



ITAU AUDITORS LTD.

+250 788 307 360
+250 785 213 671
itau_dpa@yahoo.fr

KN 82 NDAMAGE BUILDING
3RD FLOOR, NYARUGENGE
P.O. BOX 4385 KIGALI RWANDA

**RWANDA RED CROSS SOCIETY (RRCS)
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE PERIOD FROM 01 JULY 2021 TO 30
JUNE 2022**

Table of contents

	Page No
1.ORGANIZATIONAL INFORMATION	3
2. REPORT OF THE DIRECTORS.....	17
3.STATEMENT OF DIRECTORS' RESPONSIBILITIES.....	18
4.INDEPENDENT AUDITOR'S REPORT	19
5. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022.....	23
6. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022	24
7. STATEMENT OF CHANGES IN FUND BALANCE FOR THE YEAR ENDED 30 JUNE 2022	25
8.STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022.....	26
9.ACCOUNTING POLICIES AND EXPLANATORY NOTES	27

1. ORGANIZATIONAL INFORMATION

1.1 Brief description of Rwanda Red Cross Society (RRCS)

Rwanda Red Cross Society (RRCS) is registered as Non-Governmental organization under the Presidential Order No. 8/13 of 29 December 1964. Rwanda Red Cross Society (RRCS) acts as an auxiliary to the Government in delivering services aimed at alleviating human suffering and providing the basic needs for the most vulnerable people, without discrimination.

Rwanda Red Cross Society (RRCS) presently has, by alignment to Government policies and in order to enhance local ownership, a decentralized structure composed of 30 Districts committees working with a total of 317 sector committees. The lowest structure is the cell committee. Currently, Rwanda Red Cross Society (RRCS) has 84 staff (branch and HQ), 55,024 members and volunteers, 30,733 adults and 24,291 youths. The supreme governing body of the Rwanda Red Cross Society (RRCS) is the General Assembly, which met every two years. Under this, there is a central management committee (or Board of Directors) that sets policies and oversees the implementation of society principles. The General Secretariat leads the day-to-day technical activities of the society composed of the Secretariat General and 5 Technical Departments namely:

- The organizational development and branch management and development of membership and volunteer structure at all levels.
- The technical support department: This department coordinates all the technical projects of the Society related to service delivery in the seven project areas (see below)
- The administration and finance department: This department is concerned with administrative support, logistics, fundraising, coordination of finances and accountability.

At the sub-national level, each district, sector and cell has a Rwanda Red Cross Society (RRCS) decentralized committee composed of 7 people, elected from among the members and serving as volunteers. The members represent Rwanda Red Cross Society (RRCS) at the respective level and advise the technical officers on various aspects of projects implementation and oversee the activities of the volunteers.

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

1.2 Overall information on Rwanda Red Cross Society

The table below summarizes the overall Rwanda Red Cross Society (RRCS) information:

Description	Details
Reporting organisation	Rwanda Red Cross Society P.O. Box 425, KACYIRU, GASABO, Kigali, Rwanda. <u>www.rwandaredcross.org</u> <u>rrcs@rwandaredcross.org</u>
Registration	Rwanda Red Cross Society (RRCS) is registered and has legal personality under the Presidential Order No 8/13 of 29 December 1964.
Vision	To be a health, self-sustained and resilient community
Mission	To be a leading humanitarian organization in Rwanda in preventing and alleviating human suffering, saving lives of the most vulnerable, supporting livelihoods, and promoting human dignity.
Principles	The principles of the International Red Cross and Red Cross Movement, which guide the national society, include the following: <ul style="list-style-type: none"> • Humanity • Impartiality • Neutrality • Independence • Voluntary Service • Unity • Universality

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details		
Directors	Name	Appointment Date	Designation
	MRS. MUKANDEKEZI Francoise	23 July 2016	Vice President
	MR. NAYITURIKI Esperance	23 Sept 2018	Member / West
	MRS. MUHAWENIMANA Jean d'Arc	23 July 2016	Member / East
	MS. UWAMAHOHO Marie Josee	23 July 2016	Member / MVK
	MR. SIMANGO Maxime	23 July 2016	Member / North
	MR. SEBAGANWA Guillaume	23 July 2016	Member / South
	MR. KARASIRA Wilson	23 July 2016	Member/ President Rwanda Red Cross - Treasurer
	MR. RUBUGA Alexia	23 July 2016	Member/ President Rwanda Red Cross - Youth
	MR. MAJYAMBERE Silas	23 July 2016	Member/ Vice-President Rwanda Red Cross - Youth
	MR Apollinaire KARAMAGA	2006	Secretary General
Management	Name	Date joined	Designation
	MR Apollinaire KARAMAGA	2006	Secretary General
	MRS Marthe UWUMUREMYI	2007	Director of Administration and Finance
	MR Emmanuel NTAKIRUTIMANA	17 March 2015	Head of PMER
	MR Pierre Claver NDIMBATI	17 March 2015	Head of Technical support department
	MR Noel MUJJI	17 March 2015	Head of Organizational development
	MR Emmanuel MAZIMPAKA S.	01 March 2020	Head of Communication and Hum Diplomacy
Bankers	1. Bank of Kigali Limited Ltd Avenue du commerce, P.O. Box 175 Kigali-Rwanda		2. I&M Bank (Rwanda) Centenary House, P.O. Box 1348 Kigali-Rwanda
	1. Guaranty Trust Bank (Rwanda) Ltd P.O. Box 331 Kigali-Rwanda		4. Equity Bank Limited Grand Pension Plaza, P.O. Box 494 Kigali-Rwanda
	5. COGEBANQUE Ltd Centenary House, P.O. Box 5230 Kigali-Rwanda		
Independent Auditors	ITAU Auditors Ltd KN82 Ndamage Ets Building Nyarugenge P.O. Box 4385, Kigali, Rwanda		

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
	Email: itau_dpa@yahoo.fr
<p>Programmes implemented by Rwanda Red Cross Society (RRCS) during the year ended 30 June 2022</p>	
<p>Project name: COVID-19 COCA-COLA</p> <p>Donor partner: International Federation for Red Cross and Red Crescent Societies (IFRC)</p> <p>Project duration: 10 months</p> <p>Budget amount: 141,209,420 Frw</p>	<p>Brief over-view of the project The project aims to the risk communication, community engagement on Covid-19 and raising awareness to the vaccination activities.</p> <p>Project main Activities</p> <ul style="list-style-type: none"> • Risk communication and community engagement on covid-19 vaccination activities (raising awareness) • Support the ongoing efforts on Covid19 vaccination rollout by the Ministry of Health • Institutional capacity building for effective response to Covid19 pandemic
<p>Project name: EMERGENCY APPEAL - NYIRAGONGO</p> <p>Donor partner: International Federation for Red Cross and Red Crescent Societies (IFRC)</p> <p>Project duration: 14 months from May 2021 to July 2022</p> <p>Budget amount: 380,893,397 Frw</p>	<p>Brief over-view of the project This project aims to intervene during the Nyiragongo eruption by responding to different needs identified during the disaster in May 2021. The project has been implemented in Rubavu District by RRCs through the IFRC emergency funds.</p> <p>Project main activities</p> <ul style="list-style-type: none"> • Communities in disaster and crisis-affected areas restore and strengthen their safety, well-being through emergency shelter and settlements and early recovery solutions • Communities, especially in disaster and crisis-affected areas, restore, and strengthen their livelihoods • The immediate risks to the health of affected population are reduced • The psychosocial impacts of the emergency are lessened • Immediate reduction of risk of water-related diseases in targeted communities

