

ONDO STATE GOVERNMENT OF NIGERIA
OFFICE OF THE ACCOUNTANT GENERAL
CITIZENS' ACCOUNTABILITY REPORT
ON THE IMPLEMENTATION OF THE
2022 BUDGET: *BUDGET OF ECONOMIC RE-ENGINEERING*

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Table of Contents

Executive Summary.....	3
Section 1 Budget Outturn	4
Section 2 Revenue Outturn.....	6
Section 3 Expenditure Outturn.....	10
Section 4 Audit Findings.....	14
Section 5 Audited Financial Statements.....	16
Section 6 Top Sectorial Allocation	18
Section 7 Top Value Capital Projects.....	29
Section 8 Citizen-Nominated Projects - Implementation Status Report.....	31
Section 9 Public Consultations with Citizens presenting the Annual Financial Statements	34

About the Citizens Accountability Report

A Citizens' Accountability Report (CAR) is a series of graphic and tabular illustrations of the contents of the Audited Financial Statements prepared by a government agency (State Audit office) on behalf of the government (Ondo 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) 2022 and reports on State budget revenue and expenditure for 2022.

Explanation of Key Terms used in this Report:

- *Budget – unless otherwise stated, the budget refers to the Final Budget (i.e. the original budget, plus any adjustments that have been made via a supplementary budget / revised budget).*
- *Actual – this is the actual amount of revenue collected or expenditure incurred over the course of the year.*
- *Variance – for revenue items, this is calculated as Actual minus budget - a negative variance for revenues and inflows means actuals fell below budget, and vice versa for a positive variance. For expenditure, variance is calculated as budget minus actual - a negative variance for expenditures means actual expenditure was above budget, and vice versa.*
- *Performance – this refers to the actual revenue / expenditure as a percentage of the budget. A performance of 100% means the full budgetary allocation was collected (revenue) or spent (expenditure). A performance of less than 100% means the full level of revenue collection or expenditure was not achieved. A performance of more than 100% means more revenue was collected than anticipated, or more money was spent than anticipated in the budget.*

Executive Summary

The 2022 Budget of Ondo State, the Budget of Economic Re-engineering, was passed and signed on the 24th December 2021, and budget implementation commenced on 1st January 2022. The after match of 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 5th December, 2022.

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

Aggregate revenue performance was 89.50% of the budgeted N199.282 billion in the final budget this is equivalent to N36.738billion shortfall – both Federation Account revenues and Internally generated revenue performing in the region of 98.9% and 104.6% respectively. The reason for the significant rise in IGR was due to the new IGR initiative implemented by the State. The SFTAS Grant (aid & grants) also contributed to 137.5% in the aggregate revenue performance.

On the expenditure side, the actual total expenditure is about N162.544 billion (18.4%) less than the budgeted amount which was N199.282billion. Capital expenditure performed at 67.4%, Personnel expenditure which includes employees' salaries and wages performed at 86.6% while other recurrent expenditure performed at 92.8%. In all, expenditure performed at 81.6%

Much of the recurrent expenditure in 2022 was obligatory in nature so, based on the revenue short-fall, capital expenditure was largely focussed on completing ongoing projects, some new projects were also initiated in the course of the infractions.

We observed that personnel related expenditure which include employees' salaries and wages fared batter in term of outturn. This is due to a more realistic projection as well as the State government's strategies aimed at eliminating salary infractions.

Ministry of Education, General Administration, Public Finance, Administration of Justice and Health sectors enjoyed the highest proportion of recurrent expenditure, whilst Infrastructures and Education received the highest proportion of capital expenditure.

Some of the larger contracts were subject to delays due to weather and funding of some other activities. Citizens projects were largely implemented as planned, albeit some minor carry over to 2023 as a result of funding gaps.

The most material audit findings related to misclassification of Tax Revenue and non -Tax Revenue, Non- Capitalization of Capital Expenditure and Misclassification of Investment Portfolio. .

Section 1 Budget Outturn

The revenue performance (outturn) which shows the aggregate revenue performance is about 89.5%; thus about 10.5% different from the anticipated revenue in the budget, this is equivalent to N10.715 billion naira. The critical causes of deviation include the budget financing target of N199.282 billion for which only N162.5 (89.5%) billion was realized due to dwindling revenue from Federation Accounts

On the expenditure side, the actual total expenditure is about N162.544 billion (18.4%) less than the budgeted amount which was N199.282 billion. Out of the total Capital expenditure budget of N77.034 billion, the actual capital expenditure was N51.901 billion. This indicates that capital expenditure witnessed the least performance 67.4%. The inability of the state to access the desired level of financing on time resulted in non- utilization of the loans to executive critical projects within the fiscal year, hence a roll over to the next year.

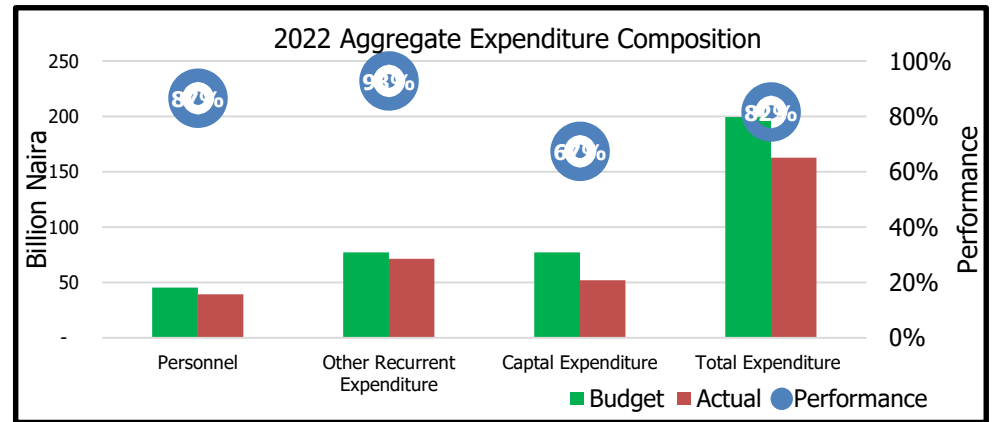
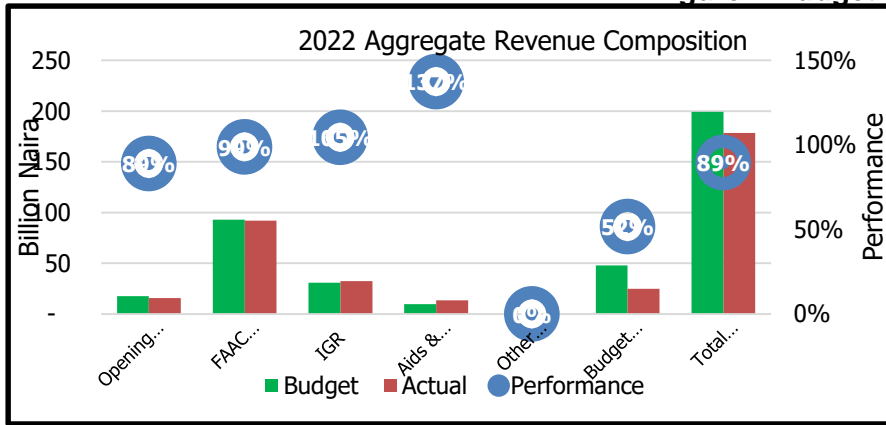
Observe that personnel expenditure (employees' salaries and wages) performed at 86.6%. This is due to a more realistic projection as well as the state government strategies to eliminate payroll infraction. Conversely, the performance of other recurrent expenditure which include overhead cost, grants, subsidies & subvention to parastatals was about 92.8% while capital expenditure was 67.4%.

Ondo State Government 2022 Citizens Accountability Report

Budget Outturn (Originally Approved vs Actual)					
2022 Revenue Composition Performance					
2022 Aggregate Revenue Composition	2022 Original Budget	2022 Final Budget	2022 Actual Amount	Variance*	Performance (%)*
Opening Balance	17,680,564,548	17,680,564,548	15,721,229,832	-1,959,334,716	88.9%
FAAC Revenue	93,033,044,448	93,033,044,448	91,966,533,978	-1,066,510,470	98.9%
IGR	30,945,804,155	30,945,804,155	32,361,054,119	1,415,249,964	104.6%
Aids & Grants	9,798,515,000	9,798,515,000	13,468,890,826	3,670,375,826	137.5%
Other Revenue/Receipts			-	-	
Budget Financing (Loans)	47,824,508,849	47,824,508,849	24,747,957,133	- 23,076,551,716	51.7%
Total Revenue	199,282,437,000	199,282,437,000	178,265,665,888	- 21,016,771,112	89.5%
2022 Expenditure Performance by Economic Type					
2022 Aggregate Expenditure Composition	2022 Original Budget	2022 Final Budget	2022 Actual Amount	Variance*	Performance (%)*
Personnel	45,262,253,262	45,262,253,262	39,216,652,971	6,045,600,291	86.6%
Other Recurrent Expenditure	76,985,245,011	76,985,245,011	71,426,358,914.00	5,558,886,097	92.8%
Capital Expenditure	77,034,938,727	77,034,938,727	51,901,424,171	25,133,514,556	67.4%
Total Expenditure	199,282,437,000	199,282,437,000	162,544,436,056	36,738,000,944	81.6%

* 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 and effective delivery of services to the citizens of the state.

The total IGR performance in the last completed fiscal year was 104.6%. This is more than expected performance due to the revenue arrears collected during the period under review and the autonomy given to the Ondo State Revenue Service (ODIRS) which gave them more power to function effectively. The IGR has two broad categories, namely the Tax Revenue and Non-Tax Revenue. The outturn for the tax and non-tax revenue was 101.3% and 109.2% respectively.

The critical source of Tax Revenue for Ondo state include personal taxes which recorded 98.9% performance during the period under review. A key component of the personal taxes is the PAYE recorded the highest level of performance at 99.6% because it is generally deducted at source. As indicated in the Table 2 below, except for property tax 678.7%, fess general 184.3%, Rent on Government Building 22, 458.7%, investment income 143.3% and interest earned 380.5%

The State Board of Internal Revenue which is the highest revenue generating institution of the state had a budget of N22.081 billion but realized N21.425 billion, equivalent to 97%. Strengthening the ODIRS remains pivotal to the needed upscale in the revenue generation agenda of the state. Following the ODIRS are the Ministry Natural Resources which had a final budget in the tune of N1.378 billion while the actual realized was N690.685 million, representing 50.1% outturn.

The MDAs with the highest level of outturn include the Ministry of Finance 170.7%, Ministry of Works and Infrastructures with a budget of N50 million and N83.825 million as actual; implying 167.7% performance. Ministry of Education approximately 144.6%, Ondo State Pool Betting and Lotteries Board 95.4%, while the least performing MDAs include Ondo State Waste Management Authority with 16.8%, Water Corporation with 22.1% and Ondo Investment Promotion Agency with 31.6%.

This information is presented in Table 3 below.

