



TURKS AND CAICOS ISLANDS



**GOVERNMENT OF
THE TURKS AND CAICOS ISLANDS**



**APRIL 2021
FINANCIAL REPORT**

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KEY POINTS

- ❖ *The monthly Financial Report for April 2021 shows the actual position against the expected profile based on the 2021-22 provisional estimates as well as the prior year's outturn.*
 - ❖ *The operating balance as at the end of April 2021 was a surplus of \$13.9 million.*
 - ❖ *Development Fund Expenditure for the month totaled \$1.1 million.*
 - ❖ *Outstanding Public Debt stood at \$0.6 million after principal repayments of \$0.2 million.*
 - ❖ *The underlying cash balance was an increase of \$22.4 million bringing Cash and Cash equivalents to a total of \$144.4 million.*
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OVERVIEW

One year into the Covid-19 Pandemic, Government's responses has been substantial in mitigating the contraction in economic activity while providing relief for citizens and businesses alike. However, it is these responses along with the significant fallout in revenue which resulted in TCIG ending the previous financial year with a deficit of \$66 million and an \$88 million reduction in cash reserves. Entering this new financial year against this backdrop, fiscal policy priorities will include continuing support as needed while, introducing new and strengthening existing macroeconomic strategies and policies that will bolster the country's recovery and ensure sustainable growth and development.

The Estimates of Revenue and Expenditure (the "Estimates") for the financial year (FY) 2021-22 are expected to be approved by the House of Assembly before the end of the first quarter. In the interim, TCIG is operating on a provisional budget equal to one-third the final appropriation for the prior financial year (2020-21).

OPERATING BALANCE

Net Operating Surplus: **Month \$13.9 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	32,745.8	-	10,285.8	32,745.8	-	22,460.0	218%	32,745.8	-	10,285.8	32,745.8	-	22,460.0	218%
Recurrent Expenditure	18,876.1	30,285.5	15,974.3	11,409.4	38%	(2,901.8)	(18%)	18,876.1	30,285.5	15,974.3	11,409.4	38%	(2,901.8)	(18%)
Net Recurrent Surplus	13,869.7	(30,285.5)	(5,688.5)	44,155.2	(146%)	19,558.1	(344%)	13,869.7	(30,285.5)	(5,688.5)	44,155.2	-146%	19,558.1	(344%)
Non-Recurrent Revenue	.0	-	25.0	.0	-	(25.0)	(100%)	.0	-	25.0	.0	-	(25.0)	(100%)
Non-Recurrent Expenditure	9.8	817.1	402.2	807.3	99%	392.3	98%	9.8	817.1	402.2	807.3	99%	392.3	98%
Net Operating Balance	13,859.8	(31,102.6)	(6,065.7)	44,962.4	(145%)	19,925.5	(328%)	13,859.8	(31,102.6)	(6,065.7)	44,962.4	-145%	19,925.5	(328%)

The Appropriations for the 2021-22 fiscal year have not been passed in the House of Assembly; therefore, no revenue estimates are reflected in this report. Consequently, all comparative analysis for revenue is calculated on last year's results alone. Estimates presented for expenditure are based on a provisional appropriation which was calculated using one third of the Final Appropriation for financial year 2020-21.

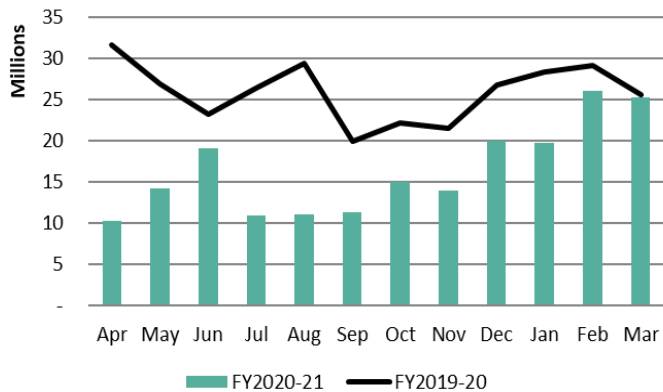
The month of April 2021 recorded an operating surplus of \$13.9 million a vast improvement from the \$6.1 million operating deficit recorded during the prior financial year during the beginning stages of the Covid-19 pandemic. The revenue collection for the month was encouraging as the burn-rate has been reduced from a high of \$10 million during the prior year to \$2.7 million as at the end of April.

