



*Capital Market Authority*

Annual Report  
2014 - 2015





*Capital Market Authority*

**ANNUAL REPORT & FINANCIAL STATEMENTS**

**2014/2015**



## **Our Vision**

To be a key contributor to Rwanda becoming a competitive financial centre through mobilization of long-term capital.

## **Our Mission**

To nurture wealth by facilitating the development of an orderly, fair, transparent and efficient capital market.

## **Core Values**

Good Governance, Knowledge, Creativity and Innovation.



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## ACRONYMS

<b>BoK</b>	-	Bank of Kigali
<b>BRALIRWA</b>	-	Brasserie et Limonaderie du Rwanda
<b>CMA</b>	-	Capital Market Authority
<b>EAC</b>	-	East African Community
<b>EQTY</b>	-	Equity Bank
<b>FRW</b>	-	Rwandan Franc
<b>GBP</b>	-	Great Britain Pound
<b>IOSCO</b>	-	International Organization of Securities Commission
<b>NMG</b>	-	Nation Media Group
<b>QIIs</b>	-	Qualified Institutional Investors
<b>USD</b>	-	US Dollar
<b>USL</b>	-	Uchumi Supermarket Limited
<b>YTM</b>	-	Yield to Maturity
<b>EASRA</b>	-	East African Securities Regulatory Authorities
<b>FSDRP</b>	-	Financial Sector Development and Regionalization Project



## **LETTER OF TRANSMISSION**

**Amb. Claver Gatete,  
Minister of Finance and Economic Planning,  
P.O Box 158,  
Kigali – Rwanda.**

Dear Honorable Minister,

**Ref: Submission of 2014/2015 Annual Activity and Financial Report**

In accordance with the provisions and requirements of Article 17 of the Law No. 11/2011 of 18/05/2011 establishing the Capital Market Authority, I am honored to submit to you the annual activity and financial report of the Capital Market Authority for the financial year ended 30<sup>th</sup> June 2015.

Yours Faithfully,

**Robert Mathu  
Executive Director,  
Capital Market Authority  
May, 2016**



## CHAIRPERSON'S STATEMENT

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**Staci WARDEN**  
*Chairperson*

I am pleased to present the Authority's Annual Report for the year ended 30<sup>th</sup> June 2015.

The Capital Market development activities in Rwanda continued to focus on building blocks for unlocking market potential. During the period under review, the board oversaw a number of initiatives aimed at developing the Rwandan capital market industry. This is in line with the Authority's mission "to nurture wealth by facilitating the development of an orderly, fair, transparent and efficient capital market". The Board of Directors is committed to continue supporting this development.

The period was marked mostly with domestic market activities against a background of slow economic dynamism across the globe. The board approved listing of one local private sector company "Crystal Telecom Limited" and cross listing of an EAC regional private sector company from the banking sector, "Equity Group Holdings". Both listings contributed toward growth of the Rwanda Stock Exchange's market capitalization by over 100%.

On the legal and regulatory framework, a law regulating commodities exchange was drafted and submitted to Parliament for adoption, the CMA authorized the East African Commodities Exchange (EAX) to apply their own Business Conduct Rules.

The Government of Rwanda (represented by the Ministry of Finance and Economic Planning and the CMA) in collaboration with the International Finance Corporation (IFC) hosted an international conference on Capital Markets East African, themed '**Capital Markets East Africa 2015: Accelerating Economic Development**' in Kigali, Rwanda, on February 12<sup>th</sup> – 13<sup>th</sup> 2015. The opening ceremony was presided over by His Excellency Paul Kagame, President of the Republic. The objective of the conference was to discuss issues affecting the development of African capital markets, especially in East Africa. Participants deliberated widely on issues that weighed on the need to develop capital markets on the continent. The message from the high level conference was that African countries needed to lean more towards markets than on donor funding for their economic growth.

The CMA aspires to adopt the highest standards and principles on market regulators. To this end CMA acquired an Associate Membership of the International Organization of Securities Commissions (IOSCO).

On the regional integration initiatives, the CMA continued to collaborate with its peer regulators in the EAC region, to fast-track the regional integration of the legal and regulatory framework as well as market infrastructure of EAC local capital markets. The first fourteen sets of the EAC Directives were issued by the East African Community.

During the period under review, Rwanda remained an attractive investment destination at the



regional and international scenes as demonstrated by its Foreign Direct Investments (FDI) rising from an estimated USD 257.6 million in 2013 to USD 314.7 million in 2014. Rwanda also benefited from a favorable credit rating whereby in July 2014, Fitch upgraded Rwanda's long-term foreign and local currency Issuer Default Ratings (International Depository Receipts) to B+ with a stable outlook. It also upgraded Rwanda's senior unsecured foreign and local currency bonds to B+. In addition, Rwanda was ranked 46th out of 189 countries in the 2015 World Bank Doing Business report. A high ranking on the ease of doing business index means the regulatory environment is more conducive to start and operate a local firm.

