



St Helena Government

QUATERLY PERFORMANCE REPORT

**FOR QUARTER 1 (APRIL - JUNE) OF
FINANCIAL YEAR ENDING 31 MARCH 2019**

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1.0 Summary of Financial Performance of SHG For the quarter ended 30 June 2018

Basis of preparation

The management accounts have been prepared to include the budget execution report which is adjusted for non appropriated transactions and reconciled to the General Reserve (See 5.0). Also included is a Statement of financial Position and summary Reserve balances. The Opening Reserve balances have been extracted from the draft unaudited Financial Statements for the year ended 31 March 2018. Significant Annual Adjustments not included within the Management Accounts are as follows:

Recharges - Fund surpluses and deficits have not been adjusted to reflect netting off of internally generated recharges and unrealised profits.

Pensions - Annual Actuarial valuation.

Total Funds

The movement on the Consolidated Fund for the period to 30 June 2018 is a deficit of (£2,174k), made up as follows:

General Reserve deficit (£272k). **(5.0) / (7.0)**

Capital Reserve deficit of (£379k). **(7.0)**

Aid Funded Infrastructure Reserve deficit (£1,517k). **(7.0)**

Donated Asset Reserve deficit of (£6k). **(7.0)**

The movement on Special Funds for the period to 30 June 2018 is a deficit of (£301k), made up as follows:

Operating/ Trading deficit for the year of (£562k). **(8.0)**

Project Funds Received £344k. **(8.0)**

Project Funds Applied for (£350k). **(8.0)**

Funds applied to capital Finance (£38k). **(8.0)**

Transfers between Reserves £305k. **(8.0)**

The Consolidated Fund General Reserve

A delay in receiving confirmation of the financial aid settlement meant that a balanced budget could not be agreed in readiness for the start of the 2018/19 financial year. A Rollover budget, which is effectively to carry forward the previous years budget for four months was agreed by Legislative Council on 23 March 2018 to ensure that public services continued to be delivered during this period.

The Consolidated Fund Budget Report reflects a deficit of (£0.4m) for the period in comparison to a budget deficit of (£0.2m).

Budgeted revenue for the year to date was £9.1m, compared to actual revenue for the year to date of £8.4m.

Budgeted expenditure for the year to date was £9.3m. Actual expenditure for the same period was £8.8m. This represents an under spend of £0.5m, which is a favourable variance of 5.5% against the expenditure budget for the period.

Key Revenue and Expenditure Variances

The Analysis of Revenue Report **(3.0)** provides an analysis of actual and budgeted revenues by revenue stream. Brief comments on significant variances are provided below.

Grant-in-Aid, Adverse variance of (£436k) - The budget for the first four months is based on a rollover budget where funding from DFID was unknown. This budget will be realigned in Period 5.

Customs duties, adverse variance of (£363k) due to a lower level of imports than anticipated when preparing the budget resulting in under collection.

Income Tax, an adverse variance shown due to budget phasing issue. This will be realigned in period 5.

Recharges - Customs, favourable variance of £105k - No budget for Customs recharges from other Directorates.

The Consolidated Fund Budget Report **(2.0)** provides an analysis of actual and budgeted expenditure by the appropriated Head of Expenditure. Under/overspends of £50k are reported for Corporate HR (Technical Co-operation), Health (Medical Evacuation) and Environmental & Natural Resources. Brief comments on these under spends / (over spends) are provided below.

Recurrent Expenditure

Human Resources Services (Technical Consultancy) £68k under spend - The majority of the under spend relates to consultancy costs where services to SHG have been delayed.

Health - Medical Evacuation £281k under spend - The number of aero medical evacuations are less than budget. The medical evacuation budget is to be adjusted in Period 5 to adjust the phasing of the budget line.

Environmental & Natural Resources £174k under spend - The majority of under spend relates to contracting costs for building works and refurbishment works put on hold.

Capital Expenditure

There have been no significant capital purchases for the period.

