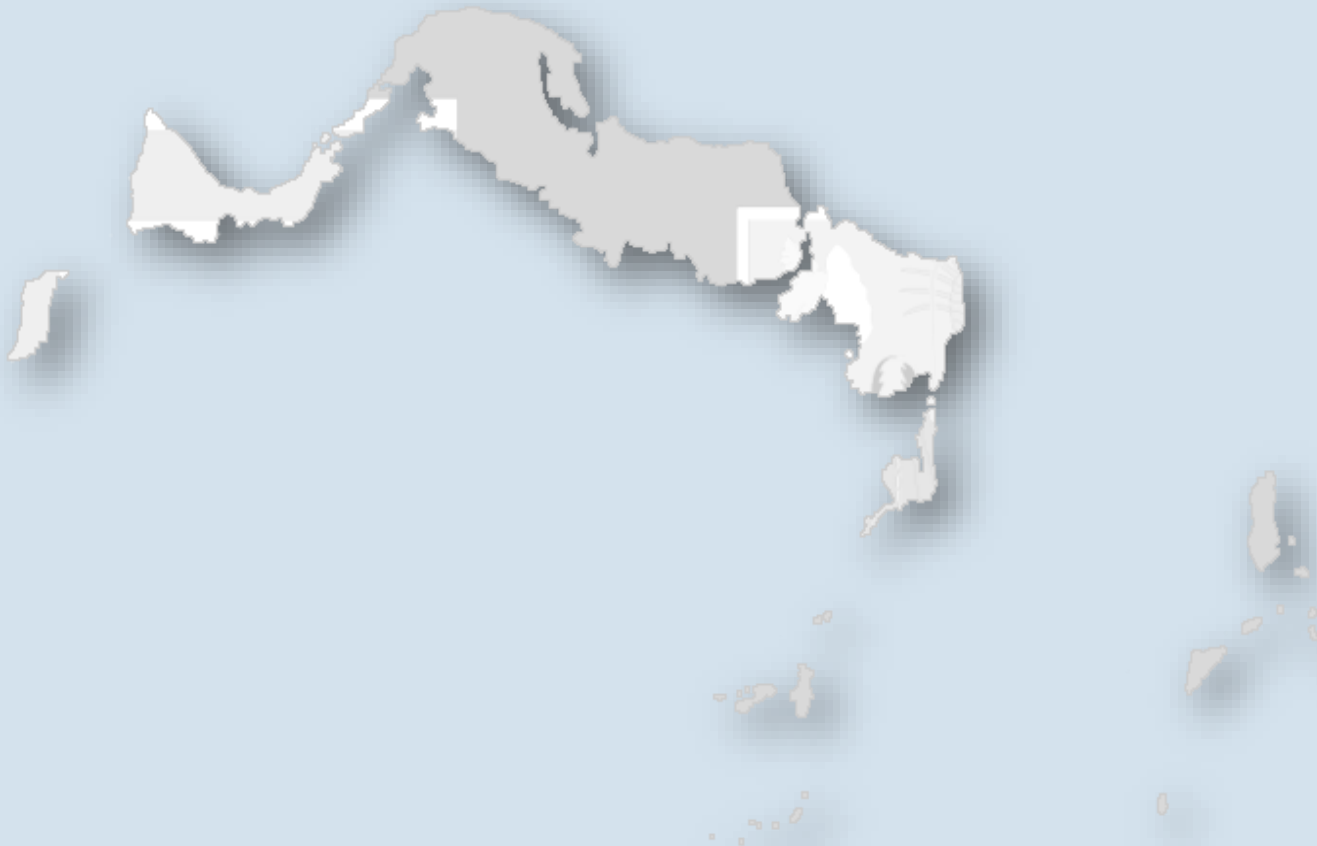




**GOVERNMENT OF THE TURKS AND CAICOS ISLANDS**  
**FINANCIAL SERVICES AND SUPPLIES MANAGEMENT DEPARTMENT**



**FINANCIAL REPORT**  
**For the First Quarter of FY2024/2025**  
**(1 April 2024 to 30 June 2024)**

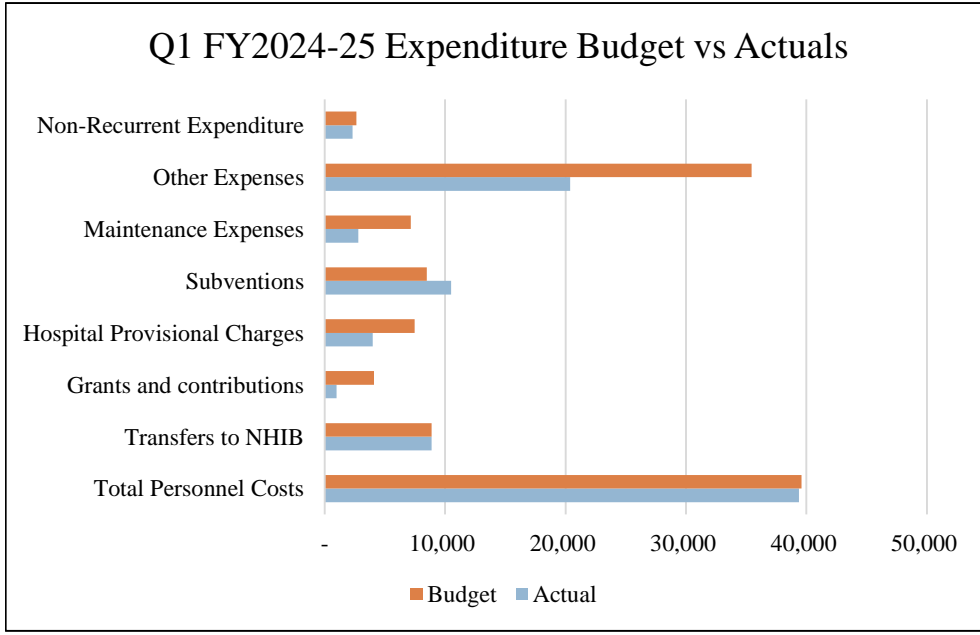
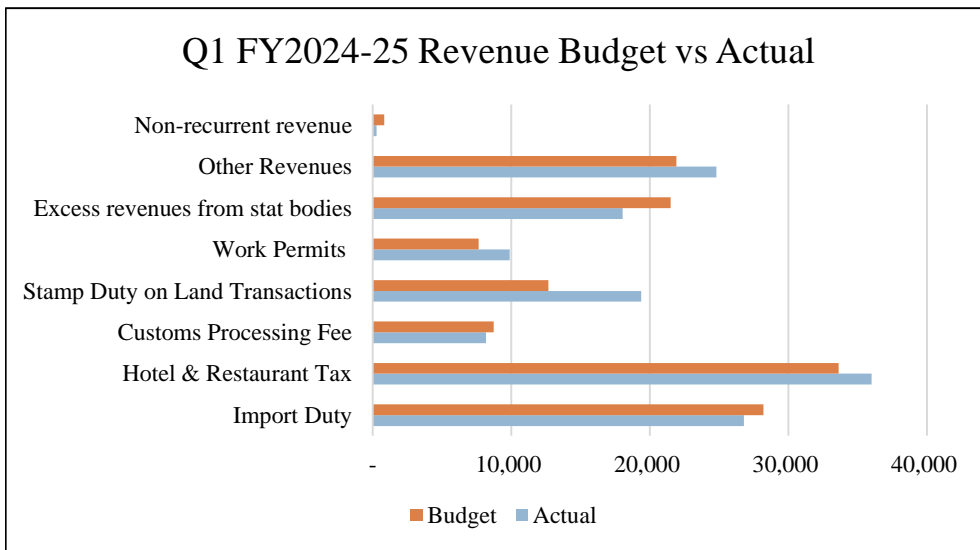
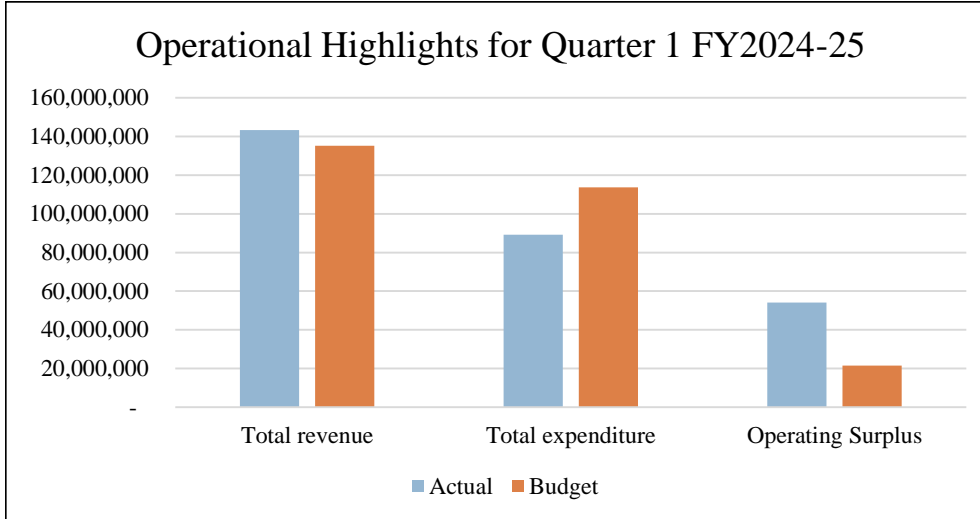


# Contents

<b>KEY HIGHLIGHTS</b> .....	3
<b>1. FOREWORD</b> .....	4
<b>2. ECONOMIC OVERVIEW</b> .....	5
<b>3. FISCAL OVERVIEW</b> .....	5
<b>3.1. FISCAL SUMMARY</b> .....	6
<b>3.2. CASH FLOW</b> .....	6
<b>4. REVENUE</b> .....	7
<b>4.1. REVENUE BY ECONOMIC CLASSIFICATION</b> .....	7
<b>4.1.1. RECURRENT REVENUE</b> .....	7
<b>4.1.2. OTHER RECURRENT REVENUE</b> .....	9
<b>4.1.3. NON-RECURRENT REVENUE</b> .....	10
<b>5. EXPENDITURE</b> .....	11
<b>5.1. EXPENDITURE BY ECONOMIC CLASSIFICATION</b> .....	11
<b>5.1.1. RECURRENT EXPENDITURE</b> .....	11
<b>5.1.2. OTHER RECURRENT EXPENDITURE</b> .....	13
<b>5.1.3. NON RECURRENT EXPENDITURE</b> .....	13
