BAYELSA STATE GOVERNMENT
STATE BUDGET OFFICE
MINISTRY OF BUDGET AND ECONOMIC PLANNING
2nd Floor Secretariat Annex 1, Road Safety Road Ovom, Yenagoa

2020 FOURTH 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 31st December 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 31st December, 2020 from FAAC is N125.248 billion which is higher than the estimated revised Covid-19 budget. The state IGR generated as at 31st December 2020, is N10.152 which is slightly above the estimated in the revised Covid-19 budget.

s/n	Sources of revenue	Year 2020 Approved Budget (NBN)	Revised 2020 Covid-19 Responsive Budget (NBN)	2020 actual receipt as at Oct - 30th Dec December (NBN)	Year to Date (NBN)	% Performance
		A	B	C	D	D/B*100
1	Opening Balance		13.620			
2	Transfers from federal Govt					
	Statutory Allocation	41.159	25.735	6.124	29.992	116.542
	13% Derivation	90.544	64.751	12.457	78.156	120.703
	other FAAC Transfers (exchange rate gain, augmentation, others		5.194	1.057	5.108	98.344
	VAT	10.624	9.796	3.558	11.992	122.417
	Sub Total	**142.327**	**119.096**	**23.196**	**125.248**	

No.		Col 1	Col 2	Col 3	Col 4	Col 5
	Federal Allocation (A)					
3	IGR	16.000	10.000	2.306	10.152	101.52
4	AIDS & GRANTS:					
	INTERNAL GRANTS	8.177	5.200	-		-
	EXTERNAL GRANTS		4.680	1.900	1.900	-
5	DONATIONS		0.274		0.274	
6	REIMBUREMENT FROM FGN	36.000	38.404	-		-
7	Capital receipts				0.982	
8	LOANS:					
	internal loan	39.682	5.500		1.500	27.273
	external loan					
	Sub Total Other revenues (B)	**99.859**	**64.058**	**4.206**	**14.808**	
	Grand Total (A+B)	**242.186**	**183.154**	**27.402**	**140.056**	

The table below shows the State's revenue performance.

Table 1: Total Actual Receipts as at 31st December 2020.

Source: Bayelsa State Ministry of Finance.

As at the end of 31st December N125.248bn of estimated federal allocation was realized and N10.152bn of estimated IGR, was also realized

