



# AfrinIC

## Finance and Administration report

Mauritius  
Dec 1 2006



## Agenda

**Introduction**

**Updates**

**Financials**

**Challenges**

**Questions**



## Introduction

**Finance and Administration activities are handled at the Afrinic headquarters**

### **TEAM**

- Harish Gowrisunkur (CFO)
- Manoda Marimuthu (*Administrative and business assistant*)

### **ACTIVITIES**

- Billing and collection
- Purchasing and payments
- Contract management
- New Member application
- Accounting reports and Budgeting
- Implement controls based on policies

## Agenda

Introduction

Updates

Billing update  
Membership status  
Interim audit  
Meetings

Financials

Challenges



## Billing Update

### Billing highlights for the year

#### 2006 year (till 31 Oct 2006)

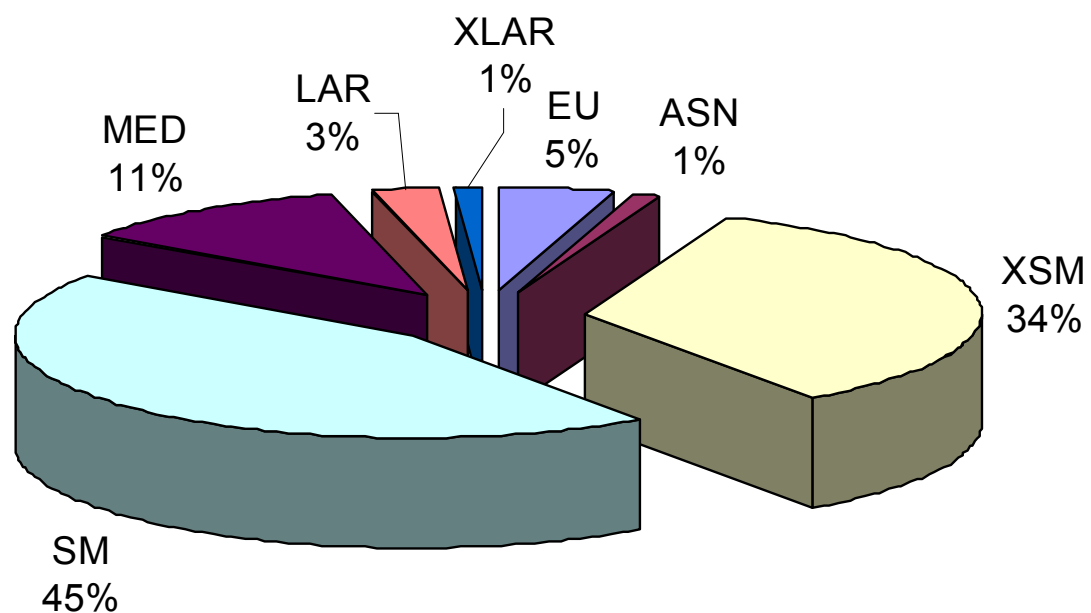
- We invoiced 239 LIR, 3 ASN and 12 EU members
- Including New members: 50 LIR, 3 ASN and 12 EU members
- Paid so far, 219 LIR, 3 ASN and 11 EU
- Collection rate of 92%
- Fees received from members \$832,000

#### 2007 year

- Will Send 219 invoices for our LIR members in December 2006
- Plan to invoice ASN and EUIP members early in 2007

