



**SOUTH GEORGIA
and the
SOUTH SANDWICH ISLANDS**

FINANCIAL STATEMENTS

for the year ended

31 DECEMBER 2009

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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

With the aim of modernising the GSGSSI accounting framework the accounts for 2008 have moved from a cash basis to a resource accounting basis. The financial statements therefore now incorporate Fixed Assets, Debtors, Stock and Creditors.

Approval was received from the Secretary of State to deviate from Chapter VIII of Part II of the Colonial Regulations. These accounts are therefore prepared on the accruals basis.

AUTHORITY FOR EXPENDITURE

The 2009 estimates were approved by the Secretary of State on 22 December 2008. A revised General Warrant was approved on 2 December 2009.

SUMMARY OF THE FINANCIAL POSITION AS AT 31 DECEMBER 2009

The statements show a surplus of £755,000 for the year, compared to a budgeted cash surplus of £476,000, to give a General Revenue Balance at 31 December 2009 of £3,905,000.

Overall revenue was £310,000 above the approved estimated revenue of £5,055,000, mainly due to: fishing licence revenue, landing charges and unexpected sub-charter fees received.

There was an overspend of £13,000 compared to the approved estimated expenditure of £4,597,349. Estimates are prepared on a cash basis whereas the accounts are prepared using resource accounting principles.

STATEMENT OF FINANCIAL SECRETARY'S RESPONSIBILITIES

The Financial Secretary is responsible for supervising the finances of the Government so as to ensure that a full account is made to the Commissioner for managing the General Revenue Balance Account and supervising, controlling and directing all matters relating to the financial affairs of the Government.

The Financial Secretary is responsible for compiling and managing the financial statements of the Government, ensuring that all monies received and paid by Government are brought promptly and properly to account, reporting to the Commissioner in writing any apparent defect in departmental controls of revenue, expenditure, cash, stamps, stores and other property of the Government and any breach or non-observance of Colonial Regulations, and ensuring that adequate provisions exist for the safe custody of public monies, stamps, securities and other accountable documents.

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2. BALANCE SHEET

2008	2009
£000	£000
Fixed Assets	
<u>10,057</u> Tangible Fixed Assets	6 <u>10,013</u>
Current Assets	
201 Stocks	334
651 Debtors falling due within 1 year	689
2,191 Cash at bank and in hand	2,565
<u>3,043</u> Total Current Assets	<u>3,588</u>
(420) Creditors: Amounts falling due within 1 year	(166)
<u>2,623</u> Net Current Assets	<u>3,422</u>
<u>12,680</u> Net Assets	<u>13,435</u>
Financed by Taxpayers' Equity:	
12,680 General Fund	7 13,435
<u>12,680</u> Total Reserves	<u>13,435</u>

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3. OPERATING COST STATEMENT

2008		2009
£000		£000
	Operating Costs	
300	Staff Costs	371
4,403	Other Operating Costs	4,239
4,703	Total Operating Costs	5 4,610
(5,974)	Operating Revenue	4 (5,365)
(1,271)	TOTAL SURPLUS FOR THE YEAR	(755)

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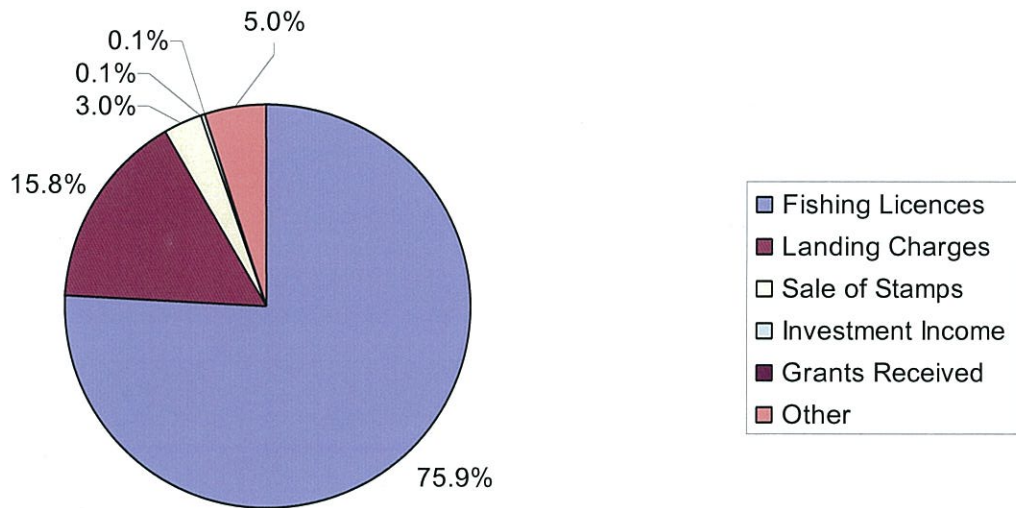
4. ANALYSIS OF REVENUE

