

**THE ADMINISTRATION OF NORFOLK ISLAND
FINANCIAL STATEMENTS**

YEAR ENDED 30 JUNE 2005

C O N T E N T S

	PAGE NO'S
PART I	
Audit Report by Norfolk Island Government Auditor	4
Declaration on the Financial Statements by the Finance Manager & Executive Member	5
General Accounting Policy and Notes	6
CONSOLIDATED INCOME AND EXPENDITURE STATEMENT	7-8
CONSOLIDATED BALANCE SHEET	9-11
CONSOLIDATED STATEMENT OF CASH FLOWS	12
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	13-14
PART II	
REVENUE FUND	
- Statement of Revenue and Expenditure	15-26
- Appropriation Account	27
- Balance Sheet	28-29
- Statement of Cash Flows	30
- Notes to and forming part of the Financial Statements	31-32
PART III	
ADMINISTRATION SERVICES FUND	
Liquor Supply Service	
- Trading and Profit and Loss Account	33
- Appropriation Account	34
- Balance Sheet	35
- Statement of Cash Flows	36
- Notes to and forming part of the Financial Statements	37-38
Postal Services	
- Income and Expenditure Statement	39
- Appropriation Account	40
- Balance Sheet	41
- Statement of Cash Flows	42
- Notes to and forming part of the Financial Statements	43-44
Electricity Service	
- Income and Expenditure Statement	45-46
- Appropriation Account	47
- Balance Sheet	48-49
- Statement of Cash Flows	50
- Notes to and forming part of the Financial Statements	51-52
Norfolk Telecom	
- Income and Expenditure Statement	53-54
- Appropriation Account	55
- Balance Sheet	56-57
- Statement of Cash Flows	58
- Notes to and forming part of the Financial Statements	59-60

Lighterage Service	
- Income and Expenditure Statement	61
- Appropriation Account	62
- Balance Sheet	63-64
- Statement of Cash Flows	65
- Notes to and forming part of the Financial Statements	66
Norfolk Island Airport	
- Income and Expenditure Statement	67-68
- Income and Expenditure Statement – R.P.T. Charters	69
- Appropriation Account	70
- Balance Sheet	71-72
- Statement of Cash Flows	73
- Notes to and forming part of the Financial Statements	74-75
Water Assurance Fund	
- Income and Expenditure Statement	76-77
- Appropriation Account	78
- Balance Sheet	79-80
- Statement of Cash Flows	81
- Notes to and forming part of the Financial Statements	82
K.A.V.H.A. Fund	
- Income and Expenditure Statement	83-84
- Appropriation Account	85
- Balance Sheet	86
- Statement of Cash Flows	87
- Notes to and forming part of the Financial Statements	88
N.I. Bicentennial Integrated Museums	
- Income and Expenditure Statement	89
- Museum Souvenir Shop Trading Account	90
- Royal Engineers Cafe Trading Account	91
- Trial of Fifteen Play – Trading Account	92
- Appropriation Account	93
- Balance Sheet	94
- Statement of Cash Flows	95
- Notes to and forming part of the Financial Statements	96
Workers Compensation Scheme Fund	
- Income and Expenditure Statement	97
- Appropriation Account	98
- Balance Sheet	99
- Statement of Cash Flows	100
- Notes to and forming part of the Financial Statements	101
Norfolk Island Healthcare Fund	
- Income and Expenditure Statement	102
- Appropriation Account	103
- Balance Sheet	104
- Statement of Cash Flows	105
- Notes to and forming part of the Financial Statements	106
Gaming Enterprise - Norfolk Island	
- Income and Expenditure Statement	107
- Appropriation Account	108
- Balance Sheet	109
- Statement of Cash Flows	110
- Notes to and forming part of the Financial Statements	111

	Cascade Cliff Sale Of Rock Enterprise	
	- Income and Expenditure Statement	112
	- Appropriation Account	113
	- Balance Sheet	114
	- Statement of Cash Flows	115
	- Notes to and forming part of the Financial Statements	116
	Offshore Finance Centre	
	- Income and Expenditure Statement	117
	- Appropriation Account	118
	- Balance Sheet	119
	- Statement of Cash Flows	120
	- Notes to and forming part of the Financial Statements	121
PART IV	THE TRUST FUND	
	- Statement of Receipts, Payments and Balances	122
	- Notes to and forming part of the Financial Statements	123
	LEGAL AID FUND	
	- Income and Expenditure Statement	124
	- Appropriation Account	125
	- Balance Sheet	126
	- Statement of Cash Flows	127
	- Notes to and forming part of the Financial Statements	128
	ASSET MANAGEMENT PLAN	
	- Income and Expenditure Statement	129
	- Appropriation Account	130
	- Balance Sheet	131
	- Statement of Cash Flows	132
	- Notes to and forming part of the Financial Statements	133
	REFURBISH KINGSTON PIER	
	- Income and Expenditure Statement	134
	- Appropriation Account	135
	- Balance Sheet	136
	- Statement of Cash Flows	137
	- Notes to and forming part of the Financial Statements	138
PART V	THE LOAN FUND	
	<u>Cascade Cliff Loan Fund</u>	
	- Income and Expenditure Statement	139
	- Appropriation Account	140
	- Balance Sheet	141
	- Statement of Cash Flows	142
	- Notes to and forming part of the Financial Statements	143
	<u>N. I. Airport Runways Loan Fund</u>	
	- Income and Expenditure Statement	144
	- Appropriation Account	145
	- Balance Sheet	146
	- Statement of Cash Flows	147
	- Notes to and forming part of the Financial Statements	148

REPORT FROM THE NORFOLK ISLAND GOVERNMENT AUDITOR

TO THE SPEAKER OF THE LEGISLATIVE ASSEMBLY OF NORFOLK ISLAND

The Administration of Norfolk Island

INDEPENDENT AUDIT REPORT

Scope

THE ADMINISTRATION OF NORFOLK ISLAND

DECLARATION

In our opinion the attached financial statements of the Norfolk Island Administration's Revenue Fund, Administration Services Fund, Trust Fund and Loan Fund, at 30 June 2005, and of their respective operations for the year ended on that date:-

- (a) Are based on proper accounts and records and are consistent with those accounts and records;
- (b) Have not been materially affected by any change in accounting principles from those applied in the previous year and,
- (c) Fairly reflect the financial position and the results of operations shown.

Mr. B.T. WILSON
FINANCE MANAGER
(ACCOUNTANT FOR THE TERRITORY)

Mr. R.C. NOBBS
EXECUTIVE MEMBER
MINISTER FOR FINANCE

GENERAL ACCOUNTING POLICY AND NOTES
FORMING PART OF THE FINANCIAL STATEMENTS

GENERAL ACCOUNTING POLICY AND NOTES
FORMING PART OF THE FINANCIAL STATEMENTS

- A.** The Public Account financial statements are prepared in accordance with The Norfolk Island Public Moneys Act 1979. The Public Account's financial statements are comprised of the Revenue Fund, the Administration Services Fund (eg. Government Business Enterprises), the Loan Fund and the receipts and payments account of the Trust Fund. The financial statements of the Trust Fund have been prepared based on cash accounting principles. The financial statements of the Revenue Fund, Loan Fund and Government Business Enterprises have been prepared in accordance with accrual accounting principles. The Revenue Fund adopted accrual accounting principles effective from 1 July 1999.

The consolidated statements of the Public Account on pages 7-14 combine the financial statements of the Revenue Fund, Government Business Enterprises and the Trust Fund. In the process of consolidation, significant inter-fund transactions including charges loans and advances have been eliminated. However, at balance date the bank account reflects the transfer of moneys between the funds.

- B.** Unless stated otherwise 'Stock in Hand' is reported at net realisable value or weighted average cost which ever is lower
- C.** It is current Government policy that fixed assets purchased by the Liquor Supply Service, K.A.V.H.A. Fund and N.I. Bicentennial Integrated Museums be vested in the name of the Administration of Norfolk Island (Revenue Fund).
- D.** In respect of the entity 'Liquor Supply Service' it is current Government policy to transfer all surplus funds over and above the working capital of \$540K to the Revenue Fund.
- E.** Provision for annual leave is disclosed in the balance sheets as a current liability. Provision for long service leave is disclosed in the balance sheets as a long-term liability based on experience of actual payments. Provision is made in the financial statements for obligations in respect of long service leave from date of commencement of employment and for annual leave entitlements not taken at balance date. Provisions are calculated using current salary levels at 30 June.

No provision is made for sick leave entitlements. Sick leave is charged against profits, as it is incurred and sick leave entitlements lapse with termination of employment.

- F.** A review of all debtors' accounts is carried out during the year. Bad debts are written off against profits as they become known and at the end of the year provision is made for doubtful debts.
- G.** Depreciation is calculated on a straight-line basis so as to write off the cost of each fixed asset during its expected useful life. Additions are depreciated monthly.
- H.** The accounting and management fee is a charge rendered on the Business Undertakings by the Revenue Fund. The fee is designed to cover the cost of administration of the undertakings. The main cost components are in the Finance Branch, Records Office, C.E.O.'s Office, Legal Branch and Internal Audit.
- I.** There were no significant changes in accounting policies during the year.
- J.** Adoption of International Financial Reporting Standards (AEIFRS). The Administration of Norfolk Island is currently considering the impact of adopting AEIFRS and will progressively review AEIFRS for possible implications on policies, procedures, systems and financial impacts arising from such changes.

ADMINISTRATION OF NORFOLK ISLAND
CONSOLIDATED INCOME AND EXPENDITURE STATEMENT

YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
		\$	\$
<u>INCOME</u>			
Revenue Fund	1.	8,753,821	9,597,089
Liquor Supply Service - Gross Profit		1,606,825	1,731,064
Postal Services		816,447	712,885
Electricity Service		3,105,984	3,110,073
Norfolk Telecom		4,124,957	3,792,978
Lighterage Service		379,688	445,809
Norfolk Island Airport		2,264,822	1,970,428
Water Assurance Fund		612,945	439,166
K.A.V.H.A. Fund	2.	636,627	572,272
Integrated Museums	2.	158,980	191,188
Workers Compensation Scheme Fund		360,494	307,950
N.I. Healthcare Fund		899,099	789,719
Cascade Cliff Sale of Rock		411,474	322,543
Offshore Finance Centre		67	52
Gaming Enterprise - N.I.		<u>418,990</u>	<u>151,634</u>
		24,551,220	24,134,850
		<u><u>24,551,220</u></u>	<u><u>24,134,850</u></u>
<u>TOTAL INCOME</u>			
<u>EXPENDITURE</u>			
Revenue Fund	2.	12,523,442	11,288,967
Liquor Supply Service	1.	324,873	280,881
Postal Services	1.	637,792	652,911
Electricity Service	1.	2,379,632	2,123,390
Norfolk Telecom	1.	2,125,313	2,034,382
Lighterage Service	1.	333,186	344,932
Norfolk Island Airport	1.	2,172,530	1,009,872
Water Assurance Fund	1.	394,543	405,755
K.A.V.H.A. Fund		836,577	793,703
N.I. Bicentennial Integrated Museums		275,443	232,413
Workers Compensation Scheme Fund	1.	358,699	244,566
N.I. Healthcare Fund	1.	849,954	636,714
Cascade Cliff Sale of Rock		337,476	260,313
Gaming Enterprise - N.I.		3,736	18,652
Offshore Finance Centre		<u>-</u>	<u>3,055</u>
		23,553,196	20,330,506
		<u><u>23,553,196</u></u>	<u><u>20,330,506</u></u>
<u>TOTAL EXPENDITURE</u>			
<u>INCOME/(EXPENDITURE) EXCESS</u>			
<u>BEFORE DEPRECIATION</u>			
		<u><u>998,024</u></u>	<u><u>3,804,344</u></u>

	NOTES	2005 \$	2004 \$
Less			
Depreciation - (Non Cash Item)		<u>1,995,428</u>	<u>2,329,771</u>
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>(997,404)</u>	<u>1,474,573</u>

ADMINISTRATION OF NORFOLK ISLAND

CONSOLIDATED BALANCE SHEET

30 JUNE 2005

	NOTES	2005	2004
		\$	\$
<u>ACCUMULATED FUNDS</u>			
Revenue Fund	3.	11,061,688	13,459,523
Liquor Supply Service		540,000	540,000
Postal Services		156,044	115,736
Electricity Service		4,831,611	4,654,436
Norfolk Telecom		4,343,494	2,854,955
Lighterage Service		511,457	565,249
Norfolk Island Airport		6,091,933	6,671,148
Water Assurance Fund		5,130,675	5,093,835
K.A.V.H.A. Fund		269,658	195,042
N.I. Bicentennial Integrated Museums		61,594	80,057
Workers Compensation Scheme Fund		670,648	689,512
N.I. Healthcare Fund		628,893	589,925
Cascade Cliff Sale of Rock		-154,136	-205,134
Gaming Enterprise - N.I.		377,760	214,506
Offshore Finance Centre		7,713	7,646
		34,529,032	35,526,436
<u>BALANCE 30 JUNE</u>		34,529,032	35,526,436
REPRESENTED BY:-			
<u>CURRENT ASSETS</u>			
Cash at Bank (Includes Bank Term Deposits)	A.		
Revenue Fund		1,402,559	3,325,219
Liquor Supply Service		20,396	44,711
Postal Services		81,386	85,941
Electricity Service		787,957	1,339,805
Norfolk Telecom		1,278,366	48,653
Lighterage Service		130,615	151,189
Norfolk Island Airport		3,077,853	2,859,986
Water Assurance Fund		524,018	339,947
K.A.V.H.A. Fund		389,832	298,117
N.I. Bicentennial Integrated Museums		61,622	79,657
Workers Compensation Scheme Fund		668,263	618,900
N.I. Healthcare Fund		643,774	734,644
Cascade Cliff Sale of Rock		228,140	126,012
Gaming Enterprise - N.I.		386,864	233,265
Offshore Finance Centre		7,713	7,646
Loan Fund (Excl. Cascade Cliff Loan)		1,054,000	-
Trust Fund		1,098,409	644,376
		11,841,767	10,938,068

	NOTES		2005	2004
		\$	\$	\$
Sundry Debtors (Net) (Includes Accruals, & Prepayments)				
Revenue Fund	3.	999,192		893,780
Liquor Supply Service		1,171		-
Postal Services		143,668		85,931
Electricity Service		762,264		739,317
Norfolk Telecom		1,132,846		889,663
Lighterage Service		58,778		43,654
Norfolk Island Airport		597,145		492,060
Water Assurance Fund		53,252		77,450
K.A.V.H.A. Fund		4,621		1,592
N.I. Bicentennial Integrated Museums		4,944		7,148
Workers Compensation Scheme Fund		62,908		76,048
N.I. Healthcare Fund		132,037		28,065
Cascade Cliff Sale of Rock		32,519		18,121
Gaming Enterprise - N.I.		29,276		27,792
			4,014,621	3,380,621
Materials & Stock at Cost				
Revenue Fund	3.	648,525		433,548
Liquor Supply Service		734,909		801,845
Postal Services		28,384		24,849
Electricity Service		392,948		365,857
Norfolk Telecom		199,057		237,173
Lighterage Service		64,674		64,599
Norfolk Island Airport		97,688		79,710
Water Assurance Fund		28,521		27,126
K.A.V.H.A. Fund		31,221		22,089
N.I. Bicentennial Integrated Museums		22,769		20,625
			2,248,696	2,077,421
<u>FIXED ASSETS (NET)</u>				
(Buildings, Land, Plant & Equipment, Furniture & Fittings, Works in Progress)				
Revenue Fund	4.			10,189,833
Postal Services	3.	9,734,722		4,706
Electricity Service		7,878		3,248,179
Norfolk Telecom		3,155,293		2,786,435
Lighterage Service		2,542,540		355,327
Norfolk Island Airport		289,884		2,896,986
Water Assurance Fund		2,756,664		4,663,702
Workers Compensation Scheme Fund		4,546,240		3,991
Loan Fund (Excl. Cascade Cliff Loan)		3,332		-
N.I. Healthcare Fund		134,135		678
		501		
			23,171,189	24,149,837
<u>TOTAL ASSETS</u>			41,276,273	40,545,947

	NOTES	2005	2004
		\$	\$
<u>LESS</u>			
<u>CURRENT LIABILITIES</u>			
(Sundry Creditors,			
Employees Entitlements)	E.		
Revenue Fund		1,629,742	1,631,244
Liquor Supply Service		44,773	59,078
Postal Services		59,966	49,377
Electricity Service		199,688	480,627
Norfolk Telecom		767,791	944,949
Lighterage Service		15,822	20,079
Norfolk Island Airport		359,850	90,538
Water Assurance Fund		20,016	13,203
K.A.V.H.A. Fund		89,997	55,285
N.I. Bicentennial Integrated Museums		25,898	26,326
Workers Compensation Scheme Fund		62,579	8,643
N.I. Healthcare Fund		141,044	172,678
Cascade Cliff Sale of Rock		214,795	49,267
Gaming Enterprise Norfolk Island		38,380	46,551
Loan Fund (Excl. Cascade Cliff Loan)		134,135	-
Trust Fund		<u>635,939</u>	<u>183,512</u>
		4,440,415	3,831,357
<u>LONG TERM LIABILITIES</u>			
(Employees Entitlements and Loans	E.		
except for Trust Fund)			
Revenue Fund		427,520	389,382
Liquor Supply Service		37,751	29,709
Postal Services		45,306	36,314
Electricity Service		67,163	58,095
Norfolk Telecom		41,524	42,020
Lighterage Service		16,672	29,441
Norfolk Island Airport		77,567	67,056
Water Assurance Fund		1,340	1,187
K.A.V.H.A. Fund		66,019	71,471
N.I. Bicentennial Integrated Museums		1,843	1,047
Workers Compensation Scheme Fund		1,276	784
N.I. Healthcare Fund		6,375	784
Loan Fund (Excl. Cascade Cliff Loan)		1,054,000	-
Trust Fund		<u>462,470</u>	<u>460,864</u>
		2,306,826	1,188,154
<u>TOTAL LIABILITIES</u>		6,747,241	5,019,511
		<hr/>	<hr/>
<u>NET ASSETS</u>		<u>34,529,032</u>	<u>35,526,436</u>

NOTE

Consolidated Accounts - 'Cascade Cliff Loan Fund'

The Loan for the Cascade Cliff Project is totally funded by the Commonwealth Government. Further, the operation of the Cascade Cliff project is controlled and managed by an independent Board. For these reasons it has been decided not to consolidate the Cascade Cliff Loan into the Administration's accounts. For further details on the Cascade Cliff Loan, reference should be made to the accounts and the notes included on pages 139 to 143.

ADMINISTRATION OF NORFOLK ISLAND
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>NET CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Revenue Fund	-3,645,656		-1,757,756
Liquor Supply Service	1,341,454		1,321,860
Postal Services	136,965		53,319
Electricity Service	400,396		1,260,428
Norfolk Telecom	1,616,072		1,896,869
Lighterage Service	14,276		107,178
Norfolk Island Airport	249,052		808,485
Water Assurance Fund	248,172		-27,347
K.A.V.H.A. Fund	-182,851		-225,053
N.I. Bicentennial Integrated Museums	-94,826		-39,371
Workers Compensation Scheme Fund	69,363		35,986
N.I. Healthcare Fund	-80,870		150,780
Cascade Cliff Sale of Rock	225,128		-199,985
Gaming Enterprise - N.I.	405,599		113,876
Offshore Finance Centre	67		-3,003
Loan Fund (Cascade Cliff Excluded)	1,054,000		-
Trust Fund	454,033		-3,724
Net Cash Received from Operating Activities		2,210,374	3,492,542
<u>NET CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from Sale of Fixed Assets	7,305		63,546
Road Reconstruction & Upgrades	-364,385		-135,530
Database - Financials	-54,749		-
Capital Works - Elect. Reticulation Mains	-137,873		-89,073
Capital Works - Tele. Reticulation Mains & Sub. Equip.	-43,373		-516,908
Capital Works - Lighterage Lighter	-		-11,892
Capital Works - Airport Runways	-42,298		-55,966
Capital Works - Water Reticulation Mains	-		-22,051
Capital Works - Buildings	-210,251		-322,223
Capital Purchases -Vehicles & Mobile Plant	-80,149		-566,271
Capital Purchases - Furniture & Fittings	-41,683		-28,066
Capital Purchases - Plant & Equipment	-289,011		-1,009,157
Net Cash Expended in Investing Activities		-1,256,467	-2,693,591
<u>NET CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Contribution to N.I. Museum Trust	-21,209		-14,010
Recoverable Expenditure	-28,999		-30,046
Net Cash Expended in Financing Activities		-50,208	-44,056
<u>NET INCREASE/ (DECREASE) IN CASH HELD</u>		903,699	754,895
ADD-			
Cash Balance 1 July		10,938,068	10,183,173
<u>CASH BALANCE 30 JUNE</u>	5.	<u>11,841,767</u>	<u>10,938,068</u>

**CONSOLIDATED INCOME AND EXPENDITURE STATEMENT, BALANCE SHEET AND
STATEMENT OF CASH FLOWS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

1. The Revenue Fund income excludes the under-listed receipts as they represent an internal transfer of funds.

<u>From Govt. Business Enterprise</u>	<u>FUNDS TRANSFERRED</u>	<u>OTHER</u>	<u>TOTAL</u>
	\$	\$	\$
Norfolk Telecom		107,000	107,000
Postal Services	100,000	37,051	137,051
K.A.V.H.A. Fund		33,434	33,434
Museums		2,000	2,000
Liquor Bond	1,231,952	50,000	1,281,952
Lighthouse Service		31,600	31,600
N.I. Airport	185,000	100,000	285,000
Water Assurance Fund		25,000	25,000
Workers Compensation		20,000	20,000
Healthcare Fund		10,000	10,000
Electricity Service	200,000	85,000	285,000
Gaming Enterprise	250,000	2,000	252,000
Sale of Rock Enterprise		23,000	23,000
	-	-	-
<u>GRAND TOTAL</u>	<u>1,966,952</u>	<u>526,085</u>	<u>2,493,037</u>

2. The Revenue Fund operational expenditure excludes capital works/purchase, KAVHA Fund contribution and the subsidies paid to the Integrated Museums and Water Assurance Fund. In turn the KAVHA Fund contribution of \$308,000 and the subsidy amount of \$100,000 (Museums) have been excluded from their respective income amounts. Minor inter-trading transactions such as postage, telecommunications, electricity and stationery have not been eliminated.

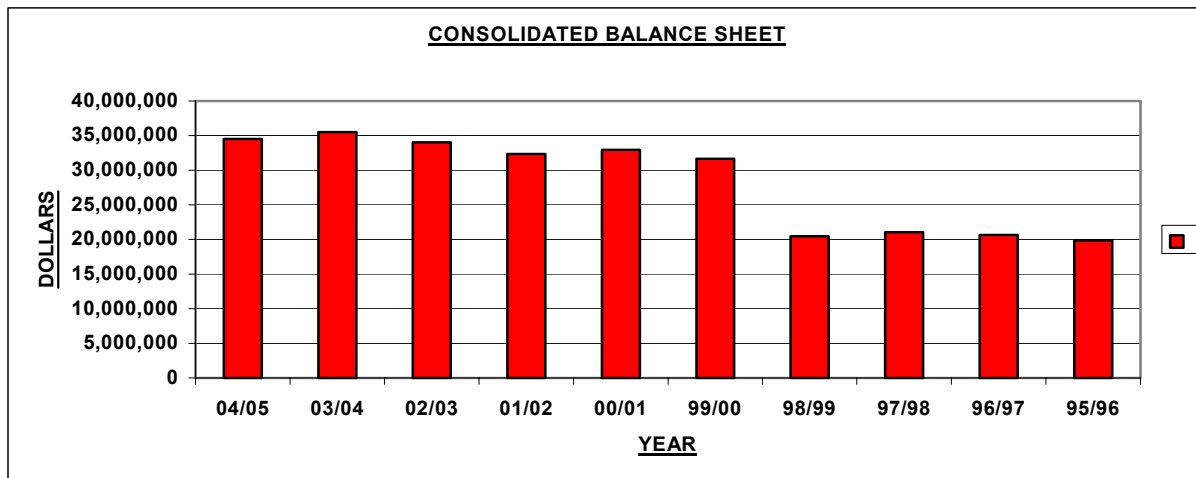
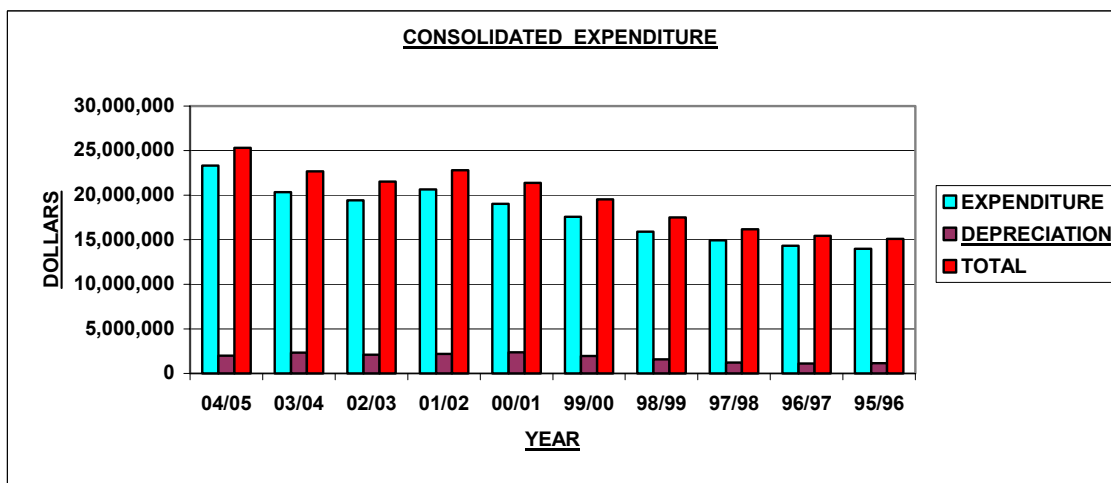
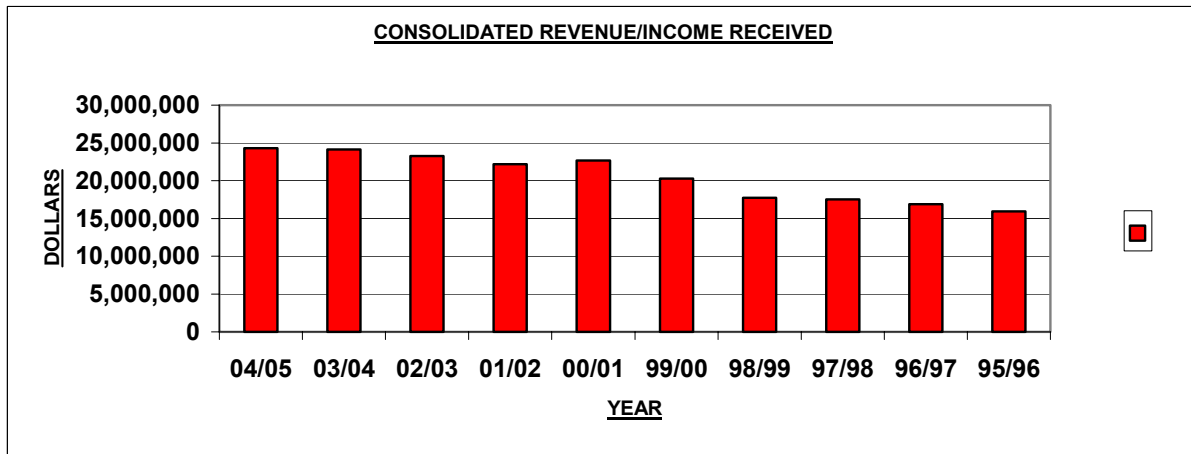
3. **Effective from 1 July 1999** the Revenue Fund adopted accrual accounting principles.