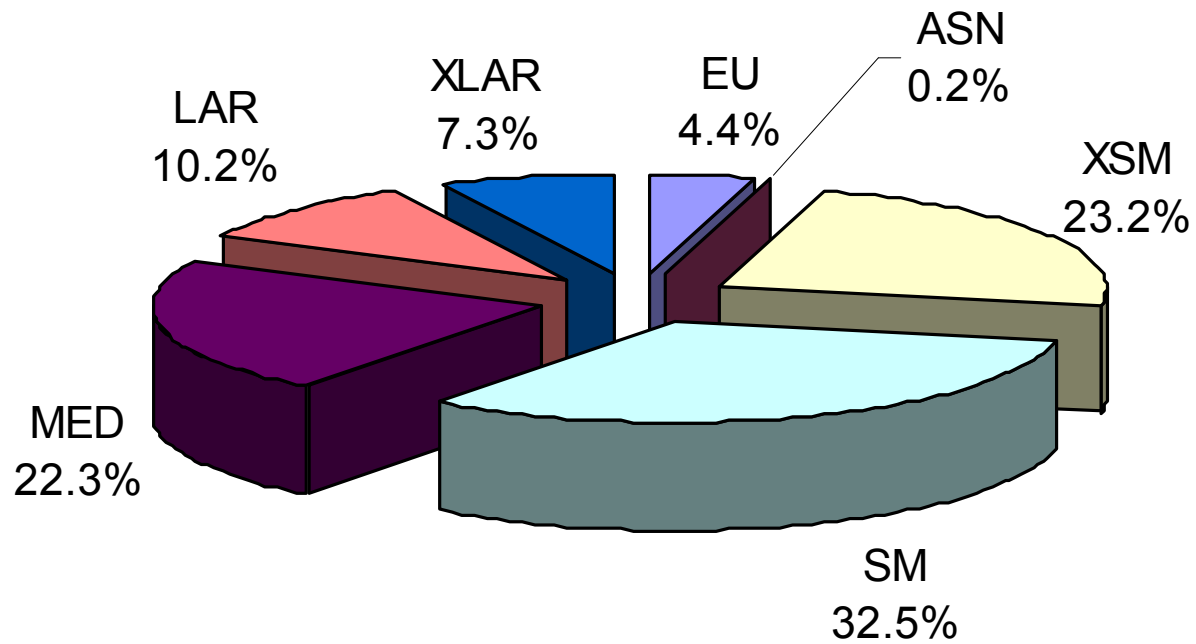


## Membership distribution 2006





## 2006 revenue by category



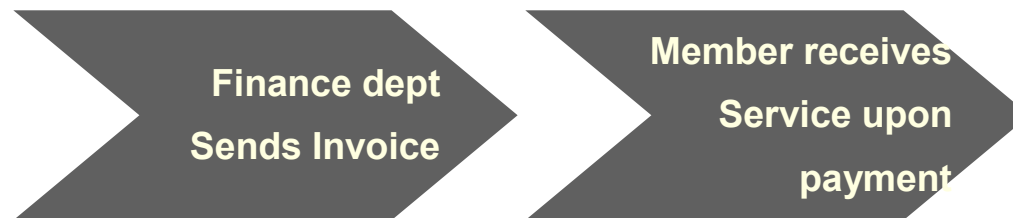


## Membership Update

Member is created and invoiced once the membership form, RSA and first allocation templates have been received and information therein are accurate



Member receives service upon receipt of payment





## Interim Audit

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**In September 2006 we had an Interim Audit performed by Ernst and Young. Report submitted to the Audit committee**

- Review internal control
- Review existing policies
- Audited Financial Statements till August 2006
- Favourable report



# Interim Audit Report

December 1, 2006



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## ACCOUNTANTS' REPORT TO THE MEMBERS OF AFRINIC LIMITED

We have reviewed the financial statements of Afrinic Limited and we have obtained all the information and explanations that we considered necessary.

In our opinion these financial statements, which have been prepared under the historical cost convention, fairly reflects the state of affairs of the company as at August 31, 2006 and of its profit for the period then ended.

ERNST & YOUNG

Port Louis,  
Mauritius

Date: 20/10/2006

PATRICK NG TSEUNG, A.C.A.

Signing Partner



## AfrinIC-4 and AfrinIC-5 Meetings

**Our department is also involved in the organisation of AfrinIC public policy meetings in Nairobi and Mauritius**

- Obtain best deals with suppliers
- Co-ordinate travel
- Manage meeting budget





## NRO Meeting



NUMBER	RESOURCE	ORGANIZATION
2001.610.0.0	2001.10.0.0	2001.610.240.0.53.3
2001.440.0.0	2001.440.0.0	2001.440.2000.1:21
202.12.19.20	193.0.0.203	202.12.29.20
200.160.2.15	193.0.0.203	200.160.2.15
193.0.0.203	193.0.0.203	193.0.0.203

**In the current week we had a CFO's meeting for the NRO**

- Afrinic share towards the ICANN contribution is being finalised
- Afrinic will be the treasurer of the NRO for 2007



## Ripe NCC Meeting

In October 2006 AfrinIC's CFO has visited the RIPE NCC Finance and Administration department

- RIPE NCC had the largest share of AfrinIC members before 2005
- Shared best practices in the Finance and Administration field
- Attended the RIPE-53 meeting



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**Financials**

**Actual Oct 2006**

**Budget 2006 v/s Actual Oct 2006**

**Actual Oct 2006 v/s Actual Oct 2005**

**Financials – SA Oct 2006**

Challenges

Questions



## Financials (MU) – Oct 2006

### Income

- Fees from members \$832,000
- Grants \$82,427
- Interest income \$25,911

### Main Operating Expenditure

- Travel \$110,297
- Training \$12,446
- Meeting and seminars \$45,202
- Office expenses \$27,174
- HR \$119,393

