

Katsina State Government



2021 Citizens' Accountability Report

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About the Citizens Accountability Report

A Citizens' Accountability Report (CAR) is a series of graphic and tabular illustrations of the contents of the Audited Financial Statements prepared by a government agency (State Audit office) on behalf of the government (Katsina 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)2021 and reports on State budget revenue and expenditure for 2021.

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 2021 Budget of Katsina State, the Budget of Recovery and Consolidation, was passed on the 23rd December, 2020 and budget implementation commenced 1st January, 2021. The global economic downturn, including fluctuation in revenue sources and inflation, was so significant that a revised budget was prepared and passed on the 1st September, 2021.

Despite the mid-year budget revision, budget implementation was still hampered by poor revenue performance and mildly optimistic expectations of loans and grants and other revenue components.

The aggregate revenue performance is about 57.7% of the budgeted N292.89 billion in the final budget this is equivalent to N124.03 billion shortfalls – both Federation Account revenues and internally generated revenue performing in the region of 30-65%. On the expenditure side, the actual total expenditure is about N147.43 billion (50.3%) less than the budgeted amount which was N292.89 billion. A closing balance of N20.8 billion was allowed for due to the anticipated receipt of SFTAS grants in the final month of the year.

Capital Expenditure took the brunt of the expenditure shortfall, with performance less than 36%. Much of the recurrent expenditure in 2021 was obligatory in nature so, based on the revenue short-fall, capital expenditure was largely focussed on completing ongoing projects and the start of new projects.

Although Office of the Accountant General enjoyed the highest proportion of the recurrent expenditure which is largely due to the state overhead expenditure including other miscellaneous such as payment for electricity, grants, debt servicing among others that are captured under the office. The ministry of Environment and ministry of Works and Housing received the highest proportion of the capital expenditure

Some of the larger contracts were subject to delays due to shortfall in revenue generation and funding, and some amendments were made. Citizens projects were largely implemented as planned; albeit carry over to 2022 as a result of funding short-falls.

The auditor general has given a satisfactorily note with few queries issued to some MDAs especially as it relates to the revenue generation and Covid 19 related expenditure. Similarly, the auditor general has shown concern over the level of in debtors of the state and has also made a wakeup call on revenue generation.

Section 1 Budget Outturn

This section outlines the performance of the main classifications of revenue and expenditure for the State.

The Katsina State revenue performance (outturn) shows that, the aggregate revenue performance is about 57.7%; this means that about 42.3% different from the anticipated revenue in the budget, this is equivalent to N124.03 billion naira. The major causes of deviation include the budget financing target of a loan of N68.5 billion for which only 41.7b has been borrowed, IGR, aids and grant which were projected to be N53.2 and 50.2 resulted in the generation of only N16.19 and 29.9 billion respectively. However, no positive increase was observed in the revenue generation only at MDA level where Katsina State Transport Authority recorded and increase of 825 million of revenue representing about 195.7% of the anticipated income.

On the expenditure side, the actual total expenditure is about N147.43billion (50.3%) less than the budgeted amount which was N292.89 billion. Out of the total Capital expenditure budget of N204.17 billion, the actual capital expenditure was N74.2 billion. This indicates that capital expenditure witnessed the least performance which is circa 36.3%. The inability of the state to access the desired level of financing (loan) including poor IGR generation has also contributed to the decline in other revenue sources resulting in the shortfall of revenue required for maximum execution of the capital budget, hence this level of performance.

It was also observed that personnel expenditure (employees' salaries and wages) has fared better in term of outturn. This is due to a more realistic projection as well as the state government policy on reduction of payroll frauds. Conversely, the performance other recurrent expenditure which include overhead cost, grants, subsidies & subvention to parastatals was about 83.4% less than the budget target.

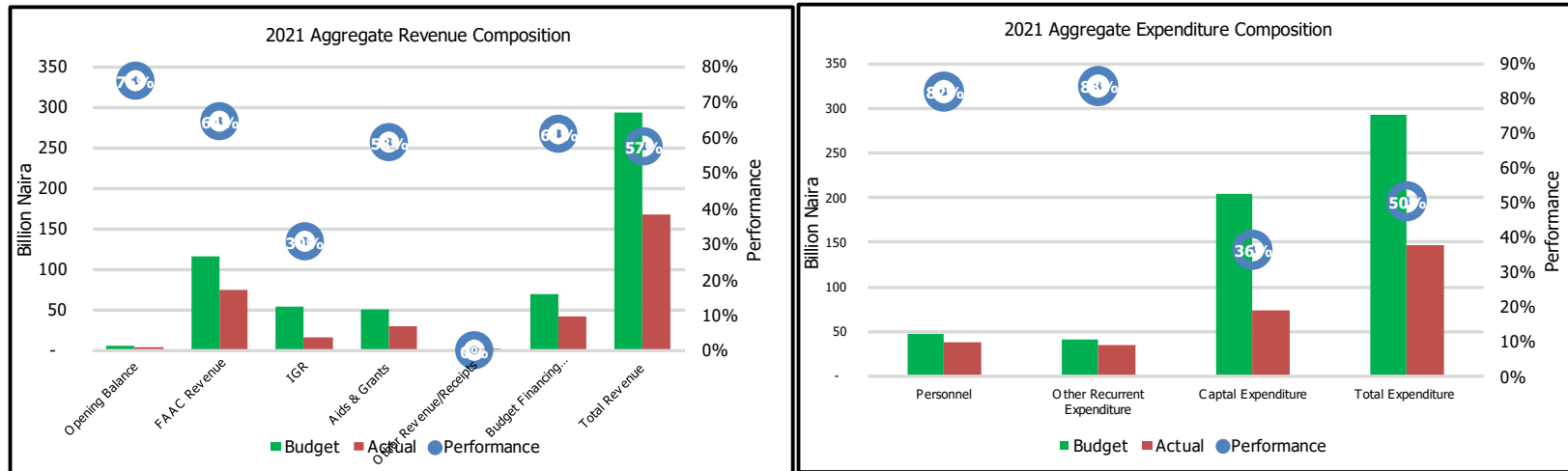
Table 1 Budget Outturn

Budget Outturn (Originally Approved vs Actual)					
2021 Revenue Composition Performance					
2021 Aggregate Revenue Composition	2021 Original Budget	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*
Opening Balance	5,000,000,000	5,000,000,000	3,804,500,723	- 1,195,499,277	76.1%
FAAC Revenue	110,985,620,404	115,985,620,404	74,688,381,219	- 41,297,239,185	64.4%
IGR	53,203,826,384	53,203,826,384	16,193,813,377	- 37,010,013,007	30.4%
Aids & Grants	43,950,115,199	50,200,115,199	29,870,149,044	- 20,329,966,155	59.5%
Other Revenue/Receipts	-	-	2,595,641,381	2,595,641,381	
Budget Financing (Loans)	73,498,219,356	68,498,219,356	41,704,141,020	- 26,794,078,336	60.9%
Total Revenue	286,637,781,343	292,887,781,343	168,856,626,764	- 124,031,154,579	57.7%
2021 Expenditure Performance by Economic Type					
2021 Aggregate Expenditure Composition	2021 Original Budget	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*
Personnel	46,992,180,181	47,114,957,674	38,546,436,909	8,568,520,765	81.8%
Other Recurrent Expenditure	41,727,926,844	41,605,149,351	34,679,231,918	6,925,917,433	83.4%
Capital Expenditure	197,917,674,318	204,167,674,318	74,201,198,691	129,966,475,627	36.3%
Total Expenditure	286,637,781,343	292,887,781,343	147,426,867,518	145,460,913,825	50.3%

* 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.

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Figure 1 Budget Outturn Graphs



Section 2 Revenue Outturn

In this section, the approved and actual revenue generated internally by Katsina State and disaggregated by sources. The section also outlines the revenue information from 10 performing revenue agencies in the State.