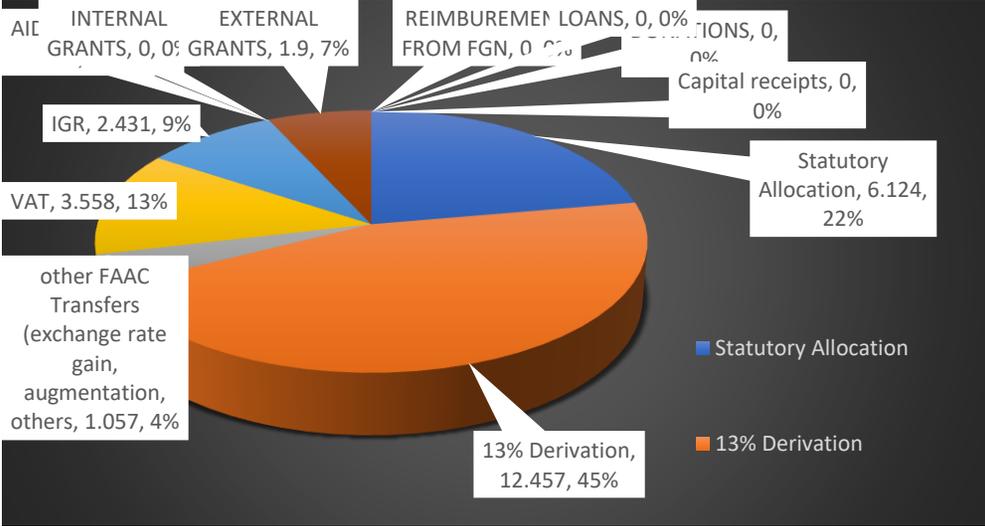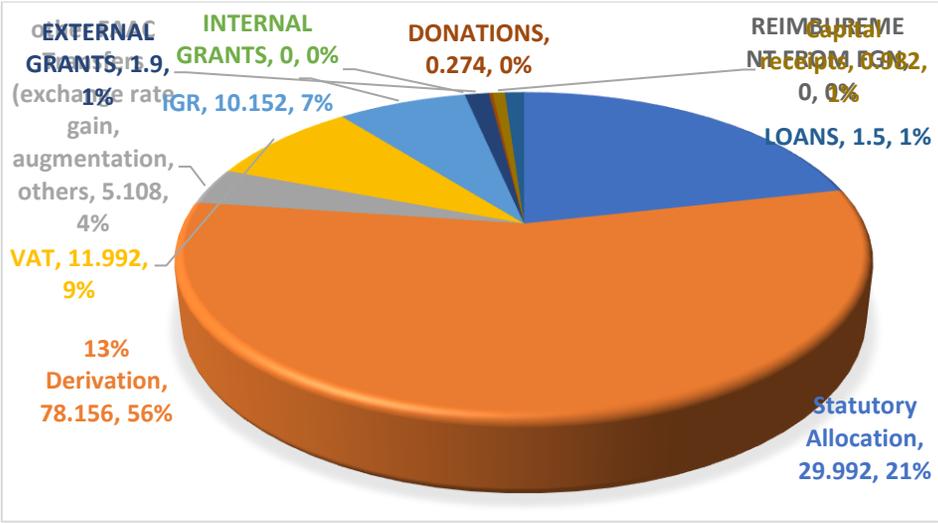## Chart 1 Showing Actual Receipts for Oct-Dec 2020 only.

AID
INTERNAL GRANTS, 0, 0%
EXTERNAL GRANTS, 1.9, 7%
REIMBUREMEN FROM FGN, 0, 0%
LOANS, 0, 0%
DONATIONS, 0, 0%
Capital receipts, 0, 0%
IGR, 2.431, 9%
VAT, 3.558, 13%
Statutory Allocation, 6.124, 22%
other FAAC Transfers (exchange rate gain, augmentation, others, 1.057, 4%
13% Derivation, 12.457, 45%

■ Statutory Allocation
■ 13% Derivation

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

other FAAC Transfers (exchange rate gain, augmentation, others, 5.108, 4%
EXTERNAL GRANTS, 1.9, 1%
INTERNAL GRANTS, 0, 0%
DONATIONS, 0.274, 0%
REIMBUREMENT FROM FGN, 0, 0%
Capital receipts, 0.982, 0%
IGR, 10.152, 7%
LOANS, 1.5, 1%
VAT, 11.992, 9%
13% Derivation, 78.156, 56%
Statutory Allocation, 29.992, 21%

3

As seen in the chart above, Statutory allocation contributed about 21%, 13% Derivation 56% and VAT 9% of the State's revenue as at 31st December. While IGR account for about 7%, capital receipt 1%, loans 1%.

Statutory Allocation

Budgeted revenue from statutory allocations for 2020 is N25.735 billion and as at 31st Dec, 2020 N29.992 billion was realized for Statutory Allocation and VAT was N11.992 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 31st Dec, 2020 was N10.152 billion showing a 101% performance.

Business activities gradually got back to normal which we strongly believe helped to achieve the estimated IGR since there is circular flow of income in the state because of quick salary payment.

