

التقرير الربعي لأداء الميزانية
الربع الثاني ١٤٣٩ - ١٤٤٠ هـ
Budget Performance Report Q2 2018

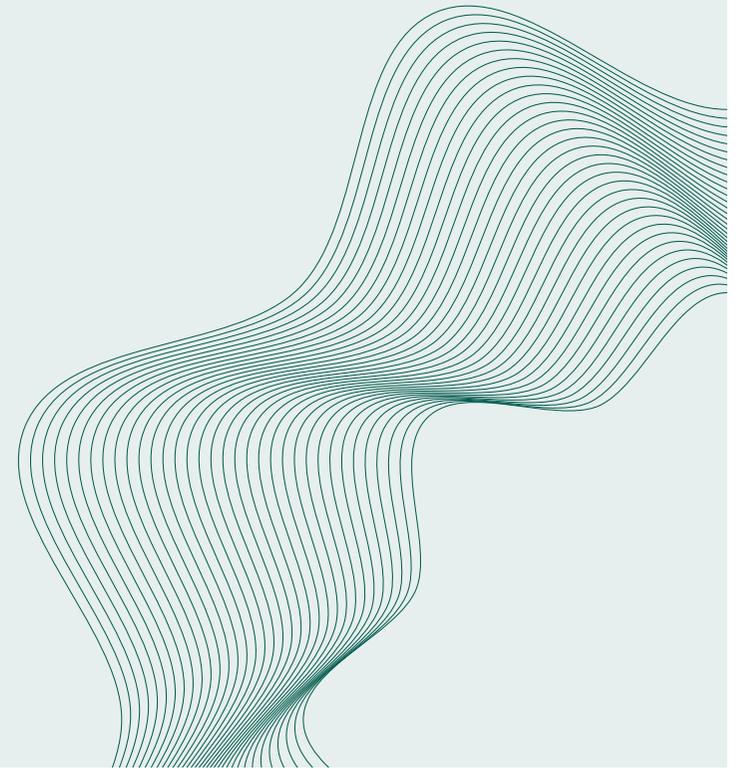


Quarterly Budget Performance Report Q2 of Fiscal Year 2018 (1439 / 1440 H)

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Budget Performance Report Q2 2018



01



Introduction





Introduction

This quarterly report is prepared by the Ministry of Finance. It shows revenues and expenditures during the quarter, in addition to the surplus (or deficit), its funding sources and the public debt. Through the publication of this report, the Ministry of Finance seeks to provide more transparency on the performance of the budget in accordance with global financial disclosure standards. In addition, it is important to note that the budget preparation is under the cash basis of accounting.

The accounts in this report have been classified according to the Government Finance Statistics Manual (GFSM 2014), which is published by the International Monetary Fund (IMF). Furthermore, a glossary attached at the end of the report defines all of these mentioned terms.



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Budget Performance Report Q2 2018



02



The Government Budget





Budget

The Government Budget for the Fiscal Year 2018

(SAR Million)

Items	Budget for the fiscal year Actual 2017	Budget for the fiscal year 2018
 Oil Revenues	435,900	492,000
 Non-oil Revenues	255,605	291,343
 Total Revenues	691,505	783,343
 Total Expenses	929,997	978,000
 Surplus (Deficit)	(238,492)	(194,657)



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Budget Performance Report Q2 2018



