



NAFISAT BUDGET PROPOSAL FOR THE PERIOD ENDING 31 MARCH 2026

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1. INTRODUCTION

This report outlines the proposed budget for the period ending 31 March 2026.

2. DETAILED ANALYSIS

Table 1: Statement of Financial Performance

Descriptions	Budget 2025/26	Budget 2024/25	Variance	Var %	Actual 2023/24
	\$	\$	\$		\$
NAFISAT Revenue	4 263 025	3 759 837	503 189	13.4%	4 022 781
Sundry Revenue	0	0	0	0.0%	64 957
Total Revenue	4 263 025	3 759 837	503 189	13.4%	4 087 738
Salaries & Related costs	608 457	563 386	45 071	8.0%	408 167
Travelling Expenses	101 591	95 841	5 750	6.0%	68 246
Telecommunication Expenses	128 263	218 132	-89 869	-41.2%	121 003
Electronic Maintenance	96 254	117 843	-21 589	-18.3%	13 874
Bad Debts	215 735	17 677	198 057	1 120.4%	203 577
Bank Charges	2 305	1 186	1 119	94.3%	2 080
Commission	80 946	74 445	6 501	8.7%	68 670
Indirect costs	279 829	263 990	15 839	6.0%	233 271
Pre-Implementation	32 000	0	0	0.0%	29 762
Management Fees	627 330	558 336	68 994	12.4%	575 393
IATA Management Fees	101 182	74 445	26 737	35.9%	76 027
Network Management Fees	926 490	817 756	108 734	13.3%	1 121 129
Professional fees	3 692	5 583	-1 891	-33.9%	3 286
Contract services	19 244	18 155	1 089	6.0%	-12 576
Total Operating Expenses	3 223 319	2 826 775	396 544	14.7%	2 911 909
Depreciation	141 777	66 460	75 317	121.3%	54 982
Operating Profit	897 930	866 601	31 328	4.2%	1 120 847
Total Funding	-128 141	-39 049	-89 092	84.6%	-120 320
Net Profit/(Loss) Before Tax	1 026 070	905 650	120 420	14.1%	1 241 167
Taxation	277 039	244 525	32 514	14.1%	335 115
Net Profit/(Loss) After Tax	749 031	661 126	87 906	14.1%	906 052

2.1.REVENUE

Based on the recent trends, revenue is expected to increase by 13.4%. Thus, revenue is budgeted to increase to \$4.3m. This translates to 426k FIR crossings for the year under review based on the rate of \$10 per FIR.

2.2.TOTAL OPERATING EXPENSES

The total operating expenses before funding are budgeted to increase by 14.7% to \$3.2m made up of the following cost categories:

2.2.1. SALARIES AND RELATED COSTS

Salaries and related costs are budgeted to decrease by 8.0% to \$608.5k in line with the expected salary increase.

2.2.2. TRAVEL AND ACCOMMODATION EXPENSES

Travel expenses are budgeted at \$101.6k to cover the Supervisory Board meeting and Member States Training-related travel costs.

2.2.3. TELECOMMUNICATION EXPENSES

Telecommunication expenses of \$128.3k have been budgeted in line with contracts with the relevant service providers.

2.2.4. ELECTRONIC MAINTENANCE

Electronic maintenance expenses are budgeted to remain constant at \$96.3k for the year under review. Included in the budget is a portion related to contingent maintenance which covers unplanned corrective maintenance (emergencies) that may occur in addition to the planned routine maintenance.

2.2.5. BAD DEBT EXPENSES

Bad debt expenses are budgeted at \$215.7k considering the perceived risk on the recoverability of certain debtors.

2.2.6. OTHER OPERATIONAL EXPENSES

Other operational expenses include the following:

- a) Bank charges of \$2.3k;
- b) Commission of \$80.9k based on collection trends;
- c) Indirect costs of \$279.8k in line with the agreement;
- d) Management fees of \$627.3k was budgeted for based on collections trends;
- e) IATA management fees of \$101.1k; and
- f) Network management fee of \$926.5k in line with the agreement.

2.2.7. PRE-IMPLEMENTATION COSTS

Pre-implementation costs are budgeted at \$32.0k and these relate to the second phase of the equipment upgrade.

2.2.8. PROFESSIONAL FEES

Professional fees are budgeted at \$3.7k consisting of audit fees for the year.

2.2.9. CONTRACT SERVICES

Contract services are budgeted at \$19.2k containing freight activities for the year.

2.2.10. DEPRECIATION

Depreciation is budgeted at \$141.7k based on the asset base and its reassessed useful life.

3. TOTAL FUNDING

Total funding is budgeted at \$128.1k comprising of interest received expected for the year.

4. RECOMMENDATION

It is recommended that the Supervisory Board approves the budget as proposed.