

# Office of the Auditor General of Rwanda



## **RWANDA ENERGY GROUP LTD**

### *Audit Report and Audited Financial Statements*

*For the year ended 30 June 2024*

#### **OAG Core Values**

**Integrity**

**In public Interest**

**Innovation**

**Objectivity**

**Professionalism**

**TABLE OF CONTENTS**

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

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

### **1.1 Background Information**

Rwanda Energy Group Ltd was created after winding up of EWSA operations, to take on electricity transmission and distribution responsibilities previously undertaken by EWSA. The Company was established as a limited liability company fully owned by the Government of Rwanda. Share capital was paid through transfer of assets and liabilities previously owned by EWSA at the time of winding up of EWSA operations. Assets and liabilities transferred to REG were determined by Government through Prime Minister's Order N° 87/03 of 16/8/2014 gazetted on 18/08/2014, verified, and revalued by an Independent Consultant in accordance with the provisions of the Prime Minister's Order. The winding up of EWSA operations was done through Law N° 97/2013 of 30/01/2014 repealing Law n°43/2010 of 07/12/2010 establishing Rwanda Energy, Water and Sanitation Authority (EWSA) and determining its responsibilities, organization and functioning that was published in the official Gazette on 12/02/2014.

### **1.2 Mandate of Rwanda Energy Group Ltd**

REG Ltd is a group of companies comprising of Energy Utility Corporation Limited (EUCL) which took over the responsibilities of electricity transmission and distribution in Rwanda from former EWSA and Energy Development Corporation Limited (EDCL), which took over the responsibilities of electricity generation from former EWSA. Power plants constructed by EDCL are handed over to Government, which in turn is expected to sign a concession agreement with EUCL to manage some of power generation assets (power plants).

The core business of Rwanda Energy Group Ltd is managing the subsidiaries namely EDCL and EUCL.

- **Vision of Rwanda Energy Group Ltd**

The vision of Rwanda Energy Group Ltd is to be the leading regional provider of innovative and sustainable energy solutions for national development.

- **Mission of Rwanda Energy Group Ltd**

The mission of Rwanda Energy Group Ltd is developing and providing reliable and affordable energy while creating value for our stakeholders.

### **1.3 Governance of Rwanda Energy Group Ltd**

A brief organisation structure (positions) of the entity (Board of directors, Heads, divisions, departments, units) in bullets form.

#### **1.3.1. Board of Directors**

The Board of Directors that served during the year ended 30 June 2024 and to the date of this report in December were as follows:

**RWANDA ENERGY GROUP LTD**  
**BACKGROUND, MANDATE AND GOVERNANCE**

No	Name of Board member	Responsibility	Service period
1	Dr. Didacienne MUKANYILIGIRA	Chairperson	From 14/12/2020
2	Mr. Viateur MUGENZI	Member	From 14/12/2020
3	Mr. Jean Claude ILIBONEYE	Member	From 29/07/2014
4	Mr. Charles KALINDA	Member	From 14/12/2020
5	Ms. Clemence Rita MUTABAZI	Member	From 14/12/2020
6	Mr. Felix GAKUBA	Ag. CEO and Board Secretary	From 15/5/2023 up to 3/9/2023
7	Armand Muyenzi ZINGIRO	CEO and Board Secretary	From 4/9/2023

**1.3.2. Management**

The management who held the office during the year ended 30 June 2024 and to the date of this report were as follows:

S/N	Name	Designation/Function
1.	ZINGIRO Armand	Chief Executive Officer
2.	KAMANGAJU Reine	Company Secretary
3.	NYAUMA Obegi Vincent	Chief Finance Officer
4.	RWAMUNONO Joseph	Chief Internal Auditor
5.	ZAWADI Geoffrey	Director of Human Resources
6.	KABANANIYE Janvier	Director of Research Planning and Development
7.	UWAMAHORO Jocelyne	Director of Human Resources
8.	Dr ABIJURU Delphine	Acting Director of Strategic Planning

**2. STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The Directors are responsible for the preparation of financial statements that give a true and fair view of **Rwanda Energy Group Ltd** comprising the statement of financial position as at 30 June 2024, and the statements of profit or loss and other 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 **7 to 29**, in accordance with International Financial Reporting Standards and in the manner required by the provisions of the Law N° 019/2023 of 30/03/2023 amending 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 safe guarding the assets of the company.

The Directors have made an assessment of the ability of **Rwanda Energy Group Ltd** 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 **Rwanda Energy Group Ltd** for the year ended 30 June 2024 give a true and fair view of the state of financial affairs of **Rwanda Energy Group Ltd**. 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 **Rwanda Energy Group Ltd**.

**Approval of the financial statements**

The financial statements of **Rwanda Energy Group Ltd** for the year ended 30 June 2024, on pages **7 to 29**, were approved by the Board of Directors on .....14/08/2024..... and signed on its behalf by:



Digitally signed by  
Didacienne  
Mukanyiligira



Digitally signed by Rwanda  
Energy Group(CEO)  
Date: 2024.12.31 10:42:49  
+02'00'

**Dr. Didacienne MUKANYILIGIRA**  
**Chairperson of the Board of Directors**

**Armand ZINGIRO**  
**Chief Executive Officer**

**Date:** -----

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

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

**Mr. Armand ZINGIRO**  
**Chief Executive Officer**

#### **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 **Rwanda Energy Group Ltd** for the year ended 30 June 2024. These financial statements comprise the statement of financial position as at **30 June 2024**, and the statements of profit or loss and other 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. These financial statements are set out on pages **7 to 29**.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of **Rwanda Energy Group Ltd** as at **30 June 2024**, and of its financial performance and its cash flows for the year then ended in accordance International Financial Reporting Standards (IFRS) and the Law N° 019/2023 of 30/03/2023 amending Law N° 007/2021 of 05/02/2021 Governing Companies in Rwanda.

#### **3.3. 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 **Rwanda Energy Group Ltd** 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 Organisation of Supreme Audit Institutions (INTOSAI). I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **3.3 Responsibility of management and those charged with governance for the financial statements**

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of Law N° 019/2023 of 30/03/2023 amending 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, management is responsible for assessing **Rwanda Energy Group Ltd**'s ability to continue as a going

**RWANDA ENERGY GROUP LTD**  
**AUDIT REPORT ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE**  
**2024**

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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 **Rwanda Energy Group Ltd.**

Those charged with Governance of this Company 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 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.

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

KIGALI, *31st December*, 2024

