



**SOUTH GEORGIA
and the
SOUTH SANDWICH ISLANDS**

FINANCIAL STATEMENTS

**and
AUDIT REPORT**

for the year ended

31st DECEMBER 2005

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SOUTH GEORGIA
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OVERVIEW OF FINANCIAL STATEMENTS
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1. INTRODUCTION TO SOUTH GEORGIA

INTRODUCTION

South Georgia and the South Sandwich Islands are an Overseas Territory of the United Kingdom and are administered by a Commissioner appointed by Her Majesty the Queen.

The Commissioner is resident in the Falkland Islands. By arrangement between the Government of South Georgia and the South Sandwich Islands and the Falkland Islands Government the services of some Falkland Islands Government officers are made available on a part time basis to the Government of South Georgia and the South Sandwich Islands.

FINANCIAL STATEMENTS

The form of financial statements is governed by Chapter VIII of Part II of the Colonial Regulations subject to minor modifications over the years. The requirements are for a statement of Receipts and Payments, excluding accruals of income and expenditure other than those recorded as advances or deposits and a statement of Assets and Liabilities excluding fixed assets, loans due to and by the Government, stock and debtors and creditors other than those recorded as advances and deposits. Accordingly the statements do not comply with the accounting concept of accruals, nor with the Accounting Standards set by the United Kingdom regulatory bodies.

AUTHORITY FOR EXPENDITURE

The 2005 estimates were approved by the Secretary of State on 22 December 2005. The Provisional General Warrants for Expenditure were approved on 13 January 2005, 13 May 2005 and 20 December 2005.

SUMMARY OF THE FINANCIAL POSITION AS AT 31 DECEMBER 2005

The statements show a deficit of £268k for the year, compared to a budgeted deficit of £1,629k (2004 actual deficit £1,860k), to give a General Revenue Balance at 31st December 2005 of £3,222k.

Note: This summary is presented in the revised format regarding special expenditure, as used for the 2006 financial statements. This differs from the actual statements produced for 2005, which will be restated accordingly for comparison to 2006 figures.

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2. STATEMENT OF ASSETS AND LIABILITIES

STATEMENT OF ASSETS AND LIABILITIES				
as at 31 December 2005				
2004				2005
£000	£000	ASSETS	£000	£000
27		Crown Agents Fund	68	
3,435		Bank and Cash in hand	3,129	
<u> </u>	3,462	Total Investments	<u> </u>	3,197
		Advances		
0		Creaseys (Pensions)	(2)	
28		Falkland Islands Government	27	
<u> </u>	28	Total Advances	<u> </u>	25
	<u> </u>	TOTAL ASSETS		<u> </u>
	<u> </u>			<u> </u>
		FUND BALANCES		
		General Revenue Account		
5,350		Balance 1 January	3,490	
(1,860)		Deficit for Year	(268)	
<u> </u>	3,490	Balance 31 December	<u> </u>	3,222
	<u> </u>	TOTAL FUND BALANCES		<u> </u>
	<u> </u>			<u> </u>

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3. STATEMENT OF RECEIPTS AND PAYMENTS

ACTUAL		APPROVED	ACTUAL
2004		ESTIMATE	
£000		2005	2005
		£000	£000
<u>3,665</u>	Receipts	<u>3,165</u>	<u>3,790</u>
	<u>Payments</u>		
104	Personal Emoluments	162	178
3,041	Other Charges	3,342	3,028
2,380	Special Expenditure	1,290	852
<u>5,525</u>		<u>4,794</u>	<u>4,058</u>
<u>(1,860)</u>	Surplus / (Deficit) for the year	<u>(1,629)</u>	<u>(268)</u>

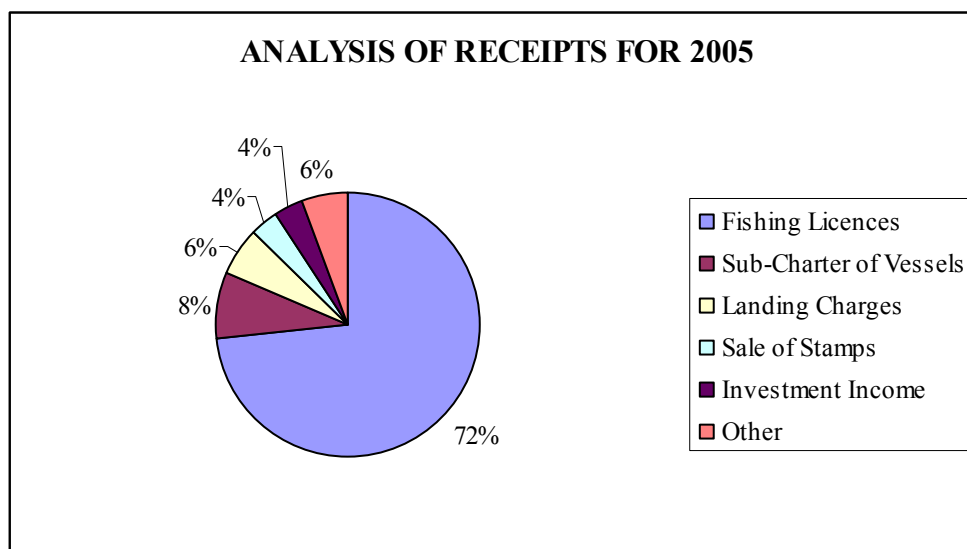
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4. ANALYSIS OF RECEIPTS

