



GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
FINANCIAL SERVICES AND SUPPLIES MANAGEMENT DEPARTMENT



FINANCIAL REPORT
For the month ended 31 May 2024
FY2024/2025

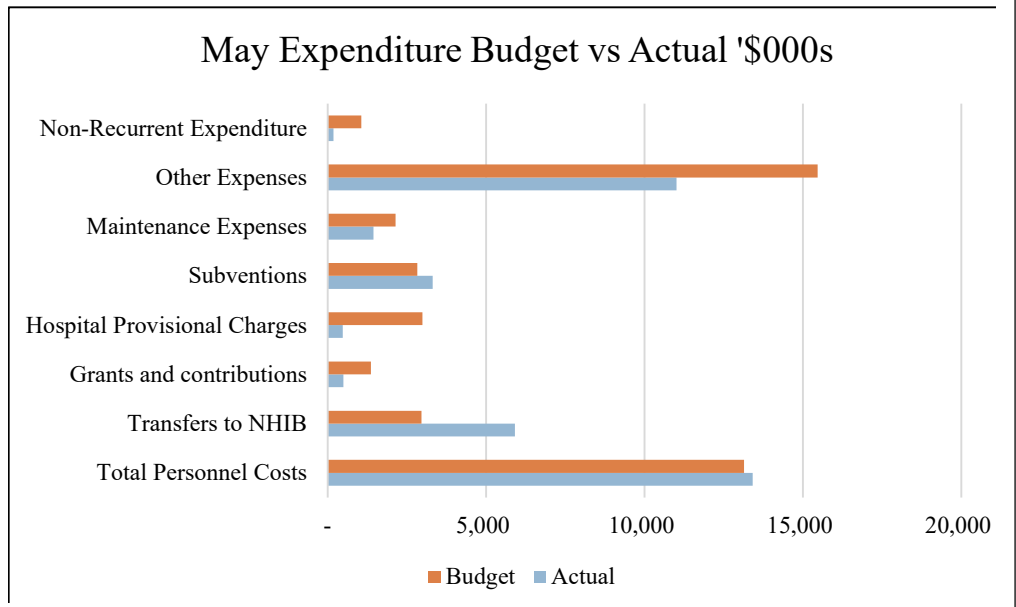
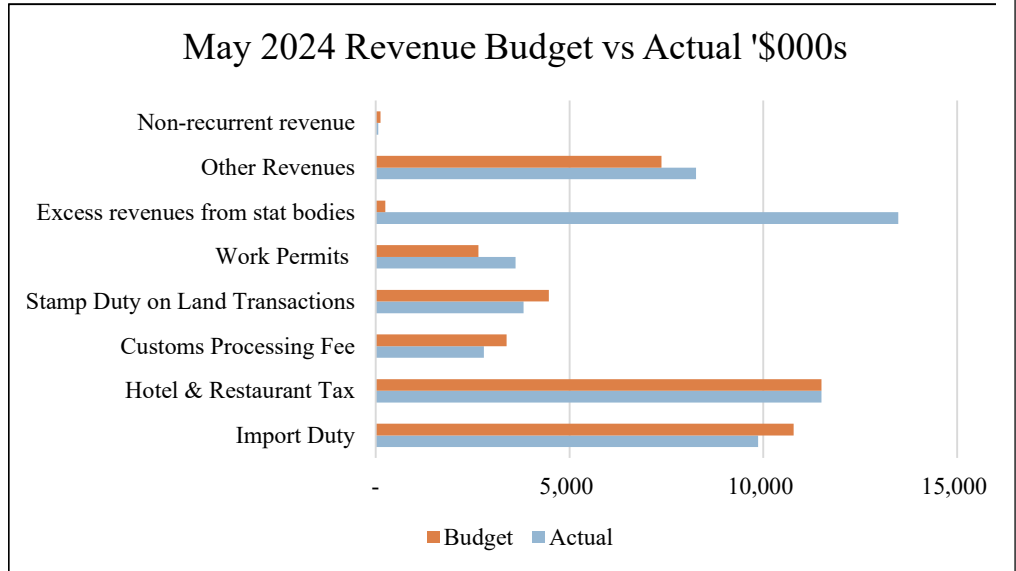
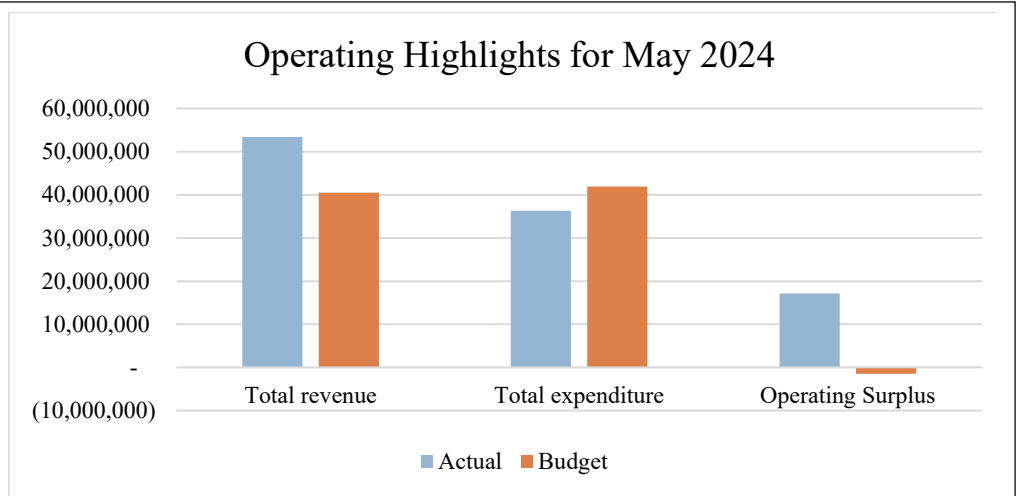