Table 1 Revenue Outturn by Item

Internally Generated Revenue Performance					
By Item					
IGR Items	2022 Original Budget	2022 Final Budget	2022 Actual Amount	Variance*	Performance (%)*
Tax Revenue	19,112,205,000	19,112,205,000	19,356,334,607	244,129,607	101.3%
Personal Taxes:	16,967,608,000	16,967,608,000	16,776,762,706	-190,845,294	98.9%
Personal Income Tax (PAYE)	16,037,608,000	16,037,608,000	15,981,136,745	-56,471,255	99.6%
Personnal Income Tax (Direct Assessment Taxes)	930,000,000	930,000,000	795,625,961	-134,374,039	85.6%
Penalty For Offences & Interest				-	
Other Personal Tax N.E.C				-	
Other Taxes:	2,144,597,000	2,144,597,000	2,579,571,901	434,974,901	120.3%
Sales Tax	200,000,000	200,000,000	136,796,178	-63,203,822	68.4%
Lottery Tax/Licence	-	-	-	-	
Property Tax (Stamp Duty)	174,597,000	174,597,000	1,184,967,866	1,010,370,866	678.7%
Capital Gain Taxes	80,000,000	80,000,000	55,267,880	-24,732,120	69.1%
Withholding Tax	1,290,000,000	1,290,000,000	1,202,539,977	-87,460,023	93.2%
Other Taxes N.E.C	400,000,000	400,000,000		-400,000,000	0.0%
Non-Tax Revenue:	11,833,599,155	11,833,599,155	12,917,304,205	1,083,705,050	109.2%
Licences General	1,729,209,308	1,729,209,308	949,039,395	-780,169,913	54.9%
Fees – General	4,920,043,242	4,920,043,242	9,068,978,586	4,148,935,344	184.3%
Fines – General	258,726,201	258,726,201	101,048,809	-157,677,392	39.1%
Sales – General	2,148,098,000	2,148,098,000	1,178,307,396	-969,790,604	54.9%
Earnings – General	307,834,250	307,834,250	77,507,872	-230,326,378	25.2%
Rent On Government Buildings – General	2,144,000	2,144,000	481,514,661	479,370,661	22458.7%
Rent on Land and Others – General	2,060,211,154	2,060,211,154	535,994,006	-1,524,217,148	26.0%
Repayments				-	
Investment Income	300,000,000	300,000,000	429,782,670	129,782,670	143.3%
Interest Earned	25,000,000	25,000,000	95,130,810	70,130,810	380.5%
Reimbursement	82,333,000	82,333,000		-82,333,000	0.0%
Miscellaneous Income				-	
Independent Revenue (IR)	30,945,804,155	30,945,804,155	32,273,638,812	1,327,834,657	104.3%

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

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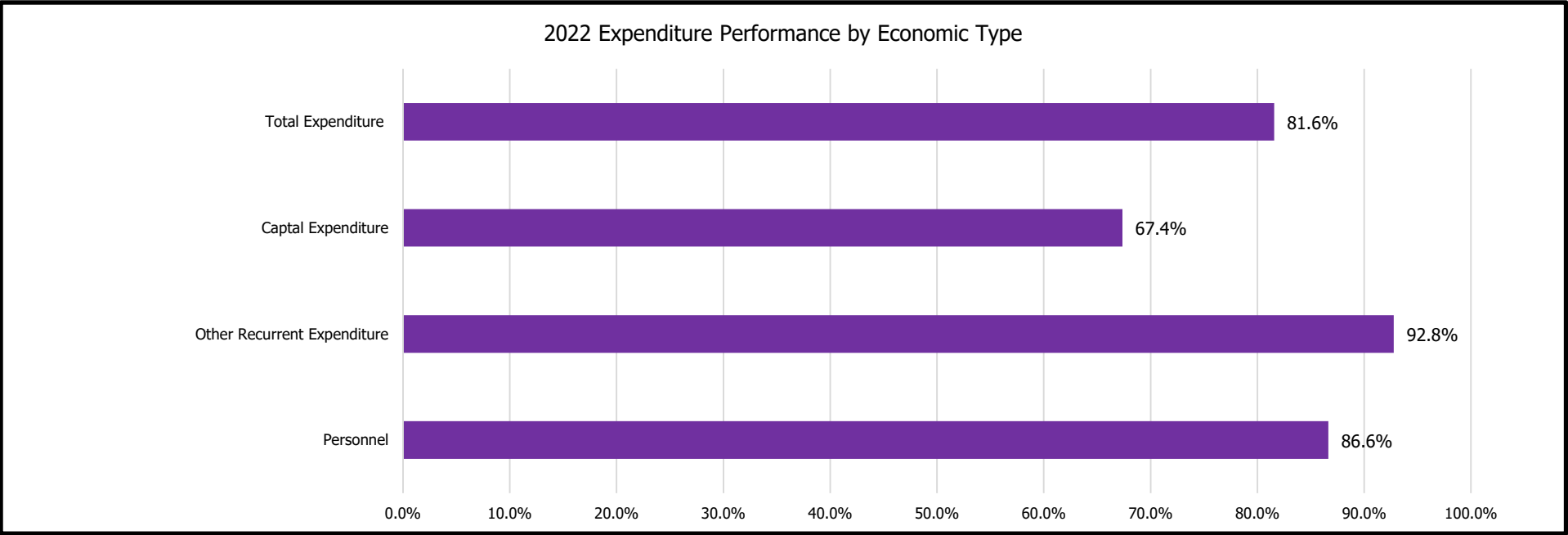
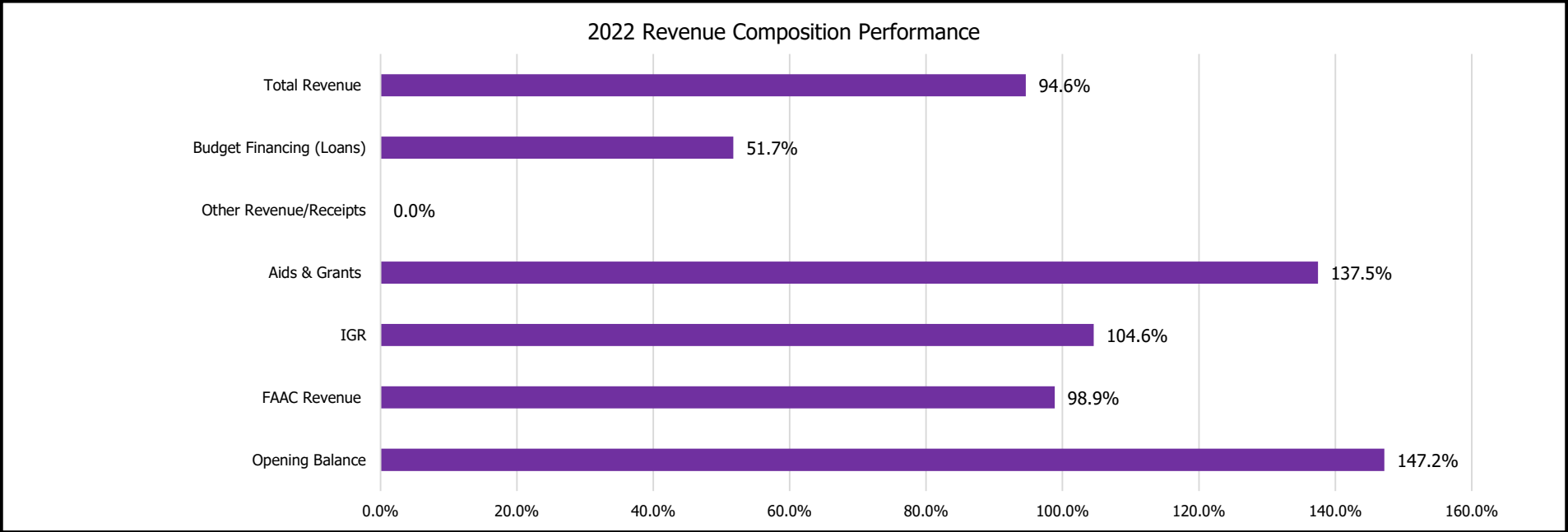


Table 2 Revenue Outturn by MDA

Internally Generated Revenue Performance					
By MDA:					
MDA	2022 Approved Budget	2022 Final Budget	2022 Actual Amount	Variance*	Performance (%)*
Ondo State Internal Revenue Service	22,081,287,421	22,081,287,421	21,425,901,319	-655,386,102	97.0%
Ministry of Works and Infrastructure	50,000,000	50,000,000	83,825,000	33,825,000	167.7%
Water Coporation	20,500,000	20,500,000	4,526,050	-15,973,950	22.1%
Ministry of Natural Resources	1,378,158,210	1,378,158,210	690,685,520	-687,472,690	50.1%
Ondo State Investment Promotion Agency	1,100,000,000	1,100,000,000	347,410,186	-752,589,814	31.6%
Ondo State Pool Betting and Lotteries Board	356,406,000	356,406,000	339,861,849	-16,544,151	95.4%
Ministry of Finance	330,200,000	330,200,000	563,786,091	233,586,091	170.7%
Ministry of Lands and Housing	1,087,786,154	1,087,786,154	545,250,606	-542,535,548	50.1%
Ministry of Education	252,649,250	252,649,250	365,439,863	112,790,613	144.6%
Waste Management Authority	39,498,000	39,498,000	6,631,990	-32,866,010	16.8%
Other Revenue Collecting Agencies	4,249,319,120	4,249,319,120	7,900,320,338	3,651,001,218	185.9%
Independent Revenue (IR)	30,945,804,155	30,945,804,155	32,273,638,812	1,327,834,657	104.3%

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

Section 3 Expenditure Outturn

Table 4 below looks at the expenditure outturn, how much expenditure was allocated to each main classification, and how much was actually spent. Broadly, capital expenditure got N77.034 billion 38.7% of the total budget size of N199.282 billion while recurrent expenditure was allocated N122.247 billion, equivalent to 61.3% of the total budget size. It should be observed that the recurrent expenditure had a higher percent than capital expenditure because of the quantum of personnel cost (Wages and Salaries) and backlog of unpaid pension and gratuity captured in the year. Consequently, the share of actual capital expenditure in the total expenditure of N162.546 billion was N51.901 billion representing 31.9% while actual recurrent spending was allotted the remaining N95.019 billion which is (68.1%) approximately. The breakdown of recurrent expenditure shows that when compared with other recurrent items, salaries & wages received the highest share of N45.262 billion (22.7%); followed by overheads which got N21.985 billion 11.0%, Transfer which got 15.789 billion represented 7.9% and then allowances, social contribution and social benefits which received N14.217 billion (7.1%).

Clearly, with the exception of Public Debt Charges that recorded more than 100%. Other recurrent expenditure performed below 100%. Interestingly, public debt charges received about 141.8% more than the budget target. This is in line with the state government resolve to clear backlog debt service charges, especially contractors' arrears.

