

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

**Assets**

Cash Balance in bank account	\$	37,351
Dreyfus Government Cash Management Fund		7,923,000
Receivable from US Carriers	129,279	
Receivable from Canada	5,614	
Receivable from Caribbean countries	2,509	
Receivables forwarded to FCC for collection (Over 90 days)	<u>51,386</u>	188,788
Interest receivable		<u>16,555</u>
<b>Total assets</b>		<b>8,165,694</b>
<b>Less: Accrued liabilities (see below for makeup)</b>		<b><u>1,376,106</u></b>
<b>Fund balance</b>		<b><u>\$ 6,789,588</u></b>

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

NEUSTAR - NANPA Administration contract	\$	344,166
NEUSTAR - Block Pooling contract		946,263
Data Collection Agent - USAC		33,805
Data Collection Agent - NECA		3,706
Welch & Company LLP - Billing & Collection Agent		18,962
WithumSmith+Brown		<u>29,204</u>
		<u>\$ 1,376,106</u>

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**Other items of note**

In May 2005, the Dreyfus Government Cash Management Fund earned a rate of return of 2.44%.

In May \$29, 249 was refunded to carriers who had credit balances in accounts receivable. The balances arose mainly due to double payments by the carriers.

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

		<u>Actual</u>												
		<u>Oct 2004 - May</u>												
		2005	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06
<b>Revenue</b>														
International Contributions														
	Canada	(1) 44,910	5,614	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) -	-	13,962	-	-	-	-	-	-	-	-	-	-
<b>Total International Contributions</b>		<b>44,910</b>	<b>5,614</b>	<b>19,825</b>	<b>5,863</b>	<b>5,863</b>	<b>5,863</b>	<b>5,863</b>	<b>5,863</b>	<b>5,863</b>	<b>5,863</b>	<b>5,863</b>	<b>5,863</b>	<b>5,863</b>
Domestic Contributions - US carriers														
(1)		1,739,989	205,720	969,121	47,099	47,099	47,099	47,099	47,099	47,099	47,099	47,099	47,099	47,099
Interest income														
(2)		111,862	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
<b>Total revenue</b>		<b>1,896,761</b>	<b>226,334</b>	<b>1,003,946</b>	<b>67,962</b>	<b>67,962</b>	<b>67,962</b>	<b>67,962</b>	<b>67,962</b>	<b>67,962</b>	<b>67,962</b>	<b>67,962</b>	<b>67,962</b>	<b>67,962</b>
<b>Expenses</b>														
NANPA Administration														
(3, 7)		906,984	148,890	119,587	119,835	119,835	119,835	119,835	119,835	119,835	119,835	119,835	119,835	119,835
1K Block Pooling Administration														
(3, 6)		2,203,484	353,703	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	-	-	-	-	-	-	-	-	-	-	-
Billing and Collection														
NBANC Billing														
		29,119	-	-	-	-	-	-	-	-	-	-	-	-
	Welch & Company LLP	(3) 172,711	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) 21,125	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)		26,955	(11,196)	-	-	-	-	40,000	-	-	-	-	-	-
<b>Total expenses</b>		<b>3,360,378</b>	<b>1,219,630</b>	<b>439,598</b>	<b>439,846</b>	<b>439,846</b>	<b>439,846</b>	<b>479,846</b>	<b>439,846</b>	<b>439,846</b>	<b>439,846</b>	<b>439,846</b>	<b>439,846</b>	<b>439,846</b>
<b>Net revenue (expenses)</b>		<b>( 1,463,617)</b>	<b>( 993,296)</b>	<b>564,348</b>	<b>( 371,884)</b>	<b>( 371,884)</b>	<b>( 371,884)</b>	<b>( 411,884)</b>	<b>( 371,884)</b>	<b>( 371,884)</b>	<b>( 371,884)</b>	<b>( 371,884)</b>	<b>( 371,884)</b>	<b>( 371,884)</b>
<b>Opening fund balance</b>		<b>8,253,205</b>	<b>6,789,588</b>	<b>5,796,292</b>	<b>6,360,640</b>	<b>5,988,756</b>	<b>5,616,872</b>	<b>5,244,988</b>	<b>4,833,104</b>	<b>4,461,220</b>	<b>4,089,336</b>	<b>3,717,452</b>	<b>3,345,568</b>	<b>2,973,684</b>
<b>Closing fund balance</b>		<b>6,789,588</b>	<b>5,796,292</b>	<b>6,360,640</b>	<b>5,988,756</b>	<b>5,616,872</b>	<b>5,244,988</b>	<b>4,833,104</b>	<b>4,461,220</b>	<b>4,089,336</b>	<b>3,717,452</b>	<b>3,345,568</b>	<b>2,973,684</b>	<b>2,601,800</b>
<b>Fund balance makeup:</b>														
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		5,789,588	4,796,292	5,360,640	4,988,756	4,616,872	4,244,988	3,833,104	3,461,220	3,089,336	2,717,452	2,345,568	1,973,684	1,601,799
		<u>6,789,588</u>	<u>5,796,292</u>	<u>6,360,640</u>	<u>5,988,756</u>	<u>5,616,872</u>	<u>5,244,988</u>	<u>4,833,104</u>	<u>4,461,220</u>	<u>4,089,336</u>	<u>3,717,452</u>	<u>3,345,568</u>	<u>2,973,684</u>	<u>2,601,800</u>