Actual 2008 £'000	Code	Description	Approved Estimate 2009 £'000	Actual 2009 £'000
955	0001	Landing Charges	800	846
131	0020	Sale of Stamps	100	162
4	0021	KEP Post Office Non-Philatelic Revenue	4	22
332	0037	Reimbursement Sub Charter Commercial	15	59
-	0058	Recovery Staff Benefits/Costs	-	4
204	0061	Customs Services/Harbour Dues	75	95
4,119	0070	Fishing Licences	3,857	4,071
32	0071	Transshipment Fees	18	3
1	0075	Sale of Water	-	1
10	0079	Miscellaneous Revenue	-	3
3	0120	Expedition Applications	2	2
2	0130	Court Fees and Fines	-	-
-	0137	Recovery of Legal Costs	-	27
1	0150	Sale of Publications	1	2
11	0153	Seignorage on Coins	15	9
38	0185	Income Tax	33	44
104	0204	Investment Income	65	6
26	0261	Grants Received	-	5
1	0279	Hydo-plan Revenue	70	4
5,974		TOTAL OPERATING REVENUE	5,055	5,365

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ANALYSIS FOR REVENUE FOR 2009



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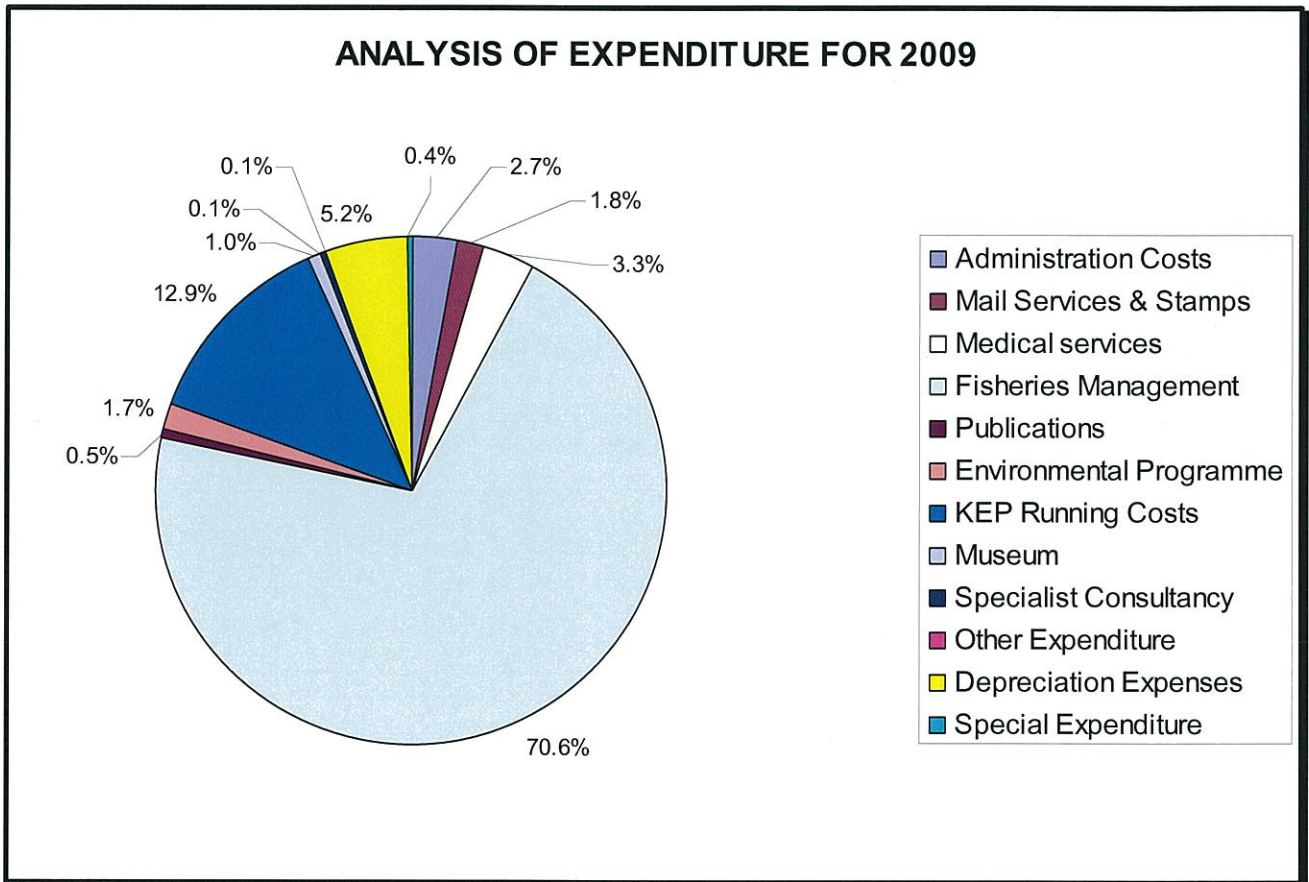
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5. ANALYSIS OF EXPENDITURE

