighty-three thousand two hundred and eighty-nine naira (N100,101,183,289) representing 92.4% performance. However, due to the fact that much of the revenue actualized towards the end of the year, most of the activities of the State could not be undertaken. Statutory Allocations performed above one hundred percent while Internally Generated Revenue achieved 24% performance.

Capital Expenditure performance stood at 63.5% while Recurrent Expenditure achieved 91.7%. Office of the Governor's recurrent and Capital expenditures were about 79.6% and 174% respectively. Most of the spending could be traced to activities aimed at fighting COVID 19 Pandemic. The five most funded MDAs include Ministry of works, Office of the Governor, Ministry of Finance, House of Assembly and Ministry of Health., which account for 36% of the total actual expenditure.

Some of the Capital projects were at different stages of Procurement processes, as such could not materialize before the end of the year. Audit Findings proved that the State needs to implement more control measures to reduce or eliminate material misstatements that may affect Financial Statements.

Section 1: Budget Outturn

REVENUE: The revenue projections performed reasonably well that, out of One hundred and Eight billion, three hundred and eighty-five million, eight hundred and thirty-six thousand, one hundred and thirty naira (N108,385,836,130) budgeted revenue, one hundred billion, one hundred and one million, one hundred and eighty-three thousand, two hundred and eighty-nine naira (N100,101,183,289, representing 92.4% was realized. Statutory revenue allocations achieved over hundred percent performances while internally generated revenue (IGR) showed about 30% performance.

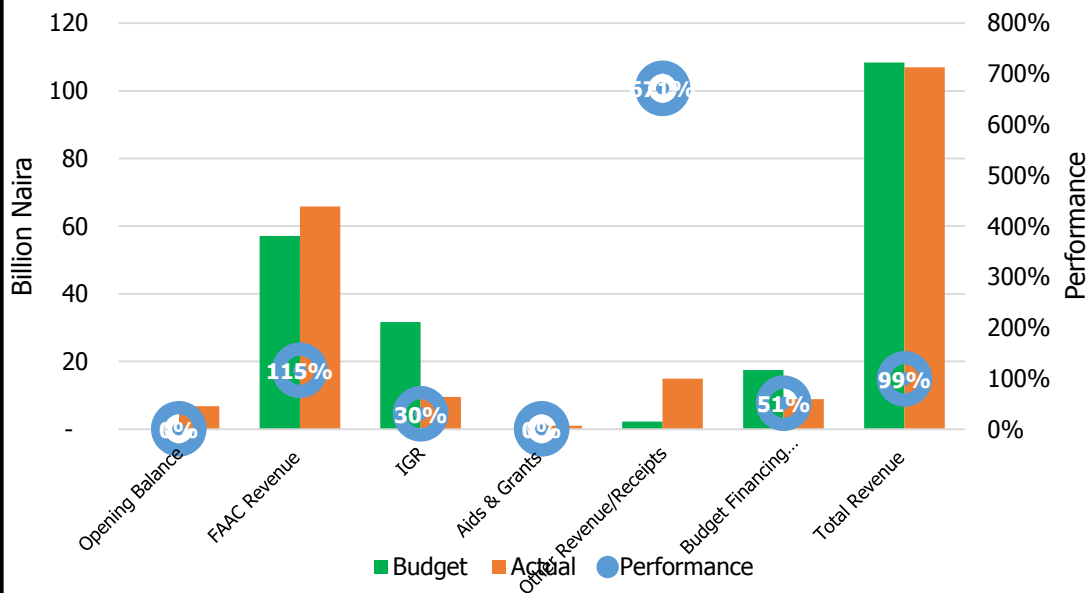
EXPENDITURE: Out of a budgeted expenditure of One hundred and Eight billion, three hundred and eighty-five million, eight hundred and thirty-six thousand, one hundred and thirty naira (N108,385,836,130) , Eighty eight billion, twenty seven million, two hundred and eighty six thousand and eighty two naira(N88,027,286,082) was expended, leaving a surplus of N18,885,821,054. Capital expenditure had 63% performance while other expenditure components achieved over 50% outcome.

Table 1 Budget Outturn

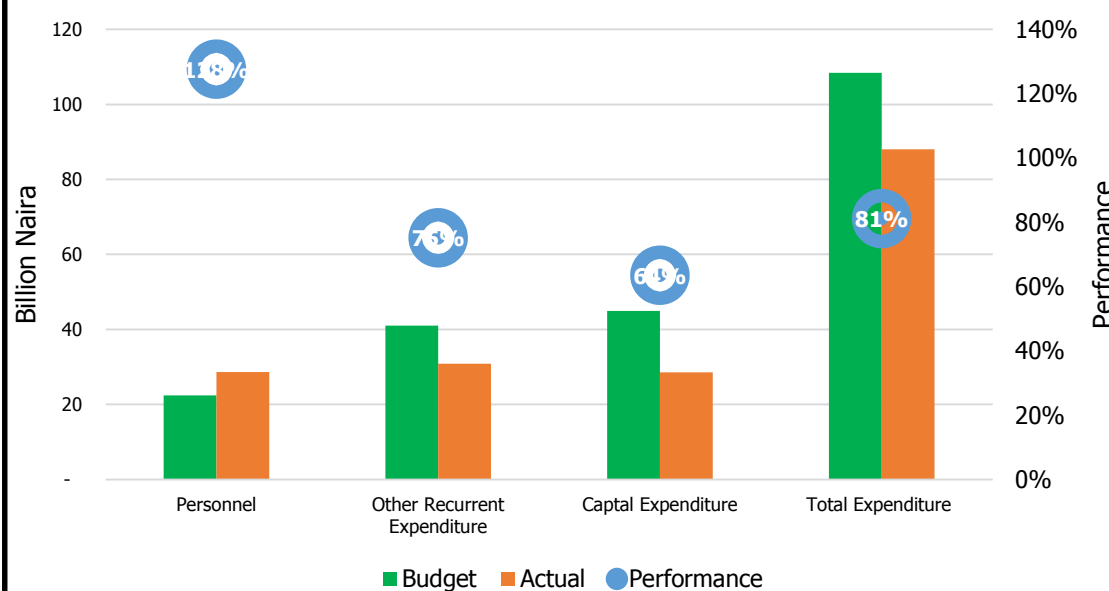
| Budget Outturn (Originally Approved vs Actual) | | | | | |
|-------------------------------------------------------|-----------------------------|--------------------------|---------------------------|-----------------------|-------------------------|
| 2020 Revenue Composition Performance | | | | | |
| 2020 Aggregate Revenue Composition | 2020 Original Budget | 2020 Final Budget | 2020 Actual Amount | Variance* | Performance (%)* |
| Opening Balance | - | - | 6,811,923,848 | 6,811,923,848 | |
| FAAC Revenue | 57,077,637,204 | 57,077,637,204 | 65,829,081,284 | 8,751,444,080 | 115.3% |
| IGR | 31,648,198,926 | 31,648,198,926 | 9,493,907,130 | -22,154,291,796 | 30.0% |
| Aids & Grants | - | - | 1,000,000,000 | 1,000,000,000 | |
| Other Revenue/Receipts | 2,219,000,000 | 2,219,000,000 | 14,895,503,059 | 12,676,503,059 | 671.3% |
| Budget Financing (Loans) | 17,441,000,000 | 17,441,000,000 | 8,882,691,816 | -8,558,308,184 | 50.9% |
| Total Revenue | 108,385,836,130 | 108,385,836,130 | 106,913,107,137 | 1,472,728,993 | 98.6% |
| 2020 Expenditure Performance by Economic Type | | | | | |
| 2020 Aggregate Expenditure Composition | 2020 Original Budget | 2020 Final Budget | 2020 Actual Amount | Variance* | Performance (%)* |
| Personnel | 22,434,251,333 | 22,434,251,333 | 28,636,760,131 | -6,202,508,798 | 127.6% |
| Other Recurrent Expenditure | 40,985,484,926 | 40,985,484,926 | 30,825,151,642 | -10,160,333,284 | 75.2% |
| Capital Expenditure | 44,966,099,871 | 44,966,099,871 | 28,565,374,310 | -16,400,725,561 | 63.5% |
| Total Expenditure | 108,385,836,130 | 108,385,836,130 | 88,027,286,083 | 20,358,550,047 | 81.2% |

