

# Office of the Auditor General of Rwanda



## NATIONAL ELECTORAL COMMISSION (NEC)

### *Audit Report and Audited Financial Statements*

*For the year ended 30 June 2024*

#### OAG Core Values

Integrity

In public Interest

Innovation

Objectivity

Professionalism

**TABLE OF CONTENTS**

1.	BACKGROUND, MANDATE AND GOVERNANCE .....	2
2.	STATEMENT OF MANAGEMENT RESPONSIBILITIES.....	4
3.	REPORT OF THE AUDITOR GENERAL.....	5
4.	FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024 .....	7

## **1. BACKGROUND, MANDATE AND GOVERNANCE**

The National Electoral Commission (NEC) was established by Law N° 39/2000 of 28 November 2000 as amended by Law N° 31/2005 of 24 December 2005. Its establishment was reaffirmed by article 140 of the Constitution of the Republic of Rwanda. NEC is currently regulated by Law N° 043/2024 of 06/05/2024 governing the National Electoral Commission.

### **1.1. Mandate of NEC**

According to article 5 of Law N° 043/2024 of 06/05/2024 governing NEC, the latter has the following responsibilities:

- a) to carry out scientific research related to elections with the purpose of ensuring better preparation and conduct of elections;
- b) to prepare and provide civic education on elections;
- c) to prepare, approve and publish the electoral calendar;
- d) to invite, receive and accredit election observers;
- e) to collaborate with other national and foreign organs which participate in elections;
- f) to participate in the elaboration of the draft bills relating to elections;
- g) to carry out any such other electoral activity as provided for by law.

### **1.2. Vision of the entity**

Being an Election Management Body (EMB) that continuously strengthens and sustain democracy through upholding an atmosphere of trust, increasing the level of national participation, and regular and credible elections in the country, within an electoral system that adapts to the changes of the society and meets voters' expectations and needs.

### **1.3. Mission of the entity**

The mission of NEC is to prepare, conduct elections and ensure that they take place in a transparent and free manner with a view to promoting a democratic culture in the country.

### **1.4. Organizational structure**

According to the article 7 of Law N° 043/2024 of 06/05/2024 governing the National Electoral Commission, management organs of the National Electoral Commission are:

- (a) the Council of Commissioners;
- (b) the Bureau of the National Electoral Commission;
- (c) the Executive Secretariat.

#### **1.4.1. Council of Commissioners**

According to article 9 of Law N° 043/2024 of 06/05/2024 governing the National Electoral Commission, the Council of Commissioners is composed of seven (7) members. The Commissioners have a term of office of five (5) years, which may be renewed only once.

The Commissioners of the Council who served during the year ended 30 June 2024 to the time of the audit in January 2025 were as follows:

**NATIONAL ELECTORAL COMMISSION (NEC)**  
**BACKGROUND, MANDATE AND GOVERNANCE**

<b>Names</b>	<b>Position</b>	<b>Period</b>
GASINZIGWA Oda	Chairperson	From 15 February 2023 to date
MUTIMUKEYE Nicole	Vice Chairperson	From 14 August 2020 to date
UMWALI Carine	Commissioner	From 15 February 2023 to date
NYIRAMADIRIDA Fortunée	Commissioner	From 16 September 2022 to date
MBABAZI Judith	Commissioner	From 11 May 2017 to 11 May 2022 and from 29 July 2022 to date
UWERA KABANDA Françoise	Commissioner	From 14 August 2020 to date
SEMANYWA Faustin	Commissioner	From 14 August 2020 to date

#### **1.4.2. Bureau of the Commission**

The Bureau of the Commission consists of the Chairperson, Vice Chairperson of the Council of Commissioners and the Executive Secretary of NEC.

#### **1.4.3. Executive Secretariat**

According to NEC organisational structure instituted by article 2 of the Prime Minister's Order N° 38/03 of 09/02/2017 determining the organisational structure, salaries and fringe benefits for employees of NEC, the Executive Secretariat is made up of the Executive Secretary, Deputy Executive Secretary and two (2) units headed by Directors. The members of the Executive Secretariat carry out and manage day-to-day activities of NEC and technically the running of the electoral process.

The units under NEC are as follows:

- Information, Communication and Technology (ICT) Unit; and
- Administration and Finance Unit.

The management team members who held office during the year ended 30 June 2024 to the time of the audit in January 2025 were as follows:

<b>S/N</b>	<b>Names</b>	<b>Position</b>	<b>Period</b>
1	MUSABYIMANA Jean Claude	Executive Secretary	From 20 December 2024 to date
2	MUNYANEZA Charles	Executive Secretary	From 15 April 2009 to 20 December 2024
3	MUKARURANGWA Immaculée	Deputy Executive Secretary	From 13 September 2016 to date
4	NIYONSHUTI KAGABA Etienne	Director of Administration and Finance	From 10 October 2007 to date
5	SHEMA Mike	Director of ICT	From 14 October 2011 to date

## **2. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

Article 78 of the Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management requires each public sector entity to submit its annual financial statements to the Minister of Finance and Economic Planning with a copy thereof to the Auditor General of State Finances within forty-five (45) days following the end of the fiscal year.

