



**ZIMBABWE**

## **GOVERNMENT OF ZIMBABWE**

### **CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE OF THE CONSOLIDATED REVENUE FUND**

**For the period ended 28 February 2017**

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**SECRETARY AND PAYMASTER GENERAL'S APPROVAL**

The Consolidated Statement of Financial Performance (CSFP) is prepared on the going concern basis. The Consolidated Statement has been based upon accounting policies, which have been consistently applied.

The Consolidated Statement of Financial Performance on pages 6 to 15 has been approved by the Secretary and Paymaster General, and the Accountant General.



SECRETARY AND PAYMASTER GENERAL



ACCOUNTANT GENERAL

## **ACCOUNTANT GENERAL'S REVIEW**

### **Mandate**

Section 38 of the Public Finance Management Act (Chapter 22:19) requires Treasury to publish consolidated financial reports in the Gazette within thirty days after the end of each month.

The mandatory Consolidated Statement of Financial Performance (CSFP) for government for the month ended 28 February 2017 as required by section 38 of the Public Finance Management Act is hereby presented.

Besides being mandated by legislation, CSFP is meant to provide a summary of national government's financial resources and their application for the benefit of the people of the Republic of Zimbabwe.

## NOTES TO THE MANAGEMENT ACCOUNTS FOR THE MONTH OF FEBRUARY 2017

### 1. REVENUE

Total revenue for the month of February amounted \$264 million against a budget of \$269 million resulting in a negative variance of 2%. Main contributors were taxes on individuals, entities, excise duty and value added tax. Taxes on individuals was \$54 million against budgeted of \$61 million hence an overall negative variance. Non tax revenue reported an adverse variance of \$7 million as a result of poor performance by revenue from property which was \$0.1 million against a budget of \$4 million. Fees, fines and licences collection were \$16 million against a budget of \$19 million. There is great need of follow up on property revenue to improve overall non tax revenue performance.

### 2. EXPENDITURE

The total expenditure incurred was \$403 million against a budget of \$301 million resulting in a negative variance of \$102 million (-34%). Major costs incurred for the month of February 2017 are related to:

- a) Current transfers amounted to \$129 million against a budget of \$80 million leading to negative variance of \$49 million. Current transfers relates to transfers to ZIMRA, grant aided institutions salaries and operational costs amounted to \$89 million compared to budget of \$40 million.
- b) Interest on debt amounted to \$18 million against a budget of \$10 million. The negative variance was mainly related to domestic borrowing where interest paid was \$18 million compared to budget of \$9 million.
- c) In terms of capital expenditure \$18 million was incurred on the acquisition and construction of buildings against budgeted amount of \$2 million.
- d) Ultimately capital transfers related to various projects of \$54 million were transferred to the Reserve Bank of Zimbabwe, Grain Marketing Board, Zimbabwe Revenue Authority and Deposit Protection Corporation. This was compared to budgeted amount of \$4 million.

During the month of February 2017, a deficit of \$139 million was reported against budgeted deficit of \$32 million. Without current transfers to grant aided institutions of \$129 million and capital transfers of \$54 million, the Government of Zimbabwe will be reporting a surplus of \$42 million.

