



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

MONTHLY FINANCIAL REPORT

JUNE 2014

Prepared by the Office of the Accountant General - July 23, 2014

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
Monthly Financial Report (Unaudited)
June 30th, 2014

	Month of June 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	20,492.5	18,125.8	15,809.9	2,366.7	13%	4,682.6	30%	65,550.1	57,150.2	52,414.9	8,399.8	15%	13,135.2	25%
Recurrent Expenditure	13,381.4	12,866.8	12,833.5	(514.6)	(4%)	(548.0)	(4%)	37,754.7	40,262.2	35,841.1	2,507.5	6%	(1,913.6)	(5%)
Net Recurrent Surplus/(Deficit)	7,111.0	5,258.9	2,976.4	1,852.1	35%	4,134.6	139%	27,795.4	16,888.0	16,573.8	10,907.3	65%	11,221.6	68%
Non-Recurrent Revenue	1,437.7	216.7	330.9	1,221.0	564%	1,106.8	334%	5,695.2	4,650.0	702.4	1,045.2	22%	4,992.8	711%
Non-Recurrent Expenditure	725.4	1,503.0	1,260.0	777.6	52%	534.7	42%	2,721.1	4,509.0	4,504.2	1,787.9	40%	1,783.2	40%
Operating Surplus/(Deficit)	7,823.4	3,972.6	2,047.3	3,850.8	97%	5,776.0	282%	30,769.5	17,029.0	12,772.0	13,740.5	81%	17,997.5	141%

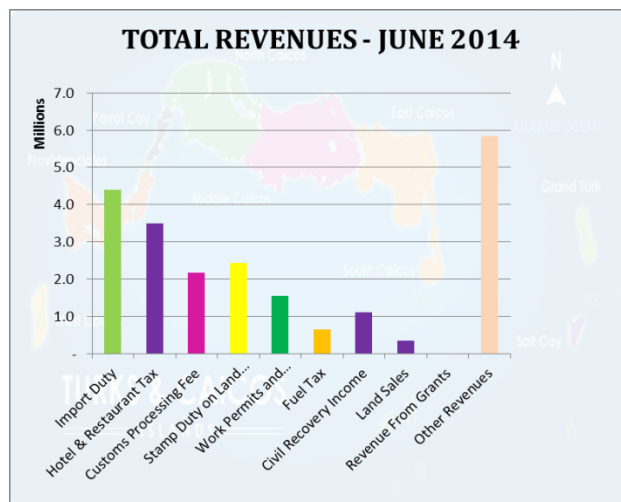
1.1 Month: Operating Surplus of \$7.8 million

The net operating balance of the consolidated fund in the month of June 2014 saw a surplus of \$7.8 million, when compared to a budgeted surplus of \$4.0 million and a surplus of \$2.0 million for the same period last year.

Recurrent revenues for the month amounted to \$20.5 million, which was 13% or \$2.4 million above the budget of \$18.1 million. Hotel & restaurant tax, stamp duty on land transaction and work permits and residency fees all exceeded the budget estimates for the month by about 3%, 62% and 33% respectively, while import duty and customs processing fees came in at 1% above the budget.

Total recurrent expenditure for June 2014 was \$13.4 million, which was \$0.5 million or 5% above both the budgeted outturn and that of last year.

Total non-recurrent revenues came in significantly above last year's outturn at \$1.4 million while non-recurrent expenditure was \$0.7 million, which was 52% below the budgeted amount of \$1.5 million for the month.

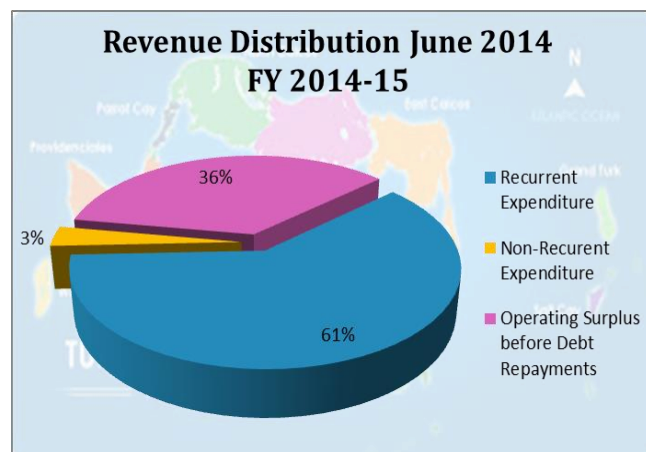


1.2 Year to Date: Operating Surplus of \$30.8 million.

The year to date result for the first three months of the fiscal year showed an operating surplus of \$30.8 million, this results in a positive variance of \$13.7 million or 81% above the budgeted amount of \$17.0 million.