The Katsina state government has continued to improve on its initiatives that spur the fiscal space in a manner that would enhance IGR growth. Accordingly, various IGR drive initiatives have been implemented by the State. These efforts buffer revenue available for the implementation of the annual budget and for effective service delivery to the citizens of the state.

The total IGR performance in the last completed fiscal year was 30%. This poor performance has been blamed on the Global economic crises due to Ukraine and Russian war and the COVID – 19 impacts on revenue generation as well as operational challenges in the State Board of Internal Revenue (BIR). The IGR has two broad categories, namely the Tax Revenue and Non-tax Revenue. The outturn for the tax and non-tax revenue was 76% and 13% respectively.

The critical source of Tax Revenue for Katsina state include personal taxes which recorded 77% performance during the period under review. A key component of the personal taxes is the PAYE recorded the highest level of performance (81%) because it is generally deducted at source. As indicated in the Table 2 below, the actual revenue generated by all components including Licence general Tax, fees general and sales general fall short of the budgeted amount for all revenue sources except for miscellaneous.

The State Board of Internal Revenue which is the highest revenue generating institution of the state had a budget of N15.6 billion but only N11 billion, equivalent to 73% was actually generated. This indicates a fair output when compared with the 2020 performance. Further Strengthening the BIR is required to upscale the revenue generation agenda of the state. Following the BIR are the Katsina State Transport Authority which had a final budget of 863 million while the actual realised was 1.69 billion representing 196%. Similarly, the Umaru Musa Yar'adua University, Katsina State Water Board, Hassan Usman Katsina Polytechnics has a budget of 589, 404, and 233 million but only 833, 525 and 199 million were actually realised representing 141, 130 and 86 percentage performance respectively.

Other MDAs with the highest level of outturn include the Health Service Management Board 26%, Isah Kaita College of Education Dutsinma 56%, Hotels Board 75%, College of Health Sciences 269%, while Katsina State Institute of Technology and Management has 79% as the least in the table.

This information is presented in Table 3 below.

Table 2 Revenue Outturn by Item

Internally Generated Revenue Performance					
By Item					
IGR Items	2021 Original Budget	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*
Tax Revenue	14,450,000,000	14,450,000,000	10,995,927,692	- 3,454,072,308	76.1%
Personal Taxes:	9,700,000,000	9,700,000,000	7,491,454,413	- 2,208,545,587	77.2%
Personal Income Tax (PAYE)	9,000,000,000	9,000,000,000	7,315,286,859	- 1,684,713,141	81.3%
Personnal Income Tax (Direct Assessment Taxes)	700,000,000	700,000,000	176,167,554	- 523,832,446	25.2%
Penalty For Offences & Interest				-	
Other Personal Tax N.E.C				-	
Other Taxes:	4,750,000,000	4,750,000,000	3,504,473,279	- 1,245,526,721	73.8%
Sales Tax				-	
Lottery Tax/Licence				-	
Property Tax				-	
Capital Gain Taxes				-	
Withholding Tax	100,000,000	100,000,000	33,871,804	- 66,128,196	33.9%
Other Taxes N.E.C	4,650,000,000	4,650,000,000	3,470,601,475	- 1,179,398,525	74.6%
Non-Tax Revenue:	38,753,826,384	38,753,826,384	5,197,885,685	- 33,555,940,699	13.4%
Licences General	713,242,102	713,242,102	63,528,860	- 649,713,242	8.9%
Fees – General	5,520,064,174	5,520,064,174	280,552,549	- 5,239,511,625	5.1%
Fines – General	48,181,264	48,181,264	19,048,842	- 29,132,422	39.5%
Sales – General	5,029,104,945	5,029,104,945	980,900,571	- 4,048,204,374	19.5%
Earnings – General	2,285,148,358	2,285,148,358	131,164,514	- 2,153,983,844	5.7%
Rent On Government Buildings – General	199,455,020	199,455,020	33,686,970	- 165,768,050	16.9%
Rent on Land and Others – General	174,485,000	174,485,000	9,068,380	- 165,416,620	5.2%
Repayments	24,336,405,735	24,336,405,735		- 24,336,405,735	0.0%
Investment Income	303,610,000	303,610,000		- 303,610,000	0.0%
Interest Earned	144,129,786	144,129,786		- 144,129,786	0.0%
Reimbursement				-	
Miscellaneous Income			3,679,934,999	3,679,934,999	
Independent Revenue (IGR)	53,203,826,384	53,203,826,384	16,193,813,377	- 37,010,013,007	30.4%

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

Table 3 Revenue Outturn by MDA

Internally Generated Revenue Performance					
By MDA:					
MDA	2021 Original Budget	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*
Board of internal Revenue	15,612,100,000	15,612,100,000	11,334,109,154	- 4,277,990,846	72.6%
Katsina State Transport Authority (KTSTA)	863,029,200	863,029,200	1,688,922,073	825,892,873	195.7%
Umaru Musa Yar'adua University, Katsina	589,745,000	589,745,000	833,707,442	243,962,442	141.4%
Water board	404,045,020	404,045,020	525,026,790	120,981,770	129.9%
Hassan Usman Katsina Polytechnic	233,249,205	233,249,205	199,937,016	- 33,312,189	85.7%
Health Service Management Board	742,379,158	742,379,158	194,538,660	- 547,840,498	26.2%
Isah Kaita College of Education Dutsinma	156,780,000	156,780,000	88,246,516	- 68,533,484	56.3%
Hotels Board	110,000,000	110,000,000	82,160,180	- 27,839,820	74.7%
College of Health Science, Katsina	25,903,000	25,903,000	69,732,549	43,829,549	269.2%
Katsina State Institute of Technology and Management	38,835,519	38,835,519	30,491,650	- 8,343,869	78.5%
Other Revenue Collecting Agencies	34,427,760,282	34,427,760,282	1,146,941,347	- 33,280,818,935	3.3%
Independent Revenue (IGR)	53,203,826,384	53,203,826,384	16,193,813,377	- 37,010,013,007	30.4%

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

Section 3 Expenditure Outturn

The Katsina state Expenditure outturn shows that the state has actually spent a total of 74.2 billion on capital expenditure which amount to 50.3% of the total budgeted for the year under review. While the recurrent expenditure got 73.2 billion out of the total 88.7 billion budgeted. The state has achieved 36% capital expenditure performance and about 83% of its recurrent expenditure performance for the year under review. It should be noted that shortage of revenue outcome has seriously affected the capital expenditure and the budget performance.

The breakdown of recurrent expenditure shows that when compared with other recurrent items, salaries & wages received the highest share of N31.72 billion (22%); followed by overheads which got N16.2 billion (11%) and then public debt charges, social benefits, transfers and Grants and Subsidies which received N16.2, N12.94, N6.84 and N0.43 billion respectively.

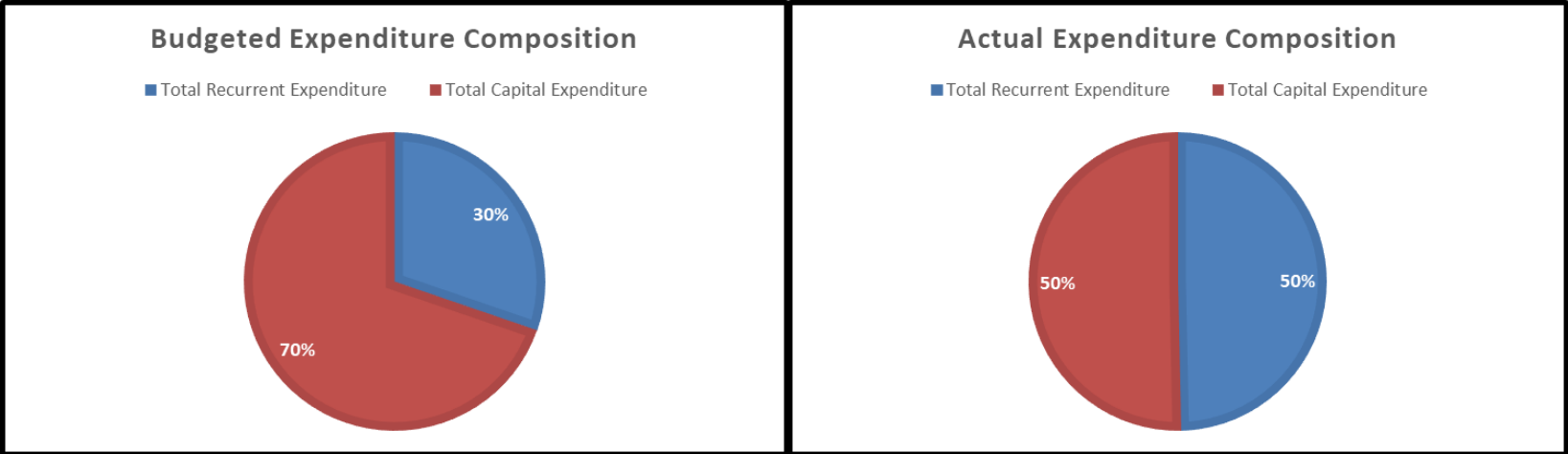
Considerably, the government has performed well in maintain the expenditure within the budget size. None of the recurrent expenditure was observed to be above the budgeted.

