



Government of the Kingdom of Tonga

Monthly Financial Report – AUGUST 2011

As reported in the July Monthly Finance Report, the Ministry of Finance and National Planning (MOFNP) provides an overview of the Government of Tonga's budget performance on monthly basis. The purpose of the report is to improve the transparency of the budget execution and promote good governance. This report provides the budget performance for the month of **August 2011** - the second month of the financial year 2011/12.

This report details:

- Financial results for the month of August 2011/12;
- Comments on fiscal performance; use of the contingency fund and unbudgeted requests.

The overall budget performance for the month under review saw an **operating budget surplus of \$12.6m, with an operating surplus of \$12.0m for the two months of July and August**. The large operating surplus is largely due to the receipt of the European Union budget support of \$12.8m. Recurrent revenue of \$26.3m (inclusive of \$12.8m EU budget support) was recorded, while recurrent expenditure amounted to \$13.7m.

During the month, **unbudgeted expenditure** requests totalled to \$3.0m. Year to date unbudgeted expenditures total \$5.3m, inclusive of the \$2.3m requested in July. This level of unbudgeted expenditure continues to be of grave concern, as not only will it squeeze what had been allocated to assigned activities, but will significantly compromise the quality of the government deliverables as envisaged in the Annual Management Plans. Serious consideration is needed to the containment of such unbudgeted requests to a manageable level in order to avoid adversely affecting overall government ability to deliver on its agreed programs.

With the looming risk of a global double-dip recession, the MOFNP is working collaboratively with line ministries to realistically improve the macro and fiscal forecast so that appropriate corrective measures are timely implemented in order to counter further economic negative impact if the global economic circumstance deteriorates.

As always, the MOFNP will continue to utilize all available platforms in order to secure the interests of the country and to be well prepared to mitigate any negative impact of a global double-dip recession.

Malo 'Aupito

A handwritten signature in black ink, appearing to be 'Sunia M Fili'.

Hon. Sunia M Fili

**Minister for Finance and National Planning**



## 1. BUDGET HIGHLIGHTS

- ❖ The global economy is entering a dangerous zone as double-dip recession is imminent. This global situation has amplified the fear of a negative impact on the government revenue generation.
- ❖ The overall **budget performance** for the month of **August 2011** generated a **budget surplus of \$12.6m with an operating surplus of \$12.0m for the two months of July and August**. This compares to a balance budget in August 2010. This \$12.6m budget surplus has improved the cash reserve account.
- ❖ **Revenue of \$26.3m** was collected (including \$12.8m EU budget support), exceeding the target of \$25.2m. The good recurrent revenue performance can also be attributed to an increased volume of imports in commercial goods, fuel and tobacco. Revenue for the same period last year was \$12.3m, collected mainly from trade consumption tax and excise tax;
- ❖ EU budget support of \$12.8m was received during the month. The full amount has already been distributed to specific activities in the in-year budget.
- ❖ **Expenditure** payments reached **\$13.7m** in August, marginally lower than the target of \$14.5m. Lower spending reflects delayed payment of subsidies and grants to non government schools. Established staff is the major component of expenditures amounted to \$6.8m lower than the previous month due to one-off payments of Parliamentarians' relocation and constituency allowance and housing allowance for CEOs. For the purchase of goods and services, it recorded a \$1.4m lower than the outcome of previous month attributing to subsidy payment for street lights and payment for patients' medical referral. Overall expenditure for the same period of the last financial year was \$12.3m;
- ❖ Increasing **unbudgeted requests** for August of \$3.0m on top of \$2.3m carried forward from July continues to be a major budgetary concern. (*Details shown in Table 6*).

### Things to watch

- ❖ Unbudgeted requests are expected to continue which is likely to result in a continued reduction of government available liquidity limiting resources for assigned activities envisaged in the Annual Management Plans (AMPs).
- ❖ The looming global double-dip recession, however, will indeed negatively impact the revenue generations hence shrinking the available liquidity.
- ❖ Fiscal risk remains a budgetary focus. More conservative revenue projections are likely to constrain spending choices of the government.

