



**ZIMBABWE**

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# **GOVERNMENT OF ZIMBABWE**

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

**For the period ended 31 AUGUST 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 31 AUGUST 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 AUGUST 2017

### 1. REVENUE

Total revenue for August was \$ 337 million against a budget of \$ 292 million resulting in a positive variance of \$ 45 Million. Major contributors to this variance were tax on income which contributed \$ 95 million against a budget of \$ 82 million and tax on goods and services which contributed \$ 191 million against a budget of \$165 million resulting in a positive variance of \$ 26 million

Airtime levy for August 2017 contributed \$5.4 million against a budget of \$5.2 million.

### 2. EXPENDITURE

Total expenditure amounted to \$ 793 million against a budget of \$ 329 million resulting in a variance of \$ 464 million representing 141 % variance. This is mainly attributed to other payments made through Treasury Bills amounting to \$ 167.5 million which were not in the Budget.

A total of \$ 138 million was spent on goods and services against a budget of \$19 million resulting in a variance of \$ 119 million representing a 636.7 % variance. The huge variance was attributed to ZESA utility bills for Ministries which were paid through Treasury bills amounting to \$102.2 million.

Current transfers amounted to \$ 103 million against a budget of \$ 79 million resulting in a negative variance of \$ 24 million representing a 29 % variance. Grand aided institutions salaries was the major factor to the variance.

Interest on debt paid was \$8.7 million against a Budget of \$11.5 million

### 3. CAPITAL EXPENDITURE

Capital transfers amounted to \$ 282 million against a budget of \$ 21 million resulting in a budget-overrun of \$ 261 million representing an 1185 % variance.

Capital transfers includes GMB \$ 279 million,

Equity participation/ net lending had a total of \$ 86 million against a budget of \$ 12 million resulting in a variance of \$ 74 million representing a 646 % variance.

Equity participation/ net lending includes Zimbabwe Consolidated Diamond Company (ZCDC) \$ 2 Million, Sakunda \$83.7 million

### 4. DEFICIT FOR THE MONTH

During the month, a deficit of \$ 464 million was reported against a targeted deficit of \$ 44 million.

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

	Notes	ACTUAL USD	BUDGET USD	VARIANCE USD	%
<b>TAXES ON INCOME</b>	<b>1</b>	<b>95,064,691.00</b>	<b>82,055,000.00</b>	<b>13,009,691.00</b>	<b>16</b>
<b>Tax on goods and services</b>	<b>2</b>	<b>191,478,283.00</b>	<b>164,671,000.00</b>	<b>26,807,283.00</b>	<b>16</b>
Customs duties	2.1	27,837,757	23,200,000	4,637,757	20
Excise duties	2.2	62,281,910	55,871,000	6,410,910	11
Value added tax	2.3	101,358,616	85,600,000	15,758,616	18
<b>OTHER TAXES</b>	<b>3</b>	<b>26,826,018</b>	<b>20,935,000</b>	<b>5,891,018</b>	<b>28</b>
<b>TOTAL TAX REVENUE</b>		<b>313,368,992</b>	<b>267,661,000</b>	<b>45,707,992</b>	<b>17</b>
<b>NON TAX REVENUE</b>	<b>4</b>	<b>24,101,554</b>	<b>24,483,000</b>	<b>(381,446)</b>	<b>(2)</b>
Revenue from property	4.1	3,529,992	4,475,000	(945,008)	(21)
Fees, fines, licences and cont	4.2	20,571,562	20,008,000	563,562	3
<b>TOTAL INCOME</b>		<b>337,470,546</b>	<b>292,144,000</b>	<b>45,326,546</b>	<b>16</b>
<b>EXPENDITURE</b>					
<b>Recurrent Expenditure</b>	<b>5</b>	<b>426,854,820</b>	<b>290,861,000</b>	<b>(135,993,820)</b>	<b>(47)</b>
Employment cost	5.1	177,660,768	174,463,000	(3,197,768)	(2)
Goods and services	5.1	137,730,112	25,492,000	(112,238,112)	(440)
Current transfers	5.3	102,782,910	79,444,000	(23,338,910)	(29)
Interest On debt	5.4	8,681,030	11,462,000	2,780,970	24
<b>DEFICIT BEFORE CAPITAL</b>		<b>(89,384,274)</b>	<b>1,283,000</b>	<b>181,320,366</b>	<b>62</b>
<b>Capital Expenditure</b>	<b>6</b>	<b>374,630,392</b>	<b>45,119,000</b>	<b>(329,511,392)</b>	<b>(730)</b>
Capital expenditure	6.1	6,475,039	12,290,000	5,814,961	47
Capital transfers	6.2	281,722,014	21,242,000	(260,480,014)	(1,226)
Equity participation/net lend	6.3	86,433,339	11,587,000	(74,846,339)	(646)
<b>TOTAL EXPENDITURE</b>		<b>801,485,212</b>	<b>335,980,000</b>	<b>(465,505,212)</b>	<b>(139)</b>
<b>DEFICIT FOR THE PERIOD</b>		<b>(464,014,666)</b>	<b>(43,836,000)</b>	<b>(420,178,666)</b>	<b>-</b>

## CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR 8 MONTHS TO AUGUST 2017

	Notes	ACTUAL USD	BUDGET USD	VARIANCE USD	%
<b>TAXES ON INCOME</b>	7	779,810,034	739,320,000	40,490,034	5
<b>Tax on goods and services</b>	8	1,346,389,499	1,300,673,000	45,716,499	4
Customs duties	8.1	194,778,764	188,310,000	6,468,764	3
Excise duties	8.2	442,699,454	442,663,000	36,454	0
Value added tax	8.3	708,911,281	669,700,000	39,211,281	6
<b>OTHER TAXES</b>	9	158,972,538	144,242,000	14,730,538	10
<b>TOTAL TAX REVENUE</b>		2,285,172,072	2,184,235,000	100,937,072	5
<b>NON TAX REVENUE</b>	10	149,054,961	197,095,000	(48,040,039)	(24)
Revenue from property	10.1	6,454,400	35,231,000	(28,776,600)	(82)
Fees, fines, licences and contrib	10.2	142,600,561	161,864,000	(19,263,439)	(12)
<b>TOTAL INCOME</b>		2,434,227,032	2,381,330,000	52,897,032	2
<b>EXPENDITURE</b>					
<b>Recurrent Expenditure</b>	11	2,929,011,869	2,348,871,200	(580,140,669)	(25)
Employment cost	11.1	1,666,078,407	1,415,536,000	250,542,407	18
Goods and services	11.2	357,025,894.00	182,375,000.00	174,650,894	96
Current transfers	11.3	778,014,189	646,734,200	(131,279,989)	(20)
Interest On debt	11.4	127,893,379	104,226,000	(23,667,379)	(23)
<b>DEFICIT BEFORE CAPITAL</b>		(494,784,836)	32,458,800	633,037,701	27
<b>Capital Expenditure</b>	12	1,090,852,604	331,585,846	(759,266,758)	(229)
Capital expenditure	12.1	58,547,644	90,133,000	31,585,356	35
Capital transfers	12.2	779,299,013	156,480,780	(622,818,233)	(398)
Equity participation/net lending	12.3	253,005,947	84,972,066	(168,033,881)	(198)
<b>TOTAL EXPENDITURE</b>		4,019,864,473	2,680,457,046	(1,339,407,427)	(50)
<b>DEFICIT FOR THE PERIOD</b>		(1,585,637,441)	(299,127,046)	(1,286,510,395)	430

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

Notes	ACTUAL USD	BUDGET USD
<b>1 TAXES ON INCOME &amp; PROFITS</b>		
Individuals	69,515,192	63,870,000
Companies	20,953,936	8,700,000
Domestic Dividend and interest	3,318,927	6,805,000
Other incomes taxes	1,276,636	2,680,000
<b>Total</b>	<b>95,064,691</b>	<b>82,055,000</b>
<b>2 TAX ON GOODS &amp; SERVICES</b>	<b>191,478,283</b>	<b>164,671,000</b>
<b>2.1 Customs duties</b>		
Prime&Surtax	27,837,757	23,200,000
<b>Total</b>	<b>27,837,757</b>	<b>23,200,000</b>
<b>2.2 Excise Duties</b>		
Beer	4,409,923	5,430,000
Wines & Spirits	1,514,606	1,375,000
Tobacco	2,100,022	2,140,000
Second Hand Motor vehicles	241,523	245,000
Fuels	48,529,992	41,500,000
Electric Lamp	63	1,000
Air-time	5,485,781	5,180,000
<b>Total</b>	<b>62,281,910</b>	<b>55,871,000</b>
<b>2.3 Value Add Tax</b>		
VAT on domestic goods	84,542,124	55,800,000
Imported Goods & Services	37,349,275	29,800,000
Refunds	(20,532,783)	-
<b>Total</b>	<b>101,358,616</b>	<b>85,600,000</b>



**3 OTHER TAXES**

Mining Royalties	7,239,197	7,625,000
Vehicle Carbon Taxes	2,640,889	2,910,000
Stamp Duties	699,645	1,932,250
Presumptive Tax	443,194	566,667
Withholding tax on tenders	13,071,618	7,357,500
ATM Levy	311,962	43,583
Tobacco Levy	521,727	500,000
Intermediate money transfer	1,897,785	-
<b>Total</b>	<b>26,826,018</b>	<b>20,935,000</b>