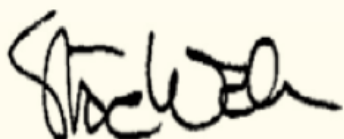
As part of Rwanda's financial sector, the capital market emerged as a financing vehicle following the implementation of measures to support resource mobilization locally. The Government of Rwanda (GoR) successfully implemented a long-term debt issuance program in 2014 to support capital market development and mobilize infrastructure funding. The total amount of funds raised during the period was FRW 55 billion compared to FRW 12.5 in the financial year 2013-2014. The work to develop the capital market to a level where it will be more effective in driving economic growth shall continue.

On the financial performance, the Capital Market Authority continues to rely on funding from the Ministry of Finance and Economic Planning to finance its activities. During the period, CMA spent FRW 1,039,459,317 in 2014/2015 against FRW 738,533,479 in 2013/2014.

On behalf of the Board of Directors of the CMA, I wish to acknowledge and thank the Government of Rwanda for continuing to support CMA to carry out its mandate as an institution.

I also recognize the Ministry of Finance and Economic Planning for its continuous support and all our stakeholders especially the National Bank of Rwanda for their role in the development of Rwanda's capital market, International Finance Cooperation (IFC/World Bank), members of EASRA (CMA Kenya, CMA Uganda, CMSA Tanzania and National Bank of Burundi) for their dedication towards integrating the EAC into a single regional capital market.

I also wish to express my gratitude to the Board Members and management of the Authority for their dedication and commitment on ensuring that the Authority's objectives are achieved.



**Staci Warden**  
*Chairperson*



## BOARD OF DIRECTORS OF THE AUTHORITY

Under the Law no11/2011 of 18th May 2011 establishing CMA, the Authority's Board of Directors is the Governing and Decision making organ. It is responsible and accountable to the Government of Rwanda through the annual performance contract that the chairman of the board signs with the Hon. Minister of Finance and Economic Planning.

The Board under the period reviewed comprised of a multidisciplinary team of seven professionals with backgrounds that range from legal, financial, banking, economics, and management - all of whom, except the Executive Director, are non-Executive Directors.



**Staci WARDEN**  
*Chairperson*

**Ms. Staci Warden** is the chairperson of the Authority's board of directors. She is the executive director of the Center for Financial Markets at the Milken Institute, where she leads initiatives on strengthening capital markets, access to capital, financial education and financial-markets solutions. She holds a master's of public policy from the Kennedy School of Government at Harvard University and has completed her coursework for a Ph.D. in economics from Brandeis University.



**Mr. Eric Rwigamba**  
*Board Vice-Chairperson*

**Mr. Eric Rwigamba** is the vice-chairperson of the Authority's board of directors. He is the Director General of the Financial Sector for the Rwanda Ministry of Finance and Economic Planning. In this capacity, he oversees a variety of nationally important initiatives related to financial sector development and stability. He holds an MBA in Finance and is also an ACCA graduate.



**Ms. Chantal Kasangwa**  
*Board Member*

**Ms. Chantal Kasangwa** is a member of the Authority's board of directors. She is the Director General of Operations Directorate at the National Bank of Rwanda. In this capacity, she oversees the Department of Financial Markets; the Department of Currency and Bank Operations and the Division in charge of Central Security Depository and Automated Transfers System.





**Mr. Ibrahim Sagna**  
*Board Member*

**Mr. Ibrahim Sagna** is a member of the Authority's board of directors. He is the Head of Financial Advisory for the Africa Finance Corporation (AFC), a Nigeria based multilateral institution with a capital base of over 3 billion and a focus on Infrastructure. With close to two decades of experience managing private investments and entrepreneurial ventures across Africa and select Emerging Markets, he has been advising many entities regarding their investment management programs. He holds a Bachelor degree and a Master of Finance from Boston College..



**Ms. Katia Manirakiza**  
*Board Member*

**Ms. Katia Manirakiza** is a member of the Authority's board of directors. She serves as the head of the Legal Department at Ecobank Rwanda, a regional commercial bank operating in many countries across Africa. She holds a Master's degree in Tax Management and finance.



**Mr. Eric Rutabana**  
*Board Member*

**Mr. Eric Rutabana** is a member of the Authority's board of directors. He is the Rwanda Country Manager of Business Partners International (BPI) Rwanda SME Fund, a wholly owned subsidiary of Business Partners Limited – a specialist risk investment group for formal Small and Medium Enterprises (SMEs) in Africa. He is responsible for Investment Strategy and Policy oversight, due diligence (including identification, negotiations, closing) on investee companies, Investment Portfolio Management and Monitoring as well as final exit thereof. He holds an MBA in Finance from the Maastricht School of Management, Maastricht.