2.0 Budget Report - Consolidated Fund

Directorate/ Expenditure Area

Revenue

Corporate Support, Policy & Planning
Police
Corporate Finance
Payments on behalf of the Crown
Education
Health
Environment & Natural Resources
Safeguarding
Total recurrent income

YEAR TO DATE - P3 JUNE 18				ROLLOVER BUDGET
Actual	Budget	Variance to budget Favourable / (adverse)	Variance to budget Favourable / (adverse)	Four months to 31/7/18
£	£	£	%	£
59,368	50,316	9,052	18.0%	67,128
90,646	78,549	12,097	15.4%	104,732
2,105,654	2,438,849	(333,195)	(13.7%)	3,419,982
5,705,040	6,158,352	(453,312)	(7.4%)	8,212,172
50,131	48,229	1,902	3.9%	64,372
190,650	163,392	27,258	16.7%	218,108
157,346	151,815	5,531	3.6%	203,865
24,433	23,534	898	3.8%	31,500
8,383,267	9,113,036	(729,769)	(8.0%)	12,321,859

Recurrent Expenditure

Corporate Support, Policy & Planning
Human Resources Services
Technical Cooperation
Police
Corporate Finance
Payments on behalf of the crown
Economic Development
Pensions
Basic Island Pension
Income Related Benefits
Shipping
Education
Health
Overseas Medical Treatment
Medical Evacuation
Environment & Natural Resources
Safeguarding
Total Recurrent Expenditure

(344,213)	(372,532)	28,319	7.6%	(478,667)
(85,081)	(111,311)	26,230	23.6%	(147,800)
(1,914,574)	(1,982,972)	68,398	3.4%	(2,685,200)
(341,306)	(362,319)	21,013	5.8%	(483,333)
(283,530)	(276,615)	(6,915)	(2.5%)	(374,334)
(1,210,601)	(1,192,279)	(18,322)	(1.5%)	(1,628,333)
(271,250)	(225,000)	(46,250)	(20.6%)	(361,667)
(298,076)	(306,000)	7,924	2.6%	(441,000)
(543,252)	(533,000)	(10,252)	(1.9%)	(697,000)
(118,737)	(115,700)	(3,037)	(2.6%)	(151,300)
(125,458)	(125,001)	(457)	(0.4%)	(166,668)
(762,572)	(791,145)	28,573	3.6%	(1,080,333)
(833,625)	(813,546)	(20,079)	(2.5%)	(1,082,933)
(352,260)	(305,600)	(46,660)	(15.3%)	(407,400)
(18,545)	(300,000)	281,455	93.8%	(400,000)
(679,394)	(853,137)	173,743	20.4%	(1,165,667)
(610,516)	(635,018)	24,502	3.9%	(856,667)
(8,792,990)	(9,301,175)	508,185	5.5%	(12,608,302)

Capital Expenditure

Education
Environment & Natural Resources
Total Capital Expenditure

(1,434)	0	(1,434)	(100.0%)	0
(14,194)	0	(14,194)	(100.0%)	0
(15,628)	0	(15,628)	(100.0%)	0

Surplus / (Deficit) for the period on Consolidated Fund

Total Surplus / (Deficit) for the period

(425,351)	(188,139)	(237,212)		(286,443)
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3.0 Analysis of Revenue Report - Consolidated Fund

