



# **St Helena Government**

## **BUDGET EXECUTION REPORT**

**FOR PERIOD 3 (JUNE 2025)**

**FINANCIAL YEAR ENDING 31 MARCH 2026**

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## INTRODUCTION

Budget execution is monitored by the Treasury. The Budget Execution Report (BER) provides an update on the implementation of the annual budget for the General Reserve of the Consolidated Fund. This BER is for June, period 3 for the financial year 2025/26.

The BER is produced to provide an account of funds drawn from the General Reserve of the Consolidated Fund. The BER is also shared with the Foreign and Commonwealth Development Office (FCDO) to evidence the use of financial aid.

The Statement of Comparison of Budget and Actuals (Statement) on page 6 shows the budgets allocated to portfolios and service areas to deliver public services in comparison with funds that have been spent and include a comparison of the budget and actual for the major revenue streams. The Statement has been prepared in line with the Summary of Budgeted Expenditure and Revenue in the Budget Book, to provide a direct link with the appropriated expenditure budgets. Explanatory notes are included for significant variations between the budgeted and actual expenditure and revenue.

## BUDGET

The annual budget for the General Reserve of the Consolidated Fund was appropriated on 2 June 2025. The total approved budget for the financial year 2025/2026 is £51.763M, comprising of recurrent expenditure £51.203M and capital expenditure £0.56M.

The table below provides an analysis of the approved expenditure budgets and how the budget is funded.

Budget Components	Approved Budget £000
Recurrent Expenditure	51,203
Capital Expenditure	560
<b>Total Expenditure</b>	<b>51,763</b>
FCDO Financial Aid	35,790
Local Revenue	15,516
Recharges	457
<b>Total Funding</b>	<b>51,763</b>

The budgets recorded in this report are the cumulative budgets for the period April to June 2025.

## OUTTURN

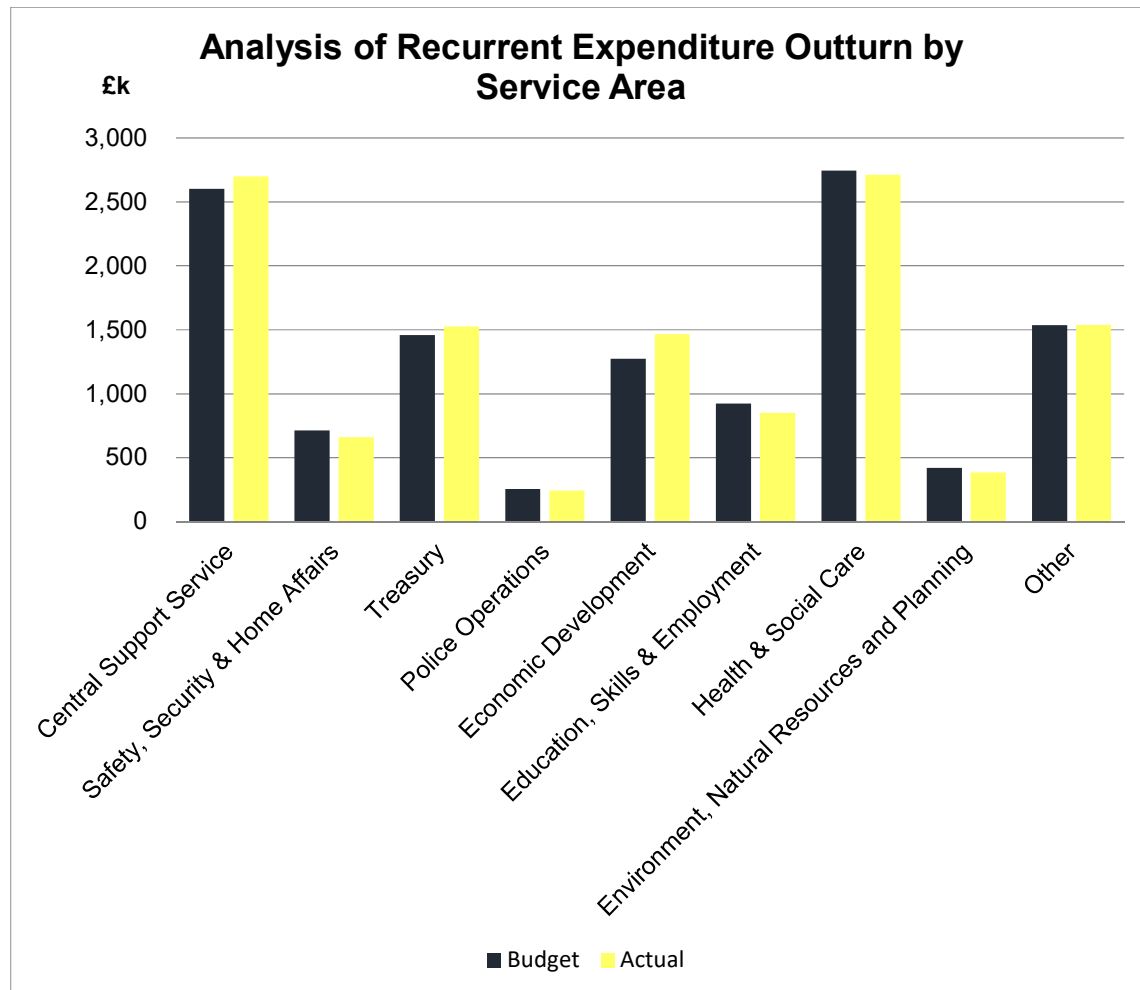
The Statement on page 6 reflects an actual deficit of £494k. Actual expenditure for the period to June was £12M being 1% over allocated budget for the reporting period. Actual revenue was £11.6M which is an overcollection of £147k.