**Mr. Robert Mathu**  
*Executive Director*

**Mr. Robert Mathu** is a member of the Authority's board of directors. He is the Executive Director. He started his career at the Nairobi Stock Exchange (NSE) in 1990 where he worked through the initial transformation of the NSE. He was also involved in setting up the Dar es Salaam Stock Exchange operations as the Technical Advisor. He also assisted in the establishment of the Uganda Securities Exchange in 1996. He worked as a stock broker in Nairobi for three years before taking up his current assignment in Rwanda. He has an MBA in International Banking and Finance from the University of Birmingham UK.



## EXECUTIVE DIRECTOR'S REPORT

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**Mr. Robert Mathu**  
*Executive Director*

It's with great pleasure that I forward this report on operations and performance of the Rwandan Capital Market Authority during the year of 2014/2015.

### **Market Performance**

Crystal Telecom Limited – an investment holding company created by Crystal Venture Limited for the sole purpose of managing its stake in MTN Rwanda – a company not publicly traded - issued to the public its 270,177,320 shares allowing the public to own MTN shares resulting in the over subscription of the Initial Public Offer by 24%.

Equity Group holdings Limited cross listed its shares on the Rwandan bourse making it the 4<sup>th</sup> company to do so in the Rwandan market.

Four (4) Treasury bonds with a face value of FRW 55 billion were issued to the public with maturities ranging between 3 and 10 years. The value of shares traded increased by 35% on the secondary market, as the market registered a turnover of FRW 57.5 billion up from 42.6 billion recorded the previous financial year.

The number of shares traded more than doubled as 187.4 million shares were transacted on the market compared to 84.9 million traded in 2013/2014.

The cross listing of Equity Group shares significantly increased market capitalization from FRW 1,399 billion as at 30<sup>th</sup> June 2014 to FRW 2,893 billion by 30<sup>th</sup> June 2015.

Rwanda Share Index closed on a low note as it went down by 17% in the 12 months ending 30<sup>th</sup> June 2015 to close at 220.07.

The Rwanda Stock Exchange All Share Index went down by 7% to close at 135.62 down from 146.19 by end of June 2014. Bonds worth FRW 1.7 billion were traded on the Rwanda Stock Exchange bond market, in 8 transactions compared to FRW 57 billion traded in 2013/2014.

### **Legal and Regulatory Framework**

In the period under review, 6 new EAC directives were developed and 15 directives were adopted by the Council of Ministers awaiting transposition. The publication of the pension law in May 2015 provided for the liberalization of the pension sector.



## **IOSCO Membership**

CMA became an associate member of IOSCO in November 2014 and is currently working on gaining becoming signatory to the MMoU (Multilateral Memorandum of Understanding) which will consequently sustain the attractiveness of the Rwandan capital market to investors both local and international

## **Public Education Programme**

CMA organized workshops for potential issuers about the benefits of raising long term capital on the capital market. They were also exposed to corporate governance as a benchmark for raising new capital. This was delivered across different radio and TV programmes. CMA also organized workshops and conducted door to door visits to potential issuers, most of whom were SMEs.

## **Human Capital Development**

During the year in review, a number of CMA employees undertook courses both locally and internationally. Here we cite:

- 1) Training organized by Securities Industry Training Institute (SITI), the regional capacity building institute for the East African Securities Exchanges in partnership with Rwanda Stock Exchange, on Collective Investment Schemes, Fund Management and Real Estate Investment Trusts (REITS).
- 2) Training conducted by the Ministry of Finance and Economic Planning on integrated financial management systems.
- 3) CMA in partnership with The Institute of Certified Public Accountants of Rwanda (ICPAR) conducted training for the industry on corporate governance
- 4) Training on International Standards of Auditing and code of ethics organized by the Institute of Certified Public Accountants of Rwanda.
- 5) Training on the assessment exercise and action plan to achieve IOSCO compliance which was conducted by a consultant hired by the East African Community Secretariat.
- 6) Regional training on securities statistics organized by the East African Community Secretariat in Arusha in November 2014.
- 7) Securities market stakeholders' capacity building workshop for Rwanda organized by the East African Community Secretariat in October 2014.

## **Acknowledgments**

As we facilitate the mobilization of capital and business into the market, more focus will be driven towards finding out: how to effectively transition from a bank-dominated financial sector towards greater use of capital markets, how to develop the full ecosystem of equity markets that will serve the country's large businesses as well as SMEs and how to cultivate the buy-side of the market. This will make the Rwandan capital market eco-system respond



to the needs of its various stakeholders (savers, investors, business and the public) and serve the local, regional as well as international markets.

