



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

SUMMARY FINANCIAL REPORT

MARCH 2017

Prepared by the Office of the Accountant General

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
Monthly Financial Report (Unaudited)
April 27th, 2017

	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	26,707.0	22,916.2	22,245.2	3,790.8	17%	4,461.8	20%	263,109.6	250,898.6	258,345.7	12,211.0	5%	4,764.0	2%
Recurrent Expenditure	19,525.5	12,073.8	21,644.3	(7,451.8)	(62%)	2,118.8	10%	201,577.2	210,324.3	185,089.3	8,747.0	4%	(16,487.9)	(9%)
Net Recurrent Surplus	7,181.5	10,842.4	600.8	(3,661.0)	(34%)	6,580.6	1095%	61,532.4	40,574.3	73,256.4	20,958.1	52%	(11,724.0)	(16%)
Non-Recurrent Revenue	49.6	62.5	81.1	(12.9)	(21%)	(31.5)	(39%)	4,087.5	4,750.0	5,538.8	(662.5)	(14%)	(1,451.3)	(26%)
Non-Recurrent Expenditure	599.6	691.9	1,070.3	92.3	13%	470.8	44%	6,693.4	7,895.2	11,492.7	1,201.8	15%	4,799.2	42%
Operating Surplus	6,631.5	10,213.0	(388.4)	(3,581.5)	(35%)	7,019.9	(1807%)	58,926.5	37,429.1	67,302.5	21,497.4	57%	(8,376.0)	(12%)

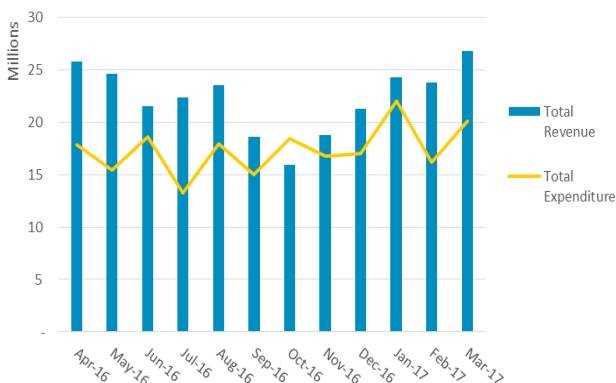
1.0 Month: Operating Surplus of \$6.6 million

The Consolidated Fund recorded a surplus of \$6.6 million during March. This represented a shortfall of \$3.6 million (35%) when compared to the budgeted surplus of \$10.2 million. On a year-over-year basis, the Consolidated Fund has increased by \$7.0 million when compared to March of the previous year.

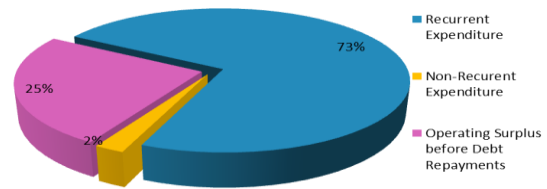
Recurrent revenues for the month amounted to \$26.7 million, which was \$3.8 million (17%) above budgeted revenues of \$22.9 million and \$4.5 million (20%) above the previous year's outturn.

Total **recurrent expenditure** for March was \$19.5 million, which was \$7.5 million (62%) above the budgeted amount while being 10% below the previous year's outturn. **Non-recurrent expenditure** for the month totaling \$0.6 million was 13% below the budget and \$0.5 million (44%) down from the previous year.

Total Revenue & Expenditure By Period



Revenue Distribution March 2017



1.1 Year to Date: Operating Surplus of \$58.9 m

The net operating balance of the Consolidated Fund as at the end of the Fiscal Year 2016-17 saw a surplus of \$58.9 million, which, while being a 12% decrease from the previous year, was 57% above the budgeted amount.

Year to date **recurrent revenues** totaling \$263.1 million was \$12.2 million (5%) ahead of the budgeted amount and more than the previous year's results by \$4.8 million (2%). **Non-recurrent revenues** totaled \$4.1 million, which comprises mostly of \$3.3 million in funds received regarding the third and final tranche of budgetary support from the 10th European Development Fund Grant.

