



Audited Costs

“through our analysis of your billing, contracts & associated data, we have identified your current costs are running at **£187,235** per annum”

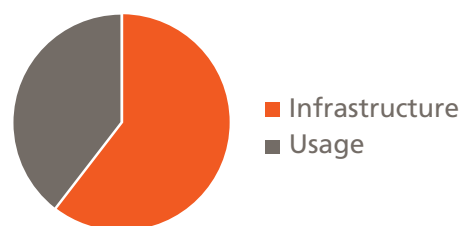
Company X current Voice costs are running at £187,235 per annum. This figure is based on the billing, contracts and associated data you provided across this business critical service as detailed in the executive summary.

Audited Costs

Our analysts have identified the following charges through the audit process:

| Charge Type | Supplier Y £ PA | Supplier Z £ PA | Total £ PA |
|----------------|-----------------|-----------------|----------------|
| Infrastructure | - | 112,171 | 112,171 |
| Usage | 5,719 | 69,346 | 75,064 |
| Total | 5,719 | 181,517 | 187,235 |

Visual of Voice Expenditure



Analyst Observations

| | |
|----|--|
| 1. | £5,719 call spend per annum with Supplier Y. This call spend is routed across 24 telephone numbers that have not been identified within the rental billing that Eircom has received. |
| 2. | eircom believe this missing line rental is billed by Supplier Y, Company X to provide this billing. |

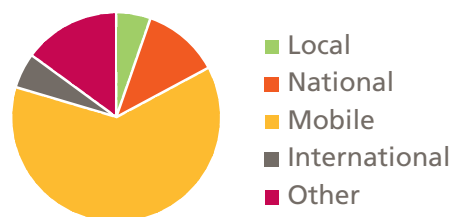
Infrastructure

| DESCRIPTION 1 | DESCRIPTION 2 | £ PA |
|---------------|-------------------|----------------|
| LINE RENTAL | Analogue Rental | 50,868 |
| | ISDN30 Rental | 16,968 |
| | ISDN2 Rental | 6,804 |
| | Other Line Rental | 3,464 |
| Sub-Total | | 78,104 |
| MAINTENANCE | PBX Maintenance | 33,738 |
| | Other Maintenance | 329 |
| Sub-Total | | 34,067 |
| OTHER | Other | 38 |
| Sub-Total | | 38 |
| TOTAL | | 112,171 |

Usage

| DESCRIPTION 1 | DESCRIPTION 2 | £PA | % |
|---------------|---------------------|---------------|---------------|
| LOCAL | Local | 4,049 | 5.8% |
| NATIONAL | National | 8,018 | 11.6% |
| MOBILE | O2 | 8,674 | 12.5% |
| | Vodafone | 23,572 | 34.0% |
| | Orange | 8,399 | .1% |
| | T-Mobile | 1,690 | 2.4% |
| | Three | 600 | 0.9% |
| | Other | 37 | 0.1% |
| INTERNATIONAL | International Voice | 3,857 | 5.6% |
| OTHER | Local Rate | 3,278 | 4.7% |
| | National Rate | 1,419 | 2.0% |
| | Premium Rate | 1,607 | 2.3% |
| | Directory Enquiries | 1,485 | 2.1% |
| | Special Services | 2,260 | 3.3% |
| | Other | 399 | 0.6% |
| TOTAL | | 69,346 | 100.0% |

Visual of Usage Expenditure



Infrastructure Management

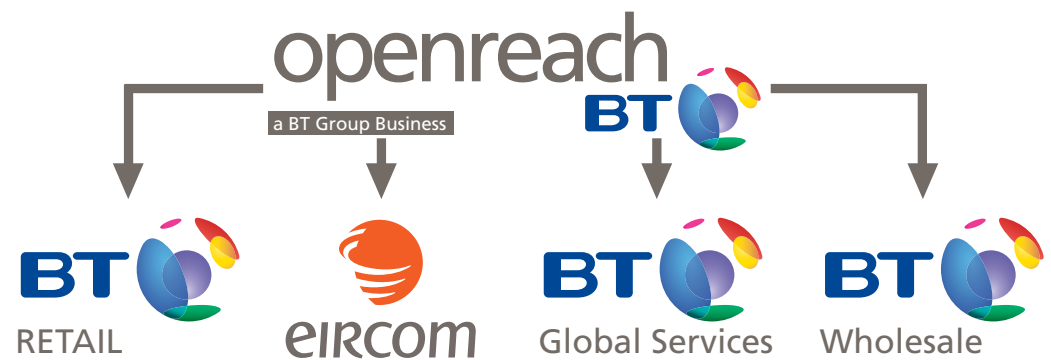
Current Infrastructure Costs are running at £56,871 per annum as detailed in the Audited Costs Section of this document.

