



**BAYELSA STATE GOVERNMENT**  
**STATE BUDGET OFFICE**  
**MINISTRY OF BUDGET AND ECONOMIC PLANNING**  
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## **2020 THIRD QUARTER BUDGET IMPLEMENTATION REPORT**

### **Revenue Performance**

The 2020 original budget was N242.187billion but was revised downwards to N183.155 due to COVID-19 pandemic. An analysis of the actual revenue receipts accruing to the State as at 30<sup>th</sup> September 2020 from Federal Allocation and IGR is slightly below the budget projection. The budgeted revenue for the year 2020 is N183.155 billion; however, actual receipt as at 30<sup>th</sup> September, 2020 from FAAC is N102.052 billion which is lower than the estimated budget. The state IGR generated as at 30<sup>th</sup> September 2020, is N6.837 which is also below the estimated in the revised Covid-19 budget.

<b>s/n</b>	<b>Sources of revenue</b>	<b>Year 2020 Approved Budget (NBN)</b>	<b>Revised 2020 Covid-19 Responsive Budget (NBN)</b>	<b>2020 actual receipt as at July - 30th Sept September (NBN)</b>	<b>Year to Date (NBN)</b>	<b>% Performance</b>
		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>D/B*100</b>
1	Opening Balance		13.620			
2	Transfers from federal Govt					
	Statutory Allocation	41.159	25.735	8.378	23.868	92.745
	13% Derivation	90.544	64.751	19.285	65.699	101.464
	other FAAC Transfers (exchange rate gain, augmentation, others)		5.194	0.904	4.051	77.994
	VAT	10.624	9.796	3.458	8.434	86.096

	<b>Sub Total Federal Allocation (A)</b>	<b>142.327</b>	<b>119.096</b>	<b>32.025</b>	<b>102.052</b>	
3	IGR	16.000	10.000	2.309	6.837	68.370
4	AIDS & GRANTS:					
	INTERNAL GRANTS	8.177	5.200	-		-
	EXTERNAL GRANTS		4.680	-		-
5	DONATIONS		0.274	0.274	0.274	100.000
6	REIMBUREMENT FROM FGN	36.000	38.404	-		-
7	Capital receipts			0.982	0.982	
8	LOANS:					
	internal loan	39.682	5.500	1.500	1.500	27.273
	external loan					
	<b>Sub Total Other revenues (B)</b>	<b>99.859</b>	<b>64.058</b>	<b>5.065</b>	<b>9.593</b>	
	<b>Grand Total (A+B)</b>	<b>242.186</b>	<b>183.154</b>	<b>37.090</b>	<b>111.645</b>	

The table below shows the State's revenue performance.

*Table 1: Total Actual Receipts as at 30<sup>th</sup> September 2020.*

*Source: Bayelsa State Ministry of Finance.*

As at the end of 30<sup>th</sup> September N102.52bn of estimated federal allocation was realized and N6.837bn of estimated IGR, was also realized

Chart 1 Showing Actual Receipts for July-Sept 2020 only.

