



Government of the Turks and Caicos Islands

Monthly Financial Report (Unaudited)

Report for the Month Ended

January 31, 2014

*Prepared By: Office of the Accountant General
February 25, 2014*

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS

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1.0 Revenue & Expenditure

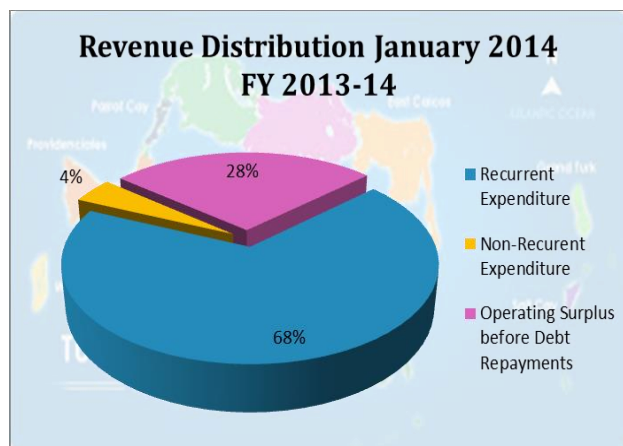
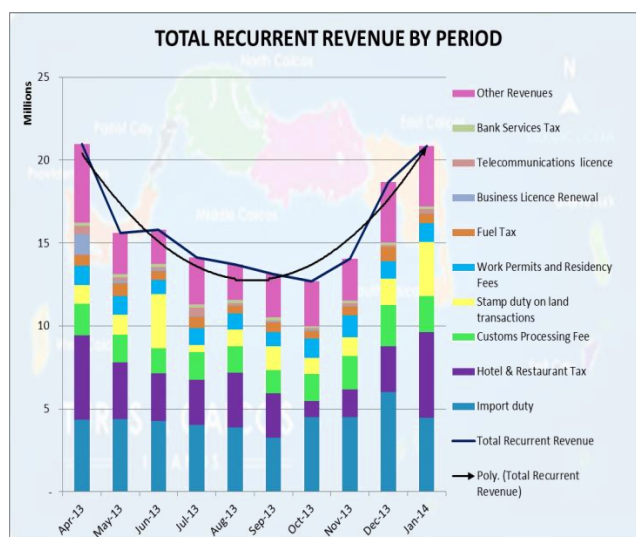
	Month of January 2014			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget	%	Prior Year	%	Actual	Budget	Prior Year	Budget	%	Prior Year	%
	\$ 000's	\$ 000's	\$ 000's	\$ 000's		\$ 000's		\$ 000's	\$ 000's	\$ 000's	\$ 000's		\$ 000's	
Recurrent Revenue	20,835.2	17,966.5	18,478.7	2,868.8	16%	2,356.5	13%	159,952.9	155,403.8	148,930.8	4,549.2	3%	11,022.1	7%
Recurrent Expenditure	14,264.1	14,130.7	12,772.3	(133.4)	(1)%	(1,491.8)	(12)%	125,914.5	135,715.2	119,001.5	9,800.7	7%	(6,913.0)	(6)%
Net Recurrent Surplus/(Deficit)	6,571.1	3,835.8	5,706.4	2,735.4	71%	864.7	15%	34,038.4	19,688.6	29,929.3	14,349.8	73%	4,109.1	14%
Non-Recurrent Revenue	86.3	2,333.3	12,410.0	(2,247.0)	(96)%	(12,323.7)	(99)%	2,481.7	6,734.0	58,082.1	(4,252.3)	(63)%	(55,600.4)	(96)%
Non-Recurrent Expenditure	901.3	1,981.2	1,223.1	1,079.9	55%	321.8	26%	14,419.1	14,831.7	21,970.3	412.6	3%	7,551.3	34%
Operating Surplus/(Deficit)	5,756.1	4,187.9	16,893.4	1,568.2	37%	(11,137.2)	(66)%	22,101.1	11,590.9	66,041.2	10,510.2	91%	(43,940.1)	(67)%

1.1 Month: Operating Surplus of \$5.8 million

The net operating balance of the consolidated fund in the month of January 2014 saw a surplus of \$5.8 million, when compared to a projected surplus of \$4.2 million and a surplus of \$16.9 million for the same period last year.

Recurrent revenues for the month amounted to \$20.8 million, which was 16% or \$2.9 million above projected revenues of \$18.0 million. Import duty was marginally above budget while hotel & restaurant tax, customs processing fee and fuel tax exceeded estimated targets for the month by about 16%, 23% and 20% respectively.

Total recurrent expenditure for January 2014 was \$14.3 million, which was \$0.1 million or 1% above budget.



Total non-recurrent expenditure was \$0.9 million, which was 55% below the budgeted amount of \$2.0 million for the period.