Table 4 Expenditure Outturn

Expenditure: Where does the Money go?						
Aggregate Expenditure Composition as a % of Total Expenditure (Budget Vs Actuals)						
Expenditure	2021 Final Budget	Budget Share (%)	2021 Actual Amount	Actual Share (%)	Variance*	Performance (%)*
Recurrent Expenditure:						
Salaries, Wages and Allowances (inc. CRF)	35,078,957,674	12.0%	31,722,036,509	21.5%	3,356,921,165	90.4%
Social Contribution	-	0.0%	-	0.0%	-	-
Social Benefits	12,036,000,000	4.1%	6,824,400,400	4.6%	5,211,599,600	56.7%
Overheads	22,315,687,725	7.6%	16,193,624,878	11.0%	6,122,062,847	72.6%
Grants and Subsidies	543,185,000	0.2%	431,979,390	0.3%	111,205,610	79.5%
Public Debt Charges	13,245,000,000	4.5%	12,935,205,730	8.8%	309,794,270	97.7%
Transfers	5,501,276,626	1.9%	5,118,421,921	3.5%	382,854,705	93.0%
Total Recurrent Expenditure	88,720,107,025	30.3%	73,225,668,827	49.7%	15,494,438,198	82.5%
Total Capital Expenditure	204,167,674,318	69.7%	74,201,198,691	50.3%	129,966,475,627	36.3%
Total Expenditure	292,887,781,343	100.0%	147,426,867,518	100.0%	145,460,913,825	50.3%

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

Figure 2 Expenditure Composition



Section 4 Audit Findings

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

Below is the observation made by the Auditor General in his report.

A: RECURRENT EXPENDITURE PAYMENT VOUCHERS

The Auditor observe the following in his report:

- *The integration of Biometric data capture and BVN has identify 13 No staffs on permanent appointment earning both salary and pension during the computer-based staff audit and staffs were converted to contract appointment as provided by PSR 020402. Total staff audit has resulted in reducing the personal budget resulting in recovery of N148,017,305.17 while at least 1129 new staffs were screened and verified into the payroll totalling N326,395,540.30*
- *It was confirmed that the State Government did not contribute towards payments of 10% Local Government council share of Internally Generated Revenue (IGR)*
- *There are eleven (11) Doctors that abscond their bond with the state Government and were asked to refund the sum of twenty-nine million, four hundred- and forty-two-thousand-naira, eighty-five kobo (N29,442,604.85) being the salary paid to them while in absence.*
- *Although the Auditor General has identified over expenditure in both personal and overhead segment of recurrent expenditure, the Auditor and the Ministry of budget confirm that a virement has been secured which cover the deficit. He also explains that movement of personal from one MDS to another contribute significantly to the over performance of some ministry. He further advice that a circle notifying the movement should be issued to all stakeholders for proper documentation and reflection in Budget and account.*
- *About 250 pensioners were removed from the pension payroll as the pensioners that died. This saved the state N9,970,568.32.*
- *As a result of checking files for the payment of gratuity, the sum of N33,167,990.08 were deducted and remitted back to Katsina State Accountant General being an un-earned salaries and balance of vehicle loan enjoyed by the beneficiaries.*

- *Similarly, the sum of N27,088,801.31 was deducted from gratuity and remitted to special escrow account under the Accountant General office.*
- *Moreover, deductions were made from gratuity to settle Housing and motor cycle loan to the tune of N5,260,450.75 and N436,208.09 respectively and were remitted to Katsina State Housing Authority and KTARDA respectively.*

B: CAPITAL EXPENDITURE PAYMENT VOUCHERS

- *Due to closure of schools, the sum of 7625 students were physically counted against the 9304 boarding students under the ministry of Science and Technology. While 5,179 students were counted against the 27,796 budgeted under the Ministry of Education.*

C: SUMMARY OF QUERIED PAYMENT VOUCHERS

No findings

D: ASSETS (PROPERTY, PLANT AND EQUIPMENT) REGISTER

- *The State has debtors to the tune of 20,641,471,966.36, The Auditor recommend the recovery of the money.*
- *The Management of KASROMA were asked to recover the sum of 3,347,242,673.00 been an outstanding for the years 2014,2015, 2016 and 2021. The matter is currently in court.*

E: BILLS PAYABLE

No findings

F: INVESTMENTS

No findings

G: AIDS AND GRANTS

No findings

H: CONTINGENT LIABILITIES ON BANK GUARANTEES AND

No findings

I: PERFORMANCE GUARANTEES

- *Total cash reserves as at the end of 2020 stood at N3.8 billion.*

I: ADHERENCE TO PROCUREMENT PROCEDURES

Table 5 Top Ten Audit Queries

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 Katsina State Auditors report for the year 2021 has provide a more detailed breakdown of revenues and expenditures in 2021. Some of the highlights (major variances) are on Government house expenditure for which a virement has been done. Similarly looking at the overheads of some MDAs, their performance is beyond the threshold.