* 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.

2020 Aggregate Revenue Composition



2020 Aggregate Expenditure Composition



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 performing revenue agencies in the State.

The State projected a total Internally Generated Revenue of Thirty-One Billion, Six hundred and forty-eight million, One hundred and ninety-eight thousand nine hundred and twenty-five naira (N31,648,198,925), out of which Nine Billion, Four hundred and ninety three million, nine hundred and seven thousand, one hundred and thirty naira, thirty three kobo (N9,493,907,130.33) representing 30% performance. The outcome is far from the estimated value; however, it is partly due to the effects of COVID 19. Most taxes were waived in order to encourage businesses to withstand the pandemic.

Receipts from Direct taxes totaled about Six billion, Nine hundred and twenty six million, Five hundred and thirty one thousand, Seven hundred and five naira (N6,926,531,715.41) while other components of the independent revenues accounted for about Two billion, Five hundred and sixty seven million, three hundred and seventy five thousand, Four hundred and fourteen naira (N2,567,375,414.92).

In the period under consideration, the State government implemented some fiscal measures but they could not impact as expected as a result of general global economic downturn occasioned by COVID 19. Treasury Single Account was fully implemented in the State. It is believed that the State IGR would have been lower than the result for the year if TSA was not introduced. In order to discourage sharp practices in revenue collection, the State government disengaged revenue consultants who hitherto collected IGR for the State.

It is hoped that in the years to come, the State would exploit its opportunities in the tourism sector to grow its internally Generated Revenue.

The revenue Table and graph are presented 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 | 20,769,708,166 | 20,769,708,166 | 6,926,531,715 | - 13,843,176,451 | 33.3% |
| Personal Taxes: | 20,769,708,166 | 20,769,708,166 | 6,926,531,715 | - 13,843,176,451 | 33.3% |
| Personal Income Tax (PAYE) | | | 1,792,668,439 | 1,792,668,439 | |
| Personnal Income Tax (Direct Assessment Taxes) | 20,769,708,166 | 20,769,708,166 | 5,133,863,276 | - 15,635,844,890 | 24.7% |
| Penalty For Offences & Interest | | | | - | |
| Other Personal Tax N.E.C | | | | - | |
| Other Taxes: | - | - | - | - | |
| Sales Tax | | | | - | |
| Lottery Tax/Licence | | | | - | |
| Property Tax | | | | - | |
| Capital Gain Taxes | | | | - | |
| Withholding Tax | | | | - | |
| Other Taxes N.E.C | | | | - | |
| Non-Tax Revenue: | 10,878,490,759 | 10,878,490,759 | 2,567,375,415 | - 8,311,115,344 | 23.6% |
| Licences General | 467,595,000 | 467,595,000 | 115,777,546 | - 351,817,454 | 24.8% |
| Fees – General | 7,122,460,453 | 7,122,460,453 | 2,150,920,359 | - 4,971,540,094 | 30.2% |
| Fines – General | 1,780,615,113 | 1,780,615,113 | 3,583,100 | - 1,777,032,013 | 0.2% |
| Sales – General | 993,034,135 | 993,034,135 | 142,708,656 | - 850,325,479 | 14.4% |
| Earnings – General | 425,586,058 | 425,586,058 | 109,492,848 | - 316,093,210 | 25.7% |
| Rent On Government Buildings – General | 89,200,000 | 89,200,000 | 1,771,222 | - 87,428,778 | 2.0% |
| Rent on Land and Others – General | | | 24,921,386 | 24,921,386 | |
| Repayments | | | | - | |
| Investment Income | | | | - | |
| Interest Earned | | | | - | |
| Reimbursement | | | | - | |
| Miscellaneous Income | | | 18,200,297 | 18,200,297 | |
| Independent Revenue (IGR) | 31,648,198,925 | 31,648,198,925 | 9,493,907,130 | - 22,154,291,795 | 30.0% |

* 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 (%)* |
| Imo State Internal Revenue Service | 16,270,962,795 | 16,270,962,795 | 20,078,432,437 | 3,807,469,642 | 123.4% |
| Ministry of Lands&Physical Planning | 2,898,816,310 | 2,898,816,310 | 7,652,580 | - 2,891,163,730 | 0.3% |
| Ministry of Enviornment & Natural Resources | 1,633,068,750 | 1,633,068,750 | 5,112,046 | - 1,627,956,704 | 0.3% |
| Ministry of Commerce & Industry | 1,587,119,600 | 1,587,119,600 | 6,649,698 | - 1,580,469,902 | 0.4% |
| Ministry of Public Utilities | 1,373,450,000 | 1,373,450,000 | 6,235,911 | - 1,367,214,089 | 0.5% |
| Ministry of Education | 1,308,950,000 | 1,308,950,000 | 9,067,099 | - 1,299,882,901 | 0.7% |
| Ministry of Tourism, Creative Arts& Culture | 1,234,422,308 | 1,232,422,308 | 1,919,756 | - 1,230,502,552 | 0.2% |
| Ministry of Housing & Urban Development | 1,061,673,793 | 1,061,673,793 | 2,464,121 | - 1,059,209,672 | 0.2% |
| Office of the Governor | 797,219,347 | 747,863,500 | 11,366,147 | - 736,497,353 | 1.5% |
| Ministry of Agriculture&Food Security | 747,863,500 | | | - | |
| Other Revenue Collecting Agencies | 2,734,652,522 | 3,533,871,869 | - 10,634,992,665 | - 14,168,864,534 | -300.9% |
| Independent Revenue (IGR) | 31,648,198,925 | 31,648,198,925 | 9,493,907,130 | - 22,154,291,795 | 30.0% |

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

SECTION 3: EXPENDITURE OUTCOME

Out of the budget size of about one hundred and Eight billion (N108b), the total expenditure incurred was about Eighty eight billion naira (N88b) which represented about 81% of the budget size, Recurrent expenditure accounted for N57.354b while Capital expenditure took about N28.56b leaving a balance of N2.1b for debt servicing. Recurrent expenditure performed relatively well against the budgeted amount of Sixty three billion, four hundred and nineteen million, seven hundred and thirty six thousand, two hundred and fifty nine naira (N63,419,736,259).

