



GOVERNMENT OF THE  
TURKS AND CAICOS ISLANDS

# MONTHLY FINANCIAL REPORT

## FEBRUARY 2015

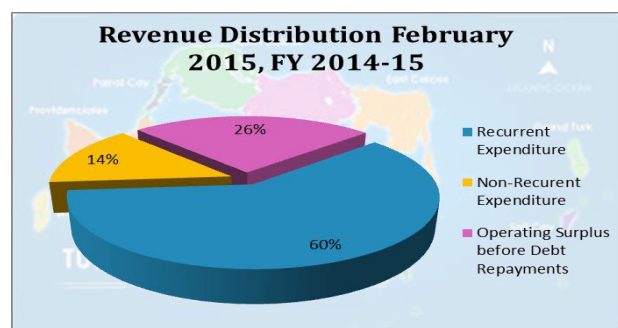
*Prepared by the Office of the Accountant General – March 27th, 2015*

**GOVERNMENT OF THE TURKS AND CAICOS ISLANDS**  
**Monthly Financial Report (Unaudited)**  
**February 28th, 2015**

	Month of February 2015			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	22,495.2	18,308.7	20,663.9	4,186.5	23%	1,831.3	9%	222,248.4	191,325.1	180,617.2	30,923.2	16%	41,631.2	23%
Recurrent Expenditure	13,645.0	13,358.8	11,835.6	(286.2)	(2%)	(1,809.4)	(15%)	142,502.6	162,584.7	139,423.2	20,082.0	12%	(3,079.5)	(2%)
<b>Net Recurrent Surplus/(Deficit)</b>	<b>8,850.2</b>	<b>4,949.9</b>	<b>8,828.2</b>	<b>3,900.3</b>	<b>79%</b>	<b>21.9</b>	<b>0%</b>	<b>79,745.7</b>	<b>28,740.5</b>	<b>41,194.0</b>	<b>51,005.3</b>	<b>177%</b>	<b>38,551.7</b>	<b>94%</b>
Non-Recurrent Revenue	118.3	216.7	10.3	(98.3)	(45%)	108.0	1049%	6,421.2	6,383.3	2,492.0	37.9	1%	3,929.2	158%
Non-Recurrent Expenditure	3,211.3	942.8	2,727.1	(2,268.5)	(241%)	(484.2)	(18%)	13,393.6	12,419.8	15,592.8	(973.8)	(8%)	2,199.2	14%
<b>Operating Surplus/(Deficit)</b>	<b>5,757.2</b>	<b>4,223.7</b>	<b>6,111.4</b>	<b>1,533.5</b>	<b>36%</b>	<b>(354.2)</b>	<b>(6%)</b>	<b>72,773.3</b>	<b>22,704.0</b>	<b>28,093.3</b>	<b>50,069.3</b>	<b>221%</b>	<b>44,680.1</b>	<b>159%</b>

**1.1 Month: Operating Surplus of \$5.8 million**

The net operating balance of the consolidated fund at the end February 2015 recorded a surplus of \$5.8 million representing one fourth of revenues collected in the period. This compares favourably to the budgeted surplus of \$4.2 million and a surplus of \$6.1 million for the same period last year.



Recurrent revenues for the month amounted to \$22.5 million, which was 23% or \$4.2 million above the budget of \$18.3 million. Hotel and restaurant tax and import duties both exceeded the budget estimates for the month by 28% and 25% respectively, while Work permits and residency fees and fuel tax were above budget by 17% and 8% respectively. Stamp Duties on Land Transactions saw a good month coming in at \$4.0 million which was 169% above the budget, due to continued buoyancy in TCI's real estate industry.

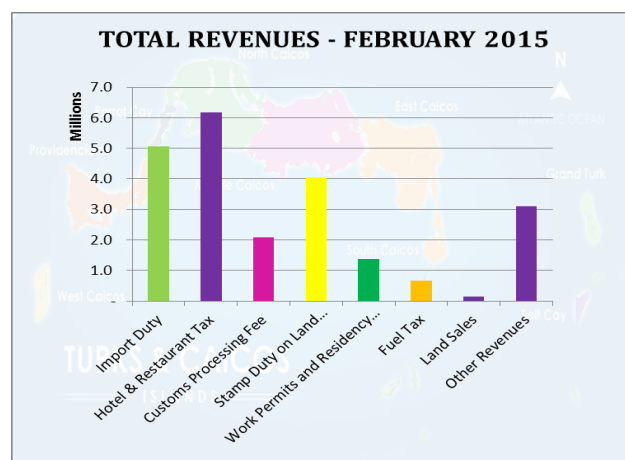
Total recurrent expenditure for February 2015 was \$13.6 million, which was 2% above the budgeted amount of \$13.3 million and 15% above that of last year's outturn.

