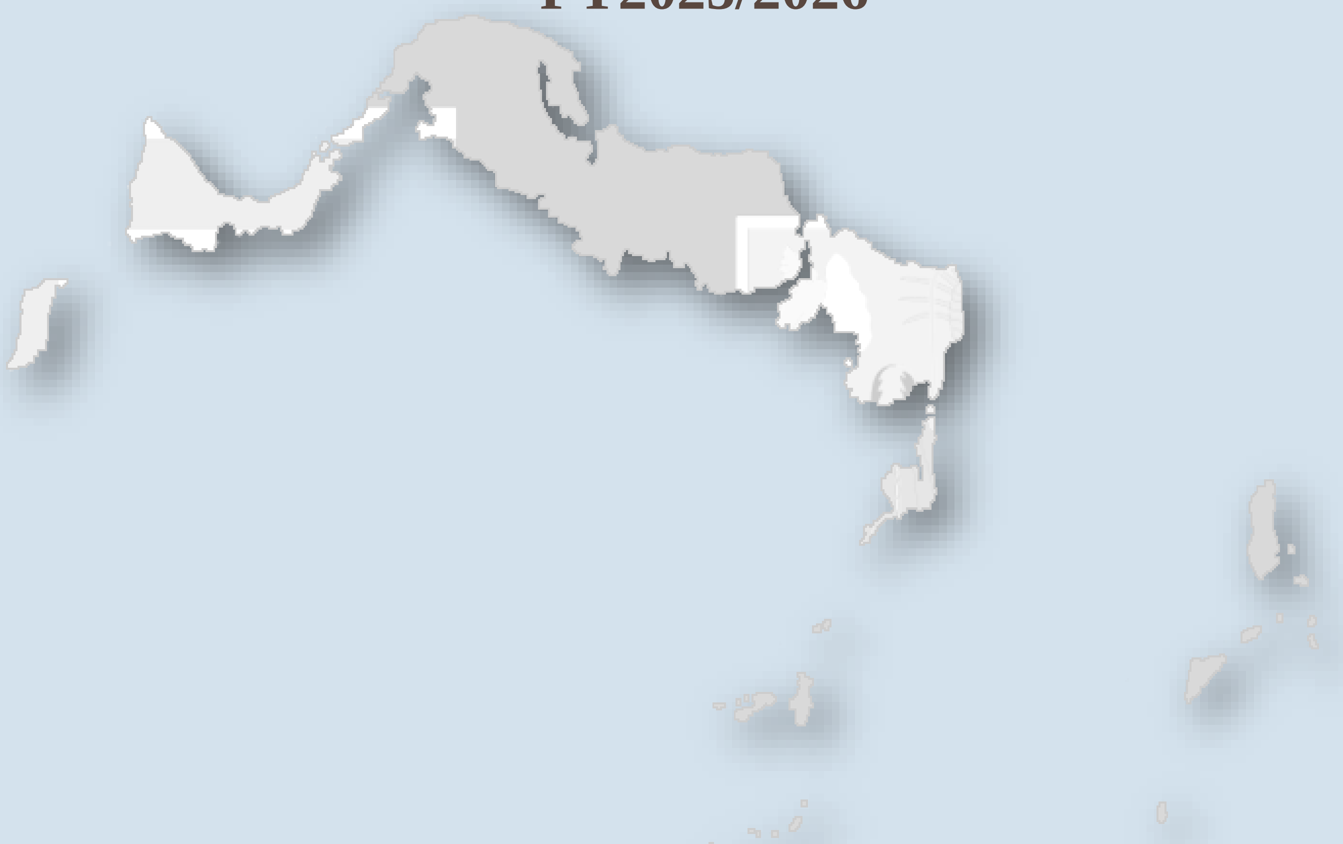
GOVERNMENT OF THE TURKS AND CAICOS ISLANDS

FINANCIAL SERVICES AND SUPPLIES MANAGEMENT DEPARTMENT

FINANCIAL REPORT

For the month ended 30 November, 2025

FY2025/2026



Contents

KEY HIGHLIGHTS

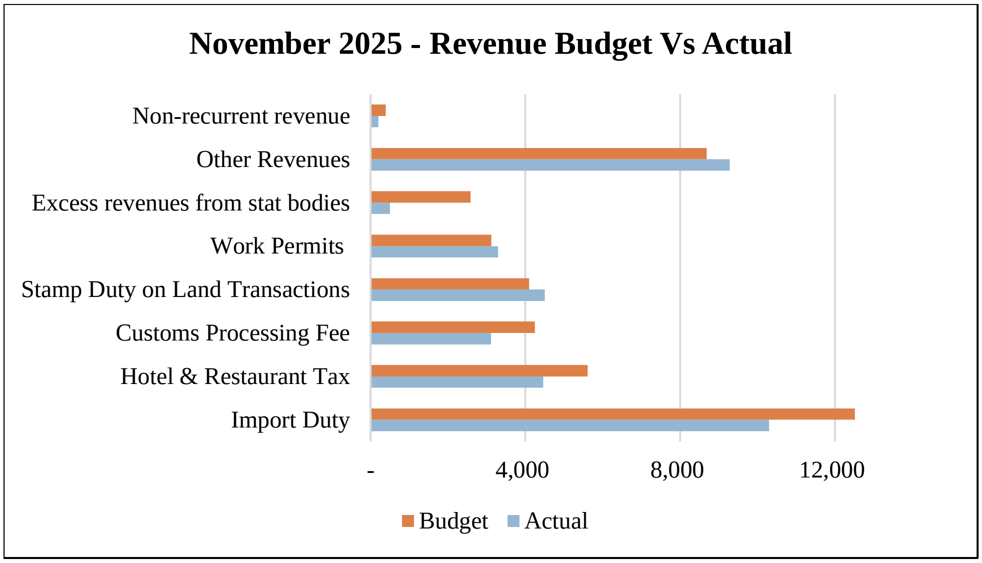
- **$35.7 million revenue for the month.** The aggregate revenue collections for November were $35.7 million against a budget of $41.3 million.