MDAs salaries stood at Eight Billion naira while Pensions received Thirteen billion naira. Parastatals recurrent cost accounted for about Ten billion, three hundred and seven one million (N10.371b), and MDAs overheads got about Ten billion two hundred and ninety nine million (N10.299). Salaries performed well over 86% but Overheads costs achieved fairly 50% performance.

Ministry of works received 21.23% of the 2020 financial year disbursements. Out this outflow, capital expenditure took over 99%, that shows the fiscal vision of the government. Office of the Governor accounts for 13% of the total expenditure, much of it went into Overheads.

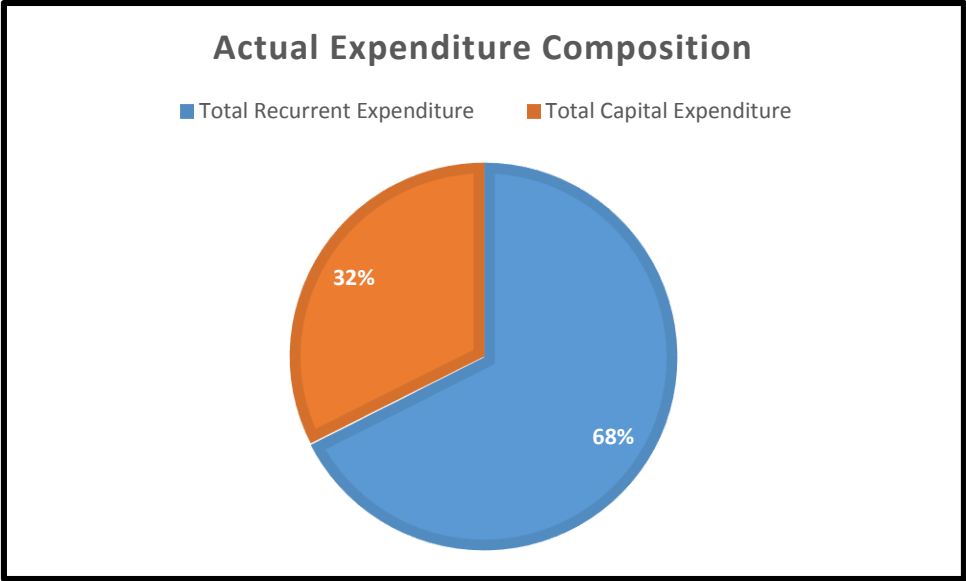
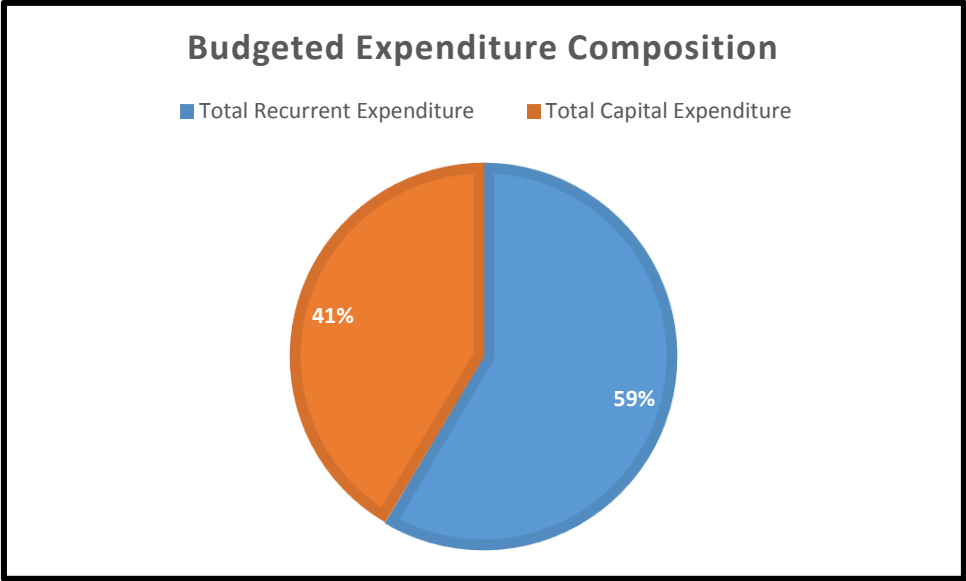
The table and graph below give more emphasis

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) | 18,434,251,333 | 17.0% | 14,433,486,382 | 16.4% | 4,000,764,951 | 78.3% |
| Social Contribution | - | 0.0% | 1,127,499,700 | 1.3% | 1,127,499,700 | - |
| Social Benefits | 4,000,000,000 | 3.7% | 13,075,774,049 | 14.9% | 9,075,774,049 | 326.9% |
| Overheads | 24,084,285,489 | 22.2% | 10,371,927,369 | 11.8% | 13,712,358,120 | 43.1% |
| Grants and Subsidies | 16,901,199,437 | 15.6% | 10,470,270,162 | 11.9% | 6,430,929,275 | 61.9% |
| Public Debt Charges | - | 0.0% | 9,982,954,111 | 11.3% | 9,982,954,111 | - |
| Transfers | - | 0.0% | - | 0.0% | - | - |
| Total Recurrent Expenditure | 63,419,736,259 | 58.5% | 59,461,911,773 | 67.5% | 3,957,824,486 | 93.8% |
| Total Capital Expenditure | 44,966,099,871 | 41.5% | 28,565,374,310 | 32.5% | 16,400,725,561 | 63.5% |
| Total Expenditure | 108,385,836,130 | 100.0% | 88,027,286,083 | 100.0% | 20,358,550,047 | 81.2% |

* 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



This section considers the Audit findings on the MDAs financial activities within the fiscal year. These findings range from under deductions to unaccounted revenue and payment of salaries to retired staff, etc. The State Auditor General report included the Accountant General Audited Financial Statements, Auditor General Queries, and recommendations on ways of achieving value for government disbursements.

SURPRESSION OF TAX REVENUE

1. A total Six hundred and Eighty eight million, seven hundred and sixteen thousand, eight hundred and forty eight naira.(N688,716,848) represented un -deducted PAYEE of Staff of Imo state University, Owerri. In addition, Withholding taxes due from certain transactions paid by the Office of the Governor were not deducted, which amounted to Ten million, seven hundred twenty-one thousand and nineteen naira. (N10,721,019).

