GOVERNMENT OF THE
VIRGIN ISLANDS

FOURTH QUARTER FINANCIAL REPORT

DECEMBER 31, 2025

Office of the Accountant General

GOVERNMENT OF THE VIRGIN ISLANDS

TABLE OF CONTENTS

1.0 EXECUTIVE SUMMARY

1.1 Q4 Receipts and Payments

Fourth Quarter	Actual	Budget	Prior Year Actuals	Variance Actual vs. Budget		Variance Actual vs. Prior Year	
Receipts	133,636,469	129,596,255	146,070,380	4,040,214 ↑	3%	(12,433,911) ↓	(9%)
Payments	119,365,042	106,582,186	118,278,830	(12,782,856) ↓	(12%)	(1,086,212) ↓	(1%)
Net Surplus/(Deficit)	**14,271,427**	**23,014,069**	**27,791,550**	**(8,742,642)** ↓	**(38%)**	**(13,520,123)** ↓	**(49%)**

In Q4 2025, revenue was $133.6 million, exceeding the $129.6 million goal by 3%, but falling 9% short of the previous year's $146.1 million. Expenses reached $119.4 million, 12% above the $106.6 million budget and slightly above last year's $118.3 million. The net surplus was $8.7 million, significantly below the planned $23.0 million—a 38% decrease—and also less than the $27.8 million surplus from the previous year.

1.2 Financial Year 2025 - Receipts and Payments

Financial Year 2025	Actual	Budget	Prior Year Actuals	Variance Actual vs. Budget		Variance Actual vs. Prior Year	
Receipts	422,053,523	410,963,210	416,060,899	11,090,313 ↑	3%	5,992,624 ↑	1%
Payments	400,556,991	431,481,108	389,409,927	30,924,117 ↑	7%	(11,147,064) ↓	(3%)
Net Surplus/(Deficit)	**21,496,532**	**(20,517,898)**	**26,650,972**	**42,014,430** ↑	**205%**	**(5,154,440)** ↓	**(19%)**

The 2025 financial results demonstrate strong performance, with actual revenue reaching $422.1 million. This exceeds the budgeted $411.0 million by 3% and is a 1% increase over last year's $416.1 million. Operating expenses were $400.6 million, significantly below the $431.5 million budget but slightly higher than the previous year's $389.4 million. The surplus stood at $21.5 million, a notable improvement over the expected deficit of $20.5 million, though 19% less than last year's surplus of $26.7 million.

Capital Expenditure: Throughout the financial year, total capital expenditure totalled $37.5 million, 45% below the budgeted $68.0 million. Nonetheless, this amount exceeds last year's actual spending of $27.1 million by $10.4 million, demonstrating improved year-over-year performance. The Development Fund allocated $26.1 million of this total, $24.5 million under budget.

Fund Management: Cash and Cash Equivalents rose sharply to $60.6 million, up $22.8 million since the end of Q3 2025, though they remain down $27.1 million from the previous year. Total Investments slightly declined from $152.5 million at the end of Q3 2025 to $148.4 million at the end of Q4, reflecting a 3% decrease mainly due to the retirement of a term deposit. This total also includes a $5.0 million placement with the Bank of Asia.

Debt Management: Long-term borrowings increased to $136.8 million from $121.1 million in December 2024, mainly due to a $25.0 million draw on the CIBC facility. Importantly, all long-term borrowings are current, and no loan covenants were violated during this period, underscoring careful, stable debt management.

