



TURKS AND CAICOS ISLANDS



**GOVERNMENT OF
THE TURKS AND CAICOS ISLANDS**



**JANUARY 2021
FINANCIAL REPORT**

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KEY POINTS

- ❖ *The monthly Financial Report for January 2021 shows the actual position against the expected profile based on the 2020-21 estimates as well as the prior year's outturn.*
 - ❖ *During the month of December, a Supplementary Appropriation Bill was enacted to reduce expenditure to \$308.5m, \$28m lower than the Approved Estimates and the Revenue to \$174 million, approximately \$92.3 million lower than the Approved Estimates.*
 - ❖ *The operating balance as at the end of January 2021 was a deficit of \$57.7 million Development Fund Expenditure for the year to date totaled \$21.3 million*
 - ❖ *Outstanding Public Debt stood at \$0.8 million after principal repayments of \$2.2 million*
 - ❖ *The underlying cash balance was a reduction of \$77.0 million bringing Cash and Cash equivalents to a total of \$132.8 million.*
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OVERVIEW

The Estimates of Revenue and Expenditure (the “Estimates”) for the financial year (FY) 2020-21 were approved in the House of Assembly on 23rd April, 2020 and came into effect on 30th April, 2020. The House of Assembly Revised the Estimates of Revenue and Expenditure in December 2020 that reduced expenditure to \$308.5m, \$28m lower than the Approved Estimates and the Revenue to \$174 million, approximately \$74 million lower than the Approved Estimates. The revision shows a deficit of \$ 134.5 million. The budget deficit reflects the associated economic disruption, revenue fallout and the Government’s economic policy response designed to support income and minimize business failures to prevent further economic damage. Included in the revised estimates were costs associated with the COVID-19 public health response and \$20.3 million in direct stimulus.

Fiscal actions have also been implemented on an enormous scale. Some of these measures included:

- *14.4 million in Cash Grants for Individuals in the tourism/hospitality sector who became unemployed or underemployed because of the COVID-19 pandemic. Five(5) million in Cash Grants Allocated to Micro, Small and Medium Enterprises (MSME) Sector. A second round of stimulus payments started in December 2020 and continued into the last quarter;*
- *\$500 thousand for social welfare services;*
- *The waiver of payment of HRTT which was due and payable on the 21st April 2020, in accordance with section 13 (1) of the Hotel, Restaurant & Tourism Tax Ordinance and the payment of HRTT which became due and payable on 21st May 2020 and 21st June 2020, in accordance with section 13 (1) of the HRTT were deferred until 21st July 2020;*
- *As of 1st April, until 30th June 2020 (unless extended) the importation of construction materials was exempted from import duty chargeable under the Customs Ordinance;*

- *From the 1st April 2020 until 30th June 2020 (completion to have occurred on or before 30th June 2020) a 50% reduction in stamp duty payable on real estate transactions;*
- *Suspension of the mortgage payments and accrual of ordinary and default interest on existing TC Invest mortgages during the period April 2020 to September 2020;*
- *Extension of the grace period to renew 2020/2021 Business Licenses on or before 31st July 2020 without penalty.*
- *Write off outstanding amounts for the municipal water and waiver of charges for the period 1st April to 30th June 2020.*
- *The borders to allow for international travel reopened on 22nd July 2020 and business activities restored. All major properties were reopened by late 3rd Quarter.*
- *From the 21st September to 30th December 2020 (completion to have occurred on or before during the specific times outlined in the policy) a reduction of either 75%, 50% or 25% in stamp duty payable on real estate transactions*

These economic policy responses to the COVID-19 pandemic provides support for individuals and businesses through grants and concessions and comes with substantial direct budgetary costs. All the measures are designed specifically to support the economy through this shock and shall help prevent greater economic and fiscal damage in the long term.

