



**ZIMBABWE**

# **GOVERNMENT OF ZIMBABWE**

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

**For the period ended 31 December 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 16 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 31 December 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 DECEMBER 2017

### 1. REVENUE

Total revenue for December was \$ 366 million against a budget of \$ 373 million resulting in a negative variance of \$ 6.9 Million. Major contributors to this negative variance were non tax revenue which contributed \$ 28.8 million against a budget of \$ 31 million and tax on goods and services which contributed \$ 101.9 million against a budget of \$ 170.3 million resulting in a negative variance of \$ 68.4 million (4%).

Airtime levy budgeted for financing medical drugs and medical equipment for December 2017 contributed \$ 1.2 million against a budget of \$ 5.2 million.

### 2. EXPENDITURE

Total expenditure amounted to \$ 679 million against a budget of \$ 327.8 million resulting in a variance of \$ 351 million (107%). This is mainly attributed to other payments made through Treasury Bills amounting to \$ 130 million which were not in the Budget.

A total of \$ 137 million was spent on goods and services against a budget of \$24.4 million resulting in a variance of \$ 112.7 million (461%). Main contributor to the variance were treasury bills issued to ZESA bills of \$40.9 Million.

Current transfers amounted to \$ 97 million against a budget of \$ 50 million resulting in a variance of \$ 46.7 million (93%) variance.

Interest on debt paid was \$ 11.9 million against a Budget of \$ 19.5 million resulting in a variance of \$ 7.6 million (38.9%).

### 3. CAPITAL EXPENDITURE

Capital transfers amounted to \$ 54.6 million against a budget of \$ 14.5 million resulting in a budget overrun of \$ 40 million (277%). The variance is mainly due to GMB for Grain Mobilisation of \$ 35.6 million.

Equity participation/ net lending had a total of \$ 93.3 million against a budget of \$ 7.9 million resulting in a variance of \$ 85 million (1081%). Equity participation/ net lending includes Sakunda \$ 83.7 million and Zisco steel \$ 4 million

### 4. DEFICIT FOR THE MONTH

During the month, a deficit of \$ 312.9 million was reported against a targeted deficit of \$ 45.5 million.

**CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE MONTH OF DECEMBER 2017**

	Notes	ACTUAL USD	BUDGET USD	VARIANCE USD	%
<b>TAXES ON INCOME</b>	1	203,983,793	152,680,000	51,283,793	34
<b>Tax on goods and services</b>	2	101,935,539	170,314,000	(68,378,461)	(40)
Customs duties	2.1	15,160,297	25,600,000	(10,439,703)	(41)
Excise duties	2.2	33,318,767	58,379,000	(25,060,233)	(43)
Value added tax	2.3	53,456,475	86,335,000	(32,878,525)	(38)
<b>OTHER TAXES</b>	3	31,656,354	19,352,000	12,304,354	64
<b>TOTAL TAX REVENUE</b>		337,555,686	342,346,000	(4,790,314)	(1)
<b>NON TAX REVENUE</b>	4	28,837,205	31,021,800	(2,184,595)	(7)
Revenue from property	4.1	450,791	4,836,000	(4,385,209)	(91)
Fees, fines, licences and contribution	4.2	28,386,414	26,185,800	2,200,614	8
<b>TOTAL INCOME</b>		366,392,891	373,367,800	(6,974,909)	(2)
<b>EXPENDITURE</b>					
<b>Recurrent Expenditure</b>	5	500,817,383	297,087,000	(203,720,383)	(69)
Employment cost	5.1	254,675,538	202,855,000	(51,820,538)	(26)
Civil Service		199,362,380	174,092,000	(25,270,380)	(15)
Grant Aided Institutions		55,313,158	28,763,000	(26,550,158)	(92)
Goods and services	5.2	137,137,473	24,440,000	(112,697,473)	(461)
Current transfers	5.3	97,054,981	50,325,000	(46,729,981)	(93)
Interest On debt	5.4	11,949,391	19,477,000	7,527,609	39
<b>Capital Expenditure</b>	6	178,510,185	30,785,000	(147,725,185)	(480)
Capital expenditure	6.1	30,494,021	8,384,000	(22,110,021)	(264)
Capital transfers	6.2	54,640,232	14,495,000	(40,145,232)	(277)
Equity participation/net lending	6.3	93,375,932	7,906,000	(85,469,932)	(1,081)
<b>TOTAL EXPENDITURE</b>		679,327,568	327,882,000	(351,445,568)	(107)
<b>DEFICIT FOR THE PERIOD</b>		(312,934,677)	45,485,800	(358,420,477)	(788)

CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR 12 MONTHS TO DECEMBER 2017