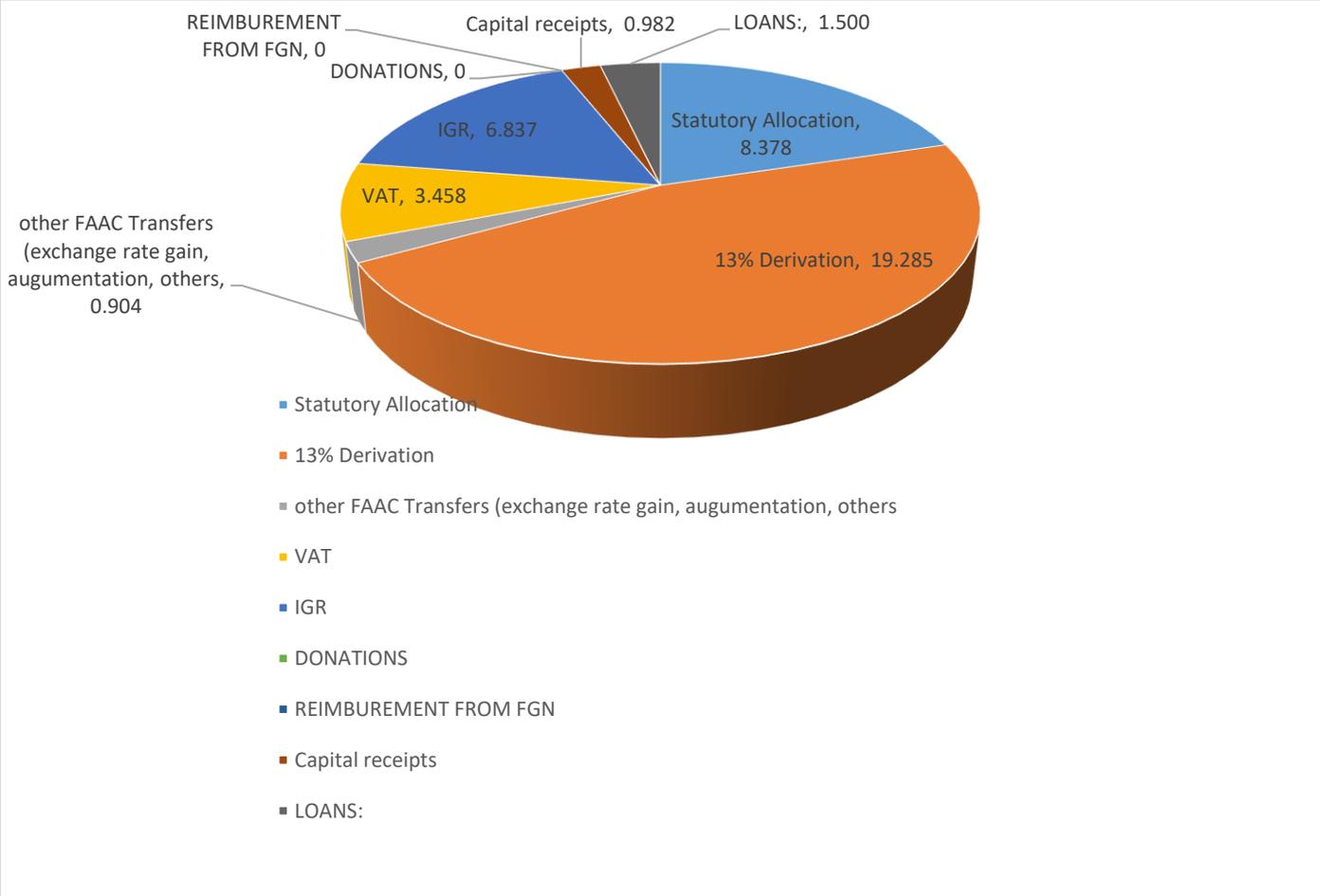
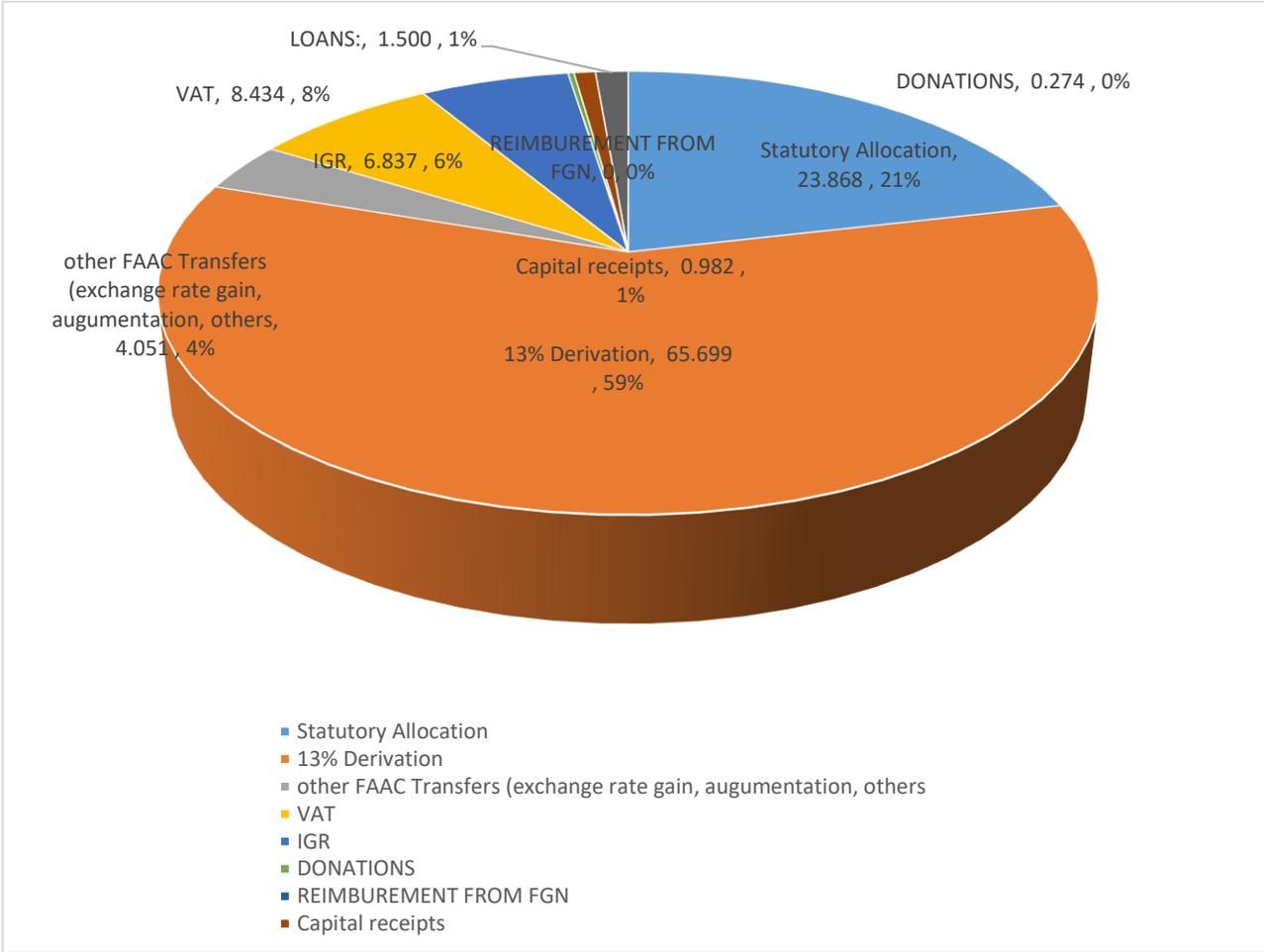


