



Welch & Company LLP
Lévesque Marchand, Chartered Accountants

**Billing and Collection Agent Report
For period ending August 31, 2005**

To NANC

September 20, 2005

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Monthly NANC Report

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**NANPA FUND
STATEMENT OF FINANCIAL POSITION
August 31, 2005**

Assets

Cash Balance in bank account	\$	70,347
Dreyfus Government Cash Management Fund		8,372,000
Receivable from US Carriers	102,316	
Receivable from Canada	5,863	
Receivable from Caribbean countries	4,310	
Receivables forwarded to FCC for collection (Over 90 days)	46,684	159,173
Interest receivable		21,376
Total assets		8,622,896
Less: Accrued liabilities (see below for makeup)		2,162,148
Fund balance	\$	6,460,748

Makeup of Accrued Liabilities (see following page for additional details)

Welch and Company LLP - Aug & July	39,800.00	
NEUSTAR Pooling 1K Block Pooling Expenses	1,580,163.55	
NEUSTAR Admin Expenses	479,361.26	
Data Collection Agent - USAC	44,604	
Data Collection Agent - NECA	211	
WithumSmith+Brown	18,008	
	\$ 2,162,148	

Other items of note

In August 2005, the Dreyfus Government Cash Management Fund earned a rate of return of 2.90%.

**NANPA FUND
FORECASTED STATEMENT OF CHANGES IN FUND BALANCE
OCTOBER 2004 TO AUGUST 2006**

		<u>Actual</u>												
		<u>Oct 2004 -</u>												
		<u>August 2005</u>	<u>Sep-05</u>	<u>Oct-05</u>	<u>Nov-05</u>	<u>Dec-05</u>	<u>Jan-06</u>	<u>Feb-06</u>	<u>Mar-06</u>	<u>Apr-06</u>	<u>May-06</u>	<u>Jun-06</u>	<u>Jul-06</u>	<u>Aug-06</u>
Revenue														
International Contributions														
Canada	(1)	68,114	5,863	5,863	5,863	5,863	5,863	5,863	5,863	5,863	5,863	-	5,863	5,863
Caribbean countries	(1)	<u>13,692</u>	-	-	-	-	-	-	-	-	-	-	<u>13,692</u>	-
Total International Contributions		81,806	5,863	5,863	5,863	5,863	5,863	5,863	5,863	5,863	5,863	-	19,555	5,863
Domestic Contributions - US carriers	(1)	2,638,833	51,409	51,409	51,409	51,409	51,409	51,409	51,409	51,409	51,409	-	6,819,100	51,409
Interest income	(2)	171,747	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Total revenue		<u>2,892,386</u>	<u>67,272</u>	<u>67,272</u>	<u>67,272</u>	<u>67,272</u>	<u>67,272</u>	<u>67,272</u>	<u>67,272</u>	<u>67,272</u>	<u>67,272</u>	<u>10,000</u>	<u>6,848,655</u>	<u>67,272</u>
Expenses														
NANPA Administration	(3), (7)	1,272,168	143,209	119,835	119,835	119,835	119,835	119,835	119,835	119,835	119,835	119,835	118,456	118,456
1K Block Pooling Administration	(3), (6)	3,103,462	320,060	291,778	291,778	291,778	291,778	291,778	291,778	291,778	291,778	291,778	291,778	291,778
Carrier Audits	(8)	-	700,000	-	-	-	-	-	-	-	-	700,000	-	
Billing and Collection														
NBANC Billing		29,119	-	-	-	-	-	-	-	-	-	-	-	-
Welch & Company LLP	(3)	232,411	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900
Data Collection Agent	(4)	31,924	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333	8,333
Annual Operations Audit	(5)	15,759	-	-	45,000	-	-	-	-	-	-	-	-	-
Total expenses		<u>4,684,843</u>	<u>1,191,502</u>	<u>439,846</u>	<u>484,846</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>	<u>1,139,846</u>	<u>438,467</u>	<u>438,467</u>
Net revenue (expenses)		(1,792,457)	(1,124,230)	(372,574)	(417,574)	(372,574)	(372,574)	(372,574)	(372,574)	(372,574)	(372,574)	(1,129,846)	6,410,188	(371,195)
Opening fund balance		8,253,205	6,460,748	5,336,518	4,963,944	4,546,370	4,173,796	3,801,222	3,428,648	3,056,074	2,683,500	2,310,926	1,181,080	7,591,268
Closing fund balance		<u>6,460,748</u>	<u>5,336,518</u>	<u>4,963,944</u>	<u>4,546,370</u>	<u>4,173,796</u>	<u>3,801,222</u>	<u>3,428,648</u>	<u>3,056,074</u>	<u>2,683,500</u>	<u>2,310,926</u>	<u>1,181,080</u>	<u>7,591,268</u>	<u>7,220,073</u>
Fund balance makeup:														
Contingency		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,001
Surplus		5,460,748	4,336,518	3,963,944	3,546,370	3,173,796	2,801,222	2,428,648	2,056,074	1,683,500	1,310,926	181,080	6,591,268	6,220,072
		<u>6,460,748</u>	<u>5,336,518</u>	<u>4,963,944</u>	<u>4,546,370</u>	<u>4,173,796</u>	<u>3,801,222</u>	<u>3,428,648</u>	<u>3,056,074</u>	<u>2,683,500</u>	<u>2,310,926</u>	<u>1,181,080</u>	<u>7,591,268</u>	<u>7,220,073</u>

