

Office of the Auditor General of Rwanda



Energy Development Corporation Limited (EDCL)

Audit Report and Audited Financial Statements

For the year ended 30 June 2023

OAG Core Values

Integrity

In public Interest

Innovation

Objectivity

Professionalism

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1. BACKGROUND, MANDATE & GOVERNANCE

1.1 Background information

Energy Development Corporation Limited (EDCL) is a private company domiciled in the Republic of Rwanda and wholly owned by the Government of Rwanda. It was established in August 2014 as a subsidiary of Rwanda Energy Group (REG) that was formed after dissolution of the Energy, Water and Sanitation Authority (EWSA) through Prime Minister's Order N° 87/03 of 16 August 2014 determining modalities of transfer of responsibilities and property of Energy, Water and Sanitation Authority (EWSA). The core business of the company is development of energy projects funded by Government and other partners.

1.2 Mandate of EDCL

The company is mandated to increase investment in development of new energy generation projects in a timely and cost-efficient manner to expand supply in line with NST 1 and other national targets; develop appropriate transmission infrastructure to evacuate new plants and deliver energy to relevant distribution nodes; plan and execute energy access projects to meet the national access targets.

Development and implementation of the least cost energy development plan in line with the Government Policy and strategic objectives; Direct the Electricity Access Roll-Out Program by establishing and implementation plan and strategy in line with the overall sector strategy; undertake economic and technical studies needed for the development of the infrastructure required new electric power plants, transmission and distribution network, oil and gas infrastructure, primary and social energy resources development projects; establish appropriate project and contract management policies and procedures; advise on the development of social energy projects.

EDCL core activities comprise of generation, transmission and distribution of electricity across Rwanda through construction of various power plants and electrical lines. Once each project is completed, it is transferred to Energy Utility Corporation Limited (EUCL) a sister company which is also a subsidiary of REG.

- **Vision of EDCL**

To be the leading regional provider of innovative and sustainable energy solutions for national development

- **Mission of EDCL**

Developing and providing reliable and affordable energy while creating value for its stakeholders

1.3 Governance of EDCL

1.3.1. Board of Directors

The Board of Directors served during the year ended 30 June 2023 and to the date of this report were as follows:

**ENERGY DEVELOPMENT CORPORATION LIMITED (EDCL)
BACKGROUND, MANDATE AND GOVERNANCE**

N°	Name of Board member	Responsibility	Service period
1	Dr. Didacienne MUKANYILIGIRA	Chairperson	From 14/12/2020
2	Pacifique TUYISHIME	Vice Chairperson	From 14/12/2020
3	Ms. Carine UMUTONI	Member	From 14/12/2020
4	Mr. Viateur MUGENZI	Member	From 14/12/2020
5	Mr. Jean Claude ILIBONEYE	Member	From 29/07/2014
6	Mr. Charles KALINDA	Member	From 14/12/2020
7	Ms. Clemence Rita MUTABAZI	Member	From 14/12/2020
8	Mr. Ron WEISS	Former Board Secretary	From 15/05/2017
9	Mr. Armand ZINGIRO	Board Secretary	From 04/09/2023

1.3.2. Management

The management who held the office during the year ended 30 June 2023 and to the date of this report were as follows:

N°	Name	Position
1	Felix GAKUBA	Managing Director
2	Steven GAHAMANYI	Director of Finance
3	UWERA RUTAGARAMA	Director of Primary and Social Energies Development
4	Frederick KAZUNGU	Director of Engineering Procurement Construction
5	Theoneste HIGANIRO	Director of Generation and Transmission
6	Esdras RUGIRA	Director of Planning
7	Frank BAHIZI	Director of Monitoring ,Evaluation and Reporting
8	Chantal NGWINONDEBE	Director of Corporate
9	Rachel UMUTONI	Head of Finance
10	Joseph MUTANGANA	Head of Company financial reporting
11	RUHIGURA Jackson	Head of Human Resources
12	Vincent BAHINGANA	Head of Logistics
13	Renatus MUGISHA	Financial Controller
14	Ernest NDAYISABA	Manager Budgeting and Project Reporting

**ENERGY DEVELOPMENT CORPORATION LIMITED (EDCL)
STATEMENT OF MANAGEMENT RESPONSIBILITIES**

2. STATEMENT OF MANAGEMENT RESPONSIBILITIES

The Directors are responsible for the preparation of financial statements that give a true and fair view of EDCL comprising the statement of financial position as at 30 June 2023, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 9 to 32, in accordance with International Financial Reporting Standards and in the manner required by the provisions of the Law N°007/2021 of 05/02/2021 Governing Companies in Rwanda.

The Directors' responsibility includes the maintenance of accounting records that may be relied upon in the preparation of financial statements, overseeing and endorsing the designing, implementing and maintenance of internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances and is also responsible for safeguarding the assets of the company.

The Directors have made an assessment of the ability of EDCL to continue as going concern and have no reason to believe that the business will not be a going concern in the year ahead from the date of this statement.

In our opinion, the financial statements of EDCL for the year ended 30 June 2023 give a true and fair view of the state of financial affairs of EDCL. We further accept responsibility for maintenance of accounting records that may be relied upon in the preparation of financial statements and ensuring adequate system of internal controls to safeguard assets of EDCL.

