



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

SUMMARY FINANCIAL REPORT

AUGUST
2017

Prepared by the Office of the Accountant General

OPERATING SURPLUS

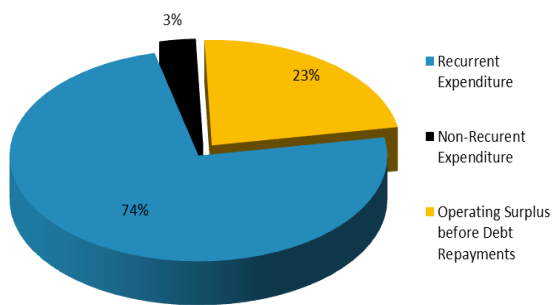
	Month			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
Recurrent Revenue	21,607.5	23,936.4	23,421.9	(2,328.9)	(10%)	(1,814.4)	(8%)	122,747.4	120,562.1	117,429.7	2,185.3	2%	5,317.7	5%
Recurrent Expenditure	16,023.6	17,438.6	17,301.2	1,415.0	8%	1,277.5	7%	83,327.5	98,436.5	79,677.1	15,109.1	15%	(3,650.3)	(5%)
Net Recurrent Surplus	5,583.9	6,497.8	6,120.7	(913.9)	(14%)	(536.9)	(9%)	39,419.9	22,125.6	37,752.5	17,294.4	78%	1,667.4	4%
Non-Recurrent Revenue	35.3	23.1	82.3	12.1	-	(47.0)	-	279.1	242.3	414.8	36.7	15%	(135.7)	(33%)
Non-Recurrent Expenditure	674.9	848.6	633.9	173.7	20%	(41.1)	(6%)	2,796.2	4,977.7	3,090.3	2,181.5	44%	294.0	10%
Operating Surplus	4,944.2	5,672.3	5,569.1	(728.1)	(13%)	(624.9)	(11%)	36,902.8	17,390.2	35,077.1	19,512.5	112%	1,825.7	5%

The Consolidated Fund recorded a surplus of \$4.9 million during August. This compared unfavorably to the budgeted surplus of \$5.7 million resulting in a shortfall of \$0.7 million (13%). This however, translated into a year to date surplus of \$36.9 million which was \$19.5 million (112%) ahead of the budgeted amount.

On a year-over-year basis, the Consolidated Fund was less when compared to August of the previous year by \$0.6 million however; year to date results saw an increase of \$1.8 million (5%) when compared to results of the previous year.

Recurrent Revenues for the month amounted to \$21.6 million, which was \$2.3 million (10%) behind the budgeted revenues of \$23.9 million and down \$1.8 million (8%) from the previous year's outturn.

Revenue Distribution August 2017



Year to date Recurrent Revenue totaled \$122.7 million outperforming the budgeted amount of \$120.6 million by \$2.2 million (2%). On a year-over-year basis recurrent revenues saw a \$5.3 million (5%) increase when compared to the outturn as at August of the prior year.

Recurrent Expenditure for August was \$16.0 million, which was \$1.4 million (8%) below the budgeted amount and 7% below the previous year's outturn.

Year to date Recurrent Expenditure was less than the budgeted amount by \$15.1 million (15%) while exceeding the previous year's outturn by \$3.7 million (5%).

Non-recurrent Expenditure saw year to date results totaling \$2.8 million which was 44% less than the budgeted amount and 10% less than 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	4,944.2	5,672.3	5,569.1	(728.1)	(13%)	(624.9)	(11%)	36,902.8	17,390.2	35,077.1	19,512.5	112%	1,825.7	5%
Less:														
Capital Contributions	(1,324.2)	(1,500.0)	(2,095.6)	175.8	(12%)	771.4	(37%)	(6,970.0)	(7,500.0)	(9,243.4)	530.0	(7%)	2,273.4	(25%)
Debt Repayments	-	(2,208.3)	-	2,208.3	-	-	-	(6,912.8)	(7,071.4)	(5,674.8)	158.6	-	(1,238.0)	22%
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Inflows	-	-	-	-	-	-	-	183.6	-	183.6	183.6	-	.0	-
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Working Capital	(4,374.6)	-	(1,046.9)	(4,374.6)	-	(3,327.6)	318%	2,998.0	-	2,862.4	2,998.0	-	135.6	5%
Net Cash Flow	(754.6)	1,964.0	2,426.6	(2,718.5)	(138%)	(3,181.2)	(131%)	26,201.7	2,818.8	23,204.9	23,382.8	830%	2,996.7	13%

The month of August 2017 recorded a net cash deficit of \$0.8 million, comparing unfavorably to the budgeted surplus of \$2.0 million, and the prior year's outturn by \$3.2 million. Year to Date results however, recorded a positive net cash flow of \$26.2 million, surpassing the budgeted amount by \$23.4 million and the prior year's outturn by \$3.0 million.

To enhance the government's treasury management, an amount of \$60.3 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 01-Apr-17	August 31, 2017	
		Principal Repayment	Outstanding Principal
Debt Type	\$ 000's	\$ 000's	\$ 000's
Other TCIG Bank Loans - Unsecured	31,351.9	(5,888.7)	25,463.2
TCInvest Loans - Unsecured	1,024.1	(1,024.1)	.0
Total Outstanding Public Debt	32,376.0	(6,912.8)	25,463.2

Total outstanding public debt as of August 31, 2017, was \$25.5 million. Total debt repayments for the financial year were \$6.9 million including the early repayment of loans relating to the TCInvest portfolio.

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

DEVELOPMENT FUND

<i>DEVELOPMENT FUND SUMMARY</i>	EXPENDITURE	APPROVED CONTRACT	AVAILABLE	
			FOR YEAR	CUMULATIVE
Opening balance			967.2	967.2
2014	7,900.3	9,876.9	1,976.6	2,943.9
2015	11,539.0	16,830.5	5,291.5	8,235.3
2016	23,508.5	29,226.7	5,718.2	13,953.5
Aug-17	6,970.0	-	(6,970.0)	6,983.6
	49,917.7	55,934.1	6,983.6	

In accordance with the PFM Ordinance Section 18(2) (b), approximately \$14.0 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 five months of the financial year amounted to \$7.0 million, under-performing by \$0.5 million (7%) in comparison to the budgeted amount and \$2.3 million in comparison to the prior year's outturn. Of the total spent, \$3.0 million was spent on the construction, renovation & upgrading of schools throughout the islands. A further \$1.3 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 the Lighthouse road project.

Spending on capital projects is expected to increase within the ensuing months as the procurement plan for the current financial year will be published shortly and tendering of projects listed in the current development budget should therefore commence 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 August 31, 2017 after expenditure of \$6.9 thousand committed against these funds during the period.