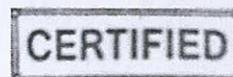


TRANSPARENCY
INTERNATIONAL RWANDA
(TI-Rw)

Audit Report for the year ended 31 December 2020



MOM
Associates

Kigali; Rwanda

This report contains 15 pages

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1 Introduction

1.1 Overview of the Organization

TRANSPARENCY INTERNATIONAL RWANDA was created in August 2004 and became operational some 18 months after and is a non-profit making organization, dedicated to fight corruption and related offences as well as to promote good governance.

Transparency International Rwanda was affiliated to Transparency International under the status "contact group", "Chapter in formation" and got its status as national chapter since 2011.

The following are the main objectives of the organization:

- To prevent and combat corruption and related offences through working with broad coalitions of individuals and organizations;
- To promote good governance and corporate transparency;
- To associate and/or work in collaboration with other associations both within and outside Rwanda, which share common principles;
- To provide proper information on the status of corruption in Rwanda;
- To establish a deepening awareness of all forms of bad practices and to foster a productive dialogue on the topic.

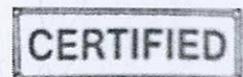
Organization's Core Values;

- Integrity
- Participation
- Diversity
- Equal opportunity
- Democracy
- Accountability
- Transparency

The structures of the Organization

The organs of the association are as follows;

- General Assembly which is the supreme organ.
- Board of Directors
- Audit committee of three members
- Advisory and conflicts resolution committee of five elected members
- Permanent Secretariat headed by an Executive Director;



1.2 Terms of reference

- To conduct an audit of the Organization's books of accounts for the period in accordance with the International Standards on Auditing, and express an opinion as to whether the Organization's books of accounts give a true and fair view of the Organization's state of affairs as at 31 December 2020;
- With specific reference to the Organization, to review the accounting systems and internal controls and highlight any weaknesses and suggest recommendations for improvement.

1.3 Audit objectives

MOM Associates Limited performed procedures to check and confirm ;

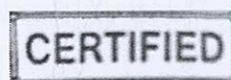
- The funding received and transactions made accurately reflect the operations of Transparency International Rwanda projects during the audited financial year ended on 31st December 2020.
- That all funds were used in accordance with the conditions of the donor agreements between the various donors and Transparency International Rwanda and,
- That the necessary supporting documents, records and accounts have been kept in respect of all Transparency International Rwanda expenditures.
- Certify and file audited financial statement with Rwanda Revenue Authority as per the statutory regulatory requirements.

Audit of Financial Statements

- Reviewed the expenses incurred in the execution of Transparency International Rwanda activities during the audited financial year ended 31st December 2020 to ensure that they were in line with Transparency International Rwanda's major activities as specified in the donor agreements.
- Determined that the financial statements and transactions made accurately reflect the operations of Transparency International Rwanda during the audited financial year ended 31st December 2020.
- Determined that the budget account description to which expenditure was posted is appropriate

1.4 Compliance with agreement terms, applicable Laws and TI-Rw's internal rules and regulations

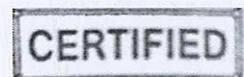
- Determined whether Transparency International Rwanda complied with the reporting requirements of donor agreements during the audited period ending 31st December 2020.
- Tested the compliance with donor terms and conditions, and the local Laws and regulations.
- Identified the agreement terms and pertinent laws and regulations and determined which of these, if not observed, could have a direct and material effect on the receipts and expenditure statement.



1.5 Abbreviations used in this report

The following abbreviations have been used in this report.

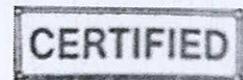
EU	European Union
GIZ	Germany International Cooperation
NPA	Norwegian Peoples Aid
GPISA	Global Partnership for Social Accountability
PPIMA	Public Policy Information and monitoring
TI-S	Transparency International Secretariat
TI-Rw	Transparency International Rwanda
WB	World Bank

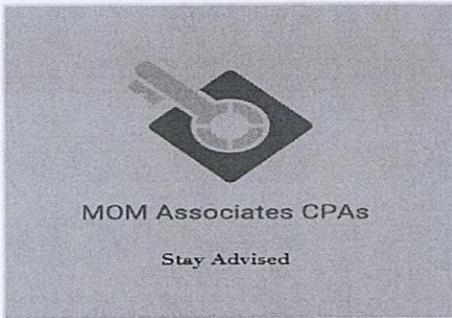


1.6 Disclaimer and confidentiality

This report is strictly private and confidential and is addressed solely to the management of TRANSPARENCY INTERNATIONAL RWANDA. MOM Associates cannot be held responsible for its unauthorized distribution.

