



**GOVERNMENT OF
THE TURKS AND CAICOS ISLANDS**



NOVEMBER 2021

FINANCIAL REPORT

Contents

KEY POINTS2

OVERVIEW2

OPERATING BALANCE3

Stamp Duty on Land Transactions:.....5

Hotel & Restaurant Tax:6

Import Duties:.....6

Work Permits:7

Fuel Tax:.....7

EXPENDITURE8

PUBLIC DEBT10

Employees.....1

Pensioners.....1

DEVELOPMENT FUND (DF).....1

NATIONAL WEALTH FUND (NWF).....1

NATIONAL FORFEITURE FUND (NFF).....1

FINANCIAL OUTLOOK.....11

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KEY POINTS

- ❖ *The monthly Financial Report for November 2021 shows the performance against revised estimates as well as the prior year's performance.*
- ❖ *During the month of October, the first Supplementary Appropriation Bill was enacted to increase expenditure to \$346.4, \$89.7m higher than the Approved Estimates and the Revenue to \$363.1 million, \$3.5 million higher than the Approved Estimates.*
- ❖ *The net operating surplus as at the end of November 2021 totaled \$66.9 million.*
- ❖ *Development Fund Expenditure for the month totaled \$3.3 million.*
- ❖ *Outstanding Public Debt stood at \$0.6 million after principal repayments of \$0.3 million.*
- ❖ *The underlying cash balance increased by \$65.2 million bringing Cash and Cash equivalents to a total of \$186.9 million at the end of November 2021.*

Commented [NC1]: First supplementary amended Revenue and Expenditure Borrowing requirement was removed in the first supplementary.

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OVERVIEW

Like the rest of the world, the Turks and Caicos Islands continue to live through an unprecedented crisis with ongoing uncertainty about what the short to medium term will bring in terms of any significant return to normalcy or levels of economic growth and prosperity. However, unlike most countries globally, the Turks and Caicos Islands have been quite fortunate to experience a moderate economic recovery and a return to surplus financial position quite early in this calendar year. Economic resilience was primarily attributable to the relatively high volume of tourist arrivals since the last Quarter of the calendar year 2020/21 and unprecedented activities within the real estate sector during the 1st two-Quarters of FY 2021-22

The month of November recorded a surplus of \$2.3 million and a year-to-date financial surplus of \$66.9 million.

These surpluses would have contributed positively to our cash flows leading to an overall increase in the cash position by over \$65.2 million to \$186.9 million.

OPERATING BALANCE

Net Operating Surplus: Month \$2.3 million, Year to Date \$66.9 million

	Month			Variance				Year to Date			Variance			
	Actual	Revised Budget	Prior Year	Budget	Prior Year		Actual	Revised 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	28,007.0	18,380.4	13,961.0	9,626.5	52%	14,045.9	101%	250,006.3	174,257.1	105,197.4	75,749.2	43%	144,808.9	138%
Recurrent Expenditure	23,504.6	20,234.6	19,018.0	(3,270.0)	(16%)	(4,486.5)	(24%)	168,036.9	191,041.3	162,897.5	23,004.5	12%	(5,139.4)	(3%)
Net Recurrent Surplus	4,502.4	(1,854.1)	(5,057.0)	6,356.5	(343%)	9,559.4	(189%)	81,969.4	(16,784.3)	(57,700.1)	98,753.7	-58%	139,669.5	(242%)
Non-Recurrent Revenue	20.2	134.5	.2	(114.3)	(85%)	20.1	12534%	1,024.9	1,257.0	367.4	(232.1)	(18%)	657.4	179%
Non-Recurrent Expenditure	2,230.4	3,715.9	714.4	1,485.5	40%	(1,515.9)	(212%)	16,119.6	25,049.4	3,034.4	8,929.9	36%	(13,085.2)	(431%)
Net Operating Balance	2,292.3	(5,435.5)	(5,771.3)	7,727.8	(142%)	8,063.5	(140%)	66,874.7	(40,576.8)	(60,367.1)	107,451.5	-265%	127,241.8	(211%)

Revised Budget is the total of original estimates plus virements/Supplementary.

