



St Helena Government

QUARTERLY PERFORMANCE REPORT

**FOR QUARTER 2 (APRIL - SEPTEMBER) OF
FINANCIAL YEAR ENDING 31 MARCH 2019**

- 1.0 - Summary of Financial Performance of St Helena Government
- 2.0 - Budget Report - Consolidated Fund
- 3.0 - Analysis of Revenue Report - Consolidated Fund
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- 5.0 - Summary of movements on the Consolidated Fund - General Reserve
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1.0 Summary of Financial Performance of SHG For the quarter ended 30 September 2018

Basis of preparation

The management accounts have been prepared to include the Budget 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 September 2018 is a deficit of (£2,743k), made up as follows:

General Reserve £289k. **(5.0) / (7.0)**
Capital Reserve £3,028k. **(7.0)**
Revaluation Reserve (£3,405k). **(7.0)**
Investment in Subsidiary Reserve £392k. **(7.0)**
Aid Funded Infrastructure Reserve (£3,035k). **(7.0)**
Donated Asset Reserve (£12k). **(7.0)**

The movement on Special Funds for the period to 30 September 2018 is a deficit of (£2,384k), made up as follows:

Operating/ Trading deficit for the year of (£1,383k). **(8.0)**
Operating surplus on Other Special Funds for the year of £136k. **(8.0)**
Project Funds Received £868k. **(8.0)**
Project Funds Applied (£2,218k). **(8.0)**
Funds applied to Capital Funding (£453k). **(8.0)**
Transfers between Reserves £666k. **(8.0)**

The Consolidated Fund General Reserve

The Consolidated Fund Budget Report reflects a deficit of (£0.2m) for the period in comparison to a budget deficit of (£0.1m).

Budgeted revenue for the year to date was £18.5m, compared to actual revenue for the year to date of £18.0m.

Budgeted expenditure for the year to date was £18.7m. Actual expenditure for the same period was £18.3m. This represents an under spend of £0.4m, which is a favourable variance of 2.2% 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.

There is an overall adverse revenue variance. Taxation revenues namely Customs Duties for Alcohol and Tobacco, and Corporation Tax were less than anticipated.

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 Payments on behalf of the Crown, Education, Health and Environment & Natural Resources. Brief comments on these under spends /(over spends) are provided below.

Recurrent Expenditure

Payments on behalf of the Crown - £113k under spend mainly due to the actual contribution towards ASSI costs being lower than budgeted.

Education Directorate - £53k under spend is recorded under Employee Costs and Supplies and Services.

Health - Overseas Medical Treatment and Medical Evacuation £398k under spend - The number of aero medical evacuations were less than budget.

Health - The overspend of £102k relates to Customs Dues for goods order in the Financial Year 2017-18.

Environment & Natural Resources £85k under spend - The majority of under spend relates to the postponement of contracts for building works and refurbishment works during the period of the rollover budget.

Capital Expenditure

Environmental & Natural Resources £55k over spend. The actual expenditure is mainly in relation to a retaining wall. Supplementary Appropriation will be applied for to transfer funding from the Recurrent budget allocation.

2.0 Budget Report - Consolidated Fund

Directorate/ Expenditure Area

Revenue

	YEAR TO DATE - P6 SEPTEMBER 18				FULL YEAR	
	Actual	Revised Budget	Variance to budget Favourable / (adverse)	Variance to budget Favourable / (adverse)	Budget Remainder of the year	Full year Revised Budget
	£	£	£	%	£	£
Corporate Support, Policy & Planning	116,711	104,982	11,729	11.2%	125,018	230,000
Police	159,117	168,597	(9,480)	(5.6%)	193,403	362,000
Corporate Finance	4,445,137	5,016,189	(571,052)	(11.4%)	6,039,811	11,056,000
Payments on behalf of the Crown	12,398,576	12,433,483	(34,907)	(0.3%)	15,073,517	27,507,000
Education	101,393	112,680	(11,287)	(10.0%)	114,320	227,000
Health	452,107	379,150	72,957	19.2%	370,850	750,000
Environment & Natural Resources	324,467	251,382	73,085	29.1%	282,618	534,000
Safeguarding	54,500	48,591	5,909	12.2%	51,409	100,000
Total recurrent income	18,052,008	18,515,054	(463,046)	(2.5%)	22,250,946	40,766,000