2. PAYMENT FOR FICTITIOUS JOBS

The college of Nursing Orlu released funds amounting to Sixty Million naira (N60, 000,000) for fictitious works. The jobs could be verified at the time of the audit

3. NON REMITTANCE OF 40% OF 13% DERIVATION FUNDS TO ISOPADEC

The audit discovered that the State government did not remit to the Imo State Oil Producing Area Development Commission (ISOPADEC) 40% of 13% Derivation due to it.

4. RESPONSE TO AUDIT QUERIES

Audit findings revealed a significant improvement in MDAs responses to Audit queries.

5. INVESTMENTS

No findings

6. AIDS AND GRANTS

No findings

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 (%) |
| IMSU-Under Deduction of P.A.Y.E Tax | 1 | Recovery &Refund | 688,716,848 | 688,716,848 | 100.0% |
| Unretired Imprest Advance at college of Health Amaigbo | 1 | Explain & Recovery | 90,233,045 | 90,233,045 | 100.0% |

IMO STATE CITIZENS' ACCOUNTABILITY REPORT

| | | | | | |
|------------------------------------------------------------------|----------|---------------------|----------------------|----------------------|---------------|
| Unaccounted Revenue & Expenditure | 1 | Comment & Recover | 593,254,176 | 593,254,176 | 100.0% |
| Payment of Salaries beyound terminal date at Government House | 1 | Salary Stoppage | 2,825,264 | 2,825,264 | 100.0% |
| Non deduction of WHT at Government House | 1 | Explain or Recovery | 10,721,019 | 10,721,019 | 100.0% |
| Payment of salaries to resigned staff of school of nursing, Orlu | 1 | Comment & Recover | 9,051,178 | 9,051,178 | 100.0% |
| Unauthorised payment at Zoological Garden, Nekede | 1 | Expain or Recover | 253,600 | 253,600 | 100.0% |
| Unaccounted Accreditation Fund at College of Nursing Orlu | | Comment & Instruct | 60,000,000 | 60,000,000 | 100.0% |
| Payment for works fictitiously done at College of Nursing Orlu | 1 | Comment & Recover | 37,063,140 | 37,063,140 | 100.0% |
| Unaccounted 40% share of 13% Derivation | | Remittance of fund | 1,716,301,250 | - | |
| Total Number of Queries | 8 | | 1,492,118,271 | 1,492,118,270 | 100.0% |

SECTION 5: AUDITED FINANCIAL STATEMENTS

This section highlights the basic provisions of the State 2020 audited financial statements, which include statements of Cash flows, Consolidated Revenue Fund , Assets and Liabilities and Capital Development Fund.

Statutory Allocations. This performed a little above the budgeted. However, it is 82.3% of the 2019 actual. Many blame the relative low performance on the general downturn of economic activities across the globe in year 2020. Most industries around the world suspended operations as a result of COVID 19. Therefore, the main revenue earner for the country, Crude oil sold below budgeted.

Independent Revenue. All the components of Internally Generated Revenue performed abysmally low. Direct taxes outcome was 33% of the budgeted, and 57.5% of 2019 actual.

Other recurrent revenue. The state received within the fiscal year unremitted FGN PAYEE in excess of Six billion naira (N6b). More so, illegal charges on the State accounts totaling about Three billion naira (N3b) were returned to the State coffers.

Foreign Loans. The RAMP Project in the State received a big boost with a loan of Eight Billion, Eight hundred and eighty two million, six hundred and ninety one thousand, eight hundred and sixteen naira forty kobo. (N8,882,691,816.40)

Recurrent Expenditure: Total Recurrent expenditure achieved about 90% performance.

At the end of the financial year, total cash balance stood at N18,885,821,054.64

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 (%)* |
| Revenue: | | | | | | | |
| Opening Balance | 11,743,313,655 | | | - | 6,811,923,848 | 6,811,923,847.59 | |
| Statutory Allocation | 42,811,615,103 | 33,288,448,381 | | 33,288,448,381.00 | 35,241,965,009 | 1,953,516,628.00 | 105.9% |
| 13% Derivation | 9,307,081,704 | 5,360,590,597 | | 5,360,590,597.00 | 8,737,768,720 | 3,377,178,123.00 | 163.0% |
| State Government Share of VAT | 13,036,137,650 | 18,428,598,226 | | 18,428,598,226.00 | 15,549,900,622 | - 2,878,697,604.38 | 84.4% |
| Other Federation Account Distributions | 2,201,234,672 | | | - | 6,299,446,934 | 6,299,446,934.00 | |
| Independent Tax Revenue | 14,385,942,777 | 31,648,198,925 | | 31,648,198,925.00 | 9,493,907,130 | - 22,154,291,795.00 | 30.0% |
| Independent Non-Tax Revenue | | | | - | | - | |
| Foreign Grants | | | | - | | - | |
| Domestic Grants | | | | - | 1,000,000,000 | 1,000,000,000.00 | |
| Foreign Loans | 2,138,500,000 | 4,141,000,000 | | 4,141,000,000.00 | 8,882,691,816 | 4,741,691,816.00 | 214.5% |
| Domestic Loans | | 13,300,000,000 | | 13,300,000,000.00 | - | 13,300,000,000.00 | 0.0% |
| Other Revenues | | 2,219,000,000 | | 2,219,000,000.00 | 14,895,503,059 | 12,676,503,059.00 | 671.3% |
| Transfer from other Government Entities | | | | - | | - | |
| Total Revenue (a) | 95,623,825,561.00 | 108,385,836,129.00 | - | 108,385,836,129.00 | 106,913,107,137.21 | - 1,472,728,991.79 | 98.6% |
| Expenditure: | | | | | | | |
| Salaries, Wages and Allowances | 8,856,545,302.03 | 9,396,052,985.00 | | 9,396,052,985.00 | 8,091,009,452.18 | 1,305,043,532.82 | 86.1% |
| CRF Charges (Salary) | 1,222,651,781.70 | 9,038,198,348.00 | | 9,038,198,348.00 | 6,342,476,929.37 | 2,695,721,418.63 | 70.2% |
| Social Contributions | | | | - | 1,127,499,700.00 | - 1,127,499,700.00 | |
| Social Benefits | 7,596,124,175.99 | 4,000,000,000.00 | | 4,000,000,000.00 | 13,075,774,049.07 | - 9,075,774,049.07 | 326.9% |
| Overheads | 16,384,085,006.07 | 24,084,285,489.00 | | 24,084,285,489.00 | 10,371,927,369.42 | 13,712,358,119.58 | 43.1% |
| Grants & Contributions | 14,290,585,076.24 | 16,901,199,437.00 | | 16,901,199,437.00 | 10,470,270,161.84 | 6,430,929,275.16 | 61.9% |
| Public Debt Charges | 9,205,024,649.13 | | | - | 9,982,954,111.04 | - 9,982,954,111.04 | |
| Transfers | | | | - | | - | |
| Capital Expenditure | | 44,966,099,871.00 | | 44,966,099,871.00 | 28,565,374,309.69 | 16,400,725,561.31 | 63.5% |
| Total Expenditure (b) | 57,555,015,991.16 | 108,385,836,130.00 | - | 108,385,836,130.00 | 88,027,286,082.61 | 20,358,550,047.39 | 81.2% |
| Surplus/Deficit from Operating Activities c = (a-b) | 38,068,809,569.84 | 1.00 | - | 1.00 | 18,885,821,054.60 | - 21,831,279,039.18 | ##### |
| 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 | 38,068,809,570.96 | | | - | | - | |