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
	<ul style="list-style-type: none"> Communities become more peaceful, safe and inclusive through meeting the needs and rights of the most vulnerable.
<p>Project name: PA 2017-2021</p> <p>Donor partner: Belgian Red Cross – Francophone</p> <p>Project duration: 2017 to 2021</p> <p>Budget amount: Frw 294,510,257</p>	<p>Brief over-view of the project PA2017-2021 is 5 years plan of action aiming to support the most vulnerable communities to be resilient. It is implemented by RRCS in 5 districts i.e KARONGI, RUTSIRO, NGORORERO, NYABIHU and GAKENKE in 46 selected villages. The project has 3 main outcomes which are: <i>Improved health conditions, Sustainable livelihood & strengthened capacities of RRCS structures and cooperation with local administration.</i></p>
<p>Project name: DGD Humanitarian</p> <p>Donor partner: Belgian Red Cross – Francophone</p> <p>Project duration: 04/02/2019 to 30/04/2020</p> <p>Budget amount: Frw 216,452,971</p> <p>Project extension: 01 May 2020 to 31 July 2020</p>	<p>Brief over-view of the project DGD humanitarian Innovative and localized response to humanitarian needs of refugees and host communities in Rwanda. The main purpose is to strengthen the response to the refugee crisis in Rwanda and improve the psycho-social well-being of refugees in the targeted areas and their coexistence with the host communities in MAHAMA and NYABIHEKE refugee camps.</p>
<p>Project name: Disaster Preparedness (DPIII)</p> <p>Donor partner: Belgian Red Cross – Flanders</p> <p>Project duration: 01/08/2019 to 30/04/2022</p> <p>Budget amount: 1,395,343 EURO</p>	<p>Brief over-view of the project The project aims is to reduce mortality and mobility within communities affected by infections disease outbreaks and HM hazards in Rubavu, Ngororero and Rutsiro Districts through enhancing community-based prevention, mitigation, early warning and early-response.</p>
<p>Project name:</p>	<p>Brief over-view of the project</p>

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
<p>Disaster Preparedness (DPIV)</p> <p>Donor partner: Belgian Red Cross – Flanders</p> <p>Project duration: 01/12/2020 to 30/11/2022</p> <p>Budget amount: 908,235 EURO</p>	<p>The project aims is to further strengthening institutional and community preparedness to climate related hazards through geographical expansion, youth engagement, first aid education and blood donor recruitment.</p> <p>Project main activities:</p> <ul style="list-style-type: none"> • Increased institutional preparedness for response capacity of National Society (H.Q and branch level) by building further DPI and DPII • Communities and specifically youth within these communities, better prepared to cope with the impact of disasters through increased awareness and enhanced response capacities
<p>Project name: Humanitarian Protection Phase 1(HP1)</p> <p>Donor partner: Belgian Red Cross - Flanders</p> <p>Project duration: From 1st December 2021 to 30th November 2021</p> <p>Budget amount: Euros 1,427,057</p>	<p>Brief over-view of the project</p> <p>The project aims to contribute to the prevention and mitigation of the impact of violence, coercion, deliberate deprivation and abuse for affected and at-risk communities in the context of humanitarian crisis.</p> <p>Specific objective</p> <p>The RCS in Burundi, Rwanda and Uganda, effectively protect the vulnerable population against the risks and consequences of threats linked to the humanitarian crises in the targeted countries.</p>
<p>Project name: BAHIA</p> <p>Donor partner: Belgian Red Cross - Flanders</p> <p>Project duration: 01/1/2021 to 31/8/2021</p> <p>Budget amount: 300,000 EUR0S</p>	<p>Brief over-view of the project</p> <p>The project aims for agile response to control the spread of COVID-19 and mitigate its multi-dimensional effects on humanitarian crisis.</p> <p>Project main activities:</p> <ul style="list-style-type: none"> • Control the spread of the Covid-19 pandemic by strengthening the prevention and response capacities of communities as well as local and international actors • Preserve the ability of the most vulnerable and most affected by the pandemic to meet their food and other basic needs through their productive activities and their access to social safety streak and humanitarian assistance

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
	<ul style="list-style-type: none"> Affected vulnerable communities have equal access to essential services and the most vulnerable people, put in place mechanisms of protection and resilience in the face of distress and/or the risk of violence and abuse.
<p>Project name: Non-Communicable Diseases prevention and control in rural communities (NCD)</p> <p>Donor partner: Danish Red Cross</p> <p>Project duration: 01/1/2020 to 31/12/2021</p> <p>Budget amount: Frw 44.838.594</p>	<p>Brief over-view of the project This project aims to contribute in prevention and control of Non-Communicable Diseases in Rwanda by raising community awareness for early detection, behavior change and risk reduction.</p> <p>Direct beneficiaries: The Total number of direct beneficiaries about 101,300 representing 55% of the total population in the 6 target sectors (1 people2). This is the group of persons aged 15 years old and above will benefit sensitizations, screening and referral and follow up.</p> <p>Project main activities:</p> <ul style="list-style-type: none"> Ensure RRCS staff & volunteers are able to provide information on NCDs, to conduct screenings and interpret the results and to refer confirmed and suspected people to the relevant services Initiate and ensure sustainability to access of community members in targeted communities to related NCD information & services Establish linkage system to care and treatment for people confirmed to have NCD The population in Kibuye hospital catchment area participate actively in NCD prevention, in lifestyle change and early detection of NCDs
<p>Project name: Strengthening community resilience in Kirimbi</p> <p>Donor partner: Austrian Red Cross</p> <p>Project duration: 01/12/2020 to 30/11/2021</p> <p>Budget amount: 61,558 EURO</p>	<p>Brief over-view of the project Austrian Red Cross is engaged in KIRIMBI sector, NYAMASHEKE District to strengthen the impact of model village programme in KIRIMBI especially income generating activities for women cooperatives as well as supporting 8 villages from CYIMPINDU cell of KIRIMBI sector. It's specifically interested in improved economic, health and environmental resilience in poorest communities and specifically among women in KIRIMBI Sector, Rwanda. This is a 3-year project runs from January 2017 to December 2019</p> <p>Strategic objective: Improved living conditions of Disadvantaged People for Self-reliance and Self-sustenance</p>

