

Government of Anguilla 2016 Accounts

Contents

Certificate and Report of the Chief Auditor to the House of Assembly	A
Report of the Chief Auditor on the 2016 Accounts	F
Report and Accounts of the Consolidated Fund 2016	1
Statement of Responsibility	4
Report of the Accountant General	5
Statement of Accounts	19
Annex A	

Chief Auditor's independent report to the Government of Anguilla

Qualified Opinion on Financial Statements

I have audited the financial statements of the Government of Anguilla for the year ended 31 December 2016, which comprise the Statement of Financial Performance, the Statement of Receipts and Payments, the Statement of Assets and Liabilities, the Consolidated Statement of Cashflows for the year then ended and the related notes, including a summary of significant accounting policies.

In my opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of the Government of Anguilla as at 31 December 2016 and the amounts recorded for total receipts and payments, financial performance, cash flows and assets and liabilities for the year, in accordance with the Financial Administration and Audit Act 2010, directions made thereunder by the Minister of Finance and Part 1 of the International Public Sector Accounting Standard Financial Reporting Under the Cash Basis of Accounting.

Basis for Qualified Opinion on Financial Statements

As was the case in 2015, the Government of Anguilla had not maintained adequate accounting records to support the:

- validity of advances and deposits
- completeness, accuracy and validity of arrears of revenue; and
- completeness of remissions.

In addition:

- the accounts, as was the case in 2015, do not include a statement outlining the details of remissions, write-offs and settlements as required by the Act.
- accounting policy note 1.6 sets out the policy for accounting for advances and deposits. As was the case in 2015, these were accounted for on a net basis. Net accounting is contrary to the requirements of the Cash IPSAS.

I conducted my audit in accordance with Section 52 of the Financial Administration and Audit Act 2010 and International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Government of Anguilla in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code) together with the ethical requirements that are relevant to my audit of the financial statements in Anguilla, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Qualified Opinion on Regularity

In my opinion, except for:

- the authorisation of reallocation and virement warrants;
- the financial effects of any adjustments that might have been necessary had I been provided with the evidence relating to the completeness of property tax, interim stabilisation levy and taxes on domestic goods and services;
- the authorisation of advances from the Consolidated Fund; and
- the approval of remissions;

in all material respects, the receipts and payments have been applied to the purposes intended by the House of Assembly and conform to the authorities which govern them.

Basis for Qualified Opinion on Financial Statements

Reallocation and virement warrants

Section 30 of the Act states that the Minister of Finance, under his or her hand, may direct surpluses by means of a virement warrant. Section 31 of the Act states that the Minister of Finance may issue reallocation warrants under his or her hand.

All reallocation warrants issued in 2016 were authorised by the Permanent Secretary – Finance or the Deputy Permanent Secretary, Finance and not the Minister of Finance. I therefore qualify my audit opinion as both virement and reallocation warrants were not authorised in the manner required by the Act.

Tax Revenue

The Government of Anguilla had not developed and operated adequate processes to demonstrate that all payments due to the Government for:

- Property Tax;
- Interim Stabilisation Levy; and
- Taxes on Domestic Goods and Services;

during 2016 had been identified for collection in accordance with relevant legislation. I therefore qualify my audit opinion in this respect.

Advances

Section 43 of the Act states that the Minister of Finance, may by advance warrant under his or her hand, authorise the Accountant General to make advances from the Consolidated Fund or from a deposit received by the Government. Advances made in 2016 were not authorised by the Minister of Finance. I therefore qualify my audit opinion as advances were not authorised in the manner required by the Act.

Deposits

Section 44(5) of the Act states that, a deposit that is unclaimed for five years shall, subject to the provisions of any law, cease to be a deposit and accrue to the Consolidated Fund but the Minister of Finance may direct the refund of a deposit to a person who subsequently satisfies the Minister of Finance that that person is entitled to it. As documentation is not available to support all deposits, I qualify my audit opinion as I have been unable to confirm whether deposits have been treated in accordance with the Act.

Approval of remissions

Section 16 of the Act states that: 'a remission of a tax, fee or other amount...shall not exceed \$1,000 or such greater amount in any financial year as may be prescribed by regulation by the Governor in Council with the approval of the House of Assembly.'

While remissions were approved by the Governor in Council, I was not provided with any evidence of approval by the House of Assembly. I therefore qualify my audit opinion as remissions were not authorised in the manner required by the Act.

Other Information

Management is responsible for the other information. The other information comprises the Accountant General's Report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements that present fairly in accordance with Section 49 of the Act and the appropriate Ministerial Direction. The Direction requires, inter alia, the accounts to comply with Part 1 of the International Public Sector Accounting Standard Financial Reporting under the Cash Basis of Accounting. Management is also responsible for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Government of Anguilla's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Government of Anguilla's financial reporting process.

Emphasis of matter

As was the case in 2015, without qualifying my opinion, I draw attention to note 15 to the financial statements: Anguilla Banks. This note sets out the financial implications of the Bank Resolution Obligations Act 2016 which came into force on 22 April 2016 and meant the Government borrowed EC\$214 million from the Anguilla Social Security Board and EC\$59 million from the Caribbean Development Bank to finance the setting up of the National Commercial Bank of Anguilla and the Depositor Protection Trust. These transactions are reflected in the 2016 financial statements.

The repayment of these loans will be a significant additional call on the Government's finances in the years ahead.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Government of Anguilla's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Government of Anguilla's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Government of Anguilla to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

A handwritten signature in black ink, appearing to read 'A Barrett', enclosed in a thin black rectangular border.

Anthony Barrett
Chief Auditor

Wales Audit Office
24 Cathedral Road
Cardiff
CF11 9LJ
United Kingdom

Date: 18 February 2020



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Government of Anguilla - Report of the Chief Auditor on the 2016 Accounts

Date issued: February 2020

Document reference: 1671A2019-20



This document has been prepared for the internal use of the Government of Anguilla as part of work performed in accordance with statutory functions, and the letter of engagement between the Government of Anguilla and the Wales Audit Office.

Contents

Summary report

About this report I

Conclusions from the audit of the 2016 accounts J

Public Accounts Committee L

Detailed report

Qualifications to the 2016 accounts M

 Qualified 'presents fairly' opinion on financial statements M

 Qualified opinion on regularity P

Financial standing T

Financial reporting of government agencies V

About this report

- 1 Section 52(1) of the Revised Statutes of Anguilla, Chapter F27, Financial Administration and Audit Act, revised as at 15 December 2010 (the Act), requires the public accounts of the Government of Anguilla to be audited and reported on by the Chief Auditor. Section 52(2) of the Act requires the Chief Auditor to make such checks as he considers necessary to enable him to form an opinion as to, but not limited to, whether:
 - the accounts accurately reflect the underlying transactions and are an accurate reflection of the financial affairs of Anguilla at the end of the financial year;
 - all reasonable precautions have been and are taken to safeguard the collection of public money;
 - all laws, directions or instructions relating to public money have been and are duly observed;
 - all money appropriated or otherwise disbursed is applied to the purpose for which the House of Assembly intended to provide, and that the expenditure conforms to the authority that governs it; and
 - adequate directions or instructions exist for the guidance of public officers entrusted with the duties and functions connected with finance or store-keeping, and that such directions have been and are duly observed.
- 2 This report covers the examination of the public accounts for the financial year ending 31 December 2016, which was carried out by the Wales Audit Office in accordance with the contract between the Wales Audit Office and the Government of Anguilla dated 5 May 2015. I took over the role of Chief Auditor last year when my predecessor retired from the Wales Audit Office. This is the first set of accounts of the Government of Anguilla that I have audited but the sixth for the Wales Audit Office.
- 3 At the conclusion of the audit of the accounts, I am required to issue opinions as to whether:
 - the financial statements properly present the financial position of the Government of Anguilla as at 31 December 2016 and the amounts recorded for total receipts and payments and assets and liabilities for the year and that the accounts comply with the Financial Administration and Audit Act 2010, directions made thereunder by the Minister of Finance and Part 1 of the International Public Sector Accounting Standard (IPSAS) Financial Reporting Under the Cash Basis of Accounting (this is also known as the “presents fairly opinion”).
 - in all material respects the receipts and payments have been applied to the purposes intended by the House of Assembly and conform to the authorities which govern them (this is also known as the “regularity opinion”).

- 4 Where it is not possible to give a clean (unqualified) opinion, International Standards on Auditing require auditors to qualify their opinion and provide an explanation as part of their opinion. This occurs, for example, where there are inadequate records to support an entry in the accounts.
- 5 This report provides further explanations about the reasons why it is not possible to provide unqualified opinions in relation to both the presents fairly and regularity opinions on the Government's 2016 accounts.

Conclusions from the audit of the 2016 accounts

- 6 As noted in my audit certificate, I qualified both my presents fairly and regularity audit opinions on the 2016 accounts.
- 7 The presents fairly opinion is qualified because the Government of Anguilla has not maintained adequate records to provide sufficient evidence to support the figures disclosed in the accounts for:
 - advances and deposits;
 - arrears of revenue; and
 - remissions.
- 8 In addition, my presents fairly opinion is further qualified because:
 - the accounts did not include a statement outlining the details of remissions, write-offs and settlements as required by the Act.
 - accounting policy note 1.6 sets out the policy for accounting for advances and deposits. These are accounted for on a net basis. Net accounting is contrary to the requirements of the cash IPSAS.
- 9 I qualified my regularity opinion as the Government of Anguilla has not:
 - complied with the requirements of the Act in relation to the Authority for approving reallocation and virement warrants.
 - maintained adequate records for property tax, interim stabilisation levy and taxes on domestic goods and services. As a result, I was not able to obtain adequate assurance that all taxes and levies due to the Government had been identified for collection.
 - complied with the requirements of the Financial Administration and Audit Act 2010 in relation to authorising advances from, and retaining deposits in, the Consolidated Fund.
 - complied with legislation when approving remissions.
- 10 It is disappointing for me to report that the majority of the issues identified in my report are the same as those raised in previous years. In general, the problems arose from:
 - non-compliance with statutory requirements;
 - inadequate and/or incomplete audit trails supporting the figures in the accounts and linking them to supporting information and reconciliations; and

- inadequate controls, procedures and documentation.
- 11 The Government will need to undertake a significant amount of work to address my recommendations. Given the Government's slow progress in responding to my previous reports, it is likely to be a number of years before I will be in a position to issue a clean opinion and my audit team is likely to have to continue to carry out more audit work than should normally be required to complete audits.
- 12 In order to ensure proper accountability for the use made by the Government of Anguilla of the resources made available to it by the House of Assembly, and to ensure that all revenues due to the Government are collected, it is essential that the issues identified in this report are addressed. Improved controls over the identification and collection of revenues is particularly important in the current difficult financial climate if the Government is to balance its budget and reduce its significant liabilities. I understand that the Government is working on a number of projects to improve its collection of taxes and revenues and that the impact of hurricane Irma has delayed progress. The Public Accounts Committee has also reviewed this area. I comment further on the financial position of the Government in paragraphs 66 to 71 of this report.
- 13 The production of timely audited accounts is a key part of ensuring accountability for the use of public funds. The audit certificate on the 2016 accounts is being issued nearly three years after the end of the reporting period. Such a time delay undermines public accountability and future years' budgeting and spending plans. Whilst some of the delay in accounts production is due to the significant impact of hurricane Irma, my team still experienced significant delays in obtaining responses to some of the queries raised during the audit, particularly relating to testing of receipts and payments.
- 14 Addressing these delays is key to improving the timeliness of the audit of the accounts and we will continue to work with the Finance and Internal Audit Departments to achieve this. We are running the 2017 and 2018 audits concurrently, with the aim of completing these within a reduced elapsed time.
- 15 My staff will also continue to work with the Finance Department to improve financial controls and the quality of the accounts and their supporting working papers, with the aim of improving the accounts production and audit process for future years.
- 16 The Government now needs to take steps to improve:
- co-ordination between Ministries to ensure that the information provided to Treasury to compile the accounts is more robust, complete and retained for audit inspection;
 - testing undertaken on my behalf by the Government's Internal Audit agency is fully completed by agreed deadlines;
 - the promptness of responses to queries and suggested amendments to the accounts for 2017 onwards; and
 - its financial processes to ensure all revenue due is collected and properly accounted for.

- 17 The second part of my report considers the significant financial challenges that the Government faces, particularly since the implementation of the Banking Resolution Obligations Act in 2016, and the need to ensure robust long-term financial planning and collection of revenues.
- 18 The final part of my report considers the audits of the various Government Agencies. This identifies that:
- although improved recently, following my previous report and the review by the Public Accounts Committee (PAC), there are still significant delays in finalising the audits of some of these bodies (the audit of some agencies dating back to 2011 are still open).
 - qualified or disclaimed opinions have been issued by the auditors on the accounts produced by many of these bodies.
 - the Government needs to consider whether the Chief Auditor regime should still apply for agencies not receiving a subvention.
 - the Government needs to consider a modified accounts and audit regime for the smaller agencies so that public money is still properly accounted for and examined but not necessarily through the production of IFRS compliant accounts accompanied by ISA compliant audits.

Public Accounts Committee

- 19 My report on the 2015 accounts confirmed that I was impressed with the progress made by the re-established Public Accounts Committee (PAC). A lack of capacity has meant that progress has slowed more recently but the secondment of an experienced clerk in late 2019 has reinvigorated the Committee. It will be important that the progress made is maintained into the future and that the scrutiny work of the PAC results in tangible actions and improvement. The Government should ensure that PAC recommendations are addressed in a timely manner.
- 20 The Committee offers the potential for the House of Assembly to better hold the Government to account for its stewardship of public money and contribute to the improvement of services and public financial management in Anguilla. The future work programme of PAC is currently being considered and it will be important that a realistic and balanced programme is agreed and subsequently delivered. I and my team are happy to support the PACs programme (in accordance with our current contractual arrangements).

Detailed report

Qualifications to the 2016 accounts

Qualified 'presents fairly' opinion on financial statements

- 21 As stated above, I have qualified my opinion on the accounts in respect of a number of issues identified during the audit, many of which were also raised in previous years.
- 22 Smartstream, SIGTAS and ASYCUDA are the three computer-based systems used by the Government, in conjunction with other manual systems and procedures, to record financial transactions. These are briefly explained below to aid understanding of the issues raised during the audit. The correct operation and management of these systems is key to producing annual accounts that are complete, accurate and capable of withstanding independent audit:
- Smartstream is an electronic general ledger system that captures transactions either electronically or through manual input. Smartstream is used both as the basis for preparing internal management information and for preparing the Government's annual accounts.
 - SIGTAS is a stand-alone computer system. It is used to record, and receipt revenue collected by the Government. The information held on SIGTAS is transferred regularly to Smartstream via a SIGTAS update file.
 - ASYCUDA is a stand-alone computer system used to record and report upon Customs transactions. A summary of Customs receipts is entered manually onto SIGTAS each day, receipts are then entered into Smartstream via an update file

Advances and Deposits (Notes 11 and 12)

- 23 Advances comprise payments made by the Government of Anguilla to or on behalf of individuals, private sector bodies and certain government agencies; such payments are recoverable from the recipients. For example, \$214m relates to the advance to the National Bank. Other items included are electricity payments paid by Treasury and due for reimbursement from other departments. Deposits are monies received by the Government from individuals, public and private sector bodies and are held by the Government of behalf of these parties. For example, payments collected and due to be paid on behalf of employees such as repayment of loans and medical insurance and amounts collected on behalf of and due to the Air and Seaports Authority.
- 24 The Statement of Assets and Liabilities recorded advances of EC\$229.848 million (2015 - EC\$13.865 million) and deposits of EC\$18.902 million (2015 - EC\$15.340 million) at year-end. The significant increase in advances relates to the EC\$214 million re-financing of the National Bank.

- 25 While I was able to obtain satisfactory audit evidence regarding advances and deposits made during the year, I have been unable to obtain sufficient and satisfactory audit evidence to support the validity of some of the balances brought forward from prior years. This is the same position as in previous years.
- 26 My 2016 opinion is, therefore, qualified in respect of advances and deposits, similar to previous years, as the Government of Anguilla was unable to provide sufficient evidence that these balances had not been materially misstated.
- 27 To address this issue, the Government should analyse these balances to identify:
- the individuals, public and private sector bodies to which the advances and deposits relate;
 - the value of the advances and deposits relating to individuals, public and private sector bodies;
 - whether any deposits received can be written off to the Consolidated Fund;
 - whether it is appropriate to continue including what appear to be inter-Ministry and department transactions in advances and deposits; and
 - whether advances are still recoverable, and whether any of these balances should be written off as being uncollectable.

Amounts due to Government (Note 19)

- 28 Note 19 identifies arrears of revenue at 31 December 2016 totalling EC\$41.3 million (2015 - EC\$44.3 million). The guidance issued by the Treasury states that: 'Heads of Departments are required to maintain records of any amounts in respect of taxes not paid, fees and charges underpaid and any debt and advances for which no repayment due has been received'. These statements are to be submitted annually to the Treasury and should explain how arrears are being pursued.
- 29 My audit work showed that:
- returns submitted by some departments were not adequately supported – system prints were not retained in all cases, and even where they were, we were unable to verify individual balances as the system is 'live' and it is difficult to confirm balances retrospectively;
 - Inland Revenue arrears were likely to contain duplicate entries, so the arrears balance may not be correct;
 - the Government did not effectively seek to recover outstanding debts (particularly those relating to property tax); and
 - no assessment was made regarding the collectability of outstanding arrears.
- 30 I therefore qualified my audit opinion in this area because of insufficient evidence to support the completeness, accuracy and validity of arrears of revenue shown in the notes to the accounts. This is the same position as in previous years.

- 31 To address this issue the Government should actively pursue arrears due, including, where necessary, instigating legal proceedings for recovery of debts outstanding.
- 32 I understand from more recent work that the Government is making progress in this area. The largest balances relate to the Inland Revenue department (IRD). IRD has commenced a 'clear up' exercise in 2018 which is aiming to fully identify actual outstanding arrears, including resolving duplicate entries. Once this has been fully completed, work can commence on pursuing debtors.

Remissions (Note 20)

- 33 The accounts report that Remissions of Customs Duties and Alien Land Holding Licences totalled EC\$6.34 million during 2016 (2015 - EC\$8.00 million). These are amounts that would be due to the Government under legislation, however the Government has the power to grant exemptions to specific individuals, companies or organisations. This is 'lost' revenue. See paragraphs 63-65 for further information on the approval of remissions.
- 34 The audit trail between the values in the accounts and Executive Committee minutes has improved for 2016. However, there are no checks to confirm the completeness of the information provided by the Executive Committee secretariat. In addition, there is no check that prior-year remissions are not recurring and therefore should feature in the current year accounts. I, therefore, qualified my audit opinion with regard to this matter because of insufficient evidence to support completeness of the amounts disclosed in the accounts. This is the same position as in previous years.
- 35 The Government should review the process for collating the information to support the note and include processes to ensure the completeness of the information. In addition, the Government should consider whether the impact of exemption decisions made in previous years could have a recurring impact and should therefore be captured in the account annually.
- 36 Section 19 of the Act requires the accounts to include a statement of the remissions made under section 16 and write-offs under sections 17 and 18 of the Act. This statement must specify:
- the name or names of the persons whose tax, fee or other amount is remitted or whose debt or other obligation is written off;
 - the amount of the remission or write-off;
 - in the case of a remission, whether a tax, fee or other amount was remitted; and
 - in the case of a write-off, the nature of the debt or obligation that is written off.
- 37 No such statement was included in the accounts. I therefore qualified my audit opinion as this information was not included as required. This is the same position as in previous years.

