

# **FISCAL RESPONSIBILITY**

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## **ADVOCACY NETWORK**

**FRAN**



## **2024 States Subsidy Utilization Report**

**A Visual and Analytical Review of States 2024**

**Financial Audited Reports**

**AUGUST 2025**



**Galvanizing a Foundation of Trust in Governance**



Fiscal Responsibility Advocacy Network (FRAN) is a civic organization that leverages creative strategies and technology to demystify complex public financial information. By making government budgets and financial reports accessible and easy to understand, FRAN aims to cultivate a community of informed and engaged citizens. This empowers individuals to exercise their right to demand accountability, advocate for institutional reforms, and ensure the efficient and transparent delivery of public services for a more equitable society.

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# Table of Contents

| Contents  | Page      |
|---|-----------|
| About FRAN .....  | 1         |
| List of Tables.....   | 6         |
| Objects of The Foundation .....   | 7         |
| Definition of Terms .....   | 10        |
| Data Sources .....  | 12        |
| <b>Section 1: Summary of Findings and State of Non-Compliance with the Financial Reporting Council of Nigeria Act &amp; National Accounting Standards .....</b> | <b>13</b> |
| Executive Summary .....   | 14        |
| Three Page Summary of Key Findings .....  | 15        |
| Urgent Findings on Systemic Non-Compliance with the FRCoN Act and National Accounting Standards in States' 2024 Audited Financial Statements .....              | 18        |
| <b>Section 2: Indices of State Fiscal Responsibility and Performance in Nigeria.....</b>  | <b>23</b> |
| Methodological Framework.....   | 24        |
| Fiscal Transparency Guidelines.....   | 25        |
| Fiscal Performance Metrics.....   | 27        |
| Table 4 - Index A: Fiscal Transparency .....  | 27        |
| Table 5 - Index B: Fiscal Independence .....  | 28        |
| Table 6 - Index C: Fiscal Growth .....  | 29        |
| Table 7 - Index D: Financial Solvency .....   | 30        |
| Table 8 - Index E: Fiscal Indebtedness.....   | 31        |
| Table 9 - Index F: Fiscal Investment.....   | 32        |
| Table 10 - Fiscal Performance Index (FPI) .....   | 33        |
| <b>Section 3: Zonal Fiscal Dynamics of Nigerian States in 2024.....</b>   | <b>34</b> |
| A Tale of Six Zones: Comparative Geopolitical Fiscal Analysis in 2024 .....   | 35        |
| Revenue Distribution and Growth Across Zones .....  | 36        |

|   |           |
|---|-----------|
| Zonal Expenditure Priorities: Capital vs. Recurrent Expenditure.....                              | 36        |
| Fiscal Sustainability at the Zonal Level.....   | 37        |
| State Revenue Windfalls and the Erosion of Civil Servant Purchasing Power in Nigeria (2024) ..... | 44        |
| <b>Section 4: State-by-State Impact Analysis .....</b>  | <b>47</b> |
| Abia State: God’s Own State .....   | 48        |
| Adamawa State: Land of Beauty .....   | 52        |
| Akwa Ibom State: Land of Promise .....  | 56        |
| Anambra State: Light of the Nation.....   | 59        |
| Bauchi State: Pearl of the Tourism.....   | 63        |
| Bayelsa State: The Glory of All Lands .....   | 66        |
| Benue State: Food Basket of the Nation .....  | 70        |
| Borno State: Home of Peace .....  | 74        |
| Cross River State: The Peoples Paradise.....  | 77        |
| Delta State: The Big Heart.....   | 80        |
| Ebonyi State: Salt of the Nation .....  | 84        |
| Edo State: Heartbeat of The Nation .....  | 87        |
| Ekiti State: Land of Honour and Integrity .....   | 90        |
| Enugu State: Coal City State.....   | 93        |
| Gombe State: Jewel of the Savannah.....   | 97        |
| Imo State: Eastern Heartland .....  | 101       |
| Jigawa State: The New World.....  | 105       |
| Kaduna State: Centre of Learning .....  | 108       |
| Kano State: Centre of Commerce.....   | 111       |
| Katsina State: Home of Hospitality.....   | 114       |
| Kebbi State: Land of Equity .....   | 117       |
| Kogi State: The Confluence State.....   | 120       |
| Kwara State: State of Harmony.....  | 123       |
| Lagos State: Centre of Excellence .....   | 126       |

|  |            |
|--|------------|
| Nasarawa State: Home of Solid Minerals .....   | 129        |
| Niger State: The Power State.....  | 132        |
| Ogun State: The Gateway State .....  | 135        |
| Ondo State: The Sunshine State.....  | 138        |
| Osun State: Land of Virtue .....   | 141        |
| Oyo State: The Pace Setter State.....  | 144        |
| Plateau State: Home of Peace and Tourism.....  | 147        |
| Sokoto State: Seat of the Caliphate.....   | 150        |
| Taraba State: Nature's Gift to the Nation .....  | 153        |
| Yobe State: Pride of the Sahel.....  | 156        |
| Zamfara State: Farming is Our Pride .....  | 159        |
| <b>Section 5: Fiscal Compliance Guidelines and Reports.....</b>  | <b>162</b> |
| Extracts of Fiscal Compliance Guidelines.....  | 163        |
| Extract From the Proposed Financial Sector and Public Financial Management Development Policy Credit in the Amount of US \$500 Million. .... | 164        |
| The Revised Chart of Accounts October 2010.....  | 165        |
| Extract From Introducing the New Chart of Accounts for GIFMIS by Musa F. Istifanus.....  | 166        |
| National Treasury Circular May 2013.....   | 167        |
| Format of General-Purpose Financial Statements (GPFS): IPSAS Cash And Accrual 2012.....  | 168        |
| Templates of IPSAS Compliant Budget 2013.....  | 169        |
| Standardization of Federal, States and Local Governments in Nigeria November 2009 .....  | 170        |
| Road Map For Adoption of IPSAS in Nigeria & Budget Presentation .....  | 171        |
| Training on IPSAS Compliant Budget For Budget Officers .....   | 172        |
| CBN TSA Guidelines February 2016.....  | 173        |
| Members of the FAAC Sub Committee .....  | 174        |
| Road for the Adoption of IPSAS in Nigeria. ....  | 175        |
| Extracts From Financial Reporting Council Act 2011 and 2023 as Amended.....  | 177        |
| Extracts From Handbook of International Public Sector Accounting Pronouncements - Material Prior Year Errors and Omission IPSAS 3.....       | 182        |
| Centralized Electronic Payment RTGS and ACH .....  | 183        |
| IMF & World Bank Treasury Reference Model.....   | 184        |
| IPSAS Explained By Ernst & Young .....   | 185        |
| Extracts From G.I. Daniel's - Public Sector Accounting and Administrative Practices in Nigeria Volume One & Two .....                        | 186        |
| Sample Kaduna State Law To Provide for The Control and Management of The Public Finances of Kaduna State 2016.....                           | 187        |
| Sample Kaduna State Audit Law 2021 .....   | 188        |
| Sample Enugu State Fiscal Responsibility Law.....  | 189        |

|   |            |
|---|------------|
| Compliance Reports.....   | 190        |
| <b>Section 6: Findings and The Way Forward .....</b>                | <b>197</b> |
| Comparative State Performance and Noteworthy Cases.....             | 198        |
| Key Findings and Multi-Layered Understandings.....                  | 200        |
| Recommendations.....  | 203        |
| Conclusion.....   | 206        |
| Notes and Disclosures.....  | 208        |
| Signed Acknowledgment By the Accountant Generals of Each State..... | 208        |
| Feedback from Accountants General on the Draft Report.....          | 209        |

# List of Tables

|  |     |
|--|-----|
| Table 1 - Sum of 2020 - 2023 Revenue and Expenditure Profile of The 36 States In Nigeria .....   | 20  |
| Table 2 - 2024 Revenue and Expenditure Profile of The 36 States In Nigeria.....  | 21  |
| Table 3 - Windfall Revenue Effect of State Subsidy Disbursement in 2024 .....  | 22  |
| Table 4 - Index A: Fiscal Transparency .....   | 27  |
| Table 5 - Index B: Fiscal Independence .....   | 28  |
| Table 6 - Index C: Fiscal Growth .....   | 29  |
| Table 7 - Index D: Financial Solvency .....  | 30  |
| Table 8 - Index E: Fiscal Indebtedness .....   | 31  |
| Table 9 - Index F: Fiscal Investment .....   | 32  |
| Table 10 - Fiscal Performance Index (FPI).....   | 33  |
| Table 11 - Comparative Fiscal Performance by Geopolitical Zone .....   | 37  |
| Table 12 - Comparative Analysis of Revenue Growth vs. Real Change in Purchasing Power .....  | 45  |
| Table 13 - Comparison of 2024 Published Budget of The 36 States of The Federation With The<br>Templates of IPSAS Compliance Budget of The FAAC Sub Committee .....               | 190 |
| Table 14 - Comparison of 2024 Published Budget of The 36 States of The Federation With The<br>Templates of IPSAS Compliance Budget of The FAAC Sub Committee .....               | 191 |
| Table 15 - Comparison of 2024 Published Audited Accounts of the 36 States of the Federation with<br>the Templates of IPSAS Cash and Accrual Basis of the FAAC Sub Committee..... | 192 |
| Table 16 - 2024 Capital Expenditure By Programme, Geolocation And Function Segments of The<br>National Chart of Accounts.....  | 193 |



# Objects of the Foundation

The Foundation is established as a non-profit organization to promote sound public financial management, fiscal responsibility, transparency, and accountability in Nigeria. In furtherance of its mission, the Foundation shall engage in the following specific objectives:

## 1. Legal and Policy Advocacy

(a) Advocate for the implementation, enforcement, and review of fiscal laws and financial governance legislation at all tiers of government in Nigeria, including:

- The Fiscal Responsibility Act and equivalent laws at the Federal, State, and Local Government levels.
- The Public Finance (Control and Management) Act and corresponding State laws.
- The Audit Act, 2009 Financial Regulations, Financial Instructions, Financial Memoranda and associated regulations at the Federal, State, and Local Government levels.
- The Procurement Act 2007 and corresponding State laws.
- Financial Reporting Council Amendment Act 2023

(b) Engage, collaborate, and liaise with key legal and regulatory stakeholders, including:

- The Fiscal Responsibility Commission for the enforcement of relevant fiscal laws.
- The Attorney General of the Federation and State Attorneys General to strengthen legal frameworks for the enforcement of fiscal responsibility, procurement and audit compliance.
- Financial Reporting Council of Nigeria for the enforcement and implementation of financial reporting standards.

## 2. Standards and Framework Promotion

(a) Promote the adoption, adaptation, and implementation of internationally recognized and nationally approved public financial management standards and reporting frameworks, including:

- The National Chart of Accounts (COA) in accordance with International Public Sector Accounting Standards (IPSAS), Cash and Accrual Basis (2012 and subsequent editions), as approved by the Federation Accounts Allocation Committee (FAAC).
- The prescribed formats for General-Purpose Financial Statements (GPFS), both on Cash and Accrual Basis (2012 and subsequent editions).

- Approved templates for IPSAS-compliant budgeting (Cash Basis, 2013 and subsequent editions).
- The National Treasury Circular dated 13th May 2013, mandating the adoption of IPSAS by public entities in Nigeria.

### **3. Training, Advisory, and Capacity Building**

(a) Design and deliver structured training and capacity-building programs to enhance the competencies of public and private sector stakeholders in the areas of:

- Fiscal transparency, accountability, and discipline.
- Implementation and compliance with IPSAS and other financial reporting frameworks.
- Implementation of the Fiscal Responsibility Act and Laws by all levels of governments.

(b) Provide advisory and technical assistance services to key public sector institutions, including but not limited to:

- The Accountant General of the Federation and States on the development of Annual Cash Plans, utilization of the Government Integrated Financial Management Information System (GIFMIS), preparation of Audited Financial Statements and Budget Implementation Reports.
- The Honorable Minister of Finance and State Commissioners for Finance on Ministry/Department/Agency (MDA) Work Plans, Disbursement Schedules, and preparation of Consolidated Budget Implementation Reports.
- The National Assembly and State Houses of Assembly on matters related to Medium-Term Budgets, Fiscal Strategy Papers, and analysis of Audited Accounts.
- Federal and State Ministry of Budget and National Planning on matters related to National and State Development Plans, Programmes and Projects Monitoring and Evaluation

### **4. Fiscal Research and Performance Monitoring**

(a) Undertake evidence-based research and analysis on:

- Public sector governance, budget implementation, fiscal strategy, monitoring and evaluation system (M & E) and performance evaluation across all levels of government.

(b) Monitor and evaluate the quality and timeliness of:

- Preparation and execution of Medium-Term Expenditure Frameworks (MTEFs), Annual and Supplementary Budgets, Virements and Appropriation Laws.
- Development and dissemination of Annual Cash Plans, Disbursement Schedules, and Quarterly Budget Implementation Reports as prescribed in Fiscal Responsibility Act/laws
- Monitor and report on the 21 Programmes, Related Projects and Objectives of the National Chart of Accounts (NCOA) implemented by all government Ministries, Department and Agencies (MDAs) of the Federal, States and Local Governments to improve accountability and impact tracking in collaboration with the relevant agencies.

## 5. Public Financial Management Systems

(a) Provide support and technical advisory on the implementation and enhancement of public financial management systems, including:

- The Treasury Single Account (TSA) system, in collaboration with the Central Bank of Nigeria and other relevant authorities, to improve government revenue management, disbursement processes, and electronic payment systems.
- Government Integrated Financial Management Information System (GIFMIS) that fully integrates with the Central Bank of Nigeria (CBN) Real Time Gross Settlement System (RTGS) and Automated Clearing House System (ACH) in collaboration with the Office of the Accountant General of the Federation and States.
- Reviewing of the detailed general and subsidiary ledger accounts in the Government Integrated Financial Management Information System (GIFMIS), supporting revenue receipts, payments (including electronic transactions), accounts receivable, accounts payable and bank reconciliations, which facilitates the preparation, publication, and audit of multi-year budgets, audited financial statements, and quarterly budget implementation reports for Federal, State, and Local Governments.

## 6. Resource Mobilization

(a) Source and receive grants, donations, and other forms of financial support from:

- International development partners such as the World Bank, International Monetary Fund (IMF), African Development Fund, and European Union (EU).
- The Federal, State, and Local Governments of Nigeria.
- Local and international non-governmental organizations, foundations, and donor agencies, for the purpose of supporting the Foundation's training, research, capacity-building, and technical assistance programs aligned with its objectives.

(b) Network, collaborate with organizations and entities sharing similar ideals, aims and objectives for the promotion and attainment of fiscal responsibility across all levels of governance in Nigeria.

# Definition of Terms

**Accumulated Debt:** The total outstanding debt obligations of a state, covering all liabilities to pensioners, contractors, and lenders, including both domestic and external borrowings.

**Activity:** An Activity refers to a specific plan of action that is designed to achieve a target or stated objective. For example, the vaccination activity within a disease prevention program, which in turn may encompass a series of related initiatives and projects.

**Capital Expenditure:** Expenditure incurred by the government to acquire, construct, or upgrade fixed capital assets, land, or intangible assets. This includes investments in infrastructure and development projects such as schools, hospitals, roads, and the procurement of security equipment.

**General Purpose Financial Statements:** Financial statements that are issued for users who are not in a position to demand financial information to meet their specific information needs are referred to as general purpose financial statements. Examples of such users of financial statements are citizens, voters, their political representatives and other members of the general public. The term "financial statements" used here and in the standards covers all disclosures and notes that have been identified as components of the general-purpose financial statement.

**Government Integrated Financial Management Information System (GIFMIS):** is a computerized system used by government entities to plan, execute, and monitor their budgets and financial operations in a more efficient, transparent, and accountable manner. As a database driven application, GIFMIS is an ambitious project that will enable all treasury transactions to be tracked in detail on an on-line real-time basis.

**Inflation:** is the rate at which the general level of prices for goods and services rises over a period of time, resulting in a decrease in the purchasing power of money. In simpler terms, when inflation occurs, each unit of currency buys fewer goods and services than before.

**Loan Repayments:** Payments made by a state to service debt obligations, covering both principal and interest, to domestic and foreign creditors according to agreed schedules.

**National Chart of Accounts (NCOA):** is an integrated budget and accounting classification system which has been prepared primarily for the implementation of the Government Integrated Financial Management Information System (GIFMIS). The COA is multi-dimensional in the sense that budget

and accounting data can be analyzed in different ways depending on need. The details of each transaction will include not only the exact particulars of a given receipt or payment but also the unit or section of the Ministry, Department or Agency (MDA) responsible for the transaction.

**Objective:** An objective may be defined as a specific statement of what a given policy, Programme or sub-Programme is intended to achieve within a given period. Objectives represent the specific results desired within a fixed period of time. They should specify what is to be accomplished, for whom, and by what date.

**Overhead Costs:** Operational expenses not directly linked to the production of goods or services. These include rent, logistics and shipping costs, office supplies, advertising, consultancy fees, training, travel, legal services, and the maintenance and repair of facilities and equipment.

**Personnel Costs:** Expenditure related to employee compensation, including salaries, pensions, allowances, and social security contributions.

**Policy:** A policy is typically described as a deliberate plan of action to guide decisions and achieve rational outcomes. Policy differs from rules or law. While law can compel or prohibit behaviors (e.g. a law requiring the payment of taxes on income), policy merely guides actions toward those that are most likely to achieve a desired outcome. Examples are Energy Policy, Economic Policy, Health Policy, Education Policy, etc.

**Programme:** A Programme may be defined as a long-term outline of a project or government function that is designed to achieve a stated objective. A Programme may also be defined as a set of activities that meets specific policy objectives of the government (e.g., pre-primary education or the development of crop production). In contrast to a functional classification, a classification by program takes into account the government's policy objectives and how these policies will be implemented. Programs are further broken down into Projects. Budgeting and accounting are carried out along project lines.

**Recurrent Expenditure:** Ongoing operational expenses, typically comprising personnel and overhead costs, and in some cases including loan servicing, social benefits, and public debt charges.

**Statutory Transfers:** Monthly allocations from the Federal Account Allocation Committee (FAAC) to state governments.

**Total Expenditure:** The aggregate of actual spending on recurrent costs, loan repayments, and capital projects.

**Total Revenue:** The sum of a state's Internally Generated Revenue (IGR), statutory transfers from the federal government, and external funding such as aid and grants.



# Data Sources

| SN | DATA                         | SOURCE   |
|----|------------------------------|--|
| 1  | Total Revenue                | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 2  | Internally Generated Revenue | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 3  | Capital Expenditure          | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 4  | Overhead Cost                | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 5  | Personnel Cost               | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 6  | Accumulated Debt             | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 7  | Loan Repayment               | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 8  | Acquisition of New Loans     | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 9  | Recurrent Expenditure        | Audited Financial Statements for The Years 2020, 2021, 2022, 2023 and 2024   |
| 10 | Inflation Data               | Nigerian Bureau of Statistics  |
| 11 | Compliance Check             | Federation Account Allocation Committee (FAAC) Sub – Committee on The Roadmap For Adoption of International Public Sector Accounting Standards (IPSAS) In Nigeria – Training Manual For The National Training Workshop For Officers Involved In Public Financial Management In The Three Tiers of Government issued in 2013. |
| 12 | Compliance Check             | National Chart of Account (COA) - IPSAS Cash & Accrual Issued by FAAC in 2012.   |
| 13 | Compliance Check             | Format of General-Purpose Financial Statements (GPFS) – Statutory Financial Statements, Performance Reports, Statistical Reports And Accounting Policies – IPSAS Cash - 2012 Issued by FAAC  |
| 14 | Compliance Check             | Format of General-Purpose Financial Statements (GPFS) – Statutory Financial Statements, Performance Reports, Statistical Reports And Accounting Policies – IPSAS Accrual – 2012 Issued by FAAC   |
| 15 | Compliance Check             | Templates of IPSAS Complaint Budget (IPSAS Cash Budget) – 2013 Issued by FAAC  |
| 16 | Compliance Check             | Report on Standardization of Federal States And Local Governments Account In Nigeria – Volume 1 Issued by FAAC in 2002.  |
| 17 | Compliance Check             | National Treasury Circular Dated 13th May 2013   |
| 18 | Compliance Check             | Revised Chart of Account with Explanatory Notes Issued by the Office of the Accountant General of the Federation October 2010  |
| 19 | Compliance Check             | IMF Transparency Code Consultation Paper July 1 <sup>st</sup> , 2013   |
| 20 | Compliance Check             | Section 125 (5) of 1999 Constitution as amended, Section 24 Finance and Control Management Act 2004, Appropriation and Budget Laws, Audit Laws, Fiscal Responsibility Act and Laws of Federal and State Governments.   |
| 21 | Compliance Check             | Fiscal Responsibility Act 2007   |
| 22 | Compliance Check             | Guidelines for the Operation of Treasury Single Account (TSA) by State Governments Issued by the CBN February 2016   |
| 23 | Compliance Check             | Financial Reporting Council of Nigeria (Amendment) Act 2023, Sections 57, 59(1), (h), (i), (j), 64(1), (2), & 77   |
| 24 | Compliance Check             | Finance Act 2021, Sections 38 & 39   |
| 25 | Reference                    | IMF/World Bank Treasury Reference Model  |
| 26 | Reference                    | World Bank Publication on Financial Management Information Systems – 25 Years of World Bank Experience on What Works and What Doesn't  |
| 27 | Reference                    | International Development Association Program Document for a Proposed Financial Sector and Public Financial Management Development Policy Credit in the Amount of US \$500 Million to The Federal Republic of Nigeria.   |
| 28 | Reference                    | IPSAS Explained: A Summary of International Public Sector Accounting Standards Second Edition.   |
| 29 | Reference                    | G.I. Daniel - Public Sector Accounting and Administrative Practices in Nigeria Volume One & Two  |

## **Section 1: Summary of Findings and State of Non-Compliance with the Financial Reporting Council of Nigeria Act & National Accounting Standards**

## Executive Summary

From the Petroleum Technology Development Fund (PTDF) in 1973 to Subsidy Reinvestment and Empowerment Program (SURE-P) in 2012. Nigeria's subsidy reforms have gradually shifted from central interventions to fiscal decentralization, culminating in the 2023 fuel subsidy removal under President Bola Ahmed Tinubu to empower state governments with greater developmental resources. This policy shift led to an unprecedented surge in statutory allocations to Nigeria's 36 state governments. In 2024 alone, states received approximately ₦12.1 trillion equivalent to 78.2% of the total allocations disbursed over the previous four years combined (₦15.5 trillion), as shown in Tables 1–3. This unprecedented single-year increase provided state governments with a level of fiscal capacity previously unimaginable.

This report examines how states responded to this fiscal windfall by analyzing financial data from 2024 compared to the preceding four years (2020–2023). The Report focuses on how this revenue windfall was used to improve Internally Generated Revenue (IGR), capital and recurrent expenditure, loan management, and debt profiles. A key trend was the substantial rise in capital expenditure across nearly all states. Many doubled their capital investments, signaling an intent to channel the increased revenue into infrastructure and development.

However, while state allocations rose by 123.5%, salary and welfare spending increased by 45.4%. With 2024 inflation averaging 33.24%, these nominal wage gains were largely eroded. As a result, civil servants saw a modest real wage increase of 12.16% on average, masking deeper losses in the real purchasing power of civil servants in many states, as detailed in Table 12. The management of recurrent expenditure and debt varied significantly. Some states demonstrated fiscal discipline, controlling operational costs and repaying loans. Others, despite higher revenues, accumulated more debt and rising personnel costs, reflecting a 'paradox of plenty' where income growth drives unsustainable spending without strengthening long-term fiscal health.

The report also highlights a critical transparency gap in capital expenditure reporting, as no state disclosed the strategic objectives of its investments and only a few disaggregated CAPEX by programme. Between 2020 and 2024, states generated ₦37.1 trillion in revenue and spent ₦19.4 trillion on capital projects, which accounted for 52.3 percent of total revenue. Of this amount, ₦7.6 trillion was spent in 2024 alone. The failure to report capital expenditure by programme objectives throughout this period constitutes a material omission under **IPSAS 3**. Without linking spending to tangible outcomes, large figures mean little to citizens, who measure progress by functioning schools, health facilities, and essential services rather than financial report figures.

To enhance transparency and ensure more effective use of public resources, the report recommends the adoption of **Programme and Objective-Based Budgeting and Reporting** across all states. This approach helps link capital spending to specific outcomes and priorities. The use of **GIFMIS** can support this framework by aligning budget execution with program objectives, enable online payments in compliance with CBN Treasury Single Account guidelines and ensure real-time tracking of capital expenditures.

## Three Page Summary of Key Findings

### 1. The Unprecedented Revenue Surge: A Historic Opportunity

The 2023 removal of Nigeria's long-standing fuel subsidy precipitated a historic fiscal transfer to the federation's 36 states in 2024. This policy shift resulted in a single-year revenue surge that provided an unparalleled level of fiscal capacity, creating a critical juncture for state governments. This event has served as a real-world stress test of sub-national public financial management, presenting a rare opportunity to either accelerate development and correct long-standing fiscal imbalances or to entrench existing weaknesses in governance and expenditure control. The scale of this fiscal windfall cannot be overstated. In 2024 alone, states received total statutory allocations of approximately ₦12.1 trillion. To place this figure in context, it is equivalent to 78.2% of the cumulative ₦15.5 trillion disbursed over the entire preceding four-year period from 2020 to 2023. This massive injection of capital was the primary driver behind the increase in states' total revenue, which collectively reached ₦14.7 trillion in 2024. This event represents more than a simple budgetary increase; it is a fundamental realignment of Nigeria's fiscal federalism, moving significant resources from a centralized subsidy regime to decentralized state-level control. Such a structural shock forces state governments to make explicit and consequential choices about their priorities. The decisions made in response whether to invest in long-term capital projects, pay down accumulated debt, increase public sector wages, or expand recurrent overheads will have lasting effects on their development trajectories. Consequently, the 2024 windfall is not merely a fiscal event but a critical determinant of future regional inequality, with the potential to significantly widen the development gap between states with prudent financial management and those without.

### 2. A Tale of Two Priorities: Capital Investment vs. Workforce Welfare

In response to the 2024 revenue windfall, states overwhelmingly prioritized capital expenditure, which totaled ₦7.6 trillion, with many states doubling their capital expenditure from previous years. This infrastructure push, however, stands in sharp contrast to the treatment of the public sector workforce. Spending on personnel welfare and salaries lagged behind as analysis reveals a great divergence in growth rates. While average statutory allocations to states grew by 123.5%, spending on personnel welfare and salaries increased by a comparatively modest 45.4%. This gap was compounded by a severe macroeconomic crisis. With the average national inflation rate for 2024 reaching a staggering 33.24%, the nominal wage gains were largely erased. The result was a meager 12.16% average increase in real wages across the federation, a figure that masks the deep cuts in purchasing power experienced by civil servants in many states. A demotivated and underpaid civil service is demonstrably less productive and more susceptible to corruption as individuals seek to supplement their declining real incomes. Therefore, the decision to prioritize physical capital over human capital could paradoxically undermine the state's ability to effectively manage and maintain those new assets and deliver public services, creating a significant long-term governance risk.

### 3. The Spectrum of Fiscal Discipline: Prudence vs. The Paradox of Plenty

The 2024 revenue windfall served as a powerful diagnostic tool, exposing deep variations in fiscal governance and discipline among the states. The influx of revenue created a clear divide: while some states demonstrated prudence by controlling costs, repaying loans, and strengthening their balance sheets, others fell into a "paradox of plenty." In these latter cases, the income surge fueled unsustainable spending and higher debt accumulation, ultimately weakening their long-term fiscal health. Evidence of fiscal prudence was notable in several states. For instance, States such as Delta, Akwa Ibom, and Bayelsa, used the opportunity to avoid taking on new loans and reduce debt. Conversely, other states exemplified the paradox of plenty. Notably, Lagos added ₦216 billion in new loans, raising its debt by 27.5%, while Niger's debt rose by 46% after



borrowing ₦104 billion. These divergent outcomes underscore that fiscal health depends less on revenue size than on financial discipline and sound management. This divergence demonstrates that the volume of revenue inflow is not the sole determinant of fiscal health. The critical factor is the quality of public financial management and the political will to enforce discipline.

#### **4. The Governance Gap: A Systemic Crisis of Transparency**

The most critical governance failure identified across all 36 states is the widespread and systemic lack of transparency in capital expenditure reporting. The analysis reveals that most states fail to specify the strategic purpose, intended impact, or expected outcomes of their investments. This fundamental omission makes it nearly impossible for citizens, civil society, and oversight bodies to assess value for money, track progress, or hold governments accountable for results, creating a profound accountability deficit at the heart of public spending. The Fiscal Transparency Index (Index A) paints a stark picture of this reality. Out of a maximum possible score of 7, the vast majority of states (24 out of 36) scored a mere 2, indicating very low levels of transparency. Only four states, designated as "Star" performers, achieved a higher score of 5: Abia, Anambra, Enugu, and Gombe. These states demonstrated a greater commitment to transparency by reporting capital expenditure by Programme, Function, and Geolocation, in line with the National Chart of Accounts. However, the most critical finding is a universal failure on two critical parameters. Zero out of 36 states reported on Parameters 2 and 7 which is the inclusion of bank reconciliation statements and reporting CAPEX by Programme Objectives. This means that no state in the federation confirmed the accuracy of its year-end cash balances and publicly tied its capital spending to specific, measurable, and time-bound outcomes. This fosters a system where success is defined by the amount of money spent or contracts awarded, not by the problems solved. It is the foundational enabler of inefficient spending and "white elephant" projects, representing the single most significant impediment to translating Nigeria's wealth into citizen welfare.

#### **5. Adherence to Standards: A Box-Ticking Approach to Compliance**

While Nigerian states generally comply with the procedural aspects of producing financial statements in line with International Public Sector Accounting Standards (IPSAS), the analysis reveals a systemic failure to adhere to higher-level national laws governing financial reporting. This suggests a culture of superficial, "box-ticking" compliance, where the letter of basic accounting practice is met, but the spirit of genuine transparency and legal accountability is ignored. On the surface, compliance appears adequate. Most states successfully produce the required set of financial statements, including Statements of Financial Position, Financial Performance, and Cash Flow. They also include basic components like a Table of Contents and a summary of Accounting Policies. This indicates a widespread capacity to follow the standardized templates provided for financial reporting. However, a deeper look reveals a glaring legal breach. The analysis shows 100% non-compliance across all 36 states with key provisions of the Financial Reporting Council of Nigeria (FRCoN) Act (Sections 7(2) (f), 57, 59(1) (h), (i), (j), 64(1), (2) and 77. This universal failure to adhere to a binding national law designed to enforce higher standards of corporate and public governance is a significant finding. Furthermore, adherence to including Performance and Statistical Reports is inconsistent across states, indicating that while the core financial numbers are produced, the narrative and statistical context required for proper analysis and public understanding is often missing.

#### **Recommendations for Sustainable Fiscal Health**

To ensure the 2024 fiscal windfall translates into lasting public value and avoids exacerbating long-term fiscal risks, states must undertake fundamental reforms. These recommendations are focused on linking spending to results, leveraging technology for discipline, protecting the public workforce, and strengthening oversight mechanisms.



1. **Mandatory Implementation of Programme & Objective-Based Reporting**
  - **Action:** All states must transition to a reporting framework where every capital expenditure is explicitly linked to a specific, measurable, achievable, relevant, and time-bound (SMART) objectives as prescribed in the National Chart of Accounts and Format of General-Purpose Financial Statements.
  - **Rationale:** This is the only way to shift the focus from inputs (money spent) to outcomes (problems solved). It creates a performance contract with the public and establishes a true basis for accountability, addressing the core transparency crisis identified in the analysis.
2. **Mandatory Inclusion of Bank Reconciliation Statements**
  - **Action:** All states must include summary bank reconciliation statements as an auditable schedule in their annual financial statements.
  - **Rationale:** The inclusion of bank reconciliation statements is essential for minimizing the risk of errors and financial mismanagement, as they verify the accuracy of year-end cash balances, strengthen the credibility of balance sheet figures, and demonstrate that proper accounting records are being maintained.
3. **Mandatory Adoption of GIFMIS for Implementing the National Chart of Accounts and CBN TSA Guidelines in the Preparation of Published Audited Annual Accounts**
  - **Action:** In line with the 2013 National Treasury Circular, which mandated the implementation of the National Chart of Accounts through the use of Government Integrated Financial Management Information System (GIFMIS), states must fully adopt GIFMIS for budget execution and account preparation. Furthermore, all payments must be executed online in real time through GIFMIS, using CBN-approved licensed payment gateways, in full compliance with Treasury Single Account (TSA) guidelines, to ensure credibility and consistency in the preparation of published audited annual accounts.
  - **Rationale:** Technology is a powerful tool for enforcing fiscal discipline. This approach prevents leakages, provides real-time tracking of public funds, and mitigates the risk of the "paradox of plenty" by institutionalizing prudent financial controls.
4. **Adhere to Financial Reporting Council of Nigeria (FRCoN) Act (Sections 7(2) (f), 57, 59(1) & 77).**
  - **Action:** State Governments should ensure that they not only adhere to International Public Accounting Standards but also public sector laws, rules and regulations to ensure full compliance and avoid producing illegal accounts.
  - **Rationale:** A strong national framework and the sharing of best practices are essential to elevate the standard of public financial management across the entire federation, prevent systemic non-compliance with key national laws and ensure the objectives and policies of government are communicated with the citizens.
5. **Address Public Sector Wage Erosion**
  - **Action:** State governments must develop and implement a sustainable wage policy that protects the real purchasing power of civil servants, particularly during periods of high inflation.
  - **Rationale:** A motivated and fairly compensated public workforce is essential for effective service delivery and is a critical defense against systemic corruption. Ignoring the welfare of the state's human capital undermines the very capacity needed to manage new infrastructure and govern effectively.

# **Urgent Findings on Systemic Non-Compliance with the FRCoN Act and National Accounting Standards in States' 2024 Audited Financial Statements**

## **Introduction**

Following the 2023 removal of fuel subsidy, Nigerian states received an unprecedented fiscal windfall in 2024, providing a unique opportunity to assess the robustness of sub-national public financial management systems. Comprehensive analysis of the 2024 audited financial statements for all 36 states has revealed critical and systemic failures in regulatory compliance and fiscal transparency. This memorandum presents key findings that require the immediate attention and intervention of the Financial Reporting Council of Nigeria (FRCoN) to uphold the integrity of public sector accounting and corporate governance in the nation.

## **Key Findings**

Our analysis identified three primary areas of concern that directly fall under the purview of the FRCON:

### **A. Universal Non-Compliance with the Financial Reporting Council of Nigeria Act**

The most alarming finding is the 100% non-compliance across all 36 states with key provisions of the Financial Reporting Council of Nigeria Act 2011 and subsequent (Amendment) Act 2023, specifically Sections 7(2) (f), 57, 59(1), and 77. This universal failure to adhere to a binding national law designed to enforce higher standards of financial reporting and governance represents a significant challenge to the authority of the FRCoN and the rule of law. It suggests a widespread disregard for the national legislative framework governing financial reporting, which has been superseded by a culture of selective, superficial compliance with basic accounting formats. While most states produce the required set of financial statements in line with International Public Sector Accounting Standards (IPSAS), this procedural adherence appears to be a "box-ticking" exercise rather than a commitment to the spirit of transparency and legal accountability enshrined in the FRCON Act.

### **B. A Systemic Crisis of Transparency in Capital Expenditure Reporting**

A profound governance failure was identified in the reporting of capital expenditure. While a few states demonstrated commendable practice by reporting capital spending by Programme, Function, and Geolocation, a critical deficiency was universal: Zero out of 36 states reported on Capital Expenditure by Programme Objectives. This omission is not a minor technical oversight; it is a fundamental flaw that severs the link between financial inputs and developmental outcomes. By failing to tie expenditure to specific, measurable, and time-bound objectives, states have created a "black box" around public spending. This makes it impossible for citizens, oversight bodies, and the FRCoN to assess value for money, track performance, or hold public officials accountable for results. The vast majority of states (24 out of 36) scored a mere 2 out of a possible 7 on our Fiscal Transparency Index, reflecting this deep-seated issue.

### C. A Critical Gap in Governance: The Absence of Bank Reconciliation Statements.

A systemic lapse was observed across all 36 Nigerian states, as none included bank reconciliation statements in their published reports. This omission constitutes a serious lapse in governance, given that bank reconciliation is a critical internal control for confirming the accuracy of year-end cash balances and the government's liquidity position. The absence of this process undermines the credibility of balance sheet figures, raises doubts about the maintenance of proper accounting records, and exposes states to heightened risks of error and financial mismanagement. Such neglect constitutes a clear violation of the Financial Reporting Council Act, Section 7(2)(f), and contravenes international standards of fiscal transparency. Ultimately, this widespread failure weakens public trust, discourages investment, and compromises the integrity of public financial management across the federation.

#### Recommendations for the Financial Reporting Council of Nigeria

The 2024 fiscal windfall has exposed foundational weaknesses in the public financial management ecosystem that require decisive regulatory action. We urge the FRCoN to:

1. **Enforce the FRCoN Amended Act 2023:** Immediately engage with the Accountants-General of all 36 states to address the universal non-compliance with the FRCoN Act 2023, National Treasury Circular dated May 2013, National Chart of Accounts dated 2012 and the Format of General-Purpose Financial Statements for IPSAS Cash and IPSAS Accrual. The Council should utilize its statutory powers to investigate this widespread breach of extant laws and regulations and consider implementing sanctions or other corrective measures to re-establish the primacy of national law in public sector reporting.
2. **Enforce Programme Objective-Based Reporting:** In line with IPSAS 3, Retrospectively enforce the reporting of Capital Expenditure by Programme Objectives as a mandatory and non-negotiable component of the 2020 – 2024 Published Audited General-Purpose Financial Statements (GPFS) of all the 36 State Governments in Nigeria.
3. **Enforce the Inclusion of Bank Reconciliation Statements:** In line with IPSAS 3, Retrospectively enforce the Inclusion of Bank Reconciliation Statements as a mandatory and non-negotiable component of the 2020 – 2024 Published Audited General-Purpose Financial Statements (GPFS) of all the 36 State Governments.
4. **Enforce End to End Straight Through Payments:** Enforce end-to-end straight-through electronic payments via GIFMIS into TSA accounts held at the CBN, in line with the World Bank's recommendations in the Proposed Financial Sector and Public Financial Management Development Policy Credit (US\$500 million) and the Financial Management Information Systems guidelines.

The integrity of Nigeria's public financial management system depends on the diligent enforcement of its governing laws and standards. The FRCoN's role in correcting these systemic failures is more critical than ever.

**Table 1 - Sum of 2020 - 2023 Revenue and Expenditure Profile of The 36 States In Nigeria**

| State       | Year        | Total Statutory Allocation | Direct Taxes      | Non-Tax Revenue   | Total IGR         | Total Revenue      | Capital Expenditure | Total Recurrent Expenditure | Accumulated Debt   | New Loans         | Deficit/Surplus    | Closing Cash/Bank Balance |
|-------------|-------------|----------------------------|-------------------|-------------------|-------------------|--------------------|---------------------|-----------------------------|--------------------|-------------------|--------------------|---------------------------|
| Abia        | 2020 - 2023 | 307,593,640,163            | 35,813,464,271    | 33,622,971,103    | 69,436,435,374    | 377,030,075,537    | 186,643,237,938     | 400,729,313,912             | 684,999,396,297    | 108,461,114,291   | 162,943,999,563    | 41,200,490,073            |
| Adamawa     | 2020 - 2023 | 269,178,100,408            | 36,628,729,314    | 14,400,529,856    | 51,029,259,170    | 320,207,359,578    | 134,717,314,630     | 306,404,414,389             | 671,401,400,117    | 97,455,092,334    | 148,520,259,819    | 66,857,311,755            |
| Akwa Ibom   | 2020 - 2023 | 1,045,681,661,838          | 116,873,410,531   | 24,933,454,718    | 141,806,865,249   | 1,187,488,527,088  | 641,382,084,728     | 810,701,043,051             | 1,016,068,412,605  | 106,000,613,000   | 1,018,169,568,765  | 224,638,083               |
| Anambra     | 2020 - 2023 | 335,276,599,246            | 78,927,519,729    | 39,088,949,336    | 118,016,469,065   | 453,293,068,311    | 281,639,585,209     | 246,560,710,862             | 519,478,441,699    | 35,378,500,877    | 488,371,942,658    | 51,007,743,769            |
| Bauchi      | 2020 - 2023 | 362,832,714,428            | 66,336,682,204    | 20,114,432,202    | 86,451,114,406    | 449,283,828,835    | 254,007,384,045     | 388,979,400,706             | 868,073,962,866    | 153,712,024,276   | 314,311,812,174    | 42,370,217,067            |
| Bayelsa     | 2020 - 2023 | 1,078,631,239,093          | 58,685,161,961    | 17,986,643,745    | 76,671,805,705    | 1,155,303,044,798  | 426,657,616,313     | 768,287,467,612             | 549,775,606,608    | 92,991,051,599    | 813,673,193,499    | 116,106,338,632           |
| Benue       | 2020 - 2023 | 318,796,704,798            | 41,785,829,592    | 15,300,885,697    | 57,086,715,290    | 375,883,420,088    | 58,349,713,580      | 352,187,700,809             | 674,027,451,515    | 32,472,510,383    | 82,045,432,859     | 42,605,363,664            |
| Borno       | 2020 - 2023 | 374,067,983,597            | 57,209,030,937    | 19,484,637,349    | 76,693,668,286    | 450,761,651,883    | 254,210,961,330     | 367,415,060,141             | 348,956,125,363    | 58,566,832,743    | 337,557,553,072    | 119,490,967,955           |
| Cross River | 2020 - 2023 | 333,337,141,551            | 50,652,145,561    | 43,147,939,157    | 93,800,084,718    | 427,137,226,269    | 258,269,618,726     | 350,046,334,891             | 1,115,761,740,890  | 119,072,913,921   | 335,360,510,104    | 6,685,944,055             |
| Delta       | 2020 - 2023 | 1,489,692,099,312          | 287,437,061,528   | 81,111,257,843    | 368,548,319,371   | 1,858,240,418,683  | 518,514,973,920     | 1,117,154,946,717           | 1,258,096,653,413  | 267,985,853,319   | 1,259,600,445,886  | 159,745,720,393           |
| Ebonyi      | 2020 - 2023 | 239,505,224,808            | 38,439,696,350    | 47,713,933,359    | 86,153,629,709    | 325,658,854,516    | 285,866,765,656     | 182,015,373,419             | 397,330,649,701    | 48,004,551,784    | 429,510,246,754    | 40,622,493,743            |
| Edo         | 2020 - 2023 | 454,804,865,809            | 110,567,599,223   | 61,975,578,465    | 172,543,177,687   | 627,348,043,497    | 338,827,002,563     | 425,710,145,383             | 1,079,773,226,626  | 106,258,058,985   | 540,464,900,677    | 63,898,465,749            |
| Ekiti       | 2020 - 2023 | 277,453,691,849            | 39,054,764,405    | 32,754,159,886    | 71,808,924,291    | 349,262,616,140    | 121,156,638,178     | 312,324,294,804             | 602,462,698,465    | 53,399,114,997    | 158,094,959,514    | 73,915,338,017            |
| Enugu       | 2020 - 2023 | 309,995,015,557            | 47,435,520,777    | 67,229,454,479    | 114,664,975,256   | 424,659,990,814    | 177,648,385,342     | 377,400,425,567             | 624,845,425,686    | 78,269,908,338    | 225,267,950,588    | 77,599,663,980            |
| Gombe       | 2020 - 2023 | 278,168,004,128            | 17,765,058,221    | 29,285,680,764    | 47,050,738,985    | 325,218,743,113    | 211,104,487,515     | 343,861,108,647             | 856,969,874,410    | 155,676,100,376   | 192,462,121,981    | 112,046,561,721           |
| Imo         | 2020 - 2023 | 391,127,898,450            | 44,598,849,131    | 20,160,722,800    | 64,759,571,931    | 455,887,470,381    | 230,646,298,251     | 350,129,838,828             | 868,147,937,381    | 180,033,715,297   | 336,403,929,804    | 115,205,596,099           |
| Jigawa      | 2020 - 2023 | 346,889,307,331            | 20,318,880,030    | 76,893,965,498    | 97,212,845,528    | 444,102,152,859    | 282,812,908,966     | 380,666,452,985             | 654,718,630,772    | 101,161,732,506   | 346,248,608,840    | 75,524,051,177            |
| Kaduna      | 2020 - 2023 | 334,135,764,648            | 154,876,492,000   | 75,156,813,000    | 230,033,305,000   | 564,169,069,648    | 574,808,258,000     | 545,492,761,000             | 1,957,370,378,000  | 172,108,442,000   | 593,484,566,648    | 47,669,277,000            |
| Kano        | 2020 - 2023 | 507,050,537,271            | 78,723,624,000    | 77,913,844,021    | 156,637,468,021   | 663,688,005,292    | 307,898,912,000     | 471,128,317,000             | 689,237,266,000    | 52,373,392,000    | 500,458,600,292    | 107,938,538,000           |
| Katsina     | 2020 - 2023 | 386,948,349,459            | 39,771,297,629    | 15,009,548,863    | 54,780,846,491    | 441,729,195,950    | 219,186,002,194     | 390,960,778,922             | 344,994,119,084    | 51,851,910,868    | 269,954,419,222    | 84,499,933,137            |
| Kebbi       | 2020 - 2023 | 260,075,694,467            | 31,234,194,167    | 6,765,162,605     | 37,999,356,772    | 298,075,051,239    | 160,392,691,099     | 189,965,566,239             | 295,568,211,052    | 16,445,809,956    | 268,502,176,099    | 99,042,115,816            |
| Kogi        | 2020 - 2023 | 311,985,007,755            | 57,688,304,904    | 21,322,080,047    | 79,010,384,951    | 390,995,392,706    | 139,138,663,219     | 374,602,740,533             | 473,579,191,033    | 68,163,347,408    | 155,531,315,392    | 110,922,781,156           |
| Kwara       | 2020 - 2023 | 275,108,784,068            | 46,245,320,349    | 88,575,956,041    | 134,821,276,390   | 409,930,060,458    | 208,531,160,262     | 268,402,355,868             | 488,981,941,430    | 47,214,126,602    | 350,058,864,852    | 91,320,962,777            |
| Lagos       | 2020 - 2023 | 939,946,940,002            | 1,971,685,783,000 | 532,710,951,000   | 2,504,396,734,000 | 3,444,343,674,002  | 1,977,352,643,000   | 2,649,037,765,001           | 6,186,989,888,000  | 1,213,100,618,000 | 2,772,658,552,001  | 419,334,429,000           |
| Nasarawa    | 2020 - 2023 | 300,064,797,749            | 45,648,399,172    | 40,681,456,767    | 86,329,855,939    | 386,394,653,688    | 153,162,157,350     | 297,317,294,351             | 281,250,950,460    | 67,438,007,101    | 242,239,516,686    | 42,692,312,829            |
| Niger       | 2020 - 2023 | 364,208,729,097            | 45,795,314,623    | 20,226,991,061    | 66,022,305,684    | 430,231,034,781    | 278,847,517,246     | 437,251,773,587             | 527,524,234,832    | 96,954,632,579    | 271,826,778,440    | 33,703,846,365            |
| Ogun        | 2020 - 2023 | 295,381,263,478            | 184,530,787,424   | 227,722,840,636   | 412,253,628,060   | 707,634,891,538    | 320,809,887,909     | 782,719,460,135             | 1,383,328,929,668  | 234,173,143,379   | 245,725,319,312    | 104,278,136,893           |
| Ondo        | 2020 - 2023 | 339,259,483,614            | 98,749,066,108    | 57,306,833,356    | 156,055,899,464   | 495,315,383,078    | 198,333,803,374     | 471,035,287,953             | 607,248,785,762    | 113,559,802,925   | 222,613,898,499    | 126,351,003,199           |
| Osun        | 2020 - 2023 | 302,259,271,017            | 49,405,111,252    | 49,373,376,454    | 98,778,487,706    | 401,037,758,723    | 146,306,617,902     | 344,202,765,220             | 396,511,320,845    | 30,293,466,274    | 203,141,611,406    | 81,066,046,942            |
| Oyo         | 2020 - 2023 | 362,377,082,698            | 132,793,025,329   | 59,066,439,878    | 191,859,465,207   | 554,236,547,905    | 252,340,029,290     | 578,856,390,041             | 747,560,647,608    | 30,675,713,940    | 227,720,187,154    | 79,908,699,351            |
| Plateau     | 2020 - 2023 | 224,896,212,510            | 62,725,437,920    | 19,989,353,559    | 82,714,791,479    | 307,611,003,989    | 86,590,991,172      | 341,455,373,574             | 696,233,994,730    | 74,738,343,495    | 52,746,621,587     | 79,319,736,665            |
| Rivers      | 2020 - 2023 | 932,501,424,673            | 585,149,096,013   | 76,887,787,115    | 662,036,883,128   | 1,594,538,307,801  | 1,484,181,432,342   | 672,724,573,945             | 671,505,599,767    | 547,915,157,886   | 2,405,995,166,198  | 35,071,785,207            |
| Sokoto      | 2020 - 2023 | 333,891,885,302            | 58,282,942,799    | 26,015,919,111    | 84,298,861,910    | 418,190,747,212    | 219,023,649,728     | 331,923,372,518             | 388,527,593,596    | 146,177,237,938   | 305,291,024,421    | 69,567,419,878            |
| Taraba      | 2020 - 2023 | 274,134,280,435            | 24,577,510,289    | 13,335,914,981    | 37,913,425,270    | 312,047,705,705    | 105,351,465,913     | 274,988,591,723             | 437,966,351,153    | 65,788,567,256    | 142,410,579,896    | 72,326,733,956            |
| Yobe        | 2020 - 2023 | 286,541,516,129            | 25,832,740,424    | 10,192,877,349    | 36,025,617,773    | 322,567,133,902    | 157,953,407,384     | 472,662,361,770             | 379,239,495,823    | 117,169,525,382   | 7,858,179,516      | 38,451,895,879            |
| Zamfara     | 2020 - 2023 | 239,179,816,334            | 35,034,612,850    | 13,839,338,036    | 48,873,950,886    | 288,053,767,221    | 129,569,500,826     | 330,229,122,341             | 462,421,763,294    | 131,729,036,903   | 87,394,145,706     | 30,676,788,690            |
| Total       | 2020 - 2023 | 15,482,978,733,074         | 4,877,278,464,017 | 2,077,298,680,138 | 6,954,577,144,154 | 22,437,555,877,228 | 11,782,233,767,098  | 17,705,170,684,442          | 30,206,930,296,552 | 5,072,769,971,119 | 16,514,618,959,884 | 2,799,431,949,968         |

**Table 2 - 2024 Revenue and Expenditure Profile of The 36 States In Nigeria**

| State       | Year | Total Statutory Allocation | Direct Taxes      | Non-Tax Revenue   | Total IGR         | Total Revenue      | Capital Expenditure | Total Recurrent Expenditure | Accumulated Debt   | New Loans         | Deficit/Surplus | Closing Cash/Bank Balance |
|-------------|------|----------------------------|-------------------|-------------------|-------------------|--------------------|---------------------|-----------------------------|--------------------|-------------------|-----------------|---------------------------|
| Abia        | 2024 | 285,519,182,204            | 18,187,696,823    | 23,067,983,057    | 41,255,679,881    | 326,774,862,085    | 215,455,507,968     | 102,445,553,044             | 177,258,928,483    | 2,317,806,042     | 8,873,801,073   | 69,457,709,596            |
| Adamawa     | 2024 | 135,724,201,938            | 15,141,014,210    | 5,157,236,606     | 20,298,250,816    | 156,022,452,754    | 119,602,272,479     | 128,897,361,992             | 231,571,169,900    | 32,000,000,000    | 92,477,181,717  | 58,262,346,561            |
| Akwa Ibom   | 2024 | 1,006,858,196,000          | 49,108,957,000    | 27,148,817,000    | 76,257,774,000    | 1,083,115,970,000  | 524,779,850,000     | 380,799,185,000             | 213,058,342,000    | -                 | 177,536,935,000 | 375,692,441               |
| Anambra     | 2024 | 308,955,682,444            | 28,199,899,033    | 14,774,634,632    | 42,974,533,665    | 351,930,216,108    | 218,255,397,194     | 74,154,853,502              | 187,877,940,949    | 4,937,420,202     | 59,519,965,412  | 81,517,468,846            |
| Bauchi      | 2024 | 222,970,692,478            | 29,660,791,927    | 2,778,240,134     | 32,439,032,061    | 255,409,724,539    | 98,524,011,557      | 176,319,200,221             | 430,766,109,826    | 24,482,035,985    | 19,433,487,239  | 47,032,242,144            |
| Bayelsa     | 2024 | 840,184,381,280            | 63,666,506,834    | 10,771,596,538    | 74,438,103,372    | 914,622,484,652    | 394,297,058,548     | 273,589,168,295             | 168,856,044,226    | -                 | 246,736,257,809 | 209,329,876,168           |
| Benue       | 2024 | 257,143,873,586            | 13,730,884,451    | 7,235,195,434     | 20,966,079,885    | 278,109,953,471    | 97,985,247,217      | 174,328,014,601             | 161,839,521,686    | -                 | 5,796,691,653   | 85,180,877,410            |
| Borno       | 2024 | 338,250,159,605            | 24,804,118,557    | 29,787,746,296    | 54,591,864,853    | 392,842,024,458    | 181,791,314,977     | 236,187,464,152             | 94,447,089,123     | -                 | 25,136,754,671  | 74,714,564,035            |
| Cross River | 2024 | 265,825,209,000            | 20,040,012,000    | 26,203,028,000    | 46,243,040,000    | 312,068,249,000    | 95,486,333,000      | 337,346,482,000             | 529,280,431,000    | 48,260,533,000    | 120,764,566,000 | 148,964,555               |
| Delta       | 2024 | 1,191,962,366,606          | 129,409,514,266   | 36,948,281,879    | 166,357,796,146   | 1,358,320,162,751  | 190,187,064,341     | 397,031,714,783             | 250,452,100,239    | -                 | 771,101,383,627 | 751,721,603,224           |
| Ebonyi      | 2024 | 110,139,970,469            | 9,569,378,094     | 446,592,965       | 10,015,971,059    | 120,155,941,528    | 160,833,510,801     | 66,160,904,399              | 219,998,523,482    | 8,871,026,449     | 106,838,473,673 | 36,589,798,912            |
| Edo         | 2024 | 358,510,472,878            | 57,298,021,701    | 30,914,815,568    | 88,212,837,269    | 446,723,310,147    | 262,748,102,512     | 200,333,277,451             | 768,727,693,641    | 35,558,171,789    | 16,358,069,816  | 48,713,617,350            |
| Ekiti       | 2024 | 287,226,899,256            | 16,165,928,100    | 24,920,389,363    | 41,086,317,463    | 328,313,216,718    | 117,435,167,292     | 254,702,384,249             | 260,161,784,955    | 18,921,305,088    | 43,824,334,823  | 70,003,536,831            |
| Enugu       | 2024 | 255,669,452,570            | 26,682,148,071    | 153,817,993,527   | 180,500,141,598   | 436,169,594,169    | 331,505,346,504     | 144,995,167,104             | 256,414,138,581    | 7,305,912,537     | 40,330,919,439  | 22,339,126,692            |
| Gombe       | 2024 | 286,218,653,644            | 7,417,797,101     | 13,391,726,196    | 20,809,523,297    | 307,028,176,941    | 206,377,479,767     | 94,758,144,311              | 204,125,094,846    | 31,649,781,870    | 5,892,552,863   | 116,145,828,183           |
| Imo         | 2024 | 338,250,159,605            | 24,804,118,557    | 5,866,287,214     | 20,223,780,976    | 375,881,272,185    | 240,374,928,407     | 90,444,333,542              | 20,000,000,000     | 45,062,010,236    | 85,780,963,910  | 85,780,963,910            |
| Jigawa      | 2024 | 263,978,913,009            | 9,177,463,932     | 58,188,546,479    | 67,366,010,411    | 331,344,923,420    | 256,412,634,836     | 143,138,725,610             | 573,740,472,894    | 24,332,515        | 68,206,437,027  | 42,461,176,741            |
| Kaduna      | 2024 | 340,448,865,000            | 57,423,168,000    | 12,651,485,000    | 70,074,653,000    | 410,523,518,000    | 209,943,797,000     | 254,272,832,000             | 652,983,593,000    | 82,905,836,000    | 53,693,111,000  | 137,283,807,000           |
| Kano        | 2024 | 381,743,245,000            | 40,867,739,000    | 24,228,432,000    | 65,096,171,000    | 446,839,416,000    | 215,980,422,000     | 192,288,589,000             | 249,046,721,000    | 29,860,095,000    | 38,570,405,000  | 110,900,668,000           |
| Katsina     | 2024 | 332,008,931,887            | 16,298,250,783    | 14,156,660,879    | 30,454,911,663    | 362,463,843,550    | 304,755,412,982     | 131,604,476,779             | 231,705,704,987    | -                 | 73,896,046,210  | 84,952,389,660            |
| Kebbi       | 2024 | 119,311,255,668            | 7,952,096,025     | 3,415,231,014     | 11,367,327,039    | 130,678,582,707    | 82,201,488,688      | 67,383,341,127              | 94,067,696,129     | 22,552,375,993    | 18,906,247,108  | 13,114,528,552            |
| Kogi        | 2024 | 273,371,194,139            | 22,304,968,494    | 5,346,622,826     | 27,651,591,320    | 301,022,785,459    | 75,230,515,582      | 265,619,122,091             | 123,355,796,497    | 3,589,045,693     | 39,826,852,214  | 101,314,530,112           |
| Kwara       | 2024 | 208,663,017,870            | 17,600,000,000    | 48,536,642,553    | 66,136,642,553    | 274,799,660,423    | 212,088,497,229     | 105,892,106,369             | 156,686,300,862    | -                 | 43,180,943,175  | 35,954,516,005            |
| Lagos       | 2024 | 727,992,263,000            | 1,036,652,527,000 | 225,781,726,000   | 1,262,434,253,000 | 1,990,426,516,000  | 1,057,546,527,000   | 1,240,481,145,000           | 2,917,863,675,000  | 216,103,201,000   | 307,601,156,000 | 425,370,209,000           |
| Nasarawa    | 2024 | 194,857,272,232            | 25,486,891,292    | 17,788,116,868    | 43,275,008,160    | 238,132,280,392    | 154,325,918,649     | 160,409,160,117             | 81,351,409,872     | 60,654,690,302    | 76,602,798,374  | 57,228,636,563            |
| Niger       | 2024 | 374,280,841,660            | 24,376,363,325    | 10,496,370,780    | 34,872,734,105    | 409,153,575,765    | 348,841,553,443     | 185,157,043,233             | 293,669,558,334    | 104,036,988,452   | 124,845,020,911 | 54,603,342,532            |
| Ogun        | 2024 | 317,905,473,523            | 74,902,980,979    | 120,205,754,984   | 195,108,735,962   | 513,014,209,485    | 150,001,972,782     | 544,463,723,189             | 575,103,324,406    | 60,360,212,178    | 181,451,486,486 | 87,107,615,427            |
| Ondo        | 2024 | 287,825,940,706            | 21,849,725,233    | 22,736,085,733    | 44,585,810,966    | 332,411,751,672    | 45,872,159,832      | 255,626,262,660             | 144,995,063,539    | 26,791,973,035    | 30,913,329,180  | 163,512,645,608           |
| Osun        | 2024 | 226,625,622,241            | 17,098,619,797    | 37,346,379,145    | 54,444,998,942    | 281,070,621,183    | 118,424,177,954     | 166,736,097,938             | 75,606,127,678     | 11,650,712,473    | 4,089,654,709   | 60,205,607,472            |
| Oyo         | 2024 | 131,892,100,294            | 42,247,025,637    | 23,040,012,632    | 65,287,038,268    | 197,179,138,563    | 205,100,043,120     | 242,330,667,797             | 285,059,912,447    | 11,219,625,749    | 250,251,572,354 | 112,091,318,932           |
| Plateau     | 2024 | 197,427,287,649            | 17,785,658,445    | 13,354,168,235    | 31,139,826,680    | 228,567,114,330    | 71,168,408,733      | 235,444,479,508             | 148,800,000,000    | 51,631,604,331    | 78,045,773,912  | 53,614,198,057            |
| Rivers      | 2024 | 448,115,364,210            | -                 | -                 | -                 | -                  | -                   | -                           | -                  | -                 | -               | -                         |
| Sokoto      | 2024 | 259,612,553,185            | 17,547,905,609    | 4,499,092,016     | 22,046,997,625    | 281,659,550,810    | 133,682,880,657     | 185,831,269,981             | 133,714,138,443    | 44,042,058,862    | 37,854,599,828  | 29,741,147,878            |
| Taraba      | 2024 | 220,577,548,097            | 11,384,070,443    | 4,675,691,627     | 16,059,762,070    | 236,637,310,167    | 224,734,919,236     | 100,232,113,828             | 127,827,740,751    | 64,607,356,118    | 88,329,722,897  | 4,860,965,438             |
| Yobe        | 2024 | 216,447,258,443            | 7,753,313,909     | 3,331,053,330     | 11,084,367,239    | 227,531,625,682    | 151,789,828,793     | 139,899,942,769             | 88,910,164,809     | 10,172,244,388    | 64,158,145,880  | 6,378,664,196             |
| Zamfara     | 2024 | 81,157,498,177             | 12,541,473,267    | 12,906,849,105    | 25,448,322,372    | 106,605,820,549    | 159,776,440,202     | 100,282,433,710             | 107,400,000,000    | 4,605,952,800     | 153,453,053,363 | 98,748,482,495            |
| Total       | 2024 | 12,111,059,331,159         | 2,004,690,403,102 | 1,075,915,485,613 | 3,080,605,888,715 | 14,743,549,855,663 | 7,633,516,191,284   | 7,849,586,741,353           | 11,464,218,073,201 | 1,039,112,297,850 | 739,553,076,974 | 3,436,758,666,525         |

**LEGEND**

| Key | Meaning   |
|-----|---|
| RED | 2024 Published Audited Financial Statement Not Available Online |



**Table 3 - Windfall Revenue Effect of State Subsidy Disbursement in 2024**

| State       | 2024                       |                    |                     | 2020 - 2023                |                    |                     | Proportion of 2024 to Cumulative 2020-2023 Revenue & Expenditure |               |                     |
|-------------|----------------------------|--------------------|---------------------|----------------------------|--------------------|---------------------|--|---------------|---------------------|
|             | Total Statutory Allocation | Total Revenue      | Capital Expenditure | Total Statutory Allocation | Total Revenue      | Capital Expenditure | Total Statutory Allocation                                       | Total Revenue | Capital Expenditure |
| Abia        | 285,519,182,204            | 326,774,862,085    | 215,455,507,968     | 307,593,640,163            | 377,030,075,537    | 186,643,237,938     | 92.82%   | 86.67%        | 115.44%             |
| Adamawa     | 135,724,201,938            | 156,022,452,754    | 119,602,272,479     | 269,178,100,408            | 320,207,359,578    | 134,717,314,630     | 50.42%   | 48.73%        | 88.78%              |
| Akwa Ibom   | 1,006,858,196,000          | 1,083,115,970,000  | 524,779,850,000     | 1,045,681,661,838          | 1,187,488,527,088  | 641,382,084,728     | 96.29%   | 91.21%        | 81.82%              |
| Anambra     | 308,955,682,444            | 351,930,216,108    | 218,255,397,194     | 335,276,599,246            | 453,293,068,311    | 281,639,585,209     | 92.15%   | 77.64%        | 77.49%              |
| Bauchi      | 222,970,692,478            | 255,409,724,539    | 98,524,011,557      | 362,832,714,428            | 449,283,828,835    | 254,007,384,045     | 61.45%   | 56.85%        | 38.79%              |
| Bayelsa     | 840,184,381,280            | 914,622,484,652    | 394,297,058,548     | 1,078,631,239,093          | 1,155,303,044,798  | 426,657,616,313     | 77.89%   | 79.17%        | 92.42%              |
| Benue       | 257,143,873,586            | 278,109,953,471    | 97,985,247,217      | 318,796,704,798            | 375,883,420,088    | 58,349,713,580      | 80.66%   | 73.99%        | 167.93%             |
| Borno       | 338,250,159,605            | 392,842,024,458    | 181,791,314,977     | 374,067,983,597            | 450,761,651,883    | 254,210,961,330     | 90.42%   | 87.15%        | 71.51%              |
| Cross River | 265,825,209,000            | 312,068,249,000    | 95,486,333,000      | 333,337,141,551            | 427,137,226,269    | 258,269,618,726     | 79.75%   | 73.06%        | 36.97%              |
| Delta       | 1,191,962,366,606          | 1,358,320,162,751  | 190,187,064,341     | 1,489,692,099,312          | 1,858,240,418,683  | 518,514,973,920     | 80.01%   | 73.10%        | 36.68%              |
| Ebonyi      | 110,139,970,469            | 120,155,941,528    | 160,833,510,801     | 239,505,224,808            | 325,658,854,516    | 285,866,765,656     | 45.99%   | 36.90%        | 56.26%              |
| Edo         | 358,510,472,878            | 446,723,310,147    | 262,748,102,512     | 454,804,865,809            | 627,348,043,497    | 338,827,002,563     | 78.83%   | 71.21%        | 77.55%              |
| Ekiti       | 287,226,899,256            | 328,313,216,718    | 117,435,167,292     | 277,453,691,849            | 349,262,616,140    | 121,156,638,178     | 103.52%  | 94.00%        | 96.93%              |
| Enugu       | 255,669,452,570            | 436,169,594,169    | 331,505,346,504     | 309,995,015,557            | 424,659,990,814    | 177,648,385,342     | 82.48%   | 102.71%       | 186.61%             |
| Gombe       | 286,218,653,644            | 307,028,176,941    | 206,377,479,767     | 278,168,004,128            | 325,218,743,113    | 211,104,487,515     | 102.89%  | 94.41%        | 97.76%              |
| Imo         | 355,657,491,210            | 375,881,272,185    | 240,374,928,407     | 391,127,898,450            | 455,887,470,381    | 230,646,298,251     | 90.93%   | 82.45%        | 104.22%             |
| Jigawa      | 263,978,913,009            | 331,344,923,420    | 256,412,634,836     | 346,889,307,331            | 444,102,152,859    | 282,812,908,966     | 76.10%   | 74.61%        | 90.67%              |
| Kaduna      | 340,448,865,000            | 410,523,518,000    | 209,943,797,000     | 334,135,764,648            | 564,169,069,648    | 574,808,258,000     | 101.89%  | 72.77%        | 36.52%              |
| Kano        | 381,743,245,000            | 446,839,416,000    | 215,980,422,000     | 507,050,537,271            | 663,688,005,292    | 307,898,912,000     | 75.29%   | 67.33%        | 70.15%              |
| Katsina     | 332,008,931,887            | 362,463,843,550    | 304,755,412,982     | 386,948,349,459            | 441,729,195,950    | 219,186,002,194     | 85.80%   | 82.06%        | 139.04%             |
| Kebbi       | 119,311,255,668            | 130,678,582,707    | 82,201,488,688      | 260,075,694,467            | 298,075,051,239    | 160,392,691,099     | 45.88%   | 43.84%        | 51.25%              |
| Kogi        | 273,371,194,139            | 301,022,785,459    | 75,230,515,582      | 311,985,007,755            | 390,995,392,706    | 139,138,663,219     | 87.62%   | 76.99%        | 54.07%              |
| Kwara       | 208,663,017,870            | 274,799,660,423    | 212,088,497,229     | 275,108,784,068            | 409,930,060,458    | 208,531,160,262     | 75.85%   | 67.04%        | 101.71%             |
| Lagos       | 727,992,263,000            | 1,990,426,516,000  | 1,057,546,527,000   | 939,946,940,002            | 3,444,343,674,002  | 1,977,352,643,000   | 77.45%   | 57.79%        | 53.48%              |
| Nasarawa    | 194,857,272,232            | 238,132,280,392    | 154,325,918,649     | 300,064,797,749            | 386,394,653,688    | 153,162,157,350     | 64.94%   | 61.63%        | 100.76%             |
| Niger       | 374,280,841,660            | 409,153,575,765    | 348,841,553,443     | 364,208,729,097            | 430,231,034,781    | 278,847,517,246     | 102.77%  | 95.10%        | 125.10%             |
| Ogun        | 317,905,473,523            | 513,014,209,485    | 150,001,972,782     | 295,381,263,478            | 707,634,891,538    | 320,809,887,909     | 107.63%  | 72.50%        | 46.76%              |
| Ondo        | 287,825,940,706            | 332,411,751,672    | 45,872,159,832      | 339,259,483,614            | 495,315,383,078    | 198,333,803,374     | 84.84%   | 67.11%        | 23.13%              |
| Osun        | 226,625,622,241            | 281,070,621,183    | 118,424,177,954     | 302,259,271,017            | 401,037,758,723    | 146,306,617,902     | 74.98%   | 70.09%        | 80.94%              |
| Oyo         | 131,892,100,294            | 197,179,138,563    | 205,100,043,120     | 362,377,082,698            | 554,236,547,905    | 252,340,029,290     | 36.40%   | 35.58%        | 81.28%              |
| Plateau     | 197,427,287,649            | 228,567,114,330    | 71,168,408,733      | 224,896,212,510            | 307,611,003,989    | 86,590,991,172      | 87.79%   | 74.30%        | 82.19%              |
| Rivers      | 448,115,364,210            | -                  | -                   | 932,501,424,673            | 1,594,538,307,801  | 1,484,181,432,342   | 48.06%   | -             | -                   |
| Sokoto      | 259,612,553,185            | 281,659,550,810    | 133,682,880,657     | 333,891,885,302            | 418,190,747,212    | 219,023,649,728     | 77.75%   | 67.35%        | 61.04%              |
| Taraba      | 220,577,548,097            | 236,637,310,167    | 224,734,919,236     | 274,134,280,435            | 312,047,705,705    | 105,351,465,913     | 80.46%   | 75.83%        | 213.32%             |
| Yobe        | 216,447,258,443            | 227,531,625,682    | 151,789,828,793     | 286,541,516,129            | 322,567,133,902    | 157,953,407,384     | 75.54%   | 70.54%        | 96.10%              |
| Zamfara     | 81,157,498,177             | 106,605,820,549    | 159,776,440,202     | 239,179,816,334            | 288,053,767,221    | 129,569,500,826     | 33.93%   | 37.01%        | 123.31%             |
| Total       | 12,111,059,331,159         | 14,743,549,855,663 | 7,633,516,191,284   | 15,482,978,733,074         | 22,437,555,877,228 | 11,782,233,767,098  | 78.22%   | 65.63%        | 64.41%              |

Between 2020 and 2023, total revenue across all states exhibited modest, incremental growth. However, in 2024, this trend shifted dramatically with a significant surge in statutory allocations. The total allocation available to states reached approximately ₦12.1 trillion, equivalent to 78.2% of the cumulative statutory allocations received over the preceding four years. This unprecedented single-year increase provided state governments with a level of fiscal capacity previously unimaginable. More than a mere quantitative boost, this windfall marked a qualitative transformation in the fiscal landscape. It presented a rare opportunity to break longstanding cycles of underfunding, address critical infrastructure gaps, and reshape long-term development trajectories. Importantly, it gave states the opportunity to articulate clear **capital development policies** where the **objectives of Programme** based expenditures could be established.

## **Section 2: Indices of State Fiscal Responsibility and Performance in Nigeria**

# Methodological Framework

**Index A:** assesses compliance by reviewing the published audited accounts of states to determine whether they adhere to the Cash or Accrual format of General-Purpose Financial Statements. This index uses the Revised Chart of Accounts 2010, National Chart of Accounts IPSAS Cash & Accrual (NCOA) 2012, Format of General-Purpose Financial Statements IPSAS Cash and Accrual 2012, National Treasury Circular 2013, Guidelines for the Operation of Treasury Single Account (TSA) by State Governments Issued by the CBN in 2016 and the IMF Fiscal Transparency Code 2013 as a guide in assessing compliance and transparency.

**Index B:** evaluates the capacity of states to finance their Operating Expenses (Recurrent Expenditure) solely from Internally Generated Revenue (IGR). It is calculated by dividing Operating Expenses by IGR.

**Index C:** tracks how much a state's Internally Generated Revenue increases each year, expressed as a percentage growth rate.

**Index D:** evaluates the capacity of states to finance all recurrent expenditures - including operating costs, non-operating expenses, and loan repayment obligations using their total revenue, which comprises Internally Generated Revenue, statutory allocations, and capital receipts, without reliance on borrowing. The index is derived by dividing recurrent expenditure by total revenue.

**Index E:** evaluates the debt sustainability of states using four key indicators: (a) total accumulated debt (domestic and foreign) as a percentage of revenue, (b) personnel costs as a percentage of revenue, (c) loan repayments as a percentage of revenue, and (d) new loans taken as a percentage of revenue. The index is calculated by taking the average 4 indicators.

**Index F:** measures the extent to which each state prioritizes capital expenditure relative to operating (recurrent) expenses. It is derived by calculating the ratio of operating expenses to capital expenditure.



# Fiscal Transparency Guidelines

## FISCAL TRANSPARENCY CODE (Consultation Draft of July 1, 2013)

### A. FISCAL TRANSPARENCY PRINCIPLES

#### I. FISCAL REPORTING:

Fiscal reports should provide a comprehensive, relevant, timely, and reliable overview of the government's financial position and performance

#### B. DESCRIPTION OF BASIC, GOOD, AND ADVANCED PRACTICES BY PRINCIPLE

| #     | DIMENSION              | PRINCIPLE  | PRACTICES   |   |   |
|-------|------------------------|--|---|---|---|
|       |                        |  | BASIC   | GOOD  | ADVANCED  |
| 1.3   | Quality                | Information in fiscal reports should be relevant, internationally comparable, and internally and historically consistent           |   |   |   |
| 1.3.1 | Classification         | Fiscal reports classify information in ways that make clear the use of public resources and facilitates international comparisons. | Fiscal reports include an administrative and economic classification consistent with international standards, as well as information on receipts from all major revenue sources, including resource related activities. | Fiscal reports include an administrative, economic, and functional classification consistent with international standards as well as information on receipts from all major revenue sources, including resource related activities. | Fiscal reports include an administrative, economic, functional, and program classification consistent with international standards, where applicable, as well as information on receipts from all major revenue sources, including resource related activities. |
| 1.3.2 | Data Consistency       | Fiscal reports are internally consistent and include reconciliations between alternative measures of summary fiscal aggregates.    | Fiscal reports include at least one of the following reconciliations: (i) balance and financing, (ii) debt issued and debt holdings, or (iii) financing and the change in the debt stock.                               | Fiscal reports include at least two of the following reconciliations: (i) balance and financing, (ii) debt issued and debt holdings, or (iii) financing and the change in the debt stock.   | Fiscal reports include all three of the following reconciliations: (i) balance and financing, (ii) debt issued and debt holdings, and (iii) financing and the change in the debt stock.   |
| 1.3.3 | Historical Consistency | Material revisions to historical fiscal statistics are disclosed and explained.  | Material revisions to historical fiscal statistics are reported.  | Material revisions to historical statistics are reported with a bridging table between the old and new time series.   | Material revisions to historical fiscal statistics are reported with a bridging table between the old and new time series and an explanation for each major revision.   |

#### 1. Structure of the National COA

Below is the structure of the National Chart of Accounts at a glance.

| S/No         | Segment                        | Digits    | Remarks  |
|--------------|--------------------------------|-----------|--|
| 1            | <b>Administrative Segment:</b> | <b>12</b> | Responsibility Code (Cost Revenue Centre) e.g. Min of Health |
| 1.1          | Sector                         | 2         |  |
| 1.2          | Organization                   | 2         |  |
| 1.3          | Sub-Organization               | 3         |  |
| 1.4          | Sub-Sub Org                    | 3         |  |
| 1.5          | Sub-Sub-Sub Org                | 2         |  |
| 2            | <b>Economic Segment</b>        | <b>8</b>  | What? e.g. Expenditures on Local travel & Travel             |
| 2.1          | Account Type                   | 1         |  |
| 2.2          | Sub-Account Types              | 1         |  |
| 2.3          | Account Class                  | 2         |  |
| 2.4          | Sub-Class                      | 2         |  |
| 2.5          | Economic Code (Line Item)      | 2         |  |
| 3            | <b>Functional Segment</b>      | <b>5</b>  | Purpose? e.g. General Medical Services                       |
| 3.1          | Main Function or Divisions     | 3         |  |
| 3.2          | Function or Groups             | 1         |  |
| 3.3          | Secondary Function or Classes  | 1         |  |
| 4            | <b>Programme Segment</b>       | <b>14</b> | Why? e.g. Primary Health Care                                |
| 4.1          | Policy                         | 2         |  |
| 4.2          | Programme                      | 2         |  |
| 4.3          | Project                        | 6         |  |
| 4.4          | Objective                      | 2         |  |
| 4.4          | Activity                       | 2         |  |
| 5            | <b>Fund Segment</b>            | <b>5</b>  | Financed by? E.G. Finances from CRF or Aid & Grants          |
| 5.1          | Main Funds                     | 2         |  |
| 5.2          | Sub-Funds                      | 1         |  |
| 5.3          | Fund Sources                   | 2         |  |
| 6            | <b>Geo Code Segment</b>        | <b>8</b>  | Where? (location of transactions) e.g. Benue State           |
| 6.1          | Zone                           | 1         |  |
| 6.2          | State                          | 2         |  |
| 6.3          | Senatorial                     | 1         |  |
| 6.4          | LGA                            | 2         |  |
| 6.5          | Wards                          | 2         |  |
| <b>Total</b> |                                | <b>52</b> |  |

FAAC SUB-COMMITTEE ON THE ROAD MAP FOR THE ADOPTION OF IPSAS

FEDERAL REPUBLIC OF NIGERIA

## NATIONAL CHART OF ACCOUNTS (COA) (IPSAS CASH & ACCRUAL)

TO BE USED BY

**THE FEDERAL GOVERNMENT**  
**36 STATES GOVERNMENT**  
**FEDERAL CAPITAL TERRITORY ADMINISTRATION (FCTA)**  
**774 LOCAL GOVERNMENT COUNCILS**

**2012**

#### FAAC SUB-COMMITTEE ON THE ROAD MAP FOR ADOPTION OF IPSAS Standardised National Chart of Accounts (COA)

##### 1. Introduction to National Standardised Chart of Accounts

The Federal Executive Council (FEC) at its meeting on 28<sup>th</sup> July, 2010 approved that Nigeria should adopt the provisions of the International Financial Reporting Standards (IFRS) and International Public Sector Accounting Standards (IPSAS) for Private and Public Sectors respectively. Consequently, the Federation Accounts Allocation Committee (FAAC) at its meeting held on 13<sup>th</sup> June, 2011 set up a Sub-Committee to provide a Roadmap for the implementation of IPSAS in the three tiers of government in Nigeria. The Sub-Committee in its desire that the three tiers of Government in Nigeria, i.e. Federal, States and Local Government Councils (LGC) adopts the provisions of IPSAS has commenced the process to harmonize the financial operations. These operations include the use of Standardized National Chart of Account (COA) that is IPSAS compliant. The Roadmap to the adoption of IPSAS is phase as follows:

- Full Adoption of IPSAS Cash 2013 to 2014
- Adoption of IPSAS Accrual effect from 2015.

In the light of the above, the FAAC Sub-Committee has developed a comprehensive Standardised National COA to be used by the three tiers of government.

##### 2. Features of the National COA

The National COA is based on the following key features:

- i. The COA is designed from the COA used by the Federal Government presently;
- ii. Additional was data collected from States and Local Government Councils;
- iii. The COA is designed to be in line with the provisions of Government Financial Statistics (GFS) of the International Monetary Fund (IMF);
- iv. The COA is to be used for IPSAS Cash Basis and also IPSAS Accrual Basis;
- v. It is Expandable and Flexible; and
- vi. It is to be used in budgeting and accounting.

FAAC SUB-COMMITTEE ON THE ROAD MAP FOR THE ADOPTION OF IPSAS



# New Chart of Accounts Showing the 21 Programs of Government

FAAC SUB-COMMITTEE ON THE ROAD MAP FOR THE ADOPTION OF IPSAS

## FEDERAL REPUBLIC OF NIGERIA

### NEW CHARTS OF ACCOUNT (PROGRAMME SEGMENT)- 14 DIGITS

| Program Code | Program Description | Content | Remarks  |
|--------------|---------------------|---------|--|
|              | <b>Policies</b>     |         | <b>1. To be determine by tiers of Government</b>                               |
| 00           | Policy 1            |         | <b>2. Code not assigned to Policies because Policy has not been determined</b> |
| 00           | Policy 2            |         |  |
| 00           | Policy 3            |         |  |
| 00           | Policy 4            |         |  |
| 00           | Policy 5            |         |  |
| 00           | Policy 6            |         |  |
| 00           | Policy 7            |         |  |
| 00           | Policy 8            |         |  |
| 00           | Policy 9            |         |  |
| 00           | Policy 10           |         |  |
| 00           | Policy 11           |         |  |
| 00           | Policy 12           |         |  |
| 00           | Policy 13           |         |  |
| 00           | Policy 14           |         |  |
| 00           | Policy 15           |         |  |
| 00           | Policy 16           |         |  |

| Programme Code | Programme Description                              |  | Not limited to underlisted |
|----------------|--|--|----------------------------|
| 01             | Economic Empowerment Through Agriculture (General) |  |                            |
| 02             | Societal Re-orientation (General)                  |  |                            |
| 03             | Poverty Alleviation                                |  |                            |
| 04             | Improvement to Human Health (General)              |  |                            |
| 05             | Enhancing Skills and Knowledge (General)           |  |                            |
| 06             | Housing and Urban Development (General)            |  |                            |
| 07             | Gender (General)                                   |  |                            |
| 08             | Youth (General)                                    |  |                            |
| 09             | Environmental Improvement (General)                |  |                            |
| 10             | Water Resources and Rural Development              |  |                            |
| 11             | Information Communication and Technology (General) |  |                            |
| 12             | Growing the Private Sector                         |  |                            |
| 13             | Reform of Government and Governance (General)      |  |                            |
| 14             | Power (General)                                    |  |                            |
| 15             | Rail (General)                                     |  |                            |
| 16             | Water Ways (General)                               |  |                            |
| 17             | Road (General)                                     |  |                            |
| 18             | Airways (General)                                  |  |                            |
| 19             | Sea Ports (General)                                |  |                            |
| 20             | Shipping (General)                                 |  |                            |
| 21             | Oil and Gas Infrastructure (General)               |  |                            |

# Fiscal Performance Metrics

Table 4 - Index A: Fiscal Transparency

| Year | State       | STATUTORY REPORTS | PERFORMANCE REPORTS                        |   | STATISCAL REPORTS |                      |                    |                               | TOTAL SCORE IN FULFILLMENT OF PARAMETERS 1-7 |
|------|-------------|-------------------|--|---|-------------------|----------------------|--------------------|-------------------------------|--|
|      |             | CASH OR ACCURAL   | INCLUSION OF BANK RECONCILIATION STATEMENT | INCLUSION OF VARIANCE & PRIOR YEAR ACTUAL | CAPEX BY FUNCTION | CAPEX BY GEOLOCATION | CAPEX BY PROGRAMME | CAPEX BY PROGRAMME OBJECTIVES |  |
|      |             | Parameter 1       | Parameter 2                                | Parameter 3                               | Parameter 4       | Parameter 5          | Parameter 6        | Parameter 7                   |  |
| 2024 | Abia        | 1                 | 0  | 1   | 1                 | 1                    | 1                  | 0                             | 5  |
| 2024 | Anambra     | 1                 | 0  | 1   | 1                 | 1                    | 1                  | 0                             | 5  |
| 2024 | Enugu       | 1                 | 0  | 1   | 1                 | 1                    | 1                  | 0                             | 5  |
| 2024 | Gombe       | 1                 | 0  | 1   | 1                 | 1                    | 1                  | 0                             | 5  |
| 2024 | Benue       | 1                 | 0  | 1   | 0.5               | 1                    | 0.5                | 0                             | 4  |
| 2024 | Adamawa     | 1                 | 0  | 1   | 0.5               | 0.5                  | 0.5                | 0                             | 3.5  |
| 2024 | Imo         | 1                 | 0  | 1   | 0.5               | 0.5                  | 0.5                | 0                             | 3.5  |
| 2024 | Delta       | 1                 | 0  | 1   | 0.5               | 0.5                  | 0.5                | 0                             | 3.5  |
| 2024 | Bayelsa     | 1                 | 0  | 1   | 0.5               | 0                    | 0.5                | 0                             | 3  |
| 2024 | Plateau     | 1                 | 0  | 1   | 0.5               | 0                    | 0.5                | 0                             | 3  |
| 2024 | Kwara       | 1                 | 0  | 1   | 0.5               | 0                    | 0                  | 0                             | 2.5  |
| 2024 | Bauchi      | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Borno       | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Cross River | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Ebonyi      | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Edo         | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Ekiti       | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Kaduna      | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Kano        | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Katsina     | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Kebbi       | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Kogi        | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Lagos       | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Nasarawa    | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Niger       | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Ogun        | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Ondo        | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Osun        | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Oyo         | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Sokoto      | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Taraba      | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Yobe        | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Zamfara     | 1                 | 0  | 1   | 0                 | 0                    | 0                  | 0                             | 2  |
| 2024 | Akwa Ibom   | 1                 | 0  | 0   | 0                 | 0                    | 0                  | 0                             | 1  |
| 2024 | Jigawa      | 1                 | 0  | 0   | 0                 | 0                    | 0                  | 0                             | 1  |
| 2024 | Rivers      | 0                 | 0  | 0   | 0                 | 0                    | 0                  | 0                             | 0  |

## LEGEND

| SCORE | MEANING  |
|-------|--|
| 1     | A SCORE OF 1 IS AWARDED TO STATES WHO'S PUBLISHED ACCOUNT FULLY COMPLIED WITH A PARAMTER                       |
| 0.5   | A SCORE OF 0.5 IS AWARDED TO STATES WHO'S PUBLISHED ACCOUNT DID NOT FULLY COMPLY WITH A PARAMTER               |
| 0     | A SCORE OF 0 IS AWARDED TO STATES WHO'S PUBLISHED ACCOUNT DID NOT MAKE ANY ATTEMPTS TO COMPLY WITH A PARAMETER |

**FRAN Insight:** States such as **Abia, Anambra, Enugu, and Gombe** can be recognized as “Star” states for their exemplary practice in publishing audited financial statements that provide a detailed breakdown of capital expenditure by Programme, Geolocation, Functional segments, in accordance with the National Chart of Accounts (NCOA). These disclosures enhance fiscal transparency, reinforce the integrity of State Financial Management Information Systems (SIFMIS),

facilitate effective monitoring of public resources, and set a benchmark for best practices in public financial management. However, the most critical finding is a universal failure across two key parameters. None of the 36 states reported on Parameters 2 and 7, which require the inclusion of bank reconciliation statements and the reporting of capital expenditure by programme objectives. This shows that no state in the federation confirmed the accuracy of its year-end cash balances or publicly linked its capital spending to clear, measurable, and time-bound outcomes.

| SUMMARY OF SCORES                     |           |
|---------------------------------------|-----------|
| No. of States with a Total Score of 7 | 0         |
| No. of States with a Total Score of 6 | 4         |
| No. of States with a Total Score of 5 | 0         |
| No. of States with a Total Score of 4 | 1         |
| No. of States with a Total Score of 3 | 2         |
| No. of States with a Total Score of 3 | 2         |
| No. of States with a Total Score of 2 | 24        |
| No. of States with a Total Score of 1 | 2         |
| No. of States with a Total Score of 0 | 1         |
| <b>Total</b>                          | <b>36</b> |

**Table 5 - Index B: Fiscal Independence**

| Year | State       | Rank | Index Score |
|------|-------------|------|-------------|
| 2024 | Enugu       | 1    | 0.68        |
| 2024 | Lagos       | 2    | 0.78        |
| 2024 | Abia        | 3    | 1.56        |
| 2024 | Kwara       | 4    | 1.60        |
| 2024 | Anambra     | 5    | 1.66        |
| 2024 | Edo         | 6    | 1.85        |
| 2024 | Jigawa      | 7    | 2.07        |
| 2024 | Delta       | 8    | 2.18        |
| 2024 | Bayelsa     | 9    | 2.19        |
| 2024 | Ogun        | 10   | 2.30        |
| 2024 | Nasarawa    | 11   | 2.53        |
| 2024 | Osun        | 12   | 2.58        |
| 2024 | Kano        | 13   | 2.75        |
| 2024 | Kaduna      | 14   | 2.90        |
| 2024 | Oyo         | 15   | 3.02        |
| 2024 | Borno       | 16   | 3.06        |
| 2024 | Imo         | 17   | 3.17        |
| 2024 | Zamfara     | 18   | 3.49        |
| 2024 | Ondo        | 19   | 3.58        |
| 2024 | Gombe       | 20   | 3.68        |
| 2024 | Katsina     | 21   | 3.73        |
| 2024 | Akwa Ibom   | 22   | 4.02        |
| 2024 | Ekiti       | 23   | 4.71        |
| 2024 | Bauchi      | 24   | 4.72        |
| 2024 | Adamawa     | 25   | 4.80        |
| 2024 | Niger       | 26   | 4.86        |
| 2024 | Cross River | 27   | 5.06        |
| 2024 | Sokoto      | 28   | 5.22        |
| 2024 | Taraba      | 29   | 5.43        |
| 2024 | Kebbi       | 30   | 5.51        |
| 2024 | Benue       | 31   | 5.55        |
| 2024 | Ebonyi      | 32   | 5.72        |
| 2024 | Plateau     | 33   | 5.88        |
| 2024 | Kogi        | 34   | 6.35        |
| 2024 | Yobe        | 35   | 10.95       |



**Index B:** States that rank higher on Index B demonstrate relatively low reliance on federally distributed revenues, indicating stronger fiscal independence and a higher potential for viability if considered as self-sustaining entities. Conversely, states with lower rankings on Index B face the dual challenge of either expanding their Internally Generated Revenue (IGR) in line with their expenditure demands or reducing operating costs to achieve greater efficiency. Furthermore, these lower-ranking states need to intensify efforts to strengthen their business environment and enhance domestic resource mobilization capacity

**Table 6 - Index C: Fiscal Growth**

| Year | State       | Rank | Index Score |
|------|-------------|------|-------------|
| 2024 | Enugu       | 1    | 3.81        |
| 2024 | Katsina     | 2    | 2.16        |
| 2024 | Bayelsa     | 3    | 1.74        |
| 2024 | Borno       | 4    | 1.42        |
| 2024 | Abia        | 5    | 1.29        |
| 2024 | Osun        | 6    | 0.96        |
| 2024 | Akwa Ibom   | 7    | 0.76        |
| 2024 | Kano        | 8    | 0.62        |
| 2024 | Niger       | 9    | 0.55        |
| 2024 | Nasarawa    | 10   | 0.54        |
| 2024 | Taraba      | 10   | 0.54        |
| 2024 | Lagos       | 12   | 0.48        |
| 2024 | Edo         | 13   | 0.46        |
| 2024 | Cross River | 14   | 0.42        |
| 2024 | Gombe       | 15   | 0.37        |
| 2024 | Kwara       | 16   | 0.36        |
| 2024 | Kaduna      | 17   | 0.35        |
| 2024 | Ogun        | 18   | 0.34        |
| 2024 | Ekiti       | 19   | 0.29        |
| 2024 | Oyo         | 20   | 0.27        |
| 2024 | Delta       | 21   | 0.24        |
| 2024 | Sokoto      | 22   | 0.21        |
| 2024 | Jigawa      | 22   | 0.21        |
| 2024 | Plateau     | 24   | 0.20        |
| 2024 | Anambra     | 25   | 0.19        |
| 2024 | Adamawa     | 25   | 0.19        |
| 2024 | Kogi        | 27   | 0.16        |
| 2024 | Zamfara     | 28   | 0.15        |
| 2024 | Imo         | 29   | 0.11        |
| 2024 | Ondo        | 30   | 0.10        |
| 2024 | Benue       | 31   | 0.09        |
| 2024 | Bauchi      | 32   | 0.07        |
| 2024 | Yobe        | 33   | 0.03        |
| 2024 | Kebbi       | 35   | -0.03       |
| 2024 | Ebonyi      | 36   | -0.36       |

**Index C:** States with higher rankings on Index C have demonstrated consistent year-on-year growth in internally generated revenue, thereby gradually reducing their dependence on federal transfers. In contrast, states with lower rankings on this index have experienced weak or negative growth in

internally generated revenue and continue to rely heavily on federally allocated funds to finance their budgets.

**Table 7 - Index D: Financial Solvency**

| Year | State       | Rank | Index Score |
|------|-------------|------|-------------|
| 2024 | Anambra     | 1    | 0.21        |
| 2024 | Imo         | 2    | 0.24        |
| 2024 | Delta       | 3    | 0.29        |
| 2024 | Bayelsa     | 4    | 0.30        |
| 2024 | Gombe       | 5    | 0.31        |
| 2024 | Abia        | 5    | 0.31        |
| 2024 | Enugu       | 7    | 0.33        |
| 2024 | Akwa Ibom   | 8    | 0.35        |
| 2024 | Katsina     | 9    | 0.36        |
| 2024 | Kwara       | 10   | 0.39        |
| 2024 | Taraba      | 11   | 0.42        |
| 2024 | Kano        | 12   | 0.43        |
| 2024 | Jigawa      | 12   | 0.43        |
| 2024 | Edo         | 14   | 0.45        |
| 2024 | Niger       | 14   | 0.45        |
| 2024 | Kebbi       | 16   | 0.52        |
| 2024 | Ebonyi      | 17   | 0.55        |
| 2024 | Osun        | 18   | 0.59        |
| 2024 | Borno       | 19   | 0.60        |
| 2024 | Yobe        | 20   | 0.61        |
| 2024 | Kaduna      | 21   | 0.62        |
| 2024 | Lagos       | 21   | 0.62        |
| 2024 | Benue       | 23   | 0.63        |
| 2024 | Sokoto      | 24   | 0.66        |
| 2024 | Nasarawa    | 25   | 0.67        |
| 2024 | Bauchi      | 26   | 0.69        |
| 2024 | Ondo        | 27   | 0.77        |
| 2024 | Ekiti       | 28   | 0.78        |
| 2024 | Adamawa     | 29   | 0.83        |
| 2024 | Kogi        | 30   | 0.88        |
| 2024 | Zamfara     | 31   | 0.94        |
| 2024 | Plateau     | 32   | 1.03        |
| 2024 | Ogun        | 33   | 1.06        |
| 2024 | Cross River | 34   | 1.08        |
| 2024 | Oyo         | 35   | 1.23        |

**Index D:** States that achieve higher rankings on Index D demonstrate comparatively greater fiscal capacity, as they retain a larger proportion of public revenue for the implementation of capital expenditure after meeting debt servicing obligations and recurrent operating costs. Conversely, states with lower Index D rankings possess relatively limited fiscal space for capital investment,

thereby heightening the likelihood of either under-implementation of capital projects or increased dependence on borrowing.

**Table 8 - Index E: Fiscal Indebtedness**

| Year | State       | Rank | Index Score |
|------|-------------|------|-------------|
| 2024 | Delta       | 1    | 0.08        |
| 2024 | Akwa Ibom   | 2    | 0.09        |
| 2024 | Bayelsa     | 3    | 0.10        |
| 2024 | Borno       | 4    | 0.13        |
| 2024 | Osun        | 5    | 0.15        |
| 2024 | Anambra     | 6    | 0.16        |
| 2024 | Yobe        | 7    | 0.17        |
| 2024 | Abia        | 8    | 0.19        |
| 2024 | Kwara       | 8    | 0.19        |
| 2024 | Enugu       | 8    | 0.19        |
| 2024 | Katsina     | 11   | 0.21        |
| 2024 | Kano        | 11   | 0.21        |
| 2024 | Imo         | 13   | 0.23        |
| 2024 | Kogi        | 13   | 0.23        |
| 2024 | Gombe       | 15   | 0.24        |
| 2024 | Benue       | 16   | 0.26        |
| 2024 | Nasarawa    | 16   | 0.26        |
| 2024 | Sokoto      | 16   | 0.26        |
| 2024 | Taraba      | 16   | 0.26        |
| 2024 | Ondo        | 20   | 0.27        |
| 2024 | Kebbi       | 21   | 0.29        |
| 2024 | Ekiti       | 21   | 0.29        |
| 2024 | Niger       | 23   | 0.30        |
| 2024 | Plateau     | 24   | 0.33        |
| 2024 | Zamfara     | 25   | 0.38        |
| 2024 | Ogun        | 26   | 0.40        |
| 2024 | Lagos       | 27   | 0.46        |
| 2024 | Jigawa      | 28   | 0.49        |
| 2024 | Edo         | 29   | 0.50        |
| 2024 | Bauchi      | 29   | 0.50        |
| 2024 | Oyo         | 31   | 0.51        |
| 2024 | Kaduna      | 32   | 0.52        |
| 2024 | Adamawa     | 33   | 0.53        |
| 2024 | Ebonyi      | 34   | 0.54        |
| 2024 | Cross River | 35   | 0.58        |

**Index E:** States with higher rankings on Index E demonstrate greater fiscal capacity to borrow, supported by more sustainable debt profiles. This sustainability is largely influenced by key indicators such as the total debt-to-revenue ratio, loan repayment to-revenue ratio, personnel cost-to-revenue ratio and new loans taken to-revenue ratio. Conversely, states that rank lower on

Index E must exercise caution in contracting additional debt, as their fiscal indicators suggest they are already at or approaching critical solvency thresholds across these same parameters.