The Management of the Authority would like to thank all the stakeholders involved in the development of the Capital Market in Rwanda. We have continued to receive a lot of important cooperation from Minecofin (Ministry of Finance and Economic Planning).

We would also like to thank the Board of Directors of the Authority for their guidance to management in providing leadership while the CMA continues to nurture and develop Rwanda's Capital Market

**Robert Mathu**  
*Executive Director*



## THE MANAGEMENT OF THE AUTHORITY

The management team that served in 2014/2015 was comprised of:



**Mr. Robert Mathu**  
*Executive Director*



**Mr. Eric Bundugu**  
*Deputy Executive Director*



**Ms. Christine Nyiranshimiyimana**  
*Legal & Corporate Affairs Manager*



**Ms. Carine Twiringiyimana**  
*Financial Analyst*



**Ms. Vanice Busingye**  
*Market Supervision  
& Inspection Manager*



**Mr. Maurice Rwamigabo**  
*Information, Communication  
& Technology Manager*



**Ms. Clarisse Umutoni**  
*Finance & Administration  
Manager*



**Mr. Emmanuel Mugiraneza**  
*Public Relations Officer*



## **BUSINESS ACTIVITIES OF THE AUTHORITY**

### **I. LEGAL AND REGULATORY FRAMEWORK**

#### **1. Law and Regulations**

In the financial year 2014/15, the Authority continued with its mandate of developing legal and regulatory framework to promote the securities industry and enhance investor protection. The Authority drafted the Law regulating commodities & derivatives exchange trading and the regulations that will enable its implementation. It also drafted regulations that would enable implementation of the Law No 01/2011 of 10/02/2011 regulating Capital Market in Rwanda.

In the year under review the following laws and regulations were drafted:

- 1) Law regulating Commodities and Derivatives Exchange Trading: The purpose of this law is to regulate the commodity exchange and related contracts. The law is in parliament waiting for adoption.
- 2) Three regulations implementing the above law were drafted to be finalized upon the publication of the law:
  - a. Conduct of commodity exchange business by market intermediaries
  - b. Regulation on licensing of market intermediaries
  - c. Regulation on disciplinary proceedings against market intermediaries

While the Law is pending legislation and publication, CMA approved the EAX Rules that are currently applied in business conduct and operations

#### **2. EAC Council Directives**

Under the EAC Capital Markets integration criteria, EAC Member States were directed to harmonise their legal and regulatory frameworks. This was to be implemented through EAC Capital Market Council Directives.

The first set of 15 directives was approved by the Council of Ministers in November 2014 and awaiting transposition by each Member State. These directives included the following:

- 1) Directive of the EAC on Take Over and Mergers;
- 2) Directive of the EAC on Investor Education and Protection;
- 3) Directive of the EAC on Anti Money Laundering in Securities Market;
- 4) Directive of the EAC on Central Securities Depository;
- 5) Directive of the EAC on Conduct of Business;



- 6) Directive of the EAC on Securities Exchanges;
- 7) Directive of the EAC on Licensing of Market Intermediaries;
- 8) Directive of the EAC on Corporate Governance for Listed Companies;
- 9) Directive of the EAC on Public Offers of Debt Securities;
- 10) Directive of EAC on Public Offers of Equity securities;
- 11) Directive of the EAC on Corporate Governance for Securities Market Intermediaries;
- 12) Directive of the EAC on Admission to Secondary Trading;
- 13) Directive of the EAC on Asset Backed Securities;
- 14) Directive of the EAC on Regional Listings in Securities Markets;
- 15) Directive of the EAC on Collective Investment Schemes.

The following 6 new Directives were also drafted:

- 1) Directive of the EAC on Competent Authority;
- 2) Directive of the EAC on Regulatory Activities;
- 3) Directive of the EAC on Real Estate Investment Trusts;
- 4) Directive of the EAC on Evaluative and Analytical Services;
- 5) Directive of the EAC on Credit Rating Agencies;
- 6) Directive of the EAC on Business Continuity for Securities Markets.

### **3. IOSCO Membership**

In November 2014 CMA became an associate member of IOSCO after undergoing an internal IOSCO review.

The EAC Secretariat, under the Financial Sector Development and Regionalization Project I (FSDRP I) supported the assessment of Rwanda's Legal and Regulatory Framework of the 30 IOSCO principles and a report with the proposed amendments on the same was published in May 2015. The assessment report proposed a comprehensive set of recommendations to CMA for further Legal, Regulatory and Structural reforms to enable the organization to qualify for full membership.