As part of the audit process we produce an inventory of infrastructure costs allocating every billed recurring cost to one of the following categories: Lines and Circuits, Maintenance, Equipment and Other. We then identify, analyse and provide consultative advice on how these costs can be managed more efficiently based on our comprehensive knowledge of the market and industry.

Tariff Management

Company X currently use **Supplier Y** as their main line rental provider.

Eircom provide lines from Openreach, in much the same way as BT Retail and other Openreach service providers. By dealing directly with Openreach, we can obtain a high level of service, at reduced costs.



Eircom have undertaken a benchmarking exercise on Company X's lines estate and they are currently benefiting from competitive line rentals. A small saving of £3,199 per annum has been identified if Company X were to transfer all their Supplier Y's lines to Eircom.

For lines that Company X currently have with Supplier Z, Eircom could save Company X up to 23% on these line rental costs.

Lines & Circuits

Current Lines & Circuits Costs are running at £78,104 per annum as detailed in the Audited Costs Section of this document.

The table below illustrates number of Lines and Circuits by type:

| LINE TYPE | NO. LINES | COST £ PA |
|--------------|------------|---------------|
| Analogue DEL | 356 | 50,868 |
| ISDN30 | 101 | 16,968 |
| ISDN2 | 42 | 6,804 |
| TOTAL | 499 | 74,640 |

Other Line Rental

| DESCRIPTION | NO. ITEMS | COST £ PA |
|-----------------------------|------------|--------------|
| Calling Features - Analogue | 91 | 1,314 |
| Calling Features - ISDN | 18 | 378 |
| DDI | 359 | 917 |
| Messaging Service | 27 | 810 |
| Premier Messaging Service | 1 | 45 |
| TOTAL | 496 | 3,464 |

Analyst Observations

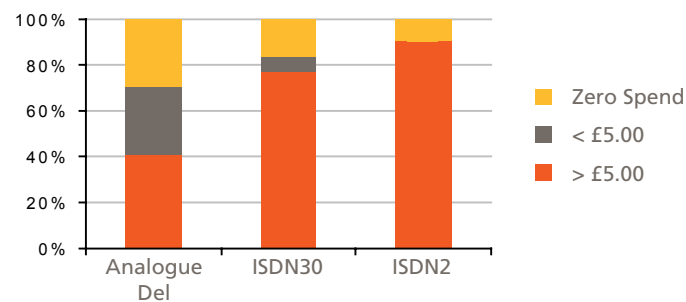
| | |
|----|---|
| 1. | There are a large number of analogue lines. The billing analysed shows that 247 of these analogue lines relate to homeworkers. |
| 2. | 101 ISDN30 channels identified across 12 ISDN30 circuits |
| 3. | Company X are paying an annual rental of £30 per line for a Messaging Service across 27 of their lines. Company X to confirm if this is required. |

Line Optimisation

The table below demonstrates Line and Circuit Usage across your estate:

| LINE TYPE | SPEND > £5.00 PQ | SPEND < £5.00 PQ | ZERO SPEND | TOTAL NO. LINES |
|--------------|------------------|------------------|------------|-----------------|
| Analogue DEL | 145 | 105 | 106 | 356 |
| ISDN30 | 78 | 6 | 17 | 101 |
| ISDN2 | 38 | - | 4 | 42 |
| TOTAL | 261 | 111 | 127 | 499 |