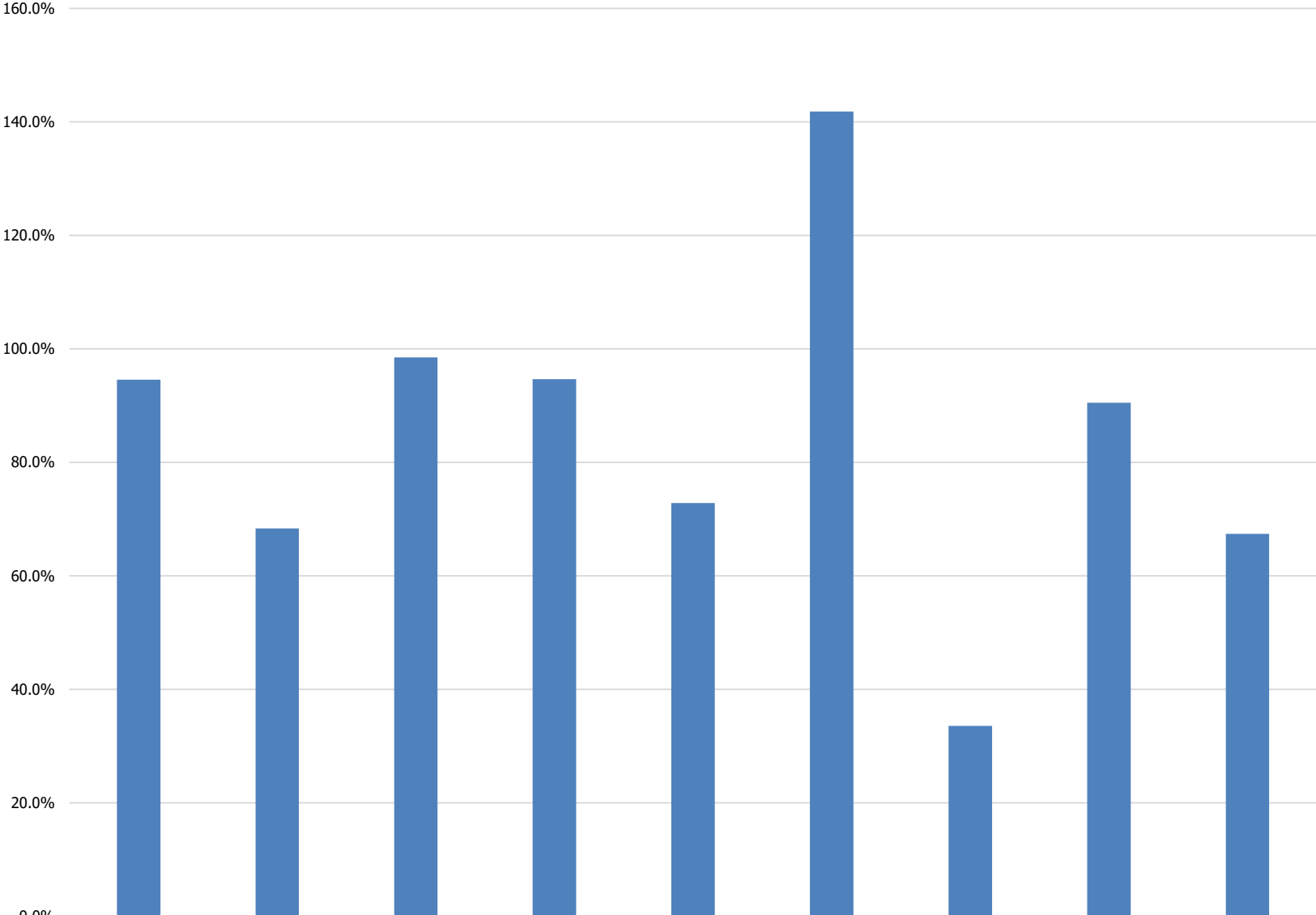
Table 3 Expenditure Outturn

Expenditure: Where does the Money go?						
Aggregate Expenditure Composition as a % of Total Expenditure (Budget Vs Actuals)						
Expenditure	2022 Final Budget	Budget Share (%)	2022 Actual Amount	Actual Share (%)	Variance*	Performance (%)*
Recurrent Expenditure:						
Salaries, Wages and Allowances (inc. CRF)	45,262,253,262	22.7%	42,798,136,608	26.3%	2,464,116,654	94.6%
Social Contribution	730,000,000	0.4%	498,982,679	0.3%	231,017,321	68.4%
Social Benefits	14,217,000,000	7.1%	14,001,354,063	8.6%	215,645,937	98.5%
Overheads	21,985,628,600	11.0%	20,812,432,256	12.8%	1,173,196,344	94.7%
Grants and Subsidies	10,390,935,000	5.2%	7,566,182,642	4.7%	2,824,752,358	72.8%
Public Debt Charges	13,871,685,000	7.0%	19,670,538,790	12.1%	-5,798,853,790	141.8%
Statutory Transfers	15,789,996,411	7.9%	5,295,384,846	3.3%	10,494,611,565	33.5%
Total Recurrent Expenditure	122,247,498,273	61.3%	110,643,011,885	68.1%	11,604,486,388	90.5%
Total Capital Expenditure	77,034,938,727	38.7%	51,901,424,171	31.9%	25,133,514,556	67.4%
Total Expenditure	199,282,437,000	100.0%	162,544,436,056	100.0%	36,738,000,944	81.6%

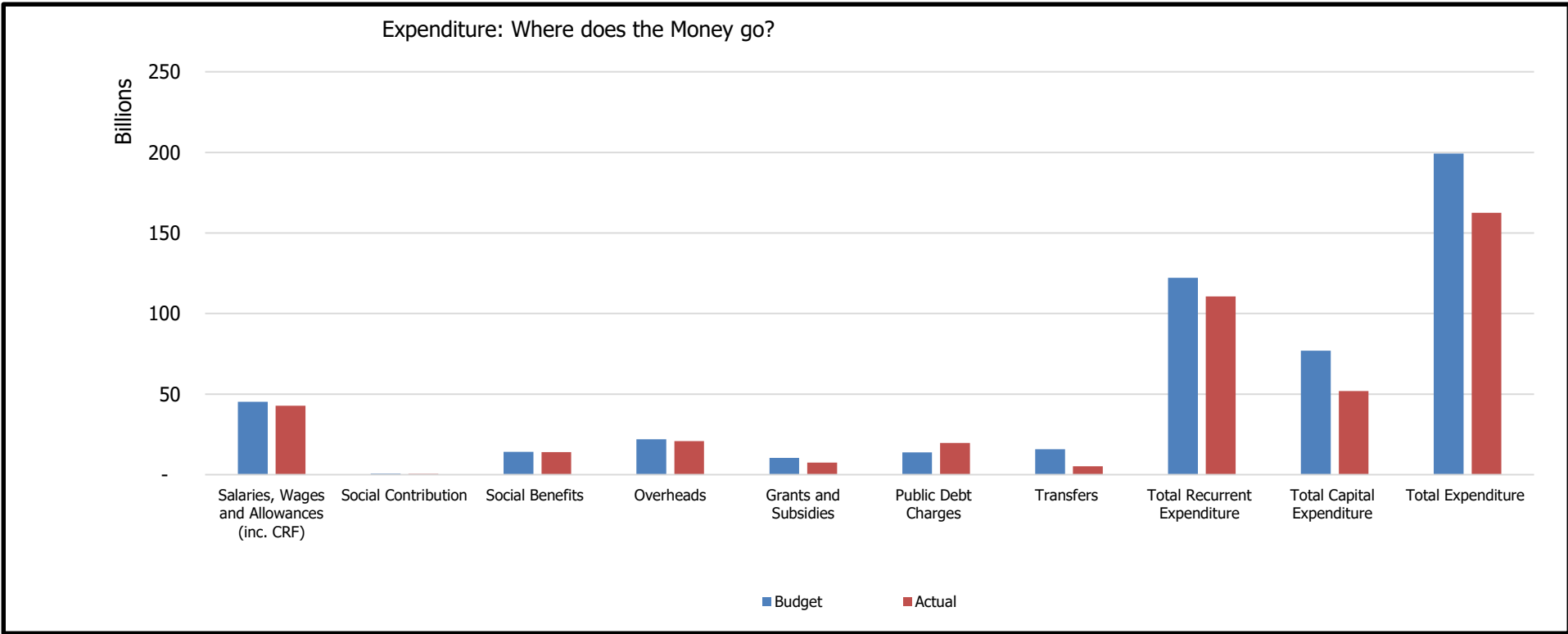
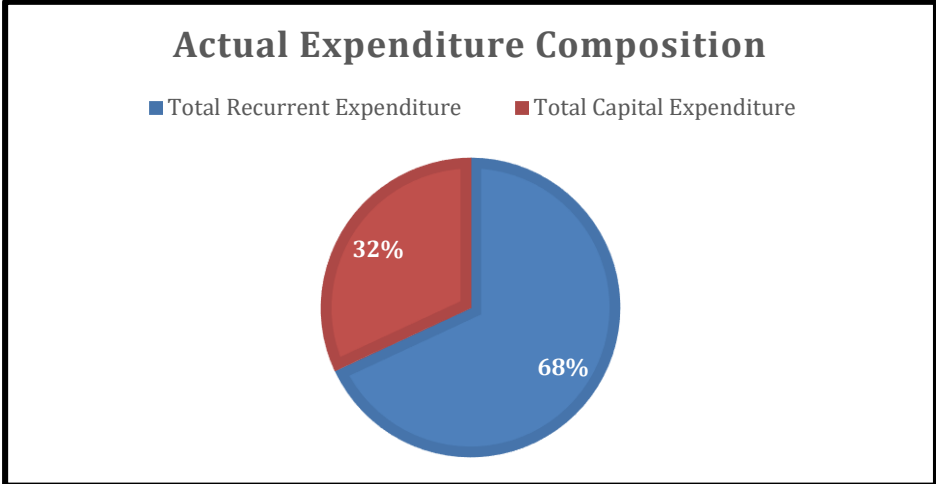
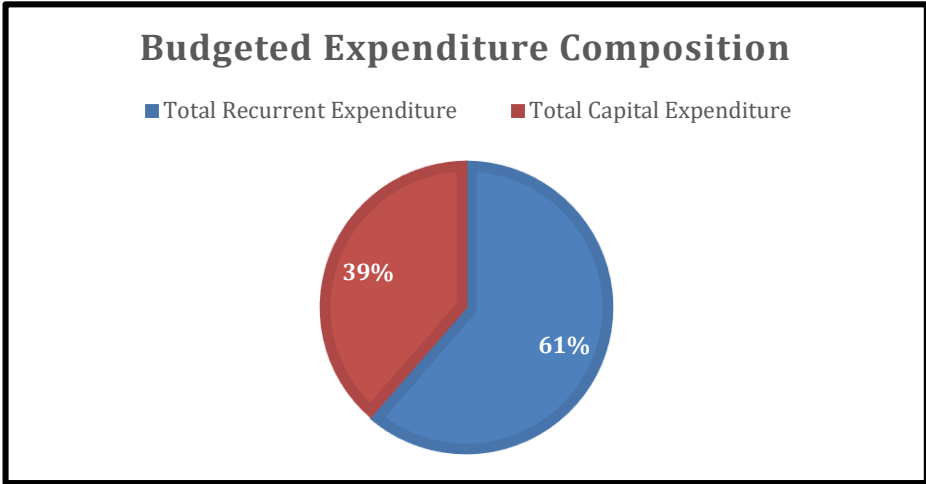
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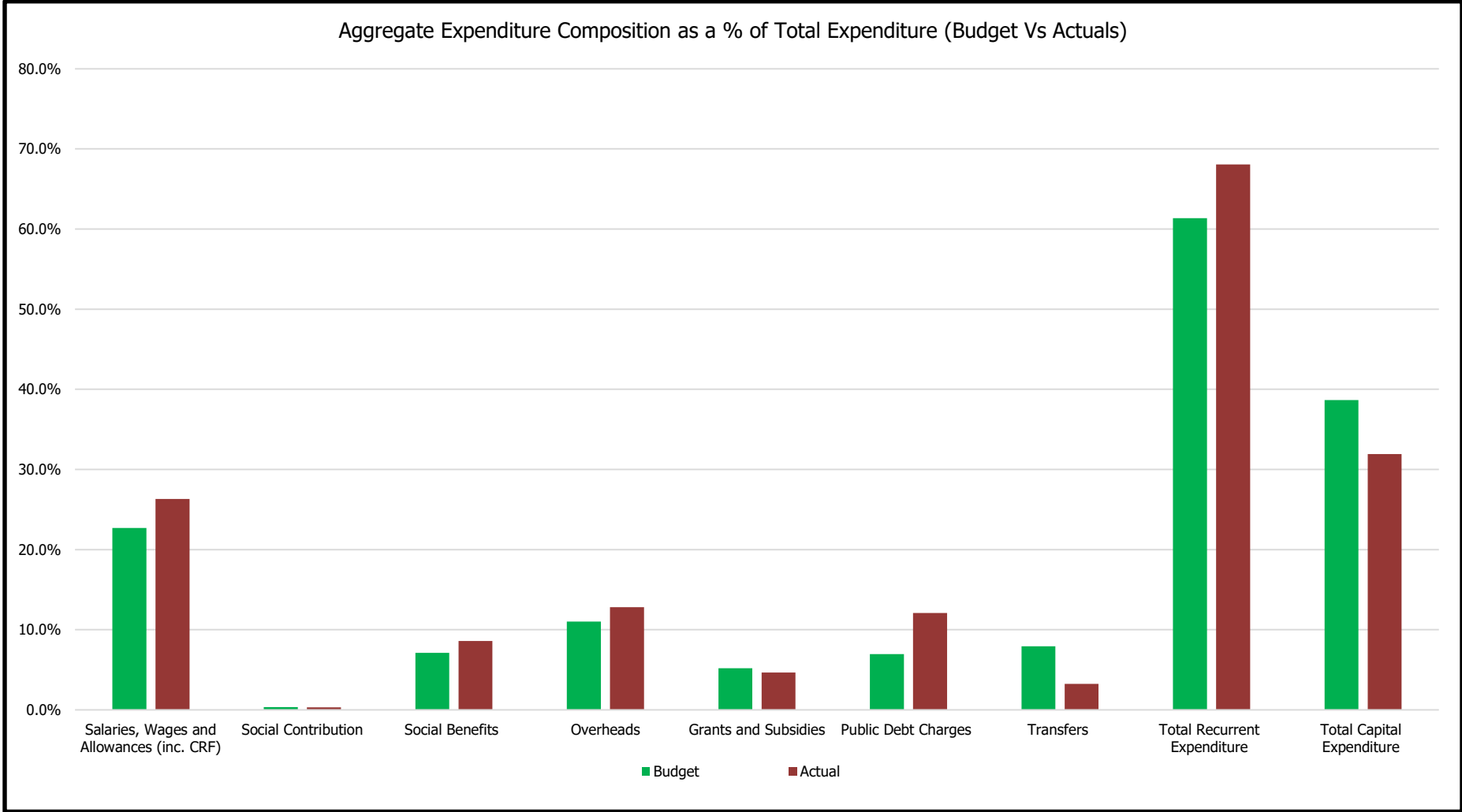
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Aggregate Budget Outturn (%)