Article 20 of the Organic Law N° 002/2022 further stipulates that the Chief Budget Manager is responsible for maintaining accounts and records of the budget agency, preparing and implementing cashflow plans, managing the public funds effectively, efficiently and in a transparent manner, establishing and maintaining effective, efficient and transparent systems of internal controls and risk management.

As Chief Budget Manager, I accept responsibility for the annual financial statements, which have been prepared using appropriate accounting standards applicable to public entities as determined by Article 99 of the Ministerial Order N° 001/16/10/TC of 26/01/2016 relating to financial regulations.

These financial statements have been extracted from the accounting records of **National Electoral Commission (NEC)** 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 my opinion, the financial statements give a true and fair view of the state of the financial affairs of **NEC**. I further confirm that **NEC** maintained proper accounting records which can be relied upon in the preparation of financial statements. I also confirm that adequate systems of internal control were maintained and operated effectively during the year to safeguard the assets of the budget agency.

Nothing has come to the attention of management to indicate that **NEC** will not continue operating as a going concern for the foreseeable future.

Signature: \_\_\_\_\_



**MUSABYIMANA Jean Claude**  
**Executive Secretary**  
**National Electoral Commission (NEC)**

Date: 19/2/2025

### **3. REPORT OF THE AUDITOR GENERAL**

#### **REPORT ON THE FINANCIAL STATEMENTS**

**Mr. MUSABYIMANA Jean Claude**

**Executive Secretary**  
**National Electoral Commission (NEC)**

#### **3.1 Opinion**

As required by Article 166 of the Constitution of the Republic of Rwanda, and Articles 6 and 14 of Law N° 79/2013 of 11/09/2013 determining the mission, organization and functioning of the Office of the Auditor General of State Finances (OAG), I have audited the financial statements of **National Electoral Commission (NEC)** for the year ended 30 June 2024. These financial statements comprise the statement of financial position as at 30 June 2024, and the statement of financial performance, the statement of cash flows, the statement of changes in net assets and the statement of budget execution for the year then ended, and a summary of significant accounting policies and other explanatory notes. These financial statements are set out on pages **7** to **25**.

In my opinion, **NEC** financial statements which comprises of its financial performance and its cash flow for the year then ended were prepared in compliance with the Organic Law N° 002/2022 OL of 12/12/2022 on Public Finance Management and year-end accounting and financial reporting procedures circular, issued by MINECOFIN in June 2024.

#### **3.2 Basis for opinion**

I conducted the audit in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under ISSAIs are described in section 3.4 of this report.

I am independent of **NEC** and have fulfilled my ethical responsibilities in accordance with the ethical requirements that are relevant to my audit of financial statements of public entities as determined by the *Code of ethics* for International Organization of Supreme Audit Institutions (INTOSAI). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **3.3 Responsibilities of management and those charged with governance for the Financial Statements**

According to Organic Law N° 002/2022 OL of 12/12/2022 on State Finances and Property, management of **NEC** is responsible for keeping accounting records and books of account, and preparation of financial statements in accordance with the year-end accounting and financial reporting procedures circular, issued by MINECOFIN in June 2024. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation 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 **NEC**'s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Government either intends to discontinue operations of **NEC**.



Those charged with Governance of this Commission are the commissioners of the Council. They are responsible for overseeing NEC's financial reporting process.

### **3.4 Auditor General's Responsibilities for the financial statements**

My objective when conducting an audit is 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 my opinion. Misstatements can arise from fraud or error and are considered material if individually or in aggregate, they could reasonably be expected to influence economic decisions of users taken on the basis of these financial statements.

An audit conducted in accordance with ISSAIs requires an auditor to exercise professional judgment and maintain professional skepticism throughout the audit and involves:

- The identification and assessment of the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform procedures responsive to those risks and to obtain sufficient and appropriate audit evidence to provide a basis for the auditor's 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 controls.
- Obtaining 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 purposes of expressing an opinion on the effectiveness of internal control.
- Evaluating the appropriateness of accounting policies used, the reasonableness of accounting estimates made by management.
- Concluding on the appropriateness of management's use of the 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 NEC's ability to continue as a going concern as well as evaluating the presentation of the financial statements.
- Evaluation of the overall presentation, structure and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieved fair presentation.

**KAMUHIRE Alexis**  
**AUDITOR GENERAL**



**KIGALI** 27<sup>th</sup> February, 2025

#### 4. FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024

##### 4.1 STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2024

Description	Notes	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
<b>Revenues</b>			
Transfers from National Treasury	1	5,747,642,723	2,435,837,568
Other revenue	2	0	334,952
<b>Total revenue</b>		<b>5,747,642,723</b>	<b>2,436,172,520</b>
<b>Expenses</b>			
Wages, salaries and employee benefits	3	589,461,766	479,236,935
Goods and services	4	4,230,160,568	1,902,809,977
Capital expenditure	5	0	19,413,200
Depreciation and amortization expense	6	9,268,647	0
Transfer to reporting entities	7	0	1,181,440
Social assistance	8	10,000,000	17,820,574
Other expenses	9	26,041,604	8,228,583
<b>Total expenses</b>		<b>4,864,932,585</b>	<b>2,428,690,709</b>
<b>Surplus for the period</b>		<b>882,710,138</b>	<b>7,481,811</b>

The notes on pages 12 to 25 form an integral part of the financial statements.




