



GOVERNMENT OF THE  
TURKS AND CAICOS ISLANDS

# MONTHLY FINANCIAL REPORT

# NOVEMBER 2014

*Prepared by the Office of the Accountant General – January 9, 2014*

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

	Month of November 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	15,439.3	17,161.8	14,060.2	(1,722.5)	(10%)	1,379.1	10%	153,533.5	135,385.7	120,439.4	18,147.8	13%	33,094.2	27%
Recurrent Expenditure	10,543.6	13,189.2	13,322.3	2,645.6	20%	2,778.7	21%	102,317.5	113,412.4	101,852.6	11,094.9	10%	(464.9)	(0%)
<b>Net Recurrent Surplus/(Deficit)</b>	<b>4,895.7</b>	<b>3,972.6</b>	<b>737.9</b>	<b>923.1</b>	<b>23%</b>	<b>4,157.7</b>	<b>563%</b>	<b>51,216.0</b>	<b>21,973.3</b>	<b>18,586.8</b>	<b>29,242.7</b>	<b>133%</b>	<b>32,629.3</b>	<b>176%</b>
Non-Recurrent Revenue	122.6	216.7	70.5	(94.0)	(43%)	52.1	74%	6,163.6	5,733.3	1,981.9	430.3	8%	4,181.7	211%
Non-Recurrent Expenditure	351.9	942.8	201.8	590.9	63%	(150.0)	(74%)	8,856.2	9,783.2	11,192.7	927.0	9%	2,336.6	21%
<b>Operating Surplus/(Deficit)</b>	<b>4,666.5</b>	<b>3,246.4</b>	<b>606.6</b>	<b>1,420.0</b>	<b>44%</b>	<b>4,059.9</b>	<b>669%</b>	<b>48,523.5</b>	<b>17,923.5</b>	<b>9,376.0</b>	<b>30,600.0</b>	<b>171%</b>	<b>39,147.5</b>	<b>418%</b>

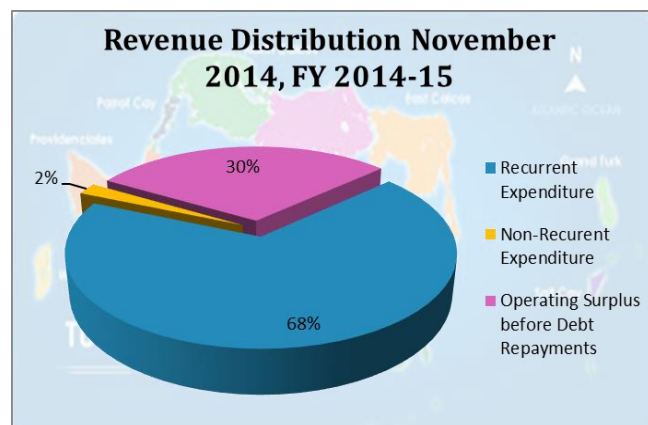
**1.1 Month: Operating Surplus of \$4.7 million**

The net operating balance of the consolidated fund at the end November 2014 recorded a surplus of \$4.7 million, when compared to a budgeted surplus of \$3.2 million and a surplus of \$1.4 million for the same period last year.

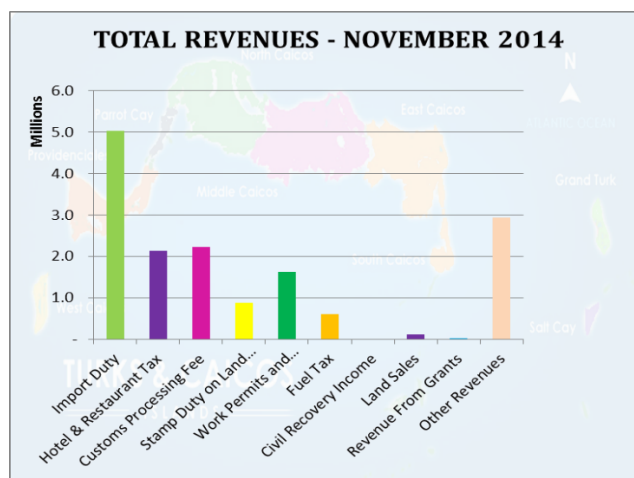
Recurrent revenues for the month amounted to \$15.4 million, which was 10% or \$1.7 million below the budget of \$17.2 million. Hotel and restaurant tax, fuel tax and work permits and residency fees all exceeded the budget estimates for the month by 5%, 2%, and 40% respectively, while Import duties, custom processing fees and stamp duty on land transactions were below the budget by 9%, 16% and 42% respectively.