**2. OVERALL BUDGET VARIANCE BETWEEN TARGET AND ACTUAL PERFORMANCE***Table 1: Variance between Target and Actual (\$ million)*

INDICATORS	ORIGINAL ESTIMATE 2011/2012	Forecast for the month of August 2011	Actual for the month of August 2011	Year-To-Date for the 2 months July - August 2011	Variance (Target - in-Year-Actual)	Year-To-Date for the month of August 2010
	\$	\$	\$	\$	\$	\$
TOTAL REVENUE	171	25.2	26.3	37.6	1.1	12.3
TOTAL EXPENDITURE	171	14.5	13.7	25.5	-0.8	12.3
SURPLUS/DEFICIT	0.0	10.7	12.6	12.1	1.9	0.0

Note: - Significant increase in revenue due to receipt of EU budget support.

**Table 1** above shows total revenue of \$26.3m for August of which \$12.8m is from EU budget support and \$13.5m from recurrent revenue mostly from excise tax as a resultant of upsurge in trade revenues from tobacco and oil. Income taxes and fees and licenses performed lower than target. Total expenditure of \$13.7m recorded for August was lower than the expected target of \$14.5m. This underspend reflects disciplinary efforts made by the Ministry of Finance and National Planning to slow down or rationalize expenditures of line Ministries on controllable and deferrable expenditures.

**3. GOVERNMENT REVENUE***Table 2: Revenue by Standard Group*

	ORIGINAL ESTIMATE 2011/2012	Forecast for the month of August	Actual for the month of August 2011	Year-To-Date for the 2 months July - August 2011	Variance (Target - In-Year-Actual)	Performance for August 2011/2012	Year-To-Date for the month of August 2010
	\$	\$	\$	\$	\$	%	\$
<b>REVENUE</b>							
Income Tax	21,210,000	1,797,500	1,593,588	2,988,802	(203,912)	89	2,023,422
Trade Taxes	12,520,000	937,402	1,255,836	2,214,829	318,434	134	1,072,430
Taxes on Goods & Services	49,425,000	4,167,066	5,447,300	9,754,720	1,280,234	131	-
Excise Tax	26,510,000	1,719,848	3,474,754	6,073,639	1,754,907	202	4,178,680
Fees & Licences	20,488,648	2,699,073	1,676,974	2,983,427	(1,022,099)	62	1,412,618
Entrepreneurial & Property Inc	8,610,318	35,075	30,123	412,211	(4,952)	86	-
Miscellaneous Revenue	505,000	1,667	32,396	45,467	30,729	1,944	141,626
Capital & Other Transfers	3,697,682	1,000,000	-	250,296	(1,000,000)	-	1,509,002
Budget Support	27,925,000	12,795,310	12,835,473	12,835,473	40,163	-	1,915,350
<b>Total Revenue</b>	<b>170,891,648</b>	<b>25,152,940</b>	<b>26,346,444</b>	<b>37,558,863</b>	<b>1,193,504</b>	<b>105</b>	<b>12,253,128</b>

**3.1 KEY INDICATOR VARIANCES (REVENUE) FOR AUGUST 2011**

Key Indicator	Variance	Key Drivers
Income Tax	\$0.2 million (lower than forecast)	○ Slow submission of Income Tax returns from businesses for 2010/2011.
Fees & Licenses	\$1.0m (lower than forecast)	○ Delay in receipt of telecommunication licenses for Digicel and TCC. A down payment is anticipated in September.
Capital & Other Transfers	\$1.0m (lower than forecast)	○ No collection from Bond receipts. Government Bond will be matured on 30 <sup>th</sup> August and roll-over to 1 <sup>st</sup> September 2011.
Excise Tax	\$1.8 million (higher than forecast)	○ Increase in trade revenues from tobacco and oil. The amendments of the tariff rates for excise tax in August 2011 proved to have positive impact on excise tax.
Consumption Tax	\$1.3 million (higher than forecast)	○ Increase in the level of compliance on lodgement of CT returns to the Revenue Services Department and subsequent payments of CT dues.
Trade Taxes	\$0.3 million (higher than forecast)	○ Increase in trade revenues from tobacco and oil.

