



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

SUMMARY FINANCIAL REPORT

JUNE 2017

Prepared by the Office of the Accountant General

OPERATING SURPLUS

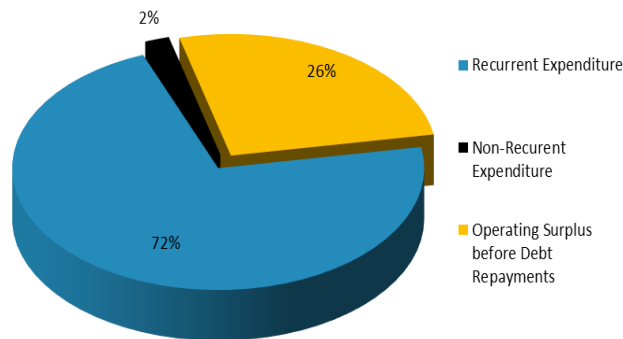
	Month			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
Recurrent Revenue	25,857.0	22,035.1	21,515.0	3,821.9	17%	4,342.0	20%	76,669.5	74,063.3	71,874.6	2,606.2	4%	4,794.9	7%
Recurrent Expenditure	18,651.3	17,201.5	17,350.0	(1,449.8)	(8%)	(1,301.3)	(8%)	49,260.2	58,333.9	49,740.0	9,073.7	16%	479.7	1%
Net Recurrent Surplus	7,205.7	4,833.6	4,165.1	2,372.1	49%	3,040.6	73%	27,409.3	15,729.4	22,134.7	11,679.9	74%	5,274.6	24%
Non-Recurrent Revenue	109.6	18.0	17.5	91.6	-	92.1	-	200.4	81.5	79.2	118.8	146%	121.2	153%
Non-Recurrent Expenditure	496.9	1,872.9	1,325.1	1,376.0	73%	828.2	63%	1,597.0	3,273.8	1,836.4	1,676.7	51%	239.4	13%
Operating Surplus	6,818.5	2,978.7	2,857.5	3,839.8	129%	3,961.0	139%	26,012.6	12,537.1	20,377.4	13,475.5	107%	5,635.2	28%

The Consolidated Fund recorded a surplus of \$6.8 million during June. This compared favorably to the budgeted surplus of \$3.0 million resulting in a gain of \$3.8 million. This resulted in a year to date Surplus \$26.0 million which was \$13.5 million (107%) ahead of the budgeted amount.

On a year-over-year basis, the Consolidated Fund has increased by \$4.0 million resulting in a year to date increase of \$5.6 million (28%) when compared to results from June of the previous year.

Recurrent Revenues for the month amounted to \$25.9 million, which was \$3.8 million (17%) ahead of the budgeted revenues of \$22.0 million and up \$4.3 million (20%) from the previous year's outturn.

Revenue Distribution June 2017



Year to date Recurrent Revenue totaled \$76.7 million outperforming the budgeted amount of \$74.1 million by \$2.6 million (4%). On a year-over-year basis Year to date recurrent revenues saw a \$4.8 million (7%) increase when compared to the outturn as at June of the prior year.

Recurrent Expenditure for June was \$18.7 million, which was \$1.4 million (8%) above the budgeted amount and 8% above the previous year's outturn.

Year to date Recurrent Expenditure fell short of the budgeted amount by \$9.1 million (16%) and the prior year's outturn by \$0.5 million (1%).

Non-recurrent Expenditure saw year to date results totaling \$1.6 million which was 51% behind the budgeted amount and down 13% from the prior year's outturn.

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	6,818.5	2,978.7	2,857.5	3,839.8	129%	3,961.0	139%	26,012.6	12,537.1	20,377.4	13,475.5	107%	5,635.2	28%
Less:														
Capital Contributions	(718.0)	(3,193.8)	(4,087.8)	2,475.7	(78%)	3,369.8	(82%)	(3,788.8)	(6,193.8)	(4,995.2)	2,404.9	(39%)	1,206.3	(24%)
Debt Repayments	-	-	-	-	-	-	-	(4,096.2)	(4,532.6)	(3,104.1)	436.4	-	(992.2)	32%
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Inflows	160.5	-	160.5	160.5	-	.0	-	183.6	-	183.6	183.6	-	.0	-
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Working Capital	1,573.4	-	3,355.8	1,573.4	-	(1,782.5)	(53%)	3,817.2	-	2,862.4	3,817.2	-	954.7	33%
Net Cash Flow	7,834.3	(215.0)	2,285.9	8,049.3	(3743%)	5,548.4	243%	22,128.3	1,810.8	15,324.2	20,317.6	1122%	6,804.1	44%

The month of June 2017 recorded a net cash surplus of \$7.8 million, comparing favourably to the budgeted deficit of \$0.2 million by \$8.0 million, and the prior year's outturn by \$5.5 million. Year to Date results recorded a positive net cash flow of \$22.1 million, surpassing the budgeted amount by \$20.3 million and the prior year's outturn by \$6.8 million.

To enhance the government's treasury management, an amount of \$60.2 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.

OUTSTANDING PUBLIC DEBT

Public Debt	Opening	June 30, 2017	
		Principal Repayment	Outstanding Principal
Debt Type	01-Apr-17		
	\$ 000's	\$ 000's	\$ 000's
Other TCIG Bank Loans - Unsecured	31,351.9	(3,072.1)	28,279.8
TCInvest Loans - Unsecured	1,024.1	(1,024.1)	.0
Total Outstanding Public Debt	32,376.0	(4,096.2)	28,279.8

Total outstanding public debt as of June 31, 2017, was \$28.3 million. Total debt repayments for the financial year were \$4.1 million including the early repayment of loans relating to the TCInvest portfolio.

All loan principal and interest payments are up to date as at June 31, 2017.

DEVELOPMENT FUND

<i>DEVELOPMENT FUND SUMMARY</i>	EXPENDITURE*	APPROVED CONTRACT	AVAILABLE	
			FOR YEAR	CUMULATIVE
Opening balance			967.2	967.2
2014	3,942.8	9,876.9	5,934.2	6,901.4
2015	8,381.3	16,830.5	8,449.2	15,350.6
2016	21,192.2	29,226.7	8,034.5	23,385.0
Jun-17	3,788.8	-	(3,788.8)	19,596.2
	37,305.1	55,934.1	19,596.2	

* Relates only to Approved Contracts

In accordance with the PFM Ordinance Section 18(2) (b), approximately \$23.4 million was retained in the Development Fund to cover the cost of projects that were deemed committed at the end of the previous financial year.

Capital Expenditure for the first three- months of the financial year amounted to \$3.8 million, under-performing by \$2.4 million (39%) in comparison to the budgeted amount and \$1.2 million in comparison to the prior year's outturn. Of the total spent, \$1.3 million was spent on the construction, renovation & upgrading of schools throughout the islands. A further \$0.5 million was spent on the purchase of police boats, \$0.4 million on the hosting of the CDB board of Governors meeting and \$0.3 million on roads.

Spending on capital projects is expected to increase within the ensuing months as the procurement plan for the current financial year will be published during the month of July 2017 and tendering of projects listed in the current development budget will commence soon after during the second quarter of the current financial year. With a budget of \$38.3 million, driving capital expenditure will be a key focus for Government as this financial year progresses.

NATIONAL FORFEITURE FUND.

The National Forfeiture Fund had a balance of \$5.1 million at June 30, 2017 and there was no expenditure committed against these funds during the period.