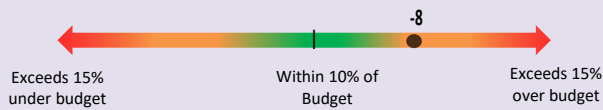


Overall Cook Islands General Government Budget vs Actual Performances for the quarter ended 31 December 2022

YTD Revenue (\$000's)

Q2 Actual: **91,995** Q2 Budget: **85,551** Q2 Variance **-6,444** or **-8** %

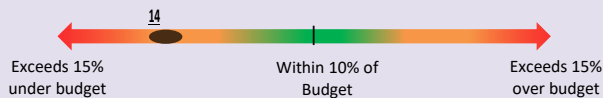


Full year	
*Forecast:	159,898
Budget:	167,652

* Operating Revenue: The Operating Revenue is 7.5% above Budget at \$6.4 million this can be largely attributed to the ERR Covid 19 Receipt of \$4.1 million and FSC Vested Assets Receipt of \$2.3 million. The Taxation revenue is 2% below budget the result of timing differences.

YTD Operating expenditure (\$000's)

Q2 Actual: **81,728** Q2 Budget: **94,650** Q2 Variance: **12,922** or **14** %



Full year	
*Forecast:	182,542
Budget:	190,194

* Operating Expenditure: Total operating expenditure adjusted for depreciation, for the quarter ended 31 December 2022 was lower than the budget by \$12.9 million. This is mainly due to underspends in Administered Payments COVID related \$6.9 million and Personnel \$3.4 million. Agencies remain committed to strengthening their workforce by investing in skills and expertise. However, we are operating in a tight global labour market, testing our agility in the recruitment process.

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

Q2 Actual: **10,267** Q2 Budget: **-9,099** Q2 Variance **-19,367** or **213** %

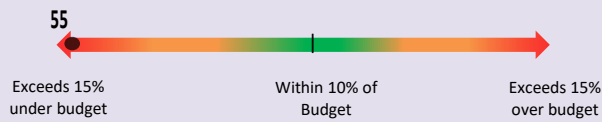


Full year	
*Forecast:	-22,644
Budget:	-22,542

* Government's Net Operating Position: The net operating balance for the quarter ended 31 December 2022 was a surplus of \$10.2 million. This surplus was an improvement of \$19.4 million compared to the budget estimate deficit of \$9.1 million. The improvement in the net operating balance can be largely attributed to the Revenue above budget of \$6.4 million and Operating Expenses Underspends of \$12.9 million.

YTD Capital Expenditure (\$000's)

Q2 Actual: **9,566** Q2 Budget: **21,245** Q2 Variance **11,679** or **55** %

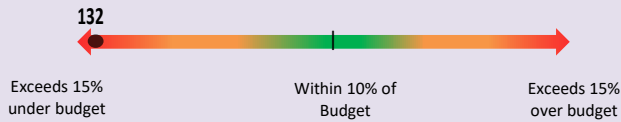


Full year	
*Forecast:	34,646
Budget:	35,639

* Capital expenditure was lower than Budget by \$11.6 million for the quarter ended 31 December 2022. 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. ICI have opted to pivot and placed some projects on hold transferring budgets to projects currently under-way.

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

Q2 Actual: **7,584** Q2 Budget: **-23,461** Q2 Variance **-31,045** or **132** %



Full year	
*Forecast:	-45,645
Budget:	-44,460

* Government's Net Fiscal balance for the quarter ended 31 December 2022 was \$7.5 million surplus. This is significantly better at \$31 million above the budgeted deficit of \$23.4 million. This is made up of favourable results to budget for Revenue \$6.4 million, Operating Expenditure \$12.9 million and Capital Expenditure \$11.6 million.

* Source - Cook Islands Government 2022/23 Half - Year Economic and Fiscal Update