* 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.

| Statement of Changes in Net Assets | | | |
|-----------------------------------------------------------|---------------------|----------------------------|-------------------|
| Item | Accumulated Surplus | Available for sale Reserve | Total reserve |
| Opening Balance as at 1 January 2020 | 6,811,923,848 | | 6,811,923,847.59 |
| Actuarial Gains/(Losses) | - | | - |
| Change in Fair Value Available-for -sale Financial Assets | - | | - |
| Surplus/(Deficit) for the period | 12,073,897,207 | | 12,073,897,207.01 |
| Balance as at 31 December 2020 | 18,885,821,054.60 | - | 18,885,821,054.60 |

SECTION 6: TOP SECTORAL ALLOCATION

A total of Eighty-Eight Billion, twenty-seven million, two hundred & Eighty-six thousand and eighty-three naira (N88,027,286,083) was expended as total expenditure. Out of this amount, ten ministries account for Forty-One Billion, two hundred & seven million, three hundred & eighty-nine thousand & forty naira (N41, 207,389,040) representing 46.8% of total expenditure.

Ministry of Works received more than budgeted by over N5B. Total budgeted for it was N13,463,847,860, however, N18,696,559,999 was spent, which is 138% of budget. Governor's office spent N11,016,530,224 out of N11,443,695,291 budgeted for it. Three ministries: Works, Governor's office and Finance achieved 50% and above performance.

Recurrent Allocations show that Governor's office received the highest amount. Total recurrent budget for it was Nine Billion, four hundred and thirty-eight million, four hundred and thirty thousand five hundred sixty-six naira (N9,438,430,566) while Seven Billion five hundred & eight million, eight hundred & eighty-four naira, four hundred and twenty-four naira (N7,508,884,424) representing 79.5%. House of Assembly, Customary Courts, Finance, Health, Justice, Office of the Secretary to the State Government achieved 50% and above. However, Ministry of Agriculture & Food security spent 131% of budget, N284,276,774 was budgeted but N372,580,837 was spent.

Capital Allocations performed 63.3% as Ministry of Works spent more than budget. Ministries of Finance, Governor's office, Sports Commission, PFMU & Health achieved 50% and above.

The table and graph below throw more light.

Table 8 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 |
| Governor's Office(Admin) | 9,438,430,566 | 7,508,884,424 | 1,929,546,142 | 79.6% | 14.9% | 13.1% |
| House of Assembly(Admin) | 2,472,808,783 | 1,854,506,696 | 618,302,087 | 75.0% | 3.9% | 3.2% |
| High Court(Admin) | 3,582,486,608 | 1,482,457,493 | 2,100,029,115 | 41.4% | 5.6% | 2.6% |
| Customary Court(Admin) | 2,986,891,836 | 1,236,815,205 | 1,750,076,631 | 41.4% | 4.7% | 2.2% |
| Ministry of Health | 1,735,241,242 | 961,589,416 | 773,651,826 | 55.4% | 2.7% | 1.7% |
| Ministry of Justice | 1,151,336,244 | 578,881,209 | 572,455,035 | 50.3% | 1.8% | 1.0% |
| Office of the Secretary to State Govt | 662,311,529 | 481,825,208 | 180,486,321 | 72.7% | 1.0% | 0.8% |
| Ministry of Education | 1,278,120,067 | 428,394,720 | 849,725,347 | 33.5% | 2.0% | 0.7% |
| Ministry of Agric & Food Security | 284,276,774 | 372,580,838 | - | 131.1% | 0.4% | 0.6% |
| Mibistry of Finance | 413,639,353 | 299,296,893 | 114,342,460 | 72.4% | 0.7% | 0.5% |
| Other MDA Expenditure | 39,414,193,257 | 42,149,491,352 | - | 106.9% | 62.1% | 73.5% |
| Total (Except Other MDA Expenditure) | 24,005,543,002 | 15,205,232,102 | 8,800,310,900 | 63.3% | 37.9% | 26.5% |
| Total Budgeted Expenditure | 63,419,736,259 | 57,354,723,454 | 6,065,012,805 | 90.4% | | |

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

Table 9: Top Ten Capital Expenditure Sector/ MDA

| 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 Works(Economic) | 13,463,847,860 | 18,520,736,498 | - | 5,056,888,638 | 137.6% | 29.9% | 64.9% |
| Office of the Governor(Admin) | 2,015,264,725 | 3,507,645,800 | - | 1,492,381,075 | 174.1% | 4.5% | 12.3% |
| Ministry of Finance(Admin) | 4,837,100,000 | 2,901,062,656 | - | 1,936,037,344 | 60.0% | 10.8% | 10.2% |
| PFMU | - | 1,232,086,352 | - | 1,232,086,352 | | 0.0% | 4.3% |
| Ministry of Health(Social) | 2,307,900,493 | 891,830,420 | - | 1,416,070,073 | 38.6% | 5.1% | 3.1% |
| Ministry of Education(Social) | 2,189,500,000 | 215,980,293 | - | 1,973,519,707 | 9.9% | 4.9% | 0.8% |
| Imo State Sports Commission | 126,526,300 | 147,522,833 | - | 20,996,533 | 116.6% | 0.3% | 0.5% |
| Ministry of Water Resources | 636,869,000 | 109,304,844 | - | 527,564,156 | 17.2% | 1.4% | 0.4% |
| Office of the Dep Governor(Admin) | 310,000,000 | 105,000,000 | - | 205,000,000 | 33.9% | 0.7% | 0.4% |
| imo State House Assembly | 1,885,416,850 | 95,381,850 | - | 1,790,035,000 | 5.1% | 4.2% | 0.3% |
| Other MDA Expenditure | 17,193,674,643 | 799,822,764 | - | 16,393,851,879 | 4.7% | 38.2% | 2.8% |
| Total (Except Other MDA Expenditure) | 27,772,425,228 | 27,726,551,546 | 45,873,682 | 99.8% | 61.8% | 97.2% | |
| Total Budgeted Expenditure | 44,966,099,871 | 28,526,374,309 | 16,439,725,562 | 63.4% | | | |