	YEAR TO DATE - P3 JUNE 18				ROLLOVER BUDGET
	Actual	Budget	Variance to budget Favourable / (adverse)	Variance to budget Favourable / (adverse)	Four months to 31/7/18
	£	£	£	%	£
Taxes - PAYE	804,983	750,000	54,983	7.3%	1,000,000
Taxes - Self Employed	14,211	66,000	(51,789)	(78.5%)	88,000
Corporation Tax	9,395	126,750	(117,355)	(92.6%)	169,000
Goods & Services Tax	110,384	91,500	18,884	20.6%	122,000
Taxes - Withholding Tax	2	0	2	100.0%	0
Customs - Other	378,801	625,000	(246,199)	(39.4%)	800,000
Customs - Alcohol	164,291	275,000	(110,709)	(40.3%)	400,000
Customs - Tobacco	82,994	200,000	(117,006)	(58.5%)	350,000
Customs - Petrol	102,246	70,750	31,496	44.5%	141,500
Customs - Diesel	188,824	20,000	168,824	844.1%	60,000
Customs - Liquor Duty	4,870	2,850	2,020	70.9%	4,150
Customs - Excise Duty	43,959	135,000	(91,041)	(67.4%)	180,000
Taxes	1,904,960	2,362,850	(457,890)		3,314,650
Stamp Duty	10,056	10,540	(484)	(4.6%)	14,040
Dog License	1,048	1,659	(611)	(36.8%)	2,212
Firearm License	1,751	2,250	(499)	(22.2%)	3,000
Liquor License	630	800	(170)	(21.3%)	950
Road Traffic License	44,464	46,248	(1,784)	(3.9%)	61,664
Gaming Machines License	0	0	0	0.0%	0
Other Licenses & Duty	70	750	(680)	(90.7%)	1,000
Duty & Licenses Received	58,019	62,247	(4,228)		82,866
Court Fees & Fines	2,286	1,300	986	75.8%	1,800
Light Dues	2,194	2,500	(306)	(12.2%)	3,333
Crannage	724	250	474	189.8%	333
Dental Fees	7,056	3,441	3,615	105.1%	4,588
Fees of Office	5,998	4,999	999	20.0%	6,666
Medical & Hospital	61,011	38,940	22,071	56.7%	51,920
Trade Marks	4,271	1,800	2,471	137.3%	2,600
Post Office Charges	679	1,500	(821)	(54.7%)	2,000
Meat Inspection Fees	822	4,248	(3,426)	(80.7%)	5,664
Vet Services	7,165	6,000	1,165	19.4%	8,000
Birth, Marriage & Death Fees	1,106	600	506	84.3%	800
Land Registration Fees	1,838	2,784	(946)	(34.0%)	3,712
Spraying Fees	915	0	915	100.0%	0
Immigration Fees	27,578	14,553	13,025	89.5%	19,404
Nationalisation Fees	1,080	0	1,080	100.0%	0
Fish & Food Testing	5,200	3,024	2,176	72.0%	4,284
Planning Fees	4,676	5,250	(574)	(10.9%)	7,000
GIS Fees	1,964	4,248	(2,284)	(53.8%)	5,664
Company Registration Fees	245	480	(235)	(49.0%)	580
Other Fees	436	6,930	(6,494)	(93.7%)	9,070
Fines & Fees Received	137,244	102,847	34,397		137,418
Agricultural Gardens	11,034	2,000	9,034	451.7%	3,500
Leased House Plots	11,067	4,095	6,972	170.3%	5,460
Home to Duty Transport	60	60	0	0.0%	80
Commercial Property Rents	16,081	13,119	2,962	22.6%	17,492
Miscellaneous Receipts	66,205	39,636	26,569	67.0%	53,916
Agricultural Buildings	3,662	2,526	1,136	45.0%	3,368
Government Rents	108,109	61,436	46,673		83,816



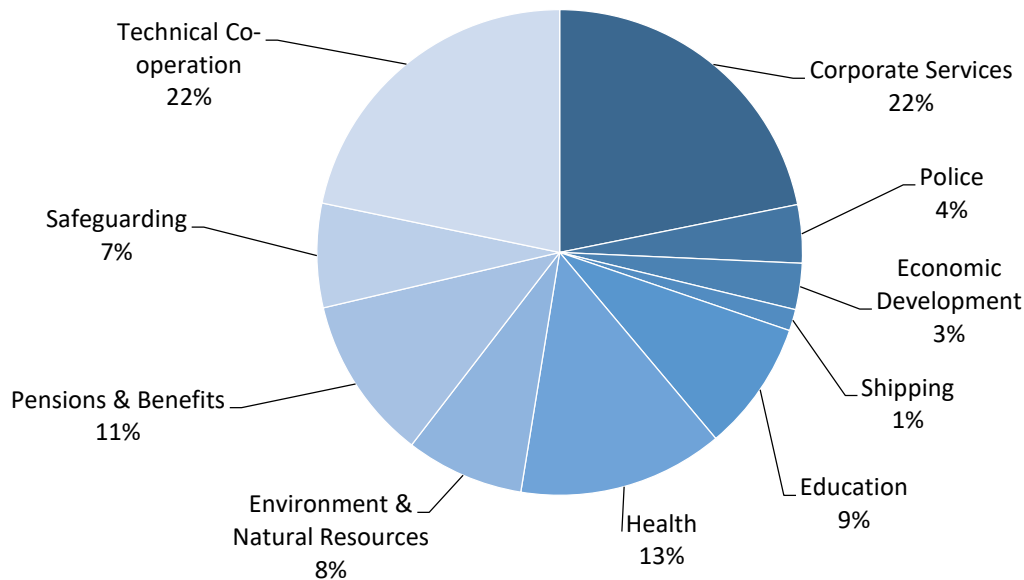
3.0 Analysis of Revenue Report - Consolidated Fund

