



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



**FINANCIAL REPORT**  
**For the First Quarter of**  
**FY2025/2026**  
**(1 April 2025 to 30 June 2025)**



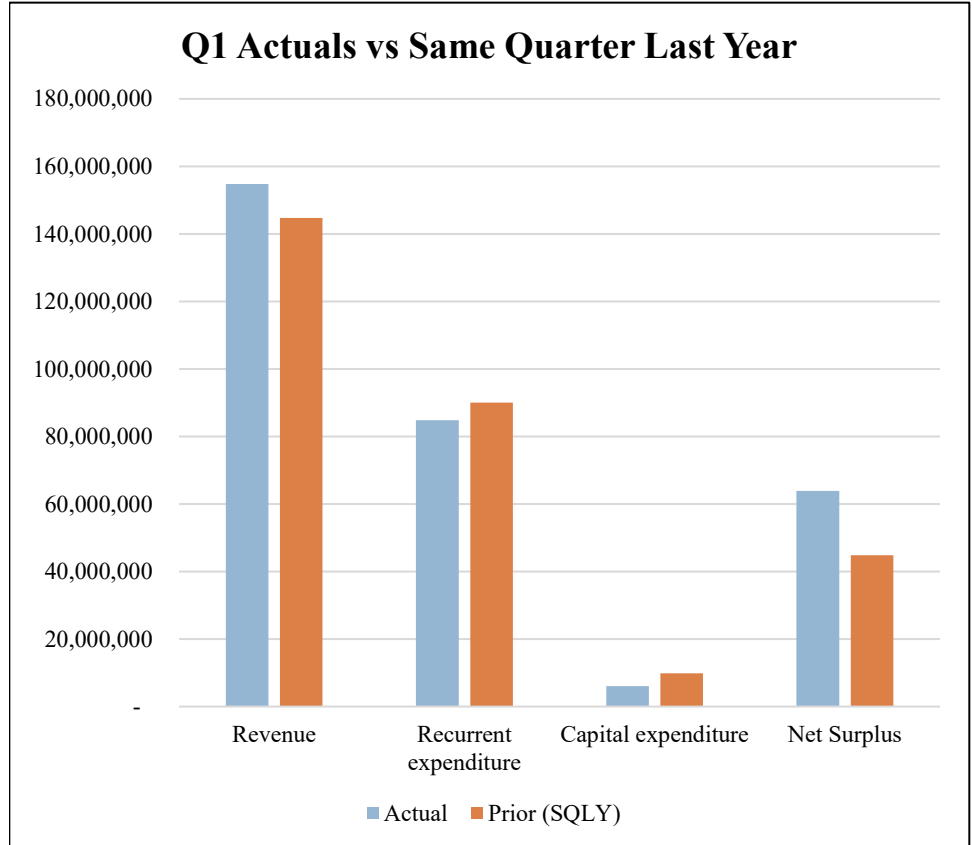
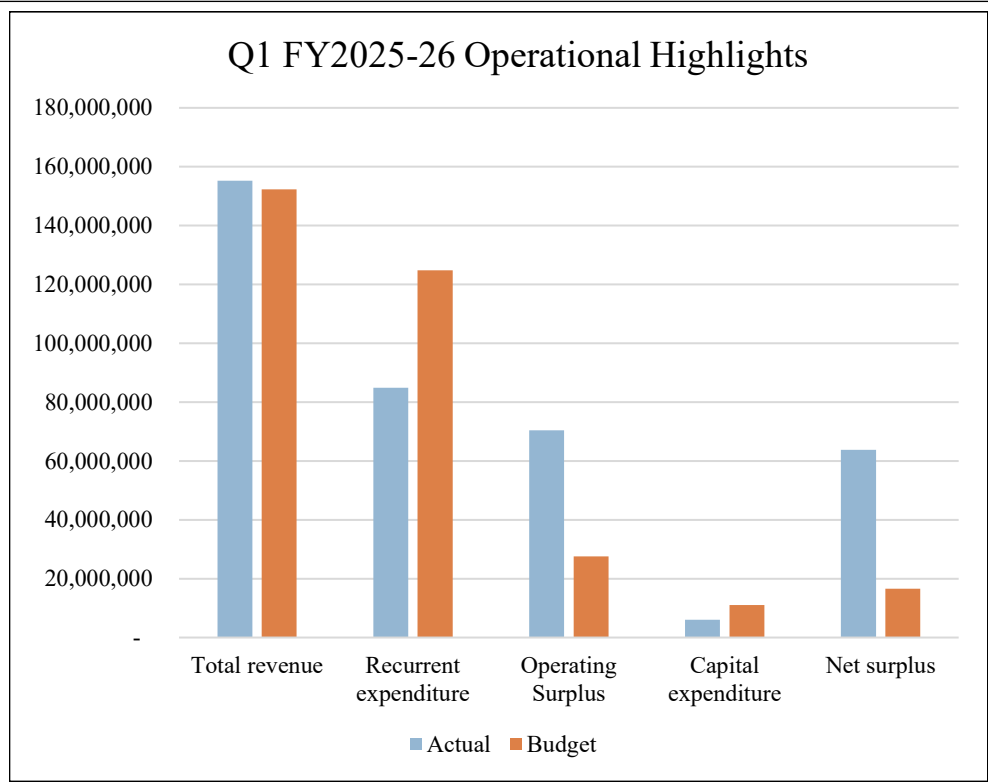
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## KEY HIGHLIGHTS

