



Xxxxxx (Insert NAME OF BUDGET ENTITY)

Annual Report and Financial Statements

For the xx months period ended dd/mm 2009/10

Issued in month of xx 2009/10

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1. Background of the institution

XXX (name of institution) was constituted by the Organic Law No xxxxxx and is a (Ministry/Agency) and falls under the Ministry of xxxxxx. The entity was incorporated in xxxx under xxxx Act of Parliament. The entity is domiciled in xxx (Insert physical location, name of town/city), Rwanda. The address of its registered office is:

P O Box XXX
xxx Street,
Kigali.

Principal Activities

The principal activity of the Ministry/Agency is

Management

The management who held office during the XXX month's period to DD/MM 2009/10 were:

No.	Name	Designation
1.		Secretary/Director General (Chief Budget Manager)
2.		Director of Finance
3.		
4.		

2. Statement of responsibilities

Article 70 of the Organic Law N°37/2006 of 12/09/2006 on State Finances and Property requires budget agencies to submit annual reports which include all revenues collected or received and all expenditures made during the fiscal year, as well as a statement of all outstanding receipts and payments before the end of the fiscal year.

Article 21 of the Organic Law N°37/2006 and Article 9 and Article 11 of Ministerial Order N°002/07 of 9 February 2007 further stipulates that the Chief Budget Manager is responsible for maintaining accounts and records of the budget agency, preparing reports on budget execution, managing revenues and expenditures, preparing, maintaining and coordinating the use of financial plans, managing the financial resources for the budget agency effectively, efficiently and transparently, ensuring sound internal control systems in the budget agency and safeguarding the public property held by the budget agency.

The Chief Budget Manager accepts responsibility for the annual financial statements, which have been prepared using the "modified cash basis" of accounting as defined by Article 2 (20) of the Ministerial Order N°002/07 of 9 February 2007 relating to Financial Regulations and using appropriate accounting policies supported by reasonable and prudent judgements and estimates.

These financial statements have been extracted from the accounting records of XXXX (Insert name of budget agency) and the information provided is accurate and complete in all material respects. The financial statements also form part of the consolidated financial statements of the Government of Rwanda.

In the opinion of the Chief Budget Manager, the financial statements give a true and fair view of the state of the financial affairs of XXX (Insert name of budget agency). The Chief Budget Manager further accepts responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, ensuring adequate systems of internal financial control and safeguarding the assets of the budget agency.

Signature: _____

Name: _____
[Chief Budget Manager]

Date: _____

3. Statement of revenues and expenditure

	Notes	FY 2009/10 Cumulative to dd/mm/ 2009 (current month) Frw	FY 2009 6 Months to 30 June 2009 Frw
Revenues			
Cash transfers from Treasury-recurrent	1	XXX	XXX
Direct payments-recurrent budget	1	XXX	XXX
Development budget	2	XXX	XXX
Inter-entity transfers (transfers from other Budget Agencies)	3a	XXX	XXX
Grants from development partners	4	XXX	XXX
Other income (Including internally generated)	5	XXX	XXX
Total Revenues (A)		XXX	XXX
Expenses	6		
Wages and Salaries		XXX	XXX
Purchase of goods and services		XXX	XXX
Transfers abroad		XXX	XXX
Capital expenditure		XXX	XXX
Social assistance		XXX	XXX
Other expenses		XXX	XXX
Inter-entity transfers (transfers to other Budget Agencies)	3b	XXX	XXX
Other transfers to Non Budget Agencies e.g. sectors, schools, high courts etc		XXX	XXX
Total expenses (B)		XXX	XXX
Surplus/deficit (C=A-B)		XXX	XXX
Fund balance at beginning of year (D)	7	XXX	XXX
Adjustment on opening balance (E)	7	XXX	XXX
Fund balance at end of year (F=C+D+E)		XXX	XXX

XXXXXXXXXXXXXX (Insert name of budget agency)

