

# Office of the Auditor General of Rwanda



## **STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)**

## **AUDIT REPORT ON FINANCIAL STATEMENTS**

*For the year ended 30 June 2020*

### **OAG Core Values**

**Integrity**

**In public Interest**

**Innovation**

**Objectivity**

**Professionalism**



**TABLE OF CONTENTS**

1. INTRODUCTION .....	2
2. STATEMENT OF MANAGEMENT RESPONSIBILITIES .....	9
3. REPORT OF THE AUDITOR GENERAL .....	10
4. CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020 .....	13
DETAILED AUDIT FINDINGS.....	29
5. REVIEW OF INTERNAL CONTROL SYSTEM.....	30

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**1. INTRODUCTION**

**1.1. Background**

The Government of Rwanda and the World Bank, in Collaboration with a multi- sectoral government counterpart team has developed an integrated program in 2018 to combat chronic malnutrition which is based on global evidence, with a focus on high stunting districts, vulnerable populations and the critical 1,000 days beyond which stunting becomes largely irreversible.

The project was formed under financing Agreement (Credit Number 61870-RW) signed between the Government of Rwanda and the International Development Association (IDA) on 07 March 2018 to finance the Stunting Prevention and Reduction Project (SPRP). The project is expected to close its activities by 30 April 2023.

Rwanda Biomedical Centre (RBC) is the implementing budget agency of the Project. Thirteen (13) Districts have been selected to run the Project activities. Those are Kayonza, Bugesera, Ruhango, Huye, Nyamagabe, Rubavu, Rutsiro, Karongi, Nyabihu, Rusizi, Nyaruguru, Ngororero and Gakenke Districts.

**1.2. Project Information**

Project Start Date	The project approval date is 28 <sup>th</sup> February 2018 The date of signing the funding agreement is 7 <sup>th</sup> March 2018 The project effectiveness date is 05 <sup>th</sup> June 2018
Implementing agency	The implementing Budget Agency is Rwanda Biomedical Centre (RBC)
Project sponsors	International Development Agency (IDA) Power of Nutrition Trust Fund (PON) Global Financing Facility (GFF)
Project end date	The project completion date is 30 <sup>th</sup> April 2023 The project last disbursement date is 31 <sup>st</sup> August 2023

**1.3. Project Overview**

Project title	Stunting Prevention and Reduction Project (SPRP)
Credit Number	61870-RW
Grant Number	A6567 & A6783
Line Ministry of the Program	Ministry of Health (MoH)
Strategic goals of the project	To contribute to the reduction in the stunting rate among children under five years of age (with a focus on those under two) in the targeted districts.
Project Scope and Components	The project will support the following components:  <b>Component 1: Prevention of Stunting at Community &amp; Household Levels</b>  This component supports the Government to improve awareness of stunting, and deliver harmonized behaviour change messages at all levels (i.e. national, local government, and household) and across

several key sectors (i.e. health, social protection, agriculture, water and sanitation). It supports the Ministry of Health (MoH)/RBC to implement, monitor and evaluate the revamped national, multi-sectoral behavioral change communication strategy, building on work funded by USAID and the European Union.

This component boosts the productivity and performance of Community Health Workers (CHWs) and explores options for professionalizing them. CHWs benefit from enhanced training on a revised curriculum focused on reinforcing household behaviour change on complementary feeding, early childhood stimulation, and hygiene; improved supportive supervision and mentorship; innovative technologies to enhance their effectiveness and strengthen links to the health system. They are incentivized through the PBF scheme; and benefit from strengthening of the commodity supply chain. These interventions, supported at scale by both the World Bank and other partners, are critical for enhancing performance of CHWs and driving the program's success. CHWs continue to play a role in raising awareness about stunting, carrying out growth promotion activities, and sensitizing Early Childhood Development (ECD) caregivers and communities on the importance of proper child growth.

#### **Component 2: High-impact Health and Nutrition Services**

To address key gaps in service delivery, health centers in the targeted districts are supported and incentivized to improve utilization and coverage of an enhanced package of high-impact nutrition and health interventions. These interventions include those identified in the Government's Acceleration of Reduction of Stunting Strategy which are in line with the 2008/2013 Lancet recommendations:

- (i) Height monitoring and growth promotion and effective tracking of faltering children, early initiation and exclusive breast feeding, deworming, micronutrient supplementation (i.e. Vitamin A supplementation; therapeutic zinc supplementation with Oral Rehydration Solution (ORS); multiple micronutrient supplement powders); and
- (ii) Critical nutrition and health interventions for women (i.e. four antenatal care visits, four postnatal care, iron/folic acid supplementation, family planning, counselling on child care, complementary feeding and hygiene).

The project also supports health facilities with training, information technologies, and logistical support from the national level. To this end, the support is being provided for the design and roll out of new information technologies (i.e. two-way messaging system using smart phones and tablets) and interactive systems for

