



**SOUTH GEORGIA  
and the  
SOUTH SANDWICH ISLANDS**

**FINANCIAL STATEMENTS**

**for the year ended**

**31st DECEMBER 2008**

<b>CONTENTS</b>	<b>Page</b>
1. Introduction to South Georgia	1
2. Balance Sheet	2
3. Operating Cost Statement	3
4. Analysis of Revenue	4
5. Analysis of Expenditure	6
6. Tangible Fixed Assets	7
7. General Fund Summary	8

**SOUTH GEORGIA**  
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**OVERVIEW OF FINANCIAL STATEMENTS**  
and  
**ANNUAL STATISTICS**

**For the year ended 31<sup>st</sup> December 2008**

**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. In future years comparative information will be shown however, due to the additional time and costs that would be incurred in restating the 2007 accounts under resource accounting, no comparative figures are shown in these financial statements.

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 2008 estimates were approved by the Secretary of State on 29 April 2008. The Provisional General Warrant for Expenditure was approved on 29 April 2008. A revised General Warrant was approved on 26 November 2008.

**SUMMARY OF THE FINANCIAL POSITION AS AT 31 DECEMBER 2008**

The statements show a surplus of £1,271,000 for the year, compared to a budgeted cash surplus of £204,000, to give a General Revenue Balance at 31 December 2008 of £12,680,000.

Overall revenue was £1,071,000 above the approved estimated revenue of £4,903,000, mainly due to: fishing licence revenue, landing charges and unexpected sub-charter fees received.

There was an overspend of £4,000 compared to the approved estimated expenditure of £4,699,000. Estimates are prepared on a cash basis whereas the accounts are prepared using resource accounting principles.

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**OVERVIEW OF FINANCIAL STATEMENTS**  
and  
**ANNUAL STATISTICS**

For the year ended 31<sup>st</sup> December 2008

**2. BALANCE SHEET**

The Balance Sheet		2008
As at 31 December 2008		
	Notes	£000
<b>Fixed Assets</b>		
Tangible Fixed Assets	4	10,057
<b>Current Assets</b>		
Stocks	5	201
Debtors falling due within 1 year	6	651
Cash at bank and in hand	7	2,191
<b>Total Current Assets</b>		3,043
Creditors: Amounts falling due within 1 year	8	(420)
<b>Net Current Assets</b>		2,623
<b>Net Assets</b>		12,680
<b>Financed by Taxpayers' Equity:</b>		
General Fund	9	12,680
<b>Total Reserves</b>		12,680

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**OVERVIEW OF FINANCIAL STATEMENTS**  
and  
**ANNUAL STATISTICS**

**For the year ended 31<sup>st</sup> December 2008**

**3. OPERATING COST STATEMENT**

		<b>2008</b>
		<b>£000</b>
<b>Operating Costs</b>		
Staff Costs		300
Other Operating Costs		4,403
Total Operating Costs	2	4,703
<b>Operating Revenue</b>	3	(5,974)
<b>TOTAL SURPLUS FOR THE YEAR</b>		<b>(1,271)</b>

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and the  
**SOUTH SANDWICH ISLANDS**