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KEY HIGHLIGHTS

- **\$53.4 million revenue for the month.** The aggregate revenue collections for the May were \$53.4 million against a budget of \$40.5 million.
- **\$17.1 million operating surplus.** The operating surplus for the month was \$17.1 million against the forecast deficit of \$1.4 million.
- **Increase in the underlying Cash balances.** The underlying cash balance at the end of month showed an increase of \$15.3 million resulting in a closing cash balance of \$419.2 million
- **\$1.7 million Capital expenditure during the month**



1. ECONOMIC OVERVIEW

The local economy and, by extension, the world continue to face inflationary pressures in FY 2024/25 arising from geopolitical tensions in Ukraine and the Middle East.

The International Monetary Fund (IMF), in its April 2024 World Economic Outlook update, projected the growth rate of the global economy at a steady 3.2% in both 2024 and 2025, which is unchanged from. However, this remains below the historical average of 3.8% from 2000 to 2019, primarily due to restrictive monetary policies, the withdrawal of fiscal support, and low underlying productivity growth. Inflation is expected to decline globally, going from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. Advanced economies are expected to reach their inflation targets sooner than developing economies.

According to the World Bank (published January 2024), the Caribbean region's growth forecast 2024 is 2.3%, which is lower than the pre-pandemic growth levels. The region is expected to see continued, albeit slow, recovery. Key growth drivers include the revitalization of tourism and the development of the "blue economy," which focuses on sustainable use of ocean resources. However, the region remains highly vulnerable to natural disasters and climate change, with extreme weather events posing substantial risks to economic stability and development. The World Bank emphasizes the need for Caribbean countries to build fiscal and financial resilience, invest in climate adaptation, and enhance disaster preparedness to mitigate these risks. Structural reforms aimed at improving the investment climate, increasing connectivity, and fostering new economic sectors are crucial for sustainable growth and high productivity jobs.

Source: <https://www.worldbank.org/en/region/lac/publication/perspectivas-economicas-america-latina-caribe>

The economic outlook for the Turks and Caicos Islands (TCI) in 2024 appears positive, with strong growth projected despite some global headwinds. S&P Global Ratings revised their TCI economic outlook to positive in April 2024, forecasting continued strong economic performance. Tourism remains the core driver of the TCI economy, accounting for about 65% of GDP. The tourism sector and by the extension the construction and real estate sectors are showing continued growth. The S&P report also forecasts stable fiscal policy leading to government surpluses during the forecast horizon. The TCI Statistics Authority expects GDP per capita to increase to \$34,500 in 2024, signifying a healthy economic performance.

2. FISCAL OVERVIEW

The Estimates of Revenue and Expenditure for the financial year 2024-25 were approved in the House of Assembly on April 19, 2024, with a focus on implementing strategies, development programs, and projects aimed at the well-being of the people of the Turks and Caicos Islands, as well as achieving social, economic, and environmental progress. The approved Budget includes revenues of \$476.2 million, operating expenditures

of \$438.3 million, and capital expenditure estimated at \$60.3 million, resulting in a projected deficit of \$22.4 million.

The Government ended the month of May of FY2024-2025 with an operating surplus of \$17.1 million and a cash increase of \$15.3 million, bringing the closing cash balance to \$419.2 million. Revenue for May was 32% higher than Budget and 49% more than that of a similar period in the prior year. Despite inflationary pressures, the Turks & Caicos Islands Government continues to experience continued growth in cash flow and strong employment. This improved economic resilience can be attributed to the high volume of tourist arrivals and continued growth in the construction and real estate market.

2.1. FISCAL SUMMARY

The month of May recorded an operating surplus of \$17.1 million against a projected deficit of \$1.4 million, a favourable performance of \$18.6 million or 1295%. The performance against Budget is mostly driven by over performance of Excess Revenue from Statutory bodies during the month.

	MAY			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	53,325	40,389	35,746	12,936	32%	17,579	49%	108,665	87,711	74,718	20,954	24%	33,947	45%
Non-Recurrent Revenue	71	126	-	(56)	-44%	71	2354%	271	328	316	(58)	-18%	(46)	-14%
Total Revenue	53,396	40,516	35,746	12,880	32%	17,650	49%	108,936	88,039	75,034	20,897	24%	33,901	45%
Recurrent Expenditure	36,080	40,885	30,775	(4,806)	-12%	5,305	17%	55,570	77,522	45,892	(21,952)	-28%	9,678	21%
Non-Recurrent Expenditure	186	1,064	834	(878)	-83%	(648)	-78%	516	1,547	1,497	(1,031)	-67%	(981)	-66%
Total Expenditure	36,266	41,950	31,609	(5,684)	-14%	4,656	15%	56,086	79,069	47,390	(22,982)	-29%	8,697	18%
Net Operating Surplus	17,130	(1,434)	4,136	18,564	-1295%	12,994	314%	52,850	8,971	27,645	43,879	489%	25,205	91%

2.2. CASH FLOW

The underlying cash balance increased by \$15.3 million during the month. This increased TCIG's cash and cash equivalents from \$403.9 million at the end of April 2024 to \$419.2 million at May 31, 2024. Cash balances comprise cash at the bank, short-term fixed deposits and cash-in-transit.