Visualisation of Lines & Circuits Usage



Analyst Observations

| | |
|----|---|
| 1. | 127 lines identified with zero spend costing Company X £18,750 per annum. |
| 2. | Eircom recommend a thorough examination of Line and Circuit usage across Company X's estate to establish if these zero billing lines are used for broadband connection, incoming calls only, back up or are still required for some other purpose. |
| 3. | 58 of the analogue lines identified as Zero spend belong to homeworkers and are potentially used for broadband connection only. |
| 4. | Company X are potentially paying for lines that are either under utilised or redundant. If 50% of the zero spend Analogue DEL's belonging to sites were cancelled and 25% of those belonging to homeworkers were cancelled; a saving of £5,537 per annum could be achieved. |

Maintenance & Other

Current Maintenance and Other costs are running at £34,067 per annum as detailed in the Audited Costs Section of this document.

The tables below highlight some of the findings from our evaluation of your billing.

| DESCRIPTION 1 | DESCRIPTION 2 | NO. ITEMS | CHARGE £ PA |
|--------------------|------------------------|-----------|---------------|
| System Maintenance | Meridian Option 11 | 4 | 14,400 |
| | BCM | 9 | 10,300 |
| Other Maintenance | Managed Helpdesk | 1 | 9,000 |
| Line Maintenance | Analogue Premium Care | 2 | 77 |
| | Analogue Enhanced Care | 14 | 252 |
| Other | Phone Book Entry | 1 | 38 |
| TOTAL | | 31 | 34,067 |

Analyst Observations

| | |
|----|---|
| 1. | Eircom have completed a benchmark exercise on Company X's system maintenance and identified a potential annual saving of £3,500; subject to survey. |
| 2. | Company X are paying £9,000 per annum for a Managed Helpdesk facility which provides a single point of contact for fault reporting and new orders. Eircom include this level of service as part of their offering at no extra cost. |
| 3. | Company X to confirm of there is a reason for have premium / enhanced care on 16 of their analogue lines; this may not be required. |

Usage Management

Current Usage Costs are running at £75,064 per annum as detailed in the Audited Costs Section of this document.

In this section we aim to eliminate overspending by identifying areas where costs can be reduced increasing profitability to your business, in addition illustrate how user costs can be controlled through the provision of quality management information increasing both productivity and customer satisfaction.

Tariff Management

No information has been received regarding Company X's current call tariffs with Supplier Y and Supplier Z.

A cost comparison on Company X's outbound usage has identified a potential saving of £15,498 per annum if Company X were to consolidate all their call spend with Eircom.

An effective way to control costs is to manage user activity; this can be achieved through call barring, proactive management information and through re-educating personnel.

The tables below highlight just some of findings from our evaluation of your billing. (The figures in these tables have not been annualised).

Potential Mis-use & Abuse

Top 10 Most Expensive Abuse Premium Rate Calls

| ORIGINATING No. | NUMBER DIALLED | DESCRIPTION | CALL TIME | DURATION | COST £ |
|-----------------|----------------|--------------------------|-----------|----------|--------|
| 0196XXXXXX | 0908XXXXXX | Dating Line | 01:17:07 | 11.95 | 22.30 |
| 0196XXXXXX | 0909XXXXXX | Adult Line | 00:31:42 | 7.87 | 14.68 |
| 0196XXXXXX | 0908XXXXXX | Adult Line | 00:51:53 | 7.50 | 14.00 |
| 0196XXXXXX | 0908XXXXXX | Adult Line | 23:55:24 | 6.57 | 12.26 |
| 0196XXXXXX | 0908XXXXXX | Adult Line | 00:02:58 | 6.42 | 11.98 |
| 0196XXXXXX | 0983XXXXXX | Adult Line | 23:44:11 | 6.35 | 11.85 |
| 0196XXXXXX | 0908XXXXXX | Adult Line | 01:09:23 | 6.00 | 11.20 |
| 0197XXXXXX | 0906XXXXXX | Prize Line | 19:10:56 | 5.85 | 10.92 |
| 0137XXXXXX | 0906XXXXXX | Mobile Unlocking Service | 18:55:03 | 5.83 | 10.89 |
| 0188XXXXXX | 0905XXXXXX | International Access | 21:01:59 | 39.72 | 9.91 |