### **4. Validation Workshops**

In the period under review, the Authority conducted 3 key workshops on the legal and regulatory framework. These included:

- 1) Validation workshop for the report forwarded by the EAC consultant on assessment of compliance with IOSCO principles in May 2015.



- 2) Validation workshops on new 6 EAC directives which took place in February 2015:
- 3) Working retreat to review the draft law on Warehouse Receipt System in October 2014.

## **II. MARKET DEVELOPMENT**

### **1. Equity Primary Market**

In the year 2014/2015, the primary market for equities registered two transactions. A cross listing and one Initial Public Offer.

- 1) On February 12<sup>th</sup> 2015, Equity Group Holdings Limited, cross listed its 3,702,777,020 shares on the Rwanda Stock Exchange. The company's main listing is on the Nairobi Securities Exchange and it is the 5<sup>th</sup> company cross listed on the Rwandan Bourse.



***Finance Minister Claver Gatete (L) ringing the bell at the cross listing of Equity Group Holdings during the International Conference on Capital Market***

- 2) On May 21<sup>st</sup> 2015, Crystal Telecom Limited holding company established by Crystal Ventures Limited issued its 270,177,320 shares to the public. The shares have a face value of FRW 50 share and were offered at FRW 105 per share. The offer received a subscription level of 124% and listing of Crystal Telecom Limited shares on Rwanda Stock Exchange took place on 16<sup>th</sup> July 2015. Crystal Telecom Limited is the 3<sup>rd</sup>



domestic company to go public following successful BRALIRWA (Brewery) and Bank of Kigali Initial Public Offers in 2011.

## 2. Bond Primary Market

In the period under review, the Government of Rwanda issued four bonds totaling FRW 55 billion with different maturities ranging between 3 and 10 years under the Treasury Bond Issuance Program published in February 2014 as shown below.

**Table 1: Summary of the four bonds issued in 2014/2015**

Item	5-year bond(Aug.2014)	7-year (Nov.2014)	3-year (Feb.2015)	10-Year(May 2015)
Amount in FRW	15 billion	15 billion	15 billion	10billion
<b>Subscription level</b>	<b>232%</b>	<b>187%</b>	<b>106%</b>	<b>228%</b>
Allocation per category:				
Banks	40%	45.6%	48%	20.9%
QIIs	57%	53%	50%	76.7%
Retail	3%	1.4%	2%	2.4%
Coupon rate	11.875%	12.475%	11.55%	12.925%
Yield to Maturity	12%	12.5%	11.7%	13%

Source: Central Bank of Rwanda

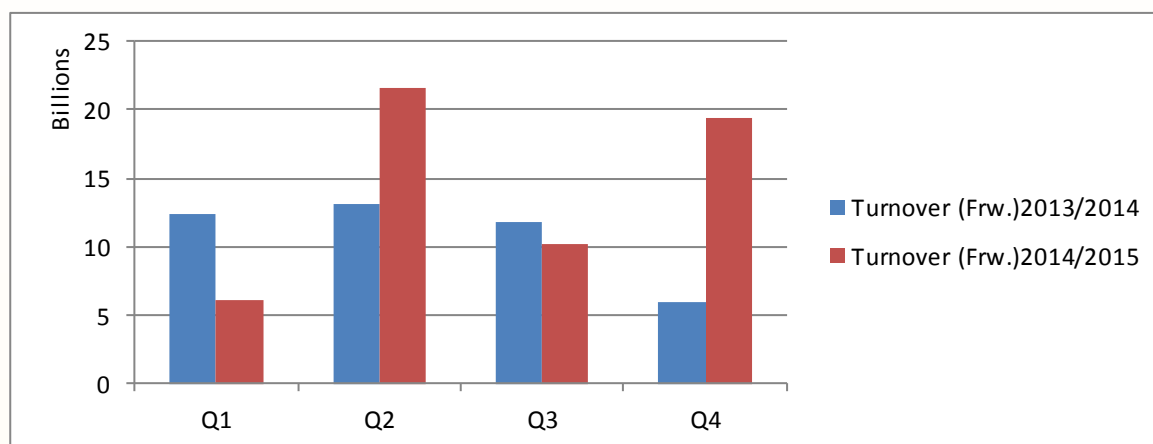
## 3. Equity Secondary Market

In the twelve months period ending June 2015, the secondary market for equities recorded an increase in the value of shares traded by 35% reaching FRW 57.5 billion up from FRW 42.6 billion recorded in the year 2013/2014. The number of shares traded in 2014/2015 more than doubled to 187.4 million shares up from 84.9 million shares traded in the previous financial year.