**Table 9 - Index F: Fiscal Investment**

| Year | State       | Rank | Index Score |
|------|-------------|------|-------------|
| 2024 | Imo         | 1    | 0.27        |
| 2024 | Abia        | 2    | 0.30        |
| 2024 | Anambra     | 3    | 0.33        |
| 2024 | Ebonyi      | 4    | 0.36        |
| 2024 | Enugu       | 5    | 0.37        |
| 2024 | Gombe       | 5    | 0.37        |
| 2024 | Katsina     | 5    | 0.37        |
| 2024 | Taraba      | 8    | 0.39        |
| 2024 | Bayelsa     | 9    | 0.41        |
| 2024 | Niger       | 10   | 0.49        |
| 2024 | Kwara       | 11   | 0.50        |
| 2024 | Jigawa      | 12   | 0.54        |
| 2024 | Zamfara     | 13   | 0.56        |
| 2024 | Akwa Ibom   | 14   | 0.58        |
| 2024 | Edo         | 15   | 0.62        |
| 2024 | Nasarawa    | 16   | 0.71        |
| 2024 | Kebbi       | 17   | 0.76        |
| 2024 | Yobe        | 18   | 0.80        |
| 2024 | Adamawa     | 19   | 0.81        |
| 2024 | Kano        | 20   | 0.83        |
| 2024 | Sokoto      | 21   | 0.86        |
| 2024 | Borno       | 22   | 0.92        |
| 2024 | Lagos       | 23   | 0.93        |
| 2024 | Oyo         | 24   | 0.96        |
| 2024 | Kaduna      | 25   | 0.97        |
| 2024 | Benue       | 26   | 1.19        |
| 2024 | Osun        | 26   | 1.19        |
| 2024 | Bauchi      | 28   | 1.56        |
| 2024 | Ekiti       | 29   | 1.65        |
| 2024 | Delta       | 30   | 1.91        |
| 2024 | Kogi        | 31   | 2.33        |
| 2024 | Cross River | 32   | 2.45        |
| 2024 | Plateau     | 33   | 2.57        |
| 2024 | Ogun        | 34   | 2.99        |
| 2024 | Ondo        | 35   | 3.48        |

**Index F:** States with higher rankings on Index F demonstrate a stronger commitment to capital expenditure relative to operating costs. Conversely, states with lower rankings on the index adopt financial strategies that prioritize operating expenses over capital investments. Such states are therefore underinvesting in initiatives that enhance their human capital development profile

**Table 10 - Fiscal Performance Index (FPI)**

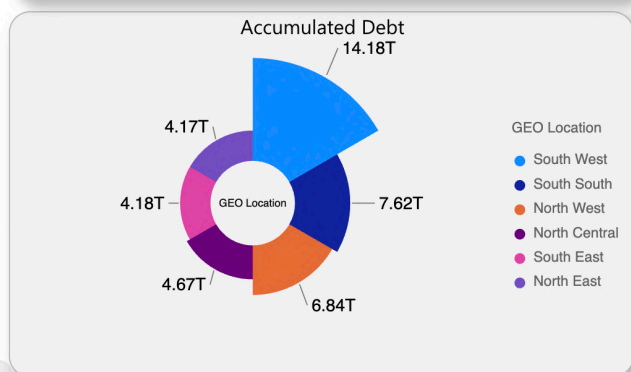
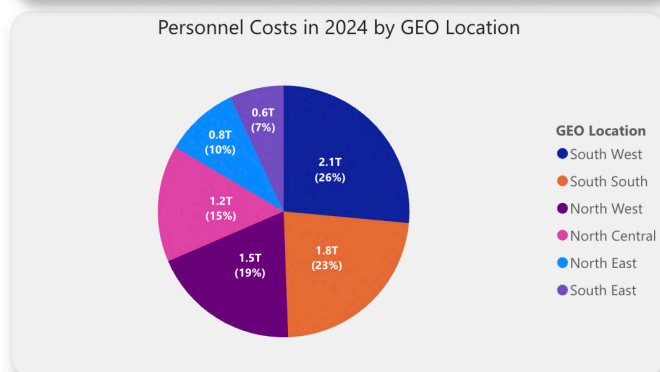
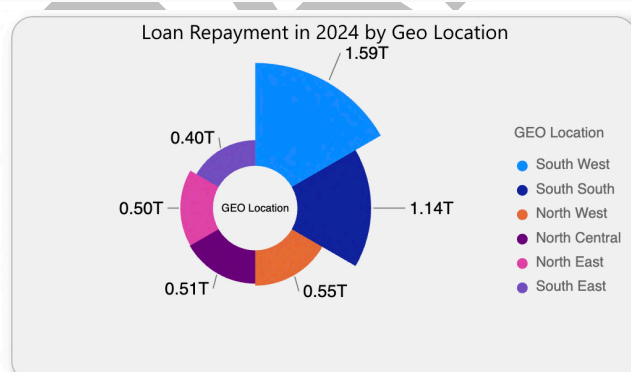
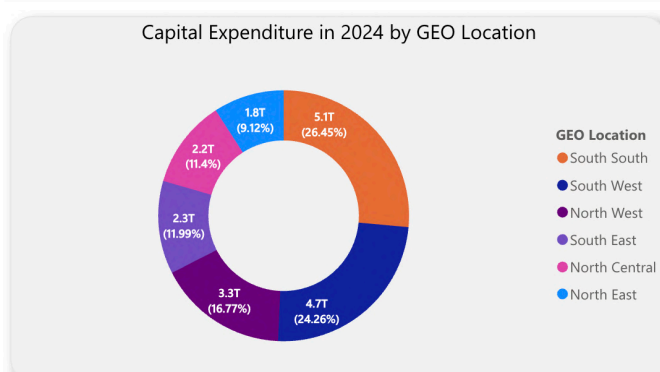
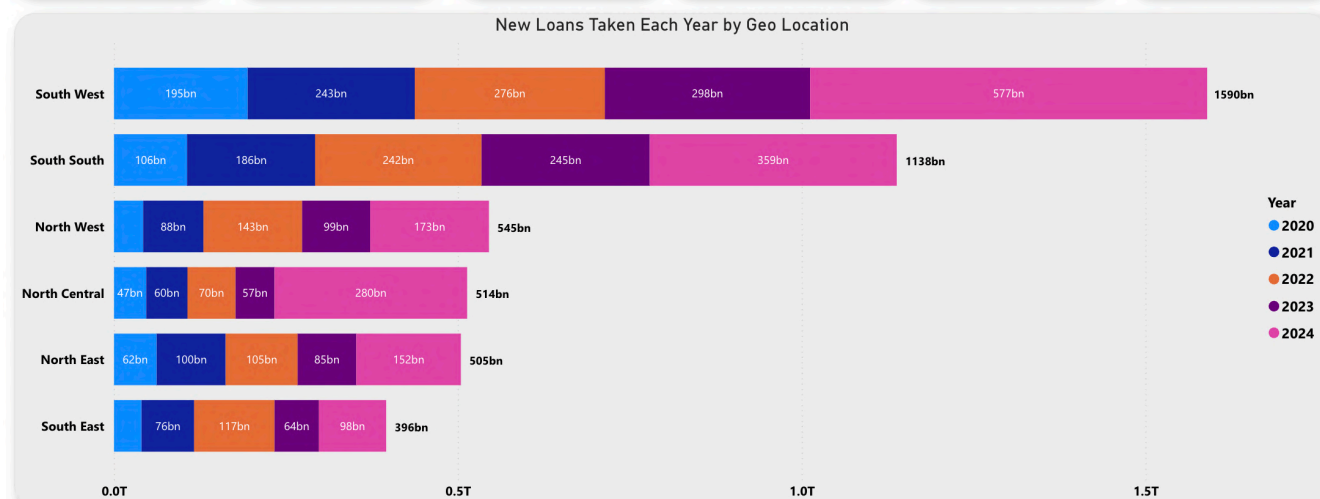
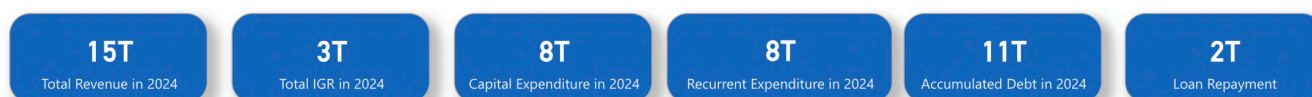
| Year | State       | Index B Rank | Index C Rank | Index D Rank | Index E Rank | Index F Rank | Score | Rank |
|------|-------------|--------------|--------------|--------------|--------------|--------------|-------|------|
| 2024 | Enugu       | 1            | 1            | 7            | 8            | 5            | 4.4   | 1    |
| 2024 | Abia        | 3            | 5            | 5            | 8            | 2            | 4.6   | 2    |
| 2024 | Bayelsa     | 9            | 3            | 4            | 3            | 9            | 5.6   | 3    |
| 2024 | Anambra     | 5            | 25           | 1            | 6            | 3            | 8     | 4    |
| 2024 | Katsina     | 21           | 2            | 9            | 11           | 5            | 9.6   | 5    |
| 2024 | Kwara       | 4            | 16           | 10           | 8            | 11           | 9.8   | 6    |
| 2024 | Akwa Ibom   | 22           | 7            | 8            | 2            | 14           | 10.6  | 7    |
| 2024 | Gombe       | 20           | 15           | 5            | 15           | 5            | 12    | 8    |
| 2024 | Imo         | 17           | 29           | 2            | 13           | 1            | 12.4  | 9    |
| 2024 | Delta       | 8            | 21           | 3            | 1            | 30           | 12.6  | 10   |
| 2024 | Kano        | 13           | 8            | 12           | 11           | 20           | 12.8  | 11   |
| 2024 | Borno       | 16           | 4            | 19           | 4            | 22           | 13    | 12   |
| 2024 | Osun        | 12           | 6            | 18           | 5            | 26           | 13.4  | 13   |
| 2024 | Taraba      | 29           | 10           | 11           | 16           | 8            | 14.8  | 14   |
| 2024 | Edo         | 6            | 13           | 14           | 29           | 15           | 15.4  | 15   |
| 2024 | Nasarawa    | 11           | 10           | 25           | 16           | 16           | 15.6  | 16   |
| 2024 | Jigawa      | 7            | 22           | 12           | 28           | 12           | 16.2  | 17   |
| 2024 | Niger       | 26           | 9            | 14           | 23           | 10           | 16.4  | 18   |
| 2024 | Lagos       | 2            | 12           | 21           | 27           | 23           | 17    | 19   |
| 2024 | Kaduna      | 14           | 17           | 21           | 32           | 25           | 21.8  | 20   |
| 2024 | Sokoto      | 28           | 22           | 24           | 16           | 21           | 22.2  | 21   |
| 2024 | Yobe        | 35           | 33           | 20           | 7            | 18           | 22.6  | 22   |
| 2024 | Zamfara     | 18           | 28           | 31           | 25           | 13           | 23    | 23   |
| 2024 | Kebbi       | 30           | 35           | 16           | 21           | 17           | 23.8  | 24   |
| 2024 | Ekiti       | 23           | 19           | 28           | 21           | 29           | 24    | 25   |
| 2024 | Ogun        | 10           | 18           | 33           | 26           | 34           | 24.2  | 26   |
| 2024 | Ebonyi      | 32           | 36           | 17           | 34           | 4            | 24.6  | 27   |
| 2024 | Oyo         | 15           | 20           | 35           | 31           | 24           | 25    | 28   |
| 2024 | Benue       | 31           | 31           | 23           | 16           | 26           | 25.4  | 29   |
| 2024 | Adamawa     | 25           | 25           | 29           | 33           | 19           | 26.2  | 30   |
| 2024 | Ondo        | 19           | 30           | 27           | 20           | 35           | 26.2  | 30   |
| 2024 | Kogi        | 34           | 27           | 30           | 13           | 31           | 27    | 32   |
| 2024 | Bauchi      | 24           | 32           | 26           | 29           | 28           | 27.8  | 33   |
| 2024 | Cross River | 27           | 14           | 34           | 35           | 32           | 28.4  | 34   |
| 2024 | Plateau     | 33           | 24           | 32           | 24           | 33           | 29.2  | 35   |

This index provides a comparative assessment of states' fiscal performance by averaging their ranking scores across Indexes B to F. A higher position on the index reflects stronger capacity in resource mobilization, allocation, and utilization, indicating that such states demonstrate greater efficiency, accountability, and discipline in public financial management. Conversely, states with lower rankings are comparatively less effective in managing their fiscal resources, which may highlight weaknesses in budget execution, expenditure prioritization, or overall financial governance. It is also worth noting that Rivers state is the only state that has not published their audited accounts online as of the time of writing this report.

## **Section 3: Zonal Fiscal Dynamics of Nigerian States in 2024**



## A Tale of Six Zones: Comparative Geopolitical Fiscal Analysis in 2024



Disaggregating the national data into Nigeria's six geopolitical zones provides a more nuanced understanding of regional fiscal trends and priorities. This zonal analysis reveals that while the revenue windfall was a nationwide phenomenon, the strategic response in terms of expenditure choices and debt management varied significantly, likely reflecting underlying differences in economic structures, governance capacity, and political priorities.

## Revenue Distribution and Growth Across Zones

The impact of the subsidy removal was felt across all six zones, but not uniformly. The South-South zone, being the primary oil-producing region, naturally saw the largest absolute increase in revenue. However, when viewed through the lens of percentage growth, a different picture emerges. The North West and North East zones, which traditionally have lower revenue bases, experienced some of the most dramatic percentage increases in total revenue in 2024 compared to 2023. This highlights the equalizing potential of the increased federation account distributions. For instance, the North East saw its average state revenue jump by approximately 157%, while the North West experienced a 129% increase. The South West, which includes the economic powerhouse of Lagos, saw a comparatively smaller but still massive average increase of 98%. The South-South's average revenue grew by 126%. This distribution pattern suggests that the new revenue formula provided a significant fiscal lift to all regions, with a particularly transformative effect on the finances of states in the northern zones. The growth in Internally Generated Revenue (IGR) also showed zonal variations. The South West continued to lead in absolute IGR, but zones like the South East demonstrated remarkable IGR growth, suggesting a concerted effort to improve local revenue collection in tandem with the statutory allocation windfall.

## Zonal Expenditure Priorities: Capital vs. Recurrent Expenditure

The most telling aspect of the zonal analysis is the divergence in expenditure priorities. By examining the ratio of capital expenditure to total revenue, we can construct a clear picture of which regions collectively prioritized long-term investment over immediate consumption. The data reveals a striking North-South divide in this regard. The three northern zones which include North West, North East, and North Central demonstrated a stronger collective propensity for capital investment in 2024. The North West, for example, allocated an average of 59% of its total revenue to capital expenditure. The North East and North Central followed with 53% and 51%, respectively. In contrast, the southern zones, despite having larger absolute revenues, allocated a smaller proportion to capital projects. The South West allocated an average of 41%, the South East 50%, and the South South 39%. This does not imply that southern states invested less in absolute terms, but rather that a larger share of their significantly increased revenue was absorbed by recurrent expenditures.

# Fiscal Sustainability at the Zonal Level

The management of public debt in the face of a revenue boom is a critical test of fiscal discipline. A prudent government would use such an opportunity to reduce its debt burden, thereby lowering future debt service costs and enhancing long-term fiscal space. The zonal data presents a mixed picture of debt management. The North West and South East zones showed the most discipline, with average accumulated debt growing by a relatively modest 19% and 15%, respectively, despite some states taking on new loans for specific projects. The South South also managed its debt profile relatively well, with an average increase of just 4%. However, the North Central and South West zones exhibited more concerning trends, with average accumulated debt increasing by 31% and 34%, respectively. This suggests that in these zones, the surge in revenue was not consistently used to consolidate fiscal positions; instead, many states continued to borrow, potentially for consumption rather than investment, a practice that undermines the long-term benefits of the revenue windfall.

The following table provides a consolidated view of these key fiscal metrics, allowing for a direct comparison of the performance of the six geopolitical zones in navigating the new fiscal landscape of 2024.

Table 11 - Comparative Fiscal Performance by Geopolitical Zone

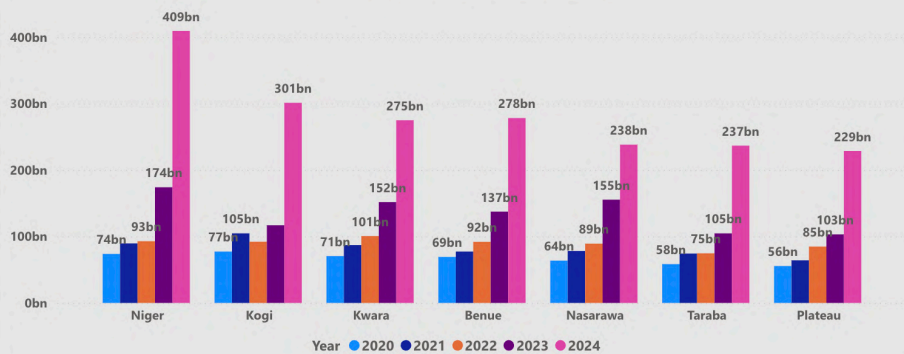
| Geopolitical Zone | Avg. Total Revenue % Change (2023-2024) | Avg. IGR % Change (2023-2024) | Avg. Capex as % of Total Revenue (2024) | Avg. RecEx as % of Total Revenue (2024) | Avg. Accumulated Debt % Change (2023-2024) |
|-------------------|---|-------------------------------|---|---|--|
| North Central     | 122.9%                                  | 51.5%                         | 51.3%                                   | 71.9%                                   | 31.4%                                      |
| North East        | 157.0%                                  | 61.1%                         | 52.8%                                   | 60.1%                                   | 27.5%                                      |
| North West        | 129.2%                                  | 46.8%                         | 58.7%                                   | 58.9%                                   | 19.1%                                      |
| South East        | 129.0%                                  | 148.9%                        | 50.1%                                   | 40.5%                                   | 14.5%                                      |
| South South*      | 126.1%                                  | 94.7%                         | 38.6%                                   | 51.3%                                   | 4.4%                                       |
| South West        | 98.4%                                   | 47.9%                         | 41.3%                                   | 78.5%                                   | 34.0%                                      |

Note: Data for Rivers State was unavailable for 2024 and is excluded from the South South zonal averages for that year.  
RecEx – Recurrent Expenditure

The above table serves as a powerful diagnostic tool. It clearly illustrates the regional disparities in fiscal governance. The northern zones' pivot towards higher capital investment ratios in 2024 is evident, as is the remarkable IGR performance in the South East. Conversely, the rising debt levels and high recurrent expenditure ratios in the South West and North Central zones raise important questions about fiscal sustainability and the efficiency of public spending in those regions. These zonal trends provide the essential context for a more granular examination of the individual states that constitute them.

# North Central

Total Revenue By Geo Location



2.0T

Total Revenue in 2024

280.1bn

Loan Repayment in 2024

1.2T

Capital Expenditure in 2024

240.1bn

IGR in 2024

1.1T

Accumulated Debt in 2024

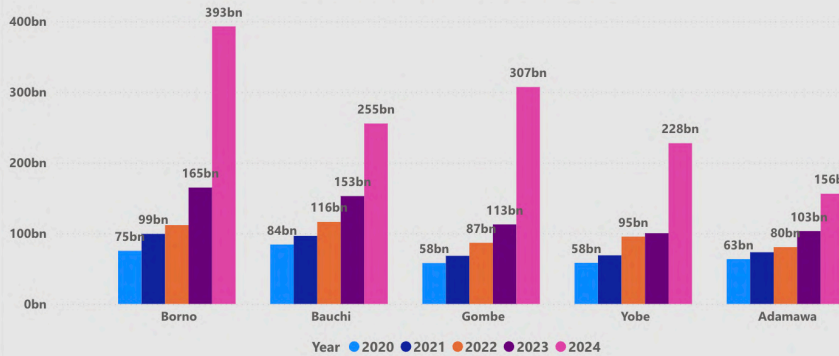
States in the North Central geopolitical zone (Benue, Kogi, Kwara, Nasarawa, Niger & Plateau) showed a mixed but generally positive trend in total revenue growth in 2024, ranging from 55.02% (Plateau) to 173.63% (Kogi). While states like Niger and Kwara channeled the funds into massive capital projects, others like Benue saw more moderate increases. Debt management was a key theme, with several states like Kogi and Plateau dedicating substantial portions of their increased revenue to loan repayments, though often while still accumulating new debt.

- **Total Revenue Growth:** Kogi (102.47%) and Niger (135.14%) experienced substantial revenue increases. Plateau, however, reported a modest 22% change, indicating potential stagnation in statutory allocation.
- **Personnel Costs:** Personnel costs generally increased across the zone, notably in Kogi (₦110.19 billion) likely as a result of the significant increase in revenue, and Niger (₦65.97 billion).
- **Loan Repayment & New Loans:** Benue and Kwara reported no new loans, with Benue significantly increasing loan repayment (₦58.05 billion). Conversely, Niger and Nasarawa took on substantial new loans (₦104.04 billion and ₦60.65 billion respectively), contributing to higher accumulated debt in Niger.
- **Accumulated Debt:** Niger saw a significant increase in accumulated debt (₦293.67 billion), while Benue managed a decrease.
- **Capital Expenditure:** Niger led the zone with very high capital expenditure (₦348.84 billion), largely supported by new loans. Kwara also showed strong capital investment (₦212.09 billion).

Overall, the North Central zone presents a varied picture, with some states leveraging revenue growth for significant capital investment and debt management, while others face challenges with stagnant revenue and rising personnel costs or new borrowings.

# North East

Total Revenue By Geo Location



North East



1.3T

Total Revenue in 2024

152.1bn

Loan Repayment in 2024

758.1bn

Capital Expenditure in 2024

139.2bn

IGR in 2024

1.0T

Accumulated Debt in 2024

States in the North East geopolitical zone (Adamawa, Bauchi, Borno, Gombe, Taraba, Yobe), a region grappling with security challenges, directed the 2024 revenue surge primarily toward massive increases in capital expenditure. Borno and Adamawa, in particular, more than doubled their capital expenditures. However, debt accumulation remains a persistent issue, with most states in the zone continuing to take on significant new loans despite the improved revenue profile.

- **Total Revenue Growth:** Gombe (172.72%), Borno (138.44%), Taraba (126.11%), and Yobe (116.07%) recorded impressive revenue surges.
- **Personnel Costs:** Personnel costs generally increased, but not disproportionately to revenue growth in most states. Gombe's personnel costs increased by 65.00% to ₦37.79 billion.
- **Loan Repayment & New Loans:** Borno and Yobe managed to avoid new loans in 2024, while significantly increasing loan repayments. Gombe and Taraba, however, took on very high new loans (₦204.13 billion and ₦64.61 billion respectively).
- **Accumulated Debt:** Borno and Yobe saw decreases in accumulated debt. Gombe's accumulated debt increased by 13.20% despite its high new loans.
- **Capital Expenditure:** All states in this zone showed substantial capital expenditure, with Taraba (₦224.73 billion) and Gombe (₦206.38 billion) leading.

The Northeast geopolitical zone generally utilized its revenue growth for significant capital investment, with some states demonstrating fiscal prudence in debt management, while others continued to rely heavily on new borrowings.



# North West

Total Revenue By Geo Location



2.1T

Total Revenue in 2024

172.6bn

Loan Repayment in 2024

1.4T

Capital Expenditure in 2024

291.9bn

IGR in 2024

2.0T

Accumulated Debt in 2024

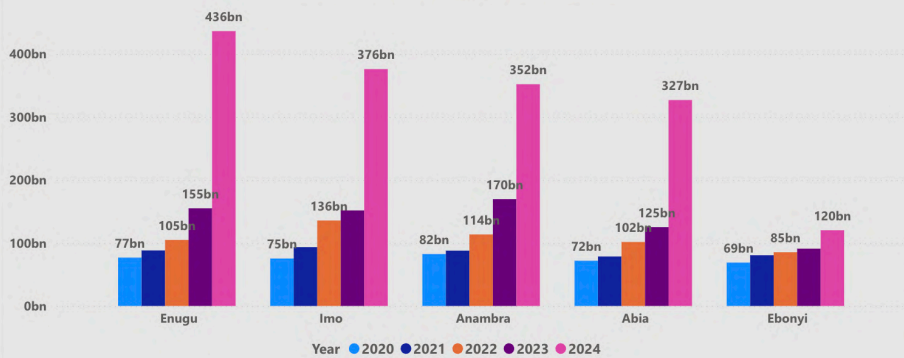
The North West geopolitical zone (Jigawa, Kaduna, Kano, Katsina, Kebbi, Sokoto & Zamfara) exhibited a wide range of revenue growth in 2024, from modest (Zamfara at 21.99%) to very high (Katsina at 141.25%). The North West states showed a strong inclination to translate the 2024 revenue boom into capital development. States like Jigawa and Katsina carried out exceptionally large capital expenditures. However, debt remains a major challenge, with states like Kaduna and Jigawa now carrying very high debt burdens, often exacerbated by continued borrowing in 2024.

- **Total Revenue Growth:** Kaduna (149.09%), Katsina (141.25%), Sokoto (134.08%), and Kano (103.45%) experienced robust revenue increases.
- **Personnel Costs:** Personnel costs generally increased across the zone, with Kano having high absolute personnel costs (₦84.09 billion).
- **Loan Repayment & New Loans:** Katsina reported no new loans, while Kaduna, Sokoto and Kano took on significant new loans (₦83.04 billion, ₦44.04 billion and 29.86 billion respectively). Jigawa had minimal new loans.
- **Accumulated Debt:** Kaduna, Jigawa and Katsina had very high accumulated debts (₦653 billion, ₦573.74, and ₦231.71 billion respectively), with Katsina's debt increasing significantly.
- **Capital Expenditure:** Most states in this zone showed strong commitment to capital expenditure, notably Katsina (₦304.76 billion) and Jigawa (₦256.41 billion).

The Northwest geopolitical zone shows a mixed fiscal approach, with high capital investments often accompanied by growing accumulated debt, suggesting a reliance on borrowing to fund development.

## South East

Total Revenue By Geo Location



South East



1.6T

Total Revenue in 2024

98.0bn

Loan Repayment in 2024

1.2T

Capital Expenditure in 2024

295.0bn

IGR in 2024

1.1T

Accumulated Debt in 2024

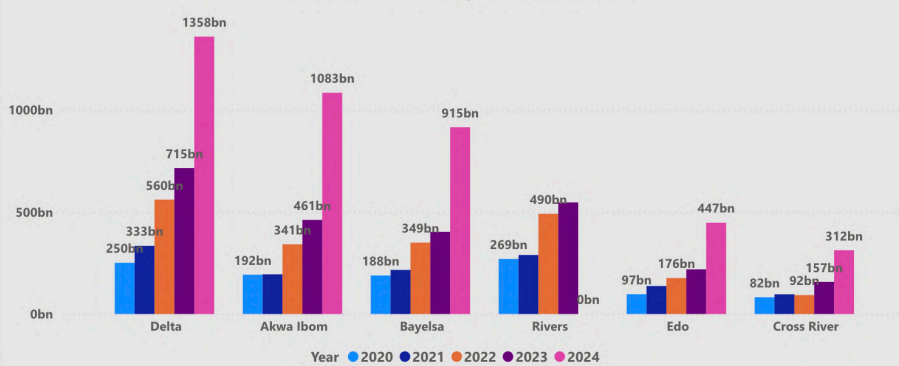
The South East geopolitical zone (Abia, Anambra, Ebonyi, Enugu & Imo) aggressively utilized the 2024 revenue increase to boost capital spending. Enugu and Abia State, in particular, recorded staggering increases in capital expenditure while simultaneously managing or reducing recurrent costs. However, debt levels remain a concern in states like Imo, which continued to acquire significant new loans.

- **Total Revenue Growth:** Enugu (181.41%), Imo (176.47%) Abia (161.20%), and Anambra (107.59%) recorded exceptional revenue increases. Ebonyi's growth was more modest (32.10%).
- **Personnel Costs:** Personnel costs increased across the zone, but Abia and Anambra managed to keep the growth relatively contained compared to their revenue surges.
- **Loan Repayment & New Loans:** All states in this zone increased loan repayments. New loans were generally moderate compared to other zones, with Abia and Enugu taking on relatively small amounts.
- **Accumulated Debt:** Abia and Imo managed to decrease accumulated debt, while Enugu and Anambra saw moderate increases. Ebonyi's accumulated debt increased significantly.
- **Capital Expenditure:** All states in this zone demonstrated very high capital expenditure, with Enugu (N331.51 billion) leading, indicating a strong focus on development.

The Southeast geopolitical zone generally leveraged its substantial revenue growth for significant capital investment and, in some cases, improved debt positions, showcasing effective fiscal management.

## South South

Total Revenue By Geo Location



4.1T

Total Revenue in 2024

359.2bn

Loan Repayment in 2024

1.5T

Capital Expenditure in 2024

451.5bn

IGR in 2024

1.9T

Accumulated Debt in 2024

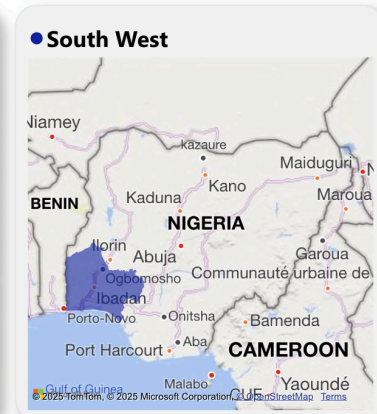
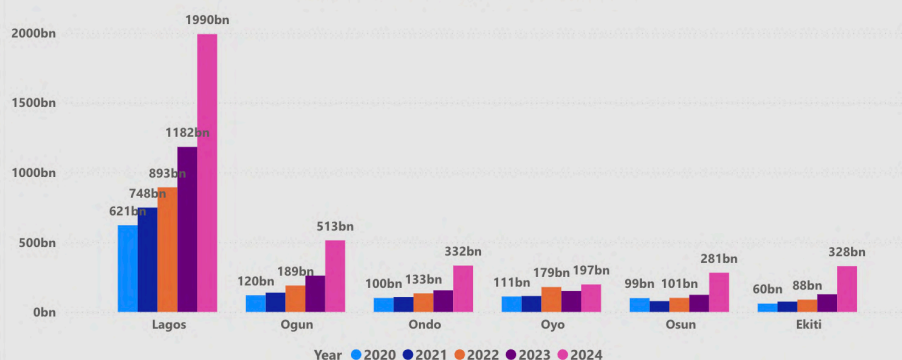
The South South geopolitical zone, comprising Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers was among the primary beneficiaries of the 2024 revenue surge, largely due to its status as Nigeria's core oil-producing region. States such as Delta, Rivers, and Akwa Ibom received colossal federal allocations, resulting in some of the highest capital expenditures in the country.

- **Total Revenue Growth:** Bayelsa (162.18%), Akwa Ibom (135.15%) and Edo (104.66%) had very high revenue increases, while Cross River (98.63%) and Delta (90.11%) also showed robust growth.
- **Personnel Costs:** Personnel costs were notably high in Delta (₦130.82 billion) and Cross River (₦128.26 billion).
- **Loan Repayment & New Loans:** Akwa Ibom, Bayelsa and Delta reported no new loans, with Delta significantly decreasing loan repayments and Bayelsa doubling the amount spent on loan repayments in the previous year. Cross River and Edo took on substantial new loans (₦48.26 billion and ₦35.56 billion respectively).
- **Accumulated Debt:** Edo and Cross River carried very high accumulated debts (₦768.73 billion and ₦529.28 billion respectively), with Edo's debt increasing significantly. Delta managed a substantial decrease in accumulated debt.
- **Capital Expenditure:** Akwa Ibom (₦524.78 billion), Bayelsa (₦394.3 billion) and Edo (₦262.75 billion) showed exceptionally high capital expenditure, indicating aggressive development agendas.

However, fiscal management practices varied significantly among the states. While Akwa Ibom demonstrated a more restrained and balanced approach to spending, states like Cross River and Edo experienced a sharp rise in debt levels despite the increased revenue. This divergence highlights the importance of prudent fiscal planning and debt sustainability, even in periods of financial windfalls.

## South West

Total Revenue By Geo Location



3.6T

Total Revenue in 2024

577.4bn

Loan Repayment in 2024

1.7T

Capital Expenditure in 2024

1.7T

IGR in 2024

4.3T

Accumulated Debt in 2024

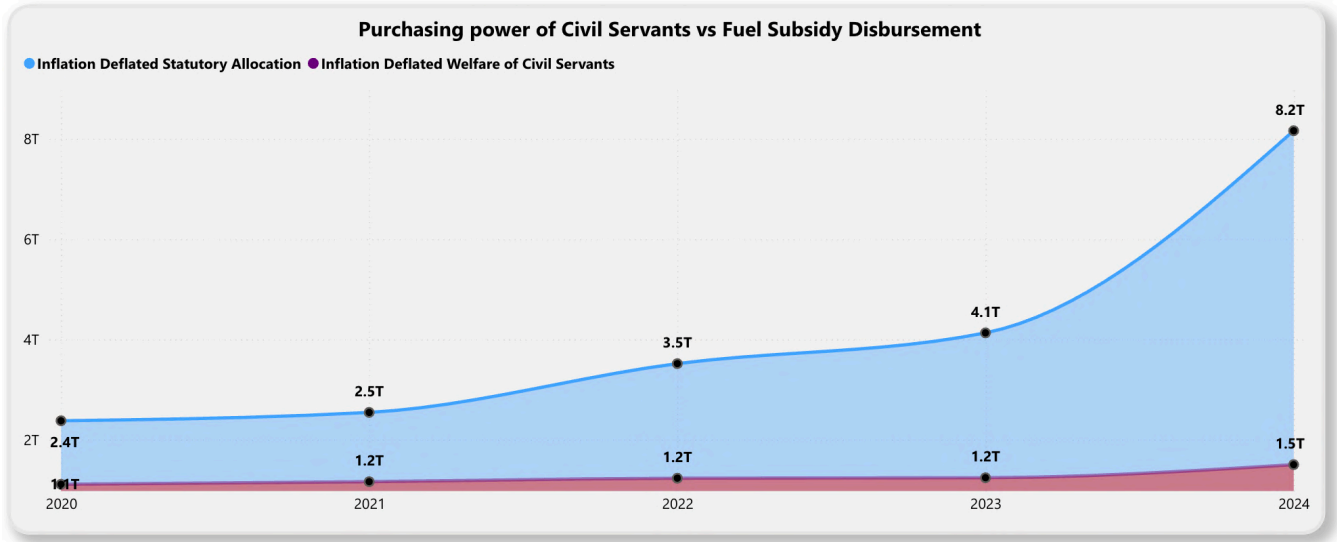
The South West geopolitical zone (Ekiti, Lagos, Ogun, Ondo, Osun & Oyo) experienced varied but generally strong revenue growth in 2024. This led to massive capital expenditure across the zone, with states like Ekiti and Oyo recording triple-digit percentage increases. IGR performance was a standout feature, with Lagos crossing the trillion Naira mark and Ogun also posting very strong numbers. However, debt accumulation and high recurrent spending remain significant challenges for several states in the region, raising questions about the long-term sustainability of their fiscal strategies.

- **Total Revenue Growth:** Ekiti (159.18%), Osun (128.82%), and Ondo (114.49%) recorded high revenue increases. Lagos, despite its massive absolute revenue, had a moderate percentage increase (68.34%).
- **Personnel Costs:** Lagos had the highest absolute personnel costs (₦316.39 billion). Ekiti and Osun also saw notable increases in personnel costs.
- **Loan Repayment & New Loans:** Ondo significantly increased loan repayments (₦96.06 billion) and reduced accumulated debt. Lagos took on the highest new loans (₦216.10 billion).
- **Accumulated Debt:** Lagos had by far the highest accumulated debt (₦2.92 trillion), which increased significantly. Ekiti also saw a substantial increase in accumulated debt. Osun and Ondo managed to decrease their accumulated debt.
- **Capital Expenditure:** Lagos led the nation in capital expenditure (₦1.06 trillion), heavily financed by new loans. Ekiti and Osun also showed strong capital investments.

The South West zone is characterized by Lagos's aggressive, debt-financed development, while other states like Osun and Ondo demonstrated more balanced approaches, leveraging revenue growth for both investment and debt reduction.



# State Revenue Windfalls and the Erosion of Civil Servant Purchasing Power in Nigeria (2024)



In 2024, a confluence of federal-level economic reforms, primarily the removal of the petrol subsidy and the devaluation of the Naira, precipitated an unprecedented surge in revenues flowing into the federation account. Consequently, state governments became the beneficiaries of a historic fiscal windfall. However, a detailed examination of state-level fiscal data reveals that this dramatic increase in public resources was not proportionately shared with the public sector workforce.

**The Disparity Ratio:** To measure the gap between the growth in state revenue and public sector salaries, a "Disparity Ratio" was created. This metric is calculated by dividing the percentage increase in a state's statutory allocation by the percentage increase in its personnel costs. A ratio greater than 1 indicates that revenue grew faster than salaries, quantifying the degree to which the financial gains of the state were not passed on to its workforce.

**Macroeconomic Context:** The analysis of salary increases must be viewed within the context of Nigeria's severe economic climate. The average headline inflation rate for 2024 was a staggering 33.24%. This figure serves as the critical benchmark; any nominal salary increase below this rate represents a decrease in real-term income and purchasing power for civil servants.

**Real Change in Purchasing Power:** When nominal salary adjustments are measured against the 33.24% inflation rate, the actual impact on civil servants becomes clear. For employees in most states, the modest salary increases were entirely erased by inflation, resulting in a significant real term pay cut. Only a handful of states provided raises that outpaced inflation, leading to a genuine, albeit rare, increase in purchasing power.



**The Impact of Food Inflation:** Civil servants are experiencing more severe economic hardship than headline inflation indicates. Food inflation reached 39.84% in December 2024, which is much higher than overall inflation. Since food makes up a large part of spending for lower-income households, the effective inflation rate for public sector workers is significantly higher, leading to a sharp decline in their purchasing power.

**State level Inflation:** Inflationary pressures vary significantly across regions, with state-level data from the Nigerian Bureau of Statistics showing that Bauchi and Sokoto recorded the highest all-items inflation rates in December 2024 at 44.06% and 42.43%, respectively. Civil servants in these high-inflation states who receive modest nominal salary increases face a disproportionate erosion of their real income compared to counterparts in lower-inflation areas. This regional disparity adds a further dimension of inequality to the broader decline in welfare across the country.

**Table 12 - Comparative Analysis of Revenue Growth vs. Real Change in Purchasing Power**

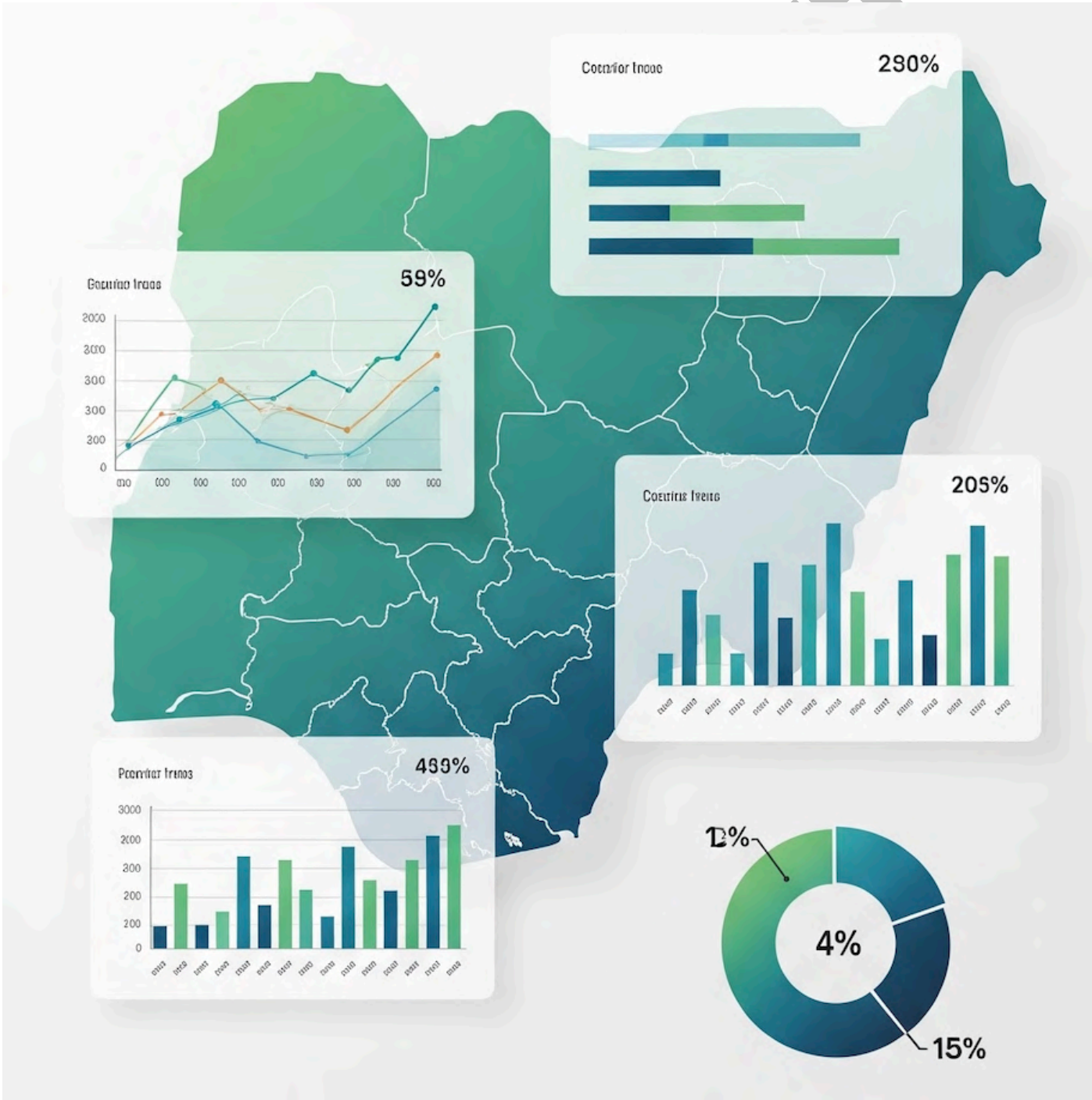
| State       | Statutory Allocation % Increase | Personnel Cost % Increase | Disparity Ratio | Average National Inflation (2024) | State-Level Inflation (June 2024) | Average Real Change in Purchasing Power (%) | State-Level Real Change in Purchasing Power (%) |
|-------------|---------------------------------|---------------------------|-----------------|-----------------------------------|-----------------------------------|---|---|
| Abia        | 166.50%                         | 9.40%                     | 17.7            | 33.24%                            | 37.05%                            | -23.80%                                     | -27.70%   |
| Adamawa     | 57.80%                          | 17.90%                    | 3.2             | 33.24%                            | 31.84%                            | -15.30%                                     | -13.90%   |
| Akwa Ibom   | 141.30%                         | 14.80%                    | 9.5             | 33.24%                            | 35.10%                            | -18.40%                                     | -20.30%   |
| Anambra     | 131.70%                         | 4.50%                     | 29.1            | 33.24%                            | 34.78%                            | -28.70%                                     | -30.30%   |
| Bauchi      | 82.20%                          | 3.90%                     | 21              | 33.24%                            | 43.95%                            | -29.30%                                     | -40.10%   |
| Bayelsa     | 124.10%                         | 30.60%                    | 4.1             | 33.24%                            | 36.13%                            | -2.70%                                      | -5.50%  |
| Benue       | 117.60%                         | 123.60%                   | 1               | 33.24%                            | 27.52%                            | 90.40%                                      | 96.10%  |
| Borno       | 138.00%                         | 93.40%                    | 1.5             | 33.24%                            | 25.90%                            | 60.20%                                      | 67.50%  |
| Cross River | 113.50%                         | 74.20%                    | 1.5             | 33.24%                            | 34.93%                            | 41.00%                                      | 39.30%  |
| Delta       | 105.30%                         | 39.80%                    | 2.6             | 33.24%                            | 29.80%                            | 6.50%                                       | 10.00%  |
| Ebonyi      | 46.30%                          | 73.60%                    | 0.6             | 33.24%                            | 35.69%                            | 40.40%                                      | 37.90%  |
| Edo         | 127.30%                         | 39.70%                    | 3.2             | 33.24%                            | 34.47%                            | 6.50%                                       | 5.20%   |
| Ekiti       | 202.70%                         | 90.30%                    | 2.2             | 33.24%                            | 34.11%                            | 57.10%                                      | 56.20%  |
| Enugu       | 117.60%                         | 45.50%                    | 2.6             | 33.24%                            | 30.44%                            | 12.20%                                      | 15.10%  |
| Gombe       | 193.90%                         | 65.00%                    | 3               | 33.24%                            | 35.56%                            | 31.80%                                      | 29.40%  |
| Imo         | 166.70%                         | 31.40%                    | 5.3             | 33.24%                            | 30.55%                            | -1.99%                                      | 0.71%   |
| Jigawa      | 98.20%                          | 37.80%                    | 2.6             | 33.24%                            | 36.42%                            | 4.50%                                       | 1.40%   |
| Kaduna      | 207.00%                         | 26.20%                    | 7.9             | 33.24%                            | 34.13%                            | -7.10%                                      | -7.90%  |
| Kano        | 112.70%                         | 17.70%                    | 6.4             | 33.24%                            | 33.71%                            | -15.50%                                     | -16.00%   |
| Katsina     | 136.10%                         | 63.40%                    | 2.2             | 33.24%                            | 29.21%                            | 30.10%                                      | 34.20%  |
| Kebbi       | 76.20%                          | 24.00%                    | 3.2             | 33.24%                            | 35.62%                            | -9.20%                                      | -11.60%   |
| Kogi        | 193.80%                         | 53.10%                    | 3.6             | 33.24%                            | 39.91%                            | 19.90%                                      | 13.20%  |
| Kwara       | 102.10%                         | 56.30%                    | 1.8             | 33.24%                            | 36.64%                            | 23.10%                                      | 19.70%  |
| Lagos       | 120.80%                         | 39.40%                    | 3.1             | 33.24%                            | 36.37%                            | 6.20%                                       | 3.00%   |
| Nasarawa    | 53.10%                          | 8.80%                     | 6.1             | 33.24%                            | 29.32%                            | -24.50%                                     | -20.50%   |
| Niger       | 147.00%                         | 98.80%                    | 1.5             | 33.24%                            | 36.02%                            | 65.60%                                      | 62.80%  |
| Ogun        | 178.60%                         | 15.60%                    | 11.5            | 33.24%                            | 33.86%                            | -17.70%                                     | -18.30%   |
| Ondo        | 151.50%                         | 12.70%                    | 11.9            | 33.24%                            | 37.05%                            | -20.50%                                     | -24.40%   |
| Osun        | 138.30%                         | 87.10%                    | 1.6             | 33.24%                            | 36.58%                            | 53.90%                                      | 50.50%  |
| Oyo         | 33.10%                          | 24.20%                    | 1.4             | 33.24%                            | 39.15%                            | -9.00%                                      | -15.00%   |
| Plateau     | 155.80%                         | 52.30%                    | 3               | 33.24%                            | 32.08%                            | 19.10%                                      | 20.20%  |
| Rivers      | N/A                             | N/A                       | N/A             | 33.24%                            | 37.19%                            | N/A   | N/A   |
| Sokoto      | 154.10%                         | 10.80%                    | 14.3            | 33.24%                            | 34.65%                            | -22.40%                                     | -23.90%   |
| Taraba      | 134.10%                         | 60.30%                    | 2.2             | 33.24%                            | 30.33%                            | 27.10%                                      | 30.00%  |
| Yobe        | 142.20%                         | 48.40%                    | 2.9             | 33.24%                            | 33.02%                            | 15.20%                                      | 15.40%  |
| Zamfara     | 24.30%                          | 12.70%                    | 1.9             | 33.24%                            | 34.71%                            | -20.50%                                     | -22.00%   |

The central finding of this analysis is stark. While statutory allocations to states grew by an average of 123.5%, personnel welfare and salary expenditures increased by a comparatively modest 45.4% across the federation. This great divergence in growth rates was compounded by a severe macroeconomic crisis. With the average annual inflation rate for 2024 reaching a staggering 33.24%, the nominal gains in public sector wages were overwhelmingly negated in most states. The result has been a catastrophic decline in the real income and purchasing power of civil servants, with the average public sector employee experiencing an effective real wage increase of 12.16%, a figure that masks the deep cuts felt in many states.

This report quantifies the policy choices made by state governments in the face of this revenue boom, revealing a widespread tendency to decouple revenue growth from recurrent personnel costs. The implications of this trend are far-reaching and pose significant systemic risks. The sharp erosion of purchasing power is fueling plummeting morale within the public sector, creating fertile ground for diminished productivity, increased corruption, and heightened labor unrest. The widening chasm between state fiscal capacity and public servant welfare threatens to erode the social compact and undermine the long-term quality and stability of public service delivery.

# Section 4: State-by-State Impact Analysis

This section delves into the specific financial implications for each state, examining how the change in total revenue in 2024 correlated with shifts in Internally Generated Revenue, Personnel Costs, Loan & Bond Repayment, Acquisition of New Loans, Accumulated Debt, and Capital Expenditure.



# Abia: God's Own State

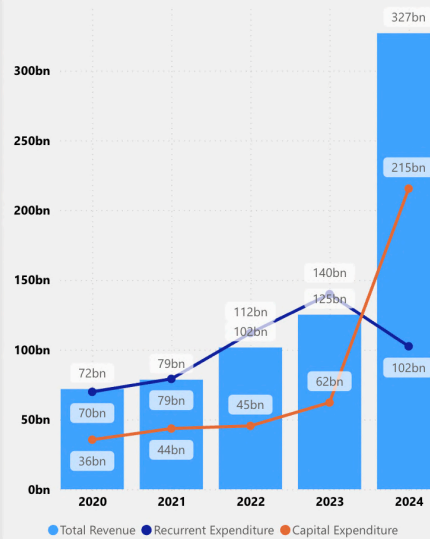
**Fiscal Transparency Score 5/7**

**FPI Rank out of 36 States - 2**

## State • Abia



## Expenditure Priority Over the Years



**326.8bn**

Total Revenue in 2024

**41.3bn**

IGR in 2024

**177.3bn**

Accumulated Debt in 2024

**38.3bn**

Loan Repayment in 2024

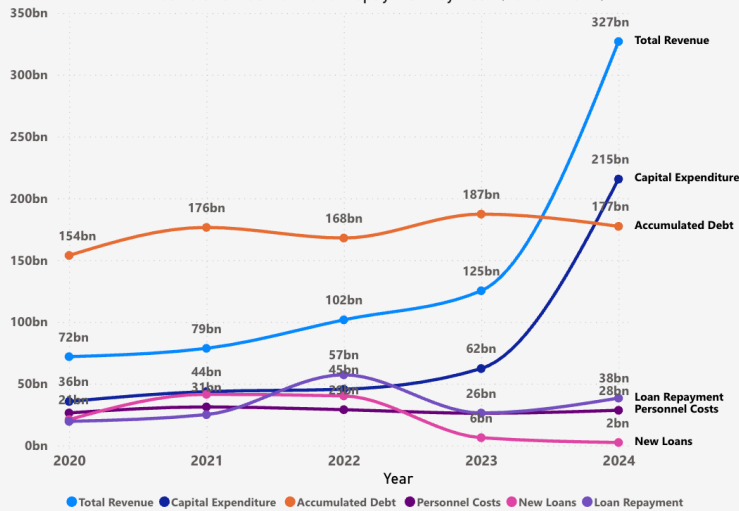
**28.4bn**

Personnel Costs in 2024

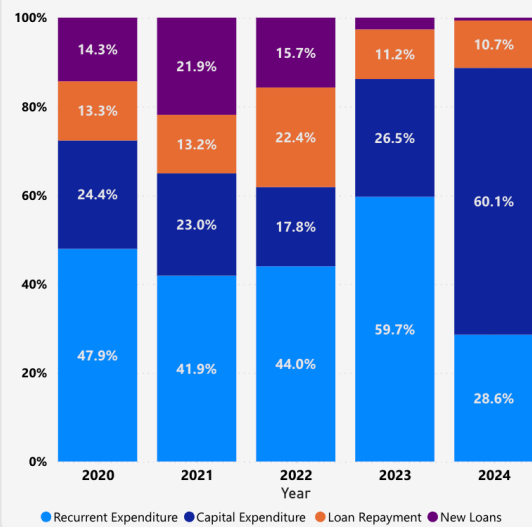
**215.5bn**

Capital Expenditure in 2024

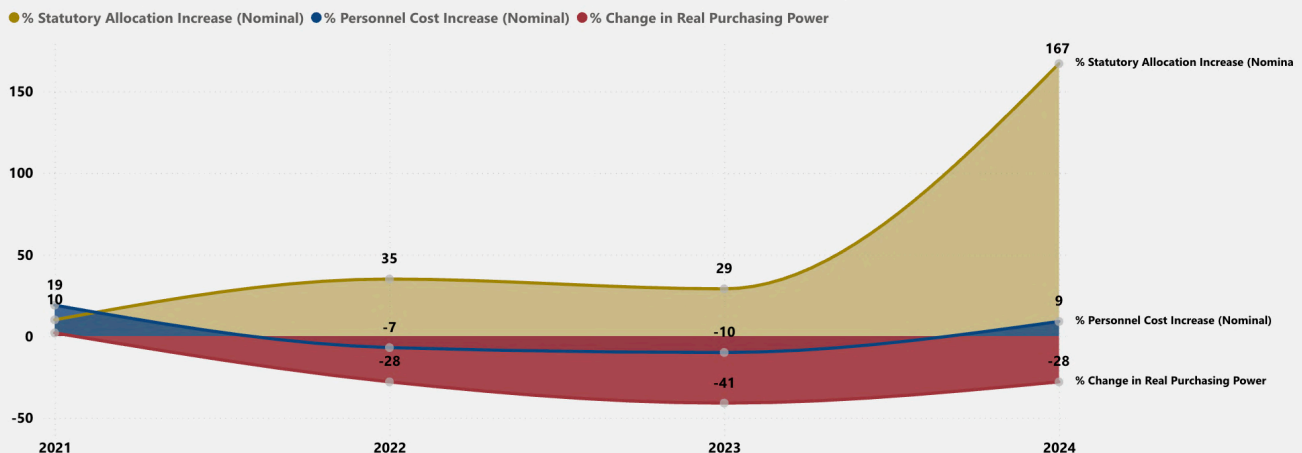
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



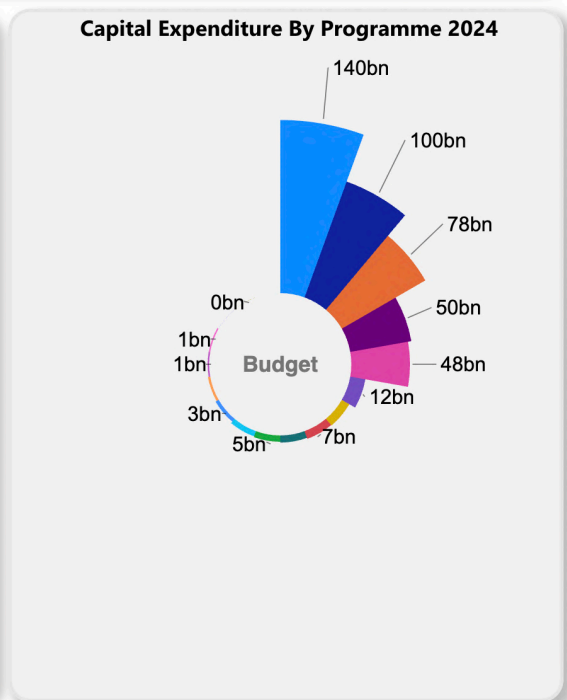
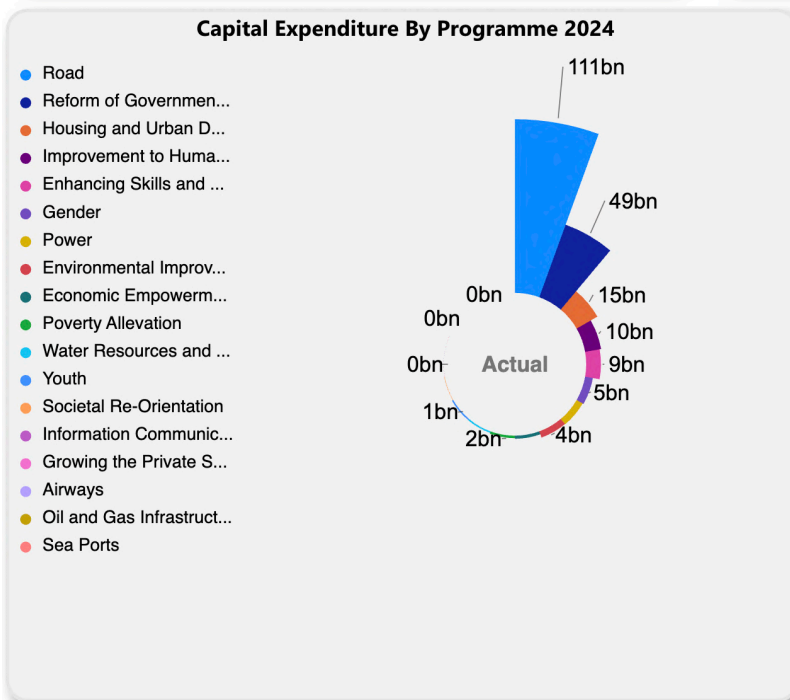
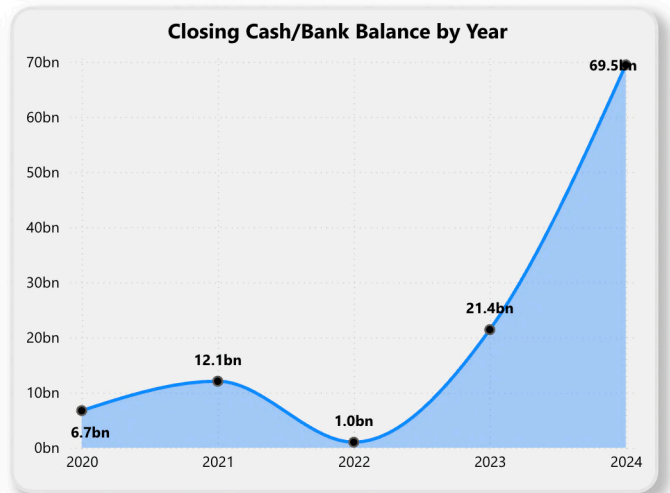
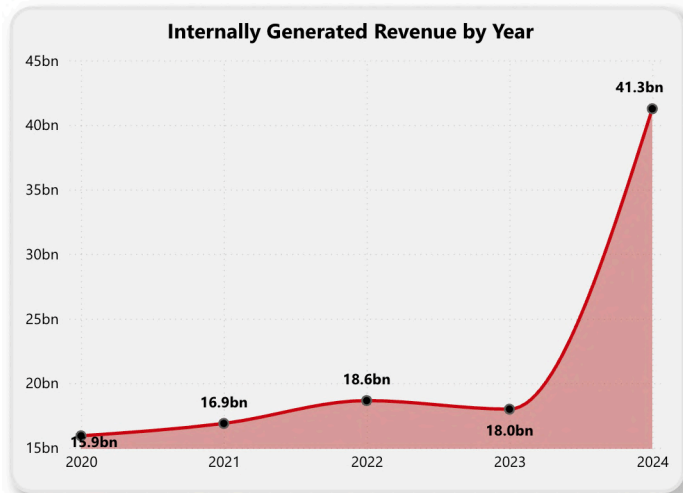
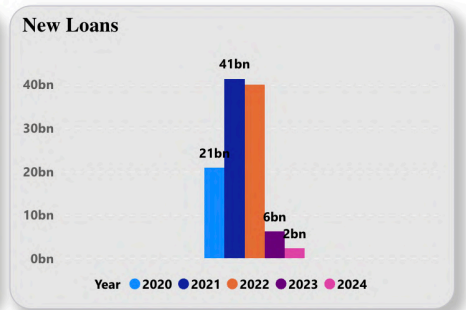
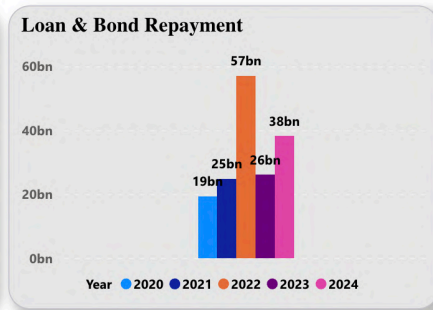
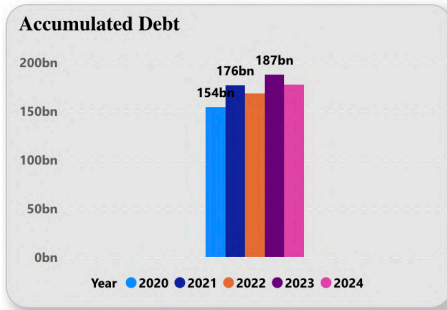
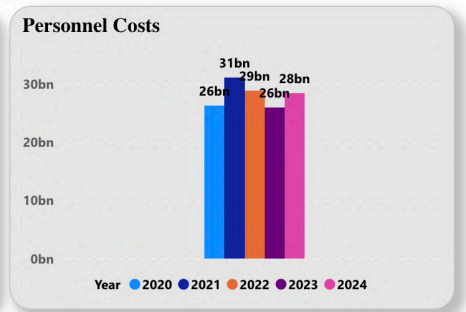
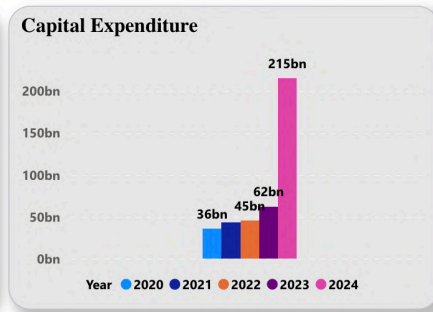
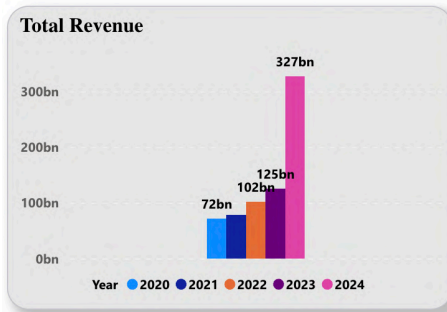
## Composition of Total Expenditure Over the Years

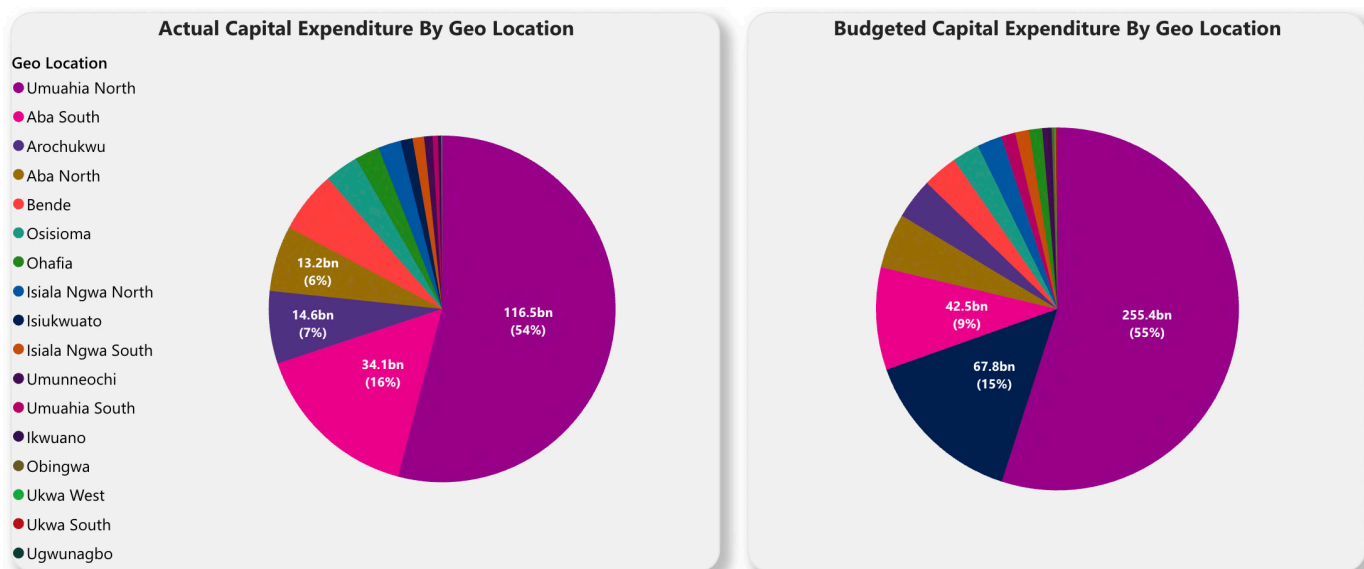


## Purchasing Power of Civil Servants vs Rise in Statutory Allocations









## Abia State Financial Performance Analysis

Overview: Abia State's finances in 2024 were marked by a dramatic strategic shift enabled by a 161% increase in total revenue, from ₦125.1 billion in 2023 to ₦326.8 billion. The state government channeled this windfall decisively into developmental projects while exercising restraint on operational costs.

### Key Impacts of Increased 2024 Revenue:

- Capital Expenditure:** The most significant change was a monumental **246%** increase in capital expenditure, which soared from ₦62.2 billion in 2023 to ₦215.5 billion in 2024. This indicates a clear policy to prioritize infrastructure and long-term projects.
- Total IGR:** Internally Generated Revenue showed exceptional growth, rising by **129%** from ₦18.0 billion in 2023 to ₦41.3 billion in 2024, demonstrating enhanced revenue collection capacity.
- Personnel Costs:** The impact on Personnel Costs was a relatively contained 9.39% increase, from 25.97 billion Naira in 2023 to 28.41 billion Naira in 2024. In 2023, a 29.14% nominal increase in statutory allocation resulted in a significant real purchasing power loss of 41.41%. Despite a massive 166.55% nominal increase in 2024, the state's real purchasing power still declined by 27.66% due to a high state-level inflation rate of 37.05%.



- **Recurrent Expenditure:** In a display of fiscal discipline, Abia State reduced its total recurrent expenditure by **27%**, from ₦139.8 billion in 2023 to ₦102.4 billion in 2024. This is a commendable move that freed up more funds for capital investment.
- **Debt Management:** The state increased its loan and bond repayments by **46%** to ₦38.3 billion. Concurrently, it reduced its acquisition of new loans by **63%** and managed to decrease its accumulated debt slightly by 5.3% to ₦177.3 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The increase in capital spending is commendable, and the breakdown of the ₦215.5 billion by Programme, Function, and Geolocation provides useful insight. However, the state's financial report would benefit from the inclusion of additional critical details. The specific objectives for what these projects aim to accomplish, for whom, and within what timeframe are not specified. The absence of clear objective details makes it difficult for the public to assess the potential impact of this spending, track implementation, or hold the government accountable for delivering tangible results.

The effective use of the Government Integrated Financial Management Information System (GIFMIS) can support the implementation of Programme objectives by enabling transparent, traceable, and efficient budget execution aligned with stated goals. Additionally, state Accountants-General should fully utilize GIFMIS for real-time, online payments to ensure strict compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, thereby enhancing fiscal discipline and accountability.

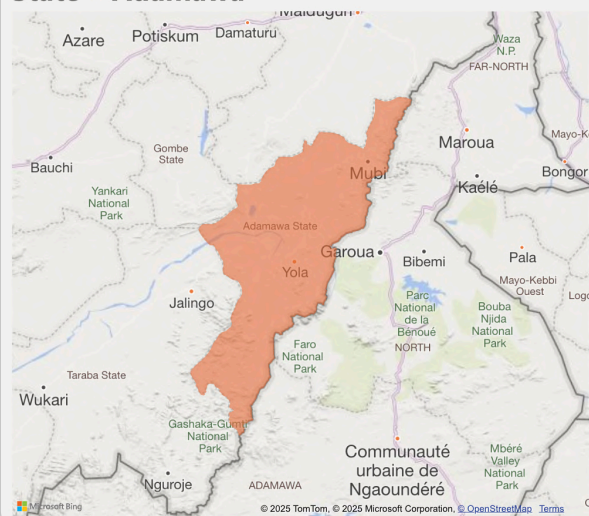
As a hub for light manufacturing, Abia could use its increased revenue to develop industrial clusters in Aba and support small and medium-sized enterprises (SMEs) to boost IGR. To address its unique challenge of poor urban infrastructure, the state could invest in road construction and waste management.

# Adamawa: Land of Beauty

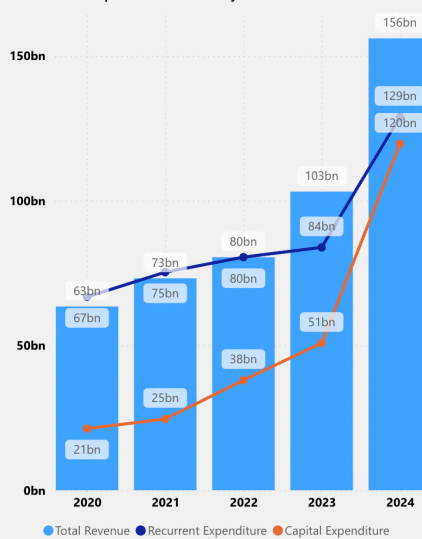
**Fiscal Transparency Score 3.5/7**

**FPI Rank out of 36 States - 30**

State ● Adamawa



Expenditure Priority Over the Years



**156.0bn**

Total Revenue in 2024

**20.3bn**

IGR in 2024

**231.6bn**

Accumulated Debt in 2024

**31.4bn**

Loan Repayment in 2024

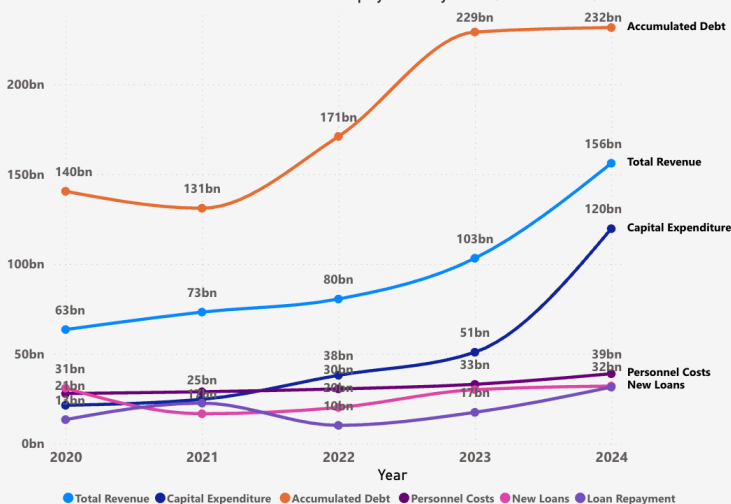
**38.9bn**

Personnel Costs in 2024

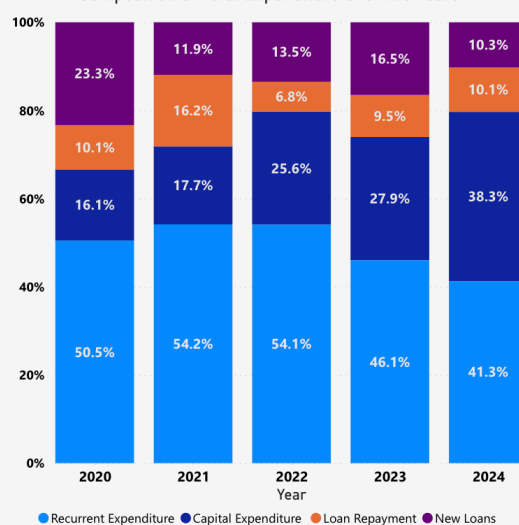
**119.6bn**

Capital Expenditure in 2024

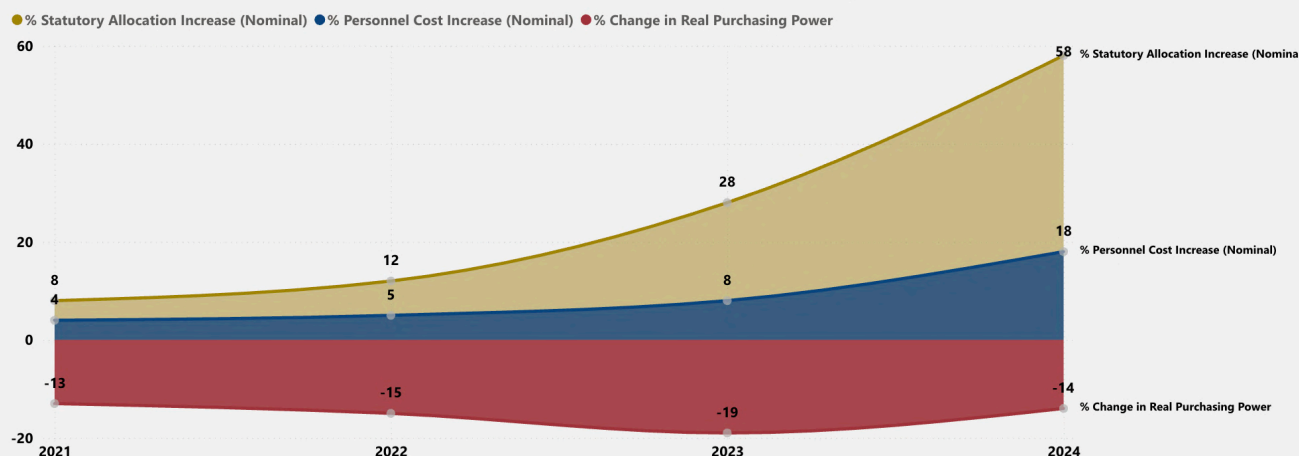
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

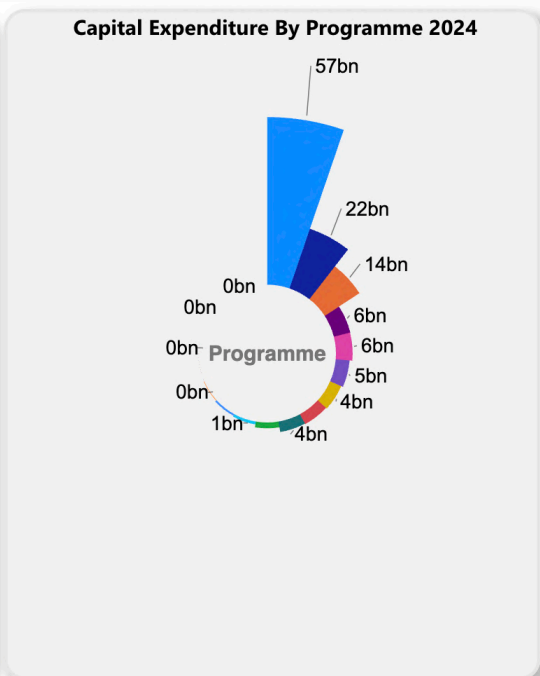
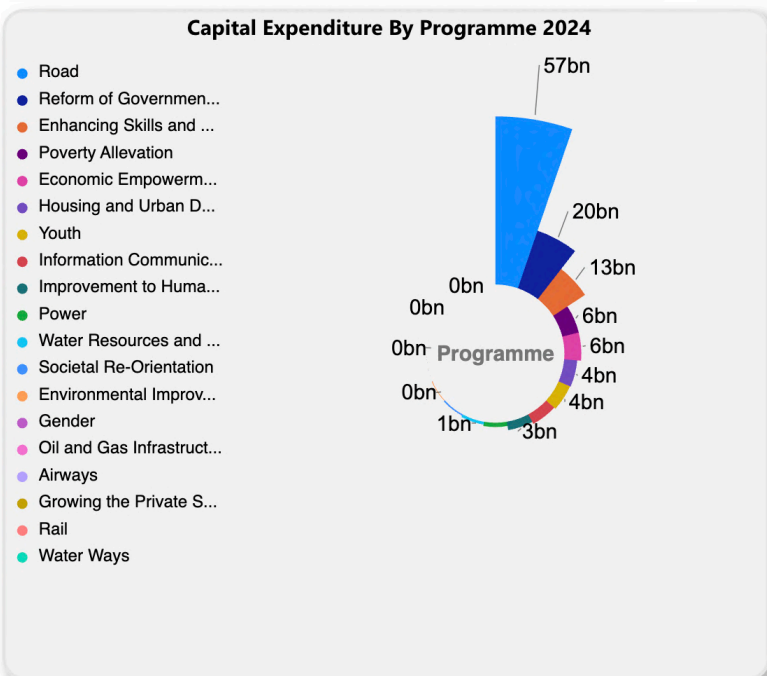
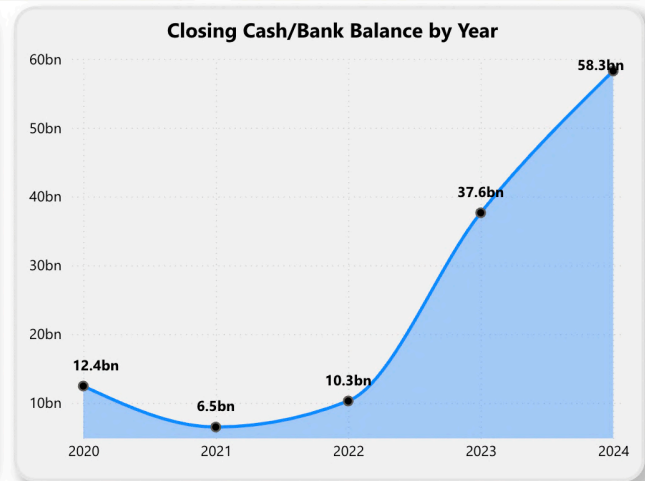
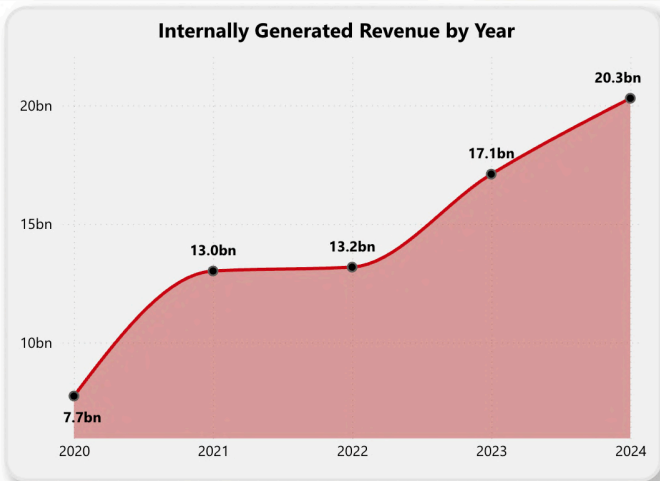
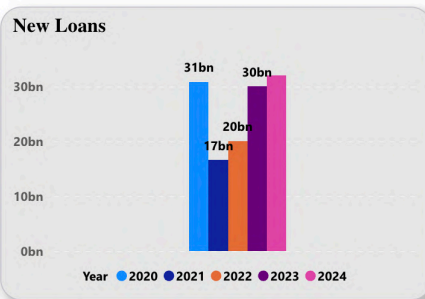
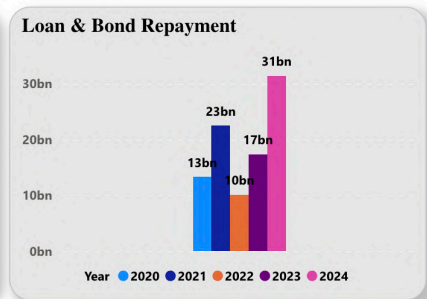
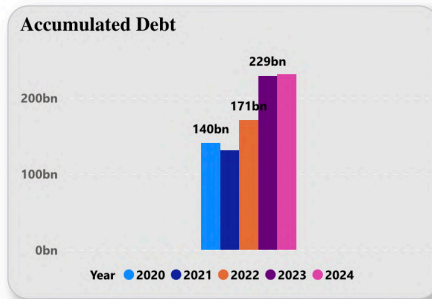
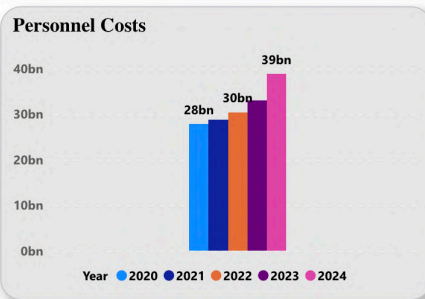
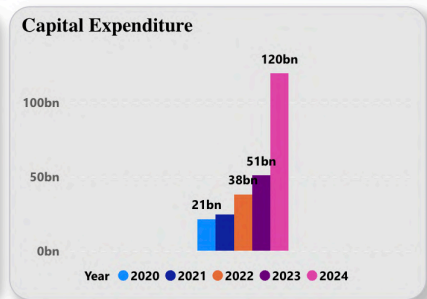
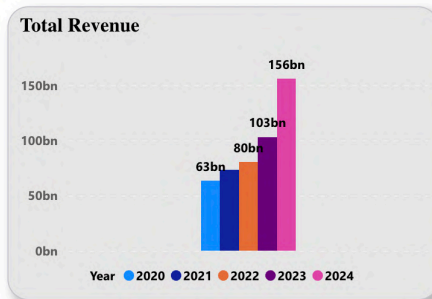


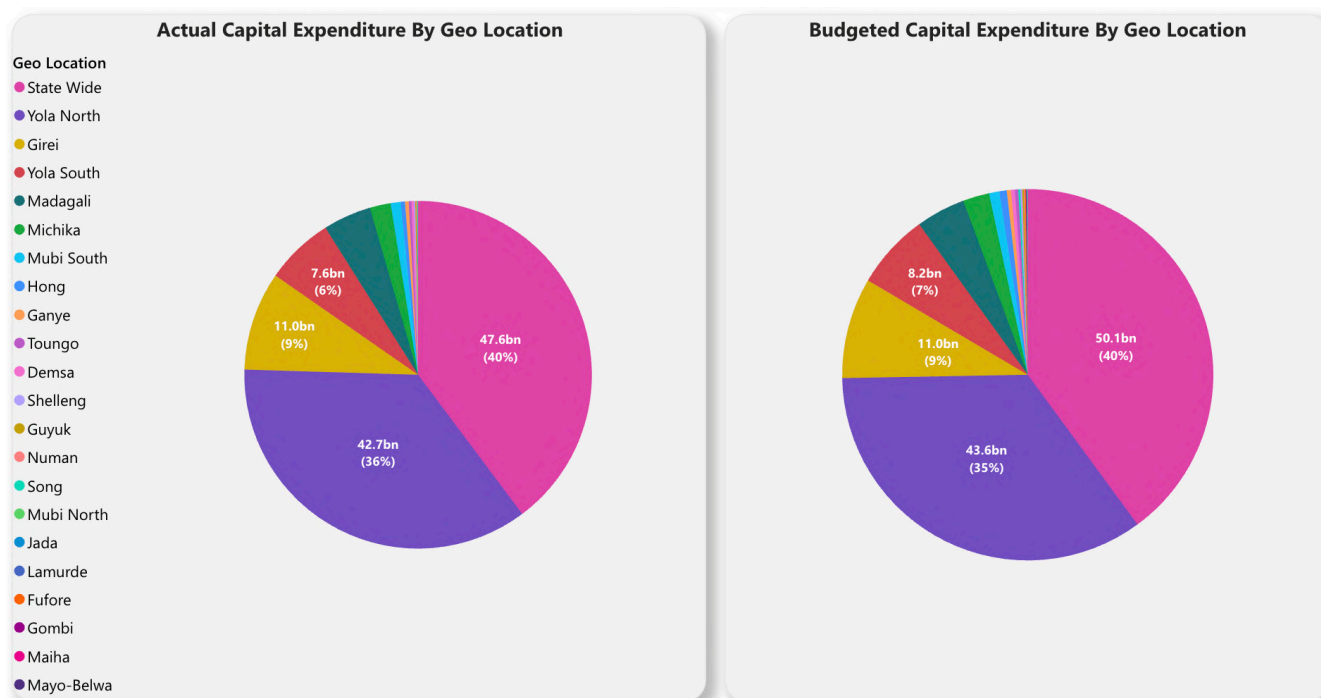
Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Adamawa State Financial Performance Analysis

Overview: Adamawa State's total revenue saw a 51.3% increase in 2024, rising to ₦156.0 billion from ₦103.1 billion in 2023. The state government utilized this growth to more than double its capital expenditure, supported by strong IGR performance and continued borrowing.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** The state prioritized capital projects with a **135.3%** increase in expenditure, which jumped from ₦50.8 billion in 2023 to ₦119.6 billion in 2024.
- **Total IGR:** Internally Generated Revenue showed healthy growth, rising by **18.7%** from ₦17.1 billion to ₦20.3 billion, indicating improved local revenue collection.
- **Personnel Costs:** Personnel Costs increased by 17.93% from ₦32.96 billion in 2023 to ₦38.87 billion in 2024. Adamawa's 27.85% nominal statutory allocation growth in 2023 was eroded by inflation, leading to a 19.07% loss in real purchasing power. This trend of real value loss continued in 2024, where a 57.78% nominal increase still resulted in a 13.91% decline in real purchasing power as a result of a 31.84% inflation rate.
- **Recurrent Expenditure:** Total recurrent expenditure increased by **53.7%** to ₦128.9 billion. This was driven by increases across personnel, overheads, and an **81%** rise in loan and bond repayments to ₦31.4 billion.
- **Debt Management:** The acquisition of new loans increased slightly by **6.7%** to ₦32.0 billion. This continued borrowing contributed to a marginal **1.1%** increase in the state's accumulated debt, which stood at ₦231.6 billion.

## **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Adamawa State leveraged its moderate revenue growth to make significant strides in capital expenditure and debt servicing. Notably, ₦119.6 billion was allocated to capital projects, reflecting a strong commitment to infrastructure and developmental initiatives. Despite these efforts, however, the state's total debt stock experienced a slight increase, and new borrowings also rose. This indicates that while investment and debt repayment are being prioritized, the overall fiscal position remains constrained by a growing debt burden that current revenue improvements have not substantially mitigated.

While the financial report is commendable in many respects, it falls short in key areas that impact transparency and public accountability. Specifically, capital expenditure by programme was not disclosed at the summary level, and details regarding specific projects within each programme were absent. Additionally, there was no breakdown of the capital projects carried out within each geolocation, preventing stakeholders from understanding where investments are being made. The report also lacked a summary of capital expenditure by function.

Furthermore, the report does not articulate the objectives of the various projects, what they are intended to achieve, the target beneficiaries, or the expected timelines for completion. In summary, while Adamawa State has demonstrated a proactive approach to development and debt management, improvements in fiscal transparency and project reporting are essential to foster greater accountability and informed public engagement.

The effective use of the Government Integrated Financial Management Information System (GIFMIS) can support these improvements by aligning budget execution with clearly defined programme objectives, enabling real-time tracking of expenditures and outcomes. The State Accountant-General should also leverage GIFMIS for online, real-time payments to ensure full compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines.

The state could use its increased revenue to rebuild public infrastructure damaged by insurgency and to support its livestock and fishing industries. IGR could be boosted by creating a framework for taxing these sectors. The funds could also be used to provide rehabilitation and trauma care for victims of conflict.



# Akwa Ibom: Land of Promise

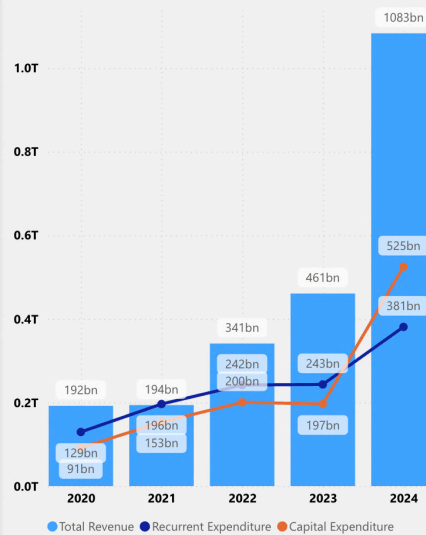
**Fiscal Transparency Score 1/7**

**FPI Rank out of 36 States - 7**

State ● Akwa Ibom



Expenditure Priority Over the Years



**1.1T**

Total Revenue in 2024

**76.3bn**

IGR in 2024

**213.1bn**

Accumulated Debt in 2024

**74.2bn**

Loan Repayment in 2024

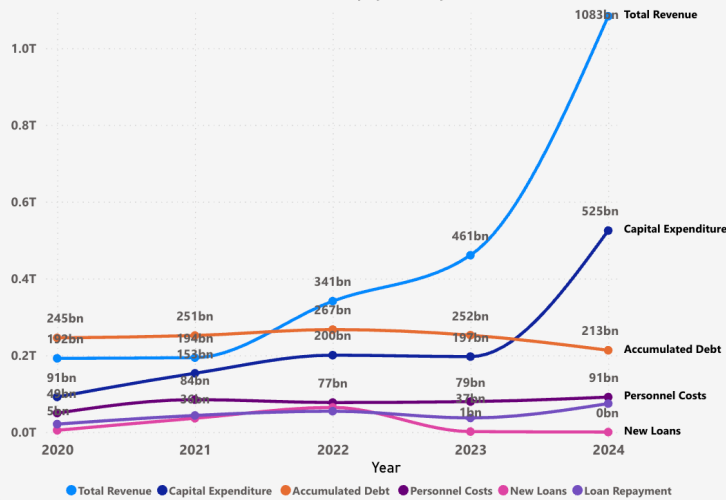
**91.1bn**

Personnel Costs in 2024

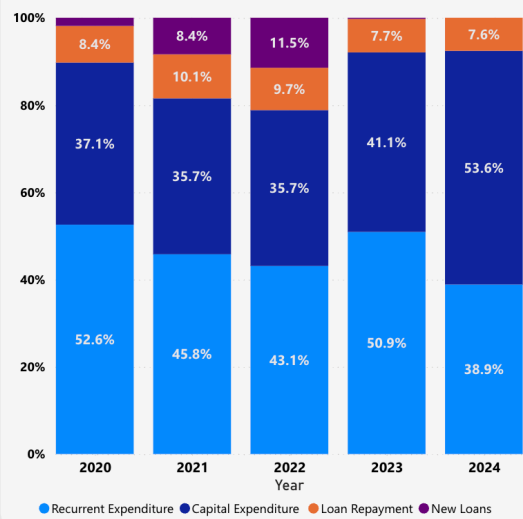
**524.8bn**

Capital Expenditure in 2024

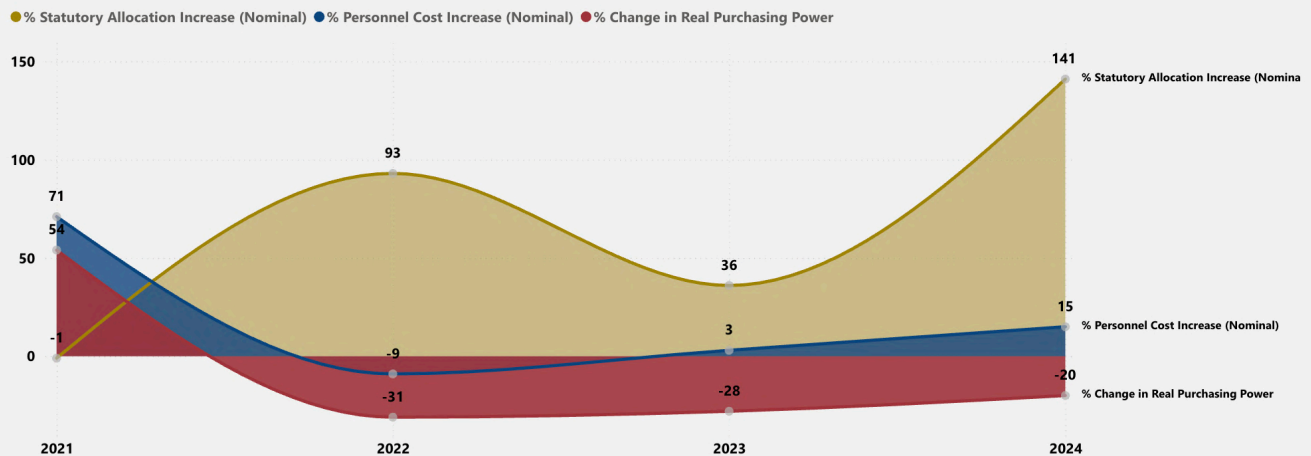
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

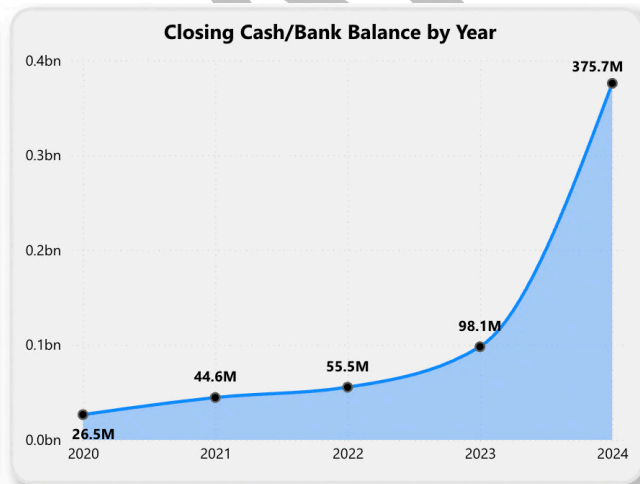
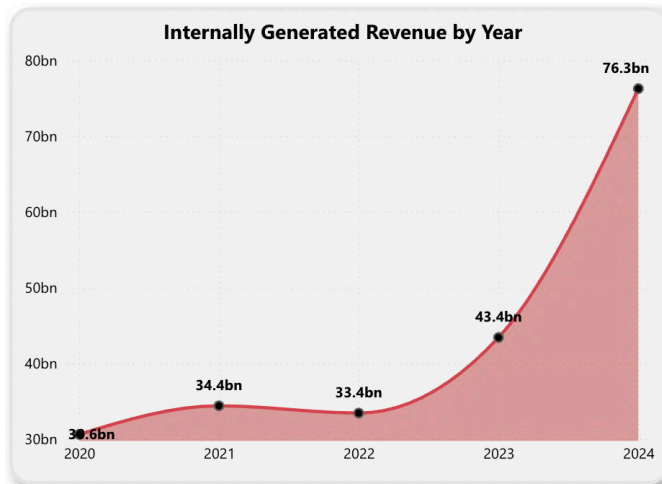
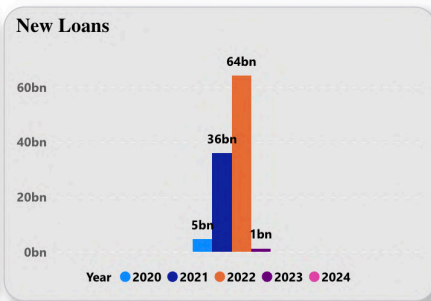
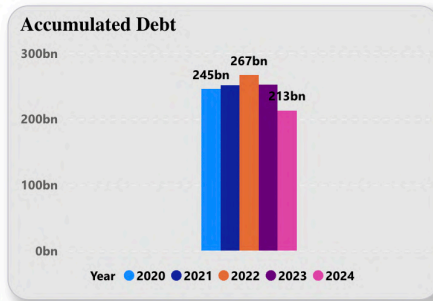
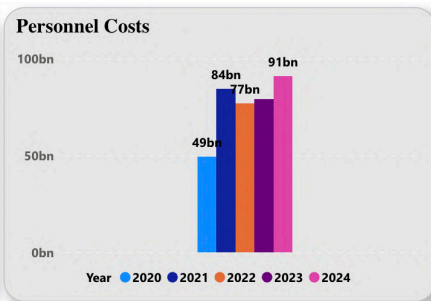
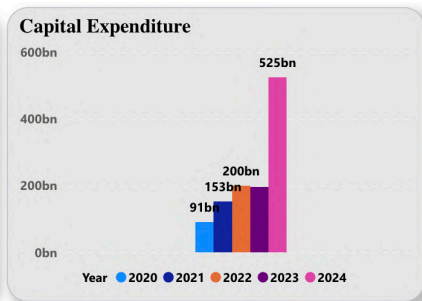
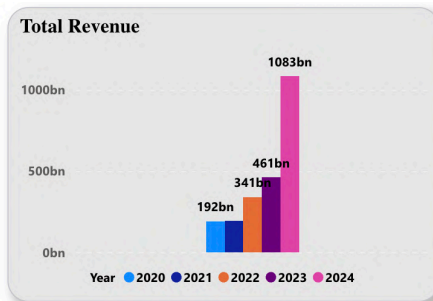


Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Akwa Ibom State Financial Performance Analysis

Overview: Akwa Ibom's total revenue more than doubled in 2024 with a 135.1% increase, soaring to ₦1.08 trillion from ₦460.6 billion in 2023. The state used this enormous windfall to massively scale up its capital projects while effectively managing recurrent costs and reducing its overall debt.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure surged by **167%**, rising from ₦196.5 billion in 2023 to ₦524.8 billion in 2024, reflecting a huge commitment to developmental projects.
- **Total IGR:** IGR performance was outstanding, with a **76%** increase from ₦43.4 billion to ₦76.3 billion.
- **Personnel Costs:** Personnel costs were ₦91.06 billion, and loan and bond repayments were ₦74.23 billion in 2024. The state saw its 35.63% nominal statutory allocation increase in 2023 translate into a 27.94% loss of real purchasing power. In 2024, even with a

substantial 141.33% nominal increase, the state's real purchasing power continued to decline by 20.29% due to a high state-level inflation of 35.10%.

- **Recurrent Expenditure:** Total recurrent expenditure increased by **56.6%** to ₦380.8 billion. A significant portion of this was used for debt servicing, as loan and bond repayments more than doubled with a **102.3%** increase to ₦74.2 billion.
- **Debt Management:** No new loans were reported for 2024. This, combined with the increased repayments, led to a **15.6%** reduction in accumulated debt, bringing it down to ₦213.1 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The ₦524.8 billion allocated to capital expenditure represents a transformative opportunity for Akwa Ibom State. However, the accompanying financial report falls short of the transparency and accountability standards required for public scrutiny. The report does not disaggregate capital expenditure by programme, function, or geolocation, as required by the National Chart of Accounts. This omission makes it difficult to determine how the investments align with the state's development priorities.

More critically, the report lacks clearly defined project objectives. There is no information on the expected outcomes, target beneficiaries, or implementation timelines. The absence of such foundational information represents a significant transparency gap, especially given the scale of the expenditure. The effective use of the Government Integrated Financial Management Information System (GIFMIS) can help address this gap by linking budget execution to specific programme objectives and enabling real-time monitoring of project implementation. Additionally, the state Accountant-General should utilize GIFMIS for online, real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, thereby enhancing financial transparency and accountability.

Akwa Ibom has substantial potential to diversify its economy and boost internally generated revenue. With its expansive coastline, the state could harness increased revenue to develop a thriving tourism industry through the construction of world-class resorts and related infrastructure. In addition, targeted investments in the fishing and maritime sectors could stimulate job creation and support local economic development. To address the growing threat of coastal erosion, the state should also prioritize shoreline protection and climate resilience projects, ensuring sustainable development for vulnerable coastal communities.

# Anambra: Light of the Nation

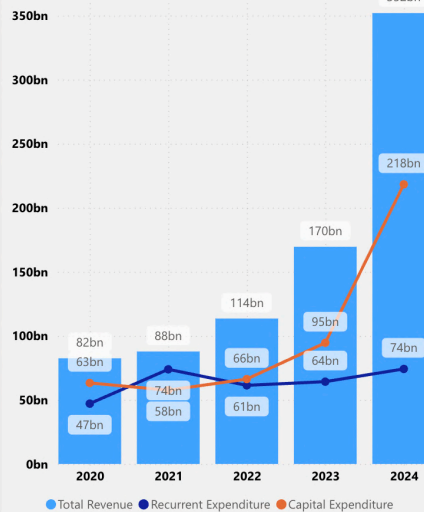
**Fiscal Transparency Score 5/7**

**FPI Rank out of 36 States - 4**

State ● Anambra



Expenditure Priority Over the Years



**351.9bn**

Total Revenue in 2024

**43.0bn**

IGR in 2024

**187.9bn**

Accumulated Debt in 2024

**2.7bn**

Loan Repayment in 2024

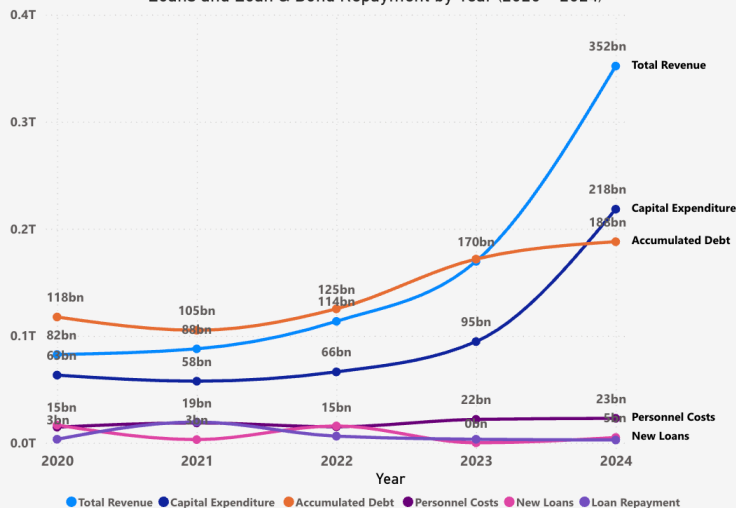
**22.9bn**

Personnel Costs in 2024

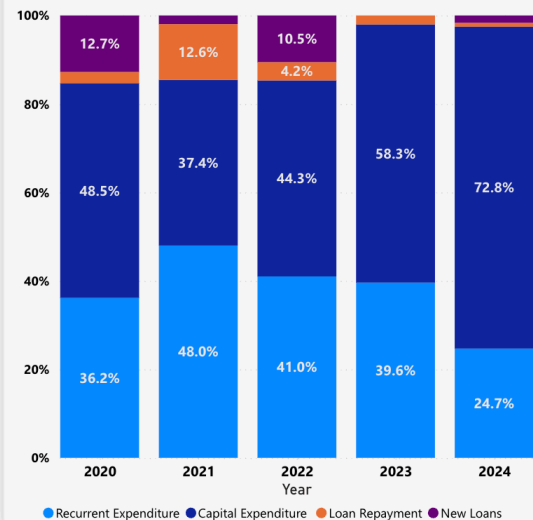
**218.3bn**

Capital Expenditure in 2024

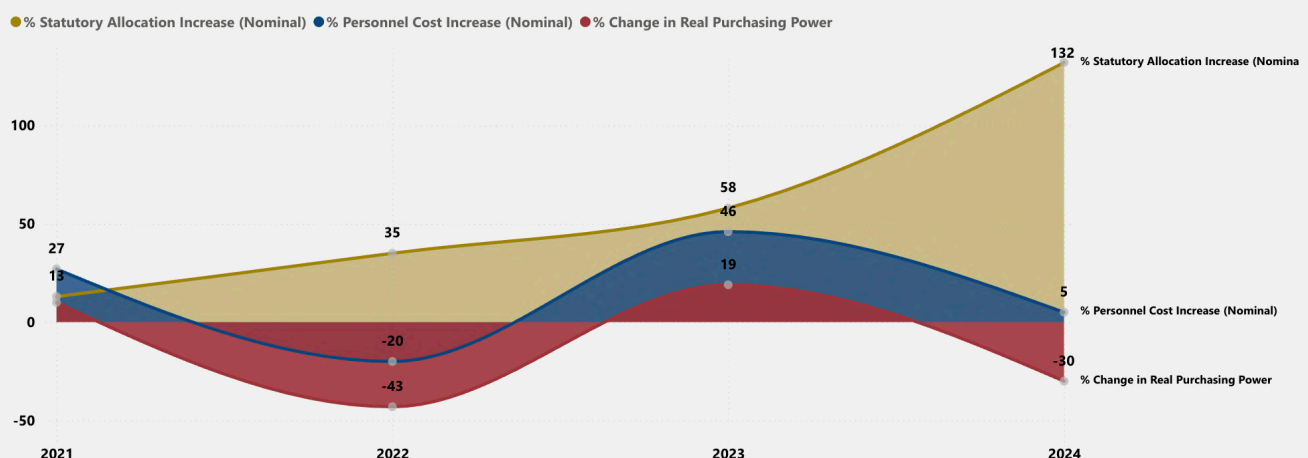
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



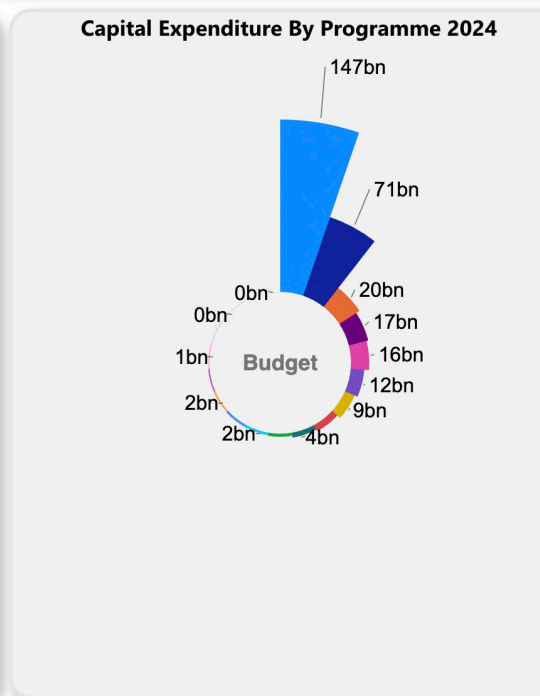
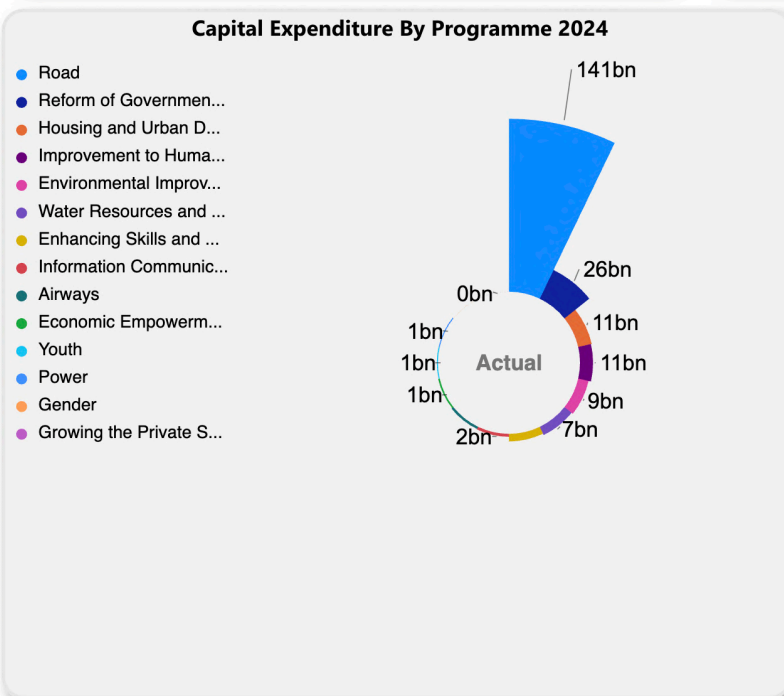
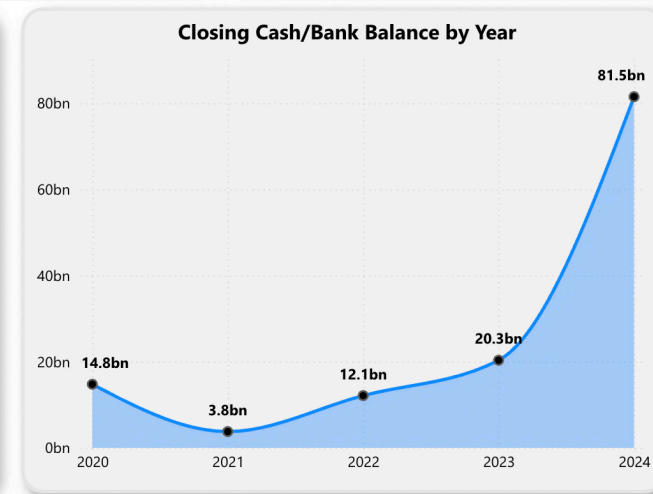
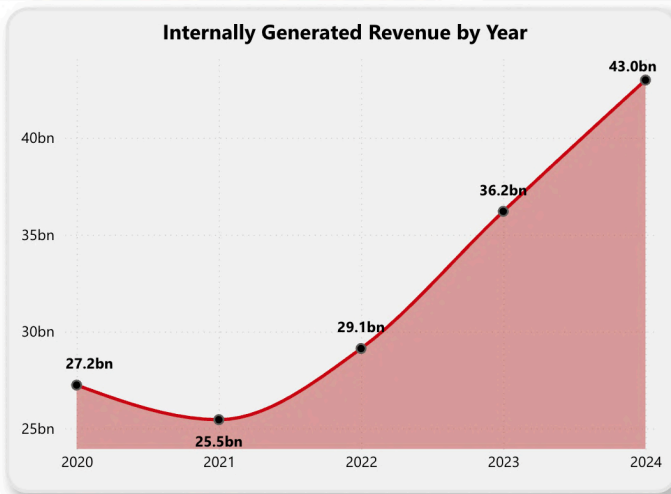
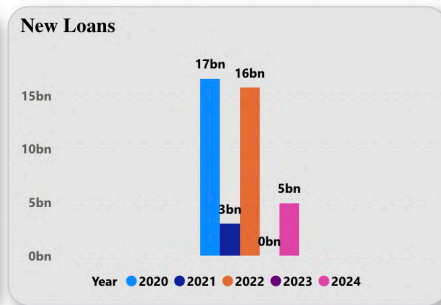
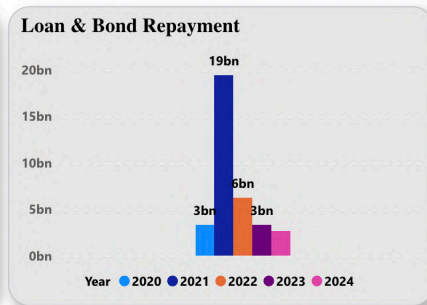
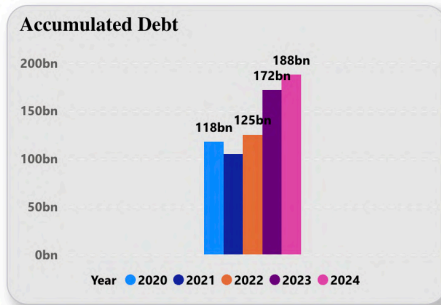
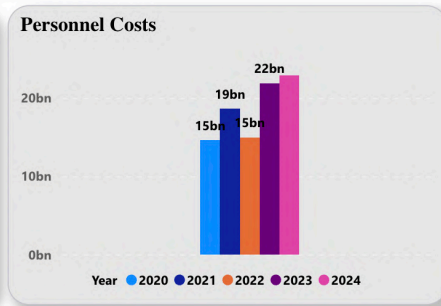
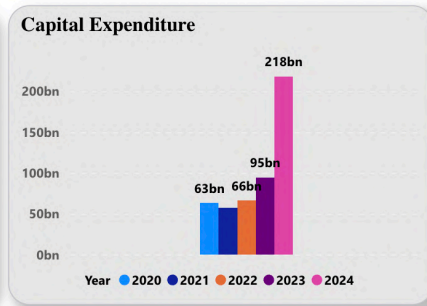
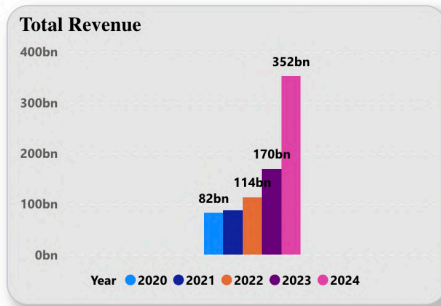
Composition of Total Expenditure Over the Years



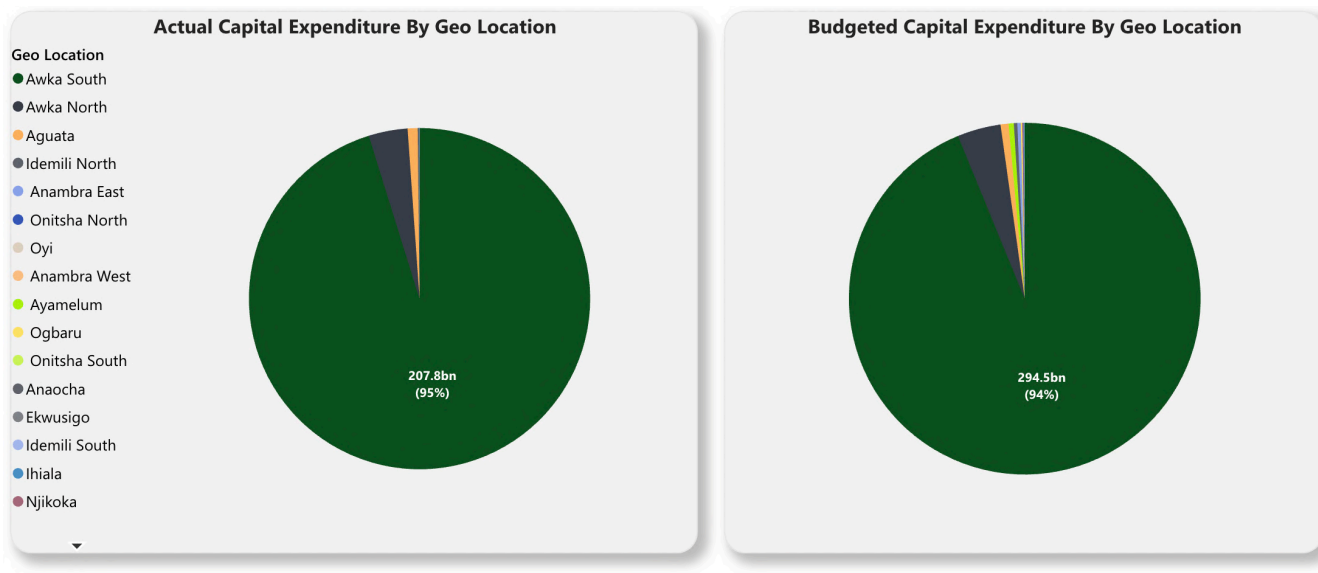
Purchasing Power of Civil Servants vs Rise in Statutory Allocations











## Anambra State Financial Performance Analysis

**Overview:** Anambra State experienced a significant fiscal expansion in 2024, with total revenue more than doubling by 107.6% to ₦351.9 billion from ₦169.5 billion in 2023. The state government leveraged this increase primarily to scale up capital investments.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending saw a massive **130.8%** increase, rising from ₦94.6 billion in 2023 to ₦218.3 billion in 2024, highlighting a strong focus on developmental projects.
- **Total IGR:** The state's IGR grew by a healthy **18.7%**, from ₦36.2 billion in 2023 to ₦43.0 billion in 2024, indicating steady progress in local revenue generation.
- **Personnel Costs:** Anambra saw a modest 4.54% increase reaching ₦30.10 billion. In 2023, Anambra achieved a real purchasing power gain of 18.75% from a 58.02% nominal increase in statutory allocation. However, this trend reversed in 2024, as a 131.72% nominal increase was insufficient to counter the 34.78% inflation rate, leading to a 30.24% loss in real purchasing power.
- **Recurrent Expenditure:** Total recurrent expenditure increased moderately by **15.4%** to ₦74.2 billion. While this is a controlled rise, the state reduced its direct loan and bond repayments by **20%** compared to 2023.
- **Debt Management:** Anambra took on **₦4.9** billion in new loans in 2024, a notable figure given that no new loans were recorded for 2023. Consequently, accumulated debt grew by 9.5% to ₦187.9 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The allocation of ₦218.3 billion to capital expenditure reflects a strong commitment to the state's development, and it is commendable that the breakdown is provided by Programme, Function, and Geolocation in line with the NCOA. However, the report would benefit from greater clarity on the specific objectives of these projects, including what they aim to deliver, who the intended beneficiaries are, and the expected timelines for completion. Providing this information would enhance public understanding and oversight and help assess the impact of these investments. The use of the Government Integrated Financial Management Information System (GIFMIS) can further support the effective implementation of Programme objectives by linking spending to measurable outcomes. In addition, state Accountants-General are encouraged to utilize GIFMIS for online real-time payments to ensure full compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby strengthening transparency and financial accountability.