Chart 2 showing Actual Receipts for year to date JAN – SEPT 2020



As seen in the chart above, Statutory allocation contributed about 21%, 13% Derivation 59% and VAT 8% of the State’s revenue as at 30<sup>th</sup>Sept. While IGR account for about 7%, capital receipt 1%, loans 1% and other FAAC deductions 4%.

## **Statutory Allocation**

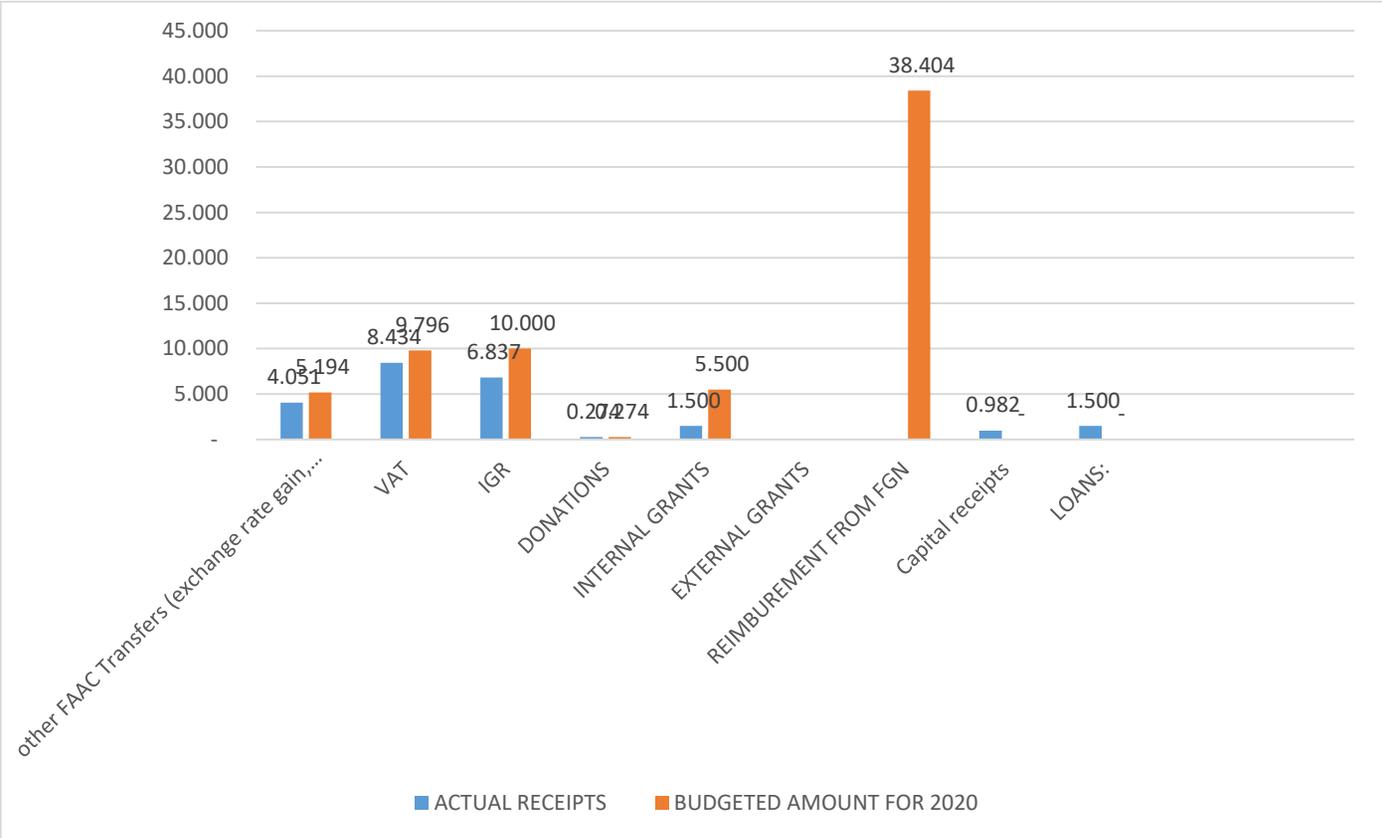
Budgeted revenue from statutory allocations for 2020 is N25.735 billion and as at 30<sup>th</sup> Sept, 2020 N23.868 billion was realized for Statutory Allocation and VAT was N8.434 billion.