4.2 STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

Description	Notes	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	10	693,688,103	0
Receivables from exchange transactions	11	5,925,815	2,092,160
Prepayment and other current assets	12	1,584,038	11,526,564
<b>Total current assets</b>		<b>701,197,956</b>	<b>13,618,724</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment (PPE)	13	2,854,142,120	0
Intangible assets	14	272,921,160	0
<b>Total non-current assets</b>		<b>3,127,063,280</b>	<b>0</b>
<b>Total Assets</b>		<b>3,828,261,236</b>	<b>13,618,724</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Current accounts payable	15	123,316,668	2,712,036
Tax liabilities	16	19,037,022	505,047
<b>Total current liabilities</b>		<b>142,353,690</b>	<b>3,217,083</b>
<b>Equity/ Net assets</b>		<b>3,685,907,546</b>	<b>10,401,641</b>
Accumulated opening balance		2,803,197,408	(4,075,735)
Adjustments made during the period		-	6,995,565
Surplus for the period		882,710,138	7,481,811
<b>Total equity and liabilities</b>		<b>3,685,907,546</b>	<b>10,401,641</b>

The notes on pages 12 to 25 form an integral part of the financial statements.

The Financial Statements were approved by NEC management and was signed on its behalf by:


Prepared by: UWIMANA Solange  
Accountant

  
Signature Date 19/02/2025

Checked by: NIYONSHUTI KAGABA Etienne  
Director of Administration and Finance

  
Signature Date 24/02/2025

Approved by: MUSABYIMANA Jean Claude  
Chief Budget Manager

  
Signature Date 19/2/2025

#### 4.3 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

Description	12 months to 30 June 2024	12 months to 30 June 2023
	Frw	Frw
<b>Cash flows from operating activities</b>		
<b>Receipts</b>		
Transfers from National Treasury	5,747,642,723	2,435,837,568
Other revenue	0	334,952
<b>Total receipts</b>	<b>5,747,642,723</b>	<b>2,436,172,520</b>
<b>Payments</b>		
Wages, salaries and employee benefits	(589,461,766)	(479,236,935)
Goods and services	(4,230,160,568)	(1,902,809,977)
Transfer to reporting entities	-	(1,181,440)
Social assistance	(10,000,000)	(17,820,574)
Other expenses	(26,041,604)	(8,228,583)
<b>Payment for operating expenses</b>	<b>(4,855,663,938)</b>	<b>(2,409,277,509)</b>
<b>Adjusted for</b>		
Changes in receivables	6,108,871	(8,446,790)
Changes in payables	139,136,607	(6,030,586)
Prior year adjustments	-	6,995,565
<b>Net cash flow from operating activities (A)</b>	<b>1,037,224,263</b>	<b>19,413,200</b>
<b>Cash flows from investing activities</b>		
Acquisition of capital items	(70,615,000)	(19,413,200)
Intangible assets	(272,921,160)	
<b>Net cash flow used in investing activities (B)</b>	<b>(343,536,160)</b>	<b>(19,413,200)</b>
<b>Net Cash flow financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents (D)</b>	<b>693,688,103</b>	<b>-</b>
<b>Cash and cash equivalents at the beginning of the period (E)</b>	<b>-</b>	<b>-</b>
<b>Cash and cash equivalents at the end of the period (F)=(D-E)</b>	<b>693,688,103</b>	<b>-</b>

The notes on pages 12 to 25 form an integral part of the financial statements.

**4.4 STATEMENT OF CHANGES IN NET ASSETS FOR THE YEAR ENDED 30 JUNE 2024**

<b>Description</b>	<b>Accumulated surplus / Deficit 2021/2022</b>	<b>Movement during the year 2022/2023</b>	<b>Total 2022/2023</b>
	<b>Frw</b>	<b>Frw</b>	<b>Frw</b>
Initial opening balances	(242,164,575)	-	(242,164,575)
Accumulated surplus/(deficit)	195,795,611	7,481,811	203,277,422
Adjustments on cash and cash equivalents	(101,872)	-	(101,872)
Adjustments on receivables	5,934,715	(146,104)	5,788,611
Adjustments on current liabilities	36,460,386	7,141,669	43,602,055
<b>Changes in net assets items</b>	<b>(4,075,735)</b>	<b>14,477,376</b>	<b>10,401,641</b>
<b>Description</b>	<b>Accumulated surplus / Deficit 2022/2023</b>	<b>Movement during the year 2023/2024</b>	<b>Total 2023/2024</b>
	<b>Frw</b>	<b>Frw</b>	<b>Frw</b>
Initial opening balances	(242,164,575)	2,863,410,767	2,621,246,192
Payment of capital items	-	(70,615,000)	(70,615,000)
Accumulated surplus	<b>203,277,422</b>	<b>882,710,138</b>	<b>1,085,987,560</b>
Adjustments on cash and cash equivalents	(101,872)	-	(101,872)
Adjustments on receivables	5,788,611	-	5,788,611
Adjustments on current liabilities	43,602,055	-	43,602,055
<b>Changes in net assets items</b>	<b>10,401,641</b>	<b>3,675,505,905</b>	<b>3,685,907,546</b>

The notes on pages **12** to **25** form an integral part of the financial statements.