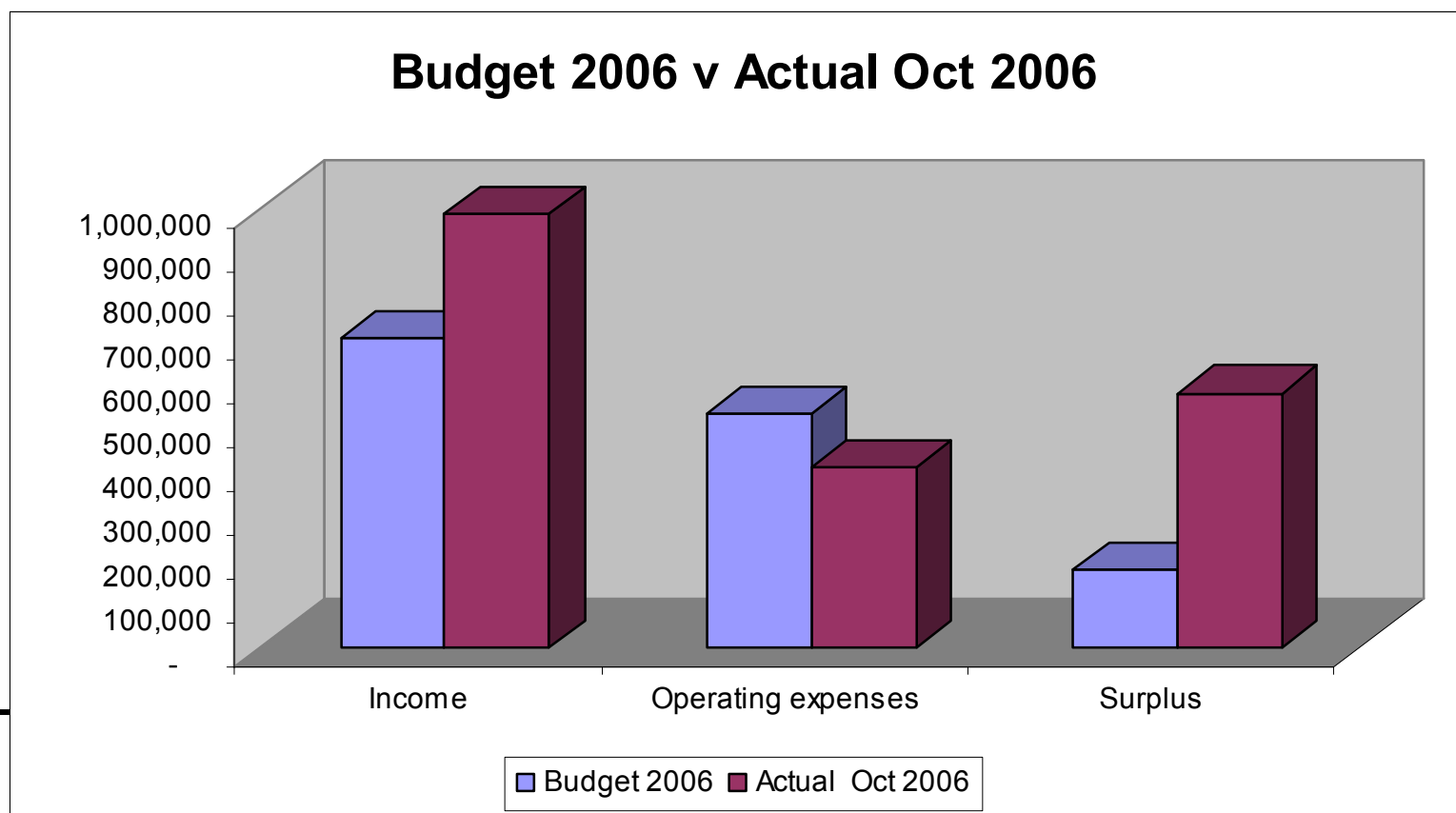
**Surplus (10 months) \$577,732**

**Operating Reserves \$600,000**

- This consists of 2005 reserves \$150,000 and 2006 injection of \$450,000

## Budget 2006 v Actual Oct 2006 - MU

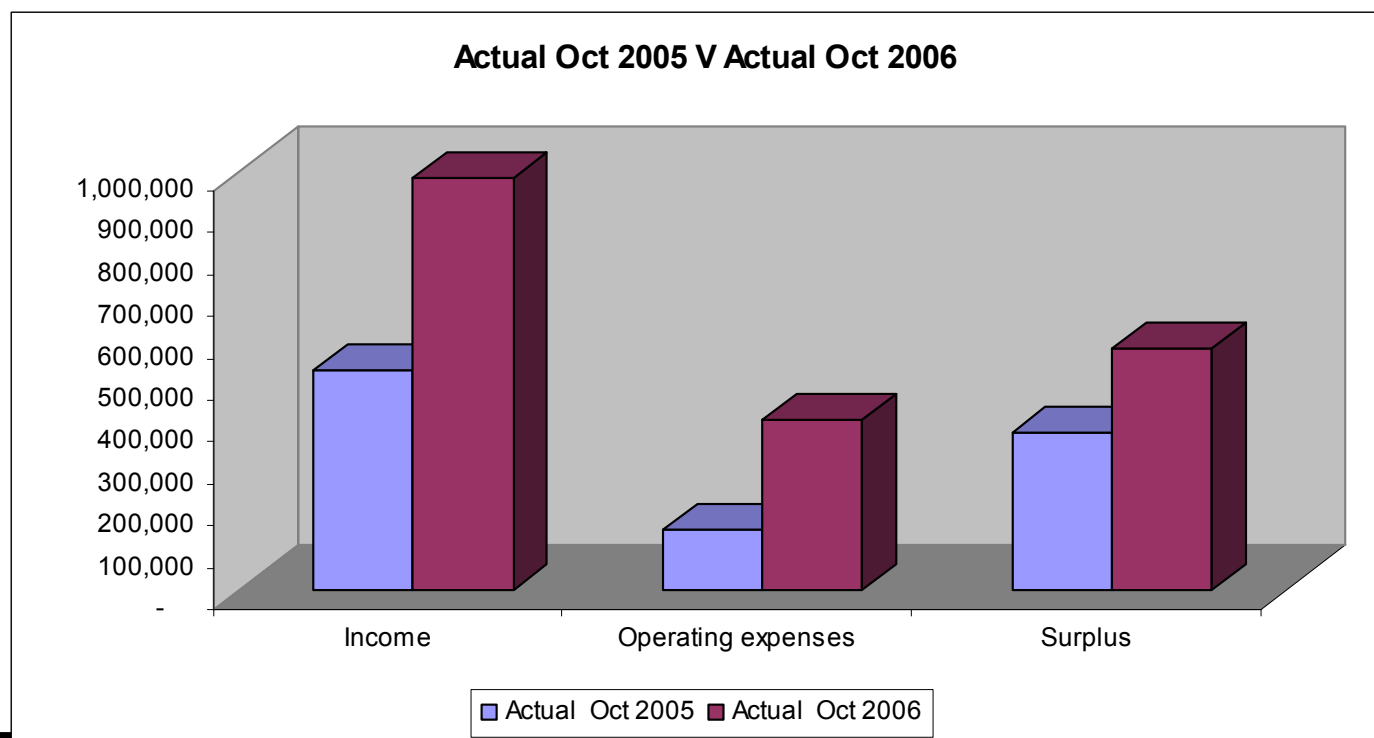
Financials (MU)	Budget 2006	Actual Oct 2006
Income	704,648	986,126
Operating expenses	528,621	408,395
Surplus	176,027	577,732





## Actual Oct 2005 v Actual Oct 2006 - MU

Financials (MU)	Actual Oct 2006	Actual Oct 2005
Income	986,126	523,762
Operating expenses	408,395	145,626
Surplus	577,732	378,137



December 1, 2006



## Financials-(RSA) Oct-2006

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### Income

- Grants from the DoC South Africa \$163,521
- Used to finance the following operating expenses

### Expenditure

- |                     |           |
|---------------------|-----------|
| ■ Office expenses   | \$46, 217 |
| ■ Computer expenses | \$33,392  |
| ■ Travel            | \$7,780   |
| ■ HR                | \$76,132  |

Afrinic will stop to receive this grant. It has to budget a similar average for the coming 2007 financial year



## Budget 2007

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**Currently submitted budget proposal to be approved by the financial committee**

- Increase in staff costs
- No grants from the DoC South Africa
- 1<sup>st</sup> year that AfrinIC will operate as a fully sustainable organisation



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## 2007 Challenges

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**From a financial view point 2007 will be the year where AfrinIC has to be autonomous**

- Sufficient reserves
- Control costs through budgetary controls
- Ensure good collection ratio
- Bill EU and ASN members



## Questions and Answers

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