Table 6 Statement of Income and Expenditure

Statement of Income and Expenditure							
Item	Previous Actual (2020)	Originally Approved 2021 Budget	2021 Supplementary	2021 Final Budget	2021 Actuals	Variance*	Performance (%)*
Revenue:							
Opening Balance	4,834,201,038	5,000,000,000		5,000,000,000.00	3,804,500,723	- 1,195,499,276.84	76.1%
Statutory Allocation	37,859,875,311	69,888,219,660	5,000,000,000	74,888,219,660.00	43,527,450,909	- 31,360,768,750.94	58.1%
13% Derivation	-	-		-	-	-	
State Government Share of VAT	18,502,451,466	30,025,000,000		30,025,000,000.00	26,160,863,021	- 3,864,136,979.36	87.1%
Other Federation Account Distributions	8,838,117,960	11,072,400,744		11,072,400,744.00	5,000,067,289	- 6,072,333,454.75	45.2%
Independent Tax Revenue	10,822,320,119	14,450,000,000		14,450,000,000.00	11,153,401,551	- 3,296,598,448.51	77.2%
Independent Non-Tax Revenue	5,024,528,828	38,753,826,384		38,753,826,384.00	5,040,411,826	- 33,713,414,558.46	13.0%
Foreign Grants	10,207,697,368	28,163,093,365		28,163,093,365.00	13,158,881,316	- 15,004,212,048.76	46.7%
Domestic Grants	5,720,000,000	15,787,021,834	6,250,000,000	22,037,021,834.00	16,711,267,728	- 5,325,754,106.19	75.8%
Foreign Loans	-	18,498,219,356		18,498,219,356.00	22,949,809,092	4,451,589,736.09	124.1%
Domestic Loans	-	55,000,000,000	- 5,000,000,000	50,000,000,000.00	18,754,331,928	- 31,245,668,072.50	37.5%
Other Revenues	160,552,868			-	820,336,659	820,336,659.31	
Transfer from other Government Entities	2,266,078,294			-	1,775,304,722	1,775,304,721.54	
Total Revenue (a)	104,235,823,251.31	286,637,781,343.00	6,250,000,000.00	292,887,781,343.00	168,856,626,763.63	- 124,031,154,579.37	57.7%
Expenditure:							
Salaries, W ages and Allowances	30,730,896,829.19	34,507,678,379.00	122,777,493.00	34,630,455,872.00	31,304,409,193.28	3,326,046,678.72	90.4%
CRF Charges (Salary)	895,860,416.30	448,501,802.00		448,501,802.00	417,627,315.50	30,874,486.50	93.1%
Social Contributions	9,992,185,255.69	-		-	-	-	
Social Benefits	5,548,680,256.99	12,036,000,000.00		12,036,000,000.00	6,824,400,399.94	5,211,599,600.06	56.7%
Overheads	16,295,185,356.85	22,438,465,218.00	- 122,777,493.00	22,315,687,725.00	16,193,624,878.09	6,122,062,846.91	72.6%
Grants & Contributions	495,810,822.00	543,185,000.00		543,185,000.00	431,979,390.00	111,205,610.00	79.5%
Public Debt Charges	805,289,609.66	13,245,000,000.00		13,245,000,000.00	12,935,205,729.60	309,794,270.40	97.7%
Transfers	7,312,132,256.16	5,501,276,626.00		5,501,276,626.00	5,118,421,920.67	382,854,705.33	93.0%
Capital Expenditure	21,982,686,170.63	197,917,674,318.00	6,250,000,000.00	204,167,674,318.00	74,201,198,691.26	129,966,475,626.74	36.3%
Total Expenditure (b)	94,058,726,973.47	286,637,781,343.00	6,250,000,000.00	292,887,781,343.00	147,426,867,518.34	145,460,913,824.66	50.3%
Surplus/Deficit from Operating Activities c = (a- b)	10,177,096,277.84	-	-	-	21,429,759,245.29	- 269,492,068,404.03	
Gains/Loss on Disposal of Asset	232,524,565.89	-		-	623,243,191.82	623,243,191.82	
Gain/Loss on Foreign Exchange Transaction				-	-	-	
Total Non-Operating Revenue/(Expenses)				-	-	-	
Surplus/(Deficit) from Ordinary Activities				-	64,920,486,459.06	64,920,486,459.06	
Net Surplus/ (Deficit) for the Period				-	64,920,486,459.06	64,920,486,459.06	

* 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 7 Statement of Changes in Net Assets

Section 6 Top Sectoral Allocation

This section outlines the financial information of the top Ministries, Department Agencies/Sector allocation and the actual expenditure from the implementation of the fiscal year budget.

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

It should be noted that, in the recurrent expenditure actual segment contain staffs' salary and other recurrent expenditures

Recurrent Expenditure -Presented in Table 8 is data on recurrent expenditure of top MDAs. It was observed that for all the sectors listed, actual expenditures were less than the amount budgeted except in the case of Government House where the actual exceed the budgeted. The level of performance is 82.5% across all the MDAs/sectors. Accountant General got the highest share of 88.3%, Ministry of Education received 90%, Directorate of Establishment and Training received 57.1%, Hospital Service Management Board received 84.4% while Government House received 127.7%.

Capital Expenditure – Table 9 presents capital expenditure of top MDAs/sectors. The sectoral capital expenditure performance shows that none of the MDAs received actual capital expenditure more than the amount budgeted. All MDAs listed had actual capital expenditure less than their respective budget size. As indicated in the table9, Ministry of Environment got the highest capital expenditure of 21.6 billion equivalent to 91.9% performance, Ministry of Works received 18.5 billion(45.5%), Ministry Water resources received 4.5 billion (24.9%), Katsina State House of Assembly received 1.89 billion (100%), Ministry of Education received 1.84 billion (31.1%) while Ministry of Finance got 1.59 billion (26.4%).However, Due to the pressure exerted by COVID -19 and related epidemics on the health sector, the sector received one the lowest capital expenditure which was about N687 million (4.9%) and as low as 0.9% performance.

Total Expenditure – As indicated in Table 10 for the top highest spending MDAs/sectors, Ministry of Environment received the highest total actual expenditure which is about N21.66billion (91.8%) of the total actual expenditure N147.43 billion, followed by Ministry of works which got N18.89 billion (46.1%), Accountant General Office got 16.53 billion (88.3%), Ministry of Education got 9.7 billion (66.2%), Ministry of water resources N5.12 billion (26.86%), Katsina State House of Assembly got 4.73 (97.4%) while Government House received 3.47 billion (103.8%). The performance shows that only Government House 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 8 Top Ten Recurrent Expenditure Sectors / MDAs

Expenditure: Where does the Money go?						
Top Ten Recurrent Allocation by Sectors						
MDA/Sectors	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure
Office of the Accountant-General	18,722,729,148	16,526,985,021	2,195,744,127	88.3%	21.1%	22.6%
Ministry of Education	8,755,014,976	7,877,769,063	877,245,913	90.0%	9.9%	10.8%
Directorate of Establishment and Training	12,329,919,277	7,041,576,481	5,288,342,796	57.1%	13.9%	9.6%
Hospital Services Management Board	7,326,996,423	6,186,517,774	1,140,478,649	84.4%	8.3%	8.4%
Government House	2,713,091,177	3,465,211,713	- 752,120,536	127.7%	3.1%	4.7%
Katsina State House of Assembly	2,973,419,346	2,845,929,587	127,489,759	95.7%	3.4%	3.9%
Umaru Musa Yaradua University, Katsina	3,404,925,605	2,659,285,269	745,640,336	78.1%	3.8%	3.6%
Secretary to the Government of the State (SGS)	2,514,698,334	2,358,294,689	156,403,645	93.8%	2.8%	3.2%
High Court of Justice	1,535,321,245	1,529,925,880	5,395,365	99.6%	1.7%	2.1%
Ministry of Water Resources	1,068,596,069	636,727,681	431,868,388	59.6%	1.2%	0.9%
Other MDA Expenditure	27,375,395,425	22,097,445,669	5,277,949,756	80.7%	30.9%	30.2%
Total (Except Other MDA Expenditure)	61,344,711,600	51,128,223,158	10,216,488,442	83.3%	69.1%	69.8%
Total Budgeted Expenditure	88,720,107,025	73,225,668,827	15,494,438,198	82.5%		

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

Table 9 Top Ten Capital Expenditure Sectors / MDAs

Top Ten Capital Allocation by Sectors						
MDA/Sectors	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure
Ministry of Environment	23,531,456,685	21,614,499,961	1,916,956,724	91.9%	11.5%	29.1%
Ministry of Works	40,706,031,489	18,529,470,545	22,176,560,944	45.5%	19.9%	25.0%
Ministry Water resources	18,221,000,000	4,536,939,110	13,684,060,890	24.9%	8.9%	6.1%
Katsina State House of Assembly	1,887,000,000	1,887,000,000	-	100.0%	0.9%	2.5%
Ministry of Education	5,920,839,605	1,841,003,321	4,079,836,284	31.1%	2.9%	2.5%
Ministry of Finance	6,018,308,389	1,587,559,631	4,430,748,758	26.4%	2.9%	2.1%
Office of the Head of Civil Service	1,600,000,000	989,021,406	610,978,594	61.8%	0.8%	1.3%
Ministry of Agriculture	9,636,166,953	825,157,310	8,811,009,643	8.6%	4.7%	1.1%
Ministry of Health	14,127,285,737	687,713,070	13,439,572,667	4.9%	6.9%	0.9%
Department of Higher Education	2,365,000,000	571,985,253	1,793,014,747	24.2%	1.2%	0.8%
Other MDA Expenditure	80,104,585,460	21,130,849,085	58,973,736,375	26.4%	39.2%	28.5%
Total (Except Other MDA Expenditure)	124,013,088,858	53,070,349,606	70,942,739,252	42.8%	60.8%	71.5%
Total Budgeted Expenditure	204,117,674,318	74,201,198,691	129,916,475,627	36.4%		