- **\$155.3 million revenue for the Quarter.** The aggregate revenue collections for Q1 were \$155.3 million against a budget of \$152.3 million.
- **\$84.8 million expenditure for the Quarter.** The total expenditure for Q1 was \$84.8 million compared to the budget of \$124.8 million.
- **\$6.1 million Capital expenditure during the Quarter.** Capital expenditure for the Quarter amounted to \$6.1 million, representing a 38% decrease compared to the same Quarter in the previous year and 45% underperformance on Budget.
- **\$70.4 million operating surplus.** The operating surplus for the Quarter was \$70.4 million against the forecast surplus of \$27.6 million.
- **Increase in the underlying Cash balances.** The underlying cash balance at the end of the Quarter showed an increase of \$63.8 million resulting in a closing cash balance of \$430.7 million.



## 1. FOREWORD

The First Quarter of the FY2025-26 Financial Report (Unaudited) summarizes the Government of the Turks and Caicos Islands operational results for April to June 2025.

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 2025)  
**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 local economy, like much of the global economy, continues to face inflationary pressures in FY 2025/26 arising from geopolitical tensions in Ukraine and the Middle East and trade tensions that have resulted in higher cost of goods.

In its April 2025 World Economic Outlook, the IMF downgraded global GDP growth to 2.8%, citing escalating trade tensions, particularly between the U.S. and China and heightened policy uncertainty. The U.S. growth forecast was sharply revised downward from 2.7% to 1.8%, while China's was cut from 4.6% to 4.0%, reflecting the impact of tariffs and domestic challenges. Global trade is now expected to grow by just 1.7%. The World Economic Forum noted that elevated uncertainty and weakening momentum are contributing to a more fragile global economic environment. Inflation is generally expected to decline, though some countries may experience upward revisions.

In 2025, the Caribbean region is projected to experience modest economic growth, with GDP expected to rise by approximately 2.5%. This growth is anticipated to be driven by improvements in private consumption, more accommodative monetary policies, and enhanced export performance. However, the region remains susceptible to numerous challenges, including high public debt, dependency on tourism, inflation, high dependence on fossil fuels for energy, migration of skilled labour (brain drain), income and wealth disparities, supply chain disruptions, and narrow tax bases. The freeze on U.S. foreign aid also has significant implications, prompting Caribbean nations to seek self-reliance and alternative funding sources. Additionally, the region faces a substantial sustainable financing gap, estimated at \$99 billion annually. These challenges pose significant risks to economic stability and development. The World Bank emphasises the need for Caribbean countries to build fiscal and financial resilience by leveraging digital technologies to improve governance (digital transformation), investing in green energy (transition to renewable energy resources), and enhancing disaster preparedness to mitigate these risks. Structural reforms to enhance the investment climate, increase connectivity, and foster new economic sectors are crucial for sustainable growth and high-productivity jobs.<sup>1</sup>

Real GDP for 2024 is \$1.7 billion (Statistics Authority 2025). The economy is poised for continued growth in 2025, with nominal GDP projected to increase by 4.5% and per capita GDP expected to surpass \$35,000. A strong performance in tourism, real estate, and construction drives this growth. Key contributors include private and public investments in infrastructure, digitalisation, and large-scale commercial and residential developments, along with expanded hotel room inventory and rising demand for short-term rentals. While inflation is expected to stabilise between 2.5% and 3.0%, external factors such as geopolitical conflicts and supply chain disruptions pose risks, with high costs for fuel, housing, and essentials continuing to challenge residents. The TCI economy is highly exposed to imported inflation due to ongoing global trade instability.

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<sup>1</sup> <https://caribbean.un.org/en/287093-caribbean-economic-growth-hold-steady-2025-challenges-remain>

### 3. FISCAL OVERVIEW

The Estimates of Revenue and Expenditure for the financial year 2025-26 were approved in the House of Assembly on May 27, 2025, with a focus on implementing strategies, development programs, and projects aimed at the well-being of the people of the Turks and Caicos Islands, as well as achieving social, economic, and environmental progress. The approved Budget includes revenues of \$549.4 million, operating expenditures of \$480.2 million, and capital expenditure estimated at \$59.7 million, resulting in a projected surplus of \$9.5 million.

The Government ended Q1 of FY2025-2026 with an operating surplus of \$70 million and a net cash increase of \$61 million, bringing the total cash balance to \$428.3 million. Revenue for the Quarter was 4% higher than Budget and 7% more than that of a similar period in the prior year. Despite ongoing inflationary pressures, the Turks and Caicos Islands Government continues to experience strong cash flow and robust employment levels, driven primarily by continued growth in the tourism and real estate sectors. These key industries continue to support strong performance in major revenue categories, including Hotel, Restaurant and Tourism Taxes, Import Duties, and Stamp Duty from land transactions.

#### 3.1. FISCAL SUMMARY

The first quarter recorded an operating surplus of \$70.4 million, significantly exceeding the projected surplus of \$27.6 million, representing a favourable variance of \$42.8 million, or 155%. This strong performance relative to budget is primarily attributed to higher-than-estimated revenue collections from Statutory Bodies, alongside notable underspending in several areas including Hospital Provisional Charges, Transfers to NHIB, Grants and Contributions, Subventions, Maintenance, and Other Operating Expenses which was largely due to the late passage of the budget, which delayed the commencement of several planned expenditures.