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
	<p>Project activities are:</p> <ul style="list-style-type: none"> • Ensuring access to safe drinking water • Realizing model vegetable gardens • Developing community awareness on consequences of deforestation and prevention and mitigation techniques • Developing land by progressive terracing work and planting agro trees • Strengthening Rwanda Red Cross Society emergency brigades • Support to new and existing women associations/ Cooperatives (Capacity building & income generation) <p>Establishing collective saving groups</p>
<p>Project name: EMS Project</p> <p>Donor partner: Austrian Red Cross</p> <p>Project duration: 01/11/2018 to 30/06/2022</p> <p>Budget amount: Frw 54,478,057</p>	<p>Brief over-view of the project</p> <p>EMS project of Rwanda Red Cross Society started in July 2018 with the support of Austrian Red cross and Belgian Red Cross Flanders with the main purpose to strengthen EMS of the Ministry of Health and as means of preparedness to health-related disasters. This project introduced the new concept of Emergency Medical Technician Training. For implementation of this projects external actors are involved especially:</p> <ul style="list-style-type: none"> ✓ The government institution responsible of EMS: Ministry of health ✓ Educational institutions: the university of Rwanda, KIBOGORA polytechnics ✓ Hospitals for internship: MUHIMA hospital, KIBAGABAGA hospital ✓ Hospitals for operation of EMS pilot phase: NYAMATA hospital and KIBILIZI hospital. <p>The project is being implemented into two district hospitals with one ambulance plus its equipment in each hospital and eight trained staff commonly known as Emergency Medical Technicians (EMTs) in each hospital.</p> <p>The project duration is four years planned for end in June 2022.</p>
<p>Project name: Empowering Vulnerable Communities towards their Resilience in Rwanda</p> <p>Donor partner: Japanese Red Cross Society (JRCS)</p> <p>Project duration:</p>	<p>Brief over-view of the project</p> <p>The parties have endeavored to growth the partnership through the RFRC annual Appeal. For the last 8 years from 2012 to 2019. The JRC was supported the RRCS in implementing the mobile cinema Radio broad casting activities. Which are parties' resilience the empowerment project initiated by RRCS for vulnerable communities and aimed at generating better awareness and behavior infectious diseases prevention and disaster and management among the targeted communities. This form of assistance by the JRCS will fish at the end of 2019.</p> <p>While Rwanda was achieved remarkable economic average with economic growth rate 8 percent is willing to become a middle - income country by 2020. Approximately, 55.5% of its population is still suffering such life condition as under the international</p>

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
<p>55 Months period from 01 December 2019 to 30 June 2024</p> <p>Budget amount: USD 907,085</p>	<p>poverty line (1.9 per day). They get more vulnerable when exposed to climate change which has been observed in effects such as temperature rise and erratic rain fall leading to more droughts, heavy rain and frequency storms. Behind this background together with other statistical, social and organization factors and as the result of discussion which took place twice between RRC and Delegate of the JRCS in December 2018 and March 2019. The JRCS has decided to embark on bilateral development cooperation with Rwanda RRCA so as to continue its partnership and assistance.</p> <p>Objectives of the project</p> <ol style="list-style-type: none"> 1. Main objects of project. Strengthen the RRCS decentralized structures and targeted vulnerable communities to become resilient through model village approach. 2. Specific objectives: Targeted communities from 5 villages of Gisagara district e.i Nyabihama, Mihigo, Rurimbi, Agatare, Rusaza integrate the model village approach and sustain their own resilience.
<p>Project name: Comprehensive and sustainable development of rural communities and cooperatives in the Nyagatare District (Rwanda)</p> <p>Donor partner: Spanish Red Cross</p> <p>Project duration: 12 months starting with 25th January 2022</p> <p>Budget amount: 120.000 Euros</p>	<p>Brief over-view of the project</p> <p>The aim is to improve socio-sanitary conditions and economic capacities of vulnerable communities in the Katabagemu, Karangazi and Rwimiyaga sectors, in the Nyagatare district (Rwanda).</p> <p>Project Activities</p> <p>The main project activities are:</p> <ul style="list-style-type: none"> • The economic and health conditions of 500 vulnerable families in the Katabagemu, Karangazi and Rwimiyaga sectors improved. • Increased productivity and management capacity (including compliance with legal and administrative requirements) of the selected cooperatives.
<p>Project name: The Skybird programme: Integrated food security and WASH in Schools</p> <p>Donor partner: Austrian Red Cross</p>	<p>Brief over-view of the project</p> <p>The project aims to the integration of food security into WASH programs to improve the resilience of communities, and hygiene standards in the school</p> <p>Specific Objectives</p> <p>The specific objectives of the project are:</p>

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
<p>Project duration: 12 months from 01st December, 2020-30th October, 2021</p> <p>Budget amount: 61,558 Euros</p>	<ul style="list-style-type: none"> • To improve access to safe and ecological latrines for students of Cyimpindu primary school in line with sphere standards and promotion of hygiene within the school and host community. • To increase food production through utilisation of cheap and accessible fertilisers among the communities surrounding Cyimpindu primary school.
<p>Project name: The Skybird programme: Innovation and partnerships in Wash for improved living conditions in East Africa.</p> <p>Donor partner: Austrian Red Cross</p> <p>Project duration: 12 months from 01st November, 2021-30th October, 2022</p> <p>Budget amount: 55,000 Euros</p>	<p>Brief over-view of the project The project aims to improve overall health conditions for 150 households through access to clean water and improved hygiene practices.</p> <p>Specific Objective Increased access to clean and adequate water through rainwater harvesting, water treatment and Improving knowledge and hygiene practices towards prevention of hygiene related diseases among target communities</p> <p>Project activities</p> <ul style="list-style-type: none"> • The Community is provided with a functional water supply system through collection of rain water harvesting from 60 household, installation of 10 households water tanks and 1 community water tank • Increased knowledge and good practices in water treatment • Improved knowledge on hygiene related diseases and prevention methods • Increased good sanitation practices among the communities
<p>Project name: Enhancing Community Climate Resilience (ECoCare) in Rwanda</p> <p>Donor partner: Austrian Red Cross</p> <p>Project duration: 36 months from 01st January, 2022-31st December, 2024</p>	<p>Brief over-view of the project The project will contribute to improved resilience of the poorest communities vulnerable to environmental impacts in Rwanda, tackling SDGs 1, 2, 6 and 13.</p> <p>Specific objectives Improved environmental, health and economic resilience of vulnerable and hazard prone communities and particularly women and youth in Kirimbi and Gihombo sectors of Nyamasheke district.</p> <p>Project activities In this project following activities will be implemented:</p> <ul style="list-style-type: none"> • Strengthening institutional disaster preparedness capacities