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

Table 10: 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 | |
| Ministry of Work(Econs) | 13,463,847,860 | 18,696,559,999 | - | 5,232,712,139 | 138.9% | 12.4% | 21.2% |
| Governor's Offiec(Admin) | 11,443,695,291 | 11,016,530,224 | - | 427,165,067 | 96.3% | 10.6% | 12.5% |
| Ministry of Finance(Admin) | 5,250,739,353 | 3,200,359,549 | - | 2,050,379,804 | 61.0% | 4.8% | 3.6% |
| House of Assembly(Admin) | 4,358,225,633 | 1,988,888,546 | - | 2,369,337,087 | 45.6% | 4.0% | 2.3% |
| Ministry of Health(Social) | 4,043,141,735 | 1,853,419,836 | - | 2,189,721,899 | 45.8% | 3.7% | 2.1% |
| Judiciary-High Court | 3,742,486,608 | 1,574,661,073 | - | 2,167,825,535 | 42.1% | 3.5% | 1.8% |
| Judiciary- Cusstomary Court(Admin) | 3,152,391,836 | 1,236,815,205 | - | 1,915,576,631 | 39.2% | 2.9% | 1.4% |
| Ministry of Education(Social) | 3,467,620,066 | 644,375,013 | - | 2,823,245,053 | 18.6% | 3.2% | 0.7% |
| Ministry of Justice(Admin) | 1,291,336,244 | 578,881,209 | - | 712,455,035 | 44.8% | 1.2% | 0.7% |
| Ministry of Agric(Econs) | 1,434,726,774 | 416,898,387 | - | 1,017,828,387 | 29.1% | 1.3% | 0.5% |
| Other MDA Expenditure | 56,737,624,730 | 46,819,897,043 | - | 9,917,727,687 | 82.5% | 52.3% | 53.2% |
| Total (Except Other MDA Expenditure) | 51,648,211,400 | 41,207,389,041 | 10,440,822,359 | 79.8% | 47.7% | 46.8% | |
| Total Budgeted Expenditure | 108,385,836,130 | 88,027,286,083 | 20,358,550,047 | 81.2% | | | |

* 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

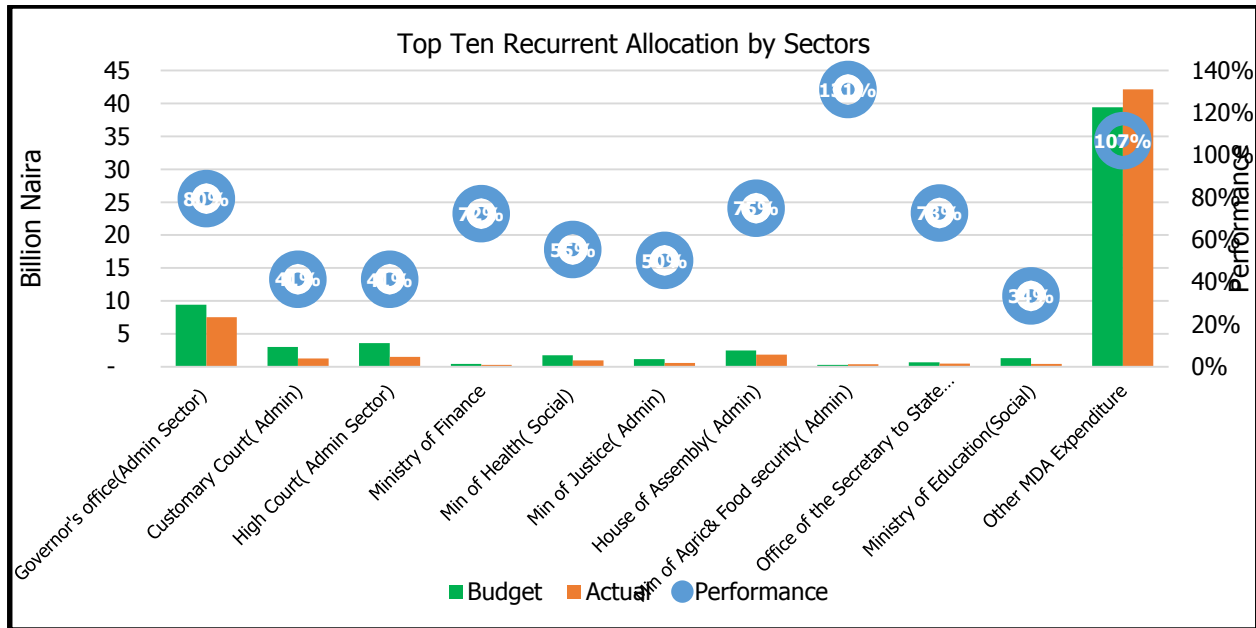


Figure 4: Top Ten Capital Expenditure Sectors/MDAs Graph

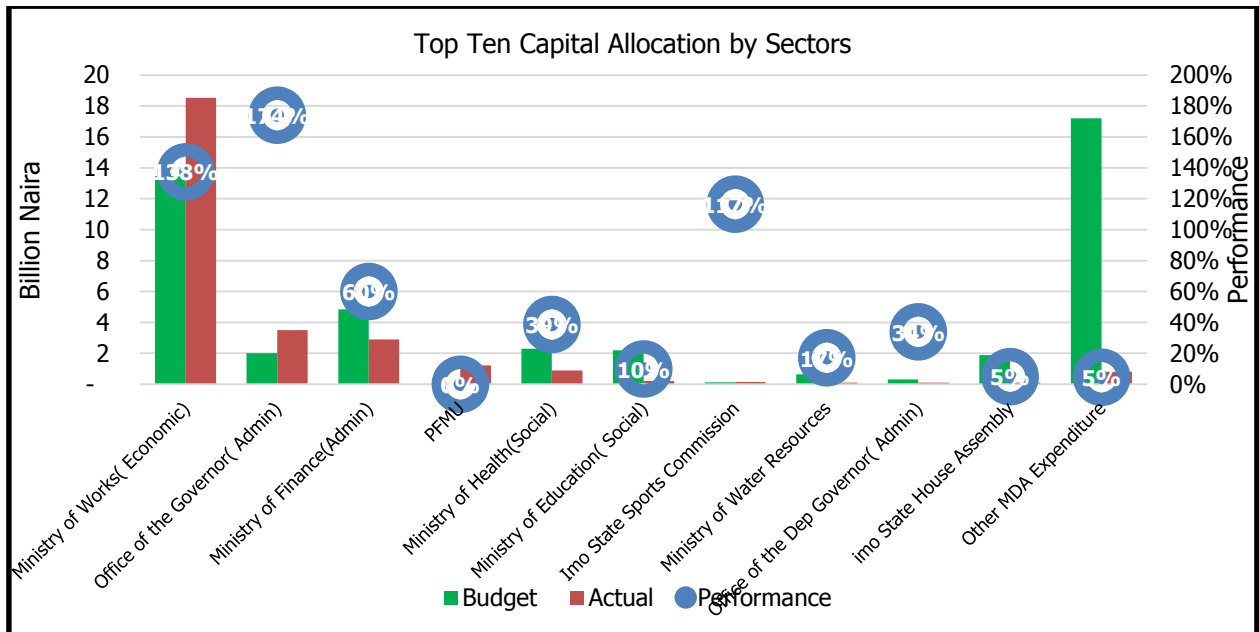
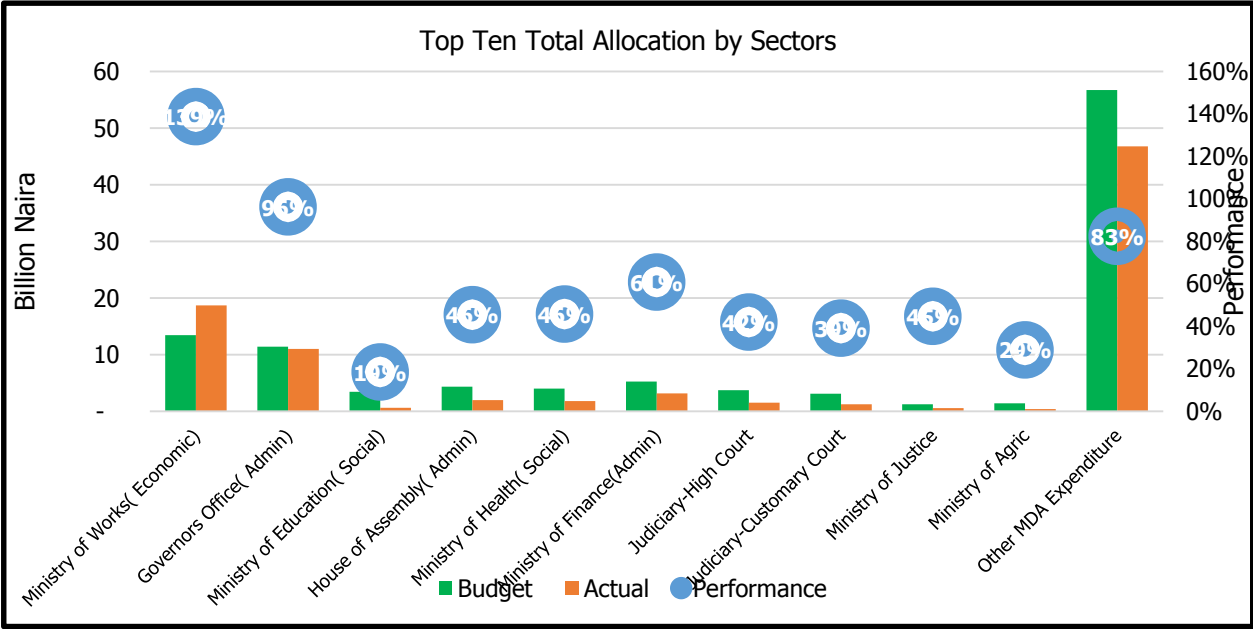