	Notes	ACTUAL USD	BUDGET USD	VARIANCE USD	%
<b>TAXES ON INCOME</b>	7	1,299,848,727	1,196,235,000	103,613,727	9
<b>Tax on goods and services</b>	8	2,046,002,067	1,974,391,000	71,611,067	4
Customs duties	8.1	294,764,831	287,540,000	7,224,831	3
Excise duties	8.2	675,897,300	674,716,000	1,181,300	0
Value added tax	8.3	1,075,339,936	1,012,135,000	63,204,936	6
<b>OTHER TAXES</b>	9	281,620,235	220,529,000	61,091,235	28
<b>TOTAL TAX REVENUE</b>		3,627,471,028	3,391,155,000	236,316,028	7
<b>NON TAX REVENUE</b>	10	242,886,056	300,000,000	(57,113,944)	(19)
Revenue from property	10.1	13,454,442	53,857,000	(40,402,558)	(75)
Fees, fines, licences and contributions	10.2	229,431,614	246,143,000	(16,711,386)	(7)
<b>TOTAL INCOME</b>		3,870,357,084	3,691,155,000	179,202,084	5
<b>EXPENDITURE</b>					
<b>Recurrent Expenditure</b>	11	4,673,153,725	3,579,670,200	(1,093,483,525)	(31)
Employment cost	11.1	2,937,545,442	2,522,400,200	(415,145,242)	(16)
Civil Service		2,445,379,292	2,150,331,000	(295,048,292)	(14)
Grant Aided Institutions		492,166,150	372,069,200	(120,096,950)	(32)
Goods and services	11.2	803,288,611	278,943,000	(524,345,611)	(188)
Current transfers	11.3	724,266,337	598,327,000	(125,939,337)	(21)
Interest On debt	11.4	208,053,335	180,000,000	(28,053,335)	(16)
<b>Capital Expenditure</b>	12	1,814,909,263	464,473,848	(1,350,435,417)	(291)
Capital expenditure	12.1	138,435,110	139,324,000	888,890	1
Capital transfers	12.2	1,272,307,052	241,499,780	(1,030,807,272)	(427)
Equity participation/net lending	12.3	404,167,101	83,650,066	(320,517,035)	(383)
<b>TOTAL EXPENDITURE</b>		6,488,062,988	4,044,144,046	(2,443,918,942)	(60)
<b>DEFICIT FOR THE PERIOD</b>		(2,617,705,904)	(352,989,046)	(2,264,716,858)	642

**NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR THE PERIOD ENDED 31 DECEMBER 2017**

Notes	ACTUAL USD	BUDGET USD
<b>1 TAXES ON INCOME &amp; PROFITS</b>		
Individuals	66,259,747	69,390,000
Companies	128,941,499	73,000,000
Domestic Dividend and interest	4,872,343	6,690,000
Other incomes taxes	3,890,204	3,600,000
<b>Total</b>	<b>203,963,793</b>	<b>152,680,000</b>
<b>2 TAX ON GOODS &amp; SERVICES</b>	<b>101,935,539</b>	<b>170,314,000</b>
<b>2.1 Customs duties</b>		
Prime & Surtax	15,160,297	25,600,000
<b>Total</b>	<b>15,160,297</b>	<b>25,600,000</b>
<b>2.2 Excise Duties</b>		
Beer	80,038	6,570,000
Wines & Spirits	980,950	1,650,000
Tobacco	247,600	1,200,000
Second Hand Motor vehicles	163,650	280,000
Fuels	30,629,903	43,478,000
Air-time	1,216,626	5,200,000
Electric Lamp	-	1,000
<b>Total</b>	<b>33,318,767</b>	<b>58,379,000</b>
<b>2.3 Value Add Tax</b>		
VAT on domestic goods	87,136,724	56,735,000
Imported Goods & Services	17,600,484	29,600,000
Refunds	(51,280,733)	-
<b>Total</b>	<b>53,456,475</b>	<b>86,335,000</b>



**3 OTHER TAXES**

Mining Royalties	7,712,044	6,400,000
Vehicle Carbon Taxes	1,771,016	3,150,000
Stamp Duties	715,976	1,816,750
Presumptive Tax	249,886	725,667
Withholding tax on tenders	17,519,633	7,216,000
ATM Levy	316,490	43,583
Tobacco Levy	-	-
Intermediate money transfer	3,371,308	-
<b>Total</b>	<b>31,858,354</b>	<b>19,352,000</b>

**4 TOTAL TAX REVENUE**

<b>337,555,686</b>	<b>342,346,000</b>
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**4.1 NON TAX REVENUE****Revenue from Investments & Property**