#### 4.5 STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS FOR THE YEAR ENDED 30 JUNE 2024

Particulars	Revised budget	Actual receipts/ expenditure	Variances	Performance
	A	B	C=A-B	D=B/A*100
<b>Resources</b>	<b>Frw</b>	<b>Frw</b>	<b>Frw</b>	<b>%</b>
Transfers from National Treasury	0	5,747,642,723	(5,747,642,723)	-
<b>Total</b>	<b>0</b>	<b>5,747,642,723</b>	<b>(5,747,642,723)</b>	
<b>Payments</b>				
Wages, salaries and employee benefits	728,339,832	589,461,766	138,878,066	81%
Goods and services	4,228,366,421	4,230,160,568	(1,794,147)	100%
Social assistance	10,000,000	10,000,000	-	100%
Other expenses	17,041,940	26,041,604	(8,999,664)	153%
Foreign exchange loss	300,000	0	300,000	0%
<b>Acquisition of noncurrent assets</b>				
Acquisition of capital items	318,479,380	70,615,000	247,864,380	22%
Intangible assets	-	272,921,160	(272,921,160)	-
<b>Total</b>	<b>5,302,527,573</b>	<b>5,199,200,098</b>	<b>103,327,475</b>	<b>98</b>

Notes on pages 12 to 25 form an integral part of the financial statements.

#### Explanation of material variances:

- **Wages, salaries and employee benefits:** Salaries planned for NEC Commissioners were based on the idea of conducting Presidential and Parliamentary Elections separately. After, it was decided to combined them and the budget related to salaries of Commissioners reduced.
- **Other expenses:** Due to Instruction of BNR raising the % on insurance companies, the actual budget was increased for NEC to be able to have an insurance policy for its fixed assets.
- **Acquisition of capital items:** The actual comprises of physical and intangible assets of Frw 272,921,160 which are still in progress.

## **4.6 NOTES TO THE FINANCIAL STATEMENTS**

### **4.6.1. Basis of preparation**

#### **a) Statement of compliance**

The financial statements have been prepared in accordance with the Organic Law n° 002/2022 of 12/12/2022 on Public Finance Management and related legal framework. These financial statements have been authorized for issue by the Chief Budget Manager of National Electoral Commission (NEC) on 12 February 2025. The financial statements have been prepared on accrual basis and the accounting policies set out on section 4.6.3 have been applied consistently in all material aspects throughout the year unless otherwise indicated. However, where appropriate and meaningful, additional information disclosed to enhance the usefulness of the financial statements and to comply with the statutory requirements or any other generally acceptable accounting standards. The presentation and classification of items in the financial statements are consistent from one period to the next and takes into consideration progressive improvements as contained in the Government of Rwanda roadmap to migrate to accrual IPSAS. In preparation of transition to full accrual IPSAS reporting, legacy assets and liabilities are recognized in the statement of financial position as at 30 June 2024 for all applicable items whose information on the amounts and basis of recognition was available.

#### **b) Reporting entity**

The financial statements have been prepared by National Electoral Commission (NEC) pursuant to Article 78 of the Organic Law on Public Finance Management N° 002/2022.OL of 12/12/2022 that requires the public entity to prepare the monthly and annual financial statements.

#### **c) Reporting period**

The Government of Rwanda Fiscal Year runs from 1st July to 30<sup>th</sup> June. These financial statements cover the period 1<sup>st</sup> July 2023 to 30<sup>th</sup> June 2024. The comparative figures reflect the 12 months ended 30<sup>th</sup> June 2023.

#### **d) Basis of measurement**

The financial statements have been prepared on the historical cost basis except otherwise stated for items measured on an alternative basis on each reporting date.

#### **e) Basis of consolidation**

The financial statements are aggregated on a line-by-line basis with the intra/inter-entity transactions and balances being eliminated at the sub-consolidation and national consolidation level.

#### **f) Presentation currency**

The functional currency of the Government of Rwanda is the Rwandan Franc. For reporting and presentation purposes, the financial statements are translated into Rwandan Francs

(Frw). The rates used to translate foreign currency balances is the average rate applicable by National Bank of Rwanda during the year.

**g) Accrual accounting transitional notes**

With the implementation of accrual accounting, entities will be required to account for economic events specific to their entities on an accrual accounting basis. Accrual accounting recognizes transactions when the underlying economic event occurs, not just when cash is received or paid. In accrual accounting, transactions are classified as assets, liabilities, equity, revenues or expenses. The objective of accrual accounting is to ensure that events that affect an entity's financial statements are recorded in the periods in which they occur, rather than in the periods in which the entity uses its appropriation. Accrual accounting means recognizing revenue when earned (rather than when cash is received) and recognizing expenses when incurred (rather than just when paid). Over the long run, trends in expenses and revenues, since they reflect the underlying economic consequences of operating decisions for a time period are generally more meaningful than trends in payments and cash receipts or charges to an appropriation. The accrual basis provides users with information about matters such as the resources controlled by the entity, the cost of its operations and other information useful in assessing its financial position and changes in it over a particular time period, and in assessing whether a particular entity is operating economically and/or efficiently.

