



**New Zealand Domain Name Registry Limited**  
**Financial Statements**  
**For the Quarter Ended 31st March 2006**

**Prepared By**

**Curtis McLean Limited**  
**Chartered Accountants**  
**Wellington            NZ**





**New Zealand Domain Name Registry Limited**  
**Exclusion of Liability Statement**  
**For the Quarter Ended 31st March 2006**

We have compiled the Financial Statements comprising Statement of Financial Performance, Statement of Movements in Equity and Statement of Financial Position of New Zealand Domain Name Registry Limited for the period ended 31st March 2006.

A compilation is limited primarily to the collection, classification and summarisation of financial information supplied by the client. A compilation does not involve the verification of that information.

We have not carried out an audit or review engagement of the Financial Statements and therefore neither we nor any of our employees accept any responsibility for the accuracy of the material from which the Financial Statements have been prepared. Further, the Financial Statements have been prepared at the request of and for the purpose of the client only and neither we nor any of our employees accept any responsibility on any ground whatsoever, including liability in negligence, to any other person.

**Curtis McLean Limited**  
**Chartered Accountants**  
**Wellington NZ**

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**New Zealand Domain Name Registry Limited**  
**Statement of Financial Performance**  
**For the Quarter Ended 31st March 2006**

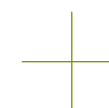
	<b>This Quarter</b>			<b>Year to Date</b>			<b>Full Year</b>	
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Last Year
<b>Registry Fees</b>	1,099,638	1,038,706	60,932	4,314,039	4,165,535	148,504	4,165,535	3,851,028
<b>Less Direct Expenses</b>								
DNC Management Fee	226,500	226,500	-	906,000	906,000	-	906,000	818,400
DNS Expenses	63,769	82,661	(18,892)	247,801	304,840	(57,039)	304,840	190,866
SRS Expenses	109,551	84,171	25,380	429,087	371,884	57,203	371,884	322,667
Other IT	130,420	69,001	61,419	313,640	318,004	(4,364)	318,004	279,061
DNSSEC	-	9,999	(9,999)	-	40,000	(40,000)	40,000	-
Review DNS/SRS	-	30,000	(30,000)	14,640	30,000	(15,360)	30,000	-
<b>Total Direct Expenses</b>	<b>530,240</b>	<b>502,332</b>	<b>27,908</b>	<b>1,911,168</b>	<b>1,970,728</b>	<b>(59,560)</b>	<b>1,970,728</b>	<b>1,610,994</b>
<b>Gross Profit</b>	<b>569,398</b>	<b>536,374</b>	<b>33,024</b>	<b>2,402,871</b>	<b>2,194,807</b>	<b>208,064</b>	<b>2,194,807</b>	<b>2,240,034</b>
<b>Less Other Expenses</b>								
Depreciation & Amortisation	28,678	42,901	(14,223)	116,143	161,334	(45,191)	161,334	195,071
Overhead Expenses	169,351	222,719	(53,368)	982,881	922,122	60,759	922,122	623,609
<b>Total Other Expenses</b>	<b>198,029</b>	<b>265,620</b>	<b>(67,591)</b>	<b>1,099,024</b>	<b>1,083,456</b>	<b>15,568</b>	<b>1,083,456</b>	<b>818,680</b>
	<b>371,369</b>	<b>270,754</b>	<b>100,615</b>	<b>1,303,847</b>	<b>1,111,351</b>	<b>192,496</b>	<b>1,111,351</b>	<b>1,421,354</b>
<b>Plus: Other Income</b>								
Interest	83,516	40,693	42,823	288,839	166,362	122,477	166,362	158,081
Rent Received	14,625	14,622	3	81,670	58,488	23,182	58,488	59,344
Tenants Share of Expenses	3,218	3,000	218	10,822	12,000	(1,178)	12,000	11,953
<b>Earnings Before Interest and Tax</b>	<b>472,728</b>	<b>329,069</b>	<b>143,659</b>	<b>1,685,178</b>	<b>1,348,201</b>	<b>336,977</b>	<b>1,348,201</b>	<b>1,650,732</b>





**New Zealand Domain Name Registry Limited**  
**Statement of Financial Performance**  
**For the Quarter Ended 31st March 2006**