**4 TOTAL TAX REVENUE**

<b>313,368,992</b>	<b>267,661,000</b>
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**4.1 NON TAX REVENUE****Revenue from Investments & Property**

Govt Property rent	3,529,992	4,475,000
<b>Total</b>	<b>3,529,992</b>	<b>4,475,000</b>

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

Fees: Govtl Dept facilities & services	8,317,544	7,580,000
Pension Contribution	11,088,070	11,597,000
Gvt Sales, licences	1,145,730	540,000
Rummage Sale Refunds	(25,208)	-
Refunds of Miscellenious Payments from Votes	2,795	13,000
Miscellenious	42,631	278,000
<b>Total</b>	<b>20,571,562</b>	<b>20,008,000</b>

**TOTAL NON TAX REVENUE**

<b>24,101,554</b>	<b>24,483,000</b>
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**TOTAL REVENUE**

<b>337,470,546</b>	<b>292,144,000</b>
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	ACTUAL USD	BUDGET USD
<b>5 EXPENDITURE</b>		
<b>5.1 Recurrent Expenditure</b>	<b>426,854,820</b>	<b>290,861,000</b>
<b>Employment cost</b>		
Civil Services Wage Bill	164,215,662	161,423,000
PSMAS	10,241,803	10,100,000
NSSA	2,900,000	2,900,000
Funeral Expenses	303,303	40,000
<b>Total</b>	<b>177,660,768</b>	<b>174,463,000</b>
<b>5.2 Goods and Services</b>		
Domestic travel expenses	1,366,553	591,000
Foreign travel expenses	5,514,330	2,121,000
Communication Supplies and Services	1,433,151	1,879,000
Education supplies and services	-	116,000
Medical supplies and services	2,002,378	956,000
Office supplies and services	638,583	311,000
Training expenses	62,494	269,000
Rentals and other services charges	106,553,774	6,526,000
Institutional Provisions	7,777,204	1,507,000
Other goods and services	7,782,362	2,677,000
Maintenance	1,865,745	2,044,000
Programmes and Institutions	2,733,538	6,495,000
<b>Total</b>	<b>137,730,112</b>	<b>25,492,000</b>
<b>5.3 Current Transfers</b>		
Pension	39,800,000	39,800,000

**Other current transfers:**

Employment costs	54,387,993	28,766,000
Operations	8,594,917	10,188,000
Foreign	-	690,000
<b>Total</b>	<b>102,782,910</b>	<b>79,444,000</b>

**5.4 Interest and Debt**

Foreign:	1,331,561	332,000
Domestic interest	7,349,469	11,130,000
<b>Total</b>	<b>8,681,030</b>	<b>11,462,000</b>

**6 Capital Expenditure**

<b>374,630,392</b>	<b>45,119,000</b>
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**6.1 Capital Expenditure**

Furniture and equipment	1,395,220	3,262,000
Vehicles, plant and mobile equipment	147,378	799,000
Acquisition of buildings	3,341,216	8,134,000
Intangible assets	1,441,225	90,000
Feasibility studies	150,000	5,000
<b>Total</b>	<b>6,475,039</b>	<b>12,290,000</b>

**6.2 Capital transfers**

GMB, OPC	281,722,014	21,242,000
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**6.3 Equity participation/Lending**

ZCDC, SAKUNDA	86,433,339	11,567,000
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**TOTAL EXPENDITURE**

<b>801,485,212</b>	<b>335,980,000</b>
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**NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL PERFORMANCE FOR 8 MONTHS  
ENDED 31 AUGUST 2017**

Notes	ACTUAL USD	BUDGET USD
<b>7 TAXES ON INCOME &amp; PROFITS</b>		
Individuals	481,332,297	502,925,000
Companies	249,136,600	176,500,000
Domestic Dividend and interest	35,362,236	42,215,000
Other incomes taxes	13,978,901	17,680,000
<b>Total</b>	<b>779,810,034</b>	<b>739,320,000</b>
<b>8 TAX ON GOODS &amp; SERVICES</b>	<b>1,346,389,499</b>	<b>1,300,673,000</b>
<b>8.1 Customs duties</b>		
Prime & Surtax	194,778,764	188,310,000
<b>Total</b>	<b>194,778,764</b>	<b>188,310,000</b>
<b>8.2 Excise Duties</b>		
Beer	33,516,718	45,360,000
Wines & Spirits	10,830,111	10,875,000
Tobacco	15,410,269	15,410,000
Second Hand Motor vehicles	1,837,350	2,005,000
Fuels	350,025,293	329,600,000
Electric Lamp	3,807	8,000
Air-time	31,075,906	39,405,000
<b>Total</b>	<b>442,699,454</b>	<b>442,663,000</b>
<b>8.3 Value Added Tax</b>		
VAT on domestic goods	569,606,459	441,600,000
Imported Goods & Services	263,991,160	228,100,000
Refunds	(124,686,337)	-
<b>Total</b>	<b>708,911,281</b>	<b>669,700,000</b>