1,107 transactions were registered in 2014/2015 compared to 1,652 deals recorded the previous year. By 30<sup>th</sup> June 2015, the Rwanda Stock Exchange market capitalization stood at FRW 2,893 billion more than doubling as a result of the cross listing of Equity shares on Rwanda Stock Exchange compared to FRW 1,399 billion as of 30<sup>th</sup> June 2014, as shares prices of listed securities mainly went down.



Table 2: Trading Statistics



Source: RSE

#### 4. Market Performance Trends

Table 3: Equity Market Price List

Date:30/06/2015		2014/2015 prices				Shares traded in million	Total turnover(FRW) in billion
ISIN –CODE	Security	High	Low	Closing	Previous		
RW000A1JCYA5	BOK	320	250	289	294	137.1	37,9
RW000A1H63N6	BLR	465	348	349	455	50.2	19.5
KE0000000315	KCB	185	185	185	185	0	0
KE0000000380	NMG	1,200	1,200	1200	1200	0	0
KE0000000489	USL	175	104	104	175	0.001	0.0001
KE0000000554	EQTY	430	415	430	-	0.027	0.0113

Source: Rwanda Stock Exchange

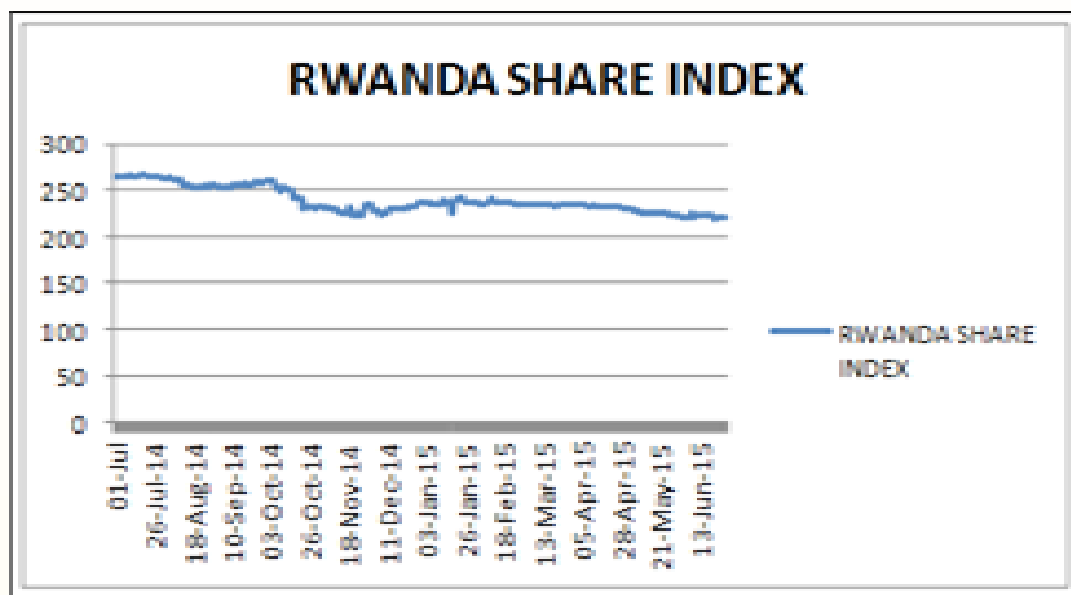
Table 4: RSE Indices and Market Capitalization.

INDEX	30/06/2014	30/06/2015	Points change	% change
RSE Rwanda Share Index(RSI)-base date 2 <sup>nd</sup> January 2012	263.94	220.07	-43.87	-17%
RSE All Share Index(ALSI)-base date 2 <sup>nd</sup> January 2012	146.19	135.62	-10.57	-7%
Market Capitalization (Mkt cap.)	FRW 1,399 billion	FRW 2,893 billion	+ FRW 1,494 billion	+ 107%

