



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

MONTHLY FINANCIAL REPORT

AUGUST 2014

Prepared by the Office of the Accountant General – September 18, 2014

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

	Month of August 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	17,938.1	16,218.1	14,095.5	1,720.0	11%	3,842.6	27%	104,081.5	90,260.2	80,570.2	13,821.3	15%	23,511.4	29%
Recurrent Expenditure	13,090.7	17,269.5	13,429.1	4,178.8	24%	338.3	3%	63,719.9	70,867.6	61,627.5	7,147.7	10%	(2,092.4)	(3%)
Net Recurrent Surplus/(Deficit)	4,847.4	(1,051.4)	666.4	5,898.7	(561%)	4,180.9	627%	40,361.6	19,392.6	18,942.6	20,969.0	108%	21,419.0	113%
Non-Recurrent Revenue	113.6	216.7	865.0	(103.1)	(48%)	(751.4)	(87%)	5,766.9	5,083.3	1,665.9	683.6	13%	4,101.1	246%
Non-Recurrent Expenditure	2,783.8	942.8	2,651.1	(1,841.0)	(195%)	(132.7)	(5%)	6,205.1	6,954.8	9,660.6	749.7	11%	3,455.5	36%
Operating Surplus/(Deficit)	2,177.2	(1,777.5)	(1,119.6)	3,954.7	(222%)	3,296.8	(294%)	39,923.4	17,521.2	10,947.9	22,402.2	128%	28,975.5	265%

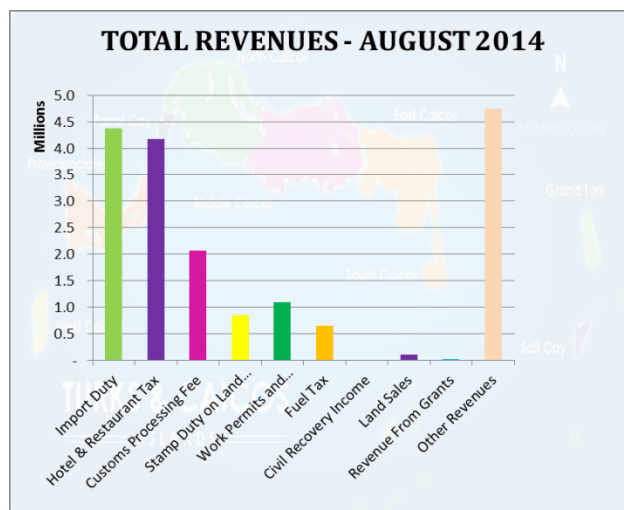
1.1 Month: Operating Surplus of \$2.2 million

The net operating balance of the consolidated fund in the month of August 2014 saw a surplus of \$2.2 million, when compared to a budgeted deficit of \$1.8 million and a deficit of \$1.1 million for the same period last year.

Recurrent revenues for the month amounted to \$17.9 million, which was 11% or \$1.7 million above the budget of \$16.2 million. Import Duties, Hotel & restaurant tax, and fuel tax all significantly exceeded the budget estimates for the month by 9%, 33%, and 25% respectively, while customs processing fees, stamp duty on land transactions and work permits and residency fees fell slightly below their budget.

Total recurrent expenditure for August 2014 was \$13.1 million, which was \$4.2 million or 24% below the budgeted outturn and 3% below that of last year.

Total non-recurrent expenditure was \$2.8 million, which consisted primarily of Bond interest payments.

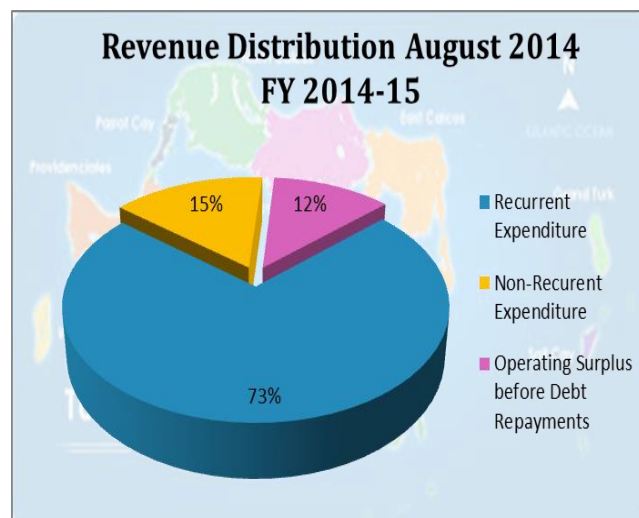


1.2 Year to Date: Operating Surplus of \$39.9 million.

The year to date results for the fiscal year showed an operating surplus of \$39.9 million, this result in a positive variance of \$22.4 million or 128% above the budgeted amount of \$17.5 million.