4. Fixed Assets purchased from the operations of the Liquor Supply Service, K.A.V.H.A. and Museums are vested in the name of the Revenue Fund.

5. A reconciliation with the cash at Bank amount (\$11,857,979) reported in note No. 2 on page No. 31 is as follows. The Cascade Cliff Loan Fund cash of \$16,212 has been eliminated from the Consolidated Balance Sheet (\$11,841,767).

TYPE	AMOUNT	\$	\$
Term Deposits (Revenue Fund)	4,690,000		
Cheque Account (Revenue Fund)	6,678,350		
Cash in Hand	<u>8,925</u>		
			11,377,279
<u>ADD</u>			
Term Deposits (Norfolk Telecom)	40,700		
Term Deposits (Legal Aid Fund)	380,000		
Term Deposits (Electricity Service)	<u>60,000</u>		
			480,700
<u>TOTAL</u>			<u>11,857,979</u>

6. Hereunder are three graphs displaying financial results over the past ten years.



At 30 June 2000 \$10.3M of fixed assets acquired by the Revenue Fund over many years were taken up in the Balance Sheet.

THE ADMINISTRATION OF NORFOLK ISLAND

REVENUE FUND

REVENUE AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
<u>REVENUE RAISED</u>				
<u>TAXES</u>				
Customs Duty			3,513,991	3,742,249
<u>OTHER TAXES</u>				
Financial Institutions Levy		1,131,012		827,645
Departure Fees (Gross)	4	1,080,930		1,218,918
Fuel Levy		366,200		386,476
Company Fees		75,227		63,249
Accommodation Levy		560,435		568,751
Stamp Duty on Cheques		12,780		13,175
Absentee Landowners Levy		112,997		122,263
Liquor Licence Fees		82,539		95,099
Land Title Fees		329,578		603,624
Tattersalls Lotteries - Commission		150,049		156,697
Vehicle Registrations and Licences		470,939		452,697
			4,372,686	4,508,594
<u>EARNINGS AND CHARGES</u>				
<u>RECEIVED FROM SERVICES</u>				
Water Assurance Fund		25,000		20,000
N.I. Airport		285,000		90,000
Healthcare Fund		10,000		10,000
Workers Compensation Fund		20,000		20,000
Liquor Supply Service		1,251,952		1,381,071
Postal Services		120,000		150,000
Norfolk Telecom		92,000		1,940,000
Gaming Enterprise		252,000		202,000
Cascade Cliff Sale of Rock		23,000		2,000
Electricity Service		285,000		80,000
Museum		2,000		2,000
Lighterage Service		31,600		26,553
	H		2,397,552	3,923,624
Interest From Investments	2		205,197	173,506
<u>CHARGES</u>				
Agriculture, Pasturage and Dog Fees		30,261		28,181
Immigration Fees		62,172		57,697
Customs out of Hours Attendance		22,085		24,895
Customs Warehouse Fees		1,800		1,930
Miscellaneous Revenue		132,586		189,419
Mobile Plant Hire		26,749		4,962
Rentals - Administration Properties		151,611		149,737

	NOTES	2005	2004
	\$	\$	\$
Sale of Surplus Stores & Plant	118		5,571
Court Fees, Fines & Road Traffic Fines	30,758		26,368
Crown Lease, Rents and Fees	30,040		32,614
Planning & Building Application Fees	21,963		3,419
Curator of Deceased Estates - Fees	-		-
Tanalith Plant Charges	61,510		65,662
Sale of Forest Produce	11,586		23,117
Timber Royalty	898		2,075
		584,137	615,647
<u>OTHER INCOME</u>			
Fixed Assets Tfd F.O.C. From Other Entities	38,485		102,280
Medivacs - Recovery of Costs	99,062		-
Doubtful Debts Written Back	592		-
Fixed Assets Bequeathed	-		545,000
Profit from Sale of Assets	1,930		49,425
Aust. Federal Police - Contribution Policing	33,226		19,668
		173,295	716,373
		11,246,858	13,679,993

	NOTES	SUPPLY	
		\$	
		2004-05	
<u>EXPENDITURE</u>			
<u>ADMINISTRATIVE</u>			
<u>GENERAL</u>			
Salaries and Wages - Relief Staff	2,000	2,000	4,921
Remuneration Tribunal	2,000	-	-
Staff Airfare Entitlements	15,000	42,452	9,251
Credit Card Fees	40,000	36,380	35,961
Postage	1,000	432	758
Requisites, (Office Drinking Water)	4,500	4,154	4,706
Gazette Printing	12,300	10,943	10,690
Production of Annual Report	3,000	2,548	2,916
Purchase of Flags	1,000	-	1,072
Telecommunications	50,000	48,904	59,920
Cleaning Contract and Materials	18,000	17,839	15,217
Electricity	40,000	47,999	39,551
Rentals	-	-	17,233
Insurance Premiums	45,000	42,547	44,962
External Audit Fee	2,000	2,000	2,030
Probity Audit	-	-	2,216
Bad Debts	-	174	-
Doubtful Debts	-	120,601	20,418
Maintenance of Office Equipment	1,500	1,497	1,260
Transportation	2,500	2,671	3,251
R.P.I. Index	2,500	2,477	850
Administrative Review Tribunal & P.S.R.T.	10,500	10,403	3,639
Custodial Costs in Australia	70,500	67,460	-
Office Equipment & Furniture (Not Capitalised)	2,900	2,842	12,515
Other Incidental Expenditure	10,000	10,440	10,098
	336,200	476,763	303,435

	NOTES	SUPPLY	2005	2004
		\$	\$	\$
<u>CHIEF EXECUTIVE'S OFFICE</u>				
Salaries and Wages		304,000	286,009	299,285
Workers Compensation Levy		1,600	1,725	1,645
Professional Development		5,000	1,734	2,516
Office Requisites, Stationery & Printing		4,000	3,992	4,630
Risk Management		-	-	1,500
Business Travel		5,000	1,548	-
Incidental Expenditure		7,500	6,347	5,712
		327,100	301,355	315,288
<u>FINANCE BRANCH</u>				
Salaries and Wages		272,700	265,042	258,722
Workers Compensation Levy		2,300	2,383	2,130
Office Requisites, Stationery & Printing		12,000	11,976	11,271
		287,000	279,401	272,123
<u>WORKS STORE</u>				
Salaries and Wages		91,900	86,190	87,117
Workers Compensation Levy		1,000	944	823
Protective Clothing		400	108	507
Business Travel		-	-	364
Office Requisites, Stationery & Printing		4,300	4,325	2,195
		97,600	91,567	91,006
<u>LEGAL BRANCH</u>				
Salaries and Wages		318,700	290,428	265,207
Workers Compensation Levy		1,800	1,912	1,564
Ex-Gratia Payments - Tourism Accommodation		700	675	4,864
Law Library Requisites		31,100	31,892	21,788
Legislation Printing		500	1,216	7,032
S.C.A.G. Meeting		-	-	7,884
Consultancy Fees - Litigation/Advisings		230,100	248,558	269,285
Office Equipment & Furniture (Not Capitalised)		-	-	100
Business Travel		6,000	5,575	4,361
		588,900	580,256	582,085
<u>CUSTOMS BRANCH</u>				
Salaries and Wages		340,000	337,412	315,422
Workers Compensation Levy		3,100	2,972	2,481
Telecommunications		3,000	712	-
Business Travel		600	548	-
Office Equipment & Furniture (Not Capitalised)		4,000	3,368	320
Office Requisites, Stationery & Printing		13,000	13,228	14,446
		363,700	358,240	332,669
<u>RECORDS OFFICE</u>				
Salaries and Wages		98,800	103,547	94,372
Workers Compensation Levy		1,000	1,028	805
Rentals - Warehouse for Archives		3,900	3,120	3,480
Office Requisites, Stationery & Printing		11,200	13,003	12,931
		114,900	120,698	111,588
<u>IMMIGRATION OFFICE</u>				
Salaries and Wages		106,500	104,566	106,942
Workers Compensation Levy		1,000	924	879
Staff Travel Entitlements		2,000	1,341	2,178

	NOTES	SUPPLY	2005	2004
		\$	\$	\$
Office Requisites, Stationery & Printing		9,900	6,096	15,761
Consultancy Fees		3,000	3,000	3,412
Business Travel		4,700	4,643	2,646
		<u>127,100</u>	<u>120,570</u>	<u>131,818</u>
<u>COMPANIES OFFICE</u>				
Salaries and Wages		31,800	25,276	53,962
Workers Compensation Levy		400	306	440
Telecommunications		500	432	-
Office Requisites, Stationery & Printing		4,700	4,435	3,500
		<u>37,400</u>	<u>30,449</u>	<u>57,902</u>
<u>INFORMATION TECHNOLOGY</u>				
Salaries and Wages		144,100	132,382	113,293
Workers Compensation Levy		1,200	1,095	831
Office Requisites, Stationery & Printing		7,000	7,236	11,366
Database Implementation Support		20,000	19,970	19,687
Database Software and Implementation		9,700	9,647	54,124
Office Equipment & Furniture (Not Capitalised)		17,100	17,085	2,123
Computer Maintenance		16,500	15,600	17,255
		<u>215,600</u>	<u>203,015</u>	<u>218,679</u>
<u>HUMAN RESOURCES</u>				
Salaries and Wages		132,300	138,625	104,217
Workers Compensation Levy		1,200	1,235	810
Office Requisites, Stationery & Printing		4,500	4,268	4,307
Telecommunications		1,000	989	722
Removal and Recruitment		51,000	54,262	65,455
Pre-Employment Medical		700	497	2,458
Occupation Health and Safety		21,300	18,826	9,300
Staff Training		51,700	46,357	47,167
		<u>263,700</u>	<u>265,059</u>	<u>234,436</u>
<u>POLICY AND PROJECTS</u>				
Salaries and Wages		-	-	-
Workers Compensation Levy		-	-	-
Office Requisites, Stationery & Printing		-	-	-
<u>Projects -</u>				
Revenue Base Investigation		2,400	2,391	8,645
		<u>2,400</u>	<u>2,391</u>	<u>8,645</u>
<u>LAND USE & ENVIRONMENT</u>				
Salaries and Wages		66,600	67,355	50,393
Workers Compensation Levy		500	547	353
Staff Training		1,200	1,200	-
Postage		-	19	18
Office Requisites, Stationery & Printing		1,700	1,595	728
Telecommunications		1,300	1,373	795
Office Equipment & Furniture (Not Capitalised)		2,500	2,454	3,767
		<u>73,800</u>	<u>74,543</u>	<u>56,054</u>
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment		103,300	12,011	58,227
Buildings - Customs/Immigration		1,900	-	16,425
Furniture & Fittings		1,100	-	6,831
		<u>106,300</u>	<u>12,011</u>	<u>81,483</u>
<u>TOTAL - ADMINISTRATIVE</u>		<u>2,941,700</u>	<u>2,916,318</u>	<u>2,797,211</u>

	NOTES	SUPPLY		2005	2004
		\$	\$	\$	\$
<u>HEALTH AND QUARANTINE</u>					
Salaries, Wages & Allowances		126,100		131,459	136,272
<u>OPERATIONAL EXPENSES</u>					
Requisites, Printing & Stationery		10,000	8,083		8,489
Telecommunications		3,000	2,748		2,401
Electricity		3,500	2,839		3,077
Transportation Costs		4,000	4,009		3,936
Workers Compensation Levy		1,200	1,151		1,168
Staff Training		-	-135		6,602
Staff Airfare Entitlements		-	271		-
Repairs and Maintenance of Equipment		3,000	-		-
Biological Control Program		500	275		-
		<u>25,200</u>		<u>19,241</u>	<u>25,673</u>
<u>CAPITAL WORKS & SERVICES</u>					
Plant & Equipment		-	-		11,917
Furniture and Fittings		-	-		-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>11,917</u>
<u>TOTAL - HEALTH</u>		<u>151,300</u>		<u>150,700</u>	<u>173,862</u>
<u>PLANNING</u>					
Salaries, Wages & Allowances		64,000		62,396	69,855
<u>OPERATIONAL EXPENSES</u>					
Requisites, Printing & Stationery		2,600	2,266		4,823
Telecommunications		1,300	1,278		-
Workers Compensation Levy		700	551		489
Norfolk Island Plan Implementation		32,200	26,255		275
Office Equipment & Furniture (Not Capitalised)		1,700	1,280		1,510
		<u>38,500</u>		<u>31,630</u>	<u>7,097</u>
<u>CAPITAL WORKS & SERVICES</u>					
Plant & Equipment		-	-		7,092
Furniture and Fittings		-	-		-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>7,092</u>
<u>TOTAL - PLANNING</u>		<u>102,500</u>		<u>94,026</u>	<u>84,044</u>
<u>EDUCATION</u>					
Salaries, Wages & Allowances		1,910,900		1,963,485	1,747,400
<u>OPERATIONAL EXPENSES</u>					
Removal & Recruitment		35,300	28,787		13,529
Requisites, Printing & Stationery		112,200	106,123		107,620
Staff Airfare Entitlements		-	926		-
Workers Compensation Levy		1,700	1,678		1,262
Protective Clothing		400	319		389
Cleaning		50,600	50,844		46,306
Electricity		24,000	22,154		23,087
Office Equipment & Furniture (Not Capitalised)		1,000	993		8,603

	NOTES	SUPPLY	2005	2004
		\$	\$	\$
Telecommunications		13,000	10,563	12,931
Grounds & Building Maintenance		23,900	26,016	19,180
Transportation Costs		3,000	1,749	1,688
		<u>265,100</u>	<u>250,152</u>	<u>234,595</u>
<u>OTHER SERVICES</u>				
TAFE Vocational Program		1,000	850	3,520
Bursaries, Scholarships & Traineeships		15,000	9,551	7,376
		<u>16,000</u>	<u>10,401</u>	<u>10,896</u>
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment			-	19,213
Furniture & Fittings		1,000	-	2,621
Improvements to Buildings & Grounds		91,500	92,425	54,848
		<u>92,500</u>	<u>92,425</u>	<u>76,682</u>
<u>TOTAL - EDUCATION</u>		<u>2,284,500</u>	<u>2,316,463</u>	<u>2,069,573</u>
<u>WELFARE</u>				
Salaries, Wages & Allowances		35,200	27,653	-
<u>OTHER WELFARE SERVICES</u>				
Lifeline		700	383	630
Workers Compensation Levy		-	65	-
Counsellors		60,000	53,526	42,298
Medivacs		144,000	167,462	144,963
Social Service Benefits		910,000	920,839	772,962
Medical Expenses for Approved Persons		1,082,000	1,040,117	876,159
		<u>2,196,700</u>	<u>2,182,392</u>	<u>1,837,012</u>
<u>TOTAL - WELFARE</u>		<u>2,231,900</u>	<u>2,210,045</u>	<u>1,837,012</u>
<u>OTHER COMMUNITY SERVICES</u>				
<u>COURTS & LANDS</u>				
Salaries, Wages & Allowances		120,300	123,292	96,337
<u>OPERATIONAL EXPENSES</u>				
Remuneration to Magistrates		10,000	9,000	8,250
Supreme Court Sittings		20,000	11,501	1,994
Court of Petty Sessions & Coroners Court		18,500	22,841	16,148
Requisites, Printing & Stationery		24,000	17,137	22,510
Land Administration		5,000	4,560	10,656
Geographic Information System		-	-	3,688
Workers Compensation Levy		1,100	1,110	615
Telecommunications		2,500	3,115	3,301
Office Equipment & Furniture (Not Capitalised)		2,400	2,971	1,043
Cleaning		1,000	1,052	963
		<u>84,500</u>	<u>73,287</u>	<u>69,168</u>
<u>CAPITAL WORKS & SERVICES</u>				
Furniture and Fittings			-	-
Plant and Equipment		6,600	3,662	36,620
		<u>6,600</u>	<u>3,662</u>	<u>36,620</u>
<u>TOTAL - COURTS & LANDS</u>		<u>211,400</u>	<u>200,241</u>	<u>202,125</u>

	NOTES	SUPPLY	2005	2004
		\$	\$	\$
<u>POLICE</u>				
Salaries, Wages & Allowances		304,300	335,701	237,822
<u>OPERATIONAL EXPENSES</u>				
Removal & Recruitment		6,000	796	4,229
Workers Compensation Levy			-	-
Staff Airfare Entitlements		8,800	8,744	2,282
Blood Testing & Analysis		4,400	1,922	-
Business Travel		12,000	2,155	-
Transportation Costs		12,000	12,956	5,649
Requisites, Printing & Stationery		14,500	15,307	7,787
Cleaning		4,000	3,772	3,662
Electricity		4,500	5,553	4,427
Telecommunications		40,000	46,624	35,839
Special Traffic Campaign		1,000	250	-
Major Crime Investigation		20,000	21,565	56,627
Office Equipment & Furniture (Not Capitalised)		3,400	3,291	-
Grounds & Building Maintenance		6,000	6,555	1,684
		<u>136,600</u>	<u>129,490</u>	<u>122,186</u>
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment		3,400	2,829	-
Furniture & Fittings		4,600	-	-
		<u>8,000</u>	<u>2,829</u>	<u>-</u>
<u>TOTAL - POLICE</u>		<u>448,900</u>	<u>468,020</u>	<u>360,008</u>
<u>PUBLIC LIBRARY SERVICE</u>				
Salaries, Wages & Allowances		23,000	22,819	22,180
<u>OPERATIONAL EXPENSES</u>				
Requisites, Stationery & Books & Periodicals		16,500	12,620	10,729
Workers Compensation Levy		300	249	202
Office Equipment & Furniture (Not Capitalised)		-	-	470
Electricity		300	-	-
Telecommunications		500	509	541
		<u>17,600</u>	<u>13,378</u>	<u>11,942</u>
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment			-	-
Furniture & Fittings			-	-
		<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL - LIBRARY</u>		<u>40,600</u>	<u>36,197</u>	<u>34,122</u>
<u>NORFOLK ISLAND LEGISLATIVE ASSEMBLY</u>				
Salaries, Wages & Allowances		194,600	195,498	176,379
Remuneration & Allowances to Members		213,500	206,066	207,492
		<u>408,100</u>	<u>401,564</u>	<u>383,871</u>
<u>OPERATIONAL EXPENSES</u>				
Business Travel		28,700	18,567	24,264
Requisites, Printing & Stationery		35,300	35,692	28,772
Staff Airfare Entitlements		-	1,247	-
Workers Compensation Levy - Staff		1,300	1,350	984
Electricity		7,000	6,630	6,921
Telecommunications		19,000	16,988	14,866

	NOTES	SUPPLY	2005	2004
		\$	\$	\$
Cleaning		12,700	10,079	10,147
Select Committee - Government Inquiries		5,000	4,624	4,500
Joint Standing Committee - Liaison		-	-	13,320
Doubtful Debts		-	9,600	-
Election Expenses		6,200	6,187	-
Office Equipment & Furniture (Not Capitalised)		4,100	4,019	3,346
C.P.A. Activities		24,100	24,013	15,978
		<u>143,400</u>	<u>138,996</u>	<u>123,098</u>
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment		3,700	1,396	3,164
Furniture & Fittings		-	-	260
		<u>3,700</u>	<u>1,396</u>	<u>3,424</u>
<u>TOTAL - N. I. LEGISLATIVE ASSEMBLY</u>				
		<u>555,200</u>	<u>541,956</u>	<u>510,393</u>
<u>TOURISM</u>				
Salaries, Wages and Allowances		41,000	36,459	39,082
<u>OPERATIONAL EXPENSES</u>				
Requisites, Printing & Stationery		1,000	468	399
Workers Compensation Levy		300	326	239
Accommodation Gradings		13,200	13,200	11,807
		<u>14,500</u>	<u>13,994</u>	<u>12,445</u>
<u>TOTAL - TOURISM</u>				
		<u>55,500</u>	<u>50,453</u>	<u>51,527</u>
<u>WORKS</u>				
<u>ROADS</u>				
Salaries, Wages & Allowances		205,800	188,980	179,425
<u>OPERATIONAL EXPENSES</u>				
Workers Compensation Levy		2,100	2,080	1,738
Telecommunications		1,000	448	1,053
Hand Tools (Not Capitalised)		1,000	945	1,091
Road Maintenance		160,000	153,187	174,846
		<u>164,100</u>	<u>156,660</u>	<u>178,728</u>
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment		11,500	7,045	2,349
Tar Depot Construction - Relocation		-	-	463
Road Reconstruction		374,900	192,651	135,530
		<u>386,400</u>	<u>199,696</u>	<u>138,342</u>
<u>TOTAL - ROADS</u>				
		<u>756,300</u>	<u>545,336</u>	<u>496,495</u>
<u>FORESTRY</u>				
Salaries, Wages & Allowances		236,400	229,211	236,387
<u>OPERATIONAL EXPENSES</u>				
Requisites, Printing & Stationery		4,500	3,868	4,617
Workers Compensation Levy		2,300	2,597	2,169
Electricity		3,000	2,360	2,584
Telecommunications		2,500	2,400	2,457

	NOTES	SUPPLY	2005	2004
		\$	\$	\$
Equipment & Furniture (Not Capitalised)		1,800	1,530	3,611
Transportation		19,100	18,948	14,420
Equipment Maintenance		8,000	6,809	7,319
Protective Clothing		4,500	3,858	3,994
Medical Checks - Staff		2,000	1,414	62
Staff Airfares		2,000	3,814	-
General Land Services		6,500	4,258	4,954
Nursery Materials		3,200	2,316	3,640
Herbicides		800	90	359
Vermin Control		1,500	1,170	313
Rehabilitation of Reserves		3,300	2,838	750
Building Maintenance		1,000	368	-
Signage		1,000	4	-
Plantation Clearing		1,000	-	266
		68,000	58,642	51,515
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment		9,800	9,130	4,407
		9,800	9,130	4,407
<u>TOTAL - FORESTRY</u>		<u>314,200</u>	<u>296,983</u>	<u>292,309</u>
<u>STOCK AND NOXIOUS WEEDS</u>				
Salaries, Wages & Allowances		41,900	37,929	41,002
<u>OPERATIONAL EXPENSES</u>				
Electricity		200	152	144
Transportation		3,500	3,614	2,211
Protective Clothing		500	62	95
Medical Checks		300	-	-
Requisites, Printing & Stationery		200	164	363
Repairs and Maintenance of Equipment		700	603	423
Repairs to Fencing		500	378	383
Workers Compensation Levy		500	382	335
Telecommunications		400	424	340
Veterinary Services		1,700	1,579	-
Stock Supplies		5,200	5,172	4,128
Vermin Control		900	836	503
Equipment & Furniture (Not Capitalised)		-	-	119
Weeds Eradication		-	-	15
		14,600	13,366	9,059
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment		-	-	-
		-	-	-
<u>TOTAL - STOCK AND NOXIOUS WEEDS</u>		<u>56,500</u>	<u>51,295</u>	<u>50,061</u>
<u>TANALITH PLANT</u>				
Salaries and Wages		30,100	31,687	40,203
<u>OPERATIONAL EXPENSES</u>				
Tanalith Solution		15,000	15,938	20,456
Requisites, Printing & Stationery		1,000	1,019	898