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	13,859.8	(31,102.6)	(6,065.7)	44,962.4	(145%)	19,925.5	(328%)	13,859.8	(31,102.6)	(6,065.7)	44,962.4	(145%)	19,925.5	-328%
Less:														
Development Fund Expenditure	(1,113.5)	-	-	(1,113.5)	-	(1,113.5)	-	(1,113.5)	-	-	(1,113.5)	-	(1,113.5)	-
Debt Repayments	(230.1)	(230.1)	(834.1)	-	-	604.0	-	(230.1)	(834.1)	(834.1)	604.0	(72%)	604.0	(72%)
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Inflows	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers from/(to) NWF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net receipts/(payments) of public accounts	9,841.7	-	4,283.8	9,841.7	-	5,557.9	130%	9,841.7	-	4,283.8	9,841.7	-	5,557.9	130%
Net Cash Flow	22,358.0	(31,332.7)	(2,615.9)	53,690.6	(171%)	24,973.9	(955%)	22,358.0	(31,936.7)	(2,615.9)	54,294.6	(170%)	24,973.9	(955%)

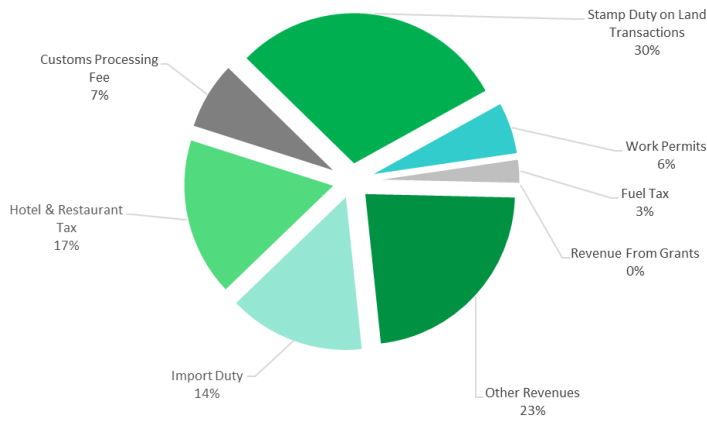
The month of April saw an increase in the underlying cash balance, inclusive of Development Fund expenditure, by \$22.4 million. On a year over year basis, the outturn showed a \$25.0 million increase against the result of the same period last year. As a result, Cash and Cash Equivalents increased from \$122.4 million at the beginning of the financial year to \$144.8 million at the end of April.

TOTAL REVENUE COLLECTED



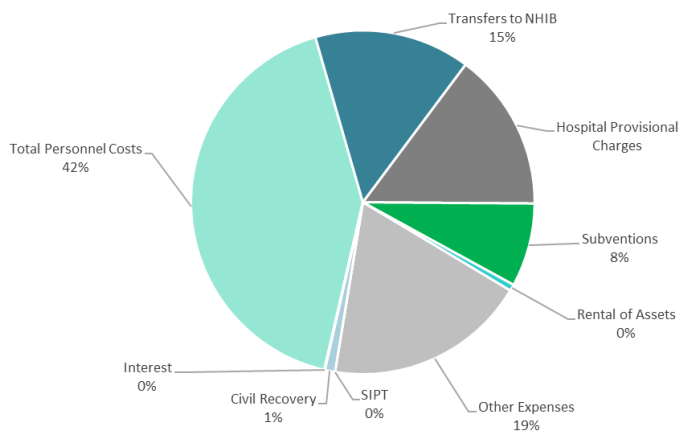
\$32.7 million in revenue was collected for the month of April, against prior year results of \$10.3 million. These collections were promising as all major revenue heads performed near or exceeded their pre-covid levels. Stamp Duty on land transactions most notably totaled \$9.7 million for the month due to the fact that local real estate market has been experiencing an uptick in sales in the luxury Market (>\$1 million). Import duties and Hotel and Restaurant tax also have been seeing significant increases in collections from the first quarter of 2021 and they along with Stamp duties accounted for 61% TCIG's revenue for the period.