	MAY			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	17,130	(1,434)	4,136	18,564	-1295%	12,994	314%	52,850	8,971	27,645	43,879	489%	25,205	91%
Less:														
Capital Expenditure	(1,720)	(5,000)	(6,891)	3,280	-66%	5,171	-75%	(6,429)	(12,771)	(7,444)	6,341	-50%	1,014	-14%
Debt Repayments	-	-	-	-	0%	-	0%	(100)	-	-	(100)	0%	(100)	0%
Net receipts	(79)	-	3,421	(79)	0%	3,500	102%	3,025	-	4,221	3,025	0%	1,196	28%
Net Cash Flow	15,331	(6,434)	667	21,765	-338%	14,664	2199%	49,345	(3,800)	24,422	53,145	-1398%	24,923	102%
Opening cash balance	403,889		294,533					369,875		270,778				
Closing cash balance	419,220		295,200					419,220		295,200				
Attributable to:														
Consolidated Fund	221,535							221,535						
Development Fund	110,683							110,683						
NFF	7,664							7,664						
National Wealth Fund	79,255							79,255						
DEF	82							82						
Closing cash balance	419,220							419,220						

3. REVENUE

3.1. REVENUE BY ECONOMIC CLASSIFICATION

3.1.1. RECURRENT REVENUE

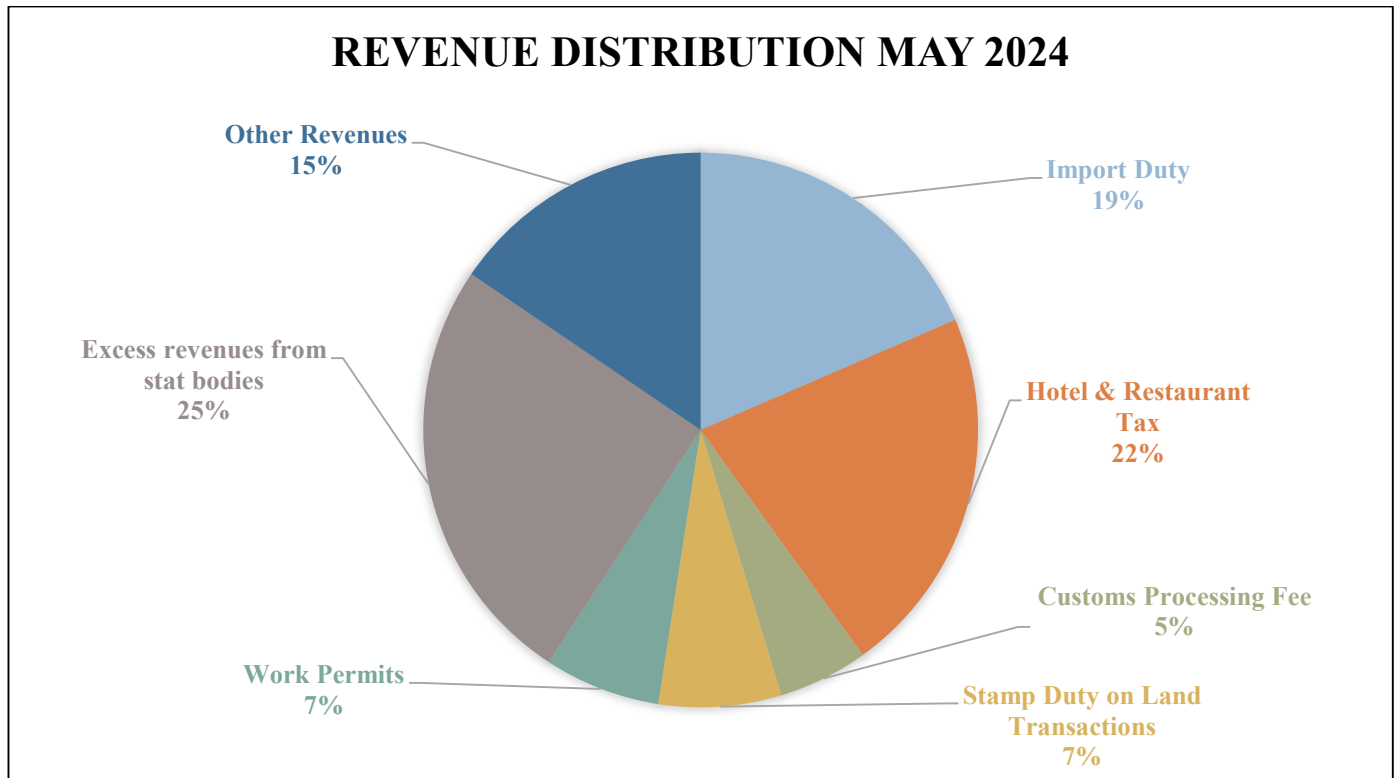
May 2024: \$53.3 million YTD: \$108.7 Million