**h) Financial statements for year ended 30 June 2024**

The financial statements are prepared based on historical costs unless otherwise stated. The cash flow statement is prepared using the direct method. The specific accounting basis for major items in the financial statements are provided under section 4.6.3 of accounting policies. Public entities shall maintain their books of account on an accrual basis of accounting. The health centers, primary and secondary schools affiliated to the decentralised entities shall maintain their books of account on a modified cash basis of accounting and progressively move to the accrual accounting basis as that of the rest of the public entities

**i) Comparatives**

Non-current assets, strategic inventories, public debt and other liabilities were part of important disclosures during the financial period ended 30<sup>th</sup> June 2023 and not recognized. No significant estimates were applied in the comparative period. The carrying amounts of the non-current assets were disclosed at acquisition cost before depreciation while the strategic inventories were disclosed at cost. Public debt and other liabilities were disclosed as per available information.

**4.6.2. Significant judgement and sources of estimation uncertainty**

The preparation of financial statements requires the reporting entity to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities and contingent assets at the end of the financial year. The estimates and underlying assumptions are reviewed on an ongoing basis. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods. The assumptions are based on information available at the time of the preparation



of the financial statements. It should therefore be noted that actual results may differ from the assumptions stated and thus have a material impact on the financial statements.

**a) Judgements made in applying accounting policies**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the reporting entity financial statements is included in the respective notes where such is applicable. Judgement is applied to determine whether a property qualifies as investment property. An entity develops criteria so that it can exercise that judgement consistently.

**b) Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are related to useful lives of plant and equipment. The costs of plant and equipment are depreciated on a straight-line basis over the assets' estimated economic useful lives. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets and hence, future depreciation charges could be revised.

**4.6.3. Accounting policies**

**a) Change in accounting policies**

The Government of Rwanda has elected to prepare the financial statements in accordance with the accrual basis of accounting effective 1 July 2023 and, similarly, adopted some applicable IPSAS accrual standards and interpretations issued by International Public Sector Accounting Standards Board. All changes in accounting policies have been made in accordance with the transitional provisions in the respective standards and interpretations.

**b) Summary of significant accounting policies**

The following accounting policies have been applied consistently by the entity in dealing with the items that are considered material to the financial statements for the year ended 30 June 2024.

**I. Revenue**

**a. Revenue from non-exchange transactions**

**Transfers received from general government entities**

Transfers from General Government entities include Transfers from National Treasury; Inter-entity and intra-entity transfers from reporting entities, and Transfers received related to public debt. Transfer from Treasury are recognized in the books of accounts when received.

## **II. Expenses**

All expenses should be reported on an accrual basis, i.e. all expenses are to be recognized in the period they are incurred or when the related services are enjoyed, irrespective of when the payment is made.

### **Compensation of employees**

Compensation of employees is the total remuneration, in cash or in kind, payable to an individual in an employer employee relationship in return for work performed by the latter during the reporting period. Expenditure relating to compensation of employees is accounted for on an accrual basis and recognized in the books of accounts when an expenditure is incurred regardless of the time associated cash and cash equivalent are paid out. Staff costs include salaries and wages, the costs of pensions and other employee benefits. Public sector pension scheme costs include current service costs and past service costs.

### **Goods and services**

Goods and services consist of the value of goods and services used for the production of market and nonmarket goods and services. The value of goods or services is recorded when the goods or services are actually used rather than when they were acquired or paid for.

### **Transfers to public entities**

Transfers to public entities are made in the form of direct/indirect cash transfers and direct payments to public reporting entities.

### **Social benefits**

Social benefits are current transfers receivable by households intended to provide for the needs that arise from social risks—for example, sickness, unemployment, retirement, housing, education, or family circumstances. These benefits are payable in cash or in kind to protect the entire population or specific segments of it against certain social risks. Social assistance and benefits expense is measured at an amount equivalent to liability. Liability is measured at the best estimate of the costs that the entity will incur in fulfilling the present obligations. Liability is for the next payment only.

- ***Other expenses***

Any other expenses not part of the ones above will fall into this category.

## **III. Assets**

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits, cash equivalents and other highly liquid investments with an original maturity of three (3) months. Demand deposits and cash equivalents comprise balances with banks and investments in short-term money market instruments which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Bank account balances include amounts held at the National Bank of Rwanda, foreign bank for the case of embassies and high

commissions and at various commercial banks at the end of the reporting period. Cash & cash equivalent is reported under current assets in the statement of financial position.

### **Accounts Receivables**

These receivables include the receivables from third parties and other receivables recoverable in period not exceeding 12 months.

### **Inventories**

Inventories are carried at the lower of cost or net realisable value. The carrying amount (values) for only strategic inventories will be recognised in the statement of financial position as at 30 June 2024.

### **Prepayments and other current assets**

These include advances and prepayments made during the year but the service or goods are not yet consumed or received by the entity at the end of reporting period.