	<p>tracking every pregnant woman and child, ensuring prompt identification of growth faltering and effective response at the facility and household levels.</p> <p><b>Component 3: Monitoring and Evaluation (M&amp;E) and Project Management</b></p> <p>This component supports M&amp;E, and project management. To this end, it supports the following activities:</p> <ul style="list-style-type: none"> <li>(i) Conducting rigorous evaluations to draw timely lessons on what works, how much it costs, and how it can be scaled up;</li> <li>(ii) Facilitating learning and knowledge sharing at both the community and district level; and</li> <li>(iii) Supervising, coordinating and providing oversight. As participating districts scale up interventions, the project will support learning and knowledge sharing.</li> </ul> <p><b>Component 4: Contingency Emergency Response Component (CERC)</b></p> <p>This component was included to support a rapid response to disease outbreaks, as per the Government’s request to the Bank to access the Pandemic Emergency Financing Facility. The objective of this component is to improve Rwanda’s response capacity in the event of an emergency, following the procedures governed by Bank Policy on Investment Project Financing, paragraphs 12-14, regarding “Projects in Situations of Urgent Need of Assistance or Capacity Constraints.” There is a moderate to high probability that during the life of the project the country may experience a natural or man-made disaster or crisis, including a disease outbreak of public health importance or other health emergency, which has caused, or is likely to imminently cause a major adverse economic and/or social impact. In anticipation of such an event, the CERC provides Rwanda with rapid reallocation of undisbursed funds from other project components following an emergency to address immediate financing needs to mitigate, respond and recover from the potential harmful consequences arising from such emergency.</p> <p>The availability of immediate financing is critically important in:</p> <ul style="list-style-type: none"> <li>(a) supporting the first response;</li> <li>(b) helping to coordinate the early recovery phase; and</li> <li>(c) Bridging the gap to longer term recovery and reconstruction phases.</li> </ul>
<p>Specific achievement of strategic goals/outputs of the projects</p>	<p><b>The SPRP key achievements as at 31 August 2020 are:</b></p> <p><b>Communication Campaigns</b> – guided by the approved Social Behavior Communication Change (SBCC) Strategy (2019-2024), RBC in collaboration with National Early Childhood Development Program (NECDP) conducted intensive mass media on nutrition,</p>

hygiene practices and stunting awareness, promotion of first 1000 days of children life through various channels including (i) 31,600 Information, Education and Communication (IEC) materials sessions and 45,000 booklets and posted at health facility, (ii) several radio spots and short videos were aired in 120 days, (iii) 25 live talk shows on Radio and TV (Imboni, Intambwe, Menya wirinde), (iv) 140 daily health tips (v) 180 Disc Jockey (DJ) mentions broadcasted in 90 days, (vi) comic series (Waruziko) broadcasted in 90 days, (vii) banners (80 street banners, 7,000 posters) and (viii) community dialogues/outreaches mobilized 95,000 –110,000 people in 13 districts about antenatal care, immunization, family planning, Fortified Blended Food (FBF), breastfeeding, 1,000 days of child life and hygiene practices as well as (ix) cooking demonstration sessions (for example women of Rubavu and Bugesera Districts demonstrated the improvement in prevention of malnutrition during pregnancy and breastfeeding period from the acquired knowledge).

**CHW Program** – the reform of the CHWs included the review and integration of the curriculums, training guidelines as well as training modules. Training on Integrated Community Health Package for CHWs was completed and they are currently undergoing training on integrated ECD standard services. As result, CHWs assessment in piloting phase proved 92% of assessed CHWs to be competent. Regarding the CHWs strategy, the studies are underway aiming at developing a performant CHWs program model to improve the financial sustainability of the CHWs cooperative.

**Home-based ECD models and Wash Interventions** - 20,078 Home-based ECDs were set in February 2020 following GoR policy of 3 ECDs per village. At least 6,000 were established under SPRP support. Additionally, 6,464 households in 13 districts including Home Based ECDs and extremely poor households have access to improved latrine structures along water filters and safe drinking water storage containers; 949 households (only ECDs) in Nyaruguru and Gakenke have home utensils and food storage containers and 168 water tanks were distributed to ECD Centers (one for each sector in 13 districts which receives high number of children has received a water tank). Home Based ECDS have also received 2 sitting mats, 2 registers, 2 children books for each ECD.

Regarding the stunting visualization for growth monitoring at community level, 507 Health Centers, 14,816 villages have also received length mats.

**District multi-sectorial response** - District Planning for Eliminating Malnutrition (DPEM) financing quarterly transfers were made to 13 districts. Achievements by districts include among others:

- (i) 2,768 ECDs supported with food and porridge,
- (ii) 103,480 children benefited from these food and porridge
- (iii) 134,229 plants trees were distributed,
- (iv) 25,856 vulnerable households in Ubuehe category 1 (U1) received fruit threes.

Fortified Blended Food (FBF) procurement and distributions – 4,142.68 tons of FBF were distributed to Districts (1 ton per district) up to August 2020 and procurement process of motorbikes (1 per district) to facilitate Fortified Blended Food (FBF) monitoring and evaluation was completed.

**Supply Chain & Delivery Platforms** – Currently, CHWs are conducting stunting prevention at community and monitor maternal and child health via various technologies introduced such as revamping Nutritional Applications for reporting SPRP indicators. Also various nutritional commodities and drugs for maternal and child health were distributed to Health Facilities such as (a) iron/Hg/RPR, (b) Urine Pregnancy Test Kits, (c) Acid Folic and Ferrous Sulphate, (d) MICROCUVETTES HB 201 Hemoglobin, (e) MICROCUVETTES HB 301 Hemoglobin and Gloves for CHWs.

**Clinical and Community Performance Based Financing and Staff Training** – All staff in health facilities under SPRP support were trained on the project performance indicators and activities. Accordingly clinical and community PBF were paid for two fiscal years (2018/2019 and 2019/2020) on quarterly basis to remunerate achievements made on each and every indicator.

**Contingency Emergency Response Component (CERC) – the following progress were made including (i)** 19 points of entries are under rehabilitation across 10 districts and 2 operational vehicles for sample transportation, emergency travels, outreach and rapid response activities were procured and are operational. The procurement process for establishing and equipping isolation facilities in 8 hospitals is complete.

