

6. The National Body will furnish to the Board statements of account in respect of each financial year of the National Body in such form as may be agreed.

7. (1) The Board shall open an account for the National Body in the Central Fund.

(2) The National Body shall pay to the Board an amount equal to the net revenues derived from the external telecommunication services of the Government during any year and the Board shall credit the amount to the National Body's account in the Fund.

For the purposes of this sub-clause the net revenues derived from the external telecommunication services of the Government (including both telegraph and telephone whether operated by the National Body or not) during any year are the gross receipts during that year from all such services (except (a) manufacturing services, (b) landline services between contiguous territories and (c) ship to shore, civil aviation, meteorological services and other similar services) less—

- (i) Administrative expenses,
- (ii) Operating expenses,
- (iii) Depreciation and renewals,
- (iv) Interest on capital,
- (v) Terminal and transit charges,
- (vi) Outpayments to other operators (except other national bodies),
- (vii) All taxes (other than taxes on income or profits),
- (viii) Such other expenses connected with the operation and maintenance of the services as the Board and the National Body may agree.

(3) The moneys paid into the Fund in respect of any year shall be applied—

(a) As a first charge in defraying the current expenses of the Board for that year in accordance with the budget for that year as approved and adopted in accordance with paragraph 13 of the Second Schedule to the Agreement mentioned in the first recital hereto ;

(b) In meeting any deficiency in the net revenues derived from the external telecommunication services of the United Kingdom during that year up to an amount not exceeding the cost to the United Kingdom National Body of cable maintenance and provision for cable renewals for that year.

For the purposes of paragraph (b) of this sub-clause the net revenues derived from the external telecommunications services of the United Kingdom during any year shall be ascertained on basis as is provided in sub-clause (2) but no deduction shall be made in respect of any amount which the United Kingdom National Body is required to pay under sub-clause (4) towards the current expenses of the Board for that year.

(4) That National Body shall bear the same proportion of the expenses of the Board paid out of the Central Fund under sub-clause (3) (a) above for any year as the revenue for that year from the originating traffic in bears to the total revenues from the originating traffic in the territories of all the Partner Governments for that year, or such other proportion as the Board may consider reasonable. The account of the National Body in the Fund shall be debited accordingly and, if in respect of that year the National Body has made no payment to the Fund under sub-clause (2) or has made