* 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	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*	Sector Share in Total Budget	Sector Share in Total Actual Expenditure
Ministry of Environment	23,579,110,103	21,652,674,197	1,926,435,906	91.8%	8.1%	14.7%
Ministry of Works	41,015,597,795	18,894,774,872	22,120,822,923	46.1%	14.0%	12.8%
Office of the Accountant General	18,722,729,148	16,526,985,021	2,195,744,127	88.3%	6.4%	11.2%
Ministry of Education	14,675,854,581	9,718,772,384	4,957,082,197	66.2%	5.0%	6.6%
Ministry of Water Resources	19,289,596,069	5,173,666,791	14,115,929,278	26.8%	6.6%	3.5%
Katsina State House of Assembly	4,860,419,346	4,732,929,587	127,489,759	97.4%	1.7%	3.2%
Government House	3,338,091,177	3,465,211,713	-127,120,536	103.8%	1.1%	2.4%
Ministry of Finance	6,257,604,845	1,758,518,118	4,499,086,727	28.1%	2.1%	1.2%
Ministry of Agriculture	10,287,289,632	1,439,063,959	8,848,225,673	14.0%	3.5%	1.0%
Office of the Head of Civil Service of the State	1,799,589,906	1,312,502,452	487,087,454	72.9%	0.6%	0.9%
Other MDA Expenditure	149,011,898,741	62,751,768,424	86,260,130,317	42.1%	50.9%	42.6%
Total (Except Other MDA Expenditure)	143,825,882,602	84,675,099,094	59,150,783,508	58.9%	49.1%	57.4%
Total Budgeted Expenditure	292,837,781,343	147,426,867,518	145,410,913,825	50.3%		