YEAR TO DATE - P3 JUNE 18				ROLLOVER BUDGET
Actual	Budget	Variance to budget Favourable / (adverse)	Variance to budget Favourable / (adverse)	Four months to 31/7/18
Stamp Sales(Postal)	9,335	8,000	1,335	11,000
Stamp Sales(Philatelic)	1,314	6,500	(5,186)	9,000
Sale of Firewood	3,729	2,481	1,248	3,308
Sale of Timber Logs	0	1,165	(1,165)	1,165
Other Earnings Received	145	17,214	(17,069)	22,952
Earnings Government Department	14,523	35,360	(20,837)	47,425
Other Income Received	232	4,972	(4,740)	6,502
Bank Charges	53	0	53	0
Plantation House Tours	1,788	250	1,538	350
Income Received	2,073	5,222	(3,149)	6,852
Commission	779	0	779	0
Interest	5,011	11,000	(5,989)	16,000
Other Financial Aid	7,539	0	7,539	0
Grant-in-Aid	5,700,000	6,135,750	(435,750)	8,181,000
Treasury Receipts	5,713,329	6,146,750	(433,421)	8,197,000
Recharges - Customs	155,246	50,000	105,246	70,000
Recharges - Other	289,764	286,324	3,440	381,832
Recharges Received	445,010	336,324	108,686	451,832
TOTAL REVENUE	8,383,267	9,113,036	(729,769)	12,321,859



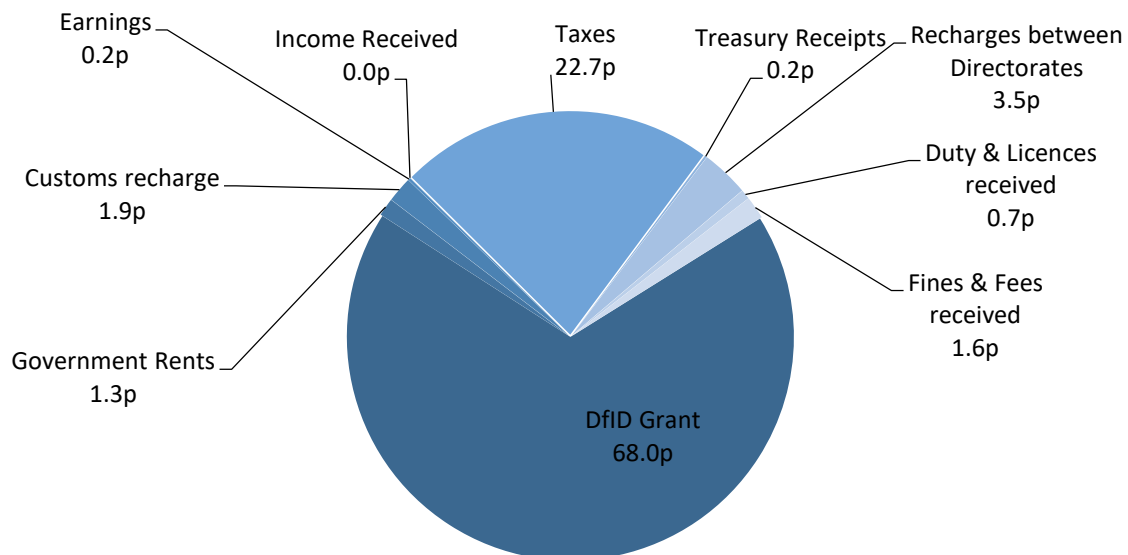
4.0 Consolidated Fund Budget Report visual aids

Recurrent Expenditure by Head



Analysis of total expenditure (recurrent & capital) by head for the quarter to June 18.

Income analysis by £



Analysis of income to show where every £ of income is derived for the quarter to June 18.



5.0 Summary of Movements on the Consolidated Fund

	Quarter ending June 18 £	Year ending 31 March 18 (UNAUDITED) £
Balance on the General Reserve as at 1 April 2018	3,194,398	(713,882)
Recurrent surplus/ (deficit)	(111,647)	2,619,294
Capital Expenditure	(15,628)	(475,187)
Pensions	(298,076)	(1,292,739)
Total surplus / (deficit) (From Budget Report Consolidated Fund)	Note 1 (425,351)	851,368
Transfers from Currency Fund	0	500,000
Transfers between Reserves		
Contribution from the European Development Fund	0	1,000,000
Litigation claims (Shown under Litigation Reserve)	160,829	0
Contribution from the Bulk Fuel Trading Account	0	770,000
	160,829	1,770,000
Accounting Adjustments - excluded from Budget Report Consolidated Fund		
Movement on Provision for Staff Leave Liability	(14,931)	60,114
Movement on Provision for Bad and Doubtful Debts	0	(29,365)
Prior Year Accounting Adjustments	8,646	301,553
Corporation tax accrued income (not accrued 16/17)		
Manual Adjustment stat accounts (Not included in budget execution)	0	461,766
Elimination of recharges	0	(1,598)
Capital Gain/ (Loss) on Investments	(822)	(2,650)
Gain/ (Loss) on Balances held in Foreign Currencies	0	(2,908)
Movement on provision for litigation claims		
Note 2	(7,107)	786,912
Total movement on General Reserve for the period to June 18	(271,629)	3,908,280
Balance on the General Reserve as at 30 June 2018	2,922,769	3,194,398