- 38 The Government should establish a register to record the information required by the Act and include this information in the financial statements which would comply with statute and improve transparency. This could be linked to the work required to establish the audit trail discussed above.

Net accounting for Advances and Deposits in the Receipts and Payments account

- 39 The Cash IPSAS requires all transactions in the Receipts and Payments Statement to be accounted for on a gross basis with only certain categories of payment being allowed to be treated on a net basis.
- 40 Movements in the value of Advances and Deposits are treated on a net basis in the Receipts and Payments Statement. As these transactions do not meet the criteria contained in the Cash IPSAS for net accounting, the treatment does not comply with the standard, and I qualified my opinion accordingly. This is the same position as in previous years.

Qualified opinion on regularity

- 41 My certificate also refers to a number of qualifications I have had to make to the regularity opinion. These relate to four areas:
- authorisation of reallocation and virement warrants;
 - identification and collection of amounts due from taxes and duties;
 - authorising advances from the Consolidated Fund;
 - absorbing deposits held for over five years into the Consolidated Fund; and
 - authorisation of remissions.

Authorisation of reallocation and virement warrants

- 42 Warrants are used by the Government of Anguilla in order to authorise changes to the budgets originally agreed by the House of Assembly, and to post these changes to the Smartstream ledger system.
- 43 In processing these warrants, the Government of Anguilla is required to follow the law, such as the Financial Administration and Audit Act 2010. Section 29 of the Act states that the Minister of Finance may issue reallocation warrants under his or her hand and Section 30 states that the Minister of Finance under his or her hand may direct surpluses by means of a virement warrant.
- 44 As in previous years, the reallocation and virement warrants issued in 2016 were authorised by the Permanent Secretary or Deputy Permanent Secretary Finance, rather than the Minister of Finance which is not in accordance with the legal requirements.
- 45 I have therefore qualified my audit opinion as both virement and reallocation warrants were not authorised by the Minister of Finance, as required by the Act.

- 46 The Government should consider what action it can take to address this issue. One of the difficulties is that very large numbers of reallocation and virement warrants are issued, often of small value. Consideration could therefore be given to grouping together reallocations and virement, into a smaller number of summary adjustments, which makes it more feasible for them to be signed by the Minister.

Identification and collection of amounts due from taxes and duties

Property tax

- 47 During 2016, the Government of Anguilla generated receipts totalling some EC\$5.82 million from property tax (2015 - EC\$4.80 million).
- 48 My testing of the collection of property tax showed that the schedule of properties held by Inland Revenue is based on Land and Surveys Department's register. The schedule is periodically updated based on advice from Land and Surveys. However, no reconciliation between the two sets of data is undertaken.
- 49 As a result, it was not possible to obtain assurance that all taxes had been raised in accordance with legislation. I have, therefore, qualified my regularity opinion. This is the same position as in previous years.
- 50 To address the issues outlined above, the Inland Revenue Department should:
- ensure an annual reconciliation between Land and Surveys Department's register of properties and the schedule used to calculate the annual tax debit. A copy of the working papers used in this exercise should be retained for audit purposes. This should be undertaken prior to issuing the annual tax demands.
 - the calculation of the annual tax debit should be manually checked to ensure completeness. A copy of the working papers used in this exercise should be retained for audit purposes.
 - actively pursue arrears of property tax.

Interim stabilisation levy

- 51 During 2016, the Government of Anguilla generated receipts totalling some EC\$14.46 million from interim stabilisation levy (tax on earnings from employment or self-employment) (2015 - EC\$13.85 million).
- 52 My testing of the collection of interim stabilisation levy showed that:
- the tax roll is based upon schedules used by the Inland Revenue department. No reconciliation to the Ministry of Finance's register of businesses is undertaken to ensure the tax roll is complete.
 - the returns submitted by employers/self-employed workers is subjected to only a reasonableness test. The accuracy of returns is not tested back to source data.

- 53 It was not therefore possible to obtain assurance that all taxes had been raised in accordance with legislation and I have therefore qualified my regularity opinion. This is the same position as in previous years.
- 54 To address the issues outlined above relating to interim stabilisation levy, the Inland Revenue Department should:
- ensure an annual reconciliation between the Ministry of Finance's register of businesses and the schedule used by the Inland Revenue Department, in order to test the completeness of the tax roll. A copy of the working papers used in this exercise should be retained for audit purposes.
 - the returns submitted by employers/self-employed workers showing the calculation of the tax due should be checked back to source documents on a sample/cyclical basis to ensure completeness and accuracy. A copy of the working papers used in this exercise should be retained for audit purposes.

Taxes on domestic goods and services

- 55 During 2016, the Government of Anguilla generated receipts totalling some EC\$37.24 million from taxes on domestic goods and services (2015 - EC\$44.07 million). My testing showed that for:
- **Accommodation/tourist tax:** the returns submitted by individual establishments are subjected to a reasonableness test only. The accuracy of returns is not tested back to source data.
 - **Communication levy:** the returns submitted by the various telecommunication companies of the calculation of the levy are reviewed for reasonableness, but no further checks are undertaken to companies' source data.
 - **Bank deposit levy:** the returns submitted by the various banks of the calculation of the levy are reviewed for reasonableness, but no further checks undertaken to companies' source data.
 - **Environmental levy:** the electricity company (ANGLEC) is not required to provide data to allow checking of the levy collected. No checks are undertaken by the Government of Anguilla of ANGLEC's records to check the accuracy of the levy collected.
- 56 As a result, I was unable to obtain assurance that all the taxes had been calculated in accordance with the relevant statutes and regulations and all taxes due had been identified correctly for collection. I, therefore, qualified my opinion on this category of receipts. This is the same position as in previous years.
- 57 The Inland Revenue Department should:
- ensure the completeness of the tax rolls by verifying them to other information held by the Government.
 - check the returns submitted by tax/levy payers back to source documents on a sample/cyclical basis to ensure the completeness and accuracy of the

declarations. A copy of the working papers used in this exercise should be retained for audit purposes.

- ensure that all supporting documentation is retained to evidence the calculation of taxes due.

Authorisation of advances from the Consolidated Fund

58 Section 44 of the Act requires that:

- advances from the Consolidated Fund are authorised by advance warrant under the hand of the Minister of Finance;
- shall be recoverable within a period not exceeding 12 months after the end of the financial year in which it was made; and
- shall not, after deduction of any repayment, in the aggregate exceed \$500,000 at any time or such other amount as may be prescribed by regulation made by the Governor in Council and approved by the House of Assembly.

59 Each of these conditions have not been complied with. Advances are therefore not properly authorised. My regularity opinion has been qualified accordingly. This is the same position as in previous years.

60 For future years, the Government should ensure that advances are properly authorised in accordance with the Act.

Treatment of deposits

61 Section 44 (5) of the Act requires all deposits held in excess of five years to be taken into the Consolidated Fund. As the deposits balance cannot be fully broken down into individual transactions and therefore those deposits held in excess of five years cannot be fully identified, the Government has been unable to demonstrate that it has complied with the Act and my regularity opinion has been qualified accordingly.

62 For future years, the Government should review deposits balances and where deposits held in excess of five years are identified, these should be added to the Consolidated Fund.

Authorisation of remissions

63 Section 16 of the Act allows the Governor in Council to approve remissions of taxes etc. Section 16(4) states:

- remission of a tax, fee or other amount ...shall not exceed \$1,000 or such greater amount in any financial year as may be prescribed by regulation by the Governor in Council with the approval of the House of Assembly.

64 All remissions for 2016 exceeded \$1,000. We were not provided with evidence that the House had approved regulations allowing such remissions. This is contrary to

the legal requirement and, therefore, my regularity opinion has been qualified accordingly. This is the same position as in previous years.

- 65 Either remissions should be made in accordance with the legislation or the Government should request the House of Assembly makes the required Regulation to amend the maximum amount of remissions.

Financial standing

- 66 The Government continues to face a number of significant financial challenges. This section sets out my view of the financial standing of the Government and updates the position set out in my previous reports (where further information is available).

- Funding the resolution of the banking crisis:** on 22 April 2016 the National Bank of Anguilla and Caribbean Commercial Bank ceased to carry on banking business in Anguilla, their operations being transferred to a newly established bank, the National Commercial Bank of Anguilla Ltd (NCBA). The NCBA is wholly owned by the Government of Anguilla. As part of the resolution process, the Government of Anguilla issued a promissory note to the Anguilla Social Security Board for EC\$214 million and raised a loan from the Caribbean Development Bank for EC\$59 million. Meeting the interest and principal repayments for these arrangements will be a significant call on the Government's annual revenue over the next 25 years. Interest repayments have commenced but principal repayments will commence in 2021. The Government intends to re-finance the Social Security Board debt but there has been limited progress in achieving this to date.
- Arrears of revenue owed:** Whilst I cannot be certain that the total of stated arrears is complete (for the reasons set out above) it is clear that recognised arrears are increasing rather than reducing. **Exhibit 1** indicates that revenue arrears, (based on audited and draft accounts), have more than doubled between 2012 and 2018. Whilst balances are fluctuating in more recent years, there is no evidence of any sustained reduction in arrears due to proactive management by the Government. This is a worrying trend which undermines the long-term sustainability of government finances.

Exhibit 1: Trend in revenue arrears

	2012 EC\$000	2013 EC\$000	2014 EC\$000	2015 EC\$000	2016 EC\$000	*2017 EC\$000	*2018 EC\$000
Revenue arrears	22,260	31,715	40,375	51,385	44,360	54,729	49,888

Source: Audited and draft (*) accounts

- Meeting the costs of future Government pensions:** the actuarial valuation of pension liabilities included in the 2016 accounts of the Public Sector Pension Fund showed a total liability of some EC\$356 million, which is analysed in [Exhibit 2](#) below. These liabilities are not payable immediately but will need to be met over a period of time. This could put further pressure on the Government's finances as pension contributions may need to be increased to fund future pension costs.

Exhibit 2: Pension Fund Liability

	Consolidated Fund	Pension Fund	Police Fund	Total
	EC\$ million	EC\$ million	EC\$ million	EC\$ million
Net Projected Liability 31 December 2016	80	224	52	356

Source: Actuarial report on Pension Fund 2016

- Short-term government indebtedness:** although not disclosed in the accounts, the Government has around EC\$62 million of monies owed to various parties at 31 December 2017. The monies owed are for land purchases and land acquisition for road development, pension contributions, electricity and water arrears and contributions to University of the West Indies. A significant portion is associated with the ASSIDCO purchase of Cinnamon Reef and deferred salaries. This demonstrates a backlog of outstanding payments which exert significant additional pressure on ongoing budgets. This is unlikely to be a sustainable position in the medium term.
 - Fiscal Deposits:** fiscal deposits totalled EC\$15.692million at 31 December 2016. The unaudited 2017 and 2018 accounts record deposits of EC\$1.757million and EC\$1.614million respectively. For 2016 and 2017, the total includes EC\$1.4million (EC\$1.235million in the 2018 total) relating to a deposit in British American Insurance which is now insolvent. It remains uncertain exactly how much will be recovered although current indications are that this will be approximately 25-27%. The Government effectively has little or no fiscal reserves in hand after 2018 which is clearly unsustainable.
- 67 Effective collection of revenue due to the Government, in particular revenue arising from taxes and duties, will be critical in ensuring that the Government can meet these obligations. As I note above, urgent action is required to ensure that the Government identifies and collects all the taxes, duties and levies due to it.
- 68 The Fiscal Responsibility Act 2013, (which incorporates the Framework for Fiscal Sustainability agreed by the Anguillan and British governments) required the Government of Anguilla to keep its borrowing and debt servicing costs within

certain limits, originally by the end of 2017. This was subsequently extended by agreement between the two parties to 2025 to allow for the consequences of the Banking Resolution Obligations Act.

- 69 Performance against the targets for 2015 – 2018 and projected for December 2019 are outlined below in [Exhibit 3](#).

Exhibit 3: compliance with the Fiscal Responsibility Act 2013

Factor	Legal Limits	Actual 31 Dec 2015	Actual 31 Dec 2016	Actual 31 Dec 2017	Actual 31 Dec 2018	Projected 31 Dec 2019
Net Debt	80% of maximum recurring revenue	93%	239%	264%	260%	241%
Debt service	10% maximum recurrent revenue	9.7%	16.7%	20.6%	23.6%	22.4%
Liquid assets	A minimum of 25% of recurrent expenditure (90 days)	14.4% (52 days)	8.4% (30 days)	0.90% (3 days)	0.17% (0.5 days)	0.17% (0.5 days)

Source: 2016, 2017, 2018 and 2019 Budgets

- 70 The Government committed to loans of EC\$325 million in total to fund the Banking Resolution Obligations Act. The implications of this are reflected in [Exhibit 3](#) above with Net Debt projected for 2019 to 3 times the requirement of the Fiscal Responsibility Act, debt servicing 50% higher than the requirements and more worryingly, liquid assets representing less than one day's recurrent expenditure.
- 71 Another six years may seem like a long time to bring the Government's finances back into line with the requirements of the Act, but early, significant action is required to improve revenue collection and more effectively control expenditure. Such action should include a medium-term plan showing future receipts and payments projections required to meet the Act requirements by 2025, including a sensitivity analysis and the necessary changes in arrangements, particularly for revenue collection to make those projections a reality. Such a plan would allow the Government to regularly check its progress over the coming years.

Financial reporting of government agencies

- 72 The term 'government agencies' relates to entities set up to deliver objectives on behalf of the Government of Anguilla. These agencies are usually established by statute and are often funded by subventions from the Government of Anguilla. In general, they have their own boards, finance staff and financial reporting obligations, and operate at arm's length from Government. In most cases, they are funded from public money, and are under a general obligation to ensure that good

financial management exists within all government agencies to safeguard public money and to aid the delivery of government objectives.

- 73 Section 59(2) of the Financial Administration and Audit Act 2010 (the Act) permits me, as Chief Auditor, to accept the audit of the accounts and financial statements of government agencies by independent auditors under certain specified conditions. In all such cases, Sections 59 (6) and (7) of the Act requires me to issue a certificate of audit and prepare a report to evidence my acceptance of the audit of the independent auditor.
- 74 In recent years, as they are permitted to do under the Act, a number of the agencies' boards have appointed international firms of accountants to act as their independent auditors. These firms include BDO (which formerly operated as a part of KPMG), based in Anguilla, and Grant Thornton (which formerly operated as a part of PricewaterhouseCoopers), based in St Kitts.
- 75 Indicators of the strength and development of good financial management within government agencies are: firstly, the ability of an agency to prepare financial statements for audit in a timely manner and, secondly, the speed with which those audits are completed, and the accounts and independent auditor's report sent to me. A list of government agencies and other public bodies subject to audit is set out in **Exhibit 4** below, together with information on the latest year for which audited accounts have been presented to me as at the date of this report. The years in brackets show the position the last time I reported in May 2018.

Exhibit 4 – Government agencies' audited accounts position

Government Agency	Approved Appointed Auditor	Latest audited accounts	Comments
Anguilla Development Board	BDO	2017 (2015)	
Anguilla National Trust	KPMG for 2004 and 2005, none for later years	2011 (2011)	Opinions on 2004 and 2005 opinions disclaimed by auditor. Accounts have been prepared and have been audited up to 2011. However, on advice from the Government, the Trust appointed an auditor in a process that contravenes legislative requirements. As a result, I have issued disclaimer opinions for 2006 to 2011. I understand that the Trust has recently appointed a qualified auditor and I am currently working through with the Trust the implications for outstanding audits.

Government Agency	Approved Appointed Auditor	Latest audited accounts	Comments
Anguilla Health Authority	BDO	2016 (2015)	Accounts 2005 to 2015 were disclaimed. 2016 accounts have been certified and work has commenced on 2017 accounts.
Anguilla Tourist Board	BDO	2011 (2011)	Audit of accounts 2012 to 2017 substantially completed but outstanding questions regarding regularity opinions awaiting answers from the Board I understand that these opinions will be qualified on regularity shortly.
Anguilla Social Security Board (ASSB)	BDO	2015 (2015)	Although an unqualified opinion has been given, I remain concerned with the continued inability of ASSIDCO to realise any income for its Cinnamon Reef Development. Work on 2016 accounts is complete but for valuation of properties.
Anguilla Social Security Investment and Development Company (ASSIDCO)	BDO	2015 (2015)	Unqualified opinion given but reference made to the financial position as above.
Anguilla Social Security Staff Pension Fund	BDO	2015 (2015)	Unqualified Opinion.
Public Service Pension Board	Wales Audit Office	2017 (2015)	Unqualified opinion.
Financial Services Commission	Grant Thornton	2018 (2016)	Unqualified opinion on 2017 and 2018.
Air and Seaports Authority	BDO appointed 2012 onwards		BDO is working with the Air and Seaports Authority to finalise audits up to 2014. These audits are likely to have disclaimer opinions because of insufficient evidence regarding the transfer of property, plant and equipment from the Government.
Anguilla Community College	BDO	2018 (2015)	Unqualified opinion on 2016, 2017 and 2018.

Government Agency	Approved Appointed Auditor	Latest audited accounts	Comments
Water Corporation	BDO St Lucia		No audited accounts received.
Public Utilities Commission	Grant Thornton		No audited accounts received. The body does not receive a subvention although appointments to the Board are controlled by Government therefore accounts should still be subject to Chief Auditor audit regime.
Albena Lake Hodge Comprehensive School	None		Accounting Returns sent to Director of Education and Internal Audit each January. No audits of accounts yet carried out.

- 76 As **Exhibit 4** shows, I have not received audited accounts for the Water Corporation, the Public Utilities Commission and Albena Lake Hodge Comprehensive School. The Government does not provide any funding for Water Corporation or the Public Utilities Commission. As such, the legislation requiring their audits to be subject to the Chief Auditor regime could be amended to take them out of the requirement. I refer to the school accounts further below.
- 77 I am concerned that while BDO have only been appointed to undertake the audit of the Air and Seaports Authority from 2012 onwards, the Authority was in fact established on 26 October 2009. Annual accounts that are subject to audit should therefore be prepared for all periods commencing 26 October 2009.
- 78 The accounts of the Anguilla Social Security Board cause me some concern, brought about by the effects of its funds being used by the Government to finance the Banking Resolution Obligations Act and the continued inability of ASSIDCO, its wholly owned subsidiary, to realise any income from its Cinnamon Reef development. The Government continues to fail to honour an agreement made by the previous administration to make rental payments to ASSIDCO for Cinnamon Reef and has yet to develop this site. There has been limited progress on the sale of Cinnamon Reef or the Government's plans to sell on its EC214M loan from the ASSB which it still plans to do.
- 79 I also have concerns around the regularity issues raised by the auditor which are still holding up the completion of the Anguilla Tourist Board audits. This Board's activity is particularly critical to promoting the Island as a high-end tourist destination and the Government needs to be satisfied it is operating effectively.
- 80 In the current financial climate, the timely preparation and audit of accounts is even more important. I therefore look to the agencies' boards, together with the Ministry of Finance and the Government of Anguilla, to take urgent action to secure improvements in the time taken to prepare and submit accounts for audit. Without

such improvement, there can be no reliable, audited information upon which to make informed financial decisions for the future.