**9 OTHER TAXES**

Mining Royalties	46,704,468	43,125,000
Vehicle Carbon Taxes	20,413,764	23,100,000
Stamp Duties	7,175,040	11,530,363
Presumptive Tax	3,693,255	3,995,000
Withholding tax on tenders	61,454,464	51,580,375
ATM Levy	2,053,974	307,262
Tobacco Levy	9,498,005	10,604,000
Intermediate money transfer	7,979,569	-
<b>Total</b>	<b>158,972,538</b>	<b>144,242,000</b>

**TOTAL TAX REVENUE**

<b>2,285,172,072</b>	<b>2,184,235,000</b>
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**10 NON TAX REVENUE****10.1 Revenue from Investments & Property**

Govt Property rent	6,454,400	35,231,000
<b>Total</b>	<b>6,454,400</b>	<b>35,231,000</b>

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

Fees:Govt Dept facilities & services	55,776,840	63,184,000
Pension Contribution	73,429,469	92,419,000
Govt Sales,licences	13,156,822	4,071,000
Rummage Sale Refunds	(280,843)	-
Refunds of Miscellenious Payments from Votes	81,898	118,000
Miscellaneous	436,376	2,072,000
<b>Total</b>	<b>142,600,561</b>	<b>161,864,000</b>

**Total Non Tax Revenue**

<b>149,054,961</b>	<b>197,095,000</b>
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**TOTAL REVENUE**

<b>2,434,227,032</b>	<b>2,381,330,000</b>
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	ACTUAL	BUDGET
	USD	USD
<b>11 EXPENDITURE</b>		
<b>11.1 Recurrent Expenditure</b>	<b>2,929,011,869</b>	<b>2,348,871,200</b>
<b>Employment cost</b>		
Civil Services Wage Bill	1,413,454,908	1,311,216,000
PSMAS	65,387,085	80,800,000
NSSA	186,687,200	23,200,000
Funeral Expenses	549,214	320,000
<b>Total</b>	<b>1,666,078,407</b>	<b>1,415,536,000</b>
<b>11.2 Goods and Services</b>		
Domestic travel expenses	6,910,018	4,212,000
Foreign travel expenses	34,048,950	15,142,000
Communication Supplies and Services	13,812,245	13,553,000
Education supplies and services	48,593	854,000
Medical supplies and services	32,692,817	6,811,000
Office supplies and services	2,921,703	2,267,000
Training expenses	1,247,165	1,935,000
Rentals and other services charges	179,946,568	47,032,000
Institutional Provisions	15,350,931	11,131,000
Other goods and services	24,628,413	18,477,000
Maintenance	13,313,813	14,873,000
Programmes and Institutions	32,104,678	46,088,000
<b>Total</b>	<b>357,025,894</b>	<b>182,375,000</b>
<b>11.3 Current Transfers to grant aided institutions, universities and zimra</b>		
Pension	318,400,000	318,400,000
Employment costs	320,347,859	249,317,200
Operations	138,454,366	74,454,000
Other Cons and stats Appropriations	3,199	-
Foreign	808,765	4,563,000
<b>Total</b>	<b>778,014,189</b>	<b>646,734,200</b>

**11.4 Interest and Debt**

Foreign:	34,975,793	19,618,000
Domestic :Interest	92,917,586	84,608,000
<b>Total</b>	<b>127,893,379</b>	<b>104,226,000</b>

**12 Capital Expenditure**

<b>1,090,852,604</b>	<b>331,585,846</b>
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**12.1 Capital Expenditure**

Furniture and equipment	4,689,564	23,924,000
Vehicles,plant and mobile equipment	5,159,450	5,859,000
Acquisition & Construction of buildings	39,290,062	59,651,000
Intangible assets	9,258,568	660,000
Feasibility studies	150,000	39,000
<b>Total</b>	<b>58,547,644</b>	<b>90,133,000</b>

**12.2 Capital transfers**

GMB,ZIMRA,china international water and electricity	779,299,013	156,480,780
<b>Total</b>	<b>779,299,013</b>	<b>156,480,780</b>

**12.3 Equity participation/Lending**

women microfinance Bank,ZCDC	253,005,947	84,972,066
<b>total</b>	<b>253,005,947</b>	<b>84,972,066</b>

**TOTAL EXPENDITURE**

<b>4,019,864,473</b>	<b>2,680,457,046</b>
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