

12 August 2019

Jamie Baddeley
President
InternetNZ

Dear Jamie,

First Quarter 2017/18 Report

This report includes DNCL's quarterly Profit and Loss Statement and other DNCL activities not included in the joint .nz report.

Financial

	Apr - June 2019				Year-to-Date			
	Q1 Act (\$)	Q1 Bud (\$)	Q1 Var (\$)	Q1 Var (%)	YTD Act (\$)	YTD Bud (\$)	YTD Var (\$)	FY Bud (\$)
INCOME								
5050 · Authorisation Fees	3,000	3,000	0	0%	3,000	3,000	0	6,000
5080 · DRS Complaint Fees	4,000	6,000	(2,000)	0%	4,000	6,000	(2,000)	34,000
5100 · Management Fees	335,001	335,001	(0)	0%	335,001	335,001	(0)	1,340,000
7010 · Interest Income	105	30	75	250%	105	30	75	13,500
1540 · Sundry Income	0	0	0	0%	0	0	0	0
Total Income	342,106	344,031	-1,925	-1%	342,106	344,031	(1,925)	1,393,500
EXPENDITURE								
DNCL Board	7,175	7,248	(73)	-1%	7,175	7,248	(73)	36,000
Communications	2,972	5,750	(2,778)	-48%	2,972	5,750	(2,778)	25,000
Compliance	0	6,000	(6,000)	0%	0	6,000	(6,000)	69,000
Dispute Resolution Services	6,596	10,476	(3,880)	-37%	6,596	10,476	(3,880)	103,000
Registrars	6,077	8,349	(2,272)	-27%	6,077	8,349	(2,272)	24,000
International	37,577	38,000	(423)	-1%	37,577	38,000	(423)	143,800
Office and Administration	66,291	70,844	(4,553)	-6%	66,291	70,844	(4,553)	283,200
Personnel and Staff	106,898	141,164	(34,266)	-24%	106,898	141,164	(34,266)	604,114
Professional Services **	41,190	8,502	32,688	384%	41,190	8,502	32,688	45,000
Projects	0	8,700	(8,700)	100%	0	8,700	(8,700)	35,000
Total Expenditure	274,774	8,700	266,074	3058%	274,774	305,033	-30,259	1,368,114
Depreciation	3,832	4,800	(968)	-20%	3,832	4,800	(968)	30,000
Other Comprehensive Items	0	0	0	0%	0	0	0	0
Net Profit/Loss	63,499	330,531	267,032	81%	\$63,499	\$34,198	\$29,301	(\$4,614)

Notes: The DNCL budget is apportioned evenly per quarter.

Q1 spend was underbudget as due to some delay in phasing of projects and staff recruitment

Professional services include litigation costs of \$30,310

Independent Review

Council have previously been provided with Mr Pickens' draft report into the independent review of the Domain Name Commission.

At the DNCL Board meeting of 14 August 2019 the Board will receive Mr Pickens' final report. The Board will also be considering the Commission's response to the Independent review. The Board intends to release the final report and the Commission's response shortly after the Board meeting.

DNCL looks forward to InternetNZ's views on the recommendations and DNCL's responses to them.

Security

DNCL staff attended the Ministerial launch of New Zealand's cyber security strategy 2019. DNCL has been very supportive of the Strategy.

Dispute Resolution as a service consultation

The Commission has launched our public consultation on reimagining dispute resolution services see <https://www.dnc.org.nz/consultation/drs-review>. The consultation is running till late August and seeks community input on appropriate dispute resolution services.

DNCL Governance - Board skills matrix

The DNCL skills matrix for the Board will be discussed at the DNCL Board meeting and is an agenda item for the Council meeting in August. The creation of the skills matrix is an opportunity for reflection on how the DNCL Board is constituted currently and how it believes it should best be constituted in the future to align with the DNCL's strategic objectives.

Other Matters

DNCL defended its Domain Tools appeal against DNCL being awarded a preliminary injunction in the Ninth Circuit. The appeal was dismissed.

DNCL has also successfully settled its legal proceedings against WhoisAPI which resulted in Whois API destroying historically stored .nz registrant information and agreeing to comply with the Terms of Use with respect to any and all .nz WHOIS records or data.

Yours sincerely

Jordan Carter
Chair
[Domain Name Commission](#)