2.0 FINANCIAL PERFORMANCE – Q4, 2025

2.1 Receipts and Payments by Economic Classification

	Fourth Quarter 2025			Variance			
Receipts	**Actual**	**Budget**	**Prior Year Actuals**	**Actual vs. Budget**		**Actual vs. Prior Year**	
Payroll Taxes	21,776,032	20,512,195	25,988,158	1,263,837	6%	(4,212,126)	(16%)
Property Taxes	1,291,935	1,778,888	1,637,105	(486,953)	(27%)	(345,170)	(21%)
Taxes on Goods and Services	80,664,450	80,170,760	86,965,439	493,690	1%	(6,300,989)	(7%)
Taxes on International Trade	17,044,362	15,449,530	15,571,450	1,594,832	10%	1,472,912	9%
Taxes on Transactions	5,159,416	3,364,242	4,397,024	1,795,174	53%	762,392	17%
Grants	2,000,000	2,533,135	6,474,915	(533,135)	(21%)	(4,474,915)	(69%)
Sale of Goods and Services	4,764,729	4,513,458	4,413,246	251,271	6%	351,483	8%
Other Receipts	935,545	1,274,047	623,043	(338,502)	(27%)	312,502	50%
Total Receipts	**133,636,469**	**129,596,255**	**146,070,380**	**4,040,214**	**3%**	**(12,433,911)**	**(9%)**
Payments							
Employee Compensation	46,253,720	47,037,046	42,602,313	783,326	2%	(3,651,407)	(9%)
Goods and Services	30,435,430	26,098,477	32,213,673	(4,336,953)	(17%)	1,778,243	6%
Finance Cost	1,538,014	1,255,700	1,356,338	(282,314)	(22%)	(181,676)	(13%)
Subsidies	1,119,731	119,353	230,556	(1,000,378)	(838%)	(889,175)	(386%)
Grants	29,178,301	22,754,600	32,606,530	(6,423,701)	(28%)	3,428,229	11%
Social Benefits	6,762,297	6,459,085	6,135,113	(303,212)	(5%)	(627,184)	(10%)
Property Expenses	350,562	(1,827)	32,009	(352,389)	19288%	(318,553)	(995%)
Assistance Grants	2,111,646	1,812,094	2,398,824	(299,552)	(17%)	287,178	12%
Mis Other Payments	1,615,341	1,047,658	703,474	(567,683)	(54%)	(911,867)	(130%)
Total Payments	**119,365,042**	**106,582,186**	**118,278,830**	**(12,782,856)**	**(12%)**	**(1,086,212)**	**(1%)**
Net Cash Surplus/(Deficit)	**14,271,427**	**23,014,069**	**27,791,550**	**(8,742,642)**	**(38%)**	**(13,520,123)**	**(49%)**

Revenue Summary: Q4 revenue totaled $133.6 million, exceeding expectations and producing a 3% positive variance against the $129.6 million budget. However, revenue decreased by $12.4 million, or 9%, compared with the previous year's actual results. This indicates strong top-line performance that remained largely stable and aligned with projections, although Grants and a few minor categories fell slightly short of expectations during the quarter. Overall, the performance reflects resilience despite challenges in specific areas.

Expenditure Summary: Total actual expenditure in Q4 was $119.4 million, exceeding the budget. The government achieved a 12% variance against the $106.6 million budget, resulting in $12.8 million in overspending. While year-over-year revenue decreased significantly in Q4, expenditures were effectively managed, resulting in only a 1% increase and a $1.1 million variance from last year's actual spending of $118.3 million. Compared with the previous year, expenditure levels were relatively stable, except for Employee Compensation, which increased by 9% during this period.

Net Result Summary: The government reported a Q4 surplus of $14.3 million. Despite stable revenue, overspending created an $8.7 million shortfall against the original financial plan, resulting in a concerning 38% unfavorable variance. Consequently, the surplus was $13.5 million lower than last year's $27.8 million surplus, reflecting a substantial 49% year-over-year decline. While still significant, this outcome underscores ongoing challenges in achieving meaningful fiscal consolidation in Q4 of this fiscal year.