OPERATING BALANCE

Net Operating Deficit: **Month \$3.0 million, Year to Date \$57.7 million**

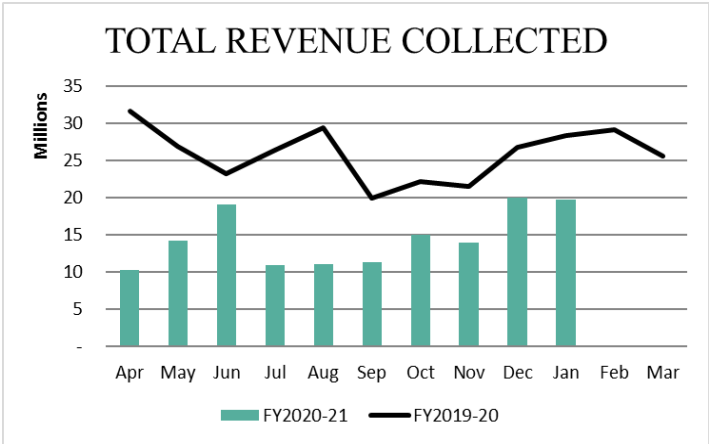
	Month			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
Recurrent Revenue	19,577.5	29,634.9	28,390.9	(10,057.4)	(34%)	(8,813.3)	(31%)	144,746.4	113,872.9	258,666.2	30,873.5	27%	(113,919.8)	-44%
Recurrent Expenditure	21,970.7	22,166.2	20,161.9	195.4	1%	(1,808.9)	(9%)	198,848.2	217,394.6	191,874.4	18,546.4	9%	(6,973.8)	(4%)
Net Recurrent Surplus	(2,393.2)	7,468.8	8,229.0	(9,862.0)	(132%)	(10,622.2)	(129%)	(54,101.8)	(103,521.7)	66,791.8	49,419.8	-48%	(120,893.6)	(181%)
Non-Recurrent Revenue	100.0	66.6	11.7	33.5	-	88.3	755%	6,251.1	956.4	756.2	5,294.7	-	5,494.9	727%
Non-Recurrent Expenditure	691.8	214.4	647.4	(477.4)	(223%)	(44.4)	(7%)	9,813.7	15,045.7	3,892.6	5,232.0	35%	(5,921.1)	(152%)
Net Operating Balance	(2,985.0)	7,320.9	7,593.3	(10,305.9)	(141%)	(10,578.3)	(139%)	(57,664.4)	(117,610.9)	63,655.3	59,946.5	-51%	(121,319.8)	(191%)

The month of January 2021 recorded an operating deficit of \$3.0 million which resulted in a year to date deficit of \$57.7 million. On a year-over-year basis, the results at the end of January showed movement from a healthy surplus of \$63.7 million to a deficit of \$57.7 million, a reduction of \$121.3 million or 191%. This significant underperformance is a direct result of the TCIG's response to the COVID-19 pandemic which involved significant increases in health care related expenditure, payment of stimulus grants and a significant reduction in revenue collection because of the impact on the tourism sector. The revenue collection for the month of January was encouraging as the burn-rate has been reduced from a high of \$10 million during the year to \$3.0 million. The month of December showed operating surplus. The over performance of revenue in comparison to the estimates is due to the processing of a \$92.3 million supplementary appropriation reducing revenue estimates from \$266.3 million to \$174.0 million.