We have produced this report specifically for TRANSPARENCY INTERNATIONAL RWANDA as per the terms of reference for the audit. The interpretation, use or application of the report for other purposes without our prior written consent imposes no obligation on MOM Associates





2 Audit report

Unqualified Opinion

In our opinion, the income and expenditure statement below, gives a true and fair view of the activities of TRANSPARENCY INTERNATIONAL RWANDA for the year ended 31st December 2020.

We have audited the income and expenditure statement of the Organization set out on pages 6-7 for the year ended 31st December 2020. The income and expenditure statement is in agreement with the books of accounts. We have obtained all the information and explanations, which to our best knowledge and belief were necessary for the purposes of our audit and provide a reasonable basis of opinion.

Respective responsibilities

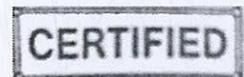
Management of the organization is responsible for the preparation of the income and expenditure statements, which give a true and fair view of the state of affairs of the Organization, and of its receipt and expenditure. Our responsibility is to express an independent opinion on the statement based on our audit and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with the International Standards on Auditing. Those Standards require that we plan and perform or audit to obtain reasonable assurance that the financial statements are free from material misstatements. An audit includes an examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. It also includes an assessment of the accounting policies used and significant estimates made by management, as well as an evaluation of the overall presentation of financial statements.

MOM ASSOCIATES
CERTIFIED PUBLIC ACCOUNTANTS

Kigali
Rwanda



Date 31st March 2021

3 Financial report

3.1. Income and expenditure statement 2020

Description	Note	2020 Rwf	2019 Rwf
INCOME			
Grant income	3.3	970,753,904	813,771,328
Other income	3.3.1	248,748,926	125,148,617
Total Income		1,219,502,830	938,919,945
EXPENDITURE			
Expenses fund by NPA	3.4.1	185,757,955	179,921,429
Expenses funded by TI-Rw	3.4.2	136,382,937	178,386,079
Expenses funded by GIZ	3.4.3	37,216,078	124,230,499
Expenses funded by TI-S/Climate change	3.4.4	34,541,175	-
Expenses funded by World Bank (GPSA)	3.4.5	128,454,363	115,392,810
Expenses for Ikararo project	3.4.6	40,964,038	208,002,967
Expenses for the TEACAC project	3.4.7	26,810,882	-
Expenses funded by Open Society	3.4.8	34,190,893	-
Expenses funded by BMZ	3.4.9	418,891,036	-
Expenses funded by Profemme Twese	3.4.10	10,872,553	-
Transfers to Partner under GPSA project		-	36,165,291
Payment to NPA		-	60,591
Total Expenditure		1,054,081,910	842,159,666
Deficit/ surplus(funds carried forward)		165,420,920	96,760,279

Apollinaire MUPIGANYI
 Executive Director

Date: _____



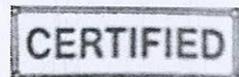
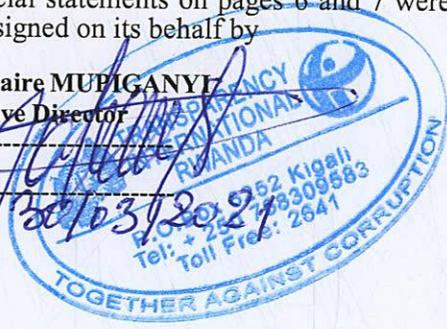
3.1.2 Statement of Assets and Liabilities as at 31st December 2020