	Month of May 24			Variances				Year to date			Variances			
	Actual	Budget	Prior	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%	\$000	\$000	\$000	\$000	%	\$000	%
Recurrent Revenues														
Import Duty	9,865	10,779	9,759	(913)	-8%	106	1%	18,903	19,011	17,198	(108)	-1%	1,705	10%
Hotel & Restaurant Tax	11,498	11,496	8,536	2	0%	2,962	35%	27,674	25,170	21,094	2,504	10%	6,580	31%
Customs Processing Fee	2,793	3,378	3,059	(585)	-17%	(266)	-9%	5,919	5,723	5,181	196	3%	738	14%
Stamp Duty on Land Transactions	3,815	4,464	4,879	(650)	-15%	(1,064)	-22%	13,909	8,479	8,944	5,430	64%	4,965	56%
Work Permits	3,613	2,653	2,640	959	36%	972	37%	7,114	4,832	4,819	2,282	47%	2,295	48%
Excess revenues from stat bodies	13,477	250	99	13,227	5291%	13,378	13538%	17,478	9,460	4,338	8,018	85%	13,140	303%
Other Revenues	8,265	7,370	6,773	895	12%	1,491	22%	17,667	15,035	13,143	2,632	18%	4,524	34%
Total Recurrent Revenue	53,325	40,389	35,746	12,936	32%	17,579	49%	108,665	87,711	74,718	20,954	24%	33,947	45%

In May, the recurrent Revenue totaled \$53.3 million, exceeding the Budget by \$12.9 million (32%) and surpassing the prior year's collections by \$17.6 million (49%). The over performance of Excess Revenue from Statutory Bodies contributed to this result. The five main revenue lines accounted for 79% of the total recurrent Revenue.

Year to date, the aggregate recurrent revenue is \$108.7 million, which is 24% higher than the budget and 45% more than the same period in the prior year. This increase is mainly due to the over performance of Stamp duty on Land Transactions, Hotel, Restaurant and Tourism Taxes, and Excess Revenue from Statutory Bodies.

The chart below shows the percentage distribution of recurrent Revenue for the period.



Hotel, Restaurant and Tourism Tax (HRTT) accounted for the 22% of the total recurrent Revenue collected during the month. Tourism activities have increased the current tourist season, with an uptick in arrivals and overnight stays. HRTT collections amounted to \$11.5 million which was in line with the budget and \$3 million or 35% higher than the previous year. Year to date, HRTT collections totaled \$27.7 million which was \$2.5 million or 10% higher than the Budget and \$6.6 million or 31% more than the same period in the prior year. The favourable performance is attributed to string performance of the tourism sector with Airport arrivals staying strong during May.

Excess Revenue from Statutory bodies totaled \$13.5 million during the month. This formed the largest (25%) portion of recurrent revenue. This was \$13.2 million above the Budget and \$13.4 million more than the prior year results. This was attributed to prior year excess revenue arrears paid by the Airports Authority. Year to date, Excess revenue from Statutory Bodies totaled \$17.5 million which was \$8 million or 85% higher than Estimates and \$13 million or 30% more than the prior year. This performance is attributed to mainly remittances from FSC and the Airports Authority

Stamp duty on land transactions is collected based on the value of a transaction, and payments generally fall due within 30 days of the execution of an instrument. Accordingly, the rate of Stamp Duty collected in any given period is, in aggregate, a product of the volume and frequency of the property transactions within that period. Stamp Duty collected during the month totalled \$3.8 million. The collections were \$0.7 million or 15% lower

than the Estimates and \$1.1 million or 22% lower than the prior year period. Year to date collections totaled \$13.9 million which was \$5.4 or 64% higher than Estimates and \$5 million or 56% more than the prior year. It is important to note that land transactions do not follow a cyclical pattern, and historical data may not accurately predict future revenue trends. Land transactions may be influenced by the BOTC Stamp Duty Rate Reduction Policy which in turn would have a favorable effect on stamp duty collections. Current factors affecting the Stamp duty from Land Transactions include booms and busts in the real estate market and implementing the BOTC Stamp Duty Rate Reduction Policy. A transfer with a consideration band that would normally attract a Stamp Duty rate of 10% may be reduced to 6% under the policy.

Import duties accounted for the third largest share of the recurrent Revenue collected, making up 19% of the total. During the month, import duty collections reached \$9.9 million, which was lower than Estimates by \$0.9 million or 8% and exceeded the previous year's results by \$0.1 million or 1%. Year to date, import duty collections totaled \$18.9 million which was \$0.1 million or 1% below budget and \$1.7 million or 10% more than the prior year. Per the reports released by the Department of Trade, the trade value of imports has steadily increased with the primary import items being food, machinery and transport equipment, and fuel. The increase in inflationary pressures has resulted in price hikes for imported items. Additionally, the growth in economic activity in the tourism and construction sectors has led to a higher volume of imports. The slight underperformance against Budget can be attributed to bad weather events during the month which impacted some import schedules.

Customs Processing Fees (CPF) for the month amounted to \$2.8 million, which was in \$0.6 million or 17% less than the Estimates and \$0.3 million or 9% less than the prior year's results. Customs processing fees revenue can be attributed to increased import activities especially in the construction industry, and inflation on imports. Performance against budget can be attributed to a slight drop in imports during the month due to poor weather. Year to date, Customs processing fees totaled \$5.9 million which was 3% higher than Estimates and 14% more than the prior year.

Work Permits fees were \$3.6 million for the month, accounting for 7% of the total recurrent Revenue. This was \$1 million or 36% ahead of the Estimates and \$1 million or 37% more than the collections in the prior year. Year to date, work permit fees collections totaled \$7.1 million which was \$2.3 million or 47% higher than the Estimates and \$2.3 million or 48% higher than the prior year. Work permit Revenue collection increased as most work permit holders are employed in the tourism and hospitality sector, and hiring would have increased with increased business activity.