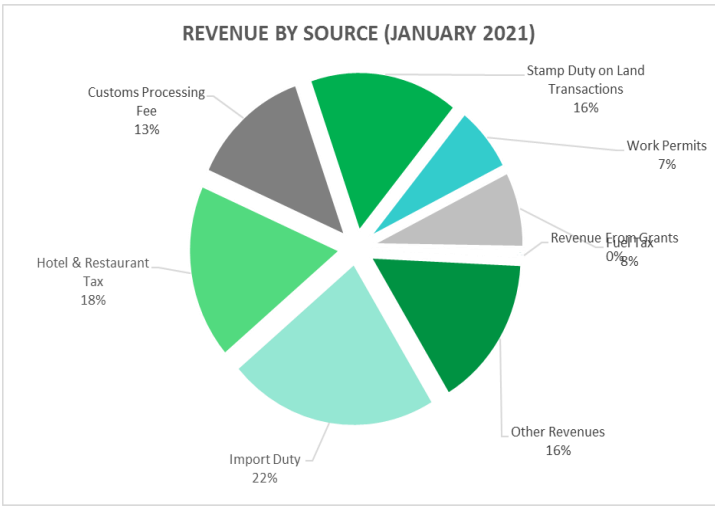
CASH FLOW

	Month			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	(2,985.0)	7,320.9	7,593.3	(10,305.9)	(141%)	(10,578.3)	(139%)	(57,664.4)	(117,610.9)	63,655.3	59,946.5	(51%)	(121,319.8)	-191%
Less:														
Capital Contributions	(1,687.8)	3,626.2	(4,005.3)	(5,314.0)	-	2,317.5	-	(21,348.8)	(20,754.6)	(23,623.5)	(594.2)	-	2,274.8	-
Debt Repayments	(271.7)	(271.7)	(314.8)	-	-	43.1	-	(2,182.6)	(2,284.5)	(6,372.9)	101.8	(4%)	4,190.3	(66%)
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Inflows	-	-	160.5	-	-	(160.5)	-	355.5	171.9	367.2	183.6	-	(11.7)	-
Transfers from/(to) NWF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net receipts/(payments) of public accounts	1,578.9	-	5,764.5	1,578.9	-	(4,185.6)	(73%)	3,887.4	-	(976.4)	3,887.4	-	4,863.9	(498%)
Net Cash Flow	(3,365.6)	10,675.4	9,198.1	(14,040.9)	(132%)	(12,563.7)	(137%)	(76,952.9)	(140,478.0)	33,049.6	63,525.1	(45%)	(110,002.5)	(333%)

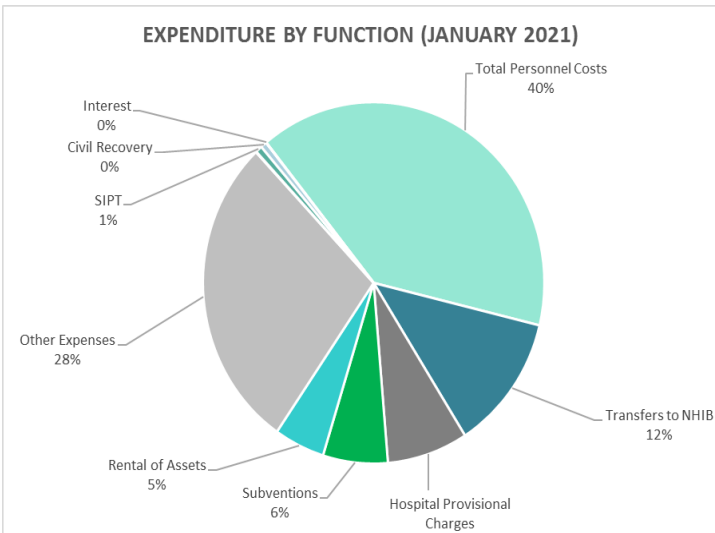
The month of January saw a reduction in the underlying cash balance, inclusive of Development Fund expenditure, by \$3.4 million. This resulted in a year to date decline of \$77.0 million. On a year over year basis, the outturn showed a \$110.0 million reduction against the result of the same period last year. As a result, Cash and Cash Equivalents decreased from \$179.8 million at the beginning of the financial year to \$132.8 million at the end of January, after the inclusion of the \$30 million matured term deposit.



\$19.7 million in revenue was collected for the month of January, against prior year results of \$28.4 million. Year to date revenue of \$151 million, at the end of January was down \$108.4 million (42%) when compared to last year's results. This fallout in revenue is expected to continue until the end of the Fiscal year. The receipts for January and February have picked up momentum and may be linked to the full reopening of the tourism section late 3rd Quarter.



\$22.7 million was expended during the month of January resulting in Aggregate Expenditure of \$208.7 million, \$23.8 million or 10% below the projected amount whilst up \$12.9 million or 7% from the prior year. The significant variance to the budget is mainly seen in Grants and Contributions. To date, \$11.3 million has been spent on stimulus grants to both individuals and businesses in the MSME sector against a revised allocation of \$19.8 million (original estimate of \$25 million), resulting. Significant expenditure continues to be incurred in the health care sector and in the holding and repatriation of illegal immigrants