- 81 It is a matter of great importance that the House of Assembly and the wider Anguillan public are able to hold the Government of Anguilla and its agencies to account for the public money that they spend.
- 82 As I raised in my report on the 2015 accounts, producing International Financial Reporting Standard (IFRS) compliant accounts and having these audited in accordance with International Standards of Auditing, may not be the most efficient method of accounting for all public money, particularly where the subvention to agencies from the Government is of relatively low value. The Government needs to consider a less rigid regime of audit for those agencies such as the National Trust and Albena Lake Hodge Comprehensive School where relatively simple annual receipts and payments returns could be examined by Internal Audit where the annual turnover is less than a set threshold (for example EC\$2 million). I have proposed a potential solution to this separately to the Government.



Anthony Barrett
Chief Auditor
18 February 2020

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone.: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru



Government of Anguilla

Report and Accounts of the Consolidated Fund

2016





Table of Contents

STATEMENT OF RESPONSIBILITY

REPORT OF THE ACCOUNTANT GENERAL

Introduction

The FY 2016 Fiscal Review

The FY 2016 Budgeted Review

Recurrent Revenue

Recurrent Expenditure

Recurrent and Capital Balances

Variance between Revenue and Expenditure

Contribution to Fiscal Reserves

Capital Revenue

Capital Expenditure

Advances and Deposits

Public Debt and Contingent Liabilities

Loans made from the Consolidated Fund

Arrears of Revenue

Arrears of Expenditure

Remissions, Write Offs and Settlements

Gifts

Acknowledgements



NOTES TO THE ACCOUNTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTANT POLICIES

NOTE 2 – CASH AND CASH EQUIVALENTS

NOTE 3 – RECURRENT REVENUE COLLECTION BY MINISTRY

NOTE 4 – DETAILED STATEMENT OF RECURRENT REVENUE COLLECTION

NOTE 5 – RECURRENT EXPENDITURE BY MINISTRY

NOTE 6 – DETAILED STATEMENT OF RECURRENT PAYMENT

NOTE 7 – DETAILED STATEMENT OF CAPITAL RECEIPTS

NOTE 8 – DETAILED STATEMENT OF CAPITAL PAYMENTS

NOTE 9 – CONSOLIDATED FUND

NOTE 10 – LONG TERM LIABILITIES

NOTE 11 – ADVANCES

NOTE 12 – CASH AND CASH EQUIVALENTS

NOTE 13 – LOANS AND ADVANCES ISSUED

NOTE 14 – INVESTMENTS

NOTE 15 – CAPITAL ORIGINAL AND FINAL APPROVED BUDGET COMPARISON

NOTE 16 – STATEMENT OF PUBLIC DEBT FINANCED BY REVENUE

NOTE 17 – STATEMENT OF CONTINGENT LIABILITIES

NOTE 18 – STATEMENT OF LOANS MADE FROM THE CONSOLIDATED FUND

NOTE 19 – STATEMENT OF ARREARS OF REVENUE

NOTE 20 – STATEMENT OF REMISSION, WRITE OFFS AND SETTLEMENTS

NOTE 21 – STATEMENT OF GIFTS

NOTE 22 – EVENTS AFTER THE BALANCE SHEET DATE



STATEMENT OF RESPONSIBILITY

The Annual Statement of Financial Statements has been prepared by the Accountant General in accordance with the International Public Sector Accounting Standards (IPSAS) – Cash Basis, and the Revised Statutes of Anguilla Chapter F27 - Financial Administration and Audit Act, 31st March 2017.

The Accountant General is responsible for the compilation and management of the accounts of the Government, and for the custody and safety of public moneys and other resources of the Government. She is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance that the transactions recorded are within the authority, and properly record the use of all public funds by the Government of the Anguilla.

In preparing these Reports and Accounts of the consolidated fund, the most appropriate accounting policies have been consistently applied and supported by reasonable and prudent judgments and estimates. To the best of my knowledge, the Report and Accounts of the consolidated fund give a true and fair view of the state of affairs and deficit of the Government of Anguilla for the financial year ended December 2016.



Vonlee Harris (M.A.)
Accountant General
Treasury Department
Government of Anguilla
Accounts submitted – March 31, 2017
Audit completed - February 10, 2020



REPORT OF THE ACCOUNTANT GENERAL

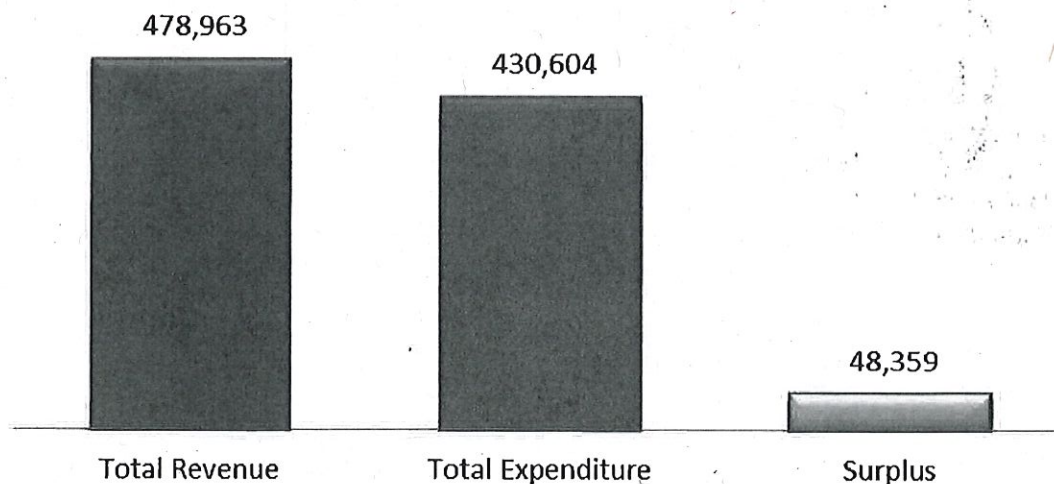
Introduction

The preparation and maintenance of the Reports and Accounts of the consolidated fund of the Government of Anguilla for the Fiscal year ended 31st December 2016 are guided by the International Public Sector Accounting Standards (IPSAS) – Cash Basis, and the Revised Statutes of Anguilla Chapter F27 - Financial Administration and Audit Act, showing the Law at 15 December 2010.

The Annual Statements of Public Accounts have been prepared using the modified cash basis of accounting. The Annual Report is an essential element of the Public Accounts of Anguilla as it illustrated the Government of Anguilla’s commitment to transparency and accountability of public funds. These statements provide useful information that can be used in assessing the financial activities of the Government during the year and its financial position. It is intended to meet the needs of stakeholders including, taxpayers, members of the legislature, investors, creditors and the public at large.

GOA Performance

Figures in XCD\$'000

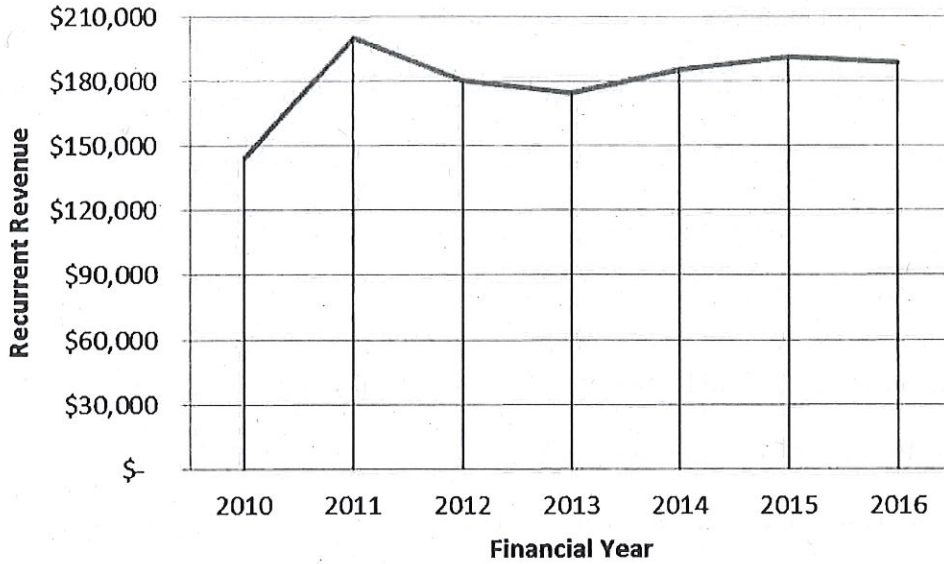




At a Glance

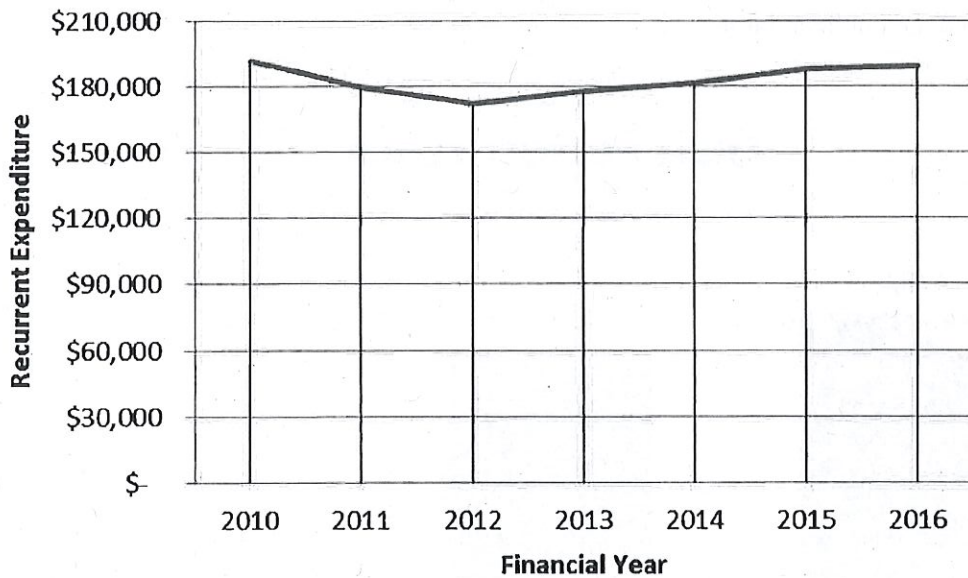
Recurrent Revenue

Figures in XCD\$'000



Recurrent Expenditure

Figures in XCD\$'000





The FY 2016 Fiscal Review

The financial year 2016 ended disparagingly for the Government of Anguilla as the Government's recurrent expenditure exceeded the recurrent revenue which resulted in a recurrent deficit of XCD\$0.4m. Total recurrent revenue collections in 2016 reduced significantly by XCD\$2.5m, when compared to the 2015 revenue collections. However, when taking a holistic view of the total revenue which includes recurrent, capital and non-budgeted revenues, the government experienced a substantial surplus of XCD\$48.3m. The surplus was mainly experienced due to a significant increase in new loans for the capitalization of the National Caribbean Commercial Bank (NCBA) and an increase in loan repayments made on foreign debt. On the other side, recurrent expenditure was less than the final budgeted amount of XCD \$204m by XCD \$15m. Despite the recurrent deficit acknowledged for the fiscal year, it is still worth noting that in light of financial and economic adversity and increased debt, the measures and initiatives implemented by the Ministry of Finance reduced expenditure and increased revenue to the point where it was still impressive and reflected positively on the operations of the Government.

The Government of Anguilla's Fiscal Reserve Deposits decreased by an unfavorable 41% from being XCD \$26.4m in 2015 to XCD \$15.6m in 2016. This decrease was necessary to facilitate the debt obligations through-out the year.

The FY 2016 Budgeted Review

On the 6th April 2016, the budget was passed and came into effect at the House of Assembly, which comprised of total expenditure of XCD \$230.6m comprising of total recurrent expenditure budget of XCD \$204m and capital expenditure of XCD \$26.5m. On the other hand, revenue

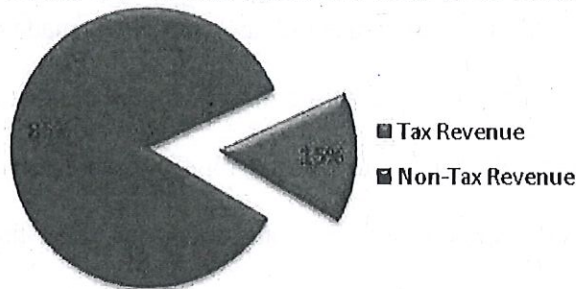


projections were optimistically approved with the expectancy to accrue a total of XCD \$219m which comprise of tax and non-tax revenue to earn XCD \$160.1m and XCD \$28.4m respectively.

FY 2016 Recurrent Revenue

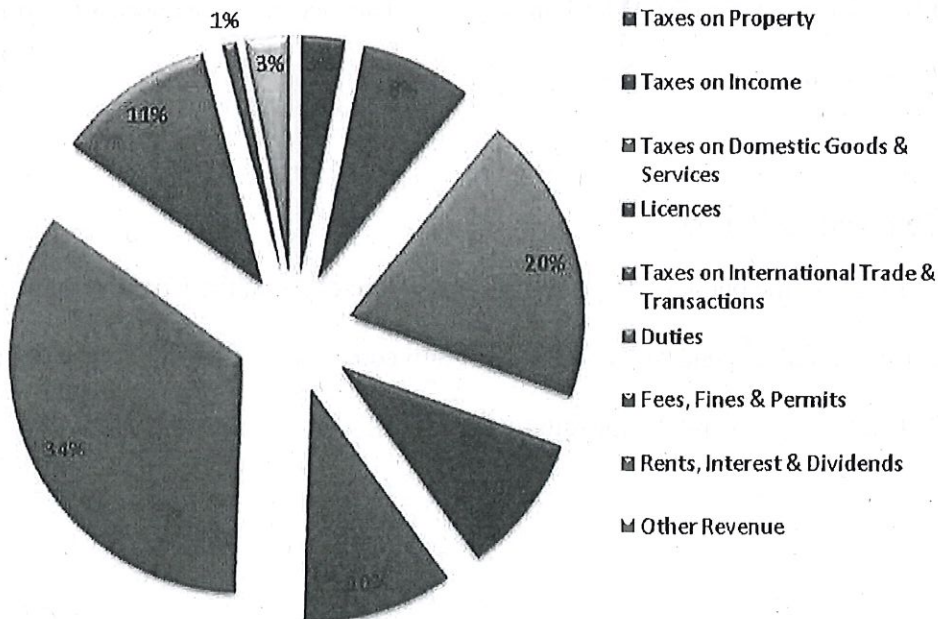
In 2016, the Government of Anguilla’s recurrent revenue collections amounted to XCD \$188.6m, of which 85% or XCD \$162.7m was from tax revenue as illustrated in Chart 1 below.

Chart1: Total Recurrent Revenue



The Government’s key revenue earners are Taxes on domestic Good and Services and Duties which jointly amounted to 54% or XCD \$102.3m. In addition, fees, fines and permits contributed to 73% of non-tax revenue. Chart 2 and Table 1 below provides further analysis of revenue collections: -

Chart 2: Analysis of Recurrent Revenues



**Table 1: Actual and Estimated Recurrent Revenue: 2015 - 2016**

Tax revenue	2016	2016	2015	2016		2016 vs 2015	
	Estimates	Actual	Actual	Actual vs estimates		Actual	
	XCD \$	XCD \$	XCD \$	XCD \$	%	XCD \$	%
Taxes on property	\$ 10,071	\$ 5,821	\$ 4,800	\$ (4,250)	-42%	\$ 1,021	21%
Taxes on Income	\$ 14,377	\$ 14,445	\$ 13,853	\$ 68	0%	\$ 593	4%
Taxes on Domestic goods and services	\$ 54,049	\$ 37,237	\$ 44,072	\$ (16,812)	-31%	\$ (6,834)	-16%
Licences	\$ 19,326	\$ 18,042	\$ 14,711	\$ (1,284)	-7%	\$ 3,331	23%
Taxes, intl Trade and Transaction	\$ 20,449	\$ 19,552	\$ 20,145	\$ (897)	-4%	\$ (593)	-3%
Duties	\$ 67,578	\$ 65,085	\$ 65,128	\$ (2,493)	-4%	\$ (43)	0%
fees, fines and Permits	\$ 23,033	\$ 20,749	\$ 20,058	\$ (2,285)	-10%	\$ 691	3%
Rent Interest and dividends	\$ 4,422	\$ 1,855	\$ 2,441	\$ (2,567)	-58%	\$ (586)	-24%
ECCB profits	\$ 0	\$ -	\$ -	\$ (0)	0%	\$ -	0
Other revenue	\$ 5,769	\$ 5,822	\$ 5,941	\$ 53	1%	\$ (119)	-2%
Total	\$ 219,074	\$ 188,609	\$ 191,148	\$ (30,466)	16%	\$ (2,539)	-1%

As seen in Table 1 above, total recurrent revenue of XCD \$188.6 million drastically underperformed when compared with the projected revenue target of XCD \$219 million by XCD \$30.4 million or 16%, with the majority of the shortfalls stemmed from Taxes on Domestic Goods and Services. When compared to total recurrent revenue for the fiscal year 2015, revenue decreased by XCD \$2.5 million or 1%, which was mainly due to Taxes on Domestic Goods and Services performing XCD \$6.8 million or 16% worst in 2016. Despite the significant drop in performance, Duties and Taxes on Domestic Goods and Services continue to be the highest revenue earners. Together they accounted for 54% of the total recurrent revenue for 2016.

Taxes on Domestic Goods and Services in 2016 accounted for 20% of total government earnings. Fines, fees and permits and Taxes, International Trade and Transaction tax together represented 21% of earnings, contributing 10% and 11% respectively.

The negative variance of \$4.2 million in property tax was due to the implementation of the new property tax rate not being receptive by the tax payers. This resorted in GoA offering discounts in the followings years in an effort to encourage compliance and payments. The negative variance of 16.8 million under Taxes on Domestic Goods and Services was due to Accommodation and Tourism Marketing Levy tax losses of \$5.56 million due to the presence of the Zika virus and Cap Juluca none payment. Stamp Duty also fell short by \$4.9 million due to its unstable nature of inflows. Bank Deposit Levy also fell short by \$3.45 million due to none



payment by Caribbean Commercial Bank and National Bank of Anguilla as they underwent their merger. The short fall in the Duties category was due to none payment of Embarkation tax in the amount of \$1.1 million from Anguilla Air and Sea Port Authority, Fuel imports was also short by \$1.9 million and Import Duty Other by \$1.1 million due to changes lower imports during the year. Fees, Fines and Permits category also experienced a short fall of \$2.2 million and this was due to less new businesses opening during the year under the company registration and annual fees revenue accounts. Rents, Interest and Dividends also fell short due to the none collection of Annual leases from Maundays Bay.