## **Internally Generated Revenue**

The 2020 Revised Budget for IGR is estimated at N10,000 billion, which was 6.000bn lower than the original 2020 estimate, On the other hand actual IGR as at 30<sup>th</sup> Sept 2020 was N6.837billion showing a 68% performance.

Business activities are gradually getting back to normal which we strongly believe will continue to increase our IGR since there is circular flow of income in the state because of quick salary payment.

**Chart 3** showing Actual receipt as at 30<sup>th</sup> Sept, 2020 and Budgeted Amount for 2020 revenue



**Expenditure Performance**

**Expenditure Profile**

A total sum of N183.155 billion was appropriated by the State House of Assembly for the 2020 fiscal year. Of this, about N34.784 billion or 18.99% was allocated to capital expenditure, N51.646 billion or 28.19% to personnel costs, N30.071 billion or 16.42% to overhead expenditure while N66.654

(36.39%) other transfers (CRFC).

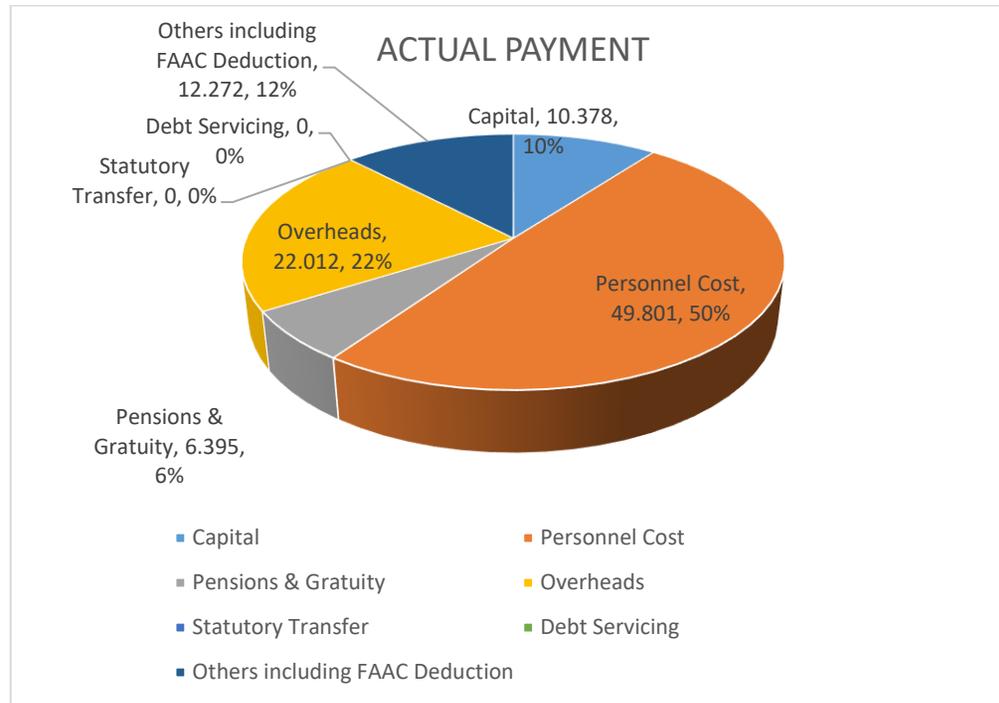
As at 30<sup>th</sup> of September, 2020 N100.858 billion of the year budget estimates had been paid out by the State treasury. Of this, N49.801 billion was expended on personnel costs, N22.012 billion was expended on overhead cost, totaling N71.813 billion expended on recurrent expenditure while N10.378 billion was spent on capital expenditure.

