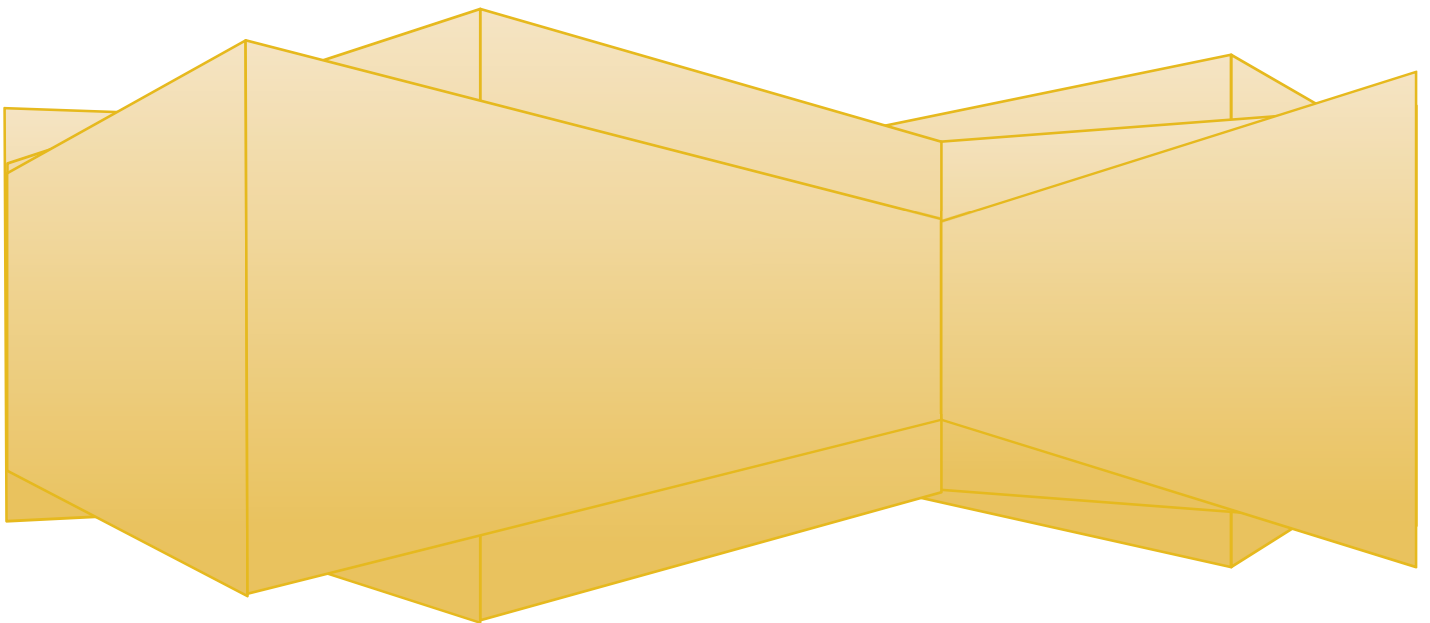


Ministry of Finance - Treasury



Government of Nauru
Quarterly Budget Performance Report
Quarter 1, FY 18-19
Release Date: 1st October 2018



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Overview

This is the first quarter 2018-19 budget utilization report and provides revenue and expenditure data recorded by Treasury for the period 1st July 2018 to the 30th of September 2018. It is based on all available information to Treasury from the Government's accounts and departmental sources.

In the first quarter of the financial year a Supplementary Appropriation were passed by Parliament. Supplementary Appropriation No.1 2018-19 was passed by Parliament on the 14th of August.

It is important to note that the report only covers general Government operations. Donor expenditures and the operations of State-owned enterprises (SoE's) are not included in this report apart from where transfers from the Government have been made to donor projects or as subsidies/loans to SoE's. Likewise receipts from direct budget support donor funding have been included.

Key Highlights

Macroeconomic Assumptions

The macro-economic assumptions adopted in the preparation of the budget remain and are the latest estimates available from the IMF. These were that growth would be flat (zero growth) in the current financial year and that domestic inflation would be approximately 2% annually.

No domestic inflation figures have been produced since July 2017 at the time of preparing this report therefore it is not possible to comment on the assumed rate of 2% in the original estimates.

Total Original Budget Estimates

The Republic of Nauru 2018-2019 Appropriation Bill provides for revenue totaling approx. \$154.60 mil and expenditure of \$154.43 mil, hence a small surplus of \$167k.

Supplementary

Supplementary No.1 recognised a further \$19.36 mil in windfall revenue from fishing revenues from pooled days from prior years. A further \$2.89 mil was also added as reimbursable cost from the ABF to fund the transitional costs associated with RPC operations. It funded a range of spending increases and including \$2.0 mil in domestic debt repayment (Ronphos and Bank of Nauru) and \$11.1 mil into the Fiscal Cash Buffer. In total outlays in the supplementary totaled \$22.22 mil.

Total Budget Aggregates

The total budget aggregates for the year are shown in Table 1.