Recurrent Expenditure

Corporate Support, Policy & Planning	(670,456)	(669,255)	(1,201)	(0.2%)	(690,745)	(1,360,000)
Human Resources Services	(220,288)	(212,093)	(8,195)	(3.9%)	(325,907)	(538,000)
Technical Cooperation	(4,120,062)	(4,075,846)	(44,216)	(1.1%)	(4,248,154)	(8,324,000)
Police	(722,194)	(677,666)	(44,528)	(6.6%)	(912,334)	(1,590,000)
Corporate Finance	(655,831)	(628,199)	(27,632)	(4.4%)	(783,801)	(1,412,000)
Payments on behalf of the Crown	(2,311,433)	(2,424,092)	112,659	4.6%	(4,343,908)	(6,768,000)
Economic Development	(450,000)	(450,000)	0	0.0%	(450,000)	(900,000)
Pensions	(606,655)	(644,000)	37,345	5.8%	(746,000)	(1,390,000)
Basic Island Pension	(1,110,561)	(1,091,000)	(19,561)	(1.8%)	(1,141,200)	(2,232,200)
Income Related Benefits	(247,926)	(231,400)	(16,526)	(7.1%)	(231,400)	(462,800)
Shipping	(231,110)	(250,002)	18,892	7.6%	(249,998)	(500,000)
Education	(1,530,227)	(1,582,808)	52,581	3.3%	(1,760,192)	(3,343,000)
Health	(1,758,593)	(1,656,650)	(101,943)	(6.2%)	(1,857,350)	(3,514,000)
Overseas Medical Treatment	(466,569)	(730,550)	263,981	36.1%	(969,450)	(1,700,000)
Medical Evacuation	(65,880)	(200,000)	134,120	67.1%	(300,000)	(500,000)
Environment & Natural Resources	(1,461,458)	(1,546,244)	84,786	5.5%	(1,845,756)	(3,392,000)
Safeguarding	(1,219,451)	(1,199,737)	(19,714)	(1.6%)	(1,650,263)	(2,850,000)
Total Recurrent Expenditure	(17,848,694)	(18,269,542)	420,848	2.3%	(22,506,458)	(40,776,000)

Capital Expenditure

Corporate Finance	(350,000)	(350,000)	0	0.0%	0	(350,000)
Education	(1,574)	0	(1,574)	(100.0%)	0	-
Health	(2,635)	0	(2,635)	(100.0%)	(80,000)	(80,000)
Environment & Natural Resources	(55,115)	0	(55,115)	(100.0%)	0	0
Safeguarding	0	0	0		0	0
Total Capital Expenditure	(409,324)	(350,000)	(59,324)	(100.0%)	(80,000)	(430,000)

Surplus / (Deficit) for the period on Consolidated Fund

Total Surplus / (Deficit) for the period	(206,010)	(104,488)	(101,522)		(335,512)	(440,000)
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3.0 Analysis of Revenue Report - Consolidated Fund