Chart 3 showing Actual receipt as at 31st Dec, 2020 and Budgeted Amount for 2020 revenue
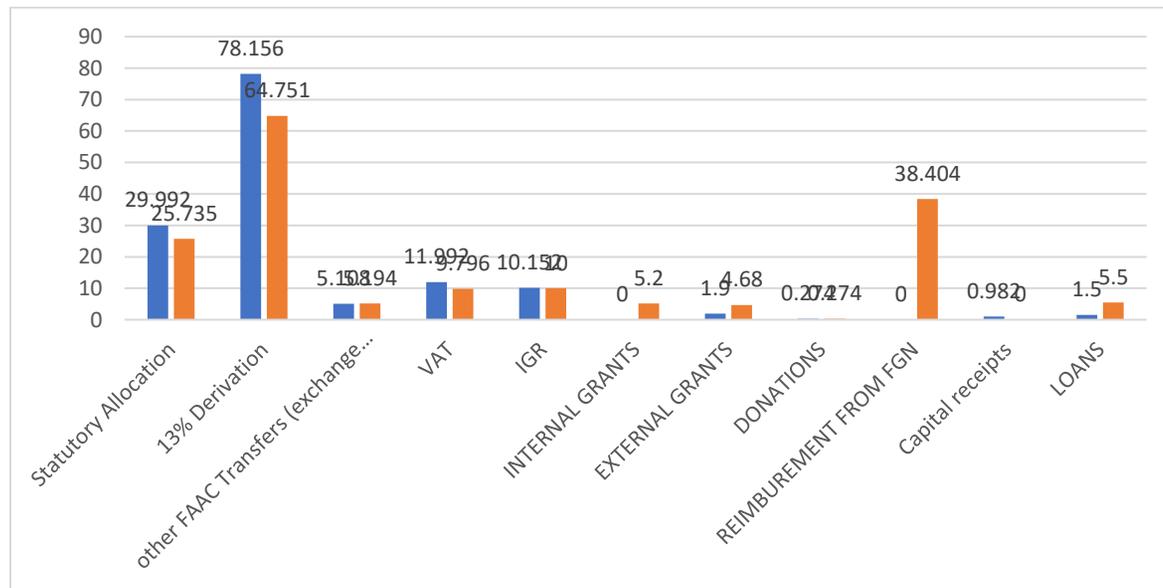
Expenditure Performance

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 31st of December, 2020 N100.858 billion of the year budget estimates had been paid out by the State treasury. Of this, N49.801billion 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 (OCT - DEC, 2020)

s/n	Expenditure item	Year 2020 Approved Budget (NBN)	Revised 2020 Covid-19 Responsive Budget (NBN)	2020 actual expenditure as at Oct – 31st December (NBN)	Year to Date (NBN)	% Performance
	A	B	C	D	E	E/C*100
1	Capital	47.974	34.784	3.085	13.463	38.705
2	Personnel Cost	51.646	51.646	16.829	66.63	129.013
3	Pensions & Gratuity	35.943	35	2.687	9.082	25.949
4	Overheads	64.444	30.071	11.843	33.855	112.584
5	Statutory Transfer					
6	Debt Servicing					
7	Others including FAAC Deduction	42.18	31.654	5.858	18.13	57.276
	Total	**242.187**	**183.155**	**40.302**	**141.16**	

