



Government of the Turks and Caicos Islands

Monthly Financial Report (Unaudited)

Report for the Month Ended

March 31, 2014

*Prepared By: Office of the Accountant General
April 29, 2014*

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS

Monthly Financial Report (Unaudited)

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1.0 Revenue & Expenditure

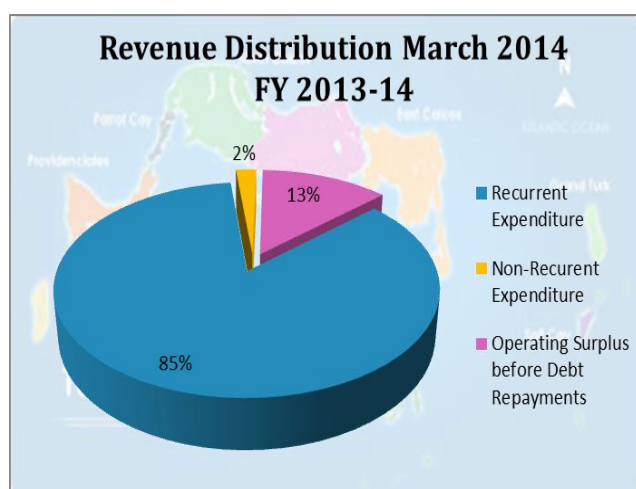
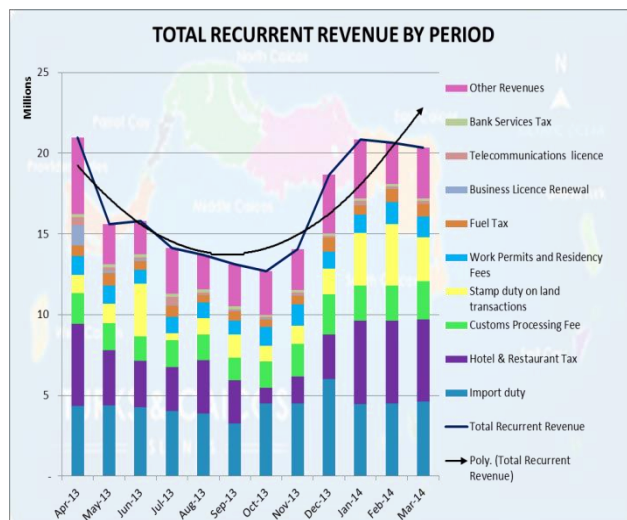
	Month of March 2014			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
Recurrent Revenue	19,728.7	18,363.4	16,270.1	1,365.2	7%	3,458.6	21%	200,345.9	190,447.3	180,051.0	9,898.6	5%	20,294.9	11%
Recurrent Expenditure	17,208.1	10,532.3	9,547.3	(6,675.8)	(63%)	(7,660.8)	(80%)	154,618.3	161,612.1	140,187.0	6,993.8	4%	(14,431.3)	(10%)
Net Recurrent Surplus/(Deficit)	2,520.6	7,831.1	6,722.8	(5,310.6)	-68%	(4,202.2)	(63%)	45,727.5	28,835.2	39,863.9	16,892.4	59%	5,863.6	15%
Non-Recurrent Revenue	647.0	6,128.7	98.3	(5,481.6)	(89%)	548.7	558%	3,139.0	13,446.0	58,293.0	(10,306.9)	(77%)	(55,153.9)	(95%)
Non-Recurrent Expenditure	529.3	2,124.0	2,325.6	1,594.8	75%	1,796.3	77%	18,135.0	18,936.9	28,502.6	801.9	4%	10,367.6	36%
Operating Surplus/(Deficit)	2,638.3	11,835.8	4,495.5	(9,197.4)	-78%	(1,857.2)	(41%)	30,731.6	23,344.3	69,654.3	7,387.3	32%	(38,922.7)	(56%)

1.1 Month: Operating Surplus of \$2.6 million

The net operating balance of the consolidated fund in the month of March 2014 saw a surplus of \$2.6 million, when compared to a projected surplus of \$11.8 million and a surplus of \$4.5 million for the same period last year.

Recurrent revenues for the month amounted to \$19.7 million, which was 7% or \$1.4 million above projected revenues of \$18.4 million. Import duty was marginally above budget while hotel & restaurant tax, customs processing fee and work permits & residency fees exceeded estimated targets for the month by about 26%, 37% and 31% respectively.

