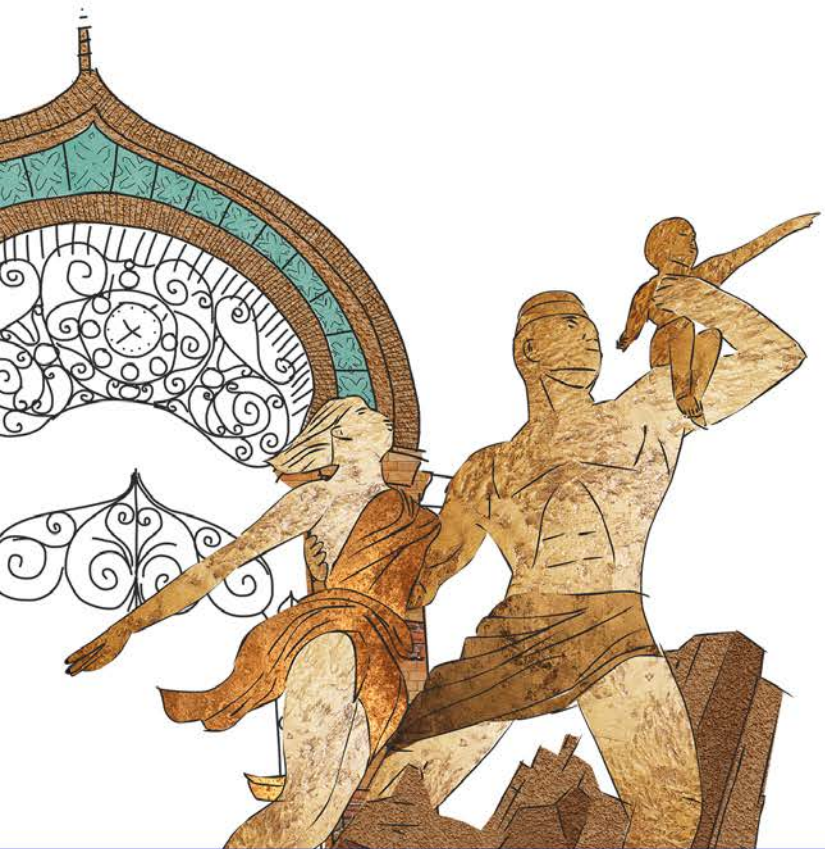


AFRICA
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DAKAR SENEGAL
29 APRIL - 11 MAY 2018



AFRINIC 2017 FINANCIALS

Presented: Dr Christian D. Bope

May 2018

Dakar, Senegal

Audit Committee Members

- Abibu R. Ntahigiye
- Christian D. Bope (Chair)
- Hytham El-Nakhal (Observer - Chair of FinCo)
- Seun Ojedeji

Introduction

- The following report highlights key aspects of the financial statement
- The financial statements from which this report is derived have been audited and approved.

The financial position as of 31/12/2017

The financial statements of African Network Information Centre (AfriNIC) Ltd set out on pages 8 to 31 comprise:

- the statement of financial position as at 31 December 2017;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes comprising significant accounting policies and other explanatory information.

The financial position as of 31/12/2017

- On Page 8 cash and cash equivalent were stated as **\$4,015,577**, an increase of **\$892,218** from 2016.
- Note 7 on Page 22 breaks this figure down, and is key to understanding how much cash AfriNIC actually had available to it.
- Of the **\$4,015,577**:
 - **\$1,108,155** was advanced fee receipts – this money was only available to spend as invoices became due on the 1st of January 2018.
 - **\$36,220** was ring fenced for the FIRE project – supplied and to be used entirely for that purpose.
- **\$165** belonged to AFTLD and was simply held by AfriNIC under an MoU. This amount was finally transferred in AFTLD in the month of Jan 2018
- **\$2,871,037** was AfriNIC's own money available to be spent on general operations.