	NOTES	SUPPLY	2005	2004
		\$	\$	\$
Workers Compensation Levy		400	278	359
Electricity		3,500	3,181	3,095
Transportation		700	753	639
Hand Tools		1,000	929	-
Protective Clothing		500	207	312
Medical Checks		400	244	-
Telecommunications		600	505	553
Tanalith Plant Maintenance		<u>5,000</u>	<u>4,326</u>	<u>3,593</u>
		28,100	27,380	29,905
<u>CAPITAL WORKS & SERVICES</u>				
Plant & Equipment		-	-	-
Buildings		<u>9,000</u>	-	<u>1,245</u>
		9,000	-	1,245
<u>TOTAL - TANALITH PLANT</u>		<u>67,200</u>	<u>59,067</u>	<u>71,353</u>
<u>FISHERIES</u>				
Salaries, Wages & Allowances		-	-	-
<u>OPERATIONAL EXPENSES</u>				
Public Education Program		-	-	-
Requisites, Printing & Stationery		-	-	-
Telecommunications		-	-	-
Fisheries Research		-	-	-
Fisheries Management Plan		-	-	2,448
Fisheries Surveillance - AFMA		-	-	-
Workers Compensation Levy		-	-	-
		<u>-</u>	<u>-</u>	<u>2,448</u>
<u>CAPITAL WORKS & SERVICES</u>		-	-	-
Plant & Equipment		-	-	-
Furniture and Fittings		-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
<u>TOTAL - FISHERIES</u>		-	-	<u>2,448</u>
<u>GENERAL WORKS</u>				
Salaries, Wages & Allowances		497,100	488,238	440,397
<u>OPERATIONAL EXPENSES</u>				
Staff Airfare Entitlements		5,000	9,601	2,819
Requisites, Printing & Stationery		9,500	8,995	8,705
Telecommunications		6,000	4,836	4,269
Electricity		14,500	14,211	13,422
Protective Clothing		10,000	9,820	9,697
Workers Compensation Levy		5,000	5,100	4,065
Medical Checks		2,000	1,046	3,144
Office Equipment & Furniture (Not Capitalised)		2,600	3,394	13,175
Vehicles/Plant Maint/Transport		114,900	103,206	103,411
Maintenance of Buildings & Grounds		80,600	79,738	82,593
Maintenance of Bridges & Public Places		32,000	28,128	22,906
Waste Management		-	-	745
Bad and Doubtful Debts		-	-	1,542
Staff Training		<u>8,000</u>	<u>5,550</u>	<u>3,958</u>
		290,100	273,625	274,451

	NOTES	SUPPLY		2005	2004
		\$	\$	\$	\$
<u>CAPITAL WORKS & SERVICES</u>					
Buildings & Grounds Improvements		33,000	31,848		-
Plant & Equipment & Vehicles		245,400	58,258		208,364
Furniture and Fittings		1,500	1,050		46,834
		<u>279,900</u>		91,156	255,198
<u>TOTAL - GENERAL WORKS</u>		<u>1,067,100</u>		<u>853,019</u>	<u>970,046</u>
<u>KINGSTON & ARTHURS VALE HISTORIC AREA</u>					
Administration's Contribution - Ref K.A.V.H.A. Fund		372,500	308,000		282,900
		<u>372,500</u>		308,000	282,900
<u>TOTAL - K.A.V.H.A.</u>		<u>372,500</u>		<u>308,000</u>	<u>282,900</u>
<u>GRANTS/SUBSIDIES and OTHER</u>					
Subsidy - Museums		100,000	100,000		80,000
Subsidy - N.I. Hospital		843,500	843,500		843,500
Subsidy - Waste Management		-	-		88,000
Grant - Tourism Norfolk		950,000	950,000		800,000
Grant - Sports Promotion		6,000	5,700		2,934
Grant - Youth Sports Fund		5,000	5,000		-
Grant - Cultural Arts		10,000	9,683		7,086
Grant - Army Cadets		5,000	2,500		5,000
Grant - Banyan Park Play Centre		12,000	12,000		12,000
Grant - Asian Tsunami Relief Fund		5,000	-		-
Expend. at Discretion of Executive Member		12,500	11,959		18,615
		<u>1,949,000</u>		1,940,342	1,857,135
<u>TOTAL - GRANTS/SUBSIDIES & OTHER</u>		<u>1,949,000</u>		<u>1,940,342</u>	<u>1,857,135</u>
<u>Appropriation Reserved at Budget Review</u>					
- Salaries and Wages		1,600			
- Recurrent Expenditure		65,100			
- Capital Expenditure		10,700			
<u>TOTAL EXPENDITURE AGAINST</u>					
<u>APPROVED APPROPRIATION</u>	3.	<u>13,683,700</u>		<u>13,038,461</u>	<u>12,142,624</u>
<u>ADD/LESS - ACCRUAL ACCOUNTING ADJUSTMENTS</u>					
Expenditure Capitalised	3.		<u>-219,655</u>	-219,655	<u>-471,227</u>
					-471,227
<u>SUB TOTAL EXPENDITURE</u>		<u>13,683,700</u>		12,818,806	11,671,397

	NOTES	SUPPLY	2005	2004
		\$	\$	\$
OTHER ITEMS BROUGHT TO ACCOUNT AT 30 JUNE 2005 WHICH HAVE NOT BEEN SPECIFICALLY APPROPRIATED FOR				
Commission & Card Fees - Tourist Bureau	4.		53,918	60,797
Bank Reconciliation Adjustment			799	-
Stock Adjustments - Revaluations etc			26,239	-27,775
Obsolescence -Damaged Stock Write Off			31,680	35,448
Depreciation - (Non Cash Item)			713,251	688,601
<u>TOTAL OTHER ITEMS</u>			825,887	757,071
<u>GRAND TOTAL EXPENDITURE</u>			13,644,693	12,428,468
<u>REVENUE/(EXPENDITURE) EXCESS</u>			-2,397,835	1,251,525

THE ADMINISTRATION OF NORFOLK ISLAND
 REVENUE FUND
 APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
 AS AT 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>BALANCE 1 JULY</u>		13,459,523	12,207,998
ADD/(LESS)			
Revenue/(Expenditure) Excess		-2,397,835	1,251,525
		<u>-2,397,835</u>	<u>1,251,525</u>
<u>BALANCE 30 JUNE</u>		<u>11,061,688</u>	<u>13,459,523</u>

THE ADMINISTRATION OF NORFOLK ISLAND

REVENUE FUND

BALANCE SHEET

30 JUNE 2005

	\$	NOTES	\$	2005 \$	2004 \$
<u>ACCUMULATED FUNDS</u>					
Appropriation Account				11,061,688	13,459,523
				<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>				<u>11,061,688</u>	<u>13,459,523</u>
 REPRESENTED BY:-					
 Current Assets					
Cash at Bank			1,400,609		3,323,269
Internal Advances			1,950		1,950
Advances to other Entities			200,000		300,000
Sundry Debtors	1,186,553				1,282,379
Less - Provision for Doubtful Debts	<u>217,078</u>	F.			<u>87,469</u>
	969,475		969,475		1,194,910
Prepayments			163,669		36,639
Materials and Fuel in Stock	798,948				558,971
Less - Gen. Provision Obsolete Stock	<u>150,423</u>				<u>125,423</u>
	648,525		<u>648,525</u>		433,548
<u>TOTAL - CURRENT ASSETS</u>				3,384,228	5,290,316
 Fixed Assets					
Buildings & Structures - At Insurance & Market Value +additions at Cost	7,227,330				7,103,057
Less - Provision for Depreciation	<u>1,712,529</u>	G.			<u>1,355,552</u>
	5,514,801		5,514,801		5,747,505
U.C.V. Freehold Land - at Market Value (June 2000)	2,443,100				2,443,100
Less - Provision for Depreciation	<u>-</u>	G.			<u>-</u>
	2,443,100		2,443,100		2,443,100
Properties Bequeathed - at Market Value (June 2004)	540,000				540,000
Less - Provision for Depreciation	<u>-</u>	G.			<u>-</u>
	540,000		540,000		540,000

		NOTES	2005	2004
	\$		\$	\$
Motor Vehicles and Mobile Plant - at cost	1,750,645			1,713,608
Less - Provision for Depreciation	<u>1,393,627</u>	G.		<u>1,284,744</u>
	357,018		357,018	428,864
Furniture & Fittings - at cost	735,844			733,954
Less - Provision for Depreciation	<u>523,996</u>	G.		<u>488,810</u>
	211,848		211,848	245,144
Other Plant and Equipment - at cost	2,737,167			2,661,113
Less - Provision for Depreciation	<u>2,069,212</u>	G.		<u>1,875,893</u>
	667,955		<u>667,955</u>	785,220
<u>TOTAL - FIXED ASSETS</u>			9,734,722	10,189,833
<u>TOTAL ASSETS</u>			13,118,950	15,480,149
<u>LESS</u>				
Current Liabilities				
Sundry Creditors			1,409,885	1,430,250
Provision for Employees Entitlements		E.	<u>219,857</u>	<u>200,994</u>
			1,629,742	1,631,244
Long Term Liabilities				
Provision for Employees Entitlements		E.	<u>427,520</u>	<u>389,382</u>
			427,520	389,382
<u>TOTAL LIABILITIES</u>			2,057,262	2,020,626
<u>NET ASSETS</u>			<u>11,061,688</u>	<u>13,459,523</u>

REVENUE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
	\$	\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Taxes	7,894,214		8,195,578
Receipts from Charges	598,771		588,418
Entity Funds/Management Fees Received	2,601,369		3,648,192
Interest Received from Term Deposits & Chq Acc	188,930		182,062
Other Receipts	58,745		-
Grants Provided	-984,883		-827,020
Subsidies Provided	-943,500		-1,011,500
Contribution to K.A.V.H.A.	-308,000		-282,900
Payments to Suppliers & Employees	<u>-10,462,448</u>		<u>-9,244,014</u>
Net Cash Received from Operating Activities		-1,356,802	1,248,816
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Gross Proceeds from Sale of Fixed Assets	1,930		48,825
Road Reconstruction & Upgrades (Not Capitalised)	-364,385		-135,530
Purchases - Other Items (Not Capitalised)	-54,749		-1,341
Capital Works - Buildings	-124,273		-119,815
Purchases - Vehicles & Mobile Plant	-51,040		-208,405
Purchases - Furniture & Fittings	-1,050		-7,345
Purchases - Plant & Equipment	<u>-43,292</u>		<u>-134,320</u>
Net Cash Expended in Investing Activities		-636,859	-557,931
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Advance to 'Sale of Rock' Entity Repaid	100,000		350,000
Recoverable Expenditure	<u>-28,999</u>		<u>-30,046</u>
Net Cash Expended in Financing Activities		71,001	319,954
<u>NET INCREASE/ (DECREASE) IN CASH HELD</u>		<u>-1,922,660</u>	<u>1,010,839</u>
ADD-			
Cash Balance 1 July		3,325,219	2,314,380
<u>CASH BALANCE 30 JUNE</u>	2.	<u><u>1,402,559</u></u>	<u><u>3,325,219</u></u>

REVENUE FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Accrual accounting principles have been applied to these financial statements.
2. The undermentioned amount of \$11,857,979 represents investments and other moneys held in the name of the Administration of Norfolk Island. Included in this sum is an amount of \$10,455,420 being the property of the Administration Services Fund, Loan Fund and Trust Fund.

<u>TYPE</u>	<u>FINANCIAL INSTITUTION</u>	<u>\$</u>	<u>\$</u>
Term Deposits	Westpac Banking Corporation	3,730,000	
Term Deposits	Commonwealth Bank of Australia	1,440,700	
Cheque & Money			
Market Account	Commonwealth Bank of Australia	<u>6,678,354</u>	11,849,054
Cash in Hand	(Internal Cash Advances)		<u>8,925</u>
<u>SUB-TOTAL</u>			<u>11,857,979</u>
<u>LESS</u>			
Trust Fund		1,098,409	
Loan Fund		1,070,212	
Administration Services Fund		<u>8,286,799</u>	
			<u>10,455,420</u>
<u>CASH BALANCE OF REVENUE FUND –</u>			<u>1,402,559</u>

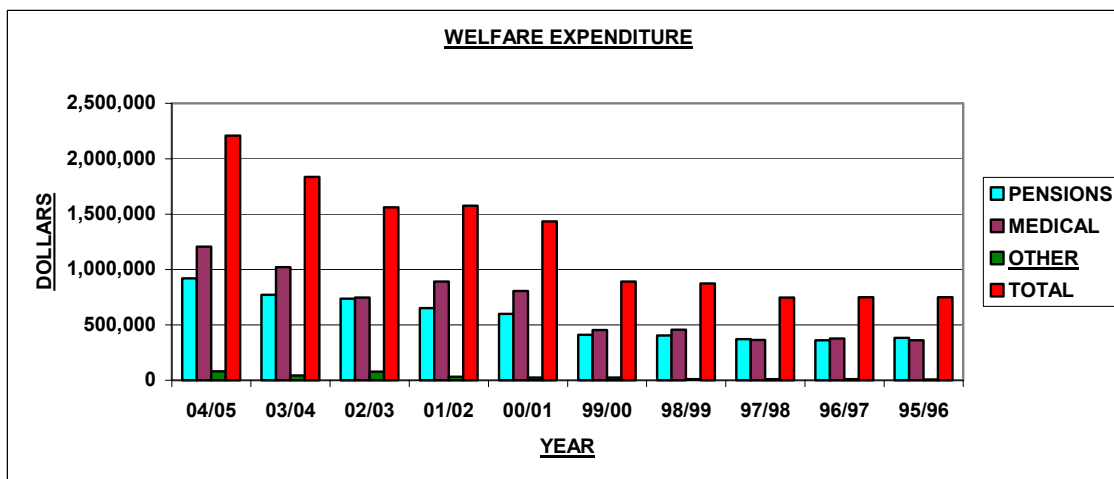
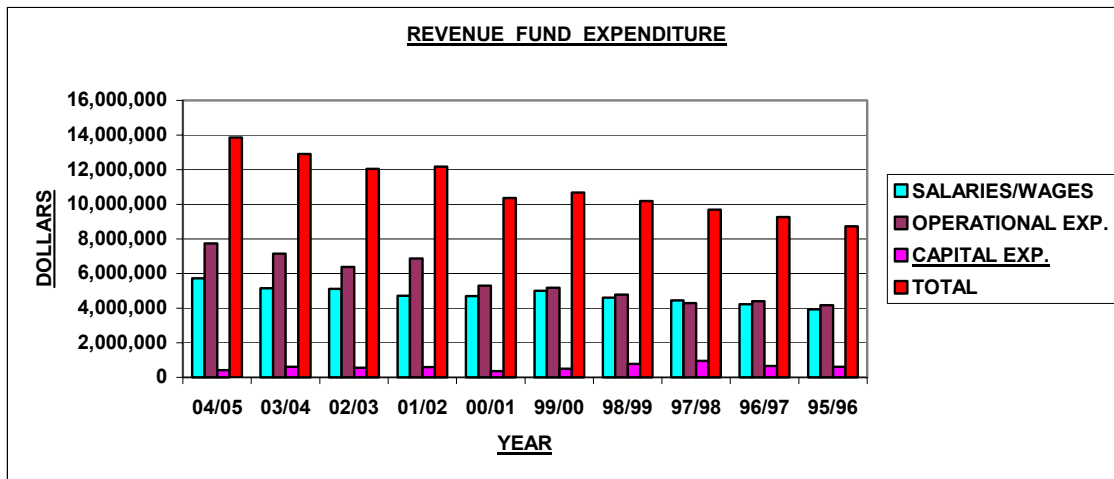
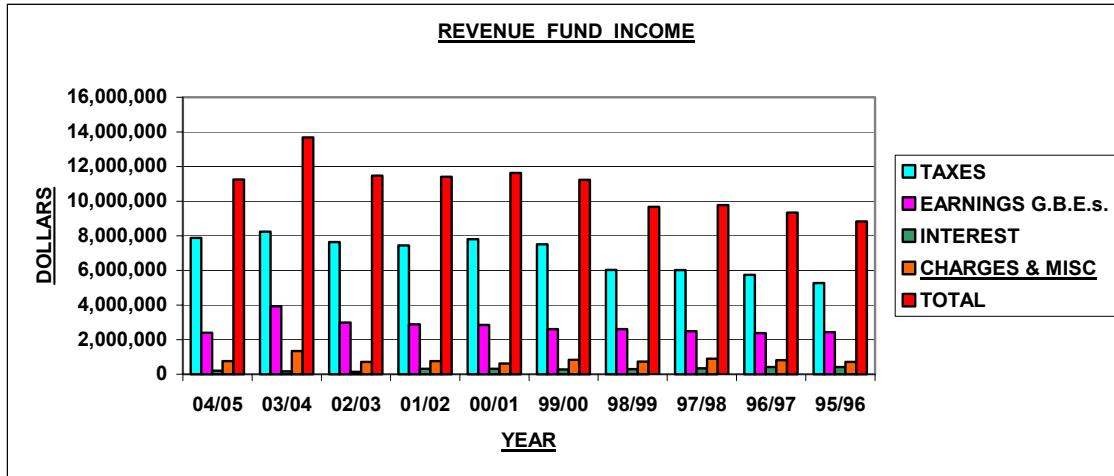
3. Hereunder is a reconciliation of approved appropriation against expenditure recorded. Under subsection 32A (2) of the Public Moneys Act 1979, \$70,800 of appropriation has been carried forward to 2005-2006. The sum of \$96,900 was carried forward to the 2004-2005 financial year from the financial year 2003-2004.

	<u>EXPENDITURE</u>	<u>APPROPRIATION</u>
	<u>\$</u>	<u>\$</u>
<u>EXPENDITURE</u>		
Salaries and Wages	5,713,639	5,741,700
Recurrent Expenditure (Includes Subsidies/Grants)	6,912,517	7,029,100
Capital Expenditure	<u>412,305</u>	<u>912,900</u>
<u>SUB-TOTAL EXPENDITURE</u>	<u>13,038,461</u>	<u>13,683,700</u>
<u>ADD – Depreciation and Other Internal Items</u>	<u>825,887</u>	(Not Applicable)
<u>TOTAL EXPENDITURE</u>	<u>13,864,348</u>	

4. Gross/Net receipts from departure fees are set out hereunder;

	<u>\$</u>
<u>DEPARTURE FEES</u>	
Gross Receipts (N.I. Government Tourist Bureau and N.I. Customs)	1,080,930
Less - Commission (5%) retained by N.I. Government Tourist Bureau (Their collections only)	<u>53,918</u>
<u>NET RECEIPTS</u>	<u>1,027,012</u>

5 Hereunder are three graphs displaying financial results over the past ten years.



NORFOLK ISLAND LIQUOR SUPPLY SERVICE
 TRADING AND PROFIT AND LOSS ACCOUNT
 YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
		\$	\$
<u>SALES - LIQUOR</u>		4,101,072	4,487,277
Stock 1 July	1.	763,184	794,828
Net Purchases (includes Freight)		2,020,520	2,230,493
Cartage, Customs Duty and Lighterage		438,663	488,419
		<u>3,222,367</u>	<u>3,513,740</u>
Less - Stock 30 June	1.	<u>734,909</u>	<u>763,184</u>
Cost of Goods Sold		2,487,458	2,750,556
 <u>Gross Profit</u>		 <u>1,613,614</u>	 <u>1,736,721</u>
		39%	39%
Add - Insurance Claims Received		88	-
Less			
Bad Debts		-	20
Stock Losses in Transit etc (net)		<u>12,654</u>	<u>11,090</u>
		12,566	11,110
 <u>Adjusted Gross Profit</u>		 <u>1,601,048</u>	 <u>1,725,611</u>
<u>ADD</u>			
GROSS PROFIT - TOBACCO PRODUCTS	3.	3	2,871
<u>OTHER INCOME</u>			
Interest from Investments		<u>5,774</u>	<u>2,582</u>
<u>TOTAL INCOME</u>		<u>1,606,825</u>	<u>1,731,064</u>
 Less - Expenses			
Salaries, Wages and Allowances		217,289	192,259
Shop Rental - Revenue Fund		30,000	30,000
Accounting and Management Fee	H.	20,000	20,000
Sundry Expenses	2.	<u>107,584</u>	<u>127,734</u>
		374,873	369,993
 <u>NET PROFIT</u>		 <u><u>1,231,952</u></u>	 <u><u>1,361,071</u></u>
		30%	30%

NORFOLK ISLAND LIQUOR SUPPLY SERVICE

APPROPRIATION ACCOUNT

YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
	\$	\$	\$
<u>BALANCE 1 JULY</u>		NIL	NIL
ADD - Profit for year ended 30 June		1,231,952	1,361,071
		<u>1,231,952</u>	<u>1,361,071</u>
LESS			
Funds Transferred to The Revenue Fund	<u>1,231,952</u>	<u>1,231,952</u>	<u>1,361,071</u>
		<u>NIL</u>	<u>NIL</u>
<u>BALANCE 30 JUNE</u>		<u>NIL</u>	<u>NIL</u>

NORFOLK ISLAND LIQUOR SUPPLY SERVICE

BALANCE SHEET

30 JUNE 2005

	NOTES	2005	2004
		\$	\$
<u>ACCUMULATED FUNDS</u>			
Capital Subscribed by the Revenue Fund	D.	540,000	540,000
Appropriation Account		NIL	NIL
		<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>		<u>540,000</u>	<u>540,000</u>
 REPRESENTED BY:			
 <u>CURRENT ASSETS</u>			
Cash at Bank		20,396	44,711
Stock at Cost	1.	734,909	763,345
Stock in Transit		-	38,500
Prepayments		1,083	-
Sundry Debtors		88	-
		<hr/>	<hr/>
<u>TOTAL ASSETS</u>		756,476	846,556
 LESS			
<u>CURRENT LIABILITIES</u>			
Funds Payable to the Revenue Fund		133,952	217,769
Provision for Employees Entitlements	E.	16,745	14,765
Sundry Creditors		28,028	44,313
		<hr/>	<hr/>
		178,725	276,847
 <u>LONG TERM LIABILITIES</u>			
Provision for Employees Entitlements	E.	37,751	29,709
		<hr/>	<hr/>
<u>TOTAL LIABILITIES</u>		216,476	306,556
 <u>NET ASSETS</u>		 <u>540,000</u>	 <u>540,000</u>

NORFOLK ISLAND LIQUOR SUPPLY SERVICE

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
	\$	\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Customers	4,101,236		4,499,791
Interest Received on Bank Account	5,773		2,582
Payments to Suppliers & Employees	-2,795,555		-3,210,513
Accounting & Management Fee Paid	<u>-20,000</u>		<u>-20,000</u>
Net Cash Received from Operating Activities		1,291,454	1,271,860
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Net Cash Expended in Investing Activities			
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Fixed Assets Purchased Tfd. to Revenue Fund	-		-39,112
Funds Transferred to Revenue Fund	<u>-1,315,769</u>		<u>-1,205,639</u>
Net Cash Expended in Financing Activities		-1,315,769	-1,244,751
<u>NET INCREASE (DECREASE) IN CASH HELD</u>		<u>-24,315</u>	<u>27,109</u>
ADD-			
Cash Balance 1 July		<u>44,711</u>	<u>17,602</u>
<u>CASH BALANCE 30 JUNE</u>		<u><u>20,396</u></u>	<u><u>44,711</u></u>

NORFOLK ISLAND LIQUOR SUPPLY SERVICE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Stock in hand as at 1 July 2004 and 30 June 2005 has been valued at last landed cost.

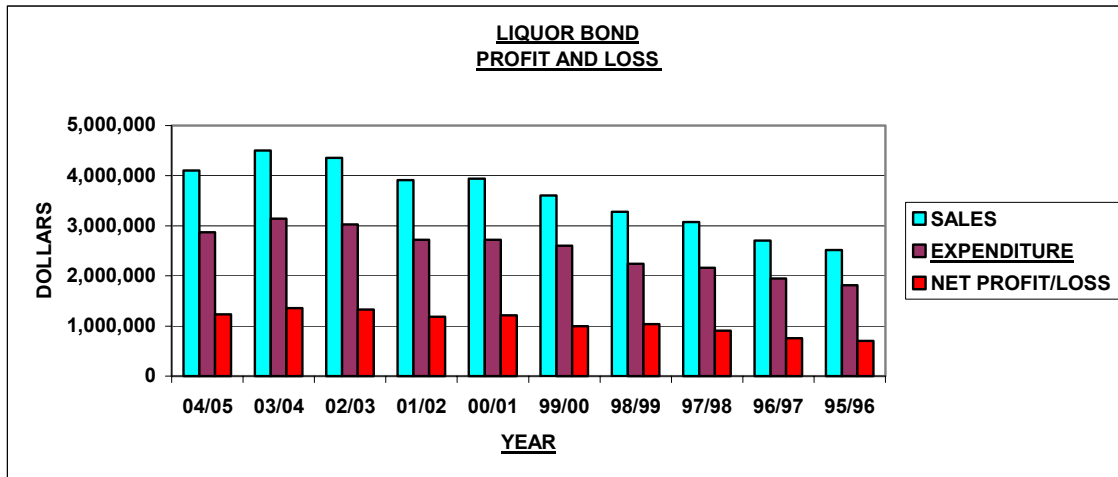
2. The expenditure item 'Sundry Expenses' is made up of the following costs;

<u>SUNDRY EXPENSES</u>	2005	2004
	\$	\$
Electricity	19,715	17,689
Telecommunications	3,668	5,832
Audit Fee	3,000	4,000
Insurance	4,775	5,193
Stationery and Subscriptions	11,215	3,733
Computer Maintenance & Other Office Equipment	18,212	5,249
Repairs, Ground Maintenance and Cleaning	3,940	1,813
Credit Card Fees	19,113	27,324
Advertising	7,371	5,081
Staff Training	2,191	92
Staff Half Airfares	1,438	-
Protective Clothing	641	570
Cleaning	8,692	8,861
Travel Costs – Business	351	1,393
Workers Compensation Levy	2,021	1,631
Postage	31	161
Fixed Assets Purchased Transferred to Revenue Fund	-	39,112
Consultancy Fees	810	-
Financial Reporting Implementation – AEIFRS	400	-
Sundry Expenses – Other	-	-
	<hr/>	<hr/>
<u>TOTAL</u>	<u>107,584</u>	<u>127,734</u>

3. In August 2001 the Liquor Bond commenced selling Tobacco products. Hereunder is its trading statement for the past two years. The Liquor Bond ceased the operation this financial year.

