

**2ND QUARTER/HALF YEAR BUDGET
PERFORMANCE REPORT FOR 2019
FISCAL YEAR**

PREPARED BY

**KOGI STATE MINISTRY OF
BUDGET AND PLANNING**

SECOND QUARTER/HALF YEAR BUDGET PERFORMANCE REPORT FOR 2019 FISCAL YEAR.

Preamble

Kogi State, as a member of the global community, has continued to be affected by the uncertainty in the global economy such as the effects of the trade war among major world players. For instance, we are faced with dwindling oil revenue, occasioned by over supply of crude oil, discovery of crude oil by many countries as well as the emerging new sources of energy. We are also mindful of the effects of the crisis ravaging many oil producing countries such as Libya, Venezuela, Iraq, Iran etc. This situation is made even more uncertain by the US sanctions on Iran and Venezuela. On domestic front, experts have advised on the need to move quickly to arrest the growing security concerns, if the country is to remain on the

path of sustainable growth. The Economic Recovery and Growth Plan, originally developed by the Federal Government in collaboration with States, to address recession in 2016 is being regularly reviewed to address other emerging shocks. Even though significant challenges remain, the State is recording major progress in the real sectors, particularly Agriculture as well as Women Empowerment and youth development. The State is quick to realize the need to invest in innovative actions that will significantly improve its competitiveness for investment. Based on this, the State Economic Management team has continued to engage investors to boost investment inflow. As part of the efforts to strengthen transparency and inclusiveness (best practices) in the State, the 2019 Appropriation Law (Approved Budget) including a simplified version of it, tagged “Citizens Budget” as well as 2017 Audited Financial Statements are now publicly available on the State website.

These steps are necessary in order to reduce the effects of the growing volatility in the oil sector and the consequential significant fall in oil revenue which has depleted the Federation Account Allocation to the State. This document, therefore, conveys the Budget Performance for the first quarter of 2019 fiscal year.

The total Approved Budget package for the State in the period under review was ₦146,736,042,510. Out of this, the sum of ₦36,684,010,628 was for the second quarter estimates i.e. from April-June, 2019 while ₦73,368,021,256 was for the half year i.e. from January to June, 2019. Of this amount, ₦17,906,612,773 and ₦35,813,225,546 were earmarked for recurrent services while ₦18,777,397,855 and ₦37,554,795,710 were for capital projects/programmes for both second quarter and half year.

RECURRENT REVENUE PERFORMANCE

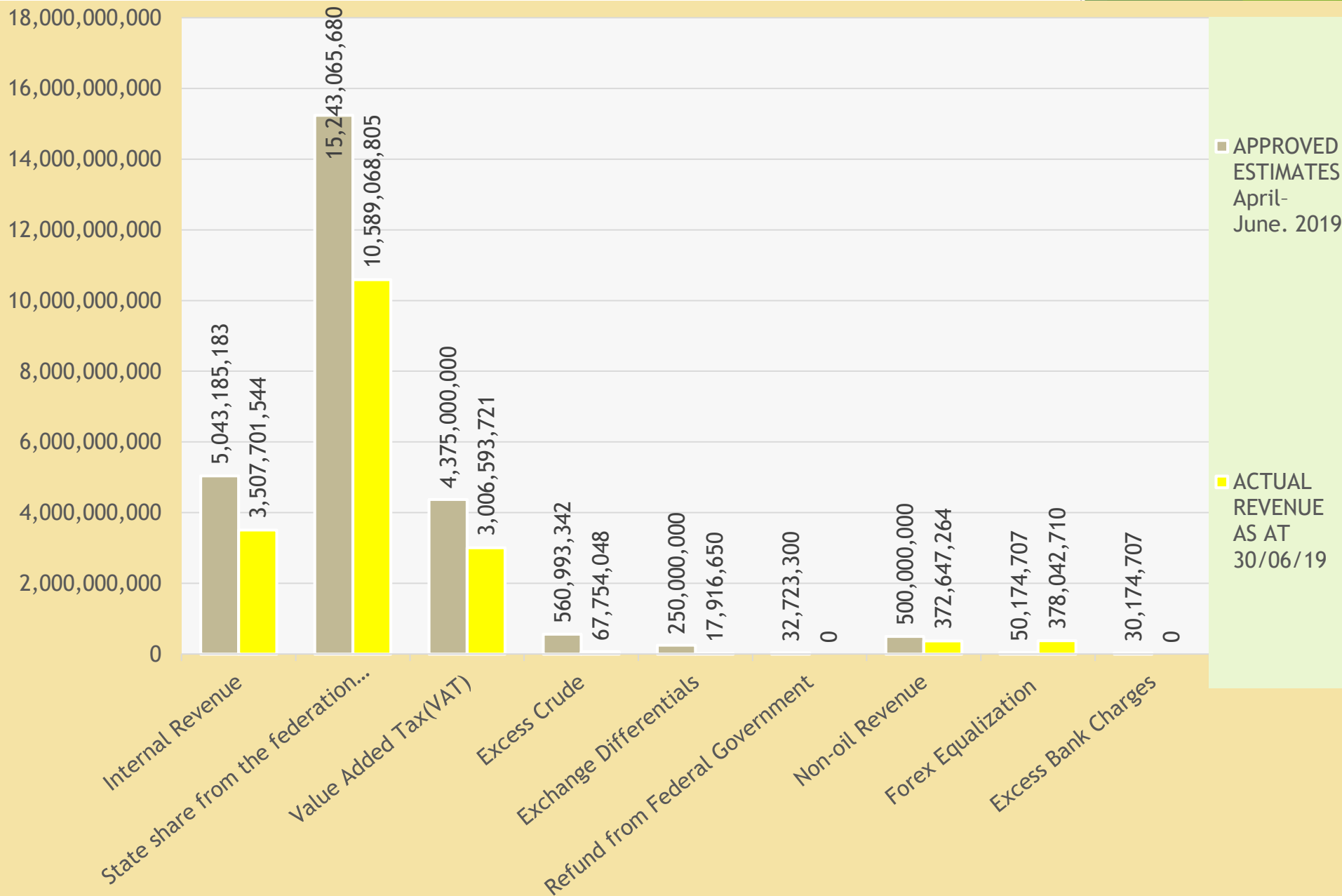
The total recurrent revenue estimates for second quarter (April - June) and half year (January - June), 2019 fiscal year were ₦26,085,316,919 and ₦52,170,633,838 (Internally Generated Revenue + Federation Accounts), However, the total sum of ₦17,939,724,742 and ₦35,435,304,663 were realized, representing 68.77% and 67.92% performance for both second quarter and half year. Out of this amount realized, ₦3,507,701,544 and ₦6,683,808,065 came from Internally Generated Revenue Sources while ₦14,432,023,198 and ₦28,751,496,598 came from Federal Transfer. The breakdown of the actual revenue collected with the percentage performance during the periods under review are presented in the tables & graphs below.