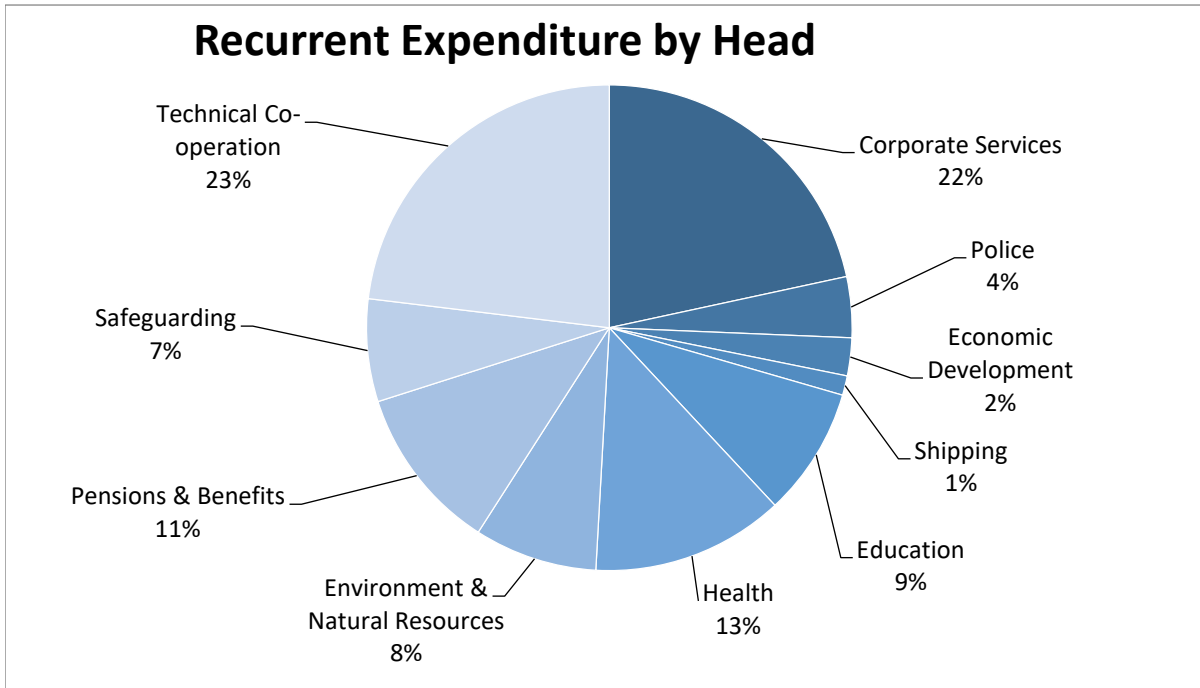
	YEAR TO DATE - P6 SEPTEMBER 18					FULL YEAR
	Actual	Revised Budget	Variance to budget Favourable / (adverse)	Variance to budget Favourable / (adverse)	Budget Remainder of the year	Full year Revised Budget
	£	£	£	%	£	£
Taxes - PAYE	1,623,901	1,602,500	21,401	1.3%	1,849,747	3,452,247
Taxes - Self Employed	47,168	88,000	(40,832)	(46.4%)	263,258	351,258
Corporation Tax	4,804	169,000	(164,196)	(97.2%)	508,032	677,032
Goods & Services Tax	210,059	226,000	(15,941)	(7.1%)	263,531	489,531
Taxes - Withholding Tax	7,348	0	7,348	100.0%	40,932	40,932
Customs - Other	987,610	1,200,000	(212,390)	(17.7%)	1,174,393	2,374,393
Customs - Alcohol	450,609	675,000	(224,391)	(33.2%)	786,193	1,461,193
Customs - Tobacco	340,541	500,000	(159,459)	(31.9%)	542,675	1,042,675
Customs - Petrol	198,271	141,500	56,771	40.1%	141,391	282,891
Customs - Diesel	128,785	90,000	38,785	43.1%	108,904	198,904
Customs - Liquor Duty	10,118	5,700	4,418	77.5%	7,154	12,854
Customs - Excise Duty	153,563	271,294	(117,731)	(43.4%)	271,296	542,590
Fees of Office	0	750	(750)	(100.0%)	2,250	3,000
Airport & Passenger Tax	10,353	0	10,353	100.0%	0	0
Taxes	4,173,130	4,969,744	(796,614)		5,959,756	10,929,500
Stamp Duty	41,623	21,060	20,563	97.6%	20,865	41,925
Dog License	2,274	3,318	(1,044)	(31.5%)	3,470	6,788
Firearm License	2,771	4,500	(1,729)	(38.4%)	4,500	9,000
Liquor License	1,754	1,350	404	29.9%	8,650	10,000
Road Traffic License	88,431	101,748	(13,317)	(13.1%)	120,252	222,000
Gaming Machines License	0	0	0	0.0%	3,000	3,000
Other Licenses & Duty	173	570	(397)	(69.6%)	2,430	3,000
Duty & Licenses Received	137,026	132,546	4,480		163,167	295,713
Court Fees & Fines	3,630	5,800	(2,170)	(37.4%)	12,200	18,000
Light Dues	3,100	5,000	(1,900)	(38.0%)	5,000	10,000
Cranage	2,067	500	1,567	313.4%	1,500	2,000
Dental Fees	15,241	7,190	8,051	112.0%	7,510	14,700
Fees of Office	9,593	6,666	2,927	43.9%	0	6,666
Medical & Hospital	120,237	98,300	21,937	22.3%	27,700	126,000
Trade Marks	7,098	4,400	2,698	61.3%	5,600	10,000
Post Office Charges	894	1,579	(685)	(43.4%)	6,421	8,000
Meat Inspection Fees	2,950	5,748	(2,798)	(48.7%)	252	6,000
Vet Services	14,717	12,000	2,717	22.6%	13,000	25,000
Marriage, Births & Deaths Fees	2,264	2,079	185	8.9%	1,921	4,000
Land Registration Fees	4,590	5,844	(1,254)	(21.5%)	6,396	12,240
Spraying Fees	1,602	0	1,602	100.0%	0	0
Immigration Fees	35,832	29,106	6,726	23.1%	29,106	58,212
Nationalisation Fees	1,080	0	1,080	100.0%	0	0
Fish & Food Testing	19,645	6,214	13,431	216.1%	5,786	12,000
Planning Fees	7,161	10,730	(3,569)	(33.3%)	11,270	22,000
GIS Fees	4,309	3,870	439	11.3%	10,130	14,000
Company Registration Fees	1,332	1,130	202	17.9%	1,670	2,800
Other Fees	832	13,760	(12,928)	(94.0%)	18,791	32,551
Fines & Fees Received	258,174	219,916	38,258		164,253	384,169
Agricultural Gardens	135	8,000	(7,865)	(98.3%)	0	8,000