### **Property, Plant and Equipment (PPE)**

All property, plant and equipment are stated at historical cost less accumulated depreciation and any impairment losses as at 30 June 2024. When no reliable cost information is available, the fair value of these items has been determined as a proxy for cost. Historical cost includes expenditure that is directly attributable to the acquisition of the assets:

- (i) Amounts incurred on the purchase of such assets plus other relevant cost incidental to bringing the asset to working condition.
- (ii) Construction Cost- including materials, labour and overheads.
- (iii) Improvements to existing PPE, which significantly enhance their useful life.

### **Capitalization**

No capitalisation threshold shall be applied to non-current assets that would be recognized for the first time in the statement of financial position.

### **Depreciation**

The cost of Property, Plant and Equipment is depreciated from the date they are available for use on a straight-line basis over their expected useful lives using applicable rates which are provided in asset policy and procedures.

## **IV. Liabilities**

### **Current liabilities**

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. All goods received notes are recognised as liabilities if not yet paid as at the end of the period. It also includes short term borrowings received by budget agencies from Local Commercial Banks as these are not regarded as public debt.

## **Non-current liabilities**

These non-current liabilities include funds due to suppliers whose repayment shall be done in more than 12 months from the end of the financial year.

## **V. Other relevant information**

### **Important disclosures**

The following Legacy non-current assets and liabilities are disclosed under the important disclosures section of the financial statements for the year ended 30 June 2024 : Heritage Assets that comprise memorial sites, arts and museums, monuments and statues etc; Biological Assets held for Agricultural Activity and Agricultural produce and held as Property, Plant, and Equipment; Valuables; Natural Resources that are assets and whose values cannot be reliably valued; Non-current assets that are damaged and are awaiting auction; Fully depreciated legacy non-current assets; Non-current assets under construction with no reliable cost information; Inventories that are materials and supplies, work in progress, finished goods, agricultural produce and goods held for resale; Liabilities arising from Employee benefits (long term benefits owing at year end); Provisions, Contingent Assets and Contingent Liabilities; Service concession assets and liabilities; and Leased assets and liabilities.

### **Subsequent events**

There has been no events subsequent to the financial year-end with a significant impact on the financial statements for the year ended 30 June 2024.

### **Changes in accounting policies and estimates**

When presentation or classification of items in the financial statements is amended or accounting policies are changed voluntarily, comparative figures have been restated to ensure consistency with the current period unless it is impracticable to do so; in this regard, such adjustments have been treated as adjustments to opening balance.

### **Related parties**

The Government regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over it, or vice versa. Members of key management are regarded as related parties and comprise the state ministers, chief budget managers, executive secretaries and senior managers.

### **Budget information**

The original budget for financial year 2023/2024 was approved by the Parliament/ District council for Local Government before end of June 2023. Subsequent revisions or additional appropriations were made to the approved budget in accordance with specific approvals from the appropriate authorities. The additional appropriations are added to the original budget by the Government upon receiving the respective approvals in order to conclude the final budget. A comparison of budget and actual amounts, prepared on a comparable basis to the approved budget, is then presented in the statement of comparison of budget and actual amounts.

**NATIONAL ELECTORAL COMMISSION (NEC)**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**1. Transfers from National treasury**

During the period of 12 months ended 30 June 2024, NEC received transfers from National Treasury as detailed in the table below:

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
139101	Treasury Direct Payments-current	3,458,421,836	1,265,396,980
139102	Treasury Direct Cash Transfers-current	2,289,220,887	1,170,440,588
<b>Total</b>		<b>5,747,642,723</b>	<b>2,435,837,568</b>

**2. Other revenue**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
145201	Miscellaneous and unidentified revenue (returned mission allowances)	0	334,952
<b>Total</b>		<b>0</b>	<b>334,952</b>

**3. Wages, salaries and employee benefits**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
211101	Political appointees: basic salary in cash	13,389,894	0
211103	political appointees: housing allowances in cash	1,912,846	0
211301	Other employees: basic salary in cash	328,261,682	320,209,295
211303	Other employees: transport allowances in cash	28,389,267	28,527,258
211304	Other employees: housing allowances in cash	46,804,431	45,603,133
211307	Other employees: performance bonus in cash	16,694,356	17,094,757
211313	Other employees: other allowances and benefits in cash	103,067,585	21,910,558
213101	Government contributions to social security for political appointees	765,142	0
213105	Government contributions to medical insurance for diplomats	4,936,041	0
213107	Government contributions to social security fund for other employees	0	18,037,834
213108	Government contributions to medical insurance for other employees	24,572,358	26,693,913

**NATIONAL ELECTORAL COMMISSION (NEC)**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
213109	Government contributions to pension/prov for other employees	19,419,245	0
213110	Government contributions to maternity leave scheme /political appointees	45,910	0
213112	Government contributions to maternity leave scheme/other employees	1,203,009	1,160,187
<b>Total</b>		<b>589,461,766</b>	<b>479,236,935</b>

#### 4. Goods and services

During the period of 12 months ended 30 June 2024, NEC consumed goods and services as detailed in the table below:

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
221101	Stationery and printing consumables	946,638,406	211,552,603
221102	Beverage	73,032,510	37,292,590
221201	Water and electricity bills	12,481,585	46,010,260
221202	Fuels	-	500,000
221204	Electrical consumables - bulbs, wires, tubes	-	16,653,051
221401	Postage and courier	1,130,686	219,430
221402	Fax and telephone	112,221,198	69,556,726
221403	Internet costs	72,026,974	34,272,664
221599	Other licenses	-	6,325,256
221601	Bank charges	11,000	12,000
221603	Bank statement fees	25,000	24,000
221703	Adverts and announcements	286,475,437	39,218,476
221705	Hire of conference rooms	20,786,000	321,000
221708	Guests hotel bills	-	5,331,923
221713	Representation costs	2,485,000	3,897,000
221714	Flags, banners and decoration costs	64,187,100	2,365,900
222101	Translations costs	941,050	1,659,670
222108	Technical assistance remuneration	62,374,591	-
222109	Contractual personnel	38,927,304	75,000
222112	Cleaning services	35,304,363	33,573,740
222199	Other professional services fees	402,701,800	324,306,000
223101	Transportation cost for domestic business travel	1,178,562,079	691,559,212
223102	International airfares	316,520	3,088,527
223104	Domestic per diems	136,518,599	87,651,614
223105	International per diems	-	3,192,579
223109	Lump sum allowance	131,842,990	118,637,786



**NATIONAL ELECTORAL COMMISSION (NEC)**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
223115	Packing -unpacking and moving of goods and services	20,994,128	615,000
223116	Meals	427,758,920	96,975,680
223117	Accommodation cost	7,657,492	5,871,268
224101	Maintenance and/or repairs of administrative buildings	1,222,725	3,110,215
224111	Maintenance and/or repairs of office equipment	20,059,891	11,002,729
224202	Equipment spare part	1,911,200	-
227310	Hire of private security firms	45,704,568	45,704,568
229101	Sports and recreational facilities and services	4,506,452	2,233,510
331202	Fuel for other use	121,355,000	-
<b>Total</b>		<b>4,230,160,568</b>	<b>1,902,809,977</b>

**5. Capital expenditure**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
231499	Acquisition of other ICT equipment, software and assets	-	15,013,200
343202	Laptops	0	4,400,000
<b>Total</b>		<b>0</b>	<b>19,413,200</b>

**6. Depreciation and amortization expense**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
239535	Depreciation - Service Industry machinery and equipment	3,666	0
239546	Depreciation - Computers	9,099,984	
239553	Depreciation - Network security equipment	164,997	
<b>Total</b>		<b>9,268,647</b>	<b>0</b>

**7. Transfer to reporting entities**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
2301	Transfer to reporting entities	0	1,181,440
<b>Total</b>		<b>0</b>	<b>1,181,440</b>

**8. Social assistance**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
272103	Assistance to vulnerable groups	10,000,000	6,000,000
273111	Diseased and funeral costs - other employees	0	11,820,574
<b>Total</b>		<b>10,000,000</b>	<b>17,820,574</b>

**9. Other expenses**

ID account	Description	12 months to 30 June 2024	12 months to 30 June 2023
		Frw	Frw
289103	Insurance of assets	15,555,864	0
285109	Sitting allowances	10,485,740	8,228,583
<b>Total</b>		<b>26,041,604</b>	<b>8,228,583</b>

**10. Cash and cash equivalents**

ID Account	Bank Account number	Bank name	Balance as at 30 June 2024	Balance as at 30 June 2023
			Frw	Frw
311304	1000004398	National Electoral Commission [FRW - Banque Nationale du Rwanda (BNR)]	693,688,103	-
<b>Total</b>			<b>693,688,103</b>	<b>-</b>

**11. Receivable from exchange transactions**

ID account	Description	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
312199	Other accounts receivable (51 NEC staff)	5,925,815	2,092,160
<b>Total</b>		<b>5,925,815</b>	<b>2,092,160</b>

**12. Prepayments and other current assets**

ID account	Description	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
312802	Amount prepaid to Radiant Insurance Company	1,584,038	0
<b>Total</b>		<b>1,584,038</b>	<b>0</b>

**13. Property, Plant and Equipment (PPE)**

ID account	Description	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
362103	Public buildings and structures	2,502,496,960	0
372108	Service Industry machinery and equipment	220,000	0
372113	Furniture and furnishings	126,759,150	0
372115	Domestic appliances	300,000	
372407	Accumulated Depreciation - Service Industry machinery and equipment	(3,666)	0
373102	Computers	172,216,307	0
373104	Computer data input and display devices	5,500,000	0
373105	Computer printers	52,593,346	0
373109	Network security equipment	3,300,000	0
373110	Printing and Photographic and Audio and Visual Equipment	275,000	0
373402	Accumulated Depreciation - Computers	(9,349,980)	0
373409	Accumulated Depreciation - Network security equipment	(164,997)	0
<b>Total</b>		<b>2,854,142,120</b>	<b>0</b>

**14. Intangible assets**

ID account	Description	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
381202	Acquisition - internally generated intangible assets in progress	272,921,160	0
<b>Total</b>		<b>272,921,160</b>	<b>0</b>