REVENUE

Recurrent Revenue: **Month \$19.6 million, Year to Date \$144.7 million**

RECURRENT REVENUE	Month			Monthly Variance		Year To Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Import Duty	4,405.2	6,889.8	6,351.3	(2,484.7)	(1,946.2)	34,167.2	28,198.8	65,499.3	5,968.4	(31,332.1)
Hotel & Restaurant Tax	3,523.5	8,797.3	9,083.0	(5,273.8)	(5,559.6)	12,289.2	(1,701.9)	59,750.5	13,991.2	(47,461.3)
Customs Processing Fee	2,562.9	3,068.7	2,891.2	(505.8)	(328.3)	17,282.6	16,594.0	30,233.7	688.6	(12,951.1)
Stamp Duty on Land Transactions	3,178.0	2,045.5	1,593.4	1,132.5	1,584.6	21,538.0	17,752.1	26,975.1	3,785.9	(5,437.1)
Work Permits	1,319.0	1,885.1	1,965.0	(566.1)	(646.0)	14,030.4	10,317.7	19,242.6	3,712.7	(5,212.2)
Fuel Tax	1,514.3	1,014.9	876.7	499.5	637.6	6,107.7	5,039.9	9,125.2	1,067.7	(3,017.5)
Other Revenues	3,074.6	5,933.7	5,630.2	(2,859.0)	(2,555.6)	39,331.4	37,672.4	47,839.7	1,659.0	(8,508.4)
TOTAL RECURRENT REVENUE	19,577.5	29,634.9	28,390.9	(10,057.4)	(8,813.3)	144,746.4	113,872.9	258,666.2	30,873.5	(113,919.8)

Recurrent Revenue for the month of January totaled \$19.6 million. On a year-over-year basis, Revenue was down \$8.8 million (31%) when compared to the results of the same period last year. The significant variance to budget as well as the negative year to date estimate seen for Hotel & Restaurant Tax is due to the processing of a supplementary appropriation approved during the month of December, reducing revenue estimates by \$92.3 million. This will normalize within the remaining two months of the financial year.

The major Revenue Heads are summarised as follows:

Import Duties:

Import Duties collected for the month of January totaled \$4.4 million. This result was down by \$2.5 million (36%) from projected receipts and in comparison to the prior year's receipts, saw a decline of \$1.9 million (31%). Year to date outturn totaled \$34.2 million accounting for 23% of Total Revenue. This was 21% below the estimates and 48% below the prior year's outturn. The need for imported goods remains relatively low as tourist related consumption is relatively low. Additionally, as part of its measures to combat the economic fallout as a result of the COVID-19 pandemic, TCIG enacted Customs (COVID-19) (Duty Exemption) Order 2020 which gave the importation of essential items and construction materials an exemption from import duty chargeable under the Customs Ordinance from 1st April until 31st May for bread basket of goods and 30 June 2020 (unless extended) for construction materials. Total duties foregone as a result of this measure was \$2.2 million.

While receipts from Import Duties is performing less than optimal an improvement has been seen since the first two quarters after the borders reopened and economic activity began to slowly increase.

Hotel & Restaurant Tax:

Hotel & Restaurant Tax receipts for the month of December totaled \$3.5 million, accounting for 28% of the year to date collections of \$12.3 million. This was against prior year receipts of \$59.8 million, a decline of 79%, mainly due to the fact the Tourism Industry has been the hardest hit during this COVID-19 pandemic. However, the improvement in collections during the month is definitely a positive sign that hotels and restaurants are reopening and activity was slowly increasing.

It also should be noted that prior year's receipts for Hotel & Restaurant Tax are reflective of the amnesty programme that was approved in March 2019 that returned approximately \$2.7m in revenue in 2019-20.

Nevertheless, as part of its measures to combat the economic fallout as a result of the COVID-19 pandemic, TCIG waived payment of tax which was due and payable on the 21st April 2020, in accordance with section 13 (1) of the Hotel, Restaurant & Tourism Tax Ordinance and the payment of any tax which is due and payable on 21st May 2020 and 21st June 2020, in accordance with section 13 (1) of the HRTT was deferred until 21st July 2020.

At this point, it remains uncertain when revenue collections will continue with the gains in momentum or the recent surges of COVID-19 cases along with the resulting measures both locally and internationally will once again cause it to slow. S&P expected that tourism in the Caribbean will probably decline by 60-70% from April to December, 2020 when compared with last year. The World Tourism Organization (UNWTO) predicted a 20% to 30% decline in international tourist arrivals in 2020. While many economic sectors are expected to recover once restrictive measures are lifted, it is likely that the pandemic will have a longer lasting effect on international tourism. According to the World Travel and Tourism Council (WTTC), in previous viral epidemics the average recovery time for standard levels of tourist arrivals was about nineteen (19) months.

Customs Processing Fees:

Customs Processing Fees (CPF) for January totaled \$2.6 million, which was \$0.5 million below estimates while \$0.3 million below the prior year's results. This brought the year to date total to \$17.3 million, which was down by 43% from the prior year's outturn.

As part of its measures to combat the economic fallout as a result of the COVID-19 pandemic TCIG enacted the Emergency Powers (COVID-19) (Waiver of Customs Processing Fee) Regulations 2020 which waived CPF fees for essential items. Total CPF foregone as a result of the measure was \$0.8 million.