2.2 Receipts and Payments by Ministry

Receipts by Ministry	Fourth Quarter 2025			Variance			
	Actual	Budget	Prior Year Actuals	Actual vs. Budget		Actual vs. Prior Year	
Constitutionally Established Bodies	75,100	61,600	85,120	13,500	22%	(10,020)	(12%)
Office of the Governor	639,744	1,840,870	1,966,897	(1,201,126)	(65%)	(1,327,153)	(67%)
Office of the Premier	81,539	54,693	228,819	26,846	49%	(147,280)	(64%)
Ministry of Finance	125,427,200	121,618,602	136,815,138	3,808,598	3%	(11,387,938)	(8%)
Ministry of Env., Nat. Resources & Climate Change	443,447	411,942	419,625	31,505	8%	23,822	6%
Ministry of Education, Youth and Sports	11,020	173	130,292	10,847	6270%	(119,272)	(92%)
Ministry of Health and Social Development	13,615	-	229,640	13,615	-	(216,025)	(94%)
Ministry of Communications and Works	2,261,558	1,925,340	1,711,641	336,218	17%	549,917	32%
Ministry of Tourism, Culture & Sustainable Dev.	-	-	1,869	-	-	(1,869)	-
Ministry of Financial Services, Labour & Trade	4,683,246	3,683,035	4,416,784	1,000,211	27%	266,462	6%
Statutory Charges	-	-	64,555	-	-	(64,555)	(100%)
Total Receipts	**133,636,469**	**129,596,255**	**146,070,380**	**4,040,214**	**3%**	**(12,433,911)**	**(9%)**
Payments by Ministry							
Constitutionally Established Bodies	5,726,240	4,483,099	4,853,342	(1,243,141)	(28%)	(872,898)	(18%)
Office of the Governor	15,611,481	14,946,802	14,909,473	(664,679)	(4%)	(702,008)	(5%)
Office of the Premier	5,348,245	5,203,936	6,413,728	(144,309)	(3%)	1,065,483	17%
Ministry of Finance	11,801,835	9,574,387	9,681,235	(2,227,448)	(23%)	(2,120,600)	(22%)
Ministry of Env., Nat. Resources & Climate Change	1,908,898	2,171,330	2,918,989	262,432	12%	1,010,091	35%
Ministry of Education, Youth and Sports	20,578,789	19,127,169	17,810,859	(1,451,620)	(8%)	(2,767,930)	(16%)
Ministry of Health and Social Development	19,252,517	18,519,840	22,681,260	(732,677)	(4%)	3,428,743	15%
Ministry of Communications and Works	16,780,815	14,520,098	18,005,201	(2,260,717)	(16%)	1,224,386	7%
Ministry of Tourism, Culture & Sustainable Dev.	7,523,811	3,483,334	4,307,284	(4,040,477)	(116%)	(3,216,527)	(75%)
Ministry of Financial Services, Labour & Trade	5,284,284	4,327,612	6,222,633	(956,672)	(22%)	938,349	15%
Statutory Charges	9,548,127	10,224,579	10,474,826	676,452	7%	926,699	9%
Total Payments	**119,365,042**	**106,582,186**	**118,278,830**	**(12,782,856)**	**(12%)**	**(1,086,212)**	**(1%)**
Cash Surplus/(Deficit)	**14,271,427**	**23,014,069**	**27,791,550**	**(8,742,642)**	**(38%)**	**(13,520,123)**	**(49%)**

Revenue Summary: Actual revenue of $133.6 million was primarily from two units: the Ministry of Finance, $125.4 million, and the Ministry of Financial Services, $4.7 million. Together, they made up 97% of total revenue. Overall revenue was notable, with a 3% variance above budget and a 9% decline from the previous year. This performance was primarily led by the Ministry of Finance, which outperformed its budget by $3.8 million (3% favorable) but was down $11.4 million (8% unfavorable) compared to the prior year. This ministry was the key contributor to the strong Q4 revenue figures.