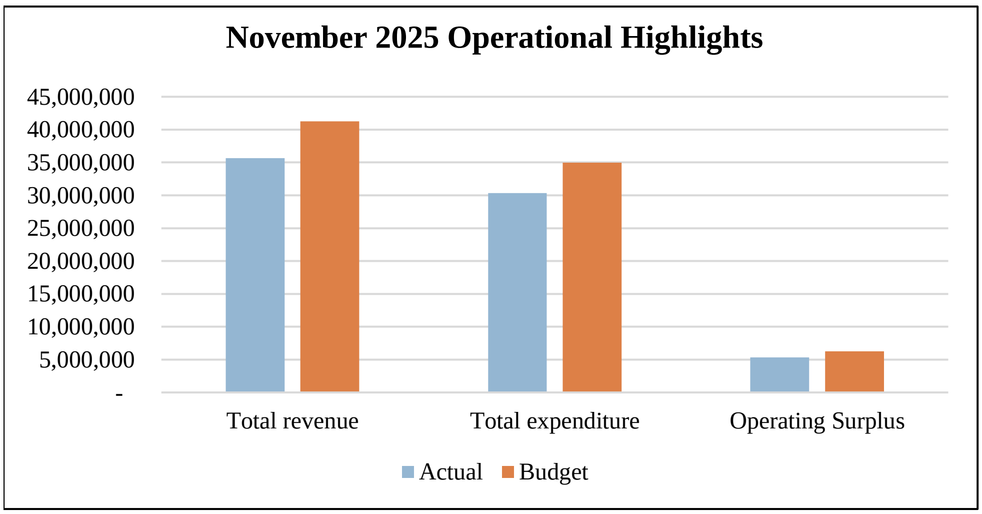
- **$30.3 million expenditure for the month.** The total expenditure for the month of November was $30.3 million compared to the budget of $35 million.

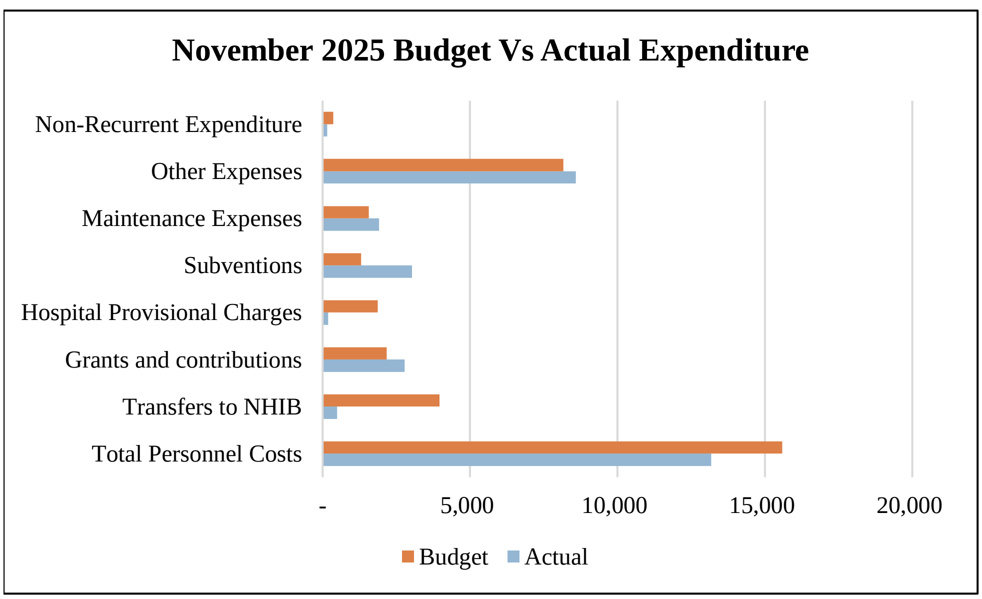
- **$15.1 million Capital expenditure during the year to date.** Capital expenditure for the month amounted to $1.4 million, representing a 11% decrease compared to the same month in the previous year and 65% underperformance on Budget.

- **$5.3 million operating surplus**. There was an operating surplus during the month of November of $5.3 million against the forecast surplus of $6.3 million.

- **Increase in the underlying Cash balances**. The underlying cash balance at the end of month showed an increase of $3.9 million resulting in a closing cash balance of $410.6 million.







1. ECONOMIC OVERVIEW

Tourism remains the cornerstone of TCI's economy, contributing significantly to GDP and employment. In 2025, the sector continues to perform strongly, supported by robust visitor arrivals and construction boom in the hospitality industry. At the same time, the economy faces headwinds including heavy reliance on imported goods, rising healthcare costs, inflationary pressures and growing security concerns, all of which could weigh on fiscal performance and the cost of living.

According to the Turks and Caicos Islands Statistical Authority, the economy expanded by about 5.6 percent in real terms in 2024, with nominal GDP estimated at US$1.37 billion and per capita GDP around US$37,500. Growth in 2025 is expected to continue, albeit at a more moderate pace than in 2024. Standard & Poor's recently upgraded TCI's credit rating to A-, citing sound fiscal management, strong cash reserves (equivalent to roughly 24 percent of GDP), and continued resilience in the tourism and financial services sectors.

Globally, economic conditions remain a key determinant of TCI's performance. The International Monetary Fund's (IMF) *October 2025 World Economic Outlook Update* projects global growth slowing from 3.3% in 2024 to 3.2% in 2025 as economies adjust to persistent structural headwinds. Inflation continues easing but remains above target in several countries, keeping monetary policy relatively tight. The United States remains a key driver of global performance, supported by strong AI-driven investment, resilient consumer spending, and a temporarily weaker dollar that improves global financial conditions. However, renewed U.S. tariff actions, global trade fragmentation, declining development aid, and supply-side pressures including labour shortages continue to weigh on confidence and investment, leaving overall risks to the global economy tilted to the downside.

Within the Caribbean, growth is projected at around 2.5 percent in 2025, supported by stronger private consumption, more accommodative monetary policies, and improvements in export performance. Nevertheless, the region continues to face persistent structural challenges, including high public debt, dependency on tourism and fossil fuels, narrow tax bases, and vulnerability to supply chain disruptions and natural disasters. The World Bank stresses the need for digital transformation, investment in renewable energy and strengthened disaster preparedness as key pillars of long-term fiscal and financial resilience.[1]

Looking ahead, the Turks and Caicos Islands are expected to maintain solid growth momentum in the months ahead of fiscal year 2025-26, though at a slightly slower pace than in 2024-25. Nominal GDP is projected to rise modestly, with per capita income remaining just above US$35,000. Inflation is anticipated to stabilize between 2.5 and 3.5 percent, although imported inflation, particularly in food, fuel, housing, and construction inputs remains a significant risk. While strong tourism demand and continued investment in real estate and infrastructure should continue to support the economy, external shocks such as higher global commodity prices, geopolitical instability and any deterioration in the U.S. economy could affect performance. Moreover, fiscal pressures from rising healthcare costs and the need to address security concerns may require careful management to preserve recent fiscal gains.