■ Outturn (%)	94.6%	68.4%	98.5%	94.7%	72.8%	141.8%	33.5%	90.5%	67.4%
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Section 4 Audit Findings

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

A: RECURRENT EXPENDITURE PAYMENT VOUCHERS

TESCOM had Salaries Overstated of ₦97,190,352.

B: CAPITAL EXPENDITURE PAYMENT VOUCHERS

Non Capitalization of Capital Expenditure of ₦94,679,597 by Office of Accountant-General

C: SUMMARY OF QUERIED:

Table below shown that TESCOM had Salaries Overstated of 97.190Million, ODIRS had Miss-classification of Tax Revenue & non-Tax revenue 2.349Billion, Office of Accountant-General had Non-Capitalisation of 94.679Million while Ministry of Finance had Miss-classification of Investment Portfolio to the tune of 2.210Billion.

D: ASSETS (PROPERTY, PLANT AND EQUIPMENT) REGISTER

No findings

E: BILLS PAYABLE

No findings

F: INVESTMENTS

Misclassification of Investment Portfolio by Ministry of Finance

G: AIDS AND GRANTS

No findings

H: CONTINGENT LIABILITIES ON BANK GUARANTEES

No bank guarantees were issued or outstanding during the FY 2022.

I: PERFORMANCE GUARANTEES

No performance guarantees were issued or outstanding during the FY 2022.

J: ADHERENCE TO PROCUREMENT PROCEDURES

All procurement procedures were duly observed during the FY 2022.

Table 4 Top Four Audit Queries

Top Four Audit Queries					
Details of Expenditure	No. of Queries	Nature of Queries	Amount Queried	Total Cash Expenditure	Percentage (%)
Ondo State Teaching Service Commission	1	Salaries Overstated	97,190,352	97,190,352	100.0%
Ondo State Internal Revenue Services	1	Misclassification of Tax Revenue and non-Tax Revenue	2,349,383,174	2,349,383,174	100.0%
Office of the Accountant-General	1	Non Capitalization of Capital Expenditure	94,679,597	94,679,597	100.0%
Ministry of Finance	1	Misclassification of Investment Portfolio	2,210,778,515	2,210,778,515	100.0%
Total Number of Queries	4		4,755,683,638	4,755,683,638	100.0%

Section 5 Audited Financial Statements

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

The tables provide a more detailed breakdown of revenues and expenditures in 2022. Some of the highlights (major variances) are as follows:

- *Statutory Allocation performed poorly due to the fall in crude oil and production in 2022 and its wider global impacts of Russia and Ukraine War). However, it attained 69.7% of the budget while share of VAT recorded a good performance of 213.9%.*
- *As domestic loans, there was no budget for it the year under review*
- *The drawdown of foreign loans was not actualized in the year under reviewed.*
- *Public debt charges (expenditure) benefited from a moratorium period of up to ten years,*
- *Generally, expenditure was relatively high due to revenue performance.*
- *The State still recorded a surplus on operating activities at the end of 2022.*
- *Total cash reserves as at the end of 2022 stood at N19.194 million.*

Ondo State Government 2022 Citizens Accountability Report
Table 5 Statement of Income and Expenditure

Statement of Income and Expenditure							
Item	Previous Actual (2021)	Originally Approved 2022 Budget	2022 Supplementary Budget	2022 Final Budget	2022 Actuals	Variance*	Performance (%)*
Revenue:							
Opening Balance	17,680,564,548	17,680,564,549		17,680,564,549	15,721,229,832	-1,959,334,716.84	88.9%
Statutory Allocation	35,442,992,289	52,063,044,448		52,063,044,448.00	36,263,044,280.20	-15,800,000,167.80	69.7%
13% Derivation	11,504,678,077	20,790,000,000		20,790,000,000.00	25,213,005,987	4,423,005,986.52	121.3%
State Government Share of VAT	21,386,339,169	12,120,000,000		12,120,000,000.00	25,925,646,253	13,805,646,253.34	213.9%
Other Federation Account Distributions	8,060,000,000	8,060,000,000		8,060,000,000.00	4,562,480,198	-3,497,519,801.63	56.6%
Independent Tax Revenue	18,648,913,729	19,112,205,000		19,112,205,000.00	19,443,749,914	331,544,914.48	101.7%
Independent Non-Tax Revenue	11,814,904,996	11,508,599,155		11,508,599,155.00	12,392,390,724	883,791,569.12	107.7%
Foreign Grants		9,798,515,000		9,798,515,000.00	13,468,890,826	3,670,375,825.69	137.5%
Domestic Grants	3,936,555,258			-		-	
Foreign Loans				-		-	
Domestic Loans		47,278,508,848		47,278,508,848.31	21,233,321,683	-26,045,187,165.31	44.9%
Other Revenues	16,726,604,248	871,000,000		871,000,000.00	527,270,740	-343,729,260.06	60.5%
Transfer from other Government Entities				-	3,514,635,450	3,514,635,449.92	
Total Revenue (a)	145,201,552,313.52	199,282,437,000.00	-	199,282,437,000.00	178,265,665,887.43	-21,016,771,112.57	89.5%
Expenditure:							
Salaries, Wages and Allowances	47,722,807,539.00	45,262,253,262.00		45,262,253,262.00	39,216,652,970.86	6,045,600,291.14	86.6%
Not Capital Cost				-	3,581,483,637.04	-3,581,483,637.04	
Social Contributions		730,000,000.00		730,000,000.00	498,982,678.53	231,017,321.47	68.4%
Social Benefits		14,217,000,000.00		14,217,000,000.00	14,001,354,063.20	215,645,936.80	98.5%
Overheads	13,994,818,786.63	21,985,628,600.00		21,985,628,600.00	20,812,432,256.44	1,173,196,343.56	94.7%
Grants & Contributions	9,048,249,872.00	10,390,935,000.00		10,390,935,000.00	7,566,182,642.21	2,824,752,357.79	72.8%
Public Debt Charges	4,458,799,093.00	13,871,685,000.00		13,871,685,000.00	19,670,538,790.25	-5,798,853,790.25	141.8%
Transfers	4,259,468,168.00	15,789,996,411.00		15,789,996,411.00	5,295,384,846.05	10,494,611,564.95	33.5%
Capital Expenditure	39,976,844,306.83	77,034,938,727.00		77,034,938,727.00	51,901,424,171.00	25,133,514,556.00	67.4%
Total Expenditure (b)	119,460,987,765.46	199,282,437,000.00	-	199,282,437,000.00	162,544,436,055.58	36,738,000,944.42	81.6%
Surplus/Deficit from Operating Activities c = (a-b)	25,740,564,548.06	-	-	-	15,721,229,831.85	- 57,754,772,056.99	
Gains/Loss on Disposal of Asset				-		-	
Gain/Loss on Foreign Exchange Transaction				-		-	
Total Non-Operating Revenue/(Expenses)				-		-	
Surplus/(Deficit) from Ordinary Activities				-		-	
Net Surplus/ (Deficit) for the Period				-		-	

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

Table 5 Statement of Changes in Net Assets

Statement of Changes in Net Assets			
Item	Accumulated Surplus	Available for sale Reserve	Total reserve
Opening Balance as at 1 January 2022	17,478,947,270		17,478,947,270.00
Actuarial Gains/(Losses)			-
Change in Fair Value Available-for -sale Financial Assets			-
Surplus/(Deficit) for the period	1,715,913,587		1,715,913,587.47
Balance as at 31 December 2022	19,194,860,857.47	-	19,194,860,857.47

Section 6 Top Sectorial Allocation

Tables 6, 7 and 8 outline the financial information on top Ministries, Department Agencies/Sector allocation and the actual expenditure from the implementation of the fiscal year budget.

Recurrent Expenditure - Presented in Table 6 is data on recurrent expenditure of top MDAs. It was observed that for all the sectors listed, actual expenditures were more than 50%. The level of performance is 90.5% across all the MDAs/sectors and the share for each sector is similar both as a percentage of budget and actual expenditure. Public Finance got the highest share of 45.1%, Health 11.6%, Information 1.2%, Education 22.6%, while infrastructure received 2.4%.

Capital Expenditure – Table 7 presents capital expenditure of top MDAs/sectors. The sectoral capital expenditure performance shows that the Ministry of Infrastructures, Education, and Public Finance had 93.8%, 78% and 65.2% respectively. All the other MDAs listed had actual capital expenditure less than 50% as indicated in the table 7. Infrastructure got the highest actual expenditure which is about N35.437 billion or 68.3% of the total capital expenditure (N51.901 billion). Education received N4.467 billion, equivalent to 8.6% Public Finance got N5.569 billion (10.7%). However, Information got 0.6% of the budgeted capital figure and recorded 21.5% performance.

Total Expenditure – As indicated in Table 8 for the top highest spending MDAs/sectors was Public Finance that received the highest total actual expenditure which is about N57.526 billion (35.4%) of the total actual expenditure N162.546 billion, followed by Ministry of Infrastructures which got N37.706 billion (23.2%), Education received N31.924 billion (19.6%) while the least were Ministry of Information and Ministry of Environment and Waste Management with 0.6% expenditures.