03



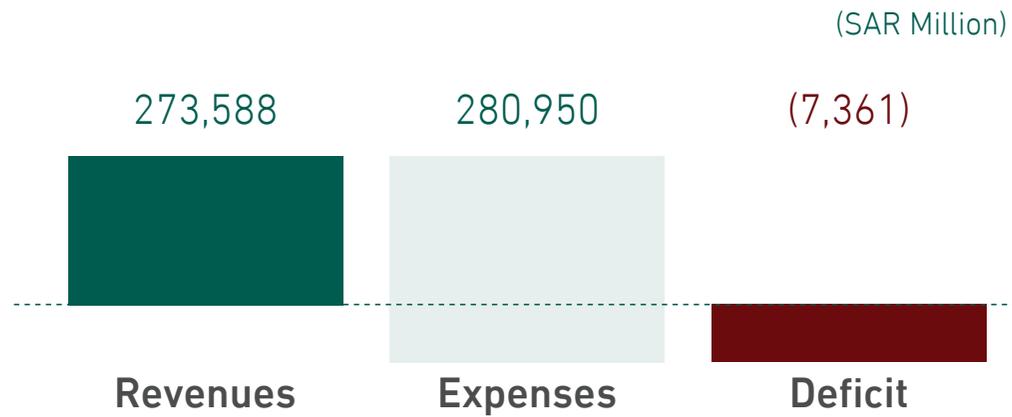
Executive Summary





Executive Summary

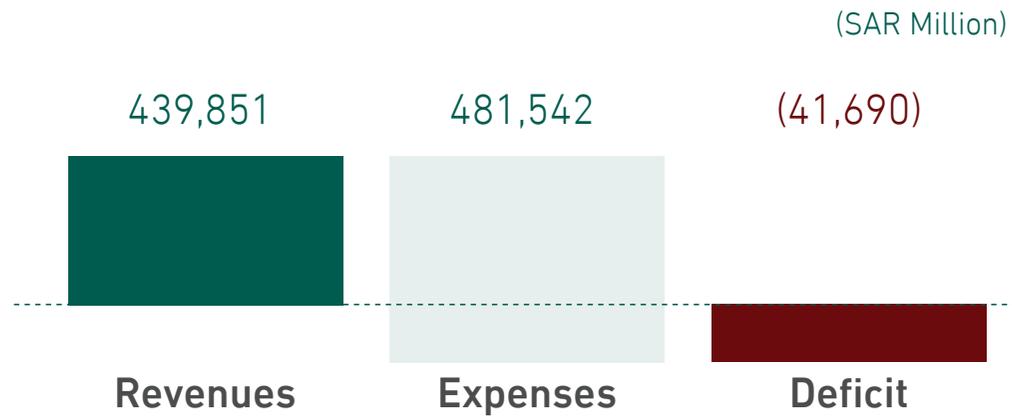
Performance of the actual budget for Q2 2018





Executive Summary

Performance of the actual budget for H1 2018





04



Revenues





Revenues

Actual revenues for Q2 2018

(SAR Million)

Revenues*	Q1	Q2	Total
 Oil Revenues	113,947	184,165	298,112
 Taxes on Income, Profit and Capital Gains (of which: Foreign Corporate Income Tax)	2,471	6,648	9,119
 Taxes on goods and Services (of which: oil product fees and excise tax on harmful products and VAT)	22,653	29,744	52,397
 Taxes on Trade and Transactions (Customs)	3,786	3,413	7,199
 Other Taxes (of which: ZAKAT)	3,161	11,969	15,130
 Other Revenues	20,245	37,650	57,895
 Total Non-Oil Revenues	52,316	89,423	141,739
Total	166,263	273,588	439,851

*Items' definition in the Annex at the end of the report





Revenues

Actual revenues for Q2 2018 vs the same period of the previous year

(SAR Million)

Revenues*	Q2 2017	Q2 2018	Change %
 Oil Revenues	100,990	184,165	82%
 Taxes on Income, Profit and Capital Gains (of which: Foreign Corporate Income Tax)	7,201	6,648	-8%
 Taxes on goods and Services (of which: oil product fees and excise tax on harmful products and VAT)	8,084	29,744	268%
 Taxes on Trade and Transactions (Customs)	4,941	3,413	-31%
 Other Taxes (of which: ZAKAT)	10,596	11,969	13%
 Other Revenues	32,094	37,650	17%
 Total Non-Oil Revenues	62,916	89,423	42%
Total	163,906	273,588	67%

*Items' definition in the Annex at the end of the report





Revenues

Actual revenues for H1 2018 vs the same period of previous year

(SAR Million)

Revenues*	H1 2017	H1 2018	Change %
 Oil Revenues	212,993	298,112	40%
 Taxes on Income, Profit and Capital Gains (of which: Foreign Corporate Income Tax)	9,232	9,119	-1%
 Taxes on goods and Services (of which: oil product fees and excise tax on harmful products and VAT)	13,774	52,397	280%
 Taxes on Trade and Transactions (Customs)	9,477	7,199	-24%
 Other Taxes (of which: ZAKAT)	12,153	15,130	24%
 Other Revenues	50,353	57,895	15%
 Total Non-Oil Revenues	94,989	141,739	49%
Total	307,982	439,851	43%

*Items' definition in the Annex at the end of the report





05



Expenses





Expenses

Actual expenses for Q2 2018

(SAR Million)

Expenses*	Q1	Q2	Total
 Compensation of Employees	112,922	130,830	243,752
 Use of Goods and Services	10,240	43,341	53,581
 Financing Expenses	4,145	1,524	5,669
 Subsidies	2,993	4,231	7,224
 Grants	30	1,625	1,655
 Social Benefits	18,782	25,392	44,174
 Other Expenses	25,521	25,926	51,447
 Non-Financial Assets (Capital)	25,959	48,080	74,039
Total	200,592	280,950	481,542