	2005	2004
	\$	\$
<u>Tobacco Sales</u>	<u>164</u>	<u>15,096</u>
Opening Stock 1 July	161	9,580
Purchases	-	2,806
<u>Less - Stock in Hand 30 June</u>	<u>-</u>	<u>-161</u>
Cost of Goods Sold	<u>161</u>	<u>12,225</u>
	<hr/>	<hr/>
<u>GROSS PROFIT</u>	<u><u>3</u></u>	<u><u>2,871</u></u>

3. Hereunder is a Graph on the financial results of the Liquor Bond Store over the past ten years.



NORFOLK ISLAND POSTAL SERVICES
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
<u>INCOME</u>				
Sales - Postage Stamps	1.	696,597		587,890
Currency Exchange Gain - Stamp Sales		-		414
Sales (Gross Profit) - Postal Stationery		19,149		33,518
Sales (Gross Profit) - Federation Coins		2,316		914
Sales (Gross Profit) - Medallions		143		179
Mail Imbalance - Australia Post		65,937		54,942
Fax Bureau Service		172		426
Rentals - P.O. Boxes		23,007		23,187
Interest, Commission & Misc. Income	2	9,126		11,415
			816,447	712,885
<u>TOTAL INCOME</u>			816,447	712,885
<u>EXPENDITURE</u>				
Salaries, Wages and Allowances	4.	348,135		342,626
Production and Distribution Costs		117,026		120,248
Advertising and Promotion		24,249		32,596
Commission Paid & Discounts Allowed	3.	50,540		35,428
Currency Exchange Loss - Stamp Sales		2,169		-
Rental - Revenue Fund		12,000		12,000
Carriage of Mail		18,229		40,654
Mail Imbalance - New Zealand		1,201		1,838
Fixed Assets Purchased Tfd to Revenue Fund		5,051		2,034
Consultancy Fees		810		-
Sundry Expenses	5.	75,433		79,521
			654,843	666,945
ADMINISTRATION CHARGES				
Accounting and Management Fee	H.		20,000	20,000
<u>TOTAL EXPENDITURE</u>			674,843	686,945
INCOME/(EXPENDITURE) EXCESS BEFORE DEPRECIATION			141,604	25,940
Less				
Depreciation (Non-Cash Item)	G.		1,296	256
<u>INCOME/(EXPENDITURE) EXCESS</u>			140,308	25,684

NORFOLK ISLAND POSTAL SERVICES

APPROPRIATION ACCOUNT

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>BALANCE 1 JULY</u>		115,736	220,052
ADD/(LESS)			
Income/(Expenditure) Excess		140,308	25,684
		<u>256,044</u>	<u>245,736</u>
LESS			
Funds Transferred to The Revenue Fund		100,000	130,000
		<u>156,044</u>	<u>115,736</u>
<u>BALANCE 30 JUNE</u>		<u>156,044</u>	<u>115,736</u>

NORFOLK ISLAND POSTAL SERVICES

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>ACCUMULATED FUNDS</u>			
Appropriation Account		156,044	115,736
<u>BALANCE 30 JUNE</u>		156,044	115,736
REPRESENTED BY:-			
<u>CURRENT ASSETS</u>			
Cash at Bank	81,386		85,941
Sundry Debtors	6. 124,914		67,423
Stock in Hand - Postal Stationery & Coins	28,384		24,849
Prepayments - Future Issues	18,754		18,508
<u>TOTAL CURRENT ASSETS</u>		253,438	196,721
<u>FIXED ASSETS</u>			
Plant & Equipment - at cost	6,488		2,019
Less - Provision for Depreciation	1,108		34
	5,380		1,985
Furniture & Fittings - at cost	2,961		2,961
Less - Provision for Depreciation	463		240
	2,498		2,721
<u>TOTAL FIXED ASSETS</u>		7,878	4,706
<u>TOTAL ASSETS</u>		261,316	201,427
LESS			
<u>CURRENT LIABILITIES</u>			
Provision for Employees Entitlements	18,512		15,263
Sundry Creditors	41,454		34,114
		59,966	49,377
<u>LONG TERM LIABILITIES</u>			
Provision for Employees Entitlements		45,306	36,314
<u>TOTAL LIABILITIES</u>		105,272	85,691
<u>NET ASSETS</u>		156,044	115,736

NORFOLK ISLAND POSTAL SERVICES

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Customers	734,932		725,667
Payments to Suppliers & Employees	-615,847		-692,379
Interest Received on Bank Account	5,880		8,031
Accounting & Management Fee Paid	<u>-20,000</u>		<u>-20,000</u>
Net Cash Received/(Expended) from Operating Activities		104,965	21,319
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchases - Furniture and Fittings	-		-
Purchases - Plant and Equipment	<u>-4,469</u>		<u>-2,019</u>
Net Cash Expended in Investing Activities		-4,469	-2,019
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Fixed Assets Purchased Tfd to Revenue Fund	-5,051		-2,034
Funds Transferred to Revenue Fund	<u>-100,000</u>		<u>-130,000</u>
Net Cash Expended in Financing Activities		-105,051	-132,034
NET INCREASE (DECREASE) IN CASH HELD ADD-		-4,555	-112,734
Cash Balance 1 July		<u>85,941</u>	<u>198,675</u>
<u>CASH BALANCE 30 JUNE</u>		<u>81,386</u>	<u>85,941</u>

NORFOLK ISLAND POSTAL SERVICES

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Gross income from postage stamp sales is made up as follows;

	2005	2004
	\$	\$
<u>SALE OUTLET</u>		
Philatelic Bureau (Norfolk Island)	290,538	236,760
Post Office (Norfolk Island)	247,323	237,423
Crown Agents. (United Kingdom)	72,697	41,397
Nordfrim	7,934	6,483
I.G.P.C. (U.S.A.)	8,526	21,249
Stirling and Co. Limited (New Zealand)	5,591	2,195
Pacific Stamps	34,536	21,977
Georg Roll Stamps	9,645	7,421
Max stern & Co	18,046	12,128
British & Overseas Philatelic Agency	1,761	857
Other	-	-
	<u>696,597</u>	<u>587,890</u>

2. **Interest and Commission** - Interest is derived from the amount held in trust in the Stamp Suspense Account. Commission is the amount earned for the issue of money orders, sale of phone cards and for the collection of C.O.D. parcels.

3. The under-listed amounts represents the commission paid to agents who sell Norfolk Island's stamps on behalf of the undertaking;

	2005	2004
	\$	\$
<u>AGENT</u>		
Australia Post	-	-
Crown Agents. (United Kingdom)	18,174	10,349
Nordfrim	2,380	1,945
I.G.P.C. (U.S.A.)	2,558	6,375
Stirling and Co. Limited (New Zealand)	1,398	549
Pacific Stamps	10,361	6,593
Max Stern & Co	5,414	3,595
Georg Roll Stamps	2,411	1,855
Discounts – Stamp Dealers	7,404	3,953
British & Overseas Philatelic Agency	440	214
Local Agents (Norfolk Island) & Other	-	-
	<u>50,540</u>	<u>35,428</u>

4. Salaries, Wages and Allowances were charged as follows;

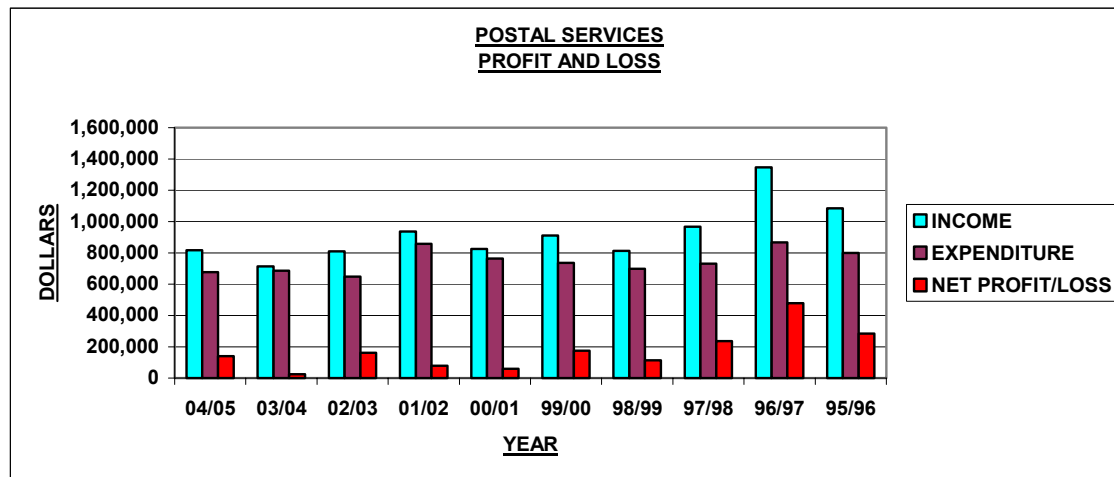
	2005	2004
	\$	\$
Philatelic Bureau	148,850	152,257
Post Office	199,285	190,369
	<u>348,135</u>	<u>342,626</u>

5. The expenditure item 'Sundry Expenses' is made up of the following costs;

	2005	2004
	\$	\$
<u>SUNDRY EXPENSES</u>		
Transport Costs	461	654
Electricity	7,753	5,195
Telecommunications	4,225	4,418
Audit Fee	3,000	4,800
Stationery, Subscriptions & Requisites	23,811	26,647
Repairs, Ground Maintenance and Cleaning	7,481	12,754
Credit Card Fees	4,055	3,913
Staff Half Airfares	2,996	715
Protective Clothing/Uniforms	1,964	2,248
Workers Compensation Levy	3,668	3,332
Compensation for Lost Parcels	121	80
Bulk Postage – Discount	11,917	10,371
Insurance Premiums	2,744	3,516
Staff Training	-	590
Financial Reporting – Implementation of AEIFRS	923	-
Postage	262	288
Doubtful Debts	20	-
Medical Checks	32	-
	<u>75,433</u>	<u>79,521</u>
<u>TOTAL</u>	<u>75,433</u>	<u>79,521</u>

6. Sundry Debtors includes the outstanding net philatelic sale proceeds from Philatelic Agents to the 30 June 2005 and settlement provision for the carriage of mail with Australia.

7. Hereunder is a Graph of the financial results of the Postal Services over the past ten years



NORFOLK ISLAND ELECTRICITY SERVICE

INCOME AND EXPENDITURE STATEMENT

YEAR ENDED 30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
<u>INCOME</u>				
Electricity Sales and Meter Rentals		3,022,688		3,014,682
Bad Debts Recovered		10		-
Connection/ Inspection Fees, Service Calls		38,098		54,108
OPERATING INCOME			3,060,796	3,068,790
Profit from Sale of Fixed Assets		4,525		-
Interest from Investments		40,663		26,945
			45,188	26,945
<u>TOTAL INCOME</u>			<u>3,105,984</u>	<u>3,095,735</u>
<u>EXPENDITURE</u>				
Power House				
Generation Costs - Fuel		1,697,451		1,405,580
Salaries and Wages		120,179		118,858
Transportation Costs & Plant Maintenance		969		1,016
Generator Maintenance		60,465		141,654
Sundry Expenses	2.	23,575		17,610
			1,902,639	1,684,718
Reticulation				
Salaries and Wages		204,749		205,248
Materials Consumed		134,176		131,112
Obsolete/Damaged Stock Written Off		2,713		-
Transportation Costs & Plant Maintenance		27,911		18,147
Office and Sundry Expenses	1.	100,003		78,741
Doubtful Debts	F.	2,651		-
Bad Debts	F.	290		124
			472,493	433,372
Power House and Reticulation				
Audit Fee		4,500		5,300
			4,500	5,300
Administration Charges				
Accounting and Management Fee	H.	85,000		80,000
			85,000	80,000
<u>TOTAL EXPENDITURE</u>			<u>2,464,632</u>	<u>2,203,390</u>
INCOME/(EXPENDITURE) EXCESS BEFORE DEPRECIATION			641,352	892,345

	NOTES	\$	2005 \$	2004 \$
Less				
Depreciation (Non-Cash Item)	G.		264,177	240,491
			<hr/>	<hr/>
			377,175	651,854
Add - Contribution by Consumers for Mains Upgrade			-	14,338
			<hr/>	<hr/>
<u>INCOME/(EXPENDITURE) EXCESS</u>			<u>377,175</u>	<u>666,192</u>

NORFOLK ISLAND ELECTRICITY SERVICE
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>BALANCE 1 JULY</u>		4,654,436	3,988,244
Add/(Less)			
Income/(Expenditure) Excess		377,175	666,192
		<u>5,031,611</u>	<u>4,654,436</u>
LESS			
Funds Transferred to The Revenue Fund		200,000	-
		<u>4,831,611</u>	<u>4,654,436</u>
<u>BALANCE 30 JUNE</u>		<u>4,831,611</u>	<u>4,654,436</u>

NORFOLK ISLAND ELECTRICITY SERVICE

BALANCE SHEET

30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
<u>ACCUMULATED FUNDS</u>				
Appropriation Account			4,831,611	4,654,436
			<u>4,831,611</u>	<u>4,654,436</u>
 REPRESENTED BY:-				
 Current Assets				
Cash at Bank		727,957		1,279,805
Term Deposits - Commonwealth Bank		60,000		60,000
Sundry Debtors		765,319		739,721
Less - Provision for Doubtful Debts		<u>3,055</u>	F.	<u>404</u>
		762,264	762,264	739,317
Materials and Fuel in Stock		<u>392,948</u>		<u>365,857</u>
			1,943,169	2,444,979
 Fixed Assets				
Generators - at cost		3,225,854		3,225,854
Less - Provision for Depreciation		<u>2,535,066</u>	G.	<u>2,439,983</u>
		690,788	690,788	785,871
Mains - at cost		2,606,283		2,468,410
Less - Provision for Depreciation		<u>696,091</u>	G.	<u>624,018</u>
		1,910,192	1,910,192	1,844,392
Works in Progress - Mains			-	477
Motor Vehicles and Mobile Plant - at cost		558,624		551,815
Less - Provision for Depreciation		<u>286,641</u>	G.	<u>241,964</u>
		271,983	271,983	309,851
Meters - at cost		15,043		15,043
Less - Provision for Depreciation		<u>15,043</u>	G.	<u>15,043</u>
		-	-	-
Buildings - at cost		368,944		360,766
Less - Provision for Depreciation		<u>130,632</u>	G.	<u>111,898</u>
		238,312	238,312	248,868

		NOTES	\$	2005	2004
				\$	\$
Furniture & Fittings - at cost	4,843				4,843
Less - Provision for Depreciation	<u>1,051</u>	G.			<u>687</u>
	3,792		3,792		4,156
Other Plant and Equipment - at cost	295,057				288,548
Less - Provision for Depreciation	<u>254,831</u>	G.			<u>233,984</u>
	40,226		<u>40,226</u>		54,564
				3,155,293	3,248,179
<u>TOTAL ASSETS</u>				5,098,462	5,693,158
LESS					
Current Liabilities					
Sundry Creditors			166,501		456,059
Loan from Norfolk Island Airport		3.	-		500,000
Provision for Employees Entitlements		E.	<u>33,187</u>		<u>24,568</u>
				199,688	980,627
Long Term Liabilities					
Loan from Norfolk Island Airport		3.	-		-
Provision for Employees Entitlements		E.	<u>67,163</u>		<u>58,095</u>
				67,163	58,095
<u>TOTAL LIABILITIES</u>				266,851	1,038,722
<u>NET ASSETS</u>				<u>4,831,611</u>	<u>4,654,436</u>

NORFOLK ISLAND ELECTRICITY SERVICE

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Customers	2,980,342		3,043,860
Payments to Suppliers & Employees	-2,619,625		-1,810,746
Interest Received from Term Deposits & Bank Account	39,679		27,314
Accounting & Management Fee Paid	-85,000		-80,000
Net Cash Received from Operating Activities		315,396	1,180,428
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from Sale of Equipment	4,525		-
Capital Works - Mains Reticulation	-137,873		-89,073
Capital Works - Buildings	-8,178		-13,935
Purchases - Motor Vehicles/Mobile Plant	-19,209		-274,249
Purchases - Generators	-		-
Purchases - Furniture & Fittings	-		-
Purchases - Plant & Equipment	-6,509		-8,783
Net Cash Expended in Investing Activities		-167,244	-386,040
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Loan Repaid to N.I. Airport Undertaking	-500,000		-
Funds Transferred to Revenue Fund	-200,000		-
Net Cash Expended in Financing Activities		-700,000	-
<u>NET INCREASE/ (DECREASE) IN CASH HELD</u>		-551,848	794,388
ADD-			
Cash Balance 1 July		1,339,805	545,417
<u>CASH BALANCE 30 JUNE</u>		<u>787,957</u>	<u>1,339,805</u>

NORFOLK ISLAND ELECTRICITY SERVICE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. The expenditure item '**Office and Sundry Expenses**' under the heading Reticulation is made up of the following costs;

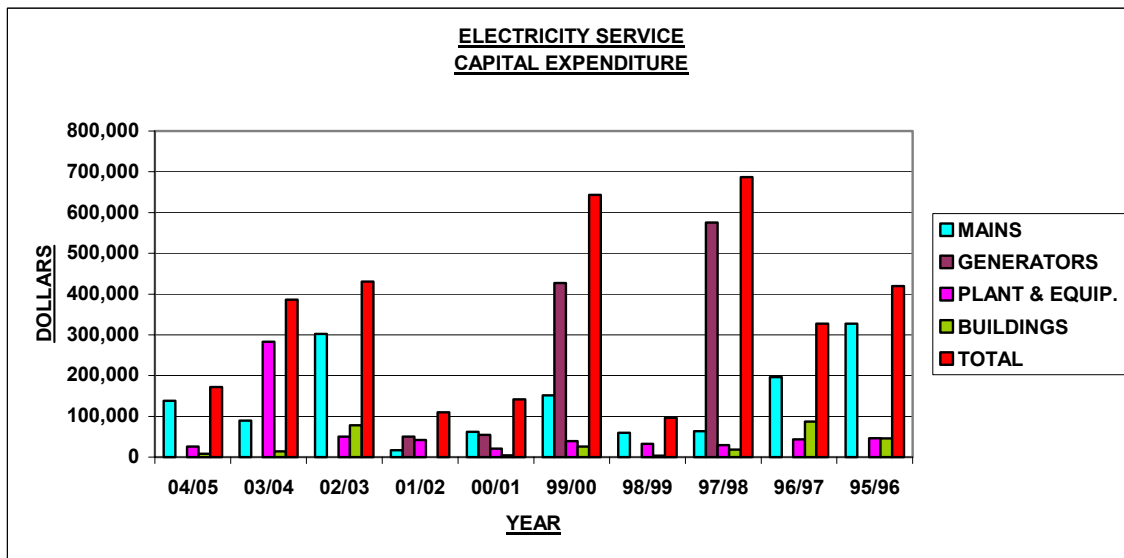
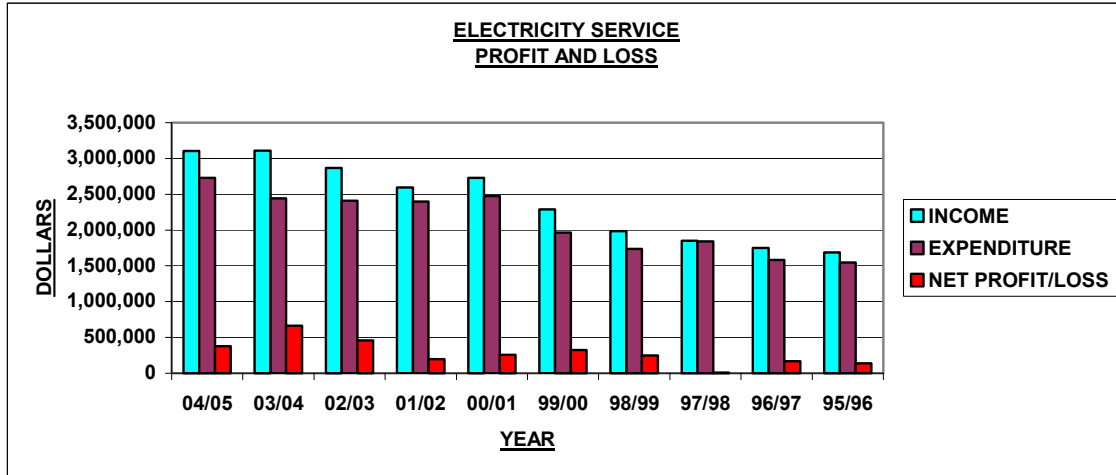
	2005	2004
<u>SUNDRY EXPENSES</u>	\$	\$
Staff Training	4,496	1,724
Telecommunications	11,259	7,363
Office Requisites	6,894	7,871
Protective Clothing	5,100	4,761
Electricity Consumption	1,830	2,799
Cleaning and Building Maintenance	3,434	102
Staff Half Airfares	2,492	-
Workers Compensation levy	716	902
Equipment Hire	7,050	1,055
Insurance	23,313	17,857
Postage	2,038	2,501
Credit Card Fees	29,481	31,806
Financial Reporting – Implementation of AEIFRS	1,900	-
Sundry Expenses – Other	-	-
	<hr/>	<hr/>
<u>TOTAL</u>	<u>100,003</u>	<u>78,741</u>

2. The expenditure item '**Sundry Expenses**' under the heading Power House is made up of the following costs;

	2005	2004
<u>SUNDRY EXPENSES</u>	\$	\$
Telecommunications	3,400	6,663
Protective Clothing	1,288	749
Workers Compensation Levy	2,117	1,655
Hire of Equipment	1,863	219
Staff Half Airfares	3,034	2,513
Stationery/Printing/Requisites	5,635	2,147
Staff Training	2,633	1,175
Items Purchased Not Capitalised	-	158
Consultancy Fees	810	-
Building Maintenance & Cleaning	<u>2,795</u>	<u>2,331</u>
	<hr/>	<hr/>
<u>TOTAL</u>	<u>23,575</u>	<u>17,610</u>

3. A \$500,000 loan was obtained from the Norfolk Island Airport Undertaking in 1998 to assist with the purchase of a new 1megawatt Generator. The loan was repaid in full in 2004/05. The loan was granted interest free.

