



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

MONTHLY FINANCIAL REPORT

JULY 2014

Prepared by the Office of the Accountant General - July 27, 2014

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
Monthly Financial Report (Unaudited)
July 31st, 2014

	Month of July 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	20,593.4	16,891.8	14,059.8	3,701.5	22%	6,533.6	46%	86,143.4	74,042.1	66,474.7	12,101.4	16%	19,668.7	30%
Recurrent Expenditure	12,873.8	13,327.1	12,357.4	453.3	3%	(516.4)	(4%)	50,628.5	53,614.1	48,198.5	2,985.6	6%	(2,430.0)	(5%)
Net Recurrent Surplus/(Deficit)	7,719.5	3,564.7	1,702.4	4,154.8	117%	6,017.1	353%	35,514.9	20,428.0	18,276.2	15,086.9	74%	17,238.7	94%
Non-Recurrent Revenue	(41.8)	216.7	98.4	(258.5)	(119%)	(140.3)	(143%)	5,653.3	4,866.7	800.8	786.7	16%	4,852.5	606%
Non-Recurrent Expenditure	700.3	1,503.0	2,505.3	802.7	53%	1,805.1	72%	3,421.3	6,012.0	7,009.5	2,590.7	43%	3,588.2	51%
Operating Surplus/(Deficit)	6,977.4	2,278.4	(704.5)	4,699.1	206%	7,681.9	(1090%)	37,746.9	19,282.7	12,067.5	18,464.3	96%	25,679.4	213%

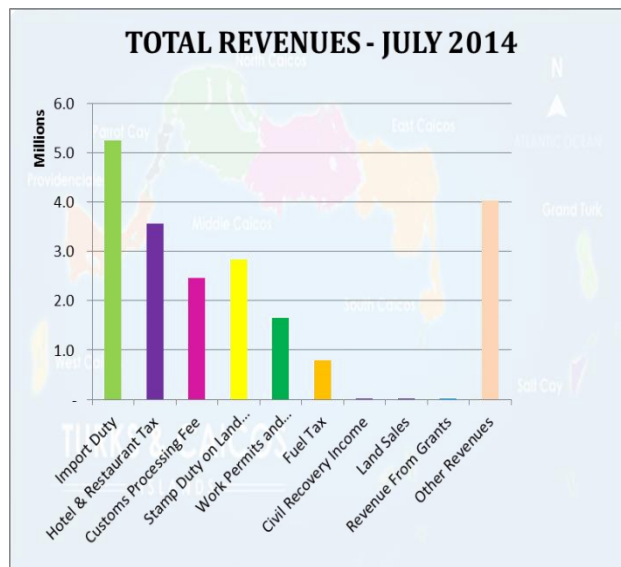
1.1 Month: Operating Surplus of \$7.0 million

The net operating balance of the consolidated fund in the month of July 2014 saw a surplus of \$7.0 million, when compared to a budgeted surplus of \$2.3 million and a deficit of \$0.7 million for the same period last year.

Recurrent revenues for the month amounted to \$20.6 million, which was 22% or \$3.7 million above the budget of \$16.9 million. Import Duties, Hotel & restaurant tax, stamp duty on land transaction and work permits and residency fees all significantly exceeded the budget estimates for the month by 19%, 56%, 89% and 42% respectively, while customs processing fees and fuel tax both came in 2% below their budget.

Total recurrent expenditure for July 2014 was \$12.9 million, which was \$0.5 million or 3% below the budgeted outturn and 4% above that of last year.

Total non-recurrent expenditure was \$0.7 million, which were 52% below the budgeted amount of \$1.5 million for the month and 72% below last year's results.

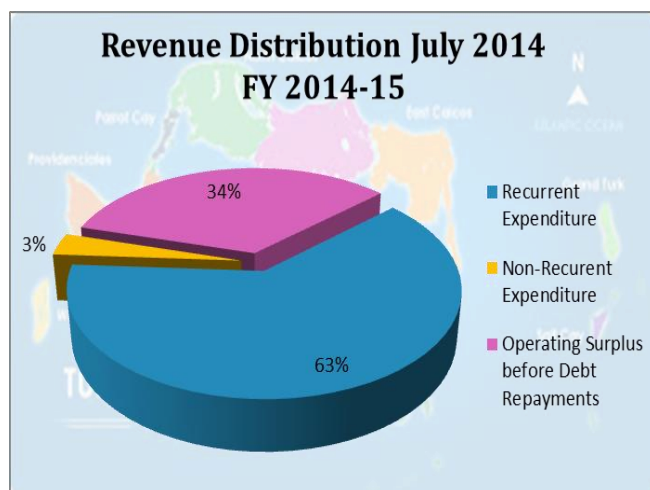


1.2 Year to Date: Operating Surplus of \$37.7 million.

The year to date results for the fiscal year showed an operating surplus of \$37.7 million, this result in a positive variance of \$18.5 million or 96% above the budgeted amount of \$19.3 million.

