



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

MONTHLY FINANCIAL REPORT

SEPTEMBER 2014

Prepared by the Office of the Accountant General – October 24, 2014

GOVERNMENT OF THE TURKS AND CAICOS ISLANDS
Monthly Financial Report (Unaudited)
September 30, 2014

	Month of September 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	18,302.6	13,712.4	13,106.0	4,590.3	33%	5,196.6	40%	122,384.2	103,972.6	93,676.2	18,411.6	18%	28,708.0	31%
Recurrent Expenditure	13,703.4	14,560.6	12,390.1	857.2	6%	(1,313.3)	(11%)	76,801.2	85,421.9	74,017.6	8,620.7	10%	(2,783.6)	(4%)
Net Recurrent Surplus/(Deficit)	4,599.3	(848.2)	715.9	5,447.5	(642%)	3,883.4	542%	45,582.9	18,550.6	19,658.5	27,032.3	146%	25,924.4	132%
Non-Recurrent Revenue	105.2	216.7	111.8	(111.5)	(51%)	(6.6)	(6%)	5,872.1	5,300.0	1,777.6	572.1	11%	4,094.5	230%
Non-Recurrent Expenditure	756.9	942.8	476.9	185.9	20%	(280.0)	(59%)	7,583.2	7,897.6	10,137.5	314.3	4%	2,554.3	25%
Operating Surplus/(Deficit)	3,947.6	(1,574.3)	350.8	5,521.9	(351%)	3,596.8	1025%	43,871.8	15,953.0	11,298.6	27,918.7	175%	32,573.1	288%

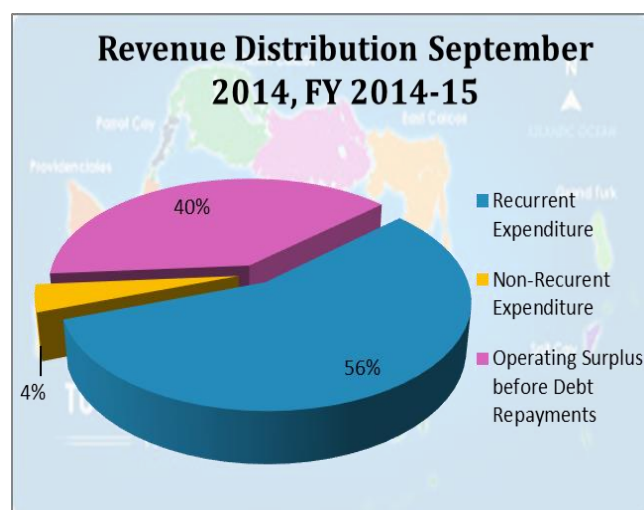
1.1 Month: Operating Surplus of \$3.9 million

The net operating balance of the consolidated fund in the month of September 2014 saw a surplus of \$3.9 million, when compared to a budgeted deficit of \$1.6 million and a surplus of \$0.4 million for the same period last year.

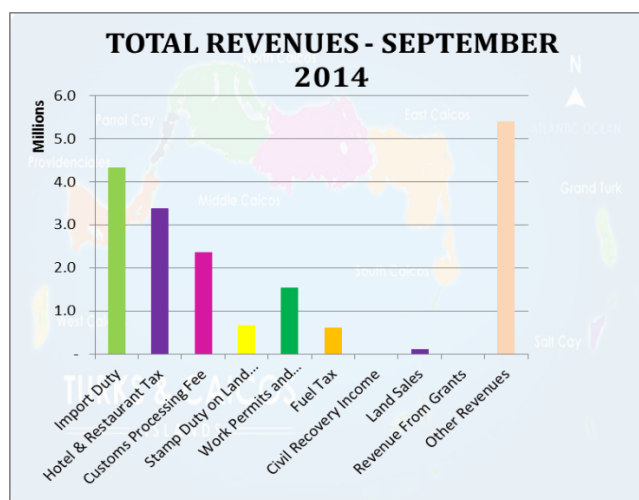
Recurrent revenues for the month amounted to \$18.3 million, which was 33% or \$4.6 million above the budget of \$13.7 million. Import duties, hotel & restaurant tax, and fuel tax all significantly exceeded the budget estimates for the month by 32%, 36%, and 11% respectively, while customs processing fees and work permits and residency fees were 29% and 32% above the budget, respectively.