**Child Score Card** – They are tools developed to strengthen monitoring of all interventions received or missed by pregnant women and children under 2 years of age at community level. After being successfully tested in Nyabihu from November 2019, the training of implementers was conducted in 5 districts including (Nyabihu, Rutsiro, Gakenke, Nyaruguru and Kayonza).

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**1.4. Project cost and financing**

The project is estimated to Cost **USD 55 million**. It is Co-financed by IDA credit of **USD 25**; a Multi-Donor Trust Fund grant (MDTF Grant Number A6567) of **USD 20 million** and a Global Financing Facility Grant (GFF Grant Number A6783) of **USD 10 million** as analysed in the tables 1 and 2 below.

**Table 1: Expected disbursement per project component and development partner(s)**

Project Components	Project cost	IDA Financing	Trust Funds MDTF	Trust Funds GFF
	USD (million)	USD (million)	USD (million)	USD (million)
<b>Component 1: Prevention of Stunting at Community and Household Level</b>	<b>35.0</b>	<b>24.0</b>	<b>3.0</b>	<b>8.0</b>
□ Communication Campaigns	4.0	1.0	3.0	-
□ CHW Program and community-led approaches	6.5	2.0	-	4.5
□ Home based ECD models	8.2	8.2	-	-
□ WASH Interventions	4.5	4.5	-	-
□ District multi-sectoral response	5.5	2.0	-	3.5
□ Community PBF	6.3	6.3	-	-
<b>Component 2: High impact Health and Nutrition Services</b>	<b>14.5</b>	<b>-</b>	<b>14.5</b>	<b>-</b>
□ Supply Chain & Staff Training	11.0	-	11.0	-
□ Facility PBF	3.5	-	3.5	-
<b>Component 3: M&amp;E, and Project Management</b>	<b>5.5</b>	<b>1.0</b>	<b>2.5</b>	<b>2.0</b>
□ M&E, Learning & Knowledge Sharing	4.5	-	2.5	2.0
□ Project Management	1.0	1.0	-	-
<b>Total Costs</b>	<b>55.0</b>	<b>25.0</b>	<b>20.0</b>	<b>10.0</b>

**Table 2: Multiyear expected disbursements in (USD, millions)**

Fiscal year (July-June)	2018	2019	2020	2021	2022	2023
Annual	2.80	8.30	11.00	16.50	11.00	5.50
<b>Cumulative</b>	<b>2.80</b>	<b>11.00</b>	<b>22.00</b>	<b>38.50</b>	<b>49.50</b>	<b>55.00</b>

**1.5. Funding summary**

Source of funds	Development Partner Commitment USD	Cumulative amount received as at 30 June 2020 (USD)	Cumulative amount received as at 30 June 2020 (Frw)	Undrawn balance as at 30 June 2020 (USD)	Undrawn balance as at 30 June 2020 (Frw)
	(A)	(B)		(A)-(B)	
<b>(i) Grant</b>					

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

Source of funds	Development Partner Commitment USD	Cumulative amount received as at 30 June 2020 (USD)	Cumulative amount received as at 30 June 2020 (Frw)	Undrawn balance as at 30 June 2020 (USD)	Undrawn balance as at 30 June 2020 (Frw)
	(A)	(B)		(A)-(B)	
WB-GFF	10,000,000	6,052,333	5,198,954,047	3,947,667	3,391,045,953
WB-MDTF	20,000,000	4,525,962	3,887,801,358	15,474,038	13,292,198,642
<b>(ii) Loan</b>					
WB-IDA	25,000,000	12,160,415	10,445,796,485	12,839,585	11,029,203,515
<b>Total</b>	<b>55,000,000</b>	<b>22,738,710</b>	<b>19,532,551,890</b>	<b>32,261,290</b>	<b>27,712,448,110</b>

**1.6. Registered office**

The project is domiciled in Kigali, Rwanda.  
Rwanda Biomedical Center (RBC)  
P.o. Box 7357  
Kigali-Rwanda

**1.7. Bankers**

National Bank of Rwanda (BNR)

**1.8. Auditors**

The project is audited by the Office of the Auditor General.

**1.9. Management team**

The management team who held office during the year ended 30 June 2020 until the time of audit in October 2020 is as follows:

Name	Position
Dr. Sabin NSANZIMANA	Director General - RBC from 30 July 2019 to date
Dr. Jeanine U.CONDO	Director General-RBC from 19 February 2016 to 30 July 2019
James KAMANZI	Deputy Director General – RBC
Dr. Gilbert BIRARO	RBC/SPIU Coordinator
Dr. Felix SAYINZOGA	Maternal Child Community Health (MCCH) Division Manager
Isaac MBWIRABUMVA	SPRP Program Manager
George NTAGANDA	Corporate Services Program Manager - SPIU/RBC
Epaphrodite BITEGA	Financial Coordination Specialist - SPIU/RBC
Valens HABİYAREMYE	SPRP Financial Specialist
Francis K. KAREGYESA	SPRP Financial Specialist
Jean Felix DUSENGE	SPRP M&E Specialist

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**2. STATEMENT OF MANAGEMENT RESPONSIBILITIES**

Article 66 of the Organic Law N° 12/2013 of 12/09/2013 on State Finances and Property requires budget agencies to prepare and submit to the Ministry annual financial statements in a period of one month from the end of the fiscal year and submit their annual financial statements to the Auditor General of State Finances not later than 30<sup>th</sup> September of the following fiscal year.