Table 6 Top Ten Recurrent Expenditure Sectors/MDAs

Expenditure: Where does the Money go?						
Top Ten Recurrent Allocation by Sectors						
Sectors and other MDAs Expenditure	2022 Final Budget	2022 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure
EDUCATION	27,582,266,850	27,456,422,784	125,844,066	99.5%	22.6%	24.8%
HEALTH	14,156,429,514	11,171,363,077	2,985,066,437	78.9%	11.6%	10.1%
PUBLIC FINANCE	55,168,858,060	51,956,768,388	3,212,089,671	94.2%	45.1%	47.0%
GENERAL ADMINISTRATION	8,117,490,657	7,917,490,657	200,000,000	97.5%	6.6%	7.2%
ADMINISTRATION OF JUSTICE	3,739,422,979	3,046,118,472	693,304,507	81.5%	3.1%	2.8%
INFRASTRUCTURE	2,974,429,787	2,268,939,314	705,490,472	76.3%	2.4%	2.1%
AGRICULTURAL DEVELOPMENT	1,681,349,893	1,385,502,224	295,847,669	82.4%	1.4%	1.3%
LEGISLATIVE ADMINISTRATION	3,794,037,296	1,916,440,007	1,877,597,289	50.5%	3.1%	1.7%
SOCIAL AND COMMUNITY DEVELOPMENT	2,027,305,561	1,507,106,664	520,198,896	74.3%	1.7%	1.4%
INFORMATION	1,470,164,043	901,659,987	568,504,055	61.3%	1.2%	0.8%
Other Sectors' Expenditure	1,535,743,635	1,115,200,310	420,543,325	72.6%	1.3%	1.0%
Total (Except Other MDA Expenditure)	120,711,754,638	109,527,811,575	11,183,943,063	90.7%	98.7%	99.0%
Total Budgeted Expenditure	122,247,498,273	110,643,011,885	11,604,486,389	90.5%		

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

Table 7 Top Ten Capital Allocation by Sectors

Top Ten Capital Allocation by Sectors						
Sectors and other MDAs Expenditure	2022 Final Budget	2022 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure
INFRASTRUCTURAL DEVELOPMENT	37,769,150,727	35,437,923,903	2,331,226,824	93.8%	49.0%	68.3%
PUBLIC FINANCE	8,547,222,000	5,569,995,620	2,977,226,380	65.2%	11.1%	10.7%
GENERAL ADMINISTRATION	5,532,676,250	2,562,839,936	2,969,836,314	46.3%	7.2%	4.9%
EDUCATION	5,725,778,000	4,467,705,556	1,258,072,444	78.0%	7.4%	8.6%
ENVIROMENT\SEWAGGE MGT	2,520,661,750	588,835,912	1,931,825,838	23.4%	3.3%	1.1%
TRADE AND INDUSTRY	2,000,759,000	904,711,312	1,096,047,688	45.2%	2.6%	1.7%
ADMINISTRATIVE OF JUSTICES	1,443,529,000	160,077,524	1,283,451,476	11.1%	1.9%	0.3%
HEALTH	5,437,759,000	185,354,292	5,252,404,708	3.4%	7.1%	0.4%
INFORMATION	439,500,000	94,387,946	345,112,054	21.5%	0.6%	0.2%
AGRILCULTURE	4,335,716,000	1,200,673,343	3,135,042,657	27.7%	5.6%	2.3%
Other Sectors' Expenditure	3,282,187,000	728,918,828	2,553,268,172	16.8%	4.3%	1.4%
Total (Except Other MDA Expenditure)	73,752,751,727	51,172,505,343	22,580,246,384	69.4%	95.7%	98.6%
Total Budgeted Expenditure	77,034,938,727	51,901,424,171	25,133,514,556	67.4%		

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

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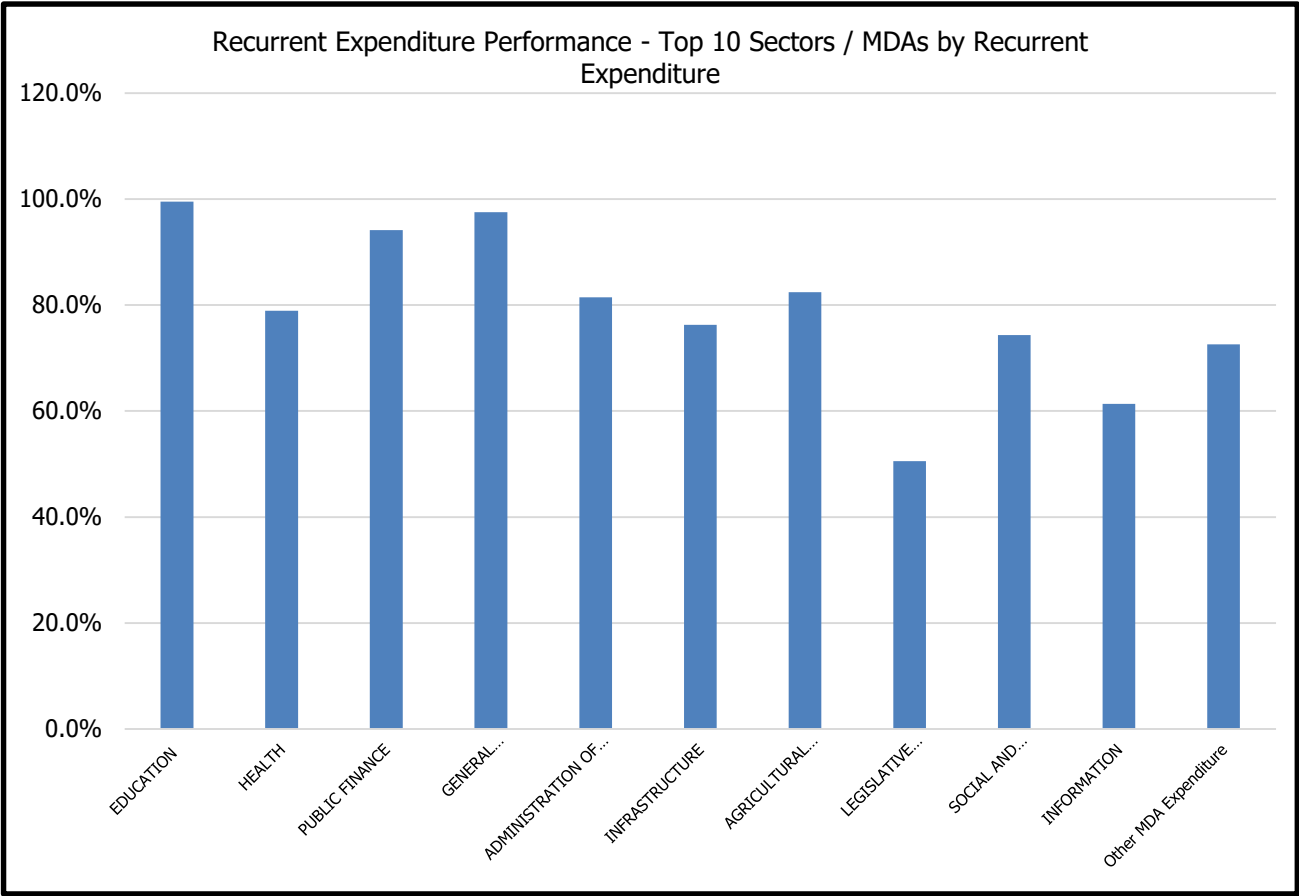
Table 8 Top Ten Total Allocation by Sectors

Top Ten Total Allocation by Sectors						
Sectors and MDAs Expenditure	2022 Final Budget	2022 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure
EDUCATION	33,308,044,850	31,924,128,340	1,383,916,510	95.8%	16.7%	19.6%
INFRASTRUCTURE	40,743,580,513	37,706,863,217	3,036,717,297	92.5%	20.4%	23.2%
PUBLIC FINANCE	63,716,080,060	57,526,764,008	6,189,316,052	90.3%	32.0%	35.4%
HEALTH	19,594,188,514	11,356,717,369	8,237,471,145	58.0%	9.8%	7.0%
GENERAL ADMINISTRATION	13,650,166,907	10,480,330,593	3,169,836,314	76.8%	6.8%	6.4%
ADMINISTRATION OF JUSTICE	5,182,951,979	3,206,195,996	1,976,755,982	61.9%	2.6%	2.0%
AGRICULTURAL DEVELOPMENT	6,017,065,893	2,586,175,567	3,430,890,326	43.0%	3.0%	1.6%
LEGISLATIVE ADMINISTRATION	3,942,239,632	2,064,642,343	1,877,597,289	52.4%	2.0%	1.3%
INFORMATION	1,909,664,043	996,047,933	913,616,109	52.2%	1.0%	0.6%
ENVIRONMENT AND SEWAGE MGT	3,120,876,292	1,032,961,713	2,087,914,579	33.1%	1.6%	0.6%
Other Sectors' Expenditure	8,097,578,318	3,663,608,977	4,433,969,341	45.2%	4.1%	2.3%
Total (Except Other MDAs Expenditure)	191,184,858,682	158,880,827,079	32,304,031,603	83.1%	95.9%	97.7%
Total Budgeted Expenditure	199,282,437,000	162,544,436,056	36,738,000,944	81.6%		