Year to date Recurrent Revenue outturn was \$104.1 million, which was 15% above the budgeted amount of \$90.3 million and 29% above last year's outturn of \$80.6 million, due to better than expected collections in all of the major revenue items. Year to Date Non-Recurrent Revenues totaled \$5.8 million which comprises mainly of an EU Grant of \$4.1 million.

Recurrent expenditure, which came in at \$63.7 million was 10% or \$7.1 million below budget estimates while being \$2.1 million or 3% above the outturn of \$61.6 million for the same period last year. Non-recurrent expenditure of \$6.2 million came in 11% or \$0.7 million below the budgeted amount and 36% below last year's outturn.



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2.0 Cash Flow Statement

	Month of August 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	2,177.2	(1,777.5)	(1,119.6)	3,954.7	-222%	3,296.8	(294%)	39,923.4	17,521.2	10,947.9	22,402.2	128%	28,975.5	265%
Less:														
Capital Contributions	(227.6)	(1,155.0)	(1,243.0)	927.4	(80%)	1,015.4	(82%)	(1,643.9)	(2,571.3)	(3,841.7)	927.4	(36%)	2,197.8	(57%)
Debt Repayments	(208.3)	(208.3)	(241.0)	-	-	32.6	(14%)	(12,610.3)	(3,610.3)	(3,827.5)	(9,000.0)	249%	(8,782.7)	229%
Bond Inflows	-	-	-	-	-	-	-	397.7	397.7	1,287.7	-	-	(890.1)	(69%)
Herzog Payment	-	-	(167.0)	-	-	167.0	(100%)	-	-	(835.0)	-	-	835.0	(100%)
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	(114.8)	-	-	114.8	(100%)
Transfers to Sinking Fund	(6,766.3)	-	(14.8)	(6,766.3)	-	(6,751.5)	45530%	(10,845.8)	4,045.5	(2,654.0)	(14,891.3)	(368%)	(8,191.8)	309%
Transfers From Sinking Fund	-	-	-	-	-	-	-	9,000.0	-	9,000.0	-	-	9,000.0	-
Net Working Capital	(176.1)	-	222.6	(176.1)	100%	(398.7)	(179%)	2,067.9	-	(3,359.9)	2,067.9	100%	5,427.7	(162%)
Net Cash Flow	(5,201.2)	(3,140.9)	(2,562.8)	(2,060.3)	66%	(2,638.4)	103%	26,289.0	15,782.8	(2,397.3)	10,506.2	67%	28,686.3	(1197%)

The month of August 2014 recorded a negative net cash flow of \$5.2 million compared to a budgeted deficit of \$3.1 million, while year to date recorded a positive net inflow of \$26.3 million. These results compare very favorably with the projected net cash flow of \$15.8 million and the results for the same period last year which was a cash deficit \$2.4 million.

Major recurrent payments for Inter-Health Canada, National Health Insurance Board and debt servicing payments were made during the month of August, 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 August 31, 2014 is \$195.0 million, as shown in the adjacent table. Total debt repayments for the financial year were \$12.6 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 August 31, 2014

Debt Type	Opening	As As August 31st 2014	
	01-Apr-13	Principal Repayment	Outstanding Principal
	\$ 000's	\$ 000's	\$ 000's
RBITT 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	17,971.7	(2,625.9)	15,345.8
TCInvest Loans - Unsecured	10,596.4	(984.4)	9,612.1
Total Outstanding Public Debt	207,568.1	(12,610.3)	194,957.9

4.0 Sinking Fund

The Sinking Fund balance as at end August 2014 stood at \$60.0 million, which was placed on a term deposit with Scotiabank at a rate of 1% per annum. Net public debt outstanding at the end of August 2014 is therefore about \$134.9 million, when the Sinking Fund is taken into consideration.

5.0 National Forfeiture Fund

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