4. Hereunder are two Graphs of the financial results of the Electricity Service over the past ten years.



NORFOLK TELECOM
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>INCOME</u>			
Telephones and Internet Services			
Subscribers - Outward Calls	1,590,343		1,786,958
Charges to Reach - Inward Calls Handled	496,316		475,237
Inward Calls Handled - Prior Years	564,864		-
Subscriber Rentals	864,789		937,488
Phonecard Sales - (Collectors)	-		3,954
Profit from Sale of Fixed Assets	850		3,860
Internet Access	262,448		234,555
Gross Profit - Retail Shop	670		1,401
Bad Debts Recovered	-		271
Connection and Miscellaneous Income	74,932		70,766
		3,855,212	3,514,490
<u>Broadcasting - Radio Station</u>			
Sponsorship Receipts	40,328		25,719
Miscellaneous Income	-		944
		40,328	26,663
<u>Data Access</u>			
Leased Circuits - Rental	205,244		198,090
		205,244	198,090
<u>Facsimile/Photocopiers</u>			
Subscriber Rentals/Photocopier Repairs and Miscellaneous Income	-		5,034
		-	5,034
<u>OPERATING INCOME</u>		4,100,784	3,744,277
Interest From Investments	24,173		41,902
		24,173	41,902
<u>TOTAL INCOME</u>		<u>4,124,957</u>	<u>3,786,179</u>
<u>EXPENDITURE</u>			
Paid to Reach for Carrying Outward			
-Telephone Calls	614,902		734,850
-Leased Circuits	102,411		102,400
-Internet Service Provider	172,821		182,568
Salaries, Wages and Allowances - Telephones	414,339		378,682
Salaries, Wages and Allowances - I.S.P.	16,923		17,614
Maintenance Materials Consumed	197,193		163,750
Phonecards - Commission Paid	2,375		3,020
Loss on Disposal of Fixed Assets	-		4,233

	NOTES	2005	2004
		\$	\$
Maintenance of Internet Network-I.S.P.		14,483	4,371
Maintenance Contract - AXE Exchange		40,000	40,000
Other Sundry Expenses and Services	1.	383,809	264,530
Transport Costs & Repairs to Vehicles & Plant		11,903	10,863
Audit Fee		3,700	4,300
Doubtful Debts	F.	11,299	-
Bad Debts	F.	4,110	1,566
		<u>1,990,268</u>	<u>1,912,747</u>
<u>Broadcasting - Radio Station</u>			
Salaries and Wages		35,223	32,270
Wages - Casual Announcers		64,234	66,581
Workers Compensation Levy		1,109	955
Requisites/Printing/Postage		17,110	8,789
Staff Training		2,444	-
Telecommunications		1,463	3,488
Cleaning		2,283	2,184
Electricity Consumption		16,136	14,979
Equipment Maintenance		2,349	3,306
Technical Services		5,007	2,603
Transportation		474	558
Ex-Gratia Payment		-	122
Building Maintenance		1,413	-
Audit Fee		800	800
		<u>150,045</u>	<u>136,635</u>
<u>Administration Charges</u>			
Accounting and Management Fee	H.	92,000	90,000
<u>TOTAL EXPENDITURE</u>		<u>2,232,313</u>	<u>2,139,382</u>
INCOME/(EXPENDITURE) EXCESS BEFORE DEPRECIATION		<u>1,892,644</u>	<u>1,646,797</u>
Less			
Depreciation (Non-Cash Item)	G.	404,105	336,748
		<u>1,488,539</u>	<u>1,310,049</u>
Interest Received on Grant Funds - N.T.N.		<u>-</u>	<u>6,799</u>
		<u>-</u>	<u>6,799</u>
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>1,488,539</u>	<u>1,316,848</u>

NORFOLK TELECOM
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>BALANCE 1 JULY</u>		2,854,955	3,388,107
Add/ (Less)			
Income/(Expenditure) Excess	1,488,539	1,488,539	1,316,848
		4,343,494	4,704,955
Less			
Funds Transferred to Revenue Fund	-	-	1,850,000
		4,343,494	2,854,955
<u>BALANCE 30 JUNE</u>		<u>4,343,494</u>	<u>2,854,955</u>

NORFOLK TELECOM

BALANCE SHEET

30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS				
Appropriation Account			4,343,494	2,854,955
<u>BALANCE 30 JUNE</u>			<u>4,343,494</u>	<u>2,854,955</u>
REPRESENTED BY:-				
CURRENT ASSETS				
Cash at Bank		1,237,666		7,953
Term Deposits - Commonwealth Bank		40,700		40,700
Prepayments		46,018		3,722
Sundry Debtors	1,105,832			893,646
Less - Provision for Doubtful Debts	<u>19,004</u>			<u>7,705</u>
		1,086,828	1,086,828	885,941
Materials in Stock		199,057		237,173
<u>TOTAL CURRENT ASSETS</u>			2,610,269	1,175,489
FIXED ASSETS				
Works in Progress - Generator		23,004		-
Subscriber Equipment - at cost	1,424,322			1,424,322
Less - Provision for Depreciation	<u>1,153,262</u>	G.		<u>1,093,585</u>
		271,060	271,060	330,737
External Plant - at cost	1,804,316			1,760,943
Less - Provision for Depreciation	<u>1,065,921</u>	G.		<u>986,921</u>
		738,395	738,395	774,022
Facsimile Machines - at cost	27,644			27,644
Less - Provision for Depreciation	<u>26,080</u>	G.		<u>25,704</u>
		1,564	1,564	1,940
Internal Plant - at cost	192,162			129,731
Less - Provision for Depreciation	<u>54,300</u>	G.		<u>42,829</u>
		137,862	137,862	86,902
Exchange - AXE 103 - at cost	2,434,875			2,434,875
Less - Provision for Depreciation	<u>1,713,956</u>			<u>1,663,535</u>
		720,919	720,919	771,340
Motor Vehicles - at cost	274,137			272,343
Less - Provision for Depreciation	<u>182,118</u>	G.		<u>161,270</u>
		92,019	92,019	111,073

	NOTES		2005	2004
		\$	\$	\$
Furniture & Fittings - at cost		4,202		4,202
Less - Provision for Depreciation	G.	<u>922</u>		<u>607</u>
		3,280	3,280	3,595
Plant and Equipment, Radio - at cost		57,767		51,128
Less - Provision for Depreciation	G.	<u>16,207</u>		<u>10,236</u>
		41,560	41,560	40,892
Other Plant and Equipment - at cost		1,279,963		1,265,100
Less - Provision for Depreciation	G.	<u>767,086</u>		<u>599,166</u>
		512,877	<u>512,877</u>	665,934
<u>TOTAL FIXED ASSETS</u>			<u>2,542,540</u>	<u>2,786,435</u>
<u>TOTAL ASSETS</u>			5,152,809	3,961,924
LESS				
CURRENT LIABILITIES				
Sundry Creditors			711,833	895,314
Tfr of Funds Payable - To Revenue Fund			-	120,000
Subscribers - IDD Facilities - Bonds			22,390	24,630
Provision for Employees Entitlements	E.		<u>33,568</u>	<u>25,005</u>
			767,791	1,064,949
LONG TERM LIABILITIES				
Provision for Employees Entitlements	E.		41,524	42,020
<u>TOTAL LIABILITIES</u>			<u>809,315</u>	<u>1,106,969</u>
<u>NET ASSETS</u>			<u>4,343,494</u>	<u>2,854,955</u>

NORFOLK TELECOM
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
	\$	\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Customers	2,827,668		3,238,269
Payments to Suppliers & Employees	-1,250,466		-1,405,189
Interest Received from Term Deposits & Bank Account	23,870		48,789
Accounting & Management Fee Paid	-92,000		-90,000
Net Cash Received from Operating Activities		1,509,072	1,791,869
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from Sale of Equipment	850		-
Works in Progress - Generator	-23,004		-
Furniture and Fittings	-		-567
Subscriber Equipment	-		-34,477
External Plant	-43,373		-482,431
Internal Plant	-62,430		-
Purchases - Plant & Equipment	-14,863		-556,621
Purchases - Plant & Equipment - Radio Station	-6,639		-20,788
Purchases - Vehicles & Mobile Plant	-9,900		-21,386
Net Cash Expended in Investing Activities		-159,359	-1,116,270
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Assets Purchased Tfd. To Revenue Fund	-		-
Funds Transferred to Revenue Fund	-120,000		-1,730,000
Net Cash Expended in Financing Activities		-120,000	-1,730,000
		<hr/>	<hr/>
<u>NET INCREASE (DECREASE) IN CASH HELD</u>		1,229,713	-1,054,401
ADD-			
Cash Balance 1 July		48,653	1,103,054
		<hr/>	<hr/>
<u>CASH BALANCE 30 JUNE</u>		1,278,366	48,653

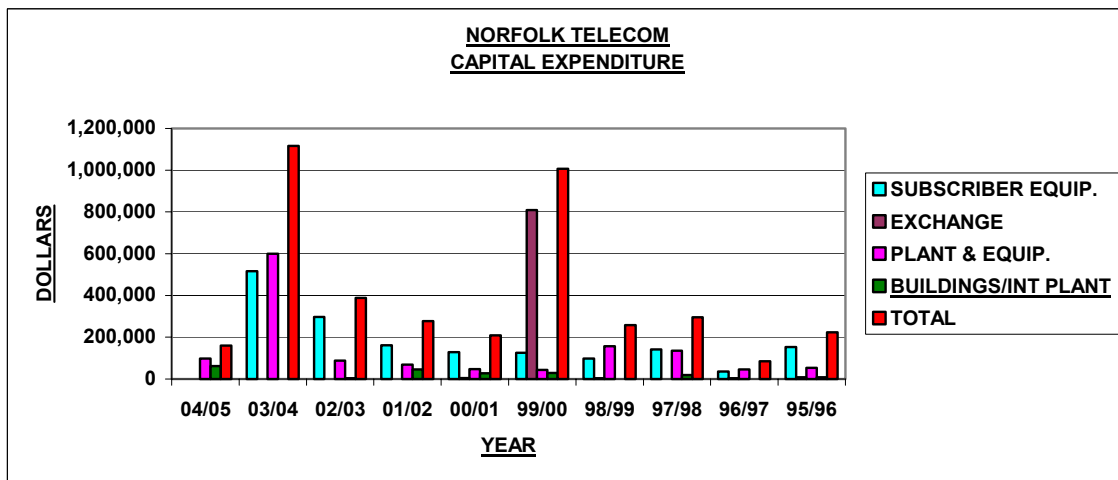
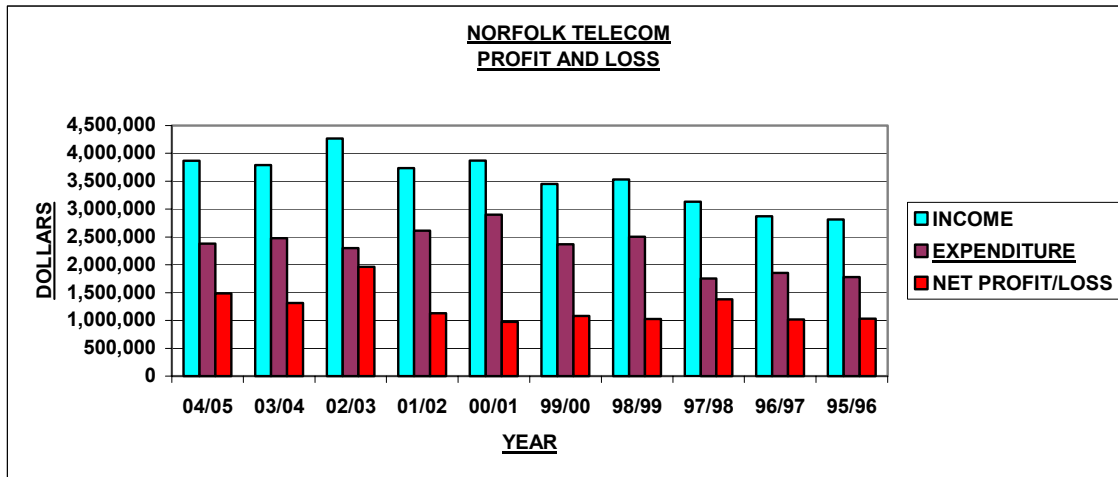
NORFOLK TELECOM

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. The expenditure item 'Sundry Expenses and Services' is made up of the following costs;

<u>SUNDRY EXPENSES</u>	2005	2004
	\$	\$
Office Stationery and Printing	18,514	22,812
Telephone Directory – 2004	24,923	-
Staff Training	5,234	21,145
Electricity	59,852	57,259
Cleaning	9,066	9,601
Staff Half Airfares	4,200	2,791
Telecommunications	16,034	18,688
Test Telephone Calls	5,195	6,944
Building Maintenance	6,201	16,859
Protective Clothing	4,118	5,617
Property Rentals	15,000	15,000
Workers Compensation Levy	4,304	3,999
Business Travel & Other Associated Costs	453	-
Advertising	4,672	1,009
Technical Support – Pay Phones	4,426	5,316
Financial Reporting – Implementation of AEIFRS	1,900	-
Computer & Radio Equipment Maintenance	2,996	18,508
Credit Card Fees	41,227	35,314
Consultancy Fees	41,637	692
Equipment Hire	5,817	765
Medical Checks – Staff	486	221
Commission Paid – Debt Recovery	-	53
Maintenance of Telstream Billing System	82,074	-
Insurance Premiums	15,266	14,377
Membership Subscription – Pacific Islands Telecommunications Assoc.	3,302	3,768
Postage	4,926	3,792
Phonecard Production & Distribution	<u>1,986</u>	<u>-</u>
<u>TOTAL</u>	<u>383,809</u>	<u>264,530</u>

2. Hereunder are two Graphs of the financial results of Norfolk Telecom over the past ten years



NORFOLK ISLAND LIGHTERAGE SERVICE

INCOME AND EXPENDITURE STATEMENT

YEAR ENDED 30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
<u>INCOME</u>				
Lighterage Charges		352,775		402,650
Hire of Equipment & Misc. Revenue		<u>22,529</u>		<u>25,984</u>
<u>OPERATING INCOME</u>			375,304	428,634
Profit from Sale of Fixed Assets		-		14,508
Interest From Investments		<u>4,384</u>		<u>2,667</u>
			4,384	17,175
<u>TOTAL INCOME</u>				
			<u>379,688</u>	<u>445,809</u>
<u>EXPENDITURE</u>				
Wages - Maintenance		56,512		78,324
Wages - Contract & Supervision		170,539		187,043
Wages - Tally Clerks		4,017		4,965
Wages - Shifting Lighterage Gear		6,335		5,319
Wages - Port Security		3,787		-
Maintenance Materials Consumed		12,675		13,108
Transport and Sundry Expenses	1.	75,321		55,181
Obsolete & Damaged Stock Written Off		4,000		-
Bad Debts	F.	<u>-</u>		<u>992</u>
			333,186	344,932
Administration Charges				
Management Fee - Revenue Fund	H.	25,000		20,000
Interest on Revenue Fund Capital	2.	<u>6,600</u>		<u>6,553</u>
			31,600	26,553
<u>TOTAL EXPENDITURE</u>				
			<u>364,786</u>	<u>371,485</u>
<u>INCOME/(EXPENDITURE) EXCESS</u>				
<u>BEFORE DEPRECIATION</u>				
			14,902	74,324
Less				
Depreciation (Non-Cash Item)	G.		68,694	65,972
<u>INCOME/(EXPENDITURE) EXCESS</u>				
			<u>-53,792</u>	<u>8,352</u>

NORFOLK ISLAND LIGHTERAGE SERVICE
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>BALANCE 1 JULY</u>		514,837	506,485
Add/(Less)			
Income/(Expenditure) Excess	-53,792	-53,792	8,352
		514,837	514,837
<u>BALANCE 30 JUNE</u>		<u>461,045</u>	<u>514,837</u>

NORFOLK ISLAND LIGHTERAGE SERVICE

BALANCE SHEET

30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS				
Capital Sub. by The Revenue Fund	2.	50,412		50,412
Appropriation Account		<u>461,045</u>		<u>514,837</u>
			<u>511,457</u>	<u>565,249</u>
<u>BALANCE 30 JUNE</u>			<u>511,457</u>	<u>565,249</u>

REPRESENTED BY:-

CURRENT ASSETS

Cash at Bank		130,615		151,189
Prepayments		-		382
Sundry Debtors	59,341			43,835
Less - Provision for Doubtful Debts	<u>563</u>			<u>563</u>
	58,778	58,778		43,272
Materials in Stock - At Cost		<u>64,674</u>		<u>64,599</u>
			254,067	259,442

FIXED ASSETS

Kato Cranes - at cost	453,760			453,760
Less - Provision for Depreciation	<u>293,209</u>	G.		<u>259,409</u>
			160,551	194,351
Vehicles - at cost	30,590			30,590
Less - Provision for Depreciation	<u>18,538</u>			<u>13,950</u>
			12,052	16,640
Launches Nos. 1 & 2 - at cost	43,314			43,314
Less - Provision for Depreciation	<u>43,314</u>	G.		<u>43,314</u>
			-	-
Launch No. 3 and Trailer - at cost	90,342			90,342
Less - Provision for Depreciation	<u>81,657</u>	G.		<u>77,326</u>
			8,685	13,016

		NOTES		2005	2004
			\$	\$	\$
Forklift Truck - at cost	44,851				44,851
Less - Provision for Depreciation	<u>11,213</u>	G.			<u>4,485</u>
			33,638		40,366
Lighters - at cost	152,670				152,670
Less - Provision for Depreciation	<u>88,890</u>	G.			<u>74,400</u>
			63,780		78,270
Furniture & Fittings - at cost	252				252
Less - Provision for Depreciation	<u>63</u>				<u>44</u>
			189		208
Other Plant and Equipment - at cost	53,240				49,990
Less - Provision for Depreciation	<u>42,251</u>	G.			<u>37,514</u>
			10,989		12,476
				289,884	355,327
<u>TOTAL ASSETS</u>				543,951	614,769
LESS					
<u>CURRENT LIABILITIES</u>					
Sundry Creditors			12,902		10,513
Provision for Employees Entitlements		E.	<u>2,920</u>		<u>9,566</u>
				15,822	20,079
<u>LONG TERM LIABILITIES</u>					
Provision for Employees Entitlements		E.	<u>16,672</u>		<u>29,441</u>
				16,672	29,441
<u>TOTAL LIABILITIES</u>				32,494	49,520
<u>NET ASSETS</u>				<u>511,457</u>	<u>565,249</u>

NORFOLK ISLAND LIGHTERAGE SERVICE

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Customers	359,798		459,401
Payments to Suppliers & Employees	-354,906		-354,890
Interest Received from Bank Account	4,384		2,667
Interest Paid to Revenue Fund	-6,600		-6,553
Accounting & Management Fee Paid	-20,000		-20,000
Net Cash Received from Operating Activities		-17,324	80,625
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds From Sale of Equipment	-		14,508
Purchases - Forklift	-		-44,851
Construction of Lighter - Works in Progress (02/03)	-		-11,892
Purchases - Plant & Equipment	-3,250		-2,714
Net Cash Expended in Investing Activities		-3,250	-44,949
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Fixed Assets Purchased Tfd to Revenue Fund	-		-
Net Cash Expended in Financing Activities		-	-
<u>NET INCREASE (DECREASE) IN CASH HELD</u>		-20,574	35,676
ADD-			
Cash Balance 1 July		151,189	115,513
<u>CASH BALANCE 30 JUNE</u>		<u>130,615</u>	<u>151,189</u>

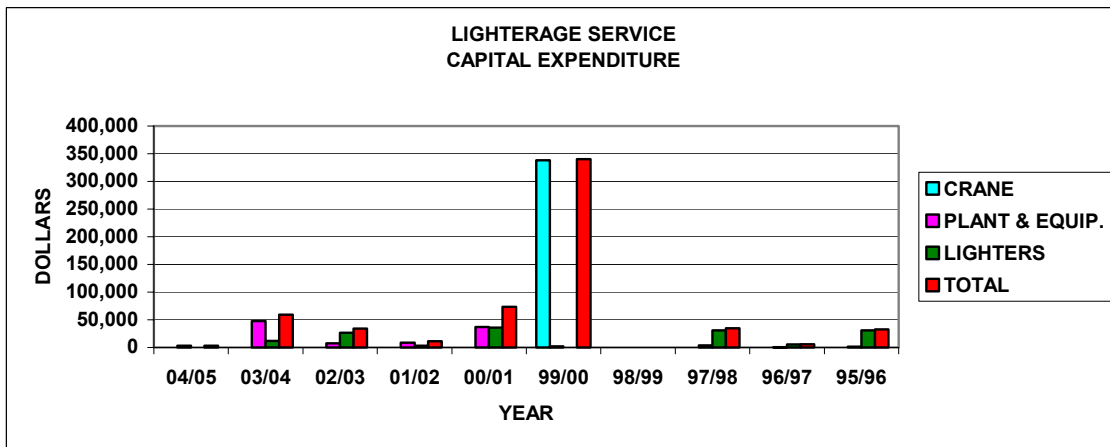
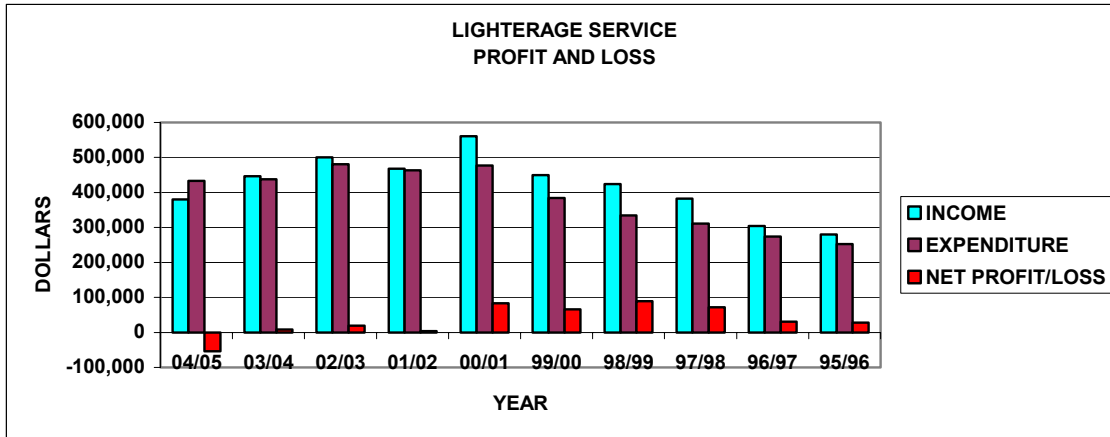
**NORFOLK ISLAND LIGHTERAGE SERVICE
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**

1. The expenditure item 'Transport and Sundry Expenses' is made up of the following costs.

	2005 \$	2004 \$
<u>SUNDRY EXPENSES</u>		
Fuel, Vehicle and Plant Hire	7,293	14,228
Audit Fee	2,500	3,300
Stationery and Printing	966	1,304
Equipment Purchased not Capitalised	-	1,300
Telecommunications	1,793	1,951
Electricity	1,534	1,590
Workers Compensation Levy	1,445	1,884
Insurance	21,072	16,348
Postage	546	732
Building Maintenance	23,783	215
Medical Checks – Staff	-	509
Protective Clothing	1,641	2,110
Staff Half Airfare Entitlement	998	-
Consultancy Fees	810	-
Financial Reporting – Implementation of AEIFRS	400	-
Occupation Health and Safety	904	-
Credit Card Fees	<u>9,636</u>	<u>9,710</u>
<u>TOTAL</u>	<u>75,321</u>	<u>55,181</u>

2. Interest on Revenue Fund capital is currently calculated at the rate of 13% p.a. on the total funds subscribed to the undertaking by the Revenue Fund between July 1970 and April 1973.

3. Hereunder are two Graphs of the financial results of the Lighterage Service over the past ten years.



NORFOLK ISLAND AIRPORT
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>INCOME</u>			
Landing Fees	1,958,291		1,793,347
Security Screening Charges	88,380		36,000
Fire Service - Entrepreneurial Activities (Gross Profit)	21,354		18,401
Property Rentals	17,971		14,752
Bad Debts Recovered	158		467
Doubtful Debts Written Back	-		3,079
Miscellaneous Income	37,238		7,214
		2,123,392	1,873,260
<u>OPERATING INCOME</u>			
Interest from Investments		141,430	96,955
Profit from Sale of Fixed Assets		-	213
		2,264,822	1,970,428
<u>TOTAL INCOME</u>			
<u>EXPENDITURE</u>			
Net Cost of R.P.T. Charters (Ref Separate Statement)	630,858		-
Salaries & Wages - Administrative, Grounds, Mechanical & Security Screening	341,010		288,516
Sites and Pavement Maintenance	33,203		39,226
Recommissioning - SLS	31,473		-
Transport, Plant and Equipment Maintenance	32,716		23,026
Visual Aids Maintenance	2,420		14,514
Building Maintenance	41,302		20,092
Cleaning - Terminal	39,934		28,854
Electricity	31,790		29,722
Telecommunications - General	9,981		15,477
Telecommunications - Flight Service	1,296		1,028
Insurance	53,363		51,399
Audit Fee	2,500		3,800
Doubtful Debts	473,325		-
Bad Debts	-		28,612
Sundry Expenses	55,304		49,437
		1,780,475	593,703
<u>NORFOLK ISLAND FIRE SERVICE</u>			
Salaries & Wages	281,071		275,802
Compensation Levy	2,180		1,993
Fire Fighting Materials Consumed	23,869		4,405
Electricity	8,391		8,747
Telecommunications	9,144		6,891
Transportation	11,534		17,658
Emergency Management	9,321		2,638
Protective Clothing	3,372		12,437
Staff Training	4,959		60,244
Staff Airfare Entitlements	567		-

	NOTES	2005	2004
		\$	\$
Office Requisites		14,584	3,828
Insurance Premium		15,689	8,565
Hand Tools		1,958	716
Computer Maintenance		1,736	3,748
Technical Services		-	5,000
Medical Checks		140	-
Removal and Recruitment		-	36
Obsolete & Damaged Stock Written Off		75	-
Audit Fee (Administrative)		800	800
Doubtful Debts	F.	556	-
Building Maintenance		<u>2,109</u>	<u>2,661</u>
		392,055	416,169
Administration Charges			
Management Fee to Rev. Fund-Fire Service	H.	5,000	5,000
Management Fee to Rev. Fund-Airport Gen.	H.	<u>95,000</u>	<u>85,000</u>
		100,000	90,000
<u>TOTAL EXPENDITURE</u>		<u>2,272,530</u>	<u>1,099,872</u>
<u>INCOME/(EXPENDITURE) EXCESS</u>			
<u>BEFORE DEPRECIATION</u>		-7,708	870,556
Less			
Depreciation (Non-Cash Item)	G.	386,507	857,187
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>-394,215</u>	<u>13,369</u>

NORFOLK ISLAND AIRPORT
REGULAR PASSENGER TRAFFIC CHARTERS
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
		\$	\$
		\$	\$
<u>INCOME</u>			
Ticket Sales		379,429	-
Excess Baggage Receipts		1,185	-
Airfreight and Mail Receipts		35,682	-
Airport Taxes - Norfolk Island		25,793	-
Airport Taxes - Australia		44,000	-
Miscellaneous Income		-	-
		-	-
<u>OPERATING INCOME</u>		486,089	-
		-	-
<u>TOTAL INCOME</u>	4.	<u>486,089</u>	-
 <u>EXPENDITURE</u>			
Salaries & Wages		1,882	-
Office Requisites		78	-
Telecommunications		359	-
Check-In Counter Costs - Australia		7,900	-
Aircraft Charters		792,015	-
Disruption Costs - Passengers		40,129	-
Customs Out of Hours		1,020	-
Security Screening - Passengers		3,600	-
Airport Taxes - Norfolk Island		75,075	-
Airport Taxes - Australia		135,624	-
Cargo Collection & Delivery Fees		4,200	-
Commission Paid - Travel Agents & QANTAS		55,065	-
Sundry Expenses		-	-
		-	-
		1,116,947	-
 Administration Charges			
Management Fee - Revenue Fund		-	-
		-	-
		-	-
<u>TOTAL EXPENDITURE</u>		<u>1,116,947</u>	-
		-	-
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>-630,858</u>	-