**Assumptions:**

- (1) The US carrier contributions for the period from July 2005 to May 2006 is based upon actual billings in June 2005. The International carrier revenue is based on actual for 2005/06.
- (2) Interest income projections are estimates
- (3) The expenses for the NANPA Administration, Pooling Administration and Welch & Company LLP are based on contracts in force.
- (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 June forecasted amount includes the forecasted monthly billing of \$325,421 plus the cost of the approved change orders of \$28,28
- (7) The June forecasted amount includes the forecasted monthly billing of \$125,516 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 30/05	5,796,292
Additional PA expenses not budgeted	31,140
Additional NANPA Admin expenses not budgeted	23,374
Pre-transition costs of Welch & Company LLP not budgeted	13,510
Excess budget amount for NECA	( 29,839)
Excess budget amount for NBANC not included in forecast	( 79,203)
<b>Original budgeted fund balance</b>	<b>5,755,274</b>

**NANPA FUND  
CURRENT AND FORECASTED LIABILITIES**

		<b>Current</b>							
		<u>May-05</u>	<u>Jun-05</u>	<u>Jul-05</u>	<u>Aug-05</u>	<u>Sep-05</u>	<u>Oct-05</u>	<u>Nov-05</u>	<u>Dec-05</u>
<b>NEUSTAR - NANPA Administration contract</b>		344,166	148,890	119,587	119,835	119,835	119,835	119,835	119,835
- Payment authorized by the FCC on April 12, 2005									
February 2005	113,657								
- Authorization by the FCC has not been received for payment									
March 2005 - estimate		114,722							
April 2005 - estimate		114,722							
May 2005 - estimate		114,722							
		<u>\$ 344,166</u>							
<b>NEUSTAR - Block Pooling contract</b>		946,263	353,703	291,778	291,778	291,778	291,778	291,778	291,778
- Payment authorized by the FCC on April 12, 2005									
September 2004	247,215								
October 2004	269,853								
February 2005	217,341								
- Authorization by the FCC has not been received for payment									
March 2005 - estimate		315,421							
April 2005 - estimate		315,421							
May 2005 - estimate		315,421							
		<u>\$ 946,263</u>							
<b>Welch &amp; Company LLP - Billing &amp; Collection Agent</b>		19,900	19,900	19,900	19,900	19,900	19,900	19,900	19,900
- Payment authorized by the FCC on May 5, 2005									
March 2005	18,953								
April 2005	19,900								
- Authorization by the FCC has not been received for payment									
May 2005		<u>19,900</u>							
<b>NECA - Data Collection Agent</b>		3,706	-	-	-	-	-	-	-
- Authorization by the FCC has not been received for payment									
December 2004	3,495								
December 2004	80								
January 2005	131								
		<u>3,706</u>							
<b>USAC - Data Collection Agent</b>		33,805	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 - estimate	4,399								
March 2005 - estimate	8,333								
April 2005 - estimate	8,333								
May 2005 - estimate	8,334								
		<u>\$ 33,805</u>							
<b>Clifton Gunderson LLP - Carrier audits</b>		-	700,000.00	-	-	-	-	-	-
- 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									
<b>WithumSmith+Brown - Annual operations audit</b>		29,204	( 11,196)	-	-	-	-	-	-
- 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									
<b>Total</b>		<u>1,377,044</u>	<u>1,219,630</u>	<u>439,598</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>	<u>439,846</u>