Table 1 Aggregate results Qtr. 1 2018-19

	Approved Budget	Supplementary Budget	Revised Budget	Adjusted Forecast	Actual YTD	Total Commitment	Variance	Var %
Revenue	154,600,457	22,261,293	176,861,750	175,221,029	52,697,729	639	(1,640,721)	-1%
Expenditure	154,432,501	22,224,837	176,657,338	163,411,270	44,532,280	800,294	(13,150,069)	-7%
Outturn	167,956	36,456	204,412	11,809,760	8,165,450	(799,654)	11,509,348	

Forecasts of revenue and expenditure outturns have been made in this report based on actual recorded revenues and payments for the period. This represents 25% of the elapsed financial year. Adjustments were made to the forecasts based on the previous history of the revenue collections and expenditures and on departmental information available to Treasury. It is the adjusted forecast number that is provided in this report. In aggregate adjusted forecast revenue collections are 1% less than the revised budget estimates whilst adjusted forecast expenditure is 7% below the revised appropriations.

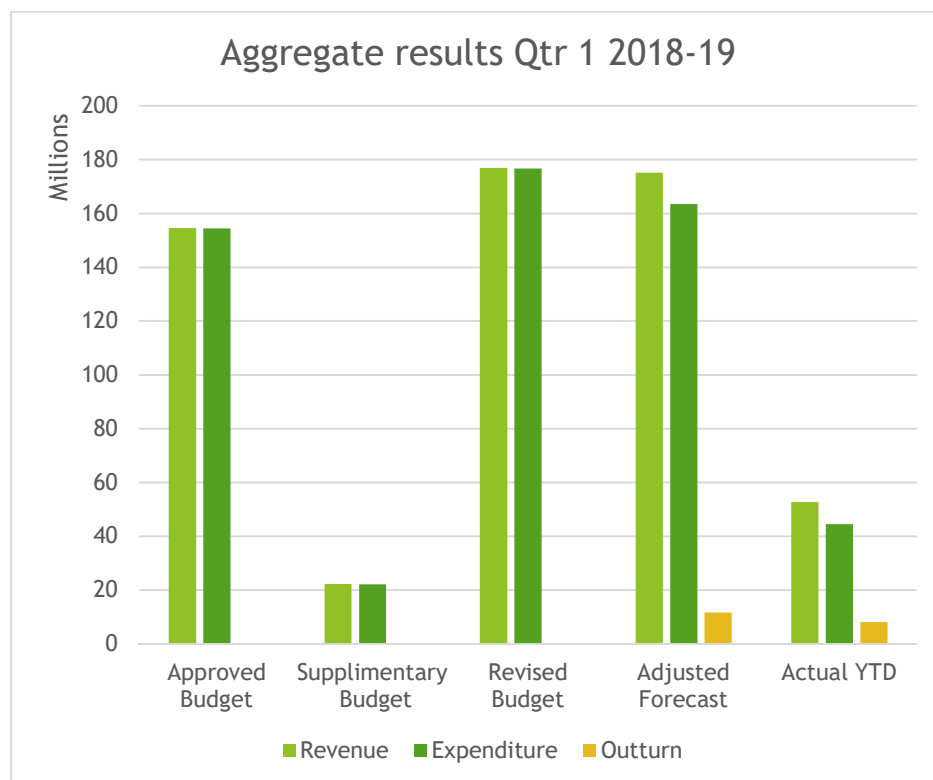


Figure 1 Aggregate budget results Qtr. 1 2018-19

Operating Revenue Analysis

As mentioned above revenues have been increased by \$22.2 mil over the original budget estimates by the passage of the Supplementary Appropriation. Actual revenue collections for the period were 30% which is above the estimate for the first quarter.

The large collections in the first quarter were due to the large fisheries payment that was received in the first quarter, placing this group at 40% of the revised budget collected. Similarly, with tax large Business profit tax returns received in the first quarter put this group ahead of target (36% of revised budget). Non-tax revenues are 31% collected due to arrears in DCA passenger fees from last year being paid, fisheries fines and service fee payments. Import duties are slightly in front of target (26% collected).

Visa fees are considerably behind target estimates for the first quarter with the largest shortfalls in reimbursed expenses from the ABF (DJBC Operations & DJBC Reimbursable costs). Overall Visa fees are 20% collected.

No grant revenue was received in the first quarter.