Total recurrent expenditure for November 2014 was \$10.5 million, which was 20% below the budget and 21% below that of last year outturn, due to an adjustment for the overpayment to ICL in October, which was corrected by making no payment in the month of November 2014.

Total non-recurrent expenditure was \$0.4 million, which consisted primarily of payments to SIPT, Civil Recovery and interest expenses.



**1.2 Year to Date: Operating Surplus of \$48.5 million.**



The year to date results recorded an operating surplus of \$48.5 million, which resulted in a positive variance of \$30.6 million or 171% above the budgeted amount of \$17.9 million.

Year to date Recurrent Revenue outturn was \$153.5 million, which was 13% above the budgeted amount of \$135.4 million and 27% above last year's outturn of \$120.4 million, due to better than expected collections in all of the major revenue items. Year to date Non-Recurrent Revenues totaled \$6.2 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 \$102.3 million was 10% or \$11.1 million below budget estimates while being marginally ahead of the outturn for the same period last year.

Non-recurrent expenditure of \$8.9 million came in 9% or \$0.9 million below the budgeted amount and 21% 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 November 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	4,666.5	3,246.4	606.6	1,420.0	44%	4,059.9	669%	48,523.5	17,923.5	9,376.0	30,600.0	171%	39,147.5	418%
Less:														
Capital Contributions	(391.9)	(1,155.0)	(857.8)	763.1	(66%)	465.9	(54%)	(2,794.0)	(8,209.0)	(5,500.6)	5,415.0	(66%)	2,706.6	(49%)
Debt Repayments	(208.5)	(741.7)	(325.0)	533.1	(72%)	116.5	(36%)	(14,935.0)	(5,798.9)	(6,021.3)	(9,136.1)	158%	(8,913.7)	148%
Bond Inflows	23.1	183.6	23.1	(160.5)	-	(.0)	-	420.8	581.3	1,966.3	(160.5)	(28%)	(1,545.5)	(79%)
Herzog Payment	-	-	(167.0)	-	-	167.0	(100%)	-	-	(1,336.0)	-	-	1,336.0	(100%)
Transfers from/(to) NFF	-	-	-	-	-	-	-	-	-	2,299.8	-	-	(2,299.8)	(100%)
Transfers to Sinking Fund	(.0)	(15.2)	(14.4)	15.2	-	14.4	(100%)	(10,845.8)	(4,105.7)	(2,697.6)	(6,740.1)	164%	(8,148.3)	302%
Transfers From Sinking Fund	-	-	-	-	-	-	-	9,000.0	-	-	9,000.0	-	9,000.0	-
Net Working Capital	1,284.0	-	42.1	1,284.0	100%	1,241.8	2947%	5,260.5	-	2,862.4	5,260.5	100%	2,398.1	84%
<b>Net Cash Flow</b>	<b>5,373.1</b>	<b>1,518.2</b>	<b>(692.3)</b>	<b>3,854.9</b>	<b>254%</b>	<b>6,065.4</b>	<b>(876%)</b>	<b>34,630.0</b>	<b>391.1</b>	<b>949.0</b>	<b>34,238.9</b>	<b>8754%</b>	<b>33,681.0</b>	<b>3549%</b>

The month of November 2014 recorded a net cash surplus of \$5.4 million compared to a budgeted surplus of \$1.5 million, while year to date recorded a positive net inflow of \$34.6 million. These results compare very favorably with the projected net cash flow of \$0.4 million and the results for the same period last year which was a cash surplus \$0.9 million.

To enhance the government's treasury management, an amount of \$35.0 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 November 30, 2014 is \$192.6 million, as shown in the adjacent table. Total debt repayments for the financial year were \$14.9 million.

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

Debt Type	Opening	As At November 30, 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	(4,571.5)	13,400.2
TCInvest Loans - Unsecured	10,596.4	(1,363.5)	9,232.9
<b>Total Outstanding Public Debt</b>	<b>207,568.1</b>	<b>(14,935.0)</b>	<b>192,633.1</b>

All loan principal and interest payments are up to date as of November 30, 2014

## 4.0 Sinking Fund

The Sinking Fund balance as at end November 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 November 2014 is therefore about \$132.6 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 November 2014.