Stamp Duty on Land Transactions:

Stamp Duty collected during the month of January, totaled \$3.2 million which was \$1.1 million above the estimates and up \$1.5 million from the prior year's outturn. This resulted in year to date collections totaling \$21.5 million and comprising 14% of Total Recurrent Revenue. These results were \$3.8 million ahead of the estimates whilst down \$5.4 million from the prior year's results. This significant outturn is as a result of one of the Government's measures to combat the economic fallout as a result of the COVID-19 pandemic by offering a 50% reduction in stamp duty payable on real estate transactions originally from the 1st April 2020 until 30th June 2020 (completion to have occurred on or before 30th June 2020), then a further reduction of either 75%, 50% or 25% in stamp duty payable on real estate transactions from the 21st September to 30th December 2020 (completion to have occurred on or before during the specific times outlined in the policy)

Work Permits:

Receipts from Work Permits totaled \$14.0 million for the year to date, \$1.3 million of which was collected during the month of January. These results were \$3.7 million below the estimates and down \$5.2 million from the prior year. The majority of work permit holders are employed in the tourism and hospitality sector which is significantly affected as major hotels and the Cruise Port remains closed.

Fuel Tax:

Fuel tax receipts for the month of January were \$1.5 million, an increase of 73% from the prior year's outturn and up 49% from the projected receipts. Year to date results totaled \$6.1 million, up 21% from the estimates while down 33% from the prior year's results. This can be attributed to the recent collapse in oil prices in the global market as a result of the COVID-19 pandemic. The decline in oil demand, particularly in the transportation sector due to the suspension of domestic and international travels, business closures and reduction in economic activity all led to the reduction of demand for petroleum products.

Other Revenue: *Month \$3.1 million, Year to date \$39.3 million*

OTHER REVENUE <small>In USD thousands of dollars</small>	Month			Monthly Variance		Year to Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Business Licence renewal	34.7	39.3	34.6	(4.7)	0.1	2,044.0	1,929.4	1,856.6	114.6	187.4
Communication Tax	379.2	390.0	433.6	(10.9)	(54.5)	3,401.0	3,243.6	3,989.9	157.3	(588.9)
Gaming Machine Tax	452.0	328.6	274.9	123.3	177.1	1,307.7	1,237.3	3,196.1	70.4	(1,888.4)
Seaport Departure Tax	-	430.4	388.7	(430.4)	(388.7)	73.1	(755.9)	3,393.0	829.1	(3,319.9)
Telecommunication Licences	75.3	509.7	534.7	(434.3)	(459.4)	1,772.1	2,813.8	3,745.2	(1,041.7)	(1,973.1)
Overtime Costs Recovered	138.2	288.1	202.0	(149.9)	(63.7)	929.0	1,075.2	2,601.1	(146.2)	(1,672.1)
Vehicle Licence Renewals	879.2	1,208.3	1,208.3	(329.1)	(329.1)	3,403.0	3,984.8	4,124.1	(581.8)	(721.1)
Permanent Residency Fees	87.6	187.1	118.7	(99.5)	(31.1)	1,160.1	1,123.9	1,755.1	36.2	(595.0)
Excess Revenue	-	250.0	566.9	(250.0)	(566.9)	14,034.4	12,459.2	2,982.1	1,575.3	11,052.3
Other Revenues	1,028.5	2,302.1	1,867.9	(1,273.6)	(839.4)	11,206.9	10,561.1	20,196.5	645.9	(8,989.5)
TOTAL OTHER REVENUE	3,074.6	5,933.7	5,630.2	(2,859.0)	(2,555.6)	39,331.4	37,672.4	47,839.7	1,659.0	(8,508.4)

Other Revenues for January totaled \$3.1 million. This brought the year to date outturn to a total of \$39.3 million against a budget of \$37.7 million an increase of \$1.7 million whilst being down \$8.5 million from the prior year's outturn. As previously mentioned, a withdrawal was processed reducing revenue estimates by \$92.3 million, which gave rise to the \$1.7 million outperformance of budget seen. This is also the cause for the negative estimates seen for Seaport Departure Tax however, the figures will normalize within the remaining two months of the financial year.

The year to date total consists of \$14.0 million in Excess Revenue Returns from Statutory Bodies making up 9% of the Total Other Revenue collected by TCIG to date.