**Table 3: Revenue by Ministry**

MINISTRY	ORIGINAL ESTIMATE 2011/2012	Forecast for the month of August 2011	Actual for the month of August 2011	Year-To-Date for the 2 months July - August 2011	Performance for August 2011/2012	Performance Variance 2011/2012	Year-To-Date for the month of August 2010
	\$	\$	\$	\$	\$	%	\$
Audit Office	75,000	10,000	8,000	16,000	(2,000)	80	4,000
Foreign Affairs	2,500,000	210,000	250,227	484,845	40,227	119	164,297
Prime Minister's Office	60,000	7,750	9,250	9,500	1,500	119	24,264
Finance & National Planning	34,034,000	13,807,977	12,868,059	13,225,892	(939,918)	93	148,995
Revenue Services	110,670,000	8,718,959	11,818,952	21,184,489	3,099,993	136	8,745,660
Public Enterprise	6,000,000	-	-	-	-	-	148,681
Communication & Information	4,800,000	1,244,917	110,876	184,449	(1,134,040)	9	269,204
Justice	700,000	49,613	71,888	131,871	22,275	145	49,284
Police, Prisons & Fire Services	565,000	16,170	18,666	55,596	2,496	115	140,937
Health	950,000	65,588	72,295	124,611	6,707	110	64,892
Education, Women's Affairs & Culture	2,116,200	214,426	362,470	541,910	148,045	169	2,006,271
Training, Employment, Youth & Sports	200,000	53,430	18,173	32,822	(35,257)	34	48,978
Tourism	76,000	3,050	-	3,000	(3,050)	-	4,002
Labour, Commerce and Industries	645,443	82,991	56,679	106,908	(26,312)	68	40,632
Agriculture, Food, Forests & Fisheries	2,500,000	140,502	172,585	525,288	32,083	123	99,536
Works	500,000	39,167	45,565	65,265	6,398	116	67,068
Transport	4,000,005	449,298	417,484	790,053	(31,814)	93	176,463
Lands, Survey and Natural Resources	500,000	39,104	45,274	76,363	6,171	116	49,965
<b>Total</b>	<b>170,891,648</b>	<b>25,152,940</b>	<b>26,346,444</b>	<b>37,558,863</b>	<b>1,193,504</b>	<b>105</b>	<b>12,253,128</b>

**Table 3** above depicts those Ministries with significant revenue variances between targets and actual with eight ministries significantly collecting more than targeted. The Ministry of Education revenues were enhanced by a timely collection of school fees and examination fees. The Ministry of Justice mirrored the same trend with 45% more than its target being collected, mainly from marriage and divorce fees, court fees, registration fees and fines and charges.

As always, the Ministry of Revenue continued to be the dominant source of funds for the government in which 36% higher than its target being collected. The recent amendments of the tariff rates for excise tax proved to have positive impact on revenue.

Seven ministries did not meet their target revenue this month including the Ministry of Public Enterprises where no revenue was collected. Significant variances happened at the following Ministries:

- **Ministry of Communication and Information** only managed to collect 9% of its target. This was due to an over forecast of fees and license for the month.
- **MOTEYS** did not achieve its target collection as it only collected 34%. Majority of revenue collected came from school fees. The shortfall was due to short-collection from school fees due for the month.
- **Labour, Commerce and Industries** fell short of 32% to meet its target collection for the month. This was due to under collection of fees and licenses.

