

2019 BUDGET ANALYSIS (FIRST QUARTER)

REVENUE PERFORMANCE

JANUARY-MARCH, 2019

S/N	Items of Revenue	Estimates 2019	Pro-Rata Estimates	TOTAL JAN-MAR	% on Pro-Rata	% on Approved Estimates
1	IGR	121,914,080,425.31	30,478,520,106.33	6,461,556,647.38	21.20	5.30
2	Statutory Allocation	60,000,000,000.00	15,000,000,000.00	10,636,955,536.92	70.91	17.73
3	VAT	25,000,000,000.00	6,250,000,000.00	4,991,474,958.41	79.86	19.97
4	Others	32,000,000,000.00	8,000,000,000	3,968,910,725.47	49.61	10.91
	Total Recurrent	238,914,080,425.31	59,728,520,106.33	26,058,897,868.18	43.63	11.66
5	Capital Receipts	46,237,167,765.17	11,559,291,941.29	680,553,826.05	5.89	1.47
	Total	285,151,248,190.48	71,287,812,047.62	26,739,451,694.23	37.51	9.38

2019 REVENUE APPRAISAL

- By First Quarter, revenue ought to have performed at least **25%** of the Approved Budget but rather it performed at **9.38%** while on Pro – rata, it performed at **37.51%** instead of **100%**;
- Breakdown of revenue performance: -
- Recurrent revenue - **₦26,058,897,868.18**
- Capital receipt - **₦ 680,553,826.05**

From total revenue, only the sum of **₦6,461,556,647.38** representing **24.17%** was internally generated revenue (IGR) while Statutory Allocation, VAT, Others, of the sum **₦19,597,341,220.80** representing **(73.29%)** and capital Receipts. **₦680,553,826.05 (2.54%)** This shows that the State still depends largely on External Sources for its Revenue.

SUMMARY OF EXPENDITURE JANUARY-MARCH, 2019

S/N	ITEMS OF EXPENDITURE	APPROVED ESTIMATES	PRO-RATA ESTIMATES	ACTUAL	%	%
		2019	JAN-MARCH	JAN-MARCH	PER	APPROVED ESTIMATES
1	Personnel Costs	41,296,196,041.34	10,324,049,010.34	4,643,929,287.54	44.98	11.25
2	Overhead Costs	28,657,532,820.67	7,164,383,205.17	2,853,053,143.82	39.82	9.96
3	Consolidated Revenue Fund Charges					
	(i) Salaries	90,000,000.00	22,500,000.00	12,211,994.68	54.28	13.57
	(ii) Pension	18,000,000,000.00	4,500,000,000.00	2,627,565,350.87	58.39	14.60
	(iii) Gratuities	5,933,066,030.35	1,483,266,507.59	-	-	-
	(iv) Security Votes	8,500,000,000.00	2,125,000,000.00	-	-	-
	(v) Public Debt Charges	5,227,200,000.00	1,306,800,000.00	2,054,100,037.12	157.19	39.30
	(vi) Repayment of loan & other settlement	7,335,818,721.88	1,833,954,680.47	-	-	-
	(vii) Settlement of outstanding C.C.	-	-	-	-	-
	(ix) State Share Contributory pension	2,500,000,000.00	625,000,000.00	306,364,024.50	49.02	12.25
	(x) State Share Contribution to L.G. Pension	350,000,000.00	87,500,000.00	87,000,000.00	99.43	24.86
	(xi) 10% IGR State Contribution to L.G.	1,900,000,000.00	475,000,000.00	300,000,000.00	63.16	15.79
	(xii) Insurance Scheme Judicial Service Commission Pension	1,000,000,000.00	250,000,000.00	869,733,902.00	347.89	86.97
	JAAC Contribution to Local Government Pension	330,000,000.00	82,500,000.00	43,488,950.76	52.71	13.18
		500,000,000.00	125,000,000.00	-	-	-
	Sub-total (C.R.F.C)	51,666,084,752.23	12,916,521,188.06	6,300,464,259.99	48.78	12.19
	Recurrent Expenditure	121,619,813,614.24	30,404,953,403.56	13,797,446,691.35	45.38	11.34
4	Capital Expenditure	163,531,434,576.24	40,882,858,644.06	10,840,063,815.30	26.51	6.63
	TOTAL	285,151,248,190.48	71,287,812,047.62	24,637,510,506.65	34.56	8.64

- As at the end of First Quarter, Expenditure was expected to have performed at **25% of the Approved Budget** but performed at **8.64%**
- On pro rata basis, Expenditure performed at **34.56%** instead of **100%**
- Breakdown of Expenditure performance
 - Recurrent- **₦13,797,446,691.35**
 - Capital- **₦10,840,063,815.30**
 - On recurrent Expenditure, Personnel Cost gulped **₦4,643,929,287.54 (33.66%)**, Overhead Costs **₦2,853,053,143.82 (20.68%)**, and CRFC **₦6,300,464,259.99(45.66%)**

- On Capital Expenditure sum of **10.84B**, Economic Sector gulped **9.09b, (83.86%)**, Social Sector **1.34b, (12.43%)**, Law and Justice, **0.069b, (0.01%)** and General Administration gulped **0.401b, (3.70%)**.
- The **83.86%** of Capital Expenditure expended on Economic Sector shows Government determination to develop State's Infrastructure

**SECTORAL ANALYSIS OF CAPITAL EXPENDITURE
JAN-MARCH, 2019**

		APPROVED	PRO- RATA	ACTUAL	%Pro Rata	% Approved Estimates
A	ECONOMIC	100,535,047,409.14	25,133,761,852.29	9,090,084,781.69	36.17	9.04
B	SOCIAL SERVICE	49,349,775,475.10	12,337,443,868.78	1,347,817,363.10	10.92	2.73
C	LAW & JUSTICE	732,500.000.00	183,125,000.00	692,420.00	0.38	0.09
D	GENERAL ADMINISTRATION	12,914,111,692.00	3,226,527,923.00	401,469,250.51	12.44	3.11
	TOTAL	163,531,434,576.24	40,882,858,644.06	10,840,063,815.30	26.51	6.63

It is key to highlight some of the hindrances in implementation of 2018 budget as listed below:

- Paucity of fund due to dwindling Federal Allocation
- Poor internal generated revenue drive
- MDAs inability to easily access fund

RECOMMENDATIONS:

REVENUE:

- The State needs to be more revenue self-reliant focussed
- Enactment of enabling laws that would boost revenue generation
- Review of existing rates on fees and fines
- More aggressive enforcement of revenue/ tax laws and regulations.

EXPENDITURE:

- The State Fund Allocation Committee should be strengthening and made effective for efficient allocation of available fund to priority.
- The Budget Implementation Monitoring Committee will continue to carry out monthly review of budget performance with a view to ensure achievement of desired result.
- Projects/ Programmes to be executed are to promote value for money.
- Continue Mobilization of PPP Initiatives for development projects and programme (Local and Foreign Investors).