

Northern Rock Shareholder Action Group Financial Report July 2009

We have promised to regularly report some accounts for this group and the following is a statement of all revenue and expenses associated with this campaign from inception up to the end of July 2009 (the format is the same as that issued in February 2009):

1. Income

Description	£
Donations received and processed	379,441
Estimated donations not yet recorded	100
Total	379,541

2. Expenditure

Description (already billed)	£ Inc VAT
Share register purchase	4,372
Mailings to shareholders (print/postage and BRC)	88,659
Processing mailing responses	36,018
Newsletter mailings – print/post	24,828
Newsletter mailings – email delivery	1,677
General stationery, postage and telephone charges	8,212
Meeting room hire	300
On-line payment service set-up & charges	2,348
IT Support/software	924
Legal Fees	129,100
Other expenses (north-east etc)	1,286
Total	297,727
Estimated remaining (bills to be received)	
Provision for legal costs under query	22,631
Provision for legal costs for appeal hearing (see below)	40,000
Provision for credit/debit card charges to be deducted from payments received - estimated	4,000
Provision for excess accounting costs incurred by UKSA but not charged	5,000
Newsletter to supporters (announcing appeal decision)	5,000
Overall Total Costs	374,358

Notes:

1. All donations that have been received have been banked, and there is a minimal backlog at present. The above income figures are based on totals of the individual donations recorded.

2. In total we have sent out 207,481 letters to shareholders, mainly those on the share register, via post (many shareholders have been sent more than one letter as these mailings commenced from November 2007). At least 41,000 responses have been processed plus there are those who have contacted us who are in nominee accounts. We currently have about 43,000 people who have registered their interest (about half have supplied an email address). We have sent out at least 6 printed newsletters to supporters (another one is due soon), plus 60 to those on email.

3. Mailing responses were initially handled by an outside contractor but we later took space in a serviced office building and have one part-time employee dealing with them and answering general telephone and email inquiries – which are now quite considerable (only part of her cost is currently charged to the campaign however as the time required has been falling away as no new mailings to potential new supporters have been done recently).. Just handling postal and email address changes for 43,000 registered supporters and a total mailing list of 105,000 people is a considerable task. The direct labour and relevant office costs have therefore been included in the above figures under “Processing mailing responses”. Several public meetings have been held in London and Newcastle for supporters, but the venues have been provided at no charge in some cases, and hence the low charge for meeting room hire. The efforts of numerous volunteers are of course not reflected in the above figures, nor the unbilled support of UKSA in managing this campaign and providing web services and other support.

4. A provision of £40,000 has been put in for the likely contribution by the campaign to the small shareholders legal costs for representation in the appeal hearing against the original judicial review. This figure has yet to be agreed by the UKSA board and the Northern Rock Shareholders Action Group Committee.

R.W.Lawson 29/7/2009 www.uksa.org.uk