	Q1-2025			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
Recurrent Revenue	154,389	150,105	144,466	4,284	3%	9,923	7%
Non-Recurrent Revenue	870	2,225	278	(1,355)	-61%	592	213%
<b>Total Revenue</b>	<b>155,259</b>	<b>152,330</b>	<b>144,743</b>	<b>2,929</b>	<b>2%</b>	<b>10,515</b>	<b>7%</b>
Recurrent Expenditure	84,460	121,546	87,593	(37,086)	-31%	(3,134)	-4%
Non-Recurrent Expenditure	388	3,208	2,493	(2,820)	-88%	(2,105)	-84%
<b>Total Expenditure</b>	<b>84,848</b>	<b>124,754</b>	<b>90,087</b>	<b>(39,907)</b>	<b>-32%</b>	<b>(5,239)</b>	<b>-6%</b>
<b>Net Operating Surplus/Deficit</b>	<b>70,411</b>	<b>27,576</b>	<b>54,657</b>	<b>42,835</b>	<b>155%</b>	<b>15,754</b>	<b>29%</b>

#### 3.2. CASH FLOW

For the first Quarter, the underlying cash balance increased by \$63.8 million, rising from \$366.9 million at the end of March 2025 to \$430.7 million as of June 30, 2025. This balance encompasses cash at the bank and short-term fixed deposits.

	Actual	Budget	Prior Year	Budget		Prior Year	
	\$ 000's	\$ 000's	\$ 000's	\$ 000's	%	\$ 000's	%
<b>Cash Flow from Operations</b>	<b>70,411</b>	<b>27,576</b>	<b>54,657</b>	<b>42,835</b>	<b>155%</b>	<b>15,754</b>	<b>29%</b>
<b>Less:</b>							
Development Fund Expenditure	(6,052)	(11,000)	(9,820)	4,948	-45%	3,768	-38%
Debt Repayments	(136)	-	(100)	(136)	0%	(36)	0%
Net receipts/(payments)	(419)	-	(62)	(419)	0%	357	-576%
<b>Net Cash Flow</b>	<b>63,804</b>	<b>16,576</b>	<b>44,674</b>	<b>47,228</b>	<b>285%</b>	<b>19,129</b>	<b>43%</b>

	Actual \$ 000's	Budget \$ 000's	Prior Year \$ 000's	Budget \$ 000's	Prior Year \$ 000's
				%	%
Opening cash balance	366,910		366,782		
<b>Closing cash balance</b>	<b>430,714</b>		<b>411,456</b>		
<b>Attributable to:</b>					
Consolidated Fund	232,382				
Development Fund	98,890				
National Forfeiture Fund	3,764				
National Wealth Fund	94,253				
Destination Enhancement Fund	1,425				
<b>Closing cash balance</b>	<b>430,714</b>				