RECURRENT REVENUE PERFORMANCE TABLE FOR 2ND QUARTER

S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES April-June. 2019	ACTUAL REVENUE AS AT 30/06/19	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1	Internal Revenue	20,172,740,733	5,043,185,183	3,507,701,544	69.55
2	State share from the federation Account	60,972,262,719	15,243,065,680	10,589,068,805	69.47
3	Value Added Tax(VAT)	17,500,000,000	4,375,000,000	3,006,593,721	68.72
4	Excess Crude	2,243,973,366	560,993,342	67,754,048	12.08
5	Exchange Differentials	1,000,000,000	250,000,000	17,916,650	7.17
6	Refund from Federal Government	130,893,199	32,723,300	0	0.00
7	Non-oil Revenue	2,000,000,000	500,000,000	372,647,264	74.53
8	Forex Equalization	200,698,829	50,174,707	378,042,710	753.45
9	Excess Bank Charges	120,698,829	30,174,707	0	0.00
Total		104,341,267,675	26,085,316,919	17,939,724,742	68.77

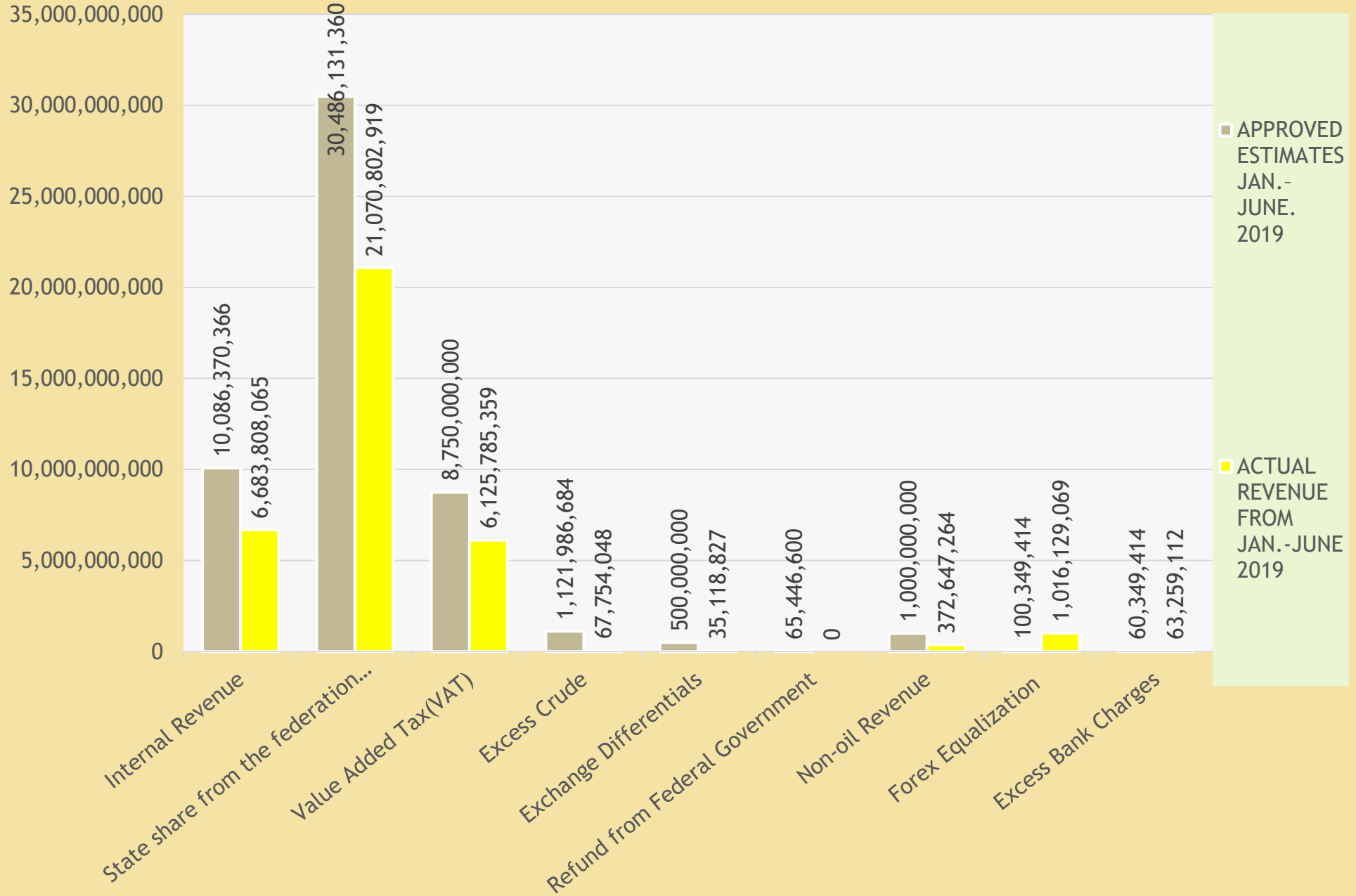
Graphical Representation of Recurrent Revenue analysis for 2ND Quarter



RECURRENT REVENUE PERFORMANCE FOR HALF YEAR

S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES Jan.-June. 2019	ACTUAL REVENUE From Jan.-June 2019	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1	Internal Revenue	20,172,740,733	10,086,370,366	6,683,808,065	66.27
2	State share from the federation Account	60,972,262,719	30,486,131,360	21,070,802,919	69.12
3	Value Added Tax(VAT)	17,500,000,000	8,750,000,000	6,125,785,359	70.01
4	Excess Crude	2,243,973,366	1,121,986,684	67,754,048	6.04
5	Exchange Differentials	1,000,000,000	500,000,000	35,118,827	7.02
6	Refund from Federal Government	130,893,199	65,446,600	0	0.00
7	Non-oil Revenue	2,000,000,000	1,000,000,000	372,647,264	37.26
8	Forex Equalization	200,698,829	100,349,414	1,016,129,069	1012.59
9	Excess Bank Charges	120,698,829	60,349,414	63,259,112	104.82
Total		104,341,267,675	52,170,633,838	35,435,304,663	67.92

Half year Recurrent Revenue Analysis



From the above tables, it is inevitable for the State to strengthen its revenue generation capacity as the state revenue is still largely dependent on its share of allocation from the Federation Accounts for her development programmes.

Based on this, reforms are continually being implemented to improve the State revenue status. The state is therefore putting in place new measures to increase IGR in line with approved estimates and will seek to review this stance in the third quarter of 2019