Gvt Property rent

450,791	-
<b>450,791</b>	<b>-</b>

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

Fees: Govtl Dept. facilities &amp; services

Pension Contribution

Gvt Sales, licences

Rummage Sale Refunds

Refunds of Miscellaneous Payments from  
Votes

Miscellaneous

7,620,730	13,832,000
17,991,744	11,530,000
2,726,585	580,000
(12,828)	-
5,649	18,800
54,534	225,000
<b>28,386,414</b>	<b>26,185,800</b>

**Total****TOTAL NON TAX REVENUE**

<b>28,837,205</b>	<b>26,185,800</b>
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**TOTAL REVENUE**

<b>366,392,891</b>	<b>368,531,800</b>
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	<b>ACTUAL USD</b>	<b>BUDGET USD</b>
<b>5 EXPENDITURE</b>		
<b>5.1 Recurrent Expenditure</b>	<b>500,817,383</b>	<b>297,097,000</b>
<b>Employment cost</b>		
Civil Services Wage Bill	181,888,263	161,052,000
PSMAS	11,674,117	10,100,000
NSSA	5,800,000	2,900,000
Funeral Expenses	-	40,000
Grant Aided Institutions Wage Bill	55,313,158	28,763,000
<b>Total</b>	<b>254,675,538</b>	<b>202,855,000</b>
<b>5.2 Goods and Services</b>		
Domestic travel expenses	8,269,324	564,000
Foreign travel expenses	5,843,063	2,034,000
Communication Supplies and Services	7,591,115	1,801,000
Education supplies and services	20,065	111,000
Medical supplies and services	4,737,328	916,000
Office supplies and services	933,280	297,000
Training expenses	1,114,937	259,000
Rentals and other services charges	61,994,231	6,258,000
Institutional Provisions	6,180,103	1,448,000
Other goods and services	8,865,144	2,566,000
Maintenance	7,246,346	1,959,000
Programmes and Institutions	24,342,537	6,227,000
<b>Total</b>	<b>137,137,473</b>	<b>24,440,000</b>

**5.3 Current Transfers**

Pension	79,600,000	39,800,000
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**Other current transfers:**

Operations	9,081,267	9,865,000
Foreign	8,373,714	660,000
<b>Total</b>	<b>97,054,981</b>	<b>50,325,000</b>

**5.4 Interest and Debt**

Foreign:	-	535,000
Domestic interest	11,949,391	18,942,000
<b>Total</b>	<b>11,949,391</b>	<b>19,477,000</b>

**6 Capital Expenditure**

	178,510,185	30,785,000
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**6.1 Capital Expenditure**

Furniture and equipment	326,923	2,225,000
Vehicles, plant and mobile equipment	10,767,855	545,000
Acquisition of buildings	13,409,975	5,550,000
Intangible assets	4,015,667	60,000
Feasibility studies	1,973,601	4,000
<b>Total</b>	<b>30,494,021</b>	<b>8,384,000</b>

**6.2 Capital transfers**

GMB	54,640,232	14,495,000
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**6.3 Equity participation/Lending**

Sakunda, Zisco Steel ,BAZ	93,375,932	7,906,000
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<b>TOTAL EXPENDITURE</b>	<b>679,327,568</b>	<b>327,882,000</b>
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**NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR 12 MONTHS ENDED 31 DECEMBER 2017**

Notes	ACTUAL USD	BUDGET USD
<b>7 TAXES ON INCOME &amp; PROFITS</b>		
Individuals	729,009,936	763,000,000
Companies	484,670,612	337,200,000
Domestic Dividend and interest	57,894,355	67,035,000
Other incomes taxes	28,273,824	29,000,000
<b>Total</b>	<b>1,299,848,727</b>	<b>1,196,235,000</b>
<b>8 TAX ON GOODS &amp; SERVICES</b>	<b>2,046,002,067</b>	<b>1,974,391,000</b>
<b>8.1 Customs duties</b>		
Prime & Surtax	294,764,831	287,540,000
<b>Total</b>	<b>294,764,831</b>	<b>287,540,000</b>
<b>8.2 Excise Duties</b>		
Beer	47,051,872	71,011,000
Wines & Spirits	17,081,047	16,895,000
Tobacco	22,874,735	22,040,000
Second Hand Motor vehicles	2,802,824	3,125,000
Fuels	531,406,353	501,338,000
Electric Lamp	3,832	12,000
Air-time	54,676,638	60,295,000
<b>Total</b>	<b>675,897,300</b>	<b>674,716,000</b>
<b>8.3 Value Added Tax</b>		
VAT on domestic goods	908,531,621	666,235,000
Imported Goods & Services	387,923,333	345,900,000
Refunds	(221,115,018)	-
<b>Total</b>	<b>1,075,339,936</b>	<b>1,012,135,000</b>