The analysis of the Non-recurrent revenues is presented below:

Table 2: Total Non-Recurrent Revenues: 2015 - 2016

Non-Recurrent Revenues	2016	2015
	Actual	Actual
	XCD \$000	XCD \$000
Capital Revenue	\$ 3,660	\$ 3,741
Increase in Deposits	\$ 3,563	-
Decrease in Advances	-	\$ 993
Drawdown on Fiscal Reserves	\$ 10,706	\$ 4,502
Proceeds from Loans	\$ 273,744	\$ 85
Total Non-Recurrent Revenues	\$ 291,673	\$ 9,321

The revenue collected for the year 2016 as capital revenue comprised of funds distributed from the UK Government grant funds that aided in the construction of the fire station, Minor Education and IT Tower Replacement Projects.

FY 2016 Recurrent Expenditure

The recurrent expenditure for the year 2016 was XCD \$189 million, which represents a favorable savings in expenditure of XCD \$15 million when compared to the approved budget. However, when compared to the year 2015, expenditure was slightly higher by XCD \$1.2 million in 2016. The Total expenditure and the details of payments are analyzed below.

Table 3: Total Recurrent Expenditure by Type of Expenditure: 2015 - 2016



Recurrent Expenditure	2016	2016	2015	2016		2016 vs 2015	
	Estimates	Actual	Actual	Actual vs estimates		Actual	
	XCD \$	XCD \$	XCD \$	XCD \$	%	XCD \$	%
Personal Emoluments	\$ 89,523	\$ 84,573	\$ 82,404	\$ 4,950	-6%	\$ (2,169)	3%
Goods & Services	\$ 44,556	\$ 38,427	\$ 39,973	\$ 6,129	-14%	\$ 1,546	-4%
Transfers & Subsidies	\$ 47,962	\$ 46,495	\$ 49,622	\$ 1,468	-3%	\$ 3,127	-6%
Social Services	\$ 8,908	\$ 7,302	\$ 6,587	\$ 1,606	-18%	\$ (715)	11%
Other Expenditure	\$ 933	\$ 236	\$ 784	\$ 696	-75%	\$ 547	-70%
Special Expenditure	\$ 12,170	\$ 11,985	\$ 8,376	\$ 184	-2%	\$ (3,610)	43%
Restricted Expenditure	\$ 0	\$ -	\$ -	\$ 0	0%	\$ -	0
Total	\$ 204,051	\$ 189,018	\$ 187,745	\$ 15,033	7.95%	\$ (1,273)	0.68%

Personal Emoluments performed under budget by \$4.9 million which was due to the non-filling of vacancies throughout the Government. Good and Services expenditures also was under spend in the areas of Consultancy, Training and Utilities by \$7.0 million. This was due to nonpayment's to UKOTA and monthly contributions along with none transfer of funds to cover expenditures made to the utilities companies.

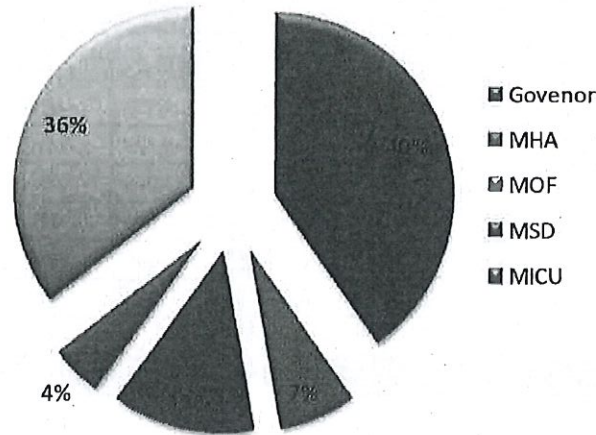
Table 4 below depicts actual recurrent expenditure by each Ministry: -

Table 4: Actual and Estimated Recurrent Expenditure by Ministry: 2015 - 2016

Recurrent Expenditure MINISTRY	2016	2016	2015	2016		2016 vs 2015	
	Estimate	Actual	Actual	Actual vs estimates		Actual	
	XCD \$	XCD \$	XCD \$	XCD \$	%	XCD \$	%
Governor	\$ 27,061	\$ 24,016	\$ 26,147	\$ (3,045)	-11%	\$ (2,131)	-8%
MHA	\$ 8,885	\$ 8,571	\$ 12,207	\$ (314)	-4%	\$ (3,636)	-30%
MOF	\$ 73,243	\$ 67,258	\$ 61,299	\$ (5,985)	-8%	\$ 5,959	10%
MSD	\$ 78,596	\$ 75,962	\$ 74,877	\$ (2,634)	-3%	\$ 1,085	1%
MICU	\$ 16,266	\$ 13,210	\$ 13,214	\$ (3,056)	-19%	\$ (4)	0%
TOTAL	\$ 204,051	\$ 189,018	\$ 187,745	\$ (15,033)	-7%	\$ 1,273	1%



Recurrent Expenditure by Ministries



Recurrent and Capital Balances

Capital revenue and expenditure in Table 5 and Graph 2 below depicts that the Government of Anguilla’s 2016 capital receipts performing basically the same and capital expenditure was similar.

Capital Revenue and Expenditure: 2016 vs 2015

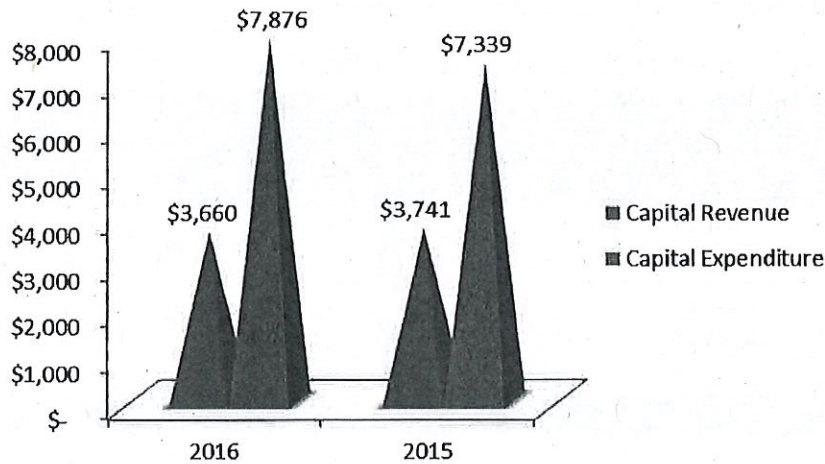


Table 5: Variance between Capital and Recurrent Revenue and Expenditure

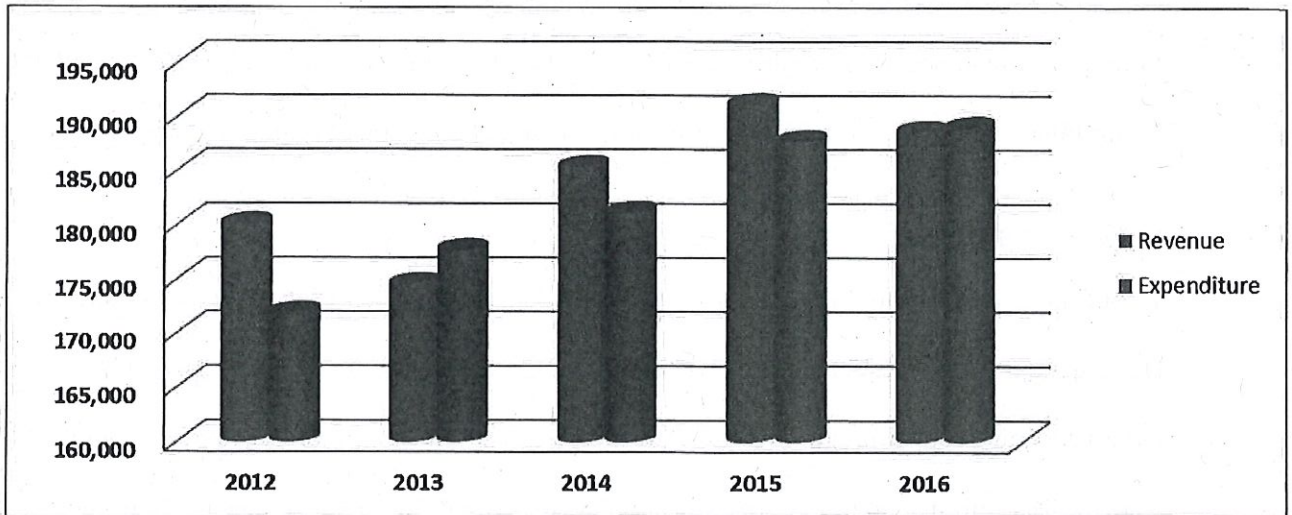


Variance between Revenue and Expenditure	Actual	Actual	Actual
	XCD \$	XCD \$	XCD \$
	2016	2015	2016 vs 2015
Capital Revenue	\$ 3,660	\$ 3,741	\$ (81)
Capital Expenditure	\$ 7,876	\$ 7,339	\$ 537
Recurrent Revenue	\$ 188,609	\$ 191,148	\$ (2,539)
Recurrent Expenditure	\$ 189,018	\$ 187,745	\$ 1,273

For the year 2016, recurrent and capital expenditure equaled XCD \$195.5 million. However, capital and recurrent revenue equaled XCD \$190.9 million, which generated a deficit of XCD \$4.6 million. Table 5 above reflects the overall performance of both the capital and recurrent revenue and expenditure for the fiscal years 2015 and 2016.

Graph 2 below compares total recurrent revenue to total recurrent expenditure over a five (5) year period (2011 – 2015).

Graph 2: Comparison of Recurrent Revenue and Recurrent Expenditure 2012 -2016



As depicted by Graph 2 above, recurrent revenue had a recognizable decrease of XCD\$2.5 million in 2016 when compared to the 2015. From the graph, it can be observed that recurrent



revenue fluctuated over the past years. Expenditure rose comparatively over the same period, to XCD \$189m. Recurrent revenue fell below recurrent expenditure by 0.22%.

Contribution to Fiscal Reserves

Fiscal Reserves are held by the Government of Anguilla as a means of managing cash flow given the changes in the economic climate. This also is a requirement as per the Borrowing Guidelines agreed with the United Kingdom Government.

At the end of 2016, the Government of Anguilla ended with fiscal reserves totaling XCD \$15.6 million, compared to XCD \$26.4 million in 2015. Due to economic adversity and debt amortization payments, the Government of Anguilla had to withdraw and strategically utilize XCD\$10.7m of the reserves. However, Accountant General and her team of virtuoso's are committed to replenishing those reserves when cash savings are realized.

Capital Revenue

The Government of Anguilla realized capital revenue during the 2016 period totaling XCD \$3.6 Million. These funds were contributed from the UK Government for the construction of the Minor Education Project, Fire Service Development and the IT Tower Replacement Project.

Capital Expenditure

Total Capital expenditure for 2016 amounted to \$7.8m. The Ministry of Finance and Economic Development (MOF) accounted for \$1.7m or 26% of the capital expenditure for 2016. The two largest spending capital programmes under the Ministry of Finance and Economic Development were the Tax reform, and the Tourism Sector Development each of which totaled \$1.2m for the period.

The Ministry of Social Services (MSD) accounted for \$0.9m or 14% of the capital expenditure for 2016. The largest spending capital programmes under the Ministry of Social Services was the



Anguilla Community College Campus and the Minor Education Projects totaling \$0.6m for the period.

The Ministry of Infrastructure Communications and Utilities (MICU) accounted for \$5.2m or 60% of the capital expenditure for 2016. The largest spending capital programmes was the Fire Services Development Project which consumed a total of XCD \$3.5m for the period 2016.

Although the Government Budgeted to spend \$26.5 million in Capital Expenditure, it only spent \$7.8 million as they only spend on Capital projects that are funded. Funds that made up Capital Revenues were \$12 million from EDF to fund \$8.4 million of Capital projects as highlighted in the 2016 budget, and \$16.2 million from the sale of Anglec shares. However, this sale never occurred.

Table 6 below illustrates the breakdown by Ministry of locally funded capital expenditure for the 2016 fiscal year.

Table 6: Actual and Estimated Locally Funded Capital Expenditure: 2015 – 2016

Ministry	2016 Estimate XCD \$	2016 actual XCD \$	2015 Actual XCD \$
Public Admin	\$ -	\$ -	\$ 510
MHA	\$ -	\$ -	\$ 110
MOF	\$ 2,989	\$ 1,702	\$ 1,757
MSD	\$ 8,727	\$ 919	\$ 3,795
MICU	\$ 14,831	\$ 5,255	\$ 1,167
Total	\$ 26,548	\$ 7,876	\$ 7,339

Advances and Deposits

The Advances and Deposits accounts are used for temporary transactions which cannot be charged to an appropriation account or which by virtue of their purpose must be kept separate from the appropriation accounts. Both deposits and advances are classified under three broad



headings namely, Public Officers (Departmental), Individuals and Other Governments and International Organizations.

Advances are reimbursable payments made by the Government of Anguilla. Advances increased from XCD \$13.8m in 2015 to XCD \$229.8m in 2016 resulting largely from an advance of XCD\$214 million paid to the National Caribbean Commercial Bank (NCBA) in the form of a promissory note to be repaid.

Deposits also increased by XCD \$3.5m in 2016. These deposits mainly comprise amounts attributable to the Department of Commercial Registry, the Department of Land and Surveys, the Labor Department, and the Treasury Department, which together accounted for XCD \$14.8m of all deposits totaling XCD \$18.9m held by the Government of Anguilla.

Public Debt and Contingent Liabilities

The long term liabilities of the Government of Anguilla are composed of both foreign and domestic debt. Long term debt significantly increased from \$179.7m in 2015 to \$434.5m in 2016. Foreign debt increased from XCD\$151.9m in 2015 to \$198.2m in 2016. Additionally, the majority of the new debt falls under the domestic debt which increased from \$27.7m in 2015 to \$236.2m in 2016. This significant increase in domestic debt came from the Anguilla Social Security Board in the form of the Bank Resolution Promissory Note. Contingent liabilities for the year consisted of loans to third parties such as the Caribbean Development Bank, The Anguilla Tourist Board, Anguilla Roads & Construction & WWR and the Anguilla Development Board. At the end of 2016 Government's guaranteed debt showed \$12.2m, revealing a 9% increase from the 2015 figure of \$11.1m.

Table 7: Public Debt



Outstanding Public Debts				
	Loan Balances	Repayments	New Loans	Loan Balances
	2015	during the year	during the year	2016
Foreign	151,973	(13,409)	59,744	198,278
Domestic	27,778	(5,556)	214,000	236,222
Total outstanding public debt	179,751	(18,965)	273,744	434,500

Loans made from the Consolidated Fund

New student and medical loans significantly decreased by 89% overall. Medical treatment overseas increased by 223% while student bonds decreased by XCD \$5.3 million. Student and medical loans decreased from \$5.6m in 2015 to \$4.6m in 2016. The student loans represent students who breached the scholarship terms and conditions, whilst the medical loans are for medical treatment overseas.

Arrears of Revenue

Arrears of Revenue increased by 6% compared to the 2015 fiscal year. This increase was attributed largely to unpaid Accommodation Tax, Property Taxes, Lease Agreements, and Customs Bonds.

Remissions, Write Offs and Settlements

Exemptions from custom duties by the Government of Anguilla decreased by \$2.1m, or 26%, in 2016.

Gifts

There was a slight decrease in the value of gifts made to the Government in 2016. The larger gifts were made to Albena Lake Hodge Comprehensive School, Disaster and Health Protection with smaller donations to the Library, Youth and Culture, Police, and Lands and Surveys.

Acknowledgements



I wish to thank the conscientious and unswerving employees of the Treasury Department, the Ministry of Finance and DITES for assisting in the completion of the 2016 financial report.



Vonlee Harris (Mr.)
Accountant General
Treasury Department
Government of Anguilla
Accounts submitted March 31, 2017
Accounts Audited February 10, 2020

**Statement No. 1 - Statement of financial performance
for the financial year ended 31st December 2016**

	NOTES	Fiscal Year Ended 31-Dec-16 XCD \$000	Fiscal Year Ended 31-Dec-15 XCD \$000
Revenue			
Recurrent Revenue			
Property tax	3	5,821	4,800
Taxes on Income	3	14,445	13,853
Taxes on Domestic Goods and Services	3	37,237	44,072
Taxes on International Trade and Licences	3	19,552	20,145
Duties	3	18,042	14,711
Fees, Fines & Permits	3	65,085	65,128
Rents, Interest & Dividends	3	20,749	20,058
ECCB Profits	3	1,855	2,441
Other Revenue	3	0	0
		5,822	5,941
Total Recurrent Revenue Collected		188,609	191,148
Other Revenue Receipts			
Proceeds from Loans	16.1	273,744	85
Local Capital Revenue	7	3,660	3,741
Increase in Deposits	12	3,563	0
Decrease in Advances	11	0	993
Drawdown on Fiscal Reserves	13.1	10,707	4,502
Total Other Revenue receipts		291,673	9,321
Total Revenue Received		480,282	200,468
Operating Expenditure			
Recurrent Expenditure			
Personal Emoluments	5	(84,573)	(82,404)
Goods and Services	5	(38,427)	(39,973)
Transfers and Subsidies	5	(46,495)	(49,622)
Total Recurrent Expenditure		(169,494)	(171,999)
Other Cost Items			
Loan Repayments	16.1	(18,995)	(9,785)
Special Expenditure	5	(11,985)	(8,376)
Social Services	5	(7,302)	(6,587)
Other Expenditure	5	(236)	(784)
Deposits paid	12	0	(1,262)
Increase in Advances	11	(216,033)	0
Increase in Fiscal Reserves	13.1	0	0
Total Other Cost Items		(254,552)	(26,793)
Total Recurrent Expenditure		(424,046)	(198,792)

Development Fund (Capital Projects) Expenditure

Capital Expenditure 8

Total Operating Expenditure

Suplus/(Deficit) for the period

Attributed to:

Consolidated Fund 9

(7,876)	(7,339)
(431,922)	(206,131)
48,359	-5,663
48,359	-5,663

Statement No. 2

**GOVERNMENT OF ANGUILLA
CONSOLIDATED FINANCIAL STATEMENTS
STATEMENT OF CASH RECEIPTS AND PAYMENTS
FOR YEAR ENDING 31ST DECEMBER 2016**

RECEIPTS	Note	2016		2015	
		XCD\$000		XCD\$000	
Description		Receipts/ (Payments)		Receipts/ (Payments)	
		Actual		Actual	
Tax Revenue					
Property tax	3	5,821		4,800	
Interim Stabilization Levy	3	14,445		13,853	
Taxes on Domestic Goods and Services	3	37,237		44,072	
Taxes on International Trade and Transactions	3	19,552		20,145	
Licences	3	18,042		14,711	
Duties	3	65,085		65,128	
			160,183		162,708
Non-Tax Revenue					
Fees, Fines & Permits	3	20,749		20,058	
Rents, Interest & Dividends	3	1,855		2,441	
ECCB Profits	3	0		0	
Other Revenue	3	5,822		5,941	
			28,426		28,439
Loans					
Proceeds from Loans	16.1	273,744	273,744	85	85
Capital Receipts					
Local Capital Revenue	7	3,660	3,660	3,741	3,741
Non-budget Items					
Increase in Deposits	12	3,563		0	
Decrease in Advances	11	0		993	
Drawdown on Fiscal Reserves	13.1	10,707		4,502	
			14,269		5,495
Total Receipts			480,282		200,468