Figure 5 : Top Ten Total Expenditure Sector/ MDAs



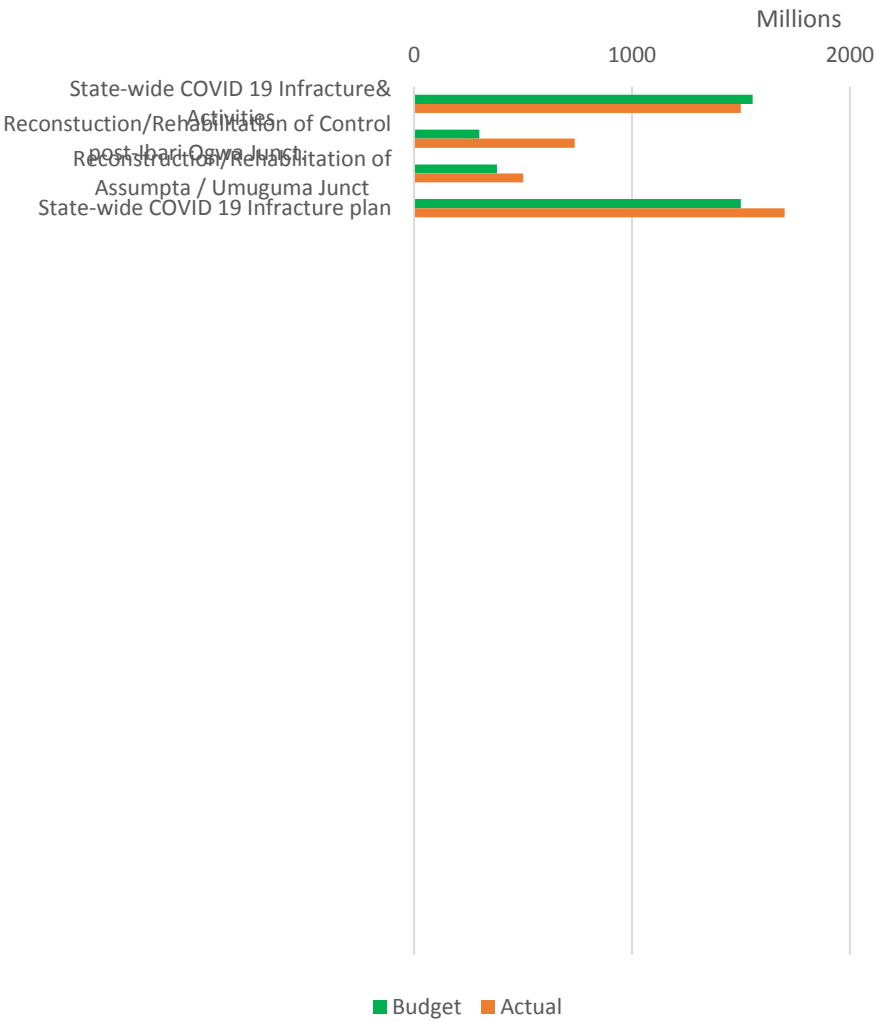
SECTION 7 TOP VALUE PROJECTS

This Section highlights some of the largest projects executed within the Fiscal year

Table 11 : Top Value Contracts

| Top Value Projects | | | | | | | | |
|-----------------------------------------------------------------|-------------------|-----------------|-------------------|-------------------|--------------------|---------------|------------------|-------------------|
| Project | Project Location | Program me Code | MDA Responsible | 2020 Final Budget | 2020 Actual Amount | Variance* | Performance (%)* | Completion Status |
| State-wide COVID 19 Infrastructure & Activities | State-wide | | Ministry of Works | 1,553,000,000 | 1,500,000,000 | 53,000,000 | 96.6% | |
| Reconstruction/Rehabilitation of Control post-Ibari Ogwa Junct. | PortHarcourt Road | | Ministry of Works | 300,000,000 | 737,500,000 | - 437,500,000 | 245.8% | |
| Reconstruction/Rehabilitation of Assumpta / Umuguma Junct | World Bank Rd | | Ministry of Works | 380,000,000 | 500,000,000 | - 120,000,000 | 131.6% | |
| State-wide COVID 19 Infrastructure plan | State-wide | | Ministry of Works | 1,500,000,000 | 1,700,000,000 | - 200,000,000 | 113.3% | |
| | | | | | | - | | |
| | | | | | | - | | |
| | | | | | | - | | |
| | | | | | | - | | |

Top Value Projects



CITIZENS NOMINATED PROJECTS—IMPLEMENTATION STATUS REPORT

Most of the citizens nominated projects were at different stages for No Objection-Due Process approval. Therefore, only two projects could commence after completion of procurement processes.