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

2. 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.

A supplementary budget (No. 1) was approved on September 19, 2025, increasing recurrent and non-recurrent expenditures by $24.3 million and reducing capital expenditures by $10.8 million. Key areas of additional funding included: Claims against Government: $10 million, Statutory Land acquisition: $7 million, Hospital Provisional Charges: $4.8 million, Professional and Consultancy Services: $1 million, Subventions: $0.7 million and Maintenance Expenses $0.7 million.

Updated projections for FY 2025-26 reflect planned revenues of $549.4 million and total expenditures of $553.5 million. This includes $504.6 million allocated to operating expenditure and $48.9 million to capital expenditure. The revised estimates project an operating surplus of $44.8 million but a net deficit of $4.1 million due to increased spending.

The Government ended November of FY2025-2026 with an operating surplus of $5.3 million and a net cash increase of $3.9 million, bringing the total cash balance to $410.6 million. Monthly revenue fell short of budget by 14% but 2% higher compared to November 2024. 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.

2.1. FISCAL SUMMARY

In November, the Government recorded an operating surplus of $5.3 million, below the projected surplus of $6.3 million, resulting in a shortfall of $0.9 million (15%). This variance was primarily driven by lower-than-anticipated collections in key revenue streams, alongside higher expenditures on Subventions, Grants & Contributions, and Maintenance Expenses, reflecting efforts to address prior-month underspends.

	November - 2025			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	$ 000's	$ 000's	$ 000's	$ 000's	%	$ 000's	%	$ 000's	$ 000's	$ 000's	$ 000's	%	$ 000's	%
Recurrent Revenue	35,460	40,860	34,837	(5,400)	-13%	623	2%	356,799	367,447	333,533	(10,648)	-3%	23,266	7%
Non-Recurrent Revenue	203	392	115	(189)	-48%	88	77%	4,089	4,577	636	(488)	-11%	3,454	543%
Total Revenue	**35,663**	**41,253**	**34,952**	**(5,590)**	**-14%**	**711**	**2%**	**360,889**	**372,024**	**334,169**	**(11,135)**	**-3%**	**26,720**	**8%**
Recurrent Expenditure	30,184	34,628	33,411	(4,444)	-13%	(3,227)	-10%	295,293	337,648	260,748	(42,355)	-13%	34,545	13%
Non-Recurrent Expenditure	159	366	518	(207)	-56%	(358)	-69%	8,664	10,802	4,752	(2,138)	-20%	3,911	82%
Total Expenditure	**30,344**	**34,995**	**33,929**	**(4,651)**	**-13%**	**(3,585)**	**-11%**	**303,957**	**348,450**	**265,501**	**(44,493)**	**-13%**	**38,456**	**14%**
Net Operating Surplus	**5,319**	**6,258**	**1,023**	**(939)**	**-15%**	**4,296**	**420%**	**56,932**	**23,574**	**68,668**	**33,357**	**141%**	**(11,737)**	**-17%**

2.2. CASH FLOW

At the end of November, the underlying cash balance increased by $3.9 million, rising from $406.7 million at the end of October 2025 to $410.6 million as of 30 November 2025. This balance comprises cash held at the bank as well as short-term fixed deposits.

	November - 2025			Variance				Year to Date			Variance			
	Actual	Budget	Prior Year	Budget		Prior Year		Actual	Budget	Prior Year	Budget		Prior Year	
	$ 000's	$ 000's	$ 000's	$ 000's	%	$ 000's	%	$ 000's	$ 000's	$ 000's	$ 000's	%	$ 000's	%
Cash Flow from Operations	**5,319**	**6,258**	**1,023**	**(939)**	**-15%**	**4,296**	**420%**	**56,932**	**23,574**	**68,668**	**33,357**	**141%**	**(11,737)**	**-17%**
Less:														
Capital Expenditure	(1,431)	(4,077)	(1,601)	2,647	-65%	170	-11%	(15,122)	(32,620)	(22,558)	17,498	-54%	7,436	-33%
Debt Repayments	-	-	-	-	0%	-	0%	(215)	-	(205)	(215)	0%	(10)	0%
Net receipts	-	-	(784)	-	0%	(784)	100%	2,703	-	1,299	2,703	0%	(1,404)	-108%
Net Cash Flow	**3,888**	**2,181**	**(1,362)**	**1,708**	**78%**	**5,250**	**-386%**	**44,298**	**(9,046)**	**47,205**	**53,344**	**-590%**	**(2,907)**	**-6%**
Opening cash balance	406,729		415,532					366,319		366,965				
Closing cash balance	**410,617**		**414,170**					**410,617**		**414,170**				
<u>Attributable to:</u>														
Consolidated Fund	225,272							225,272						
Development Fund	85,332							85,332						
National Wealth Fund	95,736							95,736						
NFF	3,464							3,464						
DEF	813							813						
Closing cash balance	**410,617**							**410,617**						