The financial position as of 31/12/2017

As at 31 December 2017, the Strategic Cash Reserves consists of a total of **\$1,056,860** (2016: **\$551,271**) (Note 7, Page 23)

Income and expenditure Breakdown

AfriNIC received a total of **\$191,423** from grants, sponsorship and other income unrelated to the fees (Note 11, Page 25)

- The total fee income for the year was **\$4,892,621**, an increase of approximately **12%** from 2016.
- The fee income (recurring) for the year was **\$4,311,021** for 2017
- The fee income (non-recurring) was **\$581,600** for 2017
- Our total combined administration and distribution expenses amounted to **\$4,156,606**, an increase of **\$532,587** from 2016
- AfriNIC recorded a loss of **\$95,054** on Finance costs (primarily forex loss)
- A surplus of **\$839,331** was recorded for the 2017 financial year.

More details on the expenses

Expenses are broken down into administration expenses and distribution expenses.

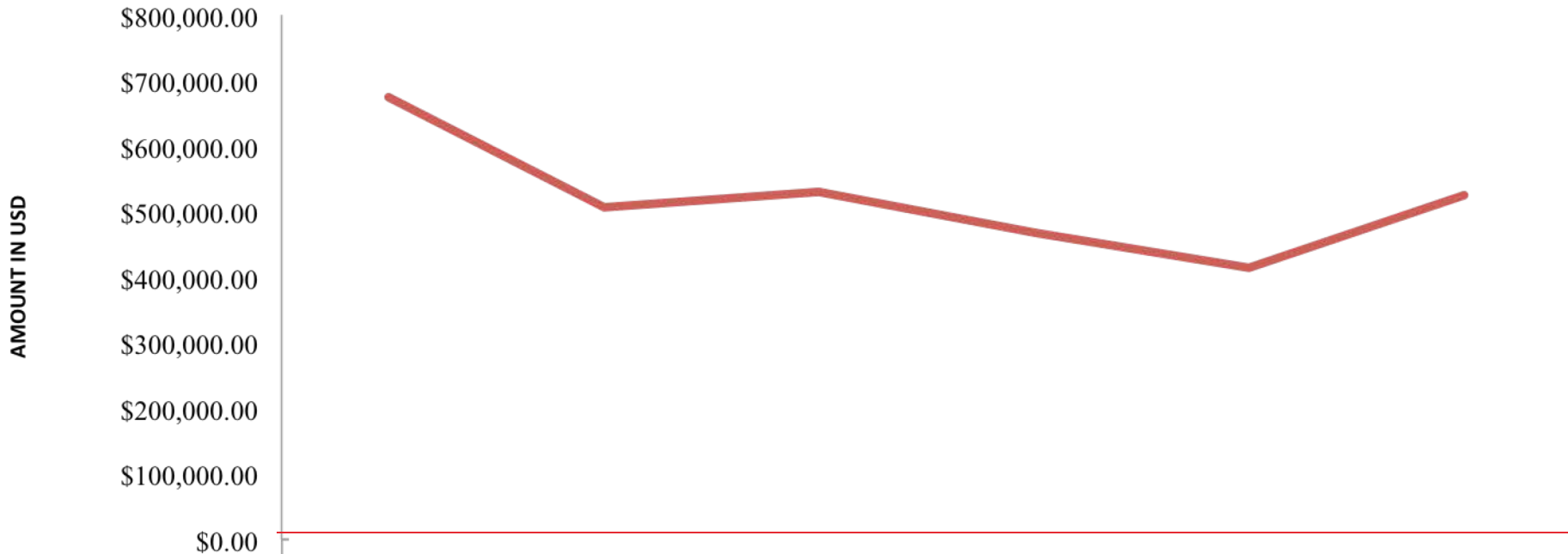
Administration expenses refer to HR costs and Office costs, everything else is considered a distribution expense.

- Expense Movements:

- Travel costs increased to **\$525,446** – an increase of 21%
- Meeting expenses decreased to **\$216,735** – a decrease of 22.3%
- Staff and related costs decreased to **\$1,858,827** – a decrease of 1%
- Office expenses increased to **\$2,093,317** - an increase of 11.2%
- Depreciation (non-cash expense) decreased to **\$146,290** – a decrease of 7%



Travel expenses



Years	2012	2013	2014	2015	2016	2017
Travel Expenses	\$674,483.22	\$506,220.00	\$529,678.00	\$467,710.00	\$414,386.00	\$525,446.00



Adoption of Financial Statement

Audit Appointment Recommendation

The board would like to recommend the reappointment of PricewaterhouseCoopers Ltd. for the 2018 financial year.



Thank you.