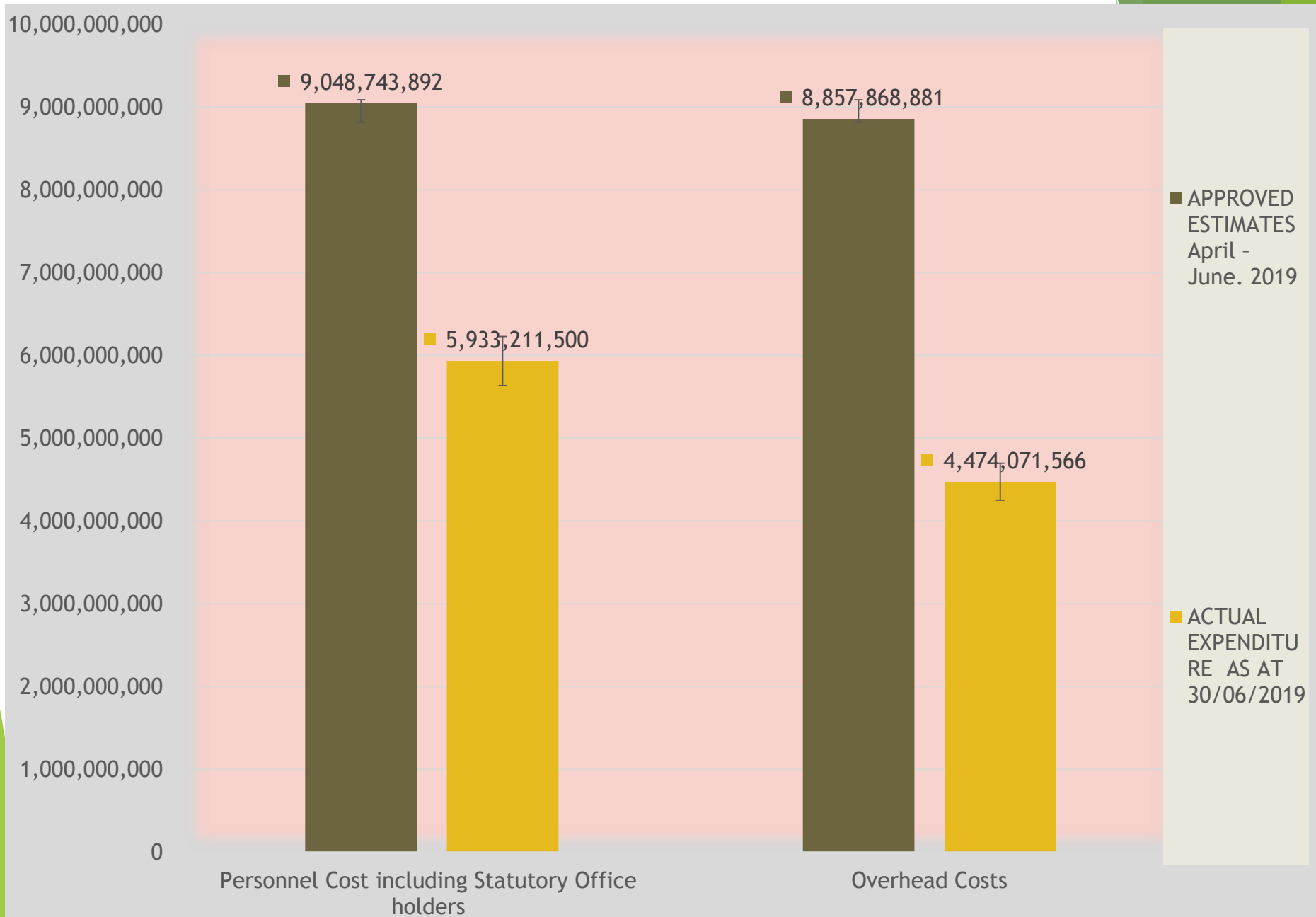
SECOND QUARTER RECURRENT EXPENDITURE ANALYSIS

The approved recurrent expenditure for the period under review (April-June 2019) was ₦17,906,612,773 while the actual for the same period was ₦10,407,283,066 representing 58.12% performance. The 2019 Approved Budget for the second quarter recurrent expenditure and the breakdown of the actual expenditure with the percentage performance are shown in the table below:

DETAILS OF RECURRENT EXPENDITURE PERFORMANCE

S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES April - June. 2019	ACTUAL EXPENDITURE AS AT 30/06/2019	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1.	Personnel Cost including Statutory Office holders	36,194,975,569	9,048,743,892	5,933,211,500	65.57
2.	Overhead Costs	35,431,475,523	8,857,868,881	4,474,071,566	50.51
	Total	71,626,451,092	17,906,612,773	10,407,283,066	58.12

Recurrent Expenditure Analysis



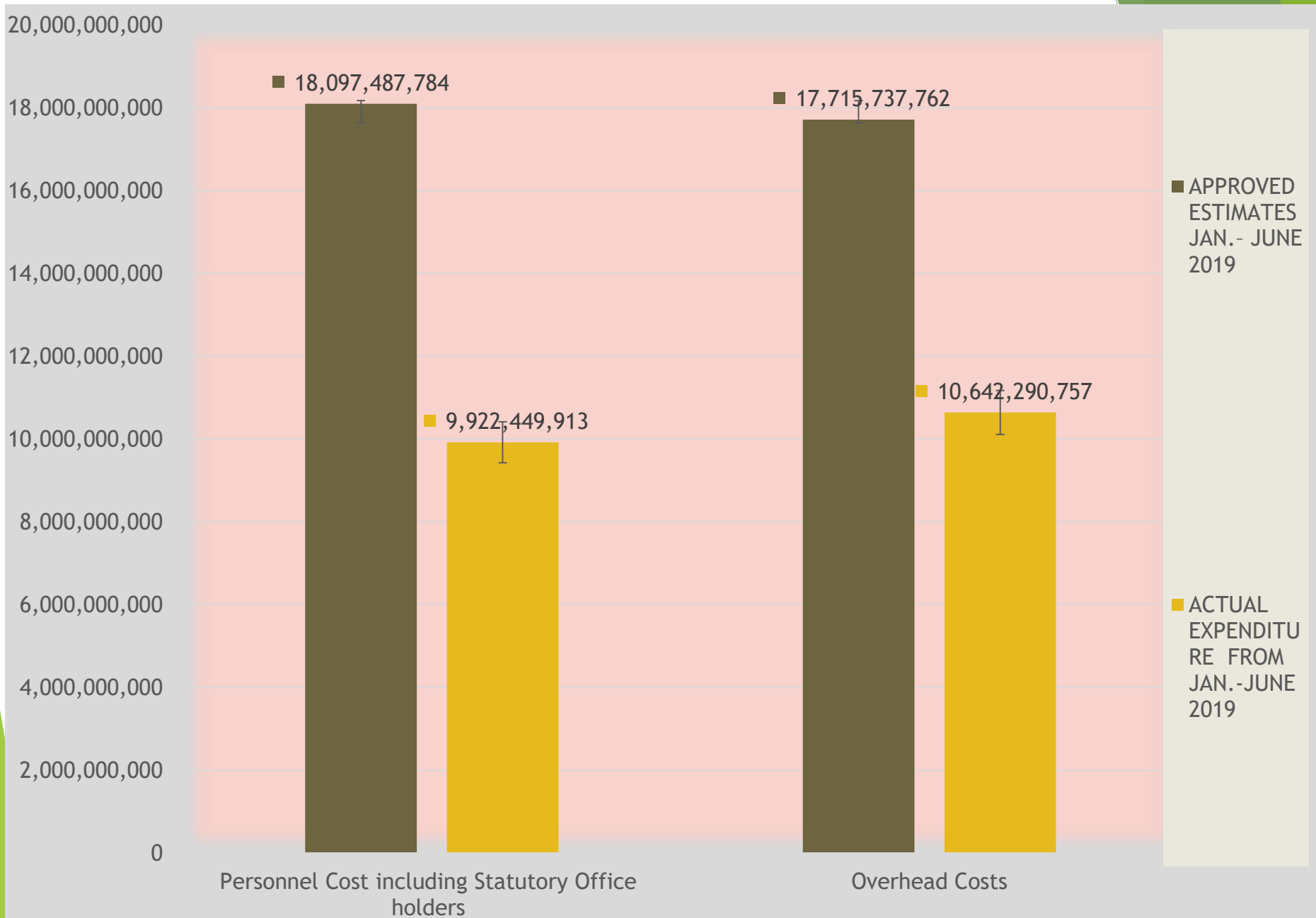
HALF YEAR RECURRENT EXPENDITURE PERFORMANCE