<b>6. OUTSTANDING PUBLIC DEBT</b> .....	14
<b>7. DEVELOPMENT FUND</b> .....	14
<b>7.1. DEVELOPMENT FUND ANALYSIS</b> .....	14
<b>7.2. TOP TEN CAPITAL PROJECTS BY EXPENDITURE AMOUNT</b> .....	14
<b>8. NATIONAL WEALTH FUND</b> .....	15
<b>8.1. STATEMENT OF ACCOUNT</b> .....	15
<b>8.2. STATEMENT OF FUNDS</b> .....	15
<b>9. NATIONAL FORFEITURE FUND</b> .....	15
<b>10. DESTINATION ENHANCEMENT FUND</b> .....	16
<b>11. PUBLIC SECTOR EMPLOYEES PENSION FUND (PSEPF)</b> .....	17
<b>12. HUMAN RESOURCE MANAGEMENT</b> .....	17
<b>13. FINANCIAL OUTLOOK</b> .....	17

## KEY HIGHLIGHTS

- **\$143.4 million revenue for the Quarter.** The aggregate revenue collections for Q1 were \$143.4 million against a budget of \$135.2 million.
  
- **\$54.2 million operating surplus.** The operating surplus for the Quarter was \$54.2 million against the forecast of \$21.4 million.
  
- **Increase in the underlying Cash balances.** The closing cash balance at the end of the quarter was \$411.5 million, reflecting an increase of \$44.7 million in underlying cash balances.
  