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

Figure 3 Top Ten Recurrent Expenditure Sectors / MDAs Graph

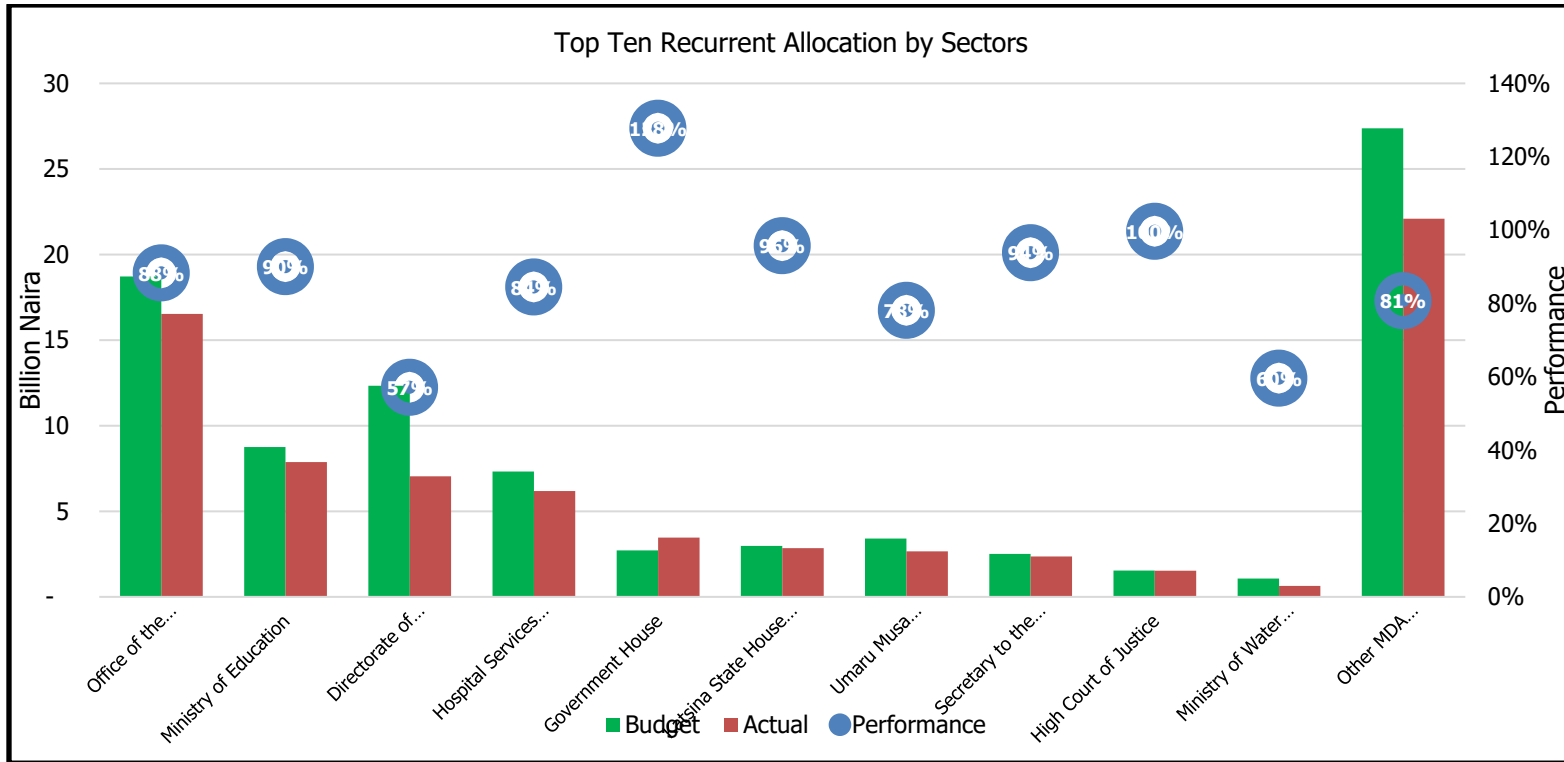


Figure 4 Top Ten Capital Expenditure Sectors / MDAs Graph

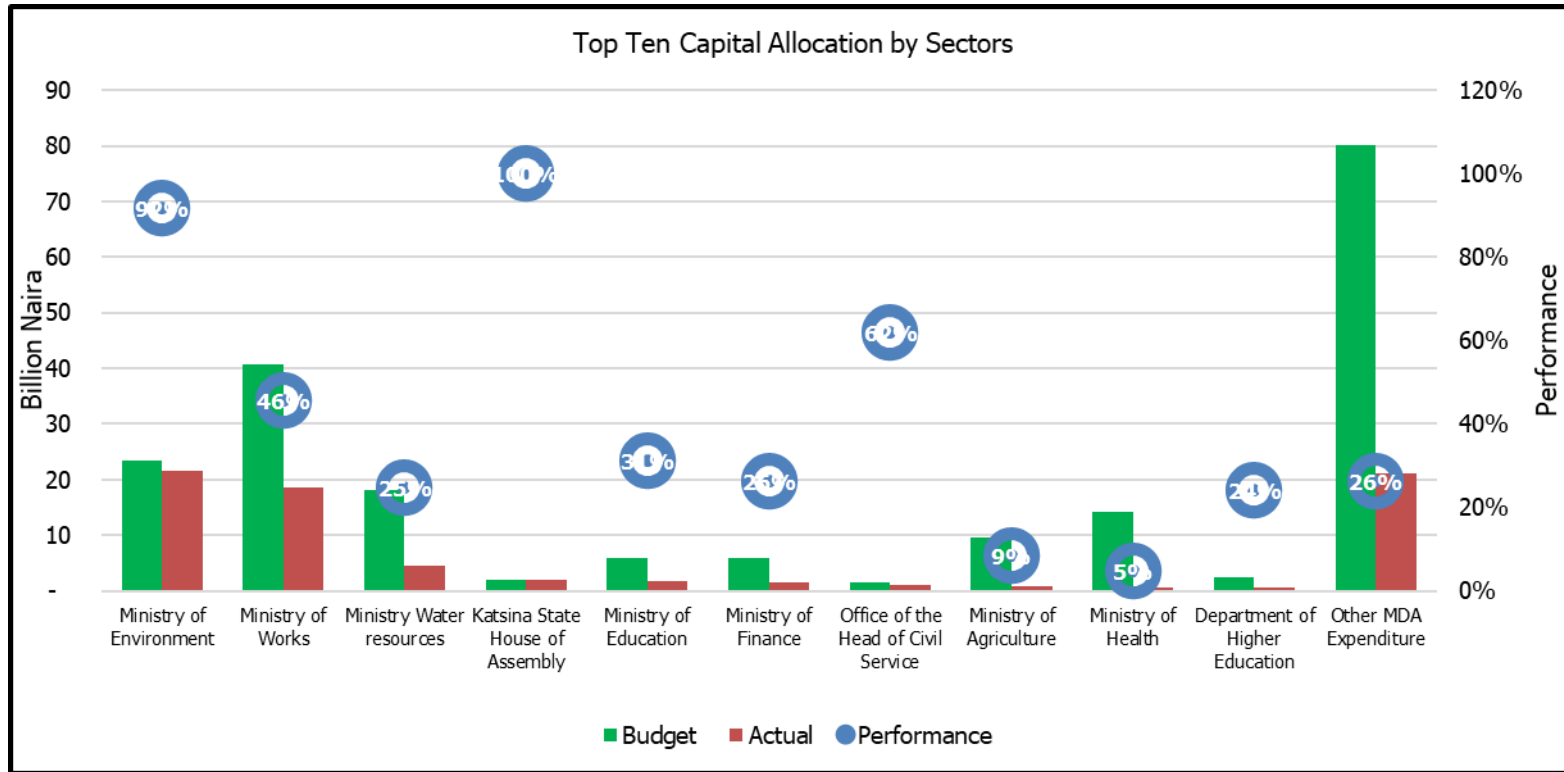
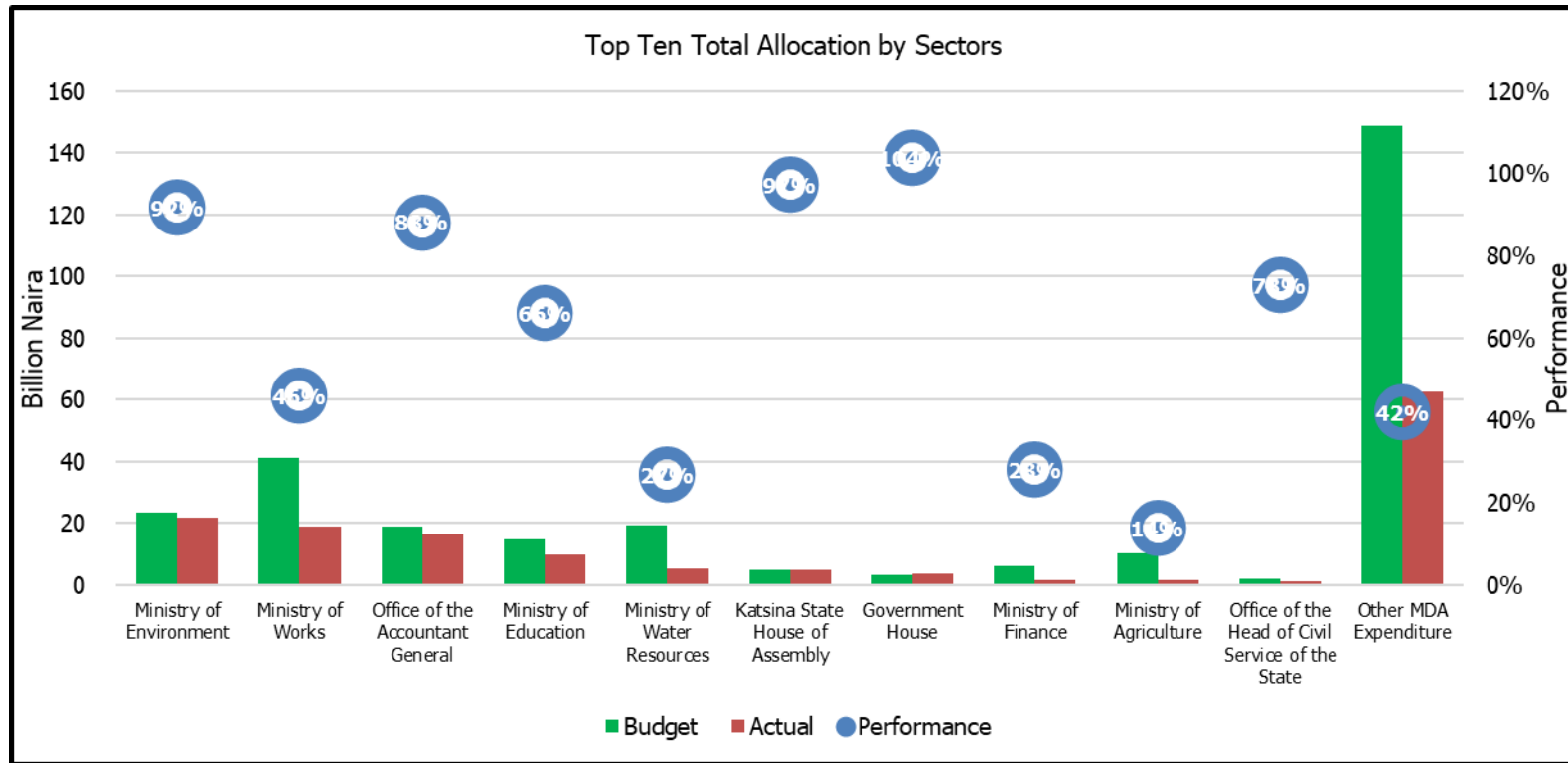