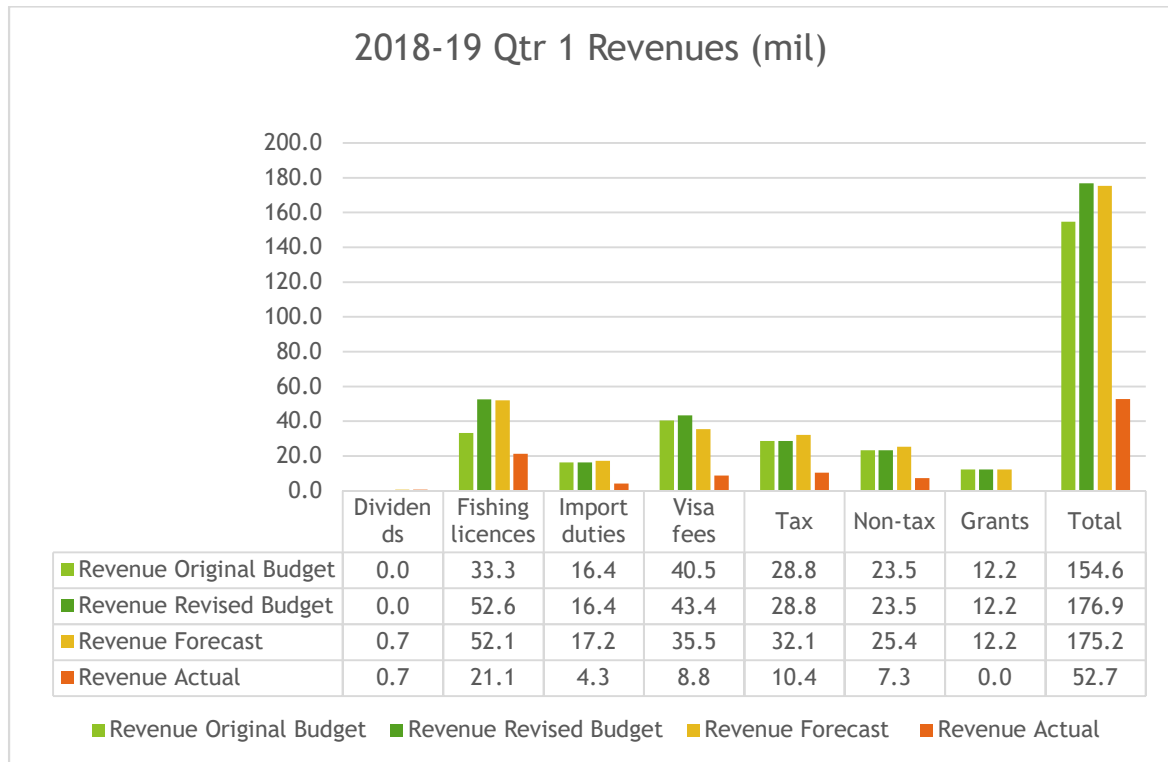


Figure 2 Revenue by major groups Qtr1 2018-19

Visa Fees

The collection of Visa fees related to asylum seekers (1335-Visa Fees RPC) and refugees in the community (1580 Visa Fees -RPC Resettlement) and (1575 Visa Fees (Other Business)) are higher than expected in the first quarter. This is apparently due to those refugees taken to Australia on medical grounds still holding Nauruan visas. In relation to Business visas it indicates that the expected reduction in expatriate workers has not occurred.

Table 2 Visa Revenues Qtr. 1

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Collect
1330 - Visa Check up	(2,148)	(12,000)	(12,000)	(8,616)	18%
1335 - Visa Fees - RPC	(366,100)	(1,200,000)	(1,200,000)	(1,468,423)	31%
1475 - Miscellaneous Revenue	(1,629,040)	(3,884,660)	(6,780,910)	(6,534,062)	24%
1575 - Visa Fees (Other Business)	(1,008,883)	(2,600,000)	(2,600,000)	(4,046,617)	39%
1577 - DJBC - Operations	(253,361)	(2,460,860)	(2,460,860)	(1,016,228)	10%
1578 - DJBC - Reimbursable Costs	(980,411)	(18,308,320)	(18,308,320)	(3,932,418)	5%
1580 - Visa Fees - RPC Resettlement	(4,608,000)	(12,000,000)	(12,000,000)	(18,482,637)	38%
	<u>(8,847,943)</u>	<u>(40,465,840)</u>	<u>(43,362,090)</u>	<u>(35,489,001)</u>	<u>20%</u>

Fishing Revenues

Whilst revenues from Purse Seine Fishing days is ahead of target (41%), this is due to the large deposit of funds from prior years pooled days early in the period. Revenues from licensing are low. There is strong seasonality in fishing revenue flows with the majority expected to occur in the next quarter.

Table 3 Fishing revenues Qtr. 1

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Collect
1055 - Support Vessel Charges	(39,448)	(126,056)	(126,056)	(158,225)	31%
1071 - Purse Seine Revenue - Licensing	(80,278)	(882,392)	(882,392)	(321,996)	9%
1072 - Purse Seine Revenue - Fishing Days	(21,022,230)	(32,270,345)	(51,635,388)	(51,635,388)	41%
	<u>(21,141,957)</u>	<u>(33,278,793)</u>	<u>(52,643,836)</u>	<u>(52,115,608)</u>	<u>40%</u>

Taxation revenue

Annual returns for the previous year Business Profit tax are due in the first quarter and explain the high level of collections for this item. Employment/Non-Resident withholding tax is also showing collections above targets indicating that expatriate employment levels continue to be higher than expectations.