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
<p>Budget amount: 524,812 Euros</p>	<ul style="list-style-type: none"> • Promoting knowledge and practice in disaster risk reduction and environmental restoration in the target communities • Ensuring access to safe drinking water and improved sanitation • Realizing model vegetable gardens • Developing land by progressive terracing work and planting agroforestry trees • Support to new and existing women groups / cooperatives as well as youth clubs (capacity building and income generation) • Promoting sustainable farming techniques among women groups and youth clubs • Piloting climate friendly cooking techniques
<p>Project name: AMOPAH</p> <p>Donor partner: Croix Rouge de Belgique Communauté francophone</p> <p>Project duration: 18 months from 1st may, 2022</p> <p>Budget amount: 668,176,558 Frw</p>	<p>Brief over-view of the project The project aims to contribute to strengthening the protection of the most vulnerable people affected by humanitarian crises</p> <p>Specific objectives The Burkinabé, Malian, Nigerien, Burundian and Rwandan red crosses effectively protect the most vulnerable people among the refugees and host communities against the risks and consequences linked to the humanitarian crisis in the targeted countries.</p> <p>Project activities</p> <ul style="list-style-type: none"> • To prevent, mitigate and respond to protection risks and consequences for individuals, groups and communities affected by ongoing, imminent or future crises • The vulnerabilities of displaced persons, refugees, returnees and host communities are reduced, through the provision of multi-sectoral humanitarian assistance • The Rwanda Red Cross and other local actors (Red Cross committees, communities, authorities) integrate protection principles into crisis preparedness and response activities.
<p>Project name: PA22-26</p> <p>Donor partner: Croix Rouge de Belgique</p>	<p>Brief over-view of the project The project targets community resilience by meeting the needs of household communities, with reference to the community resilience framework and it's implemented in 3 districts- Rwamagana, Kayonza and Ngoma.</p> <p>Specific objectives</p>

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Description	Details
<p>Communauté francophone</p> <p>Project duration: 60 months from 1st January, 2022 to 31st December, 2026</p> <p>Budget amount: 1,900,676 Euros</p>	<p>Strengthen the resilience of the targeted communities of 34 villages in the Kayonza, Ngoma and Rwamagana districts in the face of multiple and multifaceted risks, through the holistic and inclusive “Model Village” approach and promote a strong national society</p> <p>Project activities</p> <ul style="list-style-type: none"> • The targeted communities have better knowledge and analysis of health, hygiene, sanitation, nutrition and environmental risks, and implement prevention and mitigation actions • The food security of targeted households members is strengthened, their incomes are significantly increased and ecosystems are preserved • The capacities of the Rwanda Red Cross Society to carry out its mission of assisting vulnerable people in an effective, sustainable and inclusive manner are strengthened

1.3 Audit objectives

The purpose of the audit is to express an independent opinion on the financial statements for Rwanda Red Cross Society (RRCS) for the period from 01 July 2021 to 30 June 2022 and to check that the final financial report of all Rwanda Red Cross Society (RRCS) accounts give a true picture of expenses and revenues.

- Verify sound financial management and accuracy of book keeping on the basis of original vouchers;
- Verify that all original vouchers have been validated;
- Conduct plausibility checks of expense items;
- Verify compliance of expenses with budget items;
- Verify that the financial statements provide a true picture of all Rwanda Red Cross Society (RRCS) accounts.

1.4 Management and operational review

Component	Findings/observations
Control environment	<ul style="list-style-type: none"> • Rwanda Red Cross Society (RRCS) has a finance procedures manual which stipulated all rules and regulations governing the organisation. • Rwanda Red Cross Society (RRCS) is committed to competence and had employed qualified personnel to carry out its planned organisation's and project tasks. • Rwanda Red Cross Society (RRCS) had an organizational structure in place which was headed by Secretary General appointed by the board of directors. • The Board of Rwanda Red Cross Society (RRCS) held regular meetings to ensure that activities of the organisation and the project were being carried on well. • Project management held weekly meetings to assess the project implementation achievements. Information was shared among project staff members via memorandums and emails to keep them aware of decisions made. • Assignment of authority at Rwanda Red Cross Society (RRCS) was done through a well illustrative organisation structure. Responsibilities for the staffs were well laid down in their contracts. • Rwanda Red Cross Society (RRCS) carried out project monitoring to measure project implementation against the project budget.
Rwanda Red Cross Society (RRCS) risk assessment process	<p>Rwanda Red Cross Society (RRCS) had an internal audit department. The Internal auditor carried out organization risk assessments and provided recommendations to mitigate identified risks.</p>
The information system	<ul style="list-style-type: none"> • Rwanda Red Cross Society (RRCS) had implemented Navision accounting software to maintain the organization transactions. • Communication within Rwanda Red Cross Society (RRCS) and the program was mainly through emails, memos and phone calls.
Control activities	<ul style="list-style-type: none"> • Performance reviews – Organization and project reports were budget based. Actual expenditure was compared with the budget and variances reported. Rwanda Red Cross Society (RRCS) prepared program quarterly reports which were reviewed by management and submitted to the respective donors. • Information processing – As at the time of the audit, bank reconciliations were prepared regularly by the accountant and reviewed by the Director of Administration and Finance (DAF). The human resource officer prepared the project payroll while the DAF reviewed the accuracy and completeness of payroll and approved by the secretary general. All payments were verified to have been made through a robust flow of approvals. • Physical controls –The project cheque books were kept in a safe with limited access. • Fixed asset register- Although the project fixed assets acquisitions were expensed, Rwanda Red Cross Society (RRCS) had a project fixed asset register in place to monitor the movement of the fixed assets. • Segregation of duties – Bank reconciliations and payment vouchers were prepared by accountant and approved by Director of Administration and Finance (DAF).

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

Component	Findings/observations
Monitoring of controls	During the audit, we ascertained the following regarding monitoring of controls: <ul style="list-style-type: none">• The project management prepared and submitted the project reports on a timely basis to the donor.• Management meetings were held regularly to discuss issues affecting projects implementation.

2. REPORT OF THE DIRECTORS

The directors have the pleasure in presenting their annual report and the audited financial statements for the year ended 30 June 2022 which show the state of affairs of Rwanda Red Cross Society (RRCS).

2.1 REGISTRATION

Rwanda Red Cross Society (RRCS) is registered as a non-governmental organization under the Presidential Order No. 8/13 of 29 December 1964.

