



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

SUMMARY FINANCIAL REPORT

AUGUST
2018

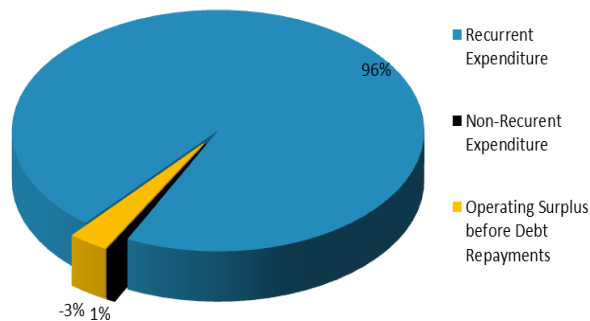
Prepared by the Office of the Accountant General

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	24,260.4	22,757.6	21,607.5	1,502.8	7%	2,652.9	12%	132,771.2	121,183.0	122,747.4	11,588.2	10%	10,023.8	8%
Recurrent Expenditure	24,963.1	33,033.5	16,023.6	8,070.5	24%	(8,939.4)	(56%)	88,591.0	105,318.3	83,327.5	16,727.3	16%	(5,263.5)	(6%)
Net Recurrent Surplus	(702.7)	(10,275.9)	5,583.9	9,573.2	(93%)	(6,286.5)	(113%)	44,180.2	15,864.7	39,419.9	28,315.5	178%	4,760.3	12%
Non-Recurrent Revenue	82.7	75.4	35.3	7.2	10%	47.4	134%	2,952.5	2,844.5	279.1	108.0	4%	2,673.4	958%
Non-Recurrent Expenditure	193.6	50.4	674.9	(143.1)	(284%)	481.4	71%	2,329.4	4,121.2	2,796.2	1,791.8	43%	466.8	17%
Operating Surplus	(813.6)	(10,250.9)	4,944.2	9,437.3	(92%)	(5,757.8)	(116%)	44,803.3	14,588.0	36,902.8	30,215.3	207%	7,900.5	21%

The Consolidated Fund recorded a deficit of \$0.8 million during August. This compared favorably to the budgeted deficit of \$10.3 million. These results translated into a year to date surplus of \$44.8 million which was \$30.2 million (207%) ahead of the budgeted amount. **On a year-over-year basis**, the Consolidated Fund saw a decrease when compared to August of the previous year by \$5.8 million while year to date results were up \$7.9 million (21%) when compared to results of the previous year.

Revenue Distribution August 2018



Recurrent Revenues for the month amounted to \$24.3 million, which was \$1.5 million (7%) above budgeted revenues of \$22.8 million and up \$2.7 million (12%) from the previous year's output. Year to date Recurrent Revenue totaled \$132.8 million outperforming the budgeted amount of \$121.2 million by \$11.6 million (10%). On a year-over-year basis recurrent revenues saw a \$10.0 million (8%) increase when compared to the output as at August of the prior year.

Non-recurrent Revenue totaled \$3.0 million for the year to date, consisting mostly of \$2.3 million civil recovery settlement payment.

Recurrent Expenditure for August was \$25.0 million, which was \$8.1 million (24%) below the budgeted amount while being 56% above the previous year's output. Year to date Recurrent Expenditure was less than the budgeted amount by \$16.7 million (16%) while being \$5.3 million (6%) above the previous year's output.

Non-recurrent Expenditure saw year to date results totaling \$2.3 million which was 43% less than the budgeted amount as well as 17% below the prior year's outturn, due primarily to the timing of the receipt of invoices.

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	(813.6)	(10,250.9)	4,944.2	9,437.3	(92%)	(5,757.8)	(116%)	44,803.3	14,588.0	36,902.8	30,215.3	207%	7,900.5	21%
Less:														
Capital Contributions	(1,354.6)	(3,890.7)	(1,324.2)	2,536.1	(65%)	(30.4)	2%	(5,695.6)	(9,390.7)	(5,758.5)	3,695.1	(39%)	62.9	(1%)
Debt Repayments	-	-	-	-	#DIV/0!	-	-	(5,194.3)	(5,194.3)	(4,375.9)	.0	(0%)	(818.3)	19%
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Inflows	-	-	-	-	-	-	-	183.6	183.6	183.6	-	-	(.0)	-
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Working Capital	(3,328.4)	-	(4,374.6)	(3,328.4)	-	1,046.2	(24%)	2,943.7	-	1,190.0	2,943.7	-	1,753.7	147%
Net Cash Flow	(5,496.6)	(14,141.6)	(754.6)	8,645.0	(61%)	(4,742.0)	628%	37,040.7	186.6	28,142.0	36,854.1	19747%	8,898.8	32%

The month of August 2017 recorded a net cash deficit of \$5.5 million, comparing favorably to the budgeted deficit of \$14.0 million. Year to Date results on the other hand, recorded a positive net cash flow of \$37.0 million, surpassing the budgeted amount by \$36.9 million and the prior year's outturn by \$8.9 million.

To enhance the government's treasury management, an amount of \$65.0 million remains in an on-call money market account at Scotiabank (Turks and Caicos). This deposit is currently earning interest at a rate of 0.55% per annum. An additional amount of \$30.0 million was placed on a fixed term deposit with CIBC First Caribbean International Bank earning interest at a rate of 1% for six (6) months.

OUTSTANDING PUBLIC DEBT

Public Debt	Opening	August 31, 2018	
		Principal	Outstanding
	01-Apr-17	Repayment	Principal
Debt Type	\$ 000's	\$ 000's	\$ 000's
TCIG Bank Loans - Unsecured	19,782.8	(5,194.3)	14,588.6
Total Outstanding Public Debt	19,782.8	(5,194.3)	14,588.6

Loan repayment for the financial year to date, totaled \$5.2 million. This brought outstanding public debt as of August 31, 2018 to \$14.6 million. All loan principal and interest payments are up to date as at August 31, 2018.

DEVELOPMENT FUND

<i>DEVELOPMENT FUND SUMMARY</i>	EXPENDITURE	CONSOLIDATED FUND CONTRIBUTION & APPROVED CONTRACT	TRANSFERS	AVAILABLE	
				FOR YEAR	CUMULATIVE
Opening balance				967.2	967.2
2014	8,051.0	14,573.8	(17.7)	6,505.1	7,472.3
2015	11,539.0	19,372.8	(505.2)	7,328.7	14,801.0
2016	23,509.5	30,999.6	(182.0)	7,308.1	22,109.1
2017	16,059.1	17,761.9	(420.4)	1,282.4	23,391.5
Aug-18	5,695.6			(5,695.6)	17,695.8
	64,854.2	82,708.1	(1,125.3)	17,695.8	

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.

Approximately \$17.7 million remains available for expenditure in the current year after \$5.7 million was expended for the financial year to date. Of the total expenditure, 3.3 million was spent on the construction, renovation & upgrading buildings & structures of which \$1.2 million were on schools throughout the islands, \$1.5 million on road development and repair, and a further \$0.4 million on the purchase of transport equipment.

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 will commence. With a budget of \$36.6 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 \$5.0 million at August 31. No amount was committed against these funds during the period.