Anambra's entrepreneurial spirit could be harnessed by using the increased revenue to establish an innovation and technology hub, boosting IGR from the tech sector. To tackle its challenge of erosion, the state could invest in extensive erosion control projects.

# Bauchi: Pearl of Tourism

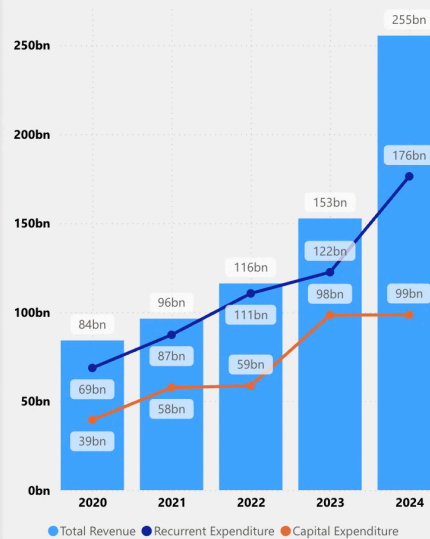
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 33**

## State • Bauchi



## Expenditure Priority Over the Years



**255.4bn**

Total Revenue in 2024

**32.4bn**

IGR in 2024

**430.8bn**

Accumulated Debt in 2024

**23.1bn**

Loan Repayment in 2024

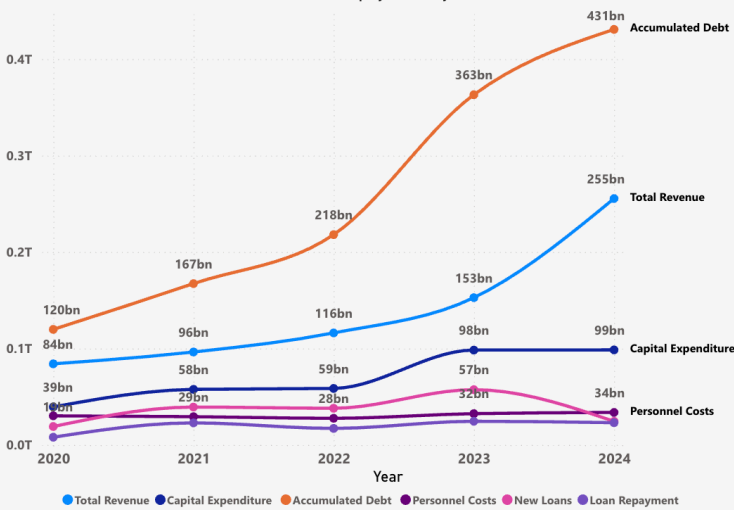
**33.7bn**

Personnel Costs in 2024

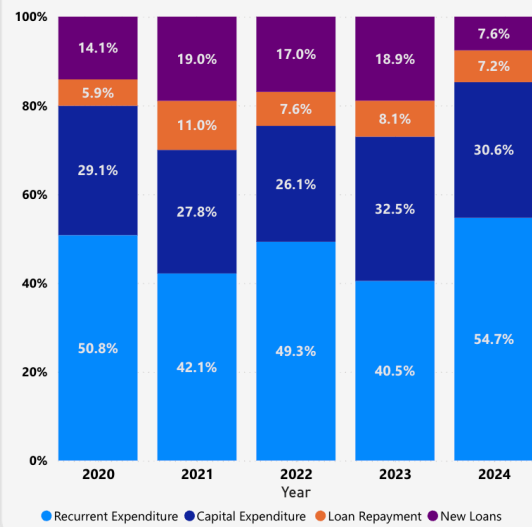
**98.5bn**

Capital Expenditure in 2024

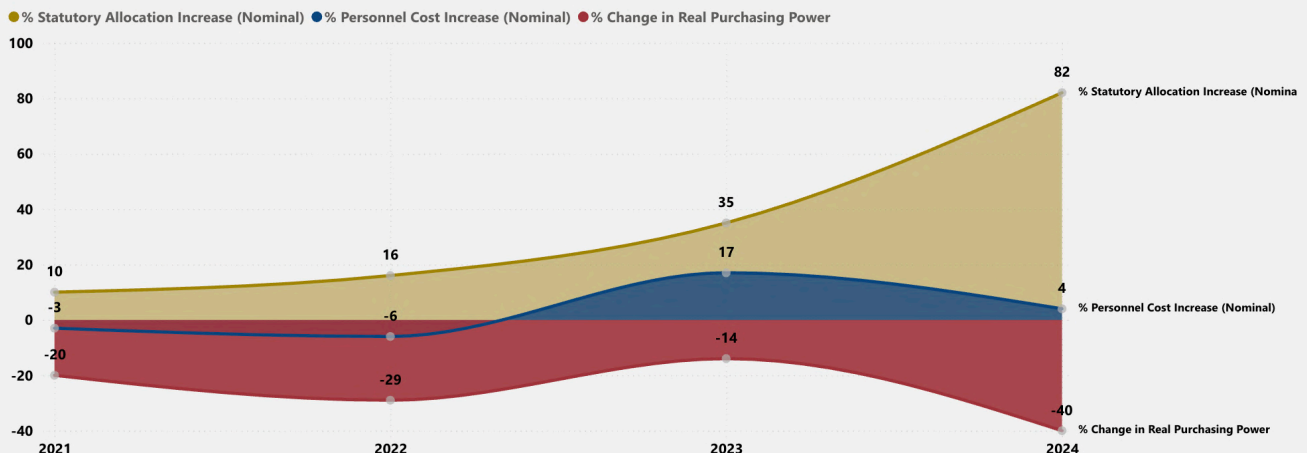
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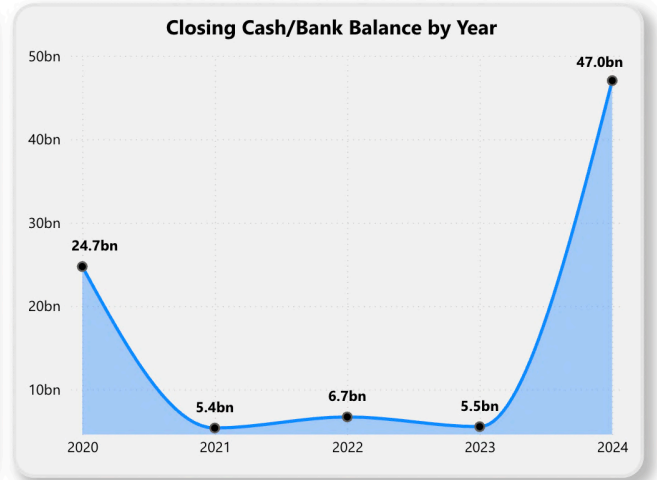
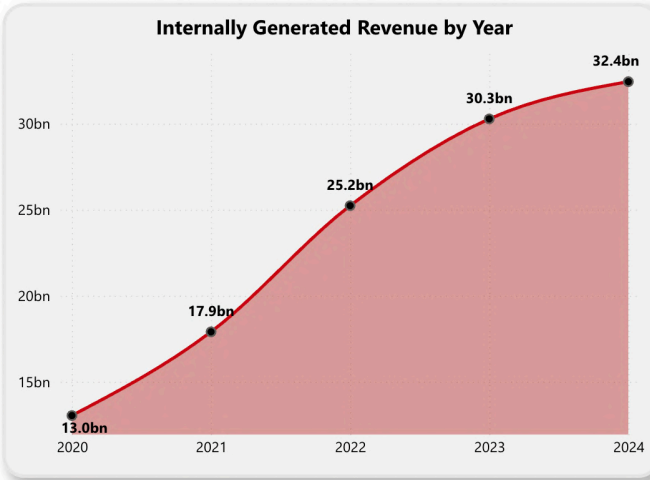
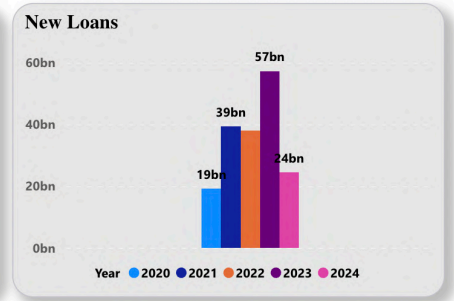
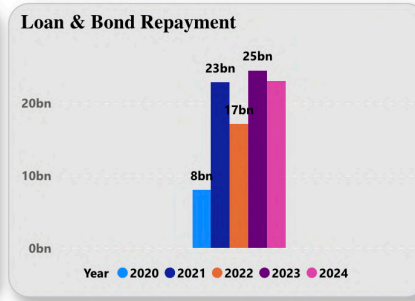
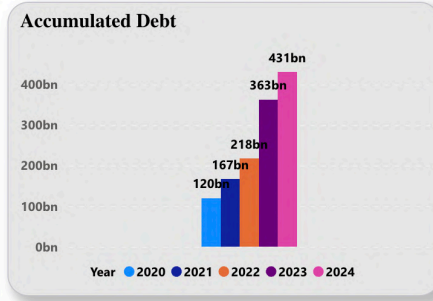
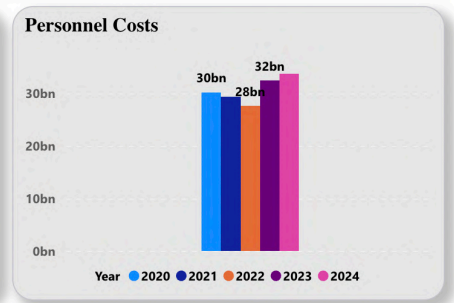
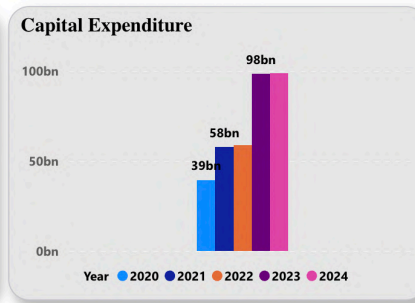
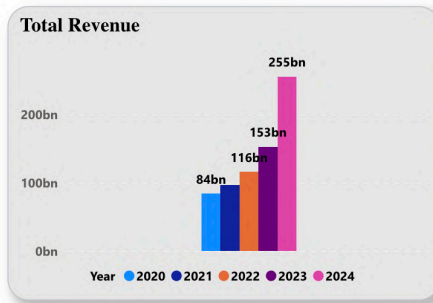


## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Bauchi State Financial Performance Analysis

Overview: Bauchi State experienced a 67.3% growth in total revenue in 2024, reaching ₦255.4 billion from ₦152.7 billion in 2023. This financial uplift was primarily directed towards managing the state's high recurrent costs, with a less pronounced, though still significant, increase in capital spending.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending saw a slight **0.17%** increase, rising from ₦98.4 billion in 2023 to ₦98.5 billion in 2024. This marginal increase suggests that the additional revenue was absorbed by other fiscal pressures.
- **Total IGR:** The state's IGR grew by a modest **7.1%** to ₦32.4 billion from ₦30.3 billion in 2023.
- **Personnel Costs:** Personnel Costs increased by 3.90% reaching ₦104.15 billion. Bauchi's 34.65% nominal statutory allocation growth in 2023 resulted in a 13.65% loss of real

purchasing power. This loss steepened in 2024, when an 82.15% nominal increase led to a more severe 40.05% decline in real purchasing power, driven by the nation's highest inflation rate of 43.95%.

- **Recurrent Expenditure:** Total recurrent expenditure increased significantly by **44%** to ₦176.3 billion. This was largely driven by a **101.7%** increase in overhead costs. Loan and bond repayments decreased by 6% to ₦23.1 billion.
- **Debt Management:** The state reduced its borrowing, with new loans decreasing by **57.3%** to ₦24.5 billion. Despite this, the accumulated debt still grew by **18.7%** to ₦430.8 billion, making Bauchi one of the most indebted states.
- by 9.5% to ₦187.9 billion.

#### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Bauchi's revenue growth was partially offset by a significant increase in accumulated debt and personnel costs, with minimal growth in capital expenditure, indicating fiscal pressures despite revenue gains. The substantial ₦98.5 billion allocated to capital expenditure requires greater justification, particularly in light of the state's rising debt profile. The financial report does not provide a breakdown of expenditures by Programme, function, or geolocation in accordance with the National Chart of Accounts (NCOA), making it difficult to align the reported investments with the government's key policy priorities. Additionally, the report does not articulate the specific objectives of the expenditure, such as measurable outcomes, target populations, and implementation timelines. The effective use of the Government Integrated Financial Management Information System (GIFMIS) can help address these gaps by linking capital spending to defined programme objectives and enabling better tracking of outcomes. Furthermore, the state Accountant-General should utilize GIFMIS for online real-time payments to ensure full compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby enhancing fiscal transparency and control.

With its vast arable land, Bauchi could use its increased revenue to invest in large-scale irrigation projects, boosting IGR from agriculture. To address the problem of illiteracy, the state could fund a mass adult education program and build more schools.

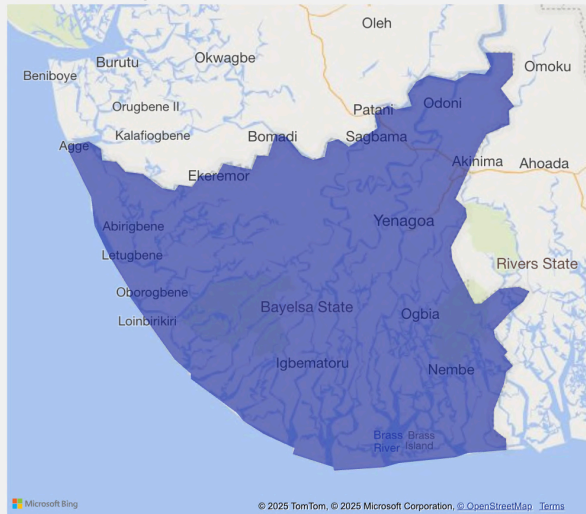


# Bayelsa: Glory of All Lands

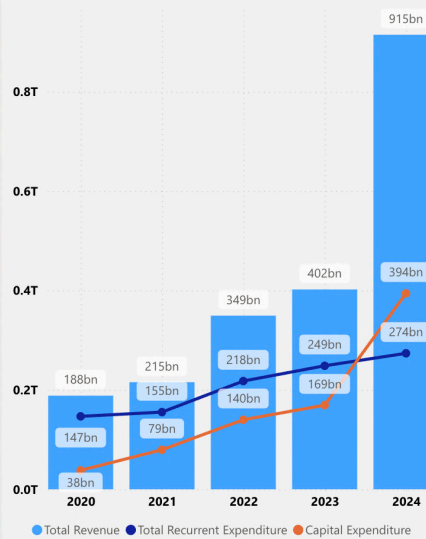
**Fiscal Transparency Score 3/7**

**FPI Rank out of 36 States - 3**

## State • Bayelsa



## Expenditure Priority Over the Years



**914.6bn**

Total Revenue in 2024

**74.4bn**

IGR in 2024

**168.9bn**

Accumulated Debt in 2024

**110.4bn**

Loan Repayment in 2024

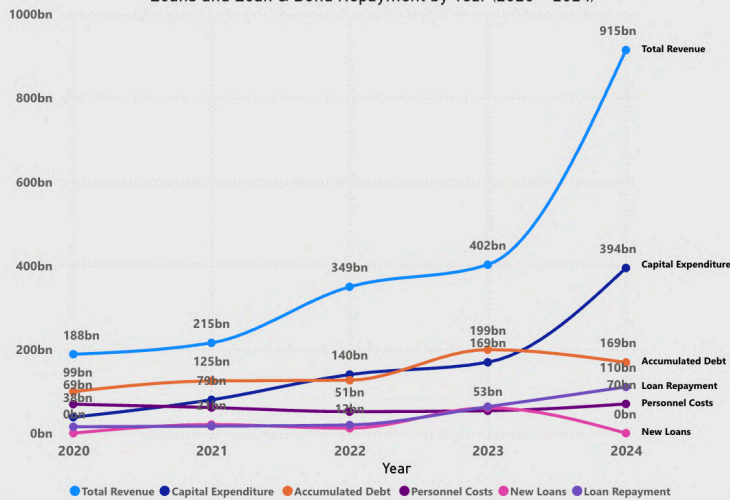
**69.8bn**

Personnel Costs in 2024

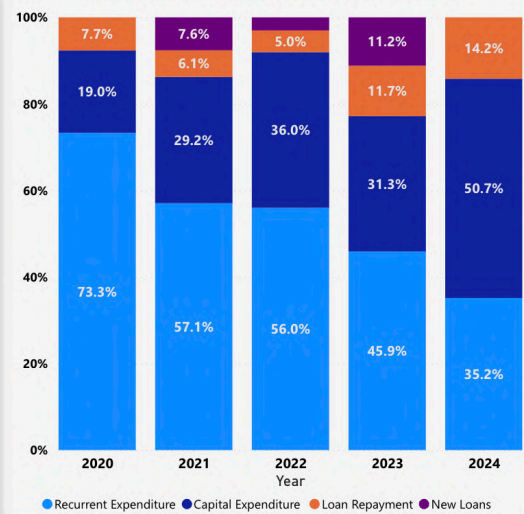
**394.3bn**

Capital Expenditure in 2024

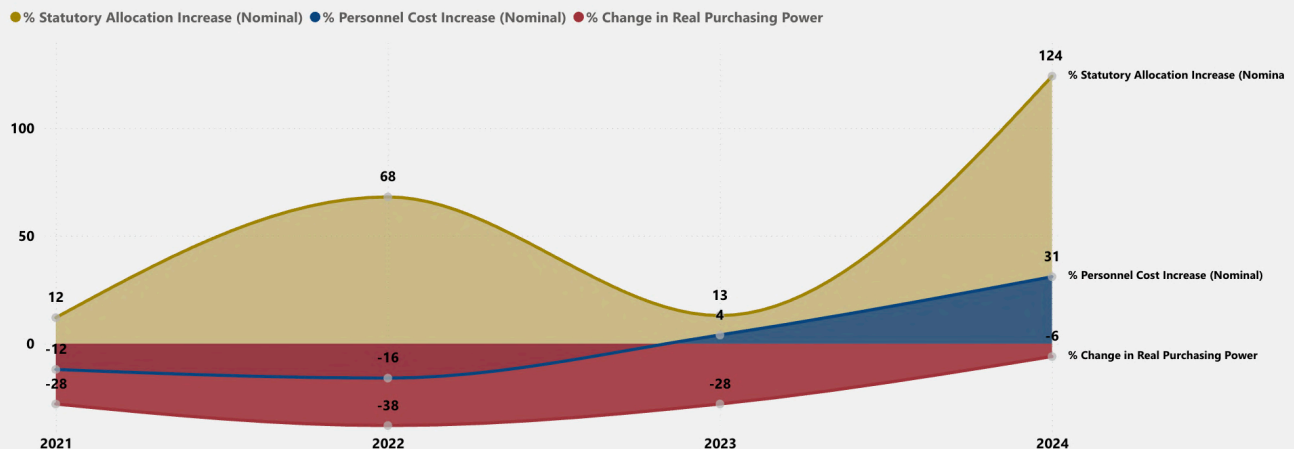
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

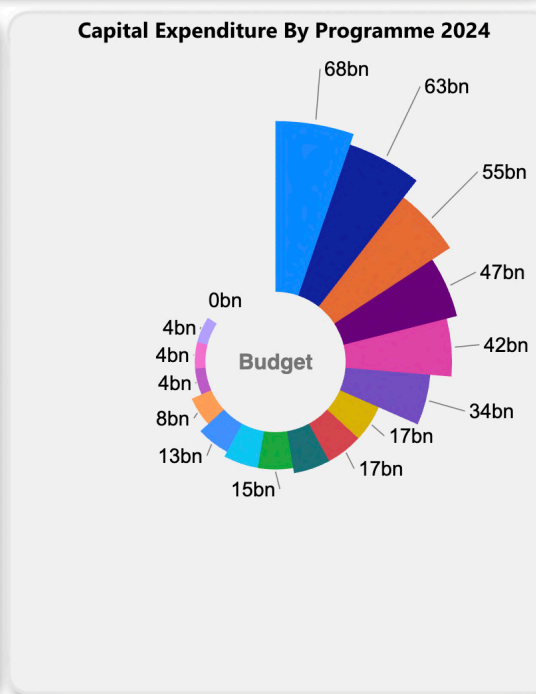
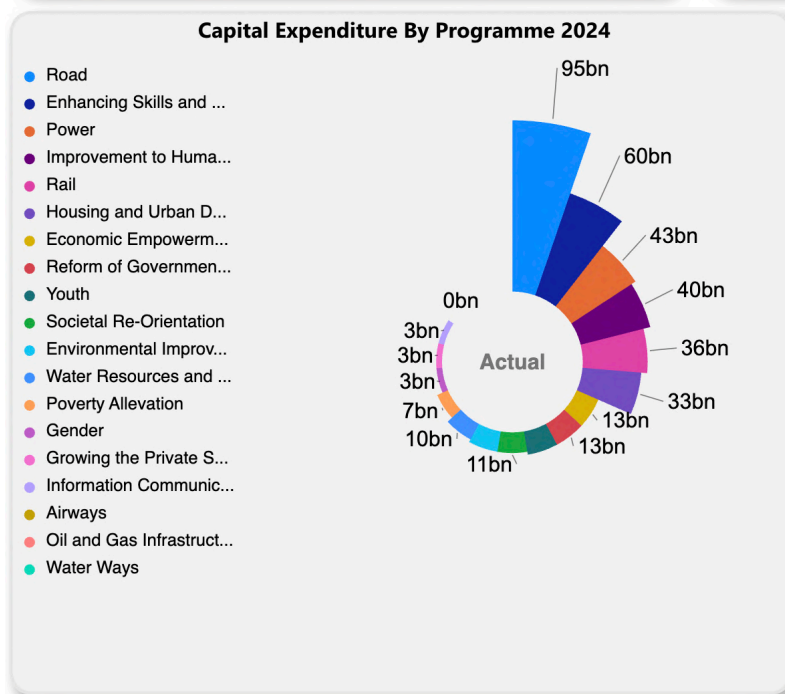
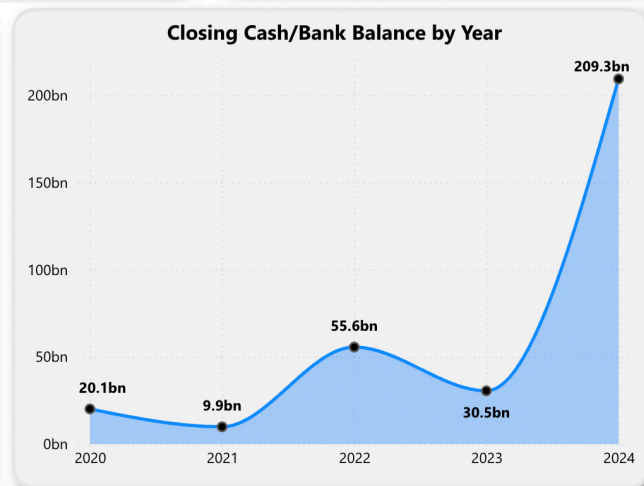
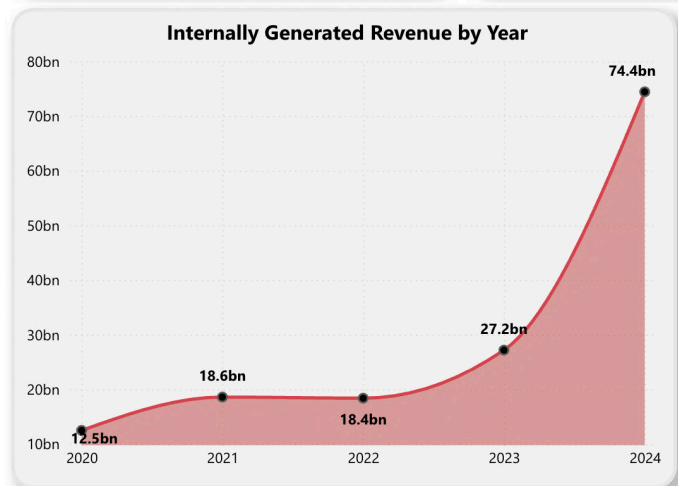
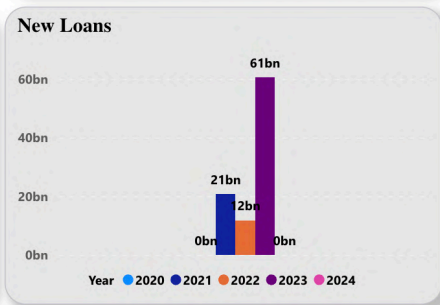
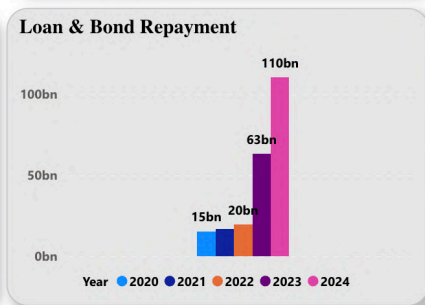
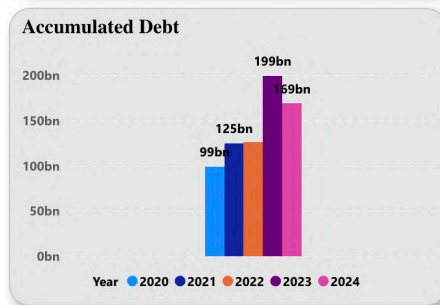
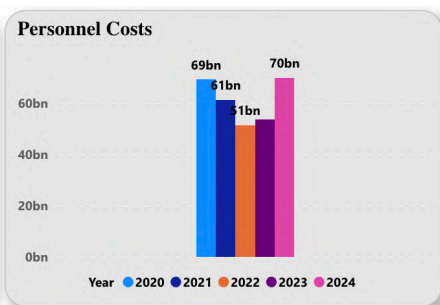
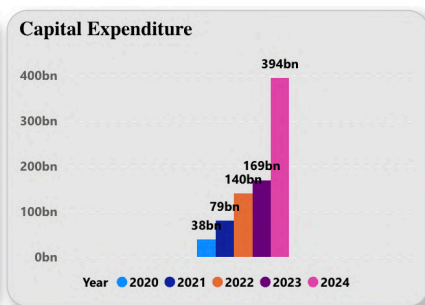
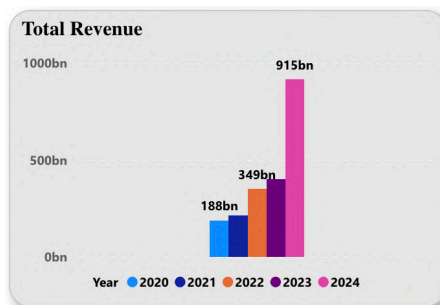


## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Bayelsa State Financial Performance Analysis

Overview: Bayelsa State, a major oil producer, saw its total revenue more than double in 2024 with a 127.5% increase to ₦914.6 billion from ₦402.1 billion in 2023. This massive influx of funds was directed toward a huge increase in capital expenditure and debt repayment.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure surged by **133%**, from ₦169.2 billion in 2023 to ₦394.3 billion in 2024, demonstrating a clear focus on infrastructure.
- **Total IGR:** IGR performance was phenomenal, with a **173.8%** increase from ₦27.2 billion to ₦74.4 billion.
- **Personnel Costs:** In 2023, a modest 13.27% nominal increase in statutory allocation was completely eroded by inflation, causing a 27.90% loss in real purchasing power. While the situation improved in 2024, a 124.11% nominal increase was still not enough to fully overcome the 36.13% inflation rate, resulting in a smaller real loss of 5.56%.
- **Recurrent Expenditure:** Total recurrent expenditure increased by a modest **10.1%** to ₦273.6 billion. A large portion of this was for debt servicing, with loan and bond repayments increasing by **74.9%** to ₦110.4 billion.
- **Debt Management:** No new loans were reported for 2024. The aggressive repayment strategy resulted in a **15.3%** reduction in accumulated debt, bringing it down to ₦168.9 billion.

### FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:

The ₦394.3 billion capital expenditure reported by Bayelsa State represents a significant financial commitment with the potential to drive meaningful transformation across the state. While the report provides a breakdown of this expenditure by function, in line with the National Chart of Accounts (NCOA), several critical gaps in transparency and reporting remain.

Although capital expenditure is summarized by programme segments, the report lacks detail at the project level. There is no clear indication of the specific initiatives within each programme. Furthermore, capital expenditure by geolocation is not adequately presented, and the absence of budget figures for individual projects makes it difficult to track spending against planned allocations. These gaps limit the ability of stakeholders to assess how resources are being distributed and whether they align with the state's strategic development priorities.

More importantly, the report does not provide any defined objectives for capital investments. There is no indication of expected outcomes, target beneficiaries, or implementation timelines. Leveraging Government Integrated Financial Management Information System (GIFMIS) can help address this gap by aligning capital spending with clearly defined programme objectives and enabling real-time tracking of progress. In addition, state Accountants-General should utilize GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby strengthening transparency and financial accountability.

Bayelsa State can boost its IGR by formalizing fisheries and aquaculture, investing in value-added processing, and developing marine transport to spur commerce. Enhancing land administration, enforcing urban property taxes, and digitalizing tax systems to capture informal businesses would further strengthen revenue generation and fiscal autonomy.

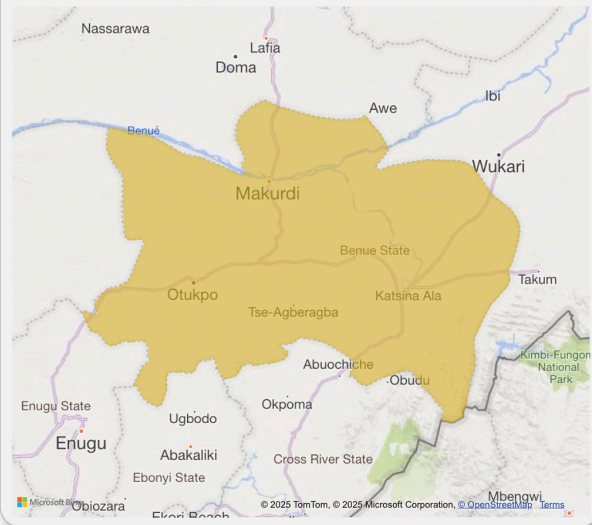


# Benue: Food Basket of the Nation

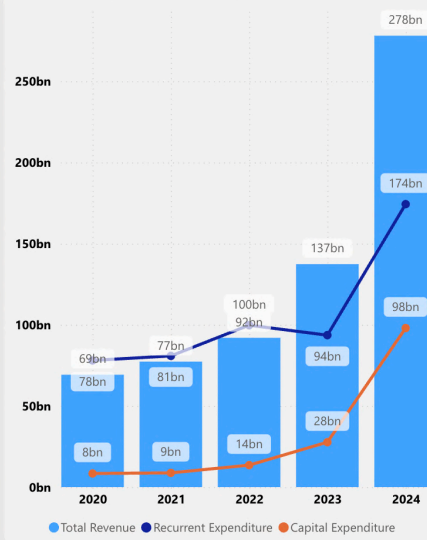
**Fiscal Transparency Score 4/7**

**FPI Rank out of 36 States - 29**

## State ● Benue



## Expenditure Priority Over the Years



**278.1bn**

Total Revenue in 2024

**21.0bn**

IGR in 2024

**161.8bn**

Accumulated Debt in 2024

**58.1bn**

Loan Repayment in 2024

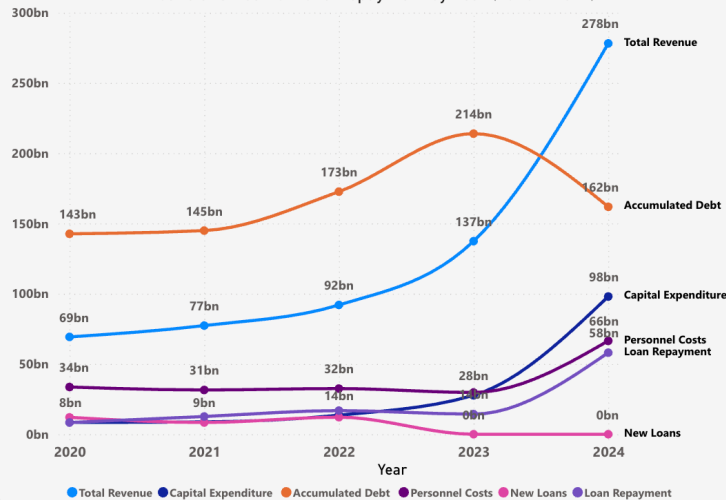
**66.4bn**

Personnel Costs in 2024

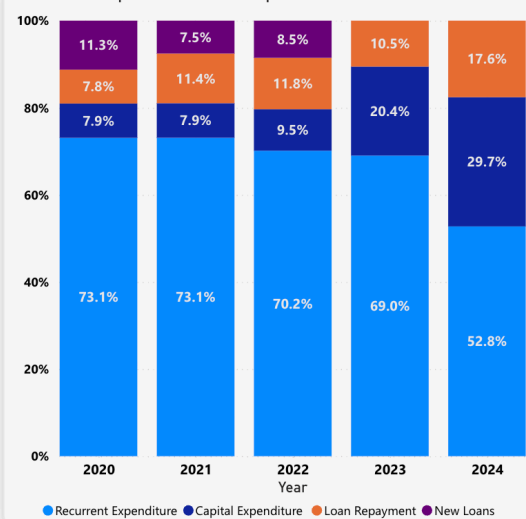
**98.0bn**

Capital Expenditure in 2024

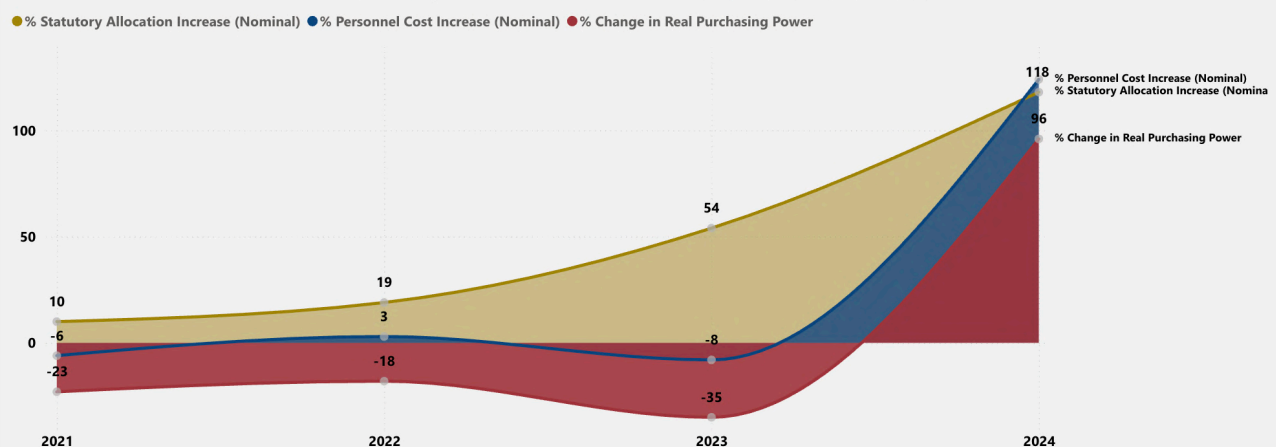
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



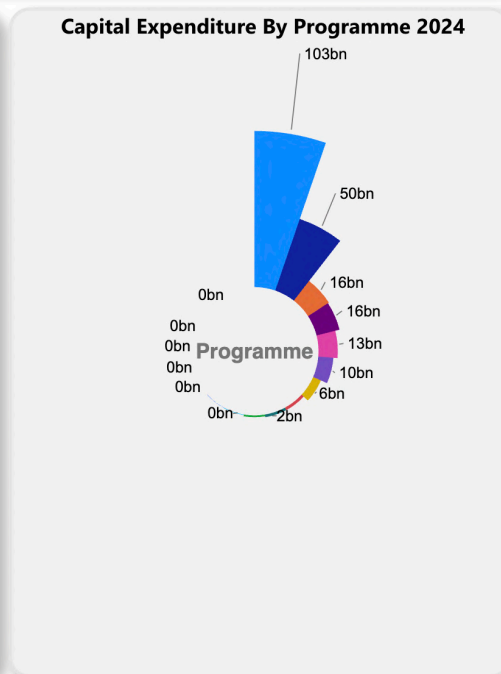
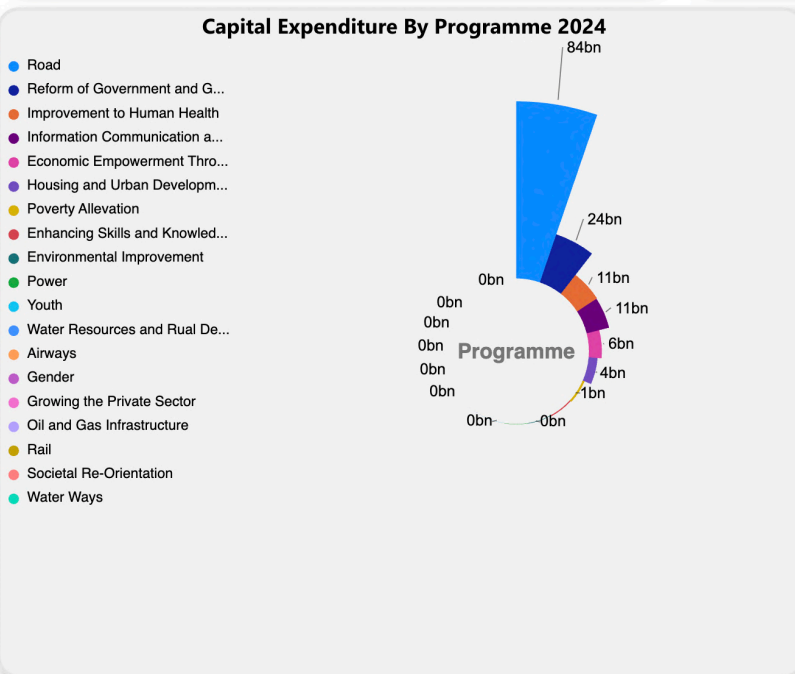
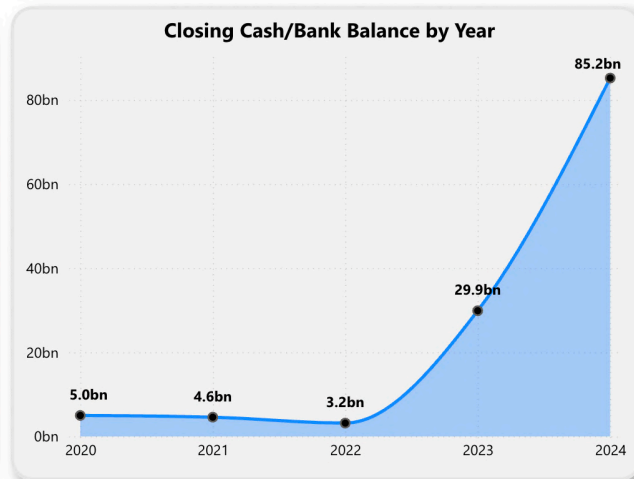
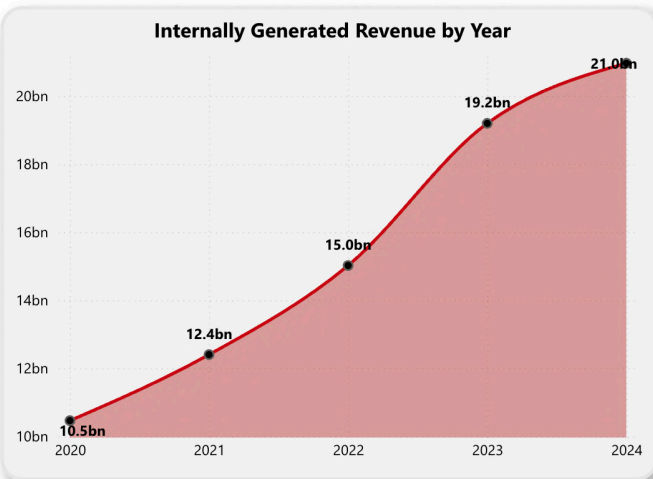
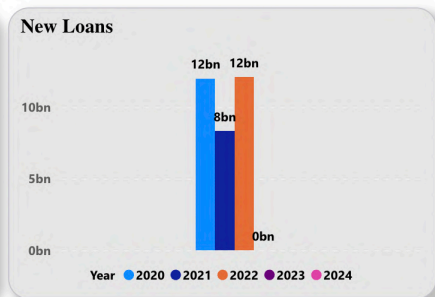
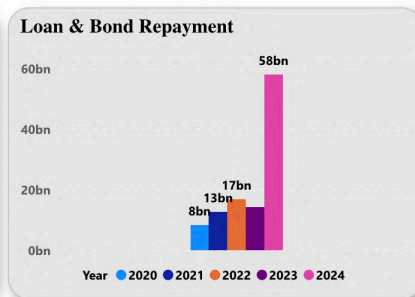
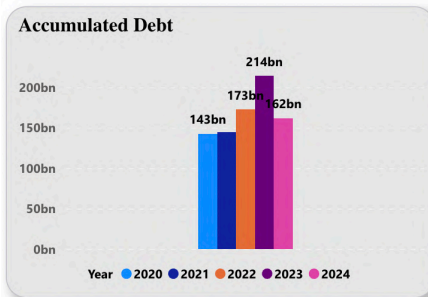
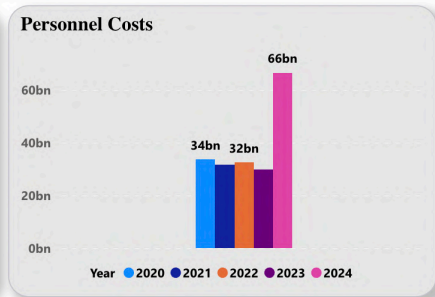
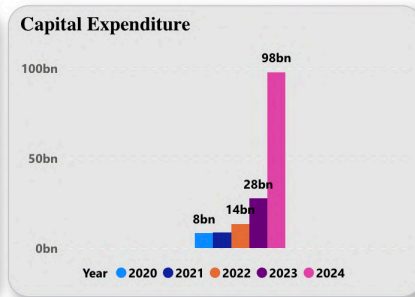
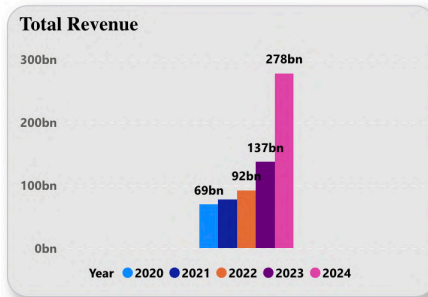
## Composition of Total Expenditure Over the Years

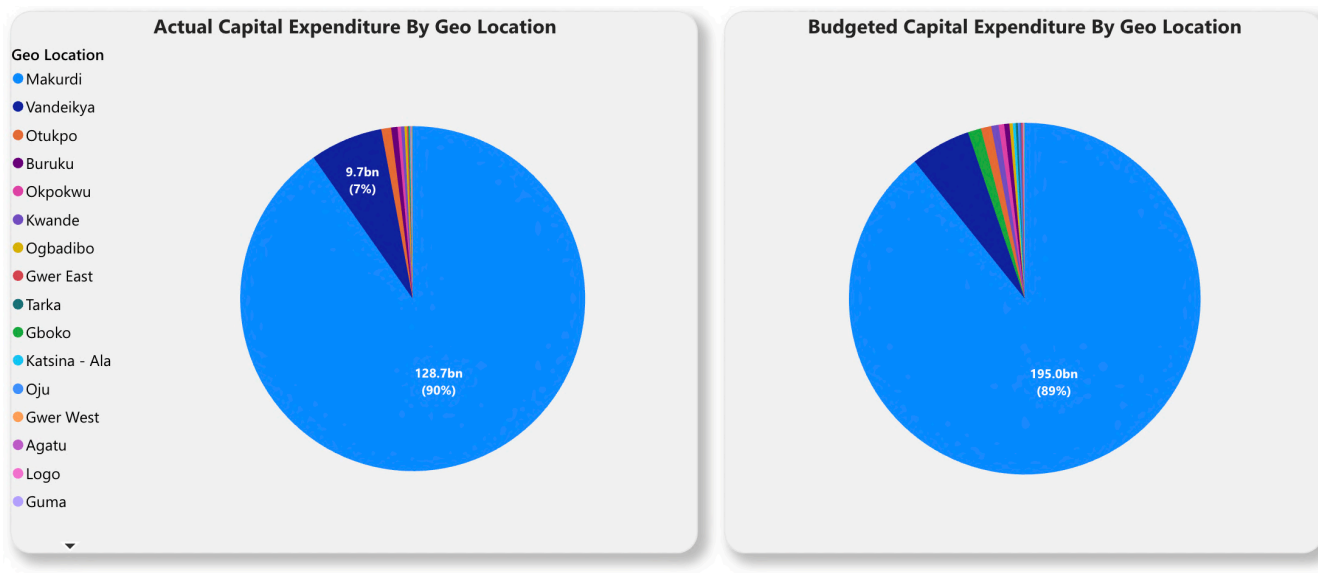


## Purchasing Power of Civil Servants vs Rise in Statutory Allocations









## Benue State Financial Performance Analysis

Overview: Benue State's total revenue more than doubled in 2024, registering a 102.5% increase to ₦278.1 billion from ₦137.4 billion in 2023. This financial boost was directed towards a significant increase in capital projects and a massive ramp-up in debt repayment.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** The state's focus on development was evident as capital expenditure surged by **254%**, from ₦27.7 billion in 2023 to ₦98.0 billion in 2024.
- **Total IGR:** Internally Generated Revenue showed a modest growth of **9.2%**, increasing from ₦19.2 billion to ₦21.0 billion. This suggests that the state's local revenue generation did not keep pace with the increase in federal allocations.
- **Personnel Costs:** Personnel Costs increased by **123.57%** reaching ₦45.22 billion. The state experienced a 35.14% loss in real purchasing power in 2023 despite a 53.55% nominal increase in statutory allocation. This trend saw a dramatic reversal in 2024, when a 117.62% nominal increase translated into a 96.05% real gain in purchasing power against a relatively low inflation rate of 27.52%.
- **Recurrent Expenditure:** Total recurrent expenditure saw a sharp increase of **86.2%**, rising to ₦174.3 billion. A primary driver of this was an enormous **306%** increase in loan and bond repayments, which jumped from ₦14.3 billion in 2023 to ₦58.1 billion in 2024.
- **Debt Management:** The data for 2023 and 2024 shows no new loans were acquired. The aggressive repayment strategy led to a **24.3%** reduction in the state's accumulated debt, bringing it down to ₦161.8 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The ₦98.0 billion allocated to capital expenditure represents a significant investment. Benue managed to significantly reduce accumulated debt and boost capital expenditure, despite a substantial rise in personnel costs, indicating a mixed but generally positive fiscal management trend. Although the financial report provides capital expenditure breakdowns by function, location, and program, project and Programme coding is inconsistent. The report would be strengthened by including clearly defined objectives with specific, measurable targets, expected outcomes, intended beneficiaries, and timelines. This added clarity would enhance transparency and make it easier for citizens to monitor progress and hold the government accountable.

The use of the Government Integrated Financial Management Information System (GIFMIS) can support this by linking expenditure to programme objectives and enabling real-time tracking of implementation. State Accountants-General should also utilize GIFMIS for online real-time payments to ensure full compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby promoting transparency and effective financial control.

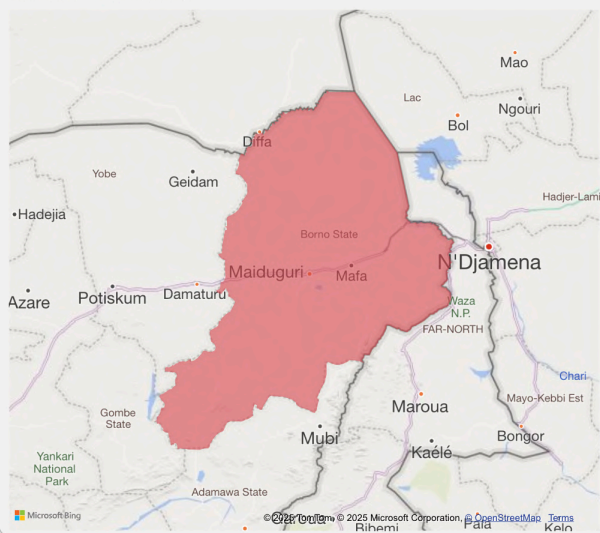
As Nigeria's "Food Basket," Benue could invest in modernizing its agricultural sector with improved irrigation and storage facilities. To boost IGR, it could tax the agricultural value chain. Increased revenue could also be used to fund peace-building initiatives to address farmer-herder conflicts.

# Borno: Home of Peace

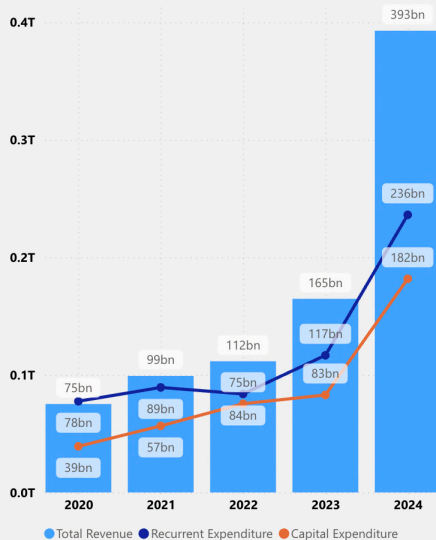
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 12**

## State • Borno



### Expenditure Priority Over the Years



**392.8bn**

Total Revenue in 2024

**54.6bn**

IGR in 2024

**94.4bn**

Accumulated Debt in 2024

**69.3bn**

Loan Repayment in 2024

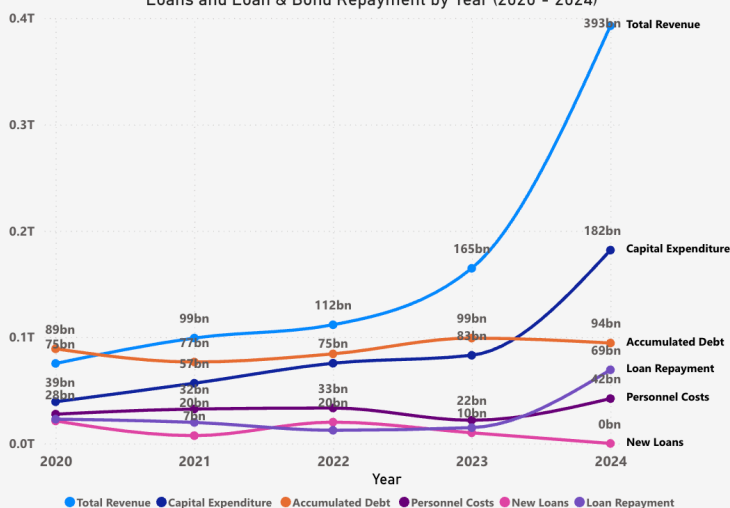
**42.2bn**

Personnel Costs in 2024

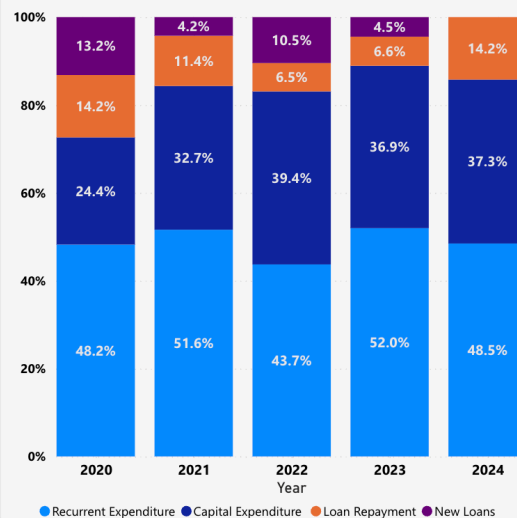
**181.8bn**

Capital Expenditure in 2024

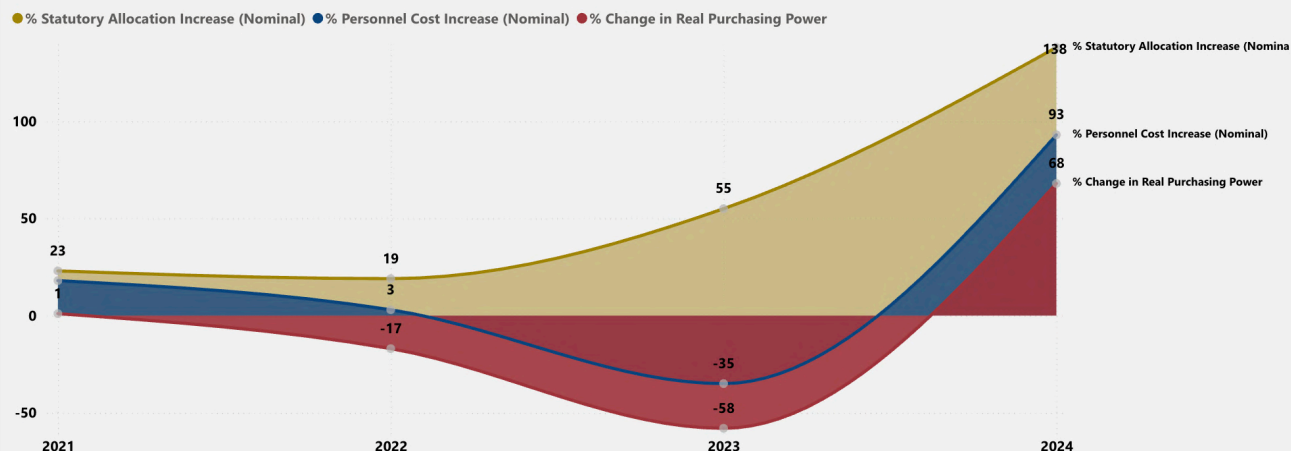
### Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



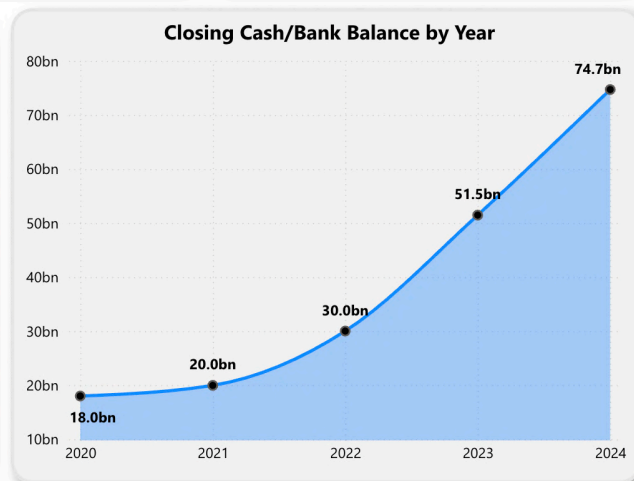
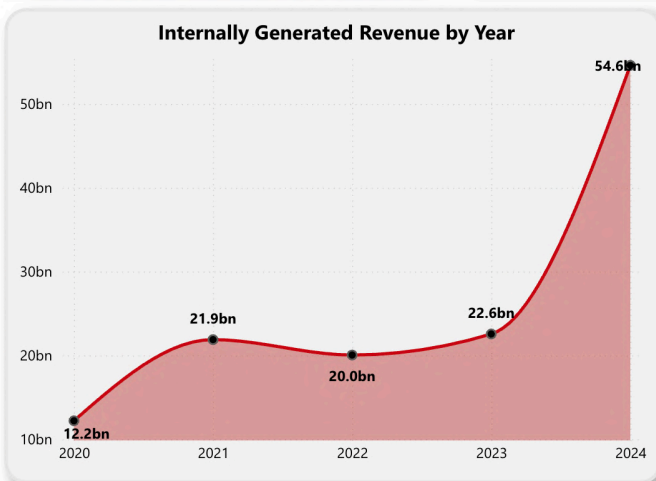
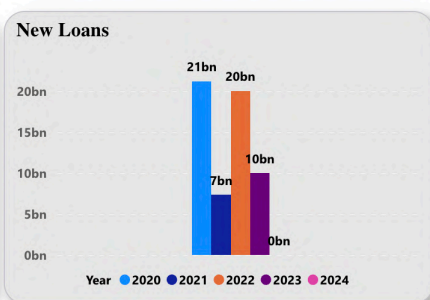
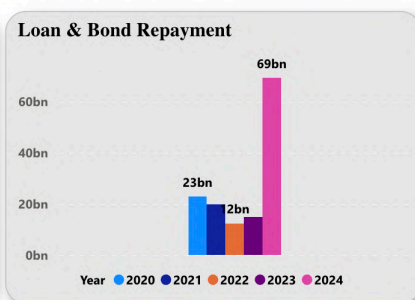
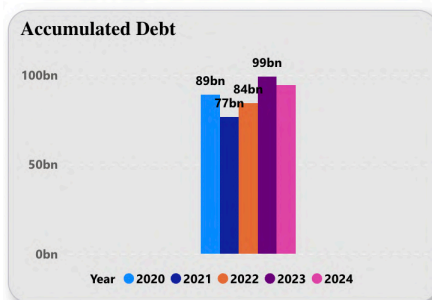
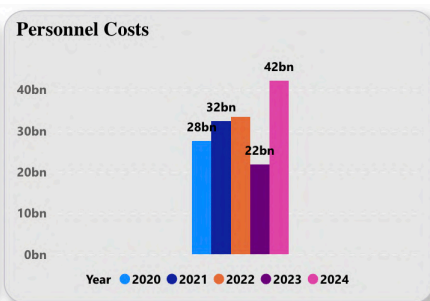
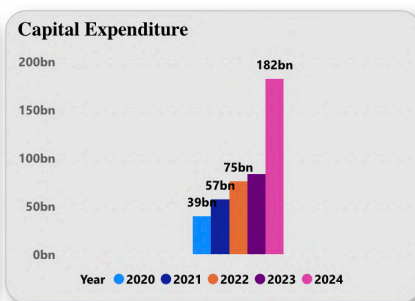
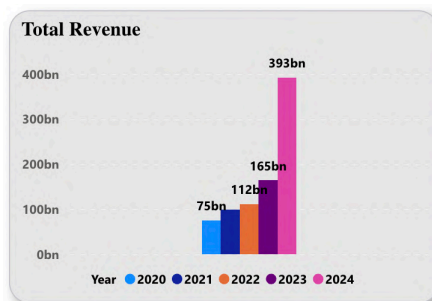
### Composition of Total Expenditure Over the Years



### Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Borno State Financial Performance Analysis

Overview: Borno State's total revenue more than doubled in 2024 with a 138.4% increase, reaching ₦392.8 billion from ₦164.8 billion in 2023. The state directed this massive windfall toward a huge expansion of capital projects and debt servicing.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending surged by **119.2%**, rising from ₦82.9 billion in 2023 to ₦181.8 billion in 2024, reflecting a major focus on post-insurgency reconstruction and development.
- **Total IGR:** The state achieved a phenomenal **142%** growth in IGR, which soared from ₦22.6 billion to ₦54.6 billion. This demonstrates remarkable progress in local revenue mobilization.
- **Personnel Costs:** In 2023, Borno's significant 55.29% nominal statutory allocation increase was entirely negated by inflation, leading to a 57.87% loss in real purchasing power.



The state's fiscal position recovered strongly in 2024, with a 137.88% nominal increase resulting in a substantial 67.54% real gain, aided by the nation's lowest inflation rate of 25.90%.

- **Recurrent Expenditure:** Total recurrent expenditure more than doubled, increasing by **102.4%** to ₦236.2 billion. A key driver was a **366.1%** increase in loan and bond repayments, which jumped to ₦69.3 billion.
- **Debt Management:** The data indicates no new loans were taken in 2024, a significant shift from the ₦10 billion borrowed in 2023. This, combined with the loan repayments of ₦69.3 billion, resulted in a **4.7%** reduction in accumulated debt to ₦94.4 billion.

**FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:** Borno State exhibited strong fiscal management by reducing its accumulated debt, significantly increasing capital expenditure, and maintaining control over personnel costs, reflecting prudent and effective use of its revenue growth. The ₦181.8 billion allocated to capital projects represents a critical investment in the state's recovery and long-term development.

However, the financial report falls short on transparency, raising concerns about the effectiveness and accountability of these expenditures. It does not provide a breakdown of capital spending by programme, function, or geolocation, as required by the National Chart of Accounts (NCOA). More importantly, it fails to outline the specific objectives of the capital investments, including the intended outcomes, target beneficiaries, and expected timelines. This lack of clarity presents a significant challenge to public accountability, particularly in a post-conflict setting where the efficient and transparent use of resources is essential for rebuilding trust and ensuring meaningful development. Leveraging Government Integrated Financial Management Information System (GIFMIS) can help address these gaps by aligning capital spending with clearly defined Programme objectives and enabling real-time monitoring of implementation. Additionally, the Accountant-General is encouraged to use GIFMIS for online real-time payments to ensure full compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby enhancing transparency and strengthening financial discipline.

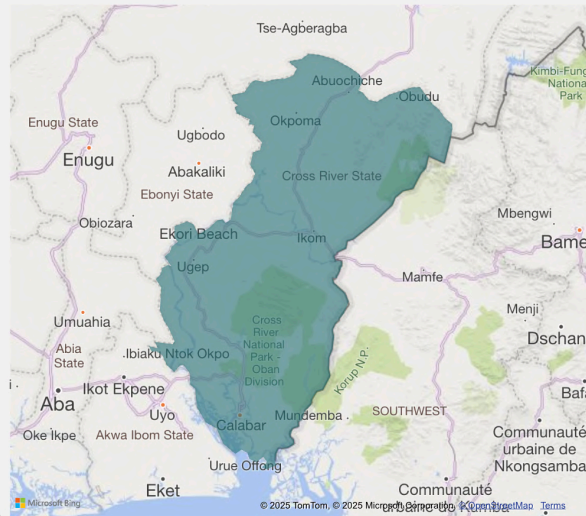
Borno could use its increased revenue primarily for post-insurgency reconstruction, rebuilding schools, and hospitals. IGR could be boosted by creating a stable environment for economic activities. The state's most pressing problem of insecurity could be tackled by investing in security and providing livelihoods for internally displaced persons (IDPs).

# Cross River: The People's Paradise

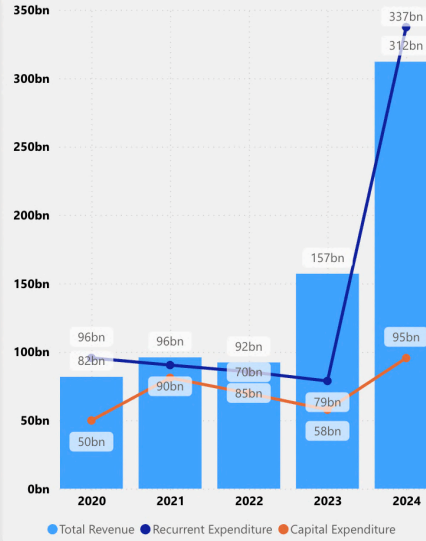
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 34**

## State • Cross River



## Expenditure Priority Over the Years



**312.1bn**

Total Revenue in 2024

**46.2bn**

IGR in 2024

**529.3bn**

Accumulated Debt in 2024

**103.3bn**

Loan Repayment in 2024

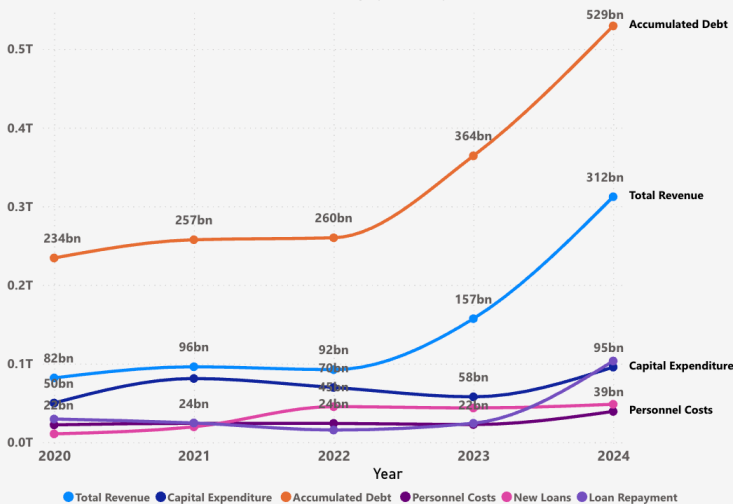
**39.2bn**

Personnel Costs in 2024

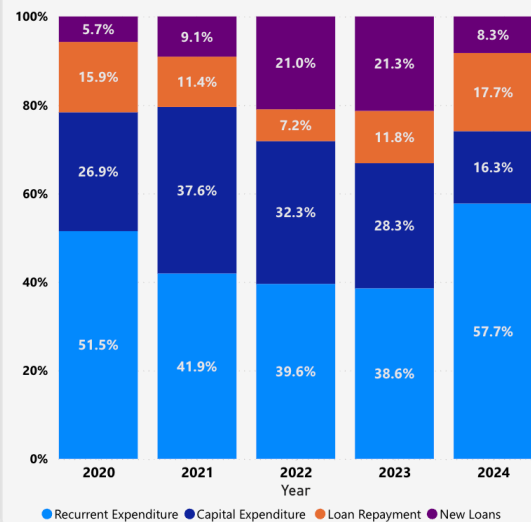
**95.5bn**

Capital Expenditure in 2024

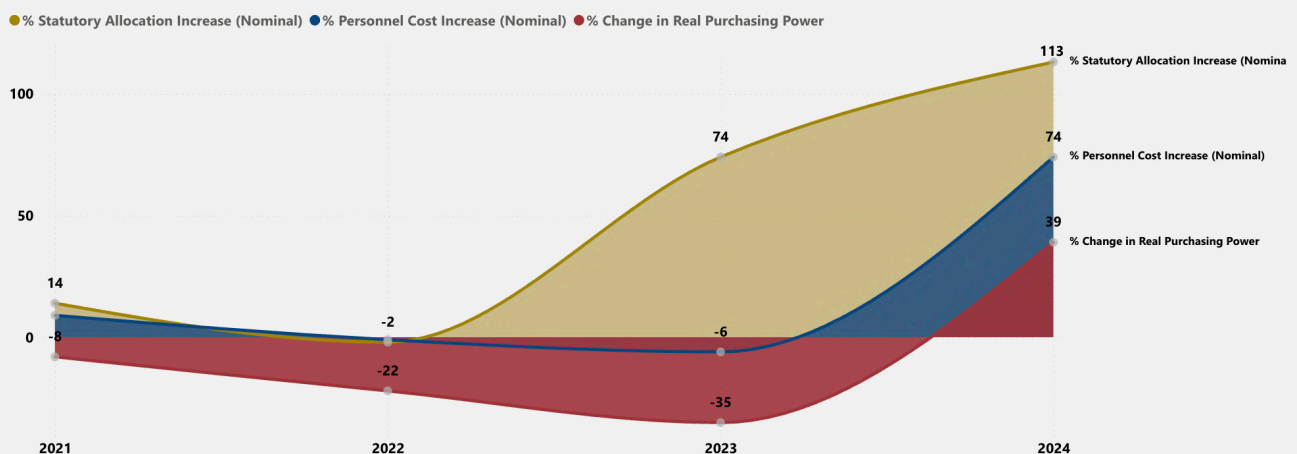
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

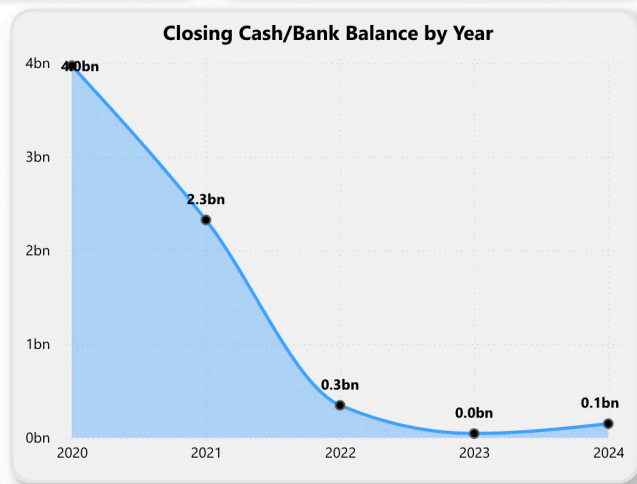
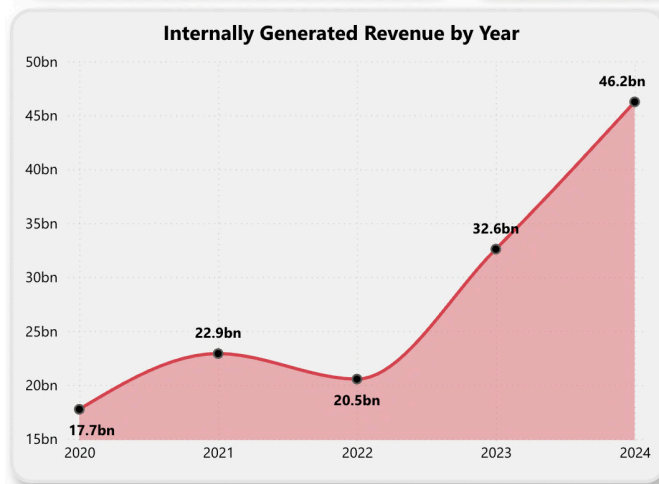
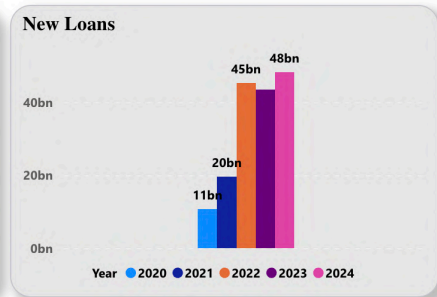
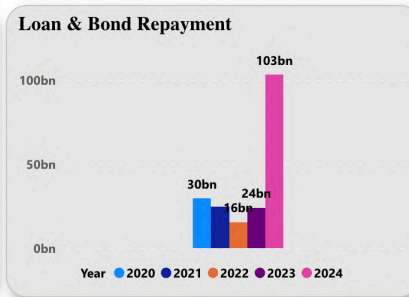
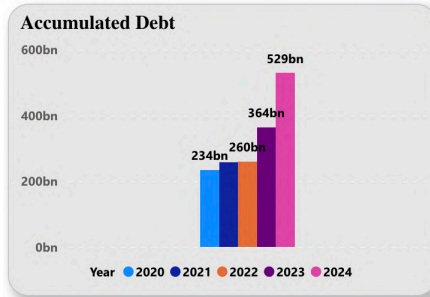
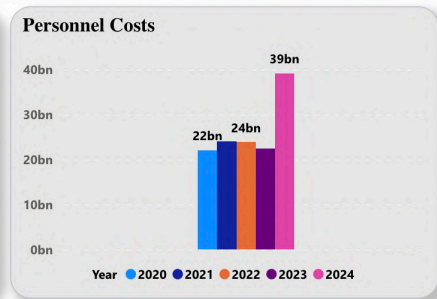
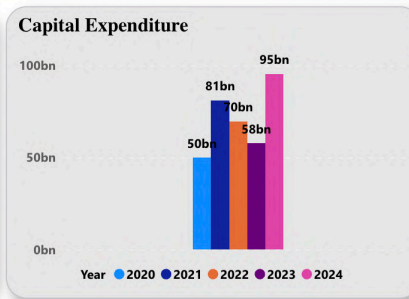
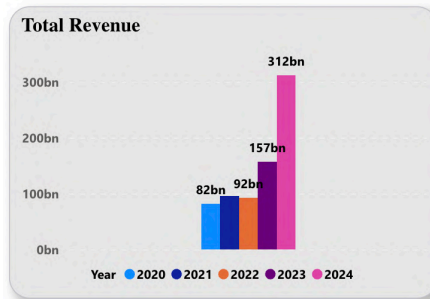


## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Cross River State Financial Performance Analysis

Overview: Cross River State's total revenue nearly doubled in 2024, increasing by 98.6% to ₦312.1 billion from ₦157.1 billion in 2023. The state used this to boost capital spending, but also massively increased its overhead costs and took on substantial new debt, leading to a dramatic rise in its already high debt profile.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending grew by a substantial **65.4%**, from ₦57.7 billion in 2023 to ₦95.5 billion in 2024.
- **Total IGR:** The state recorded a solid **41.8%** growth in IGR, from ₦32.6 billion to ₦46.2 billion.
- **Personnel Costs:** Personnel Costs increased by 74.20% reaching ₦128.26 billion. A 73.60% nominal increase in statutory allocation in 2023 was insufficient to counter inflation, resulting in a 34.64% loss of real purchasing power. This trend reversed in 2024, as a

113.48% nominal increase successfully translated into a 39.27% real gain against an inflation rate of 34.93%.

- **Recurrent Expenditure:** Total recurrent expenditure increased massively by **328.2%** to ₦337.3 billion. This was driven by a **678%** increase in overhead costs and a **328%** increase in loan and bond repayments to ₦103.3 billion.
- **Debt Management:** The state took on **₦48.3 billion in new loans**, an 11% increase from 2023. This, combined with other factors, caused the accumulated debt to surge by **45.4%** to ₦529.3 billion, one of the highest in the country.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The ₦95.5 billion allocated to capital expenditure in Cross River State represents a notable investment in infrastructure and development. However, the effectiveness of this spending is difficult to assess due to shortcomings in financial reporting. The capital expenditure is not disaggregated by function, programme, or geolocation as recommended under the National Chart of Accounts (NCOA). This lack of classification limits transparency and makes it challenging to understand how funds are aligned with the state's strategic priorities.

Moreover, the financial statement does not provide information on the specific objectives of the projects being funded, nor does it outline the intended beneficiaries or timelines for implementation. In the context of rising recurrent expenditure and a high debt burden, the absence of such critical information limits public accountability and makes it difficult to assess whether capital investments are aligned with the state's most urgent priorities. The use of the Government Integrated Financial Management Information System (GIFMIS) can help bridge this gap by linking expenditures to clearly defined programme objectives and enabling real-time monitoring of implementation. Additionally, the state Accountant-General should leverage GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby promoting transparency and strengthening financial management.

To boost its internally generated revenue, Cross River State can revitalize its tourism sector—leveraging attractions like Obudu Mountain Resort and the Calabar Carnival—through improved infrastructure and promotion. The state can also invest in agriculture and agro-processing by supporting farmers and market access. Strengthening property tax systems, expanding the tax base to include informal businesses, and adopting digital revenue platforms would further enhance sustainable revenue growth.

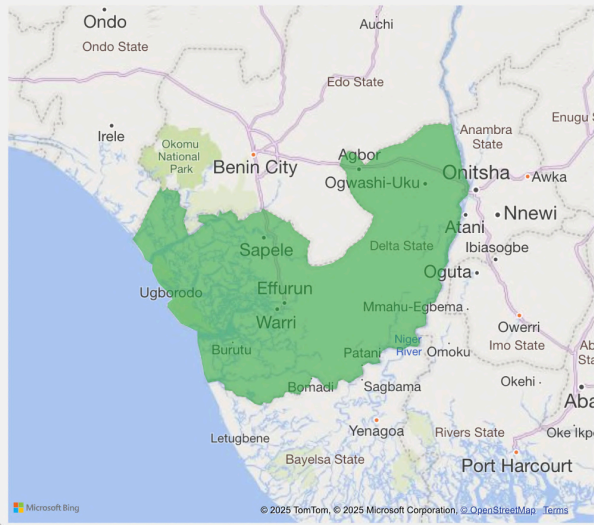


# Delta: The Big Heart

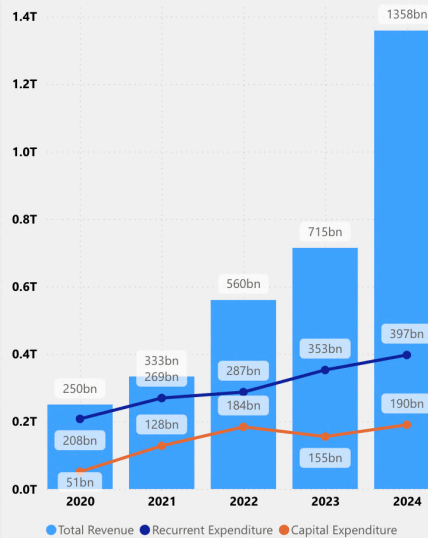
**Fiscal Transparency Score 3.5/7**

**FPI Rank out of 36 States - 10**

## State ● Delta



## Expenditure Priority Over the Years



**1.4T**

Total Revenue in 2024

**166.4bn**

IGR in 2024

**250.5bn**

Accumulated Debt in 2024

**34.6bn**

Loan Repayment in 2024

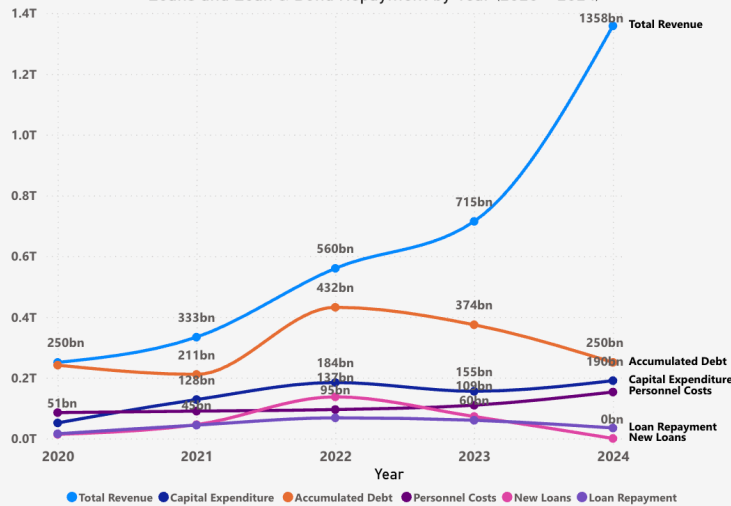
**152.7bn**

Personnel Costs in 2024

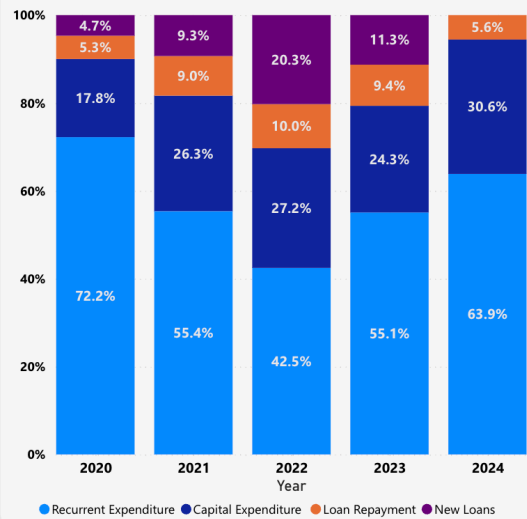
**190.2bn**

Capital Expenditure in 2024

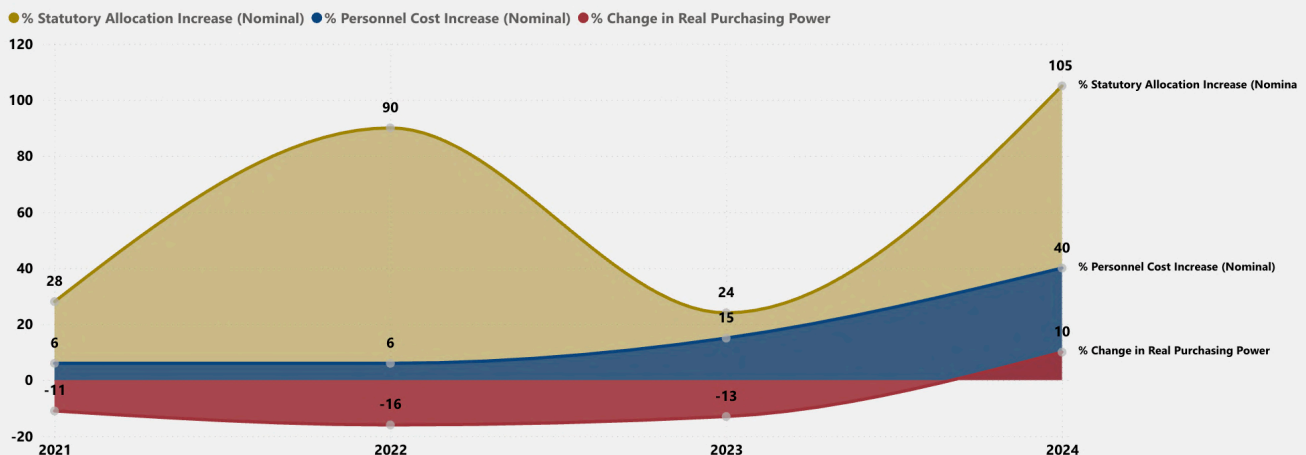
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



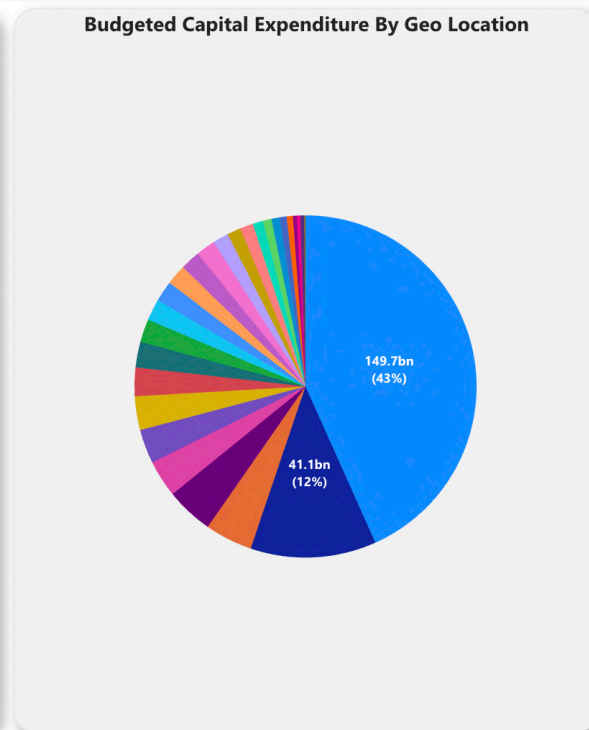
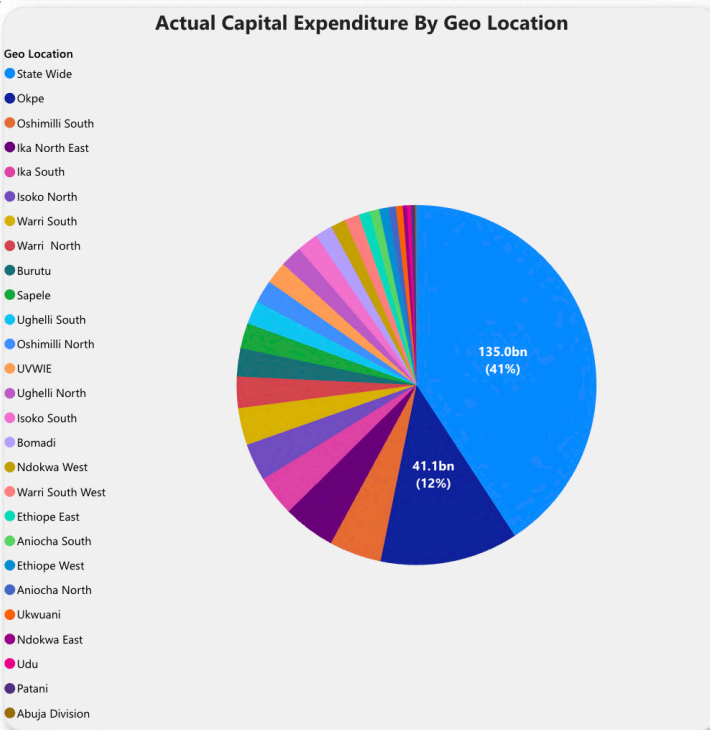
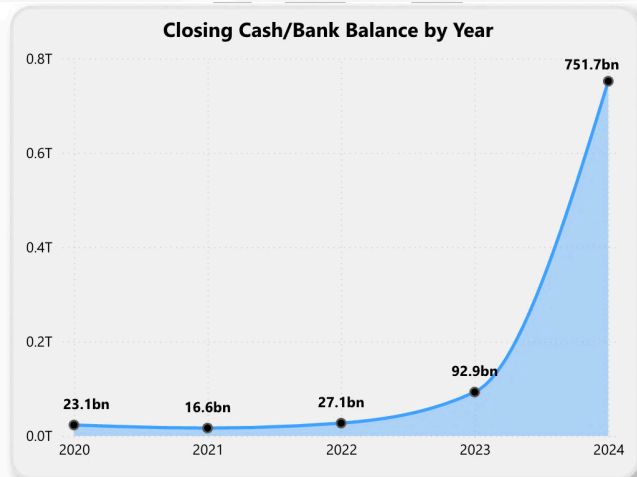
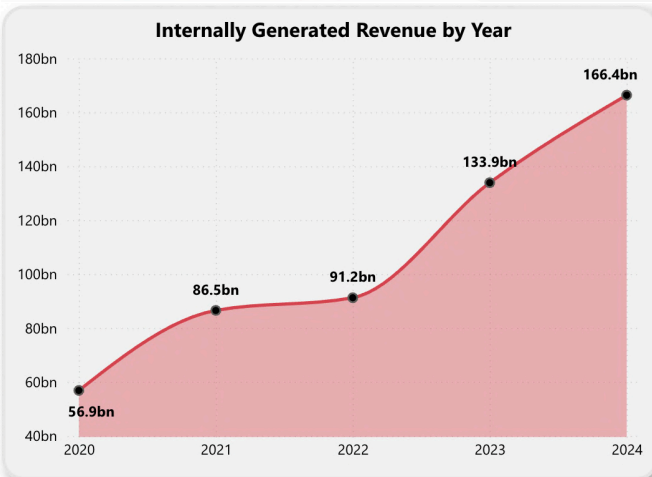
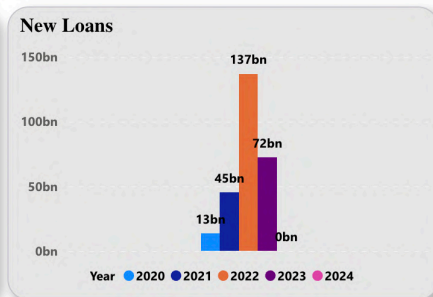
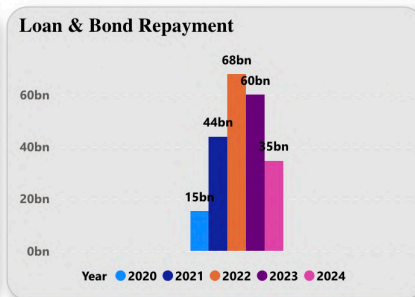
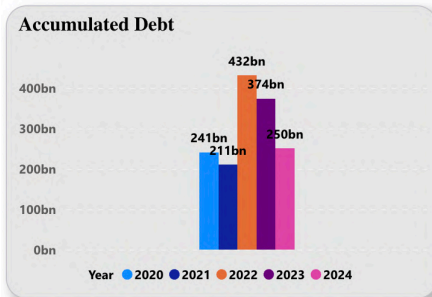
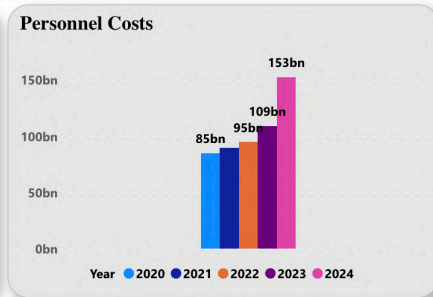
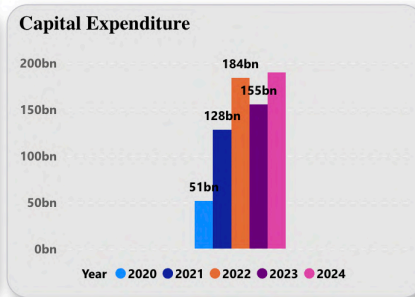
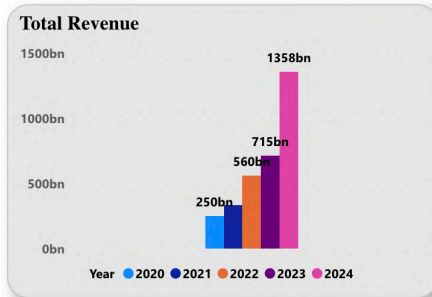
## Composition of Total Expenditure Over the Years

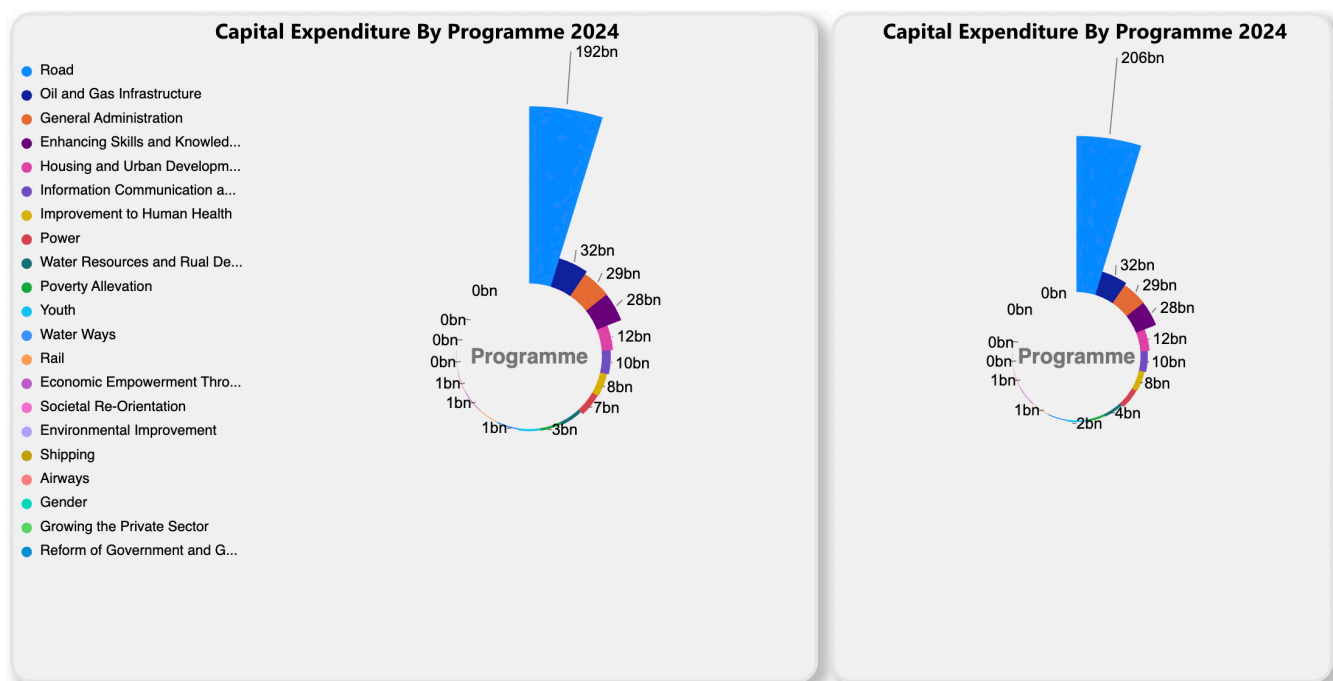


## Purchasing Power of Civil Servants vs Rise in Statutory Allocations









## Delta State Financial Performance Analysis

Overview: As a leading oil-producing state, Delta's total revenue almost doubled in 2024 with a 90.1% increase, reaching a colossal ₦1.36 trillion from ₦714.5 billion in 2023. The state channeled this windfall into a substantial increase in capital projects and recurrent spending.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure grew by a significant **22.4%**, from ₦155.3 billion in 2023 to ₦190.2 billion in 2024.
- **Total IGR:** IGR performance was excellent, with a **24.2%** increase from ₦133.9 billion to ₦166.4 billion, solidifying its position as one of the top-performing states.
- **Personnel Costs:** In 2023, Delta's 23.86% nominal statutory allocation increase resulted in a 12.90% loss of real purchasing power. The state's fiscal fortunes improved in 2024, with a 105.30% nominal revenue surge producing a 9.94% real gain against an inflation rate of 29.80%.
- **Recurrent Expenditure:** Total recurrent expenditure increased by **12.6%** to ₦397.0 billion. However, a key positive was the **42.3%** decrease in loan and bond repayments, which fell to ₦34.6 billion.
- **Debt Management:** No new loans were reported for 2024, a major shift from the ₦72.2 billion borrowed in 2023. This fiscal restraint led to a significant **33.1%** reduction in accumulated debt, bringing it down to ₦250.5 billion.

### FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:

Capital expenditure in Delta State rose by 22.43% to ₦190.2 billion, reflecting a continued commitment to infrastructure and development. The state also made commendable progress in reducing both loan repayments and accumulated debt, signaling a strategic emphasis on fiscal consolidation. However, given the scale of this capital outlay, the need for transparency is especially critical.

Although the financial report provides summary-level breakdowns of capital expenditure by function, location, and programme, which places it ahead of most states, it still lacks the level of detail required for effective public oversight. It does not present capital expenditure by programme and geolocation in line with the National Chart of Accounts (NCOA), nor does it show total expenditure by function in the format prescribed by the NCOA. In addition, the report fails to clearly define project objectives, expected outcomes, target beneficiaries, or implementation timelines.

Additionally, the reported closing cash balance of ₦751.7 billion, while reflecting financial strength, raises concerns about resource efficiency, as holding substantial funds without a clear and strategic disbursement plan may represent a missed opportunity to accelerate infrastructure delivery, social programmes, or economic diversification efforts.

The use of (GIFMIS) can improve this situation by linking expenditures to clear Programme objectives and enabling real-time monitoring of implementation. Furthermore, the state Accountants-General should use GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, enhancing transparency and financial management.

Delta State can boost IGR by promoting a business-friendly environment to attract investment in oil and gas. Diversifying into agriculture, especially palm oil production and agro-processing, can create jobs and add value.