Expenditure Summary: Total actual expenditure reached $119.4 million, primarily concentrated in four ministries: the Ministry of Education ($20.6 million), the Ministry of Health ($19.3 million), the Ministry of Communications ($16.8 million), and the Office of the Governor ($15.6 million). These four accounted for 60% of the total spending. Overall, there was a 12% overspend, mainly driven by the Ministry of Tourism ($4.0 million over budget) and the Ministry of Communications ($2.3 million over budget). A year-over-year comparison reveals a similar trend, with several ministries spending more than in the previous year**.**

Net Cash Result: The government recorded a $14.3 million surplus for the quarter, a notable decrease from the planned $23.0 million—$8.7 million, or 38%, below expectations. This considerable shortfall was primarily driven by consistent revenue streams, especially from the Ministry of Finance, coupled with widespread overspending across various departments. Furthermore, this surplus was 49% lower than the impressive $27.8 million recorded in the previous year.

3.0 FINANCIAL PERFORMANCE – FINANCIAL YEAR ENDED, DECEMBER 31, 2025

3.1 Receipts and Payments by Economic Classification

Receipts	Financial Year 2025			Variance			
	Actual	Budget	Prior Year Actuals	Actual vs. Budget		Actual vs. Prior Year	
Payroll Taxes	75,249,204	64,269,218	60,330,933	10,979,986	17%	14,918,271	25%
Property Taxes	2,945,013	3,498,240	3,873,195	(553,227)	(16%)	(928,182)	(24%)
Taxes on Goods and Services	247,854,606	247,919,690	251,994,750	(65,084)	(0%)	(4,140,144)	(2%)
Taxes on International Trade	59,088,733	55,988,674	54,605,161	3,100,059	6%	4,483,572	8%
Taxes on Transactions	10,957,556	10,046,749	11,106,578	910,807	9%	(149,022)	(1%)
Grants	2,000,000	3,213,270	8,651,504	(1,213,270)	(38%)	(6,651,504)	(77%)
Sale of Goods and Services	19,164,906	20,925,563	22,656,224	(1,760,657)	(8%)	(3,491,318)	(15%)
Other Receipts	4,793,505	5,101,806	2,842,554	(308,301)	(6%)	1,950,951	69%
Total Receipts	**422,053,523**	**410,963,210**	**416,060,899**	**11,090,313**	**3%**	**5,992,624**	**1%**
Payments							
Employee Compensation	165,794,555	182,474,686	160,859,208	16,680,131	9%	(4,935,347)	(3%)
Goods and Services	92,184,802	105,969,172	89,711,478	13,784,370	13%	(2,473,324)	(3%)
Finance Cost	6,558,242	6,541,700	6,084,753	(16,542)	(0%)	(473,489)	(8%)
Subsidies	1,281,661	637,100	429,134	(644,561)	(101%)	(852,527)	(199%)
Grants	98,948,583	98,770,053	101,168,652	(178,530)	(0%)	2,220,069	2%
Social Benefits	25,520,089	26,534,304	23,275,289	1,014,215	4%	(2,244,800)	(10%)
Property Expenses	2,358,865	2,378,372	1,872,974	19,507	1%	(485,891)	(26%)
Assistance Grants	5,606,870	6,663,837	4,990,828	1,056,967	16%	(616,042)	(12%)
Other Payments	2,303,324	1,511,884	1,017,611	(791,440)	(52%)	(1,285,713)	(126%)
Total Payments	**400,556,991**	**431,481,108**	**389,409,927**	**30,924,117**	**7%**	**(11,147,064)**	**(3%)**
Net Cash Surplus/(Deficit)	**21,496,532**	**(20,517,898)**	**26,650,972**	**42,014,430**	**205%**	**(5,154,440)**	**(19%)**

Revenue Summary: The government's 2025 fiscal year revenue totaled $422.1 million, surpassing both the budget and the previous year's results. Total revenue exceeded the $411.0 million budget by $11.1 million, a 3% positive variance. This was primarily driven by Payroll Taxes, which totaled $75.2 million and exceeded the budget by $11.0 million. Year over year, revenue increased 1%, primarily driven by Payroll Taxes, which grew by $14.9 million (25%). Although categories such as Sales of Goods and Services and Grants fell short of their budgets, gains in other revenue streams offset these deficits**.**