3.1.2. OTHER RECURRENT REVENUE

	May			Variances				Year to date			Variances			
	Actual	Budget	Last Year	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%	\$000	\$000	\$000	\$000	%	\$000	%
Seaport Departure Tax	911	760	705	151	20%	206	29%	1,622	1,516	1,407	106	7%	214	15%
Destination Management Fees	-	450	-	(450)	(100%)	-	-	-	1,010	-	(1,010)	(100%)	-	-
Business License renewal	398	460	442	(61)	(13%)	(43)	(10%)	1,939	1,899	1,830	41	2%	109	6%
Communication Tax	511	493	477	19	4%	34	7%	1,006	966	936	40	4%	70	7%
Gaming Machine Tax	596	465	362	131	28%	234	65%	952	893	675	60	7%	277	41%
Telecommunication Licenses	382	346	363	36	10%	19	5%	751	548	575	204	37%	177	31%
Overtime Costs Recovered	203	-	356	203	-	(153)	(43%)	395	-	647	395	-	(252)	(39%)
Fuel Tax	637	624	985	13	2%	(348)	(35%)	1,396	1,080	1,393	316	29%	2	0%
Vehicle License Renewals	340	292	275	48	17%	66	24%	726	584	519	142	24%	208	40%
Permanent Residency Fees	488	327	323	161	49%	165	51%	931	530	524	401	76%	407	78%
Insurance Premiums tax	267	208	123	59	28%	144	117%	512	455	322	57	12%	189	59%
Stamp duty - vehicle hire	270	223	241	47	21%	28	12%	627	489	530	138	28%	97	18%
Stamp duty Miscellaneous	429	26	0	403	1540%	429	5350%	505	52	0	453	869%	505	4596%
PDA application fees	146	130	160	16	12%	(14)	(9%)	307	330	227	(23)	(7%)	80	35%
Work Permits Repatriation	399	290	290	108	37%	108	37%	791	540	540	251	46%	251	46%
Other Revenues	2,288	2,277	1,670	11	0%	618	37%	5,207	4,145	3,017	1,062	26%	2,189	73%
OTHER REVENUE	8,265	7,370	6,773	895	12%	1,491	22%	17,667	15,035	13,143	2,632	18%	4,524	34%

Other recurrent revenues totaled \$8.3 million for the month which was \$0.9 million or 12% higher than Estimates and \$1.5 million or 22% higher than the prior year. Over performance was mainly driven by miscellaneous stamp duty collections mainly related to share transfers. Year to date, Other revenue totaled \$17.7 million which was 18% higher than Estimates and 34% more than the prior year. The favourable performance is attributed to Miscellaneous stamp duty and Permanent residency fees offset by adverse performance of Destination Management fees.

3.1.3. NON-RECURRENT REVENUE

Non-recurrent Revenue collected during the month totaled \$0.1 million relating to Land sales. This was 44% behind Estimates and in line with the prior year.

4. EXPENDITURE

5.1. EXPENDITURE BY ECONOMIC CLASSIFICATION

5.1.1. RECURRENT EXPENDITURE

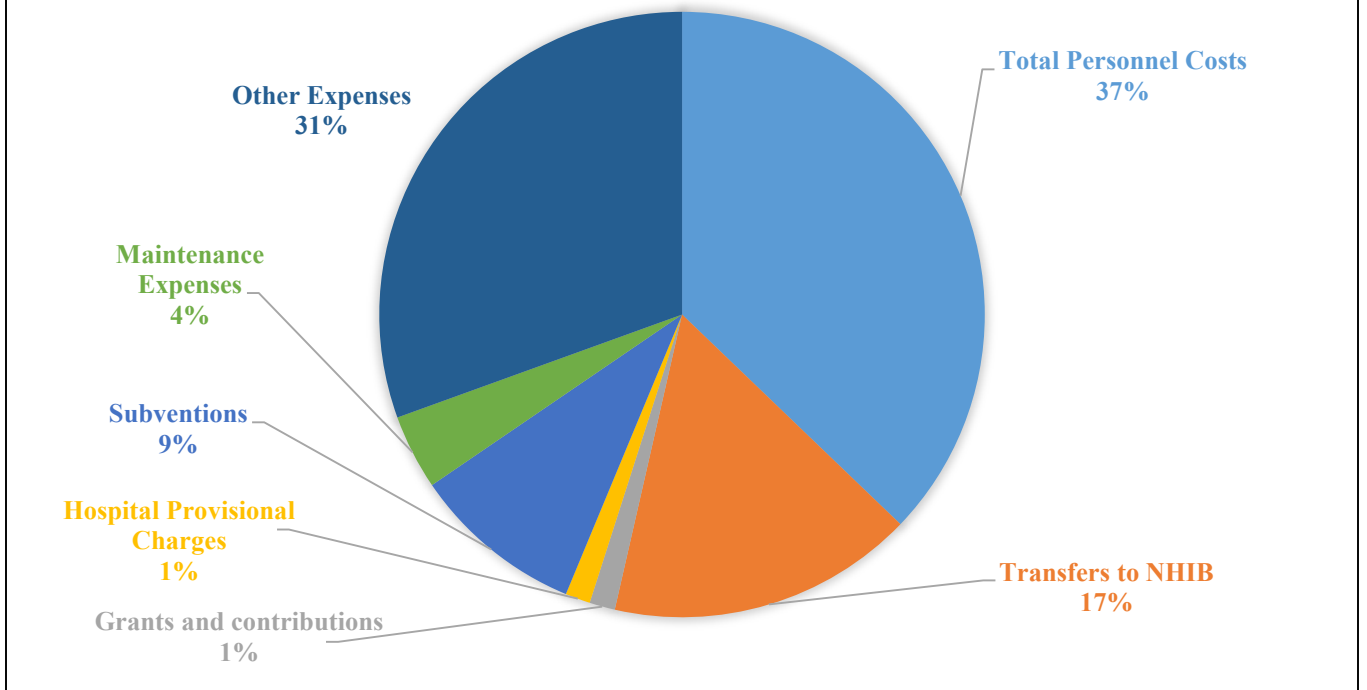
Recurrent Expenditure: May: \$36.1 million YTD:55.6 million

