



Budget Leaflet 2004



Foreword: Honourable Victor F. Banks Minister of Finance

A fundamental cornerstone of good corporate governance is "Openness". This Government continues to advance the cause of openness by seeking to keep our citizens informed. This is not always an easy task. We have recognized that there is a general lack of understanding about how Government spends the public funds you have entrusted to us and with this leaflet we hope to change that situation. This leaflet constitutes a new initiative that we believe will enhance the effectiveness of existing arrangements in this area.

We have asked officers within the Ministry of Finance to invest time and resources in producing this leaflet for a number of reasons.

Firstly, we hope that this leaflet, along with others planned by the Ministry of Finance, will generate wider interest by the public in government's activities, thereby enabling people to make more informed decisions, participate more fully in discussions on a national level and improve the quality of the democratic process.

Secondly, the leaflet aims to facilitate greater accountability. Through the provision of summarized, clearly presented data, we aim to ensure that citizens are well informed. This would essentially become a scorecard on governmental performance and thereby creating more transparency in the governance process.

The third reason is perhaps nothing more than good manners. You have empowered us with the well-being of our country and furnished us with public resources to discharge that role. It is no more than courtesy to give you feedback on how we are planning to utilize those resources.

I hope you find the information contained within the leaflet both informative and interesting. Please let us know what you think by completing and returning the attached slip. This will help us in improving future publications to meet your needs.

SPENDING

How much is planned to be spent?

In 2004 the Government of Anguilla (GoA) plans to spend **\$158m.**

To put in context, this represents nearly **\$13,000** for each man, woman and child on Anguilla.

What is the money for?

The money will be used for both:

- Maintaining the delivery of existing services (called recurrent expenditure)
- Funding the improvement of the islands infrastructure and development of new services (called capital expenditure)

Tell me more about recurrent expenditure.

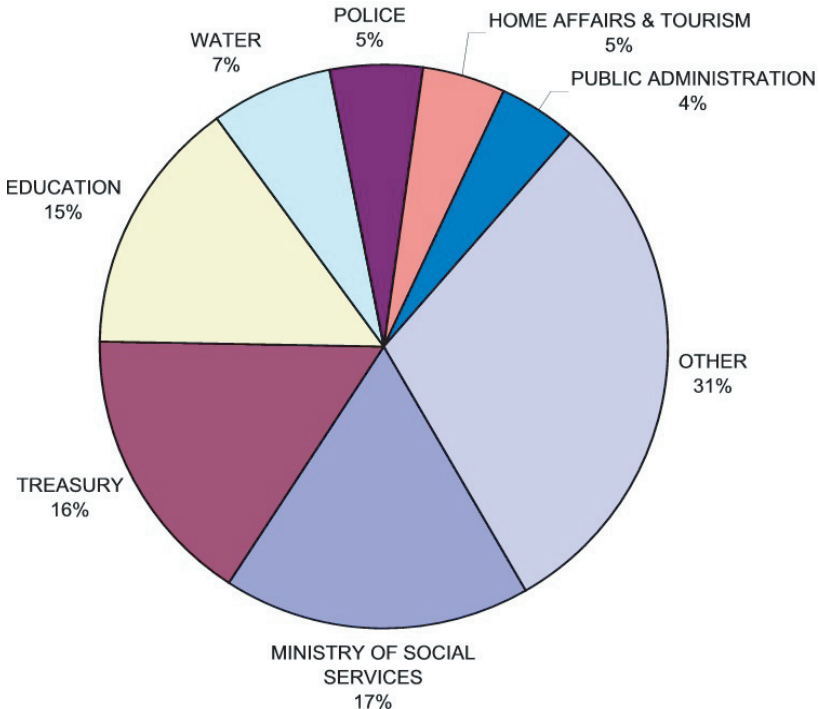
Recurrent expenditures are planned at **\$90.3m .**

This represents **57%** of the overall GoA budget in 2004.

Prominent examples of such services include:

- Education
- Law and Order
- Airport
- Social Welfare
- Waste Disposal
- Tourism (through funding provided to the Tourist Board)
- Health (through funding to the Health Authority)

The exhibit below shows how the planned **\$90.3m** recurrent expenditure is shared out to the major services.