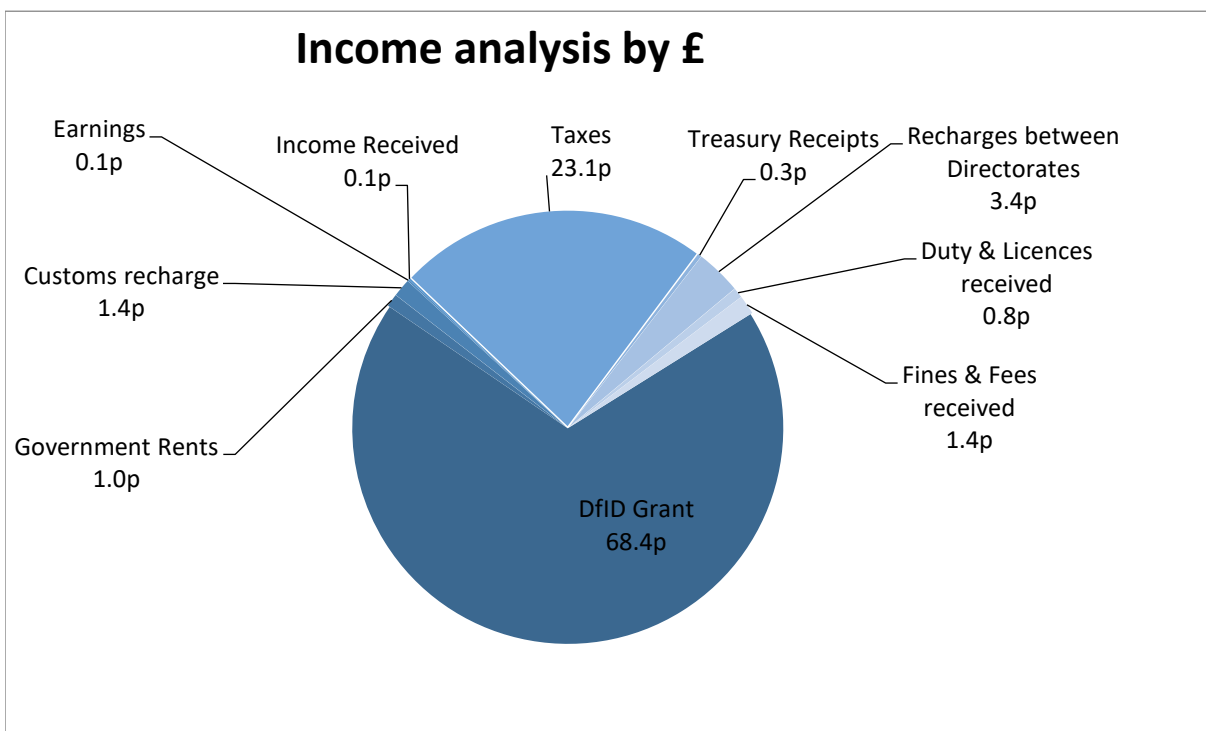
3.0 Analysis of Revenue Report - Consolidated Fund