	Notes	2020 Rwf	2019 Rwf
Fund balances		165,420,920	96,760,279
Represented by:			
Cash Balances	3.5.1	216,718,303	155,797,885
Accounts Receivable	3.5.2	74,326,983	5,452,600
Accounts payable	3.5.3	(125,624,366)	(64,490,206)
Surplus/(Deficit) for the year		165,420,920	96,760,279
NET funds carried forward		165,420,920	96,760,279

The financial statements on pages 6 and 7 were approved by management on 30/03 2021 and signed on its behalf by

Apollinaire MUYIGANYI
 Executive Director

Date: 30/03/2021



3.2 Notes to the accounts

3.2.1 Principal accounting policies

The principle accounting policies adopted in the preparation of the fund accountability statement are set out below;

a) Basis of preparation

The financial statements have been prepared under the modified cash basis of accounting. Under this basis, income is recorded when received, while expenditures are recorded when paid for. The modification of this policy is that advances are recognized as claimable until documentation of expenses incurred have been provided. Statutory deductions not remitted to Rwanda Revenue Authority (RRA) and Rwanda Social security Board (RSSB) are also recognized as payables.

b) Accordingly, these financial statements are not intended to be in conformity with the Internal Financial Reporting Standards (IFRS).

3.2.2 Receipts

Receipts represent the total amounts received from various donors and other Partners including members' contributions for the implementation of Transparency International Rwanda's activities in accordance with the provisions of the grant agreements with the respective donors.

3.2.3 Expenditures

The amount shown as expenditure relate to the amounts spent on Transparency International Rwanda activities during the period. Expenditures are recognized when incurred.

3.2.4 Fixed assets

All fixed assets/purchased by the organization are expensed off hence there is no depreciation charge. However, an asset register is maintained with the respective assets depreciated by straight line method at the following rates;

Class of Fixed asset	Depreciation Rate
Computer equipments	50%
Office equipments	25%
Motor vehicles	25%



3.2.5 Foreign currencies transactions

All the transactions were done in Rwandan francs which is the local currency. All the receipts that were sent by the donors in foreign currency were converted into local currency by the local bank at the rate ruling at the time of transaction. All expenses in foreign currency are translated to Rwanda Francs at the ruling rate.

All cash and bank balances and creditors in the trail balance denominated in foreign currency are translated to Rwanda Francs using the month end rate.

All exchange gains/ losses arising during the year are recognized in the year in which they arise. The total expenditure is therefore offset by the amount of exchange gain/ loss realized during the year.



3.2.6 Currency

The accounting records of Transparency International Rwanda are maintained in Rwanda Francs (Rwf)

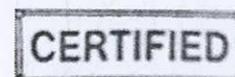
3.3 Grant Income

Source of income	2020	2019
Receipts from donors	Rwf	Rwf
NPA (PPIMA –PROJECT)	185,950,478	180,160,441
GIZ	50,216,756	124,230,499
BMZ	449,200,000	-
World Bank (GPSA)	93,576,976	118,290,157
Ikararo project	26,790,512	241,835,815
TI-S/TEACAC Project	30,266,305	149,254,416
TI-S/CCP	37,860,863	-
Open Society	86,167,764	-
Profemme	10,724,250	-
Total	970,753,904	813,771,328

3.3.1 TI-Rw Income

The amount of TI-Rw income represents; members' contributions to Transparency International Rwanda activities, fundraising done and other transfers to TI-Rw account for TI-S.

Source of fund	2020	2019
	Rwf	Rwf
Opening balance on account	126,269,761	-
Membership fees	130,000	1,492,500
VAT refund	-	10,219,122
Proceeds from sale of land	-	20,000,000
Consultancy on office ombudsman	-	20,893,366
Other income	122,349,165	72,543,629
Total	248,748,926	125,148,617



3.4 Expenditures

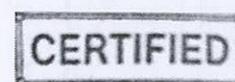
These represents the costs incurred when implementing the various activities that Transparency International Rwanda (TI-Rw) undertook during the year in line with donor agreements in fulfillment of Transparency International Rwanda's objectives.