Top 10 Most Expensive Special Service Calls

| ORIGINATING No. | NUMBER DIALLED | DESCRIPTION | CALL TIME | DURATION | COST £ |
|-----------------|----------------|-------------|-----------|----------|--------|
| 0124XXXXXX | 0844XXXXXX | Modem | 11:38:44 | 302.28 | 13.68 |
| 0124XXXXXX | 0844XXXXXX | Modem | 12:54:51 | 194.63 | 8.81 |
| 0198XXXXXX | 0844XXXXXX | Modem | 10:50:18 | 187.07 | 8.51 |
| 0124XXXXXX | 0844XXXXXX | Modem | 10:45:01 | 157.62 | 7.13 |
| 0198XXXXXX | 0844XXXXXX | Modem | 16:24:14 | 151.83 | 6.91 |
| 0124XXXXXX | 0844XXXXXX | Modem | 17:52:45 | 138.43 | 6.26 |
| 0124XXXXXX | 0844XXXXXX | Modem | 12:42:02 | 135.77 | 6.14 |
| 0124XXXXXX | 0844XXXXXX | Modem | 10:35:26 | 128.00 | 5.79 |
| 0124XXXXXX | 0844XXXXXX | Modem | 19:30:37 | 87.93 | 5.52 |
| 0124XXXXXX | 0844XXXXXX | Modem | 08:11:33 | 117.17 | 5.30 |

International

Top 10 Most Expensive International Calls

| ORIGINATING No. | NUMBER DIALLED | DESCRIPTION | CALL TIME | DURATION | COST £ |
|-----------------|----------------|-----------------|-----------|----------|--------|
| 0178XXXXXX | 0026XXXXXX | Zimbabwe Mobile | 20:28:00 | 26.78 | 26.93 |
| 0124XXXXXX | 3538XXXXXX | Irish Mobile | 09:25:56 | 82.92 | 16.66 |
| 0145XXXXXX | 00346XXXXXX | Spain Mobile | 20:56:00 | 50.30 | 15.36 |
| 0178XXXXXX | 00263XXXXXX | Zimbabwe Mobile | 07:16:00 | 15.23 | 15.32 |
| 0137XXXXXX | 485XXXXXX | Polish Mobile | 17:47:00 | 57.48 | 13.19 |
| 0137XXXXXX | 486XXXXXX | Polish Mobile | 21:09:22 | 49.55 | 11.37 |
| 0137XXXXXX | 486XXXXXX | Polish Mobile | 21:35:19 | 108.82 | 10.01 |
| 0148XXXXXX | 353XXXXXX | Irish Mobile | 22:01:42 | 48.08 | 9.66 |
| 0137XXXXXX | 486XXXXXX | Polish Mobile | 21:06:25 | 102.50 | 9.43 |
| 0137XXXXXX | 485XXXXXX | Polish Mobile | 18:34:07 | 38.38 | 8.81 |

Non Geographic Calls

Top 5 Most Expensive Local Rate Calls

| ORIGINATING No. | NUMBER DIALLED | DESCRIPTION | CALL TIME | DURATION | COST £ |
|-----------------|----------------|-------------|-----------|----------|--------|
| 019XXXXXX | 08456XXXXXX | Modem | 09:43:00 | 401.27 | 13.04 |
| 019XXXXXX | 08456XXXXXX | Modem | 09:04:00 | 230.28 | 7.49 |
| 019XXXXXX | 08454XXXXXX | Modem | 12:08:04 | 187.45 | 6.09 |
| 019XXXXXX | 08456XXXXXX | Modem | 13:43:00 | 169.33 | 5.50 |
| 019XXXXXX | 08456XXXXXX | Modem | 11:13:00 | 165.10 | 5.37 |