YEAR TO DATE - P6 SEPTEMBER 18					FULL YEAR
Actual	Revised Budget	Variance to budget Favourable / (adverse)	Variance to budget Favourable / (adverse)	Budget Remainder of the year	Full year Revised Budget
Leased House Plots	17,070	8,232	8,838	8,323	16,555
Home to Duty Transport	120	1,002	(882)	2,998	4,000
Commercial Property Rents	32,291	26,238	6,053	26,242	52,480
Miscellaneous Receipts	120,258	86,830	33,428	96,028	182,858
Agricultural Buildings	4,690	5,052	(362)	2,057	7,109
Government Rents	174,564	135,354	39,210	135,648	271,002
Stamp Sales(Postal)	13,029	14,991	(1,962)	17,709	32,700
Stamp Sales(Philatelic)	2,635	3,405	(770)	23,095	26,500
Sale of Firewood	6,867	5,147	1,720	5,544	10,691
Sale of Timber Logs	0	1,165	(1,165)	1,035	2,200
Other Earnings Received	292	0	292	1,000	1,000
Earnings Government	22,823	24,708	(1,885)	48,383	73,091
Other Income Received	21,593	10,947	10,646	14,384	25,331
Bank Charges	6	0	6	0	0
Plantation House Tours	2,415	950	1,465	2,050	3,000
Income Received	24,014	11,897	12,117	16,434	28,331
Commission	1,270	1,278	(8)	522	1,800
Interest	17,188	26,000	(8,812)	24,000	50,000
Currency Fund Surplus	0	0	0	50,000	50,000
Dividends	0	0	0	30,000	30,000
Argos	25,420	0	25,420	25,670	25,670
Other Financial Aid	7,539	33,778	(26,239)	202,668	236,446
Grant-in-Aid	12,350,000	12,350,000	0	14,745,002	27,095,002
Treasury Receipts	12,401,417	12,411,056	(9,639)	15,077,862	27,488,918
Recharges - Customs	244,383	0	244,383	0	0
Recharges - Other	616,477	609,833	6,644	685,443	1,295,276
Recharges - GIS	0	0	0	0	0
Recharges Received	860,860	609,833	251,027	685,443	1,295,276
TOTAL REVENUE	18,052,008	18,515,054	(463,046)	22,250,946	40,766,000