PAYMENTS	Note	2016		2015	
		XCD\$000		XCD\$000	
		Receipts/ (Payments)		Receipts/ (Payments)	
		Actual		Actual	
Description					
Operations					
Personal Emoluments	5	(84,573)		(82,404)	
Goods and Services	5	(38,427)		(39,973)	
			(122,999)		(122,377)
Transfers					
Transfers and Subsidies	5	(46,495)	(46,495)	(49,622)	(49,622)
Loans and Interest Repayments					
Loan Repayments	16.1	(18,995)		(9,785)	
Special Expenditure	5	(11,985)		(8,376)	
			(30,980)		(18,161)
Capital Payments					
Capital Expenditure	8	(7,876)	(7,876)	(7,339)	(7,339)
Social Services Payments					
Social Services	5	(7,302)	(7,302)	(6,587)	(6,587)
Other Payments					
Other Expenditure	5	(236)	(236)	(784)	(784)
Non-budget Items					
Deposits paid	12	0		(1,262)	
Increase in Advances	11	(216,033)			
Increase in Fiscal Reserves	13.1				
			(216,033)		(1,262)
Total Payments			(431,922)		(206,131)
NET RECEIPTS/(PAYMENTS)			48,359		(5,663)
Cash at beginning of year	2		(16,934)		(11,271)
Increase / (Decrease) in Cash			48,359		(5,663)
Cash at end of year	2		31,425		(16,934)

Statement No. 3

GOVERNMENT OF ANGUILLA
STATEMENT OF ASSETS AND LIABILITIES
AS AT 31ST DECEMBER 2016

	NOTE	2016		2015
		XCD\$000	XCD\$000	XCD\$000
ASSETS				
Advances	11	229,898		13,865
Fiscal Reserve Deposits	13	15,692		26,399
Cash and Bank	2	31,425		0
TOTAL ASSETS			277,016	40,264
LESS				
LIABILITIES (less than one year)				
Cash and Bank	2	0		(16,934)
Deposits	12	(18,902)		(15,340)
			(18,902)	(32,273)
NET CURRENT ASSETS / (LIABILITIES)			258,114	7,990
LONG TERM LIABILITIES				
Caribbean development bank loan	10/16	(198,278)		(151,973)
Anguilla Social Security Board		(236,222)		(27,778)
			(434,500)	(179,751)
NET ASSETS / (LIABILITIES)			(176,386)	(179,751)
REPRESENTED BY:				
GOVERNMENT EQUITY				
Consolidated fund	9	(176,386)		(434,500)
			(176,386)	(434,500)
			(176,386)	(434,500)


Mr. V. Harris
Accountant General

February 10, 2020

Statement No. 4

Government of Anguilla
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2016

	Financial year	Financial year
	Ended	Ended
	31-Dec-16	31-Dec-15
	XCD \$	XCD \$
CASH FLOWS FROM OPERATING ACTIVITIES		
Taxation	160,183	162,708
Non-tax revenue and other	28,426	28,439
Capital Expenditure Payments	(7,876)	(7,339)
Capital Revenue	3,660	3,741
Other recurrent expenditure payments	(7,538)	(7,371)
Increase in Advances	(216,033)	0
Transfers - Payments	(46,495)	(49,622)
Operations - Payments	(122,999)	(122,377)
Net Cash Flows from Operating Activities	(208,674)	8,180
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in short term deposits	3,563	0
Net Decrease in Loans and Advances Issued	0	993
Fiscal Reserve	10,707	4,502
Investments	0	0
Loan Repayments & Loan Interest	(30,980)	(18,161)
Net Cash flow from Investing Activities	(16,711)	(8,926)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt of Foreign Debt	59,744	0
Deposit payments	0	(1,262)
Receipt of Domestic Debt	214,000	85
Net Cash flow from Financing Activities	273,744	(1,176)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	48,359	(5,663)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(16,934)	(11,271)
CASH AND CASH EQUIVALENTS AT END OF YEAR	31,425	(16,934)

NOTES TO THE FINANCIAL STATEMENTS**Note 1: ACCOUNTING POLICIES****1.1 Basis of Preparation**

The Statement of Accounts for the Government of Anguilla is prepared using the International Public Sector Accounting Standards (IPSAS). The Government of Anguilla is compliant with Part 1 of IPSAS Cash Basis. The presentation of accounts is also governed by the Revised Statutes of Anguilla, Chapter F27, Financial Administration and Audit Act.

The cash basis of accounting recognises transactions and events only when cash (including cash equivalents) is received or paid by the entity. The Financial Statements prepared under the cash basis provide information about the sources of cash raised during the period, the purpose for which cash was used, and the cash balance at the reporting date.

In these financial statements, Note 9-15 (Statement of Assets and Liabilities, plus notes) and Note 18-22 (Statement of Contingent Liabilities and notes) are prepared in accordance with the requirements of the Financial Administration and Audit Act referred to above and not for the purposes of the disclosure of Assets and Liabilities and other disclosures within the meaning of Part 2 of Cash based IPSAS.

1.2 Reporting entity

The Government of Anguilla is a Public Sector organisation that operates within Anguilla.

The financial statements are prepared by the Treasury Department of Anguilla for and on behalf of the Government of Anguilla.

The consolidated financial statements for the Government include five Government Ministries:

H E The Governor

Ministry of Home Affairs, Lands & Physical Planning

Ministry of Finance, Economic Development, Investment, Commerce &

Ministry of Social Development

Ministry of Infrastructure, Communications, Utilities, Agriculture & Fisheries

The accounts of Statutory Bodies and other entities in which the Government of Anguilla has an interest are not consolidated within the Statement of Accounts. The bodies and other entities are governed by specific legislation which requires that their financial results are accounted for and published separately and are outside of the consolidation boundary for these financial statements as interpreted by the Government of Anguilla.

1.3 Restructuring of Departments

The restructuring of Government Departments refers to the movement of Departments between Ministries.

1.4 Reporting Currency

The reporting currency is Eastern Caribbean Dollars (XCD\$).

1.5 Foreign Currency Transactions

The Government operates bank accounts, makes payments and receives income in foreign currencies: the most predominant of these being the US dollar. All transactions made or balances held in these currencies are converted into XCD dollars for the purposes of these accounts at the exchange rate at the date of the transaction or at the exchange rate at 31 December whichever is appropriate. Any gains or losses resulting from such transaction of balance are accounted for in the financial statements.

1.6 Cash Receipts and Payments

Cash receipts include revenue collected from the recurrent and capital accounts. Cash Payments include expenditure related to the recurrent and capital accounts.

Under Cash basis IPSAS cash receipts and cash payments may be reported on a net basis where they either (a) arise from transactions recognized in the Statement of Cash Receipts and Payments which are administered on behalf of other parties, or (b) are for items in which the turnover is quick, the amounts large, and the maturities short. These financial statements report movements in Advances and Deposits as disclosed in Note 12 and 13 in the Statement of Cash Receipts and Payments. In addition, non cash movements for write offs and other adjustments relating to Advances and Deposits have not been separately identified and have been reported within the Statement of Cash Receipts and Payments.

These financial statements do not eliminate intra departmental and Ministry cash transactions and both actual transactions and estimates are prepared on this basis. This is a departure from cash basis IPSAS disclosure requirements.

1.7 Original and Final Approved Budget Comparison

The approved budget is developed on the same accounting basis (cash basis), same classification basis, and for the same period (from January 1, 2016 to December 31, 2016) as the financial statements.

The original budget was approved in the House of Assembly in the early months in 2016.

No changes to the budget were made through legislative measures during the year. The revised budget is as a result of reallocation, contingency and supplementary warrants issued during the fiscal year.

The budgets set for receipts are not changed from the original budget, which has been apportioned outside of the estimate process at a Ministry level as disclosed in Note 3.

A comparison for original and final budgets for recurrent payments is detailed in Note 5 at a Ministry level.

An explanation for significant overall variances between actual and final estimates is set out in the Foreword.

The Government of Anguilla has applied IPSAS Section 1.9 in these financial statements.

1.8 Authorised for Issue

The financial statements were authorised for issue by the Accountant General on the date that the Chief Auditor of Anguilla signs the audit certificate. The authorised date for issue is 18 February 2020.

Note 2: Cash and Bank

Balances held in the name of the Government both in Anguilla and Internationally are disclosed by the type and purpose of the account. When the Account reflects a positive balance it is reflected as an asset in the Financial Statements. A negative balance represents a liability in the form of a Bank Overdraft, which is treated as a component part of cash. Overall cash balance is included in the Financial Statements and if the overall balance is positive, this is an asset and if negative, this is a liability.

Bank overdrafts are part of the day to day cash-management and have been included in the overall cash balance in the Financial Statements

Cash comprises of cash in hand, imprest accounts, main bank accounts, deposit accounts and departmental accounts.

Cash included in the Statement of Cash Receipts and Payments

CONSOLIDATED FUND		
	2016 XCDS\$000	2015 XCDS\$000
Cash in Hand	\$ (24)	\$ (16)
Cash Imprest	\$ 0	\$ 0
	\$ (24)	\$ (16)
<u>Main Bank Accounts</u>	\$ (32,514)	\$ (21,432)
<u>Crown Agents bank Account</u>	\$ 9	\$ 11
<u>Deposit Accounts</u>	\$ 3,051	\$ 2,936
<u>Departmental Bank Accounts</u>	\$ 60,903	\$ 1,567
Total Cash and Cash Equivalents	\$ 31,425	\$ (16,934)

Note 2(B): Assets held on behalf of Third Parties

Department	XCD
	2016
Department of Social Welfare	\$ 21,611.00
Post Office USD A/C	\$ 329,307.00
Post Office XCD A/C	\$ 36,265.00
Post Office Delivery	\$ -
Education Department	\$ 112,154.00
Total Cash held on behalf of third parties	\$ 499,337.00

Note 3: Summary of Recurrent Receipts by Ministry

Account Description	2016			2015	
	Budget	Receipts	Surplus (Shortfall)	Receipts	Actual 2016 vs 2015
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
A Total Ministry					
110 Taxes on Property	10,071	5,821	(4,250)	4,800	1,021
112 Taxes on Income	14,377	14,445	68	13,853	593
115 Taxes on Domestic Goods and Services	54,049	37,237	(16,812)	44,072	(6,834)
120 Licences	19,326	18,042	(1,284)	14,711	3,331
125 Taxes, Intl Trade and Transactions	20,449	19,552	(897)	20,145	(593)
130 Duties	67,578	65,085	(2,493)	65,128	(43)
135 Fees, Fines and Permits	23,033	20,749	(2,285)	20,058	691
140 Rent Interest and Dividends	4,422	1,855	(2,567)	2,441	(586)
145 ECCB Profits	0	0	(0)	0	0
150 Other Revenue	5,769	5,822	53	5,941	(119)
	219,074	188,609	(30,466)	191,148	(2,539)
B Analysed by Ministry					
H E The Governor					
120 Licences	69	236	167	240	(5)
135 Fees, Fines and Permits	380	1,352	971	1,234	118
150 Other Revenue	0	315	315	382	(67)
	449	1,902	1,452	1,855	46
Ministry of Home Affairs, Lands and Physical Planning and Environment					
115 Taxes Domestic Goods & Services	0	1,626	1,626	10,193	(8,567)
120 Licences	90	32	(58)	27	5
135 Fees, Fines and Permits	740	6,860	6,119	7,011	(151)
140 Rent Interest & Dividends	0	7	7	27	(20)
150 Other Revenue	332	213	(119)	295	(81)
	1,163	8,738	7,575	17,553	(8,816)
Ministry of Finance, Economic Development, Investment, Commerce & Tourism					
110 Taxes on Property	10,071	5,821	(4,250)	4,800	1,021
112 Taxes on Income	14,377	14,445	68	13,853	593
115 Taxes on Domestic Goods and Services	54,049	35,611	(18,438)	33,878	1,733
120 Licences	18,874	7,226	(11,648)	6,454	772
125 Taxes, Intl Trade and Transactions	20,449	19,552	(897)	20,145	(593)
130 Duties	67,578	65,085	(2,493)	65,128	(43)
135 Fees, Fines and Permits	21,888	12,372	(9,517)	11,694	678
140 Rent Interest and Dividends	4,388	1,831	(2,557)	2,413	(582)
145 ECCB Profits	0	0	(0)	0	0
150 Other Revenue	5,402	5,178	(224)	5,157	21
	217,076	167,122	(49,955)	163,523	3,599

Ministry of Social Development						
120	Licences	200	197	(3)	201	(4)
135	Fees, Fines and Permits	0	154	154	119	36
140	Rent Interest and Dividends	0	2	2	1	1
150	Other Revenue	24	87	63	79	8
		224	440	216	400	40
Ministry of Infrastructure, Communication, Utilities, Agriculture & Fisheries						
120	Licences	93	10,352	10,259	7,788	2,564
135	Fees, Fines and Permits	24	11	(13)	0	11
140	Rent Interest and Dividends	34	15	(19)	0	15
150	Other Revenue	11	29	18	28	1
		162	10,407	10,245	7,816	2,591
Total		219,074	188,609	(30,466)	191,148	(2,539)

NOTE 4: DETAILED STATEMENT OF CONSOLIDATED FUND RECEIPTS**NOTE4.1: H. E. The Governor**

Account Description	2016			2015	
	Budget	Receipts	Surplus (Shortfall)	Receipts	Actual 2016 vs 2015
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
A Total Ministry					
120 Licences	69	236	167	240	(5)
135 Fees, Fines and Permits	380	1,352	971	1,234	118
150 Other Revenue	0	315	315	382	(67)
	<u>449</u>	<u>1,902</u>	<u>1,452</u>	<u>1,855</u>	<u>46</u>

Account Description	2016			2015	
	Budget	Receipts	Surplus (Shortfall)	Receipts	Actual 2016 vs 2015
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
B Analysed by Department					
100 Department of Public Administration					
135 Fees, Fines and Permits	289	165	(124)	186	(21)
150 Other Revenue	0	278	278	345	(67)
	<u>289</u>	<u>443</u>	<u>154</u>	<u>531</u>	<u>(88)</u>
200 Royal Anguilla Police Force					
120 Licences	0	168	168	166	2
135 Fees/ Fines/ Permits	0	331	331	360	(29)
150 Other Revenue	0	30	30	29	1
	<u>0</u>	<u>529</u>	<u>529</u>	<u>555</u>	<u>(26)</u>
250 Administration Judicial					
120 Licences	69	67	(2)	74	(7)
135 Fees/ Fines/ Permits	91	856	765	688	168
150 Other Revenue	0	7	6	7	(0)
	<u>160</u>	<u>930</u>	<u>770</u>	<u>769</u>	<u>161</u>
300 Administration Attorney General Chambers					
135 Fees/ Fines/ Permits	0	0	0	0	0
150 Other Revenue	0	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Ministry Total	<u>449</u>	<u>1,902</u>	<u>1,452</u>	<u>1,855</u>	<u>47</u>

NOTE 4.2: MINISTRY OF HOME AFFAIRS, LANDS AND PHYSICAL PLANNING, AND ENVIRONMENT

2016

2015

Account Description	Budget	Receipts	Surplus (Shortfall)	Actual	
				Receipts	2016 vs 2015
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
A Total Ministry					
115 Taxes Domestic Goods & Services	0	1,626	1,626	10,193	(8,567)
120 Licences	90	32	(58)	27	5
135 Fees, Fines and Permits	740	6,860	6,119	7,011	(151)
140 Rent Interest and Dividends	0	7	7	27	(20)
150 Other Revenue	332	213	(119)	295	(81)
	<u>1,163</u>	<u>8,738</u>	<u>7,575</u>	<u>17,553</u>	<u>(8,816)</u>

Account Description	Budget	Receipts	Surplus (Shortfall)	Actual	
				Receipts	2016 vs 2015
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
B Analysed by Department					
351 Department of Immigration					
135 Fees/ Fines/ Permits	0	2,407	2,407	2,182	225
	<u>0</u>	<u>2,407</u>	<u>2,407</u>	<u>2,182</u>	<u>225</u>
352 Department of Information and Broadcasting					
120 Licences	90	0	(90)	0	0
150 Other Revenue	289	190	(99)	261	(71)
	<u>379</u>	<u>190</u>	<u>(189)</u>	<u>261</u>	<u>(71)</u>
353 Department of Agriculture					
135 Fees/ Fines/ Permits	0	8	8	27	(19)
140 Rent Interest and Dividends	0	7	7	27	(20)
150 Other Revenue	43	9	(34)	30	(21)
	<u>43</u>	<u>24</u>	<u>(19)</u>	<u>84</u>	<u>(60)</u>
354 Department of Fisheries					
120 Licences	0	32	32	27	5
150 Other Revenue	0	12	12	0	12
	<u>0</u>	<u>44</u>	<u>44</u>	<u>27</u>	<u>17</u>
355 Department of Labour					
135 Fees/ Fines/ Permits	0	4,223	4,223	4,280	(58)
150 Other Revenue	0	0	0	0	0
	<u>0</u>	<u>4,223</u>	<u>4,223</u>	<u>4,281</u>	<u>(57)</u>
356 Department of Lands and Surveys					
115 Taxes Domestic Goods & Services	0	1,626	1,626	10,193	(8,567)
135 Fees/ Fines/ Permits	653	166	(487)	400	(234)
150 Other Revenue	0	1	1	4	(2)
	<u>653</u>	<u>1,793</u>	<u>1,140</u>	<u>10,597</u>	<u>(8,803)</u>

357 Department of Physical Planning

135 Fees/ Fines/ Permits
150 Other Revenue

87	55	(32)	121	(66)
0	0	0	0	(0)
87	56	(32)	121	(66)
<hr/>				
1,163	8,738	7,575	17,553	(8,815)