Article 19 of the Organic Law N° 12/2013 further stipulates that the Chief Budget Manager is responsible for maintaining accounts and records of the budget agency, preparing reports on budget execution, managing revenues and expenditures, preparing, maintaining and coordinating the use of financial plans, managing the financial resources for the budget agency effectively, efficiently and transparently, ensuring sound internal control systems in the budget agency and safeguarding the public property held by the budget agency.

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 No. 001/16/10/TC of 26/01/2016 relating to financial regulations.

These financial statements have been extracted from the accounting records of Stunting Prevention and Reduction Project (SPRP) 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 Stunting Prevention and Reduction Project (SPRP). I further confirm that Stunting Prevention and Reduction Project (SPRP) 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.

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

**Dr. Sabin NSANZIMANA**  
Director General



Date: 24.12.20

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

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

**Dr Sabin NSANZIMANA**  
**Director General**

##### **3.1. Opinion**

As required by Article 165 of the Constitution of the Republic of Rwanda of 2003 revised in 2015, 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 **Stunting Prevention and Reduction Project (SPRP)** for the year ended 30 June 2020. These financial statements comprise the statement of financial position as at 30 June 2020, the statement of revenue and expenditure, statement of cash flows, statement of changes in net assets and budget execution report for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. These financial statements are set out on pages 13 to 28.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of **Stunting Prevention and Reduction Project (SPRP)** as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with the guidelines provided by Ministerial Order n° 001/16/10/TC of 26/01/2016 relating to financial regulations and Organic Law N° 12/2013/OL of 12/09/2013 on State Finances and Property.

##### **3.2. Basis for Opinion**

I conducted my 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 **Stunting Prevention and Reduction Project (SPRP)** 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 qualified opinion.

##### **3.3. Responsibilities of management and Project Steering Committee for the Financial Statements**

According to Organic Law N° 12/2013/OL of 12/09/2013 on State Finances and Property, management of **Stunting Prevention and Reduction Project (SPRP)** is responsible for keeping accounting records and books of account, and preparation of financial statements in accordance with the financial regulations prescribed by the Minister in Ministerial order n° 001/16/10/TC of 26/01/2016 relating to financial regulations. 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.

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)**  
**AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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In preparing the financial statements, management is responsible for assessing the **Stunting Prevention and Reduction Project (SPRP)**'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 the **Stunting Prevention and Reduction Project (SPRP)**.

Those charged with Governance of this project are the Project Steering Committee. They are responsible for overseeing **Stunting Prevention and Reduction Project (SPRP)**'s financial reporting process.

### **3.4. Auditor General's responsibilities for the audit of 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 the **Stunting Prevention and Reduction Project (SPRP)**'s ability to continue as a going concern as well as evaluating the presentation of the financial statements.

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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- 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.



**BIRARO R. Obadiya**  
**AUDITOR GENERAL**  
**KIGALI**

*Dec 26,*.....2020

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**4. CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**4.1 CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2020**

Description	Notes	12 months to 30 June 2020 Frw	12 months to 30 June 2019 Frw
<b>Revenues</b>			
Grants	2	3,697,576,822	2,086,414,117
Other revenue	3	159,050,160	211,972,901
External borrowings	4	7,131,197,854	1,405,326,169
<b>Total Revenue</b>		<b>10,987,824,836</b>	<b>3,703,713,187</b>
<b>Expenses</b>			
Goods and services	5	8,947,851,912	5,391,156,608
Social assistance	6	1,165,338,894	1,466,858,595
Acquisition of fixed assets	7	-	7,547,929
<b>Total expenses</b>		<b>10,113,190,806</b>	<b>6,865,563,132</b>
<b>Surplus / (Deficit) for the period</b>		<b>874,634,030</b>	<b>(3,161,849,945)</b>

The notes set out on pages 18 to 28 form an integral part of the financial statements.

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**4.2 CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020**

Description	Notes	Balance as at 30 June 2020 Frw	Balance as at 30 June 2019 Frw
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	8	3,761,073,370	2,924,454,150
<b>Total assets (A)</b>		<b>3,761,073,370</b>	<b>2,924,454,150</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Payables	9	(41,658,844)	(85,472,889)
<b>Total liabilities (B)</b>		<b>(41,658,844)</b>	<b>(85,472,889)</b>
<b>Net assets (C = A-B)</b>		<b>3,719,414,526</b>	<b>2,838,981,261</b>
Accumulated surplus	10	2,838,981,261	6,000,831,206
Prior year adjustments	11	5,799,235	-
Surplus (deficit) of the period		874,634,030	(3,161,849,945)
<b>Total net assets</b>		<b>3,719,414,526</b>	<b>2,838,981,261</b>

The notes set out on pages 18 to 28 form an integral part of the financial statements.

The financial statements were approved by SPRP management and were signed on its behalf by:

Prepared by: KAREGYESA KAYENDA Francis  
Financial Specialist

Signature

Date

Checked by: EPAPHRODITE BITEGA  
Financial Coordination Specialist

Signature

Date

Checked by: NTAGANDA George  
Corporate service Program Manager

Signature

Date

Checked by: Dr Gilbert BIRARO  
Project Coordinator

Signature

Date

Approved by: Dr Sabin NSANZIMANA  
Chief Budget Manager

Signature

Date



**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**4.3 CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED  
30 JUNE 2020**

<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
<b>Cash flows from operating activities</b>		
Grants	3,697,576,822	2,086,414,117
Other revenue	159,050,160	211,972,901
<b>Expenses</b>		
Goods and services	(8,915,411,471)	(5,391,156,608)
Social assistance	(1,165,338,894)	(1,466,858,595)
<b>Adjusted for:</b>		
Changes in payables	(77,284,561)	85,472,889
Prior year adjustments	5,799,235	-
<b>Net cash flows from operating activities</b>	<b>(6,295,608,709)</b>	<b>(4,474,155,296)</b>
<b>Cash flows from investing activities</b>		
Acquisition of fixed assets	-	(7,547,929)
<b>Net cash flows from investing activities</b>	<b>-</b>	<b>(7,547,929)</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	7,132,227,929	1,405,326,169
<b>Net cash flows from financing activities</b>	<b>7,132,227,929</b>	<b>1,405,326,169</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>836,619,220</b>	<b>(3,076,377,056)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>2,924,454,150</b>	<b>6,000,831,206</b>
<b>Cash and cash equivalents at end of period</b>	<b>3,761,073,370</b>	<b>2,924,454,150</b>

The notes set out on pages 18 to 28 form an integral part of the financial statements.