# Ebonyi: Salt of the Nation

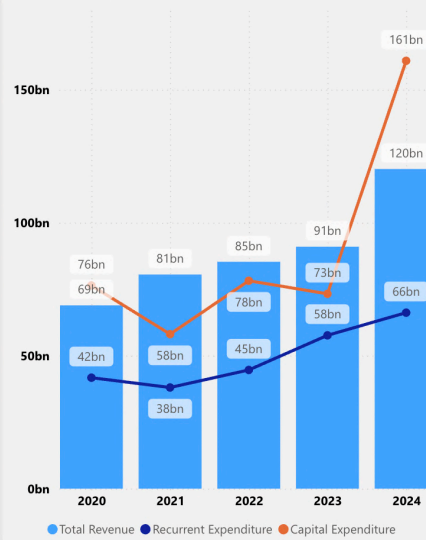
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 27**

## State • Ebonyi



## Expenditure Priority Over the Years



**120.2bn**

Total Revenue in 2024

**10.0bn**

IGR in 2024

**220.0bn**

Accumulated Debt in 2024

**8.9bn**

Loan Repayment in 2024

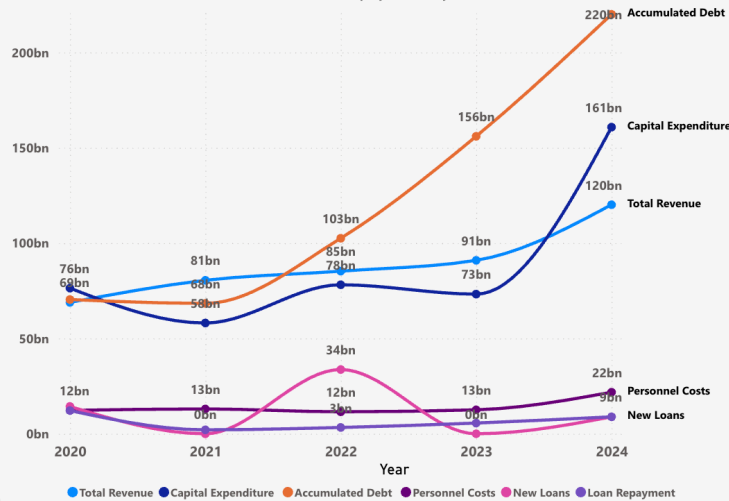
**21.8bn**

Personnel Costs in 2024

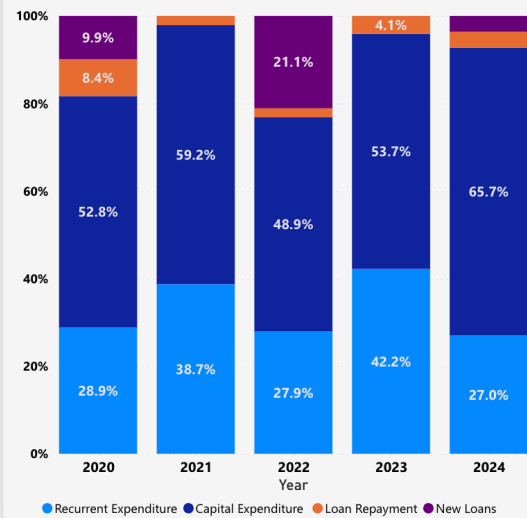
**160.8bn**

Capital Expenditure in 2024

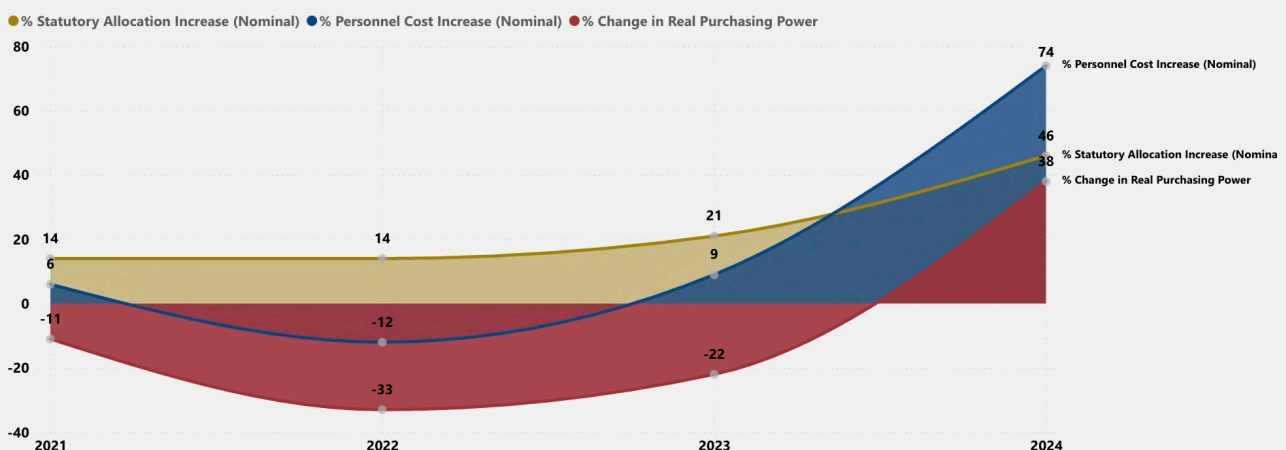
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



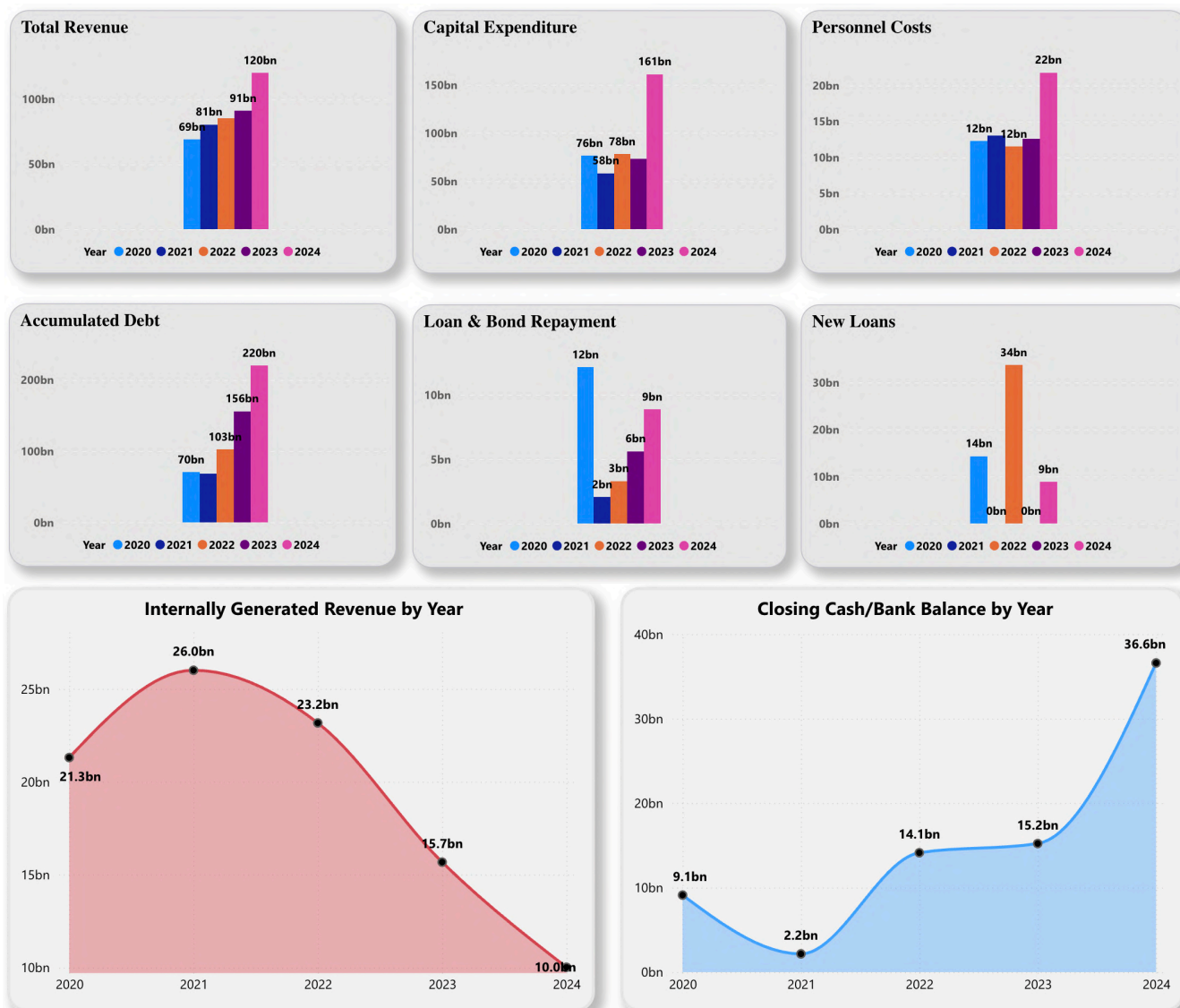
## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Ebonyi State Financial Performance Analysis

Overview: In 2024, Ebonyi State's total revenue increased moderately by 32 percent, rising from ₦91.0 billion in 2023 to ₦120.2 billion. In response, the state more than doubled its capital expenditure and reduced new borrowing, though its overall debt burden still grew.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** The state prioritized development projects, with capital expenditure skyrocketing by **119.6%** from ₦73.2 billion in 2023 to ₦160.8 billion in 2024. This level of spending notably exceeds the state's total revenue for the year.
- **Total IGR:** Contrary to the regional trend, Ebonyi's IGR decreased by **36.1%**, falling from ₦15.7 billion in 2023 to ₦10.0 billion in 2024. This decline is a significant concern, suggesting challenges in local revenue mobilization.



- **Personnel Costs:** increased by 58.28% reaching 32.58 billion Naira. Ebonyi faced a 22.12% loss in real purchasing power in 2023 despite a 21.20% nominal increase in statutory allocation. This situation improved significantly in 2024, when a 46.29% nominal increase translated into a 37.92% real gain in purchasing power, despite a high inflation rate of 35.69%.
- **Recurrent Expenditure:** Total recurrent expenditure saw a **14.8% increase** to ₦66.2 billion. This includes a **58.3%** increase in loan and bond repayments, which rose to ₦8.9 billion.
- **Debt Management:** Ebonyi State incurred ₦8.9 billion in new loans in 2024, having recorded no new borrowing in 2023. Combined with short-term contractor obligations totaling ₦61.4 billion in 2024, this contributed to a 41% increase in the state's accumulated debt, which rose to ₦220.0 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The allocation of ₦160.8 billion to capital expenditure, an amount that exceeds the state's total annual revenue, raises concerns. One key issue is the lack of reporting by Function, Geolocation, and Programme, which makes it difficult to understand what the funds are meant to achieve. The report does not explain which programmes the spending supports or what specific outcomes are expected. Without this information, it is hard for stakeholders to assess the government's priorities, evaluate project feasibility, or ensure accountability, especially given the rise in the state's debt profile.

At the same time, Ebonyi's moderate revenue growth was accompanied by a significant increase in personnel costs and debt, despite heavy capital investment. This suggests a need for better control over recurrent spending. Using Government Integrated Financial Management Information System (GIFMIS) can help improve planning and transparency by linking spending to clear Programme objectives and allowing real-time tracking of results. The State Accountant-General is encouraged to use GIFMIS for online real-time payments to comply with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, which support better financial control and accountability.

Known for its salt and cement production, Ebonyi could use its increased revenue to expand its mining sector and establish processing plants. IGR could be boosted by becoming a major supplier of building materials. More so, the state could address its problem of limited access to potable water by investing in water treatment plants and boreholes.

# Edo: Heartbeat of The Nation

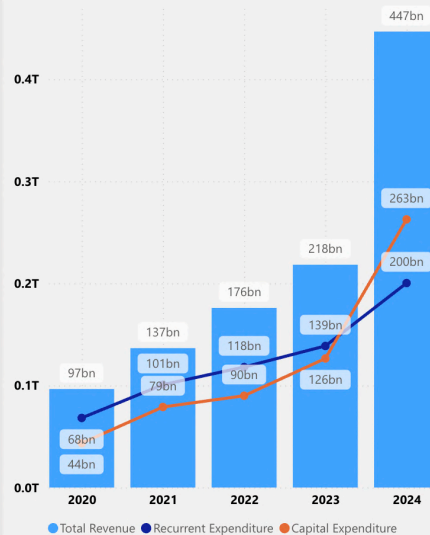
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 15**

## State • Edo



## Expenditure Priority Over the Years



**446.7bn**

Total Revenue in 2024

**88.2bn**

IGR in 2024

**768.7bn**

Accumulated Debt in 2024

**36.7bn**

Loan Repayment in 2024

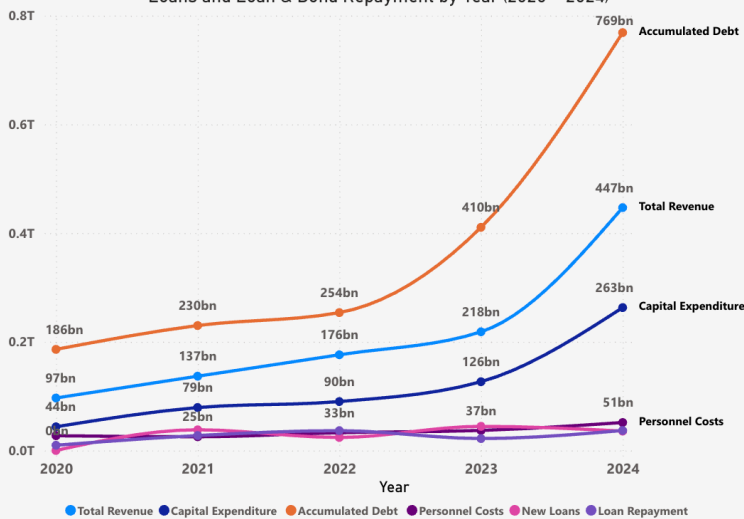
**51.4bn**

Personnel Costs in 2024

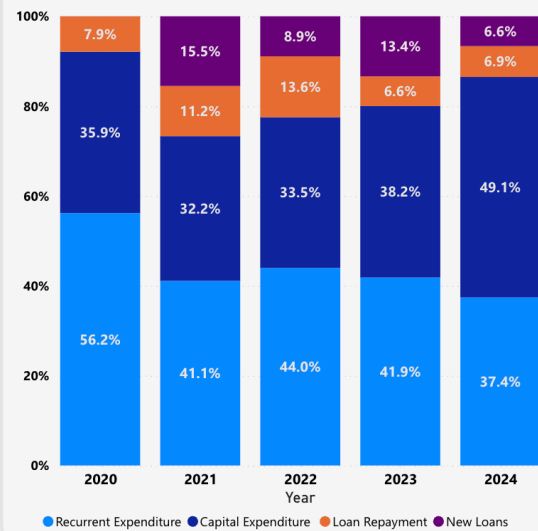
**262.7bn**

Capital Expenditure in 2024

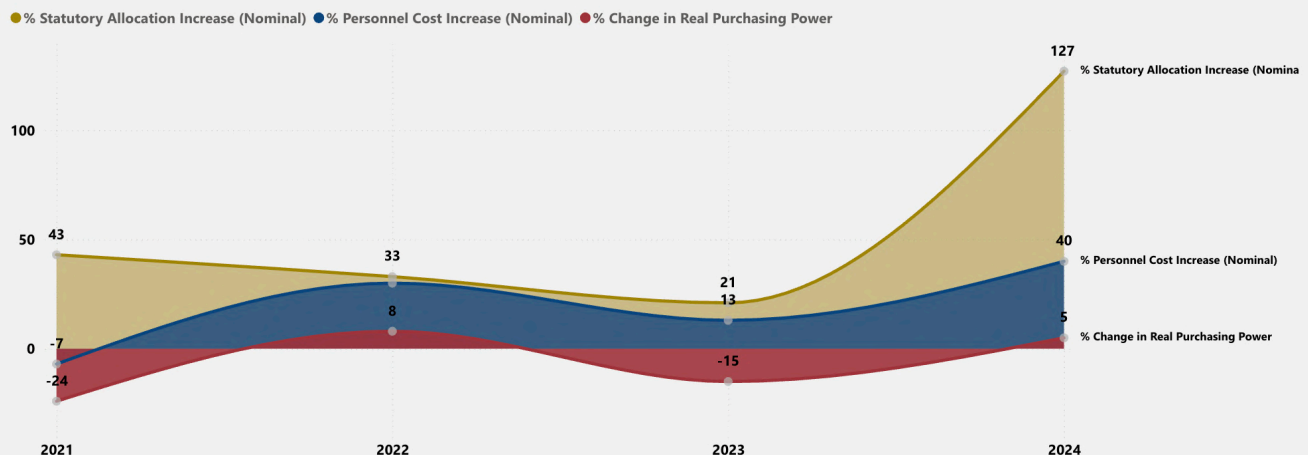
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

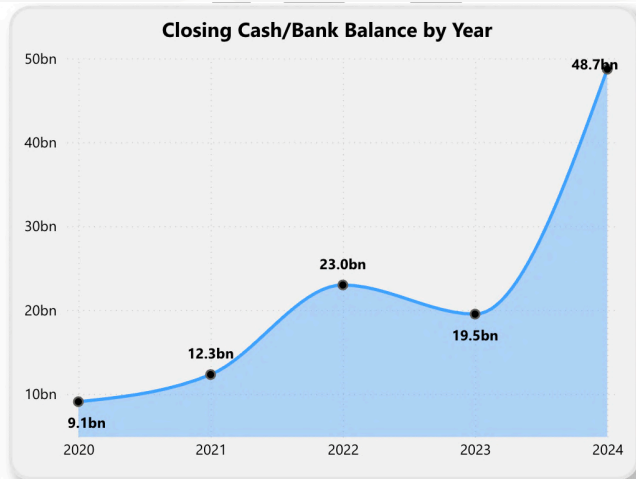
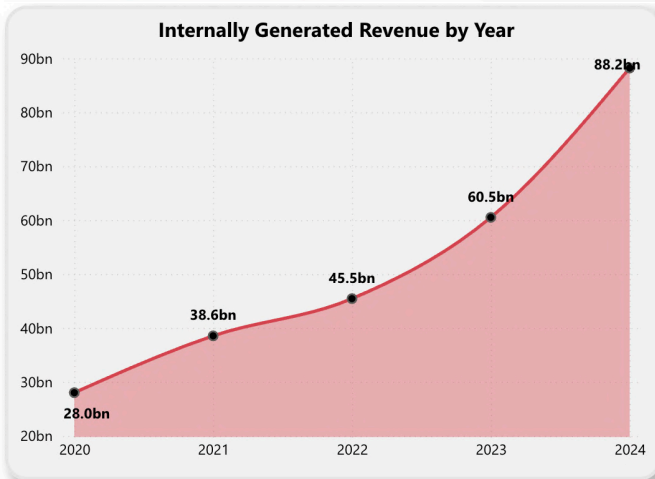
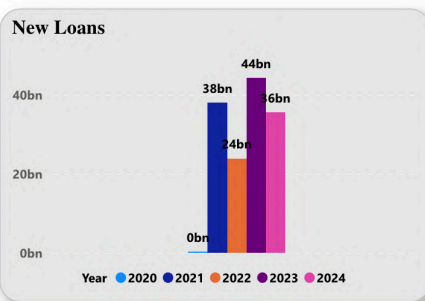
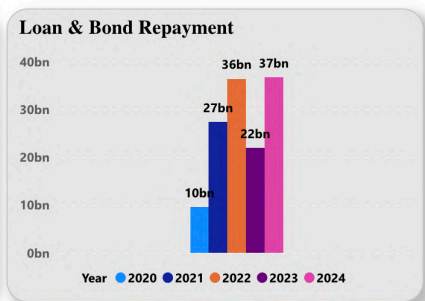
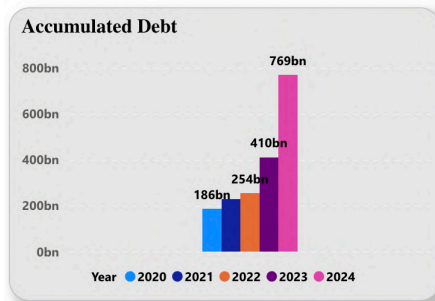
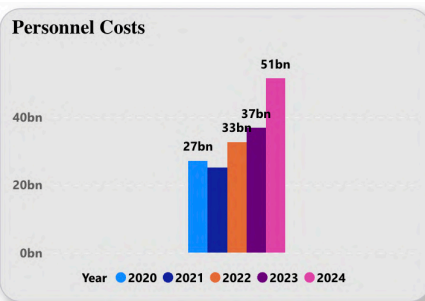
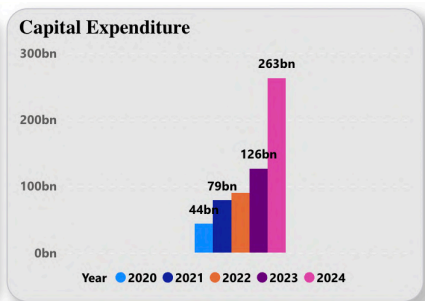
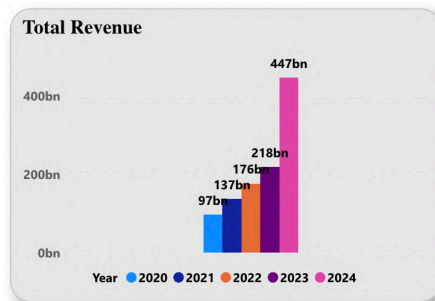


## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Edo State Financial Performance Analysis

Overview: Edo State's total revenue more than doubled in 2024, increasing by 104.7% to ₦446.7 billion from ₦218.3 billion in 2023. This revenue boom was used to more than double capital expenditure but was also accompanied by a massive increase in the state's debt burden.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending surged by **107.8%**, rising from ₦126.4 billion in 2023 to ₦262.7 billion in 2024.
- **Total IGR:** The state showed strong IGR growth of **45.8%**, with revenues increasing from ₦60.5 billion to ₦88.2 billion.
- **Personnel Costs:** In 2023, a 20.86% nominal statutory allocation increase was outpaced by inflation, leading to a 14.93% loss in real purchasing power. The state recovered in 2024,

with a 127.26% nominal revenue increase resulting in a 5.24% real gain against an inflation rate of 34.47%.

- **Recurrent Expenditure:** Personnel Costs increased by 39.71% reaching ₦82.93. Total recurrent expenditure increased by **44.4%** to ₦200.3 billion. This includes a **67.8%** increase in loan and bond repayments to ₦36.7 billion.
- **Debt Management:** The state reduced its borrowing, with new loans decreasing by **19.8%** to ₦35.6 billion. Despite this, the accumulated debt skyrocketed by **87.3%** to ₦768.7 billion, making Edo one of the most indebted states in Nigeria.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The state's Internally Generated Revenue (IGR) growth and its significant capital expenditure of ₦262.7 billion indicate an ambitious push toward development. However, this level of spending warrants careful scrutiny, particularly in the context of the state's rapidly increasing debt, which rose by 87.3% from the previous year to reach ₦768.7 billion. While investment in capital projects can drive long-term growth, the scale of borrowing raises concerns about fiscal sustainability.

In addition, the financial report lacks the clarity needed to justify the scale of borrowing. It does not provide a breakdown of capital expenditure by programme, function, or geolocation, as required by the National Chart of Accounts (NCOA), making it difficult to determine whether the spending aligns with strategic priorities or addresses the most critical needs. The absence of defined project objectives, including expected outcomes, target beneficiaries, and timelines, further limits transparency and weakens accountability.

The effective use of the Government Integrated Financial Management Information System (GIFMIS) can help address these gaps by linking capital spending to specific programme objectives and enabling real-time monitoring of implementation. State Accountants-General are encouraged to use GIFMIS for online real-time payments to ensure full compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, thereby promoting transparency and stronger financial oversight.

To boost IGR and reduce borrowing, the state can tap into its growing tech ecosystem by creating a tech hub, supporting startups, and investing in digital infrastructure to attract investment and expand the tax base. To combat human trafficking, it could fund a rehabilitation and skills center and run awareness campaigns, promoting social inclusion and long-term economic productivity.



# Ekiti: Land of Honour and Integrity

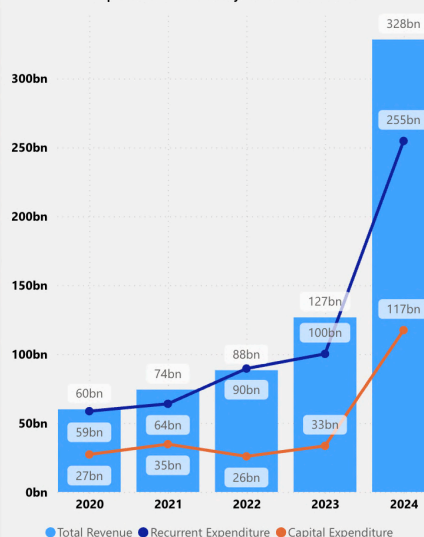
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 25**

## State • Ekiti



## Expenditure Priority Over the Years



**328.3bn**

Total Revenue in 2024

**41.1bn**

IGR in 2024

**260.2bn**

Accumulated Debt in 2024

**61.3bn**

Loan Repayment in 2024

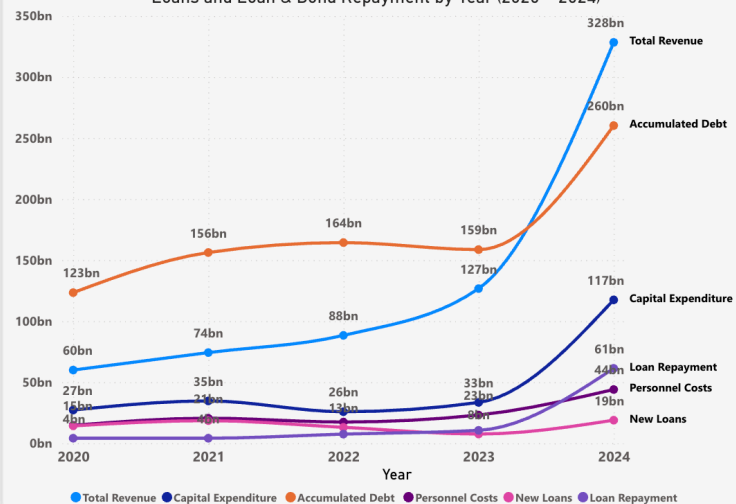
**44.0bn**

Personnel Costs in 2024

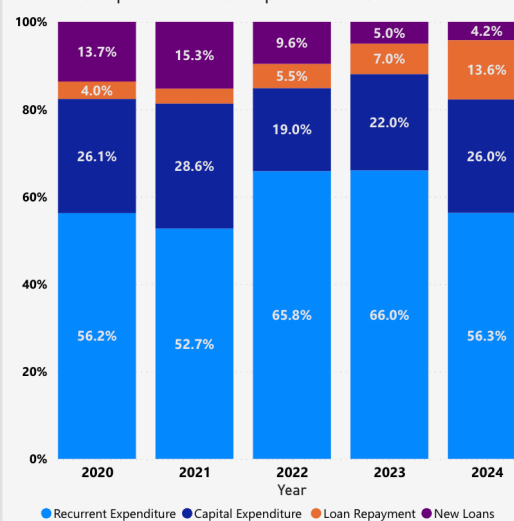
**117.4bn**

Capital Expenditure in 2024

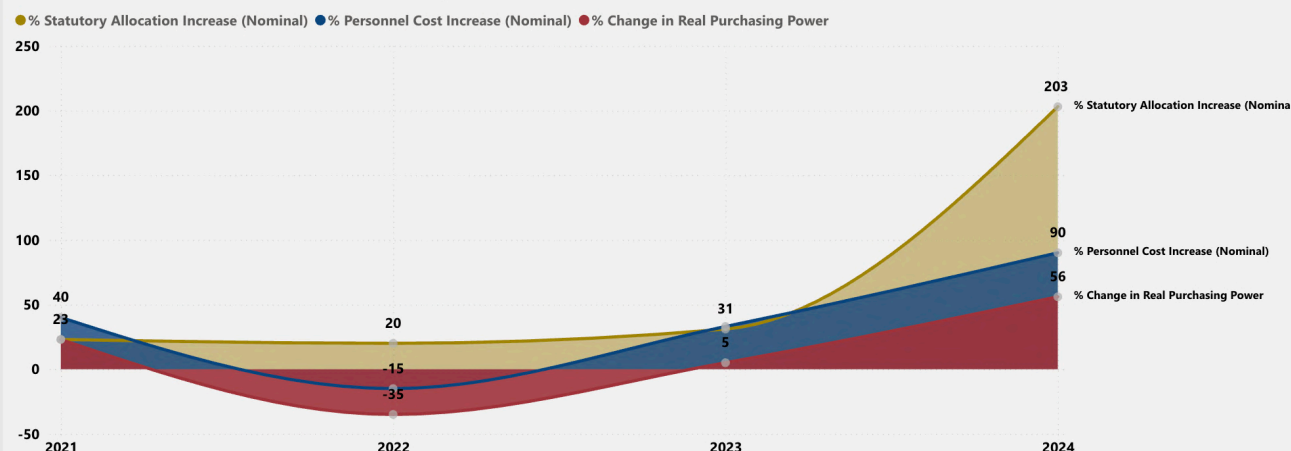
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



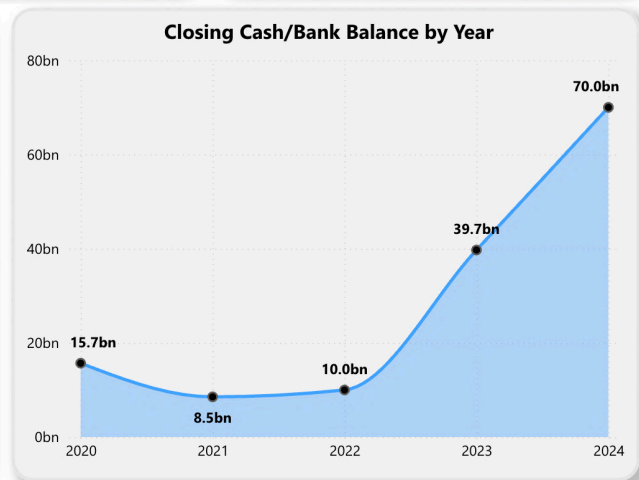
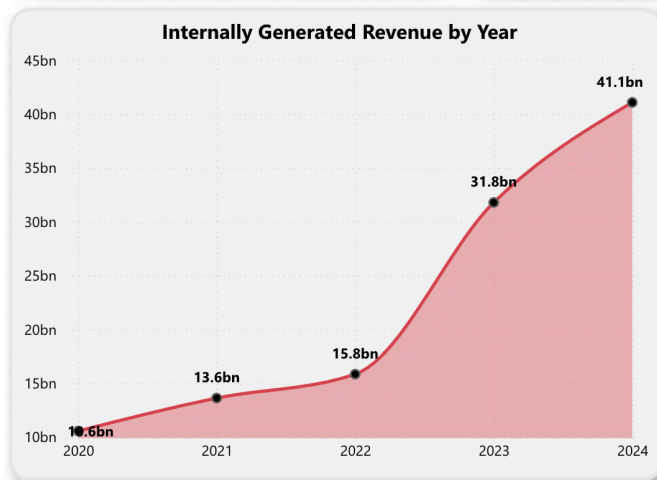
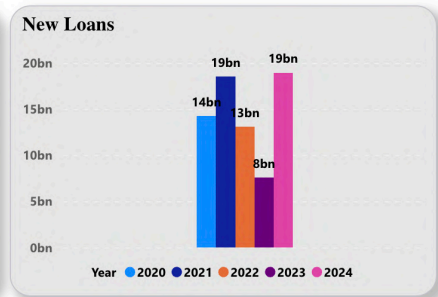
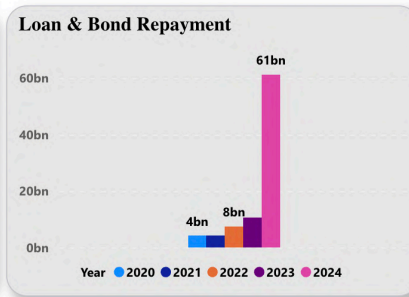
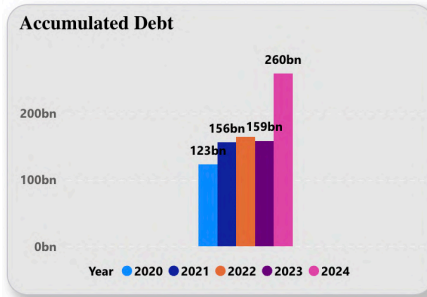
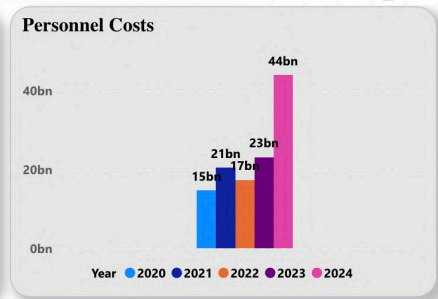
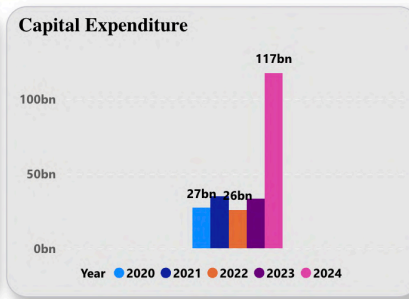
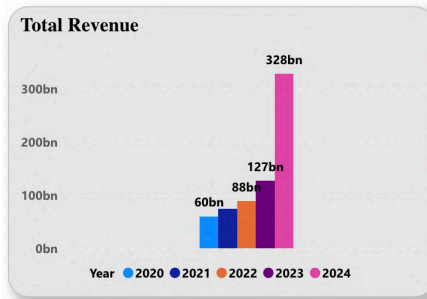
## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Ekiti State Financial Performance Analysis

Overview: Ekiti State's total revenue saw a massive 159.2% increase in 2024, reaching ₦328.3 billion from ₦126.7 billion in 2023. The state government directed this windfall towards a huge expansion of both capital and recurrent expenditures.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending surged by an incredible **251.3%**, rising from ₦33.4 billion in 2023 to ₦117.4 billion in 2024.
- **Total IGR:** The state recorded a strong **29.2%** growth in IGR, from ₦31.8 billion to ₦41.1 billion.
- **Personnel Costs:** Personnel Costs increased substantially by 90.31%, from 23.14 billion Naira in 2023 to 44.03 billion Naira in 2024. Ekiti was one of the few states to see real growth in 2023, with a 30.82% nominal statutory allocation increase leading to a 4.54% gain in real

purchasing power. This positive trend accelerated dramatically in 2024, as a 202.72% nominal increase produced a very strong 56.20% real gain, even with a 34.11% inflation rate.

- **Recurrent Expenditure:** Total recurrent expenditure also more than doubled, increasing by **154.2%** to ₦254.7 billion. This was driven by a large increase in 'Other CRFC Charges' and a **480%** jump in loan and bond repayments to ₦61.3 billion.
- **Debt Management:** The state increased its borrowing, with new loans rising by **150.1%** to ₦18.9 billion. This contributed to a **64%** increase in accumulated debt, which reached ₦260.2 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Ekiti State's strong revenue growth allowed increased capital spending and loan repayments, showing fiscal responsibility. However, a sharp rise in personnel costs and growing debt raise concerns about sustainability. Recurrent spending and borrowing may outpace revenue gains, risking long-term fiscal health without stricter expenditure and debt management.

The ₦117.4 billion allocated to capital expenditure marks a significant investment for the state and underscores the need for greater transparency. The financial report does not categorize capital spending by programme, function, or geolocation as recommended by the National Chart of Accounts, making it challenging to determine whether resources are aligned with the state's key priorities. Additionally, the report lacks crucial project-level details such as specific objectives, intended beneficiaries, and implementation timelines, limiting effective oversight.

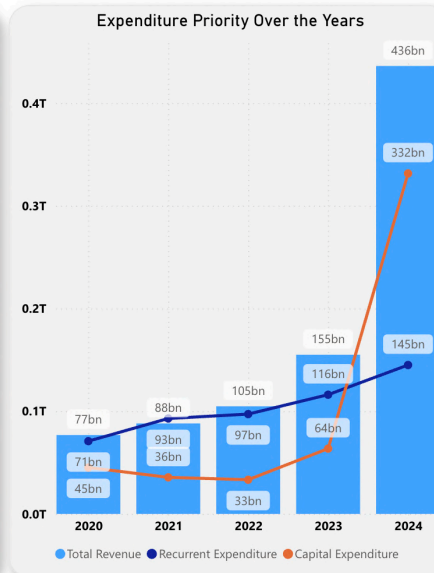
The use of Government Integrated Financial Management Information System (GIFMIS) can support the effective implementation of Programme objectives by linking expenditures to clear targets and enabling real-time monitoring. The State Accountant-General should also utilize GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby strengthening transparency and financial accountability.

Ekiti's strong reputation for education and intellectual capacity offers an opportunity to boost internally generated revenue. The state could consider establishing an Education Trust Fund and innovation hubs to support research, digital skills, and entrepreneurship, fostering a knowledge-based economy. Furthermore, investing in agricultural value chains and supporting small businesses would help create jobs, stimulate local enterprise, and diversify the revenue base, enhancing economic resilience and reducing dependence on federal allocations.

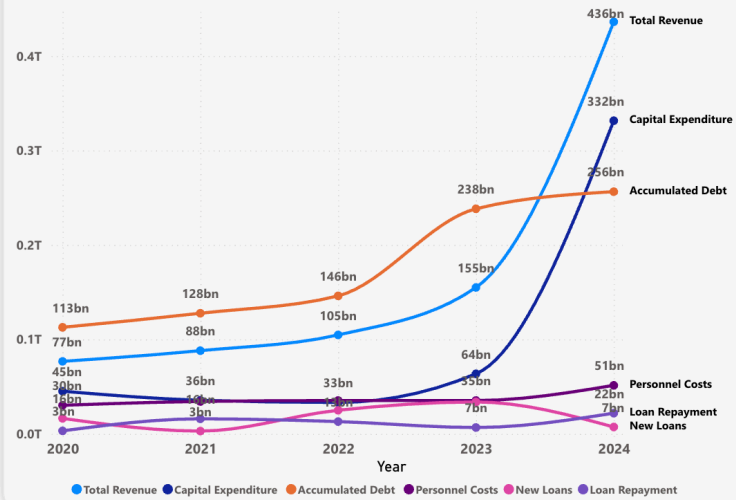
# Enugu: Coal City State

**Fiscal Transparency Score 5/7**

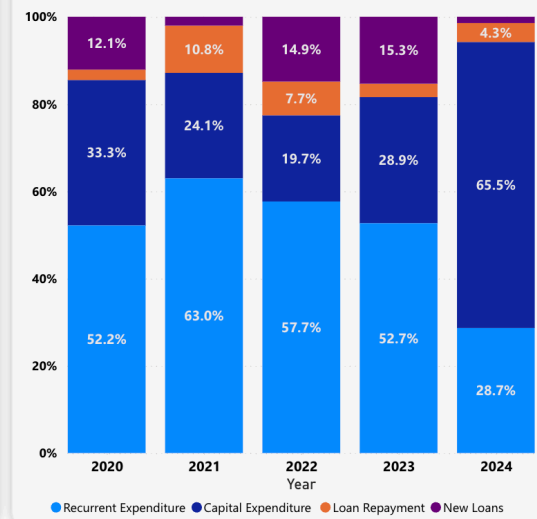
**FPI Rank out of 36 States - 1**



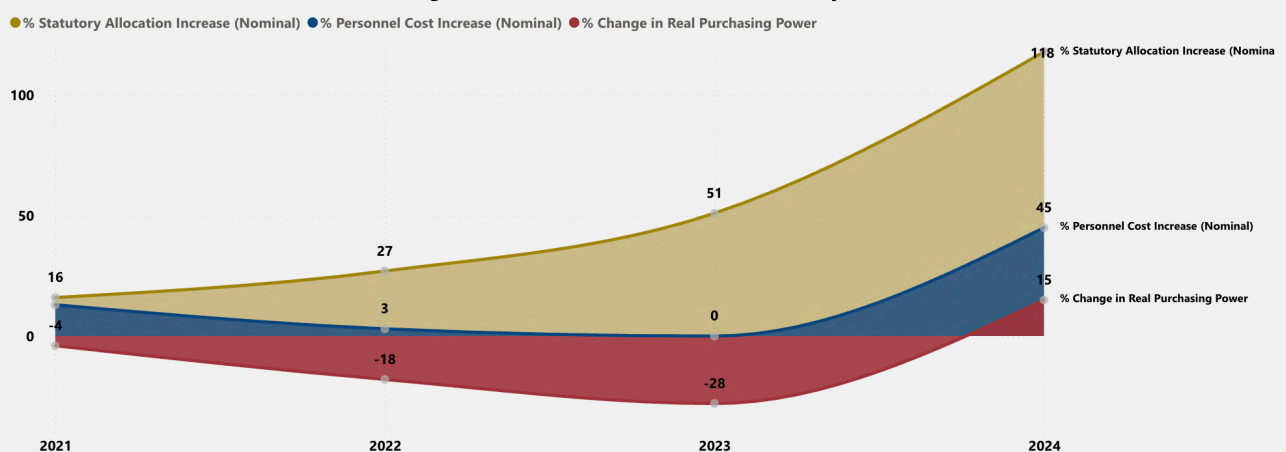
**Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)**



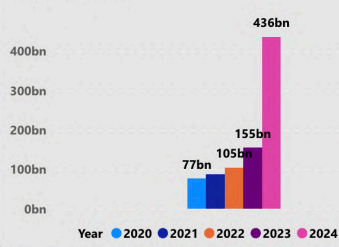
**Composition of Total Expenditure Over the Years**



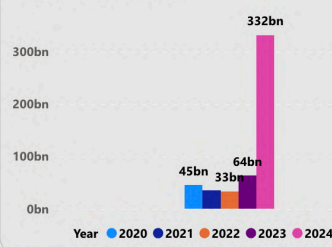
**Purchasing Power of Civil Servants vs Rise in Statutory Allocations**



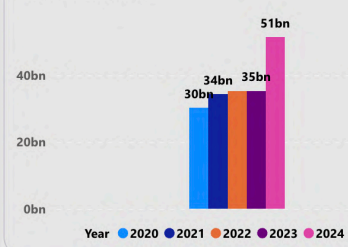
**Total Revenue**



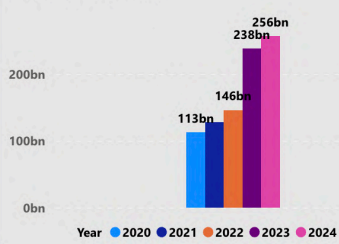
**Capital Expenditure**



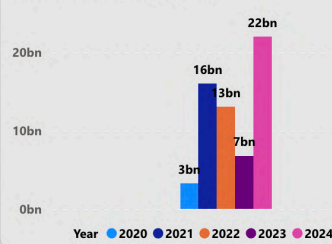
**Personnel Costs**



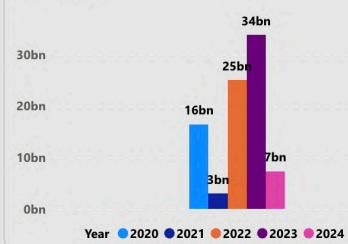
**Accumulated Debt**



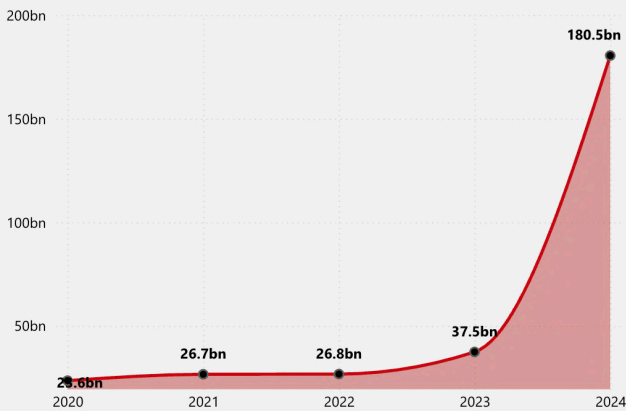
**Loan & Bond Repayment**



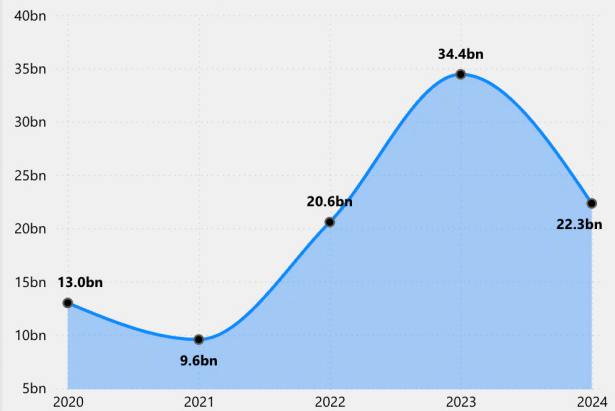
**New Loans**



**Internally Generated Revenue by Year**

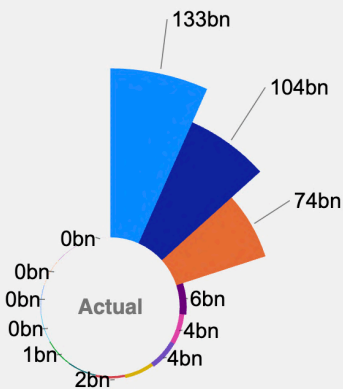


**Closing Cash/Bank Balance by Year**

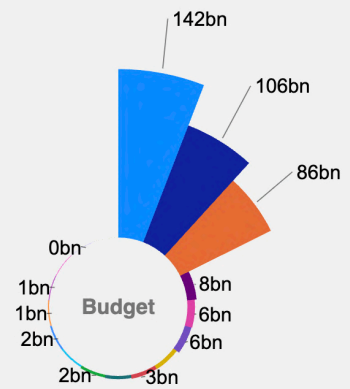


**Capital Expenditure By Programme 2024**

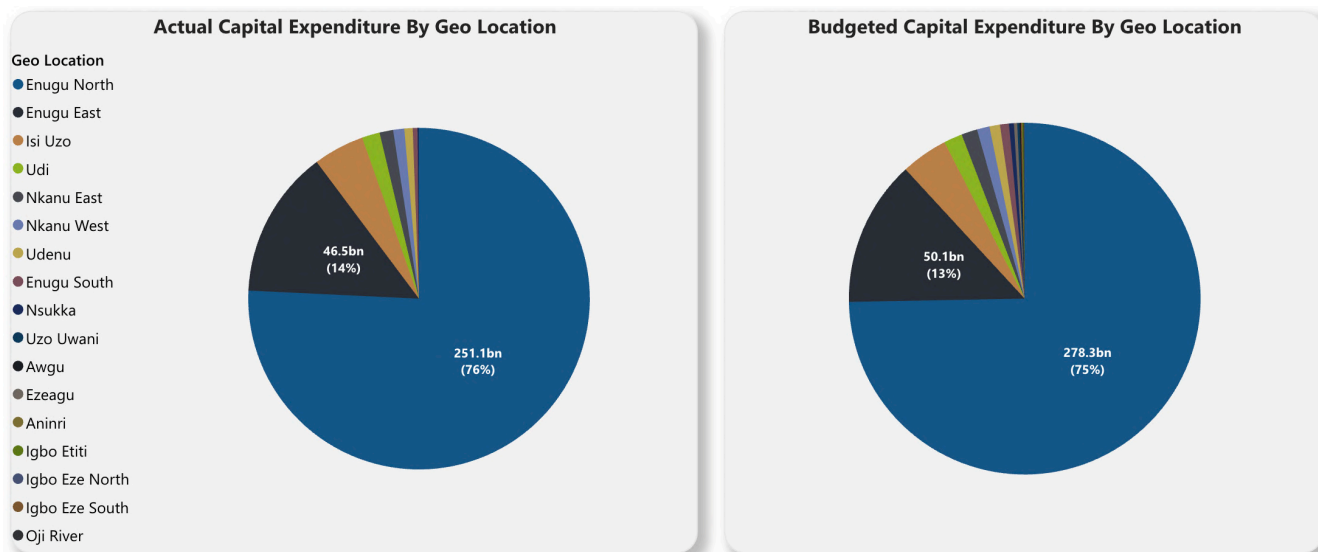
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- Housing and Urban D...
- Road
- Enhancing Skills and ...
- Water Resources and ...
- Information Communic...
- Power
- Improvement to Huma...
- Airways
- Growing the Private S...
- Gender
- Economic Empowerm...
- Societal Re-Orientat...
- Environmental Improv...
- Youth



**Capital Expenditure By Programme 2024**







## Enugu State Financial Performance Analysis (2020-2024)

Overview: Enugu State's finances underwent a dramatic transformation in 2024, with total revenue surging by 181.4% to ₦436.2 billion from ₦155.0 billion in 2023. The state utilized this windfall for an unprecedented expansion in capital projects, backed by a phenomenal growth in IGR.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure witnessed an astronomical **421.2%** increase, jumping from ₦63.6 billion in 2023 to ₦331.5 billion in 2024. This represents one of the most aggressive capital investment drives in the country.
- **Total IGR:** The state achieved a remarkable **381.4%** growth in IGR, which soared from ₦37.5 billion in 2023 to ₦180.5 billion in 2024. This exceptional performance fundamentally alters the state's revenue structure, making it less reliant on federal allocations.
- **Personnel Costs** increased by 45.45% reaching ₦56.64 billion in 2024 from ₦35 billion in 2023. The state's 50.69% nominal statutory allocation increase in 2023 was completely eroded by inflation, resulting in a 27.50% loss of real purchasing power. This trend reversed in 2024, as a 117.59% nominal increase was sufficient to generate a 15.01% real gain against an inflation rate of 30.44%.
- **Recurrent Expenditure:** Total recurrent expenditure rose by a controlled **25%** to ₦145.0 billion. A significant portion of this was dedicated to debt servicing, with loan and bond repayments increasing by **224%** to ₦21.9 billion.



- **Debt Management:** Despite the revenue surge, the state reduced its acquisition of new loans by **78.4%** to ₦7.3 billion. This prudent approach helped limit the growth in accumulated debt to just 7.6%, closing at ₦256.4 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Enugu State's record-breaking ₦331.5 billion capital expenditure demonstrates strong developmental ambitions. While the financial report provides breakdowns by function, geolocation, and programme, it would benefit from including clearly defined objectives with specific, measurable targets outlining expected outcomes, intended beneficiaries, and timelines. The absence of this strategic information limits transparency and makes it challenging to evaluate the effectiveness and accountability of such a substantial investment.

Although the state's focus on capital projects and debt repayment is commendable, the rising accumulated debt raises concerns about the long-term sustainability of its fiscal strategy, particularly if revenue growth slows. This underscores the importance of proactive debt management and stricter control over recurrent spending. The use of Government Integrated Financial Management Information System (GIFMIS) can support improved implementation by linking expenditures to clear programme objectives and enabling real-time monitoring of progress. Additionally, state Accountants-General should utilize GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby enhancing transparency and financial discipline.

To ensure more durable economic growth, Enugu could leverage its revenue windfall to revive the solid minerals sector and develop tourism, capitalizing on its natural scenery. Addressing urban congestion through investments in modern traffic management systems and road infrastructure would also support more sustainable urban development.

# Gombe: Jewel of the Savannah

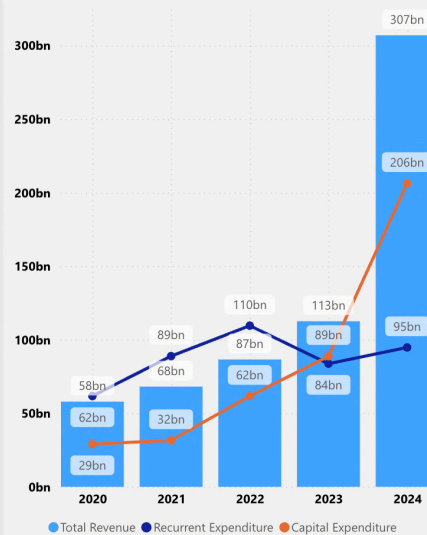
**Fiscal Transparency Score 5/7**

**FPI Rank out of 36 States - 8**

## State • Gombe



## Expenditure Priority Over the Years



**307.0bn**

Total Revenue in 2024

**20.8bn**

IGR in 2024

**204.1bn**

Accumulated Debt in 2024

**18.1bn**

Loan Repayment in 2024

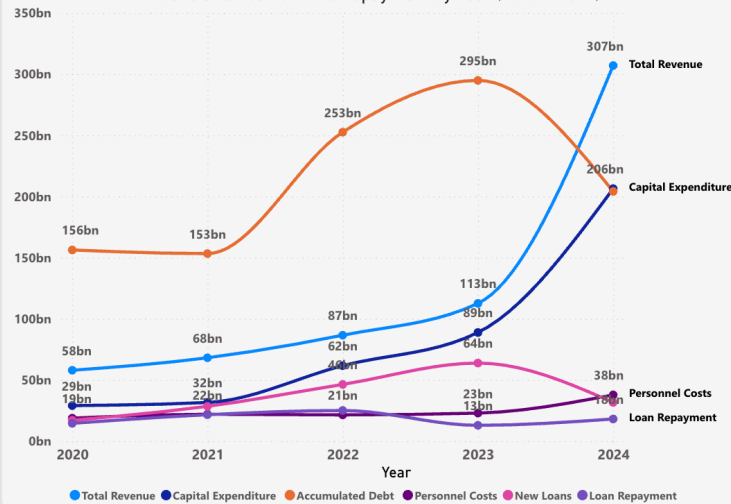
**37.8bn**

Personnel Costs in 2024

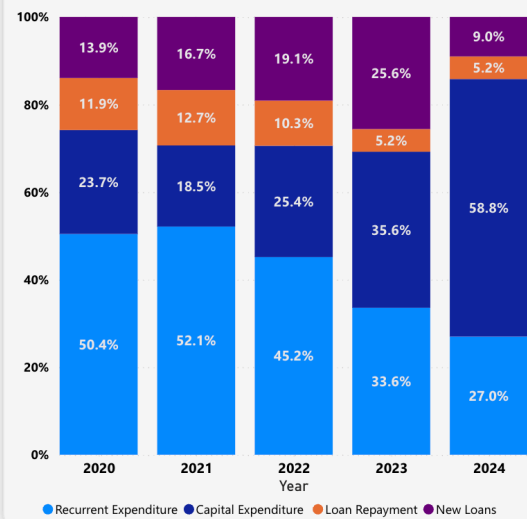
**206.4bn**

Capital Expenditure in 2024

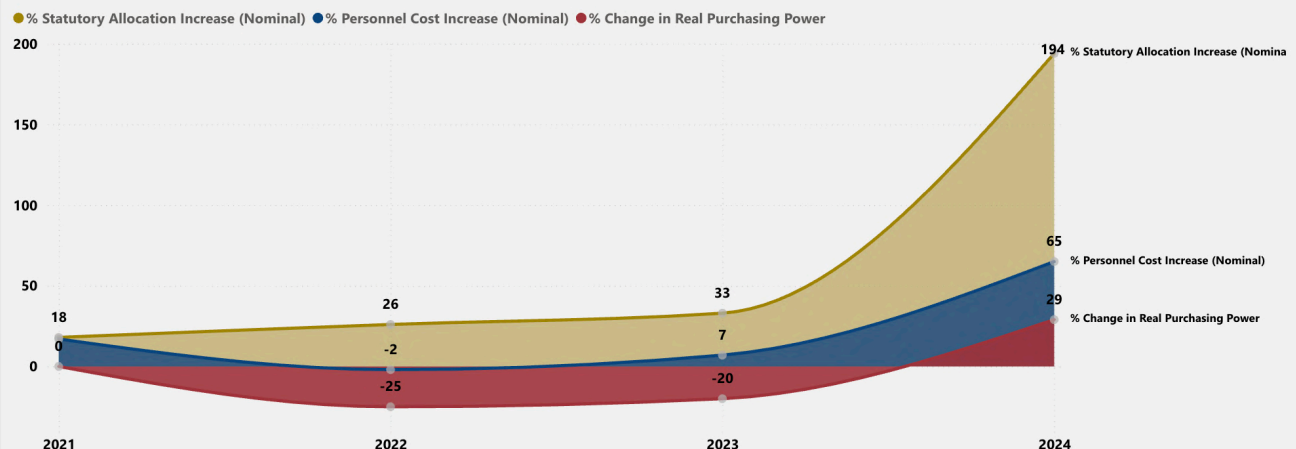
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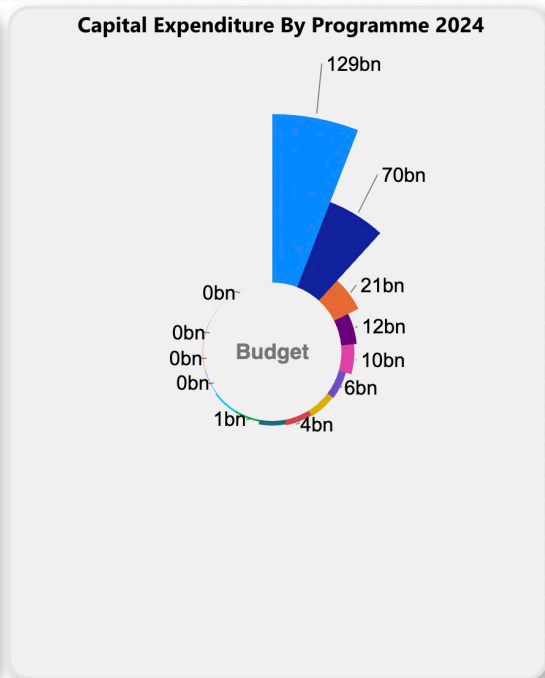
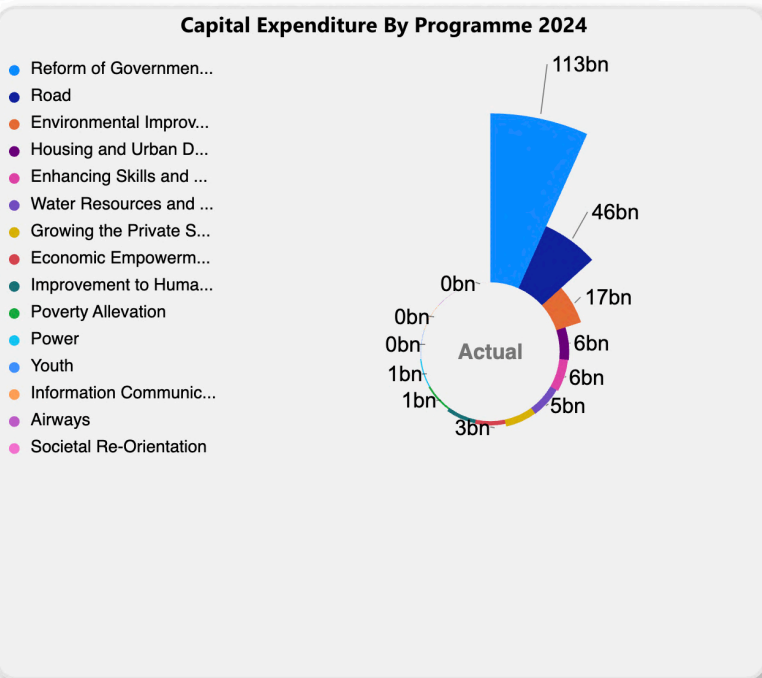
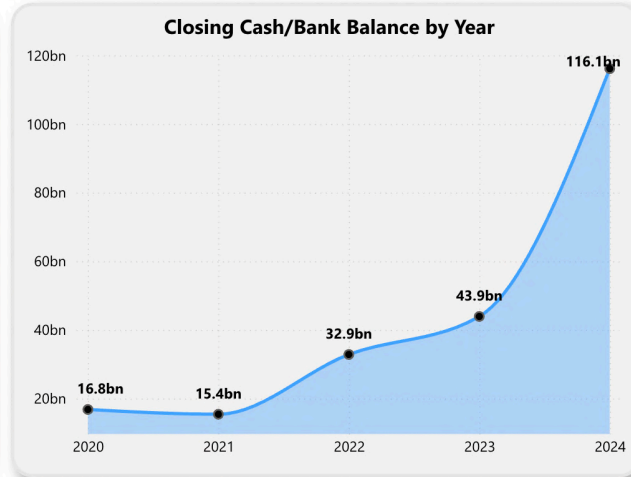
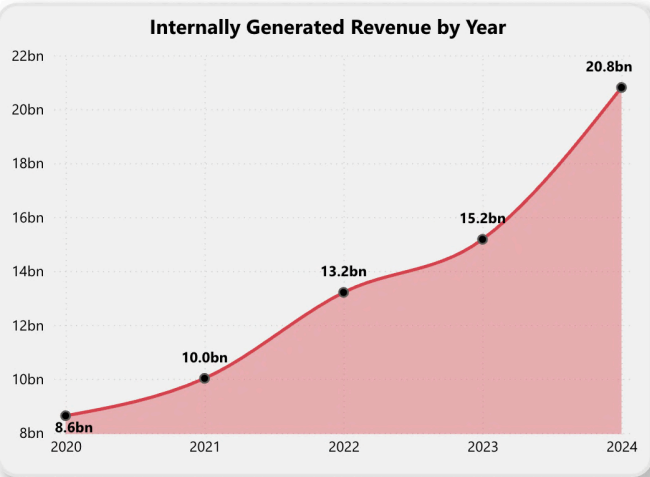
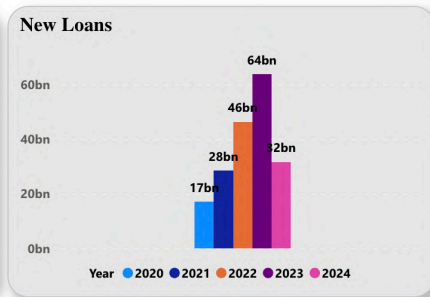
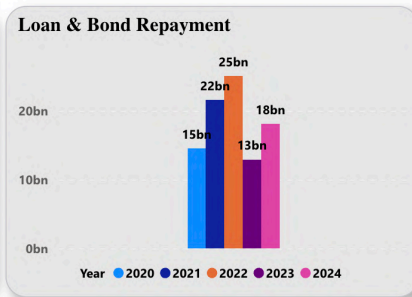
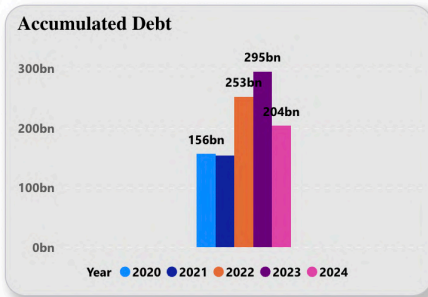
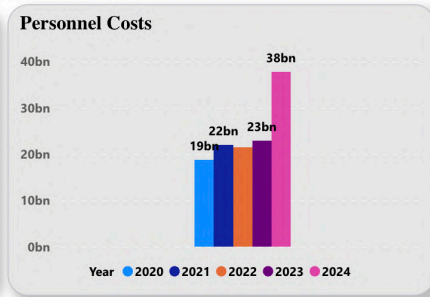
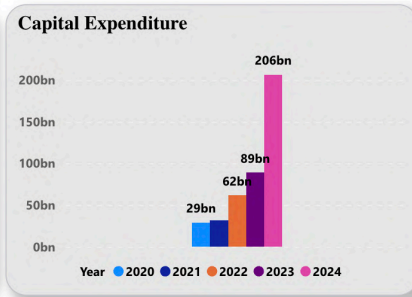
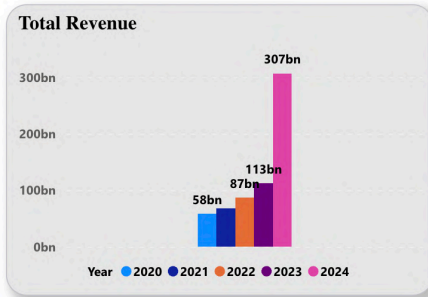


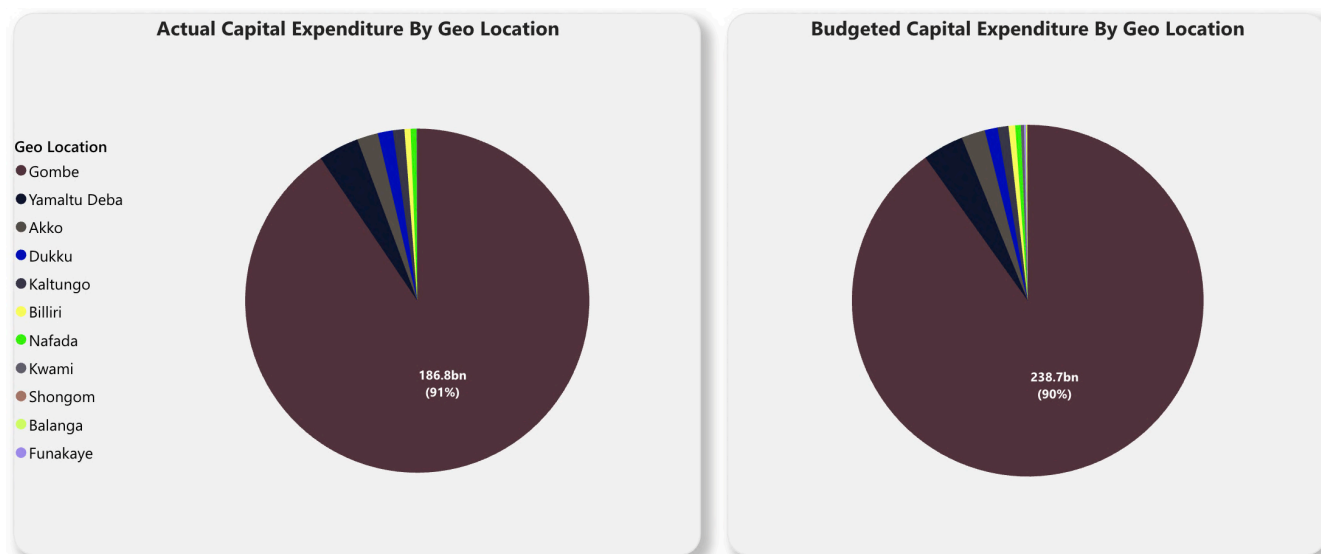
## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Gombe State Financial Performance Analysis

Overview: Gombe State's total revenue saw a massive 172.7% increase in 2024, soaring to ₦307 billion from ₦112.6 billion in 2023. This financial boom was overwhelmingly channeled into an aggressive capital expenditure programme.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending surged by an impressive **132.4%**, rising from ₦88.8 billion in 2023 to ₦206.4 billion in 2024. This indicates a strong commitment to infrastructure and long-term development.
- **Total IGR:** IGR performance was strong, with a **37.1%** increase from ₦15.2 billion in 2023 to ₦20.8 billion in 2024.
- **Personnel Costs:** In 2023, Gombe's 32.76% nominal statutory allocation increase was insufficient to overcome inflation, leading to a 20.24% loss in real purchasing power. The state's fiscal position improved in 2024, with a 193.86% nominal increase translating into a 29.44% real gain despite a high inflation rate of 35.56%.
- **Recurrent Expenditure:** Personnel Costs increased by 65%, from ₦22.90 billion in 2023 to ₦37.79 billion in 2024. Total recurrent expenditure grew by a modest **13.2%** to ₦94.8 billion. Within this, loan and bond repayments increased by **40.2%** to ₦18.1 billion.
- **Debt Management:** The state significantly reduced its reliance on borrowing, with new loans decreasing by **50.4%** to ₦31.6 billion. This prudent measure helped to significantly reduce the accumulated debt by **30.8%** to ₦204.1 billion.

## **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

Gombe State's 2024 fiscal position presents a nuanced picture. Robust revenue growth has been directed toward substantial capital investments and a reduction in loan repayments, reflecting a commitment to development. However, the sharp rise in new borrowings, a moderate increase in accumulated debt, and a notable escalation in personnel costs indicate that the state's spending is being accompanied by increased fiscal pressure. This trend underscores the need for careful monitoring to ensure long-term fiscal sustainability.

The allocation of ₦206.4 billion to capital projects reflects Gombe's ambitious development agenda. However, the financial report would benefit from increased transparency and detail, particularly through the inclusion of clearly defined objectives for capital investments, such as expected outcomes, target beneficiaries, and implementation timelines. Without this programmatic clarity, it is difficult for citizens and stakeholders to evaluate the effectiveness and impact of public spending, which in turn weakens accountability.

The use Government Integrated Financial Management Information System (GIFMIS) can help address these gaps by linking expenditures to specific programme objectives and enabling real-time monitoring of implementation. State Accountants-General should also use GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby enhancing transparency and financial oversight.

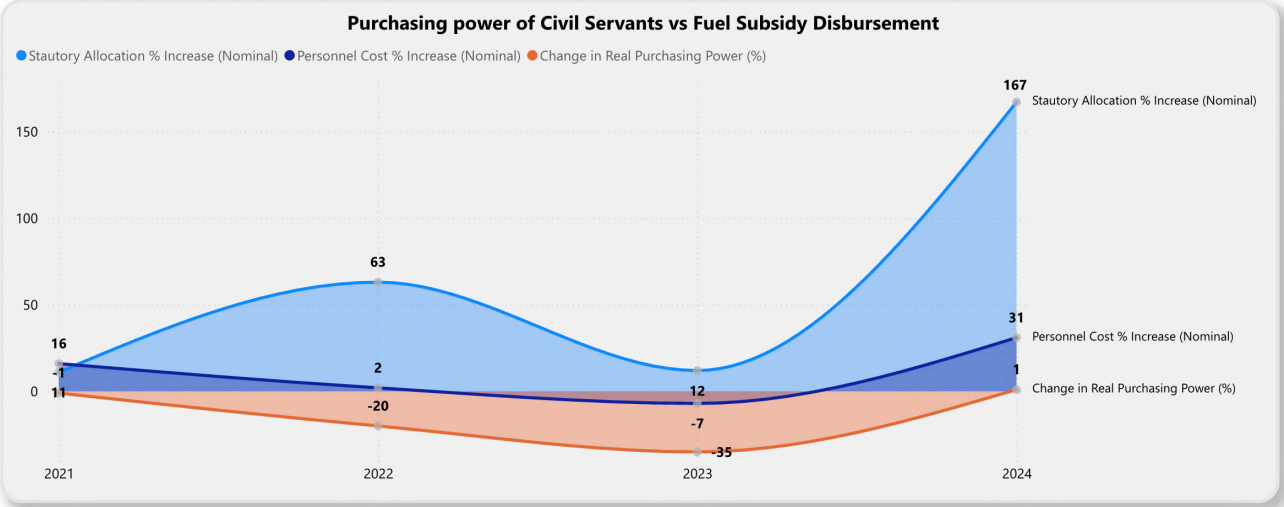
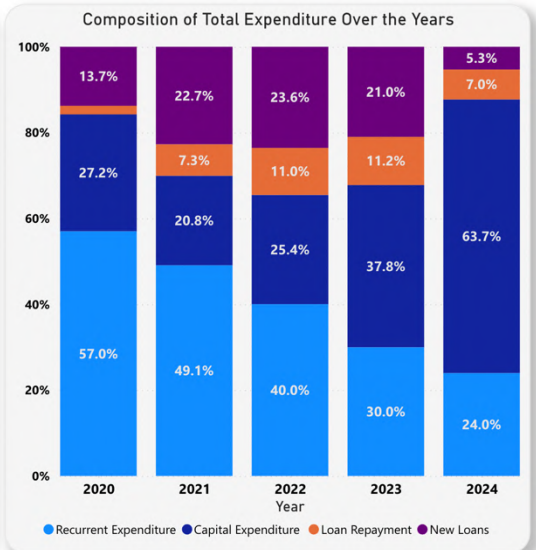
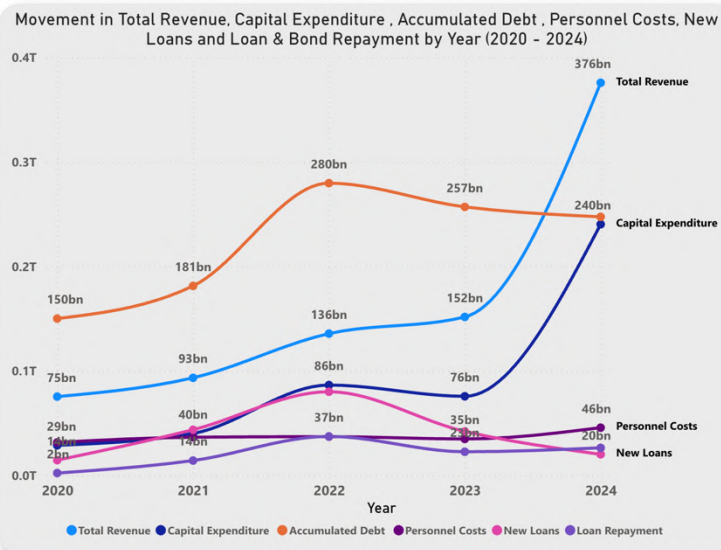
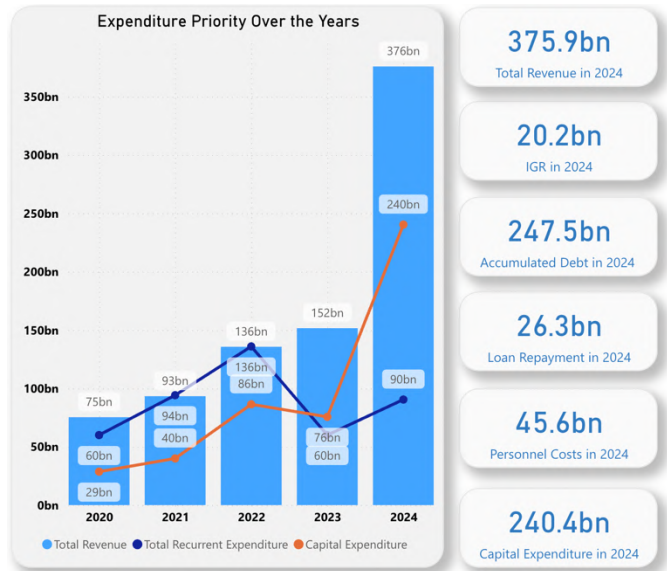
As a leading agricultural hub, Gombe is well-positioned to channel its growing revenues into strategic sectors. Investments in food processing and storage infrastructure could not only reduce post-harvest losses but also position the state as a major supplier of processed agricultural products, boosting internally generated revenue. Additionally, addressing the state's pressing healthcare infrastructure gaps particularly through the construction of new hospitals would significantly improve public health outcomes and enhance the overall quality of life for residents.

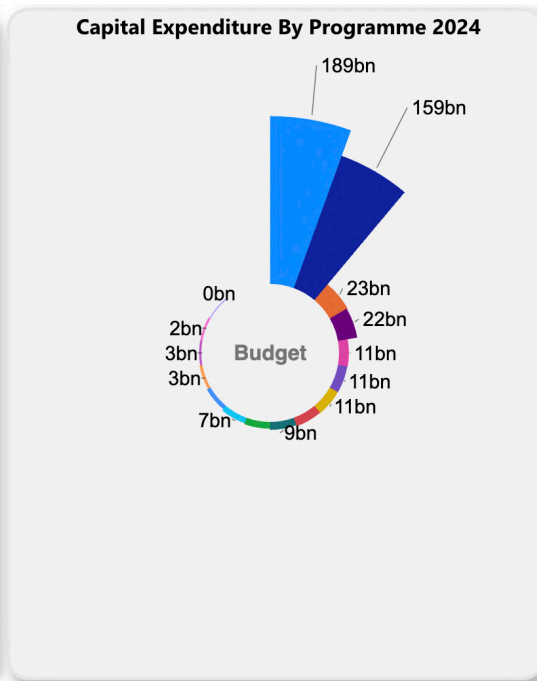
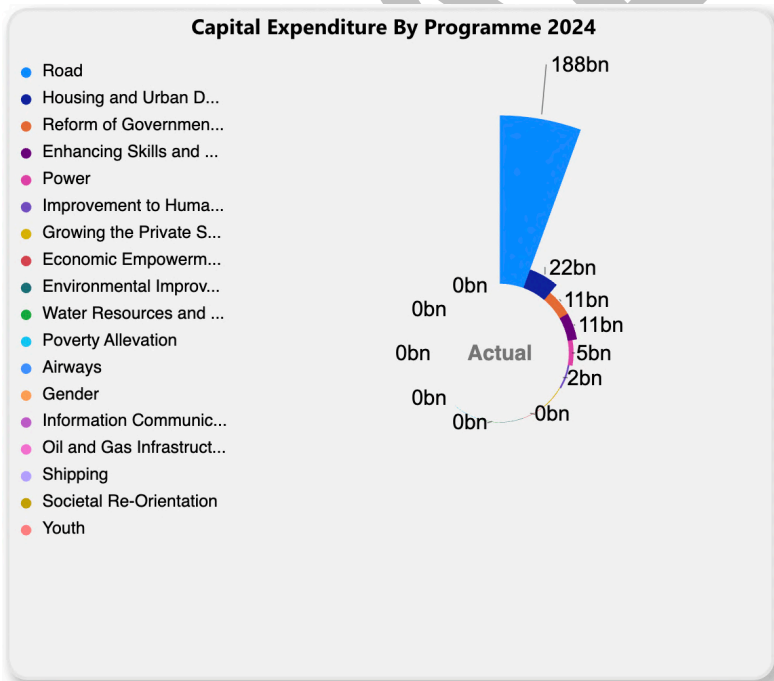
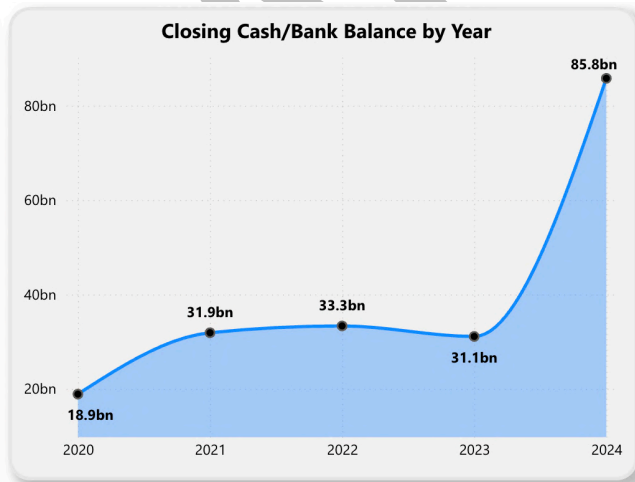
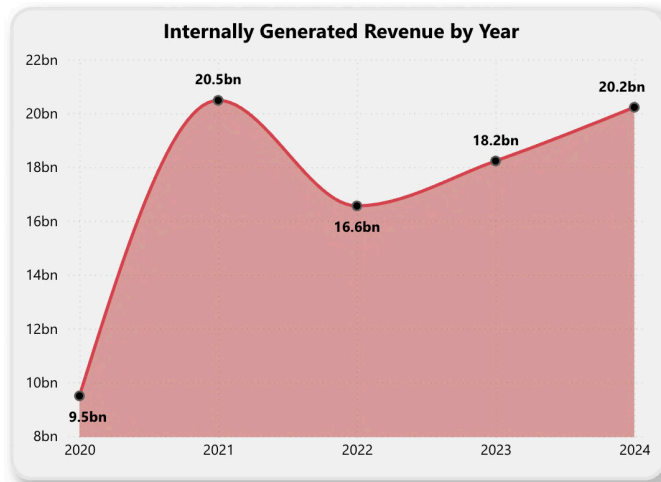
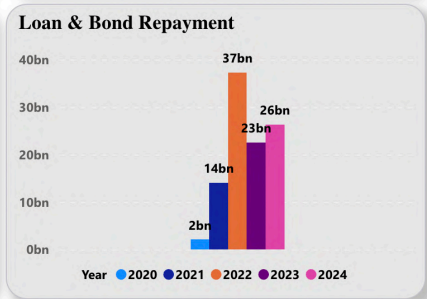
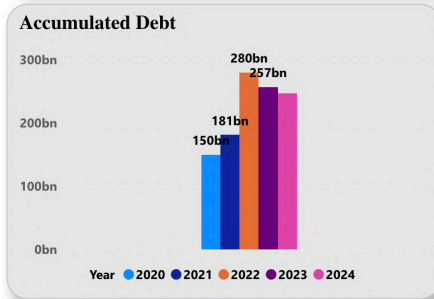
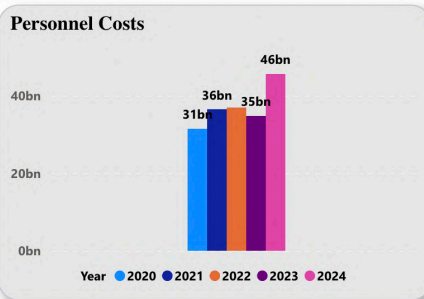
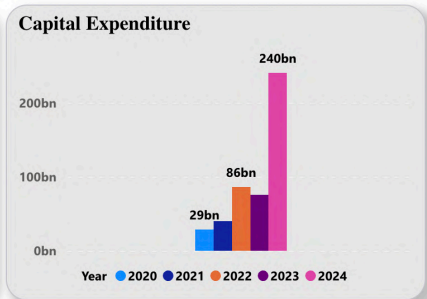
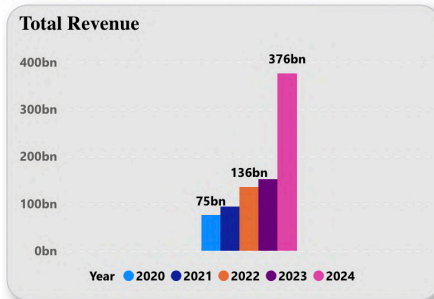


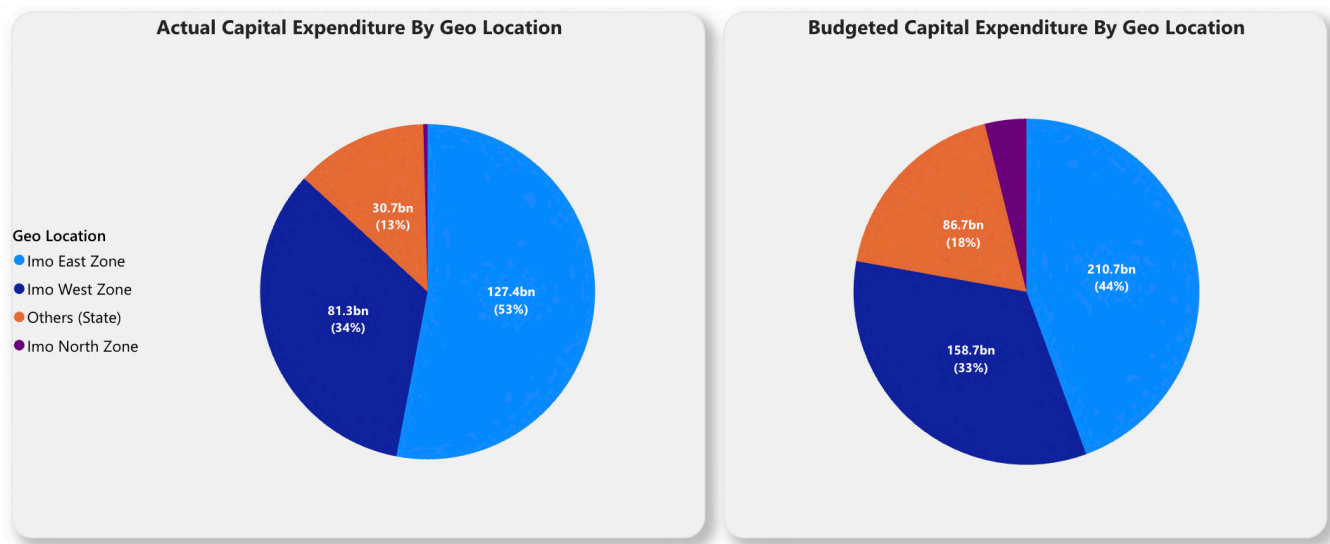
# Imo: Eastern Heartland

**Fiscal Transparency Score 3.5/7**

**FPI Rank out of 36 States - 9**







## Imo State Financial Performance Analysis (2020-2024)

Overview: Imo State's total revenue more than doubled in 2024, increasing by 148% to ₦375.9 billion from ₦151.6 billion in 2023. This revenue boom fueled a significant expansion of both capital and recurrent spending, but the state's debt profile also continued to worsen.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending saw a substantial **217.8%** increase, rising from ₦75.6 billion in 2023 to ₦240.4 billion in 2024, signaling a major push for infrastructural development.
- **Total IGR:** The state's IGR grew by a modest **11%**, from ₦18.2 billion to ₦20.2 billion. While positive, this growth rate is low compared to the increase in federal allocations and lags behind regional peers.
- **Personnel Costs:** Imo State faced a severe fiscal squeeze in 2023, where a 12.00% nominal statutory allocation increase resulted in a 34.92% loss of real purchasing power. This trend was reversed in 2024, with a 166.66% nominal increase in statutory allocation resulting in a 0.71% gain in real purchasing power, despite an inflation rate of 30.55%.
- **Recurrent Expenditure:** Total recurrent expenditure expanded significantly by **50.7%** to ₦90.4 billion. This was driven by a sharp rise in overheads and other charges, though loan and bond repayments also increased by 16.8% to ₦26.3 billion.
- **Debt Management:** Despite the large revenue increase, Imo State reduced its intake of **new loans by 52.4%** to ₦20.0 billion. However, this borrowing still contributed to a decrease in its accumulated debt by 3.7% to ₦247.5 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The allocation of ₦240.4 billion to capital expenditure marks a significant investment in Imo State's development agenda. The state has improved its reporting by summarizing capital expenditure by Function, Geolocation, and Programme in line with the National Chart of Accounts (NCOA). However, the financial disclosures remain incomplete as detailed capital expenditure by geolocation, programme, and specific objectives are not provided. Clearly defined objectives, which are long-term initiatives aligned with policy goals, are essential to understanding the intended impact of public spending. Without this information, it is unclear what will be achieved, who will benefit, or the expected timelines.

The use Government Integrated Financial Management Information System (GIFMIS) can support better implementation by linking expenditures to clear programme objectives and enabling real-time monitoring. Additionally, the state Accountant-General should use GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, thereby promoting transparency and enhancing financial accountability.

To improve its Internally Generated Revenue following an increase in statutory allocations, the state can leverage its natural resources and cultural assets, particularly in solid minerals and tourism as this presents a sustainable opportunity to increase non-tax revenues and attract private investment.

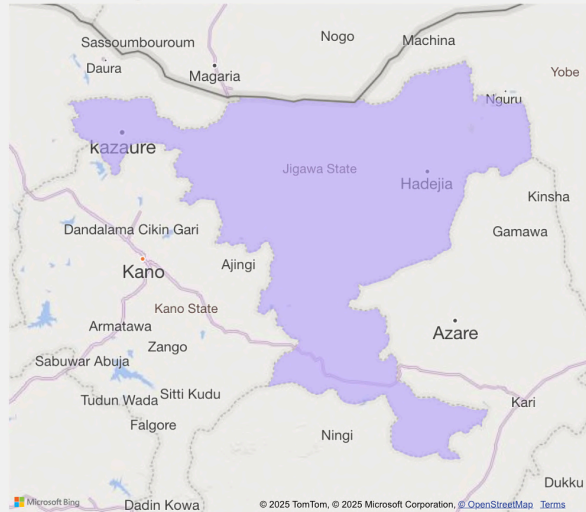


# Jigawa: The New World

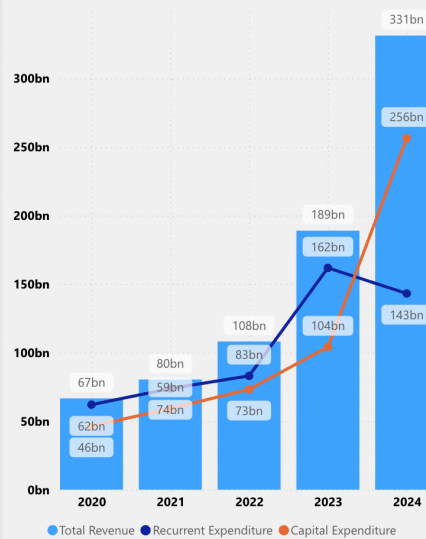
**Fiscal Transparency Score 1/7**

**FPI Rank out of 36 States - 17**

State ● Jigawa



Expenditure Priority Over the Years



**331.3bn**

Total Revenue in 2024

**67.4bn**

IGR in 2024

**573.7bn**

Accumulated Debt in 2024

**3.7bn**

Loan Repayment in 2024

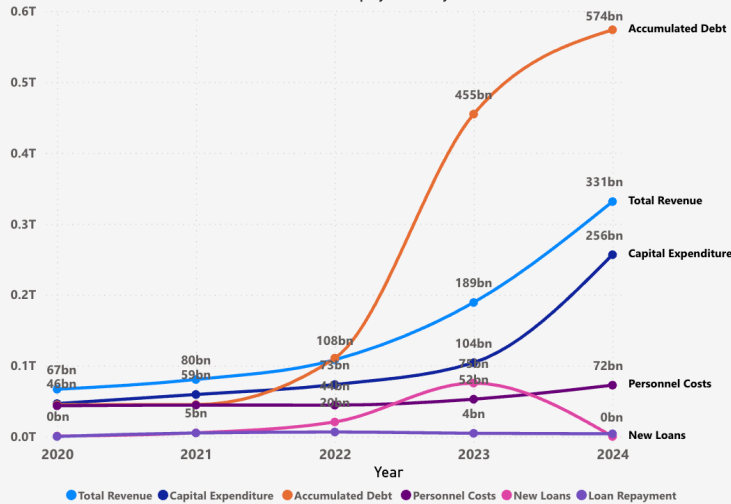
**72.3bn**

Personnel Costs in 2024

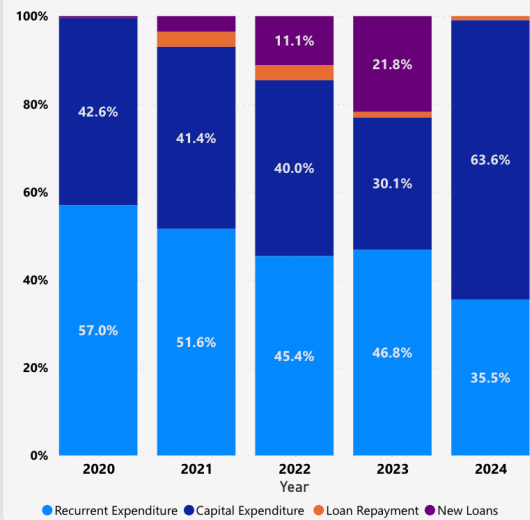
**256.4bn**

Capital Expenditure in 2024

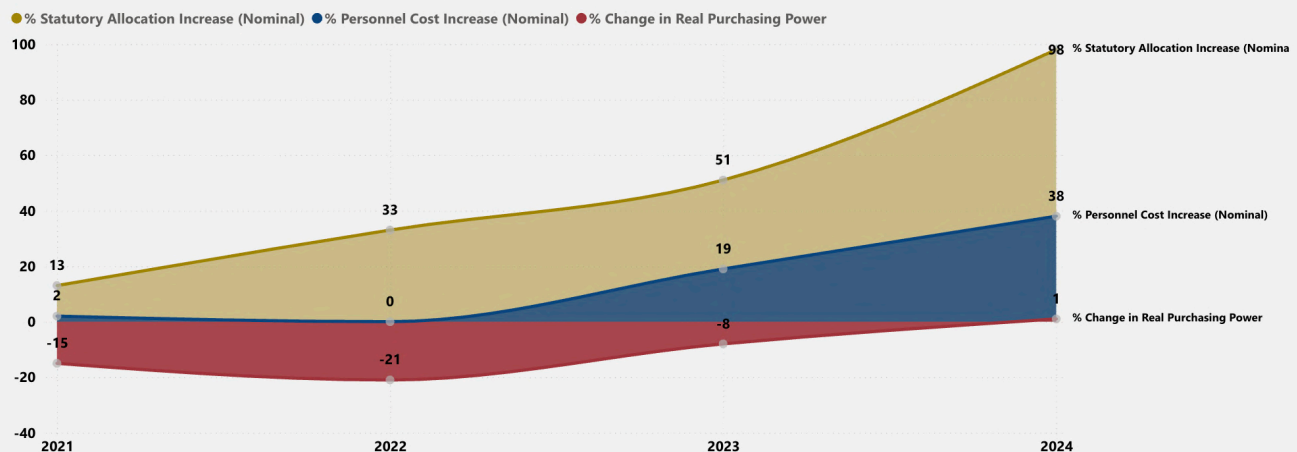
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



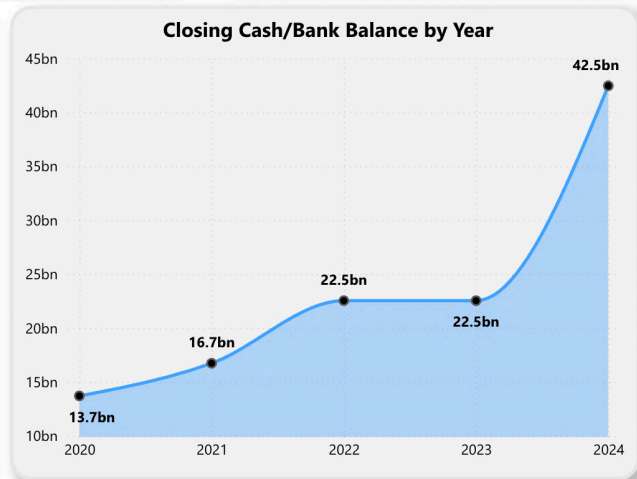
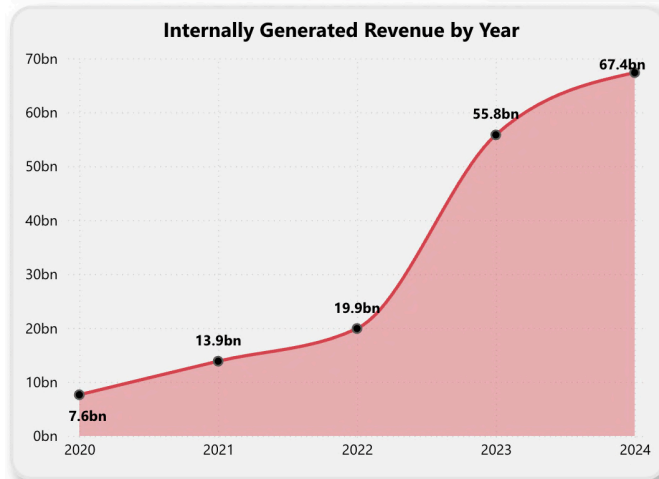
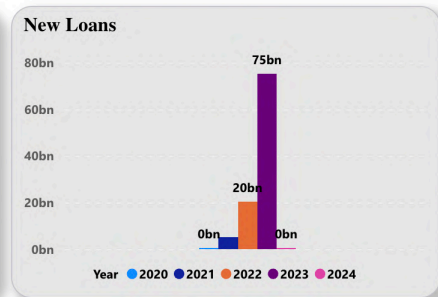
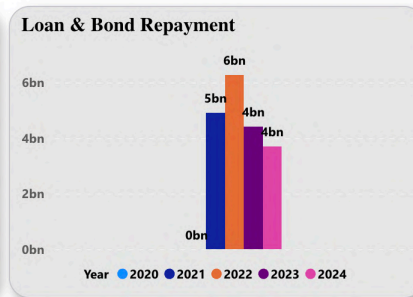
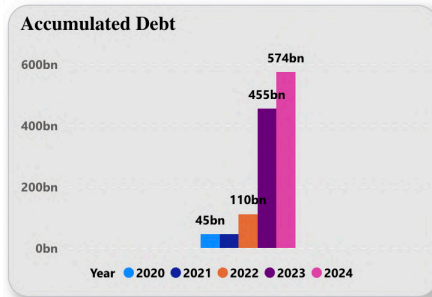
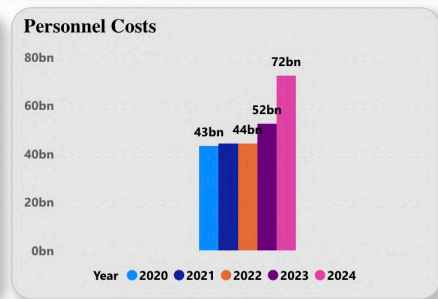
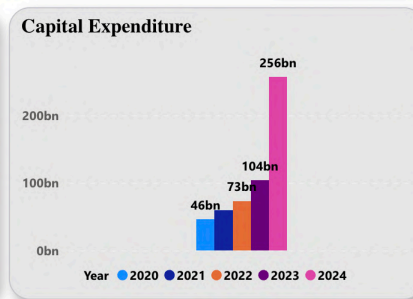
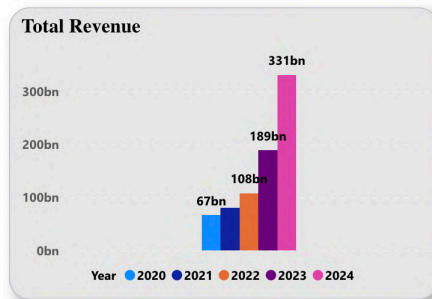
Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Jigawa State Financial Performance Analysis

Overview: Jigawa State's total revenue increased by 75.3% in 2024, reaching ₦331.3 billion from ₦189.0 billion in 2023. This revenue surge was used to fund a massive expansion in capital projects, but this was accompanied by significant new borrowing that dramatically increased the state's debt profile.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending saw a monumental **146.3%** increase, jumping from ₦104.1 billion in 2023 to ₦256.4 billion in 2024.
- **Total IGR:** The state recorded a robust **20.7%** growth in IGR, which rose from ₦55.8 billion to ₦67.4 billion.
- **Personnel Costs:** In 2023, a 50.94% nominal increase in statutory allocation was largely offset by inflation, resulting in a 7.84% loss in real purchasing power. The state managed to

achieve a slight real gain of 1.37% in 2024 following a 98.23% nominal increase in statutory allocation against a high inflation rate of 36.42%.

- **Recurrent Expenditure:** Personnel Costs increased by 37.79% reaching ₦59.05 billion. Total recurrent expenditure decreased by **11.5%** to ₦143.1 billion. This was achieved despite personnel and overhead cost increases, thanks to a **16.1%** reduction in loan and bond repayments.
- **Debt Management:** The state reduced its borrowing, yet new loans of **₦24.3** million (a significant drop from ₦75.3 billion in 2023) were still acquired. The borrowing from the previous year, however, contributed to a **26.2%** increase in accumulated debt, which ballooned to ₦573.7 billion, one of the highest in the nation.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

The substantial ₦256.4 billion allocated to capital expenditure demands thorough scrutiny, especially given the state's significant debt burden. However, the financial report falls short of basic transparency and accountability standards. Notably, it lacks explanatory notes accompanying the four main financial statements, which undermines the report's credibility and usefulness. Additionally, the absence of a breakdown of capital expenditure by function, programme, or geolocation, as required by the National Chart of Accounts (NCOA), further limits clarity.

More importantly, the report does not provide information on the objectives of these capital investments; there are no stated outcomes, defined beneficiaries, or implementation timelines. This lack of transparency prevents citizens and oversight bodies from evaluating whether public funds and borrowed resources are being directed toward effective and impactful projects. The use of Government Integrated Financial Management Information System (GIFMIS) can enhance program implementation by linking expenditures to clear objectives and enabling real-time tracking of progress. The state Accountant-General can also benefit from using GIFMIS for online real-time payments, ensuring compliance with the Central Bank of Nigeria's Treasury Single Account guidelines and strengthening overall financial transparency and accountability.

As an agrarian state, Jigawa could use its increased revenue to subsidize modern farming equipment and provide extension services to farmers which could boost IGR as a result of increased agricultural output. To address its challenge of poverty, the state could invest in micro-credit schemes for small business owners.

# Kaduna: The Centre of Learning

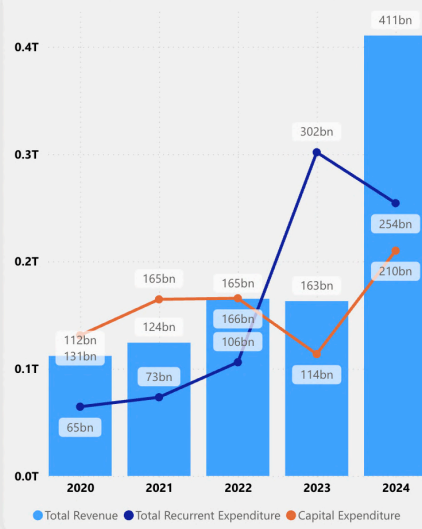
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 20**

State • Kaduna



Expenditure Priority Over the Years



**410.5bn**

Total Revenue in 2024

**70.1bn**

IGR in 2024

**653.0bn**

Accumulated Debt in 2024

**50.8bn**

Loan Repayment in 2024

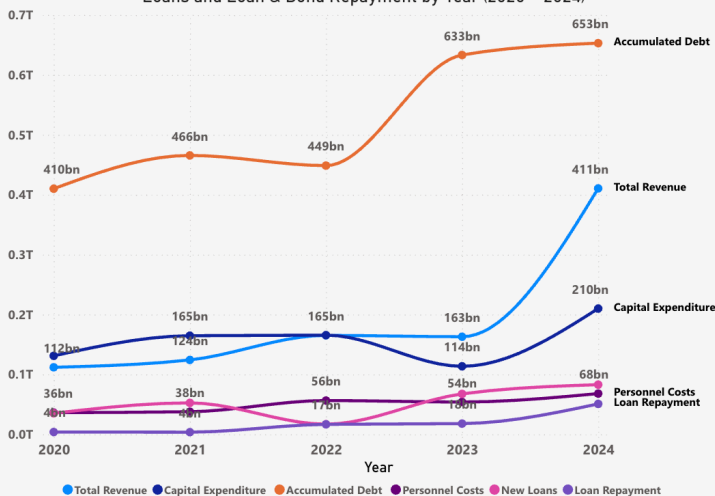
**68.0bn**

Personnel Costs in 2024

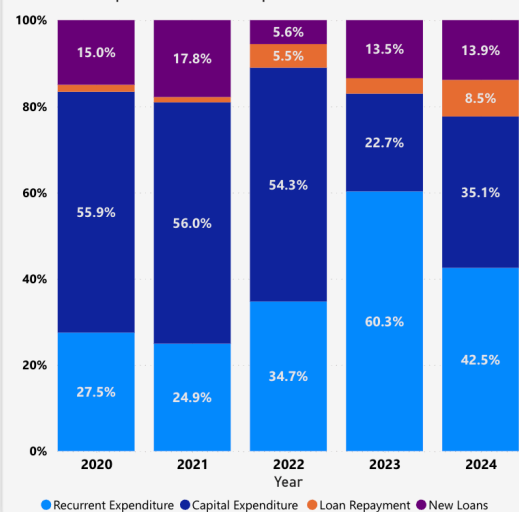
**209.9bn**

Capital Expenditure in 2024

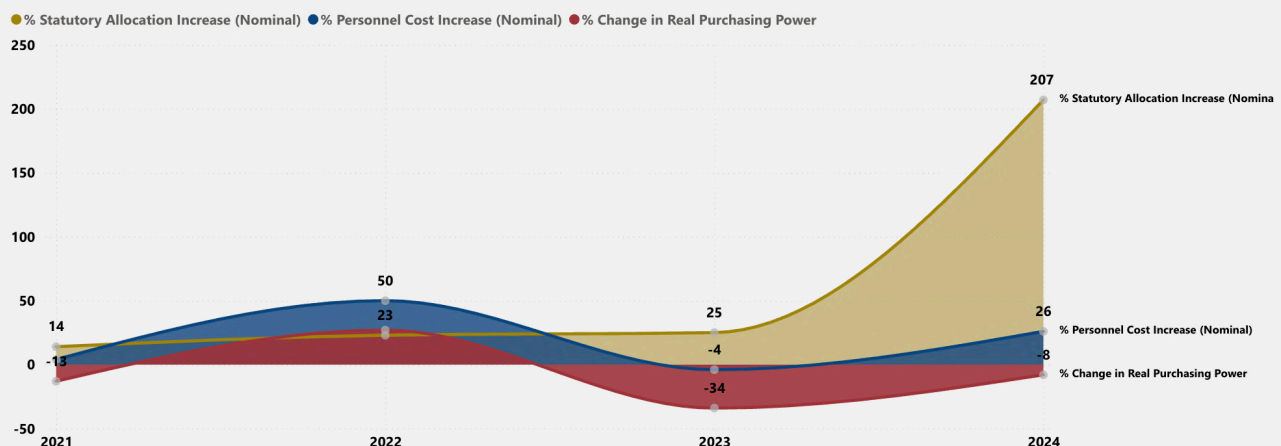
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

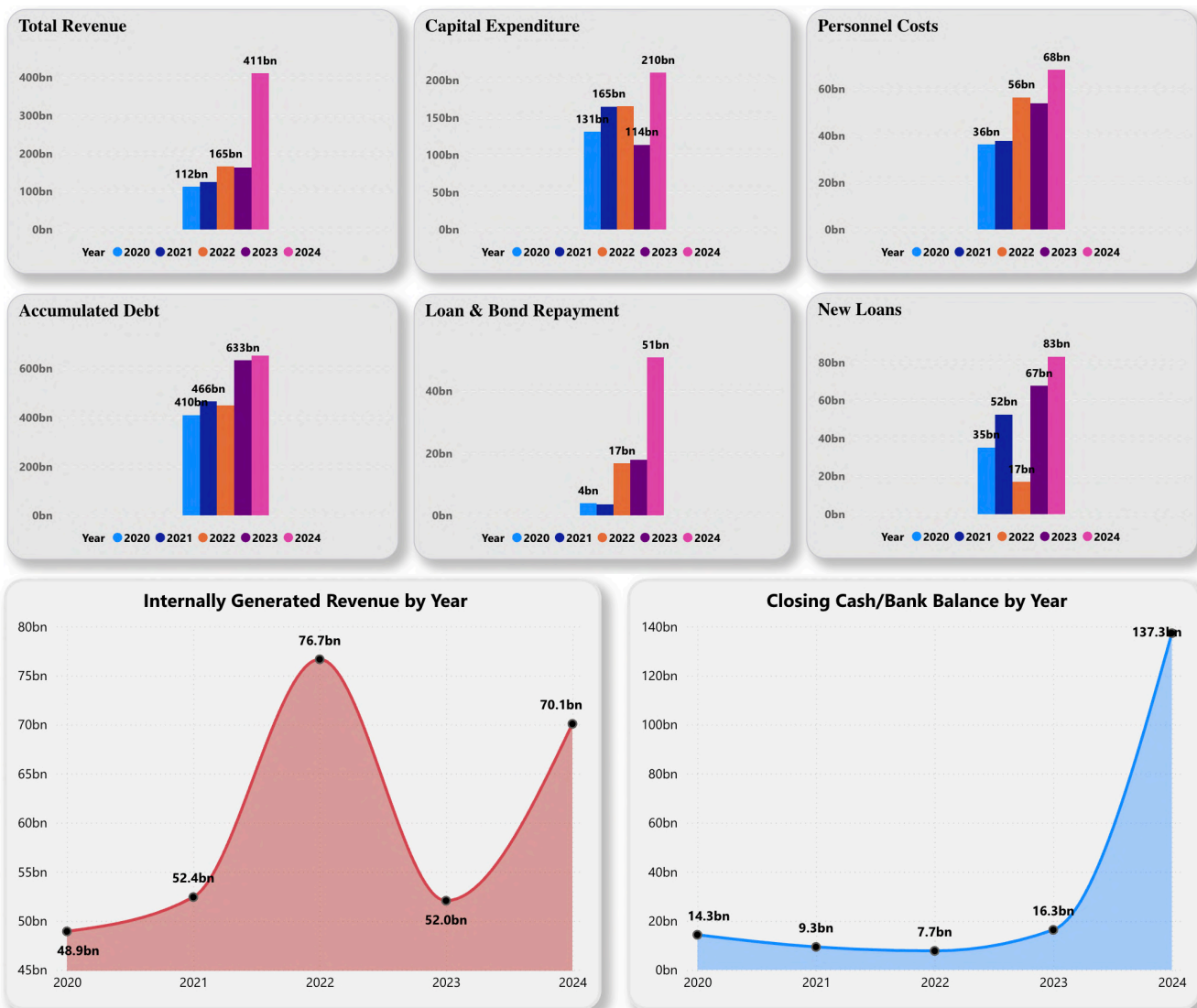


Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Kaduna State Financial Performance Analysis

Overview: Kaduna State saw its total revenue more than double in 2024 with a 152% increase, reaching ₦410.5 billion from ₦162.9 billion in 2023. The state directed this windfall toward a significant increase in capital spending and a massive ramp-up in debt servicing, financed in part by substantial new loans.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending grew by a strong **84.8%**, from ₦113.6 billion in 2023 to ₦209.9 billion in 2024.
- **Total IGR:** IGR performance was excellent, with a **34.6%** increase from ₦52.0 billion to ₦70.1 billion, reinforcing Kaduna's position as a top IGR performer.
- **Personnel Costs:** Kaduna's 25.30% nominal statutory allocation increase in 2023 resulted in a 33.64% loss of real purchasing power. Despite a massive 207.02% nominal increase in



2024, the state's real purchasing power still declined by 7.97% due to a high inflation rate of 34.13%.

