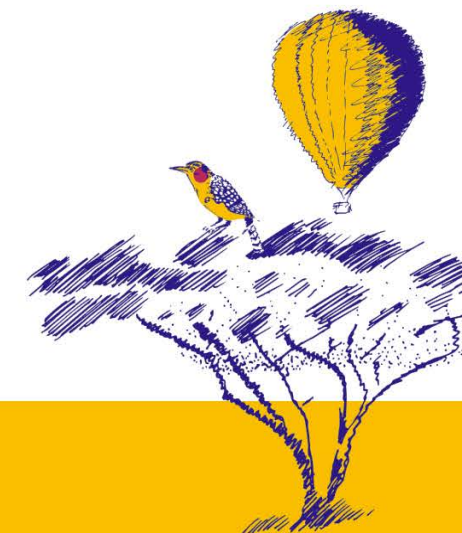


# Budget Execution

AGMM

Nairobi 1<sup>st</sup> June 2017

Patrisse Dessee



# Highlights...

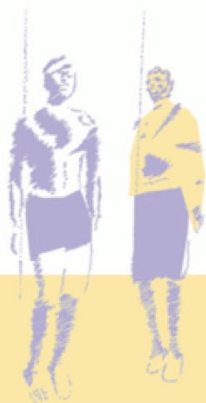
- **Finalise work on the 2017 operation budgets.**
- **The Budget reviewed by the Finance Committee and was approved by Board end of Jan'17.**
- **Complete the 2016 Statutory audits...with the audit reports submitted to the Audit Committee**



# Financial status

- **Fee Revenue**

<b>Fee &amp; Fee Related Income to April 2017</b>			
	<b>Actual Todate</b>	<b>Annual Budget</b>	<b>% Achieved</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
<b>Membership Fees</b>	<b>4,281</b>	<b>4498</b>	<b>95%</b>
<b>Additional Resources</b>	<b>126</b>	<b>161</b>	<b>78%</b>
<b>Late Payment Penalty</b>	<b>66</b>	<b>75</b>	<b>88%</b>
<b>Discounts</b>	<b>(139)</b>	<b>(180)</b>	<b>77%</b>
<b>Bad Debts Recovered</b>	<b>7</b>		
	<b>4,341</b>	<b>4,554</b>	<b>95%</b>
<b><i>Last Year - 2016</i></b>	<b>3,898</b>	<b>4,114</b>	<b>95%</b>



# Fees Revenue

- **Fee Revenue to April 17 amounted to 95% annual budgeted.**
- **It is envisaged that Total Fee Revenue budgeted will be achieved by the end of Q2.**
- **Discounts allowed to Research & Educational Institutions and Critical Infrastructures amounted to US\$106K**
- **Early settlement discount (\$33K) expected to be higher as more members qualified for early payment**



# Operating Costs...

- **Operating Costs during the period to April'17 reflected a typical start of the year, matched by low operational activities.**
- **Administrative costs to April 2017 were 27% of the annual budget whilst Distribution costs closed on 11% of the annual budget.**
- **Overall operating costs to April 2017 have been stable and consistent at 21% of the annual budget**
- **No deviations from budget have been recorded during the first part of the year.**



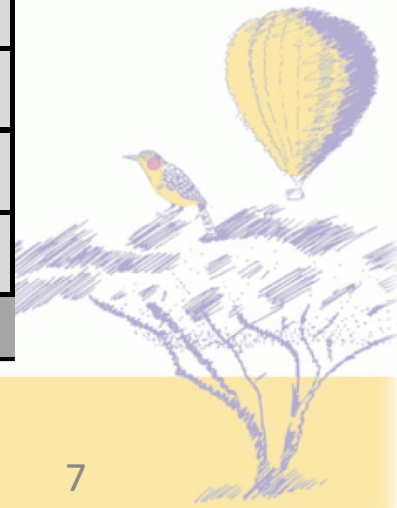
# Operating Costs...