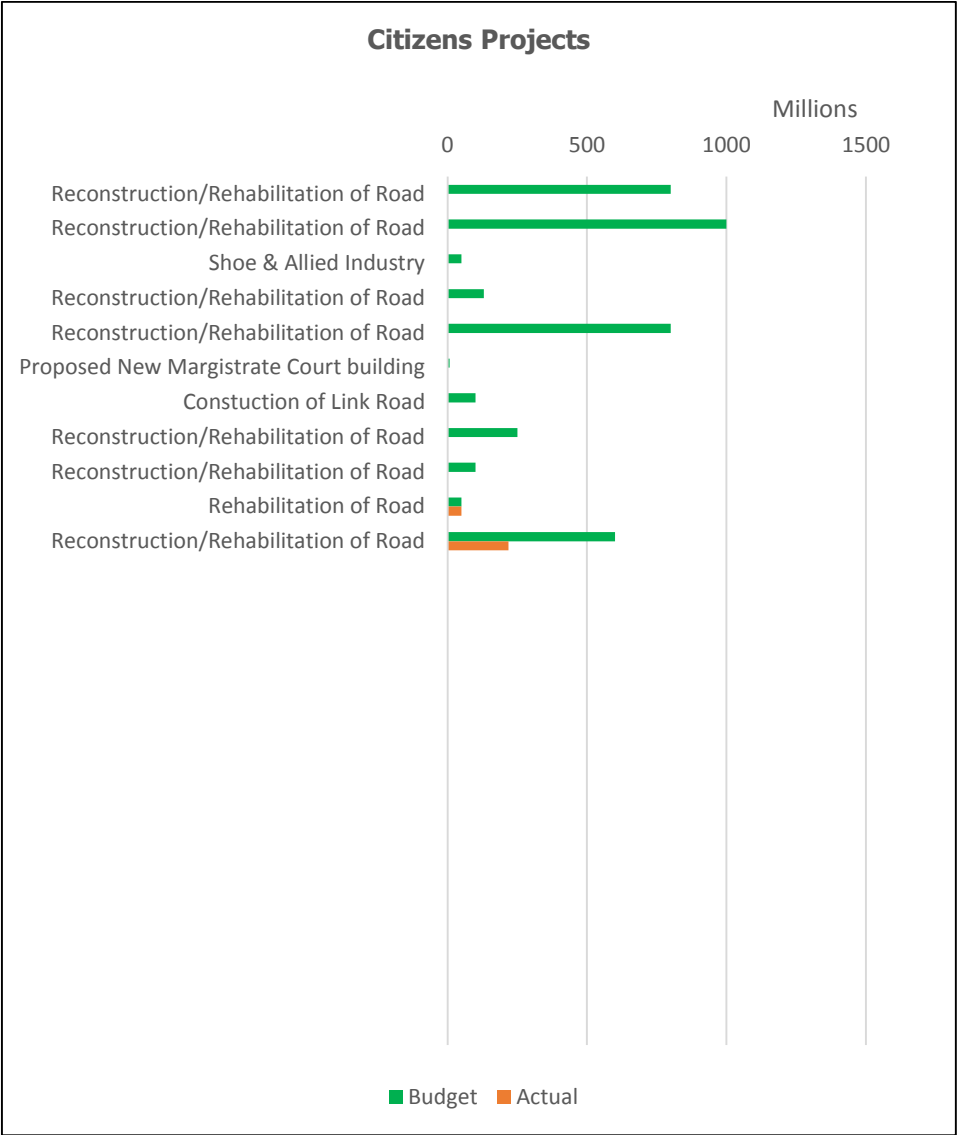
They are at different stages of completion: Nkwere-Umunna Road and Mgbidi—Oguta Rd. Inadequate funding has hampered the completion of the projects.

Importantly, many of the 2020 citizens nominated projects made it in the 2021 approved budget, and works are ongoing on some of them.

Table 12 Citizen- Nominated Projects

| Citizens Nominated Projects | | | | | | | | |
|-----------------------------------------|----------------------------------|----------------|-------------------------------|-------------------|--------------------|---------------|------------------|-------------------|
| Project | Project Location | Programme Code | MDA Responsible | 2020 Final Budget | 2020 Actual Amount | Variance* | Performance (%)* | Completion Status |
| Reconstruction/Rehabilitation of Road | AHIARA-ABA BRANCH ROAD | | Ministry of Works | 800,000,000 | | 800,000,000 | 0.0% | |
| Reconstruction/Rehabilitation of Road | AHIARA JUNCT-OKPUALA JUNCT | | Ministry of Works | 1,000,000,000 | | 1,000,000,000 | 0.0% | |
| Shoe & Allied Industry | NAZE | | Ministry of Commerce | 50,000,000 | | 50,000,000 | 0.0% | |
| Reconstruction/Rehabilitation of Road | Obibi Junction-Amaeze-Iheagwa | | Ministry of Works | 130,000,000 | | 130,000,000 | 0.0% | |
| Reconstruction/Rehabilitation of Road | Azaraegbelu-Avuvu- Ahiazu Mbaise | | Ministry of Works | 800,000,000 | | 800,000,000 | 0.0% | |
| Proposed New Margistrate Court building | Awaka- Owerri | | Judiciary- High court, Owerri | 7,000,000 | | 7,000,000 | 0.0% | |
| Constuction of Link Road | Oforola-Obinze | | Ministry of Works | 100,000,000 | | 100,000,000 | 0.0% | |
| Reconstruction/Rehabilitation of Road | Eziudo-Lagwa-Obokwu-Ozara | | Ministry of Works | 250,000,000 | | 250,000,000 | 0.0% | |
| Reconstruction/Rehabilitation of Road | Umubibia-Umuoma- Amaiyi Road | | Ministry of Works | 100,000,000 | | 100,000,000 | 0.0% | |
| Rehabilitation of Road | Nkwere-Umunna Rd, Orlu | | Ministry of Works | 50,000,000 | 50,000,000 | - | 100.0% | |
| Reconstruction/Rehabilitation of Road | Mgbidi -Oguta Rd | | Ministry of Works | 600,000,000 | 218,750,000 | 381,250,000 | 36.5% | |

Figure 7 Citizen Nominated Projects Graph



SECTION 9: STAKEHOLDERS MEETING ON THE STATE 2021 AUDITED FINANCIAL STATEMENTS

Imo State published its2021 Audited Financial Statements on the 25th July, 2021, and can be located on the State website at imostate.gov.ng/IMSG/Services/EGov/Budget? ID=2021_23.

Though the Financial Statements have been presented to the Imo State House of Assembly and other relevant MDAs but a wider stakeholders discussion on them has not taken place. The process leading to the meeting of the Stakeholders on the Statements has commenced