Assumptions:

- (1) The US carrier contributions for the period from July 2005 to June 2006 is based upon actual billings in June 2005.
The International carrier revenue is based on actual for 2005/06.
The contributions for July and August 2006 are based on 2005/06 funding budget.
- (2) Interest income projections are estimates
- (3) The expenses for the NANPA Administration and Welch & Company LLP are based on contracts in force.
The expenses for Pooling Administration is based on contracts in force until June 2006. July 2005 expense is based on the last year of the expired contract.
- (4) The expense for the Data Collection Agent is based on the 2005/06 budget.
- (5) The amount showing in November 2005 for the annual operations audit has not yet been negotiated. Amount recorded is based on prior year
- (6) The September forecasted amount includes the forecasted monthly billing of \$291,778 plus the cost of the approved change orders of \$28,282
- (7) The September forecasted amount includes the forecasted monthly billing of \$119,835 plus the cost of approved change orders of \$23,374
- (8) The budget allowed \$700,000 for 16 carrier audits, of which 6 are either done or in progress. FCC would like to complete another 6 audits by June 2006

Reconciliation of Forecast to Budget

Forecasted fund balance at June 30/06 - contingency	1,000,000
Additional revenue due to higher contribution base than estimated on initial billing	54,061
Interest earned over estimate	9,947
Additional billings in July	9,072
Late filing fees for Form 499A	108,000
Anticipated fund balance at June 30/06	<u>1,181,080</u>

**NANPA FUND
CURRENT AND FORECASTED LIABILITIES**

	Current <u>Aug 31/05</u>	<u>Sep-05</u>	<u>Oct-05</u>	<u>Nov-05</u>	<u>Dec-05</u>	<u>Jan-06</u>	<u>Feb-06</u>	<u>Mar-06</u>
NEUSTAR - NANPA Administration contract	473,678	143,209	119,835	119,835	119,835	119,835	119,835	119,835
- Payment authorized by the FCC on July 12, 2005, received by Welch August 23, 2005	114,152							
- Authorization by the FCC has not been received for payment								
May 2005 - estimate	119,846							
June 2005 - estimate	119,846							
July 2005 - estimate	117,947							
August 2005 - estimate	119,835							
	<u>\$ 477,474</u>							
NEUSTAR - Block Pooling contract	1,554,462	320,060	291,778	291,778	291,778	291,778	291,778	291,778
- Payment authorized by the FCC on July 12, 2005, received by Welch August 23, 2005								
April 2005	266,077							
- Authorization by the FCC has not been received for payment								
March 2005 - estimate	315,671							
May 2005 - estimate	315,671							
June 2005 - estimate	315,671							
July 2005 - estimate	291,778							
August 2005 - estimate	291,778							
	<u>\$ 1,530,569</u>							
Welch & Company LLP - Billing & Collection Agent	39,800	19,900	19,900	19,900	19,900	19,900	19,900	19,900
- Payment authorized by the FCC on July 12, 2005, received by Welch August 23, 2005								
June 2005	14,529							
- Authorization by the FCC has not been received for payment								
July 2005	19,900							
August 2005	19,900							
	<u>39,800</u>							
NECA - Data Collection Agent	211	-	-	-	-	-	-	-
- Payment authorized by the FCC on May 24, 2005, received by Welch August 2, 2005								
December 2004	3,495							
- Authorization by the FCC has not been received for payment								
December 2004	80							
January 2005	131							
	<u>211</u>							
USAC - Data Collection Agent	44,604	8,333	8,333	8,333	8,333	8,333	8,333	8,333
- Authorization by the FCC has not been received for payment								
January 2005	4,406							
February 2005	4,399							
March 2005	5,292							
April 2005	6,824							
May 2005	5,608							
June 2005	4,897							
July 2005	4,846							
August 2005 - estimate	8,332							
	<u>\$ 44,604</u>							
Clifton Gunderson LLP - Carrier audits	-	700,000	-	-	-	-	-	-
- Authorization by the FCC has not been received for payment								
- 6 audits are either done or in progress and FCC would like to complete another 6 prior to end of June 2005								
WithumSmith+Brown - Annual operations audit	18,008	-	45,000.00	-	-	-	-	-
- Represents an accrual for audit fees for the 2003/04 fiscal year of NANPA by NBANC. In June the final invoice was received final invoice based on a total fee of \$18,008								
Total	<u>2,130,763</u>	<u>1,191,502</u>	<u>439,846</u>	<u>484,846</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>