The month of November 2021 recorded an operating surplus of \$2.3 million. Approximately \$7.7 million greater than the budgeted deficit of \$5.4 million and a year-to-date outturn of \$107.4 million ahead of the estimates.

The forecast is to continue an impressive revenue performance as the Government prepares for the winter tourist season. Year on year performance shows that the current period's performance exceeded the prior year by \$13.9 million, and YTD's outturn of \$66.9 million is \$127.2 million greater than the preceding year's performance.

CASH FLOW

	Month			Variance				Year to Date			Variance			
	Actual	Revised Budget	Prior Year	Budget	Prior Year		Actual	Revised 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	2,292.3	(5,435.5)	(5,771.3)	7,727.8	(142%)	8,063.5	(140%)	66,874.7	(40,576.8)	(60,367.1)	107,451.5	(265%)	127,241.8	-211%
Less:														
Development Fund Expenditure	(3,326.0)	-	(2,473.5)	(3,326.0)	-	(852.5)	-	(16,485.2)	(26,178.3)	(16,942.6)	9,693.1	(37%)	457.3	(3%)
Debt Repayments	-	-	-	-	-	-	-	(565.2)	(501.8)	(1,110.5)	(63.4)	13%	545.3	(49%)
Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Inflows	-	-	-	-	-	-	-	885.7	-	1,079.3	885.7	-	(193.5)	(18%)
Transfers from/(to) NWF	-	-	-	-	-	-	-	.0	-	-	.0	-	.0	-
Add Depreciation and other non-cash items	3,954.6	-	4,474.6	3,954.6	-	(520.0)	(12%)	14,454.6	-	15,751.6	14,454.6	-	(1,297.1)	(8%)
Net Cash Flow	2,920.9	(5,435.5)	(3,770.2)	8,356.4	(154%)	6,691.1	(177%)	65,164.5	(67,256.9)	(61,589.3)	132,421.4	(197%)	126,753.8	(206%)

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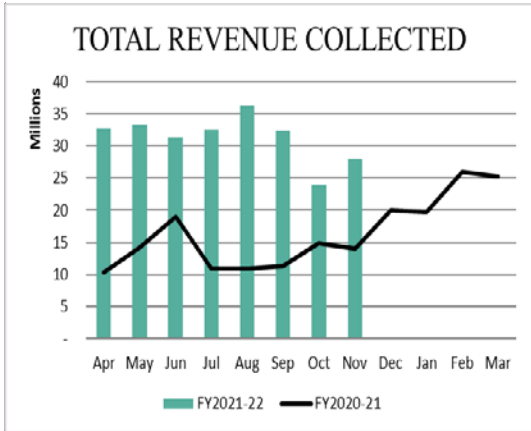
We the figures in the Budget Column updated to reflect the Supplementary?

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Comparatively, the outturn showed a \$6.7 million increase against the same period last year. As a result, Cash and Cash Equivalents increased from \$121.7 million at the beginning of the financial year to \$186.3

million at the end of November. It represents a total net cash flow increase of \$64.665.2 million over the first eight months of the financial year. The YTD results also reflect Development Fund Expenditure of \$16.5 million, debt servicing of \$0.3 million and bond inflows of \$0.029 million.

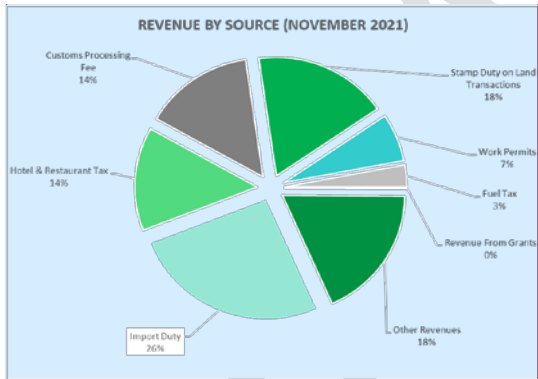
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In November, revenue collection totaled \$28 million, an increase of \$9.6 million compared to the estimates and \$14.1 million over the prior year period. All major revenue heads have been performing near or exceeding their pre-COVID levels. As a result, Import Duties led this performance with a revenue intake of \$7.2 million, followed by Stamp Duty on Land Transaction - \$5.0 million, \$4.1 million from CPF and Hotel & Restaurant Tax - \$4.0 million. The top revenue top revenue accounted for 72% of TCIG's revenue performance for the month of November. Results are expected to increase even further in December as tourist arrivals are expected to increase along with high imports as imports as residents and businesses prepare for the Christmas holidays and the winter tourist

Commented [NC6]: Can this chart show the estimates along side performance for ease of reference?