Recurrent Revenue outturn for the quarter was \$65.6 million, which was 15% above the budgeted amount of \$57.2 million and 25% above last year's outturn of \$52.4 million, due to better than expected collections in all of the major revenue items. Non Recurrent Revenue for the quarter totaled \$5.7 million which comprises mainly of an EU Grant of \$4.1 million.

Recurrent expenditure, which came in at \$37.8 million was 6% or \$2.5 million below budget estimates. while being \$1.9 million or 5% above the outturn of \$35.8 million for the same quarter last year. Non-recurrent expenditure of \$2.7 million came in 40% or \$1.8 million below both the budgeted amount and last year's outturn.



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2.0 Cash Flow Statement

	Month of June 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	7,823.4	3,972.6	2,047.3	3,850.8	97%	5,776.0	282%	30,769.5	17,029.0	12,772.0	13,740.5	81%	17,997.5	141%
Less:														
Capital Contributions	(540.4)	(540.4)	(755.7)	-	-	215.3	(28%)	(1,140.6)	(1,140.6)	(2,006.5)	-	-	865.9	(43%)
Debt Repayments	(194.6)	(194.6)	(752.3)	-	-	557.7	(74%)	(2,331.3)	(2,331.3)	(2,540.2)	-	-	208.9	(8%)
Bond Inflows	-	-	169.8	-	-	(169.8)	(100%)	237.2	237.2	537.7	-	-	(300.5)	(56%)
Herzog Payment	-	-	(167.0)	-	-	167.0	(100%)	-	-	(501.0)	-	-	501.0	(100%)
Transfers from/(to) NFF	-	-	(114.8)	-	-	114.8	(100%)	-	-	(114.8)	-	-	114.8	(100%)
Transfers to Sinking Fund	-	-	(14.3)	-	-	14.3	(100%)	(4,040.0)	(4,040.0)	(2,624.4)	-	-	(1,415.7)	54%
Net Working Capital	343.9	343.9	104.2	-	-	239.7	230%	(5,521.2)	(5,521.2)	(3,359.9)	-	-	(2,161.3)	64%
Net Cash Flow	7,432.3	3,581.6	517.3	3,850.8	108%	6,915.0	1337%	17,973.6	4,233.1	2,163.0	13,740.5	325%	15,810.6	731%

The month of June 2014 recorded a positive net cash flow of \$7.4 million compared to a budgeted surplus of \$3.6 million, while year to date recorded a positive net inflow of \$18.0 million. These results compare very favorably with the projected net cash flow of \$4.2 million and the results for the same period last year which was \$2.2 million.

Major recurrent payments for Inter-Health Canada, National Health Insurance Board and debt servicing payments were made during the month of June, 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	June 30, 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	17,971.8	(1,579.6)	16,392.2
TCI Invest Loans - Unsecured	10,596.6	(751.7)	9,844.9
Total Outstanding Public Debt	207,568.4	(2,331.3)	205,237.1

The Turks and Caicos Islands Government's outstanding debt as of June 31, 2014 is \$205.4 million, as shown in the adjacent table. Total debt repayments for the financial year were \$2.3 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 June 30, 2014

4.0 Sinking Fund

The Sinking Fund balance as at end March 2014 stood at \$62.2 million. Net public debt outstanding at the end of June 2014 is therefore about \$143.0 million, when the Sinking Fund is taken into consideration. A withdrawal of \$9.0 million was made from the Fund in July 2014 and used to repay a \$9.0 million term loan facility with ScotiaBank, which was due for repayment in February 2016. The current balance is therefore \$53.2 million.

5.0 National Forfeiture Fund

The National Forfeiture Fund had a balance of \$2.0 million at the end of June 2014.