The approved recurrent expenditure for the period under review (January - June 2019) was ₦35,813,225,546 while the actual for the same period was ₦20,564,740,671 representing 57.42% performance. The 2019 Approved Budget for the half year recurrent expenditure and the breakdown of the actual expenditure with the percentage performance are shown in the table below:

DETAILS OF RECURRENT EXPENDITURE PERFORMANCE

S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES Jan- June 2019	ACTUAL EXPENDITURE From Jan.-June 2019	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1.	Personnel Cost including Statutory Office holders	36,194,975,569	18,097,487,784	9,922,449,913	54.83
2.	Overhead Costs	35,431,475,523	17,715,737,762	10,642,290,757	60.07
	Total	71,626,451,092	35,813,225,546	20,564,740,671	57.42

Half Year Recurrent Expenditure Analysis



Personnel Costs



OVERHEAD COSTS

Internet Access Charges



Office Furniture & Fittings

Electricity Bill



Security



Overhead Costs



Travelling and Transport



Office Stationaries



Telephone Charge

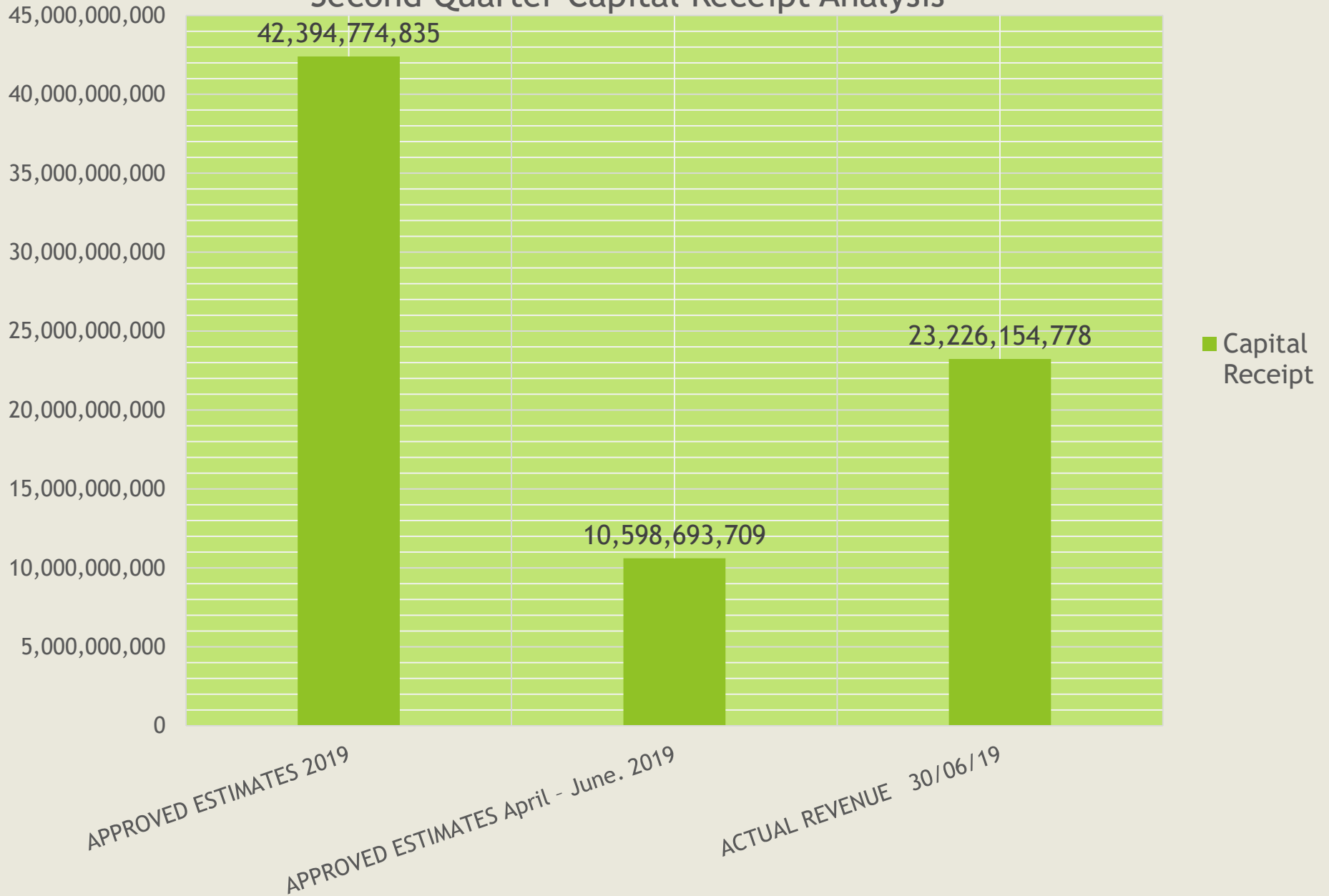
Water Rate

SECOND QUARTER CAPITAL RECEIPTS (TRANSFER SURPLUS, GRANTS AND LOANS)

The total approved capital receipts for the year 2019 was ~~₦~~42,394,774,835 out of which the sum of ~~₦~~10,598,693,709 represents the second quarter figures (April-June, 2019). Out of this sum for the period under review, ~~₦~~23,226,154,778 was collected, representing 219.14% performance.

S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES April – June. 2019	ACTUAL REVENUE 30/06/19	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1	Capital Receipt	42,394,774,835	10,598,693,709	23,226,154,778	219.14