REVENUE BY SOURCE (APRIL 2021)



\$18.9 million was expended during the month of April 39% below the projected amount whilst up \$2.5 million or 15% from the prior year. The significant variance to the budget is mainly seen in Grants and Contributions and operating expenses. Significant expenditure continues to be incurred in the health care sector and in relation to the capture, detention and repatriation of illegal immigrants.

EXPENDITURE BY FUNCTION (APRIL 2021)



REVENUE

Recurrent Revenue: **Month \$32.7 million, Year to Date \$32.7million**

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	4,744.4	-	1,445.7	4,744.4	3,298.7	4,744.4	-	1,445.7	4,744.4	3,298.7
Hotel & Restaurant Tax	5,593.8	-	517.8	5,593.8	5,076.1	5,593.8	-	517.8	5,593.8	5,076.1
Customs Processing Fee	2,417.5	-	858.6	2,417.5	1,558.9	2,417.5	-	858.6	2,417.5	1,558.9
Stamp Duty on Land Transactions	9,725.9	-	-	9,725.9	9,725.9	9,725.9	-	-	9,725.9	9,725.9
Work Permits	1,867.3	-	5.4	1,867.3	1,861.9	1,867.3	-	5.4	1,867.3	1,861.9
Fuel Tax	877.7	-	218.6	877.7	659.1	877.7	-	218.6	877.7	659.1
Other Revenues	7,519.2	-	7,239.8	7,519.2	279.4	7,519.2	-	7,239.8	7,519.2	279.4
TOTAL RECURRENT REVENUE	32,745.8	-	10,285.8	32,745.8	22,460.0	32,745.8	-	10,285.8	32,745.8	22,460.0

The Appropriations for the 2021-22 fiscal year have not been passed in the House of Assembly; therefore, no revenue estimates are reflected in this report. Consequently, all comparative analysis for revenue is calculated on last year's results alone.

Recurrent Revenue for the month of April totaled \$32.7 million. On a year-over-year basis, Revenue was up \$22.5 million when compared to the results of the same period last year. The significant increase is due to the rise in collection from Import Duty, Hotel and Restaurant Tax, Customs Processing Fee (CPF) and Stamp Duty on Land Transactions which suffered tremendously in the prior year due to Covid-19.

The major Revenue Heads are summarised as follows:

Stamp Duty on Land Transactions:

Stamp Duty collected during the month of April, totaled \$9.7 million due to the large number of high value transactions processed during the month. This result was optimistic as no revenue was collected for Stamp Duty in the prior year due to the pandemic.

Recent concession offered for stamp duties fuel this over-performance as many seized the opportunity to take advantage of what was being offered. According to the Agency's report, over \$125 million in transactions were recorded during the first quarter of 2021 with the luxury Market (>\$1 million) driving 85% of those sales. Coming into the second quarter of 2021 there were over \$170 million in pending real estate transactions. Additionally, according to the report the average value of homes has increase from \$907 thousand to \$1.5 million which is also why the stamp duty outturn has been performing as it has. The sale of land along with the applicable stamp duty does not follow a consistent revenue collection pattern as it is contingent on the amount of high value (>\$1M) transactions during the period that would be subject to stamp duties.

Hotel & Restaurant Tax:

Hotel & Restaurant Tax receipts for the month of April totaled \$5.6 million, accounting for 17% of the total collections for the month of \$32.7 million. This was against prior year receipts of \$0.5 million, resulting in \$5.1million positive variance in the current year 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 last three months is definitely a positive sign that hotels and restaurants are reopening and activity is slowly increasing.

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 still remains uncertain; but HRTT has shown a positive outcome compared to prior year results. However, recent reports show that vaccine rollout has been successful with 32% of the Islands' adult population having been vaccinated in the first 60 days and 51% to date. If the country continue on this trajectory is expected that some of the more stringent measures can be relaxed creating room for increased tourism activity.

Many economic sectors are now recovering as restrictive measures are being eased as vaccinations increase across the globe increase. According to the Caribbean Tourism Organization (CTO) travel in the Caribbean is expected to increase by 20% from pandemic level during 2021 although, with full travel confidence not expected to rebound until the summer months the region's tourism growth may be slowed.