**Table 2: Analysis of Expenditure (JULY - SEPT, 2020)**

s/n	Expenditure item	Year 2020 Approved Budget (NBN)	Revised 2020 Covid- 19 Responsive Budget (NBN)	2020 actual expenditure as at July - 30th Sept September (NBN)	Year to Date (NBN)	% Performance
	A	B	C	D	E	E/C*100
1	Capital	47.974	34.784	4.553	10.378	29.836
2	Personnel Cost	51.646	51.646	17.185	49.801	96.428
3	Pensions & Gratuity	35.943	35	2.739	6.395	18.271
4	Overheads	64.444	30.071	6.606	22.012	73.200
5	Statutory Transfer					
6	Debt Servicing					
7	Others including FAAC Deduction	42.18	31.654	3.967	12.272	38.769
	<b>Total</b>	<b>242.187</b>	<b>183.155</b>	<b>35.05</b>	<b>100.858</b>	

Source: 2018 Approved Budget for Bayelsa State and State Budget and Control Department

**Chart 4 Showing Actual Payments for third quarter. 2020**



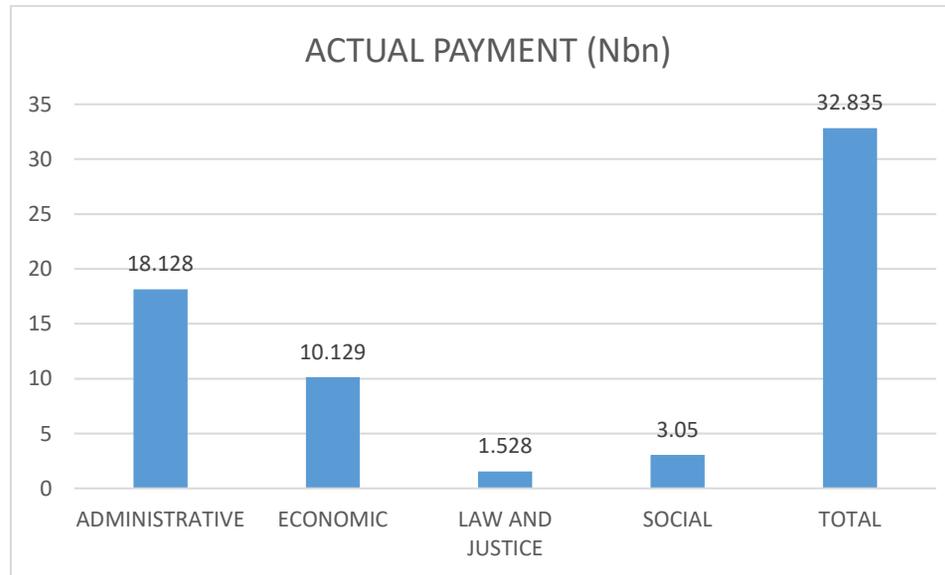
From the chart above personnel cost has the highest payment which simply shows Governors continuous drive to pay salaries consistently both outstanding salaries owed workers by the previous administration. Overhead payment shows 22%, Capital payments 10%, Pensions and Gratuity 6% and FAAC Deductions 12%.

Table 5: Actual Payments to Sectors

s/n	Sector	Year 2020 Approved Budget (NBN)	Revised 2020 Covid-19 Responsive Budget (NBN)	2020 actual receipt as at July - 30th Sept September (NBN)	Year to Date (NBN)	% Performance
1	ADMINISTRATIVE	11.743	23.951	5.42	18.128	75.7
2	ECONOMIC	25.401	27.887	4.786	10.129	36.3
3	LAW AND JUSTICE	2.9	2.866	0.391	1.528	53.3
4	SOCIAL	7.93	3.413	0.816	3.05	89.4
	<b>TOTAL</b>	<b>47.974</b>	<b>58.117</b>	<b>11.413</b>	<b>32.835</b>	

Source: State Budget Office &, Ministry of Finance

CHART SHOWING ACTUAL PAYMENTS BY SECTOR for SEPTEMBER 2020



As shown in the table above as at the end of September, 2020, the Administrative sector received the highest payment followed by economic sector, social sector and lastly Law and Justice. The reason for the large payment in Admin sector is due to the high cost of administration while for economic sector is because of capital projects.