Second Quarter Capital Receipt Analysis

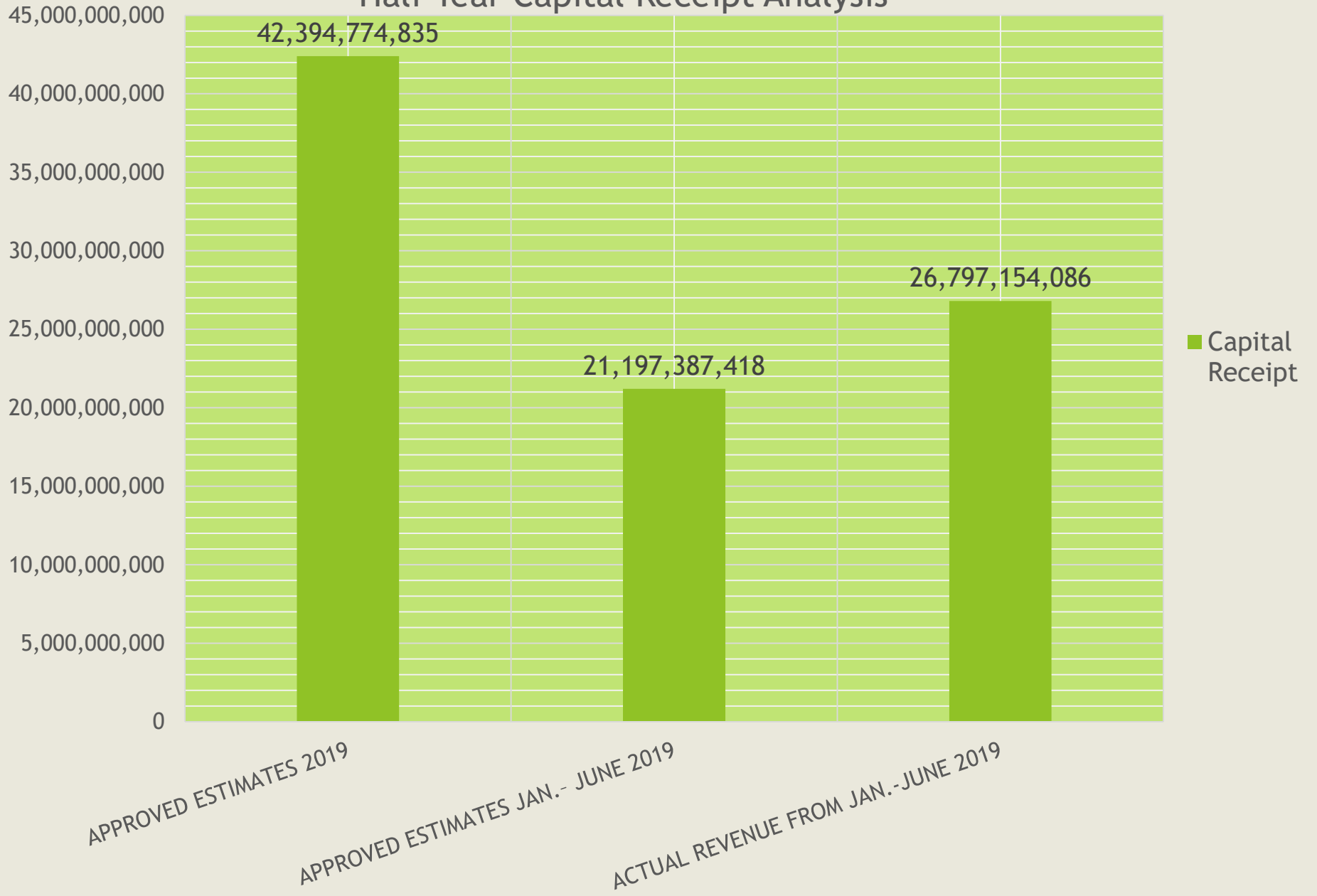


HALF YEAR CAPITAL RECEIPTS (TRANSFER SURPLUS, GRANTS AND LOANS)

The total approved capital receipts for the year 2019 was ₦42,394,774,835 out of which the sum of ₦21,197,387,418 represents the Half Year figures (January-June, 2019). Out of this sum for the period under review, ₦26,797,154,086 was collected, representing 126.42% performance.

S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES Jan – June. 2019	ACTUAL REVENUE From Jan.-June 2019	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1	Capital Receipt	42,394,774,835	21,197,387,418	26,797,154,086	126.42

Half Year Capital Receipt Analysis



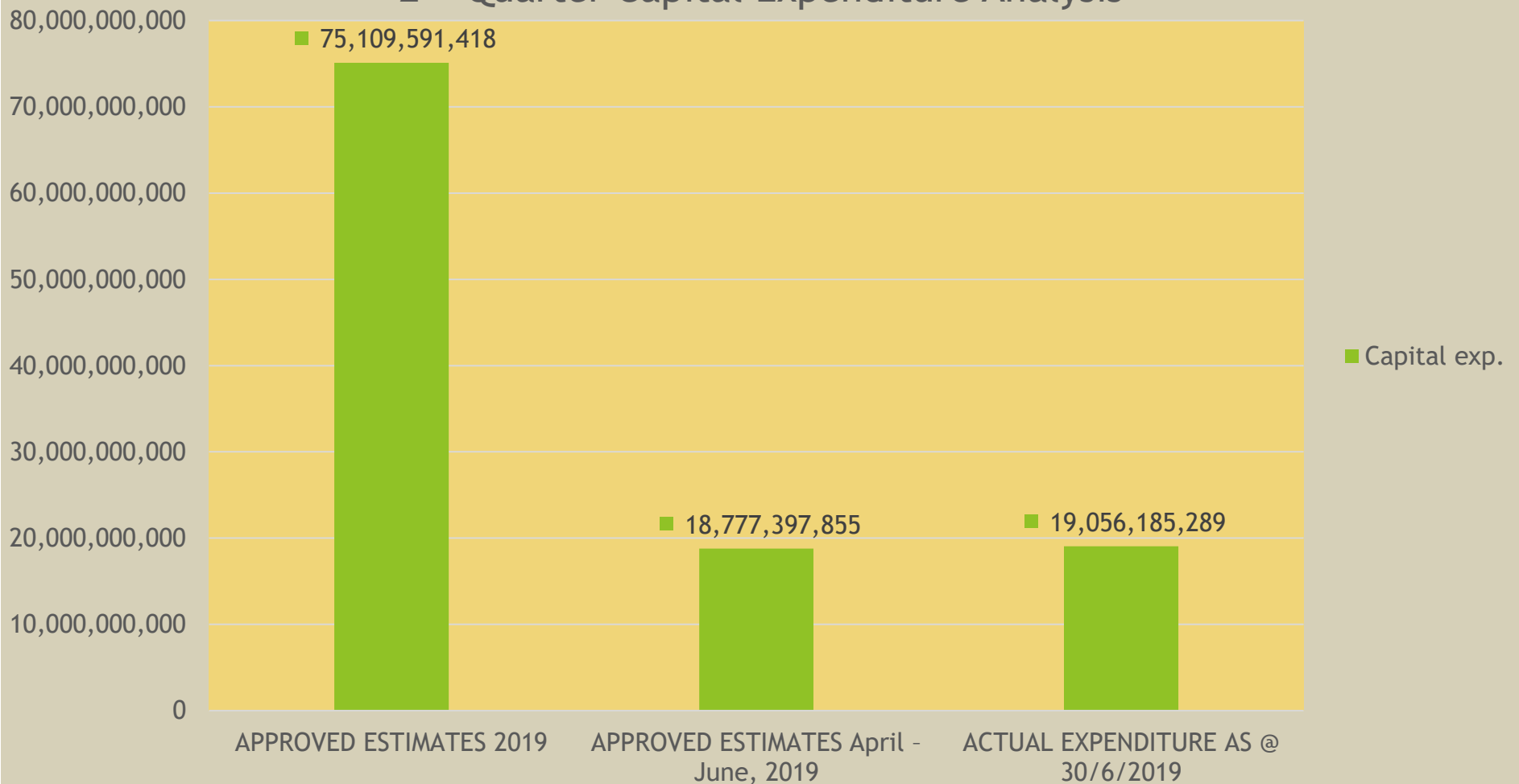
SECOND QUARTER CAPITAL EXPENDITURE ANALYSIS:

The total sum of ₦75,109,591,418 was approved for capital expenditure for the year 2019. Out of this, the sum of ₦18,777,397,855 was for the second quarter estimates (April-June, 2019) while the sum of ₦19,056,185,289 was the actual capital expenditure for the period, representing 101.48% performance.