	Month of May 24			Variances				Year to date			Variances			
	Actual	Budget	Prior	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%	\$000	\$000	\$000	\$000	%	\$000	%
Total Personnel Costs	13,413	13,139	10,275	274	2%	3,138	31%	26,375	26,308	19,798	68	0%	6,577	33%
Transfers to NHIB	5,915	2,958	5,915	2,958	100%	(0)	0%	5,915	5,915	5,915	(0)	0%	(0)	0%
Grants and contributions	493	1,363	396	(870)	-64%	97	24%	533	2,922	489	(2,389)	-82%	44	9%
Hospital Provisional Charges	481	2,988	5,454	(2,507)	-84%	(4,973)	-91%	481	5,479	5,454	(4,997)	-91%	(4,973)	-91%
Subventions	3,320	2,830	3,122	490	17%	199	6%	7,170	5,660	4,890	1,510	27%	2,281	47%
Maintenance Expenses	1,444	2,145	991	(701)	-33%	454	46%	1,708	5,471	1,169	(3,763)	-69%	540	46%
Other Expenses	11,013	15,462	4,622	(4,450)	-29%	6,390	138%	13,387	25,766	8,177	(12,380)	-48%	5,210	64%
Total Recurrent Expenditure	36,080	40,885	30,775	(4,806)	-12%	5,305	17%	55,570	77,522	45,892	(21,952)	-28%	9,678	21%

Recurrent expenditure for May totaled \$36.1 million. The results were \$4.8 million or 12% lower than the Estimates and \$5.3 million or 17% higher than the same period in the prior year. The underspend for the month is mainly attributed to delayed payments for Hospital Provisional Costs, Professional and consultancy costs and other recurrent programs and projects.

Year to date, total recurrent expenditure totaled \$55.6 million which was 28% behind the Estimates and 21% higher than prior year. The year to date underspend is as a result of timing differences between program execution and budget profiling.

EXPENDITURE DISTRIBUTION MAY 2024



NHIB transfers during May amounted to \$5.9 million. This made up 17% of the total recurrent expenditure. The result was \$3 million (100%) above budget and in line with prior year. The overspend is attributed to April payments to NHIB that were made in May due to system closure in the prior month. Year to date, the expenditure is in line with Budget and Prior year results.

Hospital Provisional Charges for May amounted to \$0.5 million. The result was \$2.5 million or 84% below the Estimates and 91% lower than the prior year's performance. The underspend is due to delays to make payments to Interhealth Canada due to ongoing arbitration and reconciliations.

Subventions to statutory bodies for the month of May, amounted to \$3.3 million. This figure exceeded the budget by \$0.5 million, or 17%, and was \$0.2 million, or 6%, higher than the expenditure for the same period last year. The overspend is attributed to differences between budget profile and expenditure execution whereby some Statutory bodies requested to receive quarterly subventions while the budget was initially set to a monthly basis.

Personnel Costs accounted for 37% of the recurrent expenditure, totaling \$13.4 million in May 2024. The result was higher than the Estimates by \$0.2 million or 2%. Compared to the prior year, the Personnel costs were \$3.1 million or 31% higher. The performance against the prior year is mainly attributed to the pay grade adjustments implemented in December 2023. Year to date, PE costs totaled \$26.4 million which was in line with Budget and 33% higher than the prior year. Personnel Costs are further itemized below.

	May			Variances				Year to date			Variances			
	Actual	Budget	Last Year	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%	\$000	\$000	\$000	\$000	%	\$000	%
Compensation of employees														
Salaries and Wages	10,120	9,829	7,076	291	3%	3,044	43%	19,522	19,594	13,863	(73)	0%	5,658	41%
Contribution to NIB and NHIB	863	782	649	81	10%	214	33%	1,679	1,584	1,269	95	6%	410	32%
Housing Allowances	506	566	452	(60)	-11%	54	12%	998	1,112	909	(114)	-10%	89	10%
Transport Allowances	89	141	89	(53)	-37%	(1)	-1%	176	295	173	(119)	-40%	3	2%
Telephone Allowances	97	114	86	(17)	-15%	11	12%	190	224	175	(34)	-15%	15	9%
Other Allowances	424	438	708	(14)	-3%	(284)	-40%	828	903	1,283	(76)	-8%	(456)	-36%
Total compensation of employees	12,098	11,870	9,060	228	2%	3,038	34%	23,392	23,713	17,672	(321)	-1%	5,720	32%
Members of the House of Assembly														
Salaries - Ministers and Members	222	209	156	13	6%	66	42%	444	417	312	26	6%	132	42%
NIB and NHIB	8	11	8	(3)	-26%	0	5%	17	23	16	(6)	-26%	1	5%
Allowances for Ministers and Members	46	46	46	(0)	-1%	0	0%	92	93	92	(1)	-1%	0	0%
Total	277	267	210	10	4%	67	32%	553	533	420	20	4%	133	32%
Pensions and gratuities														
Pensions (PSPP and RAP)*	457	523	367	(66)	-13%	90	24%	929	535	732	394	74%	197	27%
Employer's Contribution (PSEPF)*	283	300	203	(18)	-6%	80	39%	545	599	394	(54)	-9%	151	38%
Gratuities	150	31	298	119	385%	(147)	-50%	659	631	306	28	4%	353	116%
Pensions - Legislators	148	148	137	0	0%	11	8%	297	297	274	0	0%	23	8%
Gratuities - Legislators	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total pensions and gratuities	1,038	1,002	1,005	36	4%	33	3%	2,430	2,062	1,707	368	18%	724	42%
Total PE Cost	13,413	13,139	10,275	274	2%	3,138	31%	26,375	26,308	19,798	68	0%	6,577	33%