The table below provides a summary of the Statement of Comparison of Budget and Actual on page 6.

	Year to Date			
	Actual	Budget	Variance	
	£000	£000	£000	%
Recurrent Expenditure	12,083	11,927	(156)	(1)
Revenue	11,589	11,442	147	1
Deficit	(494)	(485)	(9)	2

### Recurrent Expenditure

The chart below shows the actual underspends and overspends for recurrent expenditure by service areas for the year to date.



**Revenue**

The surplus revenue reported for the year to date is mainly from Taxes. An analysis of customs dues and income tax is included in the table below.

	Year to Date		
	Actual	Budget	Variance
	£000	£000	£000
<b>Customs Dues</b>			
Ad Valorem	600	612	(12)
Alcohol	235	246	(11)
Tobacco	159	175	(16)
Fuel	57	80	(23)
Other Dues	96	97	(1)
Total Customs Dues	1,147	1,210	(63)
<b>Income Taxes</b>			
PAYE	1,412	1,243	169
Self Employed Tax	2	0	2
Corporation Tax	8	0	8
Service Tax	157	151	6
Withholding Tax	24	24	0
Total Income Taxes	1,603	1,418	185
<b>Total</b>	<b>2,749</b>	<b>2,627</b>	<b>122</b>

## STATEMENT OF COMPARISON OF BUDGET AND ACTUALS

	Actual	Budget	Variance		Notes
	£	£	£	%	
<b>EXPENDITURE</b>					
<b>Appropriated Recurrent Expenditure</b>					
Central Support Service	2,699,618	2,603,206	(96,412)	(4)	1
Attorney General's Chambers	32,444	21,876	(10,568)	(48)	2
Safety, Security and Home Affairs	661,249	711,477	50,228	7	3
Judicial Services	39,426	42,684	3,258	8	
Treasury	1,525,812	1,459,261	(66,551)	(5)	4
Police Operations	242,366	255,937	13,571	5	
Economic Development	1,466,403	1,275,120	(191,283)	(15)	5
Education, Skills and Employment	851,000	924,166	73,166	8	6
Health and Social Care	2,711,591	2,743,098	31,507	1	
Environment, Natural Resources and Planning	386,054	419,804	33,750	8	7
	10,615,963	10,456,629	(159,334)	(2)	
<b>Statutory Recurrent Expenditure</b>					
Pensions and Benefits	1,467,141	1,469,980	2,839	0	
<b>Total Recurrent Expenditure</b>	<b>12,083,104</b>	<b>11,926,609</b>	<b>(156,495)</b>	<b>(1)</b>	
<b>TOTAL EXPENDITURE</b>	<b>12,083,104</b>	<b>11,926,609</b>	<b>(156,495)</b>	<b>(1)</b>	
<b>REVENUE</b>					
<b>Local Revenue</b>					
Taxes	2,749,373	2,627,166	122,207	5	8
Duty & Licenses	68,273	54,704	13,569	25	9
Fines & Fees	150,569	144,460	6,109	4	
Government Rents	134,280	117,570	16,710	14	10
Earnings Government Departments	8,950	10,728	(1,778)	(17)	
Income Received	125,819	113,159	12,660	11	11
Treasury Receipts	9,567	48,450	(38,883)	(80)	12
Recharges	92,350	75,609	16,741	22	13
	3,339,181	3,191,846	147,335	5	
<b>External Funding</b>					
FCDO Core Financial Aid	7,501,200	7,501,200	0	0	
FCDO Airport Operations Financial Aid	748,800	748,800	0	0	
	8,250,000	8,250,000	0	0	
<b>TOTAL REVENUE</b>	<b>11,589,181</b>	<b>11,441,846</b>	<b>147,335</b>	<b>1</b>	
<b>SURPLUS/ (DEFICIT)</b>	<b>(493,923)</b>	<b>(484,763)</b>	<b>(9,160)</b>	<b>2</b>	