Ministry Total

NOTE 4.3: MINISTRY OF FINANCE, ECONOMIC DEVELOPMENT, INVESTMENT, COMMERCE & TOURISM

		2016			2015	
Account Description	Budget	Receipts	Surplus (Shortfall)	Receipts	Actual 2016 vs 2015	
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000	
A Total Ministry						
110 Taxes on Property	10,071	\$ 5,821	(4,250)	\$ 4,800	1,021	
112 Taxes on Income	14,377	\$ 14,445	68	\$ 13,853	593	
115 Taxes on Domestic Goods and Services	54,049	\$ 35,611	(18,438)	\$ 33,878	1,733	
120 Licences	18,874	\$ 7,226	(11,648)	\$ 6,454	772	
125 Taxes, Intl Trade and Transactions	20,449	\$ 19,552	(897)	\$ 20,145	(593)	
130 Duties	67,578	\$ 65,085	(2,493)	\$ 65,128	(43)	
135 Fees, Fines and Permits	21,888	\$ 12,372	(9,517)	\$ 11,694	678	
140 Rent Interest and Dividends	4,388	\$ 1,831	(2,557)	\$ 2,413	(582)	
145 ECCB Profits	0	0	(0)	0	0	
150 Other Revenue	5,402	\$ 5,178	(224)	\$ 5,157	21	
	<u>217,076</u>	<u>167,122</u>	<u>(49,955)</u>	<u>\$ 163,523</u>	<u>3,599</u>	
B Analysed by Department						
451 Treasury						
112 Taxes on Income	0	2,361	2,361	2,306	55	
135 Fees/ Fines/ Permits	28	7	(21)	5	2	
140 Rents/Interest & Dividends	1,650	1,117	(533)	1,756	(639)	
145 ECCB Profits	0	0	-	0	0	
150 Other Revenue	950	1,780	830	1,682	97	
	<u>2,628</u>	<u>5,265</u>	<u>2,637</u>	<u>5,750</u>	<u>(485)</u>	
452 Customs						
120 Licences	33	36	3	32	4	
125 Taxes Intl Trade & Transactions	17,915	18,425	510	18,821	(396)	
130 Duties	67,578	65,085	(2,493)	65,128	(43)	
135 Fees/ Fines/ Permits	340	331	(9)	387	(56)	
150 Other Revenue	10	79	69	74	5	
	<u>85,875</u>	<u>83,956</u>	<u>(1,920)</u>	<u>84,442</u>	<u>(486)</u>	
453 Commercial Registry						
135 Fees/ Fines/ Permits	11,386	10,068	(1,318)	10,455	(387)	
150 Other Revenue	1,053	879	(174)	967	(88)	
	<u>12,439</u>	<u>10,947</u>	<u>(1,492)</u>	<u>11,422</u>	<u>(475)</u>	
454 Post Office						
130 Duties	0	0	0	0	0	
135 Fees/ Fines/ Permits	50	25	(25)	36	(11)	
140 Rents/Interest & Dividends	250	239	(11)	237	3	

150 Other Revenue	2,240	2,212	(28)	2,225	(12)
	<u>2,540</u>	<u>2,477</u>	<u>(63)</u>	<u>2,497</u>	<u>(20)</u>
457 Statistics					
150 Other Revenue	5	0	(5)	0	0
	<u>5</u>	<u>0</u>	<u>5</u>	<u>0</u>	<u>0</u>
458 Department of Inland Revenue					
110 Taxes on Property	10,071	5,821	(4,250)	4,800	1,021
112 Taxes on Income	14,377	12,084	(2,293)	11,547	537
115 Taxes Domestic Goods & Services	54,049	30,547	(23,502)	33,878	(3,332)
120 Licences	18,841	7,190	(11,651)	6,422	768
125 Taxes Intl Trade & Transactions	2,534	1,127	(1,407)	1,324	(197)
135 Fees/ Fines/ Permits	10,084	1,415	(8,669)	811	604
140 Rents/Interest & Dividends	2,488	475	(2,013)	420	55
145 ECCB Profits	0	0	(0)	0	0
150 Other Revenue	1,144	225	(919)	209	16
	<u>113,589</u>	<u>58,884</u>	<u>(54,705)</u>	<u>59,412</u>	<u>(527)</u>
459 Department of Lands and Surveys					
115 Taxes Domestic Goods & Services	0	5,065	5,065	0	5,065
135 Fees/ Fines/ Permits	0	446	446	0	446
150 Other Revenue	0	3	3	0	3
	<u>0</u>	<u>5,513</u>	<u>5,513</u>	<u>0</u>	<u>5,513</u>
460 Department of Physical Planning					
135 Fees/ Fines/ Permits	0	79	79	0	79
150 Other Revenue	0	0	0	0	0
	<u>0</u>	<u>79</u>	<u>79</u>	<u>0</u>	<u>79</u>
Ministry Total	<u>217,076</u>	<u>167,122</u>	<u>(49,950)</u>	<u>163,523</u>	<u>3,599</u>

NOTE 4.5: MINISTRY OF INFRASTRUCTURE COMMUNICATIONS, UTILITIES, AGRICULTURE & FISHERIES

		2016			2015	
Account Description	Budget	Receipts	Surplus (Shortfall)	Receipts	Actual 2016 vs 2015	
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000	
A Total Ministry						
120 Licences	93	10,352	10,259	7,788	2,564	
135 Fees, Fines and Permits	24	11	(13)	0	11	
140 Rent Interest and Dividends	34	15	(19)	0	15	
150 Other Revenue	11	29	18	28	1	
	162	10,407	10,245	7,816	2,591	
B Analysed by Department						
650 Ministry of Infrastructure Communications, Utilities, Agriculture & Fisheries						
120 Licences	0	46	46	49	(3)	
150 Other Revenue	0	2	2	17	(14)	
	0	49	49	66	(17)	
651 Airport and Seaports						
135 Fees/ Fines/ Permits	0	0	0	0	0	
140 Rents/Interest & Dividends	0	0	0	0	0	
150 Other Revenue	0	0	0	0	0	
	0	0	0	0	0	
652 Infrastructure, Communications and Utilities						
120 Licences	0	10,294	10,294	7,739	2,555	
140 Rents/Interest & Dividends	0	0	(0)	0	0	
	0	10,294	10,294	7,739	2,555	
654 Department of Agriculture						
135 Fees/ Fines/ Permits	24	11	(13)	0	11	
140 Rent Interest and Dividends	34	15	(19)	0	15	
150 Other Revenue	11	22	11	0	22	
	69	48	(21)	0	48	
655 Department of Fisheries						
120 Licences	93	11	(82)	0	11	
150 Other Revenue	0	0	(0)	0	0	
	93	11	(82)	0	11	

657 Department of Information Technology & E-Government Services

150 Other Revenue	<u>0</u>	<u>5</u>	<u>5</u>	<u>11</u>	<u>(6)</u>
	<u>0</u>	<u>5</u>	<u>5</u>	<u>11</u>	<u>(6)</u>
Ministry Total	<u>162</u>	<u>10,407</u>	<u>10,245</u>	<u>7,816</u>	<u>2,591</u>

Note 5: Summary of Recurrent Payments by Ministry

(Excess)/Savings uses calculations from the final budget and actual payments

Account Description	2016				2015	
	Original Budget	Final Budget	Payments	(Excess) / Saving	Payments	Actual 2016 vs 2015
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
A Total Ministry						
Personal						
31 Emoluments	(88,652)	(89,523)	(84,573)	4,950	(82,404)	(2,169)
32-34 Goods and services	(44,940)	(44,556)	(38,427)	6,129	(39,973)	1,546
35 Transfers and Subsidies	(47,652)	(47,962)	(46,495)	1,468	(49,622)	3,127
36 Social Services	(8,129)	(8,908)	(7,302)	1,606	(6,587)	(715)
37 Other Expenditure	(994)	(933)	(236)	696	(784)	547
38 Special Expenditure	(12,267)	(12,170)	(11,985)	184	(8,376)	(3,610)
39 Restricted Expenditure	(1,347)	(0)	0	0	0	0
	(203,980)	(204,051)	(189,018)	15,033	(187,745)	(1,273)
B Analysed by Ministry						
H E The Governor						
31 Personal Emoluments	(16,932)	(17,394)	(16,729)	665	(16,047)	(683)
32-34 Goods and services	(9,149)	(8,227)	(6,358)	1,869	(8,496)	2,138
35 Transfers and Subsidies	(1,438)	(1,387)	(888)	499	(1,355)	467
36 Social Services	(50)	(32)	(20)	12	(25)	4
37 Other Expenditure	(40)	(21)	(21)	0	(225)	204
38 Special Expenditure	0	0	0	0	0	0
39 Restricted Expenditure	0	0	0	0	0	0
	(27,608)	(27,061)	(24,016)	3,045	(26,147)	2,131
Ministry of Home Affairs, Lands and Physical Planning and Environment						
31 Personal Emoluments	(7,110)	(7,208)	(7,020)	188	(9,488)	2,467
32-34 Goods and services	(1,398)	(1,274)	(1,153)	120	(2,224)	1,070
35 Transfers and Subsidies	(382)	(397)	(392)	5	(369)	(23)
37 Other Expenditure	(48)	(6)	(6)	0	(127)	121
39 Restricted Expenditure	0	0	0	0	0	0
	(8,938)	(8,885)	(8,571)	314	(12,207)	3,636
Ministry of Finance, Economic Development, Investment, Commerce & Tourism						
31 Personal Emoluments	(18,932)	(18,896)	(16,751)	2,145	(14,948)	(1,803)
32-34 Goods and services	(16,573)	(17,902)	(15,858)	2,044	(12,747)	(3,111)
35 Transfers and Subsidies	(23,078)	(23,470)	(22,527)	943	(24,855)	2,328
37 Other Expenditure	(805)	(805)	(136)	669	(373)	237
38 Special Expenditure	(12,267)	(12,170)	(11,985)	184	(8,376)	(3,610)
39 Restricted Expenditure	(1,347)	(0)	0	0	0	0
	(73,003)	(73,243)	(67,258)	5,985	(61,299)	(5,959)

Ministry of Social Development

31 Personal Emoluments	(36,238)	(36,578)	(36,183)	395	(35,014)	(1,169)
32-34 Goods and services	(11,009)	(10,335)	(9,736)	598	(10,200)	463
35 Subsidies	(22,753)	(22,709)	(22,688)	21	(23,043)	355
36 Social Services	(8,079)	(8,876)	(7,282)	1,595	(6,562)	(720)
37 Other Expenditure	(98)	(97)	(73)	25	(58)	(15)
39 Restricted Expenditure	0	0	0	0	0	0
	(78,176)	(78,596)	(75,962)	2,634	(74,877)	(1,085)

Ministry of Infrastructure, Communication, Utilities, Agriculture & Fisheries

31 Personal Emoluments	(9,441)	(9,446)	(7,889)	1,557	(6,908)	(981)
32-34 Goods and services	(6,812)	(6,818)	(5,321)	1,497	(6,307)	986
35 Transfers and Subsidies	0	0	0	0	0	0
37 Other Expenditure	(3)	(3)	(0)	2	0	(0)
39 Restricted Expenditure	0	0	0	0	0	0
	(16,255)	(16,266)	(13,210)	3,056	(13,214)	4

Total

	(203,980)	(204,051)	(189,018)	15,033	(187,745)	(1,273)
--	------------------	------------------	------------------	---------------	------------------	----------------

NOTE 6: DETAILED STATEMENT OF CONSOLIDATED FUND PAYMENTS**NOTE 6.1: H. E. The Governor**

		2016			2015	
Account	Description	Final Budget	Payments	(Excess) / Saving	Payments	Actual 2016 vs 2015
		XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
A	Total Ministry					
31	Personal Emoluments	(17,394)	(16,729)	665	(16,047)	(683)
32-34	Goods and services	(8,227)	(6,358)	1,869	(8,496)	2,138
35	Transfers and Subsidies	(1,387)	(888)	499	(1,355)	467
36	Social Services	(32)	(20)	12	(25)	4
37	Other Expenditure	(21)	(21)	0	(225)	204
38	Special Expenditure	0	0	0	0	0
39	Restricted Expenditure	0	0	0	0	0
		<u>(27,061)</u>	<u>(24,016)</u>	<u>3,045</u>	<u>(26,147)</u>	<u>2,131</u>
B	Analysed by Department					
001	H E The Governor					
31	Personal Emoluments	(931)	(890)	41	(791)	(99)
32-34	Goods and services	(84)	(66)	19	(95)	29
35	Transfers and Subsidies	0	0	0	0	0
39	Restricted Expenditure	0	0	0	0	0
		<u>(1,015)</u>	<u>(956)</u>	<u>60</u>	<u>(886)</u>	<u>(69)</u>
100	Department of Public Administration					
31	Personal Emoluments	(2,052)	(1,797)	255	(1,827)	30
32-34	Goods and services	(2,929)	(2,696)	234	(2,738)	42
35	Transfers and Subsidies	0	0	0	0	0
37	Other Expenditure	0	0	0	(202)	202
39	Restricted Expenditure	0	0	0	0	0
		<u>(4,982)</u>	<u>(4,493)</u>	<u>488</u>	<u>(4,767)</u>	<u>274</u>
102	House of Assembly					
31	Personal Emoluments	(805)	(801)	4	(985)	184
32-34	Goods and services	(75)	(60)	15	(84)	24
		<u>(880)</u>	<u>(861)</u>	<u>19</u>	<u>(1,069)</u>	<u>208</u>
103	Department of Deputy Governor & Disaster Management					
31	Personal Emoluments	(629)	(613)	16	(539)	(74)
32-34	Goods and services	(154)	(112)	42	(177)	65
36	Social Services	0	0	0	0	0
37	Other Expenditure	(21)	(21)	0	(23)	2
		<u>(804)</u>	<u>(746)</u>	<u>58</u>	<u>(739)</u>	<u>(7)</u>

200	Royal Anguilla Police Force					
31	Personal Emoluments	(9,596)	(9,427)	169	(8,884)	(543)
32-34	Goods and services	(2,060)	(1,677)	382	(1,993)	316
		(11,656)	(11,104)	551	(10,877)	(227)
250	Administration Judicial					
31	Personal Emoluments	(1,394)	(1,377)	17	(1,321)	(56)
32-34	Goods and services	(588)	(541)	48	(726)	185
35	Transfers and Subsidies	(1,387)	(888)	499	(1,355)	467
36	Social Services	(32)	(20)	12	(25)	4
		(3,402)	(2,826)	575	(3,427)	601
300	Administration Attorney General's Chambers					
31	Personal Emoluments	(1,986)	(1,823)	163	(1,699)	(124)
32-34	Goods and Services	(2,336)	(1,207)	1,130	(2,683)	1,477
		(4,323)	(3,030)	1,293	(4,382)	1,353
	Ministry Total	(27,061)	(24,016)	3,045	(26,147)	2,131

NOTE 6.2: HOME AFFAIRS, LANDS AND PHYSICAL PLANNING AND ENVIRONMENT

Account Description	2016			2015	
	Final Budget	Payments	(Excess) / Saving	Payments	Actual 2016 vs 2015
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
A Total Ministry					
31 Personal Emoluments	(7,208)	(7,020)	188	(9,488)	2,467
32-34 Goods and services	(1,274)	(1,153)	120	(2,224)	1,070
35 Transfers and Subsidies	(397)	(392)	5	(369)	(23)
37 Other Expenditure	(6)	(6)	0	(127)	121
39 Restricted Expenditure	0	0	0	0	0
	(8,885)	(8,571)	314	(12,207)	3,636

Account Description	2016			2015	
	Final Budget	Payments	(Excess) / Saving	Payments	Actual 2016 vs 2015
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
B Analysed by Department					
350 Administration Ministry of Home Affairs, Lands and Physical Planning					
31 Personal Emoluments	(1,051)	(1,051)	0	(1,224)	172
32-34 Goods and Services	(441)	(403)	38	(419)	16
35 Transfers and Subsidies	(384)	(382)	1	(360)	(22)
37 Other Expenditure	(6)	(6)	0	(127)	121
39 Restricted Expenditure	0	0	0	0	0
	(1,882)	(1,843)	40	(2,130)	287
351 Department of Immigration					
31 Personal Emoluments	(2,737)	(2,596)	141	(2,358)	(238)
32-34 Goods and Services	(288)	(247)	41	(489)	242
39 Restricted Expenditure	0	0	0	0	0
	(3,025)	(2,843)	183	(2,847)	4
352 Department Information and Broadcasting					
31 Personal Emoluments	(849)	(835)	14	(793)	(42)
32-34 Goods and Services	(63)	(54)	9	(105)	51
35 Transfers and Subsidies	(13)	(9)	4	(9)	(0)
39 Restricted Expenditure	0	0	0	0	0
	(925)	(898)	27	(906)	9
353 Department of Agriculture					
31 Personal Emoluments	(324)	(324)	0	(1,036)	712
32-34 Goods and Services	(90)	(83)	7	(477)	394
39 Restricted Expenditure	0	0	0	0	0
	(414)	(408)	7	(1,513)	1,105

354 Department of Fisheries & Marine

31	Personal Emoluments	(242)	(242)	0	(659)	417
32-34	Goods and Services	(36)	(36)	0	(151)	115
39	Restricted Expenditure	0	0	0	0	0
		(278)	(277)	1	(810)	533

355 Department of Labour

31	Personal Emoluments	(597)	(597)	0	(558)	(39)
32-34	Goods and Services	(166)	(162)	3	(190)	28
39	Restricted Expenditure	0	0	0	0	0
		(763)	(759)	4	(749)	(10)

356 Department of Lands & Surveys

31	Personal Emoluments	(413)	(413)	0	(1,210)	797
32-34	Goods and Services	(31)	(31)	0	(208)	178
39	Restricted Expenditure	0	0	0	0	0
		(444)	(444)	0	(1,418)	975

357 Department of Physical Planning

31	Personal Emoluments	(306)	(306)	0	(974)	668
32-34	Goods and Services	(18)	(18)	0	(59)	41
39	Restricted Expenditure	0	0	0	0	0
		(325)	(324)	0	(1,033)	709

358 Department of Environment

31	Personal Emoluments	(687)	(656)	32	(675)	19
32-34	Goods and Services	(141)	(120)	21	(126)	6
39	Restricted Expenditure	0	0	0	0	0
		(829)	(776)	53	(801)	25

Ministry Total	(8,885)	(8,571)	314	(12,207)	3,636
-----------------------	----------------	----------------	------------	-----------------	--------------

NOTE 6.3: MINISTRY OF FINANCE, ECONOMIC DEVELOPMENT, INVESTMENT, COMMERCE & TOURISM

2016

2015

Account	Description	Final Budget	Payments	(Excess) /	Payments	Actual
		XCD\$000	XCD\$000	Saving	XCD\$000	2016 vs 2015
A	Total Ministry					
31	Personal Emoluments	(18,896)	(16,751)	2,145	(14,948)	(1,803)
32-34	Goods and services	(17,902)	(15,858)	2,044	(12,747)	(3,111)
35	Transfers and Subsidies	(23,470)	(22,527)	943	(24,855)	2,328
37	Other Expenditure	(805)	(136)	669	(373)	237
38	Special Expenditure	(12,170)	(11,985)	184	(8,376)	(3,610)
39	Restricted Expenditure	(0)	0	0	0	0
		(73,243)	(67,258)	5,985	(61,299)	(5,959)

