

2018 BUDGET ANALYSIS (FOURTH QUARTER)

REVENUE PERFORMANCE

OCT-DECEMBER, 2018

S/N	Items of Revenue	Estimates 2018	Pro-Rata Estimates	Actual	% on Pro-Rata	% on Approved Estimates
1	IGR	125,476,805,414.40	31,369,201,353.60	6,326,710,906.76	20.17	5.04
2	Statutory Allocation	45,000,000,000.00	11,250,000,000.00	12,431,709,508.92	110.50	27.63
3	VAT	16,000,000,000.00	4,000,000,000.00	4,577,068,415.26	114.43	28.61
4	Others	40,212,799,314.60	10,053,199,828.65	31,821,748,584.51	316.53	79.13
	Total Recurrent	226,689,604,729.00	56,672,401,182.25	55,157,237,415.45	97.33	24.33
5	Capital Receipts	45,042,137,531.30	11,260,534,382.83	6,076,561,528.60	53.96	13.49
	Total	271,731,742,260.30	67,932,935,565.08	61,233,798,944.05	90.14	22.53

2018 REVENUE APPRAISAL

- By Fourth Quarter, revenue ought to have performed at least **25%** of the Approved Budget but rather it performed at **22.53%** while on Pro – rata, it performed at **90.14%** instead of **100%**;
- Breakdown of revenue performance: -
- Recurrent revenue - **₦55,157,237,415.45**
- Capital receipt - **₦6,076,561,528.60**

From total revenue, only the sum of **₦6,326,710,906.76** representing **10.33%** was internally generated revenue (IGR) while Statutory Allocation, VAT, Others, of the sum **₦48,830,526,508.69** representing **(79.74%)** and Capital Receipts. **₦6,076,561,528.60 (9.92%)**.

SUMMARY OF EXPENDITURE OCT-DECEMBER,2018

S/N	ITEMS OF EXPENDITURE	APPROVED ESTIMATES	PRO-RATA ESTIMATES	ACTUAL	%	%
		2018	OCT-DECEMBER	OCT-DECEMBER	PER	APPROVED ESTIMATES
1	Personnel Costs	43,102,535,491.71	10,775,633,872.93	19,213,429,725.90	178.30	44.58
2	Overhead Costs	25,399,721,592.22	6,349,930,398.06	4,861,416,449.17	76.56	19.14
3	Consolidated Revenue Fund Charges					
	(i) Salaries	105,600,000.00	26,400,000.00	18,317,992.02	69.39	17.35
	(ii) Pension	13,680,000,000.00	3,420,000,000.00	2,569,018,348.72	75.12	18.78
	(iii) Gratuities	4,963,962,484.96	1,240,990,621.24	120,000,000.00	9.67	2.42
	(iv) Security Votes	7,200,000,000.00	1,800,000,000.00	-	-	-
	(v) Public Debt Charges					
	(vi) Repayment of loan & other settlement	11,420,926,110.80	2,855,231,527.70	2,058,930,245.07	72.11	18.03
	(vii) Settlement of outstanding C.C.	-	-	-	-	-
	(viii) Severance Allowance to E&L	350,000,000.00	87,500,000.00	11,287,875.94	12.90	3.23
	(ix) State Share Contributory pension	5,000,000,000.00	1,250,000,000.00	-	-	-
	(x) State Share Contribution to L.G. Pension	400,000,000.00	100,000,000.00	87,000,000	87.00	21.75
	(xi) 10% IGR State Contribution to L.G.	2,400,000,000.00	600,000,000.00	300,000,000.00	50.00	12.50
	(xii) Insurance Scheme	990,000,000.00	247,500,000.00	-	-	-
	Judicial Service Commission Pension	297,000,000.00	74,250,000.00	43,488,950.76	58.57	14.64
	JAAC Contribution to Local Government Pension	6,480,000,000.00	1,620,000,000.00	2,041,039,177.86	125.99	31.50
	Sub-total (C.R.F.C)	53,287,488,595.76	13,321,872,148.94	7,249,082,590.37	54.41	13.60
	Recurrent Expenditure	121,789,745,679.69	30,447,436,419.92	31,323,928,765.44	102.88	25.72
4	Capital Expenditure	149,941,996,580.61	37,485,499,145.15	21,219,079,845.33	56.61	14.15
	TOTAL	271,731,742,260.30	67,932,935,565.08	52,543,008,610.77	77.35	19.34

- As at the end of Fourth Quarter, Expenditure was expected to have performed at **25% of the Approved Budget** but performed at **19.34%**
- On pro rata basis, Expenditure performed at **77.35%** instead of **100%**
- Breakdown of Expenditure performance
 - Recurrent- **₦31,323,928,765.44**
 - Capital- **₦21,219,079,845.33**
 - On recurrent Expenditure, Personnel Cost gulped **₦19,213,429,725.90 (61.34%)**, Overhead Costs **₦4,861,416,449.17 (15.52%)**, and CRFC **₦7,249,082,590.37 (23.14%)**

- On Capital Expenditure sum of **21.21B**, Economic Sector gulped **12.52b, (59.01%)**, Social Sector **7.41b, (34.94%)**, Law and Justice, **0.33B, (0.16%)** and General Administration gulped **1.25b, (5.89%)**.
- The **59.01%** of Capital Expenditure expended on Economic Sector in this Quarter Shows Government determination to develop State's Human Resources and Infrastructure

**SECTORAL ANALYSIS OF CAPITAL EXPENDITURE
OCT- DECEMBER, 2018.**

		APPROVED	PRO- RATA	ACTUAL	%Pro Rata	% Approved Estimates
A	ECONOMIC	85,407,380,616.45	21,351,845,154.11	12,521,363,770.96	58.64	14.66
B	SOCIAL SERVICE	54,305,105,251.50	13,576,276,312.88	7,413,209,053.75	54.60	13.65
C	LAW & JUSTICE	692,500,000.00	173,125,000.00	33,716,998.58	19.48	4.87
D	GENERAL ADMINISTRATION	9,537,010,442.66	2,384,252,610.67	1,250,790,022.04	52.46	13.11
	TOTAL	149,941,996,310.61	37,485,499,077.65	21,219,079,845.33	56.61	14.15

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).