Below is the tabular and graphical representation of this analysis

S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES April - June, 2019	ACTUAL EXPENDITURE AS AT 30/06/19	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1	<i>Capital exp.</i>	75,109,591,418	18,777,397,855	19,056,185,289	101.48

2ND Quarter Capital Expenditure Analysis

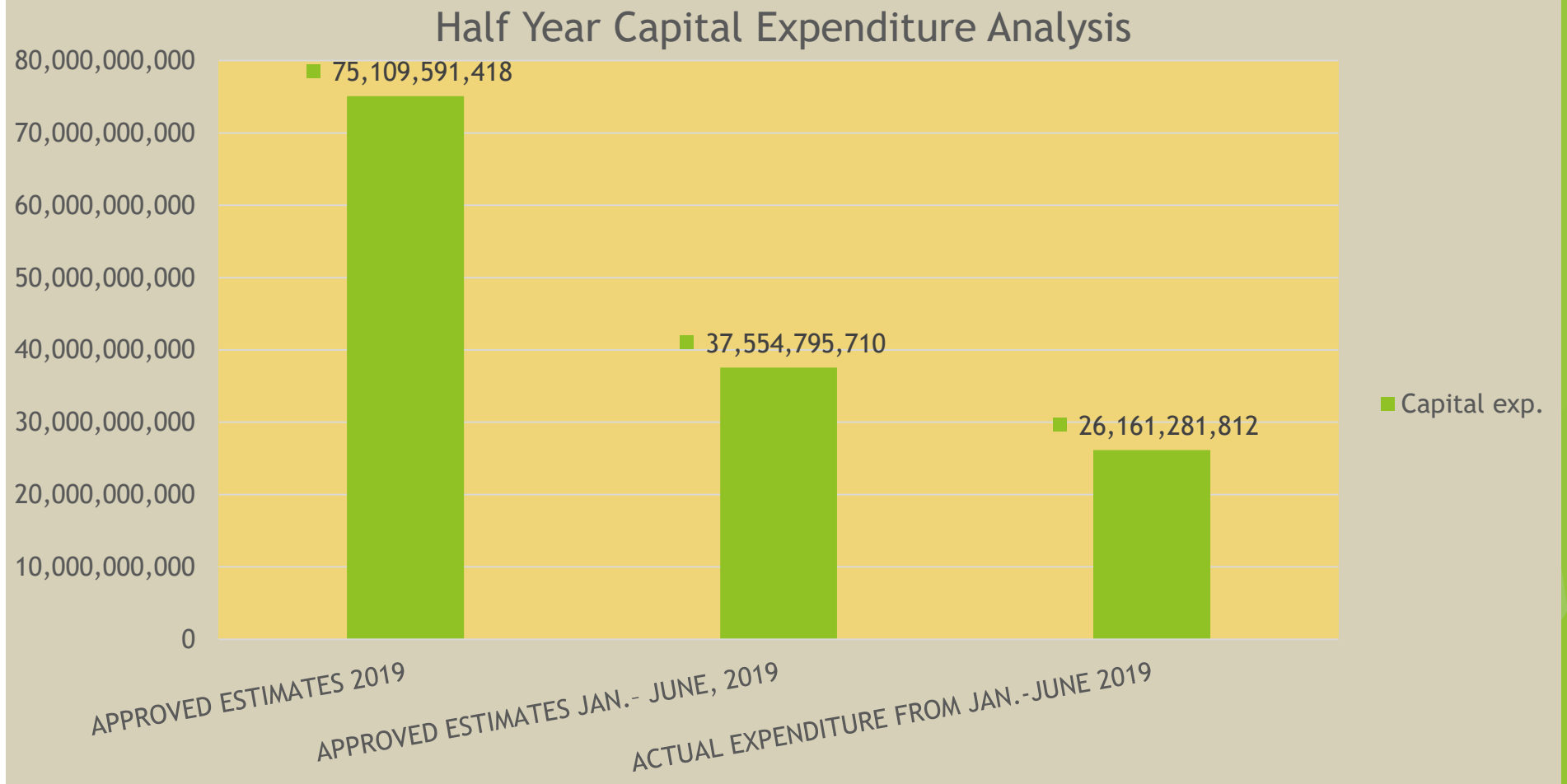


HALF YEAR CAPITAL EXPENDITURE ANALYSIS:

The total sum of ₦75,109,591,418 was approved for capital expenditure for the year 2019. Out of this, the sum of ₦37,554,795,710 was for the half year estimates (January-June, 2019) while the sum of ₦26,161,281,812 was the actual capital expenditure for the period, representing 69.66% performance.

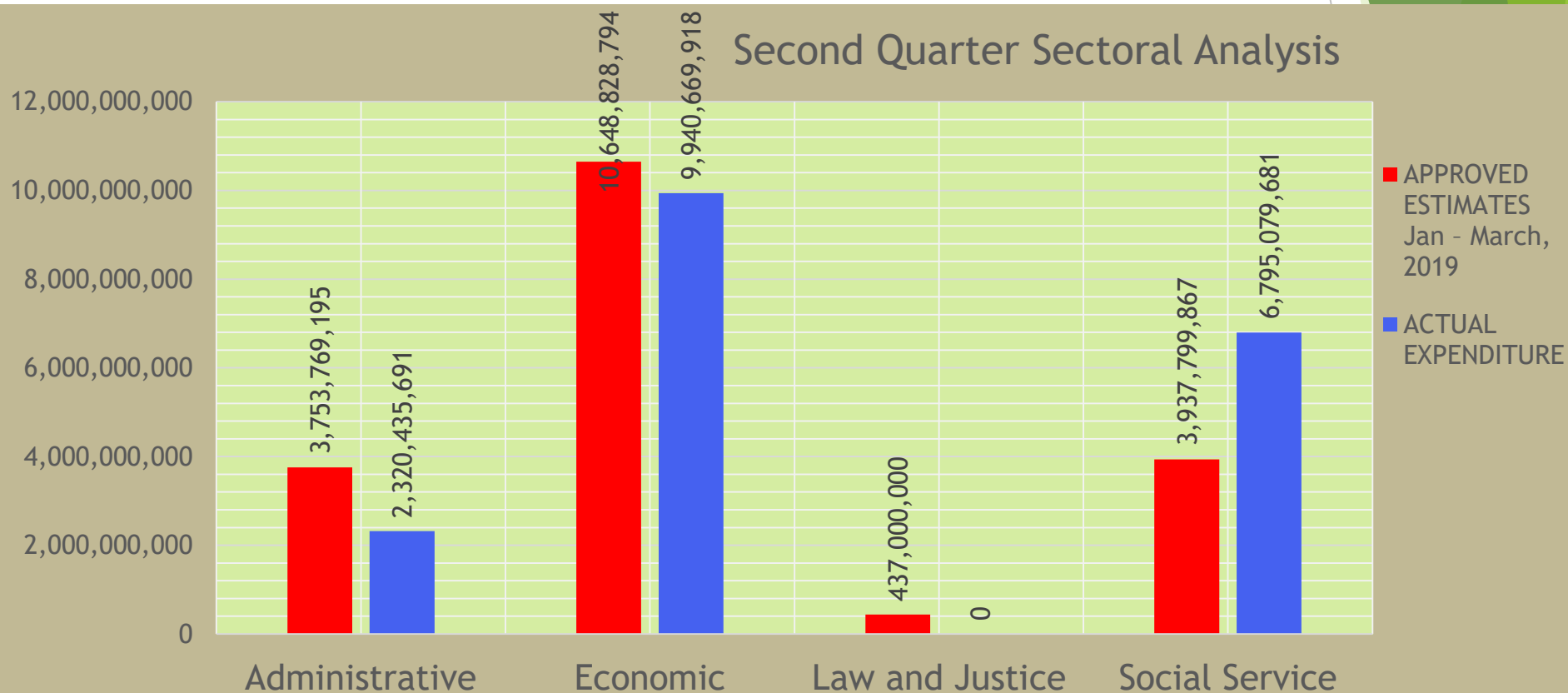
Below is the tabular and graphical representation of this analysis