* Items' definition in the Annex at the end of the report





Expenses

Actual expenses for Q2 2018 vs to the same period of the previous year

(SAR Million)

Expenses*	Q2 2017	Q2 2018	Change %
 Compensation of Employees	102,788	130,830	27%
 Use of Goods and Services	27,239	43,341	59%
 Financing Expenses	3,011	1,524	-49%
 Subsidies	1,135	4,231	273%
 Grants	640	1,625	154%
 Social Benefits	16,587	25,392	53%
 Other Expenses	25,772	25,926	1%
 Non-Financial Assets (Capital)	33,251	48,080	45%
Total	210,423	280,950	34%

* Items' definition in the Annex at the end of the report





Expenses

Actual expenses for H1 2018 vs the same period of previous year

(SAR Million)

Expenses*	H1 2017	H1 2018	Change %
 Compensation of Employees	196,873	243,752	24%
 Use of Goods and Services	43,951	53,581	22%
 Financing Expenses	4,269	5,669	33%
 Subsidies	1,181	7,224	512%
 Grants	1,211	1,655	37%
 Social Benefits	23,194	44,174	90%
 Other Expenses	47,694	51,447	8%
 Non-Financial Assets (Capital)	62,337	74,039	19%
Total	380,710	481,542	26%

* Items' definition in the Annex at the end of the report





Expenses

Approved budget per sector and actual expenses for H1 2018

(SAR Million)

Sector	Budget	H1 2018 Expenses	% Expenses of Total Budget	H1 2017 Expenses	* Change %
 Public Administration	26,202	15,244	58.2%	12,849	18.6%
 Military	210,000	113,365	54.0%	84,243	34.6%
 Security and Regional Administration	100,764	47,840	47.5%	42,695	12.1%
 Municipal Services	53,410	16,810	31.5%	21,865	-23.1%
 Education	192,361	99,643	51.8%	96,073	3.7%
 Health and Social Development	146,549	86,638	59.1%	58,085	49.2%
 Economic Resources	105,309	15,966	15.2%	14,939	6.9%
 Infrastructure and Transportation	54,166	11,687	21.6%	12,354	-5.4%
 General Items	89,239	74,348	83.3%	37,607	97.7%
Total	978,000	481,542	49%	380,710	26%

* % Change compared to the same period last year





06



Deficit and Financing





Deficit and Financing

Budget Deficit by the end of Q2 2018

(SAR Million)

Items	Q1	Q2	Total
Deficit	(34,329)	(7,361)	(41,690)
Financing			
Current Account 2017	828	0	828
Reserves Account	0	0	0
Internal Borrowing	17,902	12,073	29,975
External Borrowing	22,291	0	22,291
Total Financing	41,021	12,073	53,094





07



Public Debt





Public Debt

Public Debt up to the end of H1 2018

(SAR Million)

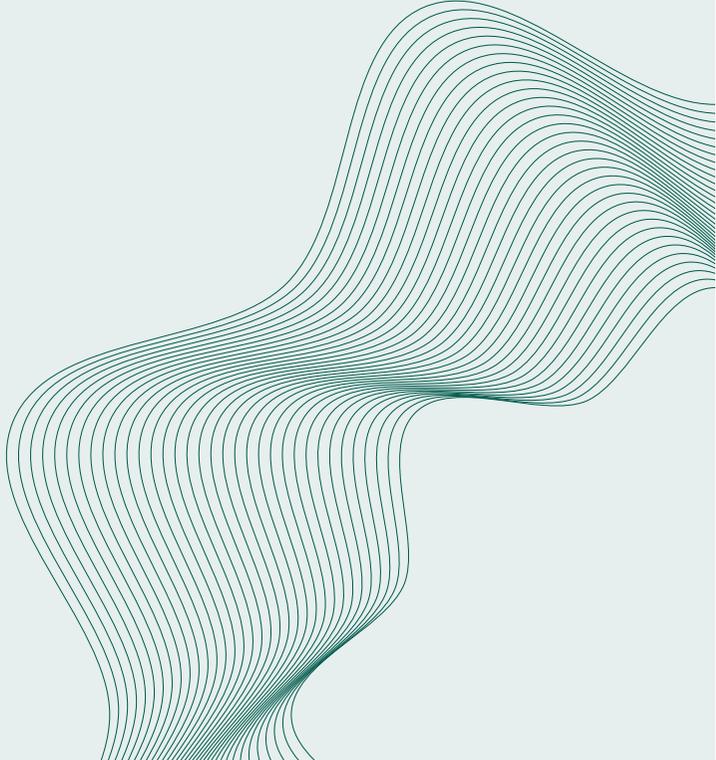
Debt	Items	Domestic Debt	External Debt
	Beginning of Period Balance		443,253
		259,503	183,750
	Issuances or Borrowing	29,970	63,750
	Repayment of Principle Debt	19	0
	Amortization of Government Bonds	0	0
	End of Period Balance	289,454	247,500
		536,954	