Account	Description	Final Budget	Payments	(Excess) /	Payments	Actual
		XCD\$000	XCD\$000	Saving	XCD\$000	2016 vs 2015
B	Analysed by Department					
450	Ministry Of Finance and Economic Development, Investment, Commerce and Tourism					
31	Personal Emoluments	(2,899)	(2,893)	6	(2,744)	(149)
32-34	Goods and Services	(5,910)	(5,826)	85	(2,156)	(3,670)
35	Transfers and Subsidies	(10,577)	(10,577)	0	(10,106)	(471)
37	Other Expenditure	(0)	0	0	0	0
38	Special Expenditure	(12,136)	(11,981)	155	(8,374)	(3,607)
39	Restricted Expenditure	(0)	0	0	0	0
		(31,522)	(31,276)	246	(23,380)	(7,897)
451	Treasury					
31	Personal Emoluments	(4,866)	(4,300)	566	(4,291)	(9)
32-34	Goods and Services	(8,673)	(7,355)	1,318	(7,458)	103
35	Transfers and Subsidies	(12,893)	(11,950)	943	(14,749)	2,799
37	Other Expenditure	(654)	(76)	578	(300)	224
38	Special Expenditure	(34)	(4)	30	(2)	(3)
		(27,120)	(23,685)	3,435	(26,800)	3,115
452	Customs					
31	Personal Emoluments	(4,144)	(3,889)	255	(3,750)	(138)
32-34	Goods and Services	(512)	(311)	201	(372)	61
39	Restricted Expenditure	0	0	0	0	0
		(4,656)	(4,200)	455	(4,123)	(77)
453	Commercial Registry					
31	Personal Emoluments	(422)	(400)	22	(485)	86
32-34	Goods and Services	(882)	(875)	7	(906)	31
		(1,303)	(1,274)	29	(1,391)	117
454	Post Office					
31	Personal Emoluments	(1,541)	(1,416)	125	(1,405)	(11)
32-34	Goods and Services	(1,194)	(1,125)	69	(1,379)	254
35	Transfers and Subsidies	0	0	0	0	0
39	Restricted Expenditure	0	0	0	0	0
		(2,736)	(2,541)	195	(2,785)	244

(Note 6.3 continued)

NOTE 6.3: MINISTRY OF FINANCE, ECONOMIC DEVELOPMENT, INVESTMENT, COMMERCE & TOURISM

Account Description	2016			2015		
	Final Budget XCD\$000	Payments XCD\$000	(Excess) / Saving XCD\$000	Payments XCD\$000	Actual 2016 vs 2015 XCD\$000	
456 Department of Internal Audit						
31	Personal Emoluments	(687)	(685)	2	(639)	(46)
32-34	Goods and Services	(23)	(17)	5	(20)	3
39	Restricted Expenditure	0	0	0	0	0
		(709)	(702)	7	(658)	(44)
457 Department of Statistics Department						
31	Personal Emoluments	(763)	(513)	251	(504)	(9)
32-34	Goods and Services	(68)	(40)	29	(60)	20
37	Other Expenditure	(151)	(60)	91	(73)	13
		(983)	(613)	371	(636)	24
458 Department of Inland Revenue						
31	Personal Emoluments	(1,259)	(1,199)	60	(1,130)	(69)
32-34	Goods and Services	(346)	(201)	145	(396)	195
39	Restricted Expenditure	0	0	0	0	0
		(1,604)	(1,400)	205	(1,526)	126
459 Department of Lands & Surveys						
31	Personal Emoluments	(1,280)	(828)	452	0	(828)
32-34	Goods and Services	(186)	(74)	112	0	(74)
39	Restricted Expenditure	0	0	0	0	0
		(1,466)	(902)	565	0	(902)
460 Department of Physical Planning						
31	Personal Emoluments	(1,035)	(629)	406	0	(629)
32-34	Goods and Services	(108)	(35)	73	0	(35)
39	Restricted Expenditure	0	0	0	0	0
		(1,143)	(665)	479	0	(665)
Ministry Total						
		(73,243)	(67,258)	5,985	(61,299)	(5,959)

NOTE 6.4: MINISTRY OF SOCIAL DEVELOPMENT

		2016			2015	
Account Description		Final Budget	Payments	(Excess) / Saving	Payments	Actual 2016 vs 2015
		XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
A	Total Ministry					
31	Personal Emoluments	(36,578)	(36,183)	395	(35,014)	(1,169)
32-34	Goods and services	(10,335)	(9,736)	598	(10,200)	463
35	Transfers and Subsidies	(22,709)	(22,688)	21	(23,043)	355
36	Social Services	(8,876)	(7,282)	1,595	(6,562)	(720)
37	Other Expenditure	(97)	(73)	25	(58)	(15)
39	Restricted Expenditure	0	0	0	0	0
		(78,596)	(75,962)	2,634	(74,877)	(1,085)
B	Analysed by Department					
550	Ministry of Social Development					
31	Personal Emoluments	(2,076)	(1,990)	87	(1,965)	(25)
32-34	Goods and Services	(2,613)	(2,443)	170	(2,479)	36
35	Transfers and Subsidies	(20,065)	(20,065)	0	(20,641)	576
36	Social Services	(2,742)	(2,742)	0	(2,183)	(559)
37	Other Expenditure	(97)	(73)	25	(58)	(15)
39	Restricted Expenditure	0	0	0	0	0
		(27,593)	(27,313)	281	(27,326)	14
551	Department of Education					
31	Personal Emoluments	(23,724)	(23,596)	128	(23,204)	(392)
32-34	Goods and Services	(1,416)	(1,302)	114	(1,463)	161
35	Transfers and Subsidies	(2,112)	(2,107)	5	(2,051)	(56)
36	Social Services	(154)	(148)	6	(70)	(78)
39	Restricted Expenditure	0	0	0	0	0
		(27,405)	(27,152)	253	(26,788)	(364)
554	Department of Social Development					
31	Personal Emoluments	(1,507)	(1,457)	50	(1,123)	(334)
32-34	Goods and Services	(163)	(137)	27	(96)	(41)
36	Social Services	(5,304)	(3,718)	1,586	(3,821)	104
39	Restricted Expenditure	0	0	0	0	0
		(6,974)	(5,311)	1,663	(5,040)	(271)
557	Department of Library Services					
31	Personal Emoluments	(848)	(839)	9	(795)	(44)
32-34	Goods and Services	(252)	(206)	45	(261)	55
39	Restricted Expenditure	0	0	0	0	0
		(1,100)	(1,046)	54	(1,056)	10

GOVERNMENT OF ANGUILLA

2016

(Note 6.4 continued)

NOTE 6.4: MINISTRY OF SOCIAL DEVELOPMENT

		2016			2015	
Account Description		Final Budget	Payments	(Excess) / Saving	Payments	Actual 2016 vs 2015
		XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
55	559 H M Prison					
31	Personal Emoluments	(3,631)	(3,603)	28	(3,445)	(158)
32-34	Goods and Services	(967)	(875)	92	(1,056)	181
39	Restricted Expenditure	0	0	0	0	0
		(4,599)	(4,478)	121	(4,501)	23
55	560 Department of Health Protection					
31	Personal Emoluments	(1,594)	(1,585)	9	(1,652)	67
32-34	Goods and Services	(3,894)	(3,843)	51	(3,880)	37
37	Other Expenditure	0	0	0	0	0
39	Restricted Expenditure	0	0	0	0	0
		(5,488)	(5,428)	60	(5,532)	104
55	561 Department of Probation					
31	Personal Emoluments	(1,753)	(1,742)	12	(1,616)	(125)
32-34	Goods and Services	(499)	(460)	39	(515)	55
35	Transfers and Subsidies	(0)	0	0	0	0
36	Social Services	(5)	(4)	1	(1)	(3)
39	Restricted Expenditure	0	0	0	0	0
		(2,257)	(2,205)	52	(2,132)	(73)
55	562 Department of Sports					
31	Personal Emoluments	(860)	(788)	73	(776)	(11)
32-34	Goods and Services	(222)	(167)	56	(205)	38
35	Transfers and Subsidies	(180)	(164)	16	(179)	15
36	Social Services	(66)	(66)	0	(40)	(27)
39	Restricted Expenditure	0	0	0	0	0
		(1,329)	(1,184)	145	(1,200)	16
55	563 Department of Youth and Culture					
31	Personal Emoluments	(583)	(583)	0	(438)	(146)
32-34	Goods and Services	(309)	(304)	5	(244)	(60)
35	Transfers and Subsidies	(352)	(352)	0	(172)	(180)
36	Social Services	(605)	(605)	1	(447)	(157)
39	Restricted Expenditure	0	0	0	0	0
		(1,849)	(1,844)	5	(1,301)	(543)
	Ministry Total	(78,596)	(75,962)	2,634	(74,877)	(1,085)

NOTE 6.5: MINISTRY OF INFRASTRUCTURE COMMUNICATIONS, UTILITIES, AGRICULTURE & FISHERIES

Account	Description	2016			2015	
		Final Budget	Payments	(Excess) / Saving	Payments	Actual 2016 vs 2015
		XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
A	Total Ministry					
31	Personal Emoluments	(9,446)	(7,889)	1,557	(6,908)	(981)
32-34	Goods and services	(6,818)	(5,321)	1,497	(6,307)	986
35	Transfers and Subsidies	0	0	0	0	0
37	Other Expenditure	(3)	(0)	2	0	(0)
39	Restricted Expenditure	0	0	0	0	0
		(16,266)	(13,210)	3,056	(13,214)	4

Account	Description	Final Budget	Payments	(Excess) / Saving	Payments	Actual 2016 vs 2015
		XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
B	Analysed by Department					
650	Ministry of Infrastructure, Communication, Utilities, Agriculture & Fisheries					
31	Personal Emoluments	(1,243)	(1,045)	198	(1,189)	144
32-34	Goods and Services	(1,115)	(578)	538	(938)	360
35	Transfers and Subsidies	0	0	0	0	0
39	Restricted Expenditure	0	0	0	0	0
		(2,359)	(1,623)	736	(2,127)	504
652	Department of Infrastructure, Communications and Utilities					
31	Personal Emoluments	(1,804)	(1,463)	342	(1,582)	120
32-34	Goods and Services	(2,365)	(2,173)	193	(2,557)	384
39	Restricted Expenditure	0	0	0	0	0
		(4,170)	(3,635)	534	(4,139)	504
654	Department of Agriculture					
31	Personal Emoluments	(1,042)	(747)	295	0	(747)
32-34	Goods and Services	(466)	(252)	214	0	(252)
39	Restricted Expenditure	0	0	0	0	0
		(1,507)	(999)	508	0	(999)
655	Department of Fisheries & Marine					
31	Personal Emoluments	(707)	(468)	239	0	(468)
32-34	Goods and Services	(258)	(160)	98	0	(160)
39	Restricted Expenditure	0	0	0	0	0
		(965)	(628)	337	0	(628)

656 Airport Fire Services						
31	Personal Emoluments	(2,813)	(2,589)	224	(2,578)	(10)
32-34	Goods and Services	(457)	(368)	89	(512)	145
37	Other Expenditure	(3)	(0)	2	0	(0)
39	Restricted Expenditure	0	0	0	0	0
		(3,272)	(2,957)	315	(3,091)	134
657 Department of Information Systems & Technology						
31	Personal Emoluments	(1,837)	(1,578)	259	(1,558)	(20)
32-34	Goods and Services	(2,157)	(1,791)	366	(2,299)	508
39	Restricted Expenditure	0	0	0	0	0
		(3,993)	(3,369)	625	(3,858)	489
	Ministry Total	(16,266)	(13,210)	3,056	(13,214)	4

NOTE 7: DETAILED STATEMENT OF CAPITAL RECEIPTS

MINISTRY OF FINANCE, ECONOMIC DEVELOPMENT, INVESTMENT, COMMERCE TOURISM

ACCOUNT DESCRIPTION	2016	2015
	RECEIPTS XCD\$000	RECEIPTS XCD\$000
450 Finance		
European Development Fund	0	3,741
EDF Grants	0	0
	<u>0</u>	<u>3,741</u>
451 Treasury		
Local Revenue	3,660	0
Settlement Insurance Claims for Government Assets	0	0
	<u>3,660</u>	<u>0</u>
LOCALLY FUNDED CAPITAL RECEIPTS	<u>3,660</u>	<u>3,741</u>

NOTE 8: DETAILED STATEMENT OF CAPITAL PAYMENTS**LOCALLY FUNDED CAPITAL****NOTE 8.1: MINISTRY OF PUBLIC ADMINISTRATION**

Description	2016				2015	
	Original Budget	Final Budget	Payments	(Over) / Under Estimate	Payments	(Over) / Under Estimate
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
100 Public Administration						
Disaster Mitigation and Recovery	0	0	0	0	(62)	250
	0	0	0	0	(62)	250

NOTE 8.2: MINISTRY OF HOME AFFAIRS, NATURAL RESOURCES AND TOURISM

Description	2016				2015	
	Original Budget	Final Budget	Payments	(Over) / Under Estimate	Payments	(Over) / Under Estimate
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
350 Ministry of Home Affairs, Lands and Physical Planning						
Land Aquisition for Development	0	0	0	0	(110)	1
Fisheries Development	0	0	0	0	0	40
	0	0	0	0	(110)	40

NOTE 8.3 MINISTRY OF FINANCE, ECONOMIC DEVELOPMENT, INVESTMENT, COMMERCE & TOURISM

Description	2016				2015	
	Original Budget	Final Budget	Payments	(Over) / Under Estimate	Payments	(Over) / Under Estimate
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
450 Ministry Of Finance and Economic Development						
National Strategy for Sustainable Development	(500)	(178)	0	178	0	500
Tourism Sector Development	(500)	(500)	(379)	121	(704)	0
Replacement of Gov vehicles	(550)	(189)	(92)	97	-	5
Tax Reform	(400)	(1,084)	(868)	215	(668)	134
Land Acquisition	(200)	(200)	(162)	38	-	-
Furniture & Equipment	(340)	(340)	(2)	338	(168)	2
Anguilla Population and Housing Census	(150)	(150)	(2)	148	(96)	4
Renovation of Government Buildings	(200)	(199)	(54)	145	(21)	29
Miscellaneous Projects	(150)	(150)	(143)	7	(100)	48
	(2,990)	(2,989)	(1,702)	1,288	(1,757)	722

NOTE 8.4: MINISTRY OF SOCIAL DEVELOPMENT

Description	2016				2015	
	Original Budget	Final Budget	Payments	(Over) / Under Estimate	Payments	(Over) / Under Estimate
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
550 Ministry of Social Services						
Adrian T Hazell Redevelopment	(500)	(500)	0	500	(3,455)	5
Minor Education Projects	(500)	(501)	(286)	214	(273)	167
STEPS	(227)	(227)	(117)	110	0	0
Anguilla Community College Campus	(5,500)	(5,500)	(331)	5,169	(67)	5,510
Upgrade of Community Playing Fields	(200)	(200)	0	200	0	283
Valley Primary School Redevelopment	(600)	(600)	0	600	0	
Prison Development	(200)	(200)	0	200	0	200
Health Services Development	(1,000)	(1,000)	(186)	814	0	1,000
	(8,727)	(8,727)	(919)	7,808	(3,795)	7,165

NOTE 8.5: MINISTRY OF INFRASTRUCTURE COMMUNICATIONS AND UTILITIES

Description	2016				2015	
	Original Budget	Final Budget	Payments	(Over) / Under Estimate	Payments	(Over) / Under Estimate
	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000	XCD\$000
650 Ministry of Infrastructure Communications & Utilities						
IT Infrastructure	(600)	(600)	(565)	35	(23)	107
Information Systems Development	(900)	(900)	(249)	651	(123)	241
Port Development	(4,000)	(4,000)	0	4,000	0	0
Disaster Mitigation Project	(2,000)	(2,000)	(289)	1,711	0	0
Renewable Energy & Efficiency Integr	(200)	(200)	0	200	0	0
Fisheries Development	(50)	(50)	(12)	38	0	0
Fire Services Development	(4,645)	(4,645)	(3,522)	1,123	(19)	2,688
Road Development	(1,200)	(1,200)	0	1,200	0	0
IT Equipment	(600)	(600)	(345)	255	(994)	6
Tower Replacement	(636)	(636)	(274)	362	(8)	512
	(14,831)	(14,831)	(5,255)	9,576	(1,167)	3,554
Total Locally Funded Capital Expenditure	(26,548)	(26,548)	(7,876)	18,671	(7,339)	12,471

Note 9: Consolidated Fund

The Government of Anguilla operates a Consolidated Fund under the provisions of the Financial Administration and Audit Act. All revenue and other money raised, borrowed or received by or for the purposes of the Government are paid into the Consolidated Fund in accordance with Section 12 of the Financial Administration and Audit Act. In accordance with Section 23 of the Act no money shall be withdrawn from the Consolidated Fund except upon the authority of a warrant issued in accordance with either an Appropriation Act or Sections 26 or 29 of the Financial Administration and Audit Act.

Reconciliation of the Consolidated Fund

CONSOLIDATED FUND	2016	2015
	XCD\$000	XCD\$000
Consolidated Fund at 1 January	(171,761)	(171,565)
Movements in year:		
Receipts	480,282	200,468
Payments	(431,922)	(206,131)
	48,359	(5,663)
Adjustment re:		
Repayment of Debt	18,995	9,785
Deposits Paid	-	1,262
Decrease in Advances	-	(993)
Decrease in Reserves	(10,707)	(4,502)
Increase in Deposits	(3,563)	-
Proceeds from Loans	(273,744)	(85)
Increase in Advances	216,033	-
	(52,985)	5,467
Consolidated Fund at 31 December	(176,386)	(171,761)
Consolidated Fund at 1 January	(171,761)	(171,565)
Net Increase/ (decrease) in Consolidated Fund	(4,626)	(196)
Consolidated Fund at 31st December	(176,386)	(171,761)

NOTE 10: LONG TERM LIABILITIES

LONG TERM LIABILITES		2016	2015
		XCD\$000	XCD\$000
Loans To GOA			
Domestic Lenders	17	(198,278)	(27,778)
Overseas Lenders	17	(236,222)	(151,973)
TOTAL LIABILITY		(434,500)	(179,751)

Note 11: Advances

Advances include any payments made by the Government of Anguilla to Individuals, Public and Private Sector Bodies on behalf of Regional and International Organisations and Governments.

Detail of Advances made by the Government of Anguilla

ADVANCES	2016 XCD\$000	Increases Decreases		2015 XCD\$000
		During the year		
Public Officer (Departmental)				
100 Public Administration	16	147	(131)	0
351 Immigration	13	13	0	0
353 Agriculture	0	0	(0)	0
450 Ministry Of Finance and Economic Dev	6,428	11,570	(9,940)	4,798
451 Treasury	1,142	10,400	(10,499)	1,241
452 Customs	22	0	0	22
454 Post Office	188	16	(15)	187
458 Inland Revenue	24	0	0	24
460 Physical Planning	0	0	0	0
550 Ministry of Social Services & Lands	544	1,870	(1,490)	165
559 H.M Prison	7	45	(38)	0
650 Ministry Of Infrastructure Communications, Utilities, Agriculture & Fisheries	1,806	0	0	1,806
651 Airports and SeaPorts	5,581	4,541	(4,441)	5,482
654 Agriculture	3	9	(7)	
657 DITES	-	2	(2)	0
	15,773	28,611	(26,563)	13,725
Other Governments and Organisations				
451 Treasury	44	147	(142)	40
450 Ministry Of Finance and Economic Dev NCBA	214,000	214,000	-	-
	214,044	214,147	(142)	40
Individuals				
200 Royal Anguilla Police Force	1	4	(23)	20
250 Judicial	5	0	0	5
451 Treasury	62	0	0	62
550 Ministry of Social Services & Lands	13	0	0	13
	81	4	(23)	100
Total Advances	229,898	242,762	(26,728)	13,865

Note 12: Deposits

Deposits are monies received by the Government from Individuals, Public and Private Sector Bodies.