Figure 5 Top Ten Total Expenditure Sectors / MDAs Graph



Section 7 Top Value Capital Projects

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

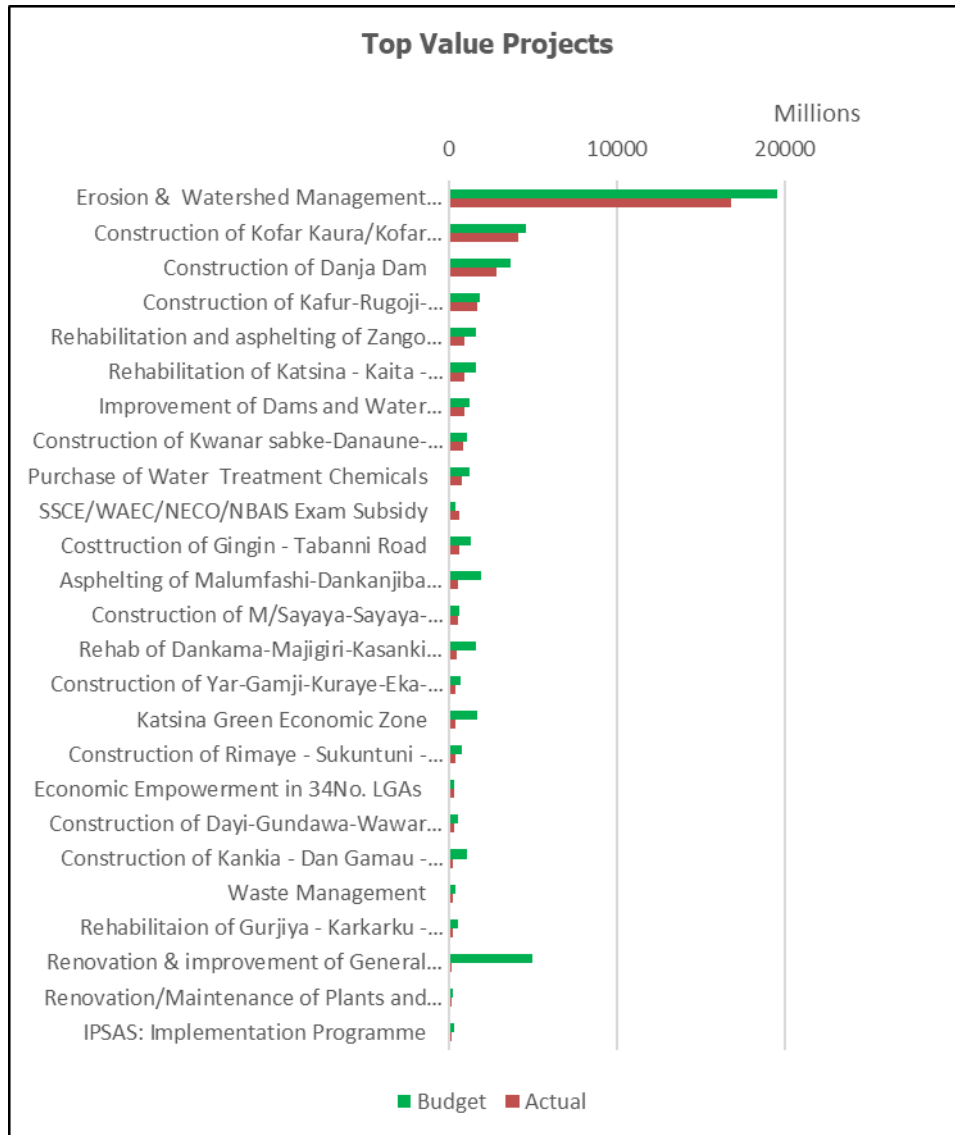
From Table 11, the Katsina state government top value projects cut across Ministry of Environment, Ministry of water resources, Education, works, Housing and Transport. From the Table, the top actual allocation goes to Ministry of Environment (New Map project) followed by works were different roads where constructed. Going through the list, It can be seen that around seven (7) projects where successfully completed. While others are ongoing. The projected execution was badly affected by the in ability for the State to secure the world bank loan and also the decline in revenue generation perhaps due to economic down town.

Table 11 Largest Projects

Top Value Projects								
Project	Project Location	Programme Code	MDA Responsible	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*	Completion Status
Erosion & Watershed Management Project (World)	State Wide	2053500004	Ministry of Environment	19,543,549,088	16,806,532,780	2,737,016,308	86.0%	Ongoing
Construction of Kofar Kaura/Kofar Kwaya underpass	Katsina	1723400040	Ministry of Works	4,600,000,000	4,114,334,386	485,665,614	89.4%	Ongoing
Construction of Danja Dam	Danja	1025200008	Ministry of Water Resources	3,676,000,000	2,817,084,343	858,915,657	76.6%	Ongoing
Construction of Kafur-Rugoji-Dantiutire-Dankanjiba	Kafur	1723400018	Ministry of Works	1,824,943,989	1,661,207,047	163,736,942	91.0%	Complete
Rehabilitation and asphelting of Zango to Rogogo	Zango LGA	1723400034	Ministry of Works	1,600,000,000	1,155,113,942	444,886,058	72.2%	Complete
Rehabilitation of Katsina - Kaita - Dankama Road	Kaita LGA	1723400033	Ministry of Works	1,600,000,000	925,764,440	674,235,560	57.9%	Ongoing
Improvement of Dams and Water works, Ajiyawa	Ajiyawa, Rimi LGA	1025200011	Ministry of Water Resources	1,200,000,000	923,892,570	276,107,430	77.0%	Ongoing
Construction of Kwanar sabke-Danaune-Ruw an Kay	Dutsi	1723400025	Ministry of Works	1,100,000,000	832,832,499	267,167,501	75.7%	Ongoing
Purchase of Water Treatment Chemicals	State Wide	1025200015	Ministry of Water Resources	1,200,000,000	754,196,852	445,803,148	62.8%	Complete
SSCE/WAEC/NECO/NBAIS Exam Subsidy	State Wide	1025200015	Ministry of Education	354,619,000	649,011,800	- 294,392,800	183.0%	Complete
Construction of Gingin - Tabanni Road	Musawa LGA	1723400012	Ministry of Works	1,300,000,000	624,317,515	675,682,485	48.0%	Ongoing
Asphelting of Malumfashi-Dankanjiba road	Malumfashi LGA	1723400020	Ministry of Works	1,900,000,000	547,400,710	1,352,599,290	28.8%	Ongoing
Construction of M/Sayaya-Sayaya-Mazoji-Tasharico	Matazu LGA	1723400011	Ministry of Works	600,000,000	509,308,204	90,691,796	84.9%	Complete
Rehab of Dankama-Majigiri-Kasanki Bumbum Road	Mashi LGA	1723400036	Ministry of Works	1,600,000,000	489,457,329	1,110,542,671	30.6%	Ongoing
Construction of Yar-Gamji-Kuraye-Eka-S/Gari-Shifda	Bindawa	1723400014	Ministry of Works	700,000,000	390,979,705	309,020,295	55.9%	Ongoing
Katsina Green Economic Zone	Katsina	1322000096	Investment Promotion Agency	1,700,000,000	360,983,335	1,339,016,665	21.2%	Ongoing
Construction of Rimaye - Sukuntuni - Karadua Road	Funtua	1723400009	Ministry of Works	800,000,000	355,223,023	444,776,977	44.4%	Ongoing
Economic Empowerment in 34No. LGAs	State Wide	1311200035	Katsina State House of Assembly	340,000,000	340,000,000	-	100.0%	Complete
Construction of Dayi-Gundawa-W ar kaza Road	Malumfashi LGA	1723400017	Ministry of Works	550,000,000	286,868,663	263,131,337	52.2%	Ongoing
Construction of Kankia - Dan Gamau - Kusada Kafar	Kusada	1723400022	Ministry of Works	1,100,000,000	244,139,913	855,860,087	22.2%	Ongoing
Waste Management	State Wide	0953500020	Ministry of Environment	400,000,000	240,000,000	160,000,000	60.0%	Complete
Rehabilitaion of Gurjiya - Karkarku - Sandamu Road	Sandamu LGA	1723400032	Ministry of Works	550,000,000	209,261,523	340,738,477	38.0%	Ongoing
Renovation & improvement of General Hospitals	State Wide	0452100001	Ministry of Health	5,000,000,000	181,782,952	4,818,217,048	3.6%	Ongoing
Renovation/Maintenance of Plants and Equipment	State Wide	1025200005	Ministry of Water Resources	200,000,000	169,534,780	30,465,220	84.8%	Complete
IPSAS: Implementation Programme	State Wide	1322000062	Ministry of Finance	300,000,000	144,800,000	155,200,000	48.3%	Ongoing

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

Figure 6 Largest Projects Graph



Section 8 Citizen-Nominated Projects - Implementation Status Report

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

About eighteen projects were identified as citizens nominated projects and were included in the 2021 Budget – those being the road constructions, Expansion of Dam among others. Moreover, this projects where subsequently identified as the top value project for the year. All the projects' expenditures were within the budgetary provisions except for the payment of SSCE/WAEC/NECO/NBAIS which cost 183% above the provisions. All funds have been disbursed to the contractor.