Financial statements

For the XXX months period ended DD/MM 2009/10

3.1 Financial Assets and Liabilities as at 30 June 2009

	Notes	FY 2009/10 As at dd/mm/ 2009 Frw	FY 2009 6 Months to 30 June 2009 Frw
Financial Assets			
Cash at Bank	8	XXX	XXX
Cash in Hand	9	XXX	XXX
Accounts Receivables and Advances	10	XXX	XXX
Less: Financial liabilities			
Accounts Payables	11	XXX	XXX
Net Financial assets		XXX	XXX
Representing			
Accumulated surplus (Deficit) from previous years		XXX	XXX
Net surplus / (Deficit) for current year		XXX	XXX
Total closing balances		XXX	XXX

Authorization Date

The financial statements were authorized for issue on dd/mm 2009/10 by
Mr./Mrs./Dr/Prof _____ XXX (Insert name), Chief Budget Manager of
XXXXX (Insert name of budget agency)

3.2 Accounting policies

a) Basis of preparation

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the requirements of Article 70 of the Organic Law on State Finances and Property: Law No. 37/2006 of 12 September 2006 and Ministerial Order N°002/07 of 9 February 2007 relating to Financial Regulations.

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. In the context of Ministerial Order N°002/07 of 9 February 2007 relating to Financial Regulations the modified cash basis of accounting means financial transactions which are recognized in the books of account as follows:

- 1 Generally, transactions are recognized only at the time the associated cash flows take place;
- 2 The expenditure on acquisition of fixed assets is not capitalized. Thus fixed assets are written-off on acquisition and the wear and tear (depreciation) of those assets is not recorded in the books of account; and
- 3 Prepaid expenditure/advances is written-off during the period of disbursement.

The recognized "modification" is as follows:

- 1 Invoices for goods and services which are outstanding on the date of the closure of the fiscal year are recognized as liabilities for that specific fiscal year;
- 2 Loans and advances are recognized as assets/liabilities at the time of disbursement and related interest is recognized only when disbursed. Interest payable on public debt is accrued; and
- 3 Book balances denominated in foreign currencies are converted into the Rwanda Francs at rates of exchange ruling on that date issued by the National bank of Rwanda. The associated exchange losses are recorded as recurrent expenditure while the exchange gains are recorded as recurrent revenue.

b) Reporting entity

The financial statements are for xxxx (name of budget agency).

Presentation Currency

The financial statements are reported in Rwanda Francs, being the currency of legal tender in Rwanda.

c) Revenue

Cash transfers from Treasury

These are budgetary allocations from Central Government and are disbursed directly to the bank account of the institution periodically. The budgetary allocation is mainly used to fund recurrent expenditure of the institutions. The receipts are recognized when the cash is received.

Direct payments by Treasury

These are payments directly made to suppliers by the Government on behalf of the institutions. Direct payments are recorded when the transfer is made to the supplier.

Inter-entity transfers from a Ministry/Agency

These are funds received from another budget agency. The funds are recognized when they are received.

Grants and loans from Development Partners

These are funds received from donors. These funds are recognised as revenue when the institution receives the cash from the donors.

Other income

Other income includes internally generated income, receipt of fees from payment of fines, penalties and forfeits, interest and dividend income, proceeds from sale of capital assets and funds received from repayment of loans and advances to employees. Other income is recognised when received.

d) Expenditure

Expenditure is classified according to major categories in line with Article 19 of Ministerial Order N°002/07 of 09/02/2007 relating to Financial Regulations. The main categories of expenditure includes salaries, goods and services, exceptional expenditure, interest payment, repayment of principal on debt, subsidies and current transfers and capital expenditures. Expenditure is recognized when payment is made.

e) Cash

Cash comprises cash on hand, demand deposits and cash equivalents. Demand deposits and cash equivalents comprise balances with banks and investments in short-term money market instruments.

f) Receivables and Advances

Receivables mainly relate to loans and advances which are recognized at the time of disbursement. Receivables also include amounts due to the budget agency as at the end of the year.

