



Translation of: Reaction to the fourth implementation report of 2025 of Saba

Original title: Reactie op de vierde uitvoeringsrapportage 2025 van Saba

In case of differences in interpretation between the English translation and the Dutch version of the text, or in legal proceedings or escalation procedures pursuant to applicable regulations, the original Dutch version shall always be leading.

Dear Mr. Johnson,

On January 30, 2025, the Board of financial supervision of Bonaire, Sint Eustatius and Saba (Cft) received Saba's implementation report (UR) on the fourth quarter of 2025.

With this letter you receive the Cft's reaction to this UR.¹ In Annex 1 to this letter you will find a further clarification and substantiating figures to the reaction.

Conclusion

The Cft's judgment on Saba's fourth UR of 2025 is positive. Based on the fourth UR and the explanatory statement that was submitted afterwards, the Cft anticipates that Saba will present a USD 4.5 million positive result in the 2025 annual accounts, which means Saba will meet the central budgetary standard set forth in the Act on Finances of the Public Entities Bonaire, Sint Eustatius and Saba (*Wet financiën openbare lichamen Bonaire, Sint Eustatius en Saba – FinBES Act*). The report offers an adequate reflection of the implementation of the budget for 2025. The considerable under-realization of the budget is a point of attention.

Subsequent steps

The Cft recommends Saba to consider if based on the actual figures of the fourth UR of 2025, the 2026 budget including the multi-annual budget should be adjusted downward by means of a budget amendment.

1. Explanatory statement

Realization 2025 budget / amendment 2026 budget

The realization of the income is 94 percent, which is in line with the budget. The realization of the expenses, however, is 85 percent, which is on the low end. Generally, a budget is considered to be realistic if the realization exceeds 95 percent of the budgeted income and expenses. The actual figures of the expenses may still increase, since not all invoices and obligations have been processed in the administrative records. The Public Entity does not expect any considerable modifications in this context.

It might be appropriate to amend the 2026 budget based on the actual figures of the 2025 budget, in order to increase the degree of reality of the 2026 budget.

Trusting to have provided you with sufficient information.

Sincerely,

[signature]
Hans Hoogervorst

A copy of this letter was sent to:
The Island Council of the Public Entity Saba
The Head of Finance of the Public Entity Saba

Annex 2: Endnotes

¹ Pursuant to Article 22 of the Act on Finances of the Public Entities Bonaire, Sint Eustatius and Saba (*Wet financiën openbare lichamen Bonaire, Sint Eustatius en Saba* – FinBES Act), the Cft responds to the fourth UR of 2025. The FinBES Act, supplemented by the criteria set out in the Decree on Budget and Justification Public Entities BES (BBV BES), forms the framework for the assessment of the UR.