Import Duties:

Import Duties collected for the month of April totaled \$4.7 million. This result was up by \$3.3 million in comparison to the prior year's receipts of \$1.4 million and accounted for 14% of Total Revenue. The need for imported goods relatively increase as tourist related consumption is beginning to increase due to the growth in tourist arrivals.

As part of its measures to combat the economic fallout as a result of the COVID-19 pandemic and mitigate the effects on citizens, TCIG granted relief of duties on Personal Protective Equipment from April 3rd – 30th 2021. Revenue forgone as a result of this effort totaled \$0.1 million.

While receipts from Import Duties is performing less than optimal a vast improvement has been seen since April in the prior year as borders reopened and economic activity began to slowly increase up to the ending of the month.

Customs Processing Fees:

Customs Processing Fees (CPF) for April totaled \$2.4 million, which was \$1.6 million above prior year's results due to the increase in Import Duties over the year period.

Work Permits:

Receipts from Work Permits totaled \$1.9 million for the month of April and accounted for 6% of total revenue collected. These results were \$1.7 million above the prior year results. The majority of work permit holders are employed in the tourism and hospitality sector which was significantly affected as major hotels and the Cruise Port were closed last year. Even though the Cruise Port remain closed, the TCI is now seeing the re-opening of hotels who are now accommodating the incoming tourists. As a result, employees including work permit holders are needed resulting in the increase in revenue.

Fuel Tax:

Fuel tax receipts for the month of April were \$0.9 million, an increase of \$0.6 million from the prior year's outturn and accounted for 3% of total revenue. With the economic activity increasing, there is now more demand for petroleum products in the transportation sector hence the increase in revenue.

Other Revenue: **Month \$7.5 million, Year to date \$7.5 million**

OTHER REVENUE In USD thousands of dollars	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	1,207.7	-	-	1,207.7	1,207.7	1,207.7	-	-	1,207.7	1,207.7
Communication Tax	387.4	-	225.5	387.4	161.9	387.4	-	225.5	387.4	161.9
Gaming Machine Tax	310.3	-	-	310.3	310.3	310.3	-	-	310.3	310.3
Seaport Departure Tax	-	-	-	-	-	-	-	-	-	-
Telecommunication Licences	109.3	-	-	109.3	109.3	109.3	-	-	109.3	109.3
Overtime Costs Recovered	108.3	-	7.7	108.3	100.5	108.3	-	7.7	108.3	100.5
Vehicle Licence Renewals	280.7	-	-	280.7	280.7	280.7	-	-	280.7	280.7
Permanent Residency Fees	89.4	-	0.6	89.4	88.9	89.4	-	0.6	89.4	88.9
Excess Revenue	3,295.5	-	6,762.1	3,295.5	(3,466.6)	3,295.5	-	6,762.1	3,295.5	(3,466.6)
Other Revenues	1,730.7	-	244.0	1,730.7	1,486.7	1,730.7	-	244.0	1,730.7	1,486.7
TOTAL OTHER REVENUE	7,519.2	-	7,239.8	7,519.2	279.4	7,519.2	-	7,239.8	7,519.2	279.4

The Appropriations for the 2021-22 fiscal year have not been passed in the House of Assembly; therefore, no revenue estimates are reflected in this report. Consequently, all comparative analysis for revenue is calculated on last year's results alone.

Other Revenues for April totaled \$7.5 million which was above prior year results by \$0.3 million.

The total for the month consist of \$1.2 million in Business License renewal and \$3.3 million in Excess Revenue Returns from Statutory Bodies making up 16% and 44% respectively of the Total Other Revenue collected by TCIG to date.

Non-Recurrent Revenue: *Month \$0.0, Year to date \$0.00*

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	-	-	-	-	-	-	-	-	-	-
Revenue From Grants	0.0	-	25.0	0.0	(25.0)	0.0	-	25.0	0.0	(25.0)
Insuarncce Proceeds	-	-	-	-	-	-	-	-	-	-
TOTAL NON-RECURRENT REVENUE	0.0	-	25.0	0.0	(25.0)	0.0	-	25.0	0.0	(25.0)

The Appropriations for the 2021-22 fiscal year have not been passed in the House of Assembly; therefore, no revenue estimates are reflected in this report. Consequently, all comparative analysis for revenue is calculated on last year's results alone.