Non-Recurrent Revenue: *Month \$0.1 million, Year to date \$6.3 million*

NON-RECURRENT REVENUE	Month			Monthly Variance		Year To Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Civil Recovery Income	-	-	-	-	-	-	-	-	-	-
Land Sales	49.9	24.1	11.7	25.8	38.2	348.0	341.8	457.5	6.1	(109.5)
Revenue From Grants	50.2	42.5	-	7.7	50.2	5,903.1	614.6	298.7	5,288.6	5,604.5
Insurance Proceeds	-	-	-	-	-	-	-	-	-	-
TOTAL NON-RECURRENT REVENUE	100.0	66.6	11.7	33.5	88.3	6,251.1	956.4	756.2	5,294.7	5,494.9

Non-recurrent receipts for the year to date totaled \$6.3 million, consisting primarily of a \$5.7 million grant received from the European Development Fund during the month of December. Also included in the total are small grants and donations received from UNICEF and a private sector firm to assist the Ministry of Education as well as \$0.3 million in land sales.

EXPENDITURE

Recurrent Expenditure: **Month \$22.0 million, Year to Date \$198.8 million.**

RECURRENT EXPENDITURE	Month			Monthly Variance		Year To Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total Personnel Costs	8,977.8	9,489.8	8,100.3	512.0	(877.5)	79,657.9	80,091.1	77,889.5	433.2	(1,768.4)
Transfers to NHIB	2,771.2	2,771.2	2,771.2	-	-	27,712.0	25,938.3	27,712.0	(1,773.7)	-
Hospital Provisional Charges	1,735.2	1,772.0	1,695.6	36.7	(39.6)	18,667.2	19,037.4	17,937.9	370.2	(729.3)
Subventions	1,389.9	1,744.9	1,521.5	355.0	131.6	12,077.5	13,388.4	12,824.9	1,310.9	747.4
Rental of Assets	1,087.2	448.1	419.7	(639.0)	(667.5)	4,982.0	4,423.6	4,192.5	(558.4)	(789.5)
Other Expenses	6,009.4	5,940.3	5,653.5	(69.2)	(355.9)	55,751.7	74,515.8	51,317.7	18,764.2	(4,434.0)
TOTAL RECURRENT EXPENDITURE	21,970.7	22,166.2	20,161.9	195.4	(1,808.9)	198,848.2	217,394.6	191,874.4	18,546.4	(6,973.8)

Recurrent expenditure for the month of January totaled \$22.0 million and was \$0.2 million or 1% above the estimate as well as \$2.2 million above the expenditure for January 2020. Year to date expenditure of \$198.8 million was \$18.5 million behind the budget whilst up \$7.0 million from the prior year's outturn.

Of the total Expenditure, personnel cost accounted for 38% totaling \$79.7 million which was on par with budget while exceeding the prior year's results by a marginal 2%. Transfers to NHIB totaled \$27.7 million for the year to date which was on par with the prior year's results. The variance to budget \$1.8 million to the estimates are mainly due to profiling differences between actual and budgeted expenditure. Hospital Provisional charges for the Year to date totaled \$18.7 million which was 2% below the estimates while 4% above the prior year's outturn. Subventions totaling \$12.1 million for the year to date, trailed both the budget and prior year's results by \$1.3 million and \$0.8 million respectively. The variance to budget is mainly due to timing differences between profiled and actual expenditure.

Other Recurrent Expenditure: **Month \$6.0 million, Year to date \$55.8 million**

OTHER RECURRENT EXPENDITURE	Month			Monthly Variance		Year to Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating Expenses	1,140.3	1,455.7	1,248.3	315.4	108.0	9,678.5	11,792.8	10,506.0	2,114.2	827.5
Maintenance Expenses	401.9	761.3	715.4	359.4	313.5	8,267.9	8,927.1	7,738.4	659.2	(529.5)
Professional and Consultancy Services	358.9	729.0	543.8	370.2	184.9	2,879.0	5,516.1	2,674.2	2,637.1	(204.9)
Grants and Contributions	1,585.9	578.8	313.0	(1,007.1)	(1,272.9)	15,948.2	25,980.7	6,340.5	10,032.5	(9,607.7)
Utilities	416.3	387.7	405.4	(28.6)	(11.0)	2,632.1	3,047.5	3,649.9	415.5	1,017.8
Other Recurrent Expenditure	2,106.1	2,027.6	2,427.6	(78.5)	321.6	16,346.0	19,251.7	20,408.8	2,905.6	4,062.7
TOTAL OTHER RECURRENT EXPENDITURE	6,009.4	5,940.3	5,653.5	(69.2)	(355.9)	55,751.7	74,515.8	51,317.7	18,764.2	(4,434.0)

The expenditure for the month reflected inescapable spending. The significant variance to the budget is mainly seen in Grants and Contributions. To date, \$11.3 million has been spent on stimulus grants to both individuals and

businesses in the MSME sector against a revised allocation of \$19.8 million (original estimate of \$25 million), resulting in a \$49% shortfall.