Commented [PC7R6]: Will be sure to include revenue estimates in the next month report.



Commented [NC8]: What is the situation with the YTD expenditure???

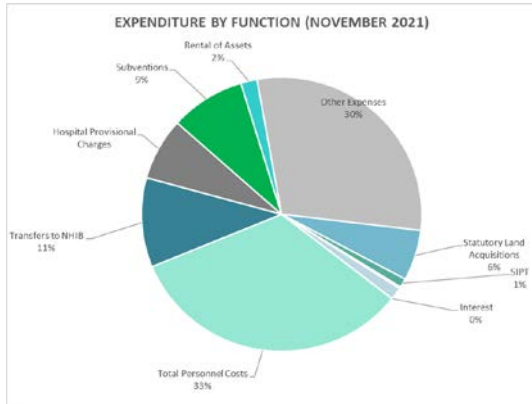
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Commented [PC10R9]: Yes, it is because of the Supplementary please see update. YTD figures now included.

Expenditure for November was \$25.7 million, approximately 7 percent above the projected amount, and \$1.8 million or 23 percent above the prior year results. The over performance for November is due to timing differences between actual and planned expenditure. In addition, original estimates for the month of November revised estimates during Supplementary Appropriation No. 1. This exercise reduced the profile for the month resulting in over performance in personnel costs and other operating expenses. We anticipate that the expenditure trajectory will change throughout the later months in the 4th Quarter. YTD actuals expenditure of \$184.2 million was below estimates by \$31.2 million due to an underspend in personnel costs, COVID expenses Statutory Land Acquisitions and other expenses.-

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REVENUE

Recurrent Revenue: Month \$28 million, Year to Date \$250 million

RECURRENT REVENUE	Month			Monthly Variance		Year To Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Import Duty	7,209.6	5,684.0	4,055.6	1,525.6	3,154.1	48,327.1	34,655.0	24,624.0	13,672.0	23,703.1
Hotel & Restaurant Tax	3,954.0	2,459.6	1,174.4	1,494.4	2,779.7	50,990.3	38,790.0	5,976.6	12,200.4	45,013.7
Customs Processing Fee	4,075.7	3,126.2	1,929.7	949.5	2,146.0	24,566.2	17,366.4	12,492.6	7,199.8	12,073.6
Stamp Duty on Land Transactions	4,974.0	1,206.3	1,053.9	3,767.7	3,920.1	61,372.1	37,241.7	15,511.7	24,130.4	45,860.4
Work Permits	1,837.6	1,920.5	2,364.1	(82.9)	(526.5)	13,469.7	12,195.3	10,570.2	1,274.4	2,899.5
Fuel Tax	857.6	741.5	431.2	116.0	426.4	6,750.9	5,251.3	3,937.7	1,499.6	2,813.2
Other Revenues	5,098.4	3,242.2	2,952.2	1,856.1	2,146.1	44,529.9	28,757.2	32,084.6	15,772.7	12,445.3
TOTAL RECURRENT REVENUE	28,007.0	18,380.4	13,961.0	9,626.5	14,045.9	250,006.3	174,257.1	105,197.4	75,749.2	144,808.9

Recurrent Revenue for November totaled \$28 million against the Estimates of \$18.4 million. As a result, revenue collection exceeded estimates by \$9.6 million in the current period and doubled year-over-year. Comparatively, the results show significant improvement in the collection from Import Duty, Hotel and Restaurant Tax, Customs Processing Fee, and Stamp Duty on Land Transactions. Collectively they accounted for approximately 72 percent of the revenue collection for the month. The resilient performance continues to be encouraging as it signals a significant change in local economic activities.

