

**AFRICA TOP LEVEL DOMAINS
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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ORGANISATION INFORMATION

EXECUTIVE COMMITTEE:

: Eytayo Iyortim (.NG)	- President
: Prof Idrissa Sarr (.SN)	- Vice President
: Mr. Joel Karubiu (.KE)	- Treasurer
: MoleheWesi (.ZA)	- Director
: Molupe Molupe (.LS)	- Director
: Grace Ingabire (.RW)	- Director
: Deo Gratias Tonouhewa (.BJ)	- Director
: Barrack Otieno	- General Manager

PRINCIPAL OFFICERS

: Eytayo Iyortim (.NG)	- President
: Prof Idrissa Sarr (.SN)	- Vice President
: Mr. Joel Karubiu (.KE)	- Treasurer
: Barrack Otieno	- General Manager

PHYSICAL OFFICE

- : Kenya Network Information Centre
- : Communications Authority Complex
- : Waiyaki Way
- : P.O. Box 1461-00606
- : Nairobi, Kenya

INDEPENDENT AUDITOR

- : Moses & Associates
- : Certified Public Accountants
- : P.O. Box 3067, 00200
- : Nairobi, Kenya

PRINCIPAL BANKERS

- : Absa Bank Kenya
- : Karen Branch - 03065
- : P.O.BOX 30120 - 00100
- : Nairobi, Kenya

REPORT OF THE DIRECTORS

The directors submit their report and the audited financial statements for the period ended 31 December 2024, which disclose the state of affairs of the company.

PRINCIPAL ACTIVITIES

Africa Top Level Domains Organization (AFTLD) is an association of country code Top Level Domain (ccTLD) managers in the Africa Region. The main objective of AFTLD is to facilitate discussions among African ccTLD managers on issues related to the management of ccTLDs thereafter presenting common positions at global fora on the state of the Domain Name System (DNS) industry in Africa.

RESULTS

The results for the year are set out in the statement of income and expenditure on page 7.

DIRECTORS

The directors who held office during the year and to the date of this report are shown on page 1.

In accordance with the company's articles of association, two directors are due to retire through rotation.

STATEMENT AS TO DISCLOSURE TO THE COMPANY'S AUDITOR

With respect to each director at the time this report was approved:

- (a) There is, so far as the person is aware, no relevant audit information of which the company's auditor is unaware; and
- (b) The person has taken all the steps that the person ought to have taken as a director so as to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

TERMS OF APPOINTMENT OF THE AUDITOR

Moses & Associates continues in office in accordance with the company's Articles of Association and Section 719 of the Companies Act, 2015. The directors monitor the effectiveness, objectivity and independence of the auditor. The directors also approve the annual audit engagement contract which sets out the terms of the auditor's appointment and the related fees.

BY ORDER OF THE BOARD

**DIRECTOR
NAIROBI**

2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company keeps proper accounting records that are sufficient to show and explain the transactions of the company; that disclose, with reasonable accuracy, the financial position of the company and that enable them to prepare financial statements of the company that comply with the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) and the requirements of the Kenyan Companies Act, 2015. The directors are also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors accept responsibility for the preparation and fair presentation of the financial statements in accordance with the IFRS for SMEs and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- i). Designing, implementing and maintaining such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii). Selecting and applying appropriate accounting policies; and
- iii). Making accounting estimates and judgements that are reasonable in the circumstances.

The directors are of the opinion that the financial statements give a true and fair view of the financial position of the company as at 31 December 2024 and of the financial performance and cash flows for the year then ended in accordance with the IFRS for SMEs and the requirements of the Companies Act, 2015.

In preparing these financial statements the directors have assessed the company's ability to continue as a going concern. Nothing has come to the attention of the directors to indicate that the company and its subsidiaries will not remain a going concern for at least the next twelve months from the date of this statement

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

So far as each of the directors are aware, there is no relevant audit information which the auditor is unaware of, and each of the directors has taken all the steps that ought to have been taken in order to become aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the board of directors on _____ 2025 signed on its behalf by:

DIRECTOR

DIRECTOR

STATEMENT OF INCOME AND EXPENDITURE

	Notes	2024 Usd	2023 Usd
Income			
Grants	3	84,292	16,535
Membership fees	4	<u>4,985</u>	<u>5,000</u>
Total income		<u>89,277</u>	<u>21,535</u>
Expenditure			
Consultancy fees		12,000	12,000
Auditor's remuneration		800	750
Bank charges		678	257
Coalition for a Digital Africa Expenses		76,780	-
Travelling expenses		5,855	6,808
Licences & web support services		3,500	-
Legal & professional fees		530	-
Foreign exchange (gain)/loss		333	(463)
Total expenditure		<u>100,476</u>	<u>19,352</u>
Suplus for the year		<u>(11,199)</u>	<u>2,183</u>

The notes on pages 11 to 13 form an integral part of these financial statements.

Report of the independent auditor - pages 4 and 6.

*Africa Top Level Domains
Annual report and financial statements
For the year ended 31 December 2024*

STATEMENT OF FINANCIAL POSITION

FUND BALANCE	Notes	2025 Usd	2023 Usd
Accumulated fund		(61,011)	(49,812)
Capital fund		<u>74,651</u>	<u>74,651</u>
		<u>13,640</u>	<u>24,839</u>
REPRESENTED BY			
Current assets			
Cash and cash equivalents	6	<u>16,940</u>	<u>27,339</u>
		<u>16,940</u>	<u>27,339</u>
Current liabilities			
Payables	7	<u>3,300</u>	<u>2,500</u>
		<u>3,300</u>	<u>2,500</u>
Net current assets		<u>13,640</u>	<u>24,839</u>
		<u>13,640</u>	<u>24,839</u>

The financial statements on pages 7 to 13 were approved and authorised for issue by the board of directors on _____ 2025 and were signed on its behalf by:

DIRECTOR

DIRECTOR

The notes on pages 11 to 13 form an integral part of these financial statements.