Top 5 Most Expensive National Rate Calls

| ORIGINATING No. | NUMBER DIALLED | DESCRIPTION | CALL TIME | DURATION | COST £ |
|-----------------|----------------|--------------------|-----------|----------|--------|
| 0189XXXXXX | 0870XXXXXX | Sky | 14:42:00 | 42.57 | 2.87 |
| 0124XXXXXX | 0870XXXXXX | Conferencing | 11:29:57 | 36.12 | 2.79 |
| 0124XXXXXX | 0870XXXXXX | Pensions Regulator | 14:02:05 | 39.30 | 2.65 |
| 0128XXXXXX | 0870XXXXXX | BT Meet Me | 07:31:09 | 35.55 | 2.40 |
| 0179XXXXXX | 0870XXXXXX | BT Meet Me | 07:28:20 | 35.18 | 2.38 |

Other Calls

Top 10 Most Expensive Mobile Calls

| ORIGINATING No. | NUMBER DIALLED | DESCRIPTION | CALL TIME | DURATION | COST £ |
|-----------------|----------------|-------------|-----------|----------|--------|
| 0190XXXXXX | 079XXXXXX | Vodafone | 14:11:21 | 115.83 | 11.47 |
| 0124XXXXXX | 077XXXXXX | Three | 18:23:47 | 65.13 | 11.07 |
| 0147XXXXXX | 078XXXXXX | Three | 23:23:07 | 53.42 | 10.68 |
| 0160XXXXXX | 077XXXXXX | Orange | 21:53:00 | 101.00 | 10.00 |
| 0152XXXXXX | 079XXXXXX | Vodafone | 19:33:18 | 108.13 | 9.86 |
| 0152XXXXXX | 079XXXXXX | Vodafone | 20:34:19 | 102.90 | 9.38 |
| 0160XXXXXX | 079XXXXXX | Vodafone | 21:08:50 | 89.18 | 8.83 |
| 0147XXXXXX | 078XXXXXX | Three | 21:45:30 | 41.98 | 8.40 |
| 0129XXXXXX | 078XXXXXX | Orange | 23:38:42 | 90.78 | 8.17 |
| 0160XXXXXX | 078XXXXXX | Three | 08:13:40 | 38.47 | 7.69 |

Directory Enquiry Calls

| NUMBER DIALLED | CALLS PQ | COST £ PQ | COST PER CALL £ |
|----------------|----------|-----------|-----------------|
| 118118 | 159 | 204.97 | 1.29 |
| 118500 | 113 | 109.74 | 0.97 |
| 118247 | 19 | 22.28 | 1.17 |
| 118212 | 12 | 11.42 | 0.95 |

Analyst Observations

| | |
|----|--|
| 1. | Potential Premium Rate call abuse identified. In addition to this cost of these calls, Company X should consider the time these calls take out of the working day. |
| 2. | Expensive out of hour international calls to Zimbabwe Mobiles. Not all international destinations are detailed in the billing analysed. |
| 3. | Expensive modem calls to special service numbers and also local rate numbers identified. |
| 4. | The majority of Directory Enquiries calls are to 118 118, one of the most expensive on the market. There is a free directory enquiry service available – 0800 100 100. |

Potential Overspend

Through our analysis of your billing, contracts and associated data, we have identified potential overspend of **22%** across your voice estate.

Voice

| OVERSPEND AREA | DESCRIPTION | POTENTIAL O/SPEND £PA |
|-------------------|-----------------------------------|--------------------------|
| Tariff Management | Line Tariff (1) | 3,199 |
| | Usage Tariff (1) | 15,498 |
| | Provision of Managed Helpdesk (2) | 9,000 |
| | Maintenance Benchmark (3) | 3,500 |
| Subtotal | | 31,197 |
| Estate Management | Line Optimisation (4) | 5,537 |
| | User Activity (5) | 3,948 |
| Subtotal | | 9,485 |
| TOTAL | | 40,682 |

Notes

| | |
|----|--|
| 1. | Using Eircom's most competitive rates. |
| 2. | This service is provided at no extra charge by Eircom. |
| 3. | Benchmarked against Eircom's most competitive rates. |
| 4. | Based on cancelling 50% of zero spend Analogue lines identified at Company X sites and 25% of those identified as homeworker lines. |
| 5. | Barring premium rate and speaking clock calls. 50% reduction in calls to special Service numbers. Using the freephone directory enquiry number (0800 100 100). |