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE MONTH OF FEBRUARY 2017

	Notes	MONTHLY PERFORMANCE			
		ACTUAL	BUDGET	VARIANCE	%
		USD	USD	USD	
<b>TAXES ON INCOME</b>	<b>1</b>	<b>82,504,153</b>	<b>77,059,000</b>	<b>5,445,153</b>	<b>7.07</b>
<b>Tax on goods and services</b>	<b>2</b>	<b>148,258,335</b>	<b>159,926,000</b>	<b>(11,667,665)</b>	<b>(7.30)</b>
Customs duties	2.1	22,199,770	23,350,000	(1,150,230)	(4.93)
Excise duties	2.2	46,373,564	53,676,000	(7,302,436)	(13.60)
Value added tax	2.3	79,685,001	82,900,000	(3,214,999)	(3.88)
<b>OTHER TAXES</b>	<b>3</b>	<b>17,394,077</b>	<b>8,368,000</b>	<b>9,026,077</b>	<b>107.86</b>
<b>TOTAL TAX REVENUE</b>		<b>248,156,565</b>	<b>245,353,000</b>	<b>2,803,565</b>	<b>1.08</b>
<b>NON TAX REVENUE</b>	<b>4</b>	<b>15,983,087</b>	<b>23,452,700</b>	<b>(7,469,613)</b>	<b>(31.85)</b>
Revenue from property	4.1	118,419	4,080,000	(3,961,582)	(97.10)
Fees, fines, licences and contributions	4.2	15,864,668	19,372,700	(3,508,032)	(18.11)
<b>TOTAL INCOME</b>		<b>264,139,652</b>	<b>268,805,700</b>	<b>(4,666,048)</b>	<b>(1.74)</b>
<b>EXPENDITURE</b>					
<b>Recurrent Expenditure</b>	<b>5</b>	<b>329,918,227</b>	<b>292,788,200</b>	<b>(8,599,307)</b>	<b>(2.61)</b>
Employment cost	5.1	161,553,585	174,308,000	12,754,415	7.89
Goods and services	5.1	21,555,770	28,317,000	6,761,230	31.37
Current transfers	5.3	128,515,400	80,381,200	(48,134,200)	(37.45)
Interest On debt	5.4	18,293,472	9,782,000	20,019,248	-
<b>DEFICIT BEFORE CAPITAL</b>		<b>(65,778,575)</b>	<b>(23,982,500)</b>	<b>3,933,259</b>	<b>0.87</b>
<b>Capital Expenditure</b>	<b>6</b>	<b>73,329,574</b>	<b>8,290,846</b>	<b>(65,038,728)</b>	<b>(88.69)</b>
Capital expenditure	6.1	19,419,649	2,259,000	(17,160,649)	(759.66)
Capital transfers	6.2	53,909,925	3,902,780	(50,007,145)	(1,281.32)
Equity participation/net lending	6.3	-	2,129,066	2,129,066	-
<b>TOTAL EXPENDITURE</b>		<b>403,247,801</b>	<b>301,079,046</b>	<b>(102,168,755)</b>	<b>(33.93)</b>
<b>DEFICIT FOR THE PERIOD</b>		<b>(139,108,149)</b>	<b>(32,273,346)</b>	<b>(106,834,803)</b>	<b>331.03</b>

NOTES TO CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR MONTH ENDED 28 FEBRUARY 2017

Notes	ACTUAL USD	BUDGET USD
<b>1 TAXES ON INCOME &amp; PROFITS</b>		
Individuals	54,009,438.30	61,409,000.00
Companies	23,008,915.90	9,420,000.00
Domestic Dividend and interest	3,695,894.60	4,350,000.00
Other incomes taxes	1,789,904.10	1,880,000.00
<b>Total</b>	<b>82,504,152.90</b>	<b>77,059,000.00</b>
<b>2 TAX ON GOODS &amp; SERVICES</b>	<b>148,258,335.00</b>	<b>159,926,000.00</b>
<b>2.1 Customs duties</b>		
Oil Products	-	-
Prime&Surtax	22,274,289.80	23,350,000.00
Refunds	(74,519.60)	-
<b>Total</b>	<b>22,199,770.20</b>	<b>23,350,000.00</b>
<b>2.2 Excise Duties</b>		
Beer	3,460,147.20	5,830,000.00
Wines & Spirits	1,031,281.70	1,365,000.00
Tobacco	1,508,116.00	1,780,000.00
Second Hand Motor vehicles	235,075.00	250,000.00
Fuels	37,275,273.20	40,300,000.00
Air Time	2,862,491.50	4,150,000.00
Electric Lamp	1,179.10	1,000.00
<b>Total</b>	<b>46,373,563.70</b>	<b>53,676,000.00</b>
<b>2.3 Value Add Tax</b>		
VAT on domestic goods	58,835,431.70	54,200,000.00
Imported Goods & Services	30,657,446.30	28,700,000.00
Refunds	(9,807,876.90)	-
<b>Total</b>	<b>79,685,001.10</b>	<b>82,900,000.00</b>

**3 OTHER TAXES**

Mining Royalties	7,355,315.80	4,800,000.00
Vehicle Carbon Taxes	2,273,752.50	2,850,000.00
Stamp Duties	1,202,137.87	-
Presumptive Tax	349,590.74	-
Withholding tax on tenders	5,212,797.06	-
ATM Levy	206,782.39	-
Tobacco levy	-	718,000.00
Banking Levy	-	-
Intermediate money transfer	793,700.86	-
<b>Total</b>	<b>17,394,077.22</b>	<b>8,368,000.00</b>