Approval of the financial statements

The financial statements of EDCL for the year ended 30 June 2023, on pages 9 to 32 were approved by the Board of Directors and signed on its behalf by:

 Felix GAKUBA Managing Director  2023 Date: 30/12/2023	 Armand ZINGIRO Chief Executive Officer REG  30 DEC 2023 2023	 Dr. MUKANYILIGIRA Chairperson Board of Directors  30/12/2023 2023
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3. REPORT OF THE AUDITOR GENERAL

REPORT ON THE FINANCIAL STATEMENTS

Mr. Felix GAKUBA,
Managing Director

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 EDCL for the year ended 30 June 2023. These financial statements comprise the statement of financial position as at 30 June 2023, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies. These financial statements are set out on pages **9 to 32**.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of Energy Development Corporation Limited (EDCL) as at **30 June 2023**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Law N° 007/2021 of 05/02/2021 governing Companies in Rwanda.

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 EDCL 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.

Emphasis of matter

I draw attention to the following matters in relation to **note 17** and **note 19.2** of the financial statements, regarding tax liabilities and contingent liabilities respectively. My opinion is not modified in respect of these matters.

1. Tax liabilities

Concerns over tax liabilities

The financial position of EDCL as at 30 June 2023 includes trade and other payable balance of **Frw 71,626,756,766**. This balance includes tax liabilities amounting of **Frw 39,941,351,022**

EDCL delayed to pay tax liabilities of **Frw 39,941,351,022** to Rwanda Revenue Authority due to budget constraints. Accordingly, I recommended EDCL management to liaise with the

Ministry of Finance and other relevant stakeholders to find a lasting solution to budget constraint and pay taxes when they fall due.

2. Contingent liability arising from the contractor's claim of price adjustment

On April 2017, referring to price adjustment contract clause, KALPATARU claimed a price adjustment amounting to **USD 24,019,967** and **Frw 35,070,642** due to additional costs related to the change in price of supplied construction material, installation works and labour.

Both REG-EDCL and KALPATARU having failed to reach an amicable settlement, and the case was escalated to the high court which is currently handling the case.

In case REG-EDCL loses the court case, the Government of Rwanda will incur unbudgeted additional costs as a result of the price adjustment claim. Consequently, this would negatively affect other national development activities.

3.3. Responsibility of Management and those charged with governance for the financial statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of Law N°007/2021 of 05/02/2021 governing companies in Rwanda.

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, Directors are responsible for assessing the EDCL'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 the operations of EDCL.

Those charged with Governance are the Board of Directors and they are responsible for overseeing the Company'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

ENERGY DEVELOPMENT CORPORATION LIMITED (EDCL)
AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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 Company'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.
- Obtaining sufficient and appropriate audit evidence regarding the financial information of the entities or activities within the group to express an opinion on the group financial statements.
- The auditor is responsible for the direction, supervision and performance of a group audit.
- The auditor remains solely responsible for the auditor's opinion.
- I have communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

KAMUHIRE Alexis
AUDITOR GENERAL

KIGALI, 31 | 12 2023



4. FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

4.1. STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2023

Description	Notes	Year ended	Year ended
		30 June 2023	30 June 2022
		Frw	Frw
Grant income	3	57,392,479,977	67,856,538,764
Other operating income	4	733,180,251	439,426,160
Total operating income		58,125,660,228	68,295,964,924
Contribution to private power projects and subsidies	5	(42,425,612,063)	(52,176,096,308)
Administrative expenses	6	(14,966,867,914)	(15,680,442,456)
Operating profit before depreciation and amortization		733,180,251	439,426,160
Depreciation of assets	7A	(692,434,992)	(389,548,153)
Amortisation of intangibles	7B	(40,745,259)	(49,878,007)
Profit/ Loss before income tax		-	-
Taxation		-	-
Operating profit/ loss for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

The notes on pages 14 to 32 form an integral part of these financial statements.

4.2. STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2023

Description	Notes	Balance as at 30 June 2023	Balance as at 30 June 2022
		Frw	Frw
ASSETS			
Non-current assets			
Property, Plant and equipment	8	238,099,903,396	184,513,793,985
Intangible assets	9	153,674,005	194,419,264
Amounts due from related parties	10A	2,625,164,555	1,353,781,871
Total non-current assets		240,878,741,957	186,061,995,120
Current assets			
EUCL receivable	10B	1,969,048,545	1,615,020,545
REG Receivable	10C	308,820,055	-
Inventory	11	26,596,874,050	20,264,520,407
Trade and other receivables	12	89,313,745,034	63,203,396,105
Cash and cash equivalents	13	15,115,756,735	27,682,960,906
Total current assets		133,304,244,419	112,765,897,963
Total assets		374,182,986,376	298,827,893,083
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	14	1,500,000	1,500,000
Revenue reserves			-
Profit/Loss for the year			-
Shareholders' interests		1,500,000	1,500,000
Non-current liabilities			
Grants	15	201,053,329,545	185,919,808,787
Borrowings	16	101,558,951,953	78,635,821,320
Total non-current liabilities		302,612,281,498	264,555,630,107
Current liabilities			
Trade and other payables	17	71,532,500,363	34,234,058,461
EUCL Payables	18	36,704,515	36,704,515
Total current liabilities		71,569,204,878	34,270,762,976
Total equity and liabilities		374,182,986,376	298,827,893,083

The notes on pages 14 to 32 form an integral part of these financial statements.

ENERGY DEVELOPMENT CORPORATION LIMITED (EDCL)
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

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

Checked by: Joseph MUTANGANA
Head of Company Financial
Reporting

 30/12/2023
Signature Date

Reviewed by: Steven GAHAMANYI
Director of Administration and
Finance

 30/12/2023
Signature Date

Approved by: Felix GAKUBA
Managing Director

 30/12/2023
Signature Date



4.3. STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2023

Description	Note s	Share capital Frw	Retained earnings Frw	Reorganizati on reserves Frw	Total Frw
Year ended 30 June 2023					
At 1 July 2022		1,500,000	-	-	1,500,000
Profit for the year		-	-	-	-
Reallocation to share capital		-	-	-	-
At 30 June 2023		1,500,000	-	-	1,500,000

The notes on pages 14 to 32 form an integral part of these financial statements.

4.4. STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2023

Description	Year ended	Year ended
	30 June 2023	30 June 2022
	Frw	Frw
Profit before income tax		-
Adjustments for:		
Depreciation and amortization	692,434,992	389,548,153
Transfer of assets to EUCL	44,092,392,878	52,212,160,321
Scrapped asset	-	6,877,951
Accumulated depreciation of asset transferred to REMA	-	(5,213,384)
Adjustment in property and equipment	(1,596,488,743)	(441,544,940)
Adjustment in property and equipment Accumulated Depreciation	1,897,885,250	442,095,886
Amortisation of intangible assets	40,745,259	49,878,007
Changes in:		
-Inventory	(6,332,353,643)	(1,953,039,372)
-Trade and other receivables	(26,110,348,929)	(44,580,556,171)
-Trade and other payables	37,298,441,902	5,695,645,450
-EUCL receivable	(354,028,000)	2,744,335,136
-REG receivable	(308,820,055)	-
Cash generated from operations	49,319,860,911	11,734,956,514
Interest received		-
Interest paid		-
Net cash generated from operating activities (A)	49,319,860,911	11,734,956,514
Cash flows from investing activities		
Amount due from related parties	(1,271,382,687)	2,825,230,523
Purchase of property and equipment	(98,672,333,788)	(98,389,753,521)
Net cash used in investing activities (B)	(99,943,716,475)	(95,564,522,998)
Cash flows from financing activities		
Proceeds from loan facilities	22,923,130,633	45,803,297,578
Grants received	15,133,520,758	51,381,273,576
Net cash generated from financing activities (C)	38,056,651,391	97,184,571,154
Net increase in cash and cash equivalents (D=A+B+C)	(12,567,204,171)	13,355,004,672
Cash and cash equivalents at beginning of the period (E)	27,682,960,906	14,327,956,234
Cash and cash equivalents at end of the period (F=D+E)	15,115,756,735	27,682,960,906

4.5. NOTES TO THE FINANCIAL STATEMENTS

1. General Information

EDCL is a private company domiciled in the Republic of Rwanda and wholly owned by Government of Rwanda. It was established in August 2014 as a subsidiary of REG that was formed after dissolution of the EWSA through Prime Minister's Order N°87/03 of 16/08/2014.

The core business of the Company is development of energy projects funded by Government and other partners. The address of the Company's registered office is as follows:

Energy Development Corporation Ltd (EDCL)
Kigali City Tower
P.O. Box. 3855 Kigali, Rwanda

Consolidated Entities

The following are thirteen (13) consolidated Projects in EDCL financial statements during the year under review:

1. “Banque Arabe pour le Development Economique en Afrique” (BADEA)
2. Electricity Access scale-up and sector wide approach development project (EASSDP)
3. Belgian Contribution to EARP (BE1-EARP)
4. Belgian Contribution to EARP (BE2-EARP)
5. Belgian Contribution to EARP (BE3-EARP)
6. Interconnection of Electrical Grids of Nile Equatorial Lakes Countries Project
7. Regional Rusumo Falls Hydropower Power Project Transmission Line component-RUSUMO
8. Scaling Up Energy Access Project (SEAP)
9. Sustainable Energy Development Project (SEDP)
10. Energy Access and Quality Improvement Project (EAQIP)
11. Transmission System Reinforcement and Last Mile Connectivity Project (TSRLMCP)
12. Rwanda Universal Energy Access Project (RUEAP)
13. EDCL Internal projects

2. Basis of preparation

2.1. Statement of compliance

The company financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB) and the requirements of the Rwandan Law N° 007/2021 of 05/02/2021 governing companies.

2.2. Basis of measurement

The financial statements have been prepared on accrual basis and under the historical cost convention.

2.3. Functional currency and presentation currency

These financial statements are presented in Rwanda Francs (Frw), which is the company's functional currency.

2.4. Significant accounting judgements, estimates and assumptions

In the process of applying the company's accounting policies, directors have used its judgments and made estimates in determining the amounts recognized in the financial statements. Although these estimates are based on the directors' knowledge of current events and actions, actual results ultimately may differ from those estimates. The most significant use of judgments and estimates are as follows:

2.5. Going concern

The Company's directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, the Directors are not aware of any other material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

3. Grant income

Description	12 months to 30 June 2023	12 months to 30 June 2022
	Frw	Frw
Cash transfers from Government of Rwanda	37,810,871,796	48,507,375,167
Grants from Donors	19,581,608,183	19,349,163,597
Total	57,392,479,977	67,856,538,764

4. Other operating income

Description	12 months to 30 June 2023	12 months to 30 June 2022
	Frw	Frw
Realisation of asset grant	733,180,251	439,426,160
Total	733,180,251	439,426,160

5. Contribution to private power projects and subsidies

Description	12 months to 30 June 2023	12 months to 30 June 2022
	Frw	Frw
Contribution to independent development projects	42,425,612,063	52,175,851,308
General services	-	245,000
Total	42,425,612,063	52,176,096,308

6. Administrative expenses

Description	Year ended	Year ended
	30 June 2023	30 June 2022
	Frw	Frw
Salary and related costs	6,515,564,012	5,141,356,034
Professional services	1,765,749,275	3,547,483,937
Solar Home Systems	280,975,800	-
Transport & Travel	1,017,571,107	783,193,553
Losses on FCY Transactions	1,649,325,917	2,266,143,551
Fuel & lubricants	603,374,479	435,071,565
Postage & Courier	541,700	529,210
Office Supplies, Printing & Consumables	284,486,213	167,054,773
Maintenance and Repairs	583,074,293	327,241,991
International Airfares	25,758,887	12,677,505
Telephone and internet	152,409,676	125,590,852
Other use of goods & services	263,542,181	1,209,205,841
Public Relations & Awareness	26,134,864	65,807,813
International per Diems	158,359,451	64,066,966
Bank charges	27,878,665	4,110,591
Security	90,283,123	85,266,403
Utilities - Water & Electricity	62,558,787	45,152,668
Insurance	284,151,525	230,080,507
Staff welfare	48,711,124	6,901,038
Cleaning expenses	23,736,230	18,577,680
Beverages, tea, coffee, etc	113,843,016	55,575,433
Domestic per diems	236,993,871	360,878,488
Rent and rates	696,759,607	694,570,196
Training and related costs	55,084,111	33,905,861
Total	14,966,867,914	15,680,442,456

7. Depreciation and amortisation

Description	Notes	12 months to	12 months to
		30 June 2023	30 June 2022
		Frw	Frw
Depreciation of assets	A	692,434,992	389,548,153
Amortisation of intangible assets	B	40,745,259	49,878,007
Total		733,180,251	439,426,160

**ENERGY DEVELOPMENT CORPORATION LIMITED (EDCL)
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023**

8. Property Plant & Equipment (PPE)

Description	Motor vehicles	Furniture and fittings	Computer equipment	Laboratory Equipments	Assets under construction (WIP)	Total
Rates	25.00%	12.50%	33.30%	25.00%		
	Frw	Frw	Frw	Frw	Frw	Frw
Net Book Value as at 30 June 2022	864,717,554	193,498,791	327,972,696	203,275,106	182,924,329,837	184,513,793,985
Cost/ Valuation						
As at 1 July 2022	1,907,385,828	240,840,623	953,865,350	568,700,435	182,924,329,837	186,595,122,072
Net Additions	1,639,563,705	7,705,400	335,910,032	-	96,689,154,651	98,672,333,788
Adjustment	1,463,888,538	24,716,517	107,883,688	-	-	1,596,488,743
Transfer of assets to EUCL 22/23	-	-	-	-	(44,092,392,878)	(44,092,392,878)
As at 30 June 2023	5,010,838,071	273,262,540	1,397,659,070	568,700,435	235,521,091,610	242,771,551,725
Accumulated depreciation						
As at 1 July 2022	(1,042,668,273)	(47,341,832)	(625,892,653)	(365,425,329)	-	(2,081,328,087)
Depreciation charge	(471,274,956)	(24,638,191)	(146,538,407)	(49,983,438)	-	(692,434,992)
Adjustment	(1,774,245,547)	(27,512,992)	(92,785,389)	(3,341,322)	-	(1,897,885,250)
As at 30 June 2023	(3,288,188,776)	(99,493,015)	(865,216,449)	(418,750,089)	-	(4,671,648,329)
Net Book Value as at 30 June 2023	1,722,649,294	173,769,525	532,442,621	149,950,346	235,521,091,610	238,099,903,396

9. Intangible assets

Description	Balance as at 30 June 2023	Balance as at 30 June 2022
	Frw	Frw
Cost:		
At start of the period	521,636,772	521,636,772
Additions		
At 30 June 2023	521,636,772	521,636,772
Amortization:		
At start of year	327,217,508	277,339,501
Charge for the year	40,745,259	49,878,007
At 30 June 2023	367,962,767	327,217,508
Net book value		
At 30 June 2023	153,674,005	194,419,264

The intangible asset (GIS software) was acquired by EARP program in 2011 and improved in 2012 at a total cost of Frw 14,184,023 and was being amortised over a period of 10 years. As at 01st July 2016 the net carrying amount was approximately Frw 66.2 million. During the year ended 30 June 2017 the company bought other software amounting to Frw 357,591,955.

10. Amount due from related party

The company's related parties include REG and EUCL which are all managed by one Board of Directors. REG is the parent company of both EUCL and EDCL. Amount due from EUCL relates to electricity connection deposits collected by EUCL on behalf of EDCL and electrical materials. The amount due from REG relates to the collected payment by REG on behalf of EDCL from implemented projects by EDCL.

The balances due from related parties at year end were:

Description	Note	Balance as at 30 June 2023	Balance as at 30 June 2022
		Frw	Frw
Amount due from related parties			
EUCL			
EUCL Receivables /connection fees	10A	2,625,164,556	1,353,781,871
EUCL Receivables/materials	10B	1,969,048,545	1,615,020,545
Total		4,594,213,101	2,968,802,416
Amount due from related parties			
REG			
Current component	10C	308,820,055	-
Total		308,820,055	-

11. Inventory

Inventory comprise the following items:

Description	Balance as at 30 June 203	Balance as at 30 June 2022
	Frw	Frw
Electrical materials	25,864,172,052	19,732,338,763
Tools	27,347,398	28,085,886
Stationery (Other stock items)	513,354,581	340,146,711
Fuel cards balances	192,000,019	163,949,047
Total	26,596,874,050	20,264,520,407

12. Trade and other receivables

Description	Balance as at 30 June 2023	Balance as at 30 June 2022
	Frw	Frw
Trade receivables	111,946,392,898	85,083,904,938
Intra Government debtors	216,222,527	549,017,977
Letters of credit	2,489,343,083	-
Provision for doubtful debts	(25,338,213,474)	(22,429,526,810)
Total	89,313,745,034	63,203,396,105

Included in trade receivables there is amount equivalent to **Frw 26,308,052,081** due from connected customers. In line with the National Strategy for Transformation (NST1) the Government of Rwanda plans to have Universal access to electricity to all Rwandan Households by 2024. To arrive at the desired levels of access to electricity, significant investments into the energy sector should be made. To implement this government policy, every citizen is being connected whether they can buy electricity or not. EDCL is not in control of this possible asset as it does neither manage the connected people nor sell electricity to them. The total amount that are receivable from connected customers as per the new connection policy is equivalent to **Frw 25,338,213,474** which will be collected progressively as customers purchase power.

13. Cash and cash equivalents

Cash and cash equivalents include the following for the purposes of the statement of cash flows:

Description	Balance as at 30 June 2023	Balance as at 30 June 2022
	Frw	Frw
Cash at bank	15,115,747,041	27,682,605,089
Cash in hand	9,694	355,817
Total	15,115,756,735	27,682,960,906

14. Share capital

Description	Balance as at	Balance as at
	30 June 2023	30 June 2021
	Frw	Frw
Share capital	1,500,000	1,500,000
Total	1,500,000	1,500,000

The total authorized and issued number of ordinary shares is 1,500,000 with a par value of Frw 1 per share. All issued shares are fully paid.

15. Grants

Description	Balance as at 30	Balance as at 30
	June 2023	June 2022
	Frw	Frw
EDCL Internal Projects	(58,953,104,967)	(63,739,621,946)
Interconnection Project	(57,220,532,043)	(51,072,004,323)
Electricity Access scale-up and sector wide approach development project (EASSDP)	(496,650,829)	(1,469,366,830)
National Domestic Biogas Program (NDBP)	(94,577,762)	(94,614,585)
Scaling-Up Energy Access Project(SEAP)	(10,693,396,085)	(10,332,162,635)
Sustainable Energy Development Project (SEDP)	(1,261,188,280)	(1,263,094,919)
Dutch Fund (DF)	-	899,694
Belgian Contribution to EARP 1 (BE1-EARP)	(2,357,672,500)	(2,332,701,041)
Belgian Contribution to EARP 2 (BE2-EARP)	(7,730,499,117)	(7,725,642,194)
Belgian Contribution to EARP 3 (BE3-EARP)	(6,925,248,216)	(5,710,619,676)
Agence Francaise de Development (AFD)	-	(122,732,299)
Regional Rusumo Falls Hydropower Project-Rwanda Component	-	-
Other Grants & Grants Connection fees	(34,817,579,254)	(28,697,766,417)
Grants-RBF 3- Grid Densification	-	(1,121,399,363)
Grants-EAQIP	(20,357,125,833)	(12,037,780,321)
Grants-AFDB-TSRLMCP	(145,754,659)	(201,201,932)
Total	(201,053,329,545)	(185,919,808,787)

16. Borrowing

Description	Balance as at 30 June 2023	Balance as at 30 June 2022
	Frw	Frw
Borrowings from development partners	101,558,951,953	78,635,821,320
Total	101,558,951,953	78,635,821,320

17. Trade and other payables

Description	Balance as at 30 June 2023	Balance as at 30 June 2022
	Frw	Frw
Trade payables	59,241,238,389	27,016,085,979
Other payables	12,291,261,974	7,217,972,482
Total	71,532,500,363	34,234,058,461

18. Amount due to related parties

Description	Balance as at 30 June 2023	Balance as at 30 June 2022
	Frw	Frw
Energy Utility Corporation Ltd	(36,704,515)	36,704,515
Total	(36,704,515)	36,704,515

19. Disclosure notes

19.1 Concession Agreement

On 11 May 2017, the Government of Rwanda represented by EDCL signed a concession agreement with Societe Petroliere Ltd (SP) for design, build, finance, operate and maintain the storage facility for storage of the petroleum products for a concession period of twenty (20) years starting from the first availability date of 13 July 2017. The storage facility capacity was 60 million litres subsequently amended to 66 million litres. The amended total rental fee was USD 268,560,345 that would be paid in different annual instalments (rental payments) within the concession period. As at 30 June 2023, EDCL had paid instalments amounting to USD 78,381,132 and the remaining unpaid balance was USD 190,179,213. At the end of the concession period, the storage facility will be handed over to EDCL at a valuation cost.

19.2 Contingent liability

The review of the Interconnection of Electric Grids of Nile Equatorial Lakes countries Project financial statements (note 17.3 – summary of a contingent liability of the disclosure note) is a contingent liability arising from a claim of price adjustment and interest totaling USD 27,715,751.65 and Frw 40,466,717.

On 19th November 2013, former Energy, Water & Sanitation Authority (EWSA), REG-EDCL's predecessor, signed a contract with KALPATARU Power Transmission Ltd India (KPTL) for the construction of transmission line of 220 KV, Karongi – Rubavu – Kigali - Goma. The project's cost was USD 26,386,234.89 and Frw 5,292,307,425 VAT inclusive. The operational acceptance certificate of works was issued to the contractor on 4 May 2017.

On 3rd April 2017, referring to price adjustment contract clause, KPTL claimed a price adjustment amounting to USD 24,019,967 and Frw 35,070,642 due to additional costs related to the change in price of supplied construction material, installation works and labour.

Both REG-EDCL and KALPATARU having failed on amicable settlement, the case was taken to the Dispute Adjudication Board (DAB). On 31 December 2019, the Board resolved that KALPATARU was entitled to price adjustment and interest totaling USD 27,715,751.65 and Frw 40,466,717.

Unsatisfied with the decision of the DAB, on 4 November 2019 through its lawyers REG/EDCL submitted the case in Arbitration. As per the procedural timetable, the award was expected by the end of April 2021. On 20 September 2021, the Arbitral Tribunal declares, orders and directs that:

- REG must pay KPTL the Price Adjustment in the principal sums of USD 24,019,967 and FRW 35,070,642 within 28 days
- REG must pay KPTL pre-award interest on the Price Adjustment sums at the rate of 6% per annum, compounded annually, calculated on the basis set out in Exhibit R-175, from 18 May 2017 until the date of this Award.

Unsatisfied with the decision of the arbitration, on 15 October 2021 through its lawyers REG petitioned the Commercial High Court of Rwanda to set aside the arbitral award. The case is pending trial.

19.3 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on its financial performance. The Company does not hedge any of its risk exposures.

Financial risk management is carried out by the finance department under policies approved by the Board of Directors. The board provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

The Company has exposure to the following risks as a result of its financial instruments:

- a) Credit risk
- b) Market risk
- c) Liquidity risk

a) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables and committed transactions. Credit risk is the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables and committed transactions. Credit risk is managed by the finance department under policies set out by the Board of Directors. The Company does not have any significant concentrations of credit risk.

The amount that best represents the Company's maximum exposure to credit risk at 30 June 2023 is made up as follows:

	Neither past due nor impaired	Past due	Impaired	Total
	Frw	Frw	Frw	Frw
At 30 June 2022				
Trade receivables	549,017,977	-	-	549,017,977
Other receivables	85,083,904,938	-	(22,429,526,810)	62,654,378,128
Bank balances	27,682,605,089	-	-	27,682,605,089
Amounts due from related parties	2,968,802,416	-	-	2,968,802,416
	116,284,330,420	-	(22,429,526,810)	93,854,803,610

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At 30 June 2023				
Trade receivables	216,222,527	-	-	216,222,527
Other receivables	111,946,392,898	-	(25,338,213,474)	86,014,991,215
Bank balances	15,115,747,041	-	-	15,115,747,041
Amounts due from related parties	4,903,033,156	-	-	4,276,083,101
	134,670,738,705	-	(25,338,213,474)	105,623,043,884

19.4 Summary of significant accounting policies

a) New and updated accounting standards

Covid-19-Related Rent Concessions –Amendment to IFRS 16

Effective for annual periods beginning on or after 1 June 2020.

Key requirements

In May 2020, the IASB amended IFRS 16 *Leases* to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the covid-19 pandemic. The amendment does not apply to lessors.

As a practical expedient, a lessee may elect not to assess whether a covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- Any reduction in lease payments affects only payments originally due on or before 30 June 2021 (for example, a rent concession would meet this condition if it results in reduced lease payments before 30 June 2021 and increased lease payments that extend beyond 30 June 2021).
- There is no substantive change to other terms and conditions of the lease.

Transition

Lessees will apply the practical expedient retrospectively, recognising the cumulative effect of initially applying the amendment as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the amendment is first applied. The information required by paragraph 28(f) of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* is not required to be disclosed.

A lessee will apply the amendment for annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted, including in AUDITED financial statements not yet authorised for issue at 28 May 2020.

Impact

The amendment to IFRS 16 will provide relief to lessees for accounting for rent concessions from lessors specifically arising from the covid-19 pandemic. While lessees that elect to apply the practical expedient do not need to assess whether a concession constitutes a modification, lessees still need to evaluate the appropriate accounting for each concession as the terms of the concession granted may vary.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37

Effective for annual periods beginning on or after 1 January 2022.

Key requirements

In May 2020, the IASB issued amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making.

The amendments apply a ‘directly related cost approach’. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Transition

The amendments must be applied prospectively to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed.

Impact

The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs related directly to contract activities, whilst entities that previously recognised contract loss provisions using the guidance from the former standard, IAS 11 *Construction Contracts*, will be required to exclude the allocation of indirect overheads from their provisions. Judgement will be required in determining which costs are “directly related to contract activities”, but we believe that guidance in IFRS 15 *Revenue from Contracts with Customers* will be relevant.

The Conceptual Framework for Financial Reporting

Effective immediately for the IASB and the IFRS IC. For preparers who develop accounting policies based on the Conceptual Framework, it is effective for annual periods beginning on or after 1 January 2020.

Purpose

The revised *Conceptual Framework for Financial Reporting* (the Conceptual Framework) is

not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist the Board in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

Key provisions

The IASB issued the Conceptual Framework in March 2018. It sets out a comprehensive set of concepts for financial reporting, standard setting, guidance for preparers in developing consistent accounting policies and assistance to others in their efforts to understand and interpret the standards. The Conceptual Framework includes some new concepts, provides updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. It is arranged in eight chapters, as follows:

- Chapter 1 – The objective of financial reporting
- Chapter 2 – Qualitative characteristics of useful financial information
- Chapter 3 – Audited financial statements and the reporting entity
- Chapter 4 – The elements of Audited financial statements
- Chapter 5 – Recognition and derecognition
- Chapter 6 – Measurement
- Chapter 7 – Presentation and disclosure
- Chapter 8 – Concepts of capital and capital maintenance

The Conceptual Framework is accompanied by a Basis for Conclusions. The Board has also issued a separate accompanying document, *Amendments to References to the Conceptual Framework in IFRS Standards*, which sets out the amendments to affected standards in order to update references to the Conceptual Framework. In most cases, the standard references are updated to refer to the Conceptual Framework. There are exemptions in developing accounting policies for regulatory account balances for two standards, namely, IFRS 3 and for those applying IAS 8.

Impact

The changes to the *Conceptual Framework* may affect the application of IFRS in situations where no standard applies to a particular transaction or event.

Classification of Liabilities as Current or Non-current - Amendments to IAS 1

Effective for annual periods beginning on or after 1 January 2022.

Key requirements

In January 2020, the Board issued amendments to paragraphs 69 to 76 of IAS 1 *Presentation of Audited financial statements* to specify the requirements for classifying liabilities as current or non-current.

The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity

instrument, would the terms of a liability not impact its classification

Right to defer settlement

The Board decided that if an entity's right to defer settlement of a liability is subject to the entity complying with specified conditions, the entity has a right to defer settlement of the liability at the end of the reporting period if it complies with those conditions at that date.

Existence at the end of the reporting period

The amendments also clarify that the requirement for the right to exist at the end of the reporting period applies regardless of whether the lender tests for compliance at that date or at a later date.

Management expectations

IAS 1.75A has been added to clarify that the 'classification of a liability is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least twelve months after the reporting period'. That is, management's intention to settle in the short run does not impact the classification. This applies even if settlement has occurred when the AUDITED financial statements are authorised for issuance.

Meaning of the term settlement

The Board added two new paragraphs (paragraphs 76A and 76B) to IAS 1 to clarify what is meant by 'settlement' of a liability. The Board concluded that it was important to link the settlement of the liability with the outflow of resources of the entity. Settlement by way of an entity's own equity instruments is considered settlement for the purpose of classification of liabilities as current or non-current, with one exception.

In cases where a conversion option is classified as a liability or part of a liability, the transfer of equity instruments would constitute settlement of the liability for the purpose of classifying it as current or non-current. Only if the conversion option itself is classified as an equity instrument would settlement by way of own equity instruments be disregarded when determining whether the liability is current or non-current. Unchanged from the current standard, a rollover of a borrowing is considered the extension of an existing liability and is therefore, not considered to represent 'settlement'.

Transition

Many entities will find themselves already in compliance with the amendments. However, entities need to consider whether some of the amendments may impact their current practice. Entities need to carefully consider whether there are any aspects of the amendments that suggest that terms of their existing loan agreements should be renegotiated. In this context, it is important to highlight that the amendments must be applied retrospectively.

Improvements to International Financial Reporting Standards

Key requirements

The IASB's annual improvements process deals with non-urgent, but necessary, clarifications and amendments to IFRS.

Other disclosures notes:

1. Amount due from related parties

	Frw
(a) Energy Utility Corporation Ltd.	4,276,083,101

The amount due from EUCL are Connection fees collected by EUCL on behalf of EARP amounting to **Frw 2,625,164,556**. The related balances also include other advances given to EUCL: **Frw 1,969,048,545**. The management of REG, EUCL and EDCL agreed that these meters transferred to EUCL branches will not be paid to EDCL/EARP, which resulted to reporting these costs as contribution to independent projects except the meters transferred for replacement if any.

(b) Rwanda Energy Group	308,820,055
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The amount due by REG to EDCL are collected payment by REG on behalf of EDCL from the projects implemented by EDCL

2. Amount due to related parties

(a) Energy Utility Corporation Ltd.	36,704,515
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The amount due to EUCL are the received into inventory direct connected smart meter 3-phase with meter box EARPBCSTRQty200 equivalent to **Frw 16,682,830** and the received into inventory smart multifunctional CTEARPBCSTRQty100 equivalent to **Frw 20,021,685**

Summary of significant accounting policies (Continued)

d) Accounting policies (Continued)

ii) Foreign currency translation

(a) Functional and presentation currency

Items included in the financial are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Audited financial statements are presented in Rwandan Francs (Frw) which is the Company's presentation currency as required by the laws of Rwanda. The Company's functional currency is the US Dollar.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency of the respective entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income' or 'other expenses'.

iv) Property, plant and equipment

All categories of property, plant and equipment are recorded at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss account during the financial period in which they are incurred.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in profit and loss.

Depreciation is calculated on a straight line basis to write down the cost of each asset, to its residual value over its estimated useful life is as follows:

Motor vehicle	25%
Furniture	12.5%
Computer equipment	33.3%
Laboratory Equipment	25%

v) Intangible assets

This relates to GIS (Geographical Information System) software.

They are initially capitalized at cost, which includes the purchase price (net of any discounts and rebates) and other directly attributable cost of preparing the asset for its intended use. Direct expenditure including employee costs, which enhances or extends the performance of the software beyond its specifications and which can be reliably measured, is added to the original cost of the software. Costs associated with maintaining the software are recognized as an expense when incurred.

The software licenses are subsequently carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortized to profit or loss using the straight-line method over their estimated useful lives of 10 years.

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The amortization period and amortization method of intangible assets other than goodwill are reviewed at least at each balance sheet date. The effects of any revision are recognized in profit or loss when the changes arise.

vii) IAS 2 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories comprises purchase price, import duties, transport and handling charges and is determined on weighted average basis. Net realisable value is the price at which the inventory can be realised in the normal course of business after allowing for the costs of realisation. Obsolete and defective inventories are fully written off.

19.5. Assets transferred to EUCL

The following are the assets completed and transferred to EUCL as at 30 June 2023

List of projects transferred to EUCL FY 2022/2023		
SN	Project name	Amount
1	Electrification of excellency ES Ndengo school in Ndego sector, kayonza disrict	25,941,850
2	Gatebe water pumping station in Nyagatare	33,524,390
3	Electrification of Murama sector office in Kayonza district in eastern province	62,982,434
4	Electrification of Kabonobono and Nyakanazi water pumping stations	54,132,393
5	Electrification of Gisunzu site in Gisunzu village, kageyo cell, Mwiri sector in kayonza district	99,599,180
6	Power supply to Mugombwa Tvet school	47,395,498
7	MV&LV lines for power supply to RAB post harvesting site in Mugera cell,Gatsibo Sector, Gatsibo district	40,258,242
8	MV&LV lines for power supply to RAB posr harvesting site in Nyabagaza village, Rurenge sector, Ngoma district	32,928,955
9	30 kV line from Camp Belge substation to Musanze industrial park	315,355,550
10	Electrification of cross border villages -BURERA II	231,095,162
11	Electrification of Mimuri maize factory inNyagatare district	29,619,586
12	Electrification of cross border village in Nyagatare district	2,955,778,390
13	Electrification Bukomane, Kabingo and Ngarama sites in Kabarore sector, Gatsibo district	368,889,327
14	Electrification of Nyagisozi and Kavumu cells, Busogo sector in Musanze district	944,063,196
15	Kirwa village,Remera cell,Ruheru sector in Nyaruguru district	180,953,570
16	Electrification of Cyanika Tvet school in Burera district	22,624,554
17	Kivuye Tvet school in Burera district t	56,979,438
18	Electrification of Cyumba Tvet school in Gicumbi district	23,009,897
19	Electrification of households surrounding Nyirantararuko MHP	250,858,611
20	Electrification of surrounding Gishoma pit	210,491,233
21	Electrification of Nzahaha and Gitambi in Rusizi	1,754,925,535
22	Electricity connection line in Kigarama and Musaza sector in Kirehe district	724,964,397

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List of projects transferred to EUCL FY 2022/2023		
SN	Project name	Amount
23	Electrification of Sunzu village Kinoni in Burera	180,933,244
24	Electrification of Burera cross border villages phase one	250,498,404
25	Power supply to the construction of kabeza climate resilient settlement, located in Nyamiyaga cell ,Rubaya sector, Gicumbi district	36,319,115
26	Electrification of Kivugiza IDP model village	458,327,886
27	Electrification of Munini IDP model village	449,945,407
28	Electrification of Rusatira site Gafumba and surrounding households	377,366,460
29	MV&LV lines for power supply to Gatenderi, Muduha and Karambi RAB cold rooms in Buyoga and Burega sectors, Rulindo district	278,629,620
30	MV&LV lines for power supply to Kabazi storage facility in Kabazi village,, Gitwe cell,Rubengera sector,Karongi district	119,270,249
31	MV&LV lines for power supply to Bugonde storage facility in Kabeza village, Rambura sector, nyabihu district	68,369,246
32	MV&LV lines for power supply to Rwimbogo post harvesting site in Mugera cell, Gatsibo sector, Gatsibo district	71,270,696
33	MV&LV lines for power supply to RAB post harvesting site in Bigaga,Rubona sector,Rwamagana district	85,477,558
34	Improvement of substations and distribution network(phase 3)	24,767,445,026
35	Electrification of Muguruka,Kazo,Nyamasare,Gisenyi,Mpembwe and Bukokozi villages in Ngoma District	812,068,525
36	Shonga Tvet school in Nyagatare District	29,021,768
37	Electrification of Ntoma Tvet school in Nyagatare district	52,391,291
38	Electrification of Mukarange Tvet school in Gicumbi district	33,058,035
39	Electrification of Murama cell office and households in the vicinity in Kayonza district in eastern province	28,550,201
40	110/30kV Gabiro and extension of Musha substation	7,527,078,759
	Total	44,092,392,878

19.6. Capital commitments

Capital expenditure contracted for at the balance sheet date but not recognized in the financial statements is as follows:

EDCL entered into agreements with various contractors to construct assets/projects over a period of time. The contracts amount is Frw 594,835,347,929. As at the date of this report, the company has paid Frw 248,422,229,714 representing 41.7% of the contract prices of the said projects. Settlement of the balance sum is currently pending fulfilment of certain obligations by the contractors

List of projects

S/N	Project name	Name of contractor
1	220kV Rwanda -Burundi Transmission line	NCC
2	220KV Substation Rwanda-Burundi	NCC
3	220 kV Substations Rwanda-DRC	STEG-IS

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4	Shango-Bugesera substations	TKCC
5	220 kv transmission line Rusumo-Bugesera-shango	SWE
6	631.86 KM National & Districts roads street lighting	JV LTC & Partners
7	Nyabarongo II HPP_43.5 MW	Sino hydro Corporation Limited
8	220KV Transimission Line Kibuye-Kigoma-Rwabusoro	JV AZOURI AEE POWER & EDCL
9	110kV Mukungwa-Nyabihu TL	JV APSPL & CEC Ltd
10	Rehabilitation Nyabarongo I HP	CEC & MBH
11	Upgrading of 1.6 MVA to 10 MVA for better liability Kilinda Transformer	CEC
12	Upgrade in eastern province	Burhani
13	EPC NGORORERO	CEGELEC
14	EPC BURERA	EAST INDIA
15	EPC GAKENKE	STEG
16	EPC GICUMBI	SINOHYDRO
17	EPC MUHANGA	STEG
18	EPC NYABIHU	CEGELEC

19.7. Capital maintenance

EDCL is a company which operates as a budget agency (all resources are from the government and donors/partners). To this effect, there are no uncertainties that may cast doubt upon the Company's ability to continue in business for the foreseeable future.