There were no reported non-recurrent receipts for the month of April.

EXPENDITURE

Recurrent Expenditure: **Month \$18.9 million, Year to Date \$18.9 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	7,917.9	8,610.2	7,691.5	692.3	(226.5)	7,917.9	8,610.2	7,691.5	692.3	(226.5)
Transfers to NHIB	2,771.2	2,771.2	2,771.2	(0.0)	-	2,771.2	2,771.2	2,771.2	(0.0)	-
Hospital Provisional Charges	2,814.2	3,046.5	1,735.2	232.3	(1,078.9)	2,814.2	3,046.5	1,735.2	232.3	(1,078.9)
Subventions	1,484.4	1,933.7	1,875.1	449.3	390.7	1,484.4	1,933.7	1,875.1	449.3	390.7
Rental of Assets	114.8	527.0	438.9	412.3	324.1	114.8	527.0	438.9	412.3	324.1
Other Expenses	3,773.6	13,396.8	1,462.4	9,623.2	(2,311.2)	3,773.6	13,396.8	1,462.4	9,623.2	(2,311.2)
TOTAL RECURRENT EXPENDITURE	18,876.1	30,285.5	15,974.3	11,409.4	(2,901.8)	18,876.1	30,285.5	15,974.3	11,409.4	(2,901.8)

The Appropriations for the 2021-22 Fiscal year have not been passed in the House of Assembly; therefore, estimates presented for expenditure are based on a provisional appropriation which was calculated using one third of the Final Appropriation for financial year 2020-21.

Recurrent expenditure for the month of April totaled \$18.9 million and was \$11.4 million or 38% below the estimate whilst up \$2.9 million from the prior year's outturn.

Of the total Expenditure, Personnel Costs accounted for 42% totaling \$7.9 million down \$0.7 million from the budget while exceeding the prior year's results by a marginal 3%. Transfers to NHIB totaled \$2.8 million for the month which was on par with the prior year's results. There was no reported variance reported to budget. Hospital Provisional charges for the month totaled \$2.8 million which slightly below estimates by a marginal 3% while 62% above the prior year's outturn. Subventions totaling \$1.5 million for month, trailed both the budget and prior year's results by \$0.4 million and \$0.3 million respectively. The variance to budget is mainly due to timing differences between profiled and actual expenditure.

Other Recurrent Expenditure: **Month \$3.8 million, Year to date \$3.8 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	190.1	1,698.8	314.3	1,508.6	124.2	190.1	1,698.8	314.3	1,508.6	124.2
Maintenance Expenses	582.5	1,058.8	217.3	476.4	(365.2)	582.5	1,058.8	217.3	476.4	(365.2)
Professional and Consultancy Services	220.0	543.7	106.2	323.6	(113.8)	220.0	543.7	106.2	323.6	(113.8)
Grants and Contributions	577.8	3,040.9	69.5	2,463.1	(508.3)	577.8	3,040.9	69.5	2,463.1	(508.3)
Utilities	189.8	621.7	233.7	431.9	43.9	189.8	621.7	233.7	431.9	43.9
Other Recurrent Expenditure	2,013.4	6,433.0	521.5	4,419.6	(1,491.9)	2,013.4	6,433.0	521.5	4,419.6	(1,491.9)
TOTAL OTHER RECURRENT EXPENDITURE	3,773.6	13,396.8	1,462.4	9,623.2	(2,311.2)	3,773.6	13,396.8	1,462.4	9,623.2	(2,311.2)

The Appropriations for the 2021-22 Fiscal year have not been passed in the House of Assembly; therefore, estimates presented for expenditure are based on a provisional appropriation which was calculated using one third of the Final Appropriation for financial year 2020-21.

The expenditure for the month reflected unpreventable spending. The significant variance to the budget is mainly seen in Grants and Contributions. During the month of April \$0.6 million was spent compared to budget of \$3.0 million. As a result, actual expenditure for the month totaled \$3.8 million which was \$9.6 million below budget and \$2.3 above prior year results.