Table 4 Taxation revenue Qtr.1

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Collect
1590 - Employment/Non-resident Withholding Tax	(3,742,894)	(12,000,000)	(12,000,000)	(15,012,706)	31%
1591 - Business Profit Tax	(6,174,613)	(15,000,000)	(15,000,000)	(15,000,000)	41%
1190 - Telecom Tax	(522,493)	(1,800,000)	(1,800,000)	(2,095,713)	29%
	<u>(10,440,000)</u>	<u>(28,800,000)</u>	<u>(28,800,000)</u>	<u>(32,108,419)</u>	<u>36%</u>

Non-tax

Non-tax collections are slightly ahead of expectations at the end of the first quarter. As mentioned earlier fees associated with DCA passenger movements (1360 and 1365) are high and this is due to Nauru Airlines paying previous year arrears. The major revenue item in this category is Service fees (1495) which are from fees NRPCC charges the service providers to the RPC. At \$4.5 mil collected it is slightly ahead of budget targets. In addition, there are several revenue items that were not included in the budget for which revenues have been received.

Court fees and fines (1490) continue to show a large increase due to fines being imposed for illegal fishing being recorded against this item.

Port fees (1400) at 12% collected are well below expectations in the first quarter.

Table 5 Non-tax revenues

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Collect
1121 - Curator fees	(144,731)	0	0	(144,731)	NA
1215 - Licenses-Drivers etc.	(18,295)	(100,000)	(100,000)	(73,381)	18%
1220 - Corporation Fees and Licenses	(28,200)	(20,000)	(20,000)	(28,200)	141%

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Collect
1225 - Licenses-Trading	(69,345)	(198,000)	(198,000)	(278,142)	35%
1230 - Liquor Licensing Board	(21,989)	(29,500)	(29,500)	(88,196)	75%
1235 - Gaming / Bingo Licenses	(152,883)	(420,000)	(420,000)	(613,210)	36%
1260 - Birth Certificate	(5,270)	(16,730)	(16,730)	(21,138)	32%
1265 - Death Certificate	(160)	(480)	(480)	(642)	33%
1270 - Marriage Certificate	(680)	(1,670)	(1,670)	(2,727)	41%
1300 - Registration Fees-Motor Cars	(9,922)	0	0	(39,799)	NA
1305 - Registration Fees-Motorcycles	(2,585)	0	0	(10,368)	NA
1310 - Vehicle/Insurance Fees	(37,828)	0	0	(151,726)	NA
1325 - Passport Fees and Photographs	(86,450)	(197,640)	(197,640)	(346,750)	44%
1340 - Police Clearance	(11,655)	(45,000)	(45,000)	(46,748)	26%
1360 - D.C.A.-Pax Levy	(495,625)	(968,700)	(968,700)	(1,987,946)	51%
1365 - D.C.A.-Departure Taxes	(457,050)	(879,600)	(879,600)	(1,833,223)	52%
1370 - D.C.A.-Air Navigation Fees	(235,790)	(684,000)	(684,000)	(945,753)	34%
1375 - D.C.A.-Landing Fees	(234,186)	(728,688)	(728,688)	(939,317)	32%
1380 - D.C.A.-Rental Fees	(57,949)	(211,800)	(211,800)	(232,434)	27%
1400 - Port Fees	(250,154)	(2,065,106)	(2,065,106)	(1,003,364)	12%
1420 - Warehouse sales	0	(152,230)	(152,230)	0	0%
1440 - Petrol Sales	(150)	0	0	(602)	NA
1480 - Bus Services	(434)	0	0	(1,739)	NA
1485 - Quarantine Fees	(11,520)	(45,000)	(45,000)	(46,207)	26%
1490 - Court Fines and Fees	(401,620)	(480,418)	(480,418)	(480,418)	84%
1495 - Service Fees	(4,518,490)	(16,008,900)	(16,008,900)	(16,008,900)	28%
1500 - Sale of Maps	(1,750)	0	0	(7,019)	NA
1520 - Food Handler Check up	(320)	(5,000)	(5,000)	(1,284)	6%
1540 - Advertising Revenue	(375)	(30,000)	(30,000)	(1,504)	1%
1550 - Canteen Fees	(300)	0	0	(1,203)	NA
1555 - Spectacles, Drugs etc.	(340)	(5,000)	(5,000)	(1,364)	7%
1565 - Medical Services	(3,053)	(5,000)	(5,000)	(12,245)	61%
1700 - National/District Roll Sales	(300)	(10,000)	(10,000)	(1,203)	3%
1705 - Electoral Various Fees	(10,350)	(150,000)	(150,000)	(41,514)	7%
	<u>(7,269,747)</u>	<u>(23,458,462)</u>	<u>(23,458,462)</u>	<u>(25,392,995)</u>	<u>31%</u>

Import Duties

The original estimates for Customs duties in the budget remain unchanged. Duty on sugar (1150), Machinery (1155) and Other (1160) are all above expectations. However, Alcohol (1145) and Diesel (1170) are considerably less than expected. Overall Customs duties at 26% collected are close to expectations.