3. REVENUE

3.1. REVENUE BY ECONOMIC CLASSIFICATION

3.1.1. RECURRENT REVENUE

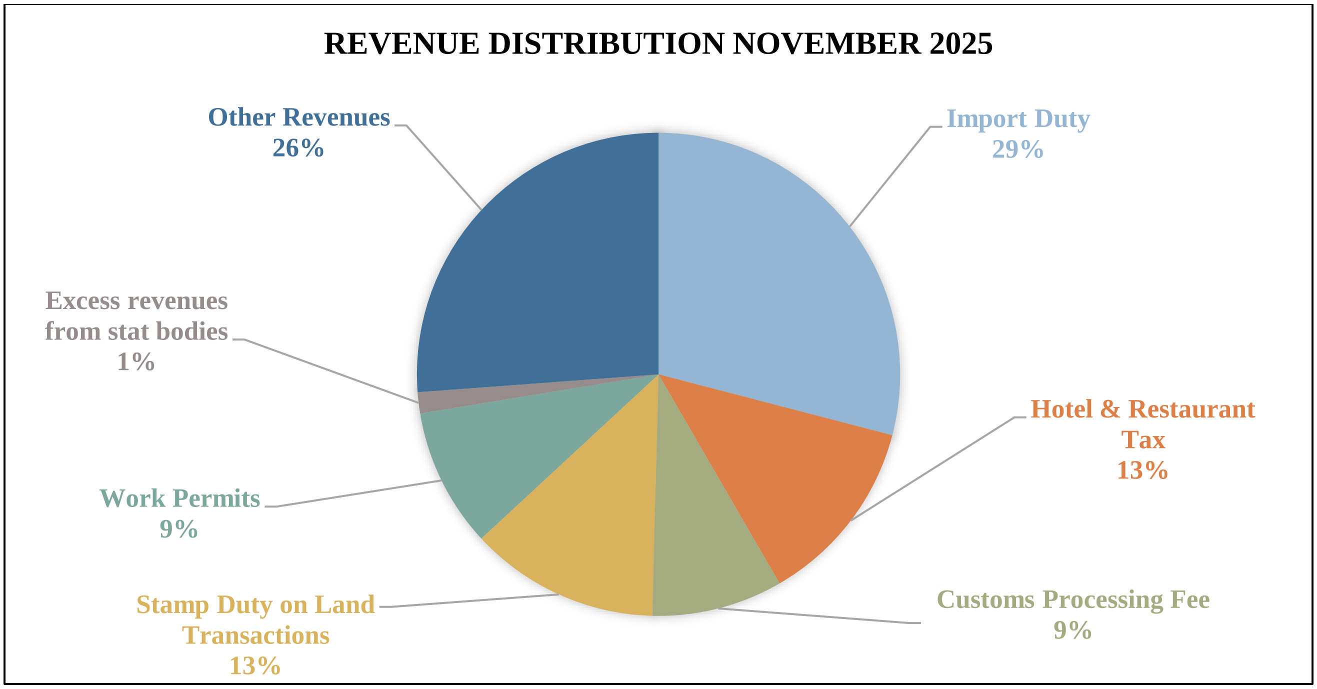
November 2025: $35.5 million, YTD: $356.8 Million

	November - 2025			Variances				Year to date			Variances			
	Actual	Budget	Prior	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	$000	$000	$000	$000	%	$000	%	$000	$000	$000	$000	%	$000	%
Recurrent Revenues														
Import Duty	10,303	12,513	11,020	(2,210)	-18%	(718)	-7%	85,353	91,228	76,165	(5,875)	-6%	9,187	12%
Stamp Duty on Land Transactions	4,501	4,100	4,594	401	10%	(93)	-2%	34,494	42,660	41,017	(8,166)	-19%	(6,523)	-16%
Hotel & Restaurant Tax	4,464	5,610	4,511	(1,146)	-20%	(47)	-1%	79,201	89,341	73,193	(10,141)	-11%	6,007	8%
Work Permits	3,298	3,121	2,995	177	6%	303	10%	29,166	27,036	25,952	2,129	8%	3,213	12%
Customs Processing Fee	3,111	4,244	3,673	(1,133)	-27%	(562)	-15%	26,311	29,563	25,406	(3,252)	-11%	906	4%
Excess revenues from stat bodies	500	2,585	501	(2,085)	-81%	(1)	0%	20,521	15,902	26,570	4,619	29%	(6,049)	-23%
Other Revenues	9,283	8,687	7,543	596	7%	1,741	23%	81,754	71,716	65,230	10,038	14%	16,525	25%
Total Recurrent Revenue	**35,460**	**40,860**	**34,837**	**(5,400)**	**-13%**	**623**	**2%**	**356,799**	**367,447**	**333,533**	**(10,648)**	**-3%**	**23,266**	**7%**

Recurrent revenue in November totaled $35.5 million, falling short of the budget by $5.4 million (13%) but exceeding collections from November 2024 by $0.6 million (2%). The monthly variance reflected lower-than-expected receipts from Import Duty, Customs Processing Fees, Hotel & Restaurant Tax (HRTT), and excess revenue from Statutory Bodies, partially offset by stronger-than-anticipated collections from Stamp Duty on Land Transactions, Work Permits, and Other Revenue. The five largest revenue streams together accounted for 72% of total collections.

Year-to-date, recurrent revenue stands at $356.8 million, 3% below budget but 7% higher than the same period last year. The overall shortfall is mainly due to underperformance in Hotel & Restaurant Tax, Stamp Duty on Land Transactions, Import Duty, and Customs Processing Fees, partly offset by favorable collections from Work Permits, Statutory Body contributions, and share transfer duties..

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



The Hotel, Restaurant, and Tourism Tax (HRTT) for the month of November contributed 13% of total collections. HRTT receipts for the month amounted to $4.5 million, which was $1.1 million (20%) below the budgeted estimate and $47K(1%) lower than collections in the same period last year. On a year-to-date basis, HRTT collections totaled $79.2 million which was $10.1 million (11%) short of the budget but $6 million (8%) above the prior year. The shortfall against budget reflects lower-than-expected stayover arrivals during the month.

Import duties were the single largest contributor to recurrent revenue, accounting for 29% of the total. Collections continued to be shaped by legislative measures such as restrictions on the importation of older vehicles, extended waivers on breadbasket items, and reduced surcharges on fuel imports and other concessions granted. In November, Import Duty collections totaled $10.3 million, which was $2.2 million (18%) below budget and $0.7 million (7%) lower than November 2024. Year-to-date, collections reached $85.4 million, falling short of the budget by $5.9 million (6%) but surpassing the prior year by $9.2 million (12%). The shortfall relative to budget was largely due to outstanding payments on assessed entries.

Customs Processing Fees in November amounted to $3.1 million, which was $1.1 million (27%) below budget and $0.6 million (15%) lower than November 2024. CPF revenue is particularly sensitive to changes in import activity especially as well as import inflation. Year-to-date, CPF collections totaled $26.3 million, coming in 11% below budget but 4% higher than the prior year. As with import duties, the shortfall against budget was mainly attributed to outstanding payments on assessed entries.

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 month totaled $4.5 million. The collections were $0.4 million or 10% higher than the budget but $93 thousands or 2% below the prior year period. Year to date collections totaled $34.5 million which was $8.2 million or 19% lower than Estimates and $6.5 million or 16% less than the prior year. 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 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.

Work Permits fees were $3.3 million for the month, accounting for 9% of the total recurrent Revenue. This was $0.2 million or 6% above the budget and $0.3 million or 10% higher than the collections in the prior year. Year to date, work permit fees collections totaled $29.2 million which was $2.1 million or 8% higher than the Estimates and $3.2 million or 12% higher than the prior year. Work permit Revenue collection overtime is expected to increase as most work permit holders are employed in the tourism and hospitality sector, and hiring would increase with increased business activity.