2.2 PRINCIPAL ACTIVITIES

The principal activities of Rwanda Red Cross Society (RRCS) are:

- Development and implementation of programs designed to alleviate human suffering
- Promoting respect of human beings without discrimination
- Contribution to the improvement of population health

2.3 DIRECTORS

The directors who held office during the period and to the date of this report are shown on page 4.

2.4 AUDITORS

The company's auditors, ITAU Auditors Ltd wish to continue in office in accordance with Rwandan law relating to Companies.

By order of board:

Apollinaire KARAMAGA

Secretary General

Date: 29/12/2022



3.STATEMENT OF DIRECTORS' RESPONSIBILITIES

Rwanda Red Cross Society (RRCS) management's team is responsible for the preparation of financial statements for each financial year, which presents fairly the financial position of the Rwanda Red Cross Society (RRCS) and of its operations and cash flows in accordance with International Financial Reporting Standards (IFRSs), and in a manner required by the organisation act of Rwanda, and for such internal controls as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

It is also the management team's responsibility to keep proper accounting records, which disclose with reasonable accuracy at any time the financial position of the organization.

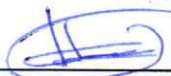
Standards and systems of internal control are designed and implemented by the management team to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of the organization's assets. These systems and controls include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties. The management team of Rwanda Red Cross Society (RRCS) accepts responsibility for the year's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs). The management team is of the opinion that the financial statements present fairly, in all material respects, the state of the financial affairs of the society and of its operating results. The management team further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal control.

Nothing has come to the attention of the management team to indicate that Rwanda Red Cross Society (RRCS) will not remain as a going concern for at least the next twelve months from date of this statement.

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

Approval of the financial statements

The financial statements, as indicated above were approved by the management team and signed on its behalf by:



Marthe UWUMUREMYI
Director of Administration and Finance
Date 29/12/2022



Apollinaire KARAMAGA
Secretary General
Date..... 29/12/2022



4. INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Rwanda Red Cross Society (RRCS)

We have audited the financial statements of Rwanda Red Cross Society (RRCS) set out on pages 24 to 40, which comprise the statement of financial position as at June 30, 2022, the statement of financial performance, statement of changes in fund balance and statement of cash flows for the year then ended and notes to the financial statements including a summary of significant accounting policies.

Unqualified opinion

In our opinion, the financial statements and supporting schedules present fairly, in all material respects the financial position of Rwanda Red Cross Society (RRCS) and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs).

In addition, financial transactions reflected in the statements are in accordance with financial regulations and procedures, budgetary provisions adopted by Rwanda Red Cross Society (RRCS) and expenses incurred for a transaction or action have been classified under the corresponding heading of the chart of account in the financial statement.

Basis for qualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibility under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the organization in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA code). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



ITAU AUDITORS LTD.

+250 788 307 360
+250 785 213 671
itau_dpa@yahoo.fr

KN 82 NDAMAGE BUILDING
3RD FLOOR, NYARUGENGE
P.O. BOX 4385 KIGALI RWANDA

Other information

The management is responsible for the other information. The other information comprises the information included in the management report but does not include the financial statements and our auditor's report thereon.

In accordance with our audit of the financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management are responsible for the preparation and fair presentation of these financial statements in accordance with the with International Financial Reporting Standards for Small and Medium Sized Entities (IFRS for SMEs) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, applicable matters related to going concern and using the going concern basis of accounting. Management is responsible for overseeing Rwanda Red Cross Society (RRCS) reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are



ITAU AUDITORS LTD.

+250 788 307 360
+250 785 213 671
itau_dpa@yahoo.fr

KN 82 NDAMAGE BUILDING
3RD FLOOR, NYARUGENGE
P.O. BOX 4385 KIGALI RWANDA

considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the planning and performance of the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information within the organization to express an opinion on the financial statements. We are responsible



ITAU AUDITORS LTD.

+250 788 307 360
+250 785 213 671
itau_dpa@yahoo.fr

KN 82 NDAMAGE BUILDING
3RD FLOOR, NYARUGENGE
P.O. BOX 4385 KIGALI RWANDA

for the direction, supervision and performance of the organizational audit. We remain solely responsible for our audit opinion.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal requirements

As required by the Law No 17/2018 of 13/04/2018 as amended relating to companies, we report to you based on our audit that:

We confirm that:

- i) We are not related to Rwanda Red Cross Society (RRCS) and have no interests or debts in the organization;
- ii) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- iii) In our opinion, proper books of account have been kept by Rwanda Red Cross Society (RRCS), so far as appears from our examination of those books;
- iv) We have communicated to you through a management letter highlighting problems linked with the organisation's management and our recommendations for improvement.

The engagement partner on the audit resulting in this independent auditor's report is:

Ambrose Mutuku Nzamalu

30-12-2022

ITAU Auditors Ltd

KN82 Ndamage Ets Building Nyarugenge

P.O. Box 4385, Kigali, Rwanda

Email: itau_dpa@yahoo.fr




Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

5. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

ASSETS	Note	June 2022	June 2021
Non-current assets		Frw	Frw
Land, Property and equipment	5	8,878,836,481	2,793,145,935
Intangible asset	6	-	-
Total Non-current assets		8,878,836,481	2,793,145,935
Current assets			
Inventories	7	580,064,494	585,715,264
Accounts receivables	8	103,617,647	79,097,146
Cash and cash equivalents	9	1,399,101,124	921,785,644
Total Current assets		2,082,783,265	1,586,598,054
TOTAL ASSETS		10,961,619,746	4,379,743,989
ACCUMULATED FUNDS AND LIABILITIES			
Equipment grant	10	9,799,396,379	3,748,367,096
Accumulated funds	11	807,350,542	574,238,380
Revaluation reserve	12	353,663,596	57,732,818
		10,960,410,517	4,380,338,294
Current liabilities			
Accounts and other payables	13	1,209,229	(594,305)
Total Current liabilities		1,209,229	(594,305)
TOTAL ACCUMULATED FUNDS AND LIABILITIES		10,961,619,746	4,379,743,989

The notes on pages 27 to 38 form an integral part of these financial statements.

The financial statements on pages 23 to 38 were authorized for issue and signed by:


Marthe UWUMUREMYI
Director of Administration and Finance
Date ... 25/12/2022 ...



Apollinaire KARAMAGA
Secretary General
Date... 25/12/2022 ...

6. STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2022


	Note	June 2022	June 2021
		Frw	Frw
Grants received	14	4,132,346,373	4,771,320,636
Other revenues	15	618,344,171	591,320,834
Write-back/Reversal of depreciation		490,401,392	0
TOTAL REVENUES		5,241,091,936	5,362,641,470
Salaries and wages	16	942,852,244	902,782,809
Administrative costs	17	876,163,381	1,080,472,945
Operating expenses	18	2,429,958,279	3,145,696,818
Depreciation and amortization	19	184,767,490	170,833,297
TOTAL EXPENSES		4,433,741,394	5,299,785,869
Operating surplus before tax		807,350,542	62,855,601
Income tax expense			
Surplus / (Deficit) after tax		807,350,542	62,855,601

The notes on pages 27 to 38 form an integral part of these financial statements.