Expenditure Summary: The total actual expenditure for fiscal year 2025 was $400.6 million, $30.9 million below the initial budget of $431.5 million, resulting in a favorable variance of 7%. The underspending was distributed across major categories, with Employee Compensation at $16.7 million (9% under budget) and Goods and Services at $13.8 million (13% under budget). Compared with the previous year, total expenditures increased by $11.1 million, primarily due to higher Employee Compensation ($4.9 million), increased Goods and Services costs ($2.5 million), and higher Social Benefits ($2.2 million), reflecting ongoing financial adjustments.

Net Cash Result: The government closed the financial year with a net cash surplus of $21.5 million, a highly favorable outcome compared with the budgeted deficit of $20.5 million. The $42.0 million difference between the budget and actual figures is mainly due to higher-than-expected revenue, up $11.1 million, and considerably lower-than-anticipated expenditure, down $30.9 million. However, this surplus represents a 19% decrease from the prior year's $26.7 million surplus. Overall, financial health is stronger than initially planned but less robust than last year, primarily due to improved revenue collection and careful expenditure management within the approved budget.

3.2 Receipts and Payments by Ministry

Receipts by Ministry	Financial Year 2025			Variance			
	Actual	Budget	Prior Year Actual	Actual vs. Budget		Actual vs. Prior Year	
Constitutionally Established Bodies	349,698	255,000	282,891	94,698	37%	66,807	24%
Office of the Governor	7,555,766	8,889,541	11,194,809	(1,333,775)	(15%)	(3,639,043)	(33%)
Office of the Premier	389,049	279,291	1,400,965	109,758	39%	(1,011,916)	(72%)
Ministry of Finance	387,750,320	375,314,261	377,125,236	12,436,059	3%	10,625,084	3%
Ministry of Env., Nat. Resources & Climate Change	1,953,706	1,834,824	1,879,187	118,882	6%	74,519	4%
Ministry of Education, Youth and Sports	253,252	1,225	303,001	252,027	20574%	(49,749)	(16%)
Ministry of Health and Social Development	46,429	-	269,582	46,429	-	(223,153)	(83%)
Ministry of Communications and Works	7,280,790	8,629,756	7,963,419	(1,348,966)	(16%)	(682,629)	(9%)
Ministry of Tourism, Culture & Sustainable Dev.	81	-	5,661	81	-	(5,580)	(99%)
Ministry of Financial Services, Labour & Trade	16,474,432	15,759,312	15,552,299	715,120	5%	922,133	6%
Statutory Charges	-	-	83,849	-	-	(83,849)	(100%)
Total Receipts	**422,053,523**	**410,963,210**	**416,060,899**	**11,090,313**	**3%**	**5,992,624**	**1%**
Payments by Ministry							
Constitutionally Established Bodies	16,712,804	19,733,508	13,540,114	3,020,704	15%	(3,172,690)	(23%)
Office of the Governor	53,636,554	58,718,571	52,396,959	5,082,017	9%	(1,239,595)	(2%)
Office of the Premier	19,467,934	21,449,560	21,166,096	1,981,626	9%	1,698,162	8%
Ministry of Finance	37,274,415	42,126,500	34,194,484	4,852,085	12%	(3,079,931)	(9%)
Ministry of Env., Nat. Resources & Climate Change	6,770,465	8,621,600	8,431,101	1,851,135	21%	1,660,636	20%
Ministry of Education, Youth and Sports	65,492,520	69,338,700	60,542,461	3,846,180	6%	(4,950,059)	(8%)
Ministry of Health and Social Development	71,760,526	76,022,500	74,071,380	4,261,974	6%	2,310,854	3%
Ministry of Communications and Works	56,714,034	57,881,140	58,058,916	1,167,106	2%	1,344,882	2%
Ministry of Tourism, Culture & Sustainable Dev.	18,560,660	17,229,629	16,010,189	(1,331,031)	(8%)	(2,550,471)	(16%)
Ministry of Financial Services, Labour & Trade	17,171,672	20,629,900	14,628,148	3,458,228	17%	(2,543,524)	(17%)
Statutory Charges	36,995,407	39,729,500	36,370,079	2,734,093	7%	(625,328)	(2%)
Total Payments	**400,556,991**	**431,481,108**	**389,409,927**	**30,924,117**	**7%**	**(11,147,064)**	**(3%)**
Cash Surplus/(Deficit)	**21,496,532**	**(20,517,898)**	**26,650,972**	**42,014,430**	**205%**	**(5,154,440)**	**(19%)**