## 4. REVENUE

### 4.1. REVENUE BY ECONOMIC CLASSIFICATION

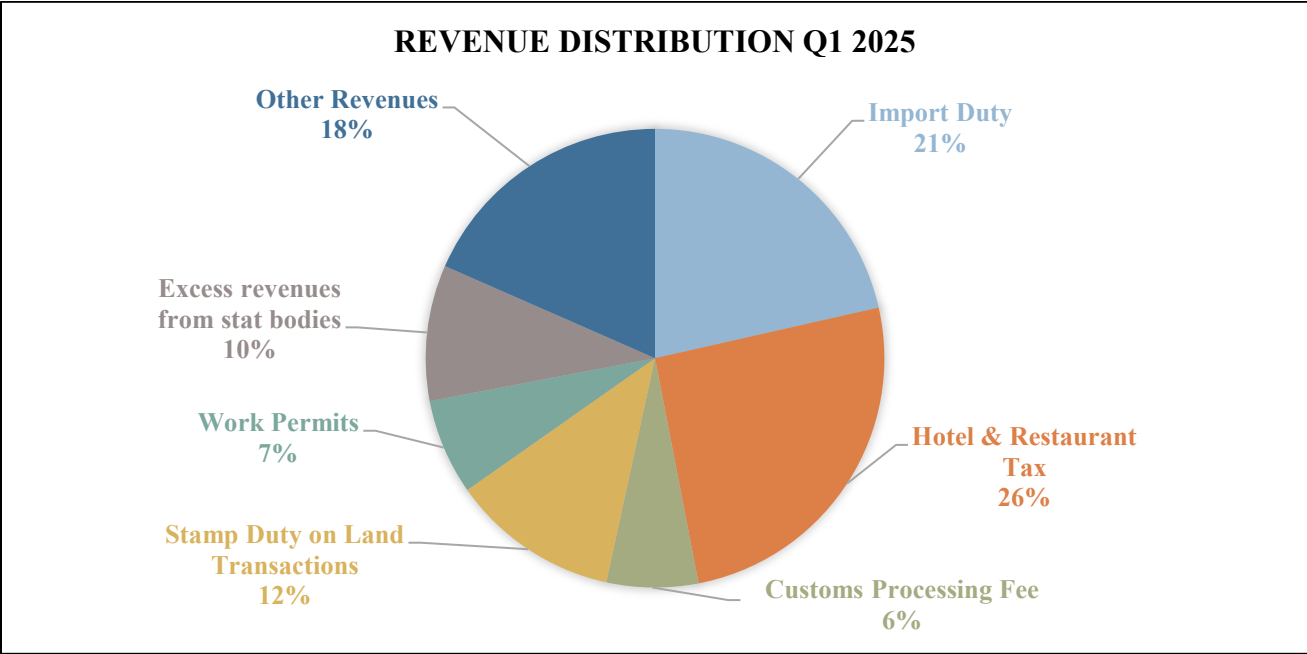
#### 4.1.1. RECURRENT REVENUE

*Q1 2025: \$154.4 million*

	Q1 - 2025			Variances			
	Actual	Budget	Prior	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
<b>Recurrent Revenues</b>							
Import Duty	31,998	32,945	26,553	(948)	-3%	5,445	21%
Hotel & Restaurant Tax	40,929	44,152	38,018	(3,223)	-7%	2,911	8%
Customs Processing Fee	9,933	9,455	8,148	479	5%	1,785	22%
Stamp Duty on Land Transactions	18,216	20,060	19,383	(1,843)	-9%	(1,167)	-6%
Work Permits	10,296	10,316	9,864	(21)	0%	432	4%
Excess revenues from stat bodies	14,745	5,394	18,056	9,352	173%	(3,311)	-18%
Other Revenues	28,272	27,784	24,443	488	2%	3,829	16%
<b>Total Recurrent Revenue</b>	<b>154,389</b>	<b>150,105</b>	<b>144,466</b>	<b>4,284</b>	<b>3%</b>	<b>9,923</b>	<b>7%</b>

During the first quarter, recurrent revenue totaled \$154.4 million, exceeding the budgeted amount by \$4.3 million (3%) and surpassing the prior year's collections by \$9.9 million (7%). The favorable variance against budget was primarily driven by higher-than-anticipated receipts from excess revenue remitted by statutory bodies mainly the Financial Services Commission and the TCI Airports Authority, which helped offset weaker-than-expected collections from the Hotel & Restaurant Tax and Stamp Duty on land transactions.

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



The **Hotel, Restaurant, and Tourism Tax (HRTT)** remained the largest contributor to recurrent revenue, accounting for 26% of total collections during the quarter. HRTT revenue amounted to \$40.9 million—representing a shortfall of \$3.2 million or 7% below the budgeted estimate, but an increase of \$2.9 million or 8% over collections for the same period last year. The unfavorable variance against the budget is primarily attributed to a lower-than-projected number of stayover arrivals, particularly in the months of May and June 2025. The results are inline with data provided by the Experience Turks and Caicos which shows that the destination welcomed 1% less visitors than the similar period last year<sup>2</sup>.

**Import duties** were the second largest contributor to recurrent revenue, accounting for 21% of the total. Several legislative decisions currently impact import duty collections, including restrictions on importing older vehicles, extended waivers on breadbasket items, and reduced additional charges on fuel imports. During the Quarter, import duty collections reached \$32 million which was \$0.9 million or 3% lower than the Budget and \$5.4 million or 21% higher than the same period last year.

**Customs Processing Fees (CPF)** for the Quarter amounted to \$9.9 million, which was \$0.5 million (5%) higher than the the Budget and \$1.8 million or 22% higher than prior year's results. Customs processing fees revenue is sensitive to increases or decreases in import activities, particularly in the construction industry, and inflation on imports. The performance against the prior period attributed to a an increase in imports during the Quarter.

<sup>2</sup> Source: <https://suntci.com/turks-and-caicos-islands-tourism-holds-steady-in-first-half-of-with-pr-p12994-129.htm>

**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 totaled \$18.2 million. The collections were \$1.8 million or 9% lower than the budget and \$1.2 million or 6% below the prior year period. It is important to note that land transactions do not follow a cyclical pattern, and historical data may not accurately predict future revenue trends. Current factors affecting the Stamp duty from Land Transactions include booms and busts in the real estate market, remission orders issued by Cabinet, and implementation of 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.

**Work Permits fees** were \$10.3 million for the Quarter, accounting for 7% of the total recurrent Revenue. This was on par with the budget and \$0.4 million or 4% above the collections in the prior year. Work permit revenue is closely tied to activity in the tourism and hospitality sector, where the majority of work permit holders are employed. As such, fluctuations in hiring are driven by changes in business activity which directly impacts revenue performance in this category.

**Excess revenue from statutory bodies** totaled \$14.7 million for the quarter, primarily driven by strong remittances from the Financial Services Commission (\$9.3 million), TCI Airports Authority (\$4 million), Port Administration (\$750,000), and TCI Community College (\$517,000). This performance was \$9.3 million (173%) above budget estimates, but \$3.3 million (18%) below the amount recorded in the same period last year.

Excess revenue is remitted in accordance with the Public Financial Management Regulations, with Q1 receipts typically reflecting the Q4 performance of the statutory bodies.

#### 4.1.2. OTHER RECURRENT REVENUE

Other recurrent revenues totaled \$28.3 million which was \$0.5 million or 2% above the estimates and \$3.8 million or 16% higher than collections of prior year. The slight increase is mainly attributed to higher collections of Insurance Premiums Tax, Communication Tax and Destination Management Fees,

The table below shows the breakdown of Other Revenue.