- **\$9.6 million Capital expenditure during the year to date.** Capital expenditure for the quarter amounted to \$9.6 million, representing a 13% increase compared to the same quarter in the previous year but a 54% underperformance on Budget.



## 1. FOREWORD

The First Quarter of the FY2024-25 Financial Report (Unaudited) summarizes the Government of the Turks and Caicos Islands operational results for April to June 2024.

The preparation and publication of this report represent the Government's continued commitment to transparent reporting of the Turks and Caicos Islands' finances, relevant and timely provision of financial information, and overall accountability and quality of governance for decision-making.

- **Monitoring performance:** The Quarterly financial report provides insights into the Government's financial performance over three months. By reviewing these reports, stakeholders can determine whether the Government is meeting its financial goals and make adjustments to improve performance if necessary.
- **Transparency and accountability:** The Quarterly financial report provides transparency and accountability to stakeholders. This report discloses a Government's financial condition, including its revenues, expenses, net cash flow, and losses (if any). It helps stakeholders make informed decisions about investing or borrowing.
- **Compliance with regulations:** The report has been prepared per the Amended Public Finance Management Ordinance 2014 (Section 36.01), which requires that the Accountant General prepares and submits an unaudited budget report within 28 days after the end of each Quarter.
- **Planning and forecasting:** The Quarterly financial report helps the Government and MDAs to plan and forecast their financial performance for future quarters. By analyzing trends and patterns in the data, MDAs can identify areas for improvement and adjust their strategies accordingly.

This report enables the Government to monitor the usage of public funds and the associated risks and challenges more closely and implement changes. Likewise, the public, financial institutions and other stakeholders can monitor the Government's finances to ensure that financial decisions are made according to prudent financial Management.

The budgetary data are prepared using a cash basis of accounting and guided by International Public Sector Accounting Standards (IPSAS) cash basis. Revenue is recognized when received and not earned; Expenditure is recorded when it is paid rather than when incurred.

**PERIODICITY:** Quarterly (Qtr. 1: April-June 2024)

**TIMELINESS:** Within 28 days after the end of the referenced Quarter as per PFMO section 36(1)

**PUBLICATION:** To be released by the Department website ([www.gov.tc/treasury](http://www.gov.tc/treasury))

## 2. ECONOMIC OVERVIEW

The global economy continues to face inflationary pressures in FY 2024/25 arising from geopolitical tensions in Ukraine and the Middle East.

The International Monetary Fund (IMF), in its April 2024 World Economic Outlook update, reconfirm their projected growth rate of the global economy at a steady 3.2% in both 2024 and 2025. However, this remains below the historical average of 3.8% from 2000 to 2019, primarily due to restrictive monetary policies, the withdrawal of fiscal support, and low underlying productivity growth. Inflation is expected to decline globally, going from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. Advanced economies are expected to reach their inflation targets sooner than developing economies.

According to the World Bank (report published January 2024), the Caribbean region's growth forecast 2024 is 2.3%, which is lower than the pre-pandemic growth levels. The region is expected to see continued, albeit slow, recovery. Key growth drivers include the revitalization of tourism and the development of the “blue economy,” which focuses on the sustainable use of ocean resources. However, the region remains highly vulnerable to natural disasters and climate change, with extreme weather events posing substantial economic stability and development risks. The World Bank emphasizes the need for Caribbean countries to build fiscal and financial resilience, invest in climate adaptation, and enhance disaster preparedness to mitigate these risks. Structural reforms aimed at improving the investment climate, increasing connectivity, and fostering new economic sectors are crucial for sustainable growth and high-productivity jobs<sup>1</sup>.

The economic outlook for the Turks and Caicos Islands (TCI) in 2024 is positive, with strong growth projected despite some global headwinds. S&P Global Ratings revised their TCI economic outlook to positive in April 2024, forecasting continued strong economic performance. Tourism remains the core driver of the TCI economy, accounting for about 65% of GDP. The tourism sector and, by extension, the construction and real estate sectors are showing continued growth. The S&P report also forecasts stable fiscal policy, leading to government surpluses during the forecast horizon. The TCI Statistics Authority expects GDP per capita to increase to \$34,500 in 2024, signifying a healthy economic performance.

## 3. FISCAL OVERVIEW

The Estimates of Revenue and Expenditure for the financial year 2024-25 were approved in the House of Assembly on April 19, 2024, with a focus on implementing strategies, development programs, and projects aimed at creating public value for the people of the Turks and Caicos Islands, as well as achieving social, economic, and environmental progress. The approved Budget includes revenues of \$476.2 million, operating expenditures of \$438.3 million, and capital expenditure estimated at \$60.3 million, resulting in a projected deficit of \$22.4 million.

The Government ended the first Quarter of FY2024-2025 with an operating surplus of \$54.2 million and a cash increase of \$44.7 million, bringing the closing cash balance to \$411.5 million. Revenue for Q1 was 6% higher than the Budget and 33% more than that of a similar period in the prior year. Despite inflationary pressures, the

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<sup>1</sup> Source: <https://www.worldbank.org/en/region/lac/publication/perspectivas-economicas-america-latina-caribe>

Turks & Caicos Islands Government continues to experience continued growth in cash flow and strong employment. This improved economic resilience can be attributed to the high volume of tourist arrivals and continued growth in the construction and real estate market.

### 3.1. FISCAL SUMMARY

The first Quarter recorded an operating surplus of \$54.2 million against a projected surplus of \$21.4 million, a favourable performance of \$32.7 million or 153%. The performance against the Budget is mostly driven by the performance of Hotel Restaurant and Tourism Tax, Work permit fees and Stamp duties on Land Transactions combined with underspending on Hospital Provisional costs, Maintenance expenses and Grants and Contributions.