Revenue Summary: The government recorded actual revenue of $422.1 million in 2025, 3% above the budget of $411.0 million and 1% above last year's actual revenue of $416.1 million. The Ministry of Finance was the primary driver of this performance, contributing $387.8 million and accounting for a significant share of the favorable variance. The Ministry exceeded its budget by $12.4 million and generated an additional $10.6 million compared to the previous year. This strong performance from the key revenue source helped the government meet and exceed its total revenue goals**.**

Expenditure Summary: The total actual expenditure for FY 2025 was $400.6 million, 7% below the $431.5 million budget. This underspending was seen across various sectors, with the most significant gaps in the Office of the Governor ($5.1 million, or 9% below budget), the Ministry of Finance ($4.9 million, or 12% below), and the Ministry of Health ($4,3 million, or 6% below). Meanwhile, this year's spending exceeded last year's actuals by $11.1 million, or 3%. The Ministry of Education saw the most significant year-over-year increase, up $5.0 million (8%), followed by the Ministry of Finance, which increased by $3.1 million (9%).

Net Cash Result: The government ended the fiscal year with a solid $21.5 million surplus, reflecting a strong financial position and exceeding the budgeted deficit by $42.0 million. The positive budget variance was driven by higher-than-expected revenue, despite unresolved spending execution challenges. The $21.5 million surplus represents a significant decline from last year's $26.7 million surplus. Overall, the financial result is much stronger than budgeted, though not as strong as last year's. Ongoing oversight is needed to maintain this positive trend.

4.0 CAPITAL EXPENDITURE

Year to Date - December 2025	Actual	Budget	Prior Year	Variance Actual vs. Budget	
Capital Expenditure					
Development Fund	26,146,956	50,655,000	14,595,614	24,508,044	48%
BVI Recovery Fund (RDA)	4,929,424	8,430,100	5,152,644	3,500,676	42%
Capital Acquisition	6,410,217	8,943,320	7,345,667	2,533,104	28%
Total Capital Expensiture	**37,486,597**	**68,028,420**	**27,093,925**	**30,541,824**	**45%**

The government's capital expenditure for 2025 was $37.5 million, significantly below the budgeted $68.0 million, resulting in a $30.5 million underspend, representing 45%.

- **Development Fund:** The Development Fund had the largest underspend, spending only $26.1 million against a $50.7 million budget, resulting in a $24.5 million shortfall, or 48%.
- **BVI Recovery Fund:** The RDA had expenses of $4.9 million, $3.5 million less than the $8.4 million budget.
- **Capital Acquisition:** Capital Acquisition had expenditures of $6.4 million against a budget of $8.9 million, a 28% difference.

Overall, although capital execution lags significantly behind budget, fiscal 2025 expenditures are up compared to the previous year. Nonetheless, challenges persist in achieving the budget targets.