Total recurrent expenditure for March 2014 was \$17.2 million, which was \$6.7 million or 63% above budget, due supplementary adjustments.



Total non-recurrent expenditure was \$0.5 million, which was 75% below the budgeted amount of \$2.1 million for the period.

1.2 Year to Date: Operating Surplus of \$30.7 million.

The year to date operating surplus was \$30.7 million, compared to a projected surplus of \$23.3 million.

Total year to date revenue was \$203.5 million, which was \$0.4 million below budget and \$34.9 million or 15% 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 projections for the period.

Total year to date expenditure of \$172.8 million came in about \$7.3 million or 4% below budget estimates of \$180.5 million and \$4.1 million or 2% above results for the same period last year. This positive variance shows prudent financial management during fiscal year 2013/14. Major areas of savings include personal cost, operating expenses and other expenditures.

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2.0 Cash Flow Statement

	Month of March 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	2,638.3	11,835.8	4,495.5	(9,197.4)	-78%	(1,857.2)	(41%)	30,731.6	23,344.3	69,654.3	7,387.3	32%	(38,922.7)	(56%)
Less:														
Capital Contributions	(1,878.0)	2,732.7	(7,238.4)	(4,610.8)	(169%)	5,360.4	(116%)	(9,712.1)	(11,189.8)	(15,162.6)	1,477.7	(13%)	5,450.5	369%
Debt Repayments	(277.8)	(299.9)	(256.2)	22.1	-	(21.6)	(98%)	(7,465.3)	(7,441.0)	(11,786.2)	4,320.9	(58%)	4,320.9	100%
Bond Inflows	750.0	-	(.0)	750.0	-	750.0	-	3,579.5	2,617.0	1,826.2	1,753.3	67%	1,753.3	100%
Herzog Payment	-	(167.0)	(167.0)	167.0	(100%)	167.0	-100%	(1,832.8)	(2,004.0)	(2,004.0)	171.2	(9%)	171.2	100%
Transfers from/(to) NFF	-	-	-	-	-	-	-	4,675.2	10,096.0	(2,000.0)	(5,420.8)	(54%)	6,675.2	(123%)
Transfers to Sinking Fund	(7,966.0)	(5,028.6)	(13,442.5)	(2,937.4)	58%	5,476.5	-	(17,170.9)	(11,757.0)	(41,009.3)	(5,413.9)	46%	23,838.4	(440%)
Net Working Capital	(979.8)	-	(2,118.6)	(979.8)	-	1,138.8	-54%	617.9	-	(3,359.9)	617.9	-	3,977.8	644%
Net Cash Flow	(7,713.3)	9,073.0	(18,727.3)	(16,786.3)	(185%)	11,013.9	(59%)	3,423.1	3,665.5	(3,841.4)	(242.3)	(7%)	7,264.6	(2998%)

The month of March 2014 recorded a negative net cash flow of \$7.7 million compared to a budgeted surplus of \$9.1 million and prior year deficit of \$16.8 million. The year to date net cash flow was \$3.4 million, compared to the projected cash flow surplus for the year to date of \$3.7 million, but was \$7.3 million above prior year cash deficit of \$3.8 million, primarily due to funds retained in the bank accounts to cover cheques outstanding at March 31, 2014.

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

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

3.0 Outstanding Public Debt

Debt Type	Opening	March 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	23,779.3	(5,807.5)	17,971.8
TCInvest Loans - Unsecured	12,254.1	(1,657.5)	10,596.6
Total Bonds & Loans	215,033.4	(7,465.0)	207,568.4
Other Debt	1,832.8	(1,832.8)	-
Total Outstanding Public Debt	216,866.2	(9,297.8)	207,568.4

The Turks and Caicos Government's outstanding debt as of March 28, 2014 is \$207.6 million, as shown in the adjacent table. Total debt repayments for the financial year were \$9.3 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 March 31, 2014.

4.0 Sinking Fund

The Sinking Fund balance as at end March 2014 stood at \$58.2 million. Net public debt outstanding at the end of March 2014 is therefore about \$149.4 million, when the Sinking Fund is taken into consideration.

5.0 National Forfeiture Fund

The National Forfeiture Fund had a balance of \$2.0 million at the end of March 2014. This is due to \$2.3 million being transferred to the Consolidated Fund during the month of February and immediately transferred to the Sinking Fund.