FISCAL SUMMARY	Quarter 1			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
Recurrent Revenue	143,129	134,365	107,456	8,764	7%	35,673	33%
Non-Recurrent Revenue	278	830	318	(552)	-67%	(41)	-13%
<b>Total Revenue</b>	<b>143,406</b>	<b>135,195</b>	<b>107,774</b>	<b>8,212</b>	<b>6%</b>	<b>35,632</b>	<b>33%</b>
Recurrent Expenditure	86,931	111,138	72,986	(24,207)	-22%	13,945	19%
Non-Recurrent Expenditure	2,321	2,634	2,028	(314)	-12%	292	14%
<b>Total Expenditure</b>	<b>89,252</b>	<b>113,772</b>	<b>75,014</b>	<b>(24,521)</b>	<b>-22%</b>	<b>14,238</b>	<b>19%</b>
<b>Operating Surplus</b>	<b>54,155</b>	<b>21,422</b>	<b>32,760</b>	<b>32,732</b>	<b>153%</b>	<b>21,395</b>	<b>65%</b>

### 3.2. CASH FLOW

The underlying cash balance increased by \$44.7 million during the Quarter. This increased TCIG's cash and cash equivalents from \$366.8 million on March 31, 2024 to \$411.6 million on June 30, 2024. Cash balances comprise cash at the bank, short-term fixed deposits and cash-in-transit.

	Quarter 1			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
<b>Cash Flow from Operations</b>	<b>54,155</b>	<b>21,422</b>	<b>32,760</b>	<b>32,732</b>	<b>153%</b>	<b>21,395</b>	<b>65%</b>
<b>Less:</b>							
Development Fund Expenditure	(9,560)	(20,912)	(8,449)	11,352	-54%	(1,111)	13%
Debt Repayments	(100)		(66)	(100)	0%	(34)	0%
Net receipts/(payments) of public accounts	179		2,768	179	0%	2,589	94%
<b>Net Cash Flow</b>	<b>44,674</b>	<b>511</b>	<b>27,013</b>	<b>44,164</b>	<b>8648%</b>	<b>17,661</b>	<b>65%</b>
Opening cash balance	366,782		289,337				
<b>Closing cash balance</b>	<b>411,456</b>		<b>316,350</b>				
<b>Attributable to:</b>							
Consolidated Fund	216,753						
Development Fund	107,553						
Destination Enhancement Fund	237						
National Forfeiture Fund	7,659						
National Wealth Fund	79,254						
<b>Closing cash balance</b>	<b>411,456</b>						

## 4. REVENUE

### 4.1. REVENUE BY ECONOMIC CLASSIFICATION

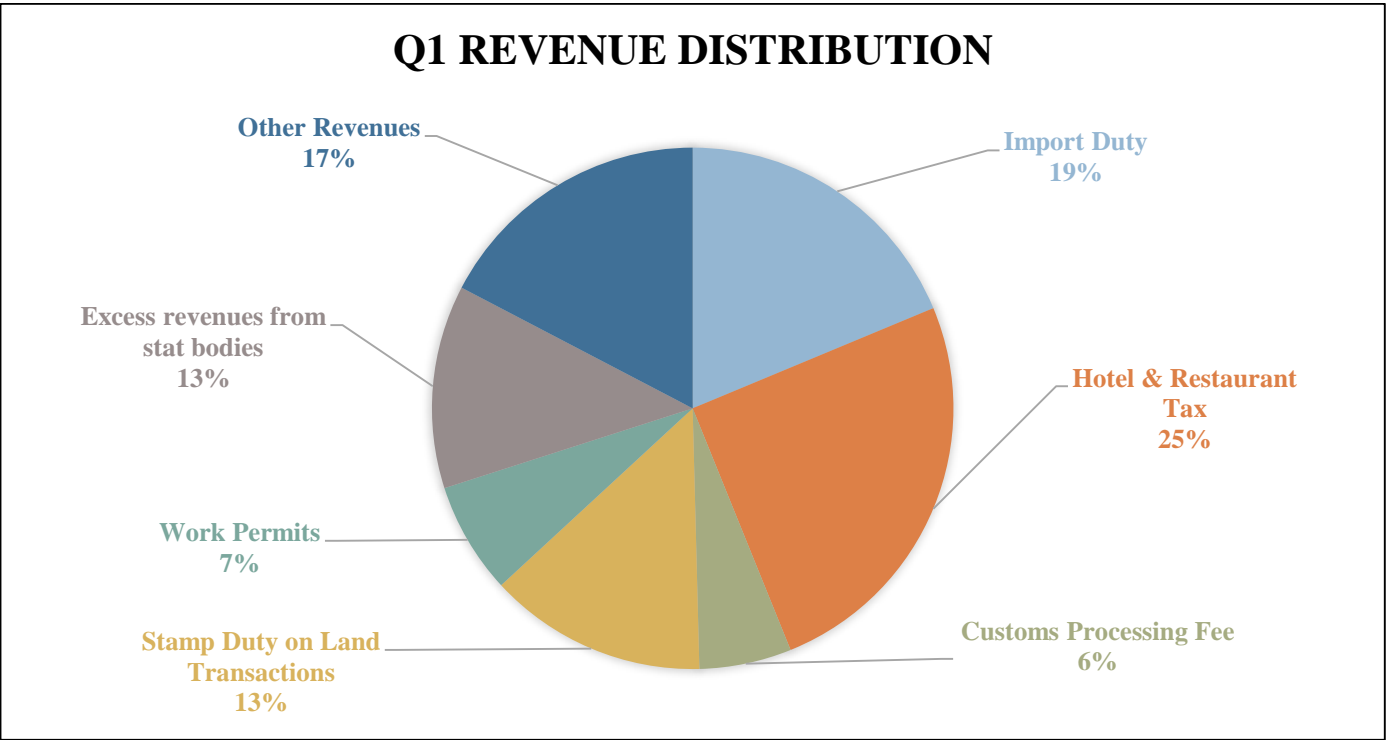
#### 4.1.1. RECURRENT REVENUE

**Q1 2024: \$143.1 million**

	Quarter 1			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
<b>Recurrent Revenues</b>							
Import Duty	26,795	28,210	25,514	(1,415)	-5%	1,281	5%
Hotel & Restaurant Tax	35,998	33,640	29,136	2,358	7%	6,862	24%
Customs Processing Fee	8,183	8,740	7,907	(557)	-6%	277	3%
Stamp Duty on Land Transactions	19,383	12,694	13,076	6,690	53%	6,307	48%
Work Permits	9,900	7,657	7,616	2,243	29%	2,284	30%
Excess revenues from stat bodies	18,052	21,510	4,838	(3,458)	-16%	13,213	273%
Other Revenues	24,818	21,914	19,369	2,903	13%	5,449	28%
<b>Total Recurrent Revenue</b>	<b>143,129</b>	<b>134,365</b>	<b>107,456</b>	<b>8,764</b>	<b>7%</b>	<b>35,673</b>	<b>33%</b>