Report of the independent auditor - pages 4 and 6.

STATEMENT OF CHANGES IN FUND BALANCES

	2024	2023
	Usd	Usd
Accumulated fund		
At start of year	(49,812)	(51,995)
Deficit for the year	<u>(11,199)</u>	<u>2,183</u>
At end of year	<u>(61,011)</u>	<u>(49,812)</u>
Capital fund		
At start of year	74,651	74,651
Grants	<u>-</u>	<u>-</u>
At end of year	<u>74,651</u>	<u>74,651</u>
Total fund balance	<u><u>13,640</u></u>	<u><u>24,839</u></u>

The notes on pages 11 to 13 form an integral part of these financial statements.

Report of the independent auditor - pages 4 and 6.

STATEMENT OF CASH FLOWS

		2024 Usd	2023 Usd
Operating activities	Notes		
Deficit for the year		(11,199)	2,183
Adjustment for:			
Other payables		<u>800</u>	<u>1,750</u>
Net cash used in operations		<u>(10,399)</u>	<u>3,933</u>
Decrease in cash and cash equivalents		<u>(10,399)</u>	<u>3,933</u>
Financing activities			
Movement in cash and cash equivalents		<u>(10,399)</u>	<u>3,933</u>
At start of year		27,339	23,406
Decrease		<u>(10,399)</u>	<u>3,933</u>
At end of year	6	<u>16,940</u>	<u>27,339</u>

The notes on pages 11 to 13 form an integral part of these financial statements.

Report of the independent auditor - pages 4 and 5.

NOTES

1. General Information

Africa Top Level Domains, registered in accordance to the companies Act Limited by guarantee and is domiciled in Nairobi Kenya. The address of its registered office and principal place of business is set out on page 1.

2. Basis of preparation

These financial statements have been prepared under the historical cost convention and are in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities issued by the International Accounting Standards Board.

The historical cost convention is generally based on the fair value of the consideration given in exchange of assets. They are presented in US Dollars(USD).

The preparation of financial statements in conformity with International Financial Reporting Standards for Small and Medium-sized Entities requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the organisation's accounting policies. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimations are significant to the financial statements, are disclosed in note 3(a).

Going concern

The financial performance of the company is set out in the director's report and in the statement of income and expenditure and fund balances. The financial position of the company is set out in the statement of financial position.

Based on the financial performance and position of the company and its risk management policies, the directors are of the opinion that the company is well placed to continue in business for the foreseeable future and as a result the financial statements are prepared on a going concern basis.

3. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a) Key sources of estimation uncertainty

In the application of the accounting policies, the directors are required to make the judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other relevant factors. Such estimates and assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The directors have made the following assumptions that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

- **Useful lives of property and equipment** - Management reviews the useful lives and residual values of the items of property and equipment and intangible assets on a regular basis. During the financial year, the directors determined no significant changes in the useful lives and residual values.

b) Donor income

Donor income is recognised when the monetary value of the grant can be measured with sufficient reliability, there is reasonable assurance of receipt and conditions for receipt, if any, have been met. Donations in kind whose monetary value can not be quantified are not recognised as income.

NOTES (CONTINUED)

3. Significant accounting policies (continued)

c) Property and equipment

All property and equipment are initially recorded at cost and thereafter stated at historical cost less depreciation. Historical cost comprises expenditure initially incurred to bring the asset to its location and condition ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the organisation and the cost can be reliably measured. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to statement of income and expenditure during the financial period in which they are incurred.

Depreciation on assets is calculated on the reducing balance basis to write down the cost of each asset to its residual value over its estimated useful life using the following annual rates:

	<u>Rate</u>
Furniture and fittings	10%
Computers, faxes and copiers	25%
Office equipment	10%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal of property and equipment are determined by reference to their carrying amount and are taken into account in determining surplus/(deficit) for the year.

d) Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

e) Translation of foreign currencies

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Kenya Shillings at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in statement of income and expenditure in the year to which they relate.

f) The organisation as a lessee

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statement of income and expenditure on a straight-line basis over the period of the lease.

g) Capital fund

Assets donated to the organisation are recognised in the capital fund in the period in which they have been received. Each year an equivalent amount equal to the depreciation charge of the donated assets is recognised in the statement of income and expenditure.

NOTES (CONTINUED)

	2024 USD	2023 USD
3. Grant income		
Grants	<u>84,292</u>	<u>16,535</u>
	<u><u>84,292</u></u>	<u><u>16,535</u></u>
4. Membership fees		
Membership fees	<u>4,985</u>	<u>5,000</u>
	<u><u>4,985</u></u>	<u><u>5,000</u></u>
5. Administrative Expenses		
Consultancy fees	12,000	12,000
Auditor's remuneration	800	750
Bank charges	678	257
Coalition for a Digital Africa Expenses	76,780	-
Travelling expenses	5,855	6,808
Licences & web support services	3,500	-
Legal & professional fees	530	-
Foreign exchange (gain)/loss	<u>333</u>	<u>(463)</u>
	<u><u>100,476</u></u>	<u><u>19,352</u></u>
6. Cash and cash equivalents		
Cash at bank and in hand	<u><u>16,940</u></u>	<u><u>27,339</u></u>
For the purpose of the statement of cash flows, year end cash and cash equivalents comprise the above.		
7. Other payables		
Accruals and other payables	<u><u>3,300</u></u>	<u><u>2,500</u></u>