5.0 FUND MANAGEMENT

5.1 Cash and Investments

Cash and Investments	31-Dec-25	30-Sep-25	31-Dec-24	Variance Actual vs. Budget	
Cash and Cash Equivalents	60,558,522	37,778,038	87,609,497	22,780,484	60%
Investments	148,429,586	152,487,391	133,845,573	(4,057,805)	(3%)
Total Cash and Investments	**208,988,108**	**190,265,429**	**221,455,070**	**18,722,679**	**10%**

Total cash and investments amounted to $209.0 million by the end of the financial year, representing an increase of $18.7 million from the $190.3 million balance at the end of Q3 2025. However, this is $12.5 million less than the amount recorded during the same period last year.

Cash and Cash Equivalents amounted to $60.6 million, down $27.1 million since December 2024. However, there was a notable $22.8 million (60%) rise from the end of Q3 2025, driven by significant cash inflows in the fourth quarter from Taxes on Goods and Services.

Total Investments reached $148.4 million, up $14.6 million from December 2024. However, this is $4.1 million lower than the $152.5 million at the end of Q3. The $5.0 million placement with the Bank of Asia is included in this total. Despite lower cash levels than last year, financial strength remains solid, with over $209.0 million in cash and investments.

5.2 Fund Balances

Fund Balances	31-Dec-25	30-Sep-25	31-Dec-24	Variance Q3 vs Q2	
Consolidated Fund	45,171,064	50,936,932	79,939,455	(5,765,868)	(11%)
Development Fund	48,333,874	23,832,542	28,341,711	24,501,332	103%
Emergency/Disaster Fund	1,659,364	1,659,364	1,607,906	-	-
Pension Fund	1,213,493	1,213,493	1,180,466	-	-
Reserve Fund	93,726,931	92,960,089	90,777,031	766,842	1%
Transportation Network Improvement Fund	1,111,893	2,110,852	905,226	(998,959)	(47%)
Contingency Fund	6,632,814	6,632,814	5,967,328	-	-
Money Services Fund	2,108,182	1,751,159	536,951	357,023	20%
Asset Seizure Fund	4,525,304	4,436,839	4,199,133	88,465	2%
Environmental Levy Fund	4,505,157	4,731,313	7,999,831	(226,156)	(5%)
Whistleblower Fund	32	32	32	-	-
Total Fund Balance	**208,988,108**	**190,265,429**	**221,455,070**	**18,722,679**	**10%**

At the end of Q4, the government's Fund Balances reached $209.0 million, up 10% from $190.3 million in Q3 2025, indicating strong cash inflows during Q4. Compared with December 31, 2024, when the balance was $221.5 million, the balance is $12.5 million lower, a 6% decrease. The Consolidated Fund declined by $5.8 million, primarily due to overspending against the budget in Q4. Conversely, the Development Fund grew by $24.5 million, supported by new withdrawals from CDB and CIBC facilities, despite significant capital spending in Q4. Other funds either remained stable or increased, except for TNIF and the Environment Levy. Overall, the three-month increase left total fund balances 6% below the previous year-end level.

6.0 DEBT MANAGEMENT

6.1 Long-Term Borrowings

Long-Term Borrowings	Financial Year 2025		31-Dec-25	31-Dec-24
	Drawdowns	Repayments	Balance	Balance
Foreign Borrowings	**5,000,000**	7,688,432	84,114,128	86,802,560
Local Borrowings	**37,500,000**	19,097,391	52,693,911	34,291,302
Total Long-Term Borrowings	**42,500,000**	**26,785,824**	**136,808,038**	**121,093,862**

Total Long-Term Borrowings as of December 2025: The government's long-term debt was $136.8 million, increasing from $121.1 million in December 2024. Foreign-funded debt accounted for 61% of total loans, with the Caribbean Development Bank (CDB) as the primary lender. In Q4, drawdowns totalled $42.5 million from various sources: $5.0 million from CDB, $12.5 million from the CIBC line of credit, and $25.0 million from the CIBC Capital Expenditure loan. All long-term borrowings are up to date, and no loan covenants were broken during this period.

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