g) Account payables

These mainly relate to invoices for goods and services which were outstanding on the date of the closure of the fiscal year. These are recognized as liabilities for that specific fiscal year. This also relate to loans and advances to the institution which are recognized as liabilities at the time of disbursement.

h) Foreign currencies

Transactions denominated in foreign currencies are translated to the Rwandan Franc at the rate of exchange issued by the National bank of Rwanda (BNR) applicable for the dates of the transaction. At the balance sheet date, book balances denominated in foreign currencies are converted into Rwandan Francs at the exchange ruling on that date as issued by BNR. The associated exchange losses/gains are recorded as expenditure/ income in the books.

3.3 Notes to the financial statements

1. Cash transfers and direct payments – recurrent budget

Description	FY 2009/10 Cumulative to dd/mm/ 2009 Frw	FY 2009 6 Months to 30 June 2009 Frw
Cash transfers		
Direct payments		
Total		

The amounts for FY 2009/10 above have been reconciled with the amount as per the smartgov schedule as shown in the table below:

Description	Amount as per smartgov Frw	Amount as per budget agency Frw	Variance Frw
Cash transfers	XXXX	XXXX	XXXX
Direct payments	XXXX	XXXX	XXXX
Total	XXXX	XXXX	XXXX

(NOTE: if there is a variance above, reconciliation should be provided here with explanatory notes for each reconciling item) The same applies to note 2 below.

2. Cash transfers and direct payments - Development budget

During the year, we received Frw. XXXX for programmes and projects within the budget agency. The amounts are included in the total transfers in note 1 above. The amounts received are summarised in the table below:

Description	FY 2009/10 Cumulative to dd/mm/ 2009 Frw	FY 2009 6 Months to 30 June 2009 Frw
Cash transfers		
Direct payments		
Total		

3. Inter entity transfers

a) Funds received from other budget agencies (Income)

Budget agency sending funds	FY 2009/10 Cumulative to dd/mm/ 2009 Frw	FY 2009 6 Months to 30 June 2009 Frw
Total		

XXXXXXXXXXXXXXXX (Insert name of budget agency)

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The above amounts have been confirmed with the budget agencies from which the funds were sent.

b) Funds transferred to other budget agencies (Expenditure)

Budget agency receiving funds	FY 2009/10 Cumulative to dd/mm/ 2009 Frw	FY 2009 6 Months to 30 June 2009 Frw
Total		

We followed up with the budget agencies that we sent funds to confirming that they have reported these amounts as inter entity amounts received.

4. Grants from Development Partners

During the xx months to dd/mm 2009/10, we received funds from various donors as listed in the schedule below:

Name of Donor	Date received	xxx months to dd/mm/ 2009/10			FY 2009
		Amount received in foreign currency	Exch. rate	Amount received in local currency	6 months to 6 June 2009
		US\$		Frw	Frw
Grant					
Name of Donor 1					
Cash disbursements to project account					
Direct payments abroad					
Sub total					
Name of Donor 2					
Cash disbursements to project account					
Direct payments abroad					
Sub total					
Grand total					

(Note. The above table should not have "others" as a donor's name)

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5. Other income (Including internally generated income)

During the xx months period to dd/mm 2009/10, we received funds from various source as listed in the schedule below:

Source of funds	FY 2009/10 Cumulative to dd/mm/ 2009 Frw	FY 2009 6 Months to 31 June 2009 Frw
Total		

(Note. The above table should not have “others” as a source of income) For the Districts, the taxes collected should be shown on separate rows.

6. Expenditures

These relate to payments as recorded in the cashbook of XXXXXXXX (Insert name of budget agency). An analysis of expenditure against the budget has been provided in the budget execution sub section 3.4 of this report for the six months period to dd/mm 2009/10.

7. Fund balance at the beginning of the year

These include cash book reconciled bank balances, petty cash balances, accounts payables balances as well as accounts receivables balances.