**9 OTHER TAXES**

Mining Royalties	73,059,020	68,770,000
Vehicle Carbon Taxes	30,367,585	35,340,000
Stamp Duties	11,264,754	18,124,363
Presumptive Tax	5,585,334	6,291,667
Withholding tax on tenders	125,685,683	80,617,375
ATM Levy	3,471,331	481,596
Tobacco Levy	13,461,341	10,904,000
Intermediate money transfer	18,725,187	-
<b>Total</b>	<b>281,620,235</b>	<b>220,529,000</b>

**TOTAL TAX REVENUE**

<b>3,627,471,028</b>	<b>3,391,155,000</b>
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**10 NON TAX REVENUE****10.1 Revenue from Investments & Property**

Gvt Property rent	13,454,442	53,857,000
<b>Total</b>	<b>13,454,442</b>	<b>53,857,000</b>

**10.2 Fees, fines, licences and contributions**

Fees:Govt Dept. facilities & services	84,475,891	97,911,000
Pension Contribution	124,087,709	138,577,000
Gvt Sales, licences	20,223,064	6,431,000
Rummage Sale Refunds	(346,658)	-
Refunds of Miscellaneous Payments from Votes	114,923	192,000
Miscellaneous	876,685	3,032,000
<b>Total</b>	<b>229,431,614</b>	<b>246,143,000</b>

**Total Non-Tax Revenue**

<b>242,886,056</b>	<b>300,000,000</b>
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**TOTAL REVENUE**

<b>3,870,357,084</b>	<b>3,691,155,000</b>
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11 EXPENDITURE	ACTUAL USD	BUDGET USD
<b>11.1 Recurrent Expenditure</b>	<b>4,673,153,725</b>	<b>3,579,670,200</b>
<b>Employment cost</b>		
Civil Services Wage Bill	2,130,408,851	1,993,851,000
PSMAS	113,114,027	121,200,000
NSSA	201,187,200	34,800,000
Funeral Expenses	669,214	480,000
Grant Aided Institutions Wage Bill	492,166,150	372,069,200
<b>Total</b>	<b>2,937,545,442</b>	<b>2,522,400,200</b>
<b>11.2</b>		
<b>Goods and Services</b>		
Domestic travel expenses	22,161,569	6,448,000
Foreign travel expenses	58,396,923	23,177,000
Communication Supplies and Services	35,424,786	20,669,000
Education supplies and services	76,189	1,294,000
Medical supplies and services	44,252,289	10,434,000
Office supplies and services	4,889,044	3,443,000
Training expenses	3,181,938	2,955,000
Rentals and other services charges	401,094,990	71,755,000
Institutional Provisions	74,129,514	16,844,000
Other goods and services	42,324,221	28,616,000
Maintenance	28,329,448	22,615,000
Programmes and Institutions	89,027,700	70,693,000
<b>Total</b>	<b>803,288,611</b>	<b>278,943,000</b>

**11.3 Current Transfers to grant aided institutions, universities and ZIMRA**

Pension	517,400,000	477,600,000
Operations	189,880,636	113,554,000
Other Cons and stats Appropriations	3,199	-
Foreign subscriptions	16,982,502	7,173,000
<b>Total</b>	<b>724,266,337</b>	<b>598,327,000</b>

**11.4 Interest and Debt**

Foreign:	65,776,373	32,910,000
Domestic :Interest	142,276,962	147,090,000
<b>Total</b>	<b>208,053,335</b>	<b>180,000,000</b>

**12 Capital Expenditure**

<b>1,814,909,263</b>	<b>464,473,846</b>
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**12.1 Capital Expenditure**

Furniture and equipment	8,746,347	36,981,000
Vehicles, plant and mobile equipment	29,505,767	9,056,000
Acquisition & Construction of buildings	65,373,731	92,208,000
Intangible assets	31,566,015	1,019,000
Feasibility studies	3,243,250	60,000
<b>Total</b>	<b>138,435,110</b>	<b>139,324,000</b>

**12.2 Capital transfers**

GMB,ZIMRA, china international water and electricity	1,272,307,052	241,499,780
<b>Total</b>	<b>1,272,307,052</b>	<b>241,499,780</b>

**12.3 Equity participation/Lending**

women microfinance Bank,ZCDC,Sakunda

**total**

404,167,101	83,650,066
<b>404,167,101</b>	<b>83,650,066</b>

**TOTAL EXPENDITURE**

6,488,062,988	4,044,144,046
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