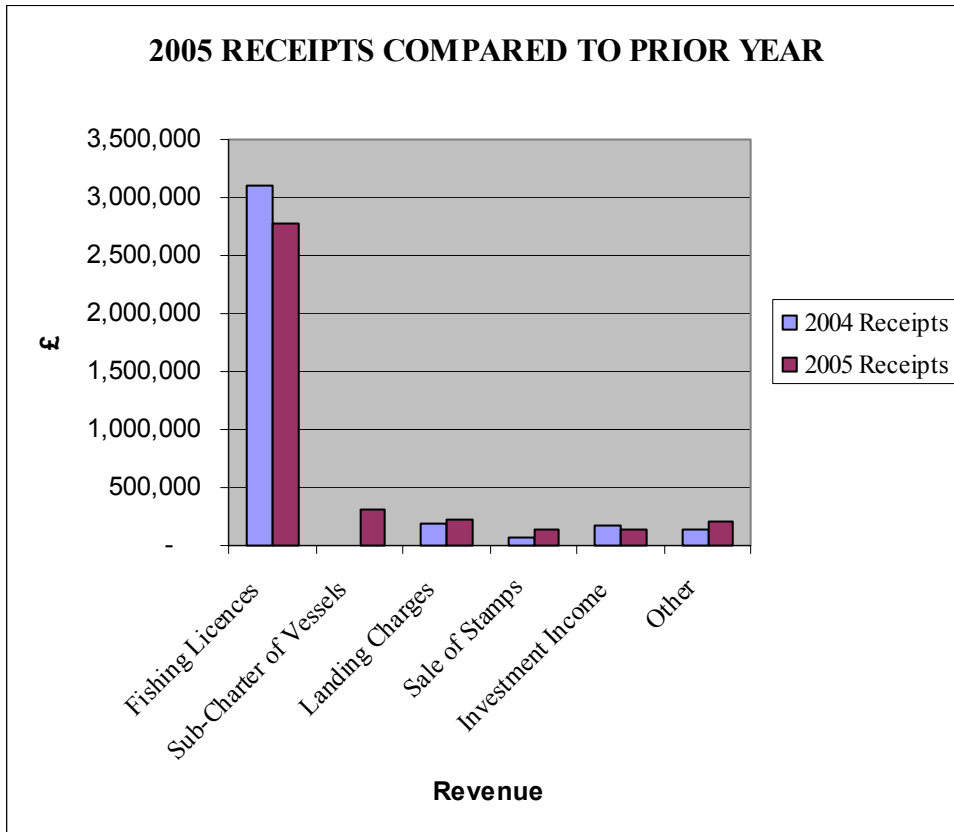
ACTUAL RECEIPTS 2004 £	Description	APPROVED ESTIMATE 2005 £	ACTUAL 2005 £
3,101,890	Fishing Licences	2,632,744	2,779,161
-	- Sub-Charter of Vessels	-	305,455
189,027	Landing Charges	208,725	218,278
73,560	Sale of Stamps	125,000	140,414
164,483	Investment Income	50,000	135,257
77,289	Customs / Harbour Dues	90,000	75,195
-	- Grants Received	-	51,067
18,776	Income Tax	16,000	32,722
1,840	Other	500	28,980
31,200	Transshipment Fees	32,500	15,600
4,000	Expedition Applications	5,000	3,447
1,528	Sale of Publications	3,000	3,038
1,627	Seignorage on Coins	1,500	1,697
<hr/>			
3,665,220	TOTAL REVENUE	3,164,969	3,790,311
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5. ANALYSIS OF PAYMENTS

