



GOVERNMENT OF THE
TURKS AND CAICOS ISLANDS

MONTHLY FINANCIAL REPORT

OCTOBER 2014

Prepared by the Office of the Accountant General – November 25, 2014

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

	Month of October 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	15,605.5	14,251.4	12,703.0	1,354.1	10%	2,902.5	23%	137,989.6	118,223.9	106,379.1	19,765.7	17%	31,610.5	30%
Recurrent Expenditure	14,890.3	14,801.2	14,512.7	(89.0)	(1%)	(377.6)	(3%)	91,691.5	100,223.2	88,530.3	8,531.6	9%	(3,161.2)	(4%)
Net Recurrent Surplus/(Deficit)	715.2	(549.9)	(1,809.7)	1,265.1	(230%)	2,524.9	(140%)	46,298.1	18,000.8	17,848.8	28,297.4	157%	28,449.3	159%
Non-Recurrent Revenue	168.9	216.7	133.8	(47.8)	(22%)	35.1	26%	6,041.0	5,516.7	1,911.4	524.3	10%	4,129.5	216%
Non-Recurrent Expenditure	921.1	942.8	853.4	21.7	2%	(67.7)	(8%)	8,504.3	8,840.4	10,990.9	336.1	4%	2,486.6	23%
Operating Surplus/(Deficit)	(37.0)	(1,276.0)	(2,529.3)	1,239.0	(97%)	2,492.2	(99%)	43,834.8	14,677.1	8,769.4	29,157.7	199%	35,065.4	400%

1.1 Month: Operating Deficit of \$37.0 thousand

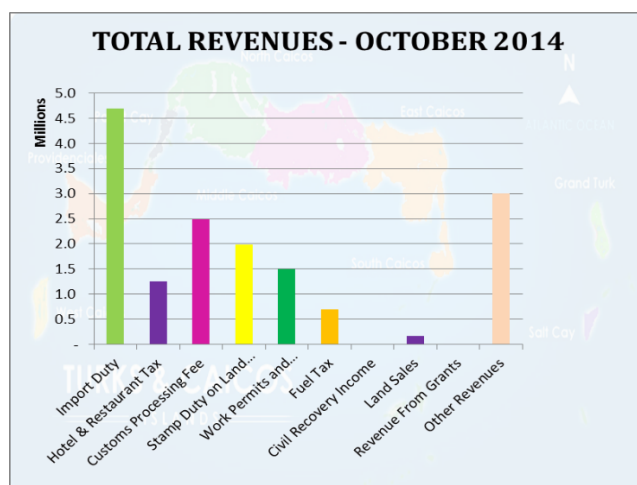
The net operating balance of the consolidated fund at the end October 2014 recorded a deficit of \$0.04 million, when compared to a budgeted deficit of \$1.3 million and a deficit of \$2.5 million for the same period last year.

Recurrent revenues for the month amounted to \$15.6 million, which was 10% or \$1.4 million above the budget of \$14.2 million. Import duties, stamp duty on land transactions and work permits and residency fees all significantly exceeded the budget estimates for the month by 12%, 32%, and 29% respectively, while hotel and restaurant fees were 14% below the budget.

Total recurrent expenditure for October 2014 was \$14.9 million, which was marginally above the budget and 3% above that of last year outturn, due to an overpayment made to ICL in October, which will be corrected by making no payment to ICL in the month of November 2014.

Total non-recurrent expenditure was \$0.9 million, which consisted primarily of payments to SIPT, Civil Recovery and interest expenses.

1.2 Year to Date: Operating Surplus of \$43.8 million.

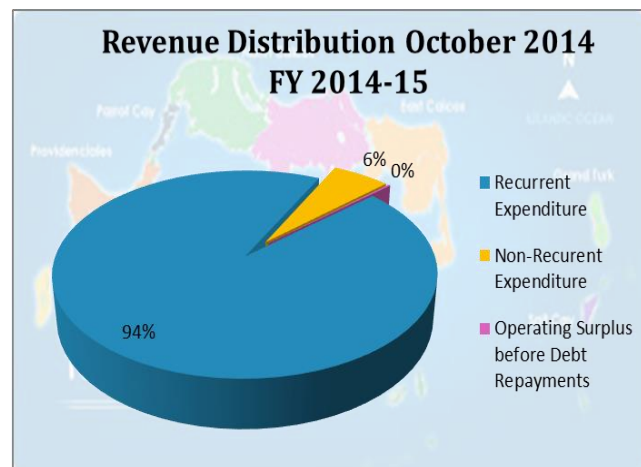


The year to date results recorded an operating surplus of \$43.8 million, which resulted in a positive variance of \$29.2 million or 199% above the budgeted amount of \$14.7 million.