NORFOLK ISLAND AIRPORT
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	2005	2004
	\$	\$
<u>BALANCE 1 JULY</u>	6,671,148	6,657,779
ADD/(LESS)		
Income/(Expenditure) Excess	-394,215	13,369
	6,276,933	13,369
LESS		
Funds Transferred to The Revenue Fund	185,000	-
	6,091,933	6,671,148
<u>BALANCE 30 JUNE</u>	6,091,933	6,671,148

NORFOLK ISLAND AIRPORT

BALANCE SHEET

30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
<u>ACCUMULATED FUNDS</u>				
Appropriation Account			6,091,933	6,671,148
			<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>			<u>6,091,933</u>	<u>6,671,148</u>
REPRESENTED BY:				
<u>CURRENT ASSETS</u>				
Cash at Bank		3,077,853		2,859,986
Sundry Debtors	1,070,065	F.		492,060
Less - Provision for Doubtful Debts	<u>-473,880</u>			<u>-</u>
	596,185		596,185	492,060
Loan to Electricity Service		2.	-	500,000
Prepayments			960	-
Materials in Stock - at Cost			<u>97,688</u>	<u>79,710</u>
			3,772,686	3,931,756
<u>FIXED ASSETS</u>				
Runways, Taxiways & Lighting-at cost	8,331,872			8,331,872
Less - Provision for Depreciation	<u>8,200,610</u>	G.		<u>8,097,686</u>
	131,262		131,262	234,186
Works in Progress - Runway Upgrade			204,172	161,874
Works in Progress - Buildings			77,800	-
Buildings - at cost	2,851,833			2,851,833
Less - Provision for Depreciation	<u>1,179,046</u>	G.		<u>1,040,677</u>
	1,672,787		1,672,787	1,811,156
Motor Vehicles & Mobile Plant-at cost	582,665			582,665
Less - Provision for Depreciation	<u>323,638</u>	G.		<u>261,872</u>
	259,027		259,027	320,793
Furniture & Fittings - at cost	21,084			19,552
Less - Provision for Depreciation	<u>10,216</u>	G.		<u>8,907</u>
	10,868		10,868	10,645
Other Plant & Equipment - at cost	764,217			639,987
Less - Provision for Depreciation	<u>363,469</u>	G.		<u>281,655</u>
	400,748		400,748	358,332

	NOTES	2005	2004
		\$	\$
		2,756,664	2,896,986
<u>TOTAL ASSETS</u>		<u>6,529,350</u>	<u>6,828,742</u>
LESS			
<u>CURRENT LIABILITIES</u>			
Sundry Creditors		323,234	64,740
Provision for Employees Entitlements	E.	<u>36,616</u>	<u>25,798</u>
		359,850	90,538
<u>LONG TERM LIABILITIES</u>			
Provision for Employees Entitlements	E.	77,567	67,056
<u>TOTAL LIABILITIES</u>		<u>437,417</u>	<u>157,594</u>
<u>NET ASSETS</u>		<u>6,091,933</u>	<u>6,671,148</u>

NORFOLK ISLAND AIRPORT
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Customers	2,045,256		1,684,360
Interest Received on Bank Account	141,430		96,955
Payments to Suppliers & Employees	-1,937,634		-972,830
Accounting & Management Fee Paid	-100,000		-90,000
<u>Net Cash Received from Operating Activities</u>		149,052	718,485
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds From Sale of Assets	-		213
Works in Progress - Buildings	-77,800		-
Works in Progress - Runway Upgrade	-42,298		-55,966
Runways, Taxiways & Lighting	-		-
Motor Vehicles and Mobile Plant	-		-4,880
Purchases - Furniture & Fittings	-1,532		-
Purchases - Plant & Equipment	-124,555		-282,571
<u>Net Cash Expended in Investing Activities</u>		-246,185	-343,204
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Loan Repaid from N.I. Airport Undertaking	500,000		-
Funds Transferred to Revenue Fund	-185,000		-
<u>Net Cash Expended in Financing Activities</u>		315,000	-
		<hr/>	<hr/>
<u>NET INCREASE (DECREASE) IN CASH HELD</u>		217,867	375,281
ADD-			
Cash Balance 1 July		2,859,986	2,484,705
		<hr/>	<hr/>
<u>CASH BALANCE 30 JUNE</u>		<u>3,077,853</u>	<u>2,859,986</u>

NORFOLK ISLAND AIRPORT

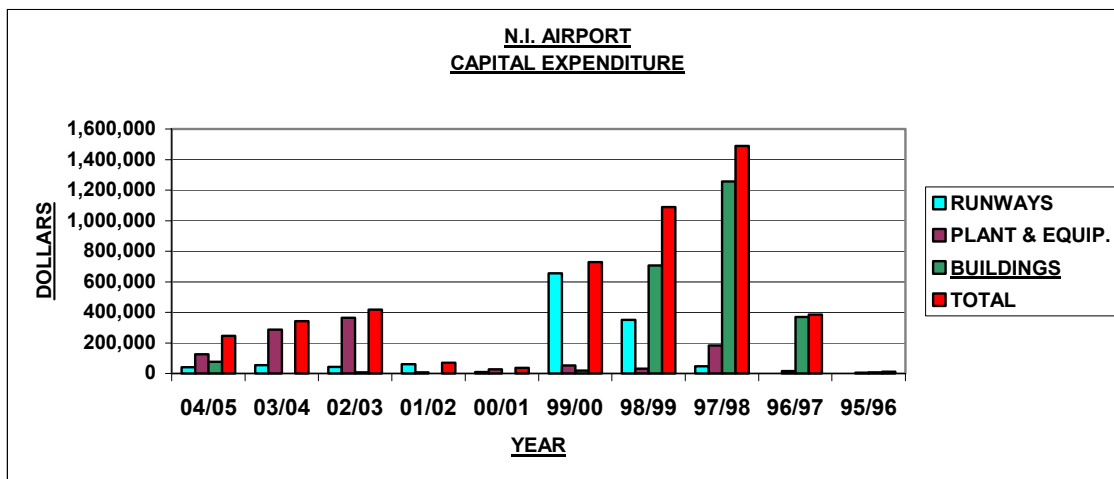
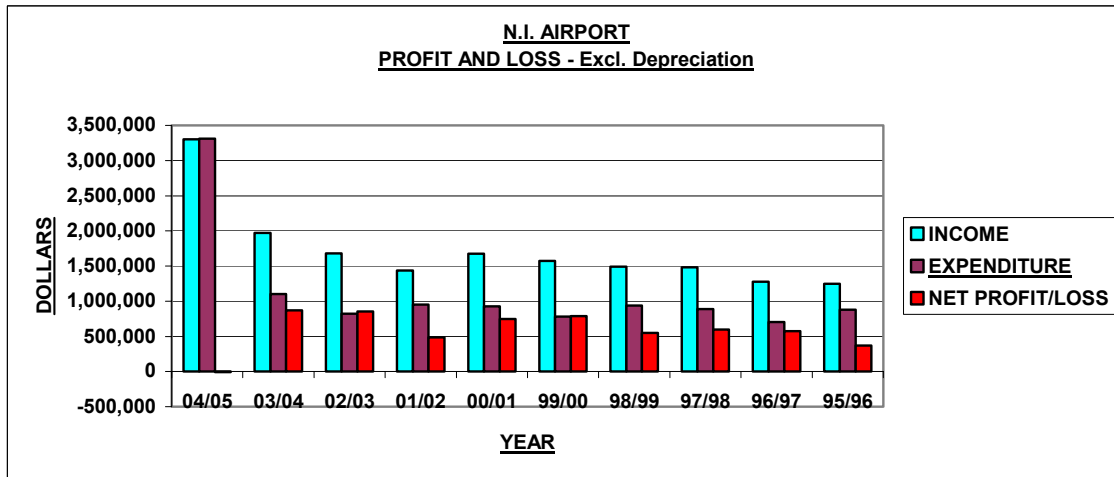
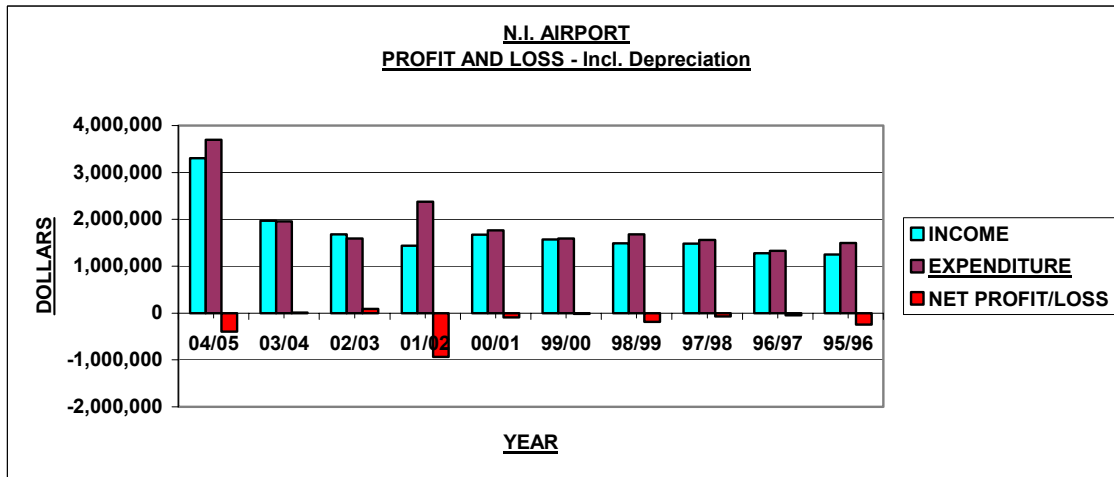
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. The expenditure item 'Sundry Expenses' is made up of the following costs;

	2005	2004
	\$	\$
<u>SUNDRY EXPENSES</u>		
Staff Airfare Entitlements	1,748	2,598
Stationery & Requisites	8,365	8,217
Postage	360	631
Workers Compensation Levy	3,369	2,369
Protective Clothing	2,502	3,842
Staff Training	21,315	21,101
Airside Security	8,678	5,349
Membership Fees – Airport Owners Association	3,000	-
Financial Reporting – Implementation of AEIFRS	1,900	-
Consultancy Fees	810	-
Recruitment and Removal of Staff	-	2,364
Medical Checks	1,898	396
Airport License Costs	12	59
Maintenance of Computer & Radio Equipment	<u>1,347</u>	<u>2,511</u>
<u>TOTAL</u>	<u>55,304</u>	<u>49,437</u>

2. A \$500,000 loan was granted to the Electricity Service in 1998 to assist it purchase a new 1megawatt Generator. The loan was repaid in full in 2004/05. The loan was granted interest free.
3. The Norfolk Island Fire Service was transferred from the Revenue Fund to the N.I. Airport on 1 July 2000.
4. Effective from 4 June 2005 the Airport Undertaking commenced the operation of Regular Passenger Traffic Charters (Air-service Australia to Norfolk Island return) following the demise of Norfolk Jet Express on 3 June 2005. The Company Norfolk Jet Express Pty Ltd was placed in liquidation on 4 June 2005. Messrs. McIntosh and Park from the Accounting firm KordaMentha Brisbane Qld 4001 were appointed joint and several Liquidators on 4 June 2005.
5. The Norfolk Island Administration is currently involved in a claim on the Liquidators of Norfolk Jet Express Pty Ltd to recover amounts owed to the Administration for the uplifting of Norfolk Jet Express passengers including airport taxes. The claim includes amounts owed to the Administration for airport landing fees and other miscellaneous charges at the time Norfolk Jet Express Pty Ltd went into liquidation. The Airport Undertaking is an unsecured creditor. A dividend (if any) to unsecured creditors has not yet been determined.

6. Hereunder are three Graphs of the financial results of the N.I. Airport over the past ten years.



WATER ASSURANCE FUND
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>INCOME</u>			
Effluent Disposal Charges	330,716		301,365
Waste Management Levy	245,337		105,227
Waste Management Misc Sales	20,476		21,166
Contrib. by Revenue Fund - For Waste M'Ment	-		88,000
Interest Received on Bank Account	16,164		11,408
Miscellaneous Charges	252		-
	612,945	612,945	527,166
<u>TOTAL INCOME</u>		612,945	527,166
<u>EXPENDITURE</u>			
<u>WATER ASSURANCE</u>			
Supervision - Salaries & Wages	17,286		16,187
Contract Maintenance	2,287		5,621
Materials Consumed - Maintenance	9,882		7,789
Materials Consumed - Water Laboratory	989		4,749
Relocation of Office	9,084		-
Building Maintenance	32		153
Equipment Purchased not Capitalised	-		628
Electricity	19,525		21,149
Transport & Plant Maintenance	532		2,211
Insurance Premiums	6,943		4,609
Audit Fee	1,850		2,800
Telecommunications	2,073		1,551
Workers Compensation Levy	27		256
Office Requisites	334		515
Postage	523		732
Financial Reporting - Implementation of AEIFRS	923		-
Consultancy Fees	810		-
	73,100	73,100	68,950
<u>WASTE MANAGEMENT</u>			
Salaries & Wages	199,115		183,758
Protective Clothing	10,825		6,277
Staff Training	-		1,545
Workers Compensation Levy	2,101		1,591
Medical Checks - Staff	1,225		3,746
Construction of Waste Bins	-		2,616
Telecommunications	2,714		3,793
Collection Fees Paid - Waste Levy	570		260
Waste Disposal Fees - Overseas	4,768		7,536
Outward Freight Charges	5,638		8,933
Requisites	6,369		14,467
Purchases - Crushed Cans for Resale	6,882		-
Business Travel	-		3,162

	NOTES	2005	2004
		\$	\$
Electricity Consumption		3,829	2,266
Insurance Premiums		5,914	5,587
Transportation Costs		24,434	8,184
Waste Chemical Storage		1,050	1,879
Top Tip Rehabilitation		-	27,616
Bottom Tip Maintenance		1,691	-
Headstone Tip Contract		-	17,295
Equipment Hire		7,145	-
Audit Fee		700	750
Doubtful Debts		17,764	-
Hand Tools		939	2,944
Repairs and Maintenance of Equipment		6,484	6,475
Grounds and Building Maintenance		11,286	26,125
		321,443	336,805
<u>ADMINISTRATION CHARGES</u>			
Management Fee - Revenue Fund	H.	25,000	20,000
		419,543	425,755
<u>TOTAL EXPENDITURE</u>			
<u>INCOME/(EXPENDITURE) EXCESS</u>			
<u>BEFORE DEPRECIATION</u>			
		193,402	101,411
Less			
Depreciation (Non-Cash Item)	G.	156,562	139,679
		36,840	-38,268
<u>INCOME/(EXPENDITURE) EXCESS</u>			
	1.		

WATER ASSURANCE FUND
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>BALANCE 1 JULY</u>		5,093,835	5,132,103
Add/(Less)			
Income/(Expenditure) Excess	36,840	36,840	-38,268
		5,130,675	5,093,835
<u>BALANCE 30 JUNE</u>		<u>5,130,675</u>	<u>5,093,835</u>

WATER ASSURANCE FUND

BALANCE SHEET

30 JUNE 2005

	NOTES	\$	2005	2004
			\$	\$
<u>ACCUMULATED FUNDS</u>				
Appropriation Account			5,130,675	5,093,835
			<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>			<u>5,130,675</u>	<u>5,093,835</u>
 <u>REPRESENTED BY:-</u>				
 <u>CURRENT ASSETS</u>				
Cash at Bank		524,018		339,947
Sundry Debtors	71,016			77,450
Less - Doubtful Debts	-17,764			-
				<hr/>
		53,252		77,450
Materials in Stock - Maintenance		22,846		22,024
Materials in Stock - Water Laboratory		3,948		3,734
Materials in Stock - Waste Management		1,727		1,368
			<hr/>	<hr/>
<u>TOTAL CURRENT ASSETS</u>			605,791	444,523
 <u>FIXED ASSETS</u>				
Mains - at cost	4,447,071			4,447,071
Less - Provision for Depreciation	644,614	G.		594,179
	3,802,457		3,802,457	3,852,892
				<hr/>
Buildings - at cost	513,991			513,991
Less - Provision for Depreciation	49,434	G.		23,405
	464,557		464,557	490,586
				<hr/>
Furniture & Fittings - at cost	2,815			2,815
Less - Provision for Depreciation	421	G.		209
	2,394		2,394	2,606
				<hr/>
Vehicles & Mobile Plant - at cost	93,725			93,725
Less - Provision for Depreciation	45,269	G.		28,736
	48,456		48,456	64,989
				<hr/>
Plant & Equipment - at cost	943,070			903,969
Less - Provision for Depreciation	714,694	G.		651,340
	228,376		<hr/>	252,629
			228,376	
				<hr/>
<u>TOTAL FIXED ASSETS</u>			4,546,240	4,663,702
			<hr/>	<hr/>
<u>TOTAL ASSETS</u>			5,152,031	5,108,225

	NOTES	2005	2004
		\$	\$
<u>LESS</u>			
<u>CURRENT LIABILITIES</u>			
Sundry Creditors		16,063	11,991
Provision for Employees Entitlements	E.	<u>3,953</u>	<u>1,212</u>
		20,016	13,203
<u>LONG TERM LIABILITIES</u>			
Provision for Employees Entitlements	E.	1,340	1,187
<u>TOTAL LIABILITIES</u>		<u>21,356</u>	<u>14,390</u>
<u>NET ASSETS</u>		<u>5,130,675</u>	<u>5,093,835</u>

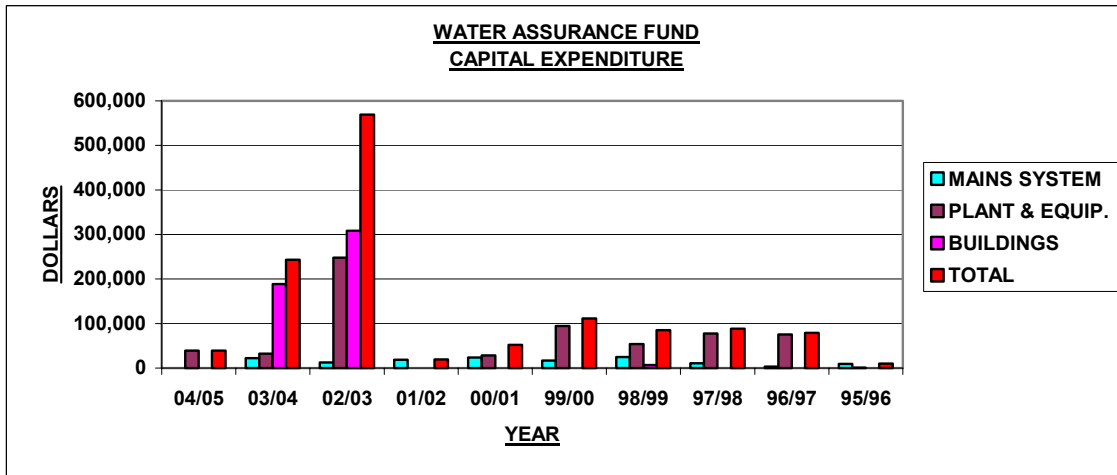
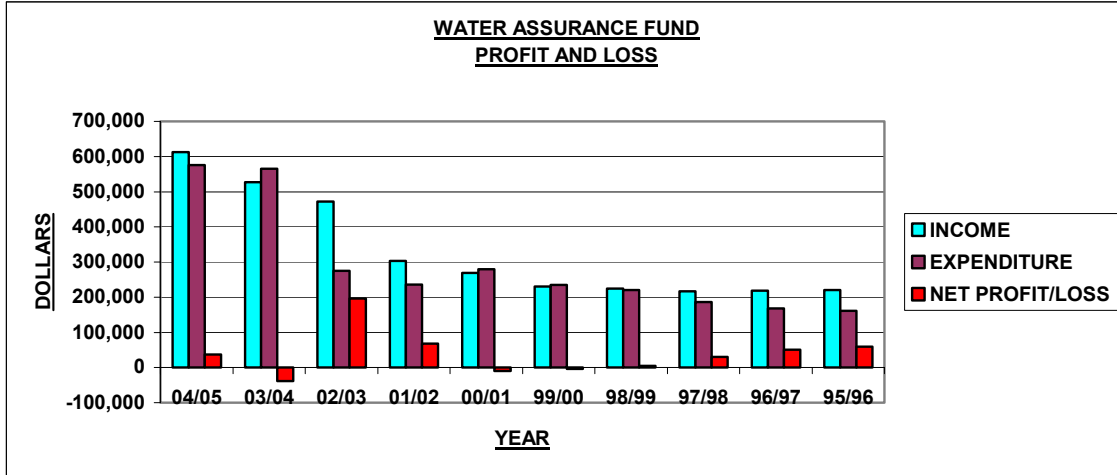
WATER ASSURANCE FUND
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
	\$	\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Customers	603,216		377,616
Interest Received on Bank Account	16,164		11,408
Payments to Suppliers & Employees	-371,208		-416,371
Accounting & Management Fee Paid	-25,000		-20,000
Net Cash Received from Operating Activities		223,172	-47,347
<u>CASH FLOWS FROM OTHER SOURCES</u>			
Subsidy - Revenue Fund	-		88,000
Net Cash Provided by Other Sources		-	88,000
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Waste Management Shed	-		-188,473
Capital Works - Mains	-		-22,051
Vehicles and Mobile Plant	-		-12,500
Plant & Equipment	-39,101		-20,154
Net Cash Expended in Investing Activities		-39,101	-243,178
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
	-		-
Net Cash Expended in Financing Activities		-	-
NET INCREASE (DECREASE) IN CASH HELD		184,071	-202,525
ADD-			
Cash Balance 1 July		339,947	542,472
<u>CASH BALANCE 30 JUNE</u>		<u>524,018</u>	<u>339,947</u>

WATER ASSURANCE FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Hereunder are two Graphs of the financial results of the Water Assurance Fund over the past ten years.