The financial statements on pages 23 to 38 were authorized for issue and signed by:



Marthe UWUMUREMYI
Director of Administration and Finance
Date29/12/2022



Apollinaire KARAMAGA
Secretary General
Date.....29/12/2022



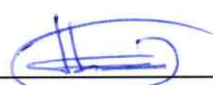
Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022


7. STATEMENT OF CHANGES IN FUND BALANCE FOR THE YEAR ENDED 30 JUNE 2022

	Equipment grant	Revaluation reserve	Accumulated fund	Total
	Frw	Frw	Frw	Frw
Year ended 30 June 2021				
01 July 2020	3,748,367,096	=	570,912,429	4,319,279,525
Additions of capital grant	-			
Prior period adjustments	-			
Transfer to/(from) accumulated funds	-	57,732,818		57,732,818
Transfers from other income				
Restated	3,748,367,096	57,732,818	570,912,429	4,317,482,693
Surplus for the year	-	-	62,855,601	62,855,601
30 June 2021	3,748,367,096	57,732,818	574,238,380	4,380,338,294
Year ended 30 June 2022				
01 July 2021	3,748,367,096	57,732,818	574,238,380	4,380,338,294
Additions of capital grant	-			
Prior period adjustments	6,051,029,283			6,051,029,283
Transfer to/(from) accumulated funds	-	(57,732,818)	(574,238,380)	(631,971,198)
Transfers from other income		353,663,596		353,663,596
Restated	9,799,396,379	353,663,596	0	10,153,059,975
Surplus for the year	-	-	807,350,542	807,350,542
30 June 2022	9,799,396,379	353,663,596	807,350,542	10,960,410,517

The notes on pages 27 to 38 form an integral part of these financial statements.

The financial statements on pages 23 to 38 were authorized for issue and signed by:


Marthe UWUMUREMYI
Director of Administration and Finance
 Date ... 29/12/2022



Apollinaire KARAMAGA
Secretary General
 Date..... 29/12/2022


8.STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	June 2022	June 2021
	Frw	Frw
Cash flow from operating activities		
Surplus/(Deficit) for the year	807,350,542	62,855,601
Adjustments for non-cash income and expenses:		
Depreciation of property and equipment	184,767,490	170,833,297
Prior period adjustments	(504,490,755)	(3,719,627)
Changes in operating assets and liabilities		
Decrease/(increase) in inventories	5,650,770	(123,953,970)
Decrease/(increase) in accounts receivables	(24,520,501)	(27,119,955)
Increase/(decrease) in accounts payables	1,803,534	(19,476,514)
Net cash from operating activities	(470,069,880)	59,418,832
Cash flows from investing activities		
Cash paid on purchase of property & equipment	(7,245,600)	(81,186,089)
Additions of equipment grants	-	-
Net cash flows from investing activities		
Net increase or decrease in cash and cash equivalents	477,315,480	21,767,257
Cash and cash equivalents at beginning of the year	921,785,644	900,018,387
Cash and cash equivalents at end of the year	1,399,101,124	921,785,644

The notes on pages 27 to 38 form an integral part of these financial statements.

The financial statements on pages 23 to 38 were authorized for issue and signed by:


 Marthe UWUMUREMYI
 Director of Administration and Finance
 Date 29/12/2022


 Apollinaire KARAMAGA
 Secretary General
 Date..... 29/12/2022

9. ACCOUNTING POLICIES AND EXPLANATORY NOTES

9.1 REPORTING ENTITY

Rwanda Red Cross Society (RRCS) is registered as a non-governmental organization under the Presidential Order No. 8/13 of 29 December 1964. The organization's principal activities are:

- Development and implementation of programs designed to alleviate human suffering
- Promote respect of human beings without discrimination
- Contribution to the improvement of population health

9.2 STATEMENT OF COMPLIANCE

The financial statements have been prepared in compliance with International Financial Reporting Standards for Small and Medium-sized Entities (IFRS for SMEs) as issued by the International Accounting Standards Board (IASB).

9.3 BASIS OF PREPARATION

The financial statements are prepared on a going concern basis and are presented in Rwandese Franc (Frw) which is the Organization's functional currency. All the amounts have been rounded to the nearest Franc. The financial statements have been prepared on the historical cost basis of accounting except for the revaluation of certain financial instruments that are measured at fair values at the end of each reporting period.

9.4 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial statements of Rwanda Red Cross Society (RRCS) have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs). The preparation of financial statements in conformity with the IFRS for SMEs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the organization's accounting policies.

Going concern

Based on the financial performance and financial position of the organization and its risk management policies, the directors are of the opinion that the organization is well placed to

continue for the foreseeable future and as a result, the financial statements are prepared on a going concern basis.

b) Key sources of estimation uncertainties

The organization makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Impairment of accounts receivable

The organization reviews its accounts receivable on an annual basis. In determining whether receivables are impaired, the management makes judgment as to whether there is any evidence indicating that there is a measurable decrease in the estimated future cash flows expected.

Useful lives of property and equipment

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

c) Revenue recognition

Revenue represents grants from donor partners and other internally generated revenues. Grant income is recognized when the organization receives the cash in the bank. Rwanda Red Cross Society (RRCS) had partnered with the following donors during the year:

- International Federation for Red Cross and Red Crescent Societies (IFRC)
- Belgian Red Cross – Francophone
- Belgian Red Cross – Flanders
- Austrian Red Cross
- Danish Red Cross
- Spanish Red Cross
- International Committee for Red Cross (ICRC)
- Japanese Red Cross

d) Property and equipment

Property and equipment are initially recorded at cost or revalued amounts and thereafter at historical cost/revalued amounts less accumulated 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 recognized 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 derecognized. All other repairs and maintenance are charged to income statement during the financial year in which they are incurred. Freehold land and capital work in progress are not depreciated.