<b>Status as at April 2017</b>			
<b>Administrative expenses</b>	<b>Actual to April'17</b>	<b>Annual budget</b>	<b>Actual vs budget %</b>
HR	\$ 607,549	\$ 2,340,000	26%
Telephone & Comm.	\$ 10,280	\$ 55,500	19%
Computer expenses	\$ 15,576	\$ 93,000	17%
Office expenses	\$ 62,346	\$ 236,000	26%
Motor vehicle expenses	-	\$ 5,500	0%
Insurance	\$ 10,659	\$ 12,000	89%
Printing, postage & stat	\$ 7,213	\$ 22,000	33%
Bank charges	\$ 34,681	\$ 40,000	87%
Professional fees	\$ 571	\$ 10,000	6%
Depreciation	\$ 70,000	\$ 210,000	33%
Legal & Consulting fees	\$ 29,629	\$ 95,000	31%
<b>Total Admin. expenses</b>	<b>\$ 848,504</b>	<b>\$ 3,119,000</b>	<b>27%</b>



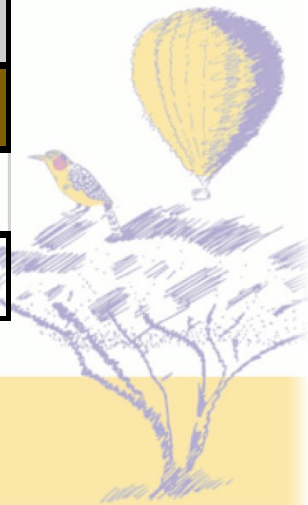
# Operating Costs...

<b>Status as at April 2017</b>			
<b>Distribution expenses</b>	<b>Actual to April'17</b>	<b>Annual budget</b>	<b>Actual vs budget %</b>
Marketing & Comm exps	\$ 295	\$ 50,000	1%
Bad debts	-	\$ 60,000	0%
Meeting Expenses	\$ 27,533	\$ 385,000	7%
Members Training	\$ 15,289	\$ 80,000	19%
Travelling Expenses	\$ 111,985	\$ 525,000	21%
Research & Development	\$ -	\$ 5,000	0%
Outreach activities	\$ 2,091	\$ 101,000	2%
Community support	\$ 8,395	\$ 262,000	3%
Remote Sites Ops Expenses	\$ 5,020	\$ 20,000	25%
<b>Total Distribution expenses</b>	<b>\$ 170,608</b>	<b>\$ 1,488,000</b>	<b>11%</b>



# Operating Costs...

<b>Status as at April 2017</b>			
<b>Operating Costs Summary to April 17</b>	<b>Actual to April'17</b>	<b>Annual budget</b>	<b>Actual vs budget %</b>
<b>Administrative Expenses</b>	<b>\$ 848,504</b>	<b>\$ 3,119,000</b>	<b>27%</b>
<b>Distribution Expenses</b>	<b>\$ 170,608</b>	<b>\$ 1,488,000</b>	<b>11%</b>
<b>Other Costs</b>	<b>-</b>	<b>\$ 30,000</b>	
<b>Contingency</b>	<b>\$ -</b>	<b>\$ 250,000</b>	
<b>TOTAL</b>	<b>\$ 1,019,112</b>	<b>\$ 4,887,000</b>	<b>21%</b>
<b>Operating Costs to May 16</b>	<b>\$ 1,157,354</b>	<b>\$ 4,219,330</b>	<b>27%</b>





# Looking ahead...

- Operating activities typically slow in Q1, and will pick up in Q2 and reflected in the operational numbers.
- At the current rate, there are all indications that budget for 2017 will be achieved without any major deviations and the budgeted results seem on course.
- A continuous close watch on operating expenses for the rest of the year...specially meeting expenses and travel
- The US\$ has been stable during Q1.



# **FOCUS 2017...**

**Disciplined Spending culture**

**Maximize Fee collections**

**Continued Delivery of Service Excellence**

**Continuously improve on the high level of customers satisfaction**



ASIAN  
THANK YOU