#### 4. GOVERNMENT EXPENDITURE

**Table 4: Expenditure by Standard Group**

	ORIGINAL ESTIMATE 2011/2012	Forecast for the month of August 2011	Actual for the month of August 2011	Year-To-Date for the 2 months July - August 2011	Variance (Target - In-Year-Actual)	Performance for August 2011/2012	Year-To-Date for the month of August 2010
	\$	\$	\$	\$	\$	%	\$
<b>EXPENDITURE</b>							
Established Staff & Others	90,331,010	7,030,254	6,785,220	13,939,574	(245,034)	97	6,466,110
Unestablished Staff	2,158,732	151,151	214,140	400,974	62,990	142	223,769
Travel and Communications	5,838,996	978,774	800,663	1,585,084	(178,111)	82	500,656
Maintenance & Operations	5,445,048	478,015	538,219	886,479	60,203	113	445,463
Purchase of Goods & Services	20,895,255	1,643,579	1,397,626	2,673,652	(245,954)	85	2,060,951
Grants and Transfers	12,863,671	2,073,187	1,813,972	3,122,910	(259,215)	87	1,933,154
Development Duties Expenditure	474,400	-	-	-	-	-	-
Debt Management	20,927,000	1,535,821	1,627,777	1,838,267	91,956	106	543,600
Contingency Fund	3,200,000	-	-	-	-	-	-
Pension & Gratuities	5,117,021	365,000	404,587	862,043	39,587	111	-
Assets	3,140,513	263,103	140,362	209,669	(122,741)	53	98,142
Equity Payments	500,000	-	-	-	-	-	17,794
<b>Total Expenditure</b>	<b>170,891,646</b>	<b>14,518,884</b>	<b>13,722,565</b>	<b>25,518,653</b>	<b>(796,319)</b>	<b>95</b>	<b>12,289,639</b>

#### Key Indicator

##### Unestablished Staff

#### Variance

\$0.06 million  
(higher than forecast)

#### Key Drivers

- There were new daily paid labourers' recruitments in a number of ministries such as Foreign Affairs, MOTeys, Lands & Survey and Revenue Services.

##### Other Operating Costs

\$0.4 million  
(lower than forecast)

- The Other Operating Costs was \$0.4 million lower than forecast. This was mainly due to:

*Travel and Communication* expenses were lower than the forecast, so as *Procurement of goods and services*. In addition, the forecast for *Maintenance and Operations* for the period was marginally overstated.

##### Established Staff

\$0.3 million  
(lower than forecast)

- Forecast for salaries and other payments related to established staffs were marginally higher compared to the actual for the month.

## Grants and Transfers

\$0.3 million

- Overstating of the forecasted amount of grants to non-government schools that Ministry of Education was going to disburse during the month.

## Assets

\$0.1 million  
(lower than forecast)

- Some of the assets forecasted to be procured this month were deferred as line agencies had to complete the procurement formalities.