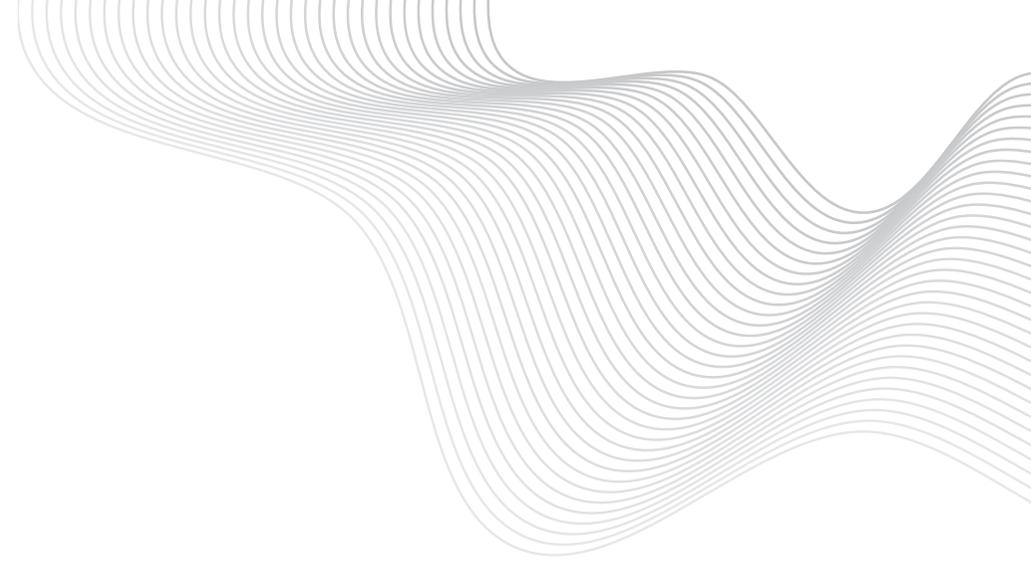


Appendix on the definition of revenues and expenses as outlined in IMF (GFSM 2014)

Item	Definition
Taxes on income, profits, and capital gains	It consist of taxes assessed on the actual or presumed incomes of institutional units
Taxes on goods and services	Commodity or activities taxes and selective taxes (oil products, tobacco, VAT)
Taxes on trade and transactions (Customs)	Taxes that are payable when goods cross the national or customs frontiers of the economic territory, or when transactions in services exchange between residents and non-residents
Other taxes	Other taxes paid by businesses only (Corporate Zakat) and unclassified taxes
Other revenues	Revenues from other public government units (including Saudi Arabian Monetary Agency and Public Investment Fund) and sales performed by other entities (income from advertising and fees from port services), administrative fees, fines, penalties and confiscations
Compensation of Employees	Social benefits payable in cash to employees in addition to wages/salaries, which includes social insurance contributions, which is paid by a government unit on behalf of its employees – excluding any compensation for employees related to the formation of capital for personal accounts
Goods and Services	Total value of goods and services purchased by the general government sector for use in the production process or purchasing for resale, minus the net change in inventories of those goods and services
Financing Expenses	The amount that the government must pay to the creditor against the principal of the outstanding debt such as treasury bonds, government instruments, loans and accounts receivable
Subsidies	Current transfers paid by government units to projects either in return of their activities or on the basis of quantities or values of the goods or services being sold, produced or imported. This includes transfers to public companies and so on.
Grants	Non-mandatory transfers in cash or goods paid to other units of the general government or from international organizations
Social Benefits	On-going transfers to families to meet the needs arising from events such as sickness, unemployment, retirement, housing or family conditions. They could be in cash or goods. Also, it contains the Citizen Account transfers
Other expenses	All expenses not classified elsewhere (expenditure on property other than interest - taxes - fines - government-imposed sanctions - current transfers to non-profit institutions - capital transfers other than capital grants - non-life insurance premiums and claims)
Non-Financial Assets (Capital)	All economic assets other than financial assets, which implicitly do not represent claims on other units. Most non-financial assets provide benefits either through their use in the production of goods and services or in the form of property income.

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