	Q1			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
Seaport Departure Tax	2,843	2,704	2,538	139	5%	304	12%
Destination Management Fees	1,978	1,700	155	278	16%	1,823	1178%
Business Licence renewal	2,308	2,267	2,129	41	2%	179	8%
Communication Tax	1,706	1,611	1,513	95	6%	194	13%
Gaming Machine Tax	1,591	1,595	1,471	(4)	(0%)	120	8%

Telecommunication Licences	920	1,313	1,127	(393)	(30%)	(207)	(18%)
Overtime Costs Recovered	432	437	628	(5)	(1%)	(196)	(31%)
Fuel Tax	2,513	2,675	1,947	(162)	(6%)	566	29%
Vehicle Licence Renewals	1,105	1,525	1,015	(420)	(28%)	90	9%
Permanent Residency Fees	1,107	934	1,333	173	19%	(226)	(17%)
Insurance Premiums tax	1,339	780	733	558	72%	606	83%
Stamp duty - vehicle hire	882	866	820	16	2%	62	8%
Stamp duty Miscellaneous	103	87	107	16	18%	(5)	(4%)
PDA application fees	578	467	706	112	24%	(127)	(18%)
Work Permits Repatriation Program	864	1,090	1,087	(226)	(21%)	(223)	(21%)
Other Revenues	8,002	7,733	7,135	269	3%	868	12%
<b>TOTAL OTHER REVENUE</b>	<b>28,272</b>	<b>27,784</b>	<b>24,443</b>	<b>488</b>	<b>2%</b>	<b>3,829</b>	<b>16%</b>

### 4.1.3. NON-RECURRENT REVENUE

	Q1 - 2025			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
<b>Non – Recurrent Revenues</b>							
Land Sales	230	185	271	45	24%	(41)	-15%
Revenue from Grants	640	2,040	7	(1,400)	-69%	633	9038%
<b>OTHER REVENUE</b>	<b>870</b>	<b>2,225</b>	<b>278</b>	<b>(1,355)</b>	<b>-61%</b>	<b>592</b>	<b>213%</b>

Non-recurrent Revenue of \$0.8 million relating to Revenue from Grants and land sales was recorded during the Quarter. This was \$1.4 million lower than Estimates and \$0.6 million higher than the prior year. The unfavorable variance against the budget is as a result of expected Grant Income not received during the period.

## 5. EXPENDITURE

### 5.1. EXPENDITURE BY ECONOMIC CLASSIFICATION

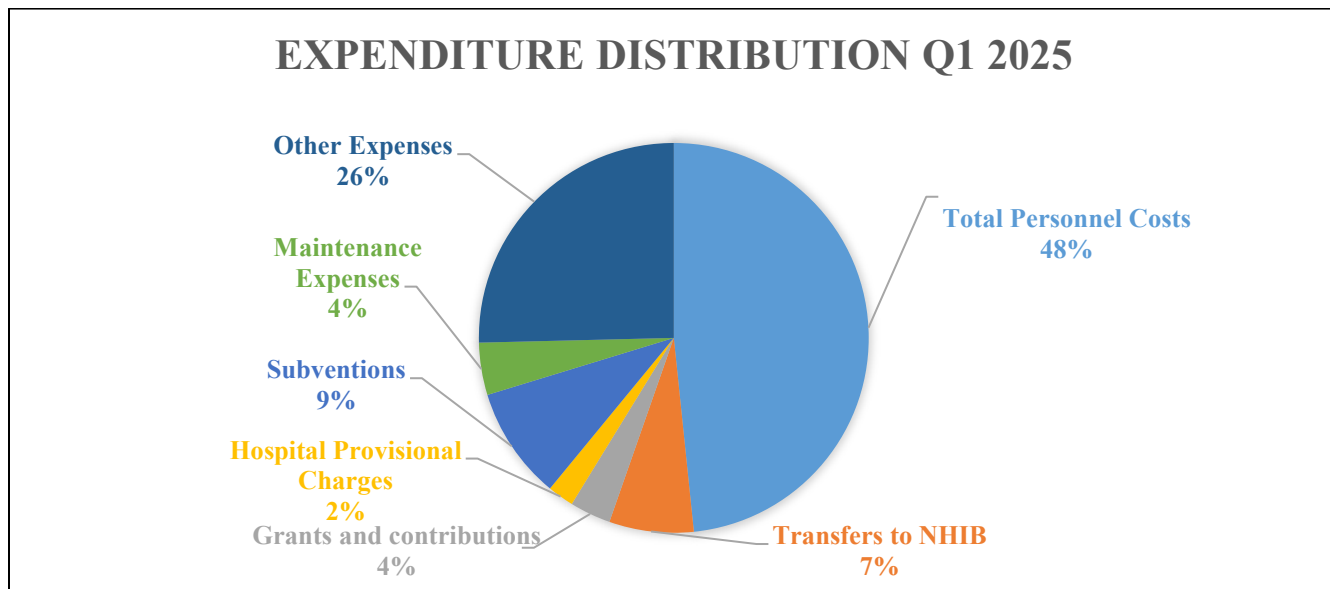
#### 5.1.1. RECURRENT EXPENDITURE

**Recurrent Expenditure: Q1 2025: \$84.5 million**

	Q1 - 2025			Variances			
	Actual	Budget	Prior	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
Total Personnel Costs	40,841	43,784	39,325	(2,942)	-7%	1,517	4%
Transfers to NHIB	5,915	9,821	8,873	(3,906)	-40%	(2,958)	-33%
Grants and contributions	2,878	4,826	1,153	(1,947)	-40%	1,725	150%
Hospital Provisional Charges	1,847	7,350	4,001	(5,504)	-75%	(2,155)	-54%
Subventions	7,873	9,491	10,572	(1,618)	-17%	(2,699)	-26%
Maintenance Expenses	3,663	7,513	2,822	(3,850)	-51%	841	30%
Other Expenses	21,442	38,761	20,846	(17,320)	-45%	596	3%
<b>Total Recurrent Expenditure</b>	<b>84,460</b>	<b>121,546</b>	<b>87,593</b>	<b>(37,086)</b>	<b>-31%</b>	<b>(3,134)</b>	<b>-4%</b>