Table 5: Expenditure by Ministry

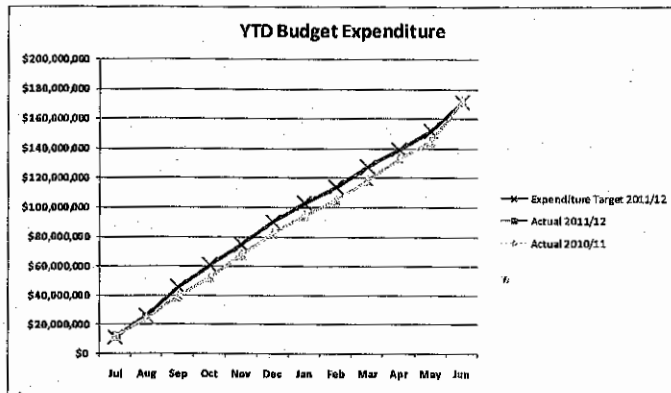
MINISTRY	ORIGINAL ESTIMATE 2011/2012	Forecast for the month of August 2011	Actual for the month of August 2011	Year-To-Date for the 2 months July - August 2011	Performance for August 2011/2012	Performance Variance 2011/2012	Year-To-Date for the month of August 2010
	\$	\$	\$	\$	\$	%	\$
Palace Office	5,335,000	405,970	368,274	743,226	(37,696)	91	333,469
Legislative Assembly	3,709,600	357,830	236,566	740,559	(121,264)	66	266,819
Audit Office	1,122,629	127,876	69,265	129,227	(58,611)	54	35,608
Commissioner of Public Relations	127,100	12,502	8,230	16,183	(4,272)	66	8,844
Foreign Affairs	8,450,000	747,040	760,715	1,545,346	13,675	102	769,625
Tonga Defence Services	6,589,000	516,295	575,025	1,204,149	58,730	111	563,046
Prime Minister's Office	5,540,000	502,828	479,078	813,375	(23,750)	95	745,815
Finance & National Planning	49,597,526	3,379,013	3,652,016	5,829,558	273,003	108	2,180,530
Revenue Services	4,010,300	372,098	269,563	483,543	(102,536)	72	290,497
Public Enterprises	670,000	55,528	44,024	68,159	(11,504)	79	23,676
Communication & Information	558,999	67,208	32,133	65,617	(35,075)	48	41,771
Justice	2,699,000	225,304	230,116	451,411	4,812	102	217,663
Crown Law Department	1,285,000	88,393	46,812	119,576	(41,581)	53	55,355
Police, Prisons & Fire Services	9,960,001	1,022,318	787,854	1,464,437	(234,464)	77	772,962
Health	22,596,000	1,737,197	1,635,165	3,123,868	(102,032)	94	1,755,919
Education, Women's Affairs & Culture	27,800,000	3,064,487	2,760,141	5,462,767	(304,345)	90	2,791,515
Training, Employment, Youth & Sports	2,936,999	238,057	307,269	531,758	69,212	129	264,242
Tourism	1,845,000	397,530	234,941	308,311	(162,589)	59	128,668
Labour, Commerce and Industries	2,393,152	172,365	149,138	348,378	(23,227)	87	146,144
Agriculture, Food, Forests & Fisheries	5,969,919	451,618	511,573	902,218	59,954	113	308,880
Works	2,662,000	209,956	208,706	388,869	(1,250)	99	233,978
Transport	2,547,420	188,123	179,142	442,008	(8,981)	95	171,110
Lands, Survey and Natural Resources	1,682,837	137,301	127,530	243,697	(9,771)	93	131,751
Environment and Climate Change	804,163	42,047	49,289	92,411	7,242	117	51,752
<b>Total</b>	<b>170,891,646</b>	<b>14,518,884</b>	<b>13,722,565</b>	<b>25,518,653</b>	<b>(796,319)</b>	<b>95</b>	<b>12,289,639</b>

Table 5 above shows Ministries with significant variances between targets and actual, with seven ministries spending more than targets for August 2011.

- **Foreign Affairs** exceeded their target by 2% driven by recruitment of daily paid labourers to address staff deficit in the immigration services and maintenance of Overseas Missions' properties.
- **Defence** exceeded their target by 11% driven by fuel expenses for vehicles and vessels. This is considered to be significant but it was driven by the unbudgeted cost for the required maintenance of the patrol vessels.

- **Finance and National Planning** exceeded their target by 7%, which was driven by a contribution of the government to the Tonga Rugby Football Union for the Rugby World Cup preparations.
- **Justice** exceeded their target by 2%, which was driven by new recruitment of daily paid labourers and maintenance of office vehicles.
- **MOTEYS** exceeded their target by 9% due to contributions through grants to sports activities such as sponsoring Tonga Junior Rugby tours to New Zealand, Cricket Association, Tongatapu Ruby Football Incorporated and Body Building. The grants were made in forms of air tickets, allowances and funding of sporting activities.
- **MAFFF** exceeded their target by 13% driven by the preparations for the agricultural show in the outer islands.
- **Environment** exceeded their target by 17% which was driven by high spending on overseas travel to SPREP's annual meeting and one off purchasing of new office equipment for one of the Ministry's divisions.

**Graph 1**



**Graph 1** depicts the difference between the targets and YTD. It shows that the differences are not very obvious, which is good reflection of the careful disciplinary actions applied to controllable expenditures. However, in the coming months, it is expected the differences will grow. But the collaborative efforts between MOFNP and line ministries such significant growing of expenditures can be managed within the available resources.