Depreciation is calculated on a straight-line basis to write down the cost of each asset, to its residual value over its estimated useful life using the following annual rates:

Asset	Rate
Land	0%
Land and buildings	5%
Motor vehicles	25%
Furniture and fittings	25%
Equipment and other materials	25%
Computers	50%
Software	50%

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

Gains and losses on disposal of property and equipment are determined by comparing the proceeds with the carrying amount and are taken into account in determining operating surplus or deficit.

e) Accounts receivable

Accounts receivable are initially recognized at the transaction price. They are subsequently measured at amortized cost using the effective interest method. At the end of each reporting

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

year, the carrying amounts of accounts receivable are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in the statement of financial performance.

f) Cash and bank

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

g) Inventories

Inventories are stated at the lower of cost and net realizable value. Organisation inventories also constitute grants in kind from various donor partners valued at cost provided by the donor partner.

h) Accounts payable

Accounts payable are recognized initially at the transaction price. They are obligations on the basis of normal credit terms and do not bear interest. Accounts payable denominated in a foreign currency are translated into Rwandan Francs using the exchange rate at the reporting date. The resulting differences from conversion and translation are dealt with in the statement of financial performance in the year in which they arise.

i) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Rwandan Francs at rates ruling at the transaction dates. Assets and liabilities at the statement of financial position which are expressed in foreign currencies are translated into Rwandan Francs at rates ruling at that date. The resulting differences from conversion and translation are dealt with in the income statement in the year in which they arise.

j) Equipment grant

Equipment grant relates to donations of property and equipment from Red Cross donors and partners. The initial carrying amount of donated property and equipment is determined through valuation. Annual assets use/benefit is recognized as organization other income.

k) Employee benefit contributions

Rwanda Red Cross Society (RRCS) and its employees contribute to a statutory defined contribution pension scheme managed by the Rwanda Social Security Board (RSSB). The

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2021 to 30 June 2022

organization's contributions are determined by local statute and are currently limited to 5% of the employees' gross salary excluding transport allowances per month. The organization's pension contributions are charged to the statement of profit or loss in the year to which they relate.

The organisation and its employees contribute to a statutory defined contribution maternity leave benefit scheme managed by the Rwanda Social Security Board (RSSB). The organization's contributions are determined by local statute and are currently limited to 0.3% of the employees' gross salary excluding transport allowances per month.

l) Income tax

Rwanda Red Cross Society (RRCS) is a charitable organization and thus enjoys exempted status from income tax on ordinary transactions. Consequently, no provision for income tax has been made in the financial statements.

m) Reporting currency

The financial statements are presented in Rwandan Francs.

o) Comparatives

The comparatives to the financial statements are for the year ended 30 June 2022. Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current year.

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2020 to 30 June 2021

9.5. Property and equipment

	Land	Equipment and other materials	Buildings	Motor vehicles	Office furniture and fittings	Computer	Software	Total
Cost	Frw	Frw	Frw	Frw	Frw	Frw	Frw	Frw
<u>Net book value as at 30 June 2020</u>	<u>1,106,576,010</u>	<u>24,158,072</u>	<u>1,492,488,007</u>	<u>268,057,588</u>	<u>32,010,186</u>	<u>1,115,000</u>	<u>0</u>	<u>2,924,404,863</u>
Additions	0	0	9,030,000	3,935,000	580,000	2,409,000	23,620,370	39,574,370
Total values	1,106,576,010	24,158,072	1,501,518,007	271,992,588	32,590,186	3,524,000	23,620,370	2,963,979,233
Rate	0%	25%	5%	25%	25%	50%	50%	
Amortization on 30.06.2021	0	6,039,518	75,075,900	67,998,147	8,147,547	1,762,000	11,810,185	170,833,297
<u>Net book value as at 30 June 2021</u>	<u>1,106,576,010</u>	<u>18,118,554</u>	<u>1,426,442,107</u>	<u>203,994,441</u>	<u>24,442,640</u>	<u>1,762,000</u>	<u>11,810,185</u>	<u>2,793,145,936</u>
Additions	0	0	0	0	3,488,600	3,757,000	0	7,245,600
Adjustments for the year	5,772,809,944	52,926,208	1,244,691,220	1,180,555,497	23,521,214	18,526,000	3,443,105	8,296,473,188
Total values as at 30 June 2022	6,879,385,954	77,084,280	2,746,209,227	1,452,548,085	59,600,000	25,807,000	15,253,290	11,255,887,836
Rate	0%	25%	5%	25%	25%	50%	50%	
Amortization on 30.06.2021	0	6,039,518	75,075,900	67,998,147	8,147,547	1,762,000	11,810,185	170,833,297
Depreciation for the year	0	0	121,712,412	0	45,570,793	5,094,100	11,810,185	184,767,490
Adjustments for the year	0	71,044,762	1,244,691,220	690,154,106	5,556,660	18,950,900	3,443,105	2,033,840,753
Amortization on 30.06.2022	0	77,084,280	1,441,479,532	758,152,253	59,275,000	25,807,000	15,253,290	2,377,051,355
<u>Net book value as at 30 June 2022</u>	<u>6,879,385,954</u>	<u>0</u>	<u>1,304,729,695</u>	<u>694,395,832</u>	<u>325,000</u>	<u>0</u>	<u>0</u>	<u>8,878,836,481</u>

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2020 to 30 June 2021

9.6 Intangible assets

Intangible assets	June 2022	June 2021
	Frw	Frw
As at 1 July	0	0
Additions	0	0
As at 30 June 2021		
Depreciation		
As at 1 July 2020	0	0
Depreciation	0	0
Adjustment for the year	0	0
Accumulated depreciation	0	0
Carrying amount	0	0

9.7 Inventories	June 2022	June 2021
	Frw	Frw
Office supplies	8,934,500	20,921,319
Health and hygiene	18,148,106	21,927,244
Clothing and uniform	25,705,920	27,763,196
Tools and spare-parts	9,127,000	12,167,560
Other materials	57,957,332	101,639,410
Building materials	76,700,785	67,787,645
Strategic materials	366,791,583	310,094,372
Agricultural materials	2,519,268	2,490,018
Fuel	14,180,000	20,924,500
Total Inventories	580,064,494	585,715,264

9.8 Accounts receivable	June 2022	June 2021
	Frw	Frw
Staff advances	0	0
Customers	32433702	55,947,612
Salary advances	3583250	1,085,000
Adjustment account	0	(1,935,466)
Other debts	67,600,695	24,000,000
Total Accounts receivable	103,617,647	79,097,146

Rwanda Red Cross Society (RRCS)
 Annual report and Financial statements
 For the period from 01 July 2020 to 30 June 2021

9.9	Cash and cash equivalents	June 2022	June 2021
		Frw	Frw
	Cash at bank	1,398,678,492	921,548,212
	Cash in hand	422,632	237,432
	Total Cash and cash equivalents	1,399,101,124	921,785,644

9.10	Equipment grant	June 2022	June 2021
		Frw	Frw
	Donated fixed assets	353,663,596	3,748,367,096
	Additions of capital grant		0
	Transfer of donated assets from other income	6,051,029,283	0
	Total Equipment grant	9,799,396,379	3,748,367,096