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

Figure 2 Top Ten Recurrent Expenditure Sectors / MDAs Graph





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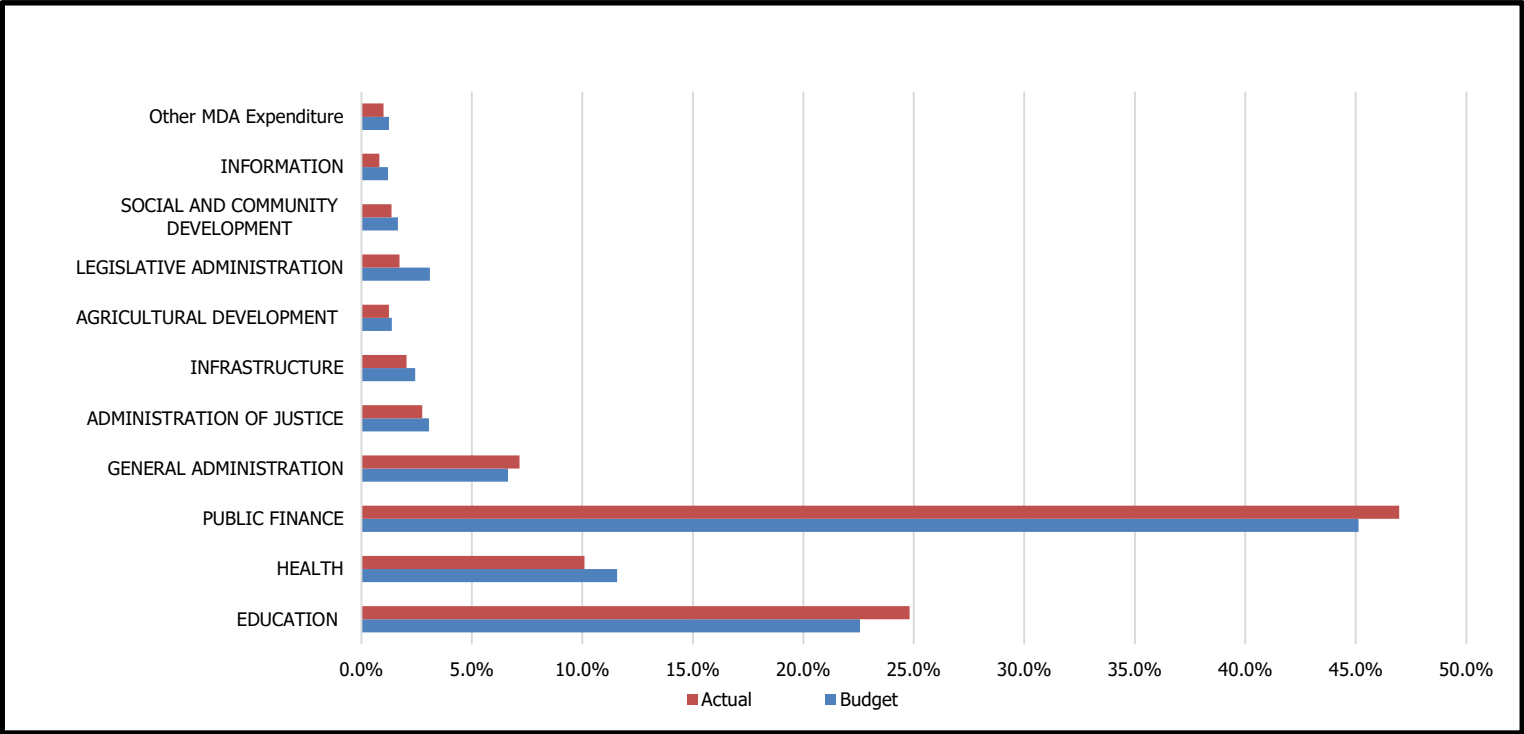
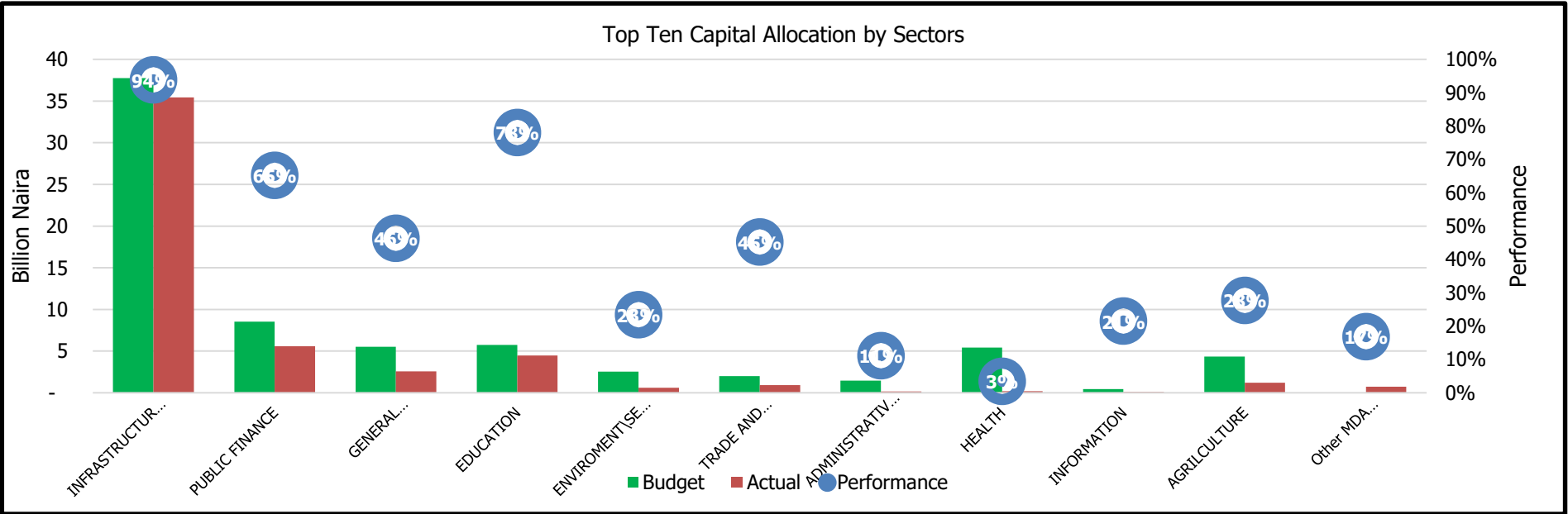
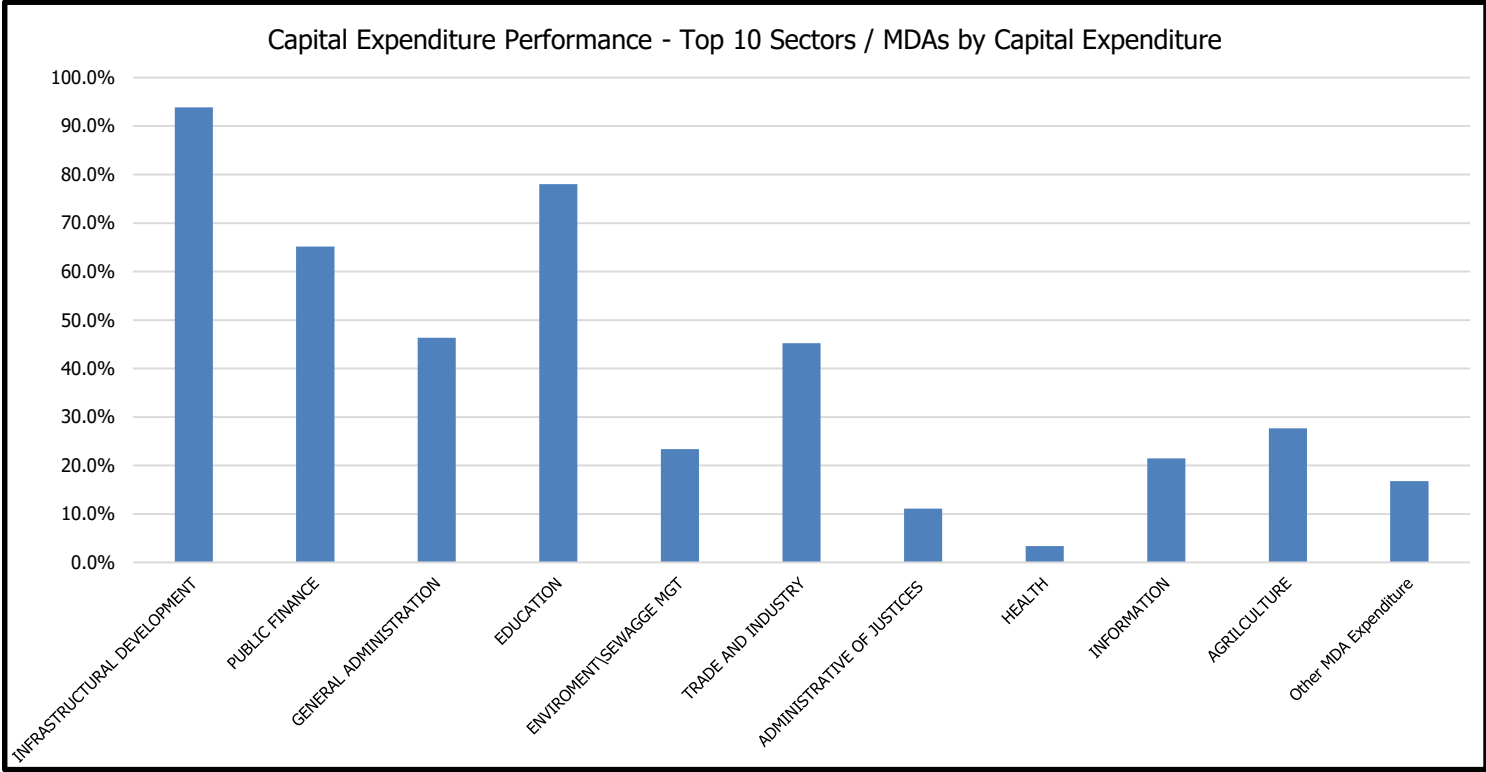
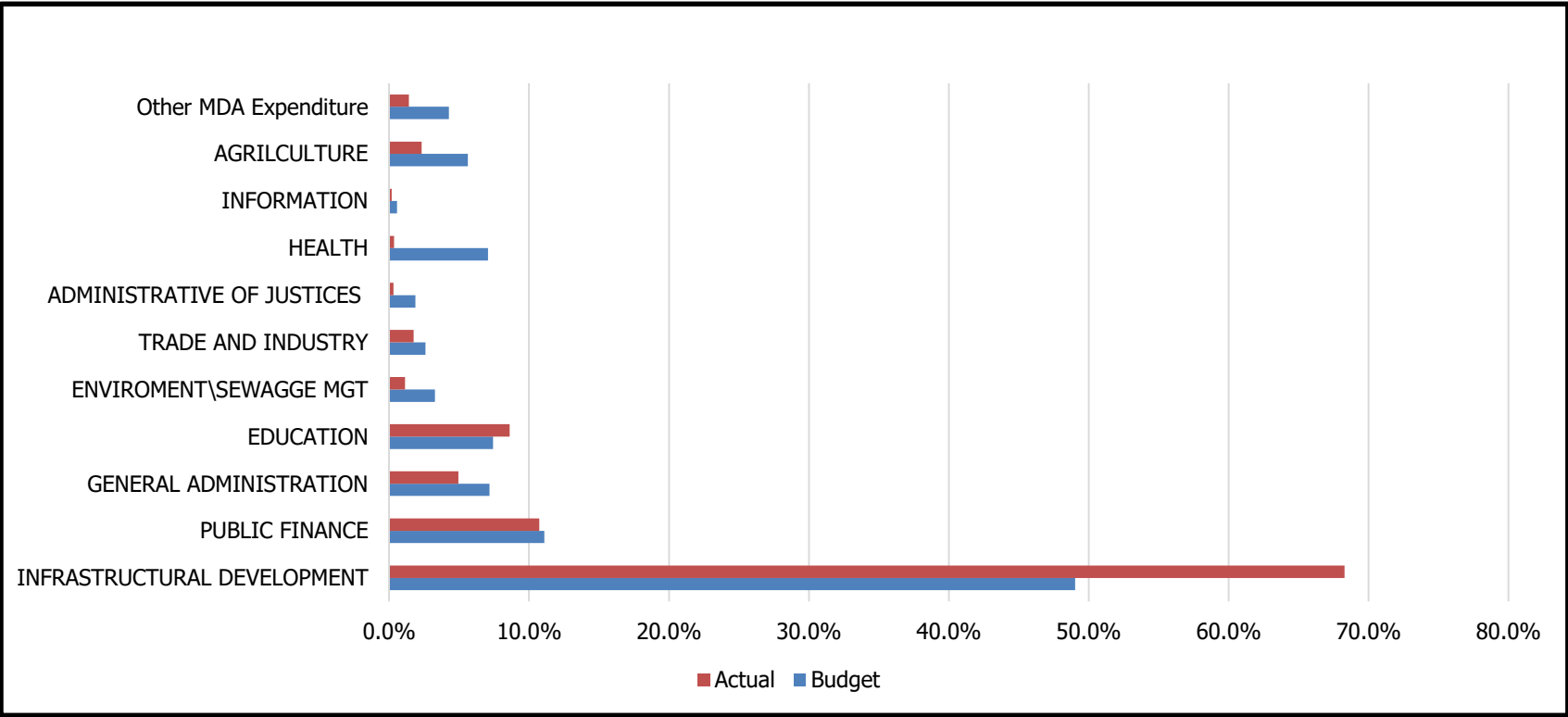