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**4.4 CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS FOR THE  
YEAR ENDED 30 JUNE 2020**

<b>Description</b>	<b>Accumulated surplus/loss Frw</b>	<b>Adjustments Frw</b>	<b>Total Frw</b>
Balances as at 30 June 2018	6,000,831,206	-	6,000,831,206
Net deficit for the financial year	(3,161,849,945)	-	(3,161,849,945)
Balance as at 30 June 2019	2,838,981,261	-	2,838,981,261
Balances as at 01 July 2019	2,838,981,261	-	2,838,981,261
Cash and cash equivalents	-	5,799,235	5,799,235
Net surplus for the financial year	874,634,030		874,634,030
<b>Balances as at 30 June 2020</b>	<b>3,713,615,291</b>	<b>5,799,235</b>	<b>3,719,414,526</b>

The notes set out on pages 18 to 28 form an integral part of the financial statements.

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)**  
**AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**4.5 CONSOLIDATED BUDGET EXECUTION REPORT FOR THE YEAR ENDED  
30 JUNE 2020**

Description	Budget Frw A	Actual Frw B	Variance Frw A-B	Performan ce (%) (B/A)*100
<b>RECEIPTS</b>				
Grants	4,768,306,659	3,697,576,822	1,070,729,837	77.54%
Other revenues	-	159,050,160	(159,050,160)	0%
<b>Total receipts</b>	<b>4,768,306,659</b>	<b>3,856,626,982</b>	<b>911,679,677</b>	<b>80.88</b>
<b>EXPENDITURE</b>				
Goods and services	9,386,293,467	8,947,851,912	470,881,996	95%
Capital expenses	1,368,900,403	-	1,368,900,403	0%
Social assistance	-	1,165,338,894	(1,165,338,894)	0%
<b>Total payments</b>	<b>10,755,193,870</b>	<b>10,113,190,806</b>	<b>674,443,505</b>	<b>94.03%</b>
<b>Financing</b>				
Borrowings - External	5,986,887,211	7,131,197,854	(1,145,340,718)	119%
<b>Total net incurrence of liabilities</b>	<b>-</b>	<b>874,634,030</b>		

The notes on pages 18 to 28 form an integral part of the financial statements.

**Explanation of variances:**

- (i) *The overall budget performance is 94.03%. The variance was due to ongoing contracts and commitments*
- (ii) *Grants: The variance on grants was due to pending contracts and commitments.*
- (iii) *Other revenue: It includes exchange gains and monthly translation gains plus the funds returned by Kayonza District (previously used for non-related activities). This revenue was not initially planned during 2019-2020 fiscal year.*
- (iv) *Capital expenditure: There was no capital-related expenditure during 2019-2020 fiscal year.*
- (v) *Social assistance: Social assistance related expenditure that was initially planned under acquisition of capital assets and adjustments were made thereafter.*
- (vi) *Proceeds from borrowings: The increase of proceeds from borrowings was due to purchase of FBF which was not initially planned. It came in after restructuring the project.*

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

### **1. Significant accounting policies**

Public entities maintain their books of account on a modified accrual basis of accounting as prescribed in basis for preparation.

#### **1.1. Statement of compliance**

The financial statements have been prepared in accordance with the Organic Law N° 12/2013 of 12/09/2013 on State Finances and Property and related legal framework. These financial statements have been authorized for issue by The Chief Budget Manager on 14 August 2020. 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.

#### **1.2. Basis of preparation**

The financial statements have been prepared on the basis of historical costs unless otherwise stated. The statement of cash flow statement is prepared using the direct method.

In this context, modified accrual basis of accounting means that financial transactions and events shall generally be recognized in the books of account when they occur and not only when cash or its equivalent is received or paid.

The financial statements are presented in Rwanda Francs (Frw).

#### **1.3. Reporting entity**

The Financial Statements have been prepared by **Stunting Prevention and Reduction Project (SPRP)**.

#### **1.4. Reporting periods**

The Government of Rwanda fiscal year runs from 1<sup>st</sup> July to 30<sup>th</sup> June. These financial statements cover the period from 1<sup>st</sup> July 2019 to 30<sup>th</sup> June 2020. The comparative figures reflect the 12 months ended 30<sup>th</sup> June 2020.

#### **1.5. Key assumptions and judgements**

These financial statements, as a component of the Government consolidated financial statements, reflect the Government's financial position as at 30 June 2020, and the financial results of operations and cash flows for the period/year ended on that date. Included in these financial statements are a number of judgements, estimations and assumptions.

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.

## **1.6. Presentation currency**

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

The rates used to translate foreign currency balances is the average rate applicable by National Bank of Rwanda as at 30 June 2020.

## **1.7. Adoption of new and revised standards**

The Government is in the process of transitioning to IPSAS through a phased approach that involves a six-year implementation plan. The current year is year 2 of the transition process. By the end of the six-year implementation period, the Government plans to have fully transitioned to IPSAS and adopted all relevant standards.