1.2 Year to Date: Operating Surplus of \$22.1 million.

The year to date operating surplus was \$22.1 million, compared to a projected surplus of \$11.6 million.

Total year to date revenue was \$162.4 million, which was \$0.3 million above budget and \$44.6 million or 22% below last year's results, due to civil recovery and other non-recurrent receipts. Most revenue streams for the period were ahead or on par with the projection, with the exception of telecommunication license and communication tax which were below their targets by 21% and 40% respectively.

Total year to date expenditure of \$140.3 million came in about \$10.2 million or 7% below budget estimates of \$150.5 million and \$0.6 million below results for the same period last year. Major areas of savings include personnel costs of about \$2.8 million, and other operating expenses of \$1.2 million.

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2.0 Cash Flow Statement

	Month of January 2014			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
Cash Flow from Operations	5,756.1	4,187.9	16,893.4	1,568.2	37%	(11,137.2)	(66%)	22,101.1	11,590.9	66,041.2	10,510.2	91%	(43,940.1)	(67%)
Less:														
Capital Contributions	(346.7)	(1,398.1)	(539.9)	1,051.4	(75%)	193.3	18%	(6,464.1)	(13,252.6)	(6,228.9)	6,788.4	(51%)	(235.3)	(3%)
Debt Repayments	(1,278.7)	-	-	(1,278.7)	-	(1,278.7)	100%	(7,187.5)	(7,052.4)	(10,483.6)	3,296.0	(47%)	3,296.0	100%
Bond Inflows	702.7	-	176.2	702.7	-	526.5	75%	2,829.5	2,616.9	1,076.2	1,753.2	67%	1,753.2	100%
Herzog Payment	(167.0)	(167.0)	(167.0)	-	-	-	0%	(1,670.0)	(1,670.0)	(1,670.0)	-	-	-	0%
Transfers from/(to) NFF	-	-	-	-	-	-	-	2,096.0	1,280.9	-	815.0	64%	2,096.0	100%
Transfers to Sinking Fund	(2,029.7)	(15.0)	-	(2,014.7)	13432%	(2,029.7)	-	(4,727.3)	(6,713.4)	(15,563.5)	1,986.1	(30%)	10,836.2	546%
Net Working Capital	1,843.6	-	3,025.7	1,843.6	-	(1,182.0)	-39%	4,088.7	-	4,513.0	4,088.7	-	(424.2)	-9%
Net Cash Flow	4,480.4	2,607.9	19,388.3	1,872.5	72%	(14,908.0)	(77%)	11,066.3	(13,199.6)	37,684.4	24,265.9	(184%)	(26,618.1)	(110%)

The month of January 2014 recorded a net cash flow surplus of \$4.5 million compared to a budgeted surplus of \$2.6 million and prior year surplus of \$19.4 million. The year to date net cash flow was \$11.1 million, which compares favorably with the projected cash flow deficit for the year to date of \$13.2 million, but \$26.6 million below prior year cash surplus of \$37.7 million, due to nonrecurrent revenue in the prior year.

Recurrent payments for Inter-Health Canada, National Health Insurance Board, Herzog and debt servicing payments were made during the month of January, as scheduled.

The cash flow forecast for ensuing months indicates that cash flow should remain positive and there should not be a need to draw on the credit facility.

3.0 Outstanding Public Debt

Debt Type	Opening	January 31, 2014	
	01-Apr-13	Principal Repayment	Outstanding Principal
	\$ 000's	\$ 000's	\$ 000's
RBTT Bonds 2016 - Guaranteed	170,000.0	-	170,000.0
Scotia Bank Loan 2016 - Guaranteed	9,000.0	-	9,000.0
Other TCIG Bank Loans - Unsecured	23,816.1	(5,529.7)	18,286.4
TCInvest Loans - Unsecured	12,254.1	(1,657.5)	10,596.6
Total Bonds & Loans	215,070.3	(7,187.3)	207,883.0
Other Debt	1,832.8	(1,670.0)	162.8
Total Outstanding Public Debt	216,903.0	(8,857.3)	208,045.8

The Turks and Caicos Government's outstanding debt as of January 31, 2014 is \$208.1 million, as shown in the adjacent table. Total debt repayments for the year to date were \$8.9 million.

The guaranteed loans are secured by a United Kingdom/DFID guarantee in the amount of \$260 million.

All loan principal and interest payments are up to date as of January 31, 2014.

4.0 Sinking Fund

The Sinking Fund balance as at end January 2014 stood at \$45.7 million. However, a further \$4.5 million was added in February 2014. Net public debt outstanding at the end of January 2014 is therefore about \$162.3 million, when the Sinking Fund is taken into consideration.

5.0 National Forfeiture Fund

The National Forfeiture Fund had a balance of \$4.3 million at the end of January 2014. However, \$2.3 million was transferred to the Consolidated Fund in February 2014 and immediately transferred to the Sinking Fund.