

# **Draft Minutes of AFRINIC Special Annual General Members' Meeting**

**Date: Thursday 3 December 2015 at 13:30**

**Venue: Plenary Room, Gilbert Azur Hotel,  
Pointe Noire, Republic of Congo**

**Present:** Mr Alan Barrett Chief Executive Officer  
Mr Sunday Folayan Chairman  
Me Ashok Radhakisson Legal Counsel  
AFRINIC Board of Directors  
AFRINIC Management Team  
AFRINIC Members  
Observers

## **AGENDA**

- 1.0 Welcome and Agenda Review
- 2.0 Financial Statements
  - 2.1 2014 Audited Report
  - 2.2 Appointment of Auditor
- 3.0 Any Other Business
  - 3.1 Process for Appointment to the IANA Numbering Services review Committee
  - 3.2 Update on the Governance Committee
- 4.0 Closing Remarks and end SGMM

## **BUSINESS OF THE DAY**

### **1.0 Welcome and Agenda Review**

The Chairman, Sunday Folayan, welcomed Members present in person and online, and opened the meeting at 13:40 Local Time, Republic of Congo.

The Agenda was adopted as presented. Moved by Alan Barrett. Seconded by Mark Elkins.

## **2.0 Financial Statements**

### **2.1 2014 Audited Report**

The Chairman of the Audit Committee, Andrew Alston made a presentation on the AFRINIC Financials and an overview of the audit report for the year ending 31 December 2014.

#### **Resolution SGMM201512.01**

Resolved to approve the Financial Statements 2014 for the year ending 31 December 2014 as tabled by the Board and audited by KPMG.

Moved by Fiona Asonga. Seconded by Mark Elkins.  
Motion passed with no objections.

### **2.2 Appointment of Auditor**

The Chairman of the Audit Committee, Andrew Alston informed Members that based on the inconsistencies that have been observed with KPMG, the Board is recommending to change the Auditor to PwC for the 2015 financial statements and audit.

#### **Resolution SGMM201512.02**

Resolved to adopt the recommendation of the Board and to appoint PwC as the Auditor for the 2015 financial statements and audit exercise.

Moved by Seun Odejeji. Seconded by Mark Elkins.  
Motion passed with no objections.

## **3.0 Questions and Answers**

There were discussions, questions and answers on Agenda Item 2.1 and Item 2.2; the financial statements and Audited report as presented.

Fiona Asonga thanked the Board for giving detailed financials and breakdowns in the report for the sake of transparency.

She made the following recommendations:

- (i) the development of a bad debts management policy
- (ii) to reduce the cost of meetings and conferences, if there is not sufficient sponsorship from the host country.

Lu Heng asked about the process for writing off bad debts, travel expenses, and the reasons for poor performance of the auditors.

Mark Elkins, noted that AFNOG is not mentioned on the contribution list to AIS meetings.

Nigel Titley questioned the classification of software as a capital asset.

Ali Hadji queried on the guarantee that the Board can give to Members about the accuracy of the figures in the financial statements. He also pleaded with the Board to communicate in French language for ease of understanding by the French people.

Answers:

(i) Bad debts

The CEO referred Members to Page 20 Note 6 of the Financial Statements with respect to the analysis of bad debts. Most bad debts are companies which have gone out of businesses and no longer using IP addresses. In such cases the IP addresses have been recovered and the companies debts written off as bad debts. There are also members who pay late, but AFRINIC works hard at obtaining such payment.

(ii) Policy on meetings and conferences, to avoid unnecessary expenses

Haitham El Nakhal asked Fiona Asonga and Members to share comments/ideas that they may have on the members mailing list for consideration and collation to draft such a policy.

(iii) Increase in Travel Expenses

Aminata Amadou Garba said that the Board is trying to minimize the travel cost, and looking for more sponsorship for AFRINIC meetings.

(iv) Performance of KPMG

Krishna Seeburn replied that there were delays and inconsistencies in the presentation of the financial statements; and the Audit Committee was not satisfied with their performance.

(v) AFNOG under the List of Contributors for AIS

Abibu Ntahigiye informed that there is a MoU between AFRINIC and AFNOG in terms of capacity building in Africa, but it does not specify the financial assistance limits. The non-cash support during the year was already captured under travel costs.

(vi) Treatment of intangible as capital asset

Andrew Alston confirmed that the intangible are software licences. He said that software could be treated differently in future.

The Chairman informed Members that the Board intends to budget for income based on current membership.

(vii) Accuracy of figures in the financials/audit report and French language

The Chairman informed that the financials are a report of the Board to the Members, and confirmed to the members that the figures in the financials are accurate. The contents of the report are the responsibility of the Board and not the Auditor.

## **4.0 Any Other Business**

### **4.1 Process for Appointment to the IANA Numbering Services Review Committee**

The CEO, Alan Barrett made a brief on the present process of the RIRs' SLA with ICANN. In order to monitor the performance, the RIRs will set up an IANA Numbering Services Review Committee. The purposes and functions of the Committee were summarised. The Committee will consist of 3 members from each RIR; 2 members elected by the community, and one staff member. The CEO proposed that the same two people elected by the community to the NRO NC/ASO AC should automatically also serve on the Review Committee. This had been discussed on the members' mailing list, and the Board is now recommending to the community that this should be the case.

Seun Odejeji and Mark Elkins supported the proposed process for appointing AFRINIC members to the committee.

Mwenda Kivuva pointed out that the committee will start when the new IANA Numbering Services SLA is signed.

The Chair summarised the discussions that there is no objection to the process, and the community approved.

### **4.2 Update on the Governance Committee**

The CEO presented the second version of the Governance Committee Charter, and explained the changes that had been made after the first draft of the Term of Reference.

The Chairman invited discussions on the Governance Committee.

Fiona Asonga acknowledged that the Governance Committee Charter is very clear and give appropriate scope and details of how the Committee should functions.

Serge Ilunga stated that he saw on the mailing list that there was a proposal to include a preamble on the reasons why the Governance Committee is to be created however in the charter but it has not been included in the charter.

Alan Barrett invited proposals for improvement to the preamble.

Seun Odejeji stated that the CEO can be the only liaison and there is no need to have 2 or 3 liaisons in the Committee.

One Member asked whether appointment to the Governance Committee will be based on regions just like the Board of Directors. The Chairman replied that such criteria will not be for the Governance Committee.

The Chairman stated that the Board is to update the document, prepare a revised timeline and inform the community accordingly.

## **5.0 Closing Remarks and end SGMM**

The Chairman asked for the motion to close the meeting at 14:55 Local Time Republic of Congo.

Proposed by Mark Elkins. Fiona Asonga Seconded