9.11	Accumulated fund	June 2022	June 2021
		Frw	Frw
	Balance brought forward	574,238,380	570,912,429
	Prior period adjustments		
	Revaluation surplus transfer	(574,238,380)	(57,732,818)
	Surplus/Deficit for the year	807,350,542	62,855,601
	Total Accumulated fund	807,350,542	574,238,380

9.12	Revaluation reserve	June 2022	June 2021
		Frw	Frw
	Balance brought forward	57,732,818	0
	Revaluation surplus transfer	(57,732,818)	
	Depreciation transfer to accumulated fund	353,663,596	57,732,818
	Closing balance	353,663,596	57,732,818

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2020 to 30 June 2021

9.13 Accounts Payable	June 2022	June 2021
	Frw	Frw
Value Added Tax payable	759,229	-
Temporary account	-	-
Lunch fees from staff	-	-
Provincial Operational Advance	-	(594,305)
Other payables	450,000	-
Accrued Audit fees	-	-
Total Accounts Payable	1,209,229	(594,305)

9.14 Revenue Grants and subsidies	June 2022	June 2021
	Frw	Frw
International donor	4,107,346,373	4,746,320,636
Government subsidies	25,000,000	25,000,000
Local donors		
Total Revenue Grants and subsidies	4,132,346,373	4,771,320,636

9.15 Other income	June 2022	June 2021
	Frw	Frw
Rental from houses	15,000,000	14,250,000
Rental from antenna occupied space	17,840,000	0
10% Core costs	16,310,234	75,349,610
Core cost leasing revenues	102,281,695	157,011,313
Members cards revenues	66,000	52,000
DAO sales revenues	1,100,000	1,920,000
Other revenues	185,716,689	130,793,285
Administrative revenues	155,900,831	172,843,699
Revenues Friends of RRCS	889,410	1,677,000
Revenues EMC-FA & TC	94,505,312	26,079,723
Revenues EMS	28,734,000	11,344,204
Total Other income	618,344,171	591,320,834

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2020 to 30 June 2021

9.16	Salaries and wages	June 2022	June 2021
		Frw	Frw
	Salaries and wages	438,655,322	419,538,452
	Travel allowances	171,300,462	174,188,125
	Housing allowances	200,383,834	174,188,125
	Function allowances	9,005,617	6,327,072
	Terminal benefits	10,956,909	18,109,523
	Performance bonus	37,865,338	38,406,173
	Other indemnities and premiums	7,491,041	6,327,072
	Employers' contribution – RAMA	30,579,594	29,333,706
	Employers' contribution – RSSB	34,561,197	33,068,372
	Employers' contribution - maternity benefits	2,052,930	1,920,975
	Penalties RSSB on employees' bonus		1,375,202
	Total Salaries and wages	942,852,244	883,298,720

9.17	Administration Costs	June 2022	June 2021
		Frw	Frw
	Health and hygiene	195,598,632	463,059,806
	Clothing and uniforms	2,200,000	0
	Tools and spare parts	67,465,198	38,410,015
	Communication costs	45,677,007	43,432,567
	Taxes	50,505,480	29,167,535
	Professional services	58,332,523	66,244,200
	Equipment purchases	56,699,560	61,753,000
	Publication and printing	94,347,074	123,461,147
	Public relations/communication	11,470,438	9,090,806
	Insurance costs	14,206,264	25,272,254
	Office supplies	82,779,442	76,036,128
	Water and energy	92,217,000	97,733,752
	Repairs and maintenance	12,614,200	8,648,400
	Rental costs	92,050,563	38,163,335
	Total Administration Costs	876,163,381	1,080,472,945

Rwanda Red Cross Society (RRCS)
Annual report and Financial statements
For the period from 01 July 2020 to 30 June 2021

9.18	Operating expenses	June 2022	June 2021
		Frw	Frw
	Training costs	287,182,397	370,843,548
	Various expenses	265,524,024	141,531,060
	Meeting and evaluation	61,901,395	55,425,411
	Contributions and donations	1,311,036,303	2,035,164,836
	Transport and travel	504,314,160	542,731,963
	Total Operating expenses	2,429,958,279	3,145,696,818

9.19	Depreciation and amortization	June 2022	June 2021
		Frw	Frw
	Depreciation expense on assets	184,767,490	170,833,297
	Amortization of intangible assets	0	0
	Total Depreciation and amortization	184,767,490	170,833,297

9.20 Events after the balance sheet date

From 31 December 2020, the occurrence and spread of COVID-19 has severely impacted many economies around the globe. In many countries, non-governmental organizations (NGOs) and businesses are forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to organizations worldwide, resulting in an economic slowdown. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. Rwanda Red Cross Society (RRCS) implements activities in various parts of Rwanda and as a result of the measures taken restricting movements, the level of implementation of activities may be lower in the financial year 2021/2022. Disruptions caused by COVID-19 may also affect the timing of cash flows from donors due to increased intervention needs worldwide. Rwanda Red Cross Society (RRCS) have determined that these events are non-adjusting events. Accordingly, the financial position and results of operations for the year ended 30 June 2022 have not been adjusted to reflect the impact. The duration and impact of the COVID-19 pandemic remained unclear and the estimation of the severity and the impact on the financial position of Rwanda Red Cross Society (RRCS) for future periods cannot be estimated reliably.

9.21. Financial risk management objectives and policies

The organization's activities mainly expose RRCS to market risk (foreign exchange risk and interest rate risk), translation risk, liquidity risk and funding risk.

Risk management is carried out by management. Management identifies, evaluates and mitigates financial, operational and strategic risks in close cooperation with various staff in the organization and partners. Management manages emerging, residual and inherent risks on an organization-wide basis using a bottom-up approach through managing risks emerging at project level and at field offices level respectively. Management meet regularly to review the current, residual and emerging risks and review the adequacy of the existing controls and mitigations. The key financial risks and mitigations faced by RRCS are highlighted below:

Foreign exchange risk

The organisation is exposed to foreign exchange risk arising primarily from various currency exposures primarily in respect to various currencies. The risk arises from assets and liabilities in the statement of financial position. The organisation negotiates settlement exchange rates with its bankers in order to minimise foreign exchange risk as well as transact in local currency for most transactions.

Translation Risk

The organisation faces translation risk in relation to translation of balances at year end dominated on foreign currencies in order to meet reporting currency in Rwanda. The risk is managed by consistency use of translation exchange rates as provided by the regulatory (National Bank of Rwanda). Income and expenses are translated using average closing exchange. The resulting exchange gain or loss is reported in the statement of financial performance.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. The organisation prepares cash flow forecasts and monitors its cash balances on a regular basis to ensure continuity of operation

Funding risk

The organisation faces funding risk that can impact on continuation of programmes and delivery of the strategic goals. The organisation manages funding risk through delivering results on current grant portfolio, funding targets, diversification of funding sources and a well-defined donor engagement strategy.