RWANDA DEMOBILISATION AND REINTEGRATION COMMISSION (RDRC)

AUDIT REPORT

For the year ended 30 June 2016
1 INTRODUCTION

1.1 Background of the institution

The Rwanda Demobilization and Reintegration Commission (RDRC) was established by the Presidential Decree No. 37/01 of 09/04/2002. Its functions are governed by Law N°50/2015 of 14/12/2015 determining its responsibilities, organisation and functioning. The RDRC is a budget agency that falls under the Ministry of Local Government (MINALOC).

1.2 Organisation Structure

Rwanda Demobilization and Reintegration Commission is organized into two administrative organs namely; the Council of Commissioners (board) and the General Secretariat. The General Secretariat is comprised with the Secretary General and the staff. It is headed by the Secretary General who was appointed by a Presidential Order.

RDRC has 5 departments namely;
(i) Finance department;
(ii) Operations department;
(iii) Human Resources and Administration Department;
(iv) Procurement department; and
(v) Monitoring and Evaluation Department.

The Council of Commissioners shall be the supreme organ of RDRC. It shall comprise five (5) Commissioners including a Chairperson and a Vice-Chairperson who hold office on a permanent basis. Commissioners shall serve a term of five (5) years renewable once.

The management who held office during the year ended 30 June 2016 is as follows:

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>SAYINZOGA Jean</td>
<td>Chairman</td>
</tr>
<tr>
<td>2.</td>
<td>UMULISA Henriette</td>
<td>Secretary General (From 18 March 2016).</td>
</tr>
<tr>
<td>3.</td>
<td>MUSONI Francis</td>
<td>Project Coordinator</td>
</tr>
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<td>3.</td>
<td>KAYIRANGA François</td>
<td>Chief Finance Officer</td>
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1.3 Principal activities

The principal activities of RDRC are outlined below:

(i) To receive and carry out social reinsertion and reintegration of former members of Rwanda Defence Forces placed at its disposal by the relevant organ;
(ii) To receive, demobilise and carry out social reinsertion and reintegration of the former members of the national army before 19 July 1994 and the former members of any other armed group who are repatriated;
(iii) To advocate for the initiatives meant for former military members with disability and follow up the implementation of such initiatives;

Office of the Auditor General of State Finances
(iv) To advise the Government on the policy of demobilization, social reinsertion and reintegration of former military members;
(v) To coordinate the actions of all Government organs and all stakeholders working with RDRC on matters related to the demobilization and the reinsertion and reintegration of former military members;
(vi) To carry out such other activities as may be required for the achievement of its mission.
2 STATEMENT OF MANAGEMENT RESPONSIBILITIES

Article 66 of the Organic Law No 12/2013 of 12/09/2013 on State Finances and Property requires budget agencies to submit annual reports which include all revenues collected or received and all expenditures incurred during the fiscal year, as well as a statement of all outstanding receipts and payments before the end of the fiscal year.

Article 19 of the Organic Law No 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 the financial resources for the budget agency effectively, efficiently and transparently, ensuring sound internal control systems in the budget agency and safeguarding the public property held by the budget agency.

The Chief Budget Manager accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting standards applicable to Public Entities as defined 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 Rwanda Demobilisation and Reintegration Commission (RDRC) and the information provided is accurate and complete in all material respects. The financial statements also form part of the consolidated financial statements of the Government of Rwanda.

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

Signature: 

UMULISA Henriette
Secretary General RDRC

Date: 14/12/2016
3 REPORT OF THE AUDITOR GENERAL

REPORT ON THE FINANCIAL STATEMENTS

Mrs. UMULISA Henriette
Secretary General of RDRC

3.1 Introduction

In accordance with 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 carried out an audit of the accompanying financial statements of Rwanda Demobilization and Reintegration Commission for the year ended 30 June 2016. These financial statements comprise the statement of financial position as at 30 June 2016, the statement of revenue and expenditure, statement of cash flows, budget execution report for the year then ended, and a summary of significant accounting policies and other explanatory notes. These financial statements are set out from 10 to 23.

3.2 Management’s Responsibility for the Financial Statements

According to Organic Law N° 12/2013/OL of 12/09/2013 on State Finances and Property, management of Rwanda Demobilization and Reintegration Commission 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.

3.3 Auditor General’s Responsibility

My responsibility as Auditor General is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, internal control relevant to the entity's preparation and presentation of financial statements is considered 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. An audit also includes evaluating the appropriateness of accounting policies used, the reasonableness of
accounting estimates made by management, as well as evaluating the presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our opinion.

3.4 Unqualified Opinion

In my opinion, proper books of account have been maintained and the financial statements give a true and fair view of the financial position of Rwanda Demobilization and Reintegration Commission (RDRC) as at 30 June 2016, and of its financial performance and its cash flows for the year then ended in accordance with the guidelines provided by Ministerial Order No 001/16/10/TC of 26/01/2016 relating to financial regulations and Organic Law No 12/2013/OL of 12/09/2013 on State Finances and Property.