**4. CONTINGENCY FUND**

No redirection of resources from the \$3.2m allocated to the Contingency Fund occurred during the month.

**5. UNBUDGETED REQUESTS**

A total to date of \$5.3m (inclusive of \$2.3m recorded in Table 6) un-budgeted expenditure requests were received by the MOFNP via Cabinet Decisions. These unbudgeted requests are yet to be accommodated as the MOFNP is gauging options to judiciously mitigate these requests within the current flat envelope without resorting to the Contingency Fund. It is encouraged that line Ministries consider a reprioritization exercise to identify offsetting savings to redeploy resources from low priority activities to meet any emerging unbudgeted activities that perceived as high priority. These requests were not included in the 2011/12 budget allocation.

MOFNP will continue to review budget performance of line ministries to ensure all priorities and emerging commitments are funded within the 2011-12 approved allocation.

Table 6: Unbudget Requests 2011/2012

CD No.	Date	Subject	MoFNP Obligation		Comments
		Opening Balance contingency fund		3,200,000	
205	23/03/2011	Land lease Tongatapu airport (Kalanuivalu)	1,700,000		paid \$2m on 30th June 2011 (FY 2010/2011): remaining to be paid \$1.7m. Carry forward from July to August.
593	7/10/2011	Update on the Application for Liquidation of Janful International Dateline Hotel	70,000		Carry forward from July to August.
458	1/06/2011	30 Constable Officers	70,000		Government to top up MOP salaries vote for 30 new recruits. Carry forward from July to August.
601	15/07/2011	Royal Agricultural, Forestry and Fisheries Show (CD # 601)	200,000		Internal funding within MAFF with possible replenishment from Finance after 6 months review
585	8/07/2011	Tonga Export Quality Management Limited (new Public Enterprise)	25,000		1 chairman \$6k pa, 3 directors \$5k pa (reveybe \$500k anticipated by issue of shares). Carry forward from July to August.
1126	17/11/2010	Court of Marine Inquiry	60,070		Internal funding within Transport with possible replenishment from Finance after 6 months review
662	29/07/2011	Land Compensation	200,000		Land Compensation for FOA Causeway
	August				
1221	15/12/2010	Office of the Lord Chancellor	619,546		Internal funding within Palace Office with possible replenishment from Finance after 6 months review
		To fund Roundabout Land Acquisition and Compensation-Integrated Urban Development Project Tonga.	100,000		\$30k is provided from Finance where Lands and Works to share the rest of the project cost.
		Maintenance of the Voea Neiafu	449,362		Internal funding within Defence with possible replenishment from Finance after 6 months review
		procurement of training equipments for the Tonga Maritime Polytechnic Institute and additional classroom	1,773,000	5,266,978	Submission is yet to receive from MOTEYS. An offset saving of \$400K being identified within MOTEYS budget. Therefore a \$1.3m is needed to fund this requirement. This should be considered to be funded from CF given the urgency of the matter and complementing TSDF. At the same time MOTEYS should seek donor fund under TVET program. Minister for MOTEYS agreed for the \$1.3m while working on other funding to assist. Procurement will monitor closely.
		Budget Remaining		-2,066,978	

## 6. CASH BALANCES

As at 31 August 2011

Consolidated General Bank Accounts \$21.9m

## 7. BUDGET SURPLUS

The cash surplus of \$12.6m recorded for August attributed to build up the cash reserves.

## 8. FISCAL OUTLOOK

It is projected that September will be producing a budget deficit of around \$7.7m. Revenue is forecasted at \$12.0m with expenditure at \$19.7m. The high level of expenditure will be driven by a \$3.5m scheduled debt payment for the month. Other Standard Expenditure Groups (SEGs) are projected to be in the vicinity of August's outcome.

Due to the expected budget deficit for September and the looming double-dip recession, the MOFNP is carefully considering putting into action some prudential fiscal measures to slow-down or reduce expenditure to the level of projected recurrent revenue. This will avoid resorting to cash reserves for short-term financing.