The major Revenue Heads are summarised as follows:

Stamp Duty on Land Transactions:

Stamp Duty collected during November totaled \$5.0 million compared to a budget of \$1.2 million. Revenue collected from Stamp Duty has shown an encouraging trend since the beginning of the financial year due to many high-value transactions. YTD actuals of \$61.4 million also surpassed both budget and prior year results by \$24.1 million and \$45.9 million, respectively, showing the highest intake for Stamp Duty in recent years. This positive variance in collections is due to multiple high-value property purchases. The Turks and Caicos' property market rebounded strongly after the country reopened its borders and implemented more relaxed COVID measures, causing a significant attraction to both foreign and residential sectors to purchase.

Hotel & Restaurant Tax:

For November, Hotel & Restaurant Tax receipts totaled \$4.0 million against estimates and prior year receipts of \$2.5 million and \$1.2 million, respectively. It accounts for 14% of the revenue collected. The Tourism Industry has been most impacted during this COVID-19 pandemic. However, revenue collections have been gradually improving since the beginning of the year; the summer months showed unprecedented performance, leading to a vast improvement resulting in a ~~YTD collection~~ YTD collection of \$51.0 million. The revenue collection has exceeded the prior year by \$45.0 million due to increased tourist arrivals as hotels and restaurants are now fully opened. Recent reports show that vaccine rollout has been successful, with over 78% of the country's adult population vaccinated. HRT is expected to increase further with the upcoming relaxed measures as TCI expects an uptick in tourist arrivals in the winter.

Import Duties:

Import Duties collected for November totaled \$7.2 million, \$1.5 million higher than budget, and the prior year's receipts of \$4.1 million. These results were expected because of the upcoming holiday season, which results in a high volume of imported goods. Year-to-date actuals of \$48.3 million outpaced the preceding year by \$23.7 million and \$13.7 million higher than Estimates. Local economic activities on the island continue to pick up. As a result, the need for imported goods relatively increases as tourist-related consumption increases due to the growth in tourist arrivals.

Customs Processing Fees:

For November, Customs Processing Fees (CPF) totaled \$4.1 million, \$2.1 million above the prior year's results, and \$0.9 million above budget. The increase in CPF correlates ~~with Import~~with Import Duties activity over the year. The month of November is the peak of the holiday season where persons travel abroad for holiday shopping. As a result, year to date, actuals totaled \$24.6 million. This result was up by \$12.1 million compared to prior year receipts of \$17.4 million and \$7.2 million against the budget. Supermarkets, Utilities/Fuel, Construction and Electrical were the main contributors towards the increase.

Work Permits:

Receipts from Work Permits totaled \$1.8 million for November and accounted for 7% of total revenue collected. These results were below the budget and prior-year results by \$0.08 million and \$0.5 million, respectively. Year to date, actuals totaled \$13.5 million compared to a budget of \$12.2 million and was above prior-year results by \$2.9 million. Revenue collection is expected to increase as most work permit holders are employed in the tourism and hospitality sector, significantly affected as major hotels and the Cruise Port were closed last year. TCI is looking forward to an even more substantial increase in the ensuing months. The Cruise Port is expected to reopen in early December, and the hotels are now fully open and accommodating tourist arrivals.

Fuel Tax:

For November, fuel tax receipts were \$0.8 million, an increase of \$0.1 compared to budget and \$0.4 million above the prior year's outturn. Revenue collected from Fuel Tax only accounted for 3% of total income but has shown a positive outturn for November. Year-to-date actuals of \$6.7 million were also favourable as the results surpassed prior results and budget by \$2.8 million and \$1.5 million, respectively, due to an increase in fuel prices worldwide.