In Q1, the recurrent Revenue totaled \$143.1 million, exceeding the Budget by \$8.7 million (7%) and surpassing the prior year's collections by \$35.7 million (33%). The over performance of Hotel and Restaurant Taxes, Work permit fees and Stamp Duty on Land Transaction contributed to this result. The five main revenue lines accounted for 77% of the total recurrent Revenue.

The chart below shows the percentage distribution of recurrent Revenue for the period.



**Hotel, Restaurant and Tourism Tax (HRTT)** accounted for the largest share (25%) of the total recurrent Revenue collected during the Quarter. Tourism activities have increased the current tourist season, with an uptick in arrivals and overnight stays. HRTT collections amounted to \$36 million which was \$2.4 million or 7% higher than the estimated amount and \$6.9 million or 24% higher than the previous year.

**Stamp duty on land transactions** is collected based on the value of a transaction, and payments generally fall due within 30 days of the execution of an instrument. Accordingly, the rate of Stamp Duty collected in any given period is, in aggregate, a product of the volume and frequency of the property transactions within that period. Stamp Duty collected during the Quarter totalled \$19.4 million. The collections were \$6.7 million or 53% higher than the Estimates and \$6.3 million or 48% higher than the prior year period. During the Quarter, there were 210 transactions which attracted a stamp duty. Of these, four transactions had a consideration over \$5 million, 30 transactions between \$1 - \$5 million and the rest had a value of less than \$1 million. It is important to note that land transactions do not follow a cyclical pattern, and historical data may not accurately predict future revenue trends. Land transactions may be influenced by the BOTC Stamp Duty Rate Reduction Policy which in turn would have a favorable effect on stamp duty collections. Current factors affecting the Stamp duty from Land Transactions include booms and busts in the real estate market and implementing the BOTC Stamp Duty Rate Reduction Policy. A transfer with a consideration band that would normally attract a Stamp Duty rate of 10% may be reduced to 6% under the policy.

**Import duties** accounted for the third largest share of the revenue collected, making up 19% of the total. During the Quarter, import duty collections reached \$26.8 million, which was \$1.4 million or 5% less than the estimates and exceeded the previous year's results by \$1.3 million or 5%. According to reports released by the Department of Trade, the trade value of imports has steadily increased, with the primary import items being food, machinery and transport equipment, and fuel. The underperformance against the Budget is attributed to delays in adjusting the FY2024-25 approved fuel tax rates within Asycuda in Q1, which led some taxpayers to withhold all their tax

payments (import duty, fuel tax, and CPF). It is expected that these arrears will be paid in Q2 once the system issues are rectified.

**Customs Processing Fees (CPF)** for the Quarter amounted to \$8.2 million, which was \$0.6 million or 6% lower than the Estimates and \$0.2 million or 3% more than the prior year's results. The underperformance of customs processing fees is in line with the performance of import duties as the two are correlated.

**Work Permit fees** were \$9.9 million for the Quarter, accounting for 7% of the total recurrent Revenue. This was \$2.2 million or 29% ahead of the Estimates and \$2.3 million or 30% more than the collections in the prior year. Work permit Revenue collection increased as most work permit holders are employed in the tourism and hospitality sector, and hiring would have increased with increased business activity.

**Excess Revenue from Statutory Bodies** totaled \$18.1 million during the Quarter. This was \$3.5 million or 16% below the Budget and \$13 million or 273% higher than the prior year results. The underperformance against Budget was attributed to expected remittances from TCI Community College that did not materialise, and underperformance by the Financial Services Commission.

#### 4.1.2. OTHER RECURRENT REVENUE

	Quarter 1			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
Seaport Departure Tax	2,538	2,084	1,934	455	22%	604	31%
Destination Management Fees	155	1,460	-	(1,305)	(89%)	155	-
Business License renewal	2,126	2,211	2,132	(85)	(4%)	(5)	(0%)
Communication Tax	1,513	1,470	1,424	42	3%	88	6%
Gaming Machine Tax	1,438	1,358	1,256	80	6%	182	14%
Telecommunication Licenses	1,127	890	934	237	27%	193	21%
Fuel Tax	1,973	1,746	1,997	227	13%	(24)	(1%)
Vehicle License Renewals	1,015	1,022	824	(7)	(1%)	191	23%
Permanent Residency Fees	1,333	859	848	474	55%	485	57%
Insurance Premiums tax	733	597	447	136	23%	286	64%
Stamp duty - vehicle hire	813	647	701	166	26%	112	16%
Stamp duty Miscellaneous	668	78	325	590	756%	343	105%
PDA application fees	706	430	322	276	64%	384	119%
Work Permits Repatriation Program	1,091	755	752	336	45%	339	45%
Other Revenues	7,591	6,309	5,474	1,282	20%	2,117	39%
<b>TOTAL OTHER REVENUE</b>	<b>24,818</b>	<b>21,914</b>	<b>19,369</b>	<b>2,903</b>	<b>13%</b>	<b>5,449</b>	<b>28%</b>

Other recurrent revenues totaled \$24.8 million for the Quarter which was \$2.9 million or 13% higher than Estimates and \$5.4 million or 28% higher than the prior year. The over performance was mainly driven by Seaport departure tax, Permanent residency fees and Stamp duty on share transfers off set by underperformance of Destination Management fees due to delayed collection of these fees by TCI Airports Authority from the airlines.