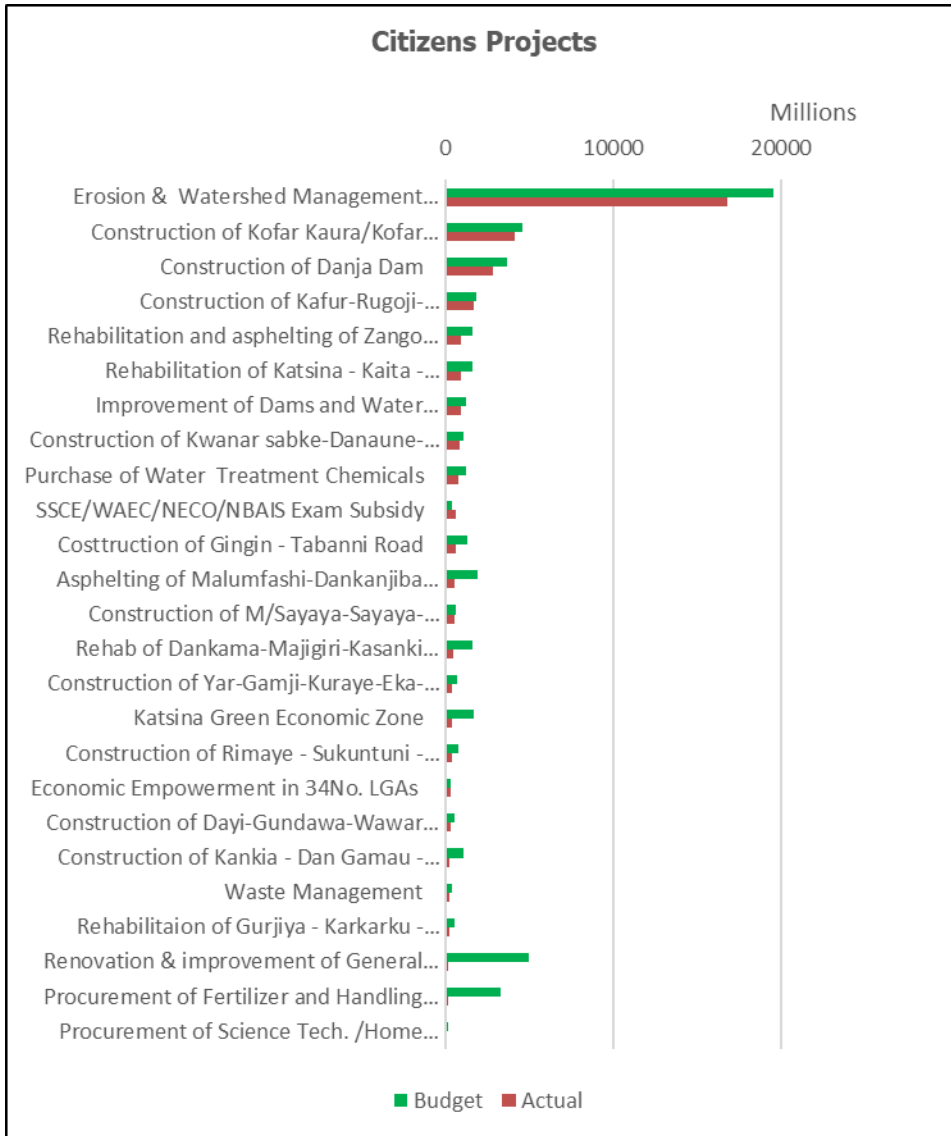
The revenue shortfall in 2021 has contributed immensely to the delay in the completion of other projects. The remaining works and payments were captured in the 2022 budget and most of the contract and project are actually almost at the completion stage.

Table 12 Citizens Nominated Projects

Citizens Nominated Projects								
Project	Project Location	Programme Code	MDA Responsible	2021 Final Budget	2021 Actual Amount	Variance*	Performance (%)*	Completion Status
Erosion & Watershed Management Project (World)	State Wide	2053500004	Ministry of Environment	19,543,549,088	16,806,532,780	2,737,016,308	86.0%	Complete
Construction of Kofar Kaura/Kofar Kwarya underpass	Katsina	1723400040	Ministry of Works	4,600,000,000	4,114,334,386	485,665,614	89.4%	Complete
Construction of Danja Dam	Danja	1025200008	Ministry of Water Resources	3,676,000,000	2,817,084,343	858,915,657	76.6%	Ongoing
Construction of Kafur-Rugoji-Dantiure-Dankanjiba	Kafur	1723400018	Ministry of Works	1,824,943,989	1,661,207,047	163,736,942	91.0%	Complete
Rehabilitation and asphalting of Zango to Rogogo	Zango LGA	1723400034	Ministry of Works	1,600,000,000	1,155,113,942	444,886,058	72.2%	Complete
Rehabilitation of Katsina - Kaita - Dankama Road	Kaita LGA	1723400033	Ministry of Works	1,600,000,000	925,764,440	674,235,560	57.9%	Ongoing
Improvement of Dams and Water works, Ajiyawa	Ajiyawa, Rimi LGA	1025200011	Ministry of Water Resources	1,200,000,000	923,892,570	276,107,430	77.0%	Complete
Construction of Kwana Sabke-Danaune-Ruwan Kay	Dutsi	1723400025	Ministry of Works	1,100,000,000	832,832,499	267,167,501	75.7%	Complete
Purchase of Water Treatment Chemicals	State Wide	1025200015	Ministry of Water Resources	1,200,000,000	754,196,852	445,803,148	62.8%	Complete
SSCE/WAEC/NECO/NBAIS Exam Subsidy	State Wide	1025200015	Ministry of Education	354,619,000	649,011,800	- 294,392,800	183.0%	Complete
Construction of Gingin - Tabanni Road	Musawa LGA	1723400012	Ministry of Works	1,300,000,000	624,317,515	675,682,485	48.0%	Ongoing
Asphalting of Malumfashi-Dankanjiba road	Malumfashi LGA	1723400020	Ministry of Works	1,900,000,000	547,400,710	1,352,599,290	28.8%	Ongoing
Construction of M/Sayaya-Sayaya-Mazoji-Tasharicc	Matazu LGA	1723400011	Ministry of Works	600,000,000	509,308,204	90,691,796	84.9%	Ongoing
Rehab of Dankama-Majigiri-Kasanki Bumbum Road	Mashi LGA	1723400036	Ministry of Works	1,600,000,000	489,457,329	1,110,542,671	30.6%	Ongoing
Construction of Yar-Gamji-Kuraye-Eka-S/Gari-Shifda	Bindawa	1723400014	Ministry of Works	700,000,000	390,979,705	309,020,295	55.9%	Ongoing
Katsina Green Economic Zone	Katsina	1322000096	Investment Promotion Agency	1,700,000,000	360,983,335	1,339,016,665	21.2%	Ongoing
Construction of Rimaye - Sukuntuni - Karadua Road	Kankia	1723400009	Ministry of Works	800,000,000	355,223,023	444,776,977	44.4%	Ongoing
Economic Empowerment in 34No. LGAs	State Wide	1311200035	Katsina State House of Assembly	340,000,000	340,000,000	-	100.0%	Complete
Construction of Dayi-Gundawa-Wawar kaza Road	Malumfashi LGA	1723400017	Ministry of Works	550,000,000	286,868,663	263,131,337	52.2%	Ongoing
Construction of Kankia - Dan Gamau - Kusada Kafar	Kankia	1723400022	Ministry of Works	1,100,000,000	244,139,913	855,860,087	22.2%	Ongoing
Waste Management	State Wide	0953500020	Ministry of Environment	400,000,000	240,000,000	160,000,000	60.0%	Ongoing
Rehabilitation of Gurjiya - Karkarku - Sandamu Road	Sandamu LGA	1723400032	Ministry of Works	550,000,000	209,261,523	340,738,477	38.0%	Ongoing
Renovation & improvement of General Hospitals	State Wide	0452100001	Ministry of Health	5,000,000,000	181,782,952	4,818,217,048	3.6%	Ongoing
Procurement of Fertilizer and Handling Charges	State Wide	0121500030	Katsina Farmers Supply Company	3,300,000,000	181,193,478	3,118,806,522	5.5%	Complete
Procurement of Science Tech./Home Econ. Equipme	State Wide	0551700077	Ministry of Education	150,000,000	100,000,000	50,000,000	66.7%	Complete

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

Figure 7 Citizens Nominated Projects Graph



Section 9 Public Consultations with Citizens presenting the Annual Financial Statements

The citizens accountability report findings were shared with citizens on the 8th September, 2022 via a town hall meeting. This has resulted in public interest on how Government generates its money and how it spends it.