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

**Chart 4 Showing Actual Payments for third quarter. 2020**
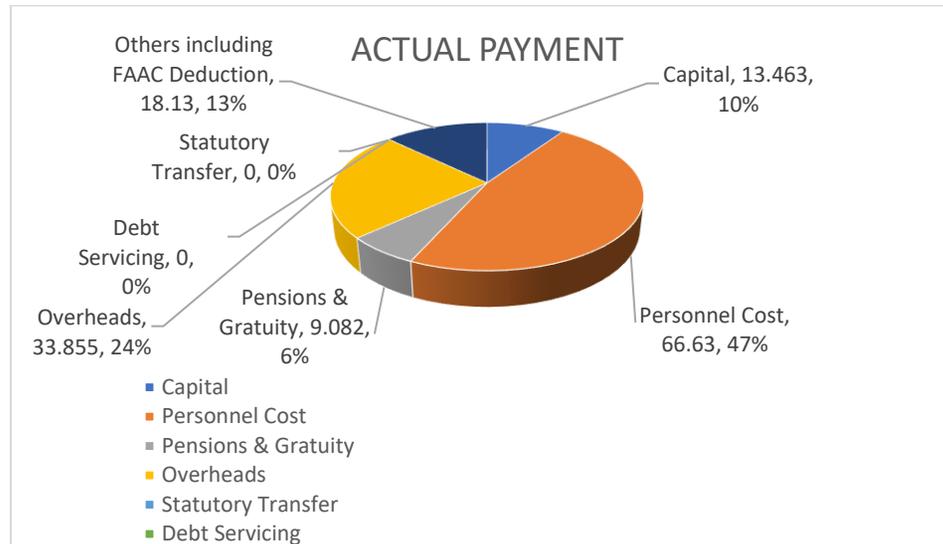
From the chat above personnel cost has the highest payment which simply shows Governors continuous drive to pay salaries consistently both outstanding salaries owed workers by the previous administration. Overhead payment shows 24%, Capital payments 10%, Pensions and Gratuity 6% and FAAC Deductions 13%.

.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 Oct – 31st Dec December (NBN)	Year to Date (NBN)	% Performance
1	ADMINISTRATIVE	11.743	23.951	10.148	28.276	118.1
2	ECONOMIC	25.401	27.887	3.498	13.627	48.9
3	LAW AND JUSTICE	2.9	2.866	0.332	1.86	64.9
4	SOCIAL	7.93	3.413	0.950	4.00	117.2
	TOTAL	**47.974**	**58.117**	**14.928**	**47.763**	

Source: State Budget Office &, Ministry of Finance

CHART SHOWING ACTUAL PAYMENTS BY SECTOR for DECEMBER 2020

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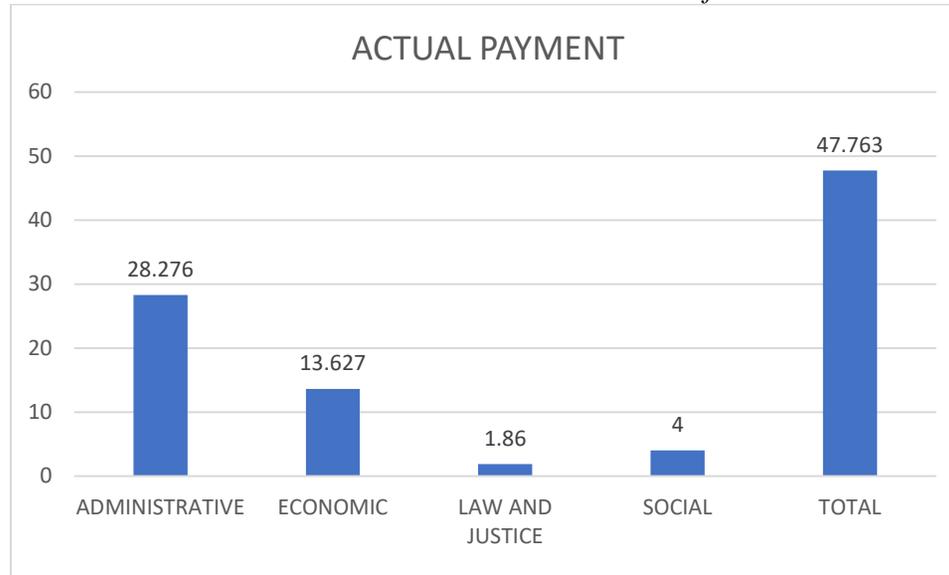
As shown in the table above as at the end of December, 2020, the Administrative sector received the highest payment followed by economic sector, social sector and lastly Law and Justice. The reason for the large payment in Admin sector as usual is due to the high cost of administration while for economic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