- **Recurrent Expenditure:** Total recurrent expenditure decreased by **15.7%** to ₦254.3 billion from ₦301.7 billion in 2023. Within this, loan and bond repayments increased by a huge **183.9%** to ₦50.8 billion. The overall decrease from 2023 is due to an unusually high figure for 'Other CRFC Charges' in that year.
- **Debt Management:** The state increased its borrowing, with new loans rising by **22.8%** to ₦82.9 billion. This new debt contributed to a **3.1%** increase in accumulated debt, which stood at ₦653.0 billion, among the highest in Nigeria.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

Given Kaduna State's high debt profile, the ₦209.9 billion capital expenditure demands clear justification and full transparency. Unfortunately, the financial report falls short of basic disclosure standards, notably lacking explanatory notes for the main financial statements. These notes are essential for understanding the data, assessing fiscal risks, and ensuring accountability. The report also fails to break down capital expenditure by function, programme, or geolocation, as required by the National Chart of Accounts (NCOA), making it difficult to assess alignment with strategic goals or community needs. Furthermore, there is no information on specific objectives, expected outcomes, beneficiaries, or timelines, limiting public oversight.

To enhance transparency and effective implementation, Kaduna State can leverage the use of Government Integrated Financial Management Information System (GIFMIS) to link expenditures to clear program objectives and enable real-time monitoring. The state Accountant-General should use GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, strengthening financial discipline and accountability.

To reduce its reliance on debt, Kaduna State must strengthen its capacity to mobilize internal resources. This can be achieved by expanding the tax base through improved property and land use administration, digitalizing revenue collection systems to curb leakages, and incentivizing the growth of small and medium-sized enterprises. Additionally, investments in infrastructure that support commerce such as markets, transport networks, and industrial parks can stimulate private sector activity and generate sustainable revenue streams. Strengthening fiscal discipline must go hand in hand with a strategic push to grow IGR in a transparent and inclusive manner.



# Kano: Centre of Commerce

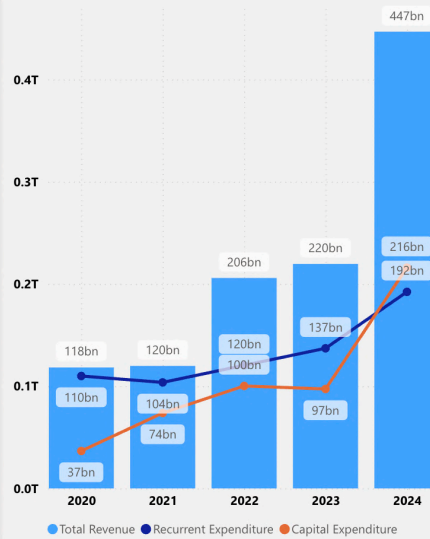
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 11**

State ● Kano



Expenditure Priority Over the Years



**446.8bn**

Total Revenue in 2024

**65.1bn**

IGR in 2024

**249.0bn**

Accumulated Debt in 2024

**13.3bn**

Loan Repayment in 2024

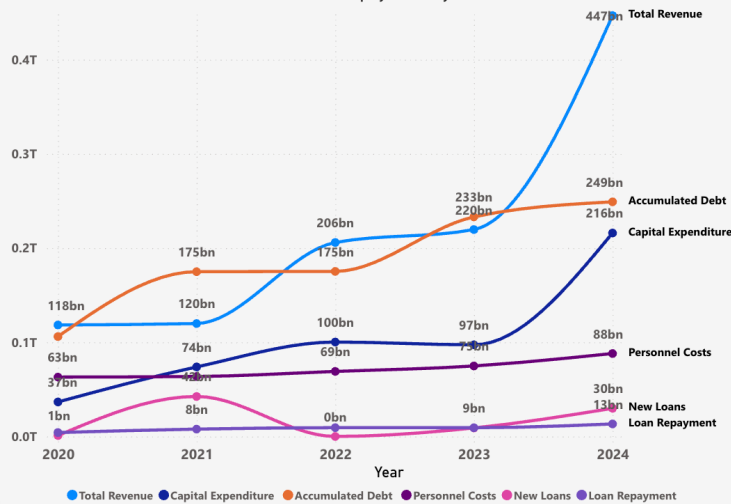
**88.0bn**

Personnel Costs in 2024

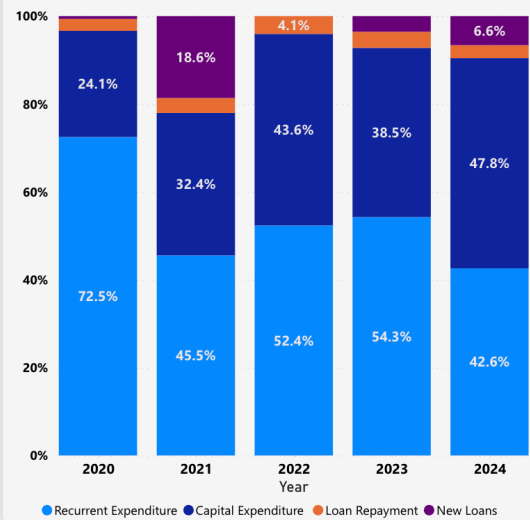
**216.0bn**

Capital Expenditure in 2024

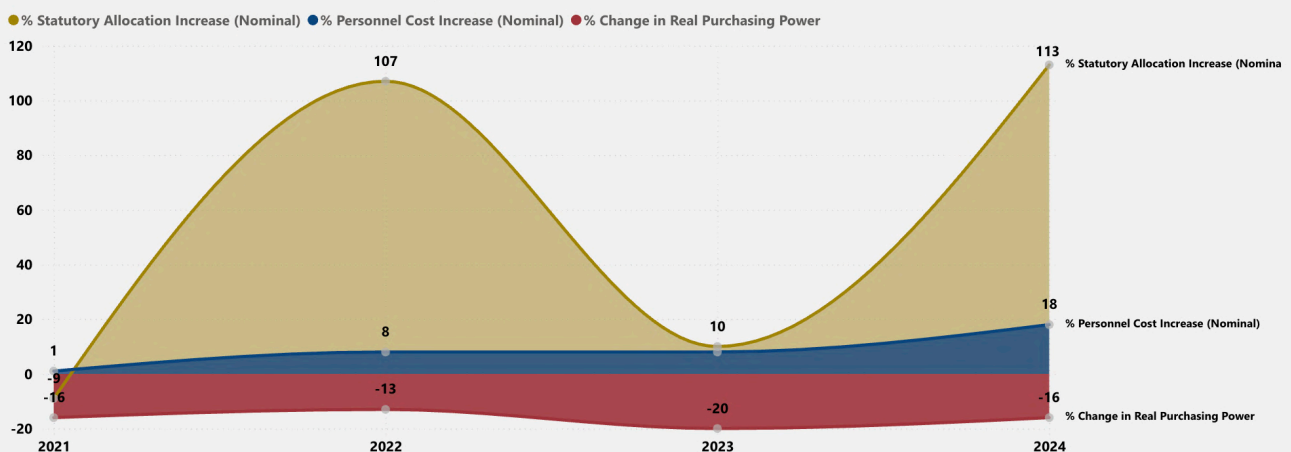
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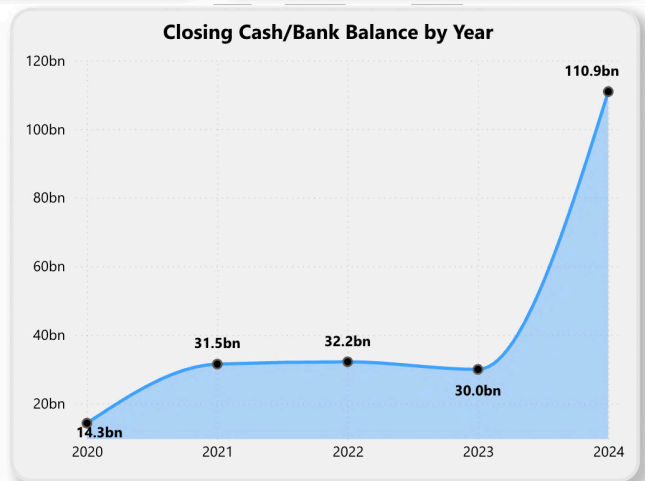
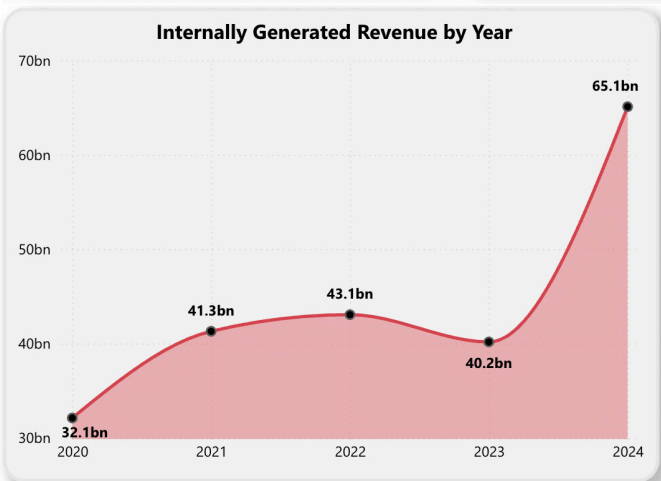
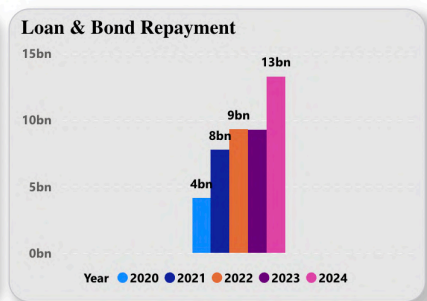
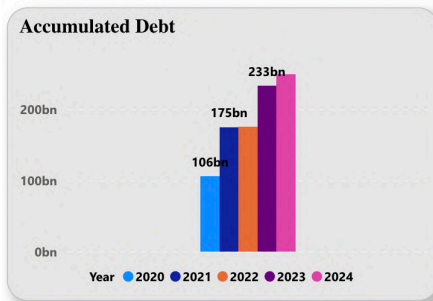
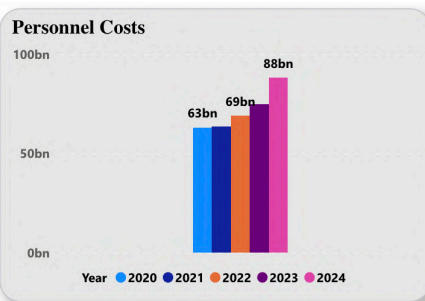
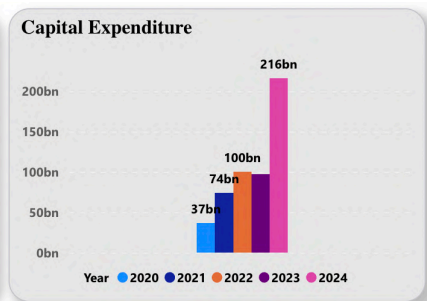
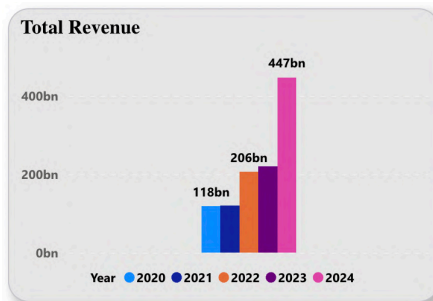


Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Kano State Financial Performance Analysis

Overview: Kano State's total revenue more than doubled in 2024, increasing by 103.5% to ₦446.8 billion from ₦219.6 billion in 2023. The state used this financial boost to more than double its capital expenditure and increase debt servicing.

### Key Impacts of Increased 2024 Revenue:

- Capital Expenditure:** Capital expenditure surged by **122%**, from ₦97.3 billion in 2023 to ₦216.0 billion in 2024, indicating a major focus on infrastructure and development.
- Total IGR:** The state achieved excellent IGR growth of **62%**, with revenues rising from ₦40.2 billion to ₦65.1 billion.
- Personnel Costs:** In 2023, a **10.22%** nominal increase in statutory allocation was insufficient to counter inflation, leading to a **20.43% loss** in real purchasing power. This

trend of real value loss persisted in 2024, where a 112.72% nominal increase still resulted in a 16.03% decline in real purchasing power against an inflation rate of **33.71%**.

- **Recurrent Expenditure:** Personnel Costs increased by 43.46% reaching ₦84.09 billion. Total recurrent expenditure increased by **40.3%** to ₦192.3 billion. This includes a **43.4%** increase in loan and bond repayments, which rose to ₦13.3 billion.
- **Debt Management:** The state significantly increased its borrowing, with new loans jumping by **232%** to ₦29.9 billion. This contributed to a **6.9%** increase in accumulated debt, which reached ₦249.0 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

The ₦216.0 billion allocated to capital expenditure represents a significant investment in Kano State's economic development. However, the accompanying financial report falls short of the transparency and detail required for effective oversight. Capital expenditure is not disaggregated by function, programme, or geolocation, as mandated by the National Chart of Accounts (NCOA), making it difficult to assess how spending aligns with the government's strategic priorities.

More critically, the report does not outline the specific objectives of the capital projects, offering no information on expected outcomes, target beneficiaries, or implementation timelines. This lack of clarity creates a transparency gap and limits the public's ability to assess the effectiveness of spending or hold the government accountable.

The use of the Government Integrated Financial Management Information System (GIFMIS) can help bridge this gap by linking expenditures to defined programme objectives and enabling real-time tracking. The state Accountant-General can also use GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, promoting transparency and sound financial management.

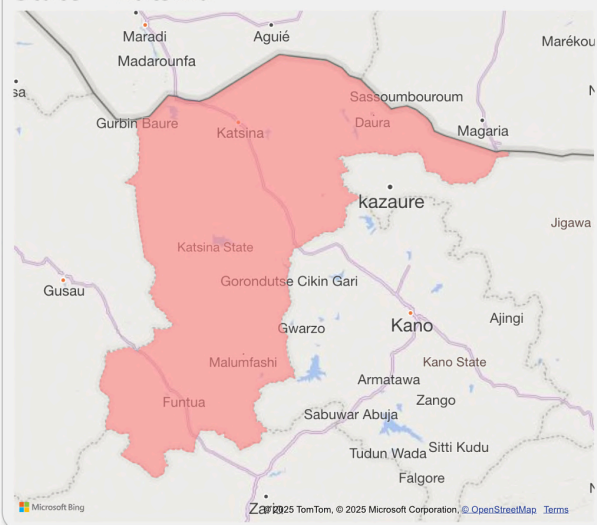
As a major commercial center, Kano could use its increased revenue to improve its road networks and marketplaces. The state could boost IGR by formalizing the informal economy and improving tax collection. To address urban congestion, the state could invest in a modern mass transit system.

# Katsina: Home of Hospitality

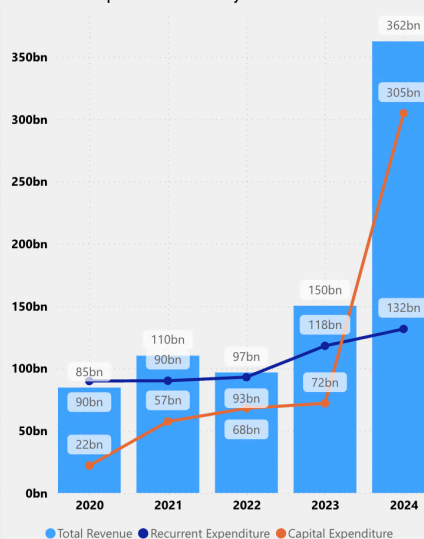
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 5**

State • Katsina



Expenditure Priority Over the Years



**362.5bn**

Total Revenue in 2024

**30.5bn**

IGR in 2024

**231.7bn**

Accumulated Debt in 2024

**18.0bn**

Loan Repayment in 2024

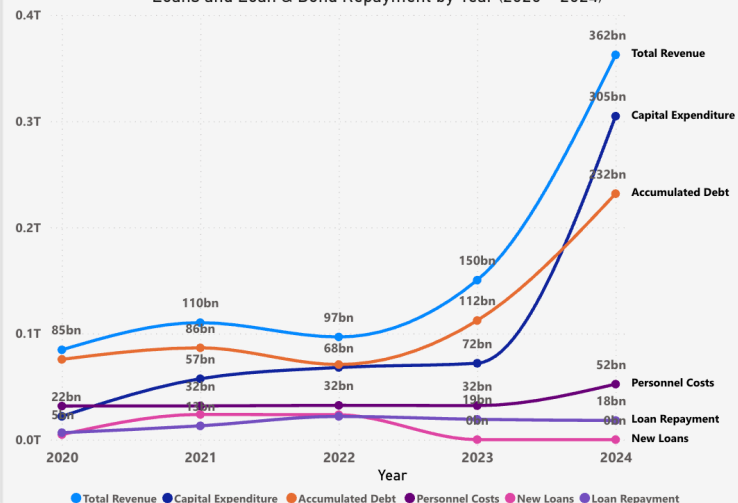
**52.3bn**

Personnel Costs in 2024

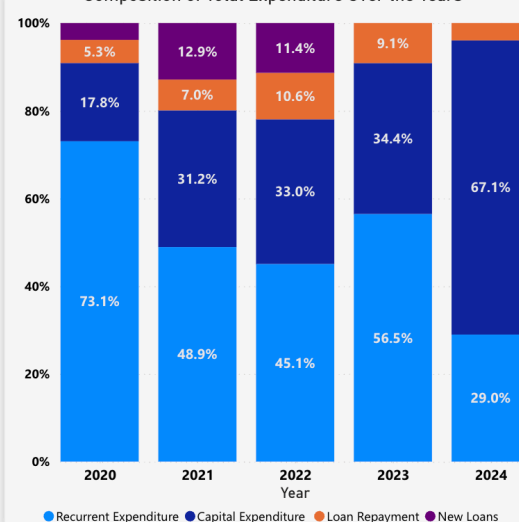
**304.8bn**

Capital Expenditure in 2024

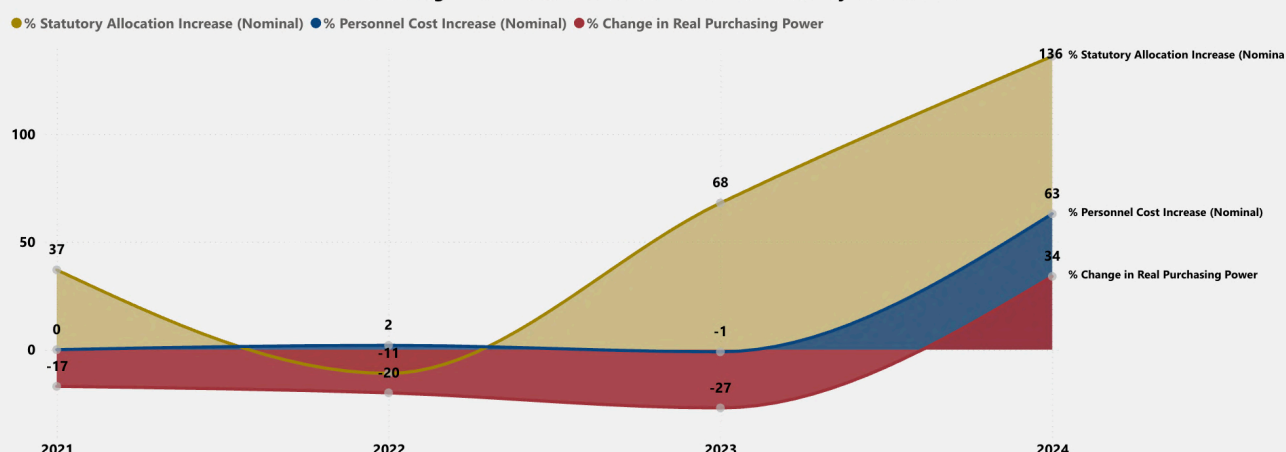
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



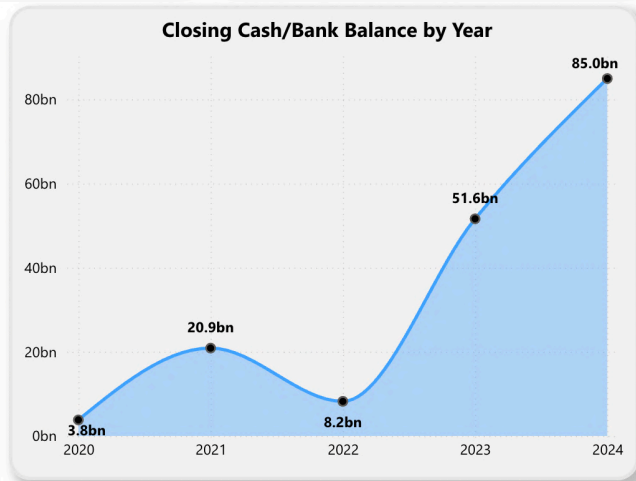
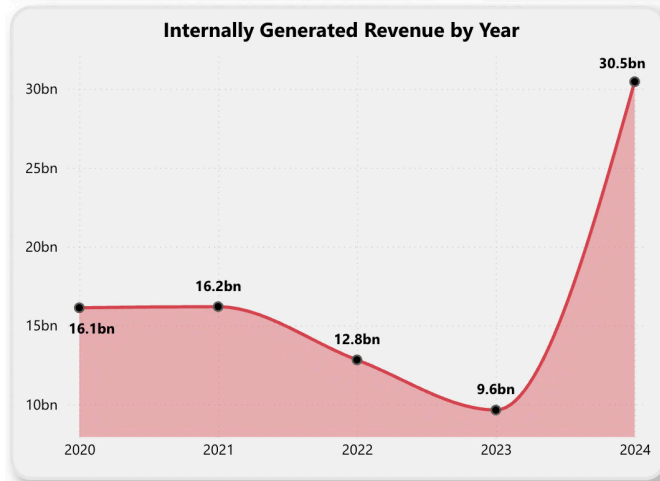
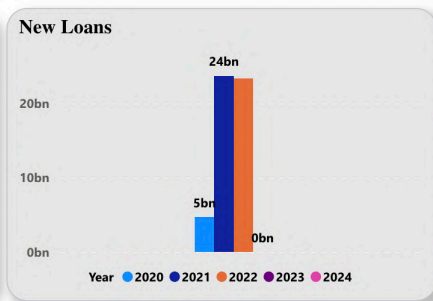
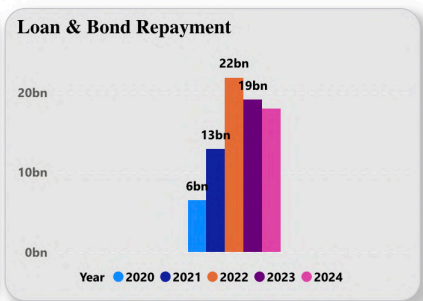
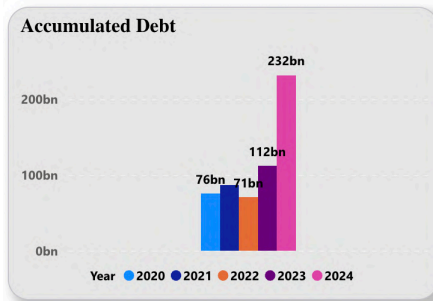
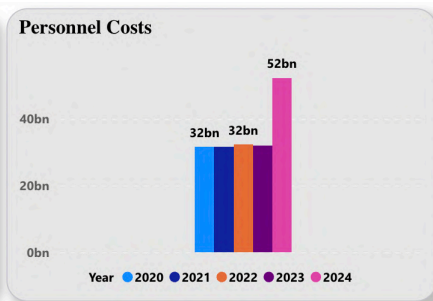
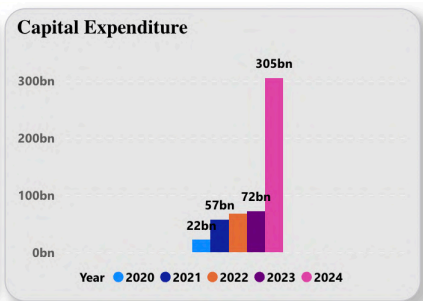
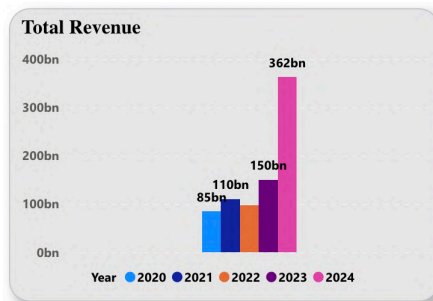
Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Katsina State Financial Performance Analysis (2020-2024)

Overview: Katsina State's total revenue saw a 141.2% increase in 2024, soaring to ₦362.5 billion from ₦150.2 billion in 2023. The state directed this massive windfall into one of the most aggressive capital expenditure expansions in the country.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure saw a phenomenal **323.7%** increase, jumping from ₦71.9 billion in 2023 to ₦304.8 billion in 2024. This level of spending nearly consumes the state's entire statutory allocation.
- **Total IGR:** IGR performance was outstanding, with a **215.9%** increase from ₦9.6 billion to ₦30.5 billion, indicating a radical improvement in local revenue generation.
- **Personnel Costs:** The state's 67.63% nominal statutory allocation increase in 2023 was entirely eroded by inflation, resulting in a 27.37% loss of real purchasing power. This trend



reversed in 2024, as a 136.13% nominal increase translated into a strong 34.14% real gain against a relatively low inflation rate of 29.21%.

- **Recurrent Expenditure:** Personnel Costs increased by 63.35% reaching ₦37.54 billion. Total recurrent expenditure increased by a very modest **11.4%** to ₦131.6 billion. This was achieved despite increases in personnel and overhead costs and a **5.8%** decrease in loan and bond repayments.
- **Debt Management:** No new loans were reported for 2023 or 2024. The prudent fiscal management and increased revenue led to a **103.8%** increase in accumulated debt to ₦231.7 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

Katsina State's ₦304.8 billion capital expenditure reflects a strong commitment to development and has the potential to drive transformative change. However, such a significant investment demands high standards of fiscal transparency, which the current financial report does not fully meet. Notably, the report shows an increase in accumulated debt without any new loans recorded in the cash flow statement, raising concerns about the completeness of financial disclosures.

Capital spending is not disaggregated by Programme or function, as required by the National Chart of Accounts (NCOA), and geolocation data is only presented in summary form. This limits insight into how funds are aligned with development priorities. Additionally, there is a ₦66.8 billion discrepancy between the total capital expenditure and the amount reported at the local government level, with no explanation provided. The absence of defined programme objectives, expected outcomes, beneficiaries, and timelines further weakens accountability.

The use of the Government Integrated Financial Management Information System (GIFMIS) can address these gaps by linking spending to specific objectives and enabling real-time monitoring of implementation. The State Accountant-General can also use GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, promoting transparency and sound financial management.

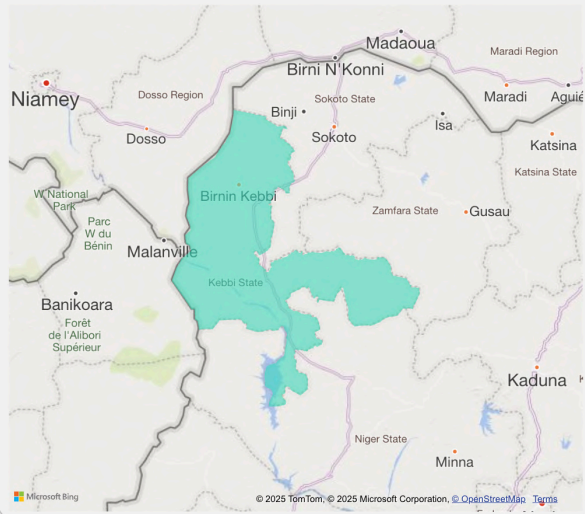
To support long-term growth, Katsina can leverage its increased revenues by investing in livestock and leather value chains to drive job creation and boost IGR. At the same time, improving rural security through modern surveillance and coordinated patrol systems will create a safer environment for investment and economic development.

# Kebbi: Land of Equity

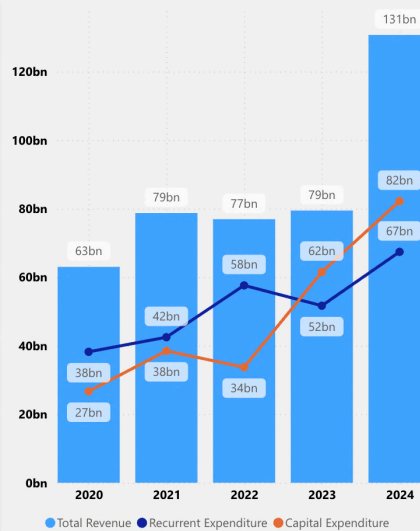
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 24**

State ● Kebbi



Expenditure Priority Over the Years



**130.7bn**

Total Revenue in 2024

**11.4bn**

IGR in 2024

**94.1bn**

Accumulated Debt in 2024

**4.7bn**

Loan Repayment in 2024

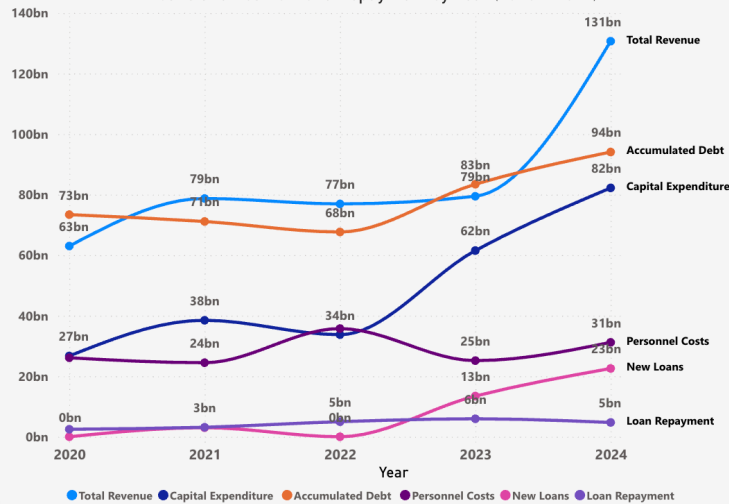
**31.2bn**

Personnel Costs in 2024

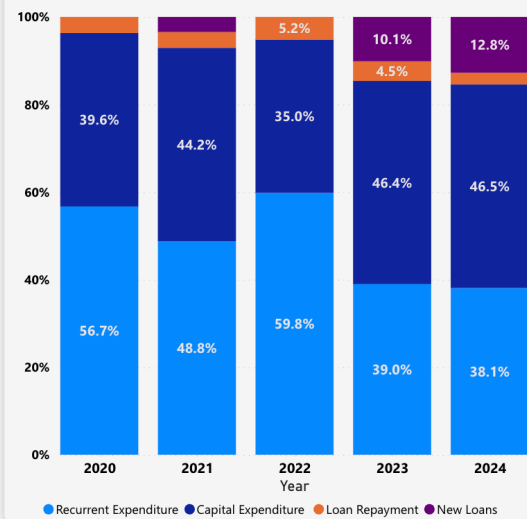
**82.2bn**

Capital Expenditure in 2024

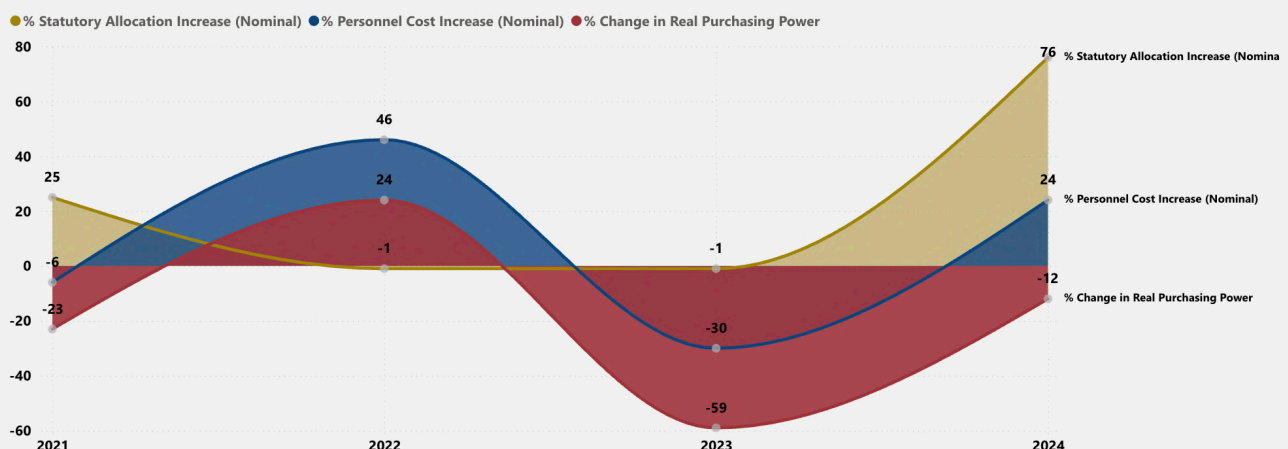
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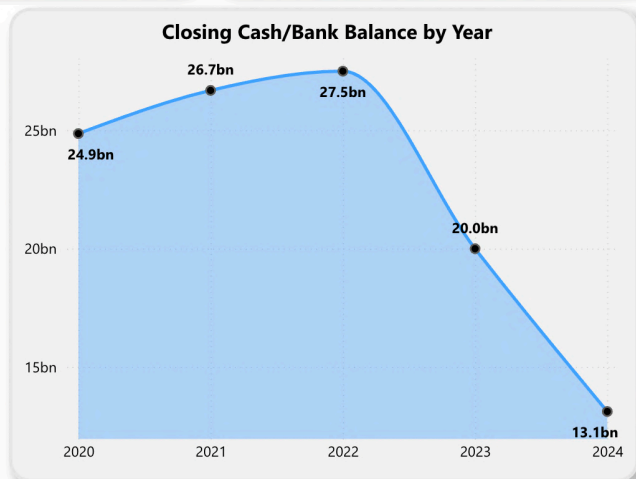
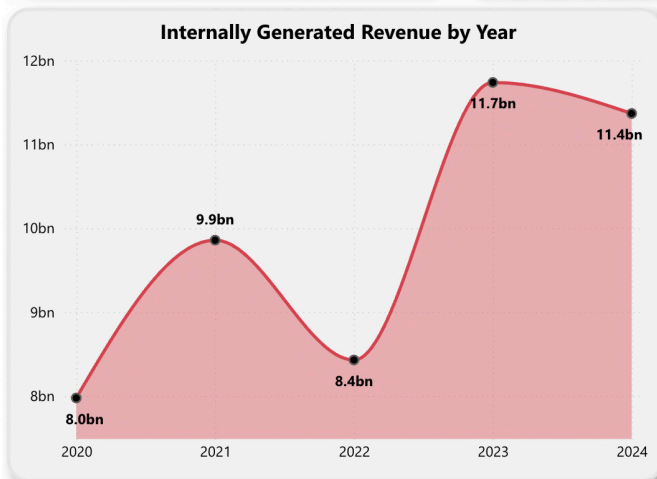
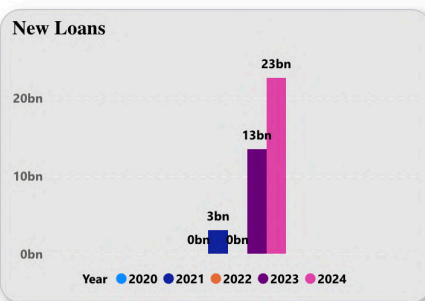
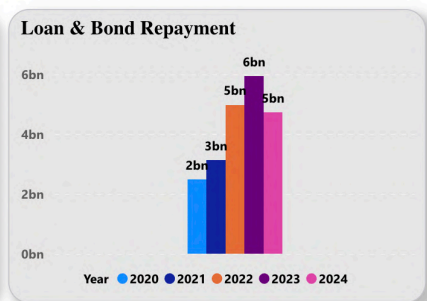
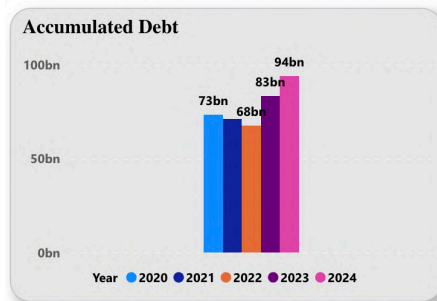
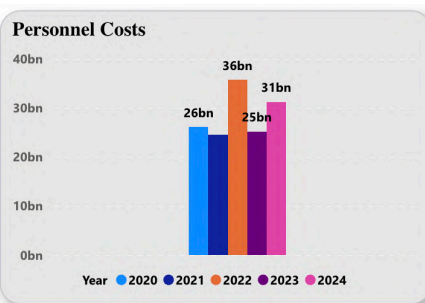
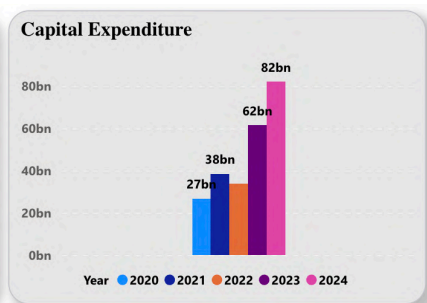
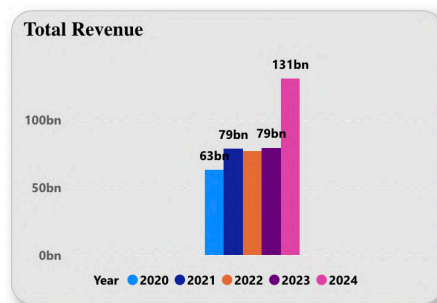


Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Kebbi State Financial Performance Analysis

Overview: Kebbi State's total revenue grew by 64.5% in 2024, reaching ₦130.7 billion from ₦79.4 billion in 2023. This increase was channeled into a significant boost in capital spending, though IGR performance was weak and the state continued to borrow.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending increased by a substantial **33.6%**, rising from ₦61.5 billion in 2023 to ₦82.2 billion in 2024.
- **Total IGR:** The state's IGR decreased by **3.1%**, falling from ₦11.7 billion to ₦11.4 billion. This decline in a year of revenue boom is a major concern.
- **Recurrent Expenditure:** Personnel Costs increased by 24.02% reaching ₦31.03 billion. Total recurrent expenditure increased by **30.4%** to ₦67.4 billion. This occurred despite a **20.4%** decrease in loan and bond repayments.

- **Debt Management:** The state increased its borrowing significantly, with new loans rising by **67.8%** to ₦22.6 billion. This pushed the accumulated debt up by **12.8%** to ₦94.1 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

Kebbi State's 33.64% increase in capital expenditure to ₦82.20 billion reflects a positive step toward development. However, this progress is accompanied by a sharp rise in new borrowings and accumulated debt, underscoring the state's continued reliance on debt financing. Despite this fiscal activity, the financial report lacks key transparency elements. Capital expenditure is not broken down by programme, function, or geolocation, making it difficult to assess alignment with development priorities.

Moreover, the report does not define programme objectives, expected outcomes, target beneficiaries, or timelines. This limits the ability of citizens and oversight institutions to evaluate the effectiveness or impact of spending, particularly in light of declining Internally Generated Revenue (IGR) and rising debt.

The use of the Government Integrated Financial Management Information System (GIFMIS) can help improve transparency by linking capital spending to clearly defined objectives and enabling real-time tracking of implementation. The State Accountant-General can also use GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, enhancing financial control and accountability.

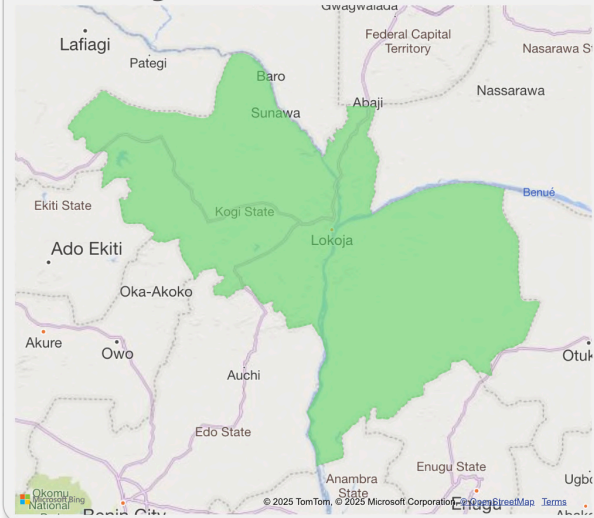
To reduce debt dependence, Kebbi should build on its "Rice Revolution Programme" by investing in value chain infrastructure such as milling and storage. Expanding agro-processing industries can also drive job creation, boost local enterprise, and strengthen the state's revenue base.

# Kogi: The Confluence State

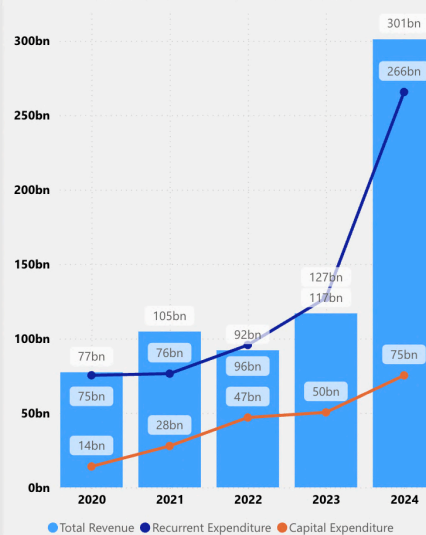
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 32**

State ● Kogi



Expenditure Priority Over the Years



**301.0bn**

Total Revenue in 2024

**27.7bn**

IGR in 2024

**123.4bn**

Accumulated Debt in 2024

**90.1bn**

Loan Repayment in 2024

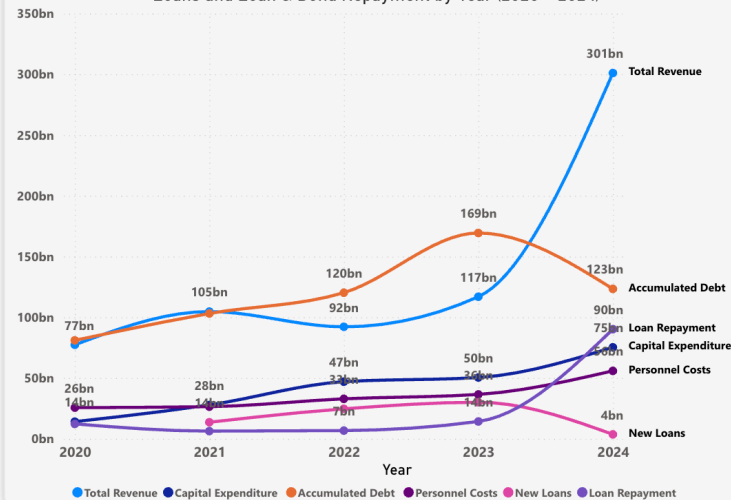
**55.8bn**

Personnel Costs in 2024

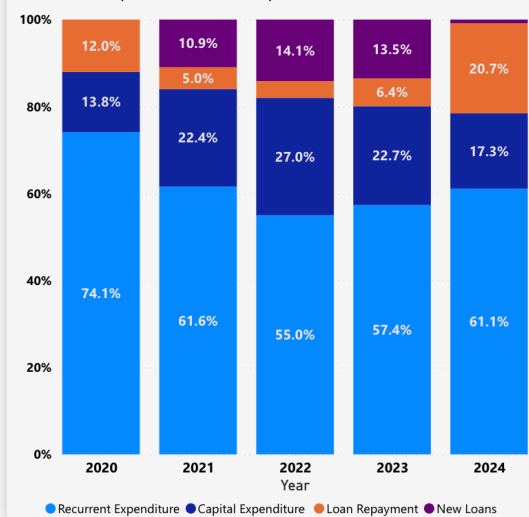
**75.2bn**

Capital Expenditure in 2024

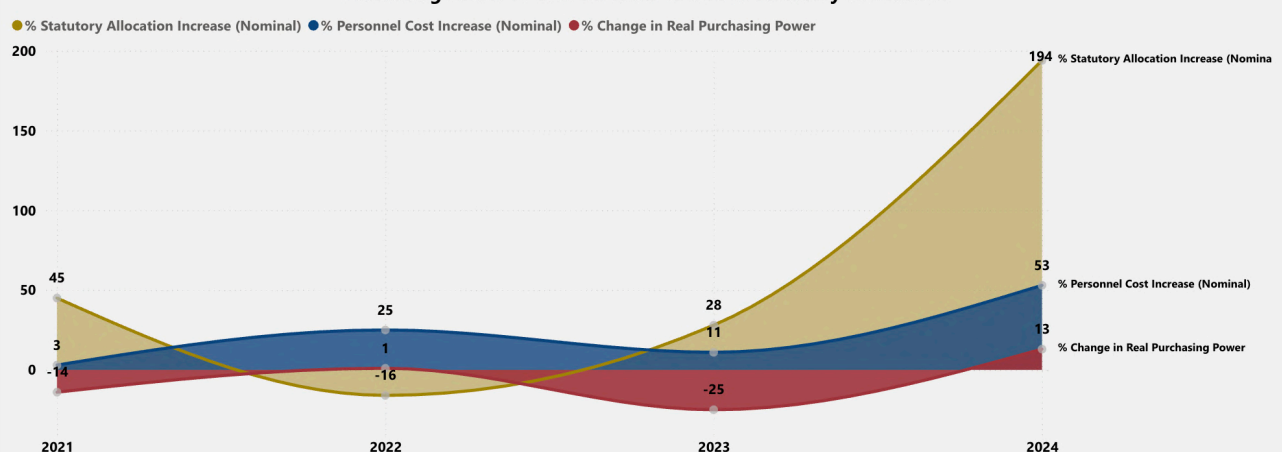
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



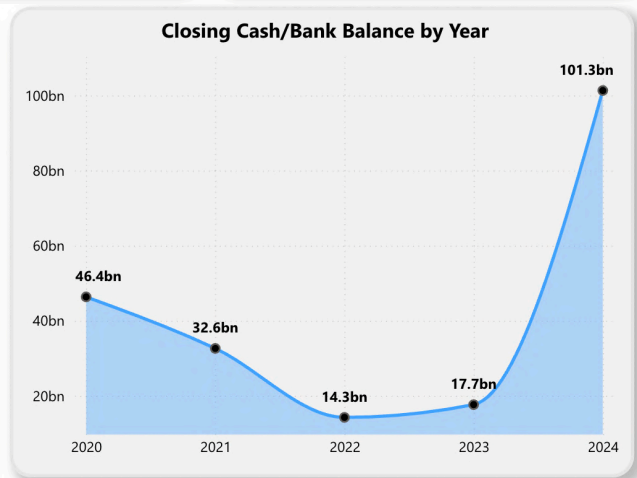
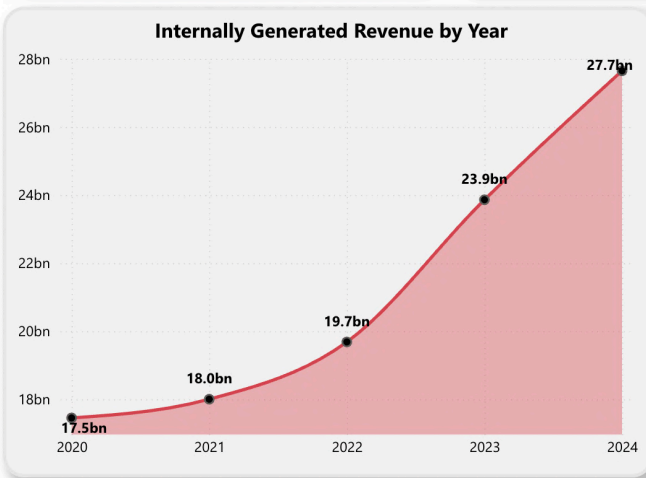
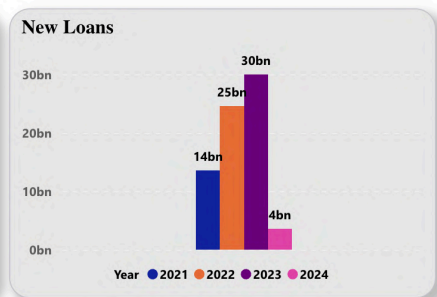
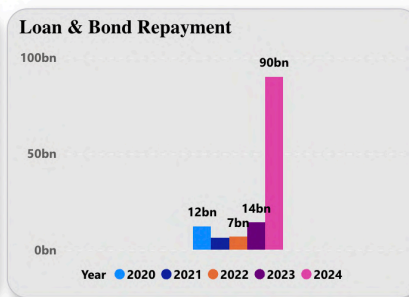
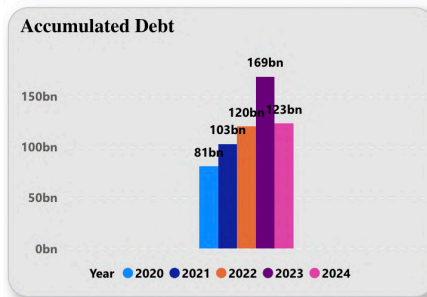
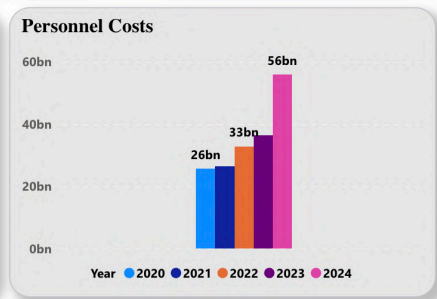
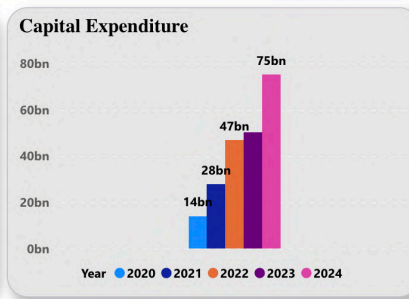
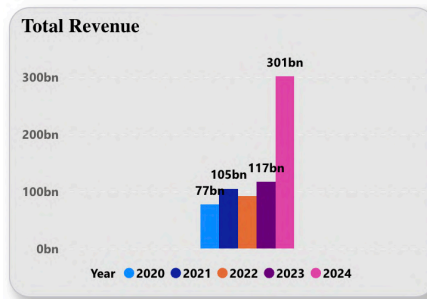
Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Kogi State Financial Performance Analysis (2020-2024)

Overview: Kogi State witnessed a 157.5% increase in total revenue in 2024, reaching ₦301.0 billion compared to ₦116.9 billion in 2023. The state used this surge to modestly increase capital spending while dramatically escalating debt repayments, resulting in a significant reduction of its overall debt.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending grew by **49.4%**, from ₦50.4 billion in 2023 to ₦75.2 billion in 2024. While a substantial increase, it represents a smaller portion of the revenue windfall compared to other states.
- **Total IGR:** The state's IGR grew by **15.9%** to ₦27.7 billion, indicating a steady but not exceptional improvement in local revenue mobilization.
- **Personnel Costs:** In 2023, a 28.45% nominal increase in statutory allocation was offset by inflation, leading to a 24.56% loss in real purchasing power. The state's fiscal position

recovered in 2024, with a 193.84% nominal increase translating into a 13.24% real gain despite a very high inflation rate of 39.91%

- **Recurrent Expenditure:** There was a substantial rise in Personnel Costs, which grew by 69.70% to ₦56 billion. Total recurrent expenditure more than doubled, increasing by **108.7%** to ₦265.6 billion. This was overwhelmingly driven by a staggering **534.6%** increase in loan and bond repayments, which soared from ₦14.2 billion in 2023 to ₦90.1 billion in 2024.
- **Debt Management:** The state heavily curtailed its borrowing, with new loans decreasing by **88%** to ₦3.6 billion. This, combined with the aggressive repayment schedule, led to a **27.2%** reduction in accumulated debt, bringing it down to ₦123.4 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

While the state's commitment to debt repayment is commendable, the ₦75.2 billion allocated to capital projects lacks the transparency needed to fully assess its strategic focus. The financial report does not disaggregate this amount by function, geolocation, or programme, as required by the National Chart of Accounts (NCOA), making it difficult to determine which sectors or initiatives are being prioritized. Additionally, the absence of clearly defined objectives such as expected outcomes, target beneficiaries, and timelines limits the ability of citizens and oversight institutions to evaluate the relevance and impact of the spending.

The use of the Government Integrated Financial Management Information System (GIFMIS) can help address these gaps by linking capital expenditure to specific programme objectives and supporting real-time monitoring of implementation. The State Accountant-General can also use GIFMIS to process online real-time payments in line with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, thereby strengthening compliance, enhancing fiscal transparency, and promoting more efficient public financial management.

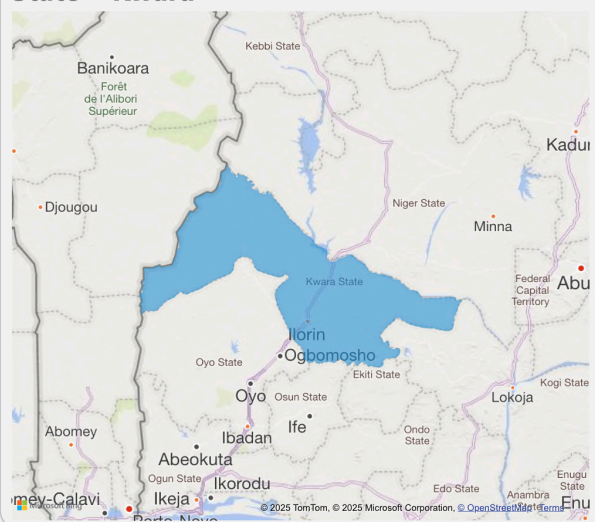
With its rich mineral deposits, Kogi could boost IGR by formalizing and taxing artisanal mining. Revenue could be used to improve infrastructure, particularly in its riverine communities, and to mitigate the impact of flooding.

# Kwara: State of Harmony

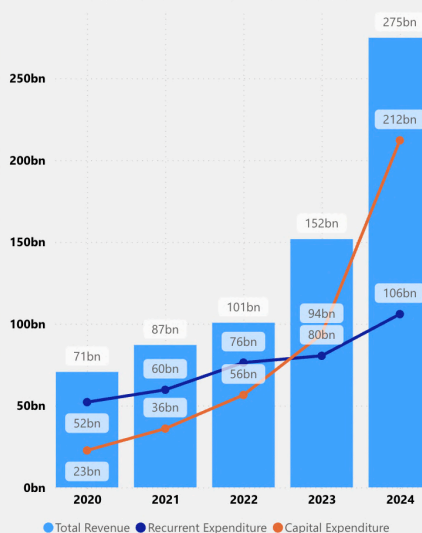
**Fiscal Transparency Score 2.5/7**

**FPI Rank out of 36 States - 6**

## State • Kwara



## Expenditure Priority Over the Years



**274.8bn**

Total Revenue in 2024

**66.1bn**

IGR in 2024

**156.7bn**

Accumulated Debt in 2024

**0**

Loan Repayment in 2024

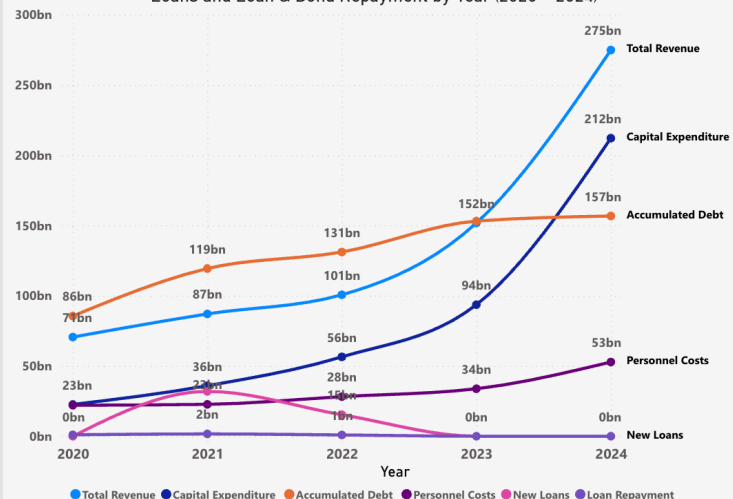
**52.8bn**

Personnel Costs in 2024

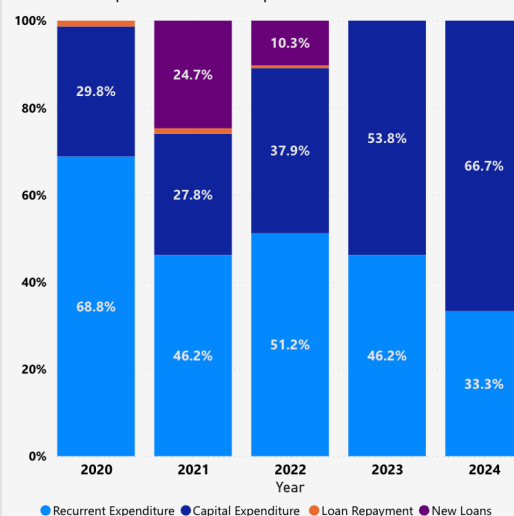
**212.1bn**

Capital Expenditure in 2024

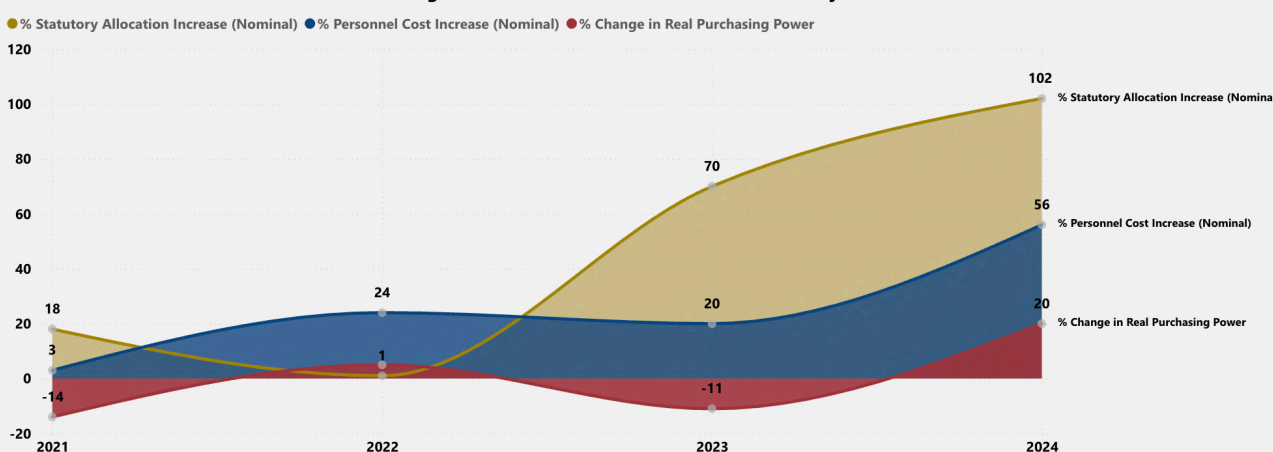
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

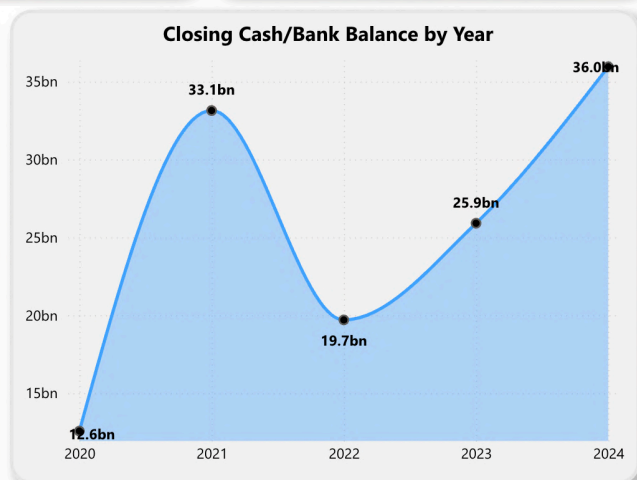
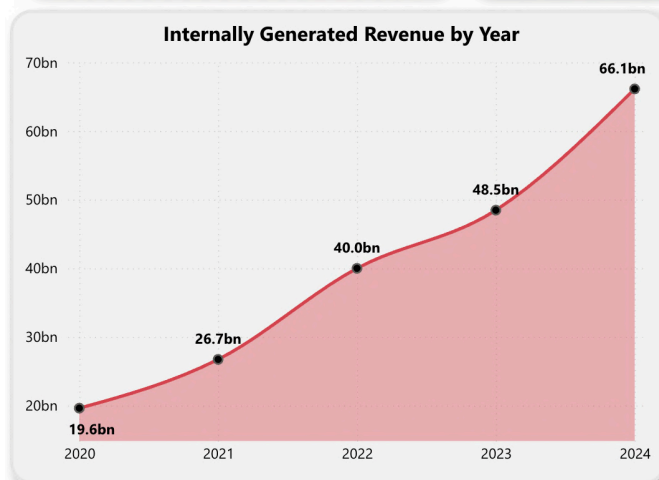
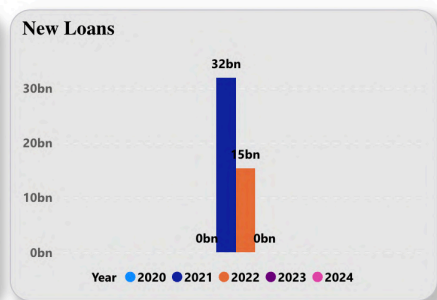
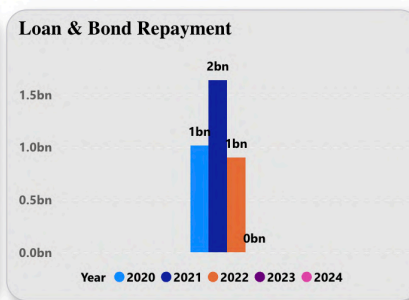
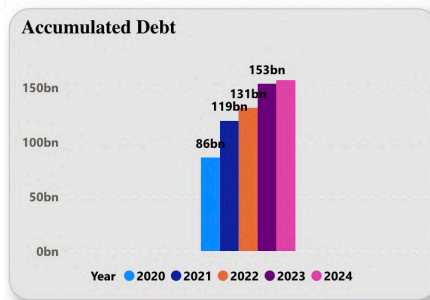
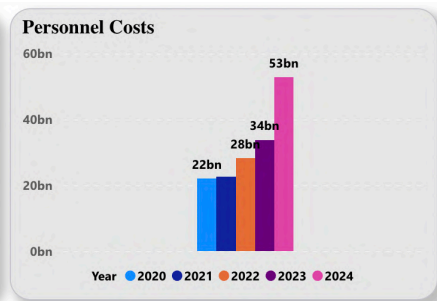
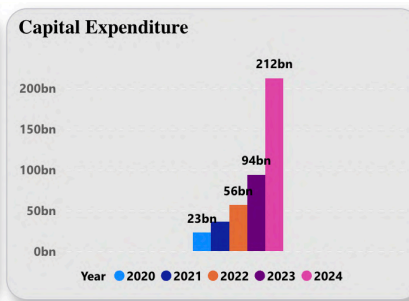
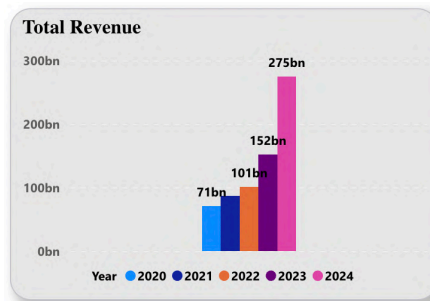


## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Kwara State Financial Performance Analysis

Overview: Kwara State's total revenue increased by 81.1% in 2024, reaching ₦274.8 billion from ₦151.7 billion in 2023. The state government channeled the bulk of this increase into capital expenditures.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending witnessed a huge **126.6% increase**, soaring from ₦93.6 billion in 2023 to ₦212.1 billion in 2024. This made capital projects the primary focus of the state's budget.
- **Total IGR:** The state achieved a strong **36.4% growth** in IGR, which rose from ₦48.5 billion in 2023 to ₦66.1 billion in 2024, demonstrating a robust local revenue enhancement strategy.
- **Personnel Costs:** Kwara's 70.27% nominal statutory allocation increase in 2023 was eroded by inflation, resulting in a 10.76% loss of real purchasing power. This trend reversed



in 2024, as a 102.11% nominal increase was sufficient to generate a 19.65% real gain against a high inflation rate of 36.64%.

- **Recurrent Expenditure:** Total recurrent expenditure increased by a controlled **31.7%** to ₦105.9 billion. There were no loan repayments in 2023 and 2024.
- **Debt Management:** No new loans were reported for 2023 or 2024. With debt repayment data also unavailable for these years, the accumulated debt still saw a slight increase of **2.4%**, rising to ₦156.7 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The ₦212.1 billion allocated to capital expenditure marks a significant step in advancing Kwara State's development priorities. However, the financial report lacks the contextual detail needed to assess the effectiveness and alignment of this investment. Specifically, capital expenditure is not disaggregated by function, geolocation, or programme, as required by the National Chart of Accounts (NCOA), making it difficult to understand the sectors or communities benefiting from the spending.

Moreover, the absence of clearly defined objectives such as expected outcomes, target beneficiaries, and timelines creates a transparency gap that limits public oversight and weakens accountability. While the state has leveraged its revenue growth to fund capital projects, the absence of recorded loan repayments alongside continued debt accumulation raises concerns about long-term debt sustainability.

The use of the Government Integrated Financial Management Information System (GIFMIS) can help address these challenges by linking capital expenditures to programme objectives and enabling real-time monitoring of project implementation. Additionally, the State Accountant-General can utilize GIFMIS to process online, real-time payments in compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, thereby improving financial transparency, ensuring compliance, and strengthening public financial management.

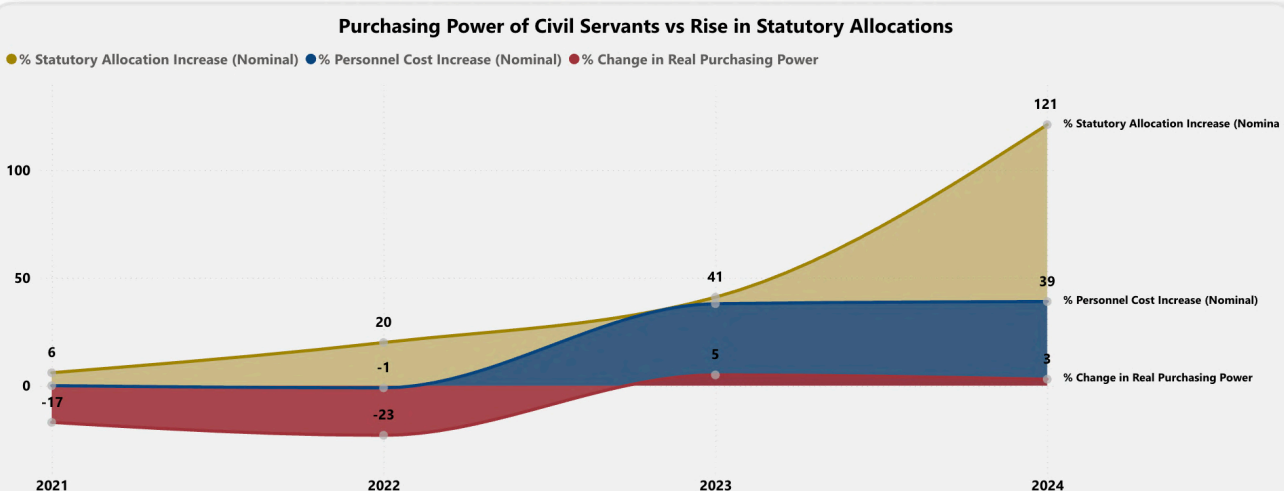
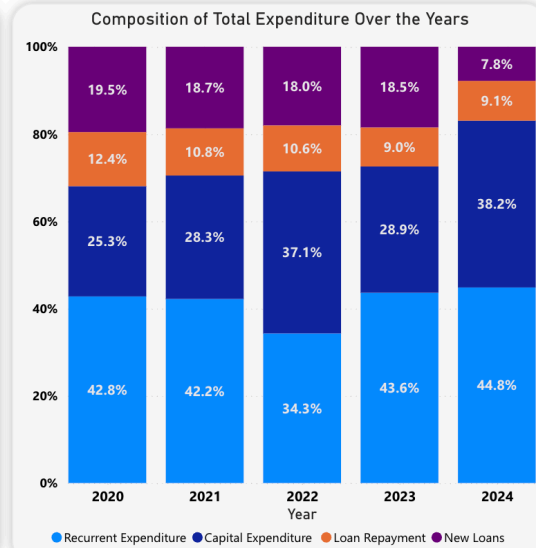
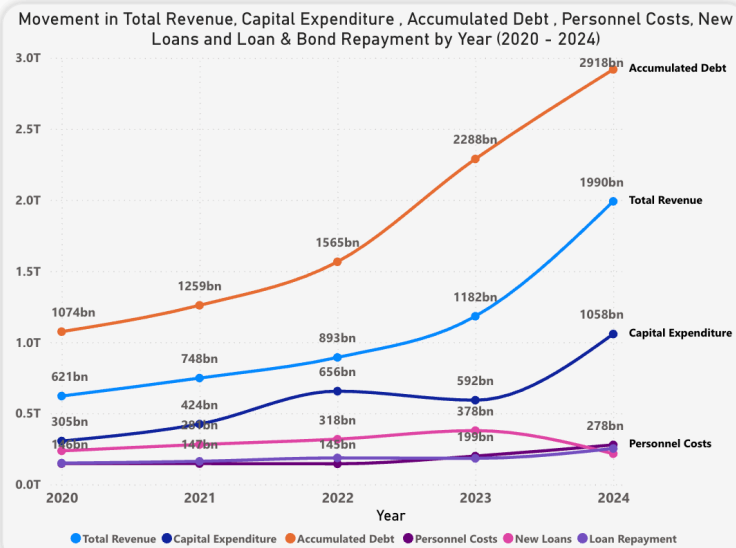
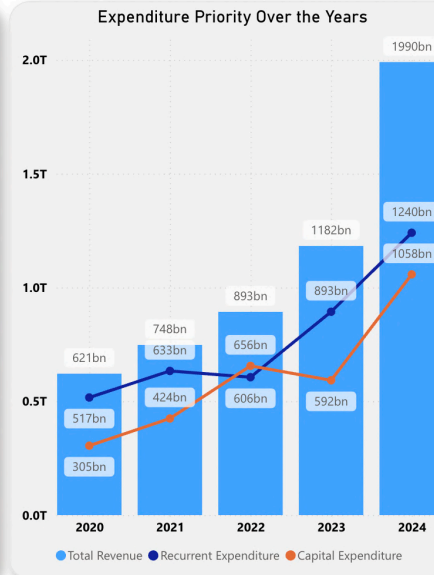
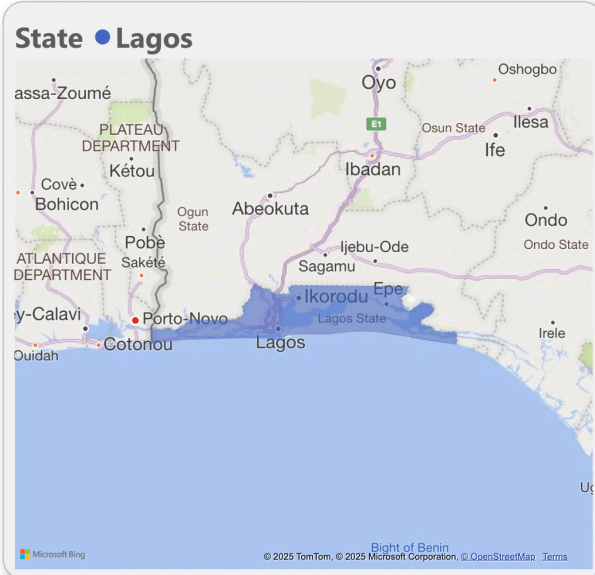
Kwara could leverage its central location to become a logistics hub, using increased revenue to build modern warehouses and improve road networks. IGR could be boosted through levies on commercial transport and warehousing. The state could address urban youth unemployment by investing in vocational training and entrepreneurship programs.

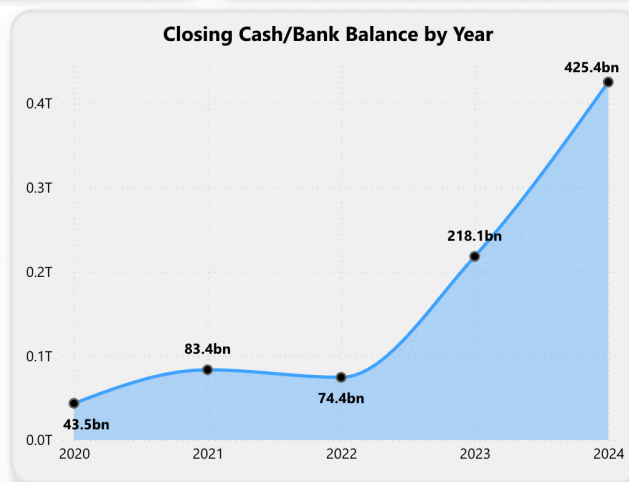
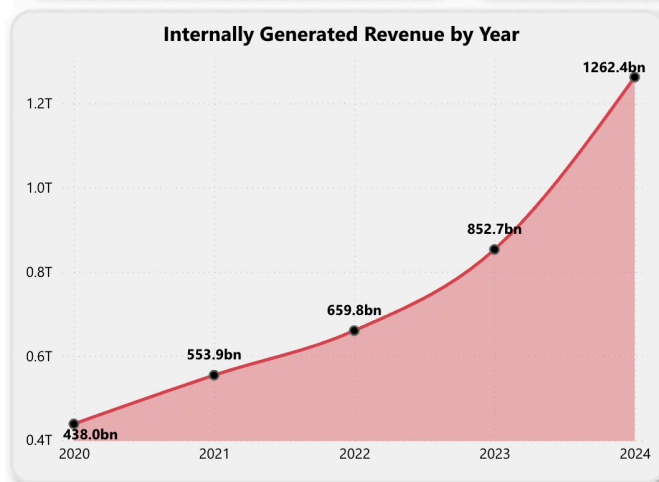
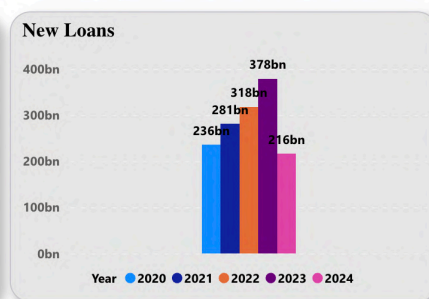
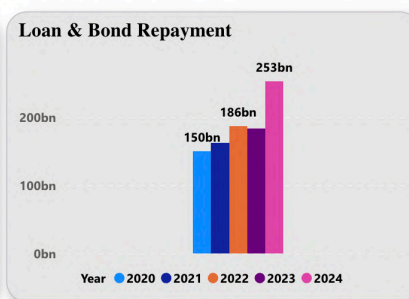
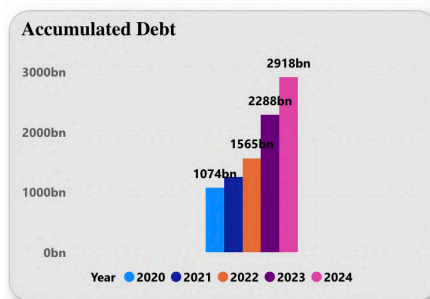
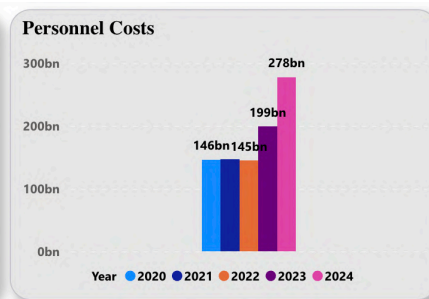
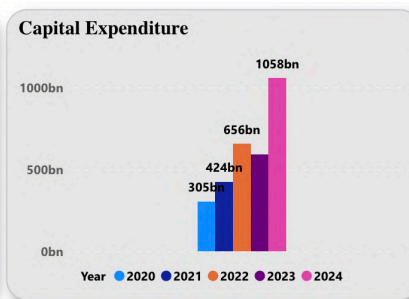
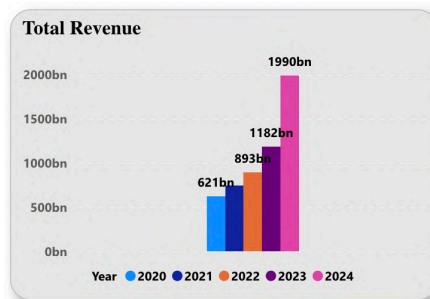


# Lagos: Centre of Excellence

**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 19**





## Lagos State Financial Performance Analysis

Overview: Lagos State, Nigeria's economic capital, saw its total revenue surge by 68.3% in 2024, reaching a monumental ₦1.99 trillion from ₦1.18 trillion in 2023. This was overwhelmingly driven by an increase in IGR.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure grew by a massive **78.5%**, rising from ₦592.3 billion in 2023 to ₦1.06 trillion in 2024, likely the largest sub-national capital expenditure in Africa.
- **Total IGR:** In a landmark achievement, Lagos's IGR grew by **48.1%** to cross the trillion-naira mark, reaching **₦1.26** trillion. This demonstrates the state's immense and growing economic base.

- **Personnel Costs:** In 2023, Lagos achieved a 5.17% real purchasing power gain from a 41.44% nominal statutory allocation increase. The state's real purchasing power continued to grow modestly in 2024, with a 120.81% nominal increase resulting in a 3.03% real gain against a high inflation rate of 36.37%.
- **Recurrent Expenditure:** Personnel Costs increased by 39.40% from 236.51 billion Naira in 2023 to ₦316.39 billion in 2024. Total recurrent expenditure increased by **38.9%** to ₦1.24 trillion. This includes a **37.7%** increase in loan and bond repayments to ₦252.5 billion.
- **Debt Management:** The state reduced its borrowing, with new loans decreasing by **42.9%** to ₦216.1 billion. Despite this, the accumulated debt still grew by **27.5%**, reaching ₦2.92 trillion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Lagos State continues to demonstrate economic ambition through substantial capital investment, with capital expenditure now exceeding ₦1 trillion. While this reflects strong development intent, the corresponding rise in accumulated debt suggests a heavy reliance on borrowing, raising concerns about long-term fiscal sustainability especially if revenue growth slows.

Despite its economic scale, Lagos is urged to uphold the highest standards of transparency. The current financial report lacks a breakdown of capital expenditure by programme, function, or geolocation, as required by the National Chart of Accounts (NCOA). It also omits project-specific objectives, expected outcomes, target beneficiaries, and timelines. This limits public insight into how resources are allocated and whether investments align with strategic priorities.

The adoption of the Government Integrated Financial Management Information System (GIFMIS) can help address these gaps by linking expenditures to program objectives and enabling real-time monitoring. The State Accountant-General can also use GIFMIS for real-time online payments, ensuring compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines and strengthening fiscal discipline.

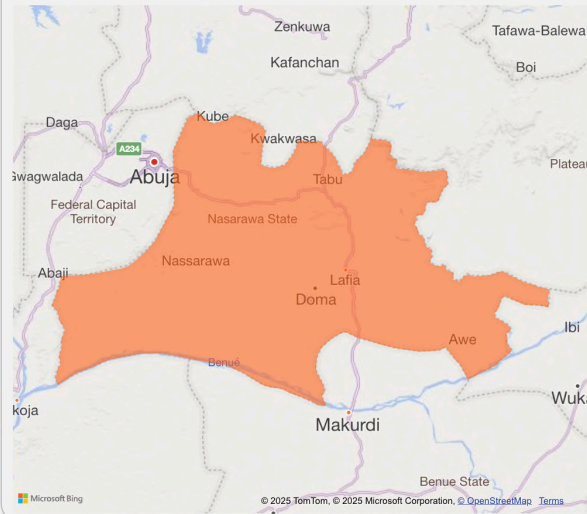
To enhance internally generated revenue (IGR), Lagos should continue investing in urban transport infrastructure such as light rail and expanded BRT systems and formalize the informal sector to broaden the tax base and promote inclusive growth.

# Nasarawa: Home of Solid Minerals

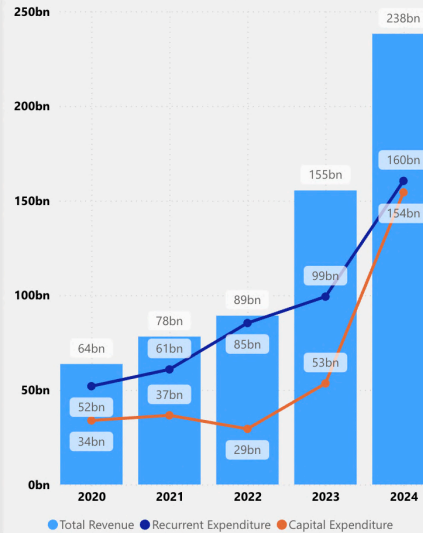
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 16**

## State • Nasarawa



### Expenditure Priority Over the Years



**238.1bn**

Total Revenue in 2024

**43.3bn**

IGR in 2024

**81.4bn**

Accumulated Debt in 2024

**50.8bn**

Loan Repayment in 2024

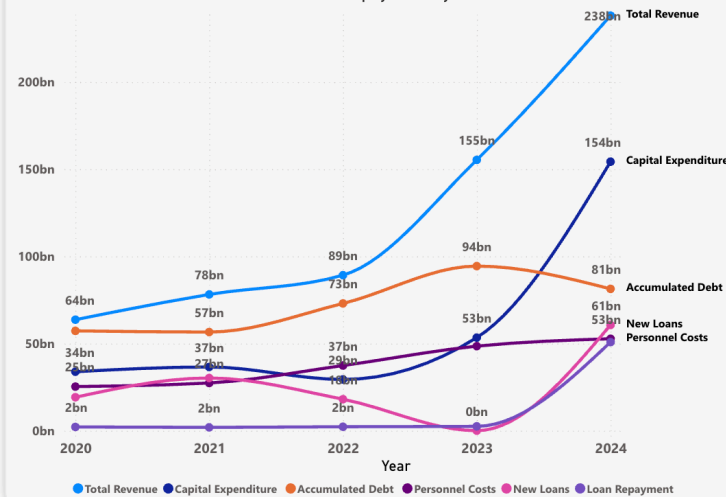
**52.7bn**

Personnel Costs in 2024

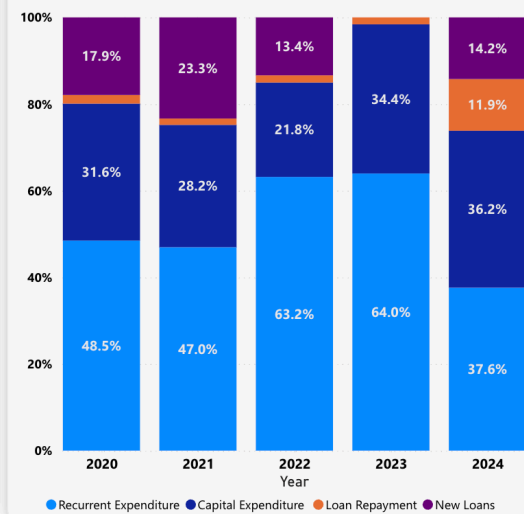
**154.3bn**

Capital Expenditure in 2024

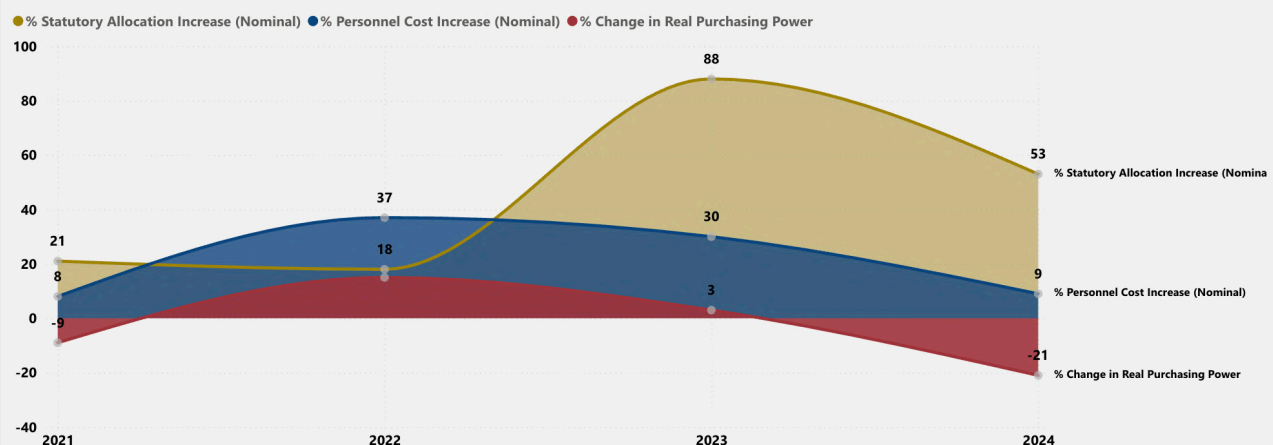
### Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



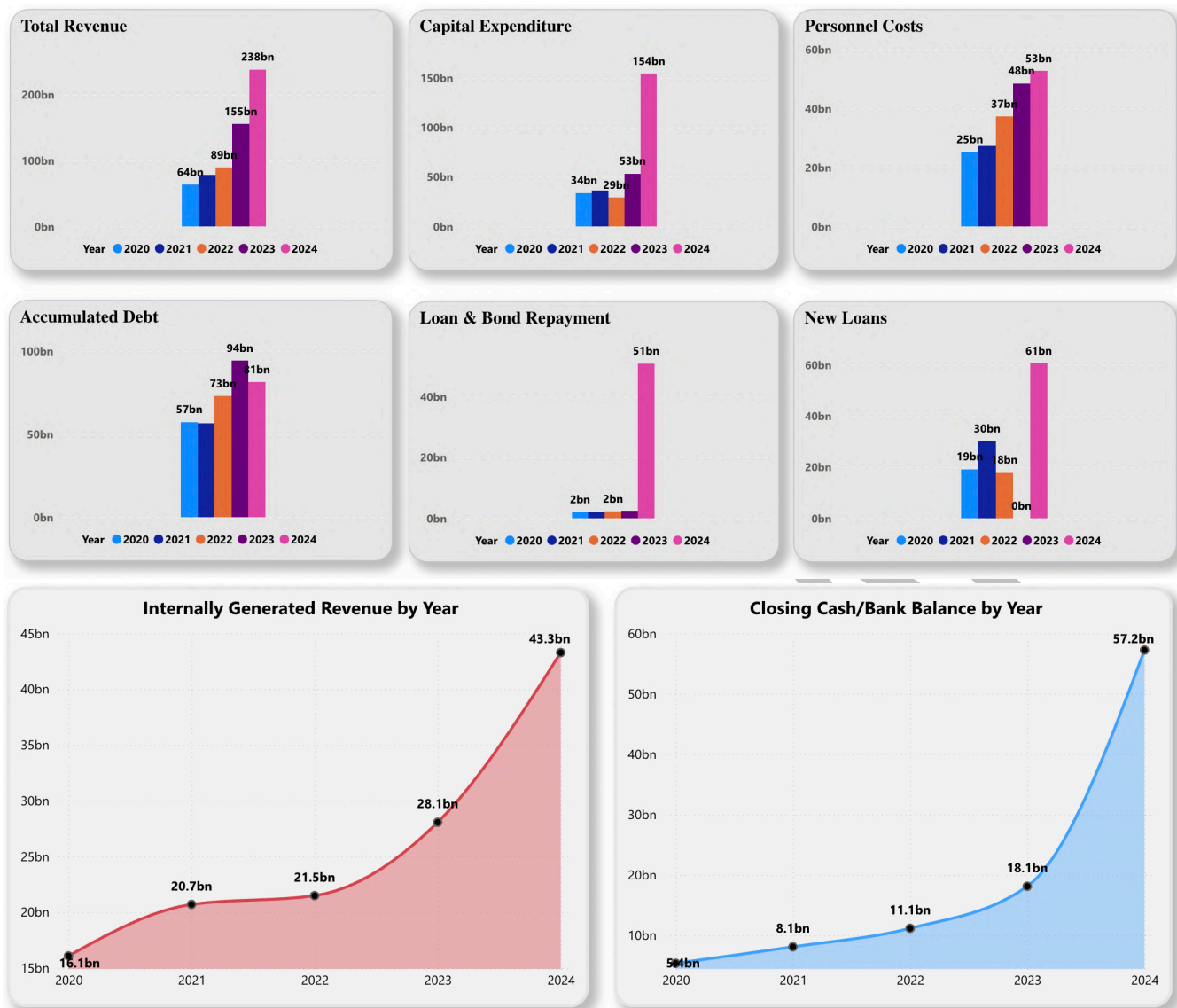
### Composition of Total Expenditure Over the Years



### Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Nasarawa State Financial Performance Analysis

Overview: Nasarawa State's total revenue grew by 53.3% in 2024, reaching ₦238.1 billion from ₦155.4 billion in 2023. This increase was used to fund a significant rise in capital spending and a massive increase in debt acquisition, leading to a much lower accumulated debt.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending nearly tripled, with a **189%** increase from ₦53.4 billion in 2023 to ₦154.3 billion in 2024, showing a strong commitment to infrastructure.
- **Total IGR:** The state recorded impressive **54.2%** growth in IGR, which rose from ₦28.1 billion to ₦43.3 billion, keeping pace with the growth in federal revenue.
- **Personnel Costs:** Nasarawa demonstrated strong performance in 2023, converting an 87.97% nominal statutory allocation increase into a **3.20%** real purchasing power gain. However, this trend reversed in 2024, as a **53.08%** nominal increase was insufficient to counter the **29.32%** inflation rate, leading to a **20.57%** loss in real purchasing power.



- **Recurrent Expenditure:** Personnel Costs increased by **8.75%** reaching ₦55.96 billion. Naira Total recurrent expenditure increased by **61.6%** to ₦160.4 billion. A key driver was the enormous **1952%** increase in loan and bond repayments, which jumped from ₦2.5 billion in 2023 to ₦50.8 billion in 2024.
- **Debt Management:** Despite the revenue increase, the state took on a very large **₦60.7** billion in new loans, where none were recorded for 2023. This substantial new borrowing resulted in a **14.9%** decrease in accumulated debt, which settled at ₦81.4 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Nasarawa State's revenue growth has enabled substantial capital investment and a notable reduction in accumulated debt, largely due to increased loan repayments which reflect a strong focus on fiscal responsibility. The ₦154.3 billion allocated to capital expenditure represents a major commitment to development. However, the financial report lacks critical details needed for transparency and public accountability.

Capital spending is not disaggregated by function, programme, or geolocation as required by the National Chart of Accounts (NCOA), making it difficult to assess alignment with strategic priorities. Additionally, the absence of clearly defined project objectives, such as expected outcomes, target beneficiaries, and timelines, limits public oversight and weakens the ability to evaluate the effectiveness of these investments.

Adopting the Government Integrated Financial Management Information System (GIFMIS) can help address these gaps by linking expenditures to specific programme objectives and enabling real-time tracking of project implementation. The State Accountant General can also benefit from using GIFMIS for online real-time payments to ensure compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, while enhancing transparency, accountability, and efficient public financial management.

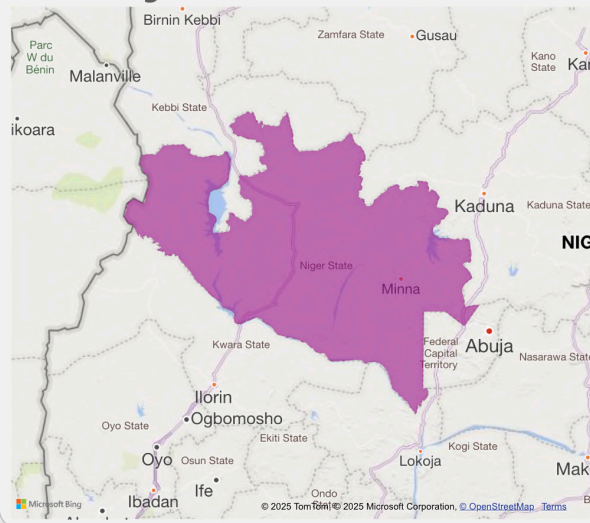
The state could focus on boosting its agricultural output, particularly in sesame and ginger. Increased revenue could be used to provide farmers with modern equipment and access to markets, thereby boosting IGR. The state could also use funds to address communal clashes by promoting community policing and dialogue.

# Niger: The Power State

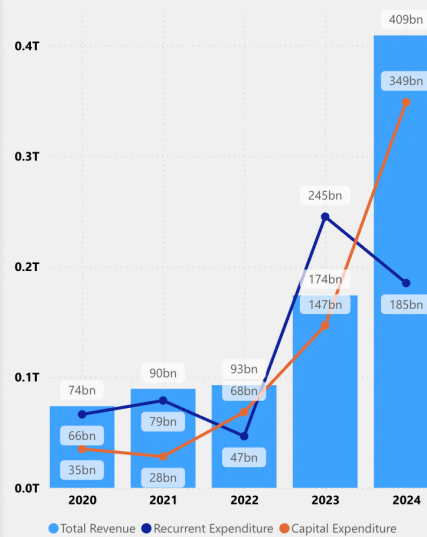
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 18**

## State • Niger



## Expenditure Priority Over the Years



**409.2bn**

Total Revenue in 2024

**34.9bn**

IGR in 2024

**293.7bn**

Accumulated Debt in 2024

**15.8bn**

Loan Repayment in 2024

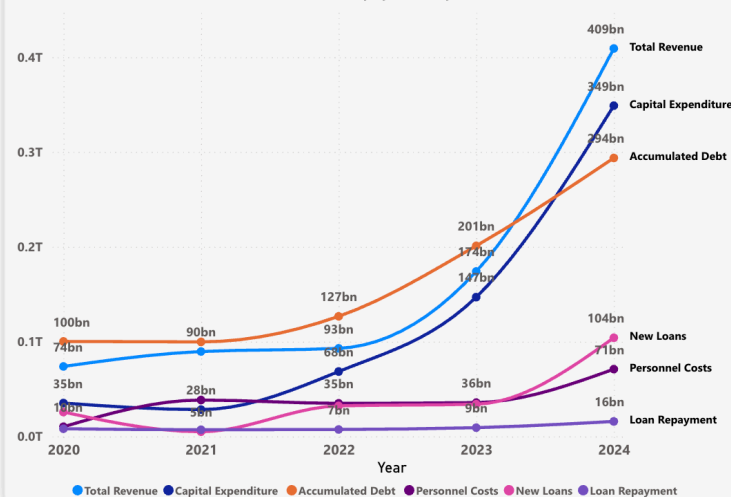
**70.9bn**

Personnel Costs in 2024

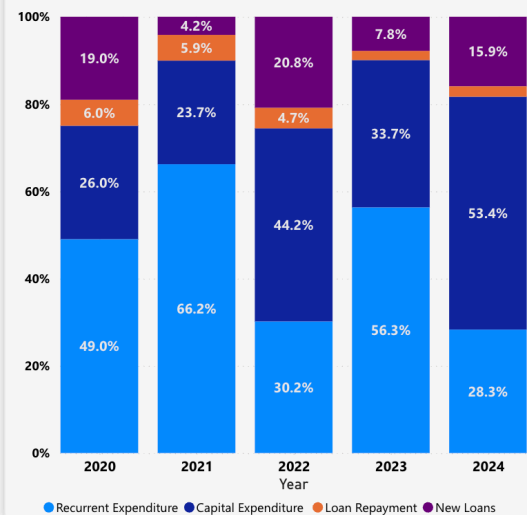
**348.8bn**

Capital Expenditure in 2024

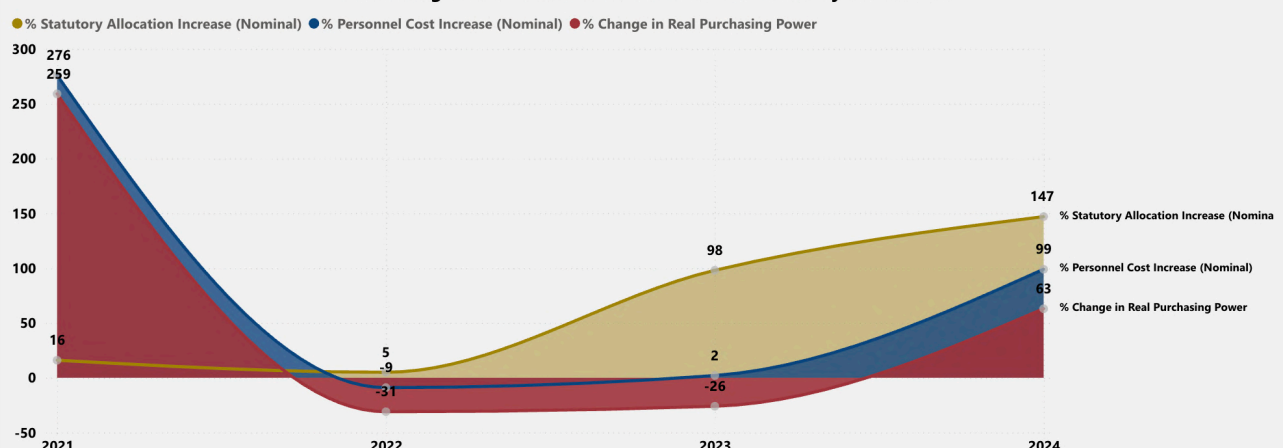
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

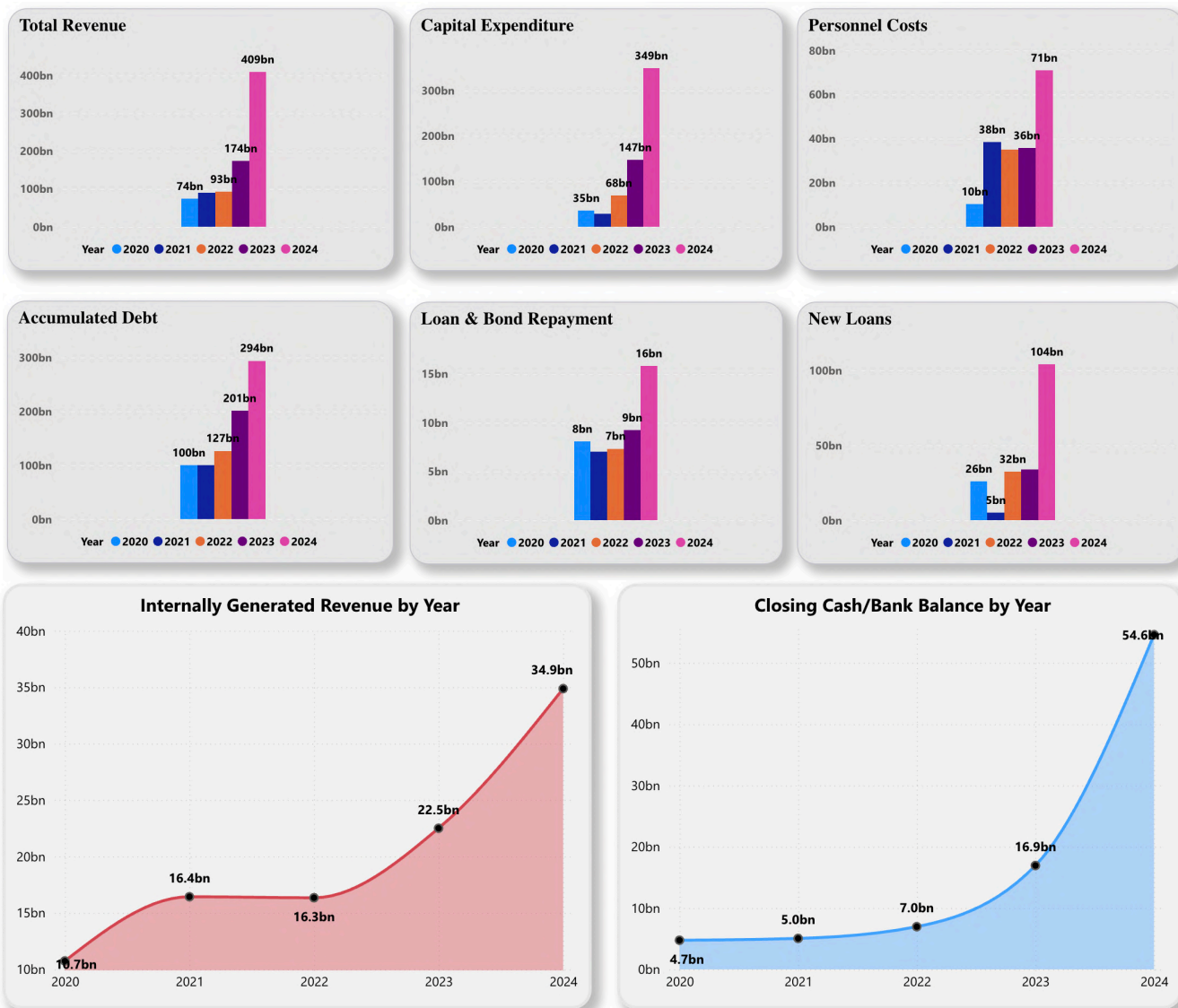


## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Niger State Financial Performance Analysis

Overview: Niger State experienced a 135.1% surge in total revenue in 2024, with its finances growing to ₦409.2 billion from ₦174.0 billion in 2023. This windfall was directed primarily towards an increase in capital projects, financed partly by a very large acquisition of new loans.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure more than doubled, increasing by **137.5%** from ₦146.9 billion in 2023 to ₦348.8 billion in 2024, representing one of the largest capital expenditures in the country relative to revenue.
- **Total IGR:** The state's IGR grew by an impressive **55%**, rising from ₦22.5 billion to ₦34.9 billion, indicating significant improvement in local revenue generation efforts.
- **Personnel Costs:** Personnel Costs increased by **97.22%** reaching 70.97 billion Naira. In 2023, a 97.95% nominal increase in statutory allocation was entirely offset by inflation,

resulting in a 26.04% loss in real purchasing power. The state's fiscal position improved dramatically in 2024, where a 147.05% nominal increase translated into a 62.80% real gain despite a high inflation rate of 36.02%.