Non-Recurrent Expenditure: *Month \$0.7 million, Year to date \$9.8 million*

NON-RECURRENT EXPENDITURE	Month			Monthly Variance		Year To Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Statutory Land Acquisitions	12.3	-	-	(12.3)	(12.3)	12.3	160.0	1.7	147.7	(10.6)
SIPT	143.1	214.4	599.4	71.4	456.4	1,773.5	1,839.9	3,257.6	66.5	1,484.1
Civil Recovery	129.9	-	27.5	(129.9)	(102.4)	698.4	900.0	348.3	201.6	(350.1)
Covid-19 Expense	400.1	-	-	(400.1)	(400.1)	7,207.5	10,050.4	-	2,842.9	(7,207.5)
Contingency	-	-	-	-	-	-	1,949.1	-	1,949.1	-
Interest	6.4	-	20.5	(6.4)	14.0	122.1	146.2	285.0	24.1	163.0
TOTAL NON-RECURRENT EXPENDITURE	691.8	214.4	647.4	(477.4)	(44.4)	9,813.7	15,045.7	3,892.6	5,232.0	(5,921.1)

Non-Recurrent Expenditure results for the year to date of \$9.8 million, consisted primarily of \$7.2 million in Covid-19 related expenses.

Also included in total non-recurrent expenditure \$1.8 million in payments to SIPT and \$0.7 million in payments for Civil Recoveries. This total non-recurrent expenditure was \$3.2 million below the estimates, primarily due to a \$1.9 million unused to date provision for contingency spending reflected in the estimates as well as \$2.8 million remaining for Covid-19 related expenditure.

PUBLIC DEBT

Public Debt	Opening	January 31, 2021	
	01-Apr-20	Principal Repayment	Outstanding Principal
	\$ 000's	\$ 000's	\$ 000's
TCIG Loans - Unsecured	3,021.4	(2,182.6)	838.8
Total Outstanding Public Debt	3,021.4	(2,182.6)	838.8

TCIG's outstanding debt as at 31st January 2020 was \$0.8 million. Total principal debt repayment for the year was \$2.2 million while total finance costs for the year was \$0.1 million. There were no new borrowings during the financial year, neither were there any drawdowns of previously approved borrowings.

During the month of December an agreement was reached with the Republic Bank Limited to make available an \$80 million revolving credit facility. No drawdowns have been carried out to date.

HUMAN RESOURCE MANAGEMENT

Employees

There were 1,521 people employed by TCIG at the end of January 2021 consisting of 272 waged employees as well as 1498 monthly paid employees, exclusive of the Royal Turks and Caicos Police Force, with 96 vacancies existing throughout the civil service.

Pensioners

The total number of Pensioners at the end of January 2021 were 294.

DEVELOPMENT FUND (DF)

In accordance with the PFM Ordinance Section 18(2) (b), approximately \$36.6 million was retained in the Development Fund to cover the cost of projects that were deemed committed at the end of the previous financial year.

The total budgeted for capital expenditure for the financial year is \$35.3 million. To date, the total amount spent on capital projects amounted \$21.3 million and these relates mainly to capital projects approved in the previous financial year. Major components of the amount spent in this FY are as follows: \$13.3 million was spent on the construction, renovation & upgrading of Government's buildings, of which \$7.6 million was spent on schools throughout the islands, \$3.5 million on road development, \$1.4 million on the National Physical Development Plan and \$0.8 million spent on the purchase of equipment.

NATIONAL WEALTH FUND (NWF)

The balance in the NWF as at January 31, 2021 stood at \$25.9 million. No transfers to the fund are expected during this financial year.

NATIONAL FORFEITURE FUND (NFF)

The National Forfeiture Fund had a balance of \$6.4 million as at 31st January, 2021.