## NOTES TO THE STATEMENT OF COMPARISON OF BUDGET AND ACTUALS

The notes below provide explanations for variances between the budget and actuals for the year to date, which are more than 5% and £5,000 or £50,000

Note	Budget Component	Budget less Actual		Variance Explanations
		£	%	
	<b>Recurrent Expenditure</b>			
1	Central Support Service	(96,412)	(4)	The overspend resulted from expected vacancy savings in the Technical Cooperation budget not being realised. This was partially offset by an underspend on training expenses, as the anticipated training activities did not take place during the first quarter of the year.
2	Attorney General's Chambers	(10,568)	(48)	The purchase of additional computer equipment for the Chambers was not factored into the approved budget. This unplanned expenditure arose due to the need to upgrade existing equipment to maintain operational efficiency.
3	Safety, Security and Home Affairs	50,228	7	Vacant posts across the portfolio and delay in the purchase of materials.
4	Treasury	(66,551)	(5)	Provision of specialised legal services for complex cases.
5	Economic Development	(191,283)	(15)	Losses incurred by Airlink on flights during the first quarter of the financial year.  Costs related to Airport Operations exceeded the allocated budget for the period, namely costs for utilities and purchase of meteorological and runway maintenance equipment were higher than anticipated.
6	Education, Skills and Employment	73,166	8	Vacant posts across eight sections of the portfolio.



# BUDGET EXECUTION REPORT FOR PERIOD 3 (JUNE 2025)

Note	Budget Component	Budget less Actual		Variance Explanations
		£	%	
7	Environment, Natural Resources and Planning	33,750	8	Vacant posts across the portfolio, along with delays in the procurement of materials and protective clothing during the government's rollover budget, contributed to the underspend for the period to date.
	<b>Local Revenue</b>			
8	Taxes	122,207	5	The significant over-collection in tax revenue is primarily due to an over-collection of £169k recorded for PAYE, this is partially offset by under-collections across all customs dues categories.
9	Duty & Licences	13,569	25	Stamp duties collected during the period exceeded budgeted expectations due to the application of duty for second home purchase that occurred in the first quarter of the financial year.
10	Government Rents	16,710	14	Board and lodging services for an average number of thirty five clients exceeded the budgeted revenue based on thirty clients.
11	Income Received	12,660	11	Receipts for NVQ courses at SHCC was not built into the rollover budget. Additionally, receipts for providing meals to clients residing at Sheltered Accommodation was also not included.
12	Treasury Receipts	(38,883)	(80)	Revenue shortfall recorded for interest on investments.
13	Recharges	16,741	22	Increase in building maintenance works carried out on Government Landlord Houses.