*PSPP-Public Service Pension Plan

*RAP- Retiring Allowance Plan

*PSEPF- Public Sector Employees Pension Fund

5.1.2. OTHER RECURRENT EXPENDITURE

Other Recurrent Expenditure: *May: \$1.9 million*

	May			Variances				Year to date			Variances			
	Actual	Budget	Last Year	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%	\$000	\$000	\$000	\$000	%	\$000	%
Social welfare	1,108	1,293	571	(185)	-14%	537	94%	1,281	2,205	1,142	(925)	-42%	139	12%
Professional and Consultancy	1,271	2,179	517	(907)	-42%	754	146%	1,612	3,681	1,352	(2,069)	-56%	260	19%
Senior Citizens FAP	-	258	-	(258)	-100%	-	-	-	517	-	(517)	-100%	-	-
Recurrent Sub Programmes	790	3,030	214	(2,239)	-74%	576	269%	875	3,683	263	(2,808)	-76%	612	232%
Rental of assets	1,029	688	626	341	50%	403	64%	1,137	1,339	1,005	(201)	-15%	132	13%
Utilities	344	480	311	(137)	-28%	32	10%	726	1,026	548	(300)	-29%	178	33%
Local Travel and Subsistence	454	385	237	69	18%	216	91%	630	1,069	422	(439)	-41%	207	49%
Security expenses	266	325	91	(59)	-18%	175	192%	298	656	217	(358)	-55%	81	37%
International Travel&Subsistence	247	370	249	(122)	-33%	(2)	-1%	339	788	318	(449)	-57%	21	7%
Communication Expenses	272	283	273	(11)	-4%	(1)	0%	364	565	390	(202)	-36%	(26)	-7%
Bank charges	126	122	122	4	3%	4	3%	281	244	248	37	15%	33	13%
Data Communication cost	342	157	214	185	118%	128	60%	342	283	286	59	21%	56	20%
Insurance Expenses	1,916	1,954	-	(38)	-2%	1,916	-	1,916	2,030	0	(114)	-6%	1,916	1905%
Hosting and Entertainment	201	292	155	(91)	-31%	46	30%	251	539	193	(288)	-53%	59	30%
Repatriation and exportation	-	-	324	-	-	(324)	-100%	-	-	612	-	-	(612)	-100%
Other supplies & Material	188	407	140	(219)	-54%	48	34%	231	894	191	(662)	-74%	41	21%
Fuel	88	113	162	(25)	-22%	(74)	-46%	206	268	188	(62)	-23%	18	10%
Other Recurrent Expenditure	2,370	3,126	414	(756)	-24%	1,956	473%	2,897	5,978	802	(3,081)	-52%	2,095	261%
TOTAL	11,013	15,462	4,622	(4,450)	-29%	6,390	138%	13,387	25,766	8,177	(12,380)	-48%	5,210	64%

In May, Other recurrent expenses totaled \$11 million which was \$4.5 million or 29% below the Estimates and \$6.4 million or 138% more than the prior year. The performance against Budget was mainly due to timing differences between the budget profiling and execution. These timing differences are expected to even out as the new financial year progresses.

5.1.3. NON-RECURRENT EXPENDITURE

The results for May totaled \$0.1 million. This was \$0.9 million or 83% lower than Estimates and \$0.6 million or 78% behind the same period in the prior year. Non Recurrent Expenditure in the month is mainly attributed to Civil recovery costs and SIPT.

6. OUTSTANDING PUBLIC DEBT

Statement of Outstanding Public Debt	Interest Rates	Outstanding Balance	Principal Repayment During	Outstanding Balance
		01-Apr-24	2024/25	31-May-24
Financial Liabilities - Borrowings	%	US\$'000	US\$'000	US\$'000
Further Education (04/SFR-OR-TCI)	2.5%	370	(22)	348
Climate Resilient Coastal Protection and Management (4/OR-TCI)	4.90%	112	(56)	56
Integrated Solid Waste Management (5/OR-TCI)	4.90%	218	(22)	196
Total unsecured debts		700	(100)	600

TCIG holds three debt instruments with the Caribbean Development Bank (CDB). The outstanding debt as of May 31, 2024 was \$0.6 million. \$100k principal repayments were made year to date. No new drawdowns were made on the loan facilities. \$7k finance costs and commitment fees were paid year to date.