- **Recurrent Expenditure:** Total recurrent expenditure decreased by **24.5%** to ₦185.2 billion from ₦245.2 billion in 2023. However, within this, loan and bond repayments increased by **70.9%** to ₦15.8 billion. The overall decrease in recurrent expenditure from 2023 to 2024, despite the increased loan repayment, is due to the unusually high recurrent cost in 2023.
- **Debt Management:** Niger State took on a massive **₦104.0** billion in new loans in 2024, a 206% increase from the ₦34.0 billion borrowed in 2023. This heavy borrowing drove a **46.1%** increase in accumulated debt, which rose to ₦293.7 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Niger State's notable revenue growth was directed toward significant capital expenditure and new loan acquisition, resulting in a considerable rise in accumulated debt. This suggests an ambitious investment strategy that relies heavily on borrowing. While the ₦348.8 billion capital expenditure reflects the state's strong developmental ambitions, the absence of transparent reporting raises important concerns.

The financial report does not disaggregate capital spending by function, geographic location, or Programme, as recommended under the National Chart of Accounts. This lack of detail limits visibility into how funds are being allocated and whether they align with the government's long-term priorities. Furthermore, the report does not present clearly defined project objectives, such as measurable outcomes, target beneficiaries, or delivery timelines. This makes it difficult for citizens and oversight institutions to assess the value and impact of investments, particularly when they are largely funded by new borrowing.

The adoption of the Government Integrated Financial Management Information System (GIFMIS) can help improve transparency by linking expenditures to specific Programme objectives and allowing for real-time monitoring of project implementation. Additionally, the State Accountant General can use GIFMIS to process online real-time payments, ensuring compliance with the Central Bank of Nigeria's Treasury Single Account guidelines while promoting greater efficiency, accountability, and financial control. As the state with the largest landmass, Niger could invest in large-scale mechanized farming, particularly for rice and shea butter. Revenue could be used to improve security in rural areas, which is crucial for tackling banditry and boosting agricultural IGR.



# Ogun: Gateway State

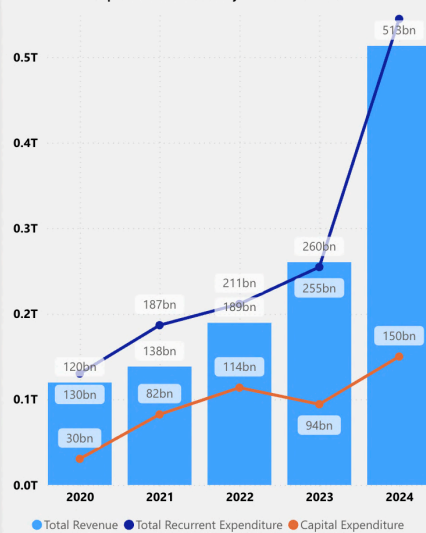
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 26**

State ● Ogun



Expenditure Priority Over the Years



**513.0bn**

Total Revenue in 2024

**195.1bn**

IGR in 2024

**575.1bn**

Accumulated Debt in 2024

**96.4bn**

Loan Repayment in 2024

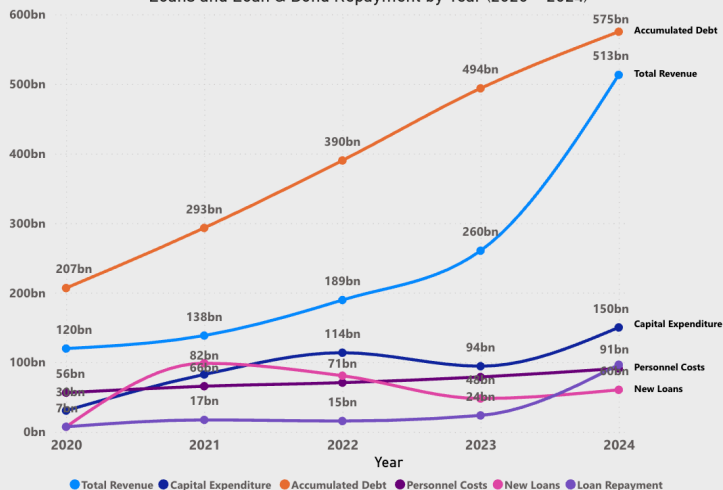
**91.1bn**

Personnel Costs in 2024

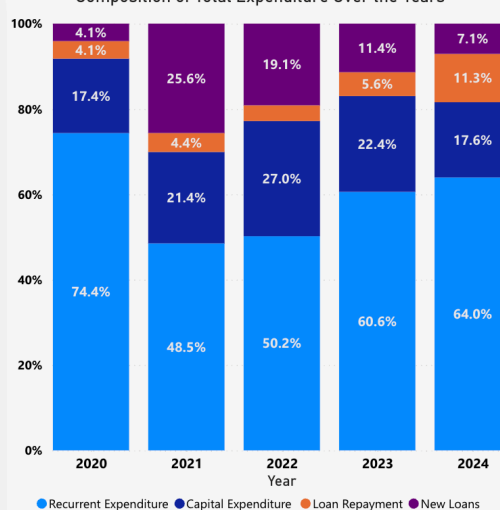
**150.0bn**

Capital Expenditure in 2024

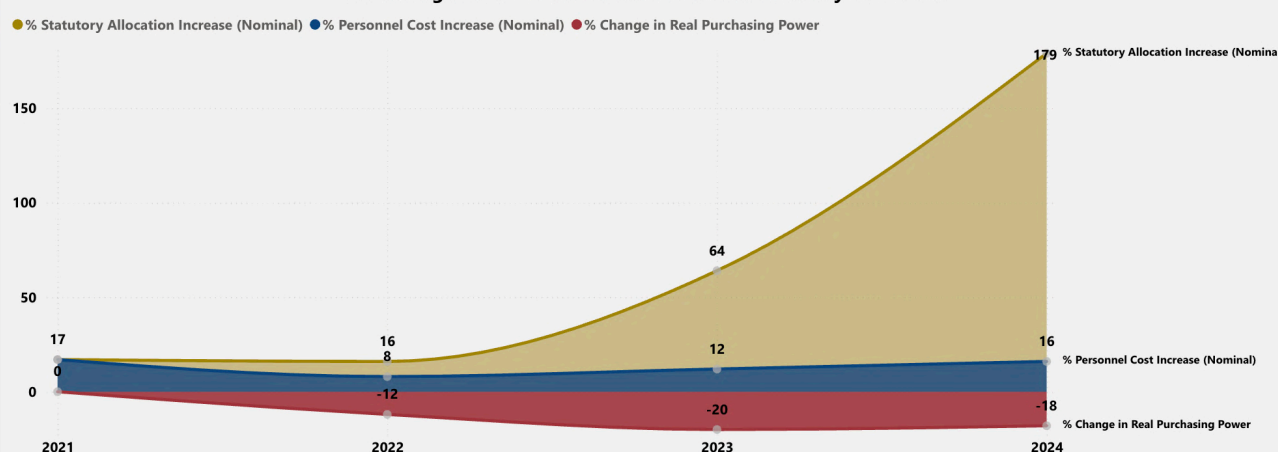
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



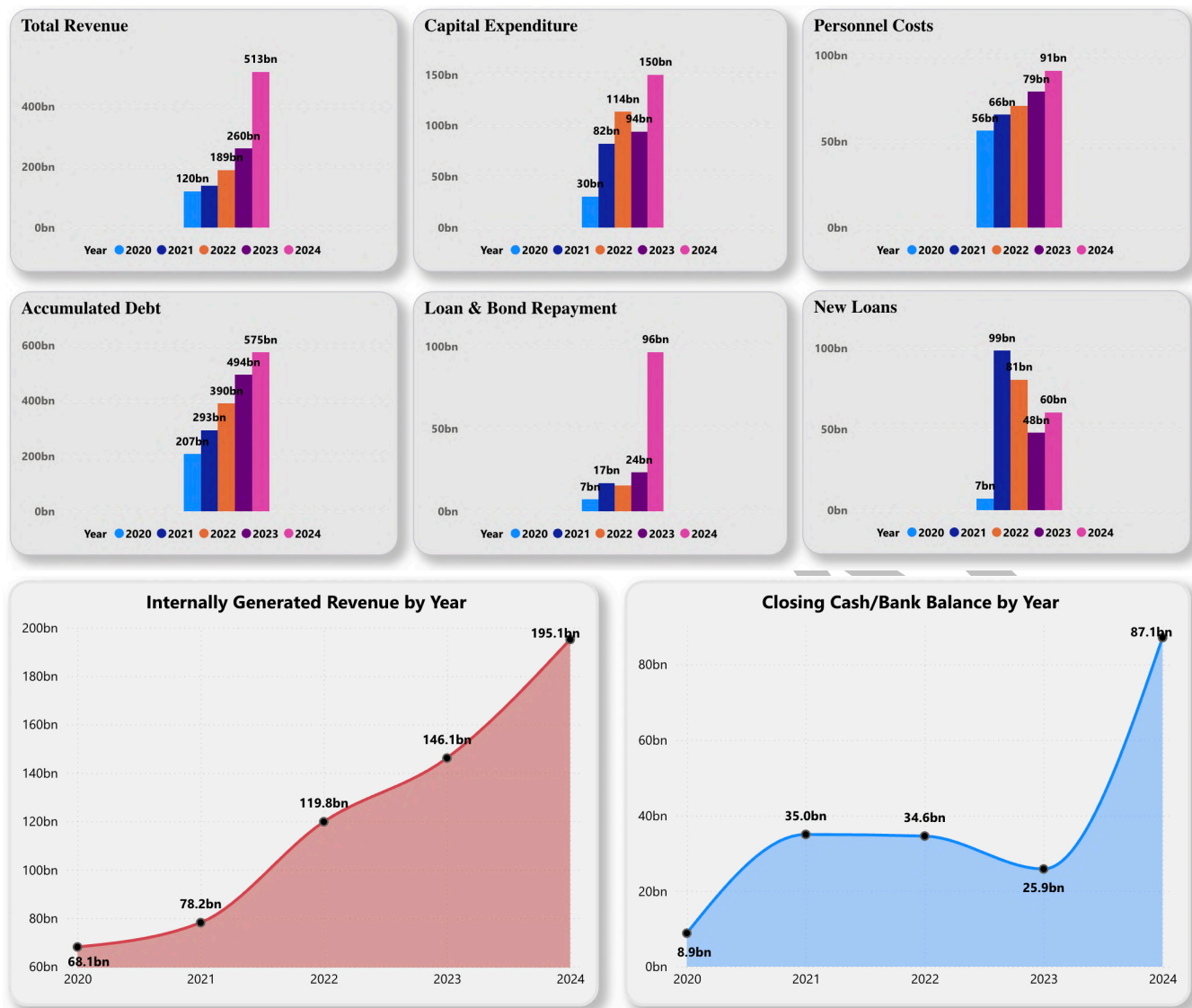
Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Ogun State Financial Performance Analysis

Overview: Ogun State's total revenue almost doubled in 2024, increasing by 97.1% to ₦513.0 billion from ₦260.3 billion in 2023. The state leveraged this to significantly boost its capital spending, though this was accompanied by a massive increase in recurrent costs and debt.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending grew by a substantial **59.1%**, from ₦94.3 billion in 2023 to ₦150.0 billion in 2024.
- **Total IGR:** The state demonstrated excellent revenue generation capacity, with IGR growing by **33.5%** to ₦195.1 billion, among the highest in the country.
- **Personnel Costs:** Ogun's 64.03% nominal statutory allocation increase in 2023 resulted in a 19.77% loss of real purchasing power. This trend of real value loss continued in 2024,

where a 178.56% nominal increase still resulted in an 18.28% decline in real purchasing power against an inflation rate of 33.86%.

- **Recurrent Expenditure:** Total recurrent expenditure exploded, increasing by **113.9%** to ₦544.5 billion, a figure that exceeds the state's total revenue. A key driver was a **312%** increase in loan and bond repayments to ₦96.4 billion.
- **Debt Management:** The state increased its borrowing, **with new loans** rising by **26.2%** to ₦60.4 billion. This contributed to a **16.5%** increase in accumulated debt, which reached ₦575.1 billion.

**FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue** The ₦150.0 billion capital expenditure represents a substantial investment by the state. However, its justification is undermined by the absence of transparent and detailed reporting. This is particularly concerning in the context of unsustainable levels of recurrent expenditure and a high debt burden, which call for careful scrutiny of how public funds are allocated.

The financial statement does not disaggregate capital spending by programme, function, or geolocation as required by the National Chart of Accounts. This lack of detail makes it difficult to determine whether the state's investments are aligned with its strategic development priorities. In addition, the report does not outline the specific objectives of the capital projects. There is no information on the expected outcomes, intended beneficiaries, or timelines for implementation. Without these key details, it is challenging for citizens and stakeholders to assess the value, impact, or effectiveness of the state's capital expenditure.

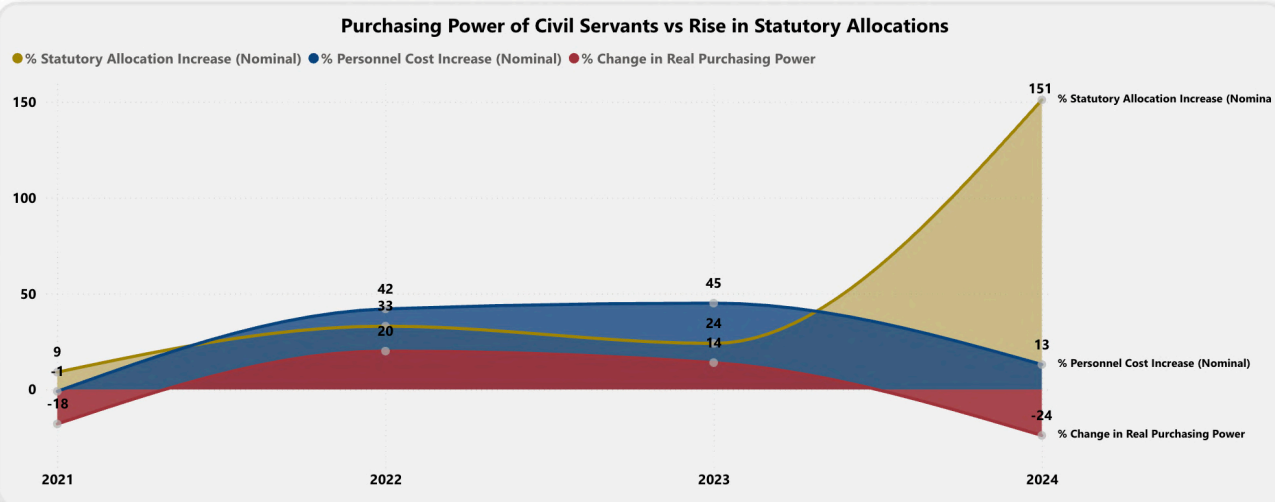
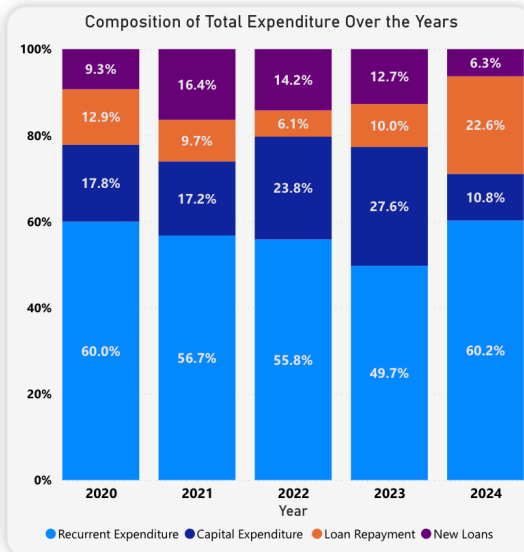
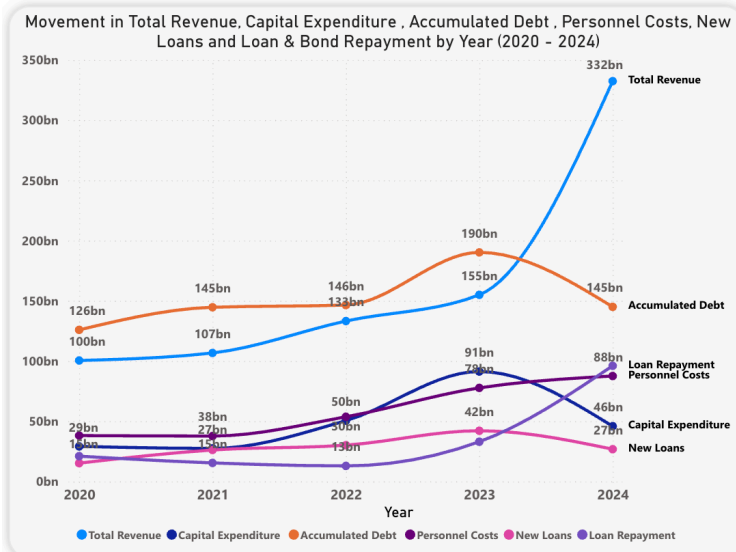
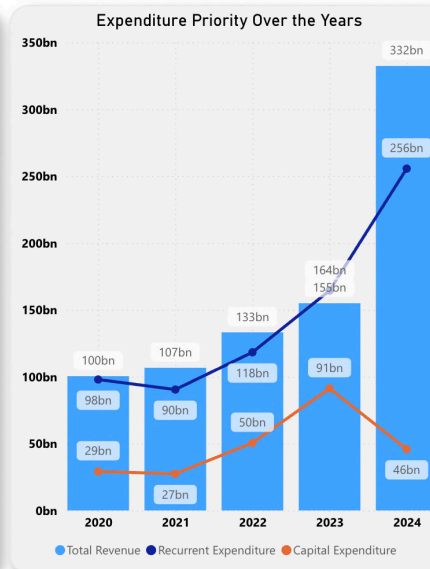
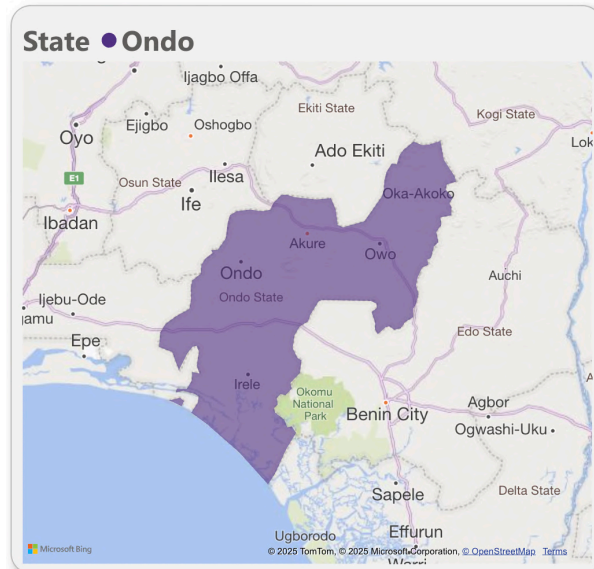
The use of the Government Integrated Financial Management Information System (GIFMIS) can support better implementation of Programme objectives by linking expenditure directly to planned results and enabling real-time tracking of project progress. For the State Accountant General, using GIFMIS for online real-time payments ensures compliance with the Central Bank of Nigeria's Treasury Single Account guidelines, while also improving transparency, accountability, and financial control across government operations.

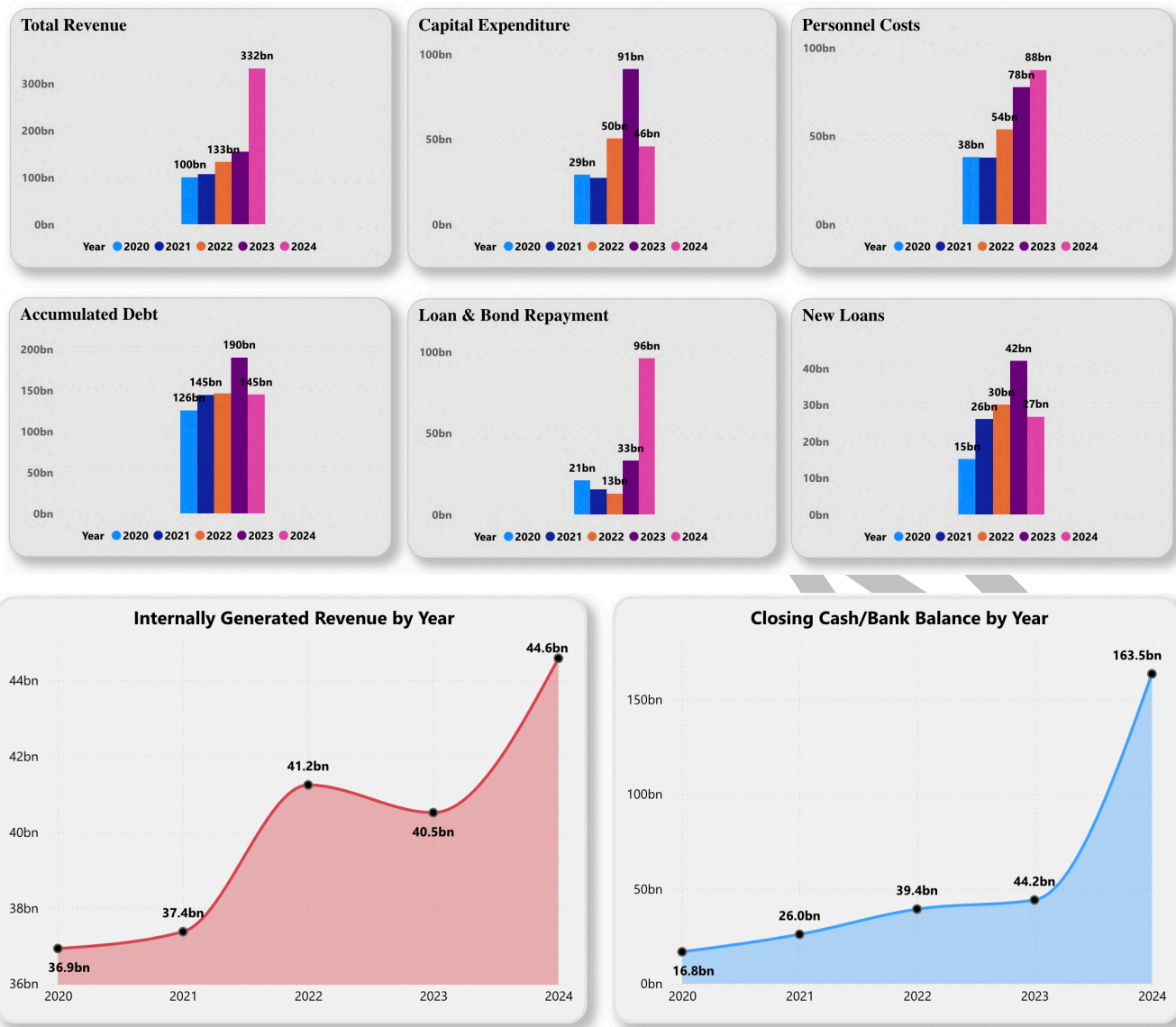
To strengthen its IGR, the state should focus on diversifying its local economy and formalizing key sectors. Investing in digital revenue collection systems can improve efficiency and reduce leakages.

# Ondo: Sunshine State

**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 30**





## Ondo State Financial Performance Analysis

Overview: Ondo State's total revenue more than doubled in 2024 with a 114.5% increase, reaching ₦332.4 billion from ₦155.0 billion in 2023. The state's response in light of this revenue windfall is fiscally questionable as there was a major reduction in capital expenditure and a huge increase in debt repayments and recurrent costs.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** In a highly unusual move, the state decreased its capital expenditure by **49.7%**, from ₦91.3 billion in 2023 to ₦45.9 billion in 2024, directly contradicting the national trend.
- **Total IGR:** IGR performance was solid, with a **10%** increase from ₦40.5 billion to ₦44.6 billion.

- **Personnel Costs:** In 2023, Ondo achieved a real purchasing power gain of 13.76% from a 24.46% nominal statutory allocation increase. This positive trend reversed in 2024, as a 151.46% nominal increase was insufficient to overcome the 37.05% inflation rate, leading to a 24.34% loss in real purchasing power.
- **Recurrent Expenditure:** Personnel Costs increased by 12.71% reaching ₦30.98 billion Naira. Total recurrent expenditure grew by **55.5%** to ₦255.6 billion. A primary driver was a **191%** increase in loan and bond repayments, which soared to ₦96.1 billion.
- **Debt Management:** The state reduced its borrowing significantly, with new loans decreasing by **36.4%** to ₦26.8 billion. However, even with the massive repayment effort, the accumulated debt decreased by **23.8%** to ₦145.0 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

The decision to reduce capital expenditure by half during a year of unprecedented revenue growth requires a clear and detailed explanation. However, the financial report does not provide sufficient context to justify this significant change. The ₦45.9 billion allocated to capital spending is presented without important disaggregation details.

There is no breakdown of the expenditure by Programme, function, or geolocation as required by the National Chart of Accounts. This omission makes it difficult to understand which sectors or regions were prioritized or affected by the reduction. Additionally, the report does not specify the objectives of the capital projects, including expected outcomes, target beneficiaries, or timelines.

The use of the Government Integrated Financial Management Information System (GIFMIS) can enhance the implementation of program objectives by providing detailed, real-time tracking of expenditures aligned with specific goals and outcomes. For the State Accountant General, GIFMIS facilitates online real-time payments, ensuring compliance with Central Bank of Nigeria Treasury Single Account guidelines, improving financial control, transparency, and timely reporting.

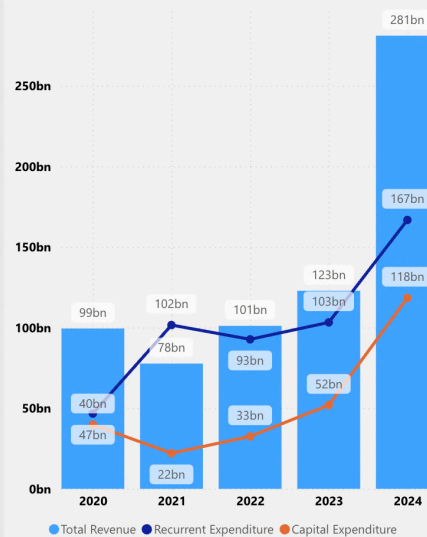
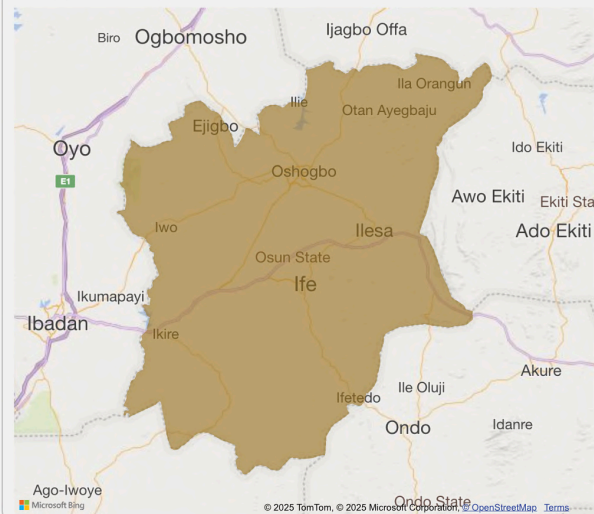
With a long coastline, Ondo could use increased revenue to develop its maritime sector and tourist attractions. The state could boost IGR by creating a deep seaport and investing in its fishing industry. To address its unique challenge of coastal erosion, the state could fund shoreline protection projects.



## Osun: Land of Virtue

**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 13**



Total Revenue in 2024

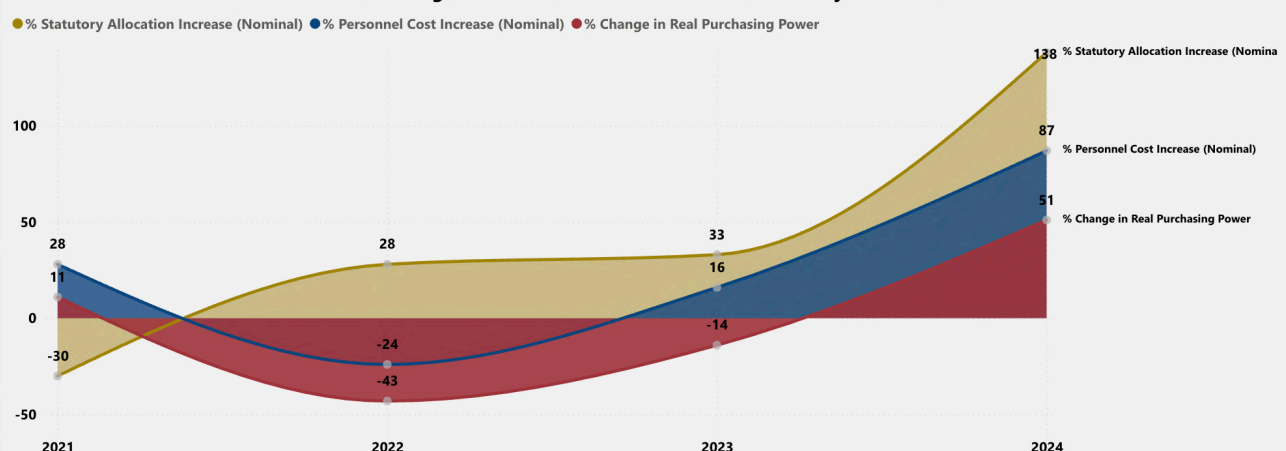
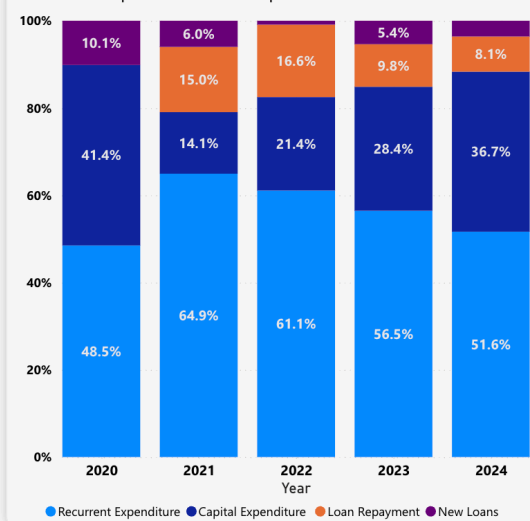
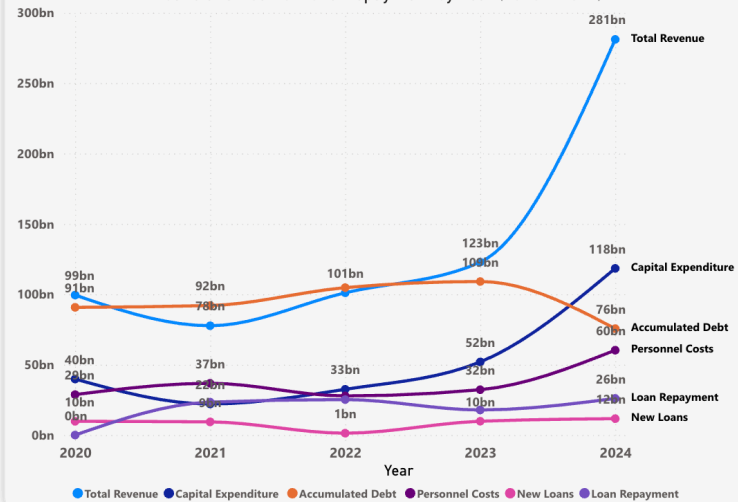
IGR in 2024

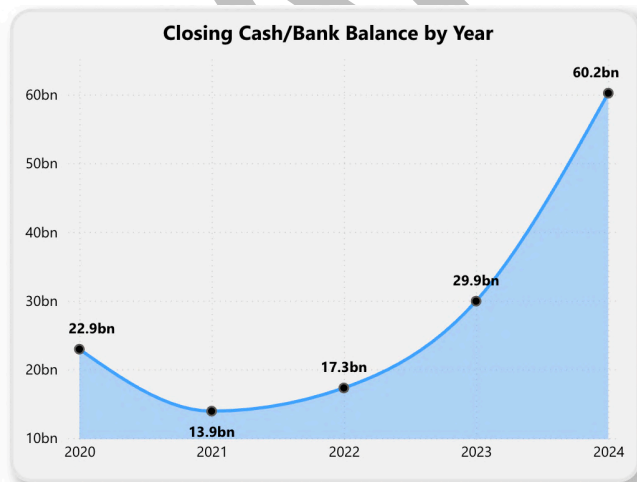
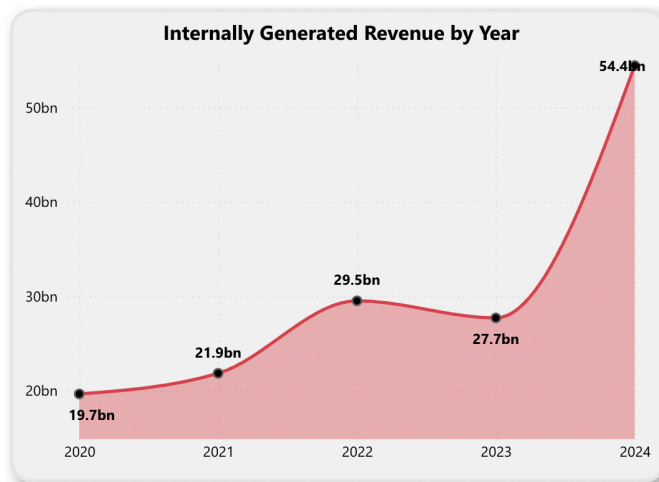
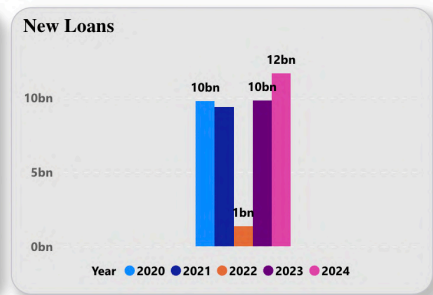
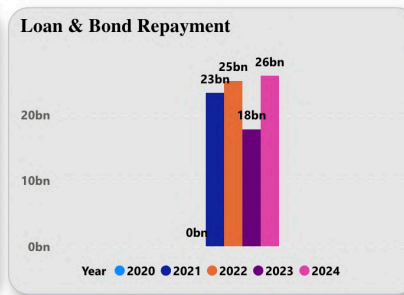
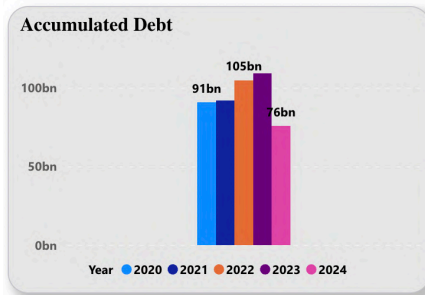
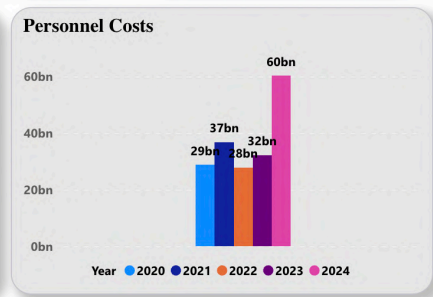
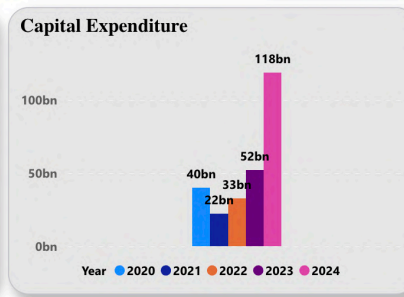
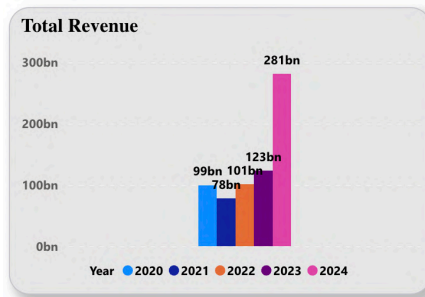
### Accumulated Debt in 2024

### Loan Repayment in 2024

### Personnel Costs in 2024

### Capital Expenditure in 2024





## Osun State Financial Performance Analysis

Overview: Osun State's total revenue more than doubled in 2024 with a 128.8% increase, reaching ₦281.1 billion from ₦122.8 billion in 2023. The state used this to more than double its capital expenditure while also increasing debt servicing.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending surged by **128%**, rising from ₦51.9 billion in 2023 to ₦118.4 billion in 2024.
- **Total IGR:** The state achieved phenomenal IGR growth of **96.4%**, with revenues almost doubling from ₦27.7 billion to ₦54.4 billion.
- **Personnel Costs:** Personnel Costs increased by 45.85% reaching ₦61.60 billion. The state experienced a 14.27% loss in real purchasing power in 2023 despite a 32.93% nominal increase in statutory allocation. This trend saw a significant reversal in 2024, when a

138.27% nominal increase translated into a strong 50.53% real gain despite a high inflation rate of 36.58%.

- **Recurrent Expenditure:** Personnel Costs increased by 45.85% reaching ₦61.60 billion. Total recurrent expenditure increased by **61.6%** to ₦166.7 billion. This includes a **45.8%** increase in loan and bond repayments to ₦26.0 billion.
- **Debt Management:** The state increased its borrowing slightly, with new loans rising by **18.6%** to ₦11.7 billion. This contributed to a **30.8%** decrease in accumulated debt, which stood at ₦75.6 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Osun State's ₦118.4 billion capital expenditure reflects a substantial commitment to development. However, the financial report does not provide sufficient detail for effective public oversight. The expenditure is not broken down by programme, function, or geolocation, which limits the ability to assess whether spending aligns with the state's strategic priorities.

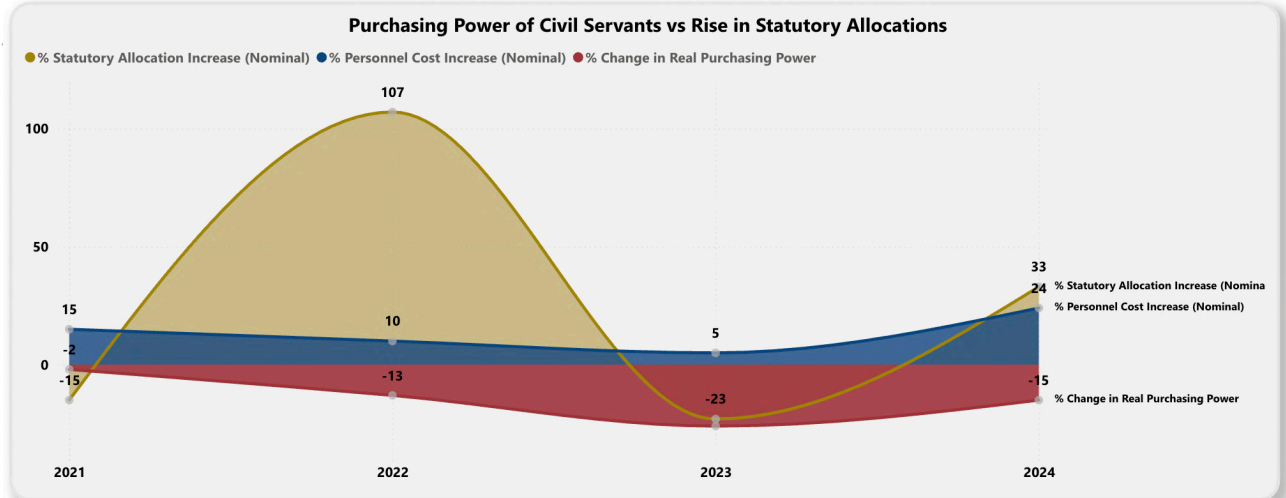
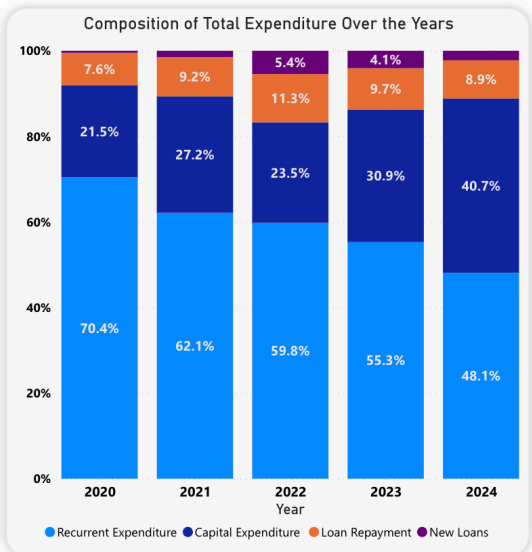
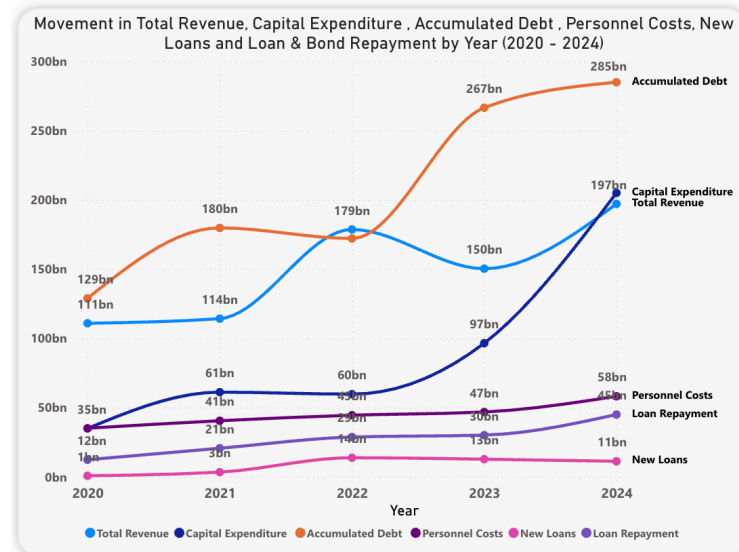
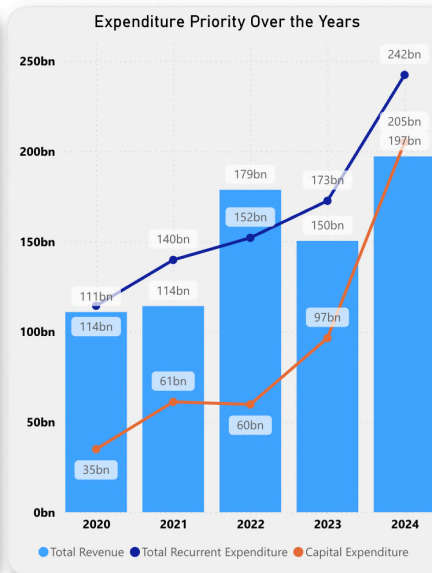
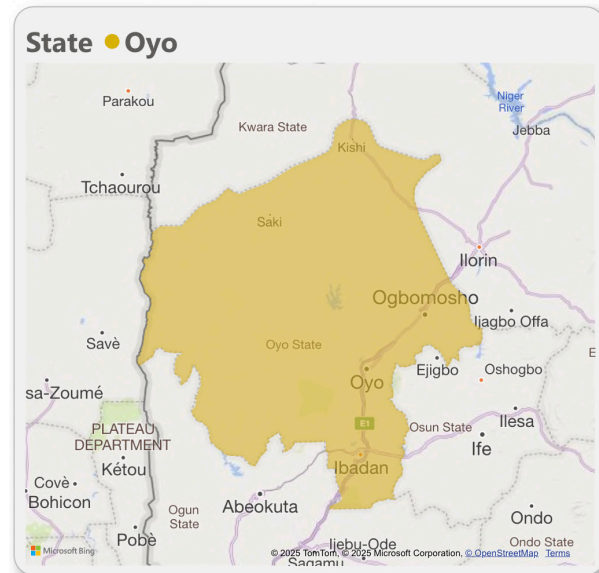
More importantly, the report does not specify the objectives of the capital projects. There is no information on the expected outcomes, intended beneficiaries, or implementation timelines. The Government Integrated Financial Management Information System (GIFMIS) can help address these issues by enabling detailed tracking of capital expenditures aligned with specific program objectives. The State Accountant General can use GIFMIS to facilitate online real-time payments, ensuring adherence to Central Bank of Nigeria Treasury Single Account guidelines, and enhancing transparency, financial control, and timely reporting.

Osun State has the potential to significantly boost its IGR by leveraging its rich cultural heritage and vibrant tourism sector. By investing in the promotion and development of historic sites, cultural festivals, and eco-tourism infrastructure, the state can attract both domestic and international visitors. In addition, to address youth unemployment, Osun could expand vocational training programs and support small-scale entrepreneurship, equipping young people with the skills and resources needed to participate productively in the local economy.

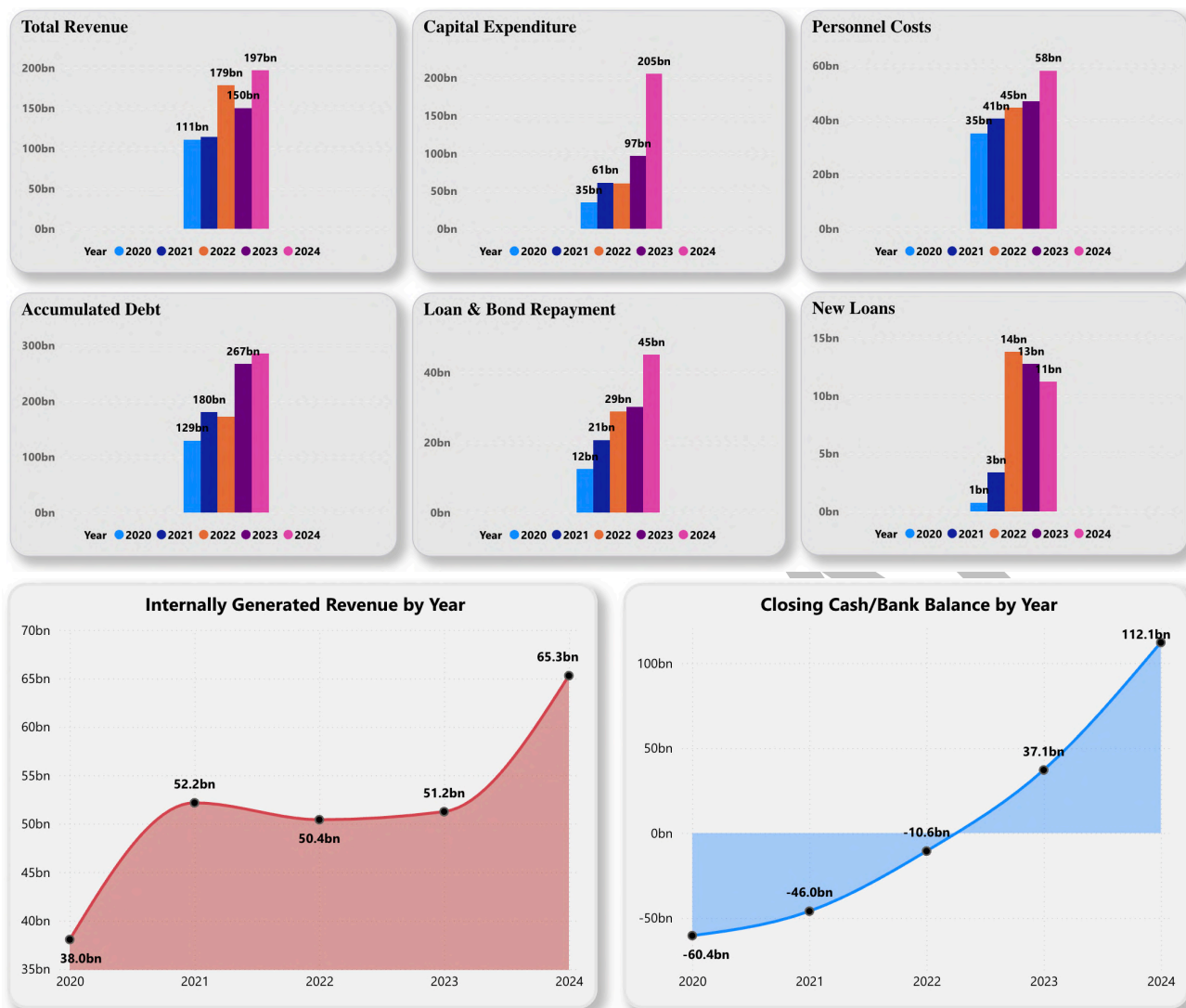
# Oyo: Pace Setter State

**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 28**







## Oyo State Financial Performance Analysis

Overview: Oyo State's total revenue grew by 31.1% in 2024, reaching ₦197.2 billion from ₦150.4 billion in 2023. The state leveraged this for a massive expansion of its capital expenditure, but this was accompanied by a significant increase in recurrent costs.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure more than doubled, with a **112.5% increase** from ₦96.5 billion in 2023 to ₦205.1 billion in 2024. This spending level exceeds the state's total revenue for the year.
- **Total IGR:** The state showed excellent IGR growth of **27.4%**, with revenues rising from ₦51.2 billion to ₦65.3 billion.
- **Personnel Costs:** Oyo faced a severe fiscal challenge in 2023, with a 22.72% nominal statutory allocation decrease leading to a 26.14% loss in real purchasing power. The state's



real purchasing power continued to decline in 2024, as a 33.05% nominal increase was still outpaced by a high local inflation rate of 39.15%, resulting in a 14.92% real loss.

- **Recurrent Expenditure:** Total recurrent expenditure increased by **40.4%** to ₦242.3 billion. This was driven by a sharp rise in 'Other CRFC Charges' and a **49.4%** increase in loan and bond repayments to ₦45.0 billion.
- **Debt Management:** The state reduced its borrowing, with new loans decreasing by **12%** to ₦11.2 billion. Nevertheless, the accumulated debt still grew by **6.9%** to ₦285.1 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The ambitious ₦205.1 billion capital expenditure, which exceeds the state's total revenue, requires a clear and well-documented justification. However, the financial report does not provide the necessary information to support such a significant spending plan. The report lacks a structured breakdown of capital expenditure by programme, function, and geolocation, making it difficult to understand the strategic intent behind the allocations.

The report does not provide information on the specific objectives of the capital projects, including the expected outcomes, target beneficiaries, or timelines for implementation. In light of the state's rising debt profile, this lack of clarity raises important concerns about fiscal responsibility and the long-term sustainability of public investments.

Adopting the Government Integrated Financial Management Information System (GIFMIS) can help address these challenges by aligning capital expenditures with clearly defined program objectives and performance indicators. The use of GIFMIS also enables the State Accountant General to process real-time online payments in compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines, thereby enhancing transparency, efficiency, and accountability in public financial management.

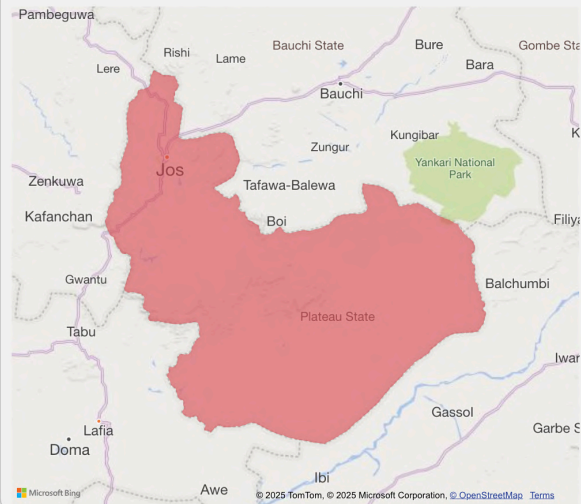
To strengthen its fiscal position, the state should focus on expanding and formalizing its local economic base. This could include improving property tax administration, digitizing revenue collection processes, and offering incentives to bring informal businesses into the tax net. Additionally, targeted investments in sectors such as agriculture, tourism, and small-scale manufacturing can stimulate local enterprise and create new, sustainable revenue streams over time.

# Plateau: Home of Peace and Tourism

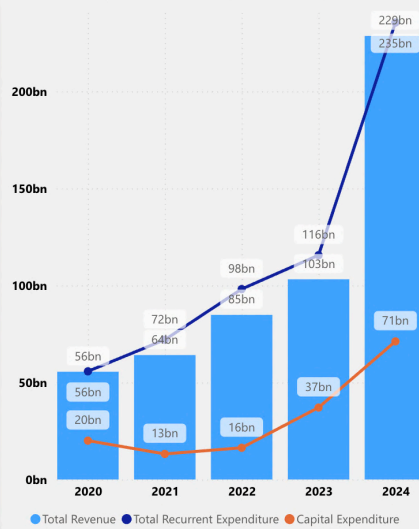
**Fiscal Transparency Score 3/7**

**FPI Rank out of 36 States - 35**

## State • Plateau



## Expenditure Priority Over the Years



**228.6bn**

Total Revenue in 2024

**31.1bn**

IGR in 2024

**148.8bn**

Accumulated Debt in 2024

**52.3bn**

Loan Repayment in 2024

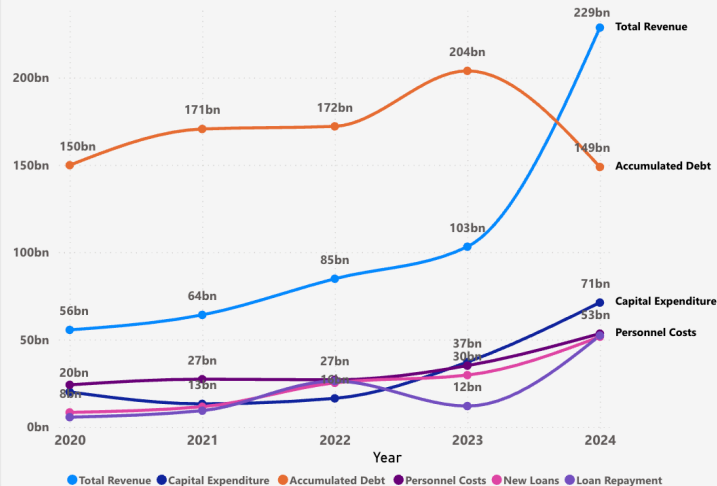
**53.4bn**

Personnel Costs in 2024

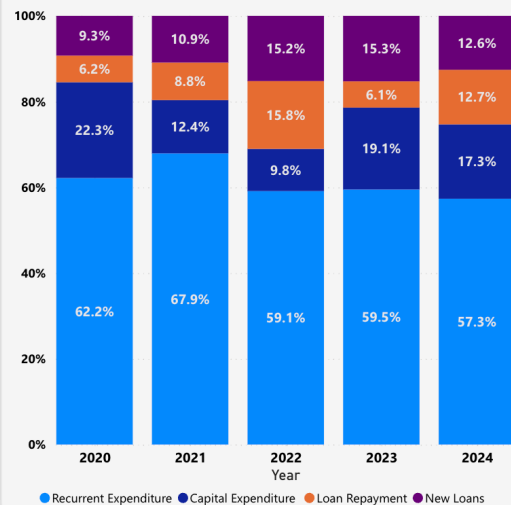
**71.2bn**

Capital Expenditure in 2024

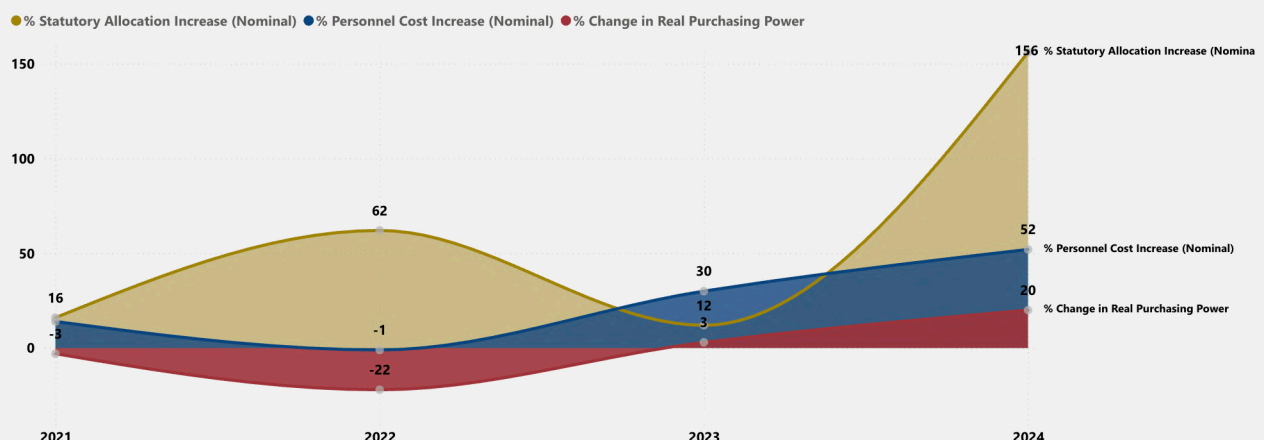
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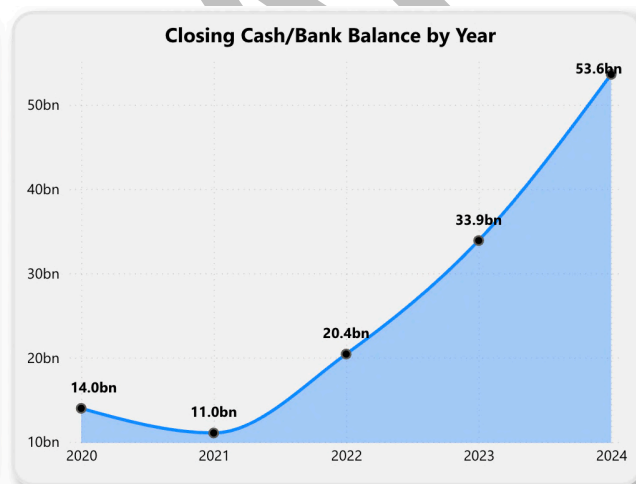
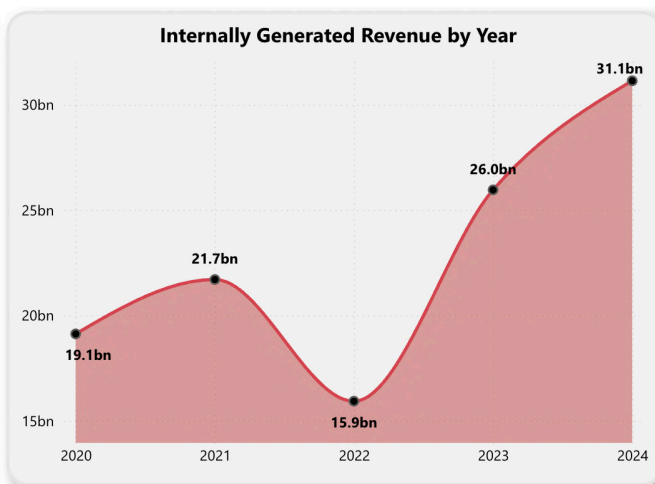
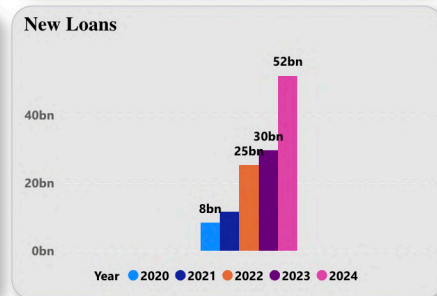
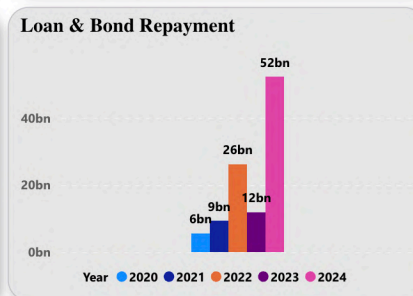
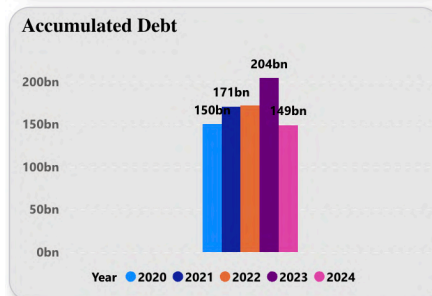
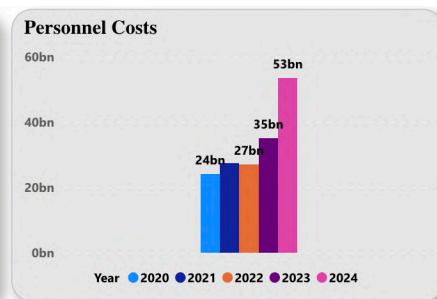
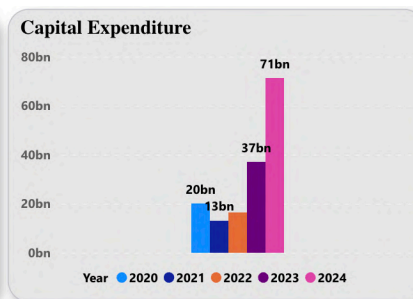
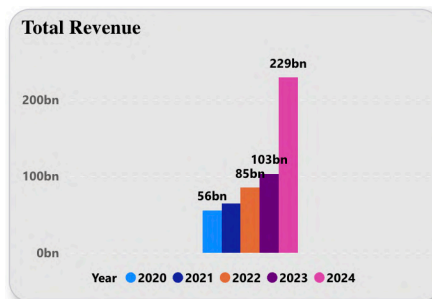


## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Plateau State Financial Performance Analysis

Overview: Plateau State's total revenue more than doubled in 2024 with a 121.6% increase, reaching ₦228.6 billion from ₦103.1 billion in 2023. The state leveraged this financial boost to increase capital spending and significantly ramp up debt repayments, though this was supported by substantial new borrowing.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending almost doubled, increasing by **91.9%** from ₦37.1 billion in 2023 to ₦71.2 billion in 2024.
- **Total IGR:** The state recorded a strong **20%** growth in IGR, which rose from ₦26.0 billion to ₦31.1 billion.
- **Personnel Costs:** In 2023, Plateau achieved a modest 2.77% real purchasing power gain from a 12.04% nominal statutory allocation increase. This positive trend was greatly

amplified in 2024, as a 155.79% nominal increase produced a strong 20.21% real gain against an inflation rate of 32.08%.

- **Recurrent Expenditure:** Total recurrent expenditure more than doubled, jumping by **103.7%** to ₦235.4 billion. This was overwhelmingly driven by a **338.5%** increase in loan and bond repayments, which soared from ₦11.9 billion to ₦52.3 billion.
- **Debt Management:** The state increased its acquisition of new loans by **74.2%**, borrowing ₦51.6 billion in 2024. Despite the huge repayment effort, this new debt contributed to a **26.9%** decrease in the state's accumulated debt, bringing it down to ₦148.8 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

The ₦71.2 billion capital expenditure reflects a significant commitment to enhancing the state's infrastructure and economic development. However, the financial reporting falls short of the depth required for meaningful public accountability. At the summary level, capital expenditure is not organized by function, geographic location, or Programme as prescribed in the National Chart of Accounts (NCOA). Furthermore, the Detailed Statement of Capital Expenditure by Programme is poorly structured, with elements of functional classification inappropriately interwoven, while expenditure by geolocation is entirely absent from the statistical reports.

While the inclusion of these reports reflects a commendable step toward transparency, it is important that such efforts also align fully with the standards set by the National Chart of Accounts (NCOA). A key gap in the report is the absence of clearly stated objectives for capital projects. Without details on the intended outcomes, target beneficiaries, and implementation timelines, it becomes difficult for the public to assess the effectiveness of these investments or the justification for the associated borrowing.

The use of the Government Integrated Financial Management Information System (GIFMIS) can help strengthen this connection by supporting the planning, tracking, and reporting of program-based expenditures tied to measurable objectives. Additionally, it allows the State Accountant General to execute real-time online payments in line with the Central Bank of Nigeria's TSA guidelines, thereby enhancing financial accountability, efficiency, and compliance.

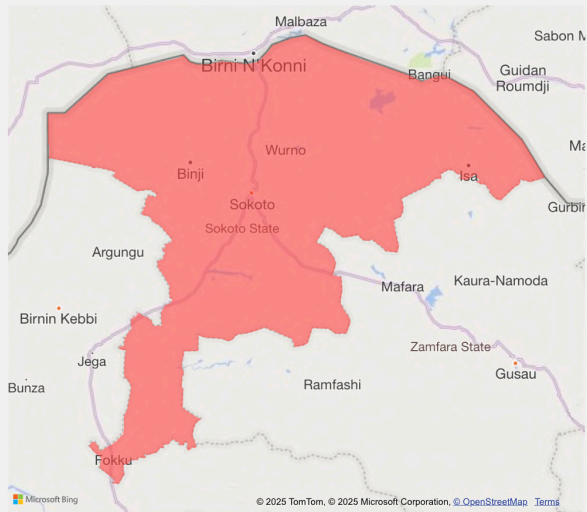
Plateau State can boost its Internally Generated Revenue (IGR) by focusing on tourism, agriculture, and solid minerals, as these are areas where the state holds strong comparative advantages. Strategic investment in these sectors can attract private capital and promote long-term economic growth.

# Sokoto: Seat of the Caliphate

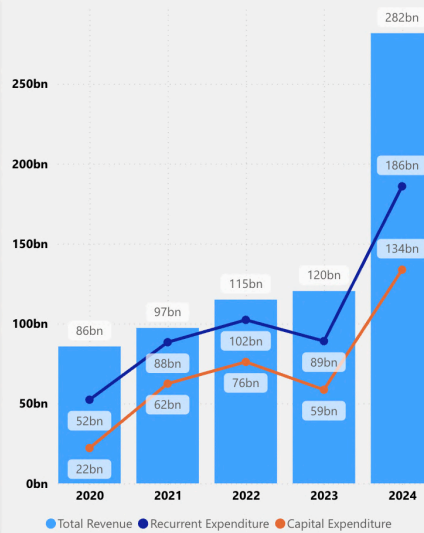
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 21**

## State • Sokoto



### Expenditure Priority Over the Years



**281.7bn**

Total Revenue in 2024

**22.0bn**

IGR in 2024

**133.7bn**

Accumulated Debt in 2024

**70.7bn**

Loan Repayment in 2024

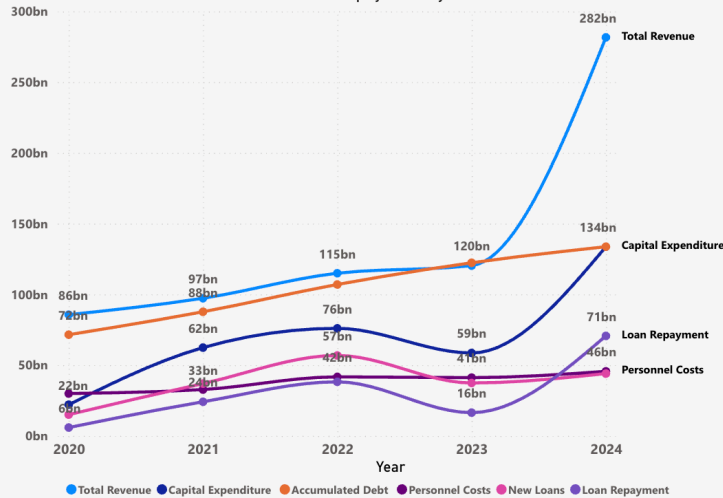
**45.6bn**

Personnel Costs in 2024

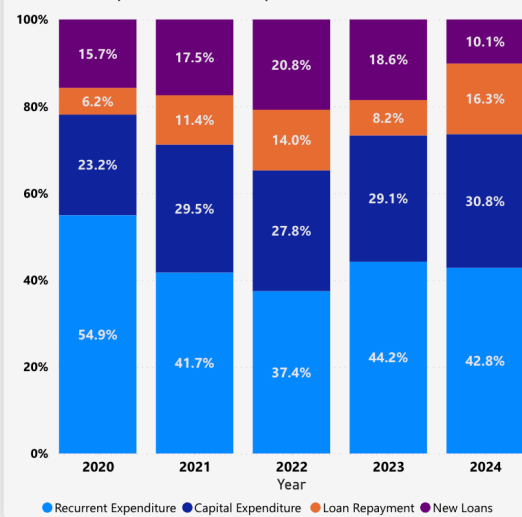
**133.7bn**

Capital Expenditure in 2024

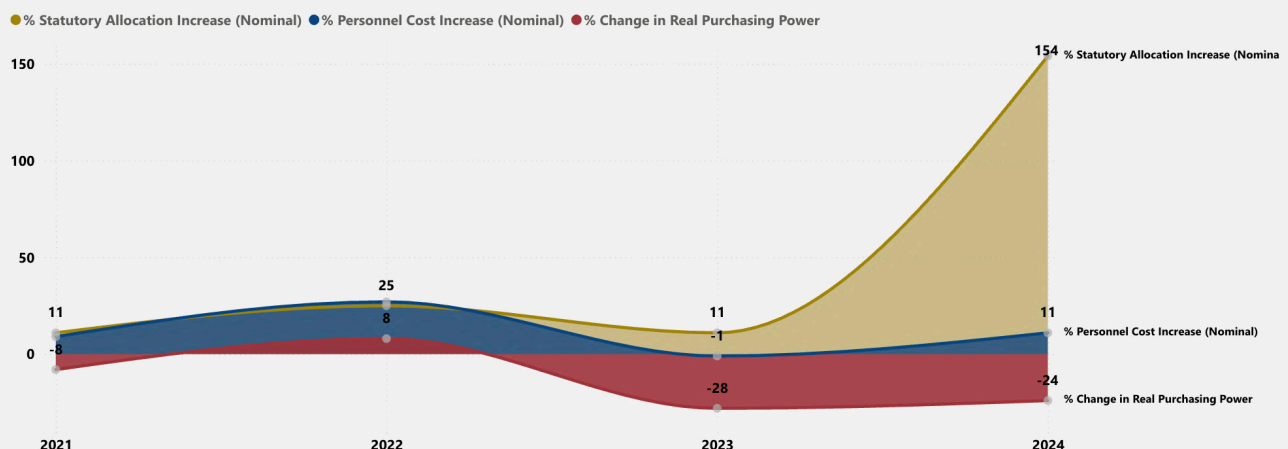
### Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



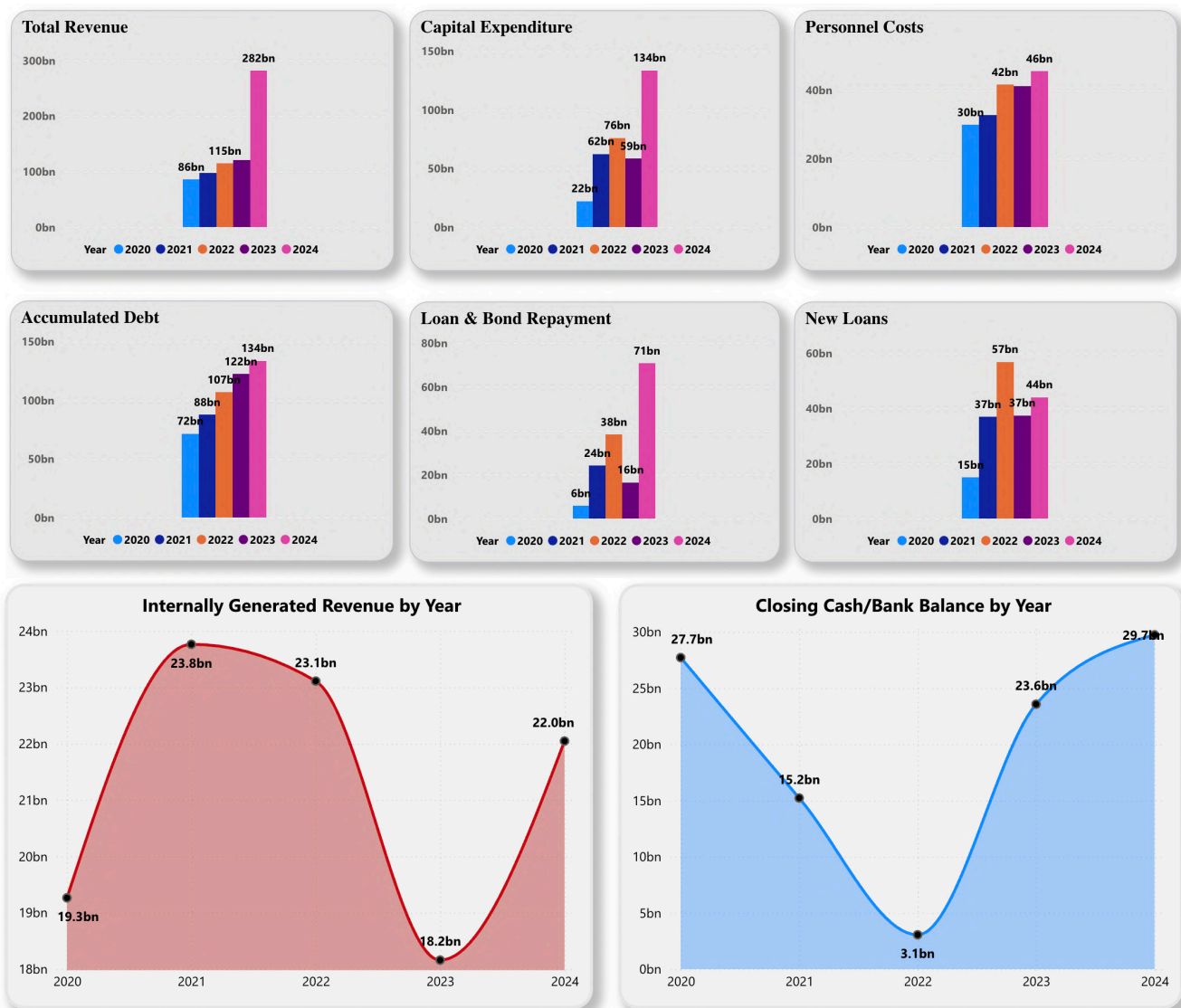
### Composition of Total Expenditure Over the Years



### Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Sokoto State Financial Performance Analysis

Overview: Sokoto State experienced a 134% increase in total revenue in 2024, reaching ₦281.7 billion from ₦120.3 billion in 2023. The state used this surge to more than double its capital expenditure and drastically increase its debt repayments.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending surged by **128.2%**, from ₦58.6 billion in 2023 to ₦133.7 billion in 2024, indicating a strong developmental focus.
- **Total IGR:** The state's IGR grew by a solid **21.4%**, rising from ₦18.2 billion to ₦22.0 billion.
- **Personnel Costs:** Personnel Costs increased by 10.80% reaching ₦38.11 billion. In 2023, Sokoto's 11.25% nominal statutory allocation increase was entirely eroded by inflation, leading to a 27.98% loss in real purchasing power. Despite a 154.11% nominal increase in 2024, the state's real purchasing power continued to decline by 23.86% due to a high inflation rate of 34.65%.

- **Recurrent Expenditure:** Total recurrent expenditure more than doubled, increasing by **108.8%** to ₦185.8 billion. This was overwhelmingly driven by a **330.5%** increase in loan and bond repayments, which soared from ₦16.4 billion to ₦70.7 billion.
- **Debt Management:** The state increased its intake of new loans by **17.8%** to ₦44.0 billion. Despite the massive repayment effort, this new borrowing resulted in a **9.3%** increase in accumulated debt, which stood at ₦133.7 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

The ₦133.7 billion allocated to capital expenditure represents a substantial investment in Sokoto State's development. However, the financial report lacks the level of transparency necessary to ensure public accountability. Capital expenditure is not classified according to programme, function, or geolocation, as prescribed by the National Chart of Accounts (NCOA). This omission makes it difficult to assess how spending aligns with the state government's strategic priorities.

More importantly, the report does not provide a clear statement of the objectives behind the capital projects. Without specific information on the expected outcomes, target beneficiaries, and implementation timelines, it is difficult for citizens and oversight institutions to assess the effectiveness of government performance or understand the justification for further borrowing.

The adoption of the Government Integrated Financial Management Information System (GIFMIS) can support the implementation of program objectives by ensuring that capital projects are linked to clearly defined goals and performance indicators. Through GIFMIS, state accountants - General can process online real-time payments in compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines. This enhances transparency, improves cash management, and ensures that public resources are allocated efficiently and in line with policy priorities.

Sokoto State has a strong opportunity to strengthen its internally generated revenue by formalizing and scaling its leather and traditional textile industries. Establishing a dedicated "Sokoto Leather Brand" could enhance the state's industrial identity, increase economic activity, and create new revenue streams through taxation and enterprise growth.

In addition, addressing the persistent issue of water scarcity should be a top priority. Strategic investment in new dams and modern irrigation infrastructure is essential to support agricultural productivity, promote food security, and improve the overall well-being of the population. These efforts would not only drive economic growth but also contribute to long-term environmental and social sustainability.

# Taraba: Nature's Gift to the Nation

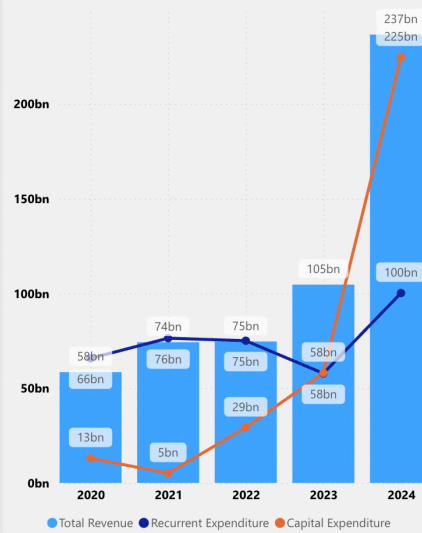
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 14**

## State Taraba



## Expenditure Priority Over the Years



**236.6bn**

Total Revenue in 2024

**16.1bn**

IGR in 2024

**127.8bn**

Accumulated Debt in 2024

**13.0bn**

Loan Repayment in 2024

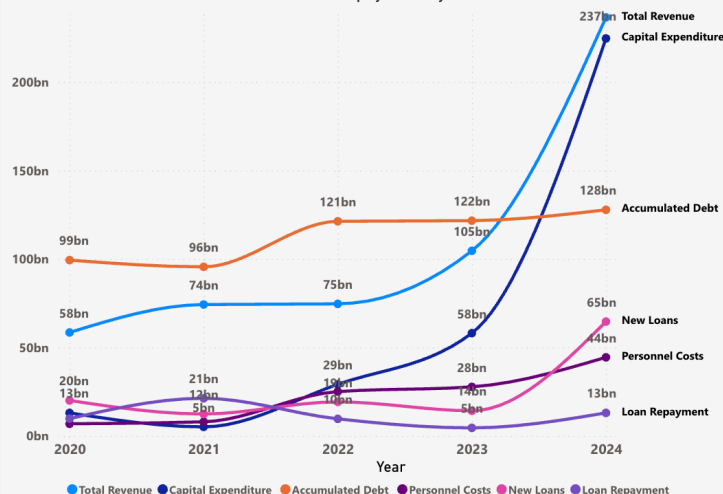
**44.4bn**

Personnel Costs in 2024

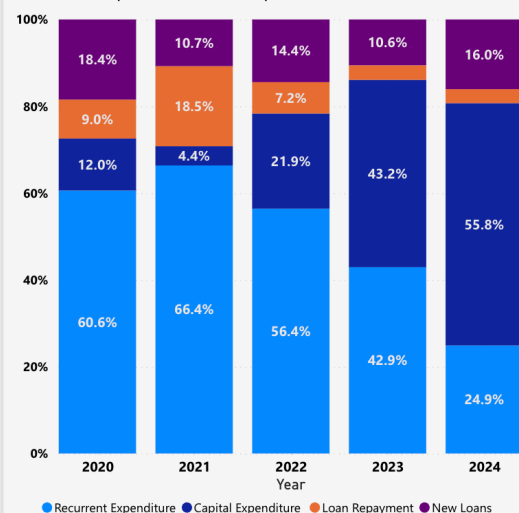
**224.7bn**

Capital Expenditure in 2024

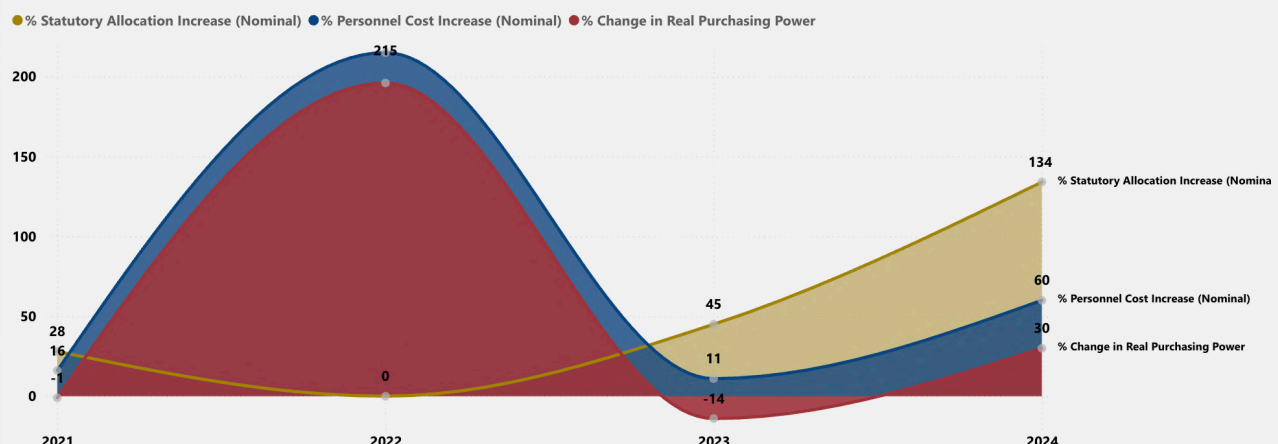
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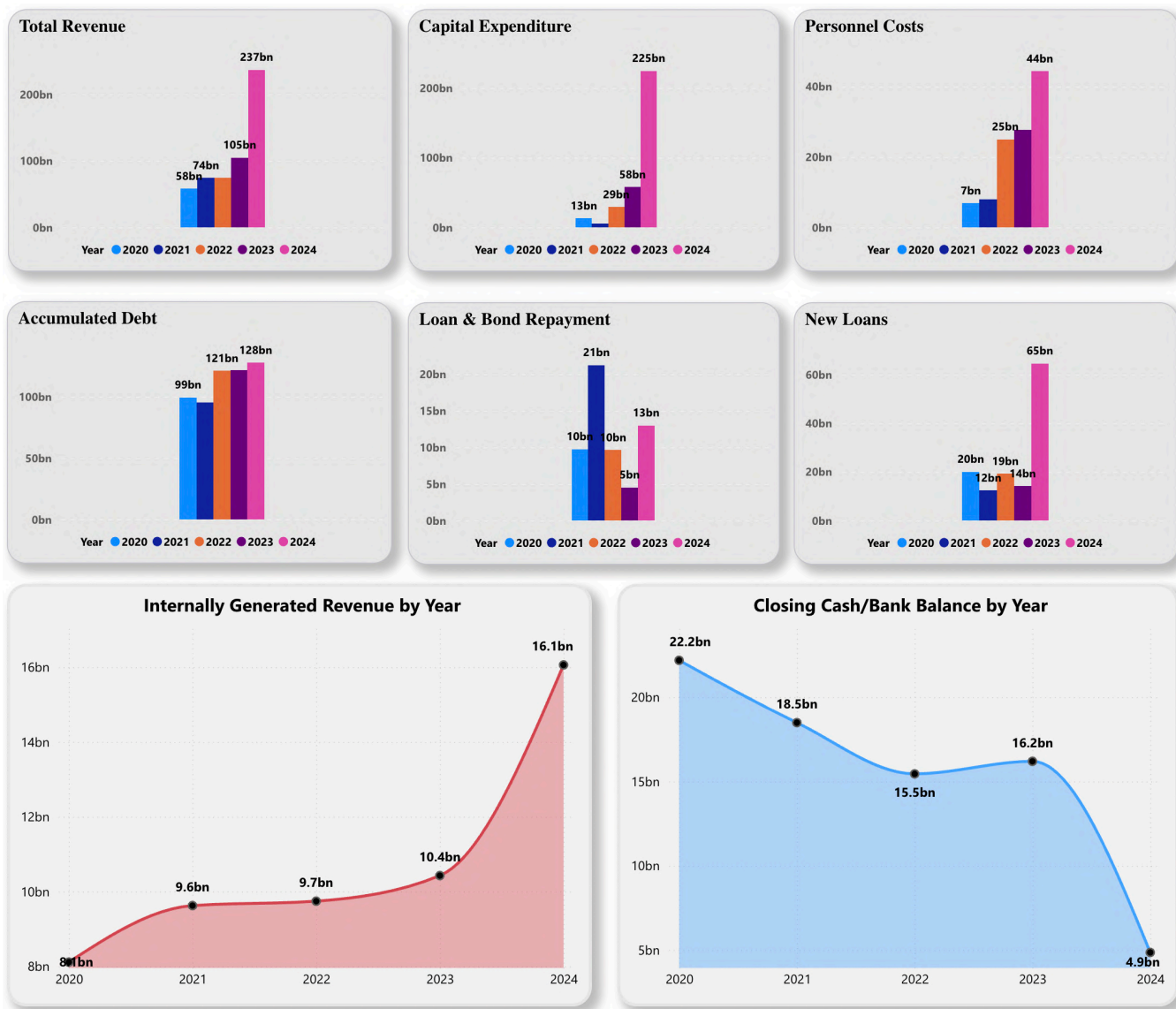


## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Taraba State Financial Performance Analysis

Overview: Taraba State's total revenue more than doubled in 2024 with a 126.1% increase, reaching ₦236.6 billion from ₦104.7 billion in 2023. The state used this surge for an enormous expansion in capital expenditure, financed in part by substantial new borrowing.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital spending saw a phenomenal **286.8%** increase, jumping from ₦58.1 billion in 2023 to ₦224.7 billion in 2024. This level of spending nearly equals the state's entire revenue for the year.
- **Total IGR:** IGR performance was strong, growing by **54%** from ₦10.4 billion to ₦16.1 billion.
- **Personnel Costs:** Personnel Costs increased by 60.28% reaching ₦42.82 billion. The state's 45.17% nominal statutory allocation increase in 2023 resulted in a 14.21% loss of



real purchasing power. This trend reversed in 2024, as a 134.09% nominal increase translated into a 29.95% real gain against an inflation rate of 30.33%.

- **Recurrent Expenditure:** Total recurrent expenditure increased by **73.4%** to ₦100.2 billion. This includes a **188%** increase in loan and bond repayments, which rose to ₦13.0 billion.
- **Debt Management:** The state took on a very large **₦64.6** billion in new loans, a 355% increase from 2023. This heavy borrowing only led to a slight **5.2%** increase in accumulated debt, which reached ₦127.8 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

Taraba State's capital expenditure rose sharply by 286.81%, reaching ₦224.73 billion which is an unprecedented increase enabled by strong revenue growth. This fiscal performance allowed for substantial capital investment and increased loan repayments. However, the simultaneous rise in personnel costs, new borrowings, and accumulated debt highlights the need for prudent fiscal management to prevent the risk of over-indebtedness.

The ₦224.7 billion allocated to capital expenditure represents a significant investment that requires careful scrutiny, especially given its heavy reliance on new borrowing. However, the financial report does not provide essential details that would allow for a full assessment of the spending. Capital expenditure is not disaggregated by programme, function, or geolocation, making it difficult to evaluate how well the allocations align with the state's policy priorities. Additionally, the report does not outline the specific objectives of the projects, leaving out key information such as expected outcomes, target beneficiaries, and timelines for implementation.

Adopting the Government Integrated Financial Management Information System (GIFMIS) can help address these gaps by enabling a more structured approach to budget execution. The use GIFMIS enables the alignment of spending with clearly defined program objectives and performance targets. In addition, by using GIFMIS for online real-time payments, the State Accountant General can enhance financial accountability and ensure compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines.

Known for its agricultural potential in tea and coffee, Taraba could use increased revenue to establish an agricultural export processing zone, thereby boosting IGR from international trade. Funds could also be used to address inter-tribal conflicts through cultural exchange and dialogue.

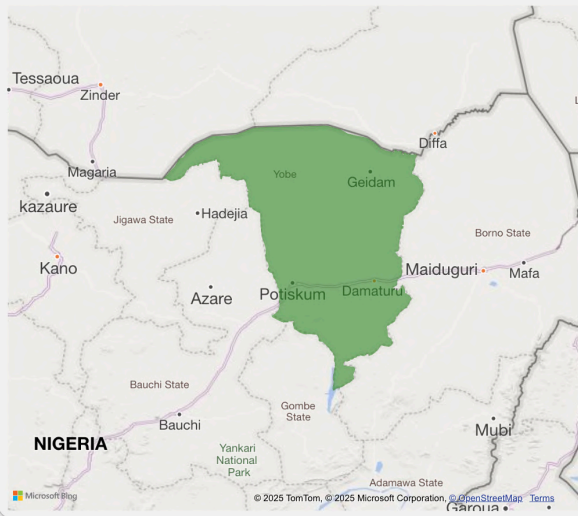


# Yobe: Pride of the Sahel

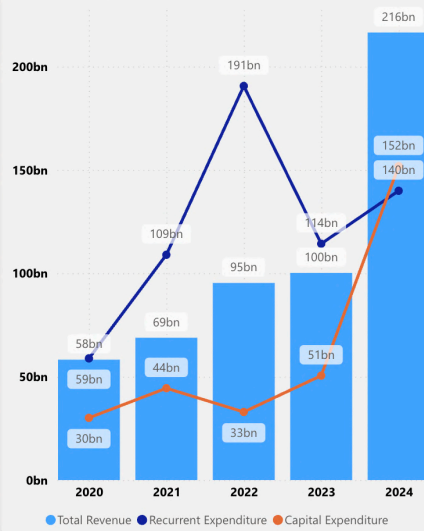
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 22**

State ● Yobe



Expenditure Priority Over the Years



**227.5bn**

Total Revenue in 2024

**11.1bn**

IGR in 2024

**88.9bn**

Accumulated Debt in 2024

**10.2bn**

Loan Repayment in 2024

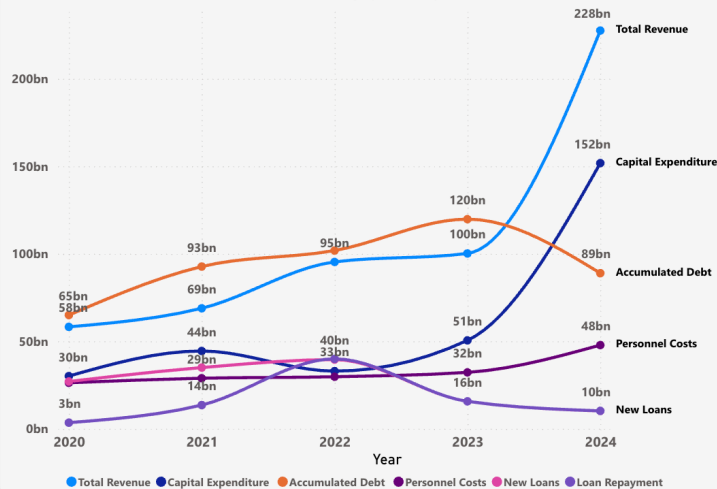
**47.8bn**

Personnel Costs in 2024

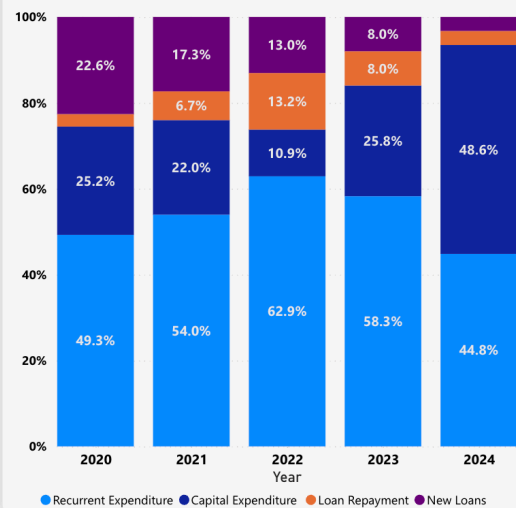
**151.8bn**

Capital Expenditure in 2024

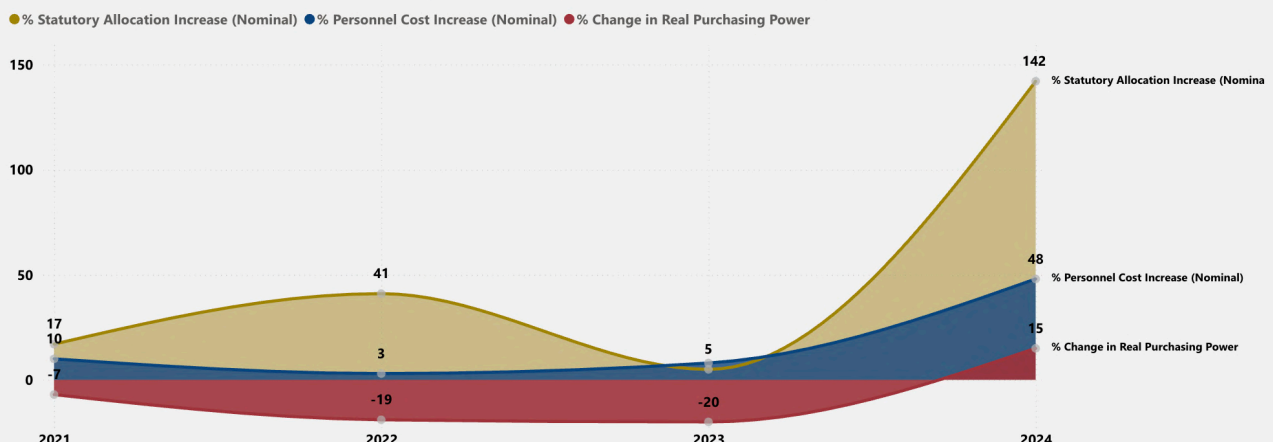
Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)

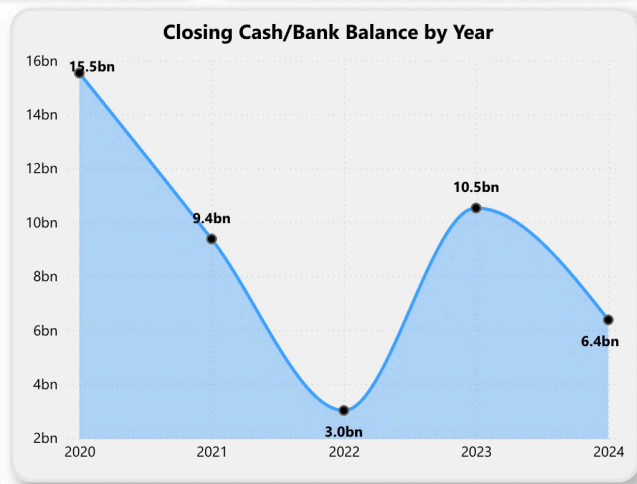
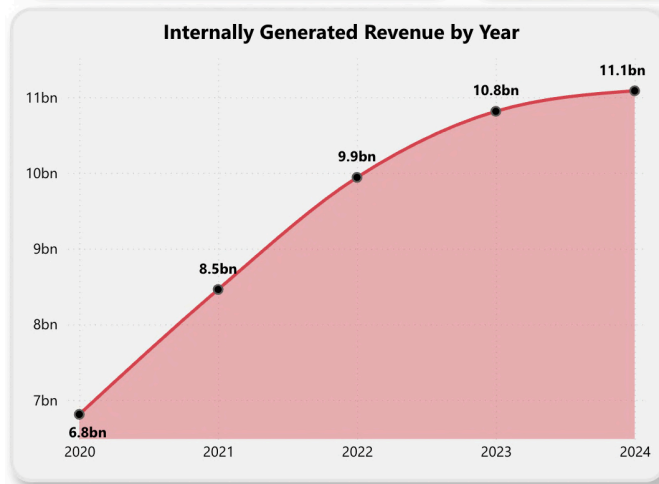
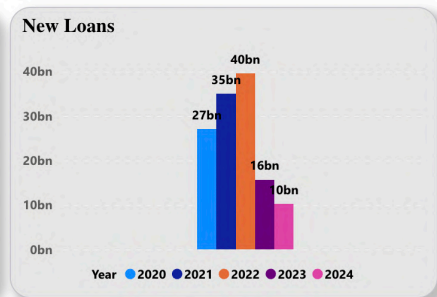
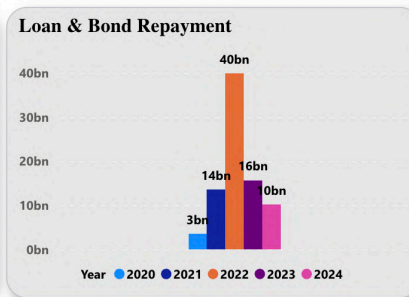
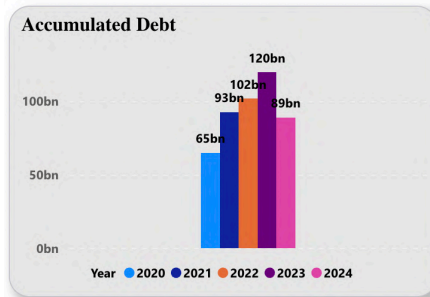
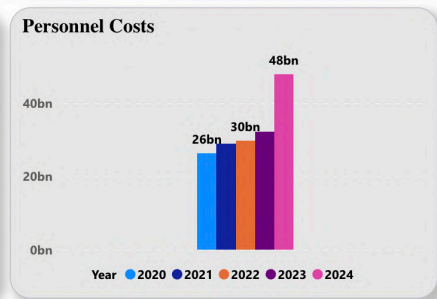
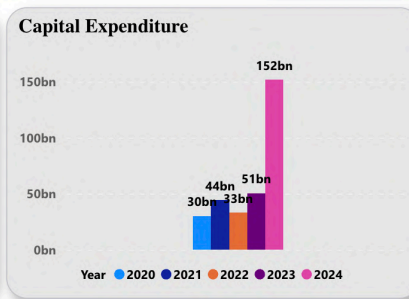
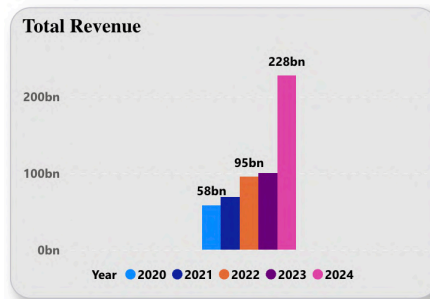


Composition of Total Expenditure Over the Years



Purchasing Power of Civil Servants vs Rise in Statutory Allocations





## Yobe State Financial Performance Analysis

Overview: Yobe State experienced a 127.1% increase in total revenue in 2024, with its finances growing to ₦227.5 billion from ₦100.2 billion in 2023. The state directed this windfall toward a major expansion of its capital projects while keeping a tight rein on debt.

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure almost tripled, with a **199.5%** increase from ₦50.5 billion in 2023 to ₦151.8 billion in 2024, showing a clear focus on development.
- **Total IGR:** IGR performance was modest, with a **2.5%** increase from ₦10.8 billion to ₦11.1 billion.
- **Personnel Costs:** Personnel Costs increased by 48.41% reaching ₦65.20 billion. In 2023, a 4.65% nominal increase in statutory allocation was matched by a significant 19.65% loss in real purchasing power. The state's fiscal position recovered strongly in 2024, with a 142.21%

nominal increase in statutory allocation resulting in a 15.39% real gain against an inflation rate of 33.02%.

- **Recurrent Expenditure:** Total recurrent expenditure increased by **22.4%** to ₦139.9 billion. This was despite a **34.8%** decrease in loan and bond repayments, which fell to ₦10.2 billion.
- **Debt Management:** The state significantly cut back on borrowing, with new loans decreasing by **35.1%** to ₦10.2 billion. This prudent fiscal management resulted in a **25.8%** reduction in accumulated debt, bringing it down to ₦88.9 billion.

#### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue:**

Yobe State demonstrated strong fiscal prudence in 2024 by effectively leveraging its revenue growth to finance substantial capital investments, significantly reduce accumulated debt, and curtail new loan acquisitions. The allocation of ₦151.8 billion to capital expenditure represents a major commitment to the state's long-term development.

The financial report falls short in meeting key standards of transparency and accountability. It does not present capital expenditure in accordance with the National Chart of Accounts (NCOA), as it omits categorization by programme, function, and geolocation. This makes it difficult to assess whether public funds are being directed toward the state's strategic development priorities. In addition, the absence of clearly defined project objectives including measurable outcomes, target beneficiaries, and timelines limits the ability of citizens and oversight bodies to evaluate the effectiveness of capital investments.

Implementing Government Integrated Financial Management Information System (GIFMIS) can help address these challenges. GIFMIS enables budget execution to be tracked against defined program objectives, thereby improving planning, performance monitoring, and resource alignment. It also allows the State Accountant General to process real-time online payments, which supports stronger internal controls and ensures full compliance with the Central Bank of Nigeria's Treasury Single Account (TSA) guidelines. This integrated approach enhances financial discipline and promotes more transparent and effective public spending.

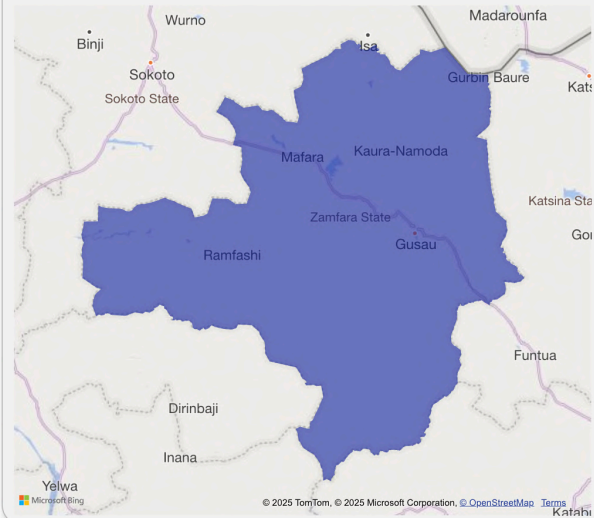
The state could use its increased revenue to rebuild its infrastructure and restore basic public services. IGR could be boosted by supporting dry season farming and livestock production. The state could also use the funds to offer tax breaks and incentives to attract investors to its weak economy.