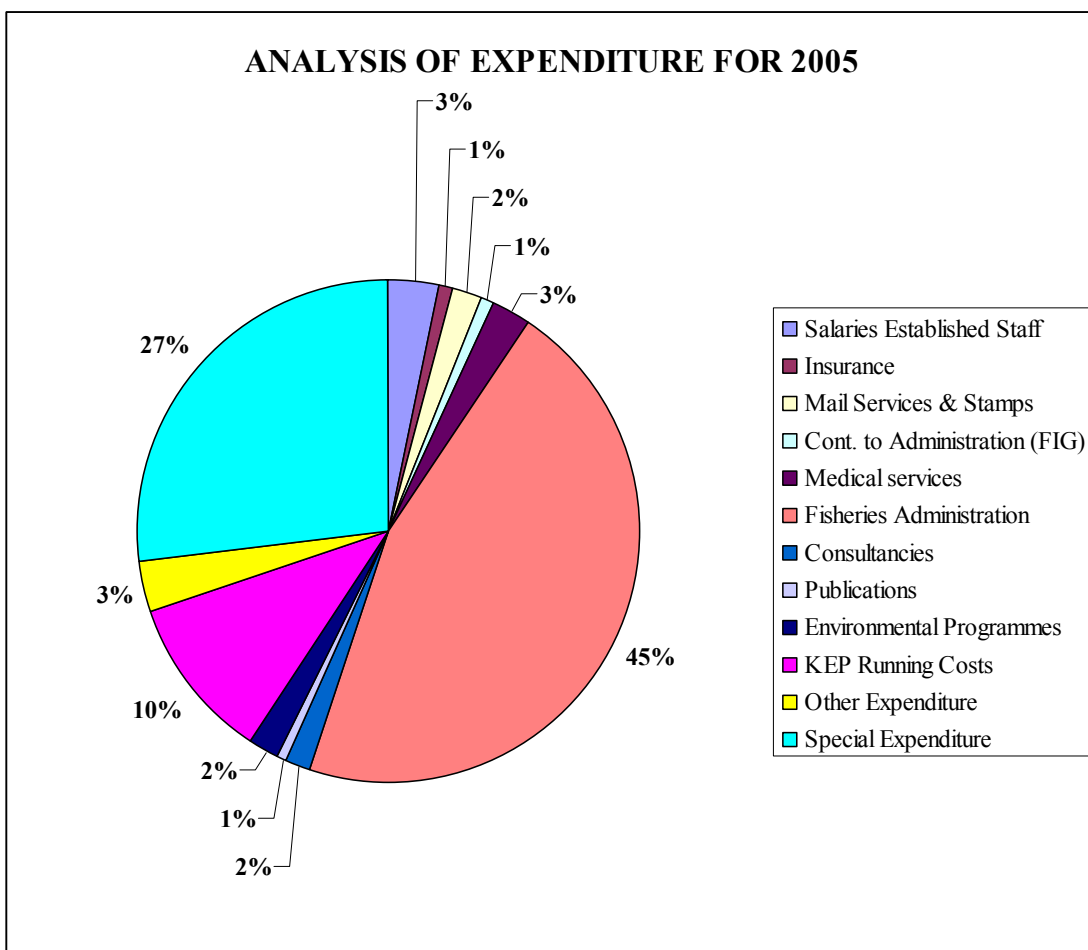
ACTUAL 2004 £	Description	APPROVED ESTIMATE 2005 £	ACTUAL 2005 £
	Personal Emoluments		
103,990	Salaries	162,000	177,551
103,990	Total Personal Emoluments	162,000	177,551
	Other Charges		
28,203	Insurance	32,000	22,998
90,210	Mail Services & Stamps	105,000	56,721
35,000	Cont. to Admin (FIG)	35,000	35,000
103,573	Medical services	120,000	124,849
1,978,267	Fisheries Administration	2,180,500	1,958,042
-	Consultancies	80,000	103,413
26,675	Publications	25,000	41,836
83,575	Environmental Programmes	100,000	71,633
500,000	KEP Running Costs	500,000	500,000
195,364	Other Expenditure	164,800	113,783
3,040,867	Total Other Charges	3,342,300	3,028,275
2,380,201	Total Special Expenditure *	1,290,000	852,513
5,525,058	TOTAL PAYMENTS	4,794,300	4,058,339

* Special Expenditure includes project costs to remove asbestos, which was found in a number of historic buildings on South Georgia. None of the buildings remain in public use but all are in varying proximity to other buildings currently in public use. The majority of the contaminated buildings are deteriorating rapidly in the harsh climate. During 2005 work continued to remove all remaining asbestos and remove unsafe structures, and the major elements of this work are now complete.

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6. GENERAL REVENUE ACCOUNT SUMMARY

GENERAL REVENUE ACCOUNT SUMMARY 1983 - 2005

UNAUDITED

Year	Revenue	Payments	Surplus/(Deficit)	Balance at year end
	£000	£000	£000	£000
1983	393	212	181	823
1984	200	132	68	891
1985	209	129	80	971
1986	371	168	203	1,174
1987	253	156	97	1,271
1988	306	119	187	1,458
1989	220	241	(21)	1,437
1990	272	271	1	1,438
1991	529	714	(185)	1,253
1992	283	623	(340)	913
1993	327	225	102	1,015
1994	670	630 @	40	1,055
1995	648	347	301	1,356
1996	1,164	563	601	1,957
1997	1,520	652	868	2,825
1998	1,830	1,411 *	419	3,244
1999	1,894	1,130	764	4,008
2000	3,012	2,526	486	4,494
2001	3,555	2,824	731	5,225
2002	3,923	3,117	806	6,031
2003	5,768	6,449	(681)	5,350
2004	3,665	5,525	(1,860)	3,490
2005	3,790	4,058	(268)	3,222

@ Income from Fishing Licences first received

* 1998 figures covered an 18 month period; all other figures cover 12 month periods