Excess Revenue from Statutory bodies totaled $0.5 million during the month from the Ports Authority. This formed 1% of recurrent revenue. This was $2.1 million or 81% less than the Estimates and in line with prior year results. Year to date, Excess revenue from Statutory Bodies totaled $20.5 million which was $4.6 million or 29% more than Estimates but $6 million or 23% less than the prior year. The over performance year to date, is mainly due to windfall remittances from the Financial Services Commission, TCI Airports Authority and TCI Ports Authority.

3.1.2. OTHER RECURRENT REVENUE

Other recurrent revenues totaled $9.3 million for the period, exceeding estimates by $0.6 million (7%) and prior-year collections by $1.7 million (23%). The favourable performance was driven primarily by higher-than-anticipated receipts from Communication Tax, Telecommunication Licences, Overtime Costs Recovered, and Gaming Machine Tax, partially offset by weaker collections from Destination Management Fees, Seaport Departure Tax, PDA application fees, Fuel Tax, the Work Permit Repatriation Programme, and Business Licence renewals. On a year-to-date basis, Other recurrent revenue amounted to $81.8 million, representing an increase of 14% above Estimates and 25% over the prior year.

The favourable performance against the Budget was driven primarily by Stamp Duty on Share Transfers, which was previously collected by the Financial Services Commission and is now under the remit of the Collector of Stamp Duty. This revenue stream was not assigned estimates for the year. Additional positive contributions were recorded from Destination Management Fees, PDA application fees, Insurance Premium Tax, Communication Tax, and Gaming Machine Tax. These gains were partially offset by weaker-than-expected collections from Vehicle Licence Renewals, Fuel Tax, Telecommunication Licences, the Work Permit Repatriation Programme, Stamp Duty on Vehicle Hire, and Permanent Residency Fees.

The table below shows the breakdown of Other Revenue.

	November - 2025			Variances				Year to date			Variances			
	Actual	Budget	Last Year	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	$000	$000	$000	$000	%	$000	%	$000	$000	$000	$000	%	$000	%
Fuel Tax	690	725	658	(34)	(5%)	33	5%	6,358	7,154	5,857	(796)	(11%)	501	9%
Gaming Machine Tax	584	492	475	92	19%	109	23%	4,248	3,924	3,896	325	8%	353	9%
Vehicle Licence Renewals	543	500	492	43	9%	51	10%	2,907	3,875	2,788	(968)	(25%)	119	4%
Communication Tax	526	367	251	159	43%	276	110%	4,648	4,177	3,828	471	11%	820	21%
Permanent Residency Fees	513	466	293	47	10%	220	75%	3,243	3,320	3,398	(77)	(2%)	(155)	(5%)
Seaport Departure Tax	512	703	938	(191)	(27%)	(426)	(45%)	6,727	7,003	7,186	(276)	(4%)	(460)	(6%)
Telecommunication Licences	402	254	218	148	59%	184	85%	2,873	3,231	2,774	(358)	(11%)	99	4%
Destination Management Fees	268	800	958	(532)	(67%)	(691)	(72%)	5,464	4,700	4,397	764	16%	1,067	24%
Overtime Costs Recovered	267	158	158	109	69%	109	69%	1,336	1,327	1,399	9	1%	(63)	(5%)
Work Permits Repatriation	201	234	234	(33)	(14%)	(33)	(14%)	2,207	2,678	2,680	(471)	(18%)	(473)	(18%)
Insurance Premiums tax	136	119	68	16	14%	67	99%	2,446	1,657	1,512	789	48%	934	62%
Stamp duty - vehicle hire	96	116	109	(19)	(17%)	(12)	(11%)	1,641	1,823	1,719	(183)	(10%)	(79)	(5%)
PDA application fees	71	150	470	(79)	(53%)	(398)	(85%)	3,134	1,887	2,045	1,246	66%	1,088	53%
Business Licence renewal	68	92	87	(24)	(27%)	(19)	(22%)	2,889	2,980	2,794	(91)	(3%)	95	3%
Stamp duty Miscellaneous	18	32	6	(15)	(46%)	12	214%	260	239	992	21	9%	(733)	(74%)
Stamp duty - Share Transfer	-	-	-	-	-	-	-	6,739	-	-	6,739	-	6,739	-
Other Revenues	4,388	3,479	2,131	909	26%	2,257	106%	24,635	21,741	17,963	2,894	13%	6,672	37%
OTHER REVENUE	**9,283**	**8,687**	**7,543**	**596**	**7%**	**1,741**	**23%**	**81,754**	**71,716**	**65,230**	**10,038**	**14%**	**16,525**	**25%**

NON-RECURRENT REVENUE

Non-recurrent Revenue of $0.2 million relating to land sales was recorded during the month. This was $0.2 million or 48% lower than Estimates and $88 thousands or 77% higher than the prior year. Year to date, Non-recurrent revenue totaled $4.1 million which was 11% below budget and 543% more than last year. The adverse variance relative to budget expectations is attributable to the shortfall in grant income received during the period.

4. EXPENDITURE

4.1. EXPENDITURE BY ECONOMIC CLASSIFICATION

4.1.1. RECURRENT EXPENDITURE

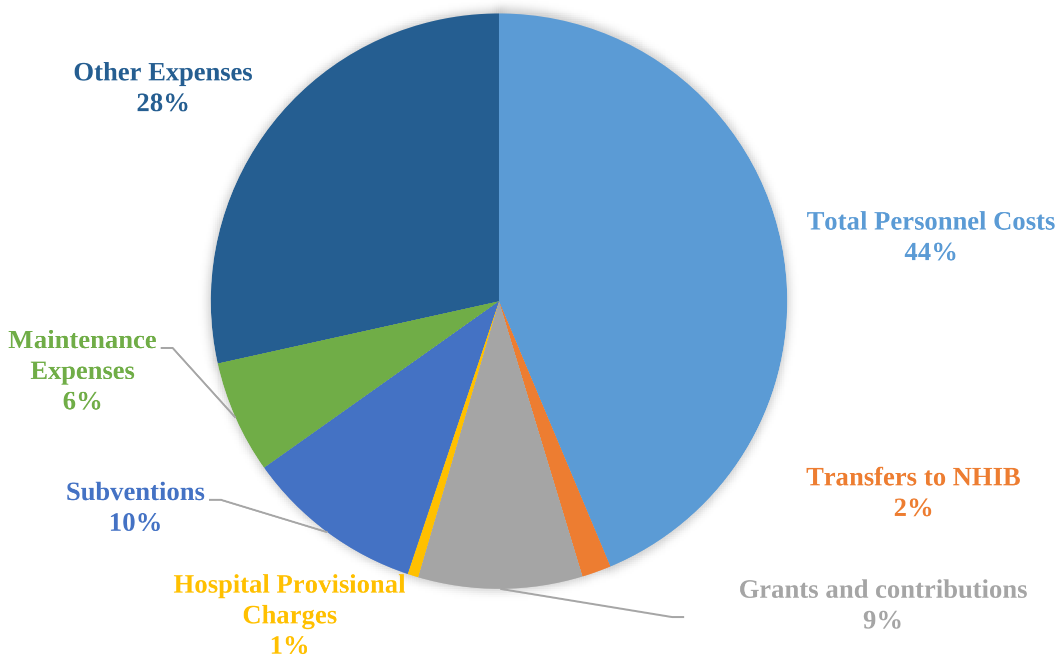
Recurrent Expenditure: ***November 2025: $30.2 million, YTD: 295.3 million***