Year to date Recurrent Revenue outturn was \$138.0 million, which was 17% above the budgeted amount of \$118.2 million and 30% above last year's outturn of \$106.4 million, due to better than expected collections in all of the major revenue items. Year to date Non-Recurrent Revenues totaled \$6.0 million which comprises mainly of an EU Grant of \$4.1 million and Civil Recovery of \$1.1 million.

Recurrent expenditure, which came in at \$91.7 million was 9% or \$8.5 million below budget estimates while being \$3.2 million or 4% above the outturn of \$88.5 million for the same period last year.

Non-recurrent expenditure of \$8.5 million came in 4% or \$0.3 million below the budgeted amount and 23% below last year's outturn which includes costs related to SIPT, civil recovery and interest charges.



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2.0 Cash Flow Statement

	Month of October 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	(37.0)	(1,276.0)	(2,529.3)	1,239.0	-97%	2,492.2	(99%)	43,834.8	14,677.1	8,769.4	29,157.7	199%	35,065.4	400%
Less:														
Capital Contributions	(418.3)	(1,155.0)	(86.4)	736.7	(64%)	(331.8)	384%	(2,402.0)	(7,054.0)	(4,642.7)	4,652.0	(66%)	2,240.7	(48%)
Debt Repayments	(1,088.4)	(1,070.6)	(1,590.8)	(17.8)	2%	502.4	(32%)	(14,726.5)	(5,057.3)	(5,696.3)	(9,669.2)	191%	(9,030.2)	159%
Bond Inflows	-	-	702.7	-	-	(702.7)	-	397.7	397.7	1,943.1	-	-	(1,545.5)	(80%)
Herzog Payment	-	-	(167.0)	-	-	167.0	(100%)	-	-	(1,169.0)	-	-	1,169.0	(100%)
Transfers from/(to) NFF	-	-	(2,185.0)	-	-	2,185.0	-	-	-	(2,299.8)	-	-	2,299.8	(100%)
Transfers to Sinking Fund	.0	(15.2)	(14.8)	15.2	-	14.8	(100%)	(10,845.8)	(4,105.7)	(2,683.2)	(6,740.1)	164%	(8,162.6)	304%
Transfers From Sinking Fund	-	-	-	-	-	-	-	9,000.0	-	-	9,000.0	-	9,000.0	-
Net Working Capital	(4,301.5)	-	184.6	(4,301.5)	100%	(4,486.1)	(2430%)	3,976.6	-	(2,635.7)	3,976.6	100%	6,612.2	(251%)
Net Cash Flow	(5,845.2)	(3,516.8)	(5,686.0)	(2,328.3)	66%	(159.2)	3%	29,234.7	(1,142.2)	(8,414.1)	30,376.9	(2659%)	37,648.8	(447%)

The month of October 2014 recorded a net cash deficit of \$5.8 million compared to a budgeted deficit of \$3.5 million, while year to date recorded a positive net inflow of \$29.2 million. These results compare very favorably with the projected net cash flow of \$1.1 million and the results for the same period last year which was a cash deficit \$8.4 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 October 31, 2014 is \$192.8 million, as shown in the adjacent table. Total debt repayments for the financial year were \$14.7 million.

The guaranteed loans are secured by a United Kingdom/DFID guarantee in the amount of \$260 million.

Debt Type	Opening	As At October 31 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)	.0
Other TCIG Bank Loans - Unsecured	17,971.7	(4,363.0)	13,608.7
TCInvest Loans - Unsecured	10,596.4	(1,363.5)	9,232.9
Total Outstanding Public Debt	207,568.1	(14,726.5)	192,841.6

All loan principal and interest payments are up to date as of October 31, 2014

4.0 Sinking Fund

The Sinking Fund balance as at end October 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 October 2014 is therefore about \$132.8 million, when the Sinking Fund is taken into consideration.

5.0 National Forfeiture Fund

The National Forfeiture Fund had a balance of \$1.9 million at the end of October 2014, due to a payment of \$102k to The World Bank for Reimbursable Advisory Services.