Source of funds	FY 2009/10 Balance as at 01 July 2009 Frw	FY 2008 Balance as at 01 Jan 2009 Frw
Cash at Bank		
Cash in Hand		
Accounts Receivables		
Accounts Payables		
Total		

The balances above are extracted from the signed financial statements submitted to MINECOFIN in FY 2009.

(Note: For adjustments effected after submission of the financial statement to MINECOFIN include a reconciliation and explanatory notes here)

8. Cash at bank

The bank amounts shown in the table below have been reconciled to the bank statements as at dd/mm 2009/10.

Bank	Account No.	Account currency	Amount in foreign currency	Exch. rate	Balance as at dd/mm/ 2009 Frw	Balance as at 30 June 2009 Frw
Total						

9. Cash in hand

The petty cash balance amounts as at dd/mm 2009/10 shown in the table below has been reviewed by the Chief Budget Manager and a certificate included as an appendix to this report.

Bank	FY 2009/10 Balance as at dd/mm/ 2009 Frw	FY 2009 Balance as at 30 June 2009 Frw
Petty cash book		
Total		

10. Accounts receivables

Debtors name	FY 2009/10 Balance as at dd/mm/ 2009 Frw	FY 2009 Balance as at 30 June 2009 Frw
Total		

(Note: if the list is long, attach the list as part of the appendices)

11. Account payables

Creditors name	FY 2009/10 Balance as at dd/mm/ 2009 Frw	FY 2009 Balance as at 30 June 2009 Frw
Total		

(Note: if the list is long, attach the list as part of the appendices)

XXXXXXXXXXXXX (Insert name of budget agency)

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For the XXX months period ended DD/MM 2009/10

3.4 Budget execution report

Budget line description	Budgeted amount Frw	Actual Amount Frw	Variance Frw	Comment on significant variances
Income				
Recurrent Budget				
i) Cash transfers from Treasury				
ii) Direct payments				
Development budget				
i) Cash transfers from Treasury				
ii) Direct payments				
Inter-entity transfers (transfers from other Budget Agencies)				
Loans from development partners:				
i) Cash disbursement to project account				
ii) Direct payments abroad				
Grants from development partners				
i) Cash disbursement to project account				
ii) Direct payments abroad				
Other income (Including internally generated)				
Total				
Expenditure				
A) Recurrent expenses				
Employee costs				
Goods and Services				
Transfers and subsidies				
Social Assistance				
Losses/Gains on Exchange				
Acquisition of Tangible Fixed Assets				
Equity Investments - Domestic				
Capital Work-in-progress				
Inter - entity transfers				
Sub total of recurrent expenses				

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Budget line description	Budgeted amount Frw	Actual Amount Frw	Variance Frw	Comment on significant variances
B) Development expenses				
Purchase of goods and services				
i) Domestic cash payments				
ii) Direct payments abroad				
Capital expenditure				
i) Domestic cash payments				
ii) Direct payments abroad				
Sub total of development expenses				
Grand total				

This analysis has been prepared by _____ (Budget officer/Accountant), Checked by _____ (Director of Finance) and approved by _____ (Chief Budget Manager)

XXXXXXXXXXXXX (Insert name of budget agency)

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3.4.1 Budget variance analysis – Revenue

(Explain the significant variance between budgeted revenues (including internally generated revenues) and actual revenue received.

For funds from donors, clearly indicate the development partner and the programmes financed.

For internally generated revenues, show per main categories

3.4.2 Budget variance analysis – expenditure

(Explain the significant variance between budgeted expenditure (including payments financed by internally generated revenues) and actual expenditure incurred.

Provide an analysis of the main programmes carried out during the year

XXXXXXXXXXXXX (Insert name of budget agency)

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Appendices

1. Detailed Trial Balance as at dd/mm 2009/10
2. Bank reconciliation statements as at dd/mm 2009/10. (For all bank accounts)
3. Petty cash certificate
4. List of debtors and creditors (If not included in the notes 10 and 11)