**15. Current accounts payable**

ID account	Description	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
<b>412101</b>	<b>Outstanding payment to suppliers</b>	<b>-</b>	<b>2,626,544</b>
	GALAXY LODGE	154,131	
	QT SOFTWARE	25,599,599	
	BSC	1,352,578	
	MHR (Moriah Hill Resort)	1,232,023	
	MTN	5,656,609	
	AOS	1,864,374	

**NATIONAL ELECTORAL COMMISSION (NEC)**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

ID account	Description	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
	VWM (Volkswagen Mobile Solution)	6,000,000	
	PTS (Premier Transport Services)	1,183,146	
	GBE	211,291	
	AIRTEL	127,119	
	BAJ	1,996,214	
	RBA	42,372,881	
	CLASSIC LODGE	83,025	
	BODY MAX	287,531	
	FATIMA HOTEL	742,890	
	NYARUTARAMA SPORT	115,096	
	HAVILLA	575,423	
	NEW HORIZON	123,305	
	BONI CONCILI	186,191	
	SAINT PALLOTTI	7,283,385	
	EATT	354,945	
<b>412105</b>	<b>Returned payments</b>	<b>-</b>	<b>85,492</b>
	MTN	8,274,000	
	RRA/MINAFET	250,000	
	MUSONI Maurice	35,000	
	HARERIMANA Viateur	61,000	
	HARERIMANA Emmanuel	35,000	
	HITAYEZU Gervais	333,807	
	NKUNDOKOZERA JMV	333,807	
	BAYINGANA EMMY	333,807	
	SAINT ANDRE KABGAYI	1,074,153	
<b>412108</b>	<b>Other accounts payable</b>	<b>15,084,338</b>	<b>0</b>
<b>Total</b>		<b>123,316,668</b>	<b>2,712,036</b>

**16. Tax liabilities**

ID account	Description	Balance as at 30 June 2024	Balance as at 30 June 2023
		Frw	Frw
412401	VAT payable - Input VAT	17,777,087	477,700
412402	WHT Payable	1,259,935	27,347
<b>Total</b>		<b>19,037,022</b>	<b>505,047</b>

**NATIONAL ELECTORAL COMMISSION (NEC)**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

**17. IMPORTANT DISCLOSURES**

**17.1. Breakdown of the inventory of supplies and consumables**

Code	Description	Balance as at 30 June 2023	Adjustments	Value (Additions)	Value consumed /disposed of	Balance as at 30 June 2024
		A	B	C	D	(E=A+B+C+D)
		Frw	Frw	Frw	Frw	Frw
331	Consumable stores	362,279,909	0	809,706,005	(259,174,906)	912,811,008
<b>Total</b>		<b>410,103,863</b>	<b>0</b>	<b>809,706,005</b>	<b>(259,174,906)</b>	<b>912,811,008</b>

**17.2. Summary of physical assets**

Categories	Opening balance as at 1 July 2023	Quantity as at 30 June 2023	Value adjustments	Quantity (adjustments)	Value (additions)	Quantity (additions)	Value (consumed)	Quantity (consumed)	Balance value as at 30 June 2024	Balance quantity as at 30 June 2024
	Frw				Frw		Frw	Frw	Frw	Frw
Machinery and other office equipment	965,948,622	3,886	(965,948,622)	(3,886)	0	0	-	-	0	0
<b>Total</b>	<b>965,948,622</b>	<b>3,886</b>	<b>(965,948,622)</b>	<b>(3,886)</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>

**17.3. Summary of intangible assets**

Categories	Opening balance as at 1 July 2023	Quantity as at 30 June 2023	Value (adjustments)	Quantity (adjustments)	Value (additions)	Quantity (additions)	Value (consumed)	Quantity (consumed)	Balance value as at 30 June 2024	Balance quantity as at 30 June 2024
	Frw		Frw		Frw		Frw		Frw	
	A	B	C	D	E	F	G	H	I=A+C+E+G	J=B+D+F+H
Intangible assets	135,000,000	4	(135,000,000)	4	-	-	-	-	0	0

**NATIONAL ELECTORAL COMMISSION (NEC)**  
**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2024**

Categories	Opening balance as at 1 July 2023	Quantity as at 30 June 2023	Value (adjustments)	Quantity (adjustments)	Value (additions)	Quantity (additions)	Value (consumed)	Quantity (consumed)	Balance value as at 30 June 2024	Balance quantity as at 30 June 2024
	Frw		Frw		Frw		Frw		Frw	
	A	B	C	D	E	F	G	H	I=A+C+E+G	J=B+D+F+H
Website costs	30,000,000	2	(30,000,000)	-	-	-	-	-	0	0
Intangible assets computer software	400,000	1	(400,000)	1	-	-	-	-	0	0
<b>Total</b>	<b>165,400,000</b>	<b>7</b>	<b>(165,400,000)</b>	<b>(7)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>

**17.4. Leases**

Entity name	Operator	Grantor	Duration	Starting date	Total lease amount	Number of instalments	Instalment amount	Total amount paid
			Months		Frw	Month	Frw	Frw
NEC	NEC staff	NEC	24	01-02-22	6,486,440	24	5,625	560,525
<b>Total</b>					<b>6,486,440</b>		<b>5,625</b>	<b>560,525</b>