# Zamfara: Farming is Our Pride

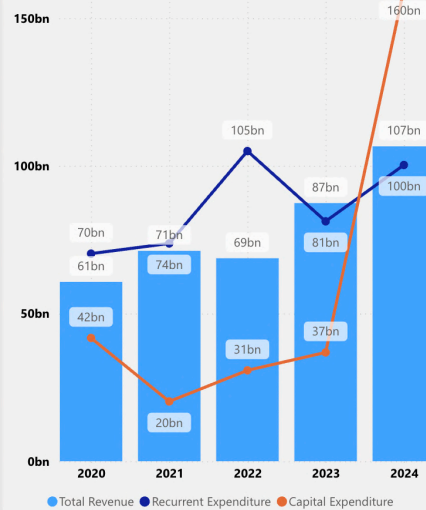
**Fiscal Transparency Score 2/7**

**FPI Rank out of 36 States - 23**

## State • Zamfara



## Expenditure Priority Over the Years



**106.6bn**

Total Revenue in 2024

**25.4bn**

IGR in 2024

**107.4bn**

Accumulated Debt in 2024

**11.5bn**

Loan Repayment in 2024

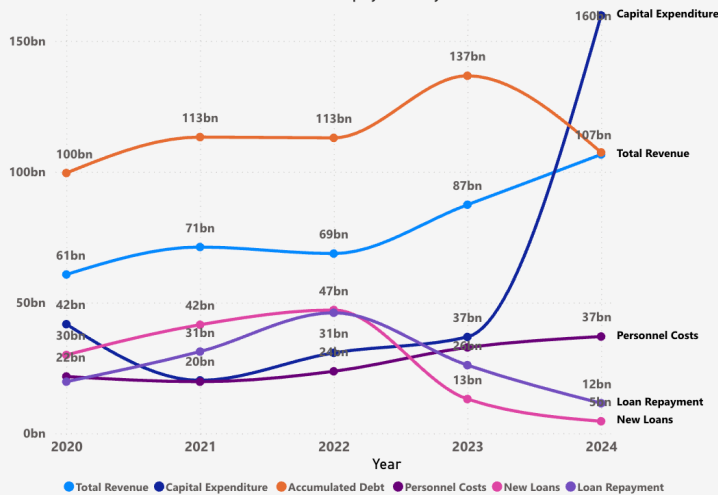
**37.0bn**

Personnel Costs in 2024

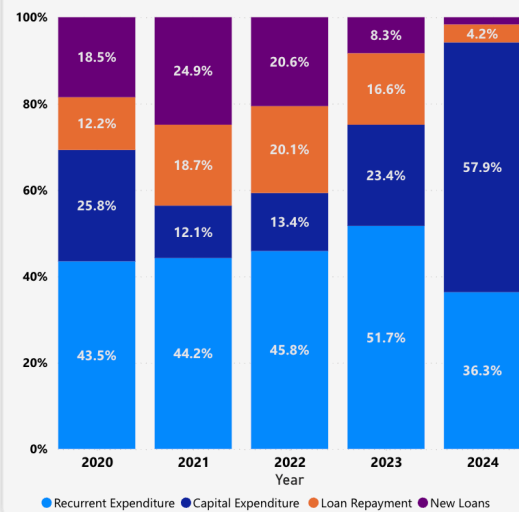
**159.8bn**

Capital Expenditure in 2024

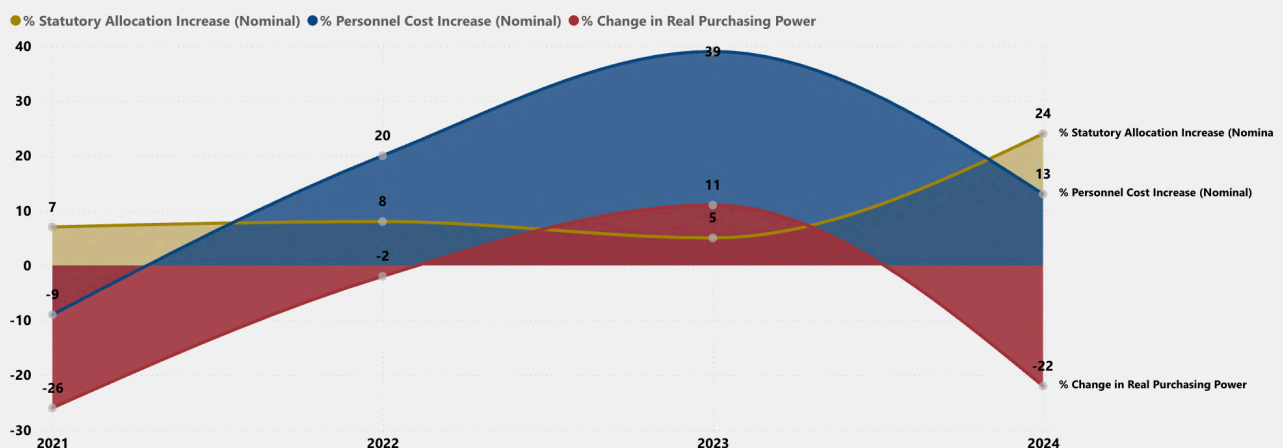
## Movement in Total Revenue, Capital Expenditure, Accumulated Debt, Personnel Costs, New Loans and Loan & Bond Repayment by Year (2020 - 2024)



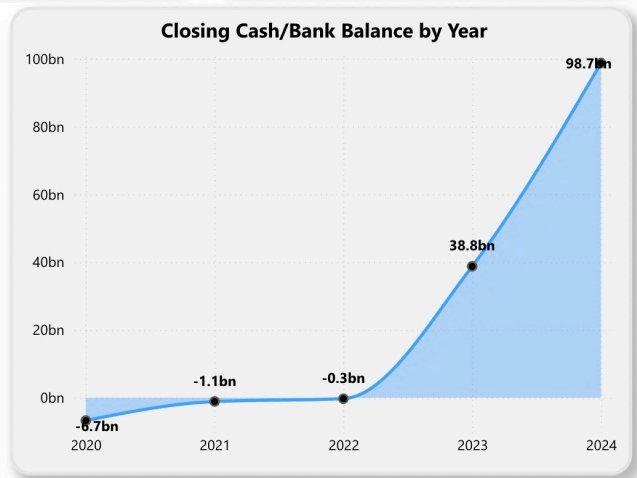
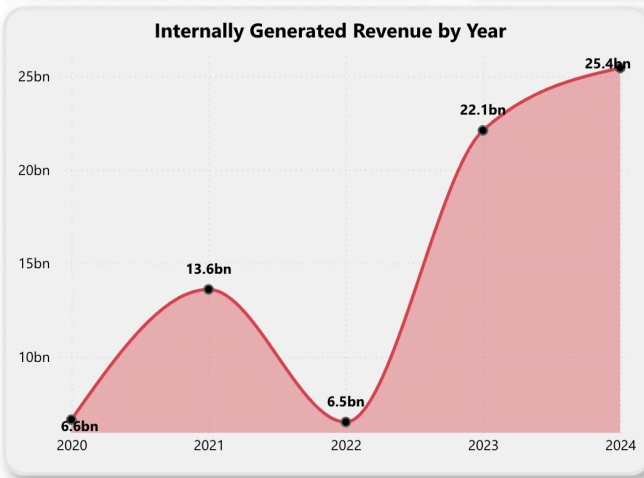
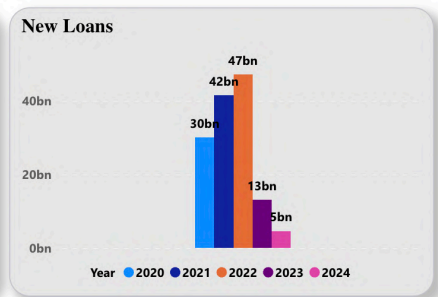
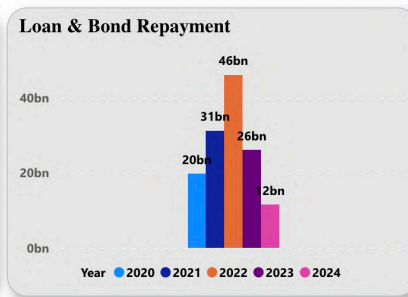
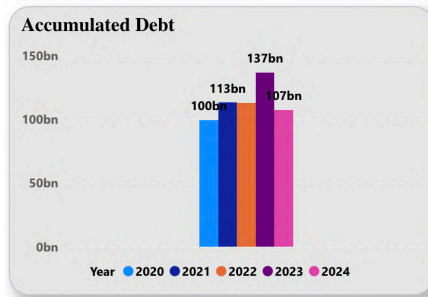
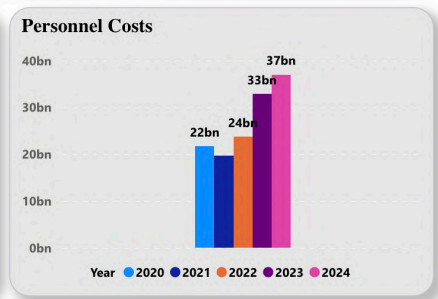
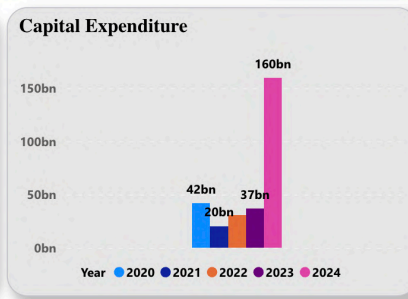
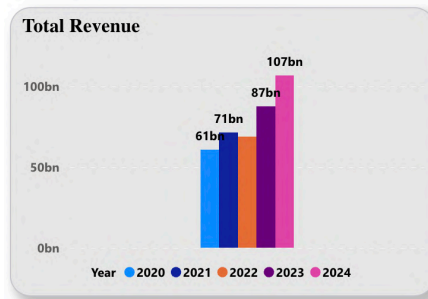
## Composition of Total Expenditure Over the Years



## Purchasing Power of Civil Servants vs Rise in Statutory Allocations







## Zamfara State Financial Performance Analysis

Overview: Zamfara State's total revenue grew by 22% in 2024, reaching ₦106.6 billion from ₦87.4 billion in 2023. This modest revenue growth was leveraged to significantly expand capital expenditure, while debt repayments were notably reduced

### Key Impacts of Increased 2024 Revenue:

- **Capital Expenditure:** Capital expenditure saw a massive **333.7%** increase, jumping from ₦36.8 billion in 2023 to ₦159.8 billion in 2024. This spending level is substantially higher than the state's total revenue for the year.
- **Total IGR:** The state recorded a good **15.1%** growth in IGR, from ₦22.1 billion to ₦25.4 billion.
- **Personnel Costs:** Personnel Costs increased by 12.69% reaching ₦51.78 billion. Zamfara achieved an 11.12% real purchasing power gain in 2023 from a 4.94% nominal statutory allocation increase. However, this trend reversed in 2024, as a 24.32% nominal increase



was insufficient to counter the 34.71% inflation rate, leading to a 22.02% loss in real purchasing power.

- **Recurrent Expenditure:** Total recurrent expenditure increased by **23.5%** to ₦100.3 billion. This occurred despite a **55.9%** decrease in loan and bond repayments, which fell from ₦26.1 billion to ₦11.5 billion.
- **Debt Management:** The state drastically cut back on new borrowing, with new loans decreasing by **64.8%** to ₦4.6 billion. However, the reduction in repayments meant the accumulated debt still decreased by **21.4%** to ₦107.4 billion.

### **FRAN Insights for Improved Transparency & Optimizing Internally Generated Revenue**

Zamfara State recorded moderate revenue growth in the reporting period, which supported a notable increase in capital expenditure and a reduction in accumulated debt. Although new borrowings also rose, the overall trend suggests a strategic focus on investment and debt management. However, the scale of the capital expenditure, at ₦159.8 billion, which exceeds the state's total income, raises important questions about the sustainability and justification of this level of spending.

Capital expenditure is not broken down by Programme, function, or geolocation as required by the National Chart of Accounts (NCOA), which makes it difficult to determine whether investments are aligned with key development goals or local needs. The report also does not clarify the objectives of these capital project which entails the expected outcomes, intended beneficiaries, or timelines remain unspecified. This lack of transparency is especially worrisome considering the scale of borrowing and the ambitious nature of the investment plan.

Implementing the Government Integrated Financial Management Information System (GIFMIS) can improve transparency by linking budget execution to Programme objectives and enabling real-time tracking. It also allows the State Accountant-General to process online payments in line with CBN's TSA guidelines, ensuring better financial control.

Zamfara can boost its internally generated revenue by formalizing the gold sector and setting up a state-owned refinery to create jobs and increase value. Strengthening security through targeted investments in infrastructure and intelligence is also crucial for long-term development.

## **Section 5: Fiscal Compliance Guidelines and Reports**



# **FISCAL COMPLIANCE GUIDELINES**





# Extract From the Proposed Financial Sector and Public Financial Management Development Policy Credit in the Amount of US \$500 Million.

## ANNEX 7: NIGERIA'S PUBLIC FINANCIAL MANAGEMENT REFORMS

### Overview of Public Financial Management Reforms

1. The Public Expenditure Management and Financial Accountability Review (PEMFAR) report conducted in 2006 proposes actions to promote a sound Public Financial Management Environment to address the weaknesses in Public Expenditure Management. The report noted that while advances were made in macroeconomic and debt management, budget formulation, accounting, and procurement reform less progress was made with respect to capacity building, including in the Budget Office, and in such areas of financial accountability as reporting, monitoring, and disclosure.
2. The Government is addressing these weaknesses through the implementation of wide ranging reforms including through the Economic Reform and Governance Project covering three key areas: (i) financial management and information systems; (ii) external audit; and (iii) financial reporting. The long term reform agenda is further articulated the National Strategy for Public Service Reforms: "Towards a World-Class Public Service" which aims to rebuild the public service with emphasis on critical institutional changes, installing management systems, and restoring professionalism, merit, competence, and client focus in the medium-term (by 2011). The PFM pillar of this strategy has four key target results: (i) sustained macro-economic and fiscal stability; (ii) strategic allocation and results-based budgeting of funds; (iii) efficient management of resources, accounting and reporting; and (iv) integrity in the use of public funds.
3. The Bank is in discussions with the Ministry of Finance to assist them to conduct a Public Expenditure and Financial Accountability (PEFA) self-assessment with the objective of (i) assessing the status of the Federal PFM system, processes and institutions to establish baselines to monitor implementation of the PFM pillar of the National Public Sector Reform Strategy (NSPSR); and (ii) to track progress in PFM since the PEMFAR assessment.
4. **Suggested output goal:** sustained macro-economic and fiscal stability
5. Monitoring and Evaluation (M&E) framework to monitor progress in implementation of the budget and to assess whether the expected outputs are being produced and the results realized are not yet in place.
6. **Chart of Accounts:** The current chart account is limited as it does not allow classification of the budget to align ministries activities with policy priorities. Key segments such as geographical location, program and projects are missing in the classification system. The classification system used by the Budget Office is not consistent with the Chart of Accounts used by the Office of the Accountant General making it difficult to directly report actuals against approved budget.

### Reform strategy to reach the outcome goal

#### Reform strategy to reach the outcome goal

13. The Bill for the amendment of the Finance (Control and Management) Act, Cap 144 LFN 1990 is with the Attorney General for review and submission to the National Assembly. The objective of this Act is to secure transparency, accountability and sound management of the revenue, assets and liabilities of Government and other public institutions. The Act aims to (a) regulate financial management; (b) ensure that all revenue, expenditure, assets and liabilities are managed efficiently and effectively and in a transparent manner; (c) ensure that officers are put in a position to be able to manage and control all available resources and be more accountable; (d) ensure the timely provision of quality information; (e) eliminate waste (including fruitless expenditure) and corruption in the use of public resources; (f) stipulate the responsibilities of persons entrusted with financial management; and (g) provide for other matters relating to financial management.
14. The Government has implemented the interim Accounting Transaction Recording and Reporting System (ATRRS). Although ATRRS has been deployed to all MDAs, the system is not linked up with the Treasury and manual vote books are still maintained. Transcripts are submitted using backup devices. A robust and well secured information management system is required to protect the credibility of financial reports for decision making. The conceptualization of the Government Integrated Financial Management Information System (GIFMIS) has been completed through a consultative process under the direction of steering committee chaired by the Accountant General and reporting to the Minister of Finance. A phased implementation approach has been adopted starting with the core foundation modules (General Ledger including bank reconciliation, Appropriation, Expenditure Payment and Reporting). The system is expected to become operational in 2010 at the Budget Office and the Accountant General's Office and will later be roll-out to MDAs and FPOs with additional modules (Purchasing, Revenue, Assets and Inventory); interfaces will be provided to existing debt management systems and revenue administration systems. The implementation of GIFMIS will transform the way Government operates financial management. The quality and timeliness of financial reports will also be improved.
15. The Government has adopted a cash management policy. Timely availability of cash is critical for successful implementation of the budget. Fiscal discipline requires keeping expenditure within the Government cash constraints. Reliable forecasting tools should be used whereby revenue projections and cash plans will inform preparation and publication of Disbursement Schedules as stipulated in the Fiscal Responsibility Act. To achieve this, the Office of the Accountant General should be in a position to undertake timely and efficient bank reconciliation to determine its overall cash position at any point in time. Fragmentation of bank accounts in commercial banks and limitations in connectivity infrastructure at the MDAs poses a serious challenge to consolidate Government's cash position. The recently developed Cash Management Policy notes that "A Treasury Single Account (TSA) shall be maintained at Central Bank of Nigeria with each MDA responsible for the management of its allocations but effecting payment through the TSA ... up to their cash allocation ceiling".
16. Availability of funds for commitment of expenditures is becoming more predictable through cash-backing of budget releases. Meanwhile, the Government has adopted electronic payment through the use of mandates until such time when connectivity challenges and use of an integrated inter-switch system is established. With GIFMIS the TSA will be more efficient and further solidify the e-Payment system.
17. Improved financial reporting by adopting the cash model of the International Public Sector Accounting Standard (IPSAS). Personnel from The Government Accounting Standards Advisory Board (GASAB) in the Office of the Comptroller and Auditor General of India Government will work closely with counterparts from Office of the Accountant General of the Federation, Nigerian Accounting Standards Board and Office of the Auditor General for the Federation to conduct an assessment. The specific objective of the assessment is to develop a report for the country authorities which: (a) provides the Government and other interested stakeholders with a common well-based knowledge as to where the country stands against the internationally developed norms of public sector financial reporting; (b) assesses the consequences of the prevailing variances; (c) provides a basis for measuring interim compliance; and (d) charts paths for improved compliance with IPSAS cash basis.

Public Disclosure Authorized

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The World Bank

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Report No: 49162-NG

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROGRAM DOCUMENT

FOR

A PROPOSED FINANCIAL SECTOR AND PUBLIC FINANCIAL MANAGEMENT  
DEVELOPMENT POLICY CREDIT

IN THE AMOUNT OF SDR 323 MILLION  
(US\$ 500 MILLION EQUIVALENT)

TO THE  
FEDERAL REPUBLIC OF NIGERIA

July 7, 2009

Finance and Private Sector Development  
Africa Region

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7. Development of sector strategies to implement Government's policies as the basis of formulation of the budget by costing of activities to be implemented by the various MDAs within an MTSS and MTEF.
8. Develop a multi-dimensional chart of accounts to provide a framework to align policy priorities with the budget and financial reports. The budget is expected to translate the policy intent of the Government into costed activities for implementation by the various MDAs. In order to be able to analyze and report on the budget, the classification system should be flexible enough to allow for aggregation of data as well as drill-down to the lowest level. In preparation for the implementation of GIFMIS an inter-ministerial committee is in place to expand the chart of accounts to include critical segments such as: fund, organization, program, project, objects and location. The aim is to ensure consistency between codes used for budget preparation and accounting and financial reporting. The new chart of account will be comply with the IMF-GFS 2001 manual and provide a framework for preparation of annual financial statements according to the International Public Sector Accounting Standards.
9. The Government intends to introduce program budgeting and as a first step will improve the classification of the budget by functions of Government according to strategic priorities. Program budgeting and enabling chart of accounts (as a first step to Performance-Based Budgeting) should be operational within a stable MTEF and annual budget cycle.
10. **Suggested output goal:** efficient management of resources, accounting and reporting.

#### Issues

11. Financial Reporting: Nigeria does not have a national public sector accounting standard but in 2002 the Federal and State Governments agreed to adopt a common reporting format for the preparation of final accounts. Timely and quality financial reports that are publicly available provide an opportunity to hold public officers accountable for the use of public funds. The financial reports should also meet minimum standards to be useful for making decisions on the strategic allocation of resources for service delivery. Although the financial statements have become timely, they do not adequately reflect all sources of funds. ATRRS has been deployed to all MDAs and has been used to submit transcripts to the Treasury for consolidation. However, budget figures are not captured to produce budget performance reports. Management and reporting structure are still guided by the Finance (Control and Management) Act 1958.
12. Cash Management: The current practice of transferring cash to various MDA accounts held in commercial banks leads to a situation of idle cash balances since Government is not in a position to accurately ascertain its cash position when issuing budget releases and may resort to unnecessary borrowing. Capital budget performance<sup>25</sup> for 2008 was 43.9 percent with instances of huge amounts returned to the Central Bank at the end of the financial year. This can be attributed to late passage of the budget and lack of timely information on the availability of cash to plan for budget execution. The Fiscal Responsibility Law requires that the Accountant General should prepare an annual cash plan one month before the start of the year and that the Minister of Finance should publish a disbursement schedule within thirty days of enactment of the Appropriation Act but this is not currently done. The challenge is to build skills at the MDA level to prepare annual work plans from which procurement plans can be derived and tied to disbursement schedules and cash release.



# The Revised Chart of Accounts October 2010



Office of the Accountant General of the Federation

## The Revised Chart of Accounts with Explanatory Notes

Report of the Inter Ministerial Committee on the Review  
of the Chart of Accounts

Part 2

October, 2010

Figure 1: Structure of the Revised COA at a glance

| S/No     | Segment                        | Digits    |
|----------|--------------------------------|-----------|
| <b>1</b> | <b>Administrative Segment:</b> | <b>12</b> |
| 1.1      | Sector                         | 2         |
| 1.2      | Organization                   | 2         |
| 1.3      | Sub-Organization               | 3         |
| 1.4      | Sub-Sub Org                    | 3         |
| 1.5      | Sub-Sub-Sub Org                | 2         |
| <b>2</b> | <b>Economic Segment</b>        | <b>8</b>  |
| 2.1      | Account Type                   | 1         |
| 2.2      | Sub-Account Types              | 1         |
| 2.3      | Account Class                  | 2         |
| 2.4      | Sub-Class                      | 2         |
| 2.5      | Economic Code (Line Item)      | 2         |
| <b>3</b> | <b>Functional Segment</b>      | <b>5</b>  |
| 3.1      | Main Function or Divisions     | 3         |
| 3.2      | Function or Groups             | 1         |
| 3.3      | Secondary Function or Classes  | 1         |
| <b>4</b> | <b>Programme Segment</b>       | <b>14</b> |
| 4.1      | Policy                         | 2         |
| 4.2      | Programme                      | 2         |
| 4.3      | Project                        | 6         |
| 4.4      | Objective                      | 2         |
| 4.4      | Activity                       | 2         |
| <b>5</b> | <b>Fund Segment</b>            | <b>5</b>  |
| 5.1      | Main Funds                     | 2         |
| 5.2      | Sub-Funds                      | 1         |
| 5.3      | Fund Sources                   | 2         |
| <b>6</b> | <b>Geo Code Segment</b>        | <b>8</b>  |
| 6.1      | Zone                           | 1         |
| 6.2      | State                          | 2         |
| 6.3      | Senatorial                     | 1         |
| 6.4      | LGA                            | 2         |
| 6.5      | Wards                          | 2         |
|          | <b>Total</b>                   | <b>52</b> |

### 1.0. Introduction

This revised Chart of Accounts (COA) is an integrated budget and accounting classification system which has been prepared primarily for the implementation of the Government Integrated Financial Management Information System (GIFMIS)<sup>1</sup>. As a database driven application, GIFMIS is an ambitious project that will enable all treasury transactions to be tracked in detail on an on-line real-time basis. The COA is multi-dimensional in the sense that budget and accounting data can be analysed in different ways depending on need. The details of each transaction will include not only the exact particulars of a given receipt or payment but also the unit or section of the Ministry, Department or Agency (MDA) responsible for the transaction.

In addition to keeping track of daily transactions, GIFMIS as an Accounting application will also generate all relevant reports on demand. The reports may be daily details (or summary) of receipts and payments, daily bank reconciliation reports/statements, monthly transcripts of accounts, quarterly report of financial statements, annual financial statements, etc.

### 2.0 Structure of the Revised Chart of Accounts

The COA is made up of six (6) segments of 25 parts and 52-digits each representing an essential detail of each transaction<sup>2</sup>. The 6 segments and their parts are shown as Figure 1. In designing the COA effort has been made to comply, as much as is practicable, with IMF Government Finance Manual 2001 (GFS), International Public Sector Accounting Standards (IPSAS) of IFAC reporting requirements and other known modern public sector budgeting and accounting coding models. The COA has been modelled using the REAL (Revenue, Expenditure, Assets and Liabilities). This will enable easy migration to IPSAS accrual basis of accounting in future. An explanation of each segment of the COA is presented below.

<sup>1</sup> GIFMIS is the computerization of Public Financial Management (PFM) processes, from budget preparation and execution to accounting and reporting, with the help of an integrated system for financial management of line ministries, spending agencies and other public sector operations.

<sup>2</sup> The Others segment together with its parts and codes are not part of the Chart of Accounts. They are used to provide further information required in data analysis.

2

A **policy** is typically described as a deliberate plan of action to guide decisions and achieve rational outcomes. Policy differs from rules or law. While law can compel or prohibit behaviours (e.g. a law requiring the payment of taxes on income), policy merely guides actions toward those that are most likely to achieve a desired outcome. Examples are Energy Policy, Economic Policy, Health Policy, Education Policy, etc.<sup>16</sup> See Table 4.1 of the COA.

Table 2.4.1: Policy

| Code | Policy                             |
|------|------------------------------------|
| 01   | CRITICAL INFRASTRUCTURE            |
| 02   | THE NIGER DELTA                    |
| 03   | FOOD SECURITY                      |
| 04   | HUMAN CAPITAL DEVELOPMENT          |
| 05   | LAND TENURE CHANGES AND OWNERSHIP  |
| 06   | NATIONAL SECURITY AND INTELLIGENCE |
| 07   | WEALTH CREATION                    |

#### 2.4.2. Programme

A programme may be defined as a long-term outline of a project or government function that is designed to achieve a stated objective<sup>17</sup>. A programme may also be defined as a set of activities that meets specific policy objectives of the government (e.g., pre-primary education or the development of crop production). In contrast to a functional classification, a classification by program takes into account the government's policy objectives and how these policies will be implemented. Programs may be subdivided into homogeneous categories called activities (e.g., the vaccination activity within a disease prevention program), which in turn may encompass a series of related initiatives and projects<sup>18</sup>.

Examples are Rural Electrification Programme, Poverty Eradication Programme, Immunization Programme, Irrigation Programme, etc. See Table 4.2.<sup>19</sup>

#### 2.4.3. Project: 6 Digits<sup>20</sup>

Programs are further broken down into Projects. Budgeting and accounting are carried out along project lines.

<sup>16</sup> A detailed essay on Policy is available at [Wikipedia.com](http://Wikipedia.com)

<sup>17</sup> See [Dictionary.com; The Free Online Dictionary](http://Dictionary.com; The Free Online Dictionary)

<sup>18</sup> Public Financial Management Technical Guidance Note; **Budget Classification**; IMF;

<sup>19</sup> Programs are yet to be drawn up. The responsibility has been assigned to BoF. Codes will be assigned to the programmes as soon as they are drawn up.

<sup>20</sup> The IMF Treasury Reference Manual treats Projects as a separate Segment on its own. Provision should be made for this option and pending a decision on how to implement the Program/Project aspects of the COA.

Extract From Introducing the New Chart of Accounts for GIFMIS by Musa F. Istifanus

Introducing the New Chart of Accounts for GIFMIS



By  
**Musa F. Istifanus**  
GIFMIS Business Process Manager

Outline (2)

- Other Segments
- Next Steps
- Membership of the Inter-Ministerial Committee on the Review of the GIFMIS COA

Outline

- Introduction
- Structure of the New COA
- Administrative Segment
- Economic Segment
- Function Segment
- Programme Segment
- Fund Segment
- Geographic Code Segment

Introduction

- Traditionally, budgeting and accounting involve large amount of data
- In a small entity with a relatively small volume of transactions, the data can be manually recorded, analysed and reported without much difficulty.
- For an entity as large as Federal Government of Nigeria with combined daily transaction count in excess of 1,000,000; it is quite inefficient if not impossible to process such data manually.

Membership of the Inter-Ministerial Committee on GIFMIS COA

Figure 9: Committee Members

| Name               | Organization        | Status   |
|--------------------|---------------------|----------|
| Mr. M.F. Istifanus | OAGF                | Chairman |
| Mr. A. A. Tumba    | OAGF                | Member   |
| Mr. P. Omoregie    | OAGF/TA             | Member   |
| Mrs. O.O. Akanji   | CBN                 | Member   |
| Mr. C.M. Okafor    | CBN                 | Member   |
| Mr. I. Anyahara    | NASB                | Member   |
| Mr. R.A. Olaitan   | Fed Min. of Finance | Member   |
| Mr. D. Wilde       | BOF                 | Member   |
| Mr. S.O. Adelana   | OSSAP MDGs          | Member   |
| Mr. J. Philips     | OSSAP-MDGs          | Member   |

Membership (2)

| Name                 | Organization         | Status    |
|----------------------|----------------------|-----------|
| Mr. E.O. Ekezie      | NBS                  | Member    |
| Mrs. N.E. Nwachukwu  | CBN                  | Member    |
| Mr. S.E. Ehikhamenor | Fed. Min. of Finance | Member    |
| Mr. A.O. Oladosun    | AuGF                 | Member    |
| Mr. G.R. Adeniran    | BOF                  | Member    |
| Mr. F. Onyesagbe     | BOF                  | Member    |
| Mr. J.A. Coker       | BOF                  | Member    |
| Mr. M.A. Bara        | DMO                  | Member    |
| Ms. M.O. Arigo       | CBN                  | Member    |
| Mr. H. Agberagba     | OSSAP-MDGs           | Member    |
| Mr. M. Yusuf         | Fed. Min. of Finance | Member    |
| Mr. E. S. Okolieaboh | OAGF                 | Secretary |



# National Treasury Circular May 2013



FEDERAL OFFICE OF STATISTICS  
FAC SUB-COMMITTEE ON THE ROAD MAP FOR ADOPTION OF IPSAS  
13<sup>th</sup> May 2013  
Samuel Ladoke Akintola Boulevard, P.M.B. 7015, Garki, Abuja, Nigeria  
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TRY/A48B4/2013  
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Website -OAGF: [www.oagf.gov.ng](http://www.oagf.gov.ng), 13<sup>th</sup> May, 2013  
Website- FAAC Sub-Committee: [www.faacipsas.gov.ng](http://www.faacipsas.gov.ng)

## NATIONAL TREASURY CIRCULAR

To:

The Chief of Staff to the President,  
The Deputy Chief of Staff, Office of the Vice President,  
All Honourable Ministers,  
The Secretary to the Government of the Federation,  
The Head of the Civil Service of the Federation,  
The National Security Adviser,  
All Special Advisers,  
The Chief of Defence Staff/Service Chiefs/Inspector-General of Police,  
The Governor of the Central Bank of Nigeria,  
The Chairman, Federal Civil Service Commission,  
The Chairman, Police Service Commission,  
The Chairman, Code of Conduct Bureau,  
The Chairman, Code of Conduct Tribunal,  
The Chairman, Federal Character Commission,  
The Chairman, Revenue Mobilisation, Allocation and Fiscal Commission,  
The Chairman, Federal Inland Revenue Service,  
The Chairman, Independent National Electoral Commission,  
The Chairman, National Population Commission,

The Chairman, Independent Corrupt Practices and other Related Offences Commission,  
The Chairman, Economic and Financial Crimes Commission,  
The Chairman, National Drug Law Enforcement Agency,  
All Federal Permanent Secretaries,  
The Clerk to the National Assembly,  
The Secretary, National Judicial Council,  
The Chief Registrar, Supreme Court,  
The Auditor-General for the Federation,  
The Honourable Commissioners of Finance in the 36 States of the Federation,  
The Honourable Commissioners of Local Government in the 36 states of the Federation,  
The Secretaries to State Governments,  
The Clerk to State Assemblies,  
The Accountants-General of the States of the Federation,  
The Chairmen, Local Government Service Commissions,  
The Chairmen, Local Government Councils,  
The States Auditors-General,  
The Auditors-General for Local Government Councils,  
The Director of Treasury, Federal Capital Territory Administration,  
All Directors-General/Chief Executives of Extra-Ministerial Offices and Agencies,  
All Directors of Finance and Accounts,  
All Heads of Accounts Divisions,  
All Heads of Internal Audit Units,  
The Sub-Treasurer of the Federation,  
All Zonal Coordinators,  
All Federal Pay Officers.

## ADOPTION, IMPLEMENTATION AND APPLICATION OF INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS (IPSAS) IN NIGERIA

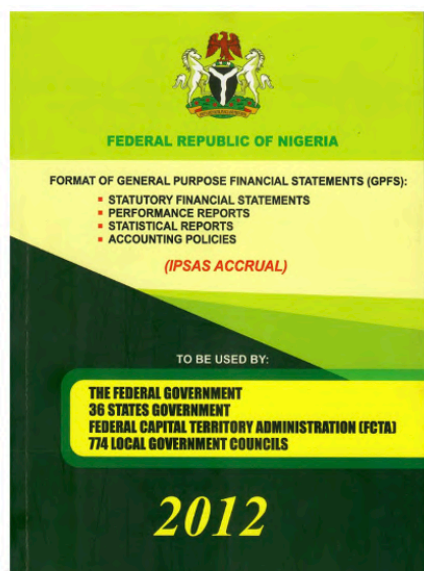
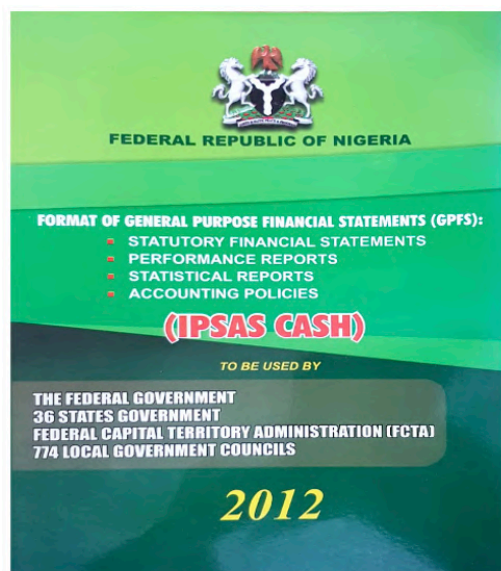
The Federal Executive Council (FEC) at its meeting of 28<sup>th</sup> July, 2010 approved the adoption of International Public Sector Accounting Standards (IPSAS) in Nigeria. Subsequently, the Federation Account Allocation Committee (FAAC) at its meeting of 13<sup>th</sup> June, 2011 set up a

Technical Sub-Committee to provide a Roadmap for the adoption, implementation and application of IPSAS in the three tiers of government in Nigeria.

- The Sub-Committee had so far developed a unified National Chart of Accounts (COA), the format for the General Purpose Financial Statements (GPFS) for IPSAS Cash and Accrual as well as the Accounting Policies.
- Consequently, the IPSAS Cash Basis of Accounting would be implemented with effect from 1<sup>st</sup> January, 2014 while IPSAS Accrual Basis of Accounting would be implemented with effect from 1<sup>st</sup> January, 2016. Pursuant to the foregoing, it becomes imperative that the preparation of 2014 budget be based on the new National Chart of Accounts across the three tiers of Government.
- In line with the adoption, the Office of the Accountant-General of the Federation (OAGF), States Accountants-General and Directors of Finance & Accounts/Treasury at Local Government Councils are to commence the implementation of the provisions of IPSAS and keep their books of account in accordance with the new COA and the GPFS formats. Relevant copies are attached to this Circular.
- The contents of this Circular should be brought to the attention of all concerned for strict compliance, please.

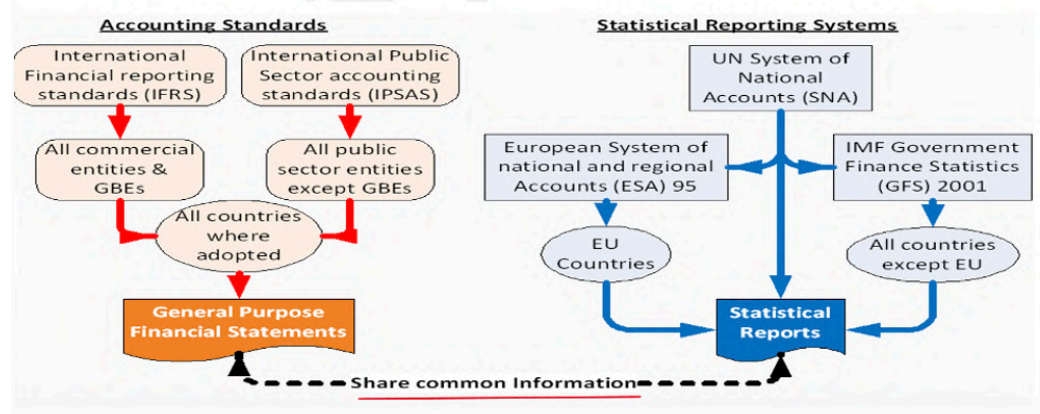
J.O. Olinla, FCA  
Accountant-General of the Federation

## Format of General-Purpose Financial Statements (GPFS): IPSAS Cash And Accrual 2012



| S/N      | DETAILS   | PAGES |
|----------|---|-------|
| <b>A</b> | <b>Main Financial Statements</b>                              |       |
| i        | Format of Statement 1-Cash Flow Statement                     | 1     |
| ii       | Format of Statement 2- Statement of Assets and Liabilities    | 2     |
| iii      | Format of Statement 3- Statement of Consolidated Revenue Fund | 3     |
| iv       | Format of Statement 4- Statement of Capital Development Fund  | 4     |
| v        | Notes to the Accounts   | 5-14  |
| vi       | Supplementary Notes   | 15    |
| <b>B</b> | <b>Performance Reports</b>                                    |       |
| vii      | Format of Revenue Performance Report                          | 16-23 |
| viii     | Format of Recurrent Expenditure Performance Report            | 24-29 |
| ix       | Format of Capital Expenditure Performance Report              | 30-32 |
| x        | Format of Periodic Bank Reconciliation Statements             | 33    |
| xi       | Format of Monthly Cash Advances Report                        | 34    |
| <b>C</b> | <b>Statistical Reports</b>                                    |       |
| xii      | Format of Functional Report                                   | 35-36 |
| xiii     | Format of Programme Report                                    | 37-42 |
| xiv      | Format of Geo Location Report                                 | 43-47 |
| <b>D</b> | <b>Cash Basis Accounting Policies</b>                         |       |
| xv       | Format of IPSAS Cash Basis Accounting Policies                | 48-55 |

| S/N      | DETAILS  | PAGES |
|----------|--|-------|
| <b>A</b> | <b>Main Financial Statements</b>   |       |
| i        | Format of Consolidated Statement of Financial Performance (Income & Expenditure) | 1     |
| ii       | Format of Consolidated Statement of Financial Position (Balance Sheet)           | 2     |
| iii      | Format of Statement of Consolidated Statement of Cash Flow                       | 3-4   |
| iv       | Format of Statement of Changes in Net assets/ Equity                             | 5     |
| v        | Notes to the Accounts  | 6-22  |
| vi       | Supplementary Notes  | 23-28 |
| <b>B</b> | <b>Performance Reports</b>   |       |
| vii      | Format of Revenue Performance Report   | 29-36 |
| viii     | Format of Recurrent Expenditure Performance Report                               | 37-42 |
| ix       | Format of Capital Expenditure Performance Report                                 | 43-44 |
| x        | Format of Periodic Bank Reconciliation Statements                                | 45    |
| xi       | Format of Monthly Cash Advances Report   | 46    |
| <b>C</b> | <b>Statistical Reports</b>   |       |
| xii      | Format of Functional Report  | 47-48 |
| xiii     | Format of Programme Report   | 49-54 |
| xiv      | Format of Geo Location Report  | 55-59 |
| <b>D</b> | <b>Cash Basis Accounting Policies</b>  |       |
| xv       | Format of IPSAS Cash Basis Accounting Policies                                   | 60-70 |

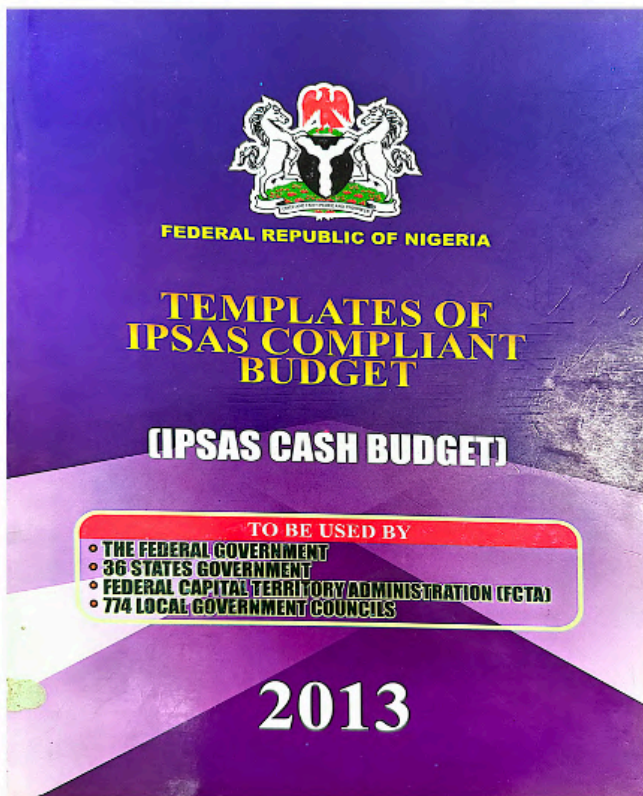


There is a strong connection between Government Finance Statistics (GFS) guidelines and accrual-based public sector accounting standards. Many macroeconomic methods stem from public sector accounting. Recent international efforts aim to align statistical methods and accounting standards to improve government reporting and fiscal transparency. Adopting high-quality accrual standards like IPSAS enhances reliable fiscal statistics. The National Chart of Accounts (NCOA) is designed to support both GFS reporting and financial accounting efficiently.

### Templates of IPSAS Compliant Budget 2013



# Templates of IPSAS Compliant Budget 2013



## TEMPLATE ON IPSAS COMPLIANT BUDGET PREFACE

To ensure uniformity in the management of Public Financial Management in Nigeria, the FAAC Sub-Committee on the Roadmap for the Adoption of IPSAS has developed templates of IPSAS compliant Budget. The templates become operational with the budget for 2014 fiscal year and are expected to be used by the Federal, 36 States, the Federal Capital Territory Administration and 774 Local Government Councils. The templates will assist the government achieve the implementation of IPSAS Cash by 2014 and IPSAS Accrual Basis by 2016.

IPSAS Cash Basis (Part 1: Mandatory Requirement) and IPSAS Accrual Basis (IPSAS 24: Presentation of Budget Information in Financial Statements) both require a comparison of budget amounts and the actual amounts arising from execution of the budget to be included in the Financial Statements of the Federal, States and Local Governments. This comparison shall present separately for each level of legislative oversight:

- The Original budget and supplementary budget as well as the final budget amount; and
- The Actual amounts on a comparable basis.

In line with the requirements of the Public Expenditure and Financial Accountability Framework (PEFA), comprehensive budget information is to be presented to the legislature. According to PEFA PI-6 Comprehensiveness of Information included in Budget Documentation, the following are required to be disclosed in the budget of the Federal, States and Local Governments in order to comply with IPSAS:

- i. Macro-economic assumptions, including at least estimates of aggregate growth, inflation and exchange rate.
- ii. Fiscal deficit, defined according to Government Finance Statistics (GFS) or other internationally recognized standards.
- iii. Deficit financing, describing anticipated composition.
- iv. Debt stock, including details at least for the beginning of the current year.
- v. Financial Assets, including details at least for the beginning of the current year.

1 FAAC SUB-COMMITTEE ON ROADMAP FOR THE ADOPTION OF IPSAS

- vi. Prior year's budget outturn, presented in the same format as the budget proposal.
- vii. Current year's budget (either the revised budget or the estimated outturn), presented in the same format as the budget proposal.
- viii. Summarized budget data for both revenue and expenditure according to the main heads of the classifications used (Ref. PI-5), including data for the current and previous year.
- ix. Explanation of budget implications of new policy initiatives, with estimates of the budgetary impact of all major revenue policy changes and/or some major changes to expenditure programmes.

It is glad to note that our Budgeting and Accounting System has met some of the above mentioned requirements. However, there is need to include all budget information to fully meet IPSAS requirements.

It is recommended that this publication be used along with the standardised National Chart of Accounts (NCOA), the Users' Manual of the NCOA, and the format of the General Purpose Financial Statements for both Cash and the Accrual Basis of Accounting issued by the FAAC Sub-Committee on the Roadmap for the Adoption of IPSAS for ease of understanding.

It is the hope of the Sub-Committee that users will find this publication useful as the nation seeks to adhere to the provisions of International Public Sector Accounting Standards.

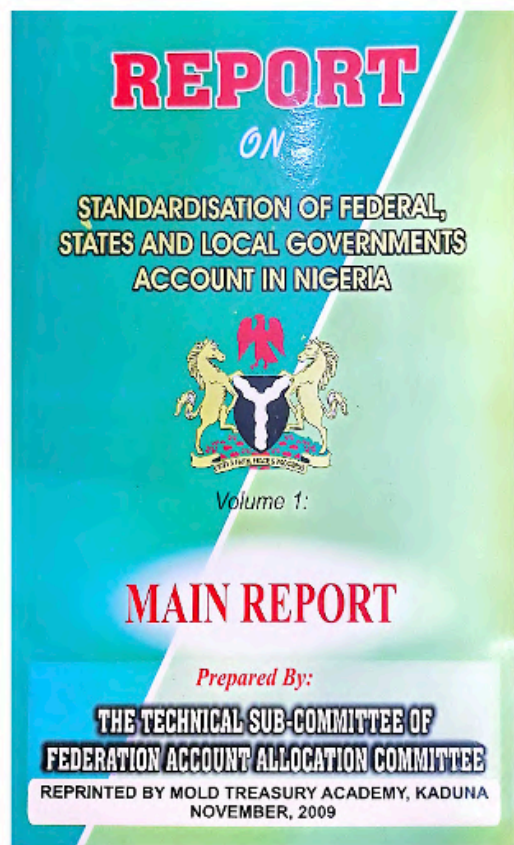
FAAC SUB-COMMITTEE ON ROADMAP FOR THE ADOPTION OF IPSAS

## OPTION A: BASED ON PROGRAMME - HIGHLY RECOMMENDED GOVERNMENT OF NIGERIA

| CONSOLIDATED BUDGET SUMMARY (MASTER BUDGET)           |             |             |             |                      |             |                         |             |  |  |
|---|-------------|-------------|-------------|----------------------|-------------|-------------------------|-------------|--|--|
| R/N   | Budget 2014 | Budget 2015 | Budget 2016 | Total 3 Years Budget | Budget 2013 | Actual (to Period) 2012 | Actual 2012 |  |  |
|   | ₦           | ₦           | ₦           | ₦                    | ₦           | ₦                       | ₦           |  |  |
| 1 Opening Balance                                     | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 2 Receipts:   |             |             |             |                      |             |                         |             |  |  |
| 3 Statutory Allocation                                | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 4 Value Added Tax                                     | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 5 Independent Revenue                                 | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 6 Port & Goods  | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 7 Capital Receipts                                    | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 8 Total Current Year Receipts                         | XXX         | XXX         | XXX         | XXX                  | XXX         | XXX                     | XXX         |  |  |
| 9 Total Projected Funds Available                     | XXX         | XXX         | XXX         | XXX                  | XXX         | XXX                     | XXX         |  |  |
| 10 Expenditure:                                       |             |             |             |                      |             |                         |             |  |  |
| 11 A: Recurrent Debt                                  |             |             |             |                      |             |                         |             |  |  |
| 12 CRF Charges - Public Debt Charges                  | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 13 Internal Loans - Repayment                         | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 14 External Loans - Repayment                         | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 15 Total Recurrent Debt                               | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 16 B: Recurrent Non-Debt                              |             |             |             |                      |             |                         |             |  |  |
| 17 Personnel Cost                                     | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 18 CRF Charges - Statutory Office Holders' Salaries   | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 19 CRF Charges - Pensions and Gratuities              | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 20 Overhead Cost                                      | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 21 Total Recurrent Non-Debt                           | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 22 Total Recurrent Expenditure                        | XXX         | XXX         | XXX         | XXX                  | XXX         | XXX                     | XXX         |  |  |
| 23 C: Capital Expenditure Based on Programme          |             |             |             |                      |             |                         |             |  |  |
| 24 Economic Empowerment Through Agriculture (General) | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 25 Social Re-orientation (General)                    | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 26 Poverty Alleviation                                | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 27 Improvement in Human Health (General)              | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 28 Enhancing Skills and Knowledge (General)           | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 29 Housing and Urban Development (General)            | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 30 Gender (General)                                   | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 31 Youth (General)                                    | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 32 Recreational Improvement (General)                 | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 33 Water Resources and Rural Development              | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 34 Information Communication and Technology (General) | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 35 Growing the Private Sector                         | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 36 Reform of Government and Governance                | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 37 Power (General)                                    | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 38 Road (General)                                     | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 39 Water Ways (General)                               | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 40 Road (General)                                     | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 41 Airways (General)                                  | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 42 Sea Ports (General)                                | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 43 Shipping (General)                                 | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 44 Civil and Sanitation (General)                     | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 45 Total Capital Expenditure                          | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 46 Total Expenditure (Budget Size)                    | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 47 Budget Surplus/Deficit                             | XXX         | XXX         | XXX         | XXX                  | XXX         | XXX                     | XXX         |  |  |
| 48 Financing of Deficit by Borrowing:                 |             |             |             |                      |             |                         |             |  |  |
| 49 Internal Loans                                     | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 50 External Loans                                     | XX          | XX          | XX          | XX                   | XX          | XX                      | XX          |  |  |
| 51 Total Loans  | XXX         | XXX         | XXX         | XXX                  | XXX         | XXX                     | XXX         |  |  |
| 52 Closing Balance                                    | XXX         | XXX         | XXX         | XXX                  | XXX         | XXX                     | XXX         |  |  |

1 FAAC SUB-COMMITTEE ON ROADMAP FOR THE ADOPTION OF IPSAS





## CHAPTER 7

### 7.0 THE PROPOSED FINANCIAL REPORTING STANDARD MODEL

- 7.1 The International Federation of Accountants (IFAC) in its mission to develop and enhance the accountancy profession to enable it provide services of consistency high quality in the public interest established the Public Sector Committee (PSC). The PSC is currently developing a set of recommended accounting standards for public sector entities referred to as International Public Sector Accounting Standards (IPSASs). The Committee recognizes the significant benefits of achieving consistent and comparable financial information across jurisdictions and believes that the IPSASs will play a key role in enabling these benefits to be realized.
- 7.2 The adoption of IPSASs by government will improve both the quality and comparability of financial information reported by public sector entities around the world. Accordingly, the Committee recognizes the right of governments and National Standard Setters to establish guidelines and accounting standards for financial reporting by the public sector in their jurisdictions.
- 7.3 As previously mentioned the first of the proposed standards issued by the Committee is titled "Financial Reporting under the cash basis of Accounting" (July, 2001). Since our basis of Public Sector accounting in Nigeria is cash-based, it is therefore highly desirable to give adequate considerations to the content of this proposed standard when developing and designing our own proposed Financial Statements. Bearing in mind the deficiencies of the current financial statements as previously discussed, the proposed Financial Reporting Standard Model may be fashioned out along the following lines:
- Responsibility for Financial Statement.
  - Statement of Opinion of Auditor-General.
  - Statement No. 1: Cash Flow Statement.
  - Statement No. 2: Statement of Assets and Liabilities.
  - Statement No. 3: Statement of Consolidated Revenue Fund.
  - Statement No. 4: Statement of Capital Development Fund.
  - Statement No. 5: Notes to the Financial Statements.

17

- 7.4 While the content of these statements are briefly explained below, the formats of the proposed Financial Reporting Standard Model are separately reported as volume 2 of this special study.

#### RESPONSIBILITY FOR FINANCIAL STATEMENT

In this statement, the Accountant-General will confirm his responsibility that the financial statements have been prepared in accordance with the provisions of the Finance (Control and Management) Act of 1958 as amended and in compliance with Generally Accepted Accounting Practice (GAAP).

#### STATEMENT OF OPINION OF AUDITOR GENERAL

It is the Auditor-General's Certificate to the effect that proper audit has been carried out in respect of the financial statements prepared by the Accountant-General.

#### Statement No. 1: CASH FLOW STATEMENT

The Financial Statement reporting model associated with the cash basis of accounting is a **CASH FLOW STATEMENT** that reconciles opening and closing balances of cash and cash equivalents. The cash flow statement should report cash flows controlled by the entity during the period classified into **Operating, Investing and Financing activities**. Such classification should be reported in a manner, which is most appropriate to its activities. Additionally, an entity should report cash flows from operating activities on the basis of gross receipts and payments for each major class.

Cash flow not controlled by the reporting entity, including cash receipts collected and payments made on behalf of taxpayers, beneficiaries or customers are to be reported separately from cash flow from operating, financing and investing activities. It should be noted however, that a single transaction may include cash flows that are classified differently. For example, when the cash payment

18

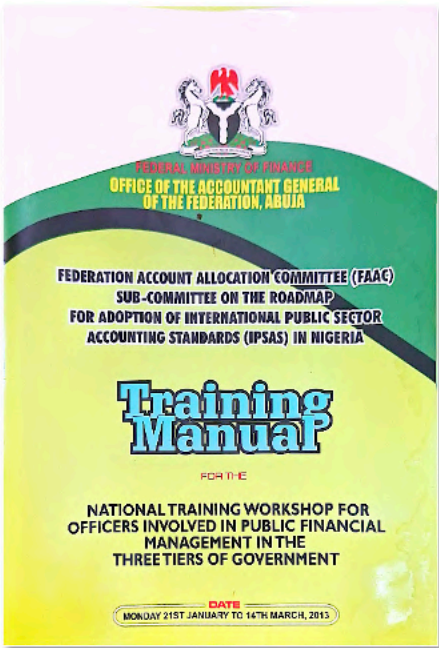
## CHAPTER 8

### 8.0 COMPATIBILITY WITH MODERN INFORMATION TECHNOLOGY

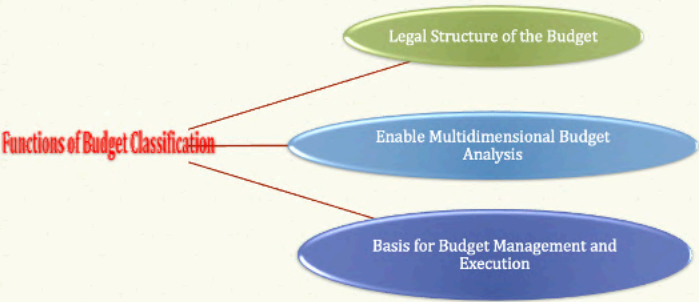
- 8.1 As the whole world is fast becoming a global village, the need for an urgent computerization of the entire treasury and accounting function cannot be over-emphasized. It is a known fact that the existing level of computerization of the records of most Tertiary Offices is very much on the low side.
- 8.2 The proposed Financial reporting Standard Model can be easily amenable to computerization. In broad terms, system computerization objectives will be set out for the proposed system. Thereafter, it is essential to define a computer strategy as a prerequisite for the design and implementation of the proposed system. For example, an **Integrated Financial Management and Accounting system** can be designed for Federal and other tiers of Government.
- 8.3 The objective of such an integrated system may be as follows:
- Undertake the accounting and Financial Management of the resources of the entity within a framework of absolute transparency and accountability.
  - Provide timely and reliable information for planning and decision-making.
  - Contribute to the economic, effective and efficient management of public resources.
  - Interrelate treasury function, internal and external control systems to enhance their efficiency
- 8.4 In the light of these objectives, a sound Local Area Network (LAN) can be designed at the headquarters (i.e. OAGF - Abuja) for the computerization of the entire treasury and accounting function. Efforts can then be geared to extending such services using Wide Area Network (WAN) to cover all the line Ministries as well as the pay offices within each state or throughout the federation.
- 8.5 The benefits to be derived from the computerization exercise are quite enormous and this exercise should be given top priority by Government.

24

Road Map For Adoption of IPSAS in Nigeria & Budget Presentation



Functions of Budget Classification



The Needs for Unified Chart of Accounts for Budgeting and Accounting System

**Fiscal Management** – Need to Manage revenues and expenditures in real time

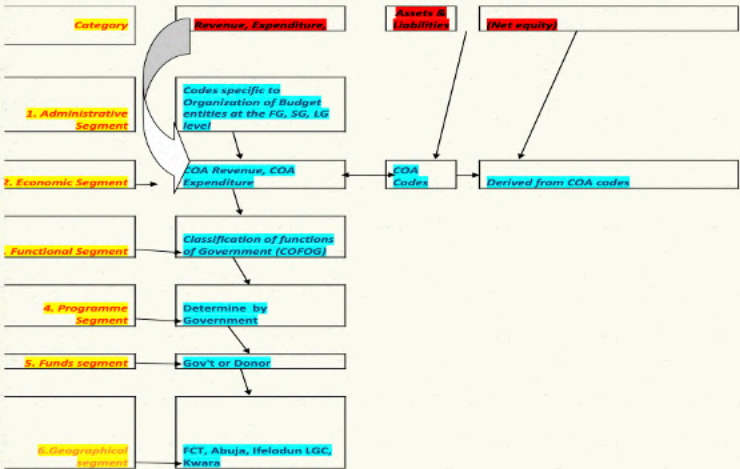
**Operational Management** – Need to track commitments and expenditures during Budget Execution as compared to budget

**Control** – Revenues raised and public money spent in accordance with budget

**Financial Reporting** – IPSAS compliant financial Statements must show Outcome as compared to Budget

**Transparency and Accountability** – Compliance with budget revenue raising and expenditure allocations.

Integrating National Chart of Accounts Structure for Budgeting







## PAPER OUTLINE

1. The Definition of Capital and Nature of Public Investment
2. The National Chart of Accounts and Budget Classifications
3. The Structure of Capital Budget
4. What is Programme Budgeting?
  - 4.1 Pre-conditions For Budgeting With Programme Segment In 2014
  - 4.2 21 Programmes Adopted for Implementation In 2014
  - 4.3 Selection of Programmes, Objectives and Projects by Ministries, Department and Agencies (MDAs)
  - 4.4 Programme Activity
  - 4.5 Tracking Government Expenditure Based On Programme Activity
  - 4.6 Sample Programme Objectives (Extract from Gombe State HR/Payroll/Accounting/Budgeting Chart of Accounts April 2013 Edition developed by Mold Computers and Communications Ltd)
  - 4.7 Sample Programme Activity (Extract from Gombe State HR/Payroll/Accounting/Budgeting Chart of Accounts developed by Mold Computers and Communications Ltd)
5. Conversion of Federal Government (FG) 2012 Budget Data into Programme Budget (2012 Capital Expenditure Detail for State House)
6. Demonstration of Fiscal Reports and Budget Reports in Programme Classification Format (Kaduna State 2012 Budget and Accounts Data)





## GUIDELINES FOR THE OPERATION OF TREASURY SINGLE ACCOUNT (TSA) BY STATE GOVERNMENTS IN NIGERIA

February, 2016.

1

### 1. Background and Introduction

State Governments continue to face intense pressure on their cash flows in the face of dwindling revenues and the need to meet increasing statutory and social responsibilities.

To address this issue, State Governments are undertaking financial and treasury management reforms of which the Treasury Single Account (TSA) scheme is a major component. This is consistent with the strategic public sector transformation initiatives and also in line with the provision of Section 120 of the 1999 Constitution.

The Central Bank of Nigeria (CBN), in exercise of its powers, as provided in the CBN Act, 2007, Section 47, sub section 2(2d), hereby issues the following guidelines on the management and operation of the Treasury Single Account (TSA), hosted with the CBN, by State Governments.

### 2. Goals of the Guidelines

The objective of this Guideline is to provide State Governments with a clear framework to support their successful implementation of the TSA initiative, based on standardized banking arrangements, operational processes and IT infrastructure.

### 3. TSA Concept

The Treasury Single Account (TSA) initiative is the operation of a unified structure of Government Bank Accounts, in a single account or a set of linked accounts for ALL Government payments and receipts.

### 4. TSA objectives

The TSA is primarily designed to bring ALL Government funds in bank accounts within the effective control and operational purview of the Treasury, in order to: Enthrone centralised, transparent and accountable revenue management; Facilitate effective cash management; Ensure cash availability; Promote efficient management of domestic borrowing at minimal cost; Allow optimal investment of idle cash; Block loopholes in revenue management; Establish an efficient disbursement and collection mechanism for Government funds; Improve liquidity reserve; and Eliminate operational inefficiency and costs associated with maintaining multiple accounts across multiple financial institutions.

### 5. TSA Essential Requirements

- Government agencies are not to operate ANY bank account under any guise, outside the purview and oversight of the Treasury.
- The consolidation of government cash resources should be comprehensive and encompass all government cash resources, both budgetary and extra-budgetary. This means that all public monies, irrespective of whether the corresponding cash flows are

2

- Each State Government shall undertake a comprehensive inventory of ALL bank accounts maintained with all financial institutions by the State and all her MDAs without exception. Such accounts must be harmonized and aligned before the commencement of the TSA scheme, to avoid the exclusion or replication of accounts.

- Each State Government shall open only one main TSA account and other such ledger sub-accounts as it deems fit with the Central Bank of Nigeria or any Deposit Money Bank of its choice, provided such ledger sub-accounts shall be limited to one for each MDA and shall always be linked to the main TSA account. The choice of a State Government to host the TSA main account with a DMB and sub-ledger accounts with the same or other DMBs shall be guided by the same considerations as hosting the Main TSA account with the CBN.

- The administration and operation of a State Government's main TSA and ledger sub-accounts hosted by the CBN shall be through the CBN branch in the State Government's capital.

- The operation of the TSA scheme hosted by the CBN for each State Government shall be operated at all times through the use of approved electronic channels and shall exclude the handling of cash or processing of manual cheque transactions by the CBN at any of its offices.

### c. TSA Payments Infrastructure

- TSA operations are conceptualized and designed to be operated on a full end-to-end basis, across various approved electronic channels, for all payment and collection transactions.
- Each State Government shall adopt a CBN licensed payment platform for the operation of its TSA scheme. Approved platforms for the controlled take-off of the TSA scheme are: SystemSpecs, InterSwitch, Unified Payment Services, e-Transact and NIBSS. Other approved platforms shall be advised as the TSA initiative matures.
- Each State Government shall ensure the availability of a functional Government Financial Information Management System (GIFMIS) or such other application, that enables it to handle the different aspects of its activities, covering: budgeting, budget control, transactions workflow management, chart of accounts management, payables & receivables ledger management, Purchase

5

Requisition Management, Purchase Order Management, Supplier & Vendor Payments Processing, Revenue Receipting, Treasury Management, Transactions Monitoring, Reconciliation, Payment Gateway Interface, Reporting & Data Analytics, etc.

- Each State Government shall ensure the availability of basic Information Technology infrastructure and training programs required for the successful implementation and ongoing support of the TSA scheme.

### 7. TSA Stakeholders' Roles & Responsibilities

The long-term success of the TSA scheme requires the effective collaboration of different stakeholders, during the pre-implementation, implementation and post-implementation phases of the initiative. TSA stakeholders shall include, but not limited to;

#### Central Bank of Nigeria (CBN)

- Issue payment policies and guidelines to Banks
- Ensure compliance of Banks with issued guidelines
- Provide and maintain the TSA payment gateway infrastructure
- Host and maintain the TSA accounts on behalf of Government
- Play advisory & supervisory roles on required TSA infrastructure
- Maintain help desk to provide support to users of the CBN Remita Payment Gateway
- Participate in the reconciliation of accounts,
- Perform account management functions
- Ensure availability of standard TSA payments and collections reports e.g. electronic bank statements, budget status reports, transaction status and monitoring reports, etc.

#### State Accountant-Generals (SAG)


- Assume primary responsibility for the State Government's TSA initiative
- Coordinate the development of the State's TSA Policy and framework
- Issue TSA operational guidelines to MDAs and other stakeholders
- Develop cash management policies and procedures
- Liaise and serve as primary contact point with CBN, Banks, Payment Service Providers and other stakeholders
- Manage registration and user enrolment processes for MDAs
- Maintain a TSA transactions reconciliation and settlement center
- Set up and maintain TSA help desk to coordinate all support activities to stakeholders such as MDAs, banks, corporate and individual payment beneficiaries and payers
- Ensure integration of Payment Gateway with the State Financial Information Management System
- Create and ensure smooth operation off the State Cash Management Unit (CMU)

#### Ministries, Departments and Agencies (MDAs)

- Close all DMBs accounts as directed by the State Treasury

6

## Members of the FAAC Sub Committee

  
**FEDERAL MINISTRY OF FINANCE**  
**OFFICE OF THE ACCOUNTANT - GENERAL OF THE FEDERATION, ABUJA**

**FEDERATION ACCOUNT ALLOCATION COMMITTEE (FAAC)**  
**SUB-COMMITTEE ON THE ROADMAP FOR**  
**ADOPTION OF INTERNATIONAL**  
**PUBLIC SECTOR ACCOUNTING STANDARDS**  
**(IPSAS) IN NIGERIA**

**ORGANISES**  
**NATIONAL TRAINING WORKSHOP FOR OFFICERS INVOLVED IN PUBLIC**  
**FINANCIAL MANAGEMENT IN THE THREE TIERS OF GOVERNMENT**

**NORTH - WEST ZONE**

**DATE:** Monday 28<sup>th</sup> - 31<sup>st</sup> January, 2013  
**VENUE:** Mold Treasury Academy No 5b, Kukuwa Avenue, GRA, Kaduna

**FAAC SUB-COMMITTEE ON THE ROADMAP FOR ADOPTION OF IPSAS**  
**SECRETARIAT**

1. Mr. J.O Otunla *FCA*  
Accountant-General of the Federation  
Chairman of the Sub-Committee  
Office of the Accountant-General of the Federation
2. Mr. Omoniyi Fagbemi *FCA*  
Director, Consolidated Accounts Department  
Secretariat Director  
Office of the Accountant-General of the Federation
3. Mr. James Y. Nongo *FCA*  
Secretary to the Sub-Committee  
Office of the Accountant-General of the Federation
4. Contact Address:  
Office of the Accountant-General of the Federation

*email: faacipsasabuja@yahoo.com*  
*website: www.faacipsas.gov.ng*

4

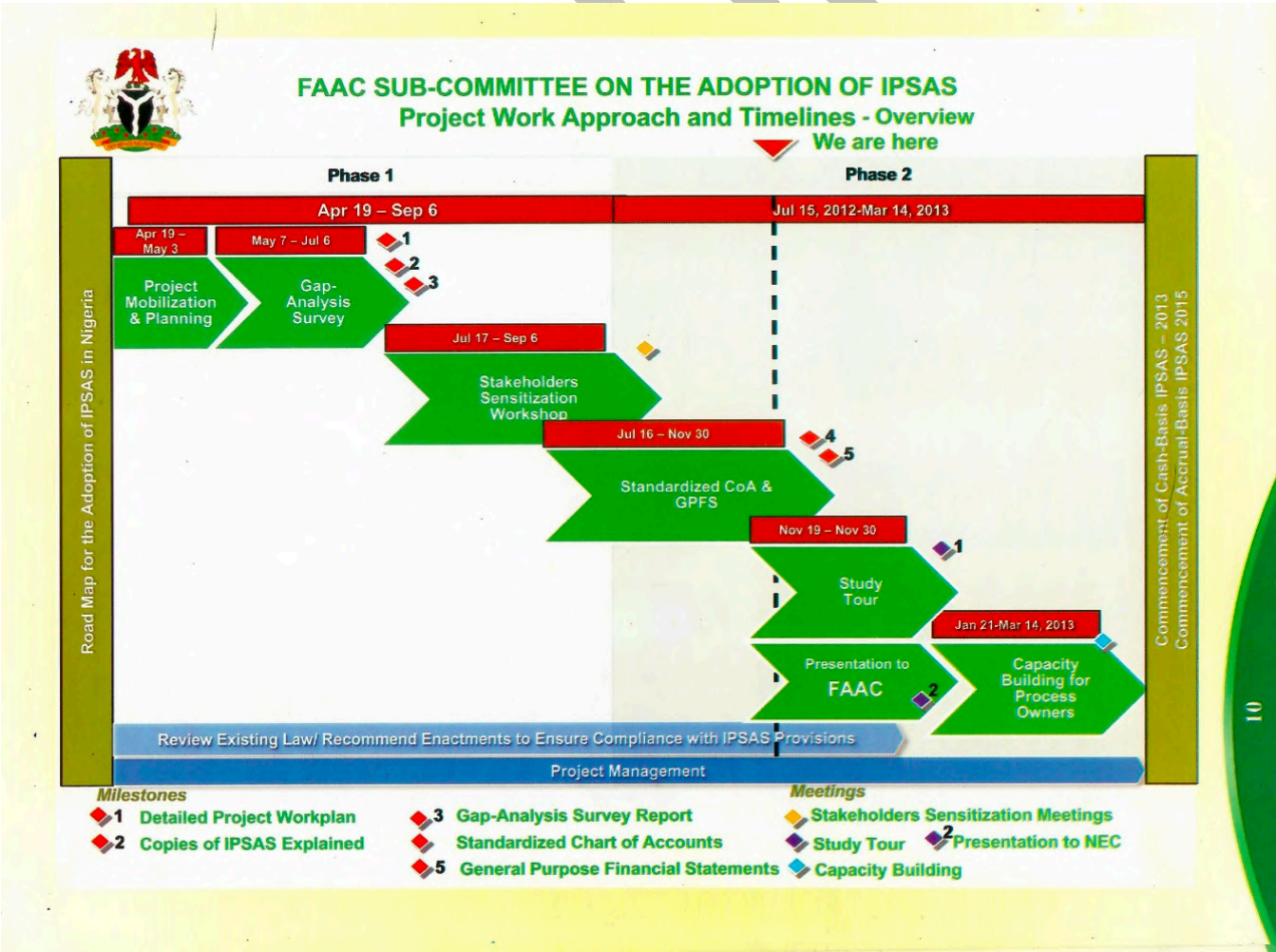
## OFFICE OF THE ACCOUNTANT GENERAL OF THE FEDERATION, ABUJA FAAC SUB-COMMITTEE ON THE ROADMAP FOR ADOPTION OF IPSAS

### MEMBERS OF THE SUB-COMMITTEE

| S/NO | NAME OF OFFICER         | OFFICE   | RANK      |
|------|-------------------------|--|-----------|
| 1    | J.O. Otunla             | OAGF   | Chairman  |
| 2    | Babayo Shehu            | OAGF   | Member    |
| 3    | M. K. Dikwa             | OAGF   | Member    |
| 4    | Omoniyi Fagbemi         | OAGF   | Member    |
| 5    | T. A. Osonuga           | OAGF   | Member    |
| 6    | Binta LA Bello (Mrs.)   | Federal Ministry of Finance  | Member    |
| 7    | Mukhtar A. Yusuf        | RMAFC  | Member    |
| 8    | Udo Hilary Isobara      | AG. Akwa Ibom State<br>Representing the South-South Zone                               | Member    |
| 9    | Mairo B. LAwan (Mrs.)   | AG. Borno State<br>Representing the North-East Zone                                    | Member    |
| 10   | Dame Eunice N. Ugwu     | AG. Enugu State<br>Representing the South-East Zone                                    | Member    |
| 11   | Tunde A. Abdulkareem    | AG. Kwara State<br>Representing the North Central zone                                 | Member    |
| 12   | Adeseye S. Senfuye      | AG. Ogun State<br>Representing the South-West Zone                                     | Member    |
| 13   | Aminu Abdullahi         | AG. Sokoto State<br>Representing the North-West Zone                                   | Member    |
| 14   | Chris Etim Nyong        | OAG Cross River State<br>Representing the Forum of Auditors General                    | Member    |
| 15   | Abubakar Gidado Bodinga | OAG LG Sokoto State<br>Representing the Forum of Auditors-General for Local Government | Member    |
| 16   | Olalekan Adebola        | OAGF   | Member    |
| 17   | J.M. Azi                | OAGF   | Member    |
| 18   | S. N. Tahir             | Federal Ministry of Finance  | Member    |
| 19   | Nasiru Nabage           | Federal Ministry of Finance  | Member    |
| 20   | Anvara Iheanvi          | FRCoN  | Member    |
| 21   | James Y. Nongo          | OAGF   | Secretary |



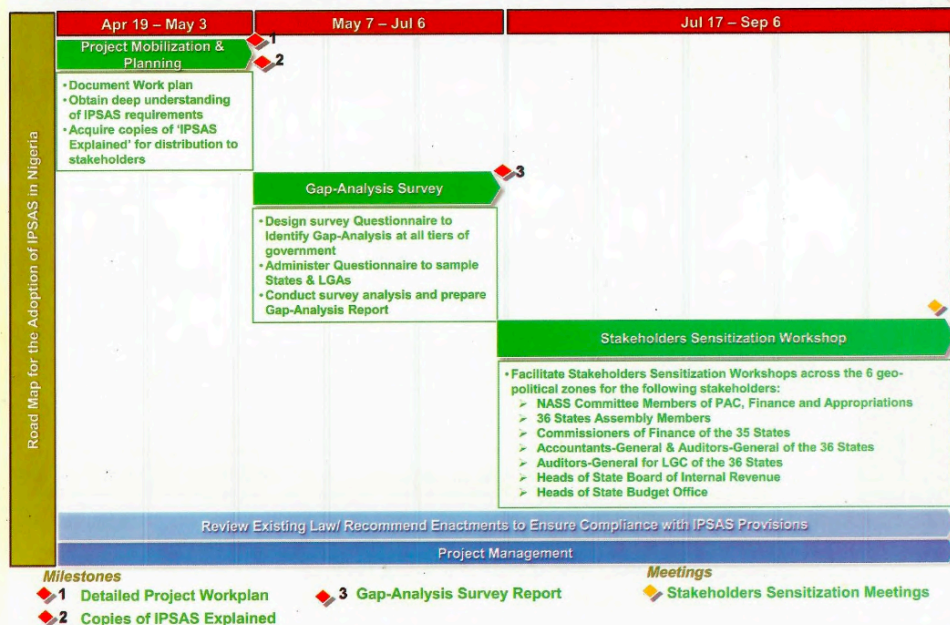
Road for the Adoption of IPSAS in Nigeria.





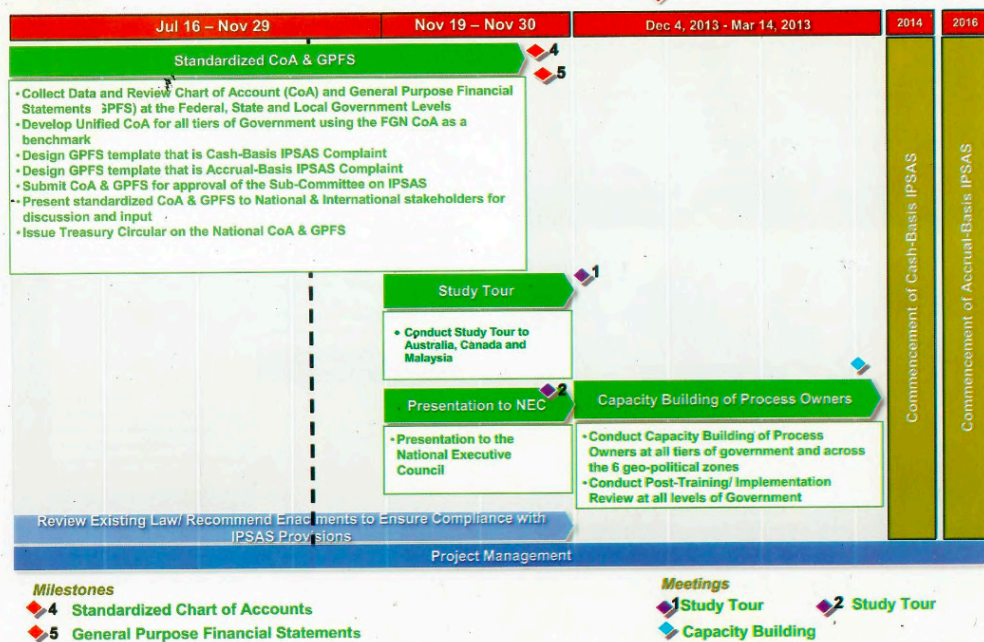
## FAAC SUB-COMMITTEE ON THE ADOPTION OF IPSAS Project Work Approach and Timelines - Phase 1

We are here



## FAAC SUB-COMMITTEE ON THE ADOPTION OF IPSAS Project Work Approach and Timelines - Phase 2

We are here





3. Section 8 of the Principal Act is amended —

Amendment  
of section 8

(a) in subsection (1)(d), by substituting for the word, “Board”, the words, “board of public interest entities” ;

(b) in subsection (1), by substituting for paragraphs (h) and (q), new paragraphs “(h)” and “(q)” —

A 846

2023 No. 42

*Financial Reporting Council of Nigeria of Nigeria  
(Amendment) Act, 2023*

“(h) promote compliance with the adopted standards issued by the International Federation of Accountants (IFAC), International Financial Reporting Standards Foundation (IFRS), International Public Sector Accounting Standards Board (IPSASB) or any other body that may be designated as such and any other setting body relating to the mandate of the Council ;

(q) develop or adopt and keep up-to-date auditing standards issued by relevant professional bodies and ensure consistency between the standards issued and the auditing standards and pronouncements of the International Auditing and Assurance Standards Board, International Organisation of Supreme Audit Institutions or any other body that may be designated as such and any other international standards setting body relating to the mandate of the Council ;”

(c) by inserting after paragraph “(r)”, a new paragraph “(s)” —

“(s) maintain a national repository for electronic submission of General Purpose Financial Statements by public interest entities” ;  
and

(d) in subsection (2), by inserting after the word, “implementing”, the words “financial reporting, corporate governance,”.

Compliance  
by public  
interest  
entities.

**57.** Where any public interest entity is required to prepare any financial statement or report under any enactment, it shall ensure that the financial statements or reports is in compliance with the accounting and financial reporting standards developed by the Council under this Act.



14. Section 59 (1) of the Principal Act is amended by substituting for paragraphs (a)-(g), new paragraphs “(a)”-“(j)” — Amendment of section 59

- “(a) Banks and other Financial Institutions Act, No. 5, 2020 ;
- (b) Companies and Allied Matters Act, No. 3, 2020 ;
- (c) Investments and Securities Act, No. 29, 2007 ;
- (d) Nigerian Investment Promotion Commission Act, Cap. N117, LFN, 2004 ;
- (e) Insurance Act, Cap I17, LFN, 2004 ;
- (f) Pension Reforms Act, No. 4, 2014 ;
- (g) Federal Mortgage Bank of Nigeria Act, Cap. F16, LFN, 2004 ;
- (h) Finance Act, No. 3, 2021 ;
- (i) Fiscal Responsibility Act, No. 31, 2007 ; and
- (j) Finance Control and Management Act, No. 33, 1958.

Sanctions for non-compliance.

**64.—**(1) Any person who fails to comply with the prescribed statement of accounting and financial reporting standards developed by the Council or any decision of the Council to the effect that a public interest entity has failed to comply with any of its pronouncements under this Act, and with such other accounting and financial reporting standards as may be specified under the relevant enactments, commits an offence and is liable on conviction to a fine of not exceeding ₦10,000,000.00 or imprisonment for a term not exceeding 2 years or both, provided that the Council shall bring such non-compliance to the notice of the preparers of such financial statements.

(2) Where a notice is served on a person or public interest entity under sub-section (1) of this Section, it shall, within 60 days of the service of the notice, restate its financial statements and resubmit them to the Council and to any government department or authority requiring such statement and hold a general meeting of its shareholders on the restated financial statements.

(3) Any public interest entity which fails to comply with the notice referred to in sub-section (2) of this section commits an offence and is liable, on conviction to a fine of not exceeding ₦20,000,000.00 and restate the said financial statements within 30 days thereafter.

(4) The Council shall, subject to the approval of the Minister, review the amounts stated in sub-sections (1) and (3) of this section.

(5) Any professional, auditor or preparer of financial statements found liable under this Act commits an offence and shall, in addition to the fine and imprisonment provided for in sub-section (1) of this Section be de-listed from the register of Professionals by the Council.



(4) The Council shall, subject to the approval of the Minister, review the amounts stated in sub-sections (1) and (3) of this section.

(5) Any professional, auditor or preparer of financial statements found liable under this Act commits an offence and shall, in addition to the fine and imprisonment provided for in sub-section (1) of this Section be de-listed from the register of Professionals by the Council.

**65.—**(1) Where the Council reaches a final decision under section 57, to the effect that a public interest entity has failed to comply with any of its decisions under this Act, and with such other financial reporting, accounting, auditing and financial reporting standards as may be specified under the relevant enactments, the Council shall serve a notice on the entity for an immediate restatement of its financial statements.

Sanctions  
on public  
interest  
entities.

(2) Where a notice is served on a public interest entity under sub-section (1) of this Section, it shall, within 60 days of the service of the notice, restate its financial statements and resubmit same to the Council and to the relevant government department or authority.

(3) Any public interest entity which fails to comply with the notice referred to in sub-section (2) of this section commits an offence and shall, on conviction be liable to a fine not exceeding ₦10,000,000.00 and be required to restate the said financial statements within 30 days thereafter and the Council shall require such entity to disclose same in the following year's financial statements.

Substitution  
for  
section 77

24. Substitute for section 77 of the Principal Act a new section "77"—

"77. In this Act —

"*Annual report*" means the documents that an entity issues on an annual basis on its affairs, including its financial statements together with the audit report on it, and the report from the Board of Directors ;

"*Audit*" has the same meaning as in the International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants ;

"*Audit firm*" means a firm which provides audit services ;

"*Auditor*" means a professionally qualified Accountant or firm of Accountants appointed to conduct an examination of the records of an enterprise and to form an opinion as to whether the accounts have been prepared in accordance with generally accepted accounting principles ;

"*Board*" means the governing body of the Financial Reporting Council of Nigeria established under section 2 (1) of this Act ;

"*Code of Corporate Governance*" means the Code of Corporate Governance issued by the Directorate of Corporate Governance in this Act ;

"*Corporate Governance*" means the role of persons entrusted with the supervision, control and direction of an entity ;

"*Director*" has the same meaning given to it under the Companies and Allied Matters Act, No. 3, 2020 ;

"*Entity*" means any person or body of persons, whether incorporated or unincorporated ;



“*Financial reporting standards*” mean accounting, auditing, actuarial and valuation standards issued by the Council under this Act ;

“*Financial statements*” means the Statement of Financial Position or balance sheet, income statements or profit or loss account, statement of changes in equity, statement of cash flows, notes, statements and explanatory materials thereon and other documents, as may be prescribed by the Council under this Act ;

“*Functions*” include powers and duties ;

“*IASB*” means the International Accounting Standards Board or its successor body ;

“*IFRS*” means the International Financial Reporting Standards ;

“*IFRSF*” means the International Financial Reporting Standards Foundation ;

“*IFAC*” means the International Federation of Accountants or its successor body ;

“*IPSASB*” means the International Public Sector Accounting Standards Board” ;

“*Material irregularity*” includes fraud, deliberate misstatements of financial statements, falsification and defalcations ;

“*Minister*” means the Minister charged with responsibility of supervising the activities of the Council ;

“*Offence*” includes default in payment of annual dues, submission of returns and other infractions, irregularities committed by entity or individual against the provisions of this Act ; Regulations.

“*Official bulletin*” means the official journal of the Council ;

“*Practice*” in relation to an auditor, means the practice of the auditor or the audit firm ;

“*President*” means the President of the Federal Republic of Nigeria ;

“*Professional accountants*” means a person who is a member of a body of professional accountancy body established by an Act of the National Assembly and registered with the Council ;

“*Public interest entities*” means —

- (a) governments and government organizations;
- (b) listed entities on any recognized exchange in Nigeria ;
- (c) non-listed entities that are regulated ;
- (d) public limited companies;
- (e) private companies that are holding companies of public or regulated entities ;
- (f) concession entities ;
- (g) privatized entities in which government retains an interest ;



A 854      2023 No. 42      *Financial Reporting Council of Nigeria of Nigeria  
(Amendment) Act, 2023*

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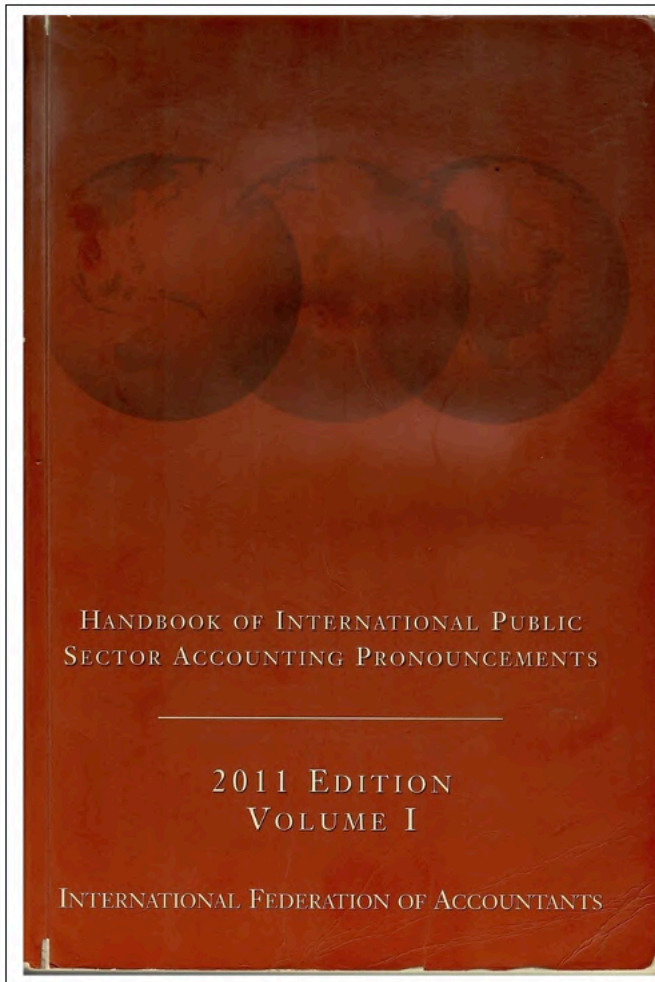
(h) entities engaged by any tier of government in public works with annual contract sum of ₦1 billion and above, and settled from public funds ;

(i) licensees of government ; and

(j) all other entities with an annual turnover of N30 billion and above ; and

“*Qualified report*” has the same meaning given to it by IFAC.

# Extracts From Handbook of International Public Sector Accounting Pronouncements - Material Prior Year Errors and Omission IPSAS 3

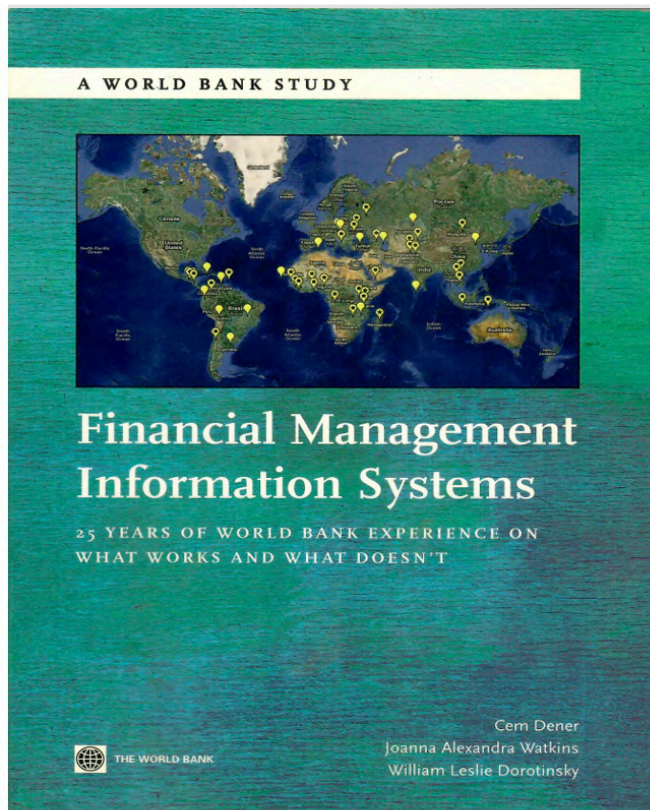


| ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS  |
|--|
| <p><b>Impracticable</b> Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. For a particular prior period, it is impracticable to apply a change in an accounting policy retrospectively or to make a retrospective restatement to correct an error if:</p>   |
| <ul style="list-style-type: none"> <li>(a) The effects of the retrospective application or retrospective restatement are not determinable</li> <li>(b) The retrospective application or retrospective restatement requires assumptions about what management's intent would have been in that period; or</li> <li>(c) The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that: <ul style="list-style-type: none"> <li>(i) Provides evidence of circumstances that existed on the date(s) as at which those amounts are to be recognized, measured, or disclosed; and</li> <li>(ii) Would have been available when the financial statements for that prior period were authorized for issue;</li> </ul> </li> </ul> |
| <p>from other information.</p> <p><b>Prior period errors</b> are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or a misuse of, reliable information that:</p>   |
| <ul style="list-style-type: none"> <li>(a) Was available when financial statements for those periods were authorized for issue; and</li> <li>(b) Could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.</li> </ul>   |
| <p><b>Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.</b></p>  |
| <p><b>Prospective application</b> of a change in accounting policy and of recognizing the effect of a change in an accounting estimate, respectively, are:</p>   |
| <ul style="list-style-type: none"> <li>(a) Applying the new accounting policy to transactions, other events, and conditions occurring after the date as at which the policy is changed; and</li> <li>(b) Recognizing the effect of the change in the accounting estimate in the current and future periods affected by the change.</li> </ul>  |
| <p>119 IPSAS 3</p>   |

| Errors  |
|---|
| <p>46. Errors can arise in respect of the recognition, measurement, presentation, or disclosure of elements of financial statements. <u>Financial statements do not comply with IPSASs if they contain either material errors, or immaterial errors made intentionally to achieve a particular presentation of an entity's financial position, financial performance, or cash flows.</u> Potential current period errors discovered in that period are corrected before the financial statements are authorized for issue. However, material errors are sometimes not discovered until a subsequent period, and these prior period errors are corrected in the comparative information presented in the financial statements for that subsequent period (see paragraphs 47–51).</p> |
| <p>47. <u>Subject to paragraph 48, an entity shall correct material prior period errors retrospectively in the first set of financial statements authorized for issue after their discovery by:</u></p> <ul style="list-style-type: none"> <li>(a) Restating the comparative amounts for prior period(s) presented in which the error occurred; or</li> <li>(b) If the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and net assets/equity for the earliest prior period presented.</li> </ul>   |
| <p><b>Limitations of Retrospective Restatement</b></p>  |
| <p>48. <u>A prior period error shall be corrected by retrospective restatement, except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error.</u></p>  |



## Centralized Electronic Payment RTGS and ACH



- **Settlement** is the transferring of funds from a payer's account to a payee's account. This can only occur between banks. The Central Bank of each country usually acts as the primary settlement agent. Settlement can occur immediately on a gross basis or be delayed on a net basis.

**Real-Time Gross Settlement (RTGS)** systems are funds transfer systems where transfer of money takes place from one bank to another on a "real-time" and "gross" basis. Settlement in real time means payment transaction is not subjected to any waiting period. The transactions are settled as soon as they are processed. "Gross settlement" means the transaction is settled on one to one basis without bunching or netting with any other transaction. Once processed, payments are final and irrevocable. In terms of liquidity and systemic risks, high-value payment systems (RTGS) are the most important due to the large value and time sensitive nature of the payments. RTGS solutions are mostly implemented by the central banks. The private sector clearing houses use an RTGS model similar to the Clearing House Interbank Payment System (CHIPS).

The Automated Clearing House (ACH) system has been developed as a low-value payment system. It processes large volumes of credit and debit transactions in batches and at low cost. ACH credit transactions include payroll, pension, and annuity payments. ACH debit transactions include consumer bill payments, such as utility bills, phone bills, and insurance premiums. It is mainly operated by the central banks. In some countries, the ACH systems are privately owned and operated but authorized and regulated by the central banks.

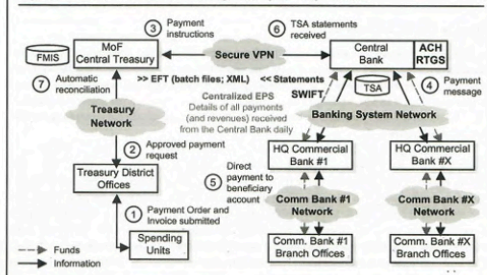
The Society for Worldwide Interbank Financial Telecommunications (SWIFT) is a global telecommunications network. It provides a strict message format for the exchange of financial information between financial institutions. Messages automatically pass through electronic links built between SWIFT and the local electronic clearing systems in different countries. More recently, SWIFT has been applied to the transferring of the entire letter of credit process onto the Internet and providing Web-based functionality for business-to-business (B2B) transactions with SWIFTNet.

### Electronic Payment Systems

EPS or EFT operates on the basis of two systems (Figure C.1):

- The *clearing house system* is where transactions between members of a clearing channel are recorded.

**Figure C.1. Centralized Electronic Payment System Operations**



Treasury Reference Model

Ali Hashim  
Lead Informatics Specialist  
Public Finance Cluster  
Poverty Reduction and Economic Management Unit  
Europe and Central Asia Region  
World Bank

Bill Allan  
Senior Economist,  
Fiscal Affairs Department,  
International Monetary Fund

1.9.1.1 Start of the Year Processes

At the start of the fiscal year, there is a need to set up the Budget classification structures and Chart of Accounts for recording commitments, expenditures and receipts. The system should have facilities to accommodate a variety of budget classification structures, since these can vary from country to country. An example of budget classification structure is given in section 1.4.3 of part I. This structure specifies that the budget classification structure could have segments that specify Source of Funds, Organization, Economic, Functional, Program and Project classifications. Thus the system would need to be able to accommodate these segments and will need to have the capacity to accommodate a sufficient number of digits in each segment.

For example, the system must be able to handle a government-wide chart of accounts with the following dimensions:<sup>10</sup>

- Fund code with one level of classification.
- Organization code with three levels of classification.
- Economic category with four levels of classification.
- Functional code with four levels of classification (class, sector, sub-sector, chapter).
- Program code with two levels of classification.
- Project and cost code with two levels of classification each.

The system must be flexible enough to permit an increase in the number of dimensions and the levels of classification of any of these codes. The system should also permit user-specified number of digits/characters at each level. The coding pattern at each level could be either serial or hierarchical. Given a specific relationship between any of the 5 types of codes, the system must be able to map and generate the related classification. All the code elements must be alphanumeric.

It must be possible to hold a description field against each code (or element) in the chart of accounts. It must be possible to revise code definitions and descriptions. The system must allow the user to manually enter the data of revenue and expenditure budget classification codes. In particular, the system should allow the user to enter, the following:

- Revenue classification code and the description of each segment of the code

<sup>10</sup> The fund classification code will be used for tracking permitted extra-budgetary funds; the program code will be used for tracking programs when the MOF moves toward a Medium Term Budget Framework; the project code is used to track expenditures pertaining to capital and investment expenditures; the cost code will be used in the future to track expenditures at the level of cost centers within the budgetary units

1.4.3 Budget Accounts and Classification System

Consistent with the broad COA structure, transactions and other flows are classified to permit a variety of views of the budget or accounts. A Budget Classification System may be described as shown below.

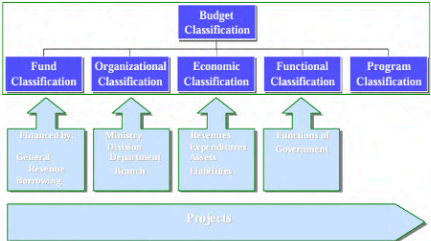


Figure 13: Budget Accounts / Classification System

A Budget Classification System consists of five sub-classification structures and permits multiple views of the Budget:

- **Fund Classification** denotes the funds under which public funds are authorized (e.g., general, or revenue, fund, development fund, road fund).
- **Organization Classification** depicts the organizations receiving budgetary resources;
- **Economic Classification** shows the detailed breakdown of budget revenues, borrowing, and expenditures;
- **Functional Classification** indicates the revenues and expenditures by functions of government such as Public Order and Safety Matters, Educational Affairs and Services, Health Affairs and Services, etc.;
- **Program Classification** shows the planned budgetary allocations to specific programs (such as poverty reduction) that may be implemented by a variety of organizational units and may involve several functional categories; and
- **Project Classification** identifies activities aimed at achieving specific objectives within a certain timeframe. Projects are elements of a broader program classification, and many may be associated with external aid (identified with a particular government/donor fund).

The system should have facilities to receive the Daily Account Statement data transmitted by the Central bank, automatically import the data into the Reconciliation facility and produce a Reconciliation Statement. The format of Central bank Daily Account Statement and required controls including hash control or checksum digits shall be discussed during the software customization.

1.9.8.4 End of Year closing of Accounts

It may require some time to finalize the revenue and expenditure accounts of the former year after the end of the fiscal year, concurrently with the operations of the current year's accounts. The system should therefore establish necessary accounts for the new year as will be determined by the user and allow keeping the accounts for the two years active until such time the system administrator confirms that the accounts for the former year have been finalized and should be closed.

After the accounts for the former year have been closed, the system should not allow the user to post any entry into the accounts. The user should be allowed only to make inquiries or produce reports on the former year's accounts.

Create New Database

The system shall establish a new set of data for processing of the new year's accounts separately from the current year's accounts.

The system should allow the user to carry forward the following data to the new year's database:

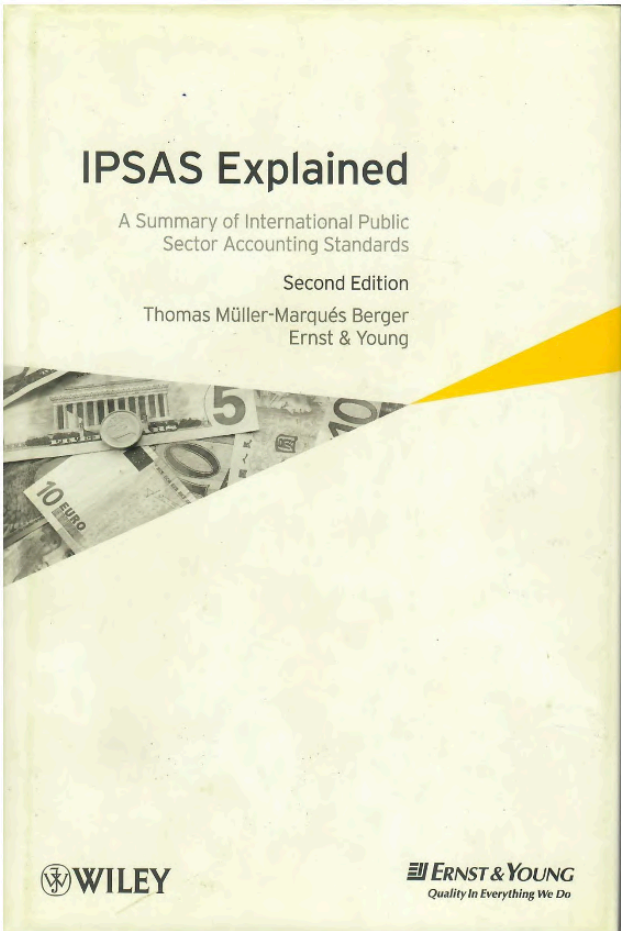
Codes of budget classification (functional, institutional, economic), including description,  
Chart of Accounts, including description,  
Balances of Cash Control Accounts,  
Balances of Procedural accounts,  
All necessary spending unit data,  
The table defining the linkage between account numbers of Chart of Accounts and functional, institutional and economic classification,  
Table of transfer from budget classification codes of the previous years to the current year.

The system should reset the values of approved plan, revised plan, current plan, and Year-to-date total of warrants for each expenditure account to Zero.

The system should clear the values in Revision History data for each expenditure account and revenue account.

The values of each data element in Warrants, Accounting Journal and Monthly Financial data shall be cleared.





Introduction

of member body appointees commensurately. And finally, it is planned that a full-time Chair of the IPSASB will be implemented in the future.

In 2011 several IPSASB members, IFAC board members as well as IPSASB senior staff had consultations with selected governments based on the Consultation Papers. The result of these consultations was that there is high support for oversight of the IPSASB. Respondents underlined that changes in the oversight governance will enhance credibility of the IPSASB. Strong support was also expressed for the formation of a CAG. The feedback on the proposed two models of oversight was mixed. Overall, a preference for the PIOB adapted model (model 1) was expressed by a slight majority of respondents.

1.5 Members of the IPSASB

The members of the IPSASB are appointed by the IFAC Board. The IPSASB comprises a total of 18 members, 15 of whom are nominated by member organizations of the IFAC. The other three are public members, who can be nominated by any individual or organization. All IPSASB meetings convened to develop IPSASs or approve their publication are public.

The table below shows the countries represented on the IPSASB:

|             |               |                            |
|-------------|---------------|----------------------------|
| ► Australia | ► Japan       | ► Romania                  |
| ► Canada    | ► Kenya       | ► South Africa             |
| ► China     | ► Morocco     | ► United Kingdom           |
| ► France    | ► New Zealand | ► United States of America |
| ► Germany   | ► Pakistan    | ► Uruguay                  |

Table 2: Members of the IPSASB (without public members) (as of January 2012)

Currently, the public members of the IPSASB are from Canada, Italy and Switzerland. The public member from Switzerland, Prof. Dr. Andreas Bergmann, currently serves as the IPSASB's chair. In addition, the IPSASB appoints a limited number of observers from organizations that have an interest in public sector financial reporting. These observers have full speaking rights at IPSASB meetings, but no voting rights. The list below shows the organizations that have observer status:

Introduction

- Asian Development Bank (ADB)
- European Commission (EC)
- European Investment Bank (EIB)
- Eurostat
- International Accounting Standards Board (IASB)
- International Monetary Fund (IMF)
- International Organisation of Supreme Audit Institutions (INTOSAI)
- Organization for Economic Co-operation and Development (OECD)
- United Nations/United Nations Development Programme (UN/UNDP)
- World Bank

Table 3: Organizations with observer status on the IPSASB (as of January 2012)

2 International accounting standards for the public sector

2.1 Overview of international accounting standards for the public sector

The IPSASB develops IPSASs for financial statements prepared on the accrual basis of accounting as well as for financial statements prepared on the cash basis of accounting. IPSASs govern the recognition, measurement, presentation and disclosure requirements in relation to transactions and events in **general purpose financial statements**. Such financial statements are characterized by the fact that they are issued for users who are unable to demand financial information to meet their specific information needs. On the basis of the new IPSASB Terms of References and as one of the consequences of its Conceptual Framework Project and the Projects on Reporting Service Performance Information and Reporting on the Long-Term Sustainability of a Public Sector Entity's Finances the IPSASB widened its scope to GPFRs. According to IPSASB Conceptual Framework ED 1 Par. 1.3 GPFRs are a central component of, and support and enhance, transparent financial reporting by governments and other public sector entities. GPFRs are characterized by the fact that they not only comprise financial statements but also refer to **other financial reports** intended to meet the information needs of users who are unable to require the preparation of financial reports tailored to meet their specific information needs. GPFRs may include information about the past, present, and the future that is useful to users – including financial and non-financial quantitative and qualitative information about the achievement of financial and service delivery objectives in the current reporting period, and anticipated future service delivery activities and resource needs. More insights and information about the scope and content of GPFRs is given in IPSASB Conceptual Framework ED 1 Par. 1.