Other Revenue: *Month \$5.1million, Year to date \$44.5 million*

OTHER REVENUE <small>In USD thousands of dollars</small>	Month					Year to Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Business Licence renewal	74.1	46.2	79.5	27.9	(5.4)	2,630.9	1,792.1	1,924.5	838.9	706.5
Communication Tax	227.9	328.0	344.1	(100.1)	(116.2)	3,211.1	2,807.2	2,668.6	403.9	542.5
Gaming Machine Tax	317.5	293.1	219.0	24.4	98.5	3,309.0	1,934.1	709.6	1,374.9	2,599.4
Seaport Departure Tax	-	-	-	-	-	152.2	-	73.1	152.2	79.0
Telecommunication Licences	83.3	286.0	182.8	(202.7)	(99.4)	1,620.9	2,213.2	1,505.2	(592.3)	115.7
Overtime Costs Recovered	197.7	114.9	72.0	82.8	125.7	1,810.5	990.8	654.8	819.7	1,155.7
Vehicle Licence Renewals	437.4	331.3	341.5	106.2	95.9	2,111.6	1,385.0	1,651.8	726.5	459.7
Permanent Residency Fees	217.6	145.0	163.1	72.6	54.5	1,863.6	1,122.8	973.8	740.8	889.9
Excess Revenue	141.0	153.5	0.4	(12.6)	140.6	10,527.7	4,523.8	12,734.4	6,003.8	(2,206.7)
Other Revenues	3,401.9	1,544.2	1,549.9	1,857.7	1,852.0	17,292.5	11,988.2	9,188.8	5,304.2	8,103.7
TOTAL OTHER REVENUE	5,098.4	3,242.2	2,952.2	1,856.1	2,146.1	44,529.9	28,757.2	32,084.6	15,772.7	12,445.3

Other Revenues for November totalled \$5.1 million, which was above both budget and prior year results by \$1.9 million and \$2.1 million, respectively.

The top-performing heads consist mainly of \$0.4 million in Vehicle License renewals, \$0.3 million from Gaming Machine Tax, \$0.2 in Permanent Residency Fees, and \$0.1 million in Excess Revenue, which accounted for 42% of the other revenues collected by TCIG for the period.

The \$0.1 million Excess Revenue received from Port Authority. Year-to-date actuals of \$44.5 million were above both estimates and prior year by \$15.8 million and \$12.4 million, respectively.

Non-Recurrent Revenue: Month \$0.02 million, Year to date \$1.0 million

NON-RECURRENT REVENUE	Month					Year To Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Civil Recovery Income	-	-	-	-	-	-	-	-	-	-
Land Sales	19.3	25.5	-	(6.2)	19.3	645.5	314.2	261.0	331.3	384.4
Revenue From Grants	0.9	109.0	0.2	(108.1)	0.7	379.4	942.8	106.4	(563.4)	273.0
Insurance Proceeds	-	-	-	-	-	-	-	-	-	-
TOTAL NON-RECURRENT REVENUE	20.2	134.5	0.2	(114.3)	20.1	1,024.9	1,257.0	367.4	(232.1)	657.4

For November, revenue collection was below estimates by \$0.1 million due to profiling as grants were projected to be received for Financial Services & Supplies Management and Social Development. Year-to-date actuals of \$1 million, was below estimates by \$0.2 million due to the underperformance in Revenue from Grants. Actual revenue surpassed prior-year results by \$0.6 million due to an immense increase in Land sales and Revenue from Grants.

EXPENDITURE

Recurrent Expenditure: Month \$23.5 million, Year to Date \$191.1 million

RECURRENT EXPENDITURE	Month			Monthly Variance		Year To Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Total Personnel Costs	8,544.5	6,141.3	7,991.1	(2,403.2)	(553.4)	66,415.0	69,445.0	62,477.7	3,030.1	(3,937.2)
Transfers to NHIB	2,716.9	2,691.2	2,771.2	(25.7)	54.3	21,667.0	21,769.6	22,169.6	102.6	502.6
Hospital Provisional Charges	1,883.1	2,764.3	1,802.1	881.2	(81.1)	15,957.4	16,786.3	17,658.3	828.9	1,700.9
Subventions	2,233.7	1,098.7	1,103.3	(1,135.0)	(1,130.5)	13,597.7	14,468.3	10,155.0	870.6	(3,442.7)
Rental of Assets	483.1	520.6	418.9	37.5	(64.3)	3,585.2	4,090.4	3,460.4	505.3	(124.8)
Other Expenses	7,643.2	7,018.5	4,931.5	(624.7)	(2,711.7)	46,814.7	64,481.7	46,976.5	17,667.0	161.8
TOTAL RECURRENT EXPENDITURE	23,504.6	20,234.6	19,018.0	(3,270.0)	(4,486.5)	168,036.9	191,041.3	162,897.5	23,004.5	(5,139.4)

Commented [NC11]: Are these figures before depreciation or after? Could significantly understate the financial position.