### 4.1.3. NON-RECURRENT REVENUE

	Quarter 1			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
<b>Non- Recurrent Revenues</b>							
Land Sales	271	376	310	(105)	-28%	(39)	-13%
Revenue From Grants	7	455	9	(448)	-98%	(2)	-21%
	<b>278</b>	<b>830</b>	<b>318</b>	<b>(552)</b>	<b>-67%</b>	<b>(41)</b>	<b>-13%</b>

Non-recurrent Revenue collected during the Quarter totaled \$0.3 million relating to Land sales. This was 67% lower than Estimates and 13% lower than the prior year. The underperformance is attributed to delayed remittance of Grants for the RESEMBID project due to slow project execution.

## 5. EXPENDITURE

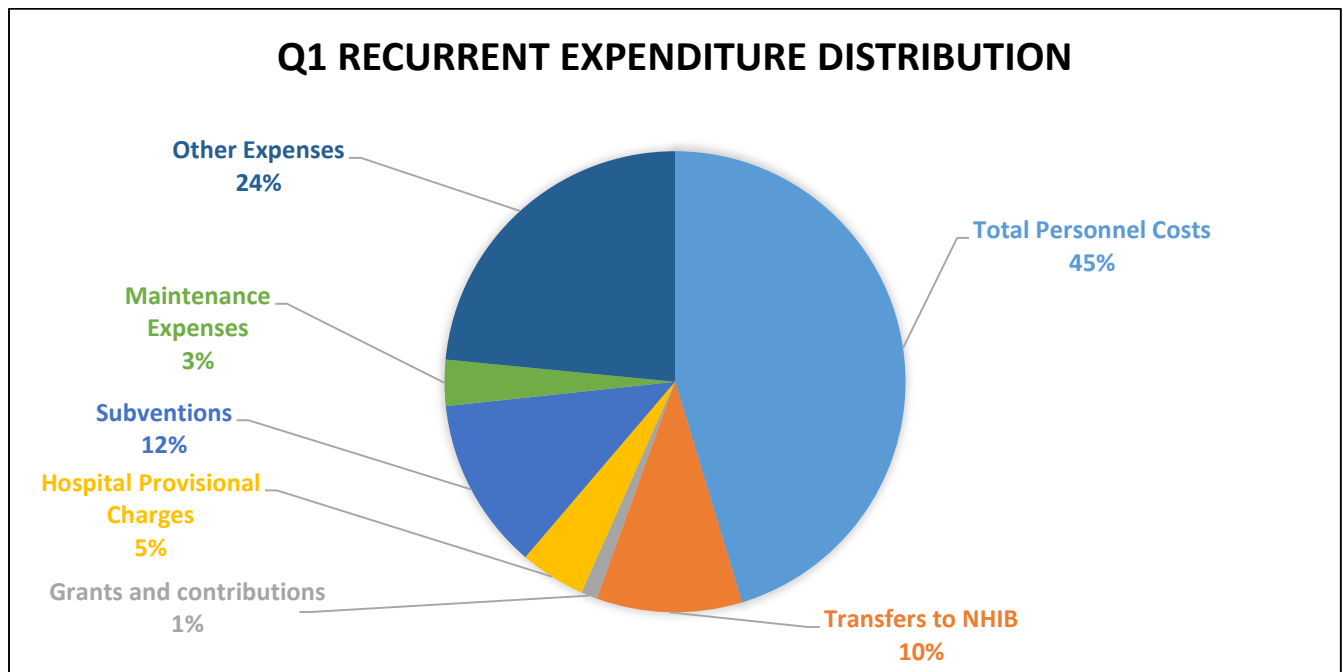
### 5.1. EXPENDITURE BY ECONOMIC CLASSIFICATION

#### 5.1.1. RECURRENT EXPENDITURE

**Recurrent Expenditure: Q1: \$86.9 million**

	Quarter 1			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
<b>Recurrent Expenditure</b>							
Total Personnel Costs	39,380	39,580	29,939	(200)	-1%	9,442	32%
Transfers to NHIB	8,873	8,873	8,873	(0)	0%	(0)	0%
Grants and contributions	984	4,108	975	(3,899)	-80%	9	1%
Hospital Provisional Charges	4,001	7,472	7,472	(3,470)	-46%	(3,470)	-46%
Subventions	10,492	8,490	7,909	2,002	24%	2,584	33%
Maintenance Expenses	2,806	7,158	2,532	(4,352)	-61%	274	11%
Other Expenses	20,394	35,457	15,286	(15,063)	-42%	5,108	33%
<b>Total Recurrent Expenditure</b>	<b>86,931</b>	<b>111,138</b>	<b>72,986</b>	<b>(24,207)</b>	<b>-22%</b>	<b>13,945</b>	<b>19%</b>

Recurrent expenditure for Q1 totaled \$86.9 million. The results were \$24.2 million or 22% lower than the Estimates and \$13.9 million or 19% higher than the same period in the prior year. Overall, the underperformance against the Budget in the first Quarter is due to underspends, mainly in April, when the system was closed for year-end procedures and budget uploads. It is expected that the variance will reduce as the financial year progresses and MDAs accelerate the execution of the key programs. The increase on prior year expenditure is attributed to increase in salaries resulting from the December 2023 pay and grading exercise. Recurrent expenditure distribution is shown in the chart below



**Personnel Costs** accounted for 45% of the recurrent expenditure, totaling \$39.4 million in Quarter 1. This was lower than the Estimates by \$0.2 million or 1%. Compared to the prior year, the Personnel costs were \$9.4 million or 32% higher. The performance against the prior year is mainly attributed to the pay grade adjustments implemented in December 2023. The performance against budget results from existing vacancies that are yet to be filled throughout the civil service, offset by overspend on Overtime costs for border force and police. Personnel costs are further itemized below.