**Table 7: Cashflow Projections for September 2011/2012 (\$million)**

INDICATORS	ORIGINAL ESTIMATE 2011/2012	Forecast for the month of September 2011	Actual for the month of August 2011	Year-To-Date for the 2 months July - August 2011	Variance (Target - in-Year-Actual)	Year-To-Date for the month of August 2010
TOTAL REVENUE	171	12.0	26.3	37.6	1.1	12.3
TOTAL EXPENDITURE	171	19.7	13.7	25.5	-0.8	12.3
SURPLUS/DEFICIT	0.0	-7.7	12.6	12.1	1.9	0.0

**Annex 1****Monthly Report for the Period ended 31st July 2011**

	ORIGINAL ESTIMATE 2011/2012	Forecast for the month of August 2011	Actual for the month of August 2011	Year-To-Date for the 2 months July - August 2011	Variance (Target - in-Year-Actual)	Performance for August 2011/2012	Year-To-Date for the month of August 2010
	\$	\$	\$	\$	\$	%	\$
<b>REVENUE</b>							
Income Tax	21,210,000	1,797,500	1,593,588	2,988,802	(203,912)	89	2,023,422
Trade Taxes	12,520,000	937,402	1,255,836	2,214,829	318,434	134	1,072,430
Taxes on Goods & Services	49,425,000	4,167,066	5,447,300	9,754,720	1,280,234	131	-
Excise Tax	26,510,000	1,719,848	3,474,754	6,073,639	1,754,907	202	4,178,680
Fees & Licences	20,488,648	2,699,073	1,676,974	2,983,427	(1,022,099)	62	1,412,618
Entrepreneurial & Property Inc	8,610,318	35,075	30,123	412,211	(4,952)	86	-
Miscellaneous Revenue	505,000	1,667	32,396	45,467	30,729	1,944	141,626
Capital & Other Transfers	3,697,682	1,000,000	-	250,296	(1,000,000)	-	1,509,002
Budget Support	27,925,000	12,795,310	12,835,473	12,835,473	40,163	-	1,915,350
<b>Total Revenue</b>	<b>170,891,648</b>	<b>25,152,940</b>	<b>26,346,444</b>	<b>37,558,863</b>	<b>1,193,504</b>	<b>105</b>	<b>12,253,128</b>
<b>EXPENDITURE</b>							
Established Staff & Others	90,331,010	7,030,254	6,785,220	13,939,574	(245,034)	97	6,466,110
Unestablished Staff	2,158,732	151,151	214,140	400,974	62,990	142	223,769
Travel and Communications	5,838,996	978,774	800,663	1,585,084	(178,111)	82	500,656
Maintenance & Operations	5,445,048	478,015	538,219	886,479	60,203	113	445,463
Purchase of Goods & Services	20,895,255	1,643,579	1,397,626	2,673,652	(245,954)	85	2,060,951
Grants and Transfers	12,863,671	2,073,187	1,813,972	3,122,910	(259,215)	87	1,933,154
Development Duties Expenditure	474,400	-	-	-	-	-	-
Debt Management	20,927,000	1,535,821	1,627,777	1,838,267	91,956	106	543,600
Contingency Fund	3,200,000	-	-	-	-	-	-
Pension & Gratuities	5,117,021	365,000	404,587	862,043	39,587	111	-
Assets	3,140,513	263,103	140,362	209,669	(122,741)	53	98,142
Equity Payments	500,000	-	-	-	-	-	17,794
<b>Total Expenditure</b>	<b>170,891,646</b>	<b>14,518,884</b>	<b>13,722,565</b>	<b>25,518,653</b>	<b>(796,319)</b>	<b>95</b>	<b>12,289,639</b>
<b>OPERATING SURPLUS/ (DEFICIT)</b>	<b>2</b>	<b>10,634,056</b>	<b>12,623,879</b>	<b>12,040,209</b>			<b>(36,510)</b>