## **1.8. Recognition**

### **I. Revenue recognition**

#### **• Grants**

In the context of this Project, grants are transfers received from World Bank. Grants are recognised in the books of accounts when cash is received.

#### **• Other revenue**

These are other revenue not classified in other classes of revenue. This includes foreign exchange gains, claims from insurance and guarantees seized.

#### **• Borrowings**

The Ministry of Finance and Economic Planning is the principal borrowing agent for Central Government. Public debt and associated interest is recognized on cash basis. Proceed from loan borrowing is recognized as revenue during the year of receipt at cost and repayment as expenditure in the year of repayment. Cash is considered as received when recipient entity received a transfer advice from the partner rather than when cash is received in the bank account of the receiving entity.

### **II. Expenditure**

All expenditure is recognised on accrual basis. However, the point of recognition may be different according to their categories.

#### **a) Goods and services**

Goods and services consists 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. In practice, these events often coincide for inputs of services but not for goods, which may be acquired some time in advance of their use. The

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

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value of goods purchased and held for resale is recorded as goods and services when they are sold.

**b) Social assistance**

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 is accounted for on cash basis and recognized in the books of accounts when cash and cash equivalent is paid out. Cash is considered as paid when consideration for payment such as EFT, Cheque, Payment Order are signed rather than when cash and cash equivalent are debited from the bank statement.

**III. Assets and Liabilities**

**a) Cash and bank balances**

They comprises cash on hand and balances with banks.

**b) Payables**

These mainly relate to invoices for goods and services which were outstanding on the date of the closure of the fiscal year. These are recognized as liabilities for that specific fiscal year. 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.

**IV. Other relevant information**

**a) 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 are restated to ensure consistency with the current period unless it is impracticable to do so.

**b) Foreign currency transactions**

Transactions denominated in foreign currencies are initially translated to the Rwandan Franc at the foreign exchange rate at the date of transaction.

The National Bank of Rwanda provides exchange rates for major foreign currencies on a daily basis. These are presented for selling rate (rate the bank will sell foreign currency to its clients), buying rate (rate the bank will buy foreign currency from its clients) and average rate (average between the selling and buying rate).

During the year, revenue items are translated using the selling rate (this equals the Buying rate presented at BNR website) of the transaction day whereas the Expense items should be

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

translated using the buying rate (this equals the selling rate presented at BNR website) of the transaction day.

The associated exchange losses are recorded as other expenditure while exchange gains should be recorded as other revenue. At the end of the year, book balances, Assets (such as bank and cash and accounts receivables) and liability (such as accounts payables), denominated in foreign currencies are converted into the Rwanda Franc at the average rate of exchange ruling on that closing date, as issued by the National Bank of Rwanda. The associated exchange losses/gains are recorded as expenditure/income in the books.

**c) Comparative figures**

Adjustments have been made on the opening balances of the current financial period with respect to adjustments made by individual entities relating to the comparative periods.

**d) Subsequent events**

There have been no events subsequent to the financial year end with a significant impact on the financial statements for the year ended 30 June 2020.

**2. Grants**

During the 12 months to 30 June 2020, SPRP received grants from Development Partners as detailed in the table below:

Name of Donor	Transaction date	Amount in foreign currency USD	Exchange rate	12 months to 30 June 2020 Frw	12 months to 30 June 2019 Frw
<b>International Organizations</b>					
Power of Nutrition (PoN)	4/5/2020	325,000	922.534037	299,823,562	1,343,755,912
Power of Nutrition (PoN)	21/11/2019	862,963	908.057191	783,619,758	-
Power of Nutrition (PoN)	24/6/2020	650,156	926.87855	602,615,651	-
Global Financing Facility (GFF)	4/5/2020	293,963	922.534037	271,190,873	-
Global Financing Facility (GFF)	21/11/2019	1,620,129	908.057191	1,471,169,789	742,658,205
Global Financing Facility (GFF)	24/6/2020	290,391	926.87855	269,157,189	-
		<b>4,042,602</b>		<b>3,697,576,822</b>	<b>2,086,414,117</b>

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**3. Other revenue**

During the 12 months to 30 June 2020, SPRP received funds from various other sources as detailed in the table below:

<b>ID Account</b>	<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
145111	Gain on currency exchange and translations	158,675,560	211,972,901
1452	Unidentified revenue (Exchange refund-Kayonza District)	374,600	-
	<b>Total</b>	<b>159,050,160</b>	<b>211,972,901</b>

**4. External borrowings**

During the year ended 30 June 2020, the project received loan as detailed in the table below

<b>Name of Partner</b>	<b>Date on which the loan was received</b>	<b>Amount in foreign currency USD</b>	<b>Exchange rate</b>	<b>Amount in local currency/ fiscal year ended 30 June 2019 Frw</b>	<b>Amount in local currency/ fiscal year ended 30 June 2018 Frw</b>
IDA	5/4/2019	1,622,227	922.534037	1,496,559,623.24	1,405,326,169
IDA	24/6/2020	3,149,596	926.8785501 379	2,919,292,974	-
IDA	21/11/2019	2,990,280	908.057191	2,715,345,257.10	-
<b>Total</b>		<b>7,762,103</b>		<b>7,131,197,854</b>	<b>1,405,326,169</b>

**5. Goods and services**

During the year ended 30 June 2020, the project consumed goods and services as detailed in the table below:

<b>ID Account</b>	<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
2211	Office supplies and consumables	467,069,105	557,437,473
221402	Fax and telephone	348,460,349	452,337,313
2216	Bank charges	79,030.00	16,403,250
2216	Loss on currency exchange and translations	39,180,349	-
221703	Adverts and announcements	434,604,431	813,630,619
221704	Meetings and special assembly costs	58,452,330	-

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

<b>ID Account</b>	<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
222108	Technical assistance remuneration	67,234,650	-
222109	Contractual personnel	180,494,030	1,337,889,853
222118	Performance Based Financing (PBF)	2,225,496,403	-
2231	Transport and travel	449,726,453	-
2271	Health and hygiene	4,290,154,382	152,111,401
226	Training costs	386,900,400	2,061,346,699
	<b>Total</b>	<b>8,947,851,912</b>	<b>5,391,156,608</b>

### 6. Social assistance

During the year ended 30 June 2020, the project incurred social assistance expenditure as detailed in the table below:

<b>ID Account</b>	<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
272	Social assistance benefits	1,165,338,894	1,466,858,595
	<b>Total</b>	<b>1,165,338,894</b>	<b>1,466,858,595</b>

### 7. Capital expenditure

During the year ended 30 June 2020, the project incurred capital expenditure as detailed in the table below:

<b>ID Account</b>	<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
232	Acquisition of intangible assets – Website	-	7,547,929
	<b>Total</b>	<b>-</b>	<b>7,547,929</b>

### 8. Cash and cash equivalents

The bank amounts shown in the table below have been reconciled to the bank statements as at 30 June 2020 and as at 30 June 2019:

<b>ID account</b>	<b>Bank name</b>	<b>Account number</b>	<b>Balance as at 30 June 2020 Frw</b>	<b>Balance as at 30 June 2019 Frw</b>
<b>Local bank accounts</b>				
311301	BNR	1000043873	3,352,441,918	2,511,484,153
311302	NECDP	1000045787	202,961,057	23,865,968
311303	Ngororero District	1000046856	41,600,240	44,034,090

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

<b>ID account</b>	<b>Bank name</b>	<b>Account number</b>	<b>Balance as at 30 June 2020 Frw</b>	<b>Balance as at 30 June 2019 Frw</b>
311304	Bugesera District	1000046325	4,748,715	13,978,737
311305	Nyamagabe District	1000047038	1,666,045	16,759,100
311306	Rubavu District	1000047267	3,731,350	29,478,360
311307	Gakenke District	1000046597	6,420,267	23,755,237
311308	Nyabihu District	1000047321	16,696,738	8,890,522
311309	Kayonza District	1000046759	10,157,897	9,552,637
311310	Ruhango District	1000046357	17,374,937	38,924,071
311311	Nyaruguru District	1000045817	3,967,454	38,131,513
311312	Rusizi District	1000046546	30,613,963	38,915,384
311313	Rutsiro District	1000047698	5,851,451	35,807,915
311314	Huye District	1000046268	12,357,954	34,051,763
311313	Karongi District	1000047097	33,193,036	56,824,700
1	Kigeme Hospital	500008731128	363,000	-
2	Gisenyi Hospital	530009275170	-	-
3	Kabaya Hospital	522335571210168	318,000	-
4	Gitwe Hospital	560000174685	114,000	-
5	Kabutare Hospital	500008644939	61,960	-
6	Nyamata Hospital	620020014769	160	-
7	Gihundwe Hospital	540031748635	5,377,500	-
8	Muhororo Hospital	560000243191	241,590	-
9	Mibilizi Hospital	2200531550147	9,304,500	-
10	Kibuye Hospital	214205117151010	373,278	-
11	Kaduha Hospital	70133803000601	-	-
12	Gahini Hospital	570007292040	-	-
13	Shyira Hospital	3100621960220	224,000	-
14	Rwinkwavu Hospital	213107402151010	-	-
15	Ruli Hospital	400020809664	266,000	-
16	Huhango Hospital	850040797955	1,350	-
17	Nemba Hospital	3100623430449	3,000	-
18	Murunda Hospital	214107984151014	82,850	-
19	Munini Hospital	1700362441974	559,160	-
			<b>3,761,073,370</b>	<b>2,924,454,150</b>

**9. Accounts payable**

The following were accounts payable as at 30 June 2020:

<b>ID Account</b>	<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
4121	<b>Accounts payable -Third parties</b>		
	Returned payments	4,376,208	53,440,150
	Mission allowances	2,796,500	-

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

<b>ID Account</b>	<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
	Techno Star	85,000	-
4122	<b>Payroll liability</b>		
412301	<b>Payables to Government budget agencies</b>		
	Kayonza District	475,000	8,088,823
	Nyabihu District	455,620	-
412302	<b>Payables to Public Enterprises (GBEs)</b>		
	RBC (MTN Rwanda cell)	33,470,516	11,812,448
	Kayonza District	-	4,087,584
	Gakenke District	-	1,223,500
	Ngororero District	-	5,931,200
	Rusizi District	-	255,000
4124	<b>Tax liabilities</b>		
	VAT	-	634,184
	<b>Total</b>	<b>41,658,844</b>	<b>85,472,889</b>

**10. Accumulated surplus from previous years**

These include cash book reconciled bank balances, petty cash balances, accounts payable balances as well as accounts receivable balances existing at the beginning of the year along with the closing balance of the prior year adjustments and the accumulated balance as of the last year.