**TOTAL TAX REVENUE**

<b>248,156,565.12</b>	<b>245,353,000.00</b>
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**4 NON TAX REVENUE****4.1 Revenue from Investments & Property**

Govt Property rent	118,418.50	4,080,000.00
<b>Total</b>	<b>118,418.50</b>	<b>4,080,000.00</b>

**4.2 Fees, fines, licences and contributions**

Fees: Govt Dept facilities & services	7,879,293.20	7,130,000.00
Pension Contribution	6,955,548.30	11,565,000.00
Govt Sales, licences	1,027,806.68	420,000.00
Rummage Sale Refunds	(30,478.68)	-
Refunds of Miscellenious Payments from Votes	1,957.20	13,000.00
Miscellenious	30,541.60	244,700.00
<b>Total</b>	<b>15,864,668.30</b>	<b>19,372,700.00</b>

**Total Non Tax Revenue**

<b>15,983,086.80</b>	<b>23,452,700.00</b>
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**TOTAL REVENUE**

<b>264,139,651.92</b>	<b>268,805,700.00</b>
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	ACTUAL USD	BUDGET USD
<b>EXPENDITURE</b>		
<b>5 Recurrent Expenditure</b>	<b>329,918,227.00</b>	<b>292,788,200.00</b>
<b>5.1 Employment cost</b>		
Civil Services Wage Bill	157,805,533.00	161,268,000.00
Diplomatic missions	1,529,966.00	-
PSMAS	2,178,086.00	10,100,000.00
NSSA	-	2,900,000.00
Funeral Expenses	40,000.00	40,000.00
<b>Total</b>	<b>161,553,585.00</b>	<b>174,308,000.00</b>
<b>5.2 Goods and Services</b>		
Domestic travel expenses	543,381.00	659,000.00
Foreign travel expenses	4,250,630.00	2,356,000.00
Communication Supplies and Services	281,185.00	2,087,000.00
Education supplies and services	6,918.00	129,000.00
Medical supplies and services	1,869,160.00	1,062,000.00
Office supplies and services	116,319.00	345,000.00
Training expenses	89,760.00	299,000.00
Rentals and other services charges	9,056,989.00	7,249,000.00
Institutional Provisions	857,898.00	1,674,000.00
Other goods and services	507,370.00	2,973,000.00
Maintenance	1,721,136.00	2,270,000.00
Programmes and Institutions	2,255,024.00	7,214,000.00
<b>Total</b>	<b>21,555,770.00</b>	<b>28,317,000.00</b>
<b>5.3 Current Transfers</b>		
Pension	39,800,000.00	39,800,000.00
Other current transfers:	-	-
Employment costs (zimra +grant aided salaries)	36,465,824.00	28,765,200.00
Operations( current trf +zimra)	51,898,168.00	11,050,000.00
Foreign	351,408.00	766,000.00
<b>Total</b>	<b>128,515,400.00</b>	<b>80,381,200.00</b>

<b>5.4 Interest and Debt</b>		
Foreign:	500,000.00	472,000.00
Domestic:	17,793,472.00	9,310,000.00
<b>Total</b>	<b>18,293,472.00</b>	<b>9,782,000.00</b>
<b>6 Capital Expenditure</b>	<b>73,329,574.00</b>	<b>8,290,846.00</b>
<b>6.1 Capital Expenditure</b>		
Furniture and equipment	-	599,000.00
Vehicles, plant and mobile equipment	-	147,000.00
Acquisition of buildings	18,300,000.00	1,495,000.00
Intangible assets	1,119,649.00	17,000.00
Feasibility studies	-	1,000.00
<b>Total</b>	<b>19,419,649.00</b>	<b>2,259,000.00</b>
<b>6.2 Capital transfers</b>		
RBZ , GMB, ZIMRA, Deposit protection corporation	53,909,925.00	3,902,780.00
	<b>53,909,925.00</b>	<b>3,902,780.00</b>
<b>6.3 Equity participation</b>		
<b>Equity participation/Lending</b>		
lending	-	2,129,066.00
<b>Total</b>	<b>-</b>	<b>2,129,066.00</b>
<b>TOTAL EXPENDITURE</b>	<b>403,247,801.00</b>	<b>301,079,046.00</b>