Actual 2008 £'000	Code	Description	Approved Estimate 2009 £'000	Actual 2009 £'000
		Personal Emoluments		
263	0310	Salaries Established Staff	280	335
<u>263</u>		Total Personal Emoluments	<u>280</u>	<u>335</u>
		Other Charges		
35	0334	Passages	53	51
3	0600	Telecommunications	2	5
81	0602	Maintenance of Buildings and Equipment	5	9
3	0604	Incidental Expenses	-	1
5	0612	Insurance	27	26
-	0619	Office Administration	20	17
10	0700	Mail Services	8	3
73	0720	Production of Stamps and Coins	60	63
6	0721	KEP Post Office Non-Philatelic Expenditure	2	9
-	0722	Overseas Agency Commission	-	16
2	1171	Official Entertainment	3	3
5	1201	Auditors' Fees and Charges	5	6
2	1203	Bank Charges	1	2
-	1204	Bad Debt Expense	-	43
-	1205	Profit/Loss on Sale of Fixed Assets	-	6
6	1300	Pensions	5	5
35	1320	Contribution to FIG Administration	40	40
171	1400	Medical Services	142	139
4	1429	Specialist Consultancy	-	4
9	1500	Fishing Licence Administration	11	9
2,505	1501	Fisheries Research and Protection	2,521	2,525
343	1503	Observer Fees	360	439
56	1505	Project Atlantis	20	20
-	1600	Stock Consumption	-	(132)
222	1708	Depreciation Expense	-	220
117	1903	Museum Trust	70	34
9	1951	Domestic Equipment	2	1
22	1954	Publications	20	22
33	1964	Groundfish Survey	40	18
148	1966	Environmental Baseline Survey	108	71
500	1968	Civilianisation	550	550
4	1975	Expedition Consultancy	2	2
17	1976	MSC Consultancy	50	31
<u>4,426</u>		Total Operating Expenditure	<u>4,127</u>	<u>4,258</u>
		Special Expenditure	190	17
14	1979	Hydroelectric Scheme		
<u>14</u>		Total Special Expenditure	<u>190</u>	<u>17</u>
<u>4,703</u>		Total Expenditure	<u>4,597</u>	<u>4,610</u>

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6. TANGIBLE FIXED ASSETS

	Buildings	Infrastructure	Equipment	Plant & Machinery	Vehicles	Air and Seacraft	Assets Under Construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 January 2009	7,025	2,968	85	522	3	452	27	11,082
Additions	-	173	-	-	-	-	27	200
Disposals	-	-	-	(28)	(2)	-	-	(30)
Transfers between categories	-	-	-	-	-	-	-	-
At 31 December 2009	7,025	3,141	85	522	1	452	54	11,252
Depreciation								
At 1 January 2009	300	69	33	295	1	327	-	1,025
Charged in year	76	61	9	52	-	23	-	221
Disposals	-	-	-	(7)	-	-	-	(7)
At 31 December 2009	376	130	42	340	1	350	-	1,239
Net Book value at 31 December 2009	6,649	3,011	43	154	-	102	54	10,013
Net Book value as 31 December 2008	6,725	2,899	52	227	2	125	27	10,057

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7. GENERAL REVENUE ACCOUNT SUMMARY

GENERAL REVENUE ACCOUNT SUMMARY 1983 - 2009

UNAUDITED

Year	Revenue £'000	Expenditure £'000	Asset Adjustment £'000	Stock Adjustment £'000	Surplus/ (Deficit) £'000	Balance at Year End £'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
2006	4,847	5,145			-298	2,924
2007	4,747	5,792			-1,045	1,879
2008	5,974	4,703	9,327	202	10,800**	12,680
2009	5,365	4,610			755	13,435

@ Income from Fishing Licences first received

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

** Surplus/(Deficit) including capitalisation of assets and stock