	Quarter 1			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
<b>Compensation of employees</b>							
Salaries and Wages	29,338	29,454	20,961	(116)	0%	8,377	40%
Contribution to NIB and NHIB	2,526	2,366	1,904	160	7%	622	33%
Housing Allowances	1,489	1,675	1,375	(187)	-11%	114	8%
Transport Allowances	265	434	260	(170)	-39%	5	2%
Telephone Allowances	283	337	265	(55)	-16%	18	7%
Other Allowances	1,209	1,357	1,892	(148)	-11%	(683)	-36%
<b>Total compensation of employees</b>	<b>35,109</b>	<b>35,624</b>	<b>26,657</b>	<b>(515)</b>	<b>-1%</b>	<b>8,452</b>	<b>32%</b>
<b>Compensation to Members of the House of Assembly</b>							
Salaries - Ministers and Members	666	626	468	39	6%	198	42%
Contribution to NIB and NHIB for Ministers and Members	25	34	24	(9)	-26%	1	5%
Allowances for Ministers and Members	138	139	138	(1)	-1%	1	0%
<b>Total compensation of members of the House of Assembly</b>	<b>830</b>	<b>800</b>	<b>630</b>	<b>30</b>	<b>4%</b>	<b>200</b>	<b>32%</b>
<b>Pensions and gratuities</b>							
Pensions (PSPP)	1,391	1,058	1,130	333	31%	261	23%
Employer's Pension Contribution (PSEPF)	801	900	604	(99)	-11%	197	33%
Gratuities	805	631	508	174	28%	297	58%
Pensions - Legislators (RAP)	445	445	411	-	0%	34	8%
Gratuities - Legislators	-	123	-	(123)	-	-	-
<b>Total pensions and gratuities</b>	<b>3,442</b>	<b>3,156</b>	<b>2,652</b>	<b>286</b>	<b>9%</b>	<b>790</b>	<b>30%</b>
<b>Total Wages, Salaries and Employee benefits</b>	<b>39,380</b>	<b>39,580</b>	<b>29,939</b>	<b>(200)</b>	<b>-1%</b>	<b>9,442</b>	<b>32%</b>

PSPP-Public Service Pension Plan

RAP- Retiring Allowance Plan

PSEPF- Public Sector Employees Pension Fund

**Subventions to statutory bodies** for the Quarter amounted to \$10.5 million. This figure exceeded the Budget by \$2 million, or 24%. It was \$2.6 million, or 33%, higher than the expenditure for the same period last year. The overspending occurred because the TCI Sports Commission received its Q2 subvention in June 2024.

**NHIB transfers** during Q1 amounted to \$8.9 million. This made up 10% of the total recurrent expenditure. The result aligned with the previous year's Budget and similar Quarter.

**Hospital Provisional Charges** for Q1 amounted to \$4 million. The result was \$3.5 million or 46% below the Estimates and 46% lower than the prior year's performance. The underspend is due to delays in making payments to Interhealth Canada due to ongoing arbitration and reconciliations.

### 5.1.2. OTHER RECURRENT EXPENDITURE

**Other Recurrent Expenditure: Q1: 20.4 million**

	Quarter 1			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
Rental of assets	1,668	1,963	1,637	(296)	-15%	31	2%
Social welfare	2,186	3,477	1,918	(1,291)	-37%	267	14%
Professional and Consultancy Services	2,723	4,819	2,050	(2,096)	-44%	672	33%
Recurrent Sub Programmes and Projects	1,745	4,999	635	(3,254)	-65%	1,109	175%
Utilities	1,141	1,473	1,110	(332)	-23%	31	3%
Security expenses	519	993	560	(475)	-48%	(41)	-7%
Local Travel and Subsistence	974	1,346	1,063	(372)	-28%	(89)	-8%
International Travel and Subsistence	496	1,089	564	(592)	-54%	(67)	-12%
Communication Expenses	514	771	600	(257)	-33%	(86)	-14%
Bank charges	370	366	377	4	1%	(7)	-2%
Data Communication cost	577	440	219	136	31%	357	163%
Insurance Expenses	1,916	2,030	0	(114)	-6%	1,916	0%
Hosting and Entertainment	419	699	389	(280)	-40%	30	8%
Repatriation and exportation expenses	1,278	1,807	1,056	(529)	-29%	222	21%
Other supplies, material & Equipment	375	1,427	356	(1,052)	-74%	19	5%
Fuel	342	393	357	(51)	-13%	(15)	-4%
Other Recurrent Expenditure	3,153	6,592	2,393	(3,439)	-52%	760	32%
<b>TOTAL OTHER RECURRENT EXPENDITURE</b>	<b>20,394</b>	<b>34,682</b>	<b>15,286</b>	<b>(14,288)</b>	<b>-41%</b>	<b>5,108</b>	<b>33%</b>

In the first Quarter, Other recurrent expenses totaled \$20.4 million which was \$15.1 million or 42% below the Estimates and \$5.1 million or 33% higher than the prior year. The general performance against Budget was mainly due to timing differences between budget profiling and actual program execution. These timing differences are expected to even out as the financial year progresses.

### 5.1.3. NON RECURRENT EXPENDITURE

Non-Recurrent Expenditure results for Q1 totaled \$2.3 million. This was \$0.3 million or 12% lower than Estimates and \$0.3 million or 14% more than the same period in the prior year. Non Recurrent Expenditure in the Quarter is mainly attributed to Compulsory land acquisition of \$1.2 million

## 6. OUTSTANDING PUBLIC DEBT

Statement of Outstanding Public Debt	Interest Rates	Outstanding Balance 01-Apr-24 US\$'000	New Drawdowns 2023/24	Principal Repayment During 2024/25 US\$'000	Outstanding Balance 30-Jun-24 US\$'000
<b>Financial Liabilities - Borrowings</b>	<b>%</b>				
Further Education (04/SFR-OR-TCI)	2.5%	370		(22)	348
Climate Resilient Coastal Protection and Management (4/OR-TCI)	4.90%	112		(56)	56
Integrated Solid Waste Management (5/OR-TCI)	4.90%	218	48	(22)	244
<b>Total unsecured debts</b>		<b>700</b>	<b>48</b>	<b>(100)</b>	<b>648</b>
<b>Total outstanding public debts</b>		<b>700</b>	<b>48</b>	<b>(100)</b>	<b>648</b>

TCIG holds three debt instruments with the Caribbean Development Bank (CDB). The outstanding debt as of June 30, 2024 was \$0.6 million. \$100k principal repayments have been made for the year to date. New drawdowns of \$48k were made on the loan facilities. \$7k finance costs and commitment fees were paid year to date.