7. DEVELOPMENT FUND

7.1. DEVELOPMENT FUND ANALYSIS

The development fund balance as of May 31, 2024 was \$110.7 million, and the Capital expenditure year to date is \$6.4 million. The movement in the fund balance is as shown below.

Closing 31/03/2023	44,362,438
Awards and commitments	40,424,321
Completed projects - savings returned to CF	(362,840)
CAPEX 2023/24	(27,647,097)
As at 31 March 2024	56,776,821
Appropriation for FY 2024-25	60,336,000
Capex YTD	(6,429,465)
As at 31 May 2024	110,683,356

7.2. TOP CAPITAL PROJECTS BY EXPENDITURE AMOUNT

	Project Number	Project Title	CAPEX
1	5561	South Dock Port Redevelopment	4,471,441
2	5788	Ambulances for Islands	818,033
3	5566	Construction of New Primary School PLS- Phase 2	180,307
4	5683	Remediation Works to Ponds and Bridges	171,000
5	5678	Installation of an additional 1-million-gallon tank	157,234
6	5610	Grand Turk Sports Complex and Shelter	150,583
7	5838	Equipment for Electoral Office	113,834
8	5752	Furniture and Equipment for Schools	101,995
9	5698	Vehicles - one full size sports utility vehicle and four pick-up trucks	78,840
10	5804	Vehicles for the National Land and Valuation Department	52,600

8. NATIONAL WEALTH FUND (NWF)

Transfers to the National Wealth Fund are governed by Section 9 (1(a)) of the National Wealth Fund Ordinance. This ordinance stipulates that if, in any financial year, actual revenue exceeds estimated revenue by 5% but less than 20%, then 50% of the excess revenue must be withdrawn from the Consolidated Fund and deposited into the National Wealth Fund. Based on the actual results of FY 2023/24, transfers amounting to \$20.7 million have been calculated. These transfers will be finalized once the financial statements have been audited.

8.1. STATEMENT OF NWF ACCOUNT

As of May 31, 2024, the National Wealth Fund balance was \$79.3 million.

FY 2023-24 results (in US\$' '000)				Transfer of (50%) excess revenue (US\$' 000)	Opening NWF 01/04/2024 (US\$' 000)	Interest income (US\$' 000)	Closing NWF 31/05/2024 (US\$' 000)
Actual revenue	Estimates	Excess	%				
456,863	415,380	41,483	10%	20,742	58,376	137	79,255

8.2. STATEMENT OF NWF FUNDS

The value of the National Wealth fund is attributable to;

(All figures in US\$'000)	31-May-24 US\$'000	31-Mar-24 US\$'000
Stabilization Fund	45,678	31,063
Infrastructure and Competiveness Fund	13,051	8,875
Heritage Fund	6,311	4,432
Citizen's Empowerment Fund	7,110	7,006
Mortgage Corporation Fund	7,105	7,000
National Wealth Fund balance at the end of the period	79,255	58,376

Fixed deposit totaling to \$51.8 million is currently held by the Fund with an interest rate of 3.1% per annum. The short term deposit can be recalled at a month's notice when liquidity is required.

9. NATIONAL FORFEITURE FUND

The National Forfeiture Fund (NFF) has a balance of \$7.7 million as at May 31, 2024. During the year, the NFF received additional funding from the Consolidated Fund through appropriation. This was intended to fund the operational Budget of the Anti-Money Laundering Committee. Movement in the Fund is shown below

(All figures in US\$'000)	31-May-24 US\$'000	31-Mar-24 US\$'000
Opening Balance	6,832	7,184
Receipts		
Transfers from Consolidated Fund	920	663
Other receipts	-	572
Total receipts	920	1,235
Payments		

Other payments	88	1,587
Total payments	88	1,587
Net increase in National Forfeiture Fund balance	832	(352)
National Forfeiture Fund balance at the end of the period	7,664	6,832

10. DESTINATION ENHANCEMENT FUND (DEF)

Section 12 of the Destination Management Fee Ordinance stipulates the establishment of the Destination Enhancement Fund under the administration and control of the Permanent Secretary, Finance. All fees collected by carriers (Destination Management Fees) are to be deposited into the Fund. The Fund is intended for the following purposes: the protection and preservation of the natural, rural, agricultural, and marine environments; the promotion of sustainable tourism; the maintenance of historical and cultural heritage sites; tourism education and training of tourism businesses; the maintenance and development of tourist sites and other tourism-related activities throughout the Islands; and the marketing of the Islands as a premier tourist destination.

10.1. STATEMENT OF DEF FUNDS

The Destination Enhancement Fund balance as at May 31, 2024 is shown below;

(All figures in US\$'000)	31-May-24	31-Mar-24
Opening Balance	1,164	-
Receipts		
Destination management fees		1,164
Total receipts	1,164	1,164
Payments		
Subvention to the DMMO	(1,082)	-
Other payments	-	-
Total payments	(1,082)	-
Destination Enhancement Fund balance at the end of the period	82	-

*DMMO- Destination Marketing and Management Organisation

10.2. STATEMENT OF DEF ARREARS

The outstanding arrears due from the TCI Airport Authority to the Destination Enhancement Fund are shown below

Amounts billed to Airlines by TCIAA \$'000	Amounts remitted to the DEF by TCIAA \$'000	Outstanding amounts due from TCIAA \$'000
4,823	1,164	3,659