Table 6 Import duties Qtr. 1

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Collect
1140 - Customs and Excise Duty - Tobacco	(1,252,806)	(4,772,288)	(4,772,288)	(5,024,990)	26%
1145 - Customs and Excise Duty - Alcohol	(263,113)	(2,019,600)	(2,019,600)	(1,055,344)	13%
1150 - Customs and Excise Duty - Sugar	(222,831)	(642,419)	(642,419)	(893,774)	35%
1155 - Customs and Excise - Machinery/Vehicle/Equip.	(317,723)	(680,000)	(680,000)	(1,274,385)	47%
1160 - Customs and Excise Duty - Other	(940,293)	(3,000,000)	(3,000,000)	(3,771,504)	31%
1165 - Customs and Excise Duty - Petrol Sales	(598,355)	(2,200,000)	(2,200,000)	(2,399,995)	27%
1170 - Customs and Excise Duty - Diesel Sales	(635,319)	(3,000,000)	(3,000,000)	(2,548,258)	21%
1175 - Customs and Excise Duty - JetA1	(65,114)	(100,000)	(100,000)	(261,173)	65%
	<u>(4,295,555)</u>	<u>(16,414,307)</u>	<u>(16,414,307)</u>	<u>(17,229,423)</u>	<u>26%</u>

Operating Expenditure Analysis

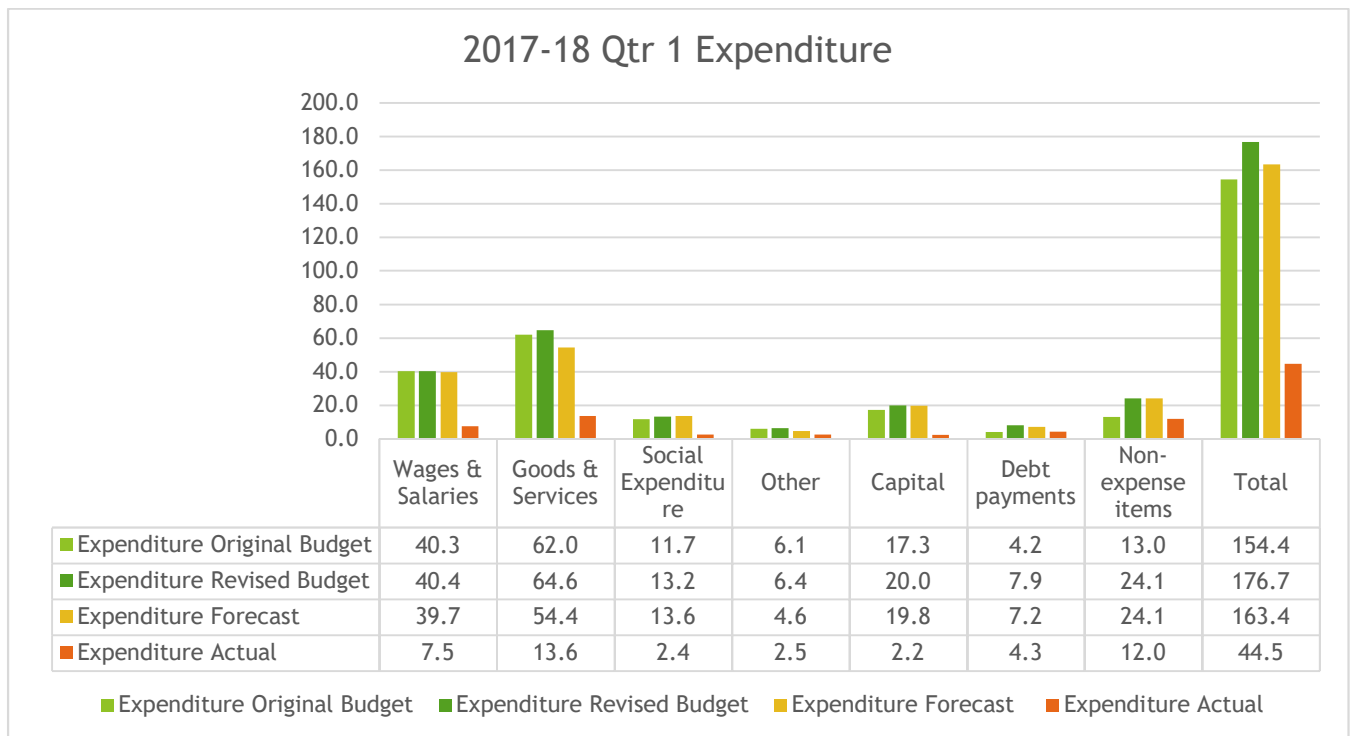


Figure 3 Expenditure by major groups Qtr. 1

The grouping of expenditures has been aligned with those used in the preparation of the budget document and the Government's Fiscal Management Model (FMM). This has been done to improve reporting

consistency across in-year budget reporting and to allow easier comparison between documents. Differences in the groupings can be determined from comparison of the spending tables.

Expenditure on Goods and Services remains the largest area of budgeted expenditure, however actual expenditure in quarter 1 was below expectations at 21% of the revised budget. Wages and Salaries is similarly spending below budget expectations at 19% spent. Social expenditures are more closely aligned with expectations (22%). Capital spending is at 11% of budget.