Introduction

The characteristics of Government Business Enterprises show that within the meaning of IPSASs these entities operate on an economically sustainable basis, i.e., they must at least cover their costs or have the intention of generating a profit. Typically, they are controlled or owned by state, regional or local government. In its December 2011 meeting, the IPSASB approved a project on Government Business Enterprises which aims to explore issues with the current definition of GBEs and will consider whether the current accounting requirements are adequate.

2.4 General purpose financial statements

Financial statements that are issued for users who are not in a position to demand financial information to meet their specific information needs are referred to as general purpose financial statements. Examples of such users of financial statements are citizens, voters, their political representatives and other members of the general public. The term "financial statements" used here and in the standards covers all disclosures and notes that have been identified as components of the general purpose financial statements.

Financial statements prepared on the accrual basis of accounting comprise a statement of financial position, a statement of financial performance, a cash flow statement and a statement of changes in net assets/equity. For financial statements prepared on the cash basis of accounting, the statement of cash receipts and payments is the primary component of the financial statements next to the accounting policies and explanatory notes.

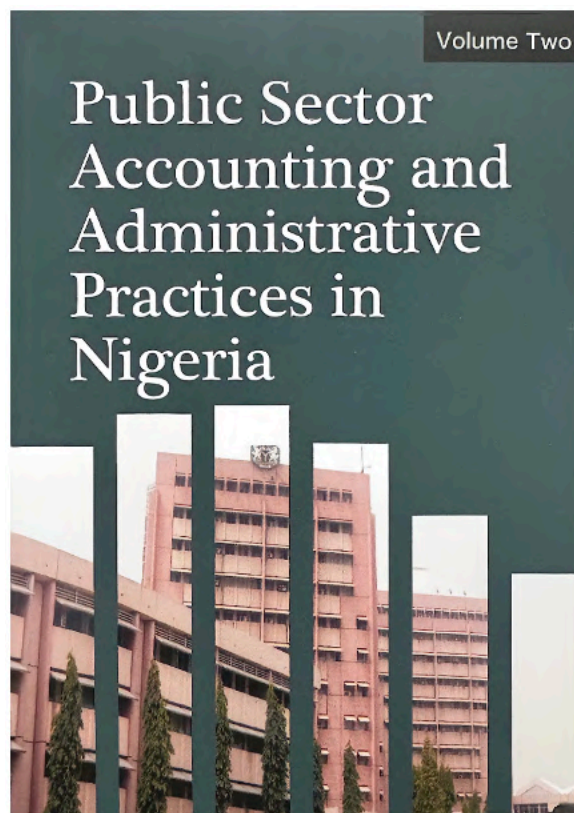
In addition to the general purpose financial statements a public sector entity may prepare financial statements for other parties (such as executive committees, the legislature and other parties with supervisory functions) that can request financial information tailored to their needs. Such financial statements are referred to as special purpose financial statements. The IPSASB recommends that IPSASs also be adopted for special purpose financial statements where appropriate.

2.5 Authority of the International Public Sector Accounting Standards

The IPSASB recognizes the right of governments and national standard setters to establish accounting standards and associated guidance within their jurisdictions. Its objectives are "to serve the public interest by developing high-quality public sector financial reporting standards and by facilitating the convergence of international and national standards, thereby enhancing the quality and uniformity of financial reporting throughout the world". Thus, the IPSASB sees itself in a supportive function. Jurisdictions which decide to adopt IPSASs may use IPSASs as international best practice and use them in their own standard-setting processes as guidance. The general purpose financial statements of public sector entities may be governed by rules or laws in a jurisdiction. These rules may take the form of statutory reporting rules, directives or statements on accounting and/or accounting standards issued by governments, regulatory authorities and/or professional associations in the jurisdiction.



# Extracts From G.I. Daniel's - Public Sector Accounting and Administrative Practices in Nigeria Volume One & Two



1161

Reforms of Public Financial Management in Nigeria

## 33.9.7 Observations on World Bank Public Financial Management (PFM) Activities in Nigeria

There has not been any detailed review or quality assurance to evaluate performances of state governments to determine their eligibility for loans or grants. It was observed that the yard sticks being used by the World Bank to assess most of the government agencies of states or federal government are inadequate. For instance, the Fiscal Sustainability Plan (FSP) and the twenty-two (22) action plans are effective to enhance fiscal prudence and public expenditure, transparency, but the means of evaluating the performance of the agencies or state government eligible for grants and loans are questionable.

Consider for instance, the World Bank multi-state performance-based operation to strengthen state fiscal performance consultation with state Commissioners of Finance.

### Under this programme

**Component 1:** Programme for Result (PforR) Performance/Results-based financing;

Total \$700 Million over 2019-2021 available

**Component 2:** Capacity building/Technical assistance funding;

Total \$50 Million over 2018-2020

P for R disbursements: start April 2019 (based on evaluation of state performance in 2018)

Eligible for PforR financing: States individually have to achieve the Global Disbursement Linked Indicator (DLI)—a minimum common performance standard each year.

Therefore, the Global DLI are:

- (i) Annual approved state budget published online; and
- (ii) Latest annual audited financial statement.

1165

Reforms of Public Financial Management in Nigeria

- viii. Back up devices and data restoration; and
- ix. Continues Management and political support.

## 33.9 Fiscal Sustainability Plan

World Bank State Fiscal Transparency, Accountability and Sustainability (SFTAS) Programme.

The main objective of this section is to evaluate the assistance of the World Bank in its efforts to support the country in strengthening the Public Financial Management. Fiscal sustainability or public finance sustainability is the ability of a government to sustain its current spending, tax and other policies in the long run without threatening government solvency or defaulting on some of its liabilities or promised expenditures.

The Fiscal Sustainability Plan, the framework for the sustenance of the state governments in Nigeria, is a product of an agreement between federal and state governments which has been hailed as a strategic game-changer for fiscal governance at the state level. The aim of Fiscal Sustainability Plan (FSP) is to address the issue of fiscal responsibility, or financial prudence, as part of the federal government's on-going fiscal responsibility reform.

In response to the fiscal challenges, the Federal Ministry of Finance requested the World Bank to prepare a programme to support states to strengthen fiscal performance and sustainability. The programme builds on and complements the states' commitment and reform efforts under the 22 action plans. The FSP has 5 key strategic objectives, followed by 22 recommended action points, with a view to achieving objectives around improved fiscal behaviour that will align both short-term and long-term sustainability objectives of the federal and state governments.

From 2016 onwards, all state governments were expected to abide by the Fiscal Sustainability Plan's strategic objectives around the five key elements of Accountability and Transparency, Increase in Public Revenue, Rationalisation of Public Expenditure, Public Financial Management Reforms, and Sustainable Debt Management.

1162

Public Sector Accounting and Administrative Practices in Nigeria

## Comment


These criteria are weak. The existence of an annual approved State Budget that is published online should not be the qualification for the loan or grant. Has the contents of the budget been reviewed to ensure that they meet the set standard? Has quality assurance been carried out? Again, the mere submission of the audited financial statement is not enough. Quality assurance needs to be carried out to ensure that the account is in line with the standard. These are critical issues that need to be taken into consideration before any loan is approved. Because of the approach adopted to evaluate the states, front page of the audited accounts can be published to meet World Bank guideline; whereas, the real account is breach of set standards. Auditor-General and Accountant-General at both the federal and state levels are adopting the same World Bank approach. Until the real evaluation are carried out where accounts are returned for failure to meet the laid down standard, all the World Bank's effort on loans and grants given for the enhancement of public financial management in Nigeria will not achieve the desired results. The question that needs to be answer is: What are the bases of the evaluation of the states for eligibility for the loan or grant?

## The way forward

- i. Effort should be made to ensure that experts on PFM are engaged, especially whatever that relates to Accountant-General and Auditor-General both at federal and state levels.
- ii. Mere presentation of document should not be accepted, it needs to be reviewed.
- iii. Quality assurance needs to be enforced to ensure that all financial statement presented meet the required standard.
- iv. The World Bank should assist the Financial Reporting Council of Nigeria to establish the Public Sector Directorate as entrenched in the Act. This will accelerate the development of expertise in PFM such that the resources committed by the World Bank to various public sector reform initiatives will yield the desired results.



# Sample Kaduna State Law To Provide for The Control and Management of The Public Finances of Kaduna State 2016.

|   |  |
|---|--|
| Kaduna State of Nigeria Gazette No. 11, Vol. 50 7th April, 2016 - Supplement Part A   |  |
| <div style="display: flex; justify-content: space-between;"> <span>Law No. 6</span> <span>2016</span> </div> <div style="text-align: center;">  <p>Kaduna State of Nigeria</p> </div> <p><b>A LAW TO PROVIDE FOR THE CONTROL AND MANAGEMENT OF THE PUBLIC FINANCES OF KADUNA STATE 2016</b></p> <p>[29th March, 2016] <span style="float: right;">Date of Commencement</span></p> <p><b>BE IT ENACTED</b> by the House of Assembly of Kaduna State as follows: <span style="float: right;">Enactment</span></p> <ol style="list-style-type: none"> <li>This Law may be cited as the Public Finances (Control and Management) Law, 2016. <span style="float: right;">Short Title</span></li> <li>This Law shall come into operation on the 29th day of March, 2016. <span style="float: right;">Commencement</span></li> <li>In this Law unless the context otherwise requires: <span style="float: right;">Interpretation</span> <p>“Consolidated Revenue Fund” means the revenue fund established for the State under Section 120 (1) of the Constitution into which all revenues and other monies raised or received by the State not being revenues or other monies under the Constitution or any Law of the State into any other Fund of the State established for a specific purpose shall be paid;</p> <p>“Commissioner” means the Commissioner of Finance of the State;</p> <p>“Governor” means the Governor of the State;</p> <p>“Legislature” means the House of Assembly of the State;</p> </li> </ol> |  |

|   |  |
|---|--|
| A 160 Law No. 6 of 2016 Public Finance Control and Management Law, 2016 |  |
| Appropriation Lapses at the End of Financial Year                       | 10. Monies appropriated by the Legislature for the service of any financial year and have not been committed shall lapse at the close of that year.  |
| Specification of Public Funds   | 11. The Public funds specified in the First Schedule to this Law shall be transferred and credited into the Treasury Single Account.   |
| Carrying Forward of Balance   | 13. It is otherwise provided in the Law establishing or regulating the fund, the balance remaining in any fund at the close of such financial year shall be carried forward to the credit of that fund at the beginning of the next financial year.  |
| The Operation of Funds  | 14. The Law appropriating monies from the Consolidated Revenue Fund into any other fund may provide that any interest earned to that fund shall accrue to the Consolidated Revenue Fund and not to that fund:  |
|   | <b>PROVIDED</b> that, if such a provision is made, the Law shall provide that:   |
|   | (a) depreciation in the value of the investments of the fund and any losses on the sales of any such investments shall be borne by the Consolidated Revenue Fund;  |
|   | (b) any depreciation in the value of the investments and any profits on the sale or redemption of any such investments shall accrue to the Consolidated Revenue Fund;  |
|   | (c) the application of the provisions of this section shall be without prejudice to the terms of any bequest providing monies contained in that fund and any Law establishing or regulating that fund.   |
| Bad Debt Management   | 15. In the event of any investment or disbursement of public funds it becomes irrecoverable owing to prolong lapse of time and is deemed to become moribund or bad debt; the Commissioner of Finance may recommend to the State Executive Council that such moribund investment or bad debt be written off from the Books of Account of the State. |

|   |  |
|---|--|
| A 158 Law No. 6 of 2016 Public Finance Control and Management Law, 2016 |  |
|   | “Public Monies” include:   |
|   | (a) the public revenues of the State; and  |
|   | (b) any trust or other monies held in his official capacity, including monies held in banks and other financial institutions, whether temporarily or otherwise, by any officer of the public service of the State as the agent of the Government of the State either alone or jointly with any other person;             |
|   | “State” means Kaduna State of Nigeria.   |
|   | “Statutory Expenditure” means:   |
|   | (a) the expenditure charged on the Consolidated Revenue Fund by any provision of the Constitution; and   |
|   | (b) such other expenditure as may be authorized by an Appropriation or Supplementary Law.  |
| Establishment of the Treasury Single Account                            | 4. There shall be for the State, a Treasury Single Account into which all revenues and monies accruing from the Consolidated Revenue Fund including funds from Excess Crude Account, grants or donations shall be paid, and out of which, all expenditure incurred or approved to be incurred shall be defrayed or paid. |
| Supervision of Expenditure and Accounts by Commissioner                 | 5. (1) The Commissioner shall supervise the expenditure of the State so as to ensure that proper arrangements for accounting to the Legislature are made and may also direct what accounts shall be kept.  |
|   | (2) All persons handling public monies, stamps, securities, stores or other property of the Government of the State shall comply with all Financial Regulations operating in the State regarding handling and accounting procedure.  |
| Authorized Expenditure from Consolidated Revenue Fund                   | 6. The Commissioner shall by warrant authorize the issue from the Consolidated Revenue Fund of all sums required to meet   |

|  |   |
|--|---|
| Public Finance Control and Management Law, 2016  |   |
| Law No. 6 of 2016  | A 161   |
| 16. (1) The Accountant-General shall sign and present to the Auditor-General accounts showing fully the financial position on the last day of each financial year of the Treasury Single Account and of the funds specified in the First Schedule to this Law. | Annual Accounts of all Funds                  |
| (2) All Public Expenditure as certified by the Auditor-General shall be published in the State Gazette.  |   |
| 17. The Governor shall have the power to make such regulations or issue such instructions for the purpose of giving effect to the provisions of this Law.  | Power to Make Regulations                     |
| 18. The Public Finances (Control and Management) Law Cap. 124 of the Laws of Kaduna State, 1991 is hereby repealed.  | Repeal of Cap. 124 Laws of Kaduna State, 1991 |

## FIRST SCHEDULE PUBLIC FUNDS OF KADUNA STATE

The Capital Development Fund

The Personal Advances Fund

The Treasury Clearance Fund

Other Governments Clearance Fund

The Staff Housing Loans Scheme Fund

The Local Governments Deposits and Short-term Loans Fund

The Voluntary Agencies Education Building Loans Fund

The Local Governments Motor Vehicles Insurance Fund

The Small Industries Credit Scheme Fund





## Kaduna State of Nigeria Gazette

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Kaduna Notice No. 5

### CONTENT

The following is published in the Supplement to this Gazette:-

K.D.S. Law No. 9 of 2021- The Kaduna State Audit Law, 2021

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(115)

A 120 Kaduna State Audit Law No. 9 of 2021

- (a) Statement No. 1 – Responsibility for Financial Statement;
- (b) Statement No. 2 – Cash Flow Statement;
- ✓(c) Statement No. 3 – Statement of Assets and Liabilities;
- ✓(d) Statement No. 4 – Statement of Consolidated Revenue Fund;
- ✓(e) Statement No. 5 – Statement of Capital Development Fund;
- ✓(f) Statement No. 6 – Statement of Recurrent Revenue and Expenditure;
- (g) Statement No. 7 – Statement of Donations and Grants;
- ✓(h) Statement No. 8 – Statement of Contractual Liabilities;
- (i) Statement No. 9 – Statement of Investments;
- (j) Statement No. 10 – Statement of External and Internal Loans
- ✓(k) Five year's Financial Summary
- (l) Notes to the Financial Statements; and
- (m) Other statements that may be required by Auditing Standards, Practices or Statutes which will also include:
  - (i) Statement of Financial Position;
  - (ii) Statement of Financial Performance;
  - (iii) Statement of Change in Net Assets/Equity; and
  - (iv) Accounting Policies.
- (3) The Notes to the financial statements shall:
  - (a) provide information about the basis of preparations of the financial statements, policies selected and applied for significant transactions and other events for the purpose of users' understanding and comparability.
  - (b) include the following:
    - (i) Statement of compliance with approved accounting standards;
    - (ii) Statement of accounting policies applied;
    - (iii) Supporting information for items presented on the face of the financial statements.

No. 9 of 2021 Kaduna State Audit Law A119

### PART IV AUDIT STANDARDS AND ANNUAL ACCOUNTS

14. (1) The Auditor-General shall, pursuant to the provision of this Law, determine which auditing standards should be applied and may establish audit programmes and code of ethics specific to the auditors performed by the Office of the Auditor-General. Audit Standards

- (2) The auditing standards shall include:
  - (a) Public Sector Auditing Standards issued by the Confederation of Federal and State Auditor-Generals;
  - (b) Accounting standards issued by the Financial Reporting Council of Nigeria (FRC);
  - (c) The Standards and Code of Ethics published or updated from time to time by the International Organisation of Supreme Audit Institutions (INTOSAI) and the International Auditing and Assurance and Standards Board (IAASB);
  - (d) The Accounting Standards and Code of Ethics published by the International Federation of Accountants (IFAC);
  - (e) International Public Sector Accounting Standards published and/or updated by the International Public Sector Accounting Standards Board; and
  - (f) Other relevant, recognised or required standards issued or accepted as current best practices by funding or donor organisations.

(3) The Office shall promote the values of integrity, independence, objectivity, confidentiality and transparency.

15. (1) Within a period of three (3) months after the end of each financial year, the Accountant-General shall present to the Auditor-General, accounts showing the financial position of the State as at the last day of the preceding year. Audit Accounts

(2) Such accounts shall include but not limited to:

No. 9 of 2021 Kaduna State Audit Law A121

(4) The Accountant-General shall give a one (1) month notice to the Auditor-General where he envisages a delay in meeting the deadline as provided in subsection (1) of this Section.

(5) Where the Accountant-General fails to present the accounts to the Auditor-General in line with subsection (1) of this Section, the Accountant-General shall appear before the House of Assembly to give reasons for such failure and make a report in writing to the Governor for such failure.

(6) Within fifteen (15) days after the end of each month, the Accounting Officer shall prepare and submit to the Accountant-General, with copy to the Auditor-General, returns of income and expenditure under the votes for which they are responsible, showing the:

- (a) services for which the monies were voted;
- (b) sums actually expended on each service during the period of the accounts;
- (c) state of each vote compared with appropriation;
- (d) any other information as may be reasonably required by the office.

**PROVIDED** that, each account shall contain such variation between the expenditure and the sums voted, such other required information and be in such form as the Auditor-General may direct; and the statement as well as the appropriated accounts shall be signed by the Accounting Officer.

(7) Without prejudice to any provision of this Law, the accounts shall be presented in line with globally accepted accounting format and standards from time to time, as may be prescribed by the Accountant-General.

16. (1) Without prejudice to any other provision of this Law, every person who fails or refuses to reply to an audit query or observation within the period specified in the audit query or after one month from the date the query was issued, whichever is earlier, shall be liable to disciplinary action under applicable Public Service Rules and Financial Regulations. Audit Query



# Sample Enugu State Fiscal Responsibility Law

| Enugu State Fiscal Responsibility      |  | E.S.N<br>Law No. 8 2018  | A 195 |
|--|--|--|-------|
| 49.                                    | The Provisions of section 46 of the Fiscal Responsibility Law applies also to Enugu State Government agencies and parastatals.   | Prohibition against CBN in its relation with Government agencies and parastatals |       |
| 50.(1)                                 | Subject to the provisions of this Part, the Commissioner may with the approval of the State Executive Council, grant guarantees on behalf of any Government in the State.  | Power of the Commissioner to grant guarantees                                    |       |
| (2)                                    | Any guarantee granted by the Commissioner shall be conditional upon the provision of a counter-guarantee in an amount equal to or higher than the guarantee obligation; provided that, there are no overdue obligations from the requesting Government in the State to the guarantor and its controlled corporations and such guarantee shall also be in compliance with the following - |  |       |
| (a)                                    | counter-guarantee shall only be accepted from Local Governments; and   |  |       |
| (b)                                    | the counter-guarantee required by the State Government from Local Government, may consist in the appropriation of tax revenue directly collected and resulting from statutory transfers and the guarantor shall be authorised to retain such revenue and use the respective amount to repay overdue debts.   |  |       |
| (3)                                    | In the case of foreign currency borrowing Federal Government guarantee shall be a requirement and no State, Local Government or any of its agencies shall, on its own borrow externally.   |  |       |
| (4)                                    | Any guarantee provided in excess of the debt limits set pursuant to section 45(1) of this Law shall be an offence.   |  |       |
| <b>PART XII</b>                        |  |  |       |
| <i>Transparency and Accountability</i> |  |  |       |
| 51.(1)                                 | The State Government shall ensure that its fiscal and financial affairs are conducted in a transparent manner and accordingly ensure full and timely disclosure and wide publication of all transactions and decisions involving public revenues and expenditures and their implications for its finances.   | Fiscal Transparency  |       |
| (2)                                    | The State House of Assembly shall ensure transparency during the preparation and discussion of the Medium-Term Expenditure Framework, Annual Budget and the Appropriation Bill.  |  |       |
| 52.(1)                                 | The State Government shall publish their audited accounts not later than six months following the end of the financial year.   | Publication of audited accounts  |       |
| (2)                                    | The State Government shall, not later than two years following the commencement of this Law and thereafter, not later than seven months following the end of each financial year, consolidate and publish in its website and the mass media, its audited accounts for the previous year.   |  |       |
| (3)                                    | The publication of general standards for the consolidation of public accounts shall be the responsibility of the office of the Accountant-General of the State.  |  |       |
| 53.                                    | The State Government through its budget office shall within thirty-days after the end of each quarter, publish a summarised report on budget execution in such form as maybe prescribed by   | Publication of a summarised report on budget execution                           |       |

| A 196   |        | E.S.N<br>Law No. 8 2018 | Enugu State Fiscal Responsibility  |
|---|--------|-------------------------|--|
|   |        |                         | the Fiscal Responsibility Commission and not later than six months after the end of the financial year, a consolidated budget execution report showing implementation against physical and financial performance targets shall be published by the Commissioner for submission to the State House of Assembly and dissemination to the public. |
| <b>PART XIII</b>  |        |                         |  |
| <i>Enforcement, Offences and Penalties</i>                            |        |                         |  |
| Enforcement   | 54.    |                         | A person shall have legal capacity to enforce the provisions of this Law by obtaining prerogative orders or other remedies at the State High Court, without having to show any special or particular interest.   |
| Offences and Penalties  | 55.(1) |                         | Any person who underdeclares revenues generated or collected by any of the establishments listed in the schedule shall be guilty of an offence and liable on conviction to imprisonment for a period not less than 5 years or a fine of 10 percent the total amount underdeclared.   |
|   | (2)    |                         | Any person who authorised the spending of any money collected or generated pursuant to section 25 of this Law without appropriation by the State House of Assembly shall be guilty of an offence and liable on conviction to imprisonment for a period not less than 5 years or a fine of 10 percent of the total amount expended.             |
|   | (3)    |                         | Subject to the provisions of this Law, any person contravening or failing to comply with the provisions of this Law shall be guilty of an offence and if no other punishment has been provided therefore in this Law, shall be liable on conviction to imprisonment for a period not less than 5 years or a fine of N500,000.00                |
| <b>PART XIV</b>   |        |                         |  |
| <i>Miscellaneous Provisions</i>                                       |        |                         |  |
| Government securities as collateral to guarantee loans                | 56.    |                         | Government securities, provided that, they are duly listed on the stock exchange, may be offered as collateral to guarantee loans or other financial transactions under the law for their economic value as defined by the Ministry of Finance.  |
| Restriction on utilization of proceeds of sales of public assets, etc | 57.    |                         | The proceeds derived from the sale or transfer of public properties and rights over public assets shall not be used to finance recurrent and debt expenditure; provided that such proceeds may be used to liquidate existing liabilities directly charged against such properties or assets.   |
| Technical and financial assistance to Local Government                | 58.    |                         | The State Government may provide technical and financial assistance to Local Governments in the enforcement of this legislation for the modernisation of their respective tax, financial and asset administration.   |
| Power of the Governor to make regulations                             | 59.    |                         | The Governor shall, in addition to any other power conferred on him under this Law, make regulations generally for the purpose   |

## Compliance Reports

**Table 13 - Comparison of 2024 Published Budget of The 36 States of The Federation With The Templates of IPSAS Compliance Budget of The FAAC Sub Committee**

| CONSOLIDATED BUDGET SUMMARY (MASTER BUDGET) |             |                  |                           |                  |                       |   |                           |
|---|-------------|------------------|---------------------------|------------------|-----------------------|---|---------------------------|
| SN  | STATE       | BASED-ON PROGRAM | BASED ON FUNCTION (COFOG) | BASED ON SECTORS | BASED ON GEO-LOCATION | COMPUTATION OF SUMMARY OF TRANSFERS FROM CRF TO CDF | TABLE OF CONTENT INCLUDED |
| 1   | Abia        | No               | No                        | No               | Yes                   | No  | No                        |
| 2   | Adamawa     | No               | No                        | No               | Yes                   | No  | Yes                       |
| 3   | Akwa Ibom   | No               | No                        | No               | Yes                   | No  | No                        |
| 4   | Anambra     | No               | No                        | No               | Yes                   | No  | No                        |
| 5   | Bauchi      | No               | No                        | No               | Yes                   | No  | No                        |
| 6   | Bayelsa     | No               | No                        | No               | Yes                   | No  | No                        |
| 7   | Benue       | No               | No                        | No               | Yes                   | No  | No                        |
| 8   | Borno       | No               | No                        | No               | Yes                   | No  | No                        |
| 9   | Cross river | No               | No                        | No               | Yes                   | No  | No                        |
| 10  | Delta       | No               | No                        | No               | Yes                   | No  | No                        |
| 11  | Ebonyi      | No               | No                        | No               | Yes                   | No  | Yes                       |
| 12  | Edo         | No               | No                        | No               | Yes                   | No  | Yes                       |
| 13  | Ekiti       | No               | No                        | No               | Yes                   | No  | No                        |
| 14  | Enugu       | No               | No                        | No               | Yes                   | No  | No                        |
| 15  | Gombe       | No               | No                        | No               | Yes                   | No  | No                        |
| 16  | Imo         | No               | No                        | No               | Yes                   | No  | Yes                       |
| 17  | Jigawa      | No               | No                        | No               | Yes                   | No  | Yes                       |
| 18  | Kaduna      | No               | No                        | No               | Yes                   | No  | No                        |
| 19  | Kano        | No               | No                        | No               | Yes                   | No  | Yes                       |
| 20  | Katsina     | No               | No                        | No               | Yes                   | No  | Yes                       |
| 21  | Kebbi       | No               | No                        | No               | Yes                   | No  | Yes                       |
| 22  | Kogi        | No               | No                        | No               | Yes                   | No  | Yes                       |
| 23  | Kwara       | No               | No                        | No               | Yes                   | No  | Yes                       |
| 24  | Lagos       | No               | No                        | Yes              | Yes                   | No  | No                        |
| 25  | Nasarawa    | No               | No                        | No               | Yes                   | No  | No                        |
| 26  | Niger       | No               | No                        | No               | Yes                   | No  | No                        |
| 27  | Ogun        | No               | No                        | No               | Yes                   | No  | No                        |
| 28  | Ondo        | No               | No                        | No               | Yes                   | No  | No                        |
| 29  | Osun        | No               | No                        | No               | Yes                   | No  | Yes                       |
| 30  | Oyo         | No               | No                        | No               | Yes                   | No  | No                        |
| 31  | Plateau     | No               | No                        | No               | Yes                   | No  | No                        |
| 32  | Rivers      | No               | No                        | No               | Yes                   | No  | No                        |
| 33  | Sokoto      | No               | No                        | No               | Yes                   | No  | No                        |
| 34  | Taraba      | No               | No                        | No               | Yes                   | No  | No                        |
| 35  | Yobe        | No               | No                        | No               | Yes                   | No  | No                        |
| 36  | Zamfara     | No               | No                        | No               | Yes                   | No  | Yes                       |

It is a requirement to provide summarized budget data for both revenue and expenditure items according to the six segments of the National Chart of Accounts for both the current and previous year. The absence of summarized budget data for both revenue and expenditure presents an ongoing challenge for public financial management. Analysis from Table 13 shows that 35 out of 36 states failed to present budget summaries by program, function and sector. Without these classification summaries, it becomes difficult to analyze budgets in terms of strategic intent or policy priorities, limiting their usefulness as tools for governance, planning, and accountability.

**Table 14 - Comparison of 2024 Published Budget of The 36 States of The Federation With The Templates of IPSAS Compliance Budget of The FAAC Sub Committee**

| PEFA PI-6 COMPREHENSIVENESS OF INFORMATION INCLUDED IN BUDGET DOCUMENTATION IN ORDER TO COMPLY WITH IPSAS |                            |                             |  |            |                  |                        |                          |                        |                                |
|---|----------------------------|-----------------------------|--|------------|------------------|------------------------|--------------------------|------------------------|--------------------------------|
| State   | Macro-Economic Assumptions | Fiscal Deficit - Definition | Anticipated Composition Of Deficit Financing | Debt Stock | Financial Assets | Prior Yr Budget Column | Current Yr Budget Column | Summarized Budget Data | Explanation Budget Implication |
| Abia  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Adamawa   | Yes                        | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | Yes                            |
| Akwa Ibom   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Anambra   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Bauchi  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Bayelsa   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Benue   | Yes                        | Yes                         | Yes  | No         | No               | Yes                    | Yes                      | No                     | Yes                            |
| Borno   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Cross River   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Delta   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Ebonyi  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Edo   | No                         | No                          | Yes  | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Ekiti   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Enugu   | Yes                        | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | Yes                            |
| Gombe   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Imo   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Jigawa  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | Yes                            |
| Kaduna  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Kano  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Katsina   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Kebbi   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | Yes                            |
| Kogi  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Kwara   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Lagos   | Yes                        | Yes                         | Yes  | No         | No               | Yes                    | Yes                      | Yes                    | No                             |
| Nasarawa  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Niger   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Ogun  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Ondo  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Osun  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Oyo   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Plateau   | Yes                        | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | Yes                            |
| Rivers  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Sokoto  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Taraba  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Yobe  | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | No                             |
| Zamfara   | No                         | No                          | No   | No         | No               | Yes                    | Yes                      | No                     | Yes                            |

Analysis of the 2024 state budgets highlights significant gaps in public accounting practices, largely linked to non-compliance with the PEFA PI-6 indicator on budget comprehensiveness. 31 out of 36 states did not disclose the macroeconomic assumptions made in their budgets, making revenue and expenditure projections difficult to verify. Similarly, 33 states omitted details on the expected composition of deficit financing, leaving budget shortfalls insufficiently explained. Most notably, none of the states reported their total debt stock, which is essential for assessing fiscal health and solvency. In addition, 29 states did not provide explanations of the broader implications of their budgets, reducing citizens' and oversight bodies' ability to fully understand fiscal policy choices and their potential impact. Collectively, these omissions constrain transparency and accountability, underscoring the need for greater adherence to established reporting standards.

**Table 15 - Comparison of 2024 Published Audited Accounts of the 36 States of the Federation with the Templates of IPSAS Cash and Accrual Basis of the FAAC Sub Committee**

| State       | Accrual Basis         |                    |                               | Cash Basis           |                |                | Accrual & Cash Basis |       |                              |                     |                     |                     |  |  |  |  |
|-------------|-----------------------|--------------------|-------------------------------|----------------------|----------------|----------------|----------------------|-------|------------------------------|---------------------|---------------------|---------------------|--|--|--|--|
|             | Financial Performance | Financial Position | Changes in Net Assets/ Equity | Assets & Liabilities | CRF            | CDF            | Cash Flow            | Notes | Annual Accounts of all Funds | Accounting Policies | Performance Reports | Statistical Reports | Responsibility Statement In Compliance with Public Finance Law | Compliance with 2024 Appropriation Law | Compliance with Financial Reporting Council Act Section 57, 59(1) & 77** |  |
| Abia        | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | Yes                 | Yes  | No                                     | No   |  |
| Adamawa     | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | Yes                 | No   | No                                     | No   |  |
| Akwa Ibom   | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | No                  | No                  | No   | No                                     | No   |  |
| Anambra     | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | Yes                 | Yes  | No                                     | No   |  |
| Bauchi      | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | No                  | No                  | No   | No                                     | No   |  |
| Bayelsa     | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | Yes                 | Yes  | No                                     | No   |  |
| Benue       | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | Yes                 | Yes  | No                                     | No   |  |
| Borno       | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | No                  | No                  | Yes  | No                                     | No   |  |
| Cross River | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | No                  | No                  | No                  | No   | No                                     | No   |  |
| Delta       | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | No                  | No                  | Yes  | No                                     | No   |  |
| Ebonyi      | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | No                  | No                  | No   | No                                     | No   |  |
| Edo         | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | No   | No                                     | No   |  |
| Ekiti       | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | No                  | No                  | Yes  | No                                     | No   |  |
| Enugu       | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | Yes                 | Yes  | No                                     | No   |  |
| Gombe       | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | Yes                 | Yes  | No                                     | No   |  |
| Imo         | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | Yes                 | Yes  | No                                     | No   |  |
| Jigawa      | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | No    | No                           | Yes                 | No                  | No                  | No   | No                                     | No   |  |
| Kaduna      | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | No    | No                           | No                  | No                  | No                  | No   | No                                     | No   |  |
| Kano        | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | No   | No                                     | No   |  |
| Katsina     | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Kebbi       | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Kogi        | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Kwara       | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Lagos       | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Nasarawa    | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Niger       | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Ogun        | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | No                  | No                  | No   | No                                     | No   |  |
| Ondo        | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Osun        | Yes                   | Yes                | Yes                           | Not Applicable       | Not Applicable | Not Applicable | Yes                  | Yes   | No                           | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Oyo         | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Plateau     | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Rivers      | -                     | -                  | -                             | -                    | -              | -              | -                    | -     | -                            | -                   | -                   | -                   | -  | -                                      | -  |  |
| Sokoto      | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Taraba      | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Yobe        | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |
| Zamfara     | Not Applicable        | Not Applicable     | Not Applicable                | Yes                  | Yes            | Yes            | Yes                  | Yes   | Yes                          | Yes                 | Yes                 | No                  | Yes  | No                                     | No   |  |

| Key            | Meaning   |
|----------------|---|
| Yellow         | 2024 Published Audited Financial Statement Not Available Online |
| Not Applicable | State Implemented Alternative Accounting Basis                  |

| STATISTICAL REPORTS |   |                  |
|---------------------|---|------------------|
| S/N                 | DESCRIPTION   | INCLUDED IN GPFS |
| 1                   | Statement of Total Government Expenditure by Main Function of the National Chart of Accounts (NCOA) | Yes/No           |
| 2                   | Statement of Capital Expenditure by 21 Programme of the National Chart of Accounts (NCOA)           | Yes/No           |
| 3                   | Statement of Capital Expenditure by Programme Objectives of the National Chart of Accounts (NCOA)   | NO*              |
| 4                   | Statement of Capital Expenditure Projects by Geo Location of the National Chart of Accounts (NCOA)  | Yes/No           |

**Note\* - Statement of Capital Expenditure by Programme Objectives of the National Chart of Accounts (NCOA):** Statement of Capital Expenditure by Programme Objectives of the National Chart of Accounts (NCOA): None of the States that scored 5 or lower in the Fiscal Transparency ranking disaggregated capital expenditure by Programme Objectives in their 2020 – 2024 Published Audited Accounts. Between 2020 and 2024, total revenue amounted to ₦37.1 trillion, while capital expenditure totaled ₦19.4 trillion, representing 52.3% of total revenue. Notably, ₦7.6 trillion of this was spent in 2024 alone. The failure to disclose capital expenditure by programme objectives for this entire period constitutes a material omission under IPSAS 3, a violation of the applicable provisions of the Fiscal Responsibility Act/Laws, Public Finance Act/Laws and the prescribed format for the publication of General-Purpose Financial Statements (GPFS) in Nigeria.

**Note\*\* - Compliance with Financial Reporting Council Act Section 57, 59(1) & 77:** The authority for Accountants-General to prepare and sign Annual Accounts and Financial Statements derived from the provisions of the Public Finance (Control and Management) Act/Laws, Fiscal Responsibility Act/Laws, Audit Act/Laws, Appropriation Act/Laws and Sections 85(5) and 125(5) of the 1999 Constitution as amended. This authority shall be referenced in the Responsibility Statement comprised in the Published Audited Accounts of all levels of Governments in Nigeria. This fact is recognized in Sections 57, 59(1) (h), (i), (j), 64(1), (2) and 77 of the Financial Reporting Council (FRCn) Amended Act 2023.



**Table 16 - 2024 Capital Expenditure By Programme, Geolocation And Function Segments of The National Chart of Accounts**

| SN | State   | CAPITAL EXPENDITURE                      |                 |                 |            |                       |                 |                 |  |                 |                 |
|----|---------|--|-----------------|-----------------|------------|-----------------------|-----------------|-----------------|--|-----------------|-----------------|
|    |         | Programme Segment                        |                 |                 |            | Geo Location Segment  |                 |                 | Function Segment                       |                 |                 |
|    |         | CAPEX By Programme                       | Actual          | Budget          | % Achieved | CAPEX By Geo Location | Actual          | Budget          | CAPEX By Function                      | Actual          | Budget          |
| 1  | Abia    | Economic Empowerment Through Agriculture | 2,008,101,043   | 7,033,175,700   | 28.6%      | Arochukwu             | 14,588,348,111  | 16,812,932,093  | 701 - General Public Services          | 36,221,430,455  | 61,319,549,785  |
| 1  | Abia    | Societal Re-Orientation                  | 278,725,815     | 1,212,497,840   | 23.0%      | Bende                 | 12,414,800,021  | 14,505,344,168  | 702 - Defense                          | -               | -               |
| 1  | Abia    | Poverty Alleviation                      | 1,620,596,094   | 2,915,447,400   | 55.6%      | Isiukwuato            | 2,435,209,299   | 67,822,664,834  | 703 - Public Order and Safety          | 4,431,586,160   | 5,691,484,098   |
| 1  | Abia    | Improvement to Human Health              | 10,413,197,906  | 47,531,710,145  | 21.9%      | Umunneochi            | 1,691,160,708   | 2,281,679,812   | 704 - Economic Affairs                 | 118,631,665,854 | 157,140,098,100 |
| 1  | Abia    | Enhancing Skills and Knowledge           | 9,453,318,545   | 99,716,792,718  | 9.5%       | Ohafia                | 4,955,780,000   | 5,464,938,503   | 705 - Environmental Protection         | 4,241,965,197   | 6,639,808,873   |
| 1  | Abia    | Housing and Urban Development            | 15,352,685,271  | 50,253,812,021  | 30.6%      | Ikwoano               | 624,922,932     | 1,549,200,400   | 706 - Housing and Community Amenities  | 22,339,199,473  | 63,594,420,594  |
| 1  | Abia    | Gender                                   | 5,069,967,173   | 5,792,359,000   | 87.5%      | Isiala Ngwa North     | 4,536,962,883   | 10,241,149,000  | 707 - Health                           | 14,152,750,413  | 51,562,678,039  |
| 1  | Abia    | Youth                                    | 931,802,034     | 12,456,745,600  | 7.5%       | Isiala Ngwa South     | 2,313,732,546   | 5,760,202,109   | 708 - Recreation, Culture and Religion | 5,724,219,623   | 9,925,569,583   |
| 1  | Abia    | Environmental Improvement                | 4,244,176,861   | 6,651,368,873   | 63.8%      | Osisioma              | 6,818,338,879   | 11,361,346,875  | 709 - Education                        | 9,422,812,209   | 100,180,864,307 |
| 1  | Abia    | Water Resources and Rural Development    | 1,036,408,331   | 1,886,600,747   | 54.9%      | Umuahia North         | 116,534,526,788 | 255,377,563,027 | 710 - Social Protection                | 289,878,584     | 8,593,141,000   |
| 1  | Abia    | Information Communication and Technology | 48,019,404      | 1,301,986,647   | 3.7%       | Umuahia South         | 1,080,532,600   | 5,829,553,400   |  |                 |                 |
| 1  | Abia    | Growing the Private Sector               | 47,776,175      | 4,514,442,900   | 1.1%       | Aba North             | 13,192,520,372  | 22,721,751,389  |  |                 |                 |
| 1  | Abia    | Reform of Government and Governance      | 49,375,684,321  | 78,111,150,009  | 63.2%      | Aba South             | 34,058,914,853  | 42,505,364,010  |  |                 |                 |
| 1  | Abia    | Power                                    | 4,481,230,776   | 5,147,381,610   | 87.1%      | Obingwa               | 129,763,383     | 1,120,375,006   |  |                 |                 |
| 1  | Abia    | Road                                     | 111,093,818,219 | 140,032,143,169 | 79.3%      | Ugwunagbo             | -               | 117,200,000     |  |                 |                 |
| 1  | Abia    | Airways                                  | -               | 90,000,000      | 0.0%       | Ukwa South            | 3,256,000       | 585,800,000     |  |                 |                 |
| 1  | Abia    | Sea Ports                                | -               | 70,000,000      | 0.0%       | Ukwa West             | 76,738,593      | 590,549,753     |  |                 |                 |
| 1  | Abia    | Oil and Gas Infrastructure               | -               | -               | -          |                       |                 |                 |  |                 |                 |
| 1  | Abia    | Total                                    | 215,455,507,968 | 464,717,614,379 |            | Total                 | 215,455,507,968 | 464,647,614,379 | Total                                  | 215,455,507,968 | 464,647,614,379 |
| 2  | Adamawa | Economic Empowerment Through Agriculture | 5,715,165,968   | 5,754,605,760   | 99.3%      | Madagali              | 5,356,304,499   | 5,396,354,000   | 701 - General Public Services          | 9,780,282,530   | 10,376,453,581  |
| 2  | Adamawa | Societal Re-Orientation                  | 477,000,000     | 643,125,850     | 74.2%      | Maiha                 | -               | -               | 702 - Defense                          | -               | -               |
| 2  | Adamawa | Poverty Alleviation                      | 5,737,441,101   | 5,844,138,850   | 98.2%      | Michika               | 2,323,012,783   | 2,883,682,700   | 703 - Public Order and Safety          | 1,720,160,176   | 1,809,260,880   |
| 2  | Adamawa | Improvement to Human Health              | 2,872,758,483   | 3,654,780,560   | 78.6%      | Mubi North            | 20,534,756      | 50,235,680      | 704 - Economic Affairs                 | 71,418,641,616  | 72,904,621,255  |
| 2  | Adamawa | Enhancing Skills and Knowledge           | 12,847,908,613  | 14,270,111,900  | 90.0%      | Mubi South            | 1,121,572,124   | 1,134,061,500   | 705 - Environmental Protection         | 1,315,615,495   | 1,331,888,500   |
| 2  | Adamawa | Housing and Urban Development            | 4,419,132,873   | 4,792,476,194   | 92.2%      | Demsa                 | 289,485,390     | 426,640,700     | 706 - Housing and Community Amenities  | 7,364,006,040   | 8,210,828,430   |
| 2  | Adamawa | Gender                                   | 15,950,500      | 21,176,700      | 75.3%      | Ganye                 | 405,128,032     | 459,179,400     | 707 - Health                           | 2,783,411,457   | 3,562,851,459   |
| 2  | Adamawa | Youth                                    | 4,192,553,484   | 4,194,479,100   | 100.0%     | Guyuk                 | 121,398,363     | 192,000,000     | 708 - Recreation, Culture and Religion | 6,070,074,252   | 6,468,068,975   |
| 2  | Adamawa | Environmental Improvement                | 220,825,282     | 236,888,500     | 93.2%      | Jada                  | 16,725,905      | 52,000,000      | 709 - Education                        | 12,847,908,613  | 14,174,761,900  |
| 2  | Adamawa | Water Resources and Rual Development     | 978,575,054     | 1,017,505,000   | 96.2%      | Lamurde               | 2,566,695       | 28,844,400      | 710 - Social Protection                | 6,302,162,301   | 6,580,775,400   |
| 2  | Adamawa | Information Communication and Technology | 3,631,131,776   | 3,864,332,900   | 94.0%      | Mayo-Belwa            | -               | -               |  |                 |                 |
| 2  | Adamawa | Growing the Private Sector               | -               | -               | -          | Numan                 | 83,178,490      | 99,814,500      |  |                 |                 |
| 2  | Adamawa | Reform of Government and Governance      | 20,467,953,436  | 21,634,297,666  | 94.6%      | Shelleng              | 137,903,519     | 207,000,000     |  |                 |                 |
| 2  | Adamawa | Power                                    | 1,466,883,421   | 2,012,202,360   | 72.9%      | Toungo                | 297,805,889     | 357,460,000     |  |                 |                 |
| 2  | Adamawa | Rail                                     | -               | -               | -          | Fufore                | 1,260,000       | 96,739,200      |  |                 |                 |
| 2  | Adamawa | Water Ways                               | -               | -               | -          | Girei                 | 10,992,228,923  | 11,001,695,700  |  |                 |                 |
| 2  | Adamawa | Road                                     | 56,551,198,787  | 57,471,595,230  | 98.4%      | Gombi                 | -               | 77,452,200      |  |                 |                 |
| 2  | Adamawa | Airways                                  | -               | -               | -          | Hong                  | 470818741.8     | 795262300       |  |                 |                 |
| 2  | Adamawa | Oil and Gas Infrastructure               | 7,793,700       | 7,793,810       | 100.0%     | Song                  | 67887514.96     | 225000000       |  |                 |                 |
| 2  | Adamawa |  |                 |                 |            | Yola North            | 42700746669     | 43631075619     |  |                 |                 |
| 2  | Adamawa |  |                 |                 |            | Yola South            | 7617713187      | 8232588635      |  |                 |                 |
| 2  | Adamawa |  |                 |                 |            | State Wide            | 47552901070     | 50072423846     |  |                 |                 |
| 2  | Adamawa | Total                                    | 119,602,272,480 | 125,419,510,380 |            | Total                 | 119,579,172,550 | 125,419,510,380 | Total                                  | 119,602,262,480 | 125,419,510,380 |
| 3  | Anambra | Economic Empowerment Through Agriculture | 1,357,364,660   | 2,725,050,000   | 49.8%      | Anambra East          | 60,225,000      | 996,000,000     | 701 - General Public Services          | 10,934,447,521  | 22,247,153,528  |
| 3  | Anambra | Societal Re-Orientation                  | -               | 193,000,000     | -          | Anambra West          | -               | -               | 702 - Defense                          | -               | -               |
| 3  | Anambra | Poverty Alleviation                      | -               | 100,000,000     | -          | Ayamelum              | -               | 1,515,000,000   | 703 - Public Order and Safety          | 2,801,081,329   | 7,636,484,000   |
| 3  | Anambra | Improvement to Human Health              | 10,649,114,830  | 17,178,573,554  | 62.0%      | Ogbaru                | -               | 400,956,515     | 704 - Economic Affairs                 | 179,665,789,142 | 227,826,736,805 |
| 3  | Anambra | Enhancing Skills and Knowledge           | 6,214,501,639   | 15,682,828,600  | 39.6%      | Onitsha North         | 40,580,778      | 160,000,000     | 705 - Environmental Protection         | 415,356,814     | 2,114,880,000   |
| 3  | Anambra | Housing and Urban Development            | 11,263,577,119  | 20,499,725,463  | 54.9%      | Onitsha South         | -               | -               | 706 - Housing and Community Amenities  | 10,984,221,977  | 18,977,771,463  |
| 3  | Anambra | Gender                                   | 70,415,100      | 2,262,000,000   | 3.1%       | Ovi                   | 22,194,000      | 140,000,000     | 707 - Health                           | 10,538,614,830  | 17,068,573,554  |
| 3  | Anambra | Youth                                    | 930,512,200     | 4,366,396,000   | 21.3%      | Anaocha               | -               | 24,000,000      | 708 - Recreation, Culture and Religion | 1,792,556,775   | 6,305,610,576   |
| 3  | Anambra | Environmental Improvement                | 8,679,972,113   | 11,683,712,352  | 74.3%      | Awka North            | 8,044,534,534   | 12,516,108,600  | 709 - Education                        | 950,381,194     | 8,592,578,600   |
| 3  | Anambra | Water Resources and Rual Development     | 7,424,399,024   | 9,110,000,000   | 81.5%      | Awka South            | 207,765,058,112 | 294,494,223,411 | 710 - Social Protection                | 172,947,612     | 3,160,500,000   |
| 3  | Anambra | Information Communication and Technology | 2,388,137,623   | 6,022,592,576   | 39.7%      | Idemili North         | 265,355,785     | 999,000,000     |  |                 |                 |
| 3  | Anambra | Growing the Private Sector               | 14,603,600      | 599,000,000     | 2.4%       | Idemili South         | -               | -               |  |                 |                 |
| 3  | Anambra | Reform of Government and Governance      | 25,854,096,614  | 70,981,980,591  | 36.4%      | Njikoka               | -               | 270,000,000     |  |                 |                 |
| 3  | Anambra | Power                                    | 875,175,862     | 1,258,482,875   | 69.5%      | Aguaata               | 2,057,448,986   | 2,285,000,000   |  |                 |                 |
| 3  | Anambra | Rail                                     | -               | 200,000,000     | -          | Ekwusigo              | -               | -               |  |                 |                 |
| 3  | Anambra | Water Ways                               | -               | 1,500,000,000   | -          | Ihiala                | -               | 130,000,000     |  |                 |                 |
| 3  | Anambra | Road                                     | 140,533,526,812 | 147,165,990,000 | 95.5%      | Nnewi North           | -               | -               |  |                 |                 |
| 3  | Anambra | Airways                                  | 2,000,000,000   | 2,000,000,000   | 100.0%     | Nnewi South           | -               | -               |  |                 |                 |
| 3  | Anambra | Oil and Gas Infrastructure               | -               | 400,956,515     | -          | Orumba North          | -               | -               |  |                 |                 |
| 3  | Anambra | Total                                    | 218,255,397,196 | 313,930,288,526 |            | Total                 | 218,255,397,195 | 313,930,288,526 | Total                                  | 218,255,397,194 | 313,930,288,526 |

Table 16 - 2024 Capital Expenditure By Programme, Geolocation And Function Segments of The National Chart of Accounts

| SN | State   | CAPITAL EXPENDITURE                      |                 |                 |            |                       |                 |                 |  |                 |                 |
|----|---------|--|-----------------|-----------------|------------|-----------------------|-----------------|-----------------|--|-----------------|-----------------|
|    |         | Programme Segment                        |                 |                 |            | Geo Location Segment  |                 |                 | Function Segment                       |                 |                 |
|    |         | CAPEX By Programme                       | Actual          | Budget          | % Achieved | CAPEX By Geo Location | Actual          | Budget          | CAPEX By Function                      | Actual          | Budget          |
| 4  | Bayelsa | Economic Empowerment Through Agriculture | 13,127,225,765  | 16,969,528,770  | 77.4%      |                       |                 |                 | 701 - General Public Services          | 224,362,234     | 424,362,234     |
| 4  | Bayelsa | Societal Re-Orientation                  | 11,484,996,651  | 14,846,623,696  | 77.4%      |                       |                 |                 | 702 - Defense                          | -               | -               |
| 4  | Bayelsa | Poverty Alleviation                      | 6,562,219,009   | 8,482,962,529   | 77.4%      |                       |                 |                 | 703 - Public Order and Safety          | 149,574,823     | 534,000,000     |
| 4  | Bayelsa | Improvement to Human Health              | 39,874,275,842  | 67,860,072,981  | 58.8%      |                       |                 |                 | 704 - Economic Affairs                 | 32,350,247,700  | 138,270,215,614 |
| 4  | Bayelsa | Enhancing Skills and Knowledge           | 59,801,159,054  | 63,452,599,737  | 94.2%      |                       |                 |                 | 705 - Environmental Protection         | 67,240,451      | 59,189,589      |
| 4  | Bayelsa | Housing and Urban Development            | 32,723,619,432  | 42,301,733,158  | 77.4%      |                       |                 |                 | 706 - Housing and Community Amenities  | 2,925,476,672   | 3,959,476,677   |
| 4  | Bayelsa | Gender                                   | 3,272,361,943   | 4,230,173,316   | 77.4%      |                       |                 |                 | 707 - Health                           | 1,831,644,156   | 2,931,644,156   |
| 4  | Bayelsa | Youth                                    | 13,089,447,773  | 16,920,693,263  | 77.4%      |                       |                 |                 | 708 - Recreation, Culture and Religion | 2,508,767,720   | 3,500,767,720   |
| 4  | Bayelsa | Environmental Improvement                | 11,453,266,801  | 14,805,606,605  | 77.4%      |                       |                 |                 | 709 - Education                        | 9,812,379,407   | 10,734,379,407  |
| 4  | Bayelsa | Water Resources and Rual Development     | 9,817,085,830   | 12,690,519,947  | 77.4%      |                       |                 |                 | 710 - Social Protection                | 55,821,536      | 70,000,000      |
| 4  | Bayelsa | Information Communication and Technology | 3,272,361,943   | 4,230,173,316   | 77.4%      |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Growing the Private Sector               | 3,272,361,943   | 4,230,173,316   | 77.4%      |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Reform of Government and Governance      | 13,089,447,773  | 16,920,693,263  | 77.4%      |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Power                                    | 42,540,705,261  | 54,992,253,105  | 77.4%      |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Rail                                     | 35,995,981,375  | 46,531,906,473  | 77.4%      |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Water Ways                               | -               | -               | -          |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Road                                     | 94,920,542,154  | 33,841,386,526  | 280.5%     |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Airways                                  | -               | -               | -          |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Oil and Gas Infrastructure               | -               | -               | -          |                       |                 |                 |  |                 |                 |
| 4  | Bayelsa | Total                                    | 394,297,058,548 | 423,307,100,000 |            | Total                 |                 |                 | Total                                  | 49,925,514,699  | 160,484,035,397 |
|    |         |  |                 |                 |            |                       |                 |                 |  |                 |                 |
| 5  | Benue   | Economic Empowerment Through Agriculture | 6,150,662,300   | 16,383,949,656  | 37.5%      | Katsina - Ala         | 66,561,718      | 581,092,000     | 701 - General Public Services          | 15,005,292,108  |                 |
| 5  | Benue   | Societal Re-Orientation                  |                 |                 |            | Konshasha             | 26,400,000      | 31,400,000      | 702 - Defense                          |                 |                 |
| 5  | Benue   | Poverty Alleviation                      | 995,000,000     | 1,802,302,203   | 55.2%      | Kwande                | 448,383,231     | 1,477,220,000   | 703 - Public Order and Safety          | 5,336,917,960   |                 |
| 5  | Benue   | Improvement to Human Health              | 11,307,937,719  | 15,650,158,070  | 72.3%      | Logo                  | 29,960,000      | 44,800,000      | 704 - Economic Affairs                 | 98,722,727,833  |                 |
| 5  | Benue   | Enhancing Skills and Knowledge           | 545,948,614     | 5,670,428,001   | 9.6%       | Ukum                  | 18,680,000      | 310,880,000     | 705 - Environmental Protection         | 1,779,191,268   |                 |
| 5  | Benue   | Housing and Urban Development            | 4,261,844,881   | 10,034,572,575  | 42.5%      | Ushongo               | 18,680,000      | 21,680,000      | 706 - Housing and Community Amenities  | 4,261,844,881   |                 |
| 5  | Benue   | Gender                                   |                 |                 |            | Vandeikya             | 9,737,492,353   | 12,078,272,000  | 707 - Health                           | 11,857,937,720  |                 |
| 5  | Benue   | Youth                                    | 80,000,000      | 139,394,600     | 57.4%      | Buruku                | 845,466,174     | 1,038,964,000   | 708 - Recreation, Culture and Religion | 3,370,786,685   |                 |
| 5  | Benue   | Environmental Improvement                | 270,365,068     | 1,196,121,930   | 22.6%      | Gboko                 | 74,551,000      | 2,677,242,445   | 709 - Education                        | 1,245,948,614   |                 |
| 5  | Benue   | Water Resources and Rual Development     | 8,826,200       | 359,634,000     | 2.5%       | Guma                  | 29,671,620      | 48,688,000      | 710 - Social Protection                | 675,000,000     |                 |
| 5  | Benue   | Information Communication and Technology | 10,991,368,895  | 12,738,145,039  | 86.3%      | Gwer East             | 174,992,659     | 244,727,200     |  |                 |                 |
| 5  | Benue   | Growing the Private Sector               |                 |                 |            | Gwer West             | 45,706,355      | 70,800,000      |  |                 |                 |
| 5  | Benue   | Reform of Government and Governance      | 24,057,704,645  | 49,865,434,064  | 48.2%      | Makurdi               | 128,651,597,125 | 195,022,198,653 |  |                 |                 |
| 5  | Benue   | Power                                    | 154,629,808     | 1,886,199,255   | 8.2%       | Tarka                 | 76,400,000      | 426,400,000     |  |                 |                 |
| 5  | Benue   | Rail                                     |                 |                 |            | Ado                   | 29,088,000      | 29,088,000      |  |                 |                 |
| 5  | Benue   | Water Ways                               |                 |                 |            | Agatu                 | 40,982,031      | 124,800,000     |  |                 |                 |
| 5  | Benue   | Road                                     | 83,731,358,938  | 102,809,432,455 | 81.4%      | Apa                   | 27,744,000      | 27,744,000      |  |                 |                 |
| 5  | Benue   | Airways                                  |                 |                 |            | Obi                   | 26,400,000      | 26,400,000      |  |                 |                 |
| 5  | Benue   | Oil and Gas Infrastructure               |                 |                 |            | Ogbadibo              | 328,075,476     | 677,061,870     |  |                 |                 |
| 5  | Benue   |  |                 |                 |            | Oju                   | 50,702,000      | 363,743,680     |  |                 |                 |
| 5  | Benue   |  |                 |                 |            | Ohm                   | 26,400,000      | 26,400,000      |  |                 |                 |
| 5  | Benue   |  |                 |                 |            | Okpokwu               | 470,172,022     | 1,115,591,000   |  |                 |                 |
| 5  | Benue   |  |                 |                 |            | Otuipo                | 1,311,541,304   | 2,070,576,000   |  |                 |                 |
| 5  | Benue   | Total                                    | 142,555,647,068 | 218,535,771,848 |            | Total                 | 142,555,647,068 | 218,535,768,848 | Total                                  | 142,255,647,068 | -               |
|    |         |  |                 |                 |            |                       |                 |                 |  |                 |                 |
| 6  | Delta   | Economic Empowerment Through Agriculture | 802,445,583     | 805,000,000     | 99.7%      | Ethiopia East         | 3,338,147,362   | 3,338,200,000   | 701 - General Public Services          | 42,708,249,463  | 42,790,492,000  |
| 6  | Delta   | Societal Re-Orientation                  | 718,369,598     | 718,400,000     | 100.0%     | Ethiopia West         | 2,726,065,324   | 2,726,070,000   | 702 - Defense                          | 154,766,088,503 |                 |
| 6  | Delta   | Poverty Alleviation                      | 2,808,589,984   | 2,808,600,000   | 100.0%     | Okpe                  | 41,074,220,863  | 41,074,300,000  | 703 - Public Order and Safety          |                 | 1,452,530,000   |
| 6  | Delta   | Improvement to Human Health              | 7,743,370,254   | 7,743,400,000   | 100.0%     | Sapele                | 7,550,421,176   | 7,550,500,000   | 704 - Economic Affairs                 |                 | 169,266,321,271 |
| 6  | Delta   | Enhancing Skills and Knowledge           | 28,438,534,214  | 28,439,000,000  | 100.0%     | Udu                   | 1,223,020,855   | 1,223,100,000   | 705 - Environmental Protection         | 261,731,098     | 262,032,000     |
| 6  | Delta   | Housing and Urban Development            | 12,264,257,350  | 12,265,000,000  | 100.0%     | Ughelli North         | 6,463,680,124   | 6,463,700,000   | 706 - Housing and Community Amenities  | 78,058,080,226  | 78,067,926,000  |
| 6  | Delta   | Gender                                   | -               | -               | -          | Ughelli South         | 6,947,788,499   | 6,947,800,000   | 707 - Health                           | 8,920,960,379   | 8,921,862,000   |
| 6  | Delta   | Youth                                    | 2,371,946,319   | 2,371,950,000   | 100.0%     | UVWIE                 | 6,601,197,258   | 6,601,200,000   | 708 - Recreation, Culture and Religion | 3,450,568,914   | 3,451,520,000   |
| 6  | Delta   | Environmental Improvement                | 399,067,430     | 400,000,000     | 99.8%      | Aniocha North         | 2,214,155,409   | 2,214,200,000   | 709 - Education                        | 40,482,578,972  | 40,520,020,000  |
| 6  | Delta   | Water Resources and Rual Development     | 3,780,800,199   | 3,780,900,000   | 100.0%     | Aniocha South         | 2,865,999,395   | 2,866,000,000   | 710 - Social Protection                | 871,205,186     | 871,256,000     |
| 6  | Delta   | Information Communication and Technology | 9,716,725,401   | 9,716,730,000   | 100.0%     | Ika North East        | 15,497,748,823  | 15,499,000,000  |  |                 |                 |
| 6  | Delta   | Growing the Private Sector               | -               | -               | -          | Ika South             | 12,091,956,806  | 12,092,000,000  |  |                 |                 |
| 6  | Delta   | Reform of Government and Governance      | -               | -               | -          | Ndokwa East           | 1,227,284,924   | 1,227,300,000   |  |                 |                 |
| 6  | Delta   | Power                                    | 6,848,920,293   | 6,849,000,000   | 100.0%     | Ndokwa West           | 4,509,483,292   | 4,510,000,000   |  |                 |                 |
| 6  | Delta   | Rail                                     | 821,462,288     | 206,347,569,271 | 0.4%       | Oshimilli North       | 6,802,126,601   | 6,802,200,000   |  |                 |                 |
| 6  | Delta   | Water Ways                               | 1,467,570,837   | 821,500,000     | 178.6%     | Oshimilli South       | 15,538,573,371  | 15,538,600,000  |  |                 |                 |
| 6  | Delta   | Road                                     | 191,719,851,361 | 1,467,590,000   | 13063.6%   | Ukwuani               | 2,033,047,567   | 2,033,100,000   |  |                 |                 |
| 6  | Delta   | Airways                                  | 5,000,000       | 5,000,000       | 100.0%     | Bomadi                | 5,156,177,829   | 5,156,200,000   |  |                 |                 |
| 6  | Delta   | Shipping                                 | 46,627,714      | 46,630,000      | 100.0%     | Burutu                | 8,364,887,903   | 8,364,900,000   |  |                 |                 |

Table 16 - 2024 Capital Expenditure By Programme, Geolocation And Function Segments of The National Chart of Accounts

| SN | State | CAPITAL EXPENDITURE                      |                        |                        |            |                       |                        |                        |  |                        |                        |
|----|-------|--|------------------------|------------------------|------------|-----------------------|------------------------|------------------------|--|------------------------|------------------------|
|    |       | Programme Segment                        |                        |                        |            | Geo Location Segment  |                        |                        | Function Segment                       |                        |                        |
|    |       | CAPEX By Programme                       | Actual                 | Budget                 | % Achieved | CAPEX By Geo Location | Actual                 | Budget                 | CAPEX By Function                      | Actual                 | Budget                 |
| 6  | Delta | Oil and Gas Infrastructure               | 32,142,681,407         | 32,142,690,000         | 100.0%     | Isoko North           | 11,132,347,956         | 11,132,400,000         |  |                        |                        |
| 6  | Delta | General Administration                   | 28,874,169,037         | 28,875,000,000         | 100.0%     | Isoko South           | 6,300,652,959          | 6,300,700,000          |  |                        |                        |
| 6  | Delta |  |                        |                        |            | Patani                | 1,210,644,141          | 1,210,700,000          |  |                        |                        |
| 6  | Delta |  |                        |                        |            | Warri South West      | 4,282,218,546          | 4,282,300,000          |  |                        |                        |
| 6  | Delta |  |                        |                        |            | Warri North           | 9,344,816,708          | 9,344,900,000          |  |                        |                        |
| 6  | Delta |  |                        |                        |            | Warri South           | 11,025,380,405         | 11,025,400,000         |  |                        |                        |
| 6  | Delta |  |                        |                        |            | State Wide            | 135,031,462,828        | 149,662,289,271        |  |                        |                        |
| 6  | Delta |  |                        |                        |            | Abuja Division        | 416,882,343            | 416,900,000            |  |                        |                        |
| 6  | Delta | <b>Total</b>                             | <b>330,970,389,268</b> | <b>345,603,959,271</b> |            | <b>Total</b>          | <b>330,970,389,268</b> | <b>345,603,959,271</b> | <b>Total</b>                           | <b>329,519,462,740</b> | <b>345,603,959,271</b> |
| 7  | Enugu | Economic Empowerment Through Agriculture | 327,149,171            | 2,411,917,672          | 13.6%      | Enugu East            | 46,458,875,062         | 50,063,181,129         | 701 - General Public Services          | 50,948,436,169         | 58,350,626,634         |
| 7  | Enugu | Societal Re-Orientations                 | 194,293,742            | 1,534,963,800          | 12.7%      | Enugu North           | 251,132,226,428        | 278,284,309,527        | 702 - Defense                          | -                      | -                      |
| 7  | Enugu | Poverty Alleviation                      | -                      | 171,000,000            |            | Enugu South           | 1,485,006,725          | 3,062,154,250          | 703 - Public Order and Safety          | 14,076,000             | 407,889,200            |
| 7  | Enugu | Improvement to Human Health              | 1,815,942,433          | 3,425,074,356          | 53.0%      | Isi Uzo               | 15,991,617,462         | 16,045,346,575         | 704 - Economic Affairs                 | 133,147,775,151        | 155,176,378,786        |
| 7  | Enugu | Enhancing Skills and Knowledge           | 5,544,872,662          | 8,131,077,311          | 68.2%      | Nkanu East            | 4,256,891,841          | 5,443,926,080          | 705 - Environmental Protection         | 178,902,744            | 1,843,679,200          |
| 7  | Enugu | Housing and Urban Development            | 104,158,961,322        | 105,890,090,093        | 98.4%      | Nkanu West            | 3,493,884,530          | 4,295,417,000          | 706 - Housing and Community Amenities  | 97,385,855,160         | 99,732,968,043         |
| 7  | Enugu | Gender                                   | 400,000,000            | 567,000,100            | 70.5%      | Igbo Etiti            | -                      | 400,200,000            | 707 - Health                           | 3,986,382,796          | 5,929,992,969          |
| 7  | Enugu | Youth                                    | 23,719,930             | 760,707,000            | 3.1%       | Igbo Eze North        | -                      | 119,000,000            | 708 - Recreation, Culture and Religion | 33,719,930             | 1,722,807,000          |
| 7  | Enugu | Environmental Improvement                | 178,902,744            | 2,769,480,200          | 6.5%       | Igbo Eze South        | -                      | 438,762,519            | 709 - Education                        | 45,410,198,555         | 48,855,655,868         |
| 7  | Enugu | Water Resources and Rual Development     | 3,917,754,329          | 5,862,471,000          | 66.8%      | Nsukka                | 384,483,597            | 1,665,485,596          | 710 - Social Protection                | 400,000,000            | 480,000,100            |
| 7  | Enugu | Information Communication and Technology | 3,753,322,873          | 6,447,032,032          | 58.2%      | Udenu                 | 2,611,667,707          | 3,620,016,962          |  |                        |                        |
| 7  | Enugu | Growing the Private Sector               | 818,537,859            | 1,539,103,416          | 53.2%      | Uzo Uwani             | 58,577,762             | 761,283,762            |  |                        |                        |
| 7  | Enugu | Reform of Government and Governance      | 132,817,149,419        | 142,488,058,030        | 93.2%      | Awgu                  | 19,448,400             | 505,546,400            |  |                        |                        |
| 7  | Enugu | Power                                    | 2,792,476,351          | 3,566,649,271          | 78.3%      | Aninri                | 500,000                | 39,688,600             |  |                        |                        |
| 7  | Enugu | Water Ways                               | -                      | 23,000,000             |            | Ezeagu                | 12,159,500             | 1,125,664,500          |  |                        |                        |
| 7  | Enugu | Road                                     | 73,787,613,670         | 85,823,983,986         | 86.0%      | Oji River             | -                      | 283,900,000            |  |                        |                        |
| 7  | Enugu | Airways                                  | 974,650,000            | 1,088,389,533          | 89.5%      | Udi                   | 5,600,007,490          | 6,346,114,900          |  |                        |                        |
| 7  | Enugu | <b>Total</b>                             | <b>331,505,346,505</b> | <b>372,499,997,800</b> |            | <b>Total</b>          | <b>331,505,346,504</b> | <b>372,499,997,800</b> | <b>Total</b>                           | <b>331,505,346,504</b> | <b>372,499,997,800</b> |
| 8  | Gombe | Economic Empowerment Through Agriculture | 2,880,983,700          | 3,545,500,000          | 81.3%      | Dukku                 | 2,910,394,962          | 3,119,300,000          | 701 - General Public Services          | 12,362,460,993         | 14,656,731,000         |
| 8  | Gombe | Societal Re-Orientations                 | 18,955,800             | 124,000,000            | 15.3%      | Funakaye              | -                      | 449,100,000            | 702 - Defense                          | -                      | -                      |
| 8  | Gombe | Poverty Alleviation                      | 1,241,657,985          | 1,451,730,000          | 85.5%      | Gombe                 | 186,796,254,101        | 238,678,796,855        | 703 - Public Order and Safety          | 87,819,333             | 2,223,000,000          |
| 8  | Gombe | Improvement to Human Health              | 2,551,443,356          | 4,308,300,000          | 59.2%      | Kwami                 | 127,084,261            | 747,500,000            | 704 - Economic Affairs                 | 79,664,187,717         | 85,061,810,000         |
| 8  | Gombe | Enhancing Skills and Knowledge           | 5,885,166,058          | 10,006,500,000         | 58.8%      | Nafada                | 1,143,017,574          | 1,376,900,000          | 705 - Environmental Protection         | 18,447,833,299         | 21,878,400,000         |
| 8  | Gombe | Housing and Urban Development            | 6,438,951,239          | 12,025,297,852         | 53.5%      | Akko                  | 4,078,838,724          | 5,787,500,000          | 706 - Housing and Community Amenities  | 80,390,295,696         | 116,049,955,855        |
| 8  | Gombe | Gender                                   | -                      | 189,500,000            |            | Yamaltu Deba          | 7,882,574,803          | 9,974,600,000          | 707 - Health                           | 4,820,602,477          | 8,413,600,000          |
| 8  | Gombe | Youth                                    | 192,825,000            | 453,500,000            | 42.5%      | Balanga               | -                      | 279,700,000            | 708 - Recreation, Culture and Religion | -                      | 141,500,000            |
| 8  | Gombe | Environmental Improvement                | 17,484,431,923         | 20,882,900,000         | 83.7%      | Billiri               | 1,182,517,196          | 1,613,200,000          | 709 - Education                        | 6,525,609,240          | 11,825,500,000         |
| 8  | Gombe | Water Resources and Rual Development     | 4,872,834,269          | 5,728,100,000          | 85.1%      | Kaltungo              | 2,241,749,246          | 2,659,900,000          | 710 - Social Protection                | 4,078,671,012          | 4,620,000,000          |
| 8  | Gombe | Information Communication and Technology | 192,721,931            | 451,200,000            | 42.7%      | Shongom               | 15,048,900             | 184,000,000            |  |                        |                        |
| 8  | Gombe | Growing the Private Sector               | 4,730,494,081          | 5,055,500,000          | 93.6%      |                       |                        |                        |  |                        |                        |
| 8  | Gombe | Reform of Government and Governance      | 113,370,763,590        | 129,092,600,000        | 87.8%      |                       |                        |                        |  |                        |                        |
| 8  | Gombe | Power                                    | 837,229,853            | 1,423,700,000          | 58.8%      |                       |                        |                        |  |                        |                        |
| 8  | Gombe | Road                                     | 45,566,093,781         | 69,988,169,003         | 65.1%      |                       |                        |                        |  |                        |                        |
| 8  | Gombe | Airways                                  | 112,927,201            | 114,000,000            | 99.1%      |                       |                        |                        |  |                        |                        |
| 8  | Gombe | Shipping                                 | -                      | 30,000,000             |            |                       |                        |                        |  |                        |                        |
| 8  | Gombe | <b>Total</b>                             | <b>206,377,479,767</b> | <b>264,870,496,855</b> |            | <b>Total</b>          | <b>206,377,479,767</b> | <b>264,870,496,855</b> | <b>Total</b>                           | <b>206,377,479,767</b> | <b>264,870,496,855</b> |
| 9  | Imo   | Economic Empowerment Through Agriculture | 350,000,000            | 10,141,732,612         | 3.5%       | Imo East Zone         | 127,371,365,106        | 210,675,302,632        | 701 - General Public Services          | 10,283,012,591         | 60,300,526,824         |
| 9  | Imo   | Societal Re-Orientations                 | -                      | 158,903,926,824        | 0.0%       | Imo North Zone        | 988,979,156            | 18,436,000,000         | 702 - Defense                          | -                      | -                      |
| 9  | Imo   | Poverty Alleviation                      | 280,978,746            | 10,656,338,498         | 2.6%       | Imo West Zone         | 81,297,592,353         | 158,704,319,681        | 703 - Public Order and Safety          | -                      | 4,259,600,000          |
| 9  | Imo   | Improvement to Human Health              | 2,010,935,850          | 11,215,076,900         | 17.9%      | Others (State)        | 30,716,991,793         | 86,746,249,408         | 704 - Economic Affairs                 | 201,705,109,901        | 338,226,434,601        |
| 9  | Imo   | Enhancing Skills and Knowledge           | 10,549,583,977         | 23,208,000,000         | 45.5%      |                       |                        |                        | 705 - Environmental Protection         | 350,000,000            | 8,738,900,000          |
| 9  | Imo   | Housing and Urban Development            | 21,968,997,342         | 7,669,000,000          | 286.5%     |                       |                        |                        | 706 - Housing and Community Amenities  | 21,968,997,342         | 16,580,539,500         |
| 9  | Imo   | Gender                                   | -                      | 2,458,583,896          | 0.0%       |                       |                        |                        | 707 - Health                           | 2,010,935,850          | 11,039,076,900         |
| 9  | Imo   | Youth                                    | -                      | 22,213,010,000         | 0.0%       |                       |                        |                        | 708 - Recreation, Culture and Religion | -                      | 1,558,000,000          |
| 9  | Imo   | Environmental Improvement                | 350,000,000            | 8,948,900,000          | 3.9%       |                       |                        |                        | 709 - Education                        | 3,775,883,977          | 23,998,000,000         |
| 9  | Imo   | Water Resources and Rual Development     | 301,528,500            | 1,380,000,000          | 21.8%      |                       |                        |                        | 710 - Social Protection                | 280,978,746            | 9,860,793,896          |
| 9  | Imo   | Information Communication and Technology | -                      | 2,553,000,000          | 0.0%       |                       |                        |                        |  |                        |                        |
| 9  | Imo   | Growing the Private Sector               | 905,795,580            | 6,731,900,000          | 13.5%      |                       |                        |                        |  |                        |                        |
| 9  | Imo   | Reform of Government and Governance      | 10,563,991,337         | 4,840,400,000          | 218.2%     |                       |                        |                        |  |                        |                        |
| 9  | Imo   | Power                                    | 5,430,407,525          | 10,749,644,500         | 50.5%      |                       |                        |                        |  |                        |                        |
| 9  | Imo   | Road                                     | 187,662,699,550        | 189,452,358,491        | 99.1%      |                       |                        |                        |  |                        |                        |
| 9  | Imo   | Airways                                  | -                      | -                      |            |                       |                        |                        |  |                        |                        |
| 9  | Imo   | Shipping                                 | -                      | -                      |            |                       |                        |                        |  |                        |                        |
| 9  | Imo   | Oil and Gas Infrastructure               | -                      | 3,440,000,000          | 0.0%       |                       |                        |                        |  |                        |                        |
| 9  | Imo   | <b>Total</b>                             | <b>240,374,918,407</b> | <b>474,561,871,721</b> |            | <b>Total</b>          | <b>240,374,928,407</b> | <b>474,561,871,721</b> | <b>Total</b>                           | <b>240,374,918,407</b> | <b>474,561,871,721</b> |

**Table 16 - 2024 Capital Expenditure By Programme, Geolocation And Function Segments of The National Chart of Accounts**

| SN  | State | CAPITAL EXPENDITURE                      |        |        |            |                       |        |        |  |                 |                 |
|-----|-------|--|--------|--------|------------|-----------------------|--------|--------|--|-----------------|-----------------|
|     |       | Programme Segment                        |        |        |            | Geo Location Segment  |        |        | Function Segment                       |                 |                 |
|     |       | CAPEX By Programme                       | Actual | Budget | % Achieved | CAPEX By Geo Location | Actual | Budget | CAPEX By Function                      | Actual          | Budget          |
| 10  | Kwara | Economic Empowerment Through Agriculture |        |        |            |                       |        |        | 701 - General Public Services          | 31,439,666,979  | 59,274,178,943  |
| 10  | Kwara | Societal Re-Orientation                  |        |        |            |                       |        |        | 702 - Defense                          |                 |                 |
| 10  | Kwara | Poverty Alleviation                      |        |        |            |                       |        |        | 703 - Public Order and Safety          | 888,109,000     | 1,224,250,888   |
| 10  | Kwara | Improvement to Human Health              |        |        |            |                       |        |        | 704 - Economic Affairs                 | 117,866,766,216 | 175,515,423,744 |
| 10  | Kwara | Enhancing Skills and Knowledge           |        |        |            |                       |        |        | 705 - Environmental Protection         | 3,221,759,871   | 1,915,813,993   |
| 10  | Kwara | Housing and Urban Development            |        |        |            |                       |        |        | 706 - Housing and Community Amenities  | 13,288,990,552  | 24,950,634,567  |
| 10  | Kwara | Gender                                   |        |        |            |                       |        |        | 707 - Health                           | 23,696,635,922  | 38,899,728,175  |
| 10  | Kwara | Youth                                    |        |        |            |                       |        |        | 708 - Recreation, Culture and Religion | 1,852,430,542   | 5,016,915,106   |
| 10  | Kwara | Environmental Improvement                |        |        |            |                       |        |        | 709 - Education                        | 19,687,752,971  | 34,156,629,325  |
| 10  | Kwara | Water Resources and Rual Development     |        |        |            |                       |        |        | 710 - Social Protection                | 146,385,178     | 1,131,267,929   |
| 10  | Kwara | Information Communication and Technology |        |        |            |                       |        |        |  |                 |                 |
| 101 | Kwara | Growing the Private Sector               |        |        |            |                       |        |        |  |                 |                 |
| 10  | Kwara | Reform of Government and Governance      |        |        |            |                       |        |        |  |                 |                 |
| 10  | Kwara | Power                                    |        |        |            |                       |        |        |  |                 |                 |
| 10  | Kwara | Road                                     |        |        |            |                       |        |        |  |                 |                 |
| 10  | Kwara | Airways                                  |        |        |            |                       |        |        |  |                 |                 |
| 10  | Kwara | Shipping                                 |        |        |            |                       |        |        |  |                 |                 |
| 10  | Kwara | Oil and Gas Infrastructure               |        |        |            |                       |        |        |  |                 |                 |
| 10  | Kwara | Total                                    |        |        |            |                       |        |        |  | 212,088,497,229 | 342,084,842,670 |



## **Section 6: Findings and The Way Forward**

## Comparative State Performance and Noteworthy Cases

### Top-Performing States (Fiscal Prudence & Development Focus)

Several states demonstrated commendable fiscal management in 2024, effectively translating their revenue growth into tangible improvements in their financial health and development capacity. Abia, Borno, Delta, Nasarawa, Ondo, Osun, and Yobe stand out in this regard. These states managed to increase capital expenditure and/or reduce accumulated debt, often while maintaining a disciplined approach to personnel costs. For instance, Abia State not only achieved a remarkable 161.20% revenue growth but also significantly increased capital expenditure by 246.58% and reduced accumulated debt by 5.28%. This pattern suggests effective resource allocation and a strategic focus on long-term development. Similarly, Yobe State, with a 116.07% revenue increase, achieved a 200.53% increase in capital expenditure and a 25.77% reduction in accumulated debt, alongside a decrease in new loan acquisition. These states exemplify best practices in fiscal management, demonstrating that even with external revenue shocks or constraints, internal fiscal discipline can lead to positive outcomes. Their approaches could serve as models for other states, providing actionable strategies for improving overall sub-national fiscal health.

### States Facing Significant Fiscal Challenges

Conversely, some states, despite experiencing high revenue growth, continued to face significant fiscal challenges, primarily manifested in rapidly increasing accumulated debt and/or disproportionately high recurrent expenditures. Ekiti and Lagos, while demonstrating robust revenue growth and substantial capital investment, also saw significant increases in both new loans and accumulated debt. For example, Ekiti's 159.18% revenue growth was accompanied by a 64.06% increase in accumulated debt and a 90.31% rise in personnel costs. This indicates that the new revenue was insufficient to cover both ambitious capital projects and growing recurrent expenditures, leading to continued reliance on borrowing. This creates a potential "debt trap" where states borrow to cover current spending or new projects, increasing future debt servicing obligations, which then consume an even larger share of subsequent revenues, perpetuating the borrowing cycle. High personnel costs, being a fixed recurrent expense, exacerbate this pressure. These states require urgent fiscal reforms focusing on revenue diversification, expenditure rationalization (especially personnel costs), and prudent debt management to avoid long-term insolvency and ensure sustainable development.

## Unique Fiscal Situations

Gombe State, with its significant 172.72% increase in Total Revenue, now falls into the category of states with strong positive revenue growth. Its fiscal situation in 2024 shows a complex picture: while capital expenditure increased substantially by 132.40% and loan repayments decreased by 51.26%, new loans surged by 219.86%, and accumulated debt also rose by 13.20%. Personnel Costs also increased by 65.00%. This indicates that despite a robust revenue increase, the state is aggressively pursuing new borrowings, which contributes to both capital investment and a growing debt stock. This case highlights the importance of scrutinizing the composition of revenue and the allocation of funds, as high revenue growth does not automatically translate to a reduction in overall debt burden if new borrowing is also significantly increasing.



# KEY FINDINGS and Multi-layered Understandings





The analysis of Nigerian states' financial data for 2024 reveals several critical patterns and underlying dynamics. There is a clear correlation between the significant increase in Total Revenue experienced by many states and their ability to undertake higher Capital Expenditure. States with substantial revenue growth often directed a considerable portion of these funds towards development projects, indicating a general prioritization of infrastructure and capital formation. However, this positive correlation with capital spending does not uniformly extend to debt reduction. While some states, like Abia and Yobe, managed to reduce their accumulated debt alongside increased capital expenditure, others, such as Ekiti and Lagos, saw their accumulated debt continue to climb despite robust revenue growth and increased capital spending. This suggests that for these states, new borrowing continued to outpace debt repayment or that existing debt burdens were already substantial.

This leads to a broader understanding of the "paradox of plenty" in public finance. While many states experienced significant revenue increases in 2024, the impact on their overall fiscal health, particularly concerning accumulated debt and new loans, was not uniformly positive. Some states demonstrated fiscal discipline by controlling recurrent costs and strategically allocating resources towards sustainable development and debt reduction. These states effectively translated their revenue growth into improved fiscal positions. However, others, despite revenue surges, saw their accumulated debt continue to climb, often alongside increases in personnel costs and new borrowing. This indicates that a revenue windfall alone does not guarantee fiscal sustainability. The crucial factor is how states manage and allocate these increased revenues. States with robust fiscal governance and strategic planning are better positioned to translate revenue growth into sustainable development and debt reduction, while others might find increased revenue merely fuels increased spending and borrowing without fundamentally improving long-term fiscal health.

The drivers of states' fiscal behavior appear to be multi-faceted. Political priorities, such as the visible impact of infrastructure projects, often influence the allocation of increased capital expenditure. Simultaneously, recurrent expenditure pressures, particularly rising personnel costs due to wage demands or administrative overheads, continue to absorb a significant portion of state revenues, sometimes crowding out capital investments. The ease of access to credit markets also plays a role, with states potentially leveraging their perceived creditworthiness to acquire new loans, even if it means increasing their overall debt burden.

From a regional perspective, there isn't a clear, uniform pattern of fiscal performance within geopolitical zones. While some states within the same zone might exhibit similar trends, the overall fiscal health and response to revenue changes appear to be largely state-specific, driven by individual governance priorities, economic structures, and expenditure management practices. This underscores the need for tailored fiscal interventions rather than blanket policies.

# RECOMMENDATIONS

A PATH FORWARD



Based on the analysis of the 2024 financial data for Nigerian states, the following recommendations are put forth to foster greater fiscal sustainability and development:

### **For States with Strong Fiscal Management**

States that demonstrated strong fiscal management, characterized by disciplined recurrent expenditure, strategic capital investment, and effective debt management (e.g., Abia, Borno, Delta, Nasarawa, Ondo, Osun, Yobe), are commended for their efforts. These states are encouraged to:

- **Sustain Fiscal Discipline:** Continue to prioritize prudent financial management, ensuring that revenue growth translates into tangible improvements in long-term fiscal health.
- **Diversify Internally Generated Revenue (IGR):** Intensify efforts to broaden and deepen IGR sources to reduce over-reliance on volatile federal allocations, thereby enhancing fiscal autonomy and resilience.
- **Invest in Productive Capital Projects:** Maintain focus on capital expenditure that yields long-term economic returns, generates employment, and improves public service delivery, ensuring that investments are strategic and impactful.

### **For States Facing Fiscal Challenges**

States that, despite revenue growth, continued to accumulate debt or experienced disproportionate increases in recurrent expenditures (e.g., Ekiti, Lagos, Cross River, and now Gombe with its increased borrowing), require urgent fiscal reforms. It is recommended that these states:

- **Aggressively Pursue Revenue Diversification:** Develop and implement robust strategies to expand their IGR base, exploring untapped sectors and improving tax administration efficiency. This is crucial to reduce dependence on federal transfers and build a more stable revenue foundation.
- **Rationalize Expenditure:** Conduct a critical review of all recurrent expenditures, with a particular focus on personnel costs. Implement measures to control wage bills, streamline administrative overheads, and eliminate wasteful spending to free up resources for capital investments and debt servicing.
- **Adopt Prudent Debt Management:** Establish stricter borrowing policies, ensuring that new loans are primarily tied to self-liquidating projects with clear revenue streams. States should prioritize debt restructuring where feasible and develop comprehensive debt sustainability frameworks to prevent future debt crises.



- **Enhance Fiscal Transparency and Accountability:** Implement robust financial reporting systems that ensure timely, accurate, and comprehensive public disclosure of financial data. This will build public trust, enable effective oversight by citizens and civil society, and attract investment.

### **For the Federal Government and Oversight Bodies**

The systemic data gaps observed for several states in 2024 underscore a broader challenge in Nigeria's public finance data ecosystem. To address this and support sub-national fiscal health, it is recommended that the federal government and relevant oversight bodies:

- **Support IGR Capacity Building:** Provide technical assistance, training, and policy guidance to states to enhance their capacity for IGR generation and efficient tax administration.
- **Enforce Data Standardization and Timely Reporting:** Implement and enforce a standardized financial reporting framework for all tiers of government. This includes ensuring timely submission of comprehensive and accurate financial data to facilitate robust analysis, policy formulation, and public accountability.
- **Facilitate Peer Learning and Best Practices:** Create platforms for states to share experiences and learn from those demonstrating strong fiscal management, thereby promoting the adoption of best practices across the federation.

## Conclusion

The 2024 financial year presented a unique fiscal opportunity for many Nigerian states, marked by significant increases in total revenue. This revenue boost, largely driven by federal allocations, offered a critical window for states to rebalance their finances and invest in economic development. However, the analysis demonstrates that the impact of this revenue growth on key financial metrics such as Internally Generated Revenue, Personnel Costs, Loan Repayment, Acquisition of New Loans, Accumulated Debt, and Capital Expenditure varied considerably across the states.

While some states exhibited commendable fiscal discipline, effectively channeling new revenues towards productive capital expenditure and debt reduction, others continued to grapple with rising debt burdens and recurrent expenditure pressures. This highlights a crucial understanding, a mere increase in revenue does not automatically guarantee fiscal sustainability. The ultimate determinant of a state's financial health lies in its ability to prudently manage and strategically allocate these resources. To ensure this opportunity translates into lasting public value and avoids exacerbating long-term fiscal risks, a fundamental reorientation of public financial management is not merely recommended; it is imperative. The path forward requires a decisive shift from a culture of expenditure to one of strategic, transparent, and accountable investment.

The cornerstone of this transformation is the mandatory adoption of **Programme and Objective-Based Reporting**. The current crisis of transparency, where vast sums are spent without being tied to measurable outcomes, must end. States must transition to a framework where every capital project is explicitly linked to specific, time-bound (SMART) objectives. This is the only way to create a performance contract with the public, shifting the measure of success from inputs (money spent) to outcomes (problems solved) and establishing a true basis for accountability.

This new standard of transparency must be underpinned by technological discipline. Full compliance with the **Government Integrated Financial Management Information System (GIFMIS) and the Treasury Single Account (TSA)** is non-negotiable. Technology offers a powerful tool to enforce fiscal prudence, prevent leakages, and provide real-time tracking of public funds. By institutionalizing these controls, states can mitigate the "paradox of plenty," ensuring that increased revenue strengthens, rather than weakens, their long-term fiscal health.

Furthermore, adherence to the rule of law must be absolute. The widespread non-compliance with the **Financial Reporting Council of Nigeria (FRCN) Act** is a systemic failure that undermines the national oversight framework. State governments must move beyond superficial adherence to accounting standards and embrace full compliance with all public sector laws and regulations. A strong national framework is essential to elevate the standard of public financial management across the federation and ensure that government objectives are clearly communicated to citizens.

Finally, the state's most valuable asset, which is its human capital must be protected. The catastrophic erosion of public sector wages cannot continue. A motivated, fairly compensated, and professional civil service is the engine of effective service delivery and a critical defense against systemic corruption. Ignoring the welfare of the public workforce undermines the very capacity required to manage new infrastructure and govern effectively. State governments must therefore develop sustainable wage policies that protect the real purchasing power of their employees.

With most states now publishing their audited financial reports on time, persistent data gaps have been significantly reduced, improving the completeness and accuracy of Nigeria's sub-national fiscal landscape. FRAN acknowledges the efforts of the Nigerian Governors' Forum, The Federal Ministry of Finance and the World Bank Funded States Fiscal Transparency, Accountability, and Sustainability (SFTAS) program in ensuring the timely preparation and publication of states audited financial statements. Sustained compliance with appropriation laws, financial acts, regulations, and rules, alongside adherence to international public sector accounting standards and improvements in systematic data collection and reporting, will significantly strengthen transparency and accountability.

In conclusion, 2024 served as a pivotal year, offering many Nigerian states a chance to strengthen their fiscal foundations. Achieving this requires the implementation of fundamental reforms. By aligning expenditure with measurable results, leveraging technology to enforce financial discipline, upholding national laws, and investing in their workforce, they can convert a temporary revenue surge into a permanent legacy of sustainable development and public trust.



## Notes and Disclosures

### Signed Acknowledgment By the Accountant Generals of Each State

#### FISCAL RESPONSIBILITY ADVOCACY NETWORK

E-mail: [fiscalresponsibilityadvocacyne@gmail.com](mailto:fiscalresponsibilityadvocacyne@gmail.com)

15th September, 2025

#### 2024 STATES SUBSIDY UTILIZATION REPORT – FAAC DISTRIBUTION LIST

| S/N | Description            | State             | Name of Accountant General | WhatsApp No. | E-Mail Address | Signature   | Date       |
|-----|------------------------|-------------------|----------------------------|--------------|----------------|-------------|------------|
| 1   | The Accountant General | Abia State        | Ujun Umu-Eyengeran         |              |                | [Signature] | 17-9-2025  |
| 2   | The Accountant General | Adamawa State     | Jameskefas1966@gmail.com   |              |                | [Signature] | 17/9/25    |
| 3   | The Accountant General | Akwa Ibom State   | U.S. Andrew Essien         |              |                | [Signature] | 17/9/25    |
| 4   | The Accountant General | Anambra State     | Achor Joachim Chinedum     |              |                | [Signature] | 17/09/25   |
| 5   | The Accountant General | Bauchi State      | Siradi Mulu-Sa'adu         |              |                | [Signature] | 17/9/25    |
| 6   | The Accountant General | Bayelsa State     | Bolaman Atiye              |              |                | [Signature] | 18/9/25    |
| 7   | The Accountant General | Benue State       | Nyike Theresa              |              |                | [Signature] | 17/9/25    |
| 8   | The Accountant General | Borno State       | BUNNY BUNNY                |              |                | [Signature] | 17/9/25    |
| 9   | The Accountant General | Cross River State | Mrs Glory Effiong          |              |                | [Signature] | 17/9/25    |
| 10  | The Accountant General | Delta State       | OKUNBOR INDIKENT           |              |                | [Signature] | 17/9/25    |
| 11  | The Accountant General | Ebonyi State      | Emeka C. Nwankwo           |              |                | [Signature] | 17/9/25    |
| 12  | The Accountant General | Edo State         | Mrs Agbor                  |              |                | [Signature] | 18/9/25    |
| 13  | The Accountant General | Ekiti State       | Clarika Olanibikan         |              |                | [Signature] | 17/9/25    |
| 14  | The Accountant General | Enugu State       | OKENKA TONY                |              |                | [Signature] | 17/9/25    |
| 15  | The Accountant General | Gombe State       | Muhammed Ya'u Umar         |              |                | [Signature] | 17/9/25    |
| 16  | The Accountant General | Imo State         | Okor C-L                   |              |                | [Signature] | 17/9/25    |
| 17  | The Accountant General | Jigawa State      | Abdullahi S.C. Salisu      |              |                | [Signature] | 17/09/2025 |
| 18  | The Accountant General | Kaduna State      | Basim S. Zulum             |              |                | [Signature] | 17/09/25   |
| 19  | The Accountant General | Kano State        | Jamilu M. Abdullahi        |              |                | [Signature] | 17/09/25   |
| 20  | The Accountant General | Katsina State     | Helen John                 |              |                | [Signature] | 18/9/25    |

| S/N | Description            | State          | Name of Accountant General | Signature   | Date     |
|-----|------------------------|----------------|----------------------------|-------------|----------|
| 21  | The Accountant General | Kebbi State    | Bello Ibrahim              | [Signature] | 17/09/25 |
| 22  | The Accountant General | Kogi State     | Haruna Atiye               | [Signature] | 17/09/25 |
| 23  | The Accountant General | Kwara State    | Abdulganyu Sami            | [Signature] | 17/9/25  |
| 24  | The Accountant General | Lagos State    | Asiojun Murtala            | [Signature] | 17/9/25  |
| 25  | The Accountant General | Nasarawa State | Dr. Musa Ahmad Mub         | [Signature] | 17/09/25 |
| 26  | The Accountant General | Niger State    | Saidu Abdullahi            | [Signature] | 17/09/25 |
| 27  | The Accountant General | Ogun State     | Tunde Aragbesola           | [Signature] | 17/09/25 |
| 28  | The Accountant General | Ondo State     | Segun Michael              | [Signature] | 17/09/25 |
| 29  | The Accountant General | Osun State     | O.R. Adegboye              | [Signature] | 17/09/25 |
| 30  | The Accountant General | Oyo State      | Rafaelo A. Adegboye        | [Signature] | 17/09/25 |
| 31  | The Accountant General | Plateau State  | Naamret Murtel             | [Signature] | 17/9/25  |
| 32  | The Accountant General | Rivers State   | JAMES E. NGECHINDO         | [Signature] | 17/9/25  |
| 33  | The Accountant General | Sokoto State   | Umar Ahmad Beharabe        | [Signature] | 17/9/25  |
| 34  | The Accountant General | Taraba State   | Gains Danguma              | [Signature] | 17/9/25  |
| 35  | The Accountant General | Yobe State     | Ussiru Ahmed Yau           | [Signature] | 18-9-25  |
| 36  | The Accountant General | Zamfara State  | Ali-Ahmed Mohammed         | [Signature] | 17/09/25 |
| 37  | The Accountant General | FCT            | Dr. Haruna Mch'd Ali       | [Signature] | 17/9/25  |

**Cecil Chinedum Onyekwere, ACA, PhD**  
Country Chief Executive

Note:

1. The WhatsApp Nos. and E-mail addresses are required to enable us send soft copies of the report;
2. Comments on the report should be sent to our E-mail address: [fiscalresponsibilityadvocacyne@gmail.com](mailto:fiscalresponsibilityadvocacyne@gmail.com)



# Feedback from Accountants General on the Draft Report

## Delta State Accountant General Office

Fwd: STATISTICAL REPORT FOR YEAR 2024 AUDITED FS

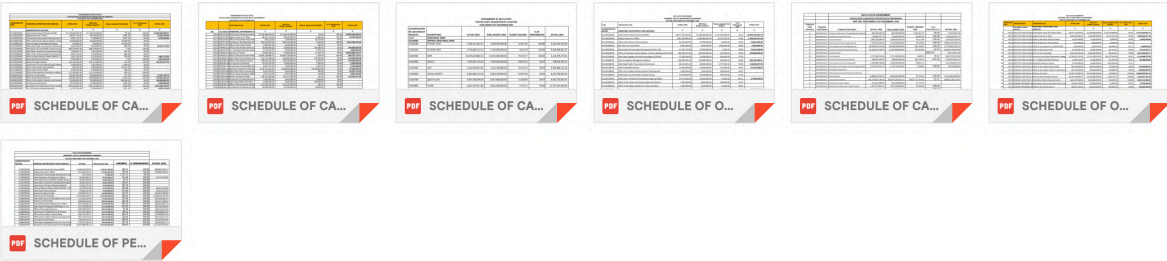
Inbox x

Thu, Sep 18, 6:53 AM (12 days ago)

Sir, kindly see attached files relating to all the statistical reports in the audited financial statements for the year ended 31st december 2024. They are shown as notes to the AFS.  
Thank You

Ogbaudu A.Blessing (FCA)  
Dir. FR/SAP

7 Attachments • Scanned by Gmail



## Imo State Accountant General Office

23/09/25

The Country Chief Executive,  
Fiscal Responsibility Advocacy Network

### RE: 2024 STATES SUBSIDY UTILIZATION REPORT

Imo state financial performance analysis (2020-2024) refers:

The draft report on the 2024 states subsidy utilization as it affects Imo State has been reviewed, and the following observations highlighted. Your conclusions on page 93 would have been different if your organization incorporated all the relevant personnel cost data in your calculations. The personnel cost used for ratio computation was not complete.

It is my considered opinion that if all the relevant personnel cost data is recognized, your conclusions will fairly represent the real purchasing power of the affected citizens of Imo State for the relevant periods. See attached Please, effect the corrections.

On the other hand, efforts are made to enhance the capital expenditure reporting by objectives and geolocation in the state' annual financial reports.

  
**Linus C. Okafor, FCA, FCIB, Ph.D**  
Accountant General, Imo State

### Issues from the report:

**Personnel Costs:** According to the report in pages 36 and 93, Imo state faced a severe fiscal squeeze in 2023, where a 12% nominal statutory allocation increase resulted in a staggering 70.61% loss of real purchasing power. This trend of significant real loss continued in 2024, as even a 166.66% nominal increase led to a 50.70% decline in real purchasing power against an inflation rate of 30.55%.

### Observation:

The report did not recognize the entire Personnel costs of the State. For emphasis, the State total Personnel costs for 2023 and 2024 are: 34,745,759,180.75 and N45,605,394,887.83 respectively.

| Details:       | 2023                      | 2024                      |
|----------------|---------------------------|---------------------------|
| Civil service  | 12,630,165,739.93         | 10,085,020,705.07         |
| Other Agencies | 11,990,688,186.36         | 13,429,400,542.27         |
| Pensions       | 10,108,124,556.79         | 10,474,824,860.23         |
| Gratuities     | 16,780,697.67             | 11,616,148,780.26         |
| <b>Total</b>   | <b>N34,745,759,180.75</b> | <b>N45,605,394,887.83</b> |

### Therefore, Table 12 on page 36: Comparative Analysis of Revenue Growth vs. Real Change in purchasing power for Imo State should read:

Column 3: Personnel cost% increase: +31%  
Column 4: Disparity Ratio: +5  
Column 7: Average Real change in purchasing power: - 2  
Column 8: State level Real change in purchasing power: +0.45

### In addition, the total Personnel costs for 2022 should read:

Ministries: 9,977,249,025.87  
Departments & Agencies: 11,880,096,998.63  
Pensions: 15,148,281,385.91  
**Total: N37,005,627,410.41**

Therefore:  
Personnel cost% increase: -6%  
Disparity Ratio: -2  
Average Real change in purchasing power: -35.24%  
State level Real change in purchasing power: -32.55%  
(Note: the inflation figures remain unchanged)



Fiscal Responsibility Advocacy Network <fiscalresponsibilityadvocacyne@gmail.com>

## PUBLICATION OF KADUNA STATE AUDITOR GENERAL'S REPORT FOR THE YEAR ENDED 31st December, 2025.

2 messages

Dear all,  
I learnt that a draft assessment was made and Kaduna State was rated 0 for non-publication of State Auditor General's report.  
The report was published in the newly created official website of the Office of the State Auditor General.  
You may please visit the link below:  
<https://osag.kdsg.gov.ng/documents/>  
Thank you, now and always.

## Kwara State Accountant General Office

The Country Chief Executive  
Fiscal Responsibility Advocacy Network (FRAN)  
Plot 598, Gwarimpa District, Life Camp  
Abuja, Nigeria.]

### RE: OBSERVATIONS ON THE 2024 STATES SUBSIDY UTILIZATION REPORT AS IT RELATES TO KWARA STATE

We acknowledge receipt of the 2024 States Subsidy Utilization Report issued by your organization and commend your efforts in promoting fiscal responsibility and accountability across the federation. However, certain observations in respect of Kwara State require clarification in order to properly reflect our financial disclosures and practices.

#### INDEX A – FISCAL TRANSPARENCY

##### Parameter 2-Non-inclusion of Bank Reconciliation Statement

It is important to note that the inclusion of bank reconciliation statements is not a prescribed requirement under IPSAS and FAAC-approved templates. What is required, and which Kwara State has complied with, is the Cashflow Reconciliation Statement provided on page 35 of the Financial Statements. In addition, the bank balances after reconciliation are clearly disclosed on pages 084–087 of the same statements.

##### Parameters 4 & 6-Capital Expenditure by Function and Programme

A functional breakdown of capital expenditure is provided on page 22 of the Accountant General's Report uploaded on the state website.

A programme-based breakdown is provided on pages 180–191 of the same report.

##### Parameters 5 & 7-CAPEX by Geolocation and programme objectives

Geolocation and programme objectives are comprehensively addressed in the Citizen's Budget, a separate publication of the State Ministry of Planning and Economic Development, specifically designed to communicate allocations and project objectives in a citizen-friendly format.

#### INDEX E – DEBT SUSTAINABILITY (LOAN REPAYMENTS)

The report indicated that no loan repayments were made in 2023 and 2024. This is not accurate. As evidenced in the State's Financial Statements uploaded, Kwara recorded loan repayments of ₦13,158,963,646.38 in 2023 (page 70) and ₦13,104,682,746.07 in 2024

(page 48), effected as deductions at source in respect of loan repayment. Kwara State remains committed to prudent debt management.

In light of the above, we respectfully submit that Kwara State has substantially complied with IPSAS standards and FAAC guidelines in its financial reporting. Certain conclusions in the Report may not have fully taken into account the relevant disclosures already contained in the Financial Statements and supplementary documents.

We therefore urge FRAN to reflect these clarifications in future reviews to ensure accuracy and fairness in the assessment of Kwara State's fiscal performance.

Accountant General  
Kwara State Government