Recurrent expenditure for the first quarter amounted to \$84.5 million, reflecting a 31% underspend or \$37.1 million relative to the approved Estimates, and a 4% decrease or \$3.1 million compared to the same period last year. The variance against the budget is primarily attributable to withheld payments for Hospital Provisional Charges, delayed transfers to the National Health Insurance Board (NHIB), and lower-than-anticipated spending on Grants and Contributions, particularly under the student scholarship program—as well as reduced Maintenance Expenses. The year-on-year decline in expenditure is largely the result of the delayed passage of the FY2025/26 budget, which temporarily constrained spending during the early part of the quarter.

Recurrent expenditures were distributed as shown below;



**Personnel Costs** amounted to \$40.8 million in the Quarter, accounting for 48% of total recurrent expenditure. This represented an underspend of \$2.9 million (7%) over the Estimates, and \$1.5 million (4%) higher than the same period in the prior year. The budget variance is primarily attributed to vacancies that still exist within the Civil service.

Personnel Costs are further itemized below.

	Q1 - 2025			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
<b>Compensation of employees</b>							
Salaries and Wages	30,705	32,407	29,291	(1,702)	-5%	1,414	5%
Contribution to NIB and NHIB	2,639	2,982	2,523	(343)	-11%	117	5%
Housing Allowances	1,587	2,171	1,487	(583)	-27%	100	7%
Transport Allowances	250	445	268	(195)	-44%	(18)	-7%
Telephone Allowances	305	373	284	(68)	-18%	21	7%
Other Allowances	1,489	1,142	1,202	347	30%	287	24%
<b>Total compensation of employees</b>	<b>36,975</b>	<b>39,519</b>	<b>35,055</b>	<b>(2,544)</b>	<b>-6%</b>	<b>1,921</b>	<b>5%</b>
<b>Members of the House of Assembly</b>							
Salaries - Ministers and Members	641	666	666	(24)	-4%	(24)	-4%
NIB and NHIB	29	37	25	(8)	-23%	3	13%

Allowances for Ministers and Members	166	172	138	(6)	-4%	28	20%
<b>Total</b>	<b>836</b>	<b>875</b>	<b>830</b>	<b>(39)</b>	<b>-4%</b>	<b>6</b>	<b>1%</b>
<b>Pensions and gratuities</b>							
Pensions (PSPP and RAP)*	1,435	1,456	1,391	(21)	-1%	44	3%
Employer's Contribution (PSEPF)*	849	995	800	(146)	-15%	49	6%
Gratuities	218	410	805	(192)	-47%	(586)	-73%
Pensions - Legislators	528	528	445	-	0%	83	19%
<b>Total pensions and gratuities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total PE Cost</b>	<b>40,841</b>	<b>43,784</b>	<b>39,325</b>	<b>(2,942)</b>	<b>-7%</b>	<b>1,517</b>	<b>4%</b>

\*PSPP-Public Service Pension Plan

\*RAP- Retiring Allowance Plan

\*PSEPF- Public Sector Employees Pension Fund

**NHIB transfers** for the quarter totaled \$5.9 million, accounting for 10% of total recurrent expenditure. This was \$3.9 million (40%) below the budgeted estimates and \$3 million (33%) less than the amount transferred during the same period last year. The underspend is primarily due to the delayed processing of the subvention payment, which resulted in a timing mismatch between the budget profile and actual expenditure. This variance is expected to normalize in the next quarter once the payment has been fully processed.

**Subventions to Statutory Bodies** for the quarter totaled \$7.9 million, which was \$1.6 million (17%) below budget and \$2.7 million (26%) lower than the expenditure recorded during the same period last year. The underspend is primarily due to the delayed release of funds, as the issuance of sponsorship letters was postponed following the late passage of the budget. The shortfall is expected to be addressed in the next quarter, as outstanding sponsorship letters have since been finalized and the release of funds is now underway. This will bring the expenditure in line with the approved budget by the end of the second quarter.

**Hospital Provisional Charges** for the quarter amounted to \$1.8 million. The result was \$5.5 million (75%) below the Estimates and 54% lower than the prior year's performance. The underspend is as a result of the Ministry of Health withholding payments due to service performance failures by InterHealth Canada in accordance with the project agreement.

**Grants and Contributions** for the quarter totaled \$2.9 million, which was \$1.9 million (40%) below the budget, but \$1.7 million (150%) higher than the same quarter last year. The underspend is primarily due to delayed disbursements for the Student Scholarship Program and the Public Works Program. These expenditure levels are anticipated to normalize over the course of the year.

