



— AFRICA —
INTERNET

— SUMMIT'14 —

25 May - 6 June - Djibouti
internetsummitafrica.org

2014 Budget Executions

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Date 6/6/2014

***Beyond connection:
Internetworking for African Development***

The 2014 Budgets

- The 2014 Operating Costs budgets has been built around the basis of Service Excellence.
- All functional activities for the year revolves around improvement in services delivery which has been reinforced since 2013.

The 2014 Budgets

- **REVENUE BUDGET**
- Revenue derived from membership fees continues to be the major single source of revenue.
- With no revision in fee structure envisaged during the coming 12 months, the revenue profile assumes a steady growth in membership base
- Increase in resource allocations is expected to contribute to growth in membership income

The 2014 Budgets

- REVENUE BUDGET cont'd..
- Reliance on a positive impact of various measures put in place to improve new member process; new member portal being launched.
- Every effort to be made to minimise resources reclaim
- Exploring other means of exploiting potential revenue related income.



The 2014 Budgets

2014 Fees Revenue Budgets

		Existing	NEW	
	TOTAL	Fees	Fees	no.
LIR members	\$3,599,100	\$3,024,050	\$575,050	176
End Sites	\$166,783	\$16,500	\$150,283	54
Associate	\$40,000		\$40,000	35
Late Payment Penalty	\$95,000	\$95,000		
	\$3,900,883	\$3,135,550	\$765,333	265



The 2014 Budgets

- REVENUE BUDGET cont'd..
- Membership base is set to grow by 28% thus adding 235 new resource members
- 30 new Associate members have been included
- Late Payment Penalty is expected to bring in another \$30k

The 2014 Budgets

- OTHER REVENUE
- Includes sponsorships and Grants from regional partners supporting AFRINIC events and project.
- In addition, \$80k has been included in respect of members training cost recovery

The 2014 Budgets

Operating Costs Budgets - 2014

	BUDGETS 2014 vs				
	2014 BUDGETS	2013 ACTUAL	2013 BUDGETS	2013 Actual	2013 Budgets
Administrative expenses	US\$	US\$	US\$	%	%
HR	\$2,442,772	\$2,025,780	\$2,204,391	21%	11%
Telephone & Communications	\$61,864	\$43,942	\$49,897	41%	24%
Computer expenses	\$19,217	\$1,987	\$3,333	867%	477%
Office Expenses	\$248,812	\$252,928	\$222,159	-2%	12%
Motor vehicle expenses	\$4,300	\$5,667	\$3,000	-24%	43%
Insurance	\$11,600	\$9,099	\$10,200	27%	14%
Printing, postage & stationery	\$15,003	\$5,769	\$9,245	160%	62%
Bank charges	\$25,000	\$43,666	\$23,333	-43%	7%
Professional Fees	\$15,720	\$6,501	\$13,867	142%	13%
Depreciation	\$215,000	\$191,221	\$161,520	12%	33%
Consultancy Fees	\$63,767	\$53,699	\$61,567	19%	4%

The 2014 Budgets

Operating Costs Budgets - 2014

	BUDGETS 2014 vs				
	2014 BUDGETS	2013 ACTUAL	2013 BUDGETS	2013 Actual	2013 Budgets
Distribution expenses	US\$		US\$	%	%
Marketing & Comms expenses	\$35,918	\$24,014	\$38,408	50%	-6%
Bad debts	\$20,000	\$48,890	\$20,000	-59%	0%
Meeting expenses	\$190,000	\$100,305	\$190,800	89%	0%
Members Training	\$100,000	\$86,911	\$105,000	15%	-5%
Travelling expenses	\$410,000	\$508,861	\$345,000	-19%	19%
Research & Development	\$50,000		\$32,000		56%
Entertainment	\$0		\$3,333		
IPv6 outreach Program	\$25,000		\$0		
Contribution	\$98,000	\$146,316	\$97,500	-33%	1%
Remote Sites Operations Costs	\$2,340		\$6,750		-65%
Total Distribution expenses	\$931,258	\$915,297	\$838,791	1.7%	11%

The 2014 Budgets

BUDGETED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	As at 31 December 2014	
	Rs	US\$
ASSETS		
Non-current assets		
Plant and equipment	20,057,939	\$668,598
Intangible assets	1,773,334	\$59,111
	21,831,273	\$727,709
Current assets		
Trade receivables and other assets	6,215,199	\$207,173
Cash and cash equivalents	32,478,141	\$1,082,605
	38,693,340	\$1,289,778
Total assets	60,524,613	\$2,017,487
RESERVES AND LIABILITIES		
Revenue reserve	473,611	\$15,787
Other reserve	39,693,750	\$1,323,125
Net assets attributable to members	40,167,361	\$1,338,912
Non current liabilities		
Finance lease obligations	636,412	\$21,214
Current liabilities		
Finance lease obligations	253,122	\$8,437
Trade and other payables	19,467,718	\$648,924
	19,720,840	\$657,361
Total reserves and liabilities	60,524,613	\$2,017,487



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BUDGETED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2014

	Year Ended 31 December 2014	
	Rs	US\$
Income	122,476,500	\$4,082,550
Distribution expenses	-27,898,525	-\$929,951
Administrative expenses	-93,616,673	-\$3,120,556
	-121,515,198	-\$4,050,507
Surplus of income over expenditure	961,302	\$32,043
Finance revenue	2,200,000	\$73,333
Finance cost	-114,215	-\$3,807
Surplus for the period	3,047,087	\$101,570

The 2014 Budgets

- 2014 is expected to close with a surplus of \$101.5k
- Trade receivables expected to drop to reflecting improvement in collection
- Liquidity ratio is expected to reach 1:2

The 2014 Budgets

- Core Operations Costs – Budget 2014

	US\$	%
Registration Service	2,118,620	54%
Community Outreach	67,397	2%
Policy Development	373,913	9%
Training	474,347	12%
IPv6 Outreach	395,600	10%
Administration	514,434	13%
	3,944,312	100%



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