## 7. DEVELOPMENT FUND

### 7.1. DEVELOPMENT FUND ANALYSIS

The development fund balance as of June 30, 2024, was \$107.6 million, and the Capital expenditure year to date is \$9.6 million. The movement in the fund balance is as shown below.

<b>Closing 31/03/2023</b>	<b>44,362,438</b>
Awards and commitments	40,424,321
Completed projects - savings returned to CF	(362,840)
CAPEX 2023/24	(27,647,097)
<b>As at March 31 2024</b>	<b>56,776,821</b>
Appropriation for FY 2024-25	60,336,000
Capex YTD	(9,559,935)
<b>As at June 30 2024</b>	<b>107,552,886</b>

### 7.2. TOP TEN CAPITAL PROJECTS BY EXPENDITURE AMOUNT

Project number	Project name	Amount
5561	South Dock Port Redevelopment	6,280,165.83
5788	Ambulances for Islands	818,033.08
5566	Construction of New Primary School PLS- Phase 2	393,509.64
5610	Grand Turk Sports Complex and Shelter	335,139.43
5741	Land Registry Digitalization Project	229,633.00
5683	Remediation Works to Ponds and Bridges	202,500.00
5762	Back-up Generators including Housing	161,462.32
5678	Installation of an additional 1-million gallon tank	157,234.20
5838	Equipment for Electoral Office	113,834.50
5624	Prison Works	110,500.33

## 8. NATIONAL WEALTH FUND

Transfers to the National Wealth Fund during the year are made as per the Section 9 (1(a)) of the National Wealth Fund Ordinance, which requires that where in any financial year, if the actual Revenue exceeds the estimated Revenue by 5% but is less than 20%, then 50% of the excess of the Revenue for that financial year shall be withdrawn from the Consolidated Fund and deposited to the National Wealth Fund. Transfers totaling \$20.7m has been computed based on the actual results of FY 2023/24. Actual transfers will be effected once the financial statements have been audited.

### 8.1. STATEMENT OF ACCOUNT

As of June 30, 2024, the National Wealth Fund balance was \$79.3 million.

FY 2023-24 results (in US\$' '000)				Transfer of (50%) excess revenue (US\$' 000)	Opening NWF 01/04/2024 (US\$' 000)	Interest income (US\$' 000)	Closing NWF 30/06/2024 (US\$' 000)
Actual revenue	Estimates	Excess	%				
456,863	415,380	41,483	10%	20,742	58,376	137	79,255

### 8.2. STATEMENT OF FUNDS

The value of the National Wealth fund is attributable to;

(All figures in US\$'000)	30-Jun-24 US\$'000	31-Mar-24 US\$'000
Stabilization Fund	45,678	31,063
Infrastructure and Competitiveness Fund	13,051	8,875
Heritage Fund	6,311	4,432
Citizen's Empowerment Fund	7,110	7,006
Mortgage Corporation Fund	7,105	7,000
<b>National Wealth Fund balance at the end of the period</b>	<b>79,255</b>	<b>58,376</b>

Fixed deposit totaling \$51.8 million is currently held by the National Wealth Fund with an interest rate of 3.1% per annum. The short-term deposit can be recalled at a month's notice when liquidity is required. During the Quarter, the Fund paid \$184k as a deposit on an investment property.

## 9. NATIONAL FORFEITURE FUND

The National Forfeiture Fund (NFF) has a balance of \$7.7 million as of June 30, 2024. During the year, the NFF received additional funding from the Consolidated Fund through appropriation. This was intended to fund the operational Budget of the Anti-Money Laundering Committee. Movement in the Fund is shown below.

(All figures in US\$'000)	30-Jun-24 US\$'000	31-Mar-24 US\$'000
<b>Opening Balance</b>	<b>6,832</b>	7,184
<b>Receipts</b>		
Transfers from Consolidated Fund	920	663
Other receipts	10	572
<b>Total receipts</b>	<b>930</b>	<b>1,235</b>
<b>Payments</b>		
Other payments	103	1,587
<b>Total payments</b>	<b>103</b>	<b>1,587</b>
<b>Net increase in National Forfeiture Fund balance</b>	<b>827</b>	<b>(352)</b>
<b>National Forfeiture Fund balance at the end of the period</b>	<b>7,659</b>	<b>6,832</b>

## 10. DESTINATION ENHANCEMENT FUND

Section 12 of the Destination Management Fee Ordinance stipulates the establishment of the Destination Enhancement Fund under the administration and control of the Permanent Secretary of Finance. All fees collected by carriers (Destination Management Fees) are to be deposited into the Fund. The Fund is intended for the following purposes: the protection and preservation of the natural, rural, agricultural, and marine environments; the promotion of sustainable tourism; the maintenance of historical and cultural heritage sites; tourism education and training of tourism businesses; the maintenance and development of tourist sites and other tourism-related activities throughout the Islands; and the marketing of the Islands as a premier tourist destination.

The Destination Enhancement Fund balance as at June 30, 2024, is shown below;

(All figures in US\$'000)	30-Jun-24	31-Mar-24
<b>Opening Balance</b>	<b>1,164</b>	-
<b>Receipts</b>		
Destination management fees	155	1,164
<b>Total receipts</b>	<b>1,319</b>	<b>1,164</b>
<b>Payments</b>		
Subvention to the Experience TCI	(1,082)	-
Other payments	-	-
<b>Total payments</b>	<b>(1,082)</b>	-
<b>Destination Enhancement Fund balance at the end of the period</b>	<b>237</b>	-

As of June 30, the outstanding amount due from TCI Airports Authority into the Destination Enhancement Fund stood at \$4.2 million.