Source: Rwanda Stock Exchange

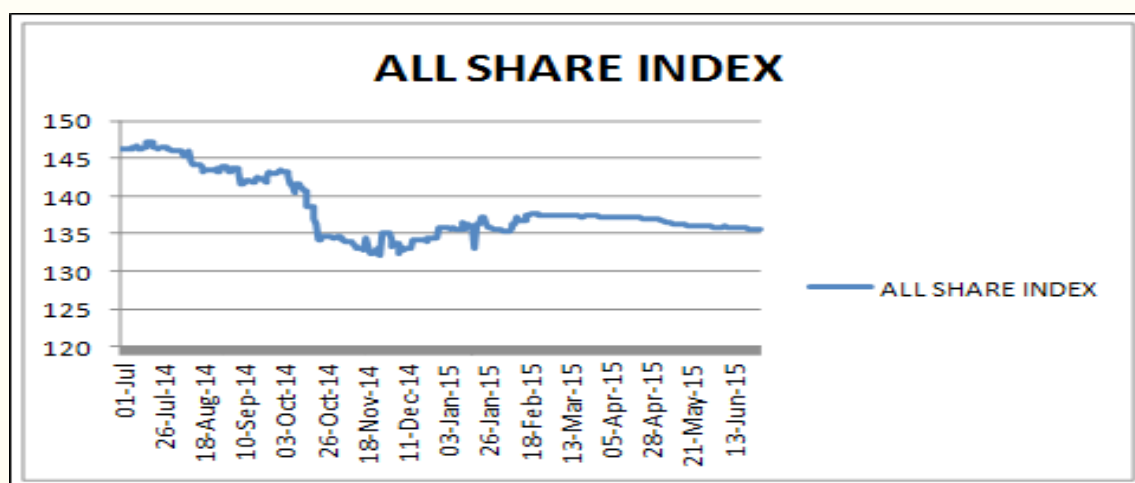


Table 5: Rwanda Share Index



Source: Rwanda Stock Exchange

Table 6: All Share Index



Source: Rwanda Stock Exchange



## Secondary Bond Market

In 2014/2015, bonds worth FRW 1.7 billion were transacted on the secondary market compared to a turnover of FRW 57 million registered in the previous year.

## Outstanding Bonds as of 30th June 2015

*Table 7: Treasury Bonds*

Security	Maturity	Tenor	Face value	Coupon Rate (%)	YTM (%)
FXD1/2014/3yrs	24/02/2017	3years	FRW12.5 billion	11.475 fixed	11.625
FXD2/2011/5yrs	30/09/2016	5years	FRW2.5 billion	11.25 fixed	11.15
FXD4/2010/5yrs	19/11/2015	5years	FRW3.5 billion	11 fixed	11.13
FXD 3/2014/5yrs	23/08/2019	5years	FRW15 billion	11.875 fixed	12
FXD4/2014/7yrs	19/11/2021	7years	FRW15billion	12.475 fixed	12.5
FXD1/2015/3yrs	23/02/2018	3years	FRW15billion	11.55 fixed	11.7
FXD2/2015/10yrs	16/05/2025	10years	FRW15billion	12.925 fixed	13

Source: Rwanda Stock Exchange

*Table 8: Corporate Bonds*

Security	Maturity	Tenor	Face value	Coupon Rate (%)	YTM (%)
I&M	25/01/2018	10years	FRW 1 billion	10.5	-
International Finance Corporation	16/05/2019	5years	FRW 15 billion	12.25	12.25

Source: Rwanda Stock Exchange



## 5. MARKET DEVELOPMENT FORUM

One of the responsibilities of the Capital Market Authority is to conduct public education in order to raise awareness on the importance of saving and investing the people of Rwanda through the capital market. In this regard the Authority carried out the following activities:

### 5.1. International conference on Capital Markets East Africa 2015



*H.E President Paul Kagame speaking at the International conference on Capital Markets East Africa 2015*



*Participants at the International conference on Capital Markets East Africa 2015*

The Government of Rwanda in collaboration with the International Finance Corporation, a member of the World Bank Group, hosted an international conference themed **‘Capital Markets East Africa 2015: Accelerating Economic Development’** in Kigali, Rwanda, from 12-13 February 2015 presided over by His Excellency Paul Kagame, President of The Republic of Rwanda. The conference brought together more than 300 global and regional experts, regulators, law firms, issuers, and rating agencies.



Drawing on experiences and best practices, participants discussed a number of topics, including:

- Developing robust infrastructure for efficient financial markets;
- Investing in human capital for the market;
- International investor perspectives on domestic issuances;
- Financing real sectors through capital markets

The objective of the conference was to discuss issues affecting the development of African capital markets, especially in East Africa. The participants deliberated on the identified issues so as to accelerate the development of capital markets on the continent.

Approaches and sequencing of policy and macroeconomic reforms to support debt, equity and commodity markets; financing priority sectors such as infrastructure, housing, and small and medium enterprises through capital markets; and the perspectives for closer integration of the East African Community Common Market were among the issues addressed by the participant.

Panelists included senior government officials from the EAC region as well as senior representatives from international and regional investment banks, rating agencies, and multilateral development organizations.



***Rwandan Finance and Economic Planning Minister, Hon Amb Claver Gatete on one of the panels of the Participants at the International conference on Capital Markets East Africa 2015***

## **5.2. Annual Rwanda International Trade Fair 2014**

CMA continued to participate in the Rwanda Annual International Trade Fairs. The Trade Fair took place from the 24<sup>th</sup> July to the 6<sup>th</sup> August 2014 in Kigali whereby trading was done live at the CMA stand in the Expo and shares worth FRW 650 million were traded.