Other spending is above the budget expectation at 39% spent due to continued spending associated with 50th year anniversary celebrations. Non-expense outlays are at 50% of budget due to the contributions that have been made to the NTF. Debt repayments are similarly showing 54% spent from payments made to Ronphos in the first quarter.

Salaries and Wages

Most budget lines associated with personnel spending are spending below budget expectations in the first quarter, the exception to this is Business travel (2075) which at 32% spent is considerably above expectations and will require careful monitoring.

Table 7 Salaries and Wages expenditure Qtr. 1

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Spend
2005 - Salaries & Allowances - (MP's)	195,016	1,164,139	1,164,139	780,064	17%
2010 - HE Salary & Allowances	19,237	105,034	105,034	76,947	18%
2015 - Salary - Local	3,305,702	19,453,768	19,573,768	19,573,768	17%
2020 - Salary Expatriate	1,635,508	9,264,667	9,264,667	9,264,667	18%
2025 - Allowances - Staff Contract	463,377	2,018,263	2,018,263	1,923,310	24%
2026 - Directors Fees	7,600	54,150	54,150	30,400	14%
2035 - Overtime - local	175,850	819,930	819,930	703,399	21%
2040 - Staff Training	132,975	1,442,674	1,442,674	540,802	9%
2045 - Recruitment	15,256	79,000	79,000	61,025	19%
2050 - Uniforms & Protective Clothing	61,375	362,653	362,653	305,502	21%
2070 - Travel - Staff	76,977	666,756	666,756	307,907	12%
2075 - Travel - Business	1,459,481	4,864,295	4,864,295	6,134,961	32%
	<u>7,548,354</u>	<u>40,295,329</u>	<u>40,415,329</u>	<u>39,702,752</u>	<u>19%</u>

Goods and Services

Several areas of Goods and Services spending are ahead of budget expectations. Repairs and Maintenance costs to the aerodrome are above budget (138%) and require further investigation. Spending on fuel (2275 & 2280) are also well ahead of estimates and will need to be curtailed. Warehouse procurement is also ahead of budget but will be held to the budget limit. Local transport costs (2575) at 30% spent is also higher than expected. Local car hire is the primary expense in this item. Rations (2585) at 34% are spending well above budgeted levels. The major expenses under this item being meals at the hospital and school lunches. Deportee removal costs (2700) at 30% are also above budget levels resulting from the high number of escorts being provided to refugees and asylum seekers being taken to Australia.

Table 8 Goods and Services expenditure Qtr. 1

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Spend
2030 - Salaries - Other Contracts	6,626,535	27,269,166	27,327,718	26,812,115	25%
2055 - Consultants fees	720,407	2,028,795	3,957,795	2,912,885	18%
2060 - Legal Fees - External	4,005	1,100,000	1,100,000	16,020	0%
2130 - Printing & Stationery	47,692	670,305	670,305	190,240	7%
2132 - TVET Supplies	33,690	527,000	527,000	134,762	6%
2135 - Stores	63,175	546,844	546,844	250,272	11%
2155 - House Rental	1,145,286	5,847,505	6,112,505	4,576,888	19%
2160 - Land Rental	1,452,132	7,656,460	7,656,460	5,808,528	19%
2165 - Office Rental	44,744	580,158	580,158	178,976	8%
2185 - R&M - Buildings	191,031	1,205,548	1,275,548	808,222	16%
2190 - R&M - Office Equipment	5,669	152,479	152,479	21,315	3%
2191 - R&M Medical Equipment	0	247,230	247,230	0	0%
2195 - R&M - Office Premises	1,118	39,335	39,335	9,437	6%
2200 - R&M - Motor Vehicles	22,531	133,411	433,411	90,204	5%
2205 - R&M - Plant	9,287	323,421	323,421	37,148	3%
2210 - R&M - Aerodrome	92,755	68,400	68,400	92,755	136%
2225 - Agricultural Supplies	1,256	28,000	28,000	5,023	4%
2255 - Warehouse Procurement	73,299	200,000	200,000	200,000	37%
2275 - Purchase of Petrol	147,786	478,229	478,229	591,146	31%
2280 - Purchase of Diesel	255,738	629,206	629,206	1,022,952	41%
2290 - Purchase of Fuel - Other	314	10,793	10,793	1,257	3%
2310 - Electricity Subsidy	71	0	0	282	
2315 - Electricity	674,661	4,097,364	4,097,364	2,705,301	17%
2330 - Telephone / Internet	569,492	2,558,525	2,558,525	2,275,034	22%
2350 - Freight	318,618	2,000,000	2,000,000	1,274,471	16%
2372 - Nauru Radio Supplies	0	13,000	13,000	0	0%
2373 - Media TV Supplies	342	25,050	25,050	1,368	1%
2375 - ICT Supplies	4,532	74,105	74,105	18,126	6%
2575 - Local Transport	397,830	1,335,871	1,335,871	1,600,919	30%
2585 - Rations	678,666	2,013,771	2,013,771	2,714,663	34%
2590 - Correctional Services Supplies	1,384	13,122	13,122	5,225	10%
2600 - Postage	425	12,269	12,269	1,699	3%
2605 - Library/Periodicals	0	2,000	2,000	0	0%
2610 - Survey Supplies	0	2,000	2,000	0	0%
2620 - Lease & Charter Payments	6,007	56,500	56,500	24,030	11%
2625 - Family Court Expenses	300	6,000	6,000	1,200	5%
2700 - Deportee Removal	10,775	30,000	30,000	43,100	36%
	<u>13,601,552</u>	<u>61,981,862</u>	<u>64,604,414</u>	<u>54,425,562</u>	21%

Social Expenditure

Disability payments (2420) at 27% spent are slightly ahead of budget, however most of the items spending greater than budget expectations are in the Health area. Overseas Medical Referrals (2475) at 45% spent is of most concern and will require additional resources. Spending on supplies Drugs and Medicines; Laboratory supplies; Radiology supplies are all spending at high levels and it is hoped that this is related to early procurement during the year and spending will mitigate in later quarters. Payments to the NEAT Scheme (2705) are also thought to be high due to the lumpy nature of the payments.

Table 9 Social Expenditures Qtr. 1

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Spend
2220 - Nauru Community Housing	308,517	2,050,000	3,550,000	3,550,000	12%
2390 - Social Welfare - Birth Claims	7,100	30,000	30,000	29,200	24%
2395 - Social Welfare - Death Claims	16,000	130,000	130,000	72,000	14%
2400 - Social Services - Aged Pensions	520,400	2,080,000	2,080,000	2,081,600	25%
2405 - Social Services - Super Contributors	20,220	130,000	130,000	80,881	16%
2410 - Social Services - Super Ex MP's	30,450	120,000	120,000	121,800	25%
2420 - Social Services - Disability Payments	211,800	780,000	780,000	847,200	27%
2440 - Scholarships - School & Trade	250,629	1,811,398	1,811,398	1,087,780	15%
2460 - Medical Expenses	664	15,571	15,571	2,656	4%
2461 - Primary Health Care Services	20,835	52,731	52,731	87,341	41%
2463 - Environmental Health and Food safety	0	50,000	50,000	0	0%
2464 - Management Monitoring & Evaluation	0	20,000	20,000	0	0%
2467 - Drugs and Medicines	0	700,000	700,000	700,000	46%
2468 - Dental Supplies	0	90,000	90,000	0	0%
2469 - Dialysis Supplies	24,118	350,000	350,000	96,470	7%
2471 - Medical Consumable	0	700,000	700,000	700,000	0%
2472 - Laboratory supplies	8,871	348,000	348,000	348,000	30%
2473 - Radiology Supplies	5,801	20,000	20,000	20,000	29%
2474 - Clinical Education Supplies	0	20,000	20,000	0	0%
2475 - Overseas Medical Treatment	887,261	2,000,000	2,000,000	3,595,485	45%
2630 - Safe House	1,045	12,950	12,950	4,180	8%
2705 - NEAT Scheme	67,495	169,235	169,235	169,235	40%
	<u>2,381,207</u>	<u>11,679,885</u>	<u>13,179,885</u>	<u>13,593,828</u>	<u>22%</u>

Capital spending

Spending on capital items was lower than expected for Medical Equipment; Building & Structures and Plant and Equipment purchases. All capital spending items had large increases in appropriations in the Supplementary Appropriation and lead times associated with these delay spending. Public works spending is slightly ahead of expectations (31%) and the Government has made large payments to works at the Civic center associated with the Forum meeting that has increased spending of this item.

Table 10 Capital Expenditure Qtr. 1

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Spend
2480 - Medical Equipment	0	113,400	113,400	0	0%
2495 - Plant & Equipment Purchases	295,528	1,471,386	2,318,636	2,318,636	13%
2496 - Building & Structures	947,115	13,456,237	14,080,237	14,080,237	7%
2580 - Public Works	16,412	53,300	53,300	(30,352)	31%
2651 - GON Contributions	960,676	2,161,000	3,414,000	3,414,000	28%
	<u>2,219,731</u>	<u>17,255,323</u>	<u>19,979,573</u>	<u>19,782,521</u>	<u>11%</u>

Other expenditure

Spending associated with the 50th Anniversary celebrations (2695) was high during the first quarter with 70% of a revised budget of \$3.02 mil being expended. It is expected that spending will moderate on this item in the remainder of the year. Somewhat related Protocol (2110) is also spending above the expected level and should also moderate during the remaining three quarters.

Table 11 Other Expenditures

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Spend
2100 - Entertainment	143,299	628,656	628,656	588,227	23%
2105 - Official Celebrations	46,791	377,475	377,475	234,162	16%
2110 - Protocol	21,006	63,500	63,500	63,500	32%
2370 - Membership Fees & Subscriptions	87,405	934,373	934,373	349,618	9%
2560 - Educational Expenses - Special	327	61,696	61,696	1,310	1%
2565 - Insurance	42,082	447,590	447,590	168,329	9%
2570 - Bank Charges	5,517	29,865	29,865	22,069	18%
2615 - Other Subsidies & Donations	41,302	332,394	332,394	170,968	13%
2690 - Foreign exchange gains/losses	0	10,184	10,184	0	0%
2695 - 50th Anniversary Independence	2,099,804	2,669,000	3,019,000	3,019,000	70%
2999 - Contingency fund	0	500,000	500,000	0	0%
	<u>2,487,532</u>	<u>6,054,733</u>	<u>6,404,733</u>	<u>4,617,183</u>	<u>39%</u>

Debt payment

During the first quarter \$2.0 mil has been paid to *Ronphos* for claimed mooring debts. \$640K has been paid to the *Menen Hotel* for claimed accommodation arrears for the period 2005-2009) and approximately \$1.6 mil in *NUC* arrears.