3.4.1 Operating expenses funded by NPA (PPIMA) project

Description	2020 Rwf	2019 Rwf
Partners are more effective in their work to influence and mobilise	9,186,634	111,567,080
People and communities from target group acted and participated	46,416,885	68,354,349
Local and National Government have formulated policies and plans that reflect the concerns raised	37,968,849	-
Project personnel, running and administration support costs	92,185,587	-
Total	185,757,955	179,921,429

3.4.2 Operating expenses TI-Rw

Description	2020 Rwf	2019 Rwf
Expenses covered by Ti-Rw	130,620,225	178,386,079
xpenses by covered by UNDC	5,762,712	-
Total	136,382,937	178,386,079



3.4.3 Operating expenses funded by GIZ

Description	2020 Rwf	2019 Rwf
Staff salaries	18,724,783	14,429,272
Operational and Office running costs	2,442,190	14,829,291
Researches	16,049,105	42,756,216
Advocacy and Legal Advice Centers	-	52,215,720
Service Delivery Monitoring	-	6,486,660
Total	37,216,078	124,230,499

3.4.4 Expenses funded by TI-S/Climate change

Description	2020 Rwf	2019 Rwf
Staff Salaries	21,144,000	-
Researches	13,397,175	-
Total	34,541,175	-

3.4.5 Operating Expenses funded by World Bank (GPSA) Project

Description	2020 Rwf	2019 Rwf
Staff salaries	47,457,034	47,308,884
Office rent	6,120,000	6,120,000
Operational and Office running costs	12,992,657	17,605,983
Researches (CRC & MID TERM EVALUATION)	23,743,200	29,997,177
Trainings and peer learning	2,079,353	14,408,596
Partner's expenditures (Imbaraga Association & SDA Iriba)	36,044,119	-
Total	115,392,810	115,392,810



3.4.6 Operating Expenses funded by Palladium-Ikararo

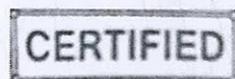
Description	2020 Rwf	2019 Rwf
Staff salaries	14,376,300	43,151,530
Research	23,587,738	6,052,204
Operational cost	3,000,000	158,799,233
Total	40,964,038	208,002,967

3.4.7 Expenses funded by TEACAC

Description	2020 Rwf	2019 Rwf
Staffs' salaries	16,272,612	-
Research and operational cost	10,538,270	-
Total	26,810,882	-

3.4.8 Expenses funded by Open Society

Description	2020 Rwf	2019 Rwf
Staff salaries	20,644,160	-
Research	13,546,733	-
Total	34,190,893	-



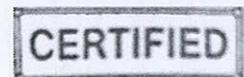
3.4.9 Operating Expenses funded by BMZ

Description	2020 Rwf	2019 Rwf
Staff salaries	44,441,624	-
External experts/Consultants	128,037,266	-
Transportation	126,599,050	-
Training	19,855,669	-
Procurement of Goods	18,561,700	-
Other office consumables	81,395,727	-
Total	418,891,036	-



3.4.10 Expenses funded by Profemme Twese

Description	2020 Rwf	2019 Rwf
Trainings	10,872,553	-
Total	10,872,553	-



3.5.1 Cash and Bank

The total cash and bank balances as at 31st December 2020 is as follows:

Description	2020 Rwf	2019 Rwf
Petty cash	133,200	14,580
Bank of Kigali	2,405,870	31,226,836
Coge Bank	45,105,258	68,132,993
ECO Bank	97,911,788	-
KCB	71,162,187	56,423,476
Total	216,718,303	155,797,885

3.5.2 Accounts Receivable

Description	2020 RWF	2019 Rwf
Imbaraga	9,490,927	
Sida Iriba	10,056,056	
GIZ	-	5,452,600
Cash in Transit	9,860,000	
BMZ	44,920,000	
Total	74,326,983	5,452,600

3.5.3 Accounts payables

Description	2020 RWF	2019 Rwf
Pending cheques/ Statutory payables	40,013,985	25,274,440
Payable to NPA	-	178,421
commitments due to different clients	71,147,693	31,209,482
Total	125,624,366	64,490,206