K.A.V.H.A. FUND
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
INCOME			
Norfolk Island Government Contribution	308,000		282,900
Australian Government Contribution	590,000		537,074
Open House (NET) - No. 9 Quality Row	12,132		11,638
Books & Pamphlets Sales - NET	1,065		-
Golf Club Contribution	-		4,000
Rotary Club N.I. Contribution	19,372		-
Miscellaneous Income - NET	2,694		11,126
Interest from Investments	11,364		8,434
		944,627	855,172
		<hr/>	<hr/>
<u>TOTAL INCOME</u>		<u>944,627</u>	<u>855,172</u>
EXPENDITURE			
Maintenance			
Grounds and Cemetery	96,041		99,308
Cyclic Maintenance	292,396		299,877
Non-Cyclic Maintenance	1,665		1,266
Quality Row Gardens	23,990		66
Historic Buildings - Minor	34,780		24,297
Deferred Maintenance	74,370		28,893
Fire Detection and Safety	19,035		15,096
Unforeseen Works	13,733		4,449
		556,010	473,252
Stabilisation			
Various Stabilisations		131,691	113,586
Interpretive			
Various Interpretive Works		2,524	19,203
Other Projects			
Commissariat Roof	-		21,001
Government House	-		39,922
		<hr/>	<hr/>
		-	60,923
Professional Fees			
Fees and Ancillary Costs	18,131		12,949
Salaries & Wages - Administrative	30,567		23,462
		<hr/>	<hr/>
		48,698	36,411
Sundry Expenses			
Transportation Costs	8,666		8,027
Employees Entitlements	33,858		35,878
Staff Medical Checks	1,088		6,026
Telecommunications	6,217		3,016
Electricity	16,397		11,820
Office Requisites & Postage	7,187		6,395
Protective Clothing	4,559		5,044
Workers Compensation Levy	4,954		4,201

	NOTES	2005	2004
	\$	\$	\$
Insurance Premium	3,400		3,440
Warehouse Rent - Storage	2,445		2,950
Fixed Assets Purchased Tfd to Revenue Fund	33,434		33,852
KAVHA Board Meetings	4,388		1,031
Financial Reporting - Adoption of AEIFRS	100		-
Conference Attendance	2,395		-
Audit Fee	<u>2,000</u>		<u>2,500</u>
		131,088	124,180
		<hr/>	<hr/>
TOTAL EXPENDITURE		<u>870,011</u>	<u>827,555</u>

K.A.V.H.A. FUND
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>BALANCE 1 JULY</u>		195,042	167,425
Add/(Less)			
Income/(Expenditure) Excess	<u>74,616</u>	74,616	<u>27,617</u>
		<hr style="width: 100%;"/>	<hr style="width: 100%;"/>
<u>BALANCE 30 JUNE</u>		<u>269,658</u>	<u>195,042</u>

K.A.V.H.A. FUND
BALANCE SHEET
30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		269,658	195,042
		269,658	195,042
<u>BALANCE 30 JUNE</u>		<u>269,658</u>	<u>195,042</u>
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	389,832		298,117
Sundry Debtors	4,621		1,592
Stock in Hand	31,221		22,089
TOTAL ASSETS		425,674	321,798
<u>LESS</u>			
CURRENT LIABILITIES			
Sundry Creditors		55,965	25,619
Employees Entitlements	E.	34,032	29,666
		89,997	55,285
LONG TERM LIABILITIES			
Employees Entitlements	E.	66,019	71,471
TOTAL LIABILITIES		156,016	126,756
<u>NET ASSETS</u>		<u>269,658</u>	<u>195,042</u>

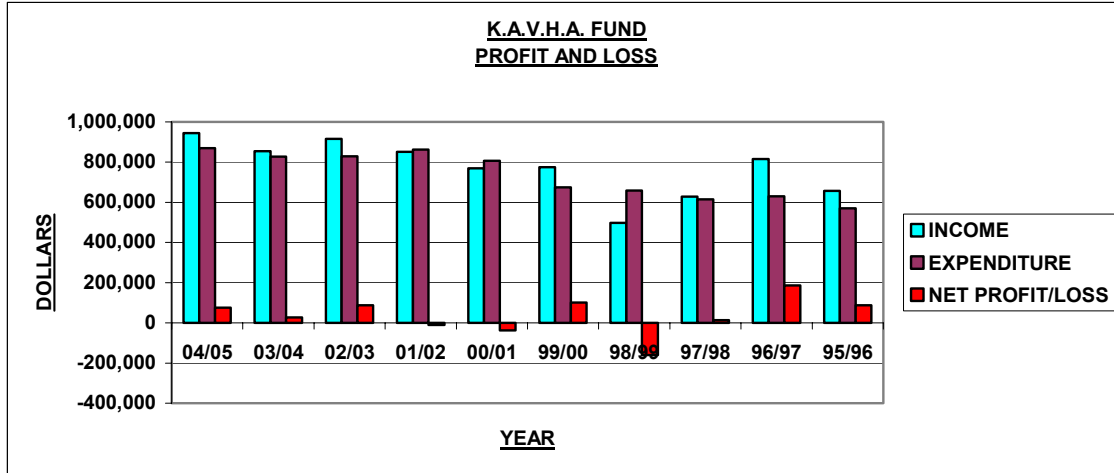
K.A.V.H.A. FUND
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Australian Government Contribution	590,000		537,074
Revenue Fund Contribution - N.I.G.	308,000		282,900
Contribution from N.I. Golf Club	-		4,000
Contribution from Rotary N.I.	19,372		-
Interest Received from Bank Account	11,364		8,434
Other Various Receipts	26,479		22,764
Payments to Suppliers & Employees	<u>-830,066</u>		<u>-797,325</u>
Net Cash Received from Operating Activities		125,149	57,847
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Cash Expended in Investing Activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
Fixed Assets Purchased Transferred to Revenue Fund	<u>-33,434</u>		<u>-33,852</u>
Net Cash Expended in Financing Activities		-33,434	-33,852
		<hr/>	<hr/>
NET INCREASE (DECREASE) IN CASH HELD		91,715	23,995
ADD-			
Cash Balance 1 July		<u>298,117</u>	<u>274,122</u>
<u>CASH BALANCE 30 JUNE</u>		<u>389,832</u>	<u>298,117</u>

K.A.V.H.A. FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Hereunder is a Graph of the financial results of the K.A.V.H.A. Fund over the past ten years



N.I. BICENTENNIAL INTEGRATED MUSEUMS

INCOME AND EXPENDITURE STATEMENT

YEAR ENDED 30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
INCOME				
Net Profit/(Loss) - Souvenir Shop	1.	21,653		16,747
Net Profit - Royal Engineers Cafe	1.	-		13,966
Research Centre		1,038		1,677
Sales - Museums Entry Tickets		92,674		127,285
OPERATING INCOME			115,365	159,675
OTHER INCOME				
Interest from Investments		508		1,173
Management Fee - Trial of 15		6,975		7,350
Grant Received - Historic Shipwrecks		11,500		20,990
Grant Received - Veteran's Affairs		-		2,000
Contribution from Museum Trust (N.I.)		14,916		-
Contribution from Museum Australia		995		-
Miscellaneous Income		8,721		-
Subsidy from Revenue Fund		100,000		80,000
			143,615	111,513
<u>TOTAL INCOME</u>			<u>258,980</u>	<u>271,188</u>
EXPENDITURE				
Salaries and Wages - Museums		189,194		175,690
Stationery,Requisites,Insurance,Card Fees		9,611		12,941
Electricity		11,477		8,942
Telecommunications		2,833		2,367
Workers Compensation Levy		2,421		1,885
Transportation Costs		786		121
Audit Fee		1,500		1,500
Advertising and Promotion		7,041		5,924
Rental of Premises		4,820		5,030
Building Maintenance Materials		4,955		2,651
Conservation of Artefacts		1,448		1,996
Expenditure of Historic Shipwrecks Grant		7,121		-
Exhibition Fabrication		3,421		6,979
Removal and Recruitment		2,491		6,387
Staff Training		5,327		-
Staff Airfares		2,804		-
Relocation of Trial of 15 Play		18,193		-
Fixed Assets Purchased Tfd To Revenue Fund		-		27,282
Management and Accounting Fee		2,000		2,000
			277,443	261,695
<u>TOTAL EXPENDITURE</u>			<u>277,443</u>	<u>261,695</u>
<u>INCOME/(EXPENDITURE) EXCESS</u>			<u>-18,463</u>	<u>9,493</u>

N.I. BICENTENNIAL INTEGRATED MUSEUMS
TRADING ACCOUNT
MUSEUM SOUVENIR SHOP AND CAFE
YEAR ENDED 30 JUNE 2005

	NOTES	\$	2005 \$	2004 \$
SALES	1.		97,803	56,077
Less Cost of Sales				
Stock 1 July (Includes Café \$554 30/06/04)	1.	20,625		7,312
Purchases		55,724		48,382
		76,349		55,694
Less - Stock 30 June		22,769	53,580	20,071
			44,223	20,454
GROSS PROFIT				
Less - Obsolete and Damaged Stock Written Off		-	-	-
Adjusted Gross Profit			44,223	20,454
			45%	36%
Less Direct Expenditure				
Wages		20,736		3,537
Requisites and Consumables		1,834		170
		22,570	22,570	3,707
<u>NETT PROFIT/(LOSS) - Transferred to Income and Expenditure Statement</u>	1.		21,653	16,747
			22%	30%

N.I. BICENTENNIAL INTEGRATED MUSEUMS

TRADING ACCOUNT

ROYAL ENGINEERS CAFE

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
		\$	\$
SALES		-	33,935
Less Cost of Sales			
Stock 1 July	-		418
Purchases	-		16,012
	-		16,430
Less - Stock 30 June	-		554
		-	15,876
GROSS PROFIT		-	18,059
			53%
<u>Less Direct Expenditure</u>			
Wages	-		3,510
Consumables	-		483
Equip. Repairs and Maint.	-		
Insurance Premium	-		100
Other Minor Expenses	-		-
		-	4,093
<u>NETT PROFIT</u> - Transferred to		-	13,966
Income and Expenditure Statement		-	41%

NOTE

Effective from 1 July 2004 the Royal Engineer's Cafe has been combined with the Souvenir Shop operation.

N.I. BICENTENNIAL INTEGRATED MUSEUMS

TRADING ACCOUNT

TRIAL OF FIFTEEN PLAY

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
	\$	\$	\$
INCOME			
Sales - Entry Tickets	47,934		64,222
OPERATING INCOME		47,934	64,222
		_____	_____
<u>TOTAL INCOME</u>		<u>47,934</u>	<u>64,222</u>
EXPENDITURE			
Salaries and Wages - Actors	22,270		28,728
Stationery & Requisites	886		1,130
Advertising and Promotion	565		786
Management and Accounting Fee	6,975		7,350
Contribution to N.I. Museum Trust	17,238		26,228
		47,934	64,222
		_____	_____
TOTAL EXPENDITURE		<u>47,934</u>	<u>64,222</u>
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>-</u>	<u>-</u>

N.I. BICENTENNIAL INTEGRATED MUSEUMS
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>BALANCE 1 JULY</u>		80,057	70,564
Add			
Income/(Expenditure) Excess		-18,463	9,493
<u>BALANCE 30 JUNE</u>		<u>61,594</u>	<u>80,057</u>

N.I. BICENTENNIAL INTEGRATED MUSEUMS

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		36,225	59,067
Historic Shipwrecks Grant		<u>25,369</u>	<u>20,990</u>
<u>BALANCE 30 JUNE</u>		<u>61,594</u>	<u>80,057</u>
 REPRESENTED BY:			
 CURRENT ASSETS			
Cash at Bank	61,192		79,227
Cash in Hand	430		430
Sundry Debtors	4,944		7,148
Stock at Cost	<u>22,769</u>		<u>20,625</u>
TOTAL ASSETS		89,335	107,430
 LESS			
CURRENT LIABILITIES			
Provision for Employees Entitlements	6,119		2,451
Sundry Creditors	<u>19,779</u>		<u>23,875</u>
		25,898	26,326
 LONG TERM LIABILITIES			
Provision for Employees Entitlements		<u>1,843</u>	<u>1,047</u>
TOTAL LIABILITIES		<u>27,741</u>	<u>27,373</u>
		<hr/>	<hr/>
<u>NET ASSETS</u>		<u>61,594</u>	<u>80,057</u>

N.I. BICENTENNIAL INTEGRATED MUSEUMS

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	250,374		281,395
Management Fee Received - Trial of 15 Play	6,975		7,350
Interest Received on Bank Account	508		1,173
Payments to Suppliers & Employees	<u>-382,094</u>		<u>-354,279</u>
Net Cash Received/(Expended) from Operating Activities		-124,237	-64,361
CASH FLOWS FROM OTHER SOURCES			
Grants & Contributions Received	27,411		22,990
Subsidy - Revenue Fund	<u>100,000</u>		<u>80,000</u>
Net Cash Provided by Other Sources		127,411	102,990
CASH FLOWS FROM INVESTING ACTIVITIES			
Net Cash Expended in Investing Activities			
CASH FLOWS FROM FINANCING ACTIVITIES			
Contribution to N.I. Museum Trust	-21,209		-14,010
Fixed Assets Purchased Transferred to Revenue Fund	<u>-</u>		<u>-27,282</u>
Net Cash Expended in Financing Activities		-21,209	-41,292
NET INCREASE (DECREASE) IN CASH HELD		-18,035	-2,663
ADD-			
Cash Balance 1 July		<u>79,657</u>	<u>82,320</u>
<u>CASH BALANCE 30 JUNE</u>		<u>61,622</u>	<u>79,657</u>

N.I. BICENTENNIAL INTEGRATED MUSEUMS
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Effective from 1 July 2004 the Royal Engineer's Cafe has been combined with the Souvenir Shop operation.

WORKERS COMPENSATION SCHEME FUND

INCOME AND EXPENDITURE STATEMENT

YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
	\$	\$	\$
INCOME			
Employers Levy		314,891	274,247
Interest Received from Investments		24,668	22,035
Compensation Claims - Insurance Refunds		<u>20,935</u>	<u>11,668</u>
		360,494	307,950
<u>TOTAL INCOME</u>		<u>360,494</u>	<u>307,950</u>
EXPENDITURE			
Salaries & Wages		31,108	21,349
Safety Inspectorate		6,000	6,000
Consultancy Fees		810	-
Insurance Premium		120,000	136,480
Stationery and Office Requisites		10,555	32,334
Postage		203	66
Financial Reporting - Implementation AEIFRS		50	-
Telecommunications		675	228
Workers Compensation Levy - Staff		284	165
Audit Fee		1,500	2,300
Legal Expenses		52,777	-
Compensation Payments			
Capital Benefits		-	-
Wages		76,694	20,716
Medical/Hospital & Travel		<u>58,043</u>	<u>24,928</u>
		134,737	45,644
		358,699	244,566
Administration Charges			
Management Fee - Revenue Fund	H.	20,000	20,000
TOTAL EXPENDITURE		<u>378,699</u>	<u>264,566</u>
INCOME/(EXPENDITURE) EXCESS BEFORE DEPRECIATION		<u>-18,205</u>	<u>43,384</u>
Less			
Depreciation (Non-Cash Item)	G.	659	659
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>-18,864</u>	<u>42,725</u>

WORKERS COMPENSATION SCHEME FUND
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
		\$	\$
<u>BALANCE 1 JULY</u>		689,512	646,787
Add/(less)			
Income/(Expenditure) Excess		<u>-18,864</u>	<u>42,725</u>
<u>BALANCE 30 JUNE</u>		<u>670,648</u>	<u>689,512</u>

WORKERS COMPENSATION SCHEME FUND

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
<u>Appropriation Account</u>		670,648	689,512
		<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>		<u>670,648</u>	<u>689,512</u>
<u>REPRESENTED BY:-</u>			
CURRENT ASSETS			
Cash at Bank	668,263		618,900
Prepayments - Insurance	35,000		50,000
Debtor - Reinsurer	1,664		1,800
Sundry Debtors	26,244		24,248
		<hr/>	<hr/>
		731,171	694,948
FIXED ASSETS			
Furniture & Fittings - at cost	1,785		1,785
Less - Provision for Depreciation	1,188		1,054
	<hr/>		<hr/>
	597	597	731
Plant and Equipment - at cost	11,901		11,901
Less - Provision for Depreciation	9,166		8,641
	<hr/>		<hr/>
	2,735	2,735	3,260
		<hr/>	<hr/>
		3,332	3,991
TOTAL ASSETS		<hr/> 734,503	<hr/> 698,939
<u>LESS</u>			
<u>CURRENT LIABILITIES</u>			
Sundry Creditors		12,000	8,427
Provision for Awarded Legal Costs	1.	50,000	-
Provision for Employees Entitlements	E.	579	216
		<hr/>	<hr/>
		62,579	8,643
<u>LONG TERM LIABILITIES</u>			
Provision for Employees Entitlements		1,276	784
<u>TOTAL LIABILITIES</u>		<hr/> 63,855	<hr/> 9,427
		<hr/>	<hr/>
<u>NET ASSETS</u>		<u>670,648</u>	<u>689,512</u>

WORKERS COMPENSATION SCHEME FUND

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

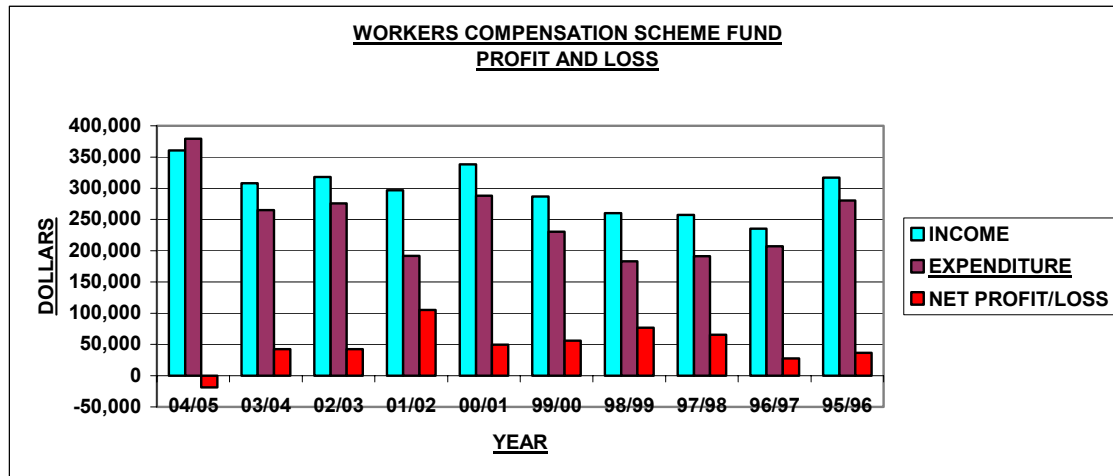
NOTES	\$	2005	2004
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Members	312,895		277,085
Receipts from Insurers	21,071		20,029
Interest Received from Bank Account	24,668		22,035
Payments to Suppliers & Employees	-157,067		-244,183
Payments - Compensation Claims	-132,204		-38,980
Accounting & Management Fee	-20,000		-20,000
Net Cash Received from Operating Activities		49,363	15,986
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchases - Furniture & Fittings	-		-
Purchases - Plant & Equipment	-		-
Net Cash Expended in Investing Activities		-	-
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Net Cash Expended in Financing Activities		-	-
<u>NET INCREASE (DECREASE) IN CASH HELD</u>		49,363	15,986
ADD-			
Cash Balance 1 July		618,900	602,914
<u>CASH BALANCE 30 JUNE</u>		<u>668,263</u>	<u>618,900</u>

WORKERS COMPENSATION SCHEME FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1.The Supreme Court and Full Federal Appeals Court have awarded legal costs to a claimant against the Workers Compensation Scheme Fund. The actual settlement amount is yet to be determined. A provision of \$50,000 has been allowed.

2.Hereunder is a Graph of the financial results of the Workers Compensation Scheme Fund over the past ten years



NORFOLK ISLAND HEALTHCARE FUND
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
INCOME			
Healthcare Levy	749,321		764,493
Insurance Claims - Limit Excess	100,000		-
Interest from Investments	24,402		20,616
Doubtful Debts Written Back	25,351		2,892
Bad Debts Recovered	25		1,718
		899,099	789,719
<u>TOTAL INCOME</u>		<u>899,099</u>	<u>789,719</u>
EXPENDITURE			
Salaries & Wages	37,161		22,004
Insurance Premiums	126,600		121,200
Sundry Expenses	1. 17,960		6,127
Bad Debts	21,273		-
Doubtful Debts	-		-
		202,994	149,331
Members Claims			
Local	242,273		246,943
Overseas	398,387		234,140
		640,660	481,083
Administration Charges			
Management Fee - Revenue Fund	10,000		10,000
Management Fee - N.I. Hospital	6,300		6,300
		16,300	16,300
<u>TOTAL EXPENDITURE</u>		<u>859,954</u>	<u>646,714</u>
INCOME/(EXPENDITURE) EXCESS BEFORE DEPRECIATION		<u>39,145</u>	<u>143,005</u>
Less			
Depreciation (Non-Cash Item)		177	178
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>38,968</u>	<u>142,827</u>

NORFOLK ISLAND HEALTHCARE FUND
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
BALANCE 1 JULY		589,925	447,098
Add/(less)			
Income/(Expenditure) Excess		38,968	142,827
<u>BALANCE 30 JUNE</u>		<u>628,893</u>	<u>589,925</u>

NORFOLK ISLAND HEALTHCARE FUND

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		628,893	589,925
		628,893	589,925
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	643,774		734,644
Sundry Debtors	150,520		72,473
Less - Provision for Doubtful Debts	18,483		44,408
	132,037	132,037	28,065
		775,811	762,709
FIXED ASSETS			
Furniture, Plant & Equipment	2,934		2,934
Less - Provision for Depreciation	2,433		2,256
	501	501	678
TOTAL ASSETS		776,312	763,387
LESS			
CURRENT LIABILITIES			
Sundry Creditors		138,870	172,462
Provision for Employees Entitlements	E.	2,174	216
		141,044	172,678
LONG TERM LIABILITIES			
Provision for Employees Entitlements	E.	6,375	784
TOTAL LIABILITIES		147,419	173,462
NET ASSETS/(NET LIABILITIES)		628,893	589,925

NORFOLK ISLAND HEALTHCARE FUND

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts from Debtors	771,299		750,458
Insurance Claims Received	-		-
Interest Received on Bank Account	24,402		20,616
Payments to Suppliers & Employees	-870,271		-613,994
Accounting & Management Fee Paid	-16,300		-16,300
Net Cash Expended from Operating Activities		-90,870	140,780
 <u>CASH FLOWS FROM REVENUE FUND</u>			
Subsidy from Revenue Fund	-		-
Net Cash Provided by Revenue Fund		-	-
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchases - Furniture, Plant & Equipment	-		-
Net Cash Expended in Investing Activities		-	-
 <u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Net Cash Expended in Financing Activities			
		-90,870	140,780
<u>NET INCREASE (DECREASE) IN CASH HELD</u>			
ADD-			
Cash Balance 1 July		734,644	593,864
<u>CASH BALANCE 30 JUNE</u>		<u>643,774</u>	<u>734,644</u>

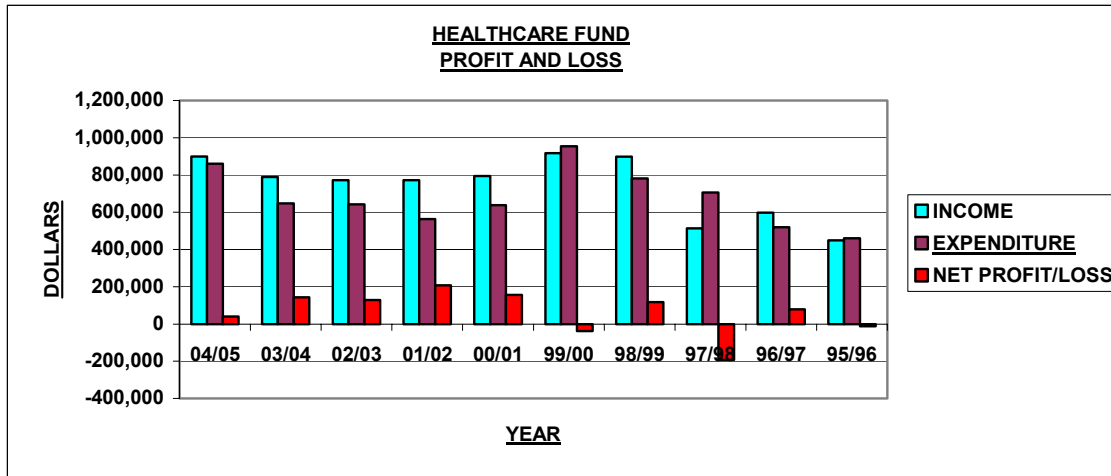
NORFOLK ISLAND HEALTHCARE FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. The expenditure item '**Sundry Expenses**' is made up of the following costs;

	2005	2004
	\$	\$
<u>SUNDRY EXPENSES</u>		
Stationery & Requisites	2,534	2,829
Software and Implementation	12,000	-
Telecommunications	563	322
Compensation Levy	429	165
Postage	654	861
Commission Paid – Debt Recovery	-	50
Staff Airfares	280	-
Audit Fee	<u>1,500</u>	<u>1,900</u>
<u>TOTAL</u>	<u>17,960</u>	<u>6,127</u>

2. Hereunder is a Graph of the financial results of the Healthcare Fund over the past ten years.



GAMING ENTERPRISE NORFOLK ISLAND
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
INCOME			
Gaming Receipts & Licences	403,438		138,728
Interest from Investments	15,552		12,906
		418,990	151,634
<u>TOTAL INCOME</u>		<u>418,990</u>	<u>151,634</u>
EXPENDITURE			
Remuneration to Gaming Authority Members	-		-
Remuneration - Administrative Staff	2,857		-
Business Travel	-		1,970
Consultancy	-		15,882
Audit Fee	700		800
Workers Compensation Levy	29		-
Financial Reporting - Implementation AEIFRS	150		-
		3,736	18,652
ADMINISTRATION CHARGES			
Management Fee - Revenue Fund	H.	2,000	2,000
<u>TOTAL EXPENDITURE</u>		<u>5,736</u>	<u>20,652</u>
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>413,254</u>	<u>130,982</u>

GAMING ENTERPRISE NORFOLK ISLAND
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
BALANCE 1 JULY		214,506	283,524
Add/(less)			
Income/(Expenditure) Excess	<u>413,254</u>	413,254	<u>130,982</u> 130,982
		<u>627,760</u>	<u>414,506</u>
Less			
Funds Transferred to the Revenue Fund	<u>250,000</u>	250,000	<u>200,000</u> 200,000
		<u>377,760</u>	<u>214,506</u>
<u>BALANCE 30 JUNE</u>		<u>377,760</u>	<u>214,506</u>

GAMING ENTERPRISE NORFOLK ISLAND

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		377,760	214,506
		377,760	214,506
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	386,864		233,265
Sundry Debtors	29,276		27,792
		416,140	261,057
FIXED ASSETS			
		416,140	261,057
TOTAL ASSETS			
LESS			
CURRENT LIABILITIES			
Probity Check Funds - Applicants	37,568		37,569
Sundry Creditors	812		8,982
		38,380	46,551
LONG TERM LIABILITIES			
		38,380	46,551
TOTAL LIABILITIES			
		38,380	46,551
NET ASSETS			
		377,760	214,506

GAMING ENTERPRISE NORFOLK ISLAND

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Gaming Receipts from Licences/Duty	401,954		150,752
Interest Received	15,552		12,906
Payments for Services/ Employees	-11,907		-49,782
Accounting & Management Fee Paid	-2,000		-2,000
Net Cash Expended from Operating Activities		403,599	111,876
<u>CASH FLOWS FROM REVENUE FUND</u>			
Net Cash Provided by Revenue Fund	-	-	-
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Net Cash Expended in Investing Activities			
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Funds Transferred to Revenue Fund	-250,000		-200,000
Net Cash Expended in Financing Activities	-	-250,000	-200,000
		<hr/>	<hr/>
<u>NET INCREASE (DECREASE) IN CASH HELD</u>		153,599	-88,124
ADD-			
Cash Balance 1 July		<u>233,265</u>	<u>321,389</u>
<u>CASH BALANCE 30 JUNE</u>		<u>386,864</u>	<u>233,265</u>

GAMING ENTERPRISE NORFOLK ISLAND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Gaming Enterprise - Norfolk Island commenced as a Government Business Enterprise in May 1999. The GBE was created to account for the receipts and payments pertaining to the licensing of gaming operators and a fund into which licensed gaming operators will deposit monies due and payable by them to the Administration of Norfolk Island.
2. The Norfolk Island Government by appropriation from the Revenue Fund guarantees any shortfall of funds that the Enterprise may incur.