S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES Jan-June, 2019	ACTUAL EXP. From Jan.-June 2019	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1	Capital exp.	75,109,591,418	37,554,795,710	26,161,281,812	69.66

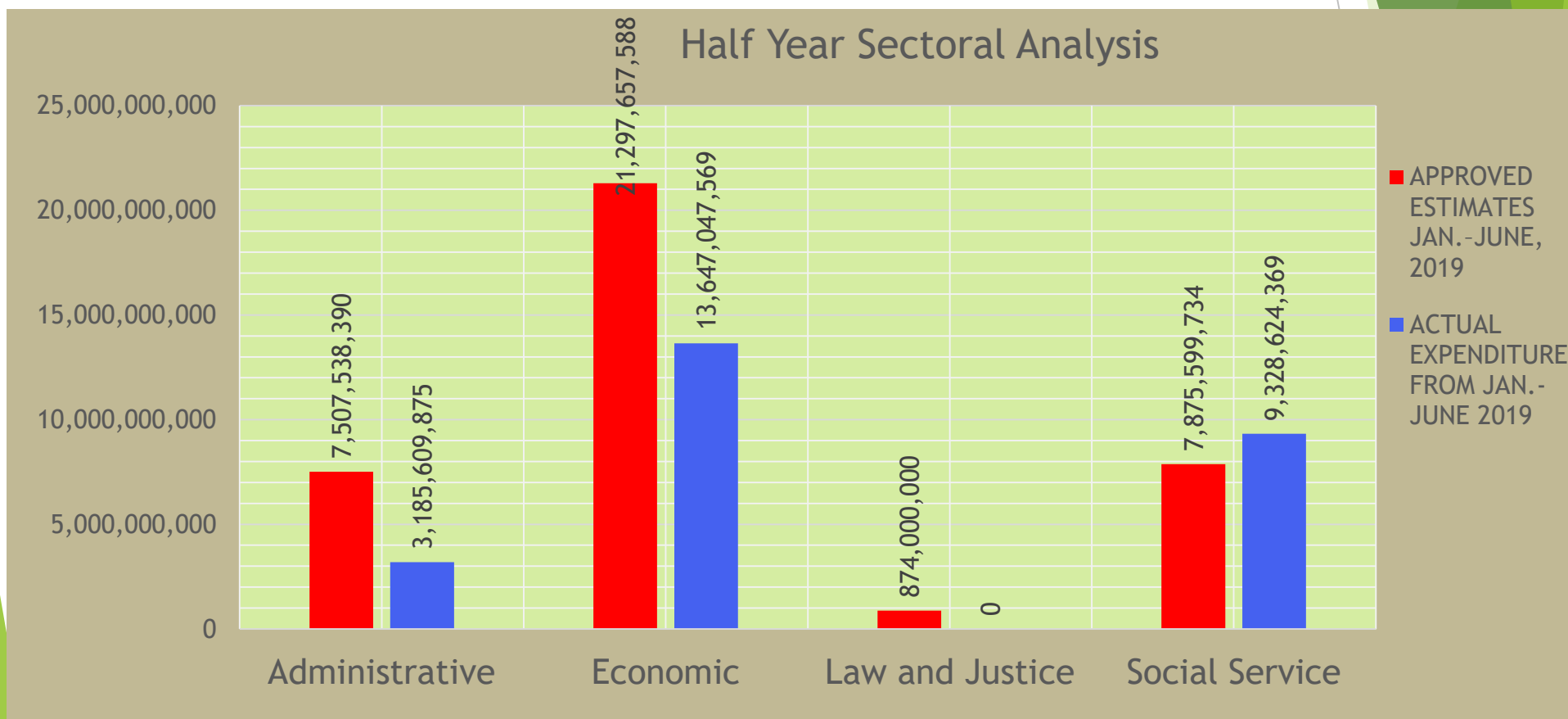


S/N O A	SECTOR B	APPROVED ESTIMATES April - June, 2019 C	ACTUAL EXPENDITURE AS AT 30/06/19 D
1	<i>Administrative</i>	3,753,769,195	2,320,435,691
2	<i>Economic</i>	10,648,828,794	9,940,669,918
3	<i>Law and Justice</i>	437,000,000	0
4	<i>Social Service</i>	3,937,799,867	6,795,079,681

Second Quarter Sectoral Analysis



S/N O A	SECTOR B	APPROVED ESTIMATES Jan. - June, 2019 C	ACTUAL EXPENDITURE From Jan.-June 2019 D
1	<i>Administrative</i>	7,507,538,390	3,185,609,875
2	<i>Economic</i>	21,297,657,588	13,647,047,569
3	<i>Law and Justice</i>	874,000,000	0
4	<i>Social Service</i>	7,875,599,734	9,328,624,369