In conjunction with the Rwanda Stock Exchange, CMA used this forum to educate investors on saving and investing through the capital market.

### **5.3. Quarterly Road Show on the Treasury-Bonds**

To increase the investor base in Treasury bonds, road shows for the T-bond issues were organized around the country at district level and in various institutions in the city of Kigali.

### **5.4. Seminar on Municipal Debt Financing**

CMA in partnership with the Ministry of Local Government, International Finance Corporation and Augusto&Co, Credit Rating Agency conducted a seminar on municipal bond financing in Kigali in October 2014 targeting senior officials at district level and industry players that attracted over 100 participants.

### **5.5. Financial Sector Exposition**

CMA participated in the financial sector expo organized during the National Savings week that took place between 25<sup>th</sup> and 31<sup>st</sup> October 2014 themed **“Save now for a better future”** and aimed at reminding and educating the public on the importance of saving.

### **5.6. Door to Door Campaign to Potential Issuers**

During the period under review in August 2014 CMA conducted door –to- door visits to 12 companies including Banks, insurance companies, telecommunication companies and some umbrella bodies as a way of creating awareness about raising capital through the capital market to potential issuers.

### **5.7. Workshop Dialogue with the Private Sector Golden Cycle Members**

CMA in partnership with Private Sector Federation organized in December 2014 a breakfast meeting with members of the Golden Cycle in a bid to raise awareness on the importance of raising capital through the capital market.

### **5.8. Print Media**

In the period under review, 12 articles covering CMA were published on print media between July 2013 and June 2014.

## **III. MARKET SUPERVISION AND INSPECTION**

Market supervision and inspection department is a newly established department whose main objective is to ensure licensees comply with laws, regulations, directives and orders from CMA. The department undertook the following activities:

1. Drafting of market supervision and inspection manual
2. Conduct of onsite and offsite inspection: During the year under review, the department conducted both onsite and offsite inspections.



During onsite inspections covering all brokers, the following areas were checked:

- a. Office appearance and extent of automation;
- b. Corporate governance and employees;
- c. Audited Annual report and Accounts;
- d. Business data files;
- e. Files indicating firm's own accounts;
- f. Procedure on personal trading;
- g. Complaints register and complaints procedure;
- h. Data on fees; and
- i. Internal Controls in place.

#### **IV. REGIONAL INTEGRATION**

In the period under review, CMA participated in the East African Securities Regulatory Authorities (EASRA) meetings held in Dar-es-Salaam and Kampala in September 2014 and March 2015 respectively.

As part of various initiatives aimed at integrating the regional capital markets industries, the Authority also attended different meetings organized by the East African Community secretariat in relation to capital market integration. These included:

1. The stakeholders' validation workshop for the study on developing a framework for establishing a centralized database for financial flows in the East African Community region held in Arusha in April 2015.
2. Meetings of Regional Commodities Exchange Joint Technical Committee (October 2014 and May 2015);
3. Validation workshop on capacity assessment of Light University (Burundi) and UR-CBE (Rwanda) held in Bujumbura (September 2014) and Kigali (April 2015);
4. Sectoral Council on Finance and Economic Affairs (November 2014) in Nairobi; and
5. Meeting of Capital Market, Insurance and Pension Committee (CMIPC) which took place in October 2014 in Kampala;



## **V. HUMAN RESOURCE AND ADMINISTRATION**

### **1. Capacity building**

The Authority supported staff training initiatives and skills development through regionally and locally arranged training programmes:

- 8) Six staff members attended a training organized by Securities Industry Training Institute (SITI), the regional capacity building institute for the East African Securities Exchanges in partnership with Rwanda Stock Exchange, on Collective Investment Schemes, Fund Management and Real Estate Investment Trusts (REITS).
- 9) One staff member attended a training conducted by the Ministry of Finance and Economic Planning on integrated financial management systems.
- 10) CMA in partnership with The Institute of Certified Public Accountants of Rwanda (ICPAR) conducted training for the industry on corporate governance which was attended by three CMA staff members and fifteen industry players.
- 11) One staff member attended training on International Standards of Auditing and code of ethics organized by the Institute of Certified Public Accountants of Rwanda.
- 12) Thirty (30) people including all CMA employees attended a training on the assessment exercise and action plan to achieve IOSCO compliance which was conducted by a consultant hired by the East African Community Secretariat.
- 13) One CMA staff member attended regional training on securities statistics organized by the East African Community Secretariat in Arusha in November 2014.
- 14) Three CMA staff members attended securities market stakeholders' capacity building workshop for Rwanda organized by the East African Community Secretariat in October 2014.

## **THE AUTHORITY'S FINANCIAL POSITION**

The Authority's financial position is provided in the audited statement for the period ended June 30<sup>th</sup>, 2015 as an appