

Overall Cook Islands General Government Budget vs Actual Performances December 2019

General Government's Fiscal Position reported actual surplus in net fiscal balance of \$12.71 million; an increase of \$16.42 million against budget estimates for the December quarter.

YTD Revenue (\$000's)

Q2 Actual: **102,768** Q2 Budget: **97,755** Q2 Variance: **5,013** or **5** %



Full year	
*Forecast:	195,153
Budget:	188,830

Total Revenue for the Quarter was over Budget Estimates by \$5.01 million. This increase was mainly contributed by the following;

- * Withholding Tax over budget estimates by \$1.2 million due to higher than anticipated level of dividends paid to non-residents.
- * Value Added Tax over budget estimates by \$4.87 million due to fewer VAT refunds during the period. The increase was also due to increase in Import VAT resulting from increase in Economic activities in the Construction industries.
- * Fisheries - US Treaties over the budget estimates by \$3.92 million. Collections are based on USD \$9,533 per day fee for 327 days in a year.

YTD Operating expenditure (\$000's)

Q2 Actual: **79,741** Q2 Budget: **88,460** Q2 Variance: **-8,719** or **-10** %



Full year	
*Forecast:	173,260
Budget:	172,177

Total spending for the reporting period was \$8.72 million lower than budget estimate, the main contributing items were;

- * Underspend in Administred Payments by \$2.56 million was mainly due to timing of spending Bridges and Drainage project, Production of new currency and E-waste
- * Underspending in Agencies core spending by \$1.54 million was mainly attributed to saving in personnel as unfilled positions remains the main cause
- * Underspend in Payments on Behalf of Crown by \$1.65 million was mainly due to timing of spending in welfare payments

YTD Surplus/(deficit) (\$000's)

Q2 Actual: **23,026** Q2 Budget: **9,295** Q2 Variance: **13,731** or **148** %



Full year	
*Forecast:	26,822
Budget:	16,654

Net operating surplus balance of \$23.03 million for the December 2019 quarter was \$13.73 million above budget estimates. This was driven by underspending in personnel expenditure in agencies, administered payments and payments on behalf of Crown (POBOC)

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YTD Capital Expenditure (\$000's)

Q2 Actual: 14,347 Q2 Budget: 17,651 Q2 Variance: -3,304 or -19 %

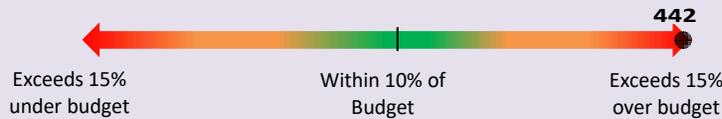


Full year	
*Forecast:	47,326
Budget:	44,012

Capital expenditure was below budget estimates by \$3.30 million. The variance was mainly due to scheduling of major projects especially projects administered by Cook Islands Investment Corporation. These capital projects are forecasted to be implemented into the second half of the financial year, please refer to the quarterly financial report for details

YTD Net Fiscal Surplus/(deficit) (\$000's)

Q2 Actual: 12,706 Q2 Budget: -3,712 Q2 Variance: 16,417 or 442 %



Full year	
*Forecast:	-6,762
Budget:	-13,617

The overall fiscal balance was \$12.71 million and represents \$16.42 million more than budget estimates for the December 2019 quarter.

* Source - Cook Islands Government 2019/20 Half - Year Economic and Fiscal Update 16 December 2019