**OVERVIEW OF FINANCIAL STATEMENTS**  
and  
**ANNUAL STATISTICS**

For the year ended 31<sup>st</sup> December 2008

**4. ANALYSIS OF REVENUE**

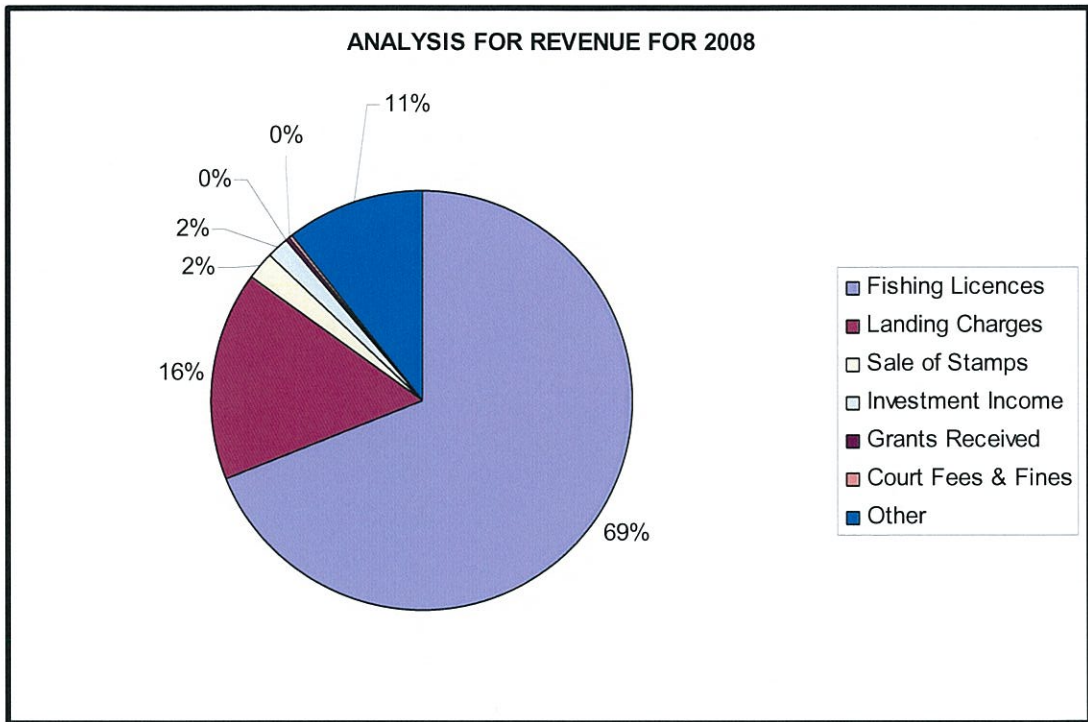
<b>Description</b>	<b>APPROVED ESTIMATE</b>	<b>ACTUAL</b>
	<b>2008 £</b>	<b>2008 £</b>
Fishing Licences	3,810,023	4,118,514
Landing Charges	700,000	954,919
Sale of Stamps	90,000	130,786
Investment Income	100,000	103,857
Customs / Harbour Dues	75,000	203,624
Grants Received	-	25,594
Income Tax	35,682	37,856
Other	52,000	349,036
Transhipment Fees	18,000	32,500
Expedition Applications	2,000	3,500
Sale of Publications	5,000	1,593
Seignorage on Coins	15,000	10,576
Court Fees & Fines	-	2,000
<b>TOTAL REVENUE</b>	<b>4,902,705</b>	<b>5,974,355</b>



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and  
**ANNUAL STATISTICS**

**For the year ended 31<sup>st</sup> December 2008**



**SOUTH GEORGIA**  
and the  
**SOUTH SANDWICH ISLANDS**

**OVERVIEW OF FINANCIAL STATEMENTS**  
and  
**ANNUAL STATISTICS**

**For the year ended 31<sup>st</sup> December 2008**

**5. ANALYSIS OF EXPENDITURE**

	Estimate 2008	Actual 2008
<b>Personal Emoluments</b>		
Salaries	225,000	263,367
<b>Total Personal Emoluments</b>	<b>225,000</b>	<b>263,367</b>
<b>Other Charges</b>		
Administration Costs *	89,070	76,566
Mail Services & Stamps	54,000	88,977
Medical services	140,000	171,009
Fisheries Management	2,790,477	2,905,681
Publications	25,000	21,704
Environmental Programme	213,000	148,296
KEP Running Costs	502,000	509,372
Museum	90,000	197,519
Specialist Consultancy	-	3,500
Other Expenditure	105,348	79,550
Depreciation Expenses	-	221,175
Heritage programme	15,000	950
<b>Total Other Charges</b>	<b>4,023,895</b>	<b>4,424,298</b>
<b>Special Expenditure **</b>	<b>450,000</b>	<b>15,339</b>
<b>TOTAL PAYMENTS</b>	<b>4,698,895</b>	<b>4,703,004</b>

\* Includes contribution of £35,000 to FIG.