Total non-recurrent expenditure was \$3.2 million, which consisted primarily of semi-annual bond interest payment of \$2.7 million.

**1.2 Year to Date: Operating Surplus of \$72.8 million.**

The year to date results for the fiscal year showed an operating surplus of \$72.8 million, this result in a positive variance of \$50.1 million or 221% above the budgeted amount of \$22.7 million.

Year to date Recurrent Revenue outturn was \$222.2 million, which was 16% above the budgeted amount of \$191.3 million and 23% above last year's outturn of \$180.6 million, due to better than expected collections in all of the major revenue items. Year to Date Non-Recurrent Revenues totaled \$6.4 million which comprises mainly of an EU Grant of \$4.1 million and \$1.2 million in land sales.



Recurrent expenditure, which came in at \$142.5 million was 12% or \$20.1 million below budget estimates while being \$3.1 million or 2% above the outturn of \$139.4 million for the same period last year. Non-recurrent expenditure of \$13.4 million came in 8% or \$1.0 million above the budgeted amount but 14% below last year's outturn.

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## 2.0 Cash Flow Statement

	Month of February 2015			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	5,757.2	4,223.7	6,111.4	1,533.5	36%	(354.2)	(6%)	72,773.3	22,704.0	28,093.3	50,069.3	221%	44,680.1	159%
Less:														
Capital Contributions	(618.2)	(1,155.0)	(1,369.9)	536.8	-	751.8	(55%)	(4,670.1)	(11,674.1)	(7,834.1)	7,004.0	(60%)	3,164.0	(40%)
Debt Repayments	-	(208.3)	-	208.3	(100%)	-	-	(15,563.1)	(6,427.5)	(7,395.6)	(9,135.6)	142%	(8,167.5)	110%
Bond Inflows	-	187.6	-	(187.6)	-	-	-	581.3	768.9	2,829.5	(187.6)	(24%)	(2,248.2)	(79%)
Herzog Payment	-	-	(162.8)	-	-	162.8	(100%)	-	-	(1,832.8)	-	-	1,832.8	(100%)
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	2,020.1	-	-	(2,020.1)	(100%)
Transfers to Sinking Fund	(.0)	(15.4)	(4,477.6)	15.4	-	4,477.6	-	(10,845.8)	(4,105.7)	(9,204.9)	(6,740.1)	164%	(1,640.9)	18%
Transfers From Sinking Fund	-	-	-	-	-	-	-	9,000.0	-	-	9,000.0	-	9,000.0	-
Net Working Capital	(433.5)	-	(2,491.0)	(433.5)	100%	2,057.5	(83%)	5,475.5	-	2,862.4	5,475.5	100%	2,613.0	91%
<b>Net Cash Flow</b>	<b>4,705.5</b>	<b>3,032.6</b>	<b>(2,389.9)</b>	<b>1,672.9</b>	<b>55%</b>	<b>7,095.4</b>	<b>(297%)</b>	<b>56,751.0</b>	<b>1,265.7</b>	<b>9,538.0</b>	<b>55,485.3</b>	<b>4384%</b>	<b>47,213.1</b>	<b>495%</b>

The month of February 2015 recorded a net cash surplus of \$4.7 million compared to a budgeted surplus of \$3.0 million, while year to date recorded a positive net inflow of \$56.8 million. These year to date results compare very favorably with the projected net cash flow of \$1.3 million and the results for the same period last year which was a cash surplus of \$9.5 million.

To enhance the government's treasury management, an amount of \$50.0 million is currently placed in an on-call money market account at Scotiabank (Turks and Caicos), which is earning interest at a rate of 0.4% per annum. The net cash flow forecast for ensuing months remain positive, therefore there should not be a need to draw on the credit facility.

## 3.0 Outstanding Public Debt

The Turks and Caicos Islands Government's outstanding debt as of February 28, 2015 is \$192.1 million, as shown in the adjacent table. Total debt repayments for the financial year were \$15.5 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 February 28, 2015

Debt Type	Opening	As At February 28, 2015	
	01-Apr-14	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)	.0
Other TCIG Bank Loans - Unsecured	17,971.7	(4,779.6)	13,192.1
TCInvest Loans - Unsecured	10,596.4	(1,672.2)	8,924.3
<b>Total Outstanding Public Debt</b>	<b>207,568.1</b>	<b>(15,451.8)</b>	<b>192,116.3</b>

## 4.0 Sinking Fund

The Sinking Fund balance as at end February 2015 stood at \$60.0 million, which was placed on a term deposit with Scotiabank at a rate of 1% per annum. It is anticipated that this balance will increase to about \$110.0 million, with transfers of about \$50.0 million at the end of March 2015.

## 5.0 National Forfeiture Fund

The National Forfeiture Fund had a balance of \$1.9 million at the end of February 2015.