Total recurrent expenditure for September 2014 was \$13.7 million, which was \$0.9 million or 6% below the budgeted outturn and 11% below that of last year.

Total non-recurrent expenditure was \$0.8 million, which consisted primarily of payments to SIPT and Civil Recovery expenses.



1.2 Year to Date: Operating Surplus of \$43.9 million.



The year to date results for the fiscal year showed an operating surplus of \$43.9 million, this result in a positive variance of \$27.9 million or 175% above the budgeted amount of \$16.0 million.

Year to date Recurrent Revenue outturn was \$122.4 million, which was 18% above the budgeted amount of \$104.0 million and 31% above last year's outturn of \$93.7 million, due to better than expected collections in all of the major revenue items. Year to date Non-Recurrent Revenues totaled \$5.9 million which comprises mainly of an EU Grant of \$4.1 million.

Recurrent expenditure, which came in at \$76.8 million was 10% or \$8.6 million below budget estimates while being \$2.8 million or 4% below the outturn of \$74.0 million for the same period last year. Non-recurrent expenditure of \$7.6 million came in 4% or \$0.3 million below the budgeted amount and 25% below last year's outturn.

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2.0 Cash Flow Statement

	Month of September 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	3,947.6	(1,574.3)	350.8	5,521.9	-351%	3,596.8	1025%	43,871.8	15,953.0	11,298.6	27,918.7	175%	32,573.1	288%
Less:														
Capital Contributions	(339.9)	(1,155.0)	(714.6)	815.1	(71%)	374.7	(52%)	(1,983.8)	(3,726.3)	(4,556.3)	1,742.5	(47%)	2,572.5	(56%)
Debt Repayments	(1,027.8)	(376.4)	(277.9)	(651.4)	173%	(749.8)	270%	(13,638.0)	(3,986.6)	(4,105.5)	(9,651.4)	242%	(9,532.6)	232%
Bond Inflows	-	-	(47.3)	-	-	47.3	-	397.7	397.7	1,240.4	-	-	(842.7)	(68%)
Herzog Payment	-	-	(167.0)	-	-	167.0	(100%)	-	-	(1,002.0)	-	-	1,002.0	(100%)
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	(114.8)	-	-	114.8	(100%)
Transfers to Sinking Fund	(.0)	(15.2)	(14.4)	15.2	-	14.3	(100%)	(10,845.8)	(4,105.7)	(2,668.4)	(6,740.1)	164%	(8,177.5)	306%
Transfers From Sinking Fund	-	-	-	-	-	-	-	9,000.0	-	-	9,000.0	-	9,000.0	-
Net Working Capital	4,364.3	-	609.7	4,364.3	100%	3,754.7	616%	6,432.2	-	(2,635.7)	6,432.2	100%	9,067.9	(344%)
Net Cash Flow	6,944.2	(3,120.9)	(260.8)	10,065.1	(323%)	7,204.9	(2763%)	33,234.0	4,532.1	(2,543.5)	28,701.9	633%	35,777.5	(1407%)

The month of September 2014 recorded a positive net cash flow of \$6.9 million compared to a budgeted deficit of \$3.1 million, while year to date recorded a positive net inflow of \$33.2 million. These results compare very favorably with the projected net cash flow of \$4.5 million and the results for the same period last year which was a cash deficit \$2.5 million.

To enhance the government's treasury management, an amount of \$26.1 million is currently placed in an on-call money market account at Scotiabank (Turks and Caicos), which is earning interest at a rate of 0.4% per annum. The net cash flow forecast for ensuing months remain positive, therefore 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 September 30, 2014 is \$193.9 million, as shown in the adjacent table. Total debt repayments for the financial year were \$13.6 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 September 30, 2014

Debt Type	Opening	As At September 30th 2014	
	01-Apr-14	Principal Repayment	Outstanding Principal
	\$ 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)	-
Other TCIG Bank Loans - Unsecured	17,971.7	(3,653.7)	14,318.0
TCInvest Loans - Unsecured	10,596.4	(984.4)	9,612.1
Total Outstanding Public Debt	207,568.1	(13,638.0)	193,930.1

4.0 Sinking Fund

The Sinking Fund balance as at end September 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 September 2014 is therefore about \$133.9 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 September 2014.