Figure 3 Top Ten Capital Expenditure Sectors / MDAs Graph

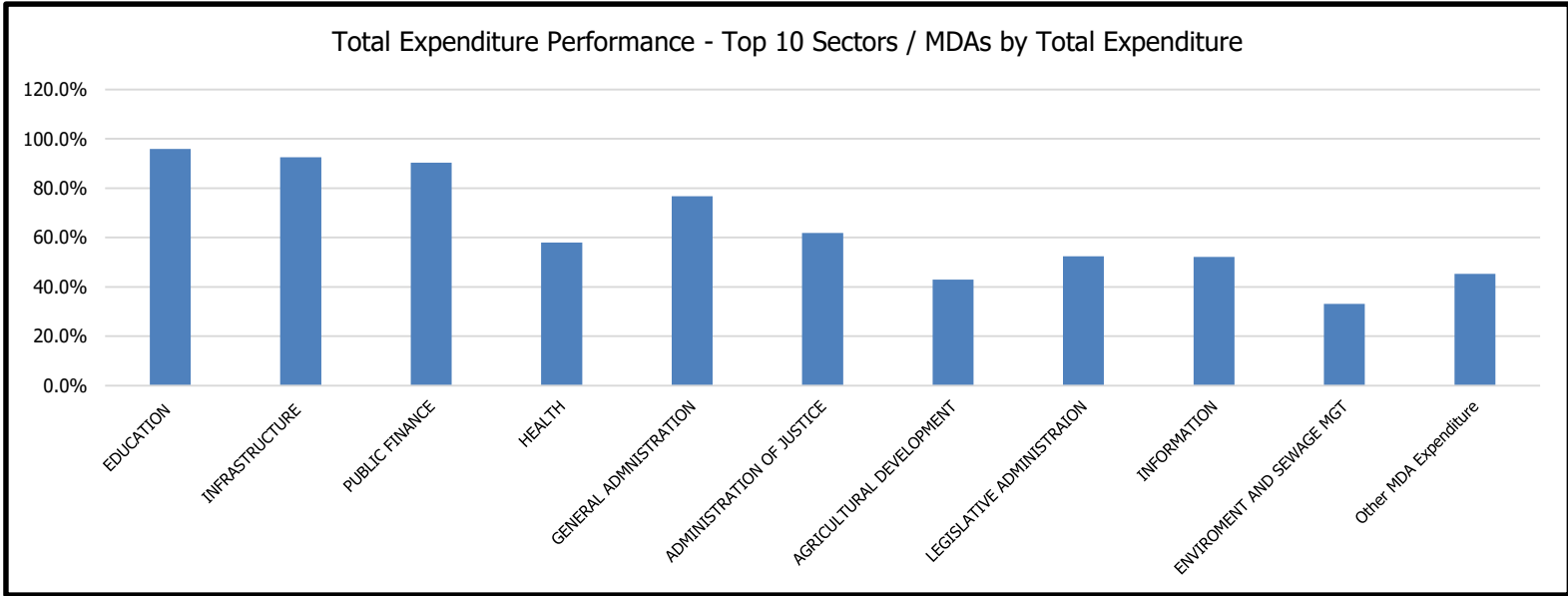
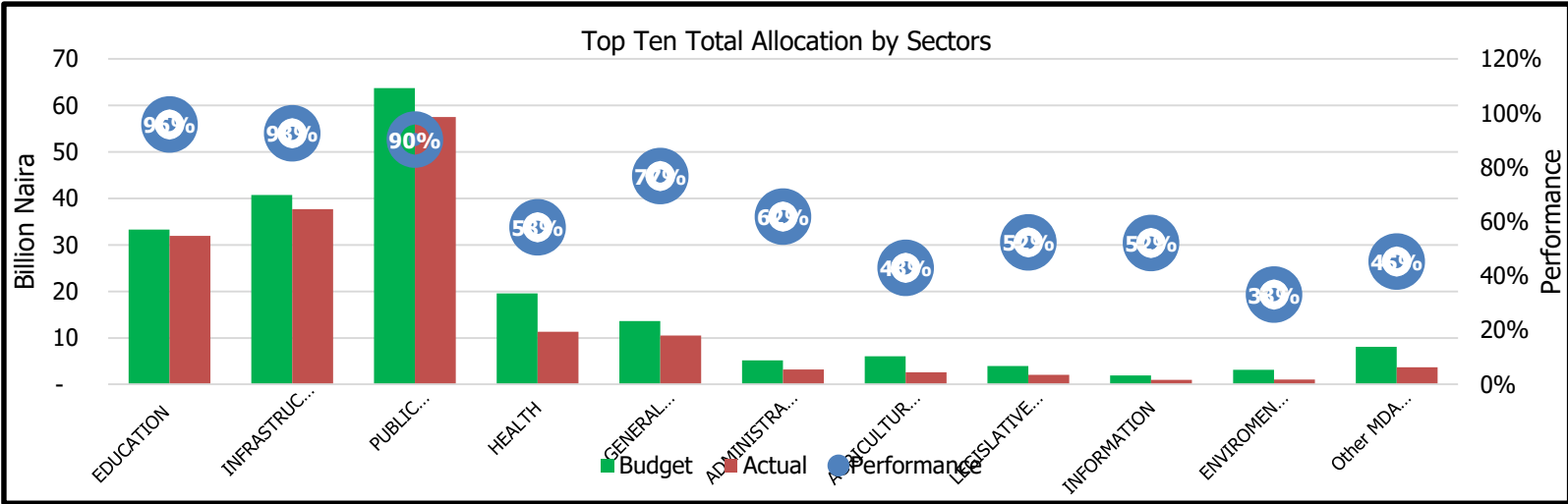




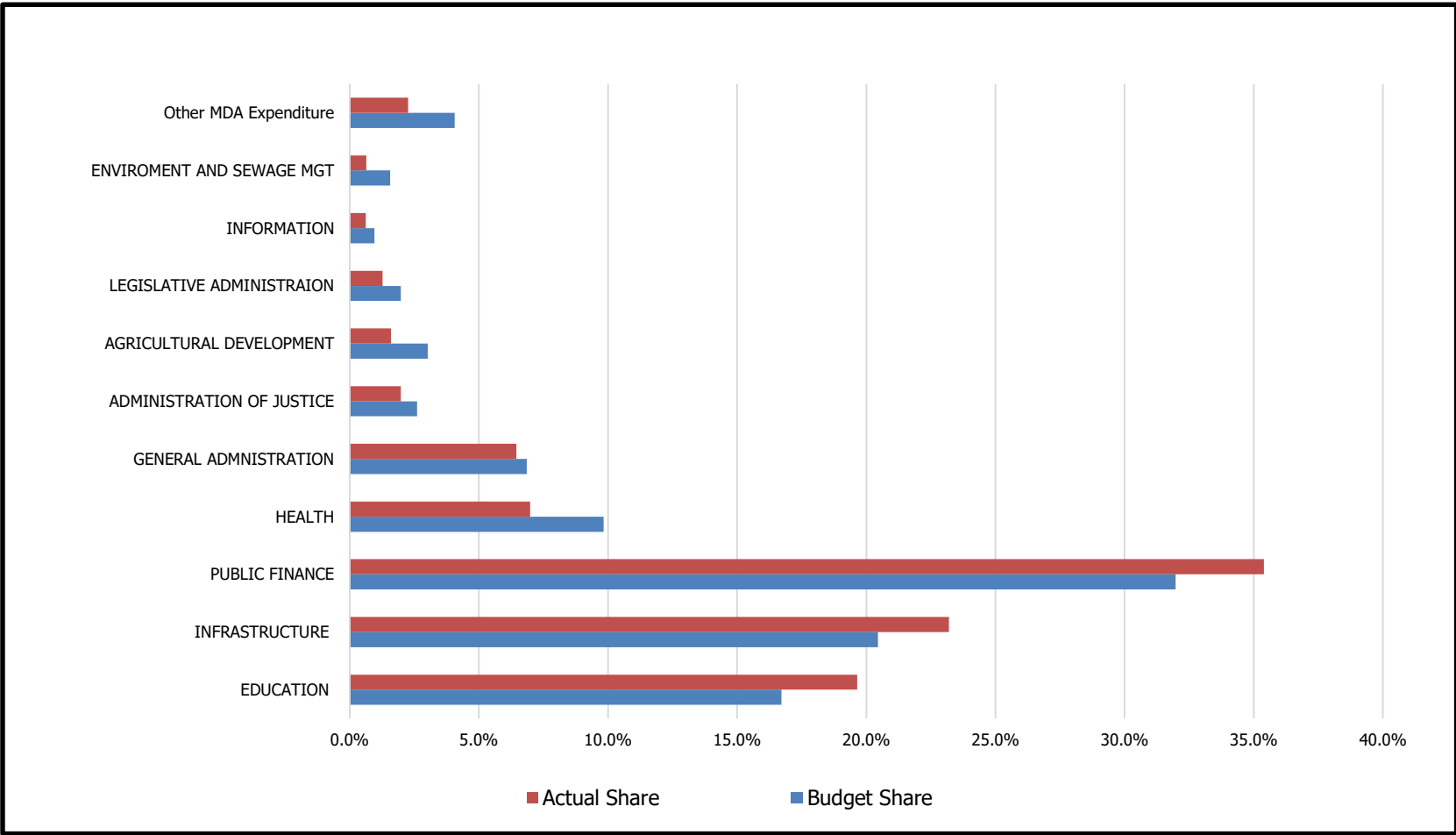
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Section 7 Top Value Capital Projects

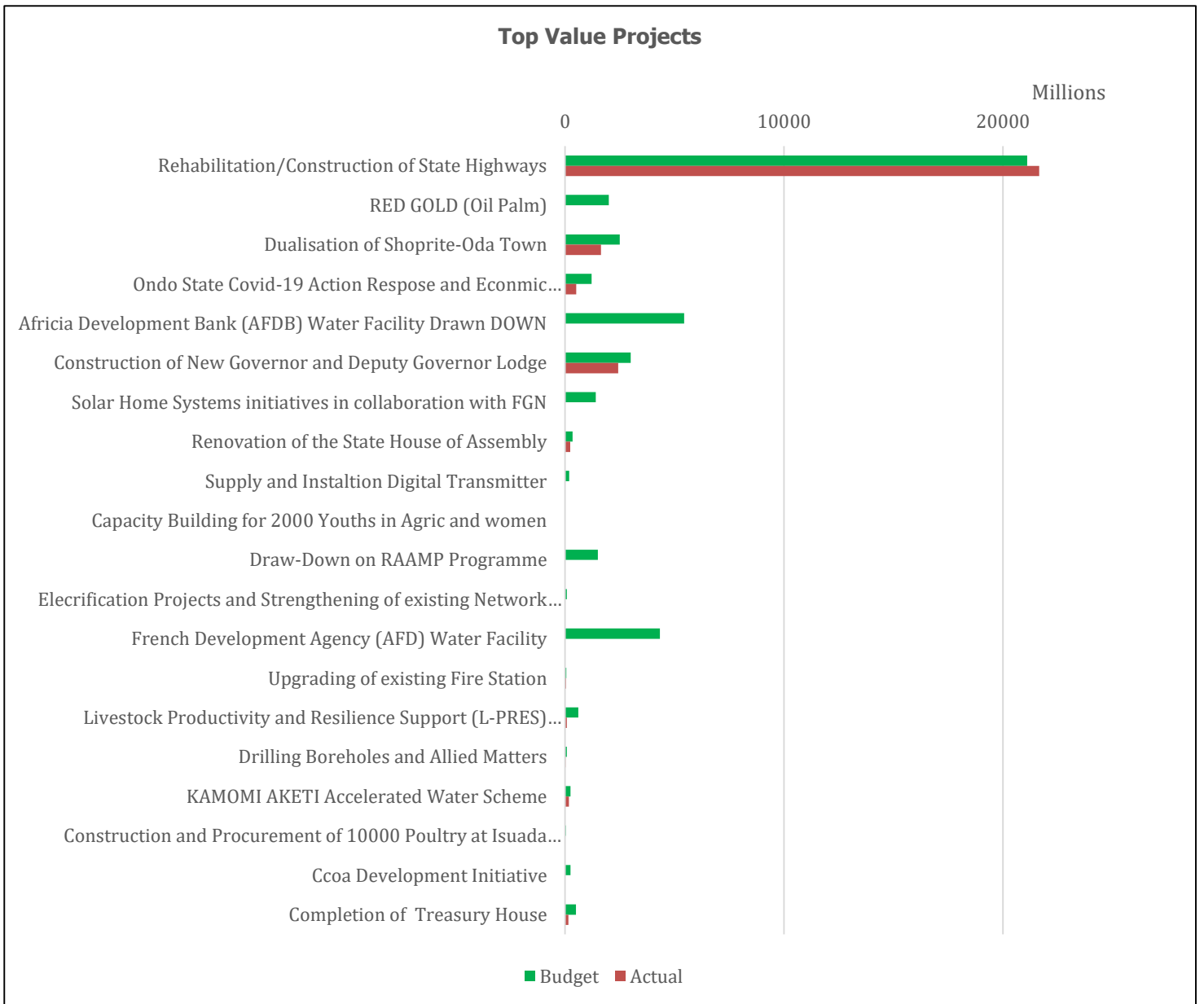
This section outlines information on the largest 15-20 capital projects included within the budget and the actual expenditure from the implementation of the fiscal year budget.