## 5.1.2. OTHER RECURRENT EXPENDITURE

**Other Recurrent Expenditure: Q1 2025: \$21.4 million**

	Q1 - 2025			Variances			
	Actual	Budget	Last Year	Budget		Last Year	
	\$000	\$000	\$000	\$000	%	\$000	%
Social welfare	2,636	3,452	2,190	(817)	-24%	446	20%

Professional and Consultancy	3,131	6,220	2,724	(3,089)	-50%	407	15%
Recurrent Sub Programmes	2,040	4,026	1,786	(1,986)	-49%	254	14%
Rental of assets	1,888	1,941	1,677	(53)	-3%	210	13%
Utilities	1,167	1,511	1,152	(344)	-23%	15	1%
Local Travel and Subsistence	1,033	1,749	1,175	(715)	-41%	(142)	-12%
Security expenses	1,032	1,178	526	(146)	-12%	506	96%
International Travel & Subsistence	591	1,237	501	(645)	-52%	90	18%
Communication Expenses	496	688	517	(192)	-28%	(22)	-4%
Bank charges	403	357	411	46	13%	(8)	-2%
Data Communication cost	199	800	577	(601)	-75%	(378)	-66%
Insurance Expenses	1,955	2,362	1,916	(408)	-17%	39	2%
Hosting and Entertainment	474	990	455	(516)	-52%	19	4%
Repatriation and exportation	358	1,091	1,278	(733)	-67%	(921)	-72%
Other supplies & Material	224	1,662	396	(1,439)	-87%	(172)	-44%
Local Training	152	573	196	(421)	-73%	(44)	-23%
Other Sundry Expenses	295	497	257	(202)	-41%	38	15%
Fuel	307	421	342	(113)	-27%	(35)	-10%
Other Recurrent Expenditure	3,061	8,006	2,769	(4,945)	-62%	292	11%
<b>TOTAL</b>	<b>21,442</b>	<b>38,761</b>	<b>20,846</b>	<b>(17,320)</b>	<b>-45%</b>	<b>596</b>	<b>3%</b>

In the first Quarter, Other recurrent expenses totaled \$21.4 million which was \$17.3 million or 45% below the Estimates and \$0.6 million or 3% higher than the prior year. The performance against Budget was mainly due to timing differences between the budget profiling and execution. These timing differences are expected to even out as the financial year progresses.

### 5.1.3. NON-RECURRENT EXPENDITURE

Non-recurrent expenditure for Q1 totaled \$0.4 million, which was \$2.8 million (88%) below the budget estimates and \$2.1 million (84%) lower than the same period last year. This variance is primarily due to timing differences, mainly relating to anticipated land acquisition payments that were not executed during the quarter. These timing differences are expected to even out as the financial year progresses.

## 6. OUTSTANDING PUBLIC DEBT

Statement of Outstanding Public Debt	Interest Rates	Outstanding Balance	Principal Repayment	Outstanding Balance
		01-Apr-25	During	30-Jun-25
Financial Liabilities - Borrowings	%	US\$'000	2025/26	US\$'000
Further Education (04/SFR-OR-TCI)	2.5%	283	(43)	239
Integrated Solid Waste Management (5/OR-TCI)	4.90%	278	(93)	185
<b>Total unsecured debts</b>		<b>560</b>	<b>(136)</b>	<b>424</b>

TCIG holds two debt instruments with the Caribbean Development Bank (CDB). The outstanding debt as of June 30, 2025 was \$0.4 million, \$136k principal repayments were made, and \$11k finance costs and commitment fees were paid.

## 7. DEVELOPMENT FUND

### 7.1. DEVELOPMENT FUND ANALYSIS

The development fund balance as of June 30, 2025 was \$98.9 million, and the Capital expenditure year to date is \$6.1 million. The movement in the fund balance is as shown below.

<b>Closing 31/03/2023</b>	<b>45,772,571</b>
Awards and commitments	41,710,022
Completed projects - savings returned to CF	(375,778)
CAPEX 2023/24	(27,610,359)
<b>As at 31 March 2024</b>	<b>59,496,455</b>
Awards and commitments	25,503,103
Completed projects - savings returned to CF	(1,142,163)
Capex 2024/25	(38,616,641)
<b>As at 31 March 2025</b>	<b>45,240,755</b>
Appropriation for FY2025/26	59,701,848
Capex 2025/26 – Q1	(6,052,108)
<b>As at 30 June 2025</b>	<b>98,890,495</b>

### 7.2. TOP CAPITAL PROJECTS BY EXPENDITURE AMOUNT

The top capital projects expended Year to Date are shown below.

	<b>Project Number</b>	<b>Project Title</b>	<b>CAPEX YTD</b>
1	5561	South Dock Port Redevelopment	1,229,751.56
2	5788	Ambulances for Islands	722,751.93
3	5677	Purchase and Installation of New 1 million gallon Salt Water Reverse Osmosis (SWRO) Unit	667,630.22
4	5624	Prison Works	662,738.65
5	5696	Purchase of Patrol Vessel	469,288.45
6	5682	Highway and Road Improvements	416,733.23
7	5683	Remediation Works to Ponds and Bridges	363,435.07
8	5765	Redevelopment of Regatta Village - XSC	318,285.60
9	5734	Housing Project Initiative	263,818.57
10	5739	Police Vehicles	262,847.00

## 8. NATIONAL WEALTH FUND (NWF)

Transfers to the National Wealth Fund are governed by Section 9 (1(a)) of the National Wealth Fund Ordinance. This ordinance stipulates that if, in any financial year, actual revenue exceeds estimated revenue by 5% but less than 20%, then 50% of the excess revenue must be withdrawn from the Consolidated Fund and deposited into the National Wealth Fund. Based on the actual results of FY 2024/25, no funds are expected to be transferred to NWF as only 1% of actual revenue was in excess of the estimates for the period.