	November - 2025			Variances				Year to date			Variances			
	Actual	Budget	Prior	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	$000	$000	$000	$000	%	$000	%	$000	$000	$000	$000	%	$000	%
Total Personnel Costs	13,185	15,594	13,296	(2,409)	-15%	(111)	-1%	109,334	120,763	106,167	(11,430)	-9%	3,166	3%
Subventions	3,032	1,302	3,454	1,730	133%	(423)	-12%	28,982	29,206	26,904	(224)	-1%	2,078	8%
Grants and contributions	2,781	2,171	1,029	610	28%	1,753	170%	13,068	14,723	10,360	(1,655)	-11%	2,708	26%
Maintenance Expenses	1,917	1,568	1,949	350	22%	(32)	-2%	13,778	17,495	11,822	(3,717)	-21%	1,956	17%
Transfers to NHIB	494	3,963	2,958	(3,470)	-88%	(2,464)	-83%	42,189	29,638	23,661	12,550	42%	18,528	78%
Hospital Provisional Charges	182	1,867	2,081	(1,685)	-90%	(1,899)	-91%	5,166	21,499	18,088	(16,334)	-76%	(12,922)	-71%
Other Expenses	8,593	8,163	8,644	430	5%	(51)	-1%	82,778	104,324	63,746	(21,546)	-21%	19,032	30%
Total Recurrent Expenditure	**30,184**	**34,628**	**33,411**	**(4,444)**	**-13%**	**(3,227)**	**-10%**	**295,293**	**337,648**	**260,748**	**(42,355)**	**-13%**	**34,545**	**13%**

Recurrent expenditure for November totaled $30.2 million. The results were $4.4 million or 13% less than the Estimates and $3.2 million or 10% less than the Prior Year. The underspend against the budget is mainly attributed to less spending on Transfers to NHIB, Personnel costs due to the number of vacancies that remain unfilled and Hospital Provisional Charges offset by more spending on Subventions, Grants and Contributions and Maintenance Expenses. Year to date, total recurrent expenditure totaled $295.3 million which was 13% behind the Estimates and 13% higher than prior year.

Recurrent expenditures were distributed as shown below;

EXPENDITURE DISTRIBUTION NOVEMBER 2025



NHIB transfers in November totaled $0.5 million, representing 2% of total recurrent expenditure. This was $3.5 million (88%) below the Estimates and $2.5 million (83%) lower than the same period last year. The decrease reflects monthly invoicing, as the Ministry is now billed for the actual expenditure of the Treatment Abroad Program rather than a standard monthly payment. This adjustment was intended to more accurately reflect the full cost of the program and to facilitate real-time monitoring of outstanding payments. Year-to-date, expenditure is $12.6 million (42%) above budget and $18.5 million (78%) higher than the same period in the prior year.

Subventions to Statutory Bodies in November amounted to $3 million, which was $1.7 million (133%) above the budgeted estimate and $0.4 million (12%) lower than the expenditure recorded in the same period last year. On a year-to-date basis, Subventions totaled $29 million (1%) below budget but $2.1 million (8%) higher than the prior year. The variances primarily reflect timing differences between the budgeted profile and actual disbursements, which are expected to normalize as the year progresses. The variance against prior reflects budgetary increases as a result of the pay and regrading exercise.

Hospital Provisional Charges for November amounted to $0.2 million. The result was $1.7 million or 90% below the Estimates and 91% lower than the prior year's performance. Year to date, the expenditure is $16.3 million or 76% lower than the budget and $12.9 million or 71% lower than Prior year results. The underspend is as a result of delayed payments to Interhealth Canada due to ongoing reconciliations.

Personnel Costs accounted for 44% of the recurrent expenditure, totaling $13.2 million in November 2025. The result was lower than the Estimates by $2.4 million or 15%. Compared to the prior year, the Personnel costs were $0.1 million or 1% lower. Performance against budget is attributed to vacancies existing within the civil service. Year to date, Personnel costs totaled $109.3 million which was $11.4 million or 9% lower than the Budget and $3.2 million or 3% higher than the prior year.

Personnel Costs are further itemized below.

	November- 2025			Variances				Year to date			Variances			
	Actual	Budget	Last Year	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	$000	$000	$000	$000	%	$000	%	$000	$000	$000	$000	%	$000	%
Compensation of employees														
Salaries and Wages	9,692	11,466	10,030	(1,774)	-15%	(338)	-3%	81,356	89,582	79,109	(8,225)	-9%	2,247	3%
Contribution to NIB and NHIB	853	996	864	(144)	-14%	(11)	-1%	7,015	7,970	6,820	(955)	-12%	195	3%
Housing Allowances	514	724	521	(210)	-29%	(7)	-1%	4,172	5,792	4,025	(1,620)	-28%	148	4%
Transport Allowances	101	148	85	(48)	-32%	16	19%	696	1,220	711	(524)	-43%	(15)	-2%
Telephone Allowances	99	125	101	(26)	-21%	(2)	-2%	810	1,004	774	(194)	-19%	36	5%
Other Allowances	487	383	424	104	27%	64	15%	4,016	2,977	3,349	1,039	35%	667	20%
Total compensation of employees	**11,746**	**13,843**	**12,024**	**(2,097)**	**-15%**	**(278)**	**-2%**	**98,066**	**108,544**	**94,787**	**(10,479)**	**-10%**	**3,278**	**3%**
Ministers and MPs														
Salaries - Ministers and MPs	214	222	209	(8)	-4%	5	2%	1,710	1,775	1,677	(65)	-4%	33	2%
NIB and NHIB	10	12	8	(3)	-23%	1	13%	77	99	68	(22)	-23%	9	13%
Allowances for Ministers and MPs	55	57	46	(2)	-4%	10	21%	442	459	367	(17)	-4%	75	20%
Total	**279**	**292**	**263**	**(13)**	**-4%**	**16**	**6%**	**2,229**	**2,333**	**2,113**	**(104)**	**-4%**	**117**	**6%**
Pensions and gratuities														
Pensions (PSPP and RAP)*	575	700	462	(125)	-18%	113	25%	3,934	4,156	3,724	(222)	-5%	209	6%
Employer's Contribution (PSEPF)*	241	333	281	(92)	-28%	(40)	-14%	2,185	2,662	2,149	(477)	-18%	35	2%
Gratuities	168	250	91	(82)	-33%	77	85%	1,513	1,660	1,982	(147)	-9%	(469)	-24%
Pensions - Legislators	176	176	175	-	0%	1	0%	1,408	1,408	1,413	-	0%	(5)	0%
Total pensions and gratuities	**1,160**	**1,459**	**1,009**	**(299)**	**-20%**	**151**	**15%**	**9,039**	**9,886**	**9,268**	**(847)**	**-9%**	**(229)**	**-2%**
Total PE Cost	**13,185**	**15,594**	**13,296**	**(2,409)**	**-15%**	**(111)**	**-1%**	**109,334**	**120,763**	**106,167**	**(11,430)**	**-9%**	**3,166**	**3%**

*PSPP-Public Service Pension Plan
*RAP- Retiring Allowance Plan
*PSEPF- Public Sector Employees Pension Fund

4.1.2. OTHER RECURRENT EXPENDITURE

Other Recurrent Expenditure: ***November 2025: $8.6 million, YTD: 82.8 million***

	November- 2025			Variances				Year to date			Variances			
	Actual	Budget	Last Year	Budget		Last Year		Actual	Budget	Last Year	Budget		Last Year	
	$000	$000	$000	$000	%	$000	%	$000	$000	$000	$000	%	$000	%
Professional and Consultancy Services	1,356	864	1,297	492	57%	59	5%	12,859	16,001	8,730	(3,143)	-20%	4,128	47%
Social welfare	949	852	793	97	11%	156	20%	7,658	9,250	6,933	(1,592)	-17%	726	10%
Recurrent Sub Programmes and Projects	899	720	1,579	179	25%	(680)	-43%	6,413	9,264	7,909	(2,851)	-31%	(1,496)	-19%
Rental of assets	675	681	528	(6)	-1%	146	28%	5,235	5,598	4,584	(363)	-6%	651	14%
Local Travel and Subsistence	548	385	337	163	42%	212	63%	3,024	3,930	3,323	(906)	-23%	(300)	-9%
Security expenses	433	487	456	(54)	-11%	(23)	-5%	4,053	4,002	2,250	52	1%	1,803	80%
Fuel	341	185	154	156	85%	187	122%	1,180	1,406	1,063	(227)	-16%	117	11%
Utilities	300	689	397	(390)	-57%	(98)	-25%	3,708	4,397	3,595	(689)	-16%	112	3%
Hosting and Entertainment	272	319	351	(46)	-15%	(78)	-22%	1,442	2,514	1,563	(1,072)	-43%	(120)	-8%
Communication Expenses	230	229	144	2	1%	87	60%	1,635	1,855	1,418	(220)	-12%	217	15%
International Travel and Subsistence	211	298	207	(87)	-29%	5	2%	2,513	3,418	1,626	(906)	-26%	886	54%
Local Training	142	116	117	27	23%	26	22%	1,159	1,630	962	(471)	-29%	197	20%
Other Sundry Expenses	127	74	132	52	70%	(5)	-4%	809	1,029	807	(219)	-21%	2	0%
Bank charges	129	119	142	10	4%	(23)	-16%	1,010	910	1,064	100	10%	(154)	-14%
Other supplies, material & Equipment	108	113	364	(5)	-5%	(256)	-70%	1,359	2,898	1,505	(1,539)	-53%	(146)	-10%
Data Communication cost	68	184	98	(116)	-63%	(30)	-31%	920	1,477	1,389	(557)	-38%	(469)	-34%
Repatriation and exportation expenses	11	1	401	10	1044%	(390)	-97%	368	7	3,553	361	4836%	(3,185)	-90%
Insurance Expenses	-	241	148	(241)	-100%	(148)	-100%	2,202	3,877	2,197	(1,675)	-43%	5	0%
Other Recurrent Expenditure	1,803	1,606	1,001	197	12%	802	80%	25,331	30,859	9,274	(5,528)	-18%	16,057	173%
TOTAL	**8,593**	**8,163**	**8,644**	**430**	**5%**	**(51)**	**-1%**	**82,778**	**104,324**	**63,746**	**(21,546)**	**-21%**	**19,032**	**30%**

In November, Other recurrent expenses totaled $8.6 million which was $0.4 million or 5% above the Estimates and $51 thousands or 1% lower than the prior year. Year to date, Other expenses totaled $82.8 million which was lower than the Budget by $21.5 million or 21% and 30% 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.

4.1.3. NON-RECURRENT EXPENDITURE

The results for November totaled $0.2 million. This was $0.2 million or 56% lower than Estimates and $0.4 million or 69% below the same period in the prior year. Year to date, Non-Recurrent Expenditure totaled $8.7 million which was lower than the Budget by $2.1 million or 20% and $3.9 million or 82% higher than the prior year.

5. OUTSTANDING PUBLIC DEBT

Statement of Outstanding Public Debt Financial Liabilities - Borrowings	Interest Rates %	Outstanding Balance 01-Apr-25 US$'000	New Drawdowns 2025/26 US$'000	Principal Repayment During 2025/26 US$'000	Outstanding Balance 30-November-25 US$'000
Further Education (04/SFR-OR-TCI)	2.5%	283	-	(65)	217
Integrated Solid Waste Management (5/OR-TCI)	4.90%	278	43	(150)	171
Total unsecured debts		**560**	**43**	**(215)**	**389**

TCIG holds two debt instruments with the Caribbean Development Bank (CDB). The outstanding debt as of November 30, 2025 and Year-to-date was $0.4 million, $215k principal repayments were made, and $16k finance costs and commitment fees were paid.

6. DEVELOPMENT FUND

6.1.DEVELOPMENT FUND ANALYSIS

The development fund balance as of November 30, 2025 was $85.3 million, and the Capital expenditure year to date is $15.1 million. The movement in the fund balance is as shown below.