Table 12 Debt payments

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Spend
2545 - Debt Repayments - Other	4,239,899	4,165,369	6,947,404	6,947,404	61%
2680 - BON Liquidation- Payment	54,005	0	1,000,000	216,020	5%
	<u>4,293,904</u>	<u>4,165,369</u>	<u>7,947,404</u>	<u>7,163,424</u>	<u>54%</u>

Non-expense items

During the first quarter the full budgeted contribution to the Nauru Trust Fund was paid. There is a requirement for a further \$592K payment to meet this year's contribution requirements of \$15.092 mil. In Supplementary No.1 a further \$11.1 mil was appropriated into the Fiscal Cash Buffer however none of this has been expensed.

Table 13 Non-expense item outlays

Description	Actual YTD	Approved Budget	Revised Budget	Adjusted Forecast	% Spend
2650 - Trust Fund	12,000,000	12,000,000	12,000,000	12,000,000	100%
2652 - Fiscal Cash Buffer	0	1,000,000	12,126,000	12,126,000	0%
	<u>12,000,000</u>	<u>13,000,000</u>	<u>24,126,000</u>	<u>24,126,000</u>	<u>50%</u>

Cash Flow Position

The Government’s overall cash position has improved over the quarter increasing from \$51.1 mil to \$56.22 mil. Likewise, Treasury Available cash has increased from \$25.85 mil to \$31.32 mil and Total Available funds from \$31.18 mil to \$37.69 mil. Much of the cash increase has resulted from the receipt of the large fisheries payment and business profits tax annual returns. The Government has maintained the requirement to keep cash above two-months of non-RPC related spending.

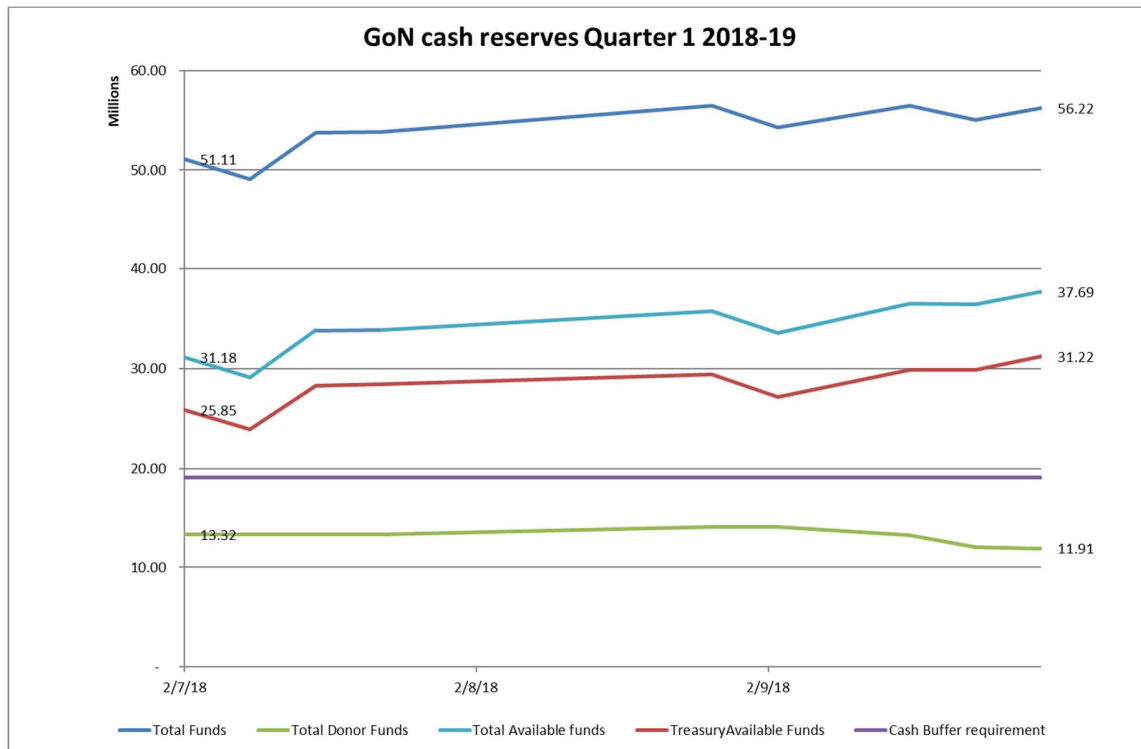


Figure 4 GoN Cash Flow Qtr. 1 2018-19