Year to date Recurrent Revenue outturn was \$86.1 million, which was 16% above the budgeted amount of \$74.0 million and 30% above last year's outturn of \$66.5 million, due to better than expected collections in all of the major revenue items. Year to Date Non-Recurrent Revenues totaled \$5.7 million which comprises mainly of an EU Grant of \$4.1 million.

Recurrent expenditure, which came in at \$50.6 million was 6% or \$3.0 million below budget estimates while being \$2.4 million or 5% above the outturn of \$48.2 million for the same period last year. Non-recurrent expenditure of \$3.4 million came in 43% or \$2.6 million below the budgeted amount and 51% below last year's outturn.



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2.0 Cash Flow Statement

	Month of July 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	6,977.4	2,278.4	(704.5)	4,699.1	206%	7,681.9	(1090%)	37,746.9	19,282.7	12,067.5	18,464.3	96%	25,679.4	213%
Less:														
Capital Contributions	(275.7)	(275.7)	(592.2)	-	-	316.5	(53%)	(1,416.3)	(1,416.3)	(2,598.7)	-	-	1,182.4	(46%)
Debt Repayments	(10,070.6)	(1,070.6)	(1,046.3)	(9,000.0)	841%	(9,024.3)	862%	(12,401.9)	(3,401.9)	(3,586.6)	(9,000.0)	265%	(8,815.4)	246%
Bond Inflows	160.5	160.5	750.0	-	-	(589.5)	(79%)	397.7	397.7	1,287.7	-	-	(890.1)	(69%)
Herzog Payment	-	-	(167.0)	-	-	167.0	(100%)	-	-	(668.0)	-	-	668.0	(100%)
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	(114.8)	-	-	114.8	(100%)
Transfers to Sinking Fund	8,960.6	(15.0)	(14.8)	8,975.6	(59837%)	8,975.4	(60548%)	4,920.5	4,045.5	(2,639.2)	875.0	22%	7,559.7	(286%)
Net Working Capital	(1,930.8)	-	931.5	(1,930.8)	-	(2,862.3)	(307%)	(7,452.0)	-	(3,359.9)	(7,452.0)	-	(4,092.1)	122%
Net Cash Flow	3,821.3	1,077.5	(843.3)	2,743.8	255%	4,664.7	(553%)	21,794.9	18,907.6	388.2	2,887.3	15%	21,406.8	5515%

The month of July 2014 recorded a positive net cash flow of \$3.8 million compared to a budgeted surplus of \$1.1 million, while year to date recorded a positive net inflow of \$21.8 million. These results compare very favorably with the projected net cash flow of \$18.9 million and the results for the same period last year which was \$0.4 million.

Major recurrent payments for Inter-Health Canada, National Health Insurance Board and debt servicing payments were made during the month of July, 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

The Turks and Caicos Islands Government's outstanding debt as of July 31, 2014 is \$195.2 million, as shown in the adjacent table. Total debt repayments for the financial year were \$12.4 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 July 31, 2014

Debt Type	Opening		July 31, 2014	
	01-Apr-13	Principal Repayment	Principal	Outstanding Principal
	\$ 000's	\$ 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)		.0
Other TCIG Bank Loans - Unsecured	17,971.8	(2,417.6)		15,554.2
TCInvest Loans - Unsecured	10,596.6	(984.4)		9,612.2
Total Outstanding Public Debt	207,568.4	(12,401.9)		195,166.5

4.0 Sinking Fund

The Sinking Fund balance as at end March 2014 stood at \$53.3 million. Net public debt outstanding at the end of July 2014 is therefore about \$141.9 million, when the Sinking Fund is taken into consideration. A withdrawal of \$9.0 million was made from the Fund during the month to repay a \$9.0 million term loan facility with ScotiaBank, which was due for repayment in February 2016.

5.0 National Forfeiture Fund

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