	Amount US$ '000
Opening balance 1/04/2025	**51,524**
Appropriation for FY 2025-26	59,702
FY 2025-26 Supplementary 1 Appropriation	(10,772)
Capex YTD	(15,122)
As at 30 November 2025	**85,332**

6.2.TOP CAPITAL PROJECTS BY EXPENDITURE AMOUNT

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

	Project Number	Project Title	CAPEX YTD (US$'000)
1	5561	South Dock Port Redevelopment	1,230
2	5683	Remediation Works to Ponds and Bridges	1,221
3	5682	Highway and Road Improvements	1,035
4	5788	Ambulances for Islands	975
5	5624	Prison Works	967
6	5663	Boats for Police	927
7	5677	Purchase and Installation of New 1 million gallon Salt Water Reverse Osmosis (SWRO) Unit	782
8	5696	Purchase of Patrol Vessel	755
9	5566	Construction of New Primary School PLS- Phase 2	627
10	5765	Redevelopment of Regatta Village - XSC	616

7. 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 3% of actual revenue was in excess of the estimates for the period.

7.1. STATEMENT OF NWF ACCOUNT

As of November 30, 2025, the National Wealth Fund balance was $95.9 million.

Opening NWF 01/04/2025 (US$' 000)	Interest income (US$' 000)	Closing NWF 30/11/2025 (US$' 000)
93,428	2,492	95,920

7.2. STATEMENT OF NWF FUNDS

The value of the National Wealth fund is attributable to;

(All figures in US$'000)	**30-Nov-25 US$'000**	**31-Mar-25 US$'000**
Stabilization Fund	48,245	46,499
Infrastructure and Competiveness Fund	13,783	13,285
Heritage Fund	6,641	6,417
Citizen's Empowerment Fund	7,128	7,116
Mortgage Corporation Fund	20,123	20,111
National Wealth Fund balance at the end of the period	**95,920**	**93,428**

Represented by		
Cash at Bank	10,364	10,357
Fixed deposit	85,372	82,887
Investment Property	184	184
	95,920	**93,428**

Fixed deposit totaling to $85.4 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.

8. NATIONAL FORFEITURE FUND

The National Forfeiture Fund (NFF) has a balance of $3.5 million as at November 30, 2025. 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$'000)	30-Nov-25 US$'000	31-Mar-25 US$'000
Opening Balance	**3,440**	**6,832**
Receipts		
Transfers from Consolidated Fund	-	-
Other receipts	1,318	18
Total receipts	**1,318**	**18**
Payments		
AMLC expenses	257	599
Special project expenses	1,036	2,148
Transfers to consolidated Fund	-	663
Total payments	**1,293**	**3,410**
Net increase in National Forfeiture Fund balance	**24**	**(3,392)**
National Forfeiture Fund balance at the end of the period	**3,464**	**3,440**

9. 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.

9.1. STATEMENT OF DEF FUNDS

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

(All figures in US$'000)	30-Nov-25	31-Mar-25
Opening Balance	**-**	**1,164**
Receipts		
Destination management fees	5,464	5,412
Total receipts	**5,464**	**6,576**
Payments		
Subvention to the DMMO	(4,651)	(6,576)
Other payments	-	-
Total payments	**(4,651)**	**(6,576)**
Destination Enhancement Fund balance at the end of the period	**813**	**-**

*DMMO- Destination Marketing and Management Organization

10. CONTINGENCY FUND

Section 7(1) of the Public Finance Management Act (PFMA) authorises the Minister of Finance, where satisfied that an urgent and unforeseen need for expenditure exists and such expenditure is not provided for, or is inadequately provided for, under an Appropriation Act or Supplementary Appropriation Act, to approve an advance from the

Consolidated Fund by way of a Contingencies Warrant. Such advances are made in anticipation of subsequent legislative appropriation and are required to be reported to Cabinet without delay.

For the financial year, $9.0 million was appropriated to the Contingencies Fund. On a year-to-date basis, $2.1 million has been withdrawn and allocated through Contingency and Supplementary Warrants to various budget heads to address urgent and unforeseen requirements. These included expenditures related to the response to the hurricane affecting Jamaica, as well as emergency funding for the Office of the Director of Public Prosecutions and the Turks and Caicos Islands Integrity Commission.

The Contingency Fund balance as at November 30, 2025 is shown below;

	Amount US$ '000
Appropriation for FY 2025-26	9,000
FY 2025-26 Supplementary 1 Appropriation	-
Contingency Warrant 2025/26 - YTD	(2,118)
As at 30 November 2025	**6,882**

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 $239k were paid to beneficiaries during the year to date.

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

	30-Nov-25	**31-Mar-25**
	US$'000	**US$'000**
Opening balance at Apr 1	**29,711**	**21,179**
CONTRIBUTIONS MADE:		
Contributions by Statutory bodies	980	1,465
Employer's Contributions by TCIG- YTD	2,185	3,433
TCIG Employees' contributions- YTD	2,185	3,433
Ex-gratia funding	-	1,000
BENEFITS PAID:		
Payments to beneficiaries YTD	(239)	(799)
Closing PSEPF balance	**34,821**	**29,711**

12. HUMAN RESOURCE MANAGEMENT

Employees

There were 2,156 people employed by TCIG at the end of November 2025, consisting of 1,873 monthly paid employees and 283 waged employees, exclusive of the Royal Turks and Caicos Police Force. Excluding internal transfers, there are 19 new recruits and 16 attritions in the month of November.

Pensioners

The total number of Pensioners on the Public Service Pension and Retiring Allowance Plans by the end of the month was 328.

13. FINANCIAL OUTLOOK

The Turks and Caicos Islands Government (TCIG) has sustained strong financial performance, with an operating surplus in November. Year-to-date revenue is below budget, creating uncertainty about whether full-year targets will be met. The revenue department is strengthening its compliance efforts in order to narrow the revenue shortfall. As funds are released, MDAs are expected to accelerate programme activities; however, the timing and execution of expenditures will remain critical.

Tourism remains the cornerstone of the economy, significantly impacting TCIG's financial outlook. S&P Global ratings upgraded TCI’s credit rating from BBB+ to A- which demonstrates the territories robust economic performance and continued fiscal prudence. The Government continues to implement fiscal policies aimed at providing economic relief to those affected by the cost-of-living crisis. These measures may impact government revenue and expenditure in the short term.

Overall, TCIG's financial outlook will likely be influenced by global and domestic factors. External factors can present significant downside risks.

>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>END OF REPORT <<<<<<<<<<<<<<<<<<<<<<<<<<<<<