

NICC STANDARDS LIMITED

ANNUAL GENERAL MEETING

23 OCTOBER 2008

FINANCE REPORT

CONTENTS

1. START-UP PERIOD (OFCOM FUNDED)
2. FUNDING & EXPENDITURE
3. MEMBERSHIP INCOME
4. BANKING
5. AUDITORS
6. COMPANIES HOUSE – STATUTORY RECORDS
7. INSURANCE
8. VAT

APPENDIX A:

NICC EXPENDITURE 2008/2009

APPENDIX B:

NICC BUDGET 2009/2010

1. START-UP PERIOD (OFCOM FUNDED)

Ofcom has provided £70,000 of transitional funding to cover an unspecified, initial period of trading.

During the period in which the NICC Standards Limited's expenses are covered by Ofcom, IET is providing the company with a treasury function, submitting invoices to Ofcom and reimbursing creditors.

For this reason, NICC Standards Limited is a non-trading, dormant company during its first financial year from incorporation on 6 June 2008 until the year end on 31 March 2009.

Once Ofcom's funds (£70,000) are spent, Ofcom will drop out of the agreement between IET Services Limited, NICC Standards Limited and Ofcom.

2. FUNDING & EXPENDITURE

Expenditure: 1 April – 31 October 2008

Expenditure incurred: 1 April - 31 October 2008 is £10,356.00 leaving a balance of Ofcom funds of £59,644.00 at 31 October 2008.

Projected Expenditure: 1 November 2008 - 31 March 2009

Expenditure for the period 1 November 2008 - 31 March 2009 is estimated at £34,474.00, leaving a balance of Ofcom funds of £25,170.00 at 31 March 2009. (This period includes some expenditure incurred prior to 1 November 2008.)

Projected Expenditure: 1 April 2009 - 31 March 2010

Ofcom funds brought forward of £25,170.00 combined with £90,500.00 of net membership subscriptions gives an income total of £115,670.00.

Expenditure for this year is projected at £57,822.00, giving a balance of funds of £57,848.00 at 31 March 2010.

3. MEMBERSHIP INCOME

Membership income for 8 June 2008 – 31 March 2009 is zero.

Membership income for 1 April 2009 – 31 March 2010 is projected at:

40	x	Full Members @ £2,000	:	£80,000
18	x	Associate Members @ £1,000	:	£18,000
Projected cancellations (6 Full and 3 Associate) :				£15,000
				£83,000
+ Ofcom Enhanced Subscription p.a. (3 year commitment) :				£7,500
				TOTAL: £90,500

New Members are invoiced pro-rata up to the remainder of the current financial year.

4. BANKING

NICC are in the process of opening an account with HSBC at:

8 Victoria Street
 London
 SW1H 0NJ

This process should be completed during November 2008.

5. AUDITORS

It is proposed that TWP Accounting, based in Weybridge, Surrey, will be appointed auditors to NICC Standards Limited.

TWP Accounting audited the IIE prior to the merger with the IEE.

6. COMPANIES HOUSE – STATUTORY RECORDS

Nick Canty, Publishing Director at the IET, is Company Secretary.

David Davies, Nick Sampson and Justin Orde's appointment as Directors have been registered at Companies House.

Sir John O'Reilly's appointment is in the process of being registered at Companies House.

Additional Directors appointed following the AGM will take office on 5 December 2008 and the Company Secretary will notify Companies' House to this effect.

7. INSURANCE

With effect from 1 November 2008, NICC Standards Limited will have the following insurance policies in place:

Limit of Indemnity

<u>Policy</u>	<u>Limit of Indemnity (each claim)</u>
Public Liability:	£1,000,000
Professional Indemnity: (Including IPR)	£1,000,000
Directors and Officers:	£1,000,000

8. VAT

An application for VAT registration will be submitted to HMR&C once the bank account with HSBC has been opened.

It is not intended that the company will trade prior to 1 April 2009.