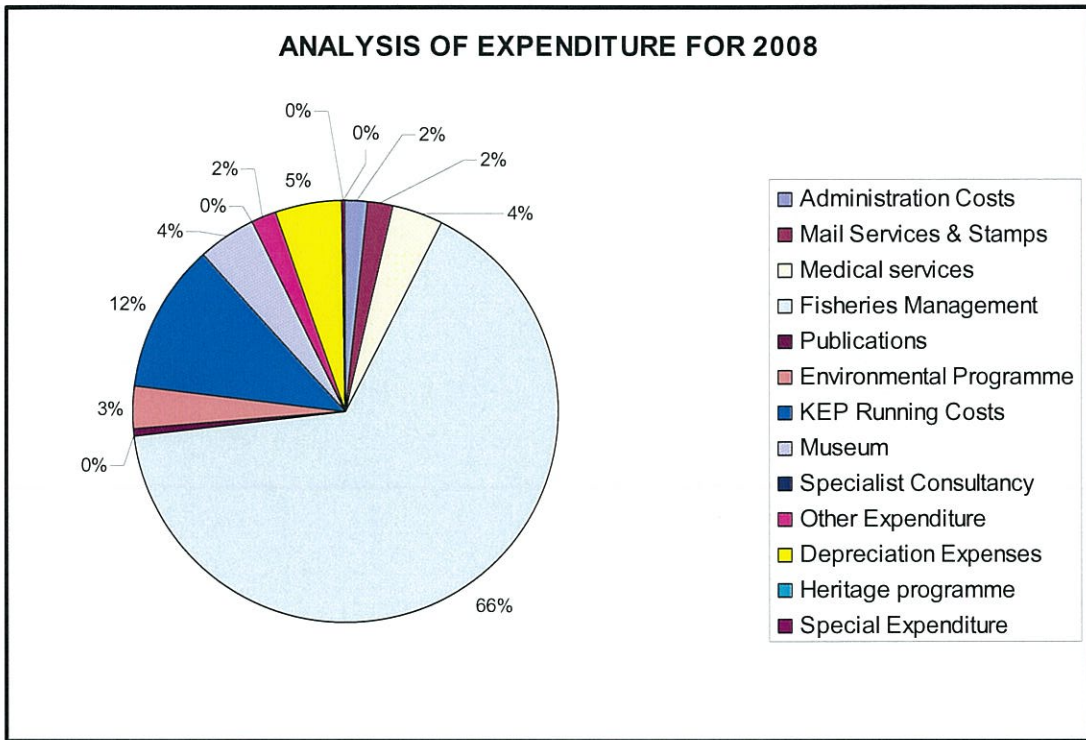
\*\* Special Expenditure includes habitat restoration work and work on the hydroelectric power restoration. In 2008 some of these costs were capitalised therefore the full cash expended is not shown in the expenditure actual.



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**OVERVIEW OF FINANCIAL STATEMENTS**  
and  
**ANNUAL STATISTICS**

For the year ended 31<sup>st</sup> December 2008



**SOUTH GEORGIA**  
and the  
**SOUTH SANDWICH ISLANDS**

**OVERVIEW OF FINANCIAL STATEMENTS**  
and  
**ANNUAL STATISTICS**

**For the year ended 31<sup>st</sup> December 2008**

**6. TANGIBLE FIXED ASSETS**

	<b>Buildings</b>	<b>Infrastructure</b>	<b>Equipment</b>	<b>Plant &amp; Machinery</b>	<b>Vehicles</b>	<b>Air and Seacraft</b>	<b>Assets Under Construction</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost or valuation</b>								
Capitalised in 2008 as bfwd	7,005	90	57	522	3	452	2,002	10,131
Additions	20	903	1	-	-	-	27	951
Transfers between categories	-	1,975	27	-	-	-	(2,002)	-
At 30 June 2008	7,025	2,968	85	522	3	452	27	11,082
<b>Depreciation</b>								
As bfwd	224	10	22	243	1	304	-	804
Charged in year	76	59	11	52	-	23	-	221
AT 31 <sup>st</sup> December 2008	300	69	33	295	1	327	-	1,025
<b>Net Book value at 31<sup>st</sup> December 2008</b>	<b>6,725</b>	<b>2,899</b>	<b>52</b>	<b>227</b>	<b>2</b>	<b>125</b>	<b>27</b>	<b>10,057</b>
Net Book value as bfwd	6,781	80	35	279	2	148	2,002	9,327

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and the  
**SOUTH SANDWICH ISLANDS**

**OVERVIEW OF FINANCIAL STATEMENTS**  
and  
**ANNUAL STATISTICS**

**For the year ended 31<sup>st</sup> December 2008**

**7. GENERAL REVENUE ACCOUNT SUMMARY**

**GENERAL REVENUE ACCOUNT SUMMARY 1983 - 2008**

**UNAUDITED**

Year	Revenue £000	Expenditure £000	Asset Adjustments	Stock Adjustment	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	9327	202	10,800 **	12,680

@ 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