Year to date **recurrent expenditure** totaled \$201.6 million, which was \$8.7 million (4%) behind the budgeted amount while being 9% above last year's results. Year to date **Non-recurrent expenditures** totaled \$6.7 million, which was 15% below budget and 42% below last year's results.

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2.0 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	6,631.5	10,213.0	(388.4)	(3,581.5)	(35%)	7,019.9	(1807%)	58,926.5	37,429.1	67,302.5	21,497.4	57%	(8,376.0)	-12%
Less:														
Capital Contributions	(7,603.5)	(3,039.9)	(1,824.7)	(4,563.6)	150%	(5,778.8)	317%	(23,509.0)	(36,479.0)	(11,539.0)	12,970.0	(36%)	(11,970.0)	104%
Debt Repayments	-	(277.8)	(277.8)	277.8	-	277.8	-	(11,911.0)	(4,236.0)	(180,040.9)	(7,674.9)	-	168,129.9	(93%)
Borrowing	-	-	5,000.0	-	-	(5,000.0)	-	-	-	32,942.5	-	-	(32,942.5)	-
Bond Inflows	-	-	-	-	-	-	-	367.2	160.5	367.2	206.7	-	(.0)	-
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Working Capital	(3,461.4)	-	(6,342.2)	(3,461.4)	-	2,880.8	(45%)	5,780.0	-	2,862.4	5,780.0	-	2,917.6	102%
Net Cash Flow	(4,433.4)	6,895.3	(3,833.1)	(11,328.7)	(164%)	(600.3)	16%	29,653.8	(3,125.5)	(88,105.2)	32,779.3	(1049%)	117,759.0	(134%)

The month of March 2016 recorded a negative net cash flow of \$4.4 million compared to a budgeted surplus of \$6.9 million and a prior year deficit of \$3.8 million. Year to date net cash flows totaled \$29.7 million, which were \$32.8 million above the budgeted deficit of \$3.1 million and \$117.8 million above previous year's figure. The significant variance for the month is due to increased spending while the variance to the previous year is due to the \$170 million bond repayment during that period.

To enhance the government's treasury management, an amount of \$30.6 million is currently placed in an on-call money market account at Scotiabank (Turks and Caicos), which is currently earning interest at a rate of 0.4% per annum. The cash flow forecast for ensuing month indicates that flows should remain positive.

3.0 Outstanding Public Debt

Public Debt	Opening	March 31, 2017	
		Principal Repayment	Outstanding Principal
<i>(Figures in US\$'000)</i>	01-Apr-16		
Other TCIG Bank Loans - Unsecured	43,129.4	(11,798.5)	31,330.9
TCInvest Loans - Unsecured	1,151.7	(112.5)	1,039.2
Total Outstanding Public Debt	44,281.1	(11,911.0)	32,370.1

Total outstanding public debt as of March 31, 2017, was \$32.4 million. Total debt repayments for the financial year were \$11.9 million.

All loan principal and interest payments are up to date as of March 31, 2017.

4.0 Capital Expenditure

DEVELOPMENT FUND SUMMARY	EXPENDITURE	APPROVED CONTRACT	AVAILABLE	
			FOR YEAR	CUMULATIVE
2014	7,900.3	9,751.8	1,851.5	1,851.5
2015	11,539.0	16,830.5	5,291.5	7,142.9
2016	23,509.0	34,644.7	11,135.8	18,278.7
	42,948.3	61,227.0	18,278.7	

Capital Expenditure for the fiscal year amounted to \$23.5 million, of which, \$5.3 million (22%) was expended on the construction & major repair of roads throughout the islands and \$6.7 million (28%) spent on the construction and renovation of government buildings.

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The year to date outturn represented a \$13.0 million (36%) shortfall from the budgeted amount of \$36.5 million while being \$12.0 million above last year's expenditure of \$11.5 million.

In accordance with the PFM Ordinance Section 18(2) (b), about \$18.3 million will be retained in the Development Fund to cover the cost of projects that were deemed committed on March 31, 2017. Driving capital expenditure will be a key focus as the new financial year progresses.

5.0 National Forfeiture Fund

The National Forfeiture Fund had a balance of \$5.1 million at March 31, 2017.