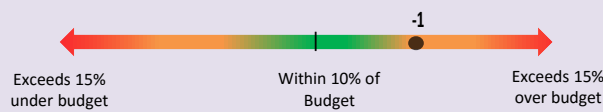


Overall Cook Islands General Government Budget vs Actual Performances for the quarter ended 31 March 2023

YTD Revenue (\$000's)

Q3 Actual: 124,646 Q3 Budget: 123,277 Q3 Variance: -1,369 or -1 %

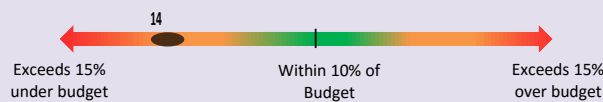


Full year	
*Forecast:	154,646
Budget:	166,335

* Operating Revenue: The total Operating Revenue collected was \$1.36 million higher than anticipated for the quarter ended 31 March 2023. Although taxation revenue collection was significantly lower than estimated, this was offset by increases in Other Revenue of \$8.82 million (from FSC Vested Assets of \$2.3 million, General Budget Support of \$4.16 million and EU Agreement of \$1.42 million), followed by Trading Revenue of \$0.42 million.

YTD Operating expenditure (\$000's)

Q3 Actual: 120,557 Q3 Budget: 139,934 Q3 Variance: 19,377 or 14 %

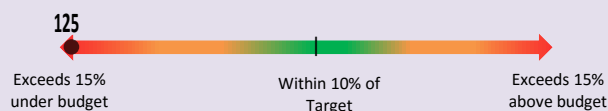


Full year	
*Forecast:	172,562
Budget:	185,725

* Operating Expenditure: The total Operating Expenses are 68% below budget at \$19.3 million. There was a slight overspend of \$0.42 million in Operating due to an increase in day-to-day operational expenditure across the whole of Government ie. utilities, fuel and oil, freight etc. However, this was counteracted by major underspends in Personnel caused by vacant positions within Government as well as savings in Administered Payments equal to \$12.3 million, mainly contributed by YTD underspends in Airline Underwrite (of \$2.76 million) and COVID-19 Medical Response Funds (of \$3.27 million).

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

Q3 Actual: 4,089 Q3 Budget: -16,657 Q3 Variance: -20,746 or 125 %

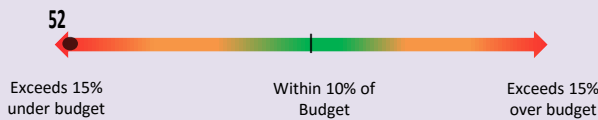


Full year	
*Forecast:	-17,916
Budget:	-19,390

* Government's Net Operating Position: The net operating balance for the quarter ended 31 March 2023 was a surplus of \$4.08 million. This surplus was an improvement of \$20.7 million compared to the budget estimate deficit of \$16.6 million. The improvement in the net operating balance was primarily due to effective monitoring of budget expenditure and unanticipated revenue received, particularly, general budget support of \$4.16 million .

YTD Capital Expenditure (\$000's)

Q3 Actual: 14,287 Q3 Budget: 29,556 Q3 Variance: 15,269 or 52 %

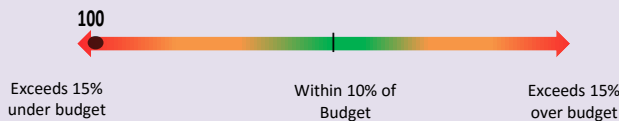


Full year	
*Forecast:	33,510
Budget:	34,160

* Capital expenditure was lower than budgeted by \$15.2 million for the quarter ended 31 March 2023. Significant underspends in Pa Enea Marine Infrastructure, Bridges, Structures and Road Asset Management have contributed to this. Agencies are encouraged to appropriately plan and manage their Capital Budgets to ensure budgets are spent in the allotted periods, however given the unpredictable nature of the operating environment, delays have occurred.

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

Q3 Actual: 127 Q3 Budget: -35,888 Q3 Variance: -36,015 or 100 %



Full year	
*Forecast:	-19,597
Budget:	-39,783

* General Government's net fiscal balance for the quarter ended 31 March 2023 improved by \$36.01 million compared to the budget estimate of \$35.88 million shortfall. Higher revenue collections of \$1.36 million contributed to the improvement in Government's net fiscal balance, in addition to cost savings in Personnel (of \$6.1 million) and Capital Expenditure (of \$15.26 million).

* Source - Cook Islands Government 2021/22 Half - Year Economic and Fiscal Update