Detail of Deposits received by the Government of Anguilla

DEPOSITS		2016 XCD\$000	Paid During the year	Received	2015 XCD\$000
Public Officer (Departmental)					
103	Disaster Management	(228)	50	(54)	(225)
100	HE The Governor	(0)	1	(0)	(0)
102	House of Assembly	(0)	21	(22)	(0)
200	Police	(31)	54	(72)	(13)
250	Judicial	(546)	379	(259)	(666)
300	Attorney General's Chambers	(28)	32	(56)	(4)
350	Ministry of Home Affairs Natural Resources & Tourism	(221)	175	(328)	(68)
353	Agriculture	0	111	(79)	(32)
354	Fisheries & Marine Resources	0	14	(11)	(4)
355	Labour	(2,803)	276	(455)	(2,624)
356	Lands & Surveys	0	3,275	(6)	(3,268)
358	Department of Environment	(169)	179	(211)	(137)
450	Finance	(100)	1	0	(101)
451	Treasury	(4,327)	20,931	(23,676)	(1,582)
452	Customs	(371)	3,408	(3,619)	(160)
453	Commercial Registry	(4,444)	69	(128)	(4,386)
454	Post Office	(91)	37	(42)	(86)
457	Statistics	(0)	8	(8)	(0)
458	Inland Revenue	(952)	5	(44)	(913)
459	Lands & Surveys	(3,219)	63	(3,282)	0
550	Ministry of Social Development and Lands	(295)	289	(331)	(254)
551	Education	(360)	301	(315)	(346)
557	Library Services	(3)	0	(0)	(3)
559	HM Prison	(28)	58	(66)	(20)
560	Department of Health Protection	(4)	7	(8)	(2)
561	Probation	(10)	1	(5)	(6)
562	Department of Sports	(0)	0	0	(0)
563	Department of Youth and Culture	(34)	188	(200)	(22)
650	Ministry of Infrastructure	(0)	0	(0)	(0)
654	Agriculture	(80)	23	(103)	0
655	Fisheries	(156)	453	(610)	0
656	Airport Fire Services	(11)	13	(13)	(11)
657	DITES	(2)	0	0	(2)
		(18,516)	30,425	(34,006)	(14,935)

<u>Individuals</u>				
350 Ministry of Home Affairs Natural Resources & Tourism	(5)	0	0	(5)
451 Treasury	(7)	31	(13)	(25)
656 Airport Fire Services	(1)	0	0	(1)
	(13)	31	(13)	(31)
<u>Other Governments and International Organisations</u>				
451 Treasury	(374)	88	(88)	(374)
	(374)	88	(88)	(374)
Total Deposits	(18,902)	30,544	(34,107)	(15,340)

Note 13: Fiscal Reserve Deposits

CONSOLIDATED FUND	2016	2015
	XCD\$000	XCD\$000
ECCB Fiscal Reserve Account	208	207
NCBA Deposits	14,085	24,792
British American Insurance	1,400	1,400
TOTAL FISCAL RESERVES	15,692	26,399

National Bank of Anguilla and the Caribbean Commercial Bank are now the NCBA

Note 13.1: Fiscal Reserve Deposits Reconciliation Statement

<i>Fiscal Reserve Deposits Reconciliation Statement</i>	ECCB Fiscal Reserve Account	NCBA Deposits	British American Insurance	Total
	EC\$000	EC\$000	EC\$000	EC\$000
2015				
Opening Balance	207	29,293	1,400	30,901
Draw-down on Fiscal Reserves	0	(5,905)	0	(5,905)
Increase in Fiscal Reserves	0	1,404	0	1,404
Closing Balance	207	24,792	1,400	26,399
2016				
Opening Balance	207	24,792	1,400	26,399
Draw-down on Fiscal Reserves	0	(11,807)	0	(11,807)
Increase in Fiscal Reserves	0	1,100	0	1,100
Closing Balance	208	14,085	1,400	15,692

See Note 22 for further detail on the deposit held with British American Insurance

Note 14: Investments

The Statement of Investments contains information pertaining to the shares held by the Government of Anguilla

Statement of Investments

INVESTMENT	VALUE AS AT 31ST DECEMBER 2016 XCD\$000
Anguilla Electricity Co Ltd.	
4,636,152 Ordinary Shares @ \$2.50 each market value ^{(1), (2)}	11,590

(1) These shares are currently not traded and are recorded at nominal value.

(2) At 31st December 2016, the Government of Anguilla still retains 40% of its shareholding in the Anguilla

Electricity Co Ltd. The value of \$2.50 per share is based on the price per share obtained in the 2003 sale of shares by GOA.

NOTE 15: Anguilla Banks**Cash and Deposits held with the National Commercial Bank.**

Notes 2 and 14.1 to the accounts, show that at 31 December 2016 the Government of Anguilla held:

XCD\$(14,159,421.26) overdraft in the National Bank;

USD\$695,133.44 of cash in the Caribbean Commercial Bank;

XCD\$14,084,624.15 of Fiscal Reserve Deposits at the National and Caribbean Commercial Banks

Bank Resolution Obligation Act, 2016

In August 2013 the National Bank of Anguilla and the Caribbean Commercial Bank were placed in conservatorship by the East Caribbean Central Bank.

On the 30th day of March 2016, the Anguilla House of Assembly passed the Bank Resolution Obligations Act, 2016. This Act was assented by the Governor on the 18th day of April 2016. This Act was passed to allow provisions for the Government of Anguilla to make payments to the Social Security Board and Depositor Protection Trusts in support of the resolution of the National Bank of Anguilla Limited and the Caribbean Commercial Bank (Anguilla) Limited conservatorship.

On 22 April 2016, these banks ceased to carry on banking business in Anguilla, their operations being transferred to a newly established bank, the National Commercial Bank of Anguilla Ltd (NCBA). The NCBA is wholly owned by the Government of Anguilla. All balances held by the Government of Anguilla in the National Bank of Anguilla and the Caribbean Commercial Banks as at 22 April 2016 were transferred to the new bank.

The provisions of the Bank Resolution Obligation Act are as follows:

The Government has issued Anguilla Social Security Board with a promissory note for EC\$214 million to be used to finance the new NCBA.

The Government will pay interest to the Social Security Board on a reducing balance basis at 3% annually.

There is a 5 year grace period from the first payment on 30 June 2016, after which repayments on the principal sum will commence. The total length of the term is 25 years.

EC\$214million is therefore included in the proceeds from loans in the Statement of Financial Performance and also included in increases in advances as amounts due to the NCBA. The entries are reflected in the long term liabilities and advances notes (notes 17 and 12)

In addition, the Act set up the Depositor Protection Trust which required the Government to pay the Trust the sum of EC\$52 million

The Government will also pay interest on a reducing balance basis at a rate of 2% annually.

The first payment was due on 30th June 2016 but the Trust was not set up and functioning until 2017.

Entries for the Trust will feature in the 2017 Government of Anguilla financial statements

As a result there will be a significant additional call on the Government's finances as set out in its budget book for 2016 and 2017. Interest payments, shown as special expenditure in the statement of financial performance, have increased to EC\$11.99 million in 2016 and are predicted to be EC\$17.43 million in 2017, EC\$, EC\$17.18 million in 2018 and EC\$16.09 million in 2019.

Government of Anguilla's shareholding in the National Bank of Anguilla

The 2015 accounts show that at 31 December 2015 the Government of Anguilla owned shares with a book value of EC\$5.4m in the National Bank of Anguilla. Following the cessation of operations by the National Bank of Anguilla, these shares are now considered to have no monetary value, and the holding will be written off.

NOTE:16

STATEMENT OF PUBLIC DEBT FINANCED BY REVENUE - (CENTRAL GOVERNMENT DEBT)
(Expressed in Eastern Caribbean Dollars)

CREDITOR/REF	PURPOSE	LIABILITY CURRENCY	AMOUNT APPROVED	AMOUNT DISBURSED	DISBURSED OUTSTANDING DEBT 2016	DISBURSED OUTSTANDING DEBT 2015
FOREIGN DEBT						
<u>Long Term</u>						
European Investment Bank						
Loan No: 80338	Road Development Phase 1	EURO	2,620,024.00	2,620,024.00	775,280.47	857,704.66
Caribbean Development Bank						
Loan No: 04/SFR-OR-ANL 11142	Second Multi Project	US\$	4,617,000.00	4,617,000.00	418,499.93	698,357.67
Loan No: 06/SFR-OR-ANL 11306	Disaster Management Rehabilitation - Hurricane Lenny	US\$	9,990,000.00 (947,358.88 - cancelled)	9,042,641.12	3,362,926.52	3,932,898.66
Loan No: 7/SFR-ANL 11302	Hurricane Lenny Immediate Response	US\$	1,350,000.00 (61,419.41 - cancelled)	1,288,580.58	595,968.54	660,397.58
Loan No: 9/SFR-ANL 11303	Caribbean Catastrophe Risk Insurance Facility (CCRIF)	US\$	540000	540,000.00	202,748.18	270,248.18
Loan No: 4/OR-ANL 11304	Policy-Based Loan	US\$	148,500,000.00	148,500,000.00	133,031,250.05	145,406,250.01
Loan No: 5/OR-ANL 11305	Anguilla Community College Development Project	US\$	8,680,500.00	490,962.15	490,962.15	147,249.28
Loan No: 7/OR-ANL 11307	Anguilla Bank Resolution - Bridge Bank Capitalisation	US\$	59,400,000.00	59,400,000.00	59,400,000.00	0.00
Eastern Caribbean Central Bank						
	Bank Resolution	EC\$	20,000,000.00	0.00	0.00	0.00
Total Foreign Debt					198,277,635.84	151,973,106.04
DOMESTIC DEBT						
<u>Long Term</u>						
Anguilla Social Security Board	Budget Support - 2010	EC\$	50,000,000.00	50,000,000.00	22,222,222.20	27,777,777.76
Anguilla Social Security Board	Bank Resolution Promissory Note	EC\$	214,000,000.00	214,000,000.00	214,000,000.00	0.00
Total Domestic Debt					236,222,222.20	27,777,777.76
TOTAL FOREIGN AND DOMESTIC DEBT					434,499,858.04	179,750,883.80

GOVERNMENT OF ANGUILLA

NOTE 16.1: PUBLIC DEBT RECONCILIATION STATEMENT

	2016	2015
Debt Stock Opening Balance	179,750,883.82	189,450,858.14
Foreign	151,973,106.06	156,117,524.82
Domestic	27,777,777.76	33,333,333.32
Repayments	18,994,738.62	9,785,376.89
Foreign	13,409,060.74	4,128,005.66
Add/Less: Gain/Loss on Exchange	30,122.32	101,815.67
	<hr/>	<hr/>
	13,439,183.06	4,229,821.33
Domestic	5,555,555.56	5,555,555.56
New Loans/Disbursements	273,743,712.84	85,402.57
Foreign	59,743,712.84	85,402.57
Domestic	214,000,000.00	0
Debt Stock Closing Balance	434,499,858.04	179,750,883.82
Foreign	198,277,635.84	151,973,106.06
Domestic	236,222,222.20	27,777,777.76

NOTE 17

STATEMENT OF CONTINGENT LIABILITIES
(Expressed in Eastern Caribbean Dollars)

CREDITOR/REF	PURPOSE/BO RROWER	LIABILITY CURRENCY	AMOUNT APPROVED	AMOUNT DISBURSED	DISBURSED OUTSTANDING DEBT 2016	DISBURSED OUTSTANDING DEBT 2015
FOREIGN DEBT						
<u>Long Term</u>						
Caribbean Development Bank						
Loan No: 02/SFR-ANL 11056	Third Line of Credit - Anguilla Development Board	US\$	8,226,426.50	8,226,426.50	0	51,712.94
Loan No: 05/SFR-OR- ANL 11252	Fourth Line of Credit - Anguilla Development Board	US\$	7,659,900.00 (7,515.31 - cancelled)	7,652,348.69	952,809.26	1,058,677.02
Loan No: 07/SFR-OR- ANL 11453	Fifth Line of Credit - Anguilla Development Board	US\$	13,500,000.00	13,499,828.44	8,321,974.18	9,395,112.37
Total Foreign Debt					9,274,783.44	10,505,502.33
DOMESTIC DEBT						
<u>Short Term</u>						
Anguilla Social Security Board						
Loan No: SSB 2	Anguilla Development Board	EC\$	2,700,000.00	2,700,000.00	180,000.00	360,000.00
<u>Long Term</u>						
Caribbean Commercial Bank						
Loan No: 3300944	Anguilla Tourist Board	EC\$	750,000.00	749,054.01	266,750.07	320,255.62
Anguilla Roads Construction Anguilla Roads & Construction & WWR	Road Bay Development Project Anguilla Air & Sea Ports Authority	EC\$	2,701,249.81	2,701,249.81	2,535,024.63	0
Total Domestic Debt					2,981,774.70	680,255.62
Total Contingent Liabilities in respect of loans to third parties					12,256,558.14	11,185,757.95

Note - In relation to third party loans, the Government is acting as the guarantor of the balances that are owed. They are not currently liabilities the Government has taken out, however, if the third parties default on the loan agreement, then the Government is liable for the outstanding balance.

NOTE 18: STATEMENT OF LOANS MADE FROM THE CONSOLIDATED FUND

DESCRIPTION	New Loans 2016 XCD\$000	New Loans 2015 XCD\$000
Medical Treatment Overseas	372	207
TOTAL	372	207

NOTE 19: STATEMENT OF ARREARS

Note 19.1 : STATEMENT OF ARREARS OF REVENUE

Revenue Arrears	Revenue Arrears as at 2016 XCD\$000	Revenue Arrears as at 2015 XCD\$000
Fisheries	\$ 25	0
IRD	\$ 35,294	\$ 40,980
Customs	\$ 889	\$ 2,373
Dites	\$ 26	0
Post Office	\$ 41	\$ 25
Immigration	\$ 136	0
Treasury	\$ 7,895	\$ 7,486
Radio Axa	\$ 27	\$ 30
Health protection	\$ 27	\$ 20
Total Revenue Arrears	\$ 44,360	\$ 51,385

NOTE 20: STATEMENT OF REMISSION, WRITE OFFS AND SETTLEMENTS

DESCRIPTION	2016 VALUE	2015 VALUE
	XCD\$000	XCD\$000
Write-offs	0	0
Exemption From Customs Duty	967	8,001
Exemption From Alien Land Holding Licence	5,378	0
TOTAL	6,345	8,001

NOTE 21: STATEMENT OF GIFTS

Note 21.1 : GIFTS MADE TO THE GOVERNMENT

Gifts	Gifts as at 31-Dec-16 XCD\$000	Gifts as at 31-Dec-15 XCD\$000
	ALHCS	\$ 71
Disaster	\$ 45	\$ 16
Library	\$ 19	\$ 10
Lands and Surveys	\$ 6	0
Physical Planning	\$ 1	0
Youth & Culture	\$ 14	\$ 7
Police	\$ 11	\$ 9
Probation	\$ 5	\$ 9
Health Protection	\$ 45	\$ 48
Ministry of Social Development	0	\$ 222
Statistics	\$ 0	0
Sports	\$ 3	0
Total Gifts	\$ 221	\$ 321

NOTE 21.2: GIFTS MADE BY GOVERNMENT

DONOR	DETAILS	DONATION OTHER	2016 VALUE	2015 VALUE
			XCD\$000	XCD\$000
Nil	Nil	0	0	0

NOTE 22: EVENTS AFTER BALANCE SHEET DATE

Events After balance Sheet date**British American Insurance Company Ltd (BAICO)**

Note 14 to the accounts shows that at 31 December 2016 the Government of Anguilla held EC\$ 1,400,000 of Fiscal Reserve Deposits with BAICO. As at 31 December 2018, the deposit remains the same in the financial statements. Due to financial difficulties BAICO was placed under Judicial Management in September 2009 and is in the process of being wound up. The Company is insolvent and does not have enough assets to pay all claims in full. The process of winding up the company is still ongoing and it is unclear at present how much, if any, of the deposit made with the company will be recovered. To date, distributions totalling 14% have been made by the Administrators.

Outstanding Legal Claim

The Government are appealing a decision of the Eastern Caribbean Supreme Court to award compensation to the estate of a land owner for land that was purchased under a compulsory purchase order.

The final value of any compensation which Government will be liable to pay will not be known until the Government's appeal is heard by the Privy Council in 2020.

DIRECTION ISSUED BY THE MINISTER OF FINANCE IN ACCORDANCE WITH SECTION 49(2) (a) OF THE FINANCIAL ADMINISTRATION AND AUDIT ACT 2010

PUBLIC ACCOUNTS OF ANGUILLA

1. In accordance with section 49(2)(a) of the Financial Administration and Audit Act 2010, the Minister of Finance directs that the public accounts of Anguilla shall be prepared for the financial year ended 31 December 2014 and subsequent financial years in the form specified below.

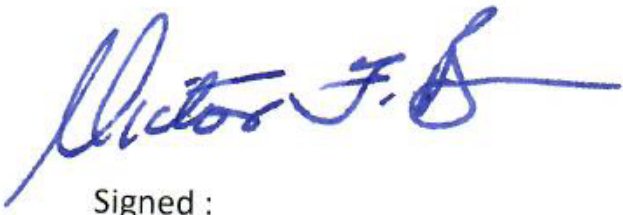
FORM AND CONTENT

2. The public accounts of Anguilla for the financial year ended 31 December 2014 and subsequent financial years shall consist of:
 - (a) A statement of responsibility for the accounts
 - (b) A statement of financial performance compiled on a receipts and payments basis
 - (c) A statement of cash receipts and payments compiled in accordance with Part 1 of the International Public Sector Accounting Standard: Financial reporting under the cash basis of accounting issued by the International Public Sector Accounting Standards Board. For the purposes of the Government accounts, the accounting boundary includes the government ministries, but excludes the various statutory bodies established by the government.
 - (d) Statement of assets and liabilities
 - (e) Consolidated statement of cash flows
 - (f) Notes to the financial statements:
 - (i) Accounting policies
 - (ii) Cash and Bank
 - (iii) Summary of Recurrent Receipts by Ministry
 - (iv) Detailed Statement of Consolidated Fund Receipts
 - (v) Summary of Recurrent Payments by Ministry
 - (vi) Detailed Statement of Consolidated Fund Payments
 - (vii) Detailed Statement of Capital Receipts
 - (viii) Detailed Statement of Capital Payments
 - (ix) Consolidated Fund Reconciliation
 - (x) Long Term Liabilities
 - (xi) Advances
 - (xii) Deposits
 - (xiii) Fiscal Reserve Deposits
 - (xiv) Investments

- (xv) Original and Final Approved Budget Comparison
- (xvi) Statement of Public Debt Financed by Revenue
- (xvii) Public Debt Reconciliation Statement
- (xviii) Statement of Contingent Liabilities
- (xix) Statement of Loans Made From the Consolidated Fund
- (xx) Statement of Amounts due to the Government disclosing amounts due by year end, but not received
- (xxi) Statement of Remission, Write Offs, and Settlements – disclosing remissions, write offs and settlements approved during the year.
- (xxii) Statement of Gifts
- (xxiii) Events after the balance sheet date
- (xxiv) Contingent losses

3. A report compiled by the Accountant General shall be published with the accounts.

Signed by Minister of Finance



Signed :

Dated :

25/10/16