



New Zealand Domain Name Registry Limited
Financial Statements
For the Quarter Ended 30th September 2006

Prepared By

Curtis McLean Limited
Chartered Accountants
Wellington NZ





New Zealand Domain Name Registry Limited
Exclusion of Liability Statement
For the Quarter Ended 30th September 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 30th September 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





New Zealand Domain Name Registry Limited
Statement of Financial Performance
For the Quarter Ended 30th September 2006

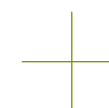
	This Quarter			Year to Date			Full Year	
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Last Year
Registry Fees	1,292,045	1,298,621	(6,576)	2,514,001	2,564,349	(50,348)	5,270,559	4,314,039
Less Direct Expenses								
DNC Management Fee	239,250	239,250	-	478,500	478,500	-	957,000	906,000
DNS Expenses	67,974	97,479	(29,505)	136,778	176,157	(39,379)	374,315	247,801
SRS Expenses	99,728	99,399	329	198,814	198,798	16	382,934	429,087
Other IT	62,576	71,695	(9,119)	137,526	160,056	(22,530)	361,946	313,640
DNSSEC	-	9,999	(9,999)	-	19,998	(19,998)	40,000	-
Review DNS/SRS	7,876	105,000	(97,124)	32,500	210,000	(177,500)	300,000	14,640
Total Direct Expenses	477,404	622,822	(145,418)	984,118	1,243,509	(259,391)	2,416,195	1,911,168
Gross Profit	814,641	675,799	138,842	1,529,883	1,320,840	209,043	2,854,364	2,402,871
Less Other Expenses								
Depreciation & Amortisation	35,914	41,825	(5,911)	57,087	79,152	(22,065)	187,217	116,143
Overhead Expenses	231,763	272,963	(41,199)	414,178	538,466	(124,287)	1,066,666	673,760
ICANN Sponsorship	-	-	-	-	-	-	-	300,000
Total Other Expenses	267,677	314,788	(47,110)	471,265	617,618	(146,352)	1,253,883	1,089,903
	546,964	361,011	185,952	1,058,618	703,222	355,395	1,600,481	1,312,968
Plus: Other Income								
Interest	96,600	74,689	21,911	181,858	147,156	34,702	300,296	288,839
Rent Received	35,350	32,781	2,569	68,171	65,562	2,609	131,930	79,182
Tenants Share of Expenses	6,404	10,128	(3,724)	15,469	20,256	(4,787)	40,512	13,309
Earnings Before Interest and Tax	685,318	478,609	206,708	1,324,116	936,196	387,919	2,073,219	1,694,298





New Zealand Domain Name Registry Limited
Statement of Financial Performance
For the Quarter Ended 30th September 2006

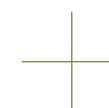
	This Quarter			Year to Date			Full Year	
	Actual	Budget	Variance	Actual	Budget	Variance	Budget	Last Year
Earnings Before Interest and Tax	685,318	463,012	222,305	1,324,117	921,196	402,921	2,028,219	1,694,299
Provision For Tax	226,155	152,991	73,164	436,958	303,994	132,964	669,312	559,630
Net Profit (Loss)	<u>459,163</u>	<u>310,021</u>	<u>149,141</u>	<u>887,159</u>	<u>617,202</u>	<u>269,957</u>	<u>1,358,907</u>	<u>1,134,669</u>





New Zealand Domain Name Registry Limited
Statement of Movements in Equity
For the Quarter Ended 30th September 2006

	This Year	Last Year
Share Capital		
Opening Share Capital	430,000	430,000
	<hr/>	<hr/>
Share Capital as at 30th September 2006	430,000	430,000
Retained Earnings		
Opening Retained Earnings	2,198,068	1,563,399
Plus:		
Net Tax Paid Profit (Loss) for Year	887,157	1,134,669
Less:		
Dividend Declared	466,667	500,000
	<hr/>	<hr/>
Retained Earnings as at 30th September 2006	2,618,558	2,198,068
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Equity as at 30th September 2006	<u>\$3,048,558</u>	<u>\$2,628,068</u>





New Zealand Domain Name Registry Limited
Statement of Financial Position
As At 30th September 2006

	Actual	End of Quarter		LY Actual	End of Year	
		Budget	Variance		Budget	LY Actual
Equity						
Share Capital	430,000	430,000	-	430,000	430,000	430,000
Retained Earnings	2,618,558	2,254,765	363,793	2,025,831	2,063,137	2,198,068
Total Equity	<u>3,048,558</u>	<u>2,684,765</u>	<u>363,793</u>	<u>2,455,831</u>	<u>2,493,137</u>	<u>2,628,068</u>
Liabilities:						
Creditors & Accruals	359,288	349,927	9,361	296,147	326,673	171,302
Deferred Income	3,659,453	2,725,513	933,940	2,697,978	2,922,640	3,031,366
Total Liabilities	<u>4,018,741</u>	<u>3,075,440</u>	<u>943,301</u>	<u>2,994,125</u>	<u>3,249,313</u>	<u>3,202,668</u>
Funds Employed	<u>7,067,299</u>	<u>5,760,205</u>	<u>1,307,094</u>	<u>5,449,956</u>	<u>5,742,450</u>	<u>5,830,736</u>
Represented By:						
Current Assets						
Funds Held	6,079,402	4,793,294	1,286,108	4,583,093	4,565,921	4,852,017
Debtors & Prepayments	708,135	573,049	135,086	597,951	635,732	699,309
	<u>6,787,537</u>	<u>5,366,343</u>	<u>1,421,194</u>	<u>5,181,044</u>	<u>5,201,653</u>	<u>5,551,326</u>
Non Current Assets						
Fixed Assets	276,301	390,392	(114,091)	264,212	537,943	275,330
Intangible Assets	3,461	3,470	(9)	4,700	2,854	4,080
Total Non Current Assets	<u>279,762</u>	<u>393,862</u>	<u>(114,100)</u>	<u>268,912</u>	<u>540,797</u>	<u>279,410</u>
Total Assets	<u>7,067,299</u>	<u>5,760,205</u>	<u>1,307,094</u>	<u>5,449,956</u>	<u>5,742,450</u>	<u>5,830,736</u>

These Financial Statements have not been reviewed or audited and should be read in conjunction with the attached Exclusion of Liability Statement