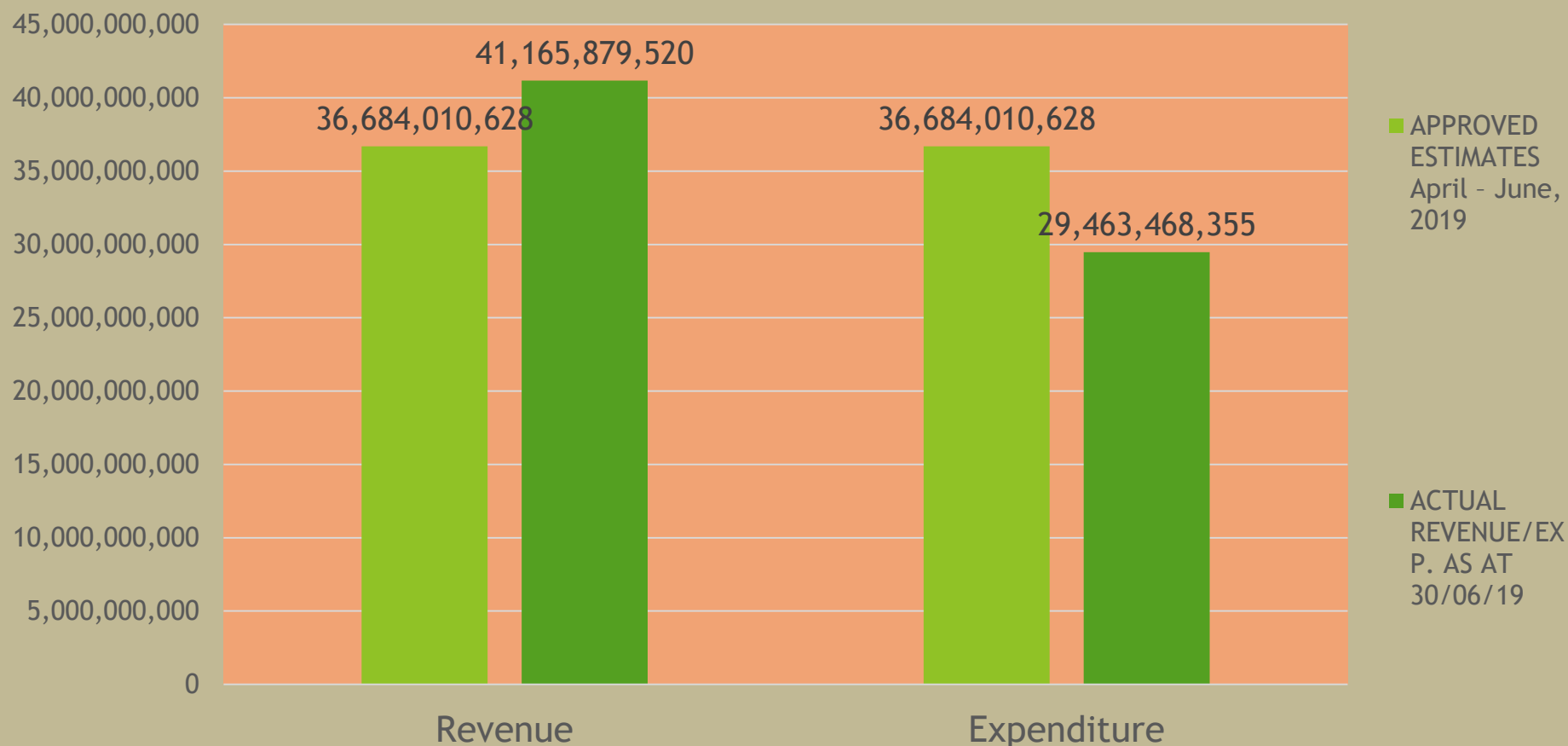
In conclusion,

The total approved revenue for 2019 fiscal year stands at ₦146,736,042,510. Out of this, the sum of ₦36,684,010,628 was for the second quarter estimates for both recurrent and capital receipts (April-June, 2019) while ₦73,368,021,256 was for the half year for both recurrent and capital receipts (January-June, 2019). However, the total sum of ₦41,165,879,520 was realized, representing 112.22% performance for second quarter while ₦62,232,458,749 was realized, representing 84.82% performance for half year.

On the other hand, the approved budget expenditure for 2019 fiscal year was ₦146,736,042,510. Out of this, the sum of ₦36,684,010,628 was for the second quarter estimates for both recurrent and capital expenditure (April-June, 2019) while ₦73,368,021,256 was for the half year for both recurrent and capital expenditure (January-June, 2019). However, the total sum of ₦29,463,468,356 was expended, representing 80.32% performance for second quarter while ₦46,726,022,484 was expended, representing 63.69% performance for half year.

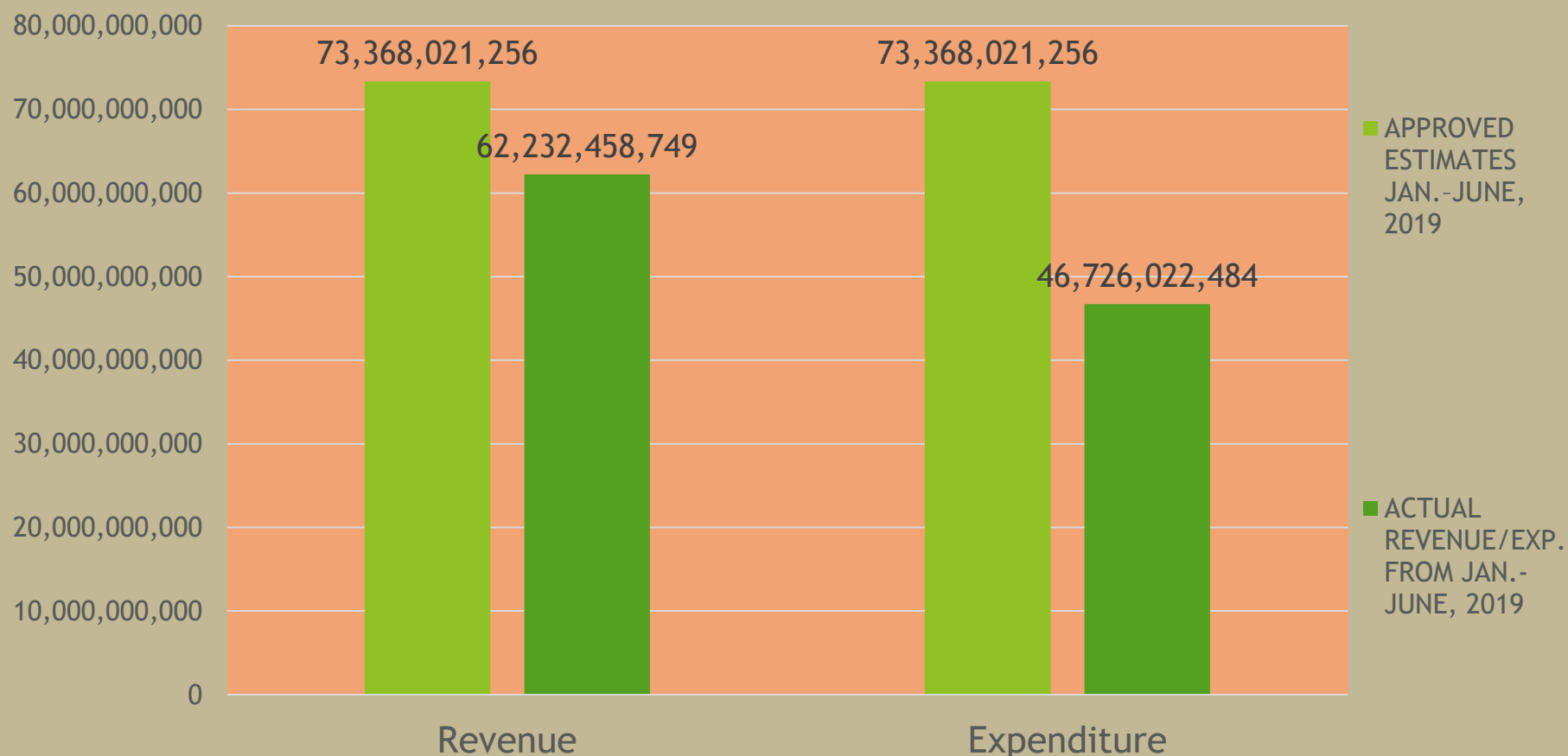
S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES April - June, 2019	ACTUAL REVENUE/EXP. AS AT 30/06/19	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1	Revenue	146,736,042,510	36,684,010,628	41,165,879,520	112.22
2	Expenditure	146,736,042,510	36,684,010,628	29,463,468,356	80.32

Second Quarter Revenue/Exp. Analysis



S/NO	DETAILS	APPROVED ESTIMATES 2019	APPROVED ESTIMATES Jan.- June, 2019	ACTUAL REV/EXP. From Jan.- June 2019	% PERFORMANCE (E/DX100)
A	B	C	D	E	F
1	Revenue	146,736,042,510	73,368,021,256	62,232,458,749	84.82
2	Expenditure	146,736,042,510	73,368,021,256	46,726,022,484	63.69

Half Year Revenue/Exp. Analysis



REVENUE



EXPENDITURE



Having carefully analysed the actual data on Revenue and Expenditure submitted by the Office of Accountant General for the quarter under review vis-a-vis approved Budget for the same period, I hereby forward the Report for consideration and approval.



Sanni H.M
Ag. Director Budget

7/8/2019

Approved.

Paul Z. Maiwada 07/02/2019

Paul Z. Maiwada
Hon. Commissioner