Note 1 - Surplus / (Deficit) in relation to fund movements with an associated budget line

Note 2 - Surplus / (Deficit) in relation to fund movements without an associated budget line



6.0 Statement of Financial Position

	30 June 2018	31 March 2018
	£'000	UNAUDITED £'000
ASSETS		
Current Assets		
Cash & Cash Equivalents	7,262	5,507
Investments	1,501	1,501
Recoverable from Non-exchange Transactions	1,888	2,649
Receivables	1,859	1,464
Inventories	1,366	1,321
Prepayments	12,400	12,415
Assets Held for Sale	0	932
	<u>26,276</u>	<u>25,789</u>
Non-current Assets		
Non-Current Investments	28,697	28,697
Receivables	64	64
Property, Plant & Equipment	283,342	285,240
Intangible Assets	101	106
	<u>312,204</u>	<u>314,107</u>
Total Assets	<u>338,480</u>	<u>339,896</u>
LIABILITIES		
Current Liabilities		
Payables	6,887	5,666
Provisions	988	1,149
	<u>7,875</u>	<u>6,815</u>
Non-current Liabilities		
Pension Liabilities	71,612	71,612
Provisions	3,759	3,759
	<u>75,371</u>	<u>75,371</u>
Total Liabilities	<u>83,246</u>	<u>82,186</u>
NET ASSETS	<u>255,234</u>	<u>257,710</u>
FUNDS AND RESERVES		
Consolidated Fund	7.0 250,167	252,342
Special Funds	8.0 5,067	5,368
	<u>255,234</u>	<u>257,710</u>

7.0 Fund Balances - The Consolidated Fund

	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Balance at 1 April 2018 (UNAUDITED)	Surplus / (Deficit) for the period	Claims settled	Provision released	Use of General Reserve to finance payment of pension benefits	Depreciation	Use of Special Funds to finance Capital Expenditure	Use of General Reserve to finance Capital Expenditure	Transfers between reserves	Gain/(Loss) on Financial Assets	Balance at 30 June 2018
General Reserve	3,194	347			(298)			(16)	(305)	(1)	2,921
Capital Reserve	45,765					(433)	38	16			45,386
Revaluation Reserve	3,698										3,698
Pension Reserve	(71,612)										(71,612)
Investment in Subsidiary Reserve	28,697										28,697
Aid funded Infrastructure Reserve	247,215					(1,517)					245,698
Donated Asset Reserve	143					(6)					137
Litigation Reserve	(4,758)		(161)	161							(4,758)
Total	252,342	347	(161)	161	(298)	(1,956)	38	0	(305)	(1)	250,167

8.0 Fund Balances - Special Funds

	£'000	£'000	£'000	£'000	£'000	£'000	£'000
	Balance at 1 April 2018 UNAUDITED	Surplus / (Deficit) for the period	Funds received	Funds applied	Funds applied to capital finance	Transfers between reserves	Balance at 30 June 2018
IT Trading account	273	59				1	333
Transport Trading account	869	(28)			(5)		836
Unallocated Stores Trading account	(119)						(119)
St Helena Audit Service Trading Account	151	(38)					113
Housing Service Trading Account	88	26			(26)		88
Bulk Fuel installation Trading Account	2,502	(605)				304	2,201
Airport Trading Account	80	13					93
DFID Projects	711		338	(338)			711
DFID Technical Cooperation	0						0
DFID Infrastructure	(621)			(6)			(627)
DFID Funded ST TC	0						0
EDF Projects	424		3	(3)			424
Locally funded Projects	115						115
UNDP Projects	9		3	(3)			9
Government Landlord Housing Capital Fund	452						452
Improvements and New Construction Revolving Fund	59	4					63
Environmental Management Projects Fund	(15)						(15)
Capital Receipts Fund	370	7			(7)		370
Animal Husbandry Fund	20						20
Total	5,368	(562)	344	(350)	(38)	305	5,067