Commented [PC12R11]: The Depreciation expense is included in the pivot expenditure by SOC 394 in the detail reporting pack.

Recurrent expenditure for November totaled \$23.5 million. It was above both estimates and prior year by \$by \$3.3 million and \$4.5 million respectively due to profiling after the 1st supplementary as higher actuals reported for Personnel costs, transfer to NHIB, Subventions, and other expenditure.

Personnel Costs accounted for 33% of the total expenditure, totaling \$8.5 million, up to \$2.4 million from the budget while exceeding the prior year's results by \$0.5 million. Transfers to NHIB totaled \$2.7 million and was slightly over budget by \$0.03 million while under prior-year results by \$0.05 million.

Hospital Provisional Charges totaled \$1.9 million, approximately \$0.9 million, below estimates while being up by \$0.08 million compared to prior-year results. The overall variance to budget is mainly due to timing differences between profiled and actual expenditure. Subvention performance of \$2.2 million was \$1.1 million above the Estimates due to a decrease in estimates after passing the 1st Supplementary bill.

Other Recurrent Expenditure: Month \$7.6 million, Year to date \$46.8 million

OTHER RECURRENT EXPENDITURE	Month			Monthly Variance		Year to Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Operating Expenses	1,091.3	1,243.9	715.0	152.6	(376.3)	7,622.4	11,011.3	6,930.3	3,388.9	(692.1)
Maintenance Expenses	772.1	799.6	438.7	27.5	(333.4)	5,963.7	8,017.9	6,975.8	2,054.2	1,012.1
Professional and Consultancy Services	151.8	1,220.5	689.1	1,068.7	537.2	2,066.8	5,238.9	2,466.1	3,172.1	399.3
Grants and Contributions	581.5	(106.6)	627.5	(688.1)	46.0	6,564.0	10,044.5	13,461.2	3,480.5	6,897.2
Utilities	294.7	355.5	289.9	60.8	(4.8)	2,325.1	2,969.6	2,065.1	644.4	(260.0)
Other Recurrent Expenditure	4,751.7	3,505.5	2,171.3	(1,246.2)	(2,580.4)	22,272.7	27,199.6	15,077.9	4,926.9	(7,194.8)
TOTAL OTHER RECURRENT EXPENDITURE	7,643.2	7,018.5	4,931.5	(624.7)	(2,711.7)	46,814.7	64,481.7	46,976.5	17,667.0	161.8

Some major heads were below the estimates, except Grants and Contributions and Other Recurrent Expenditure, which exceeded estimates by \$0.7 million and \$1.2 million, respectively. As a result, actual expenditure for the month totaled \$7.6 million, which was \$0.6 million above and \$2.7 million above the

prior year. Year-to-date actuals of \$46.8 million were below estimates by \$17.7 million and down \$0.2 million from the prior year. The significant variance to budget is primarily due to timing variances between actual and profiled expenditure throughout the different periods. The expectation is that expenditure will be normalized before the end of the FY.

Non-Recurrent Expenditure: Month \$2.2 million, Year to date \$16.2 million

NON-RECURRENT EXPENDITURE	Month					Year To Date			Year to Date Variance	
	Actual	Budget	Last Year	Budget	Last Year	Actual	Budget	Last Year	Budget	Last Year
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Statutory Land Acquisitions	1,530.0	5,061.9	-	3,531.9	(1,530.0)	9,957.8	16,231.9	-	6,274.1	(9,957.8)
SIPT	274.0	223.5	180.8	(50.5)	(93.2)	2,189.6	2,226.9	1,405.3	37.3	(784.3)
Civil Recovery	51.6	-	217.6	(51.6)	166.0	517.3	700.0	742.7	182.7	225.4
Covid-19 Expense	374.8	190.5	316.0	(184.2)	(58.7)	3,437.5	5,489.8	770.7	2,052.3	(2,666.8)
Contingency	-	(1,350.0)	-	(1,350.0)	-	-	570.3	-	570.3	-
Interest	-	(410.1)	-	(410.1)	-	17.3	(169.5)	115.6	(186.8)	98.3
TOTAL NON-RECURRENT EXPENDITURE	2,230.4	3,715.9	714.4	1,485.5	(1,515.9)	16,119.6	25,049.4	3,034.4	8,929.9	(13,085.2)

Commented [NC13]: Check spelling of Contingency.
Commented [PC14R13]: Spelling updated.