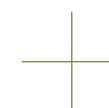
	<b>This Quarter</b>			<b>Year to Date</b>			<b>Full Year</b>	
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Last Year
<b>Earnings Before Interest and Tax</b>	472,727	328,759	143,968	1,685,179	1,348,201	336,978	1,348,201	1,650,732
<b>Less: Interest Expense</b>	-	-	-	-	-	-	-	295
	<u>472,727</u>	<u>328,759</u>	<u>143,968</u>	<u>1,685,179</u>	<u>1,348,201</u>	<u>336,978</u>	<u>1,348,201</u>	<u>1,650,437</u>
Provision For Tax	156,000	108,594	47,406	556,109	444,906	111,203	444,906	546,985
<b>Net Profit (Loss)</b>	<u>316,727</u>	<u>220,165</u>	<u>96,562</u>	<u>1,129,070</u>	<u>903,295</u>	<u>225,775</u>	<u>903,295</u>	<u>1,103,452</u>





**New Zealand Domain Name Registry Limited**  
**Statement of Movements in Equity**  
**For the Quarter Ended 31st March 2006**

	<b>This Year</b>	<b>Last Year</b>
<b>Share Capital</b>		
<b>Opening Share Capital</b>	430,000	430,000
<b>Share Capital as at 31st March 2006</b>	<hr/> 430,000	<hr/> 430,000
<b>Retained Earnings</b>		
<b>Opening Retained Earnings</b>	1,563,399	730,976
<b>Plus:</b>		
Net Tax Paid Profit (Loss) for Year	1,129,069	1,103,452
Prior Year Tax Adjustment		128,971
<b>Less:</b>		
Dividend Declared	<hr/> 500,000	<hr/> 400,000
<b>Retained Earnings as at 31st March 2006</b>	2,192,468	1,563,399
<b>Equity as at 31st March 2006</b>	<hr/> \$2,622,468	<hr/> \$1,993,399



**New Zealand Domain Name Registry Limited**  
**Statement of Financial Position**  
**As At 31st March 2006**

	<b>End of Quarter</b>			<b>End of Year</b>		
	Actual	Budget	Variance	LY Actual	Budget	LY Actual
<b>Equity</b>						
Share Capital	430,000	430,000	-	430,000	430,000	430,000
Retained Earnings	2,192,468	1,966,694	225,774	1,563,399	1,966,694	1,563,399
<b>Total Equity</b>	<u>2,622,468</u>	<u>2,396,694</u>	<u>225,774</u>	<u>1,993,399</u>	<u>2,396,694</u>	<u>1,993,399</u>
<b>Liabilities:</b>						
Creditors & Accruals	189,545	203,847	(14,302)	55,424	203,847	55,424
Deferred Income	3,031,366	2,212,109	819,257	2,161,277	2,212,109	2,161,277
<b>Total Liabilities</b>	<u>3,220,911</u>	<u>2,415,956</u>	<u>804,955</u>	<u>2,216,701</u>	<u>2,415,956</u>	<u>2,216,701</u>
<b>Funds Employed</b>	<u>5,843,379</u>	<u>4,812,650</u>	<u>1,030,729</u>	<u>4,210,100</u>	<u>4,812,650</u>	<u>4,210,100</u>
<b>Represented By:</b>						
<b>Current Assets</b>						
Funds Held	4,852,017	3,959,629	892,388	3,355,900	3,959,629	3,355,900
Debtors & Prepayments	777,482	463,141	314,341	527,984	463,141	527,984
	<u>5,629,499</u>	<u>4,422,770</u>	<u>1,206,729</u>	<u>3,883,884</u>	<u>4,422,770</u>	<u>3,883,884</u>
<b>Non Current Assets</b>						
Fixed Assets	209,800	385,792	(175,992)	320,897	385,792	320,897
Intangible Assets	4,080	4,088	(8)	5,319	4,088	5,319
<b>Total Non Current Assets</b>	<u>213,880</u>	<u>389,880</u>	<u>(176,000)</u>	<u>326,216</u>	<u>389,880</u>	<u>326,216</u>
<b>Total Assets</b>	<u>5,843,379</u>	<u>4,812,650</u>	<u>1,030,729</u>	<u>4,210,100</u>	<u>4,812,650</u>	<u>4,210,100</u>