4.0 Consolidated Fund Budget Report visual aids



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



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 September 18 £	Year ending 31 March 18 (UNAUDITED)) £
Balance on the General Reserve as at 1 April 2018	2,945,138	(36,556)
Recurrent surplus/ (deficit)	809,969	2,460,227
Capital Expenditure	(409,324)	(570,349)
Pensions	(606,655)	(1,292,739)
Total surplus / (deficit) (From Budget Report Consolidated Fund)	Note 1 (206,010)	597,139
Transfers from Currency Fund	0	500,000
Transfers between Reserves		
Contribution from the European Development Fund	0	1,000,000
Transfer from Investment in Subsidiary Reserve	350,000	0
Litigation claims (Shown under Litigation Reserve)	224,046	0
Contribution from the Bulk Fuel Trading Account	0	770,000
	574,046	1,770,000
Accounting Adjustments - excluded from Budget Report Consolidated Fund		
Movement on Provision for Staff Leave Liability	(86,088)	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	(210,591)
Elimination of recharges	0	(1,598)
Capital Gain/ (Loss) on Investments	(2,672)	(2,650)
Gain/ (Loss) on Balances held in Foreign Currencies	0	(2,908)
Movement on provision for litigation claims		
	Note 2 (80,114)	114,555
Total movement on General Reserve for the period to September 18	287,922	2,981,694
Balance on the General Reserve as at 30 September 2018	3,233,060	2,945,138

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 September 2018 £'000	31 March 2018 UNAUDITED £'000
ASSETS		
Current Assets		
Cash & Cash Equivalents	7,923	5,507
Investments	2,801	1,501
Recoverable from Non-exchange Transactions	1,781	3,000
Receivables	1,814	1,424
Inventories	1,367	1,321
Prepayments	12,240	12,415
Assets Held for Sale	0	932
	<u>27,926</u>	<u>26,100</u>
Non-current Assets		
Non-Current Investments	29,047	28,697
Receivables	64	64
Property, Plant & Equipment	281,889	285,301
Intangible Assets	96	106
	<u>311,096</u>	<u>314,168</u>
Total Assets	339,022	340,268
LIABILITIES		
Current Liabilities		
Payables	10,281	6,175
Provisions	925	1,149
	<u>11,206</u>	<u>7,324</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	86,577	82,695
NET ASSETS	252,445	257,573
FUNDS AND RESERVES		
Consolidated Fund	7.0 249,410	252,154
Special Funds	8.0 3,035	5,419
	<u>252,445</u>	<u>257,573</u>

7.0 Fund Balances - The Consolidated Fund

	£'000	£'000	£'000	£'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	Investments funded from the General Reserve	Release of revaluation gain on sale of RMS Saint Helena	Depreciation	Use of Special Funds to finance Capital Expenditure	Share of Profit/(Loss) of Subsidiaries	Use of General Reserve to finance Capital Expenditure	Transfers between reserves	Gain/(Loss) on Financial Assets	Balance at 30 September 2018
General Reserve	2,945	1,623			(607)	(350)					(59)	(316)	(3)	3,233
Capital Reserve	45,826						3,405	(872)	453		59		(17)	48,854
Revaluation Reserve	3,698						(3,405)							293
Pension Reserve	(71,612)													(71,612)
Investment in Subsidiary Reserve	28,697					350				392		(350)		29,089
Aid funded Infrastructure Reserve	247,215							(3,035)						244,180
Donated Asset Reserve	143							(12)						131
Litigation Reserve	(4,758)		(224)	224										(4,758)
Total	252,154	1,623	(224)	224	(607)	0	0	(3,919)	453	392	0	(666)	(20)	249,410

 St Helena Government							
	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 September 2018
IT Trading account	273	18			(64)	58	285
Transport Trading account	869	76			(195)		750
Unallocated Stores Trading account	(119)						(119)
St Helena Audit Service Trading Account	151	(53)					98
Housing Service Trading Account	88	29			(26)		91
Bulk Fuel installation Trading Account	2,502	(1,105)				608	2,005
Airport Trading Account	80	(348)					(268)
DFID Projects	(2,003)		455	(2,154)	(148)		(3,850)
DFID Technical Cooperation	0						0
DFID Infrastructure	2,128		396	(35)			2,489
DFID Funded ST TC	0						0
EDF Projects	424		3	(25)	(7)		395
Locally funded Projects	131						131
UNDP Projects	9		14	(4)	(6)		13
Government Landlord Housing Capital Fund	452	27					479
Improvements and New Construction Revolving Fund	59	4					63
Environmental Management Projects Fund	(15)	72					57
Capital Receipts Fund	370	21			(7)		384
Animal Husbandry Fund	20	12					32
Total	5,419	(1,247)	868	(2,218)	(453)	666	3,035