Non-Recurrent Expenditure results for November totaled \$2.2 million, consisting of \$1.5 million in Statutory Land Acquisitions. In addition, the remaining 31% included COVID-related expenditure totaling \$0.4 million, payments to SIPT totaling \$0.3 million, and \$0.05 million to Civil Recovery. YTD actuals of \$16.1 million were below estimates by \$8.9 million due to the underspend in Statutory Land acquisitions and COVID expenditure compared to the budget profile.

PUBLIC DEBT

Public Debt	Opening	November 30, 2021	
Debt Type	1-Apr-21	Principal Repayment	Outstanding Principal
	\$ 000's	\$ 000's	\$ 000's
TCIG Loans - Unsecured	838.8	(273.6)	565.2
Total Outstanding Public Debt	838.8	(273.6)	565.2

TCIG's outstanding debt as of November 30, 2021, was \$0.6 million. Total principal debt repayment for the year was \$0.3 million, while total finance costs were \$17.3 thousand. There were no new borrowings during the financial year, neither were there any drawdowns on the

previously approved \$80 million credit facility with the Republic Bank Limited. However, an undrawn commitment fee of \$16.7 thousand is incurred monthly.

HUMAN RESOURCE MANAGEMENT

Employees

There were 1,814 people employed by TCIG at the end of November 2021, consisting of 269 waged employees and 1,545 monthly paid employees, exclusive of the Royal Turks and Caicos Police Force, with 371 vacancies existing throughout the civil service.

Pensioners

The total number of Pensioners at the end of November 2021 were 311.

DEVELOPMENT FUND (DF)

The opening balance of the Development Fund at the beginning of the fiscal year 2021/2022 totalled \$47.4 million. The total amount spent on capital projects amounted to \$3.3 million for November compared to \$2.5 million spent in the same period last year. This expenditure mainly consists of \$2.3 million spent on the construction and renovation of Government buildings throughout the islands, \$0.9 million on the purchase of heavy equipment and other specialist equipment, and purchase of office furniture and other service payments collectively ~~totalled~~totalled \$0.06 million. Year-to-date actual expenditure ~~totalled~~totalled \$16.5 million, which was \$9.7 million below the estimates and down by \$0.5 million compared to spending in the prior year comprising both ongoing and new projects currently on stream.

Commented [NC15]: What is the status of the Development Fund since it has been reconciled?

Commented [PC16R15]: Please see update including the opening balance of the DF.

NATIONAL WEALTH FUND (NWF)

The balance in the NWF as of November 30, 2021, stood at \$25.9 million with an interest of \$2.1 thousand earned in November.

NATIONAL FORFEITURE FUND (NFF)

The National Forfeiture Fund had a balance of \$7.3 million as of November, as there were no receipts during the month.

FINANCIAL OUTLOOK

Compared to other countries, the Turks & Caicos Islands have been fortunate enough to recover financially and economically over one year. The economic resilience of tourism sector and the exceptional activities within the real estate sector are major contributors. As a result, revenue collection has shown significant growth from the beginning of the financial year leading up to November, totalling \$251 million. This result was up by \$75 million compared to budget and \$145.5 million from the prior year's turnout.

The country is now fully open for business. The Government continues to implement new health measures to safeguard both the economy and the health and safety of its residents and tourists alike as a new COVID variant recently surfaced. Despite the uncertainty of COVID, the uptick in revenue generation and government spending is expected to continue as the tourist industry prepares for the winter arrivals. Generally, expenditure is trending below estimates, but we expect spending activities to strengthen in the ensuing months, as the 1st Supplementary Appropriation Bill has been enacted. There remains hope for a more sustained economic recovery as over 80 percent of the adult population is now vaccinated and the administering of boosters is ongoing.

The uncertainty of this pandemic remains as the emergence of the variants can undermine previous fiscal performance in the short and medium-term. As a result, Cash flow management will remain an urgent obligation for TCIG. Actively monitoring revenue collection, cash balance position, and cash flow requirements remains at the forefront of the Treasury's immediate plan to safeguard TCIG's liquidity position.