### 8.1. STATEMENT OF NWF ACCOUNT

As of June 30, 2025, the National Wealth Fund balance was \$94.3 million.

FY 2024-25 results (in US\$ '000)				Transfer of (50%) excess revenue (US\$' 000)	Opening NWF 01/04/2025 (US\$' 000)	Interest income (US\$' 000)	Closing NWF 30/06/2025 (US\$' 000)
Revenue	Estimates	Excess	%				
515,292	499,978	3,697	3%	-	93,427	826	94,253

## 8.2. STATEMENT OF NWF FUNDS

The value of the National Wealth fund is attributable to;

(All figures in US\$'000)	30-Jun-25 US\$'000	31-Mar-25 US\$'000
Stabilization Fund	47,077	46,499
Infrastructure and Competiveness Fund	13,450	13,285
Heritage Fund	6,491	6,417
Citizen's Empowerment Fund	7,120	7,116
Mortgage Corporation Fund	20,114	20,110
<b>National Wealth Fund balance at the end of the period</b>	<b>94,253</b>	<b>93,427</b>

<b>Represented by</b>		
Cash at Bank	10,356	10,356
Fixed deposit	83,713	82,887
Investment Property	184	184
	<b>94,253</b>	<b>93,427</b>

Fixed deposit totaling to \$83.7 million is currently held by the National Wealth Fund with an interest rate of 3.9% per annum. The short term deposit can be recalled at a month's notice when liquidity is required. The Fund also holds \$184k as a deposit on an investment property.

## 9. NATIONAL FORFEITURE FUND

The National Forfeiture Fund (NFF) has a balance of \$2.7 million as at June 30, 2025. During the period, there were no funds from the Consolidated Fund. The purpose of NFF is 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-25 US\$'000	31-Mar-25 US\$'000
<b>Opening Balance</b>	<b>3,346</b>	<b>6,169</b>
<b>Receipts</b>		
Other receipts	-	18
<b>Total receipts</b>	<b>-</b>	<b>18</b>
<b>Payments</b>		
AMLC expenses	620	599
Special project expenses	-	2,242
<b>Total payments</b>	<b>620</b>	<b>2,841</b>
<b>Net increase in National Forfeiture Fund balance</b>	<b>(620)</b>	<b>(2,823)</b>
<b>National Forfeiture Fund balance at the end of the period</b>	<b>2,726</b>	<b>3,346</b>
<b>NFF Bank balance at the end of the period</b>	<b>4,384</b>	<b>5,170</b>
<b>Amounts refundable to Consolidated Fund by the NFF</b>	<b>1,658</b>	<b>1,824</b>

## 10. DESTINATION ENHANCEMENT FUND (DEF)

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, 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.

### 10.1. STATEMENT OF DEF FUNDS

The Destination Enhancement Fund balance as at June 30, 2025 is shown below;

(All figures in US\$'000)	30-Jun-25	31-Mar-25
<b>Opening Balance</b>	-	<b>1,164</b>
<b>Receipts</b>		
Destination management fees	1,978	5,412
<b>Total receipts</b>	<b>1,978</b>	<b>6,576</b>
<b>Payments</b>		
Subvention to the DMMO	(554)	(6,576)
Other payments	-	-
<b>Total payments</b>	<b>(554)</b>	<b>(6,576)</b>
<b>Destination Enhancement Fund balance at the end of the period</b>	<b>1,425</b>	<b>-</b>

## 11. PUBLIC SECTOR EMPLOYEES PENSION FUND (PSEPF)

The Public Sector Employees Pension Fund Ordinance came into force on March 25, 2022 to establish a defined contribution pension fund for public sector employees. The Fund is mandatory for TCIG and Statutory bodies employees with the exception of employees covered under the Pensions Ordinance (employed before 6 April 1992), temporary employees and contract employees entitled to a gratuity. An initial transfer of \$7.9 million was seeded into the fund as per appropriation in FY 2021/22. Additional seed funding of \$7 million was provided through appropriation in FY 2023-24 and the total seed funding was transferred to a separate bank account. The Fund balances are maintained in an escrow account with RBC bank and do not form part of the Consolidated Fund cash balances.

Payments totaling \$127k were paid to beneficiaries during the year to date.

The Fund was reconciled as follows at June 30, 2025.

	30-Jun-25	31-Mar-25
Opening balance at April 1	<b>29,710,811.03</b>	<b>21,179,406.46</b>
<b>CONTRIBUTIONS MADE:</b>		
Contributions by Statutory bodies	532,802.40	1,464,622.64
Employer's Contributions by TCIG- YTD	849,142.62	3,433,103.85
TCIG Employees' contributions- YTD	849,142.62	3,433,103.85
Ex-gratia funding	-	1,000,000.00
<b>BENEFITS PAID:</b>		
Payments to beneficiaries YTD	(127,355.89)	(799,377.02)
Prior year adjustment on benefits paid	-	-
Bank charges YTD	(13.25)	(48.75)