<b>ID account</b>	<b>Description</b>	<b>June 2020 (Submitted for consolidation) Frw</b>	<b>June 2019 (adjustments) Frw</b>	<b>June 2019 (After audit adjustment) Frw</b>
511101	Cash and cash equivalents	2,924,454,150	-	2,924,454,150
511103	Accounts payable	(85,472,889)	-	(85,472,889)
<b>521101</b>	<b>Total</b>	<b>2,838,981,261</b>		<b>2,838,981,261</b>

**11. Prior year adjustments**

The following are prior year adjustments to opening balances:

<b>ID Account</b>	<b>Description</b>	<b>12 months to 30 June 2020 Frw</b>	<b>12 months to 30 June 2019 Frw</b>
512101	Cash and cash equivalents*	5,799,235	-
	<b>Total</b>	<b>5,799,235</b>	<b>-</b>

\*: The adjustment is related to funds returned due to overpayment to suppliers and other beneficiaries.

**STUNTING PREVENTION AND REDUCTION PROJECT (SPRP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**12. Budget performance report by project component and categories**

**12.1. Budget performance report per Project component and sub component as per the project document or financing agreement**  
(Functional expenditures classification and projects specific)

Description Component/sub component	Fiscal Year 2019/2020			Project Life (Multiyear)			
	Final Planned for the Year (A)	Actual end of the period (B)	Actual end of the previous period	Performance (B/A)*100	Planned (A)	Cumulative Actual since project inception(B)	Performance (B/A)
Component 1: Prevention of Stunting at Community and Household Levels	8,345,097,654	8,114,004,113	5,117,055,427	97.60%	30,065,000,000	13,231,059,540	44.4%
Component 2: High-impact Health and Nutrition Services	1,778,419,616	1,554,146,683	1,485,764,738	87.40%	12,455,500,000	3,039,911,421	24.40%
Component 3: M&E and Project Management	268,676,600	249,169,516	262,742,967	92.70%	4,724,500,000	511,912,483	10.84%
Component 4: Contingency Emergency Response	363,000,000	163,430,053	-	45%	-	163,430,053	-
<b>Total</b>	<b>10,755,193,870</b>	<b>10,080,750,365</b>	<b>6,865,563,132-</b>	<b>93.70%</b>	<b>47,245,000,000</b>	<b>16,946,313,497</b>	<b>35.90%</b>

**STUNTING PREVENTION AND REDUCTION PROJECT (SRPP)  
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2020**

**12.2. Budget Performance Report per Project Disbursement Category (Figures in disbursement currency: USD)**  
(Functional expenditures classification and project specific)

Description Category	Project life										Undisbursed balance (5)=(1)-(2)			
	Amount allocated (1)	Cumulative amount disbursed (real expenditures, not transfers) end of current period (2)=(3)+(4)			Amount disbursed (real expenditures, not transfers) during the reporting period (3)			Cumulative Amount Disbursed end of previous period (4)						
	IDA61870	PoN-TFA6567	GFF-TFA6783	TOTAL	IDA61870	PoN-TFA6567	TFA6783	TOTAL	IDA61870	TFA6567	TFA6783	TOTAL		
Category 1: Communication campaigns	4,000,000	189,286	567,855	0	757,141	56,840	170,518	0	227,358	132,446	397,337	0	529,783	3,242,859
Category 2: CHW program and Community-led approaches	6,500,000	0	1,574,590	0	1,574,590	0	321,537	321,537	0	1,253,053	0	1,253,053	1,253,053	4,925,410
Category 3: Community PBF	6,300,000	1,563,976	0	0	1,563,976	959,912	0	0	959,912	604,064	0	0	604,064	4,736,024
Category 4: Home based ECD, WASH and program management	5,700,000	5,914,658	0	0	5,914,658	2,412,828	0	0	2,412,828	3,501,830	0	0	3,501,830	-214,658
Category 5: DPEM (District Plan for Eliminating Malnutrition)	5,500,000	0	1,294,314	0	1,294,314	0	0	841,268	841,268	0	0	453,046	453,046	4,205,686
Category 6: Facility PBF	3,500,000	0	463,339	1,167,242	1,630,581	0	0	1,167,242	1,167,242	0	463,339	0	463,339	1,869,419
Category 7: Supply Chain and Training	11,000,000	0	1,395,818	0	1,395,818	0	685,342	0	685,342	0	710,476	0	710,476	9,604,182
Category 8: M&E and knowledge sharing	4,500,000	0	829,620	0	829,620	0	0	352,704	352,704	0	476,916	0	476,916	3,670,380
Category 9: Provision of FBF	8,000,000	3,848,738	0	0	3,848,738	3,848,738	0	0	3,848,738	0	0	0	0	4,151,262



## **DETAILED AUDIT FINDINGS**

## **5. REVIEW OF INTERNAL CONTROL SYSTEM**

### **5.1. Financial reports not approved by the Project Steering Committee**

#### **Observation**

The Project Implementation Manual (PIM) of SPRP approved in June 2018 states that the Project Steering Committee shall approve annual financial reports of SPRP.

Contrary to the above requirement, it was noted that the financial reports for the year ended 30 June 2020 were not approved by the Project Steering Committee.

This gap is attributed to inadequate monitoring of the Project financial management by the Steering Committee.

#### **Risk**

Errors or omissions in financial reports may remain undetected and corrected due to lack of review and approval by the Steering Committee.

#### **Recommendation**

RBC/SPRP management should ensure that annual financial reports are reviewed and approved by the Steering Committee prior to their submission to stakeholders including MINECOFIN and the World Bank.

#### **Management comment**

*Three Steering Committee (SC) meetings have been held to date. The last SC meeting was held on 30 December 2019. During this meeting, we presented the financial reports to the Committee members. However, we will ensure that annual financial reports are approved by the Steering Committee prior to their submission to stakeholders in future.*