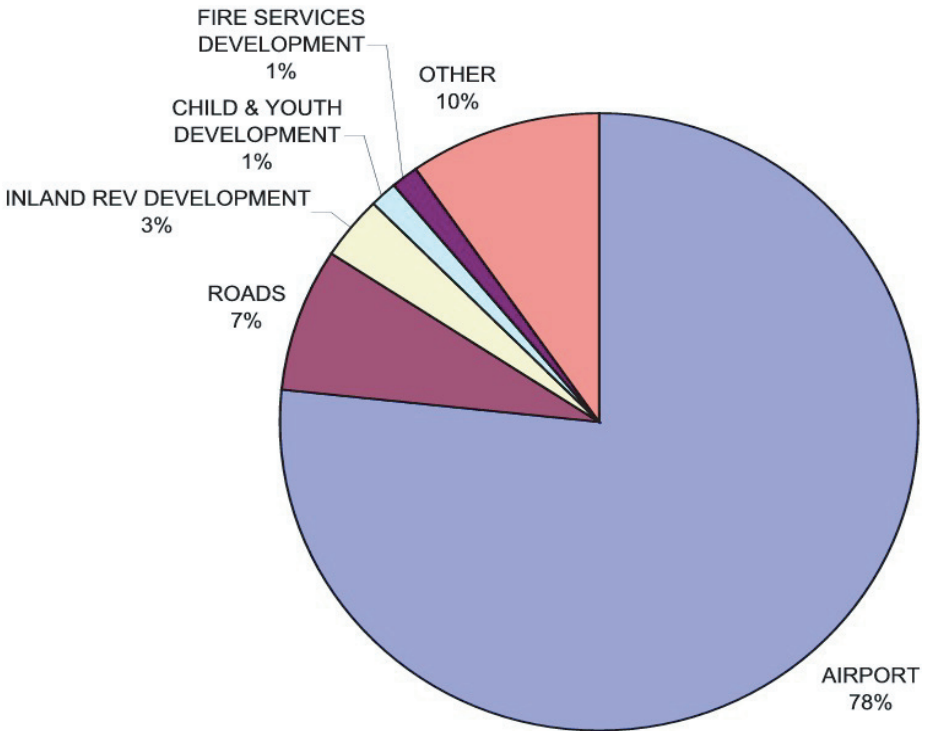
What capital expenditure projects are planned?

Capital expenditure for 2004 is estimated at approximately **\$68m**.

To put in context, this represents more than \$2 out of every \$5 planned to be spent by GoA over the year.

The priority project for 2004 is the completion of the airport project.

This is shown in the exhibit below, which shows how the capital budget is to be shared over the major projects planned.



INCOME

Where is the money coming from to pay for this?

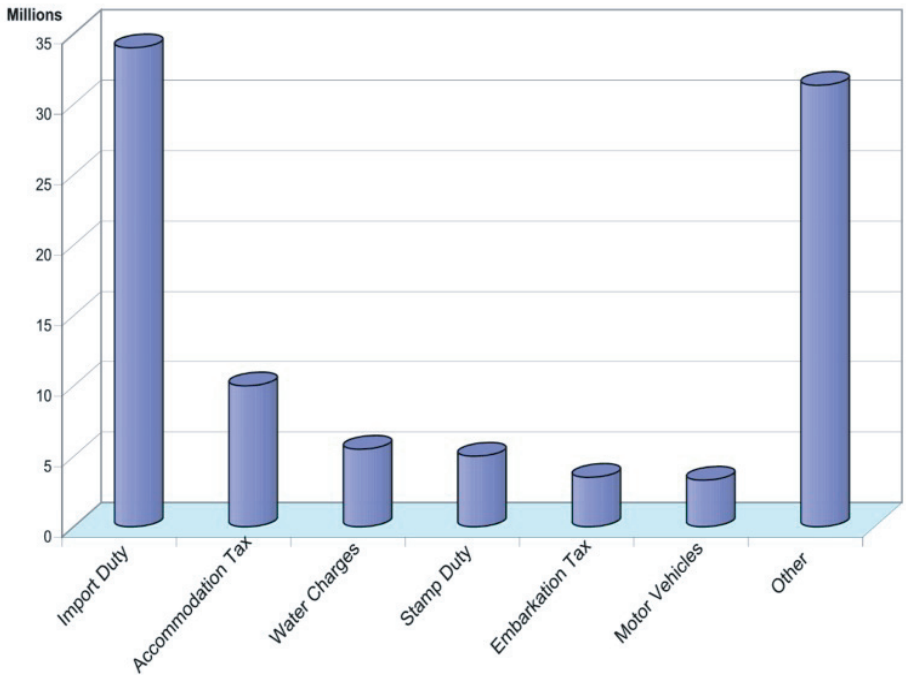
The budget demand of **\$158m** will be funded as follows:

Source of Income	\$	% of total
Govt. taxes, duties, licence fees etc	98.3 m	62%
Loans	48.0 m	31%
Grants & support from external agencies	11.5 m	7%

Where does GoA raise most of its money from ?

The exhibit below shows main income earning areas for GoA in the 2004 budget.

GoA revenue sources



What is the Economic Outlook?

Monitoring of financial as well as non-financial data during 2003 indicated that the economy on Anguilla is recovering from the worldwide downturn experienced after 11 September 2001.

Two of the principal 'drivers' of our economy, tourism and construction are improving, and the development of the airport and golf course projects should provide a further stimulus.

Require additional information?

Anyone requiring further details can purchase a copy of the Budget Book 2004 from the Treasury department.

Alternatively a copy of this document can be viewed:

- at the Library
- on the Govt of Anguilla's web page at www.gov.ai

How informative and helpful was this leaflet?

This is a pilot exercise. We are therefore requesting your feedback and comments to evaluate whether you found it worthwhile. Your suggestions will provide areas of discussion to inform future versions. Please complete the form below and return either by Post (P.O.Box 60), by Fax (497-0176) or in person to the Post Office/Treasury Department.

Thank you for your assistance.

Please tick one box

Did you understand the information presented? Yes No

Did you find the information interesting? Yes No

Was the level of information adequate? Yes No

Should production of such a leaflet be continued in future years?
 Yes No

Comments

Please make any additional comments, or suggestions that might assist us in evaluating the worth of this exercise.

Thank You.