Table 2 Top Value Contracts

Top Value Projects								
Project	Project Location	Programme Code	MDA Responsible	2022 Final Budget	2022Actual Amount	Variance*	Performance (%)*	Completion Status
Rehabilitation/Construction of State Highways	Statewide	170023401063	Works and Infrastructure	21,112,279,989	21,654,910,319	-542,630,330	102.6%	Ongoing
RED GOLD (Oil Palm)	Statewide	010021501069	OSAEC	2,000,000,000	0	2,000,000,000	0.0%	Not Yet Started
Dualisation of Shoprite-Oda Town	Statewide	170023401059	Works and Infrastructure	2,500,000,000	1,637,556,270	862,443,730	65.5%	Ongoing
Ondo State Covid-19 Action Respose and Econmic Stimulus(Food Security and Sustainable Livelihood through FADAMA)	Statewide	010021501171	Ministry of Agriculture (FADAMA)	1,215,366,000	515,323,084	700,042,916	42.4%	Ongoing
Africia Development Bank (AFDB) Water Facility Drawn DOWN	Statewide	100025201009	Water Corporation	5,445,000,000		5,445,000,000	0.0%	Not Yet Started
Construction of New Governor and Deputy Governor Lodge	Statewide	060026001026	Ministry of Lands and Housing	3,000,000,000	2,427,951,963	572,048,037	80.9%	Ongoing
Solar Home Systems initiatives in collaboration with FGN	Statewide	140026401023	Office of the Public Utility	1,400,000,000		1,400,000,000	0.0%	Not Yet Started
Renovation of the State House of Assembly	Statewide	130011201026	State House of Assembly	344,000,000	231,931,250	112,068,750	67.4%	Ongoing
Supply and Instalton Digital Transmitter Capacity Building for 2000 Youths in Agric and women	Statewide	110012301026	Ondo State Radiovision Corporation	190,000,000	0	190,000,000	0.0%	Not Yet Started
Draw-Down on RAAMP Programme	Statewide	010021501040	OSAEC	10,000,000	0	10,000,000	0.0%	Not Yet Started
Draw-Down on RAAMP Programme	Statewide	10002340101	RAAMP	1,500,000,000		1,500,000,000	0.0%	Not Yet Started
Electrification Projects and Strengthening of existing Network across the State	Statewide	140023101009	Electricity Board	80,000,000	0	80,000,000	0.0%	Not Yet Started
French Development Agency (AFD) Water Facility	Statewide	100025201013	Water Corporation	4,335,000,000	0	4,335,000,000	0.0%	Not Yet Started
Upgrading of existing Fire Station	State wide	170023401056	Ministry of Works and Infrastructure	62,000,000	39,750,000	22,250,000	64.1%	Ongoing
Livestock Productivity and Resilience Support (L-PRES) Drawdown	State wide	010021501181	Ministry of Agriculture	600,000,000	77,486,780	522,513,220	12.9%	Ongoing
Drilling Boreholes and Allied Matters	State wide	1000025201030	RUWASSA	80,000,000	24,222,000	55,778,000	30.3%	Ongoing
KAMOMI AKETI Accelerated Water Scheme	State wide	100025201029	RUWASSA	253,600,000	172,988,456	80,611,544	68.2%	Ongoing
Construction and Procurement of 10000 Poultry at Isuada (Counterpart)	State wide	010021501063	OSAEC	30,000,000	0	30,000,000	0.0%	Not Yet Started
Ccoa Development Initiative	State wide	010021501032	Cocoa Revolution Office	250,000,000	10,000,000	240,000,000	4.0%	Ongoing
Completion of Treasury House	State wide	060026001027	Ministry of Lands and Housing	500,000,000	150,000,000	350,000,000	30.0%	Ongoing

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

Figure 5 Largest Projects Graph



Section 7 Citizen-Nominated Projects - Implementation Status Report

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

*Only Sixteen citizens nominated projects were included in the 2022 Budget – ranging from provision of health related services renewable energy, revenue drive, provision of drinkable water among others. Most of the projects are on-going while some are yet to commence
The total sum of #2.958billion was the final budget in year 2022.*

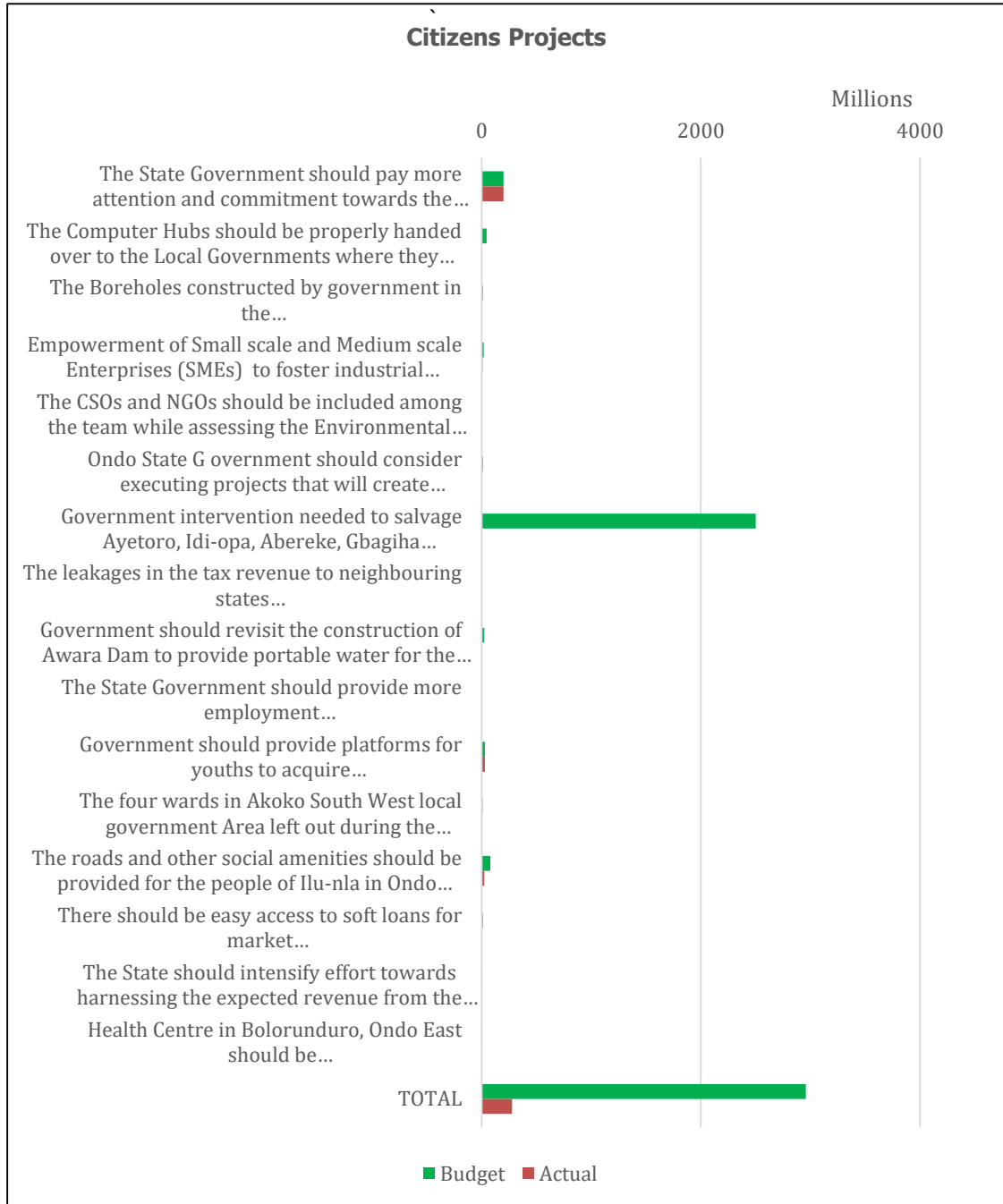
Ondo State Government 2022 Citizens Accountability Report

Table 3 Citizens Nominated Projects

Citizens Nominated Projects								
Project	Project Location	Programme Code	MDA Responsible	2022 Final Budget	2022 Actual Amount	Variance*	Performance (%)*	Completion Status
The State Government should pay more attention and commitment towards the diversification of the State's economy;	Statewide	130023801015	MEPB	200,000,000	200,000,000	-	100.0%	Ongoing
The Computer Hubs should be properly handed over to the Local Governments where they were located.	Statewide	11002280054	SITA, MEPB	44,100,000	0	44,100,000	0.0%	Not Yet Started
The Boreholes constructed by government in the Southern Senatorial District should be well maintained for full operations	Statewide	100025201032	RUWASSA, Min. of Water Resources, OSOPADEC	10,000,000	800,000	9,200,000	8.0%	Ongoing
Empowerment of Small scale and Medium scale Enterprises (SMEs) to foster industrial development in the State	Statewide	120022201026	Commerce, Micro-Credit	18,000,000	8,008,325	9,991,675	44.5%	Ongoing
The CSOs and NGOs should be included among the team while assessing the Environmental Impact of Government Projects or those of Private Investors	Statewide	90053501066	MEPB, Min. of Environment	2,000,000	2,000,000	-	100.0%	complete
Ondo State Government should consider executing projects that will create clean/renewable energy from the dumpsites	Statewide	90053501071	Min. of Environment, Waste Mgt	12,000,000	2,411,500	9,588,500	20.1%	Ongoing
Government intervention needed to salvage Ayetoro, Idi-opa, Abereke, Gbagiha communities in Ilaje Local Government that had been plagued by Sea incursion;	Statewide	0	OSOPADEC, SEMA, NEWMAP, Min. of Environment	2,500,000,000	0	2,500,000,000	0.0%	Not Yet Started
The leakages in the tax revenue to neighbouring states from illegal felling and transport of timbers should be curbed.	Statewide	22021060	Min. of Natural Resources	3,000,000	3,000,000	-	100.0%	Ongoing
Government should revisit the construction of Awara Dam to provide portable water for the community.	Statewide	10002520101	Water Corporation	24,000,000	0	24,000,000	0.0%	Not Yet Started
The State Government should provide more employment opportunities for the teeming youths	Statewide	22021011	Civil Service Commission, TESCOM, SUBEB, Office of Establishment	2,000,000	1,700,000	300,000	85.0%	Ongoing
Government should provide platforms for youths to acquire requisite skills for entrepreneurship	Statewide	30022201029	ONDEA, OSAEC	30,000,000	30,000,000	-	100.0%	Ongoing
The four wards in Akoko South West local government Area left out during the distribution of drugs should be provided with drugs.	Statewide	40052101017	Primary Health-Care Development Agency, Min. of Health	9,657,000	5,525,680	4,131,320	57.2%	Ongoing
The roads and other social amenities should be provided for the people of Ilu-Ila in Ondo West Local Government Area;	Statewide	100025201031	RUWASSA, OSEB	80,000,000	24,222,000	55,778,000	30.3%	Ongoing
There should be easy access to soft loans for market women in the State	Statewide	30022201020	Micro-Credit Agency	10,505,000	0	10,505,000	0.0%	Not Yet Started
The State should intensify effort towards harnessing the expected revenue from the tourism sector;	Statewide	130023601028	Min. of Culture and Tourism, ODIRS	6,000,000	800,000	5,200,000	13.3%	Ongoing
Health Centre in Bolorunduro, Ondo East should be renovated and equipped	Statewide	40052101017	Primary Health-Care Development Agency	7,000,000	0	7,000,000	0.0%	Not Yet Started
TOTAL				2,958,262,000	278,467,505	2,679,794,495	9.4%	

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

Figure 4 Citizens Nominated Projects Graph



Section 8 Public Consultations with Citizens presenting the Annual Financial Statements

The FY 2022 Audited Annual Financial Statements for Ondo State can be found on the State Government Website, at the following specific address: www.ondostate.gov.ng

Ondo State Government published the Audited Annual Financial Statements on the 30th June 2022 after the Public Accounts Committee (PAC) of Ondo State House of Assembly conducted public hearing on it. The account was publicized in two national newspapers and one local newspaper (Guardian, Punch and Hope).