CASCADE CLIFF SALE OF ROCK ENTERPRISE

INCOME AND EXPENDITURE STATEMENT

YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
	\$	\$	\$
<u>INCOME</u>			
Sales - Rock Products		362,620	273,424
Doubtful Debts Written Back		48,854	35,911
Interest From Investments		-	13,208
		411,474	322,543
<u>TOTAL INCOME</u>		<u>411,474</u>	<u>322,543</u>
<u>EXPENDITURE</u>			
Cost of Crushed Rock Product Sold		-	5,396
Rental of Portion 5A		19,380	-
Rock Crushing Contract		-	25,200
Salaries and Wages		2,362	1,250
Workers Compensation Levy		24	12
Protective Clothing		202	61
Requisites		2,603	54
Financial Reporting - Implementation AEIFRS		111	-
Telecommunications		399	400
Electricity		76	72
Insurance Premiums		2,200	2,360
Transportation Costs		-	-
Consultancy Fees		3,265	18,919
Equipment Hire - Re Gabion Rock		-	52,200
Survey of Rock Volumes		-	600
Bad Debts		222	59
Doubtful Debts		-	4,899
Litigation Costs		-	745
Maintenance of Equipment		2,759	-
External Audit Fee		700	800
Management and Accounting Fee		23,000	2,000
Rock Royalties	1.	303,173	147,286
		360,476	262,313
<u>TOTAL EXPENDITURE</u>		<u>360,476</u>	<u>262,313</u>
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>50,998</u>	<u>60,230</u>

CASCADE CLIFF SALE OF ROCK ENTERPRISE
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
		\$	\$
BALANCE 1 JULY		-205,134	-265,364
Add/(less)			
Income/(Expenditure) Excess		50,998	60,230
		50,998	60,230
<u>BALANCE 30 JUNE</u>	2.	<u>-154,136</u>	<u>-205,134</u>

CASCADE CLIFF SALE OF ROCK ENTERPRISE

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		-154,136	-205,134
		-154,136	-205,134
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	228,140		126,012
Sundry Debtors	32,519		66,975
Less - Provision for Doubtful Debts	-		48,854
	32,519	32,519	18,121
		260,659	144,133
TOTAL ASSETS		260,659	144,133
LESS			
CURRENT LIABILITIES			
Sundry Creditors		214,795	49,267
Advance From Revenue Fund		200,000	300,000
Provision for Employees Entitlements	E.	-	-
		414,795	349,267
LONG TERM LIABILITIES			
Provision for Employees Entitlements	E.	-	-
TOTAL LIABILITIES		414,795	349,267
NET ASSETS/(NET LIABILITIES)	2.	-154,136	-205,134

CASCADE CLIFF SALE OF ROCK ENTERPRISE

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts From Customers	445,930		364,930
Interest Received on Bank Account	-		13,208
Payments for Services/ Employees	-63,979		-34,375
Rock Royalties Paid	-156,823		-193,748
Accounting & Management Fee Paid	-23,000		-2,000
Net Cash Expended from Operating Activities		202,128	148,015
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Net Cash Expended in Investing Activities		-	-
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Advance Repaid to Revenue Fund	-100,000		-350,000
Net Cash Expended in Financing Activities		-100,000	-350,000
		<u>102,128</u>	<u>-201,985</u>
<u>NET INCREASE (DECREASE) IN CASH HELD</u>			
ADD-			
Cash Balance 1 July		<u>126,012</u>	<u>327,997</u>
<u>CASH BALANCE 30 JUNE</u>		<u>228,140</u>	<u>126,012</u>

CASCADE CLIFF SALE OF ROCK ENTERPRISE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. This Enterprise commenced operations in October 2000. The purpose of the Enterprise is to process and sell good quality rock products extracted from the Cascade Cliff stabilisation project to the Community for building and to the Administration for road maintenance, road construction and the N.I. Airport's runways. The amount of \$28 for each tonne sold is paid to the Cascade Cliff Loan Fund. This royalty is paid each six months to the Commonwealth as the agreed loan repayment for its loan of up to \$3.25M to the Administration to stabilise the land described as Lot 28 Section 10, Sheet 33 in Norfolk Island. For further details please refer to the Accounts of the Cascade Cliff Loan Fund (Page No. 139 to 143).
2. The Revenue Fund (Appropriation by the Norfolk Island Government) from its own resources has guaranteed to provide on going financial support to the Enterprise.

OFFSHORE FINANCE CENTRE
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
INCOME			
Subsidy from Revenue Fund	-		-
Interest from Investments	67		52
		67	52
<u>TOTAL INCOME</u>		<u>67</u>	<u>52</u>
EXPENDITURE			
Consultancy Fees Incl. Travel Etc.			3,055
Administrative Travel	-		-
Telecommunications	-		-
Special Requisites & Postage	-		-
		-	3,055
ADMINISTRATION CHARGES			
Management Fee - Revenue Fund	H.	-	-
TOTAL EXPENDITURE		-	3,055
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>67</u>	<u>-3,003</u>

OFFSHORE FINANCE CENTRE
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
BALANCE 1 JULY		7,646	10,649
Add/(less)			
Income/(Expenditure) Excess		67	-3,003
		7,713	7,646
<u>BALANCE 30 JUNE</u>			

OFFSHORE FINANCE CENTRE

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		7,713	7,646
		7,713	7,646
<u>BALANCE 30 JUNE</u>		<u>7,713</u>	<u>7,646</u>
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	7,713		7,646
Sundry Debtors - Accruals	-	7,713	-
			7,646
FIXED ASSETS			
TOTAL ASSETS		7,713	7,646
LESS			
CURRENT LIABILITIES			
Cash Advance from Revenue Fund	-		-
Sundry Creditors	-	-	-
			-
LONG TERM LIABILITIES			
TOTAL LIABILITIES		-	-
<u>NET ASSETS</u>		<u>7,713</u>	<u>7,646</u>

OFFSHORE FINANCE CENTRE
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts - Interest Received	67		52
Payments for Services/ Employees	-		-3,055
Accounting & Management Fee Paid	-		-
Net Cash Expended from Operating Activities	-	67	-3,003
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
 Net Cash Expended in Investing Activities			
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Subsidy from Revenue Fund	-		-
Cash Advance repaid to Revenue Fund	-		-
Cash Advance from Revenue Fund	-		-
Net Cash Expended in Financing Activities	-	-	-
		67	-3,003
<u>NET INCREASE (DECREASE) IN CASH HELD</u>			
ADD-			
Cash Balance 1 July		7,646	10,649
<u>CASH BALANCE 30 JUNE</u>		<u>7,713</u>	<u>7,646</u>

OFFSHORE FINANCE CENTRE

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Accrual accounting principles have been applied in the preparation of these Statements. The 'Offshore Finance Centre' commenced as a Government Business Enterprise in April 2000. The GBE was created to account for the receipts and payments pertaining to the feasibility of establishing an Offshore Finance Centre in Norfolk Island.

THE ADMINISTRATION OF NORFOLK ISLAND
THE TRUST FUND
STATEMENT OF RECEIPTS AND PAYMENTS
PERIOD 1 JULY 2004 TO 30 JUNE 2005

	NOTES	CASH BALANCE 01 July 2004 \$	PAYMENTS \$	RECEIPTS \$	CASH BALANCE 30 June 2005 \$
Miscellaneous Deposits	4.	116,608	1,402,022	1,765,981	480,567
Stamp - Suspense	1.	66,904	328,442	325,957	64,419
Legal Aid Fund	2.	438,538	23,288	24,515	439,765
N.I. Climate Vulnerability Assessment	3.	22,326	-	379	22,705
Asset Management Plan	5.	-	3,214	20,000	16,786
Refurbish Kingston Pier	6.	-	183,833	258,000	74,167
<hr/>					
<u>TOTAL</u>		<u>644,376</u>	<u>1,940,799</u>	<u>2,394,832</u>	<u>1,098,409</u>

THE TRUST FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Stamp Orders - Suspense; These funds, which are held in trust, are considered not to be part of the Norfolk Island Postal Services. The receipts represent moneys deposited with the Norfolk Island Administration by philatelic customers for future stamp orders from the Norfolk Island Philatelic Bureau. The expenditure mainly represents these stamp orders being filled and the proceeds are reflected in the stamp sales amount of \$290,538 generated by the Philatelic Bureau. Refer to note No. 1 on page No. 43. Included in the expenditure amount is a nominal sum, which represents refunds, made to customers who no longer wish to have a standing order account.

2. The Legal Aid Fund was established under Section 24 of the Legal Aid Act 1995. The purpose of the Fund is to provide legal aid assistance to the community of Norfolk Island. Refer page Nos. 124 to 128 for the Financial Statements.

3. Norfolk Island Climate Vulnerability Assessment: This account was established in 1996 from a grant of \$55,000 provided by the Australian Government. The purpose of the grant is to assist in the study of climatic conditions around Norfolk Island.

4. Miscellaneous Deposits This account is a repository for monies lodged with the Administration for purposes other than for costs associated with the operations of the Revenue Fund and Government Business Enterprises.

TRUST ACCOUNTS (MISCELLANEOUS DEPOSITS)

BALANCE

	2005	PAYMENTS	RECEIPTS	2004
	\$	\$	\$	\$
Reward Offered for Murder of Ms. Janelle Patton	50,000			50,000
Kaipara - Bond	199,983		199,983	-
Tattersalls (The Mail Service)	3,332	20,363	20,363	3,332
Ship Cartage - Administration of N.I.	-	11,617	11,617	-
Public Library Donations	2,656	699	540	2,815
Sand Rehabilitation	1,949	6,127	1,328	6,748
Unknown Bank Deposits	-	16,875		16,875
Aust. Federal Police - Staff Training	-	7,290		7,290
Auslig - Land Surveys	2,810			2,810
Grant from Aust Govt. - Aviation Consultant	48,952	1,048	50,000	-
Emergency Services Equipment	1,013			1,013
Telemedicine Project	-	6,246		6,246
Default Summons	-	5,600	1,200	4,400
Grant from Aust Govt. - Engineer	6,085	43,915	50,000	-
Donation - for X-ray Unit at Airport	125,000		125,000	-
Administration Property Bonds	5,740	4,520	4,220	6,040
Bond - Re Crusher	5,000			5,000
Other Minor Accounts	2,046	1,269,951	1,271,745	252
ADD/LESS - Creditors at 30 June 2005	26,001	7,771	29,985	3,787
 <u>CASH BALANCE AT 30 JUNE 2005>>>></u>	<u>480,567</u>	<u>1,402,022</u>	<u>1,765,981</u>	<u>116,608</u>

5. Asset Management Plan: This account was established in 2005 from a grant of \$150,000 provided by the Australian Government. The grant balance of \$130,000 will be provided in 2005-2006 financial year. The purpose of the grant is to assist in the review of the Administration's assets and provide a Plan for the future management of its assets.

6. Refurbish Kingston Pier: This account was established in 2005. The Commonwealth of Australia has approved a grant sufficient to refurbish the Kingston Pier.

LEGAL AID FUND
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
INCOME			
Australian Government Contribution	-		-
Norfolk Island Government Contribution	-		-
Interest Received From Legal Trust Accounts	3,362		5,784
Interest Received on Bank Account	<u>21,757</u>		<u>16,905</u>
		25,119	22,689
<u>TOTAL INCOME</u>		<u>25,119</u>	<u>22,689</u>
EXPENDITURE			
Telecommunications	-		-
Legal Aid Assistance	<u>46,414</u>		<u>2,913</u>
		46,414	2,913
ADMINISTRATION CHARGES			
Management Fee - Revenue Fund	H.	-	-
TOTAL EXPENDITURE		46,414	2,913
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>-21,295</u>	<u>19,776</u>

LEGAL AID FUND
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
BALANCE 1 JULY		440,316	420,540
Add/(less)			
Income/(Expenditure) Excess		-21,295	19,776
<u>BALANCE 30 JUNE</u>		<u>419,021</u>	<u>440,316</u>

LEGAL AID FUND

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		419,021	440,316
		<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>		<u>419,021</u>	<u>440,316</u>
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	59,765		38,538
Term Deposits	380,000		400,000
Sundry Debtors	5,413		4,809
	<hr/>	445,178	<hr/>
			443,347
FIXED ASSETS			
		<hr/>	<hr/>
TOTAL ASSETS		445,178	443,347
LESS			
CURRENT LIABILITIES			
Sundry Creditors	26,157		3,031
	<hr/>	26,157	<hr/>
			3,031
LONG TERM LIABILITIES			
		<hr/>	<hr/>
TOTAL LIABILITIES		26,157	3,031
		<hr/>	<hr/>
<u>NET ASSETS</u>		<u>419,021</u>	<u>440,316</u>

LEGAL AID FUND
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Australian Government Contribution	-		-
Norfolk Island Government Contribution	-		-
Interest Received	24,515		17,880
Interest Received - Overpaid 03-04	-3,031		3,031
Payments for Services/ Employees	-20,257		-20,854
Accounting & Management Fee Paid	-		-
Net Cash Expended from Operating Activities	-	1,227	57
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
 Net Cash Expended in Investing Activities			
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
 Net Cash Expended in Financing Activities			
	-	-	-
 <u>NET INCREASE (DECREASE) IN CASH HELD</u>		1,227	57
ADD-			
Cash Balance 1 July		438,538	438,481
<u>CASH BALANCE 30 JUNE</u>		<u>439,765</u>	<u>438,538</u>

LEGAL AID FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. Accrual accounting principles have been applied in the preparation of these Statements. The Legal Aid Fund was established under Section 24 of the Legal Aid Act 1995. The purpose of the Fund is to provide legal aid assistance to the community of Norfolk Island.

ASSET MANAGEMENT PLAN
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
	\$	\$	\$
INCOME			
Australian Government Contribution	20,000		-
	20,000	20,000	-
<u>TOTAL INCOME</u>		20,000	=
EXPENDITURE			
Removal and Recruitment	3,214		-
	3,214	3,214	-
ADMINISTRATION CHARGES			
Management Fee - Revenue Fund	H.	-	-
		-	-
TOTAL EXPENDITURE		3,214	-
<u>INCOME/(EXPENDITURE) EXCESS</u>		16,786	-

ASSET MANAGEMENT PLAN
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
BALANCE 1 JULY		-	-
Add/(less)			
Income/(Expenditure) Excess		16,786	-
		16,786	-
<u>BALANCE 30 JUNE</u>		<u>16,786</u>	<u>-</u>

ASSET MANAGEMENT PLAN

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		16,786	-
		<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>		<u>16,786</u>	<u>-</u>
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	16,786		-
Sundry Debtors	<hr/>		<hr/>
		16,786	-
FIXED ASSETS			
TOTAL ASSETS		<hr/> 16,786	<hr/> -
LESS			
CURRENT LIABILITIES			
Sundry Creditors	<hr/>	-	<hr/>
		-	-
LONG TERM LIABILITIES			
TOTAL LIABILITIES		<hr/> -	<hr/> -
<u>NET ASSETS</u>		<u>16,786</u>	<u>-</u>

**ASSET MANAGEMENT PLAN
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005**

NOTES	\$	2005	2004
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Australian Government Contribution	20,000		-
Payments for Services/ Employees	-3,214		-
Accounting & Management Fee Paid	-		-
Net Cash Expended from Operating Activities	-	16,786	-
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Net Cash Expended in Investing Activities			
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Net Cash Expended in Financing Activities	-	-	-
 <u>NET INCREASE (DECREASE) IN CASH HELD</u>		16,786	-
ADD-			
Cash Balance 1 July		-	-
<u>CASH BALANCE 30 JUNE</u>		16,786	-

ASSET MANAGEMENT PLAN

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. The Commonwealth of Australia has agreed to provide a grant up to \$150K for the review of the Administration's assets and provide a Plan for the future management of its assets. The grant balance of \$130,000 will be provided in 2005-2006 financial year.

REFURBISH KINGSTON PIER
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
	\$	\$	\$
INCOME			
Australian Government Contribution	258,000		-
	<hr/>	258,000	<hr/> -
		<hr/>	<hr/>
<u>TOTAL INCOME</u>		<u>258,000</u>	<u>-</u>
 EXPENDITURE			
Removal and Recruitment	11,003		-
Probity Checks	2,310		-
Stationery & Requisites	311		-
Telecommunications	654		-
Electricity	569		-
Project Management Contract	116,150		-
Prime Contractor	-		-
Sub Contractors	97,189		-
Plant Hire	1,676		-
External Audit Fee	250		-
Other Sundry Expenditure	200		-
	<hr/>	230,312	<hr/> -
 ADMINISTRATION CHARGES			
Management Fee - Revenue Fund	H.	-	-
		<hr/>	<hr/>
TOTAL EXPENDITURE		230,312	-
		<hr/>	<hr/>
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>27,688</u>	<u>-</u>

REFURBISH KINGSTON PIER
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
BALANCE 1 JULY		-	-
Add/(less)			
Income/(Expenditure) Excess		27,688	-
		27,688	-
<u>BALANCE 30 JUNE</u>		<u>27,688</u>	<u>-</u>

REFURBISH KINGSTON PIER

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
ACCUMULATED FUNDS			
Appropriation Account		27,688	-
		<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>		<u>27,688</u>	-
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	74,167		-
Sundry Debtors	<hr/>		<hr/>
		74,167	-
FIXED ASSETS			
		<hr/>	<hr/>
TOTAL ASSETS		74,167	-
LESS			
CURRENT LIABILITIES			
Sundry Creditors	<hr/>		<hr/>
		46,479	-
LONG TERM LIABILITIES			
		<hr/>	<hr/>
TOTAL LIABILITIES		46,479	-
		<hr/>	<hr/>
<u>NET ASSETS</u>		<u>27,688</u>	<u>-</u>

**REFURBISH KINGSTON PIER
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005**

NOTES	\$	2005	2004
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Australian Government Contribution	258,000		-
Payments for Services/ Employees	-183,833		-
Accounting & Management Fee Paid	-		-
Net Cash Expended from Operating Activities	-	74,167	-
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Net Cash Expended in Investing Activities			
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Net Cash Expended in Financing Activities	-	-	-
 <u>NET INCREASE (DECREASE) IN CASH HELD</u>		74,167	-
ADD-			
Cash Balance 1 July		-	-
<u>CASH BALANCE 30 JUNE</u>		74,167	-

REFURBISH KINGSTON PIER

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. The Commonwealth of Australia has approved a grant sufficient to refurbish the Kingston Pier.

CASCADE CLIFF LOAN FUND
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
INCOME			
		_____	_____
<u>TOTAL INCOME</u>		<u>NIL</u>	<u>NIL</u>
EXPENDITURE			
		_____	_____
TOTAL EXPENDITURE		_____	_____
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>NIL</u>	<u>NIL</u>

CASCADE CLIFF LOAN FUND
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
BALANCE 1 JULY		NIL	NIL
Add/(less) Income/(Expenditure) Excess	_____		
		_____	_____
<u>BALANCE 30 JUNE</u>		<u>NIL</u>	<u>NIL</u>

CASCADE CLIFF LOAN FUND

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>ACCUMULATED FUNDS</u>			
Appropriation Account		-	-
		-	-
<u>BALANCE 30 JUNE</u>		<u>NIL</u>	<u>NIL</u>
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	16,212		105,502
Debtor - Cascade Cliff Sale of Rock	147,086		-
<u>TOTAL - CURRENT ASSETS</u>		163,298	105,502
NON-CURRENT ASSETS			
Royalties Receivable	2. 3,133,084		3,133,084
<u>Less- Royalties Received</u>	2. <u>-1,393,016</u>		<u>-1,089,842</u>
<u>TOTAL - NON CURRENT ASSETS</u>		1,740,068	2,043,242
<u>TOTAL ASSETS</u>		1,903,366	2,148,744
LESS			
CURRENT LIABILITIES			
Advance From Revenue Fund	-		-
Sundry Creditors	-		89,290
		-	89,290
LONG TERM LIABILITIES			
<u>Loan From Australian Government</u>	1.	1,903,366	2,059,454
<u>TOTAL LIABILITIES</u>		1,903,366	2,148,744
<u>NET ASSETS/(LIABILITIES)</u>		<u>NIL</u>	<u>NIL</u>

CASCADE CLIFF LOAN FUND
STATEMENT OF CASH FLOWS
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loan from Australian Government	-		-
Rock Royalties Received	156,088		194,483
Other Inflows	-		-
Loan Repayment to Australian Government	-245,378		-105,193
Payments to Suppliers & Employees	-		-
Net Cash Expended from Operating Activities	-	-89,290	89,290
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchases - Furniture, Plant & Equipment			
Net Cash Expended in Investing Activities			
 <u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Fixed Assets Purchased Transferred to the Revenue Fund	-		-
Net Cash Expended in Financing Activities		-	-
		-89,290	89,290
<u>NET INCREASE (DECREASE) IN CASH HELD</u>			
ADD-			
Cash Balance 1 July		105,502	16,212
<u>CASH BALANCE 30 JUNE</u>		<u>16,212</u>	<u>105,502</u>

CASCADE CLIFF LOAN FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. The Cascade Loan Act 2000 was assented to on 16 June 1998. This Act binds the Crown and the Administration of Norfolk Island. The purpose of the Cascade Cliff loan is to provide funding of the stabilisation of the land described as lot 28 Section 10, Sheet 33 Norfolk Island to ensure public safety. The Act authorises that the Administration of Norfolk Island may borrow from the Commonwealth a total sum not exceeding \$3.25million. By formal agreement with Commonwealth, bi-annual loan repayment instalments to the Commonwealth will be sourced from the receipt of rock royalties.

2. **Royalties Receivable** - The excavation costs incurred to 30 June 2000 on the Cascade Cliff Project were accounted for as an asset termed "work in progress" in the Balance Sheet as at 30 June 2000. The project was completed during 2001 financial year. As all of the project costs are recoverable through royalties from the sale of rock, in the Balance Sheet as at 30 June 2005 these costs have been termed as "Royalties Receivable". All royalties collectable from future rock sales will be directed towards the repayment of the loan from the Commonwealth of Australia. By formal agreement, the loan is interest free and the repayment is restricted to the royalties received from sale of rock.

Accordingly in the preparation of these accounts, the loan drawn down for the project has been assumed to be totally repayable through royalties receivable from rock sales. Should any part of the royalty receivable be not recoverable via the sale of rock then the sale price of rock product will need to be increased to recover higher royalties and legal proceedings pursued in relation to the shortfall against the Contractor and the Project Manager.

N.I. AIRPORT RUNWAYS LOAN FUND
INCOME AND EXPENDITURE STATEMENT
YEAR ENDED 30 JUNE 2005

	NOTES	2005	2004
	\$	\$	\$
INCOME			
		_____	_____
<u>TOTAL INCOME</u>		<u>NIL</u>	<u>NIL</u>
EXPENDITURE			
		_____	_____
TOTAL EXPENDITURE		_____	_____
<u>INCOME/(EXPENDITURE) EXCESS</u>		<u>NIL</u>	<u>NIL</u>

N.I. AIRPORT RUNWAYS LOAN FUND
APPROPRIATION ACCOUNT (ACCUMULATED FUNDS)
YEAR ENDED 30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
BALANCE 1 JULY		NIL	NIL
Add/(less) Income/(Expenditure) Excess	_____	_____	_____
<u>BALANCE 30 JUNE</u>		<u>NIL</u>	<u>NIL</u>

N.I. AIRPORT RUNWAYS LOAN FUND

BALANCE SHEET

30 JUNE 2005

NOTES	\$	2005 \$	2004 \$
<u>ACCUMULATED FUNDS</u>			
Appropriation Account		-	-
		<hr/>	<hr/>
<u>BALANCE 30 JUNE</u>		<u>NIL</u>	<u>NIL</u>
REPRESENTED BY:-			
CURRENT ASSETS			
Cash at Bank	1,054,000		-
Sundry Debtors	<hr/>		<hr/>
<u>TOTAL - CURRENT ASSETS</u>		1,054,000	-
NON-CURRENT ASSETS			
Works in Progress	134,135		
	<hr/>		<hr/>
<u>TOTAL - NON CURRENT ASSETS</u>		134,135	-
		<hr/>	<hr/>
<u>TOTAL ASSETS</u>		1,188,135	-
LESS			
CURRENT LIABILITIES			
Sundry Creditors	134,135		-
	<hr/>	134,135	<hr/>
LONG TERM LIABILITIES			
<u>Loan From Australian Government</u>	1.	1,054,000	<hr/>
<u>TOTAL LIABILITIES</u>		1,188,135	<hr/>
		<hr/>	<hr/>
<u>NET ASSETS/(LIABILITIES)</u>		<u>NIL</u>	<u>NIL</u>

N.I. AIRPORT RUNWAYS LOAN FUND

STATEMENT OF CASH FLOWS

YEAR ENDED 30 JUNE 2005

NOTES	\$	2005	2004
		\$	\$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Loan from Australian Government	1,054,000		-
Other Inflows	-		-
Loan Repayment to Australian Government	-		-
Payments to Suppliers & Employees	-		-
Net Cash Expended from Operating Activities	<hr/>	1,054,000	<hr/> -
 <u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
 Net Cash Expended in Investing Activities			
 <u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
	<hr/>		<hr/>
Net Cash Expended in Financing Activities		-	-
 <u>NET INCREASE (DECREASE) IN CASH HELD</u>			
		<hr/> 1,054,000	<hr/> -
ADD-			
Cash Balance 1 July		<hr/> -	<hr/> -
<u>CASH BALANCE 30 JUNE</u>		<hr/> 1,054,000	<hr/> -

N.I. AIRPORT RUNWAYS LOAN FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

1. The Airport Runways Loan Act 2003 was assented to on 25 November 2003. This Act binds the Crown and the Administration of Norfolk Island. The purpose of the Airport Runways loan is to provide funding for the resurfacing of the Norfolk Island Airport runways. The Act authorises that the Administration of Norfolk Island may borrow from the Commonwealth a total sum not exceeding \$12million. By formal agreement with the Commonwealth, annual loan repayment instalments of \$1,200,000 to the Commonwealth will commence 01 June 2006. The final repayment date will be 1 December 2015.