Non-Recurrent Expenditure: Month \$0.2million, Year to date \$0.2million

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	-	13.3	-	13.3	-	-	13.3	-	13.3	-
SIPT	-	314.3	285.9	314.3	285.9	-	314.3	285.9	314.3	285.9
Civil Recovery	181.4	207.0	50.9	25.6	(130.5)	181.4	207.0	50.9	25.6	(130.5)
Covid-19 Expense	-	-	-	-	-	-	-	-	-	-
Contingency	-	270.3	-	270.3	-	-	270.3	-	270.3	-
Interest	9.8	12.2	65.4	2.3	55.5	9.8	12.2	65.4	2.3	55.5
TOTAL NON-RECURRENT EXPENDITURE	191.2	817.1	402.2	625.9	210.9	191.2	817.1	402.2	625.9	210.9

The Appropriations for the 2021-22 Fiscal year have not been passed in the House of Assembly; therefore, estimates presented for expenditure are based on a provisional appropriation which was calculated using one third of the Final Appropriation for financial year 2020-21.

Non-Recurrent Expenditure results for the month of \$0.2 million, consisted primarily of Civil Recovery related expenses. Results were below budget and prior year by \$0.03 million and \$0.1 million respectively. Also included in the total non-current expenditure is interest which accounted for the remaining 5% of total non-recurrent expenditure.

PUBLIC DEBT

Public Debt	Opening 01-Apr-21	April 30, 2021	
		Principal Repayment	Outstanding Principal
	\$ 000's	\$ 000's	\$ 000's
TCIG Loans - Unsecured	838.8	(2,182.6)	608.7
Total Outstanding Public Debt	838.8	(2,182.6)	608.7

TCIG's outstanding debt as at 30th April 2021 was \$0.6 million. Total principal debt repayment for the year was \$0.2 million while total finance costs for the year was \$9.8 thousand. 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 1,771 people employed by TCIG at the end of April 2021 consisting of 272 waged employees as well as 1,499 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 April 2021 were 309.

DEVELOPMENT FUND (DF)

To date, the total amount spent on capital projects amounted \$1.1 million for the month of April and these relates mainly to capital projects approved in the previous financial year. This was mainly being spent on the construction, renovation & upgrading of Government's buildings, of which \$0.2 million was spent on schools throughout the islands.

NATIONAL WEALTH FUND (NWF)

The balance in the NWF as at April 30, 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 \$7.1 million as at April 30, 2021.

FINANCIAL OUTLOOK

For the past year, the COVID-19 pandemic has become the focus of not only in the Turks and Caicos Islands, but globally. As a result, the Turks & Caicos Islands have experienced a drastic reduction in revenue whilst incurring sustained large-scale expenditure associated with the COVID-19 related emergency spending, maintenance of regular civil service salaries, transfers to NHIB and payments to Interhealth Canada. Since then, the Government has simultaneously been implementing a number of policy decisions in an effort to stimulate the economy. During this time, cash flow management has become an urgent requirement as the macroeconomic backdrop is exceptionally uncertain due to the health and economic uncertainties surrounding COVID-19.

Despite the financial challenges faced by the Government, revenue generation has shown significant growth from the months of December to April. Revenue collection for the month of April was on par with collection of that from the prior year results. The country is now reopened and the gradual uptick in both revenue generation and government spending are expected to continue. It is especially promising noting the activity in the real estate markets during these first four months of 2021. Although restrictions are partially lifted some of the precautionary measures still persist which will result in structural changes in the economy thus impacting the expected results for the months ahead.

The impact of the recent change in government as well as COVID-19 and the continual uncertainties therein will continue to affect TCIG's policies and cash flows. Actively monitoring revenue collection, cash balance position and cash flow requirements remains at the forefront of the Treasury's immediate agenda to safeguard TCIG's liquidity position..

Within this context, the Government continues to act decisively in the national interest. This is being done whilst continuing to provide value for money as well as an efficient and effective public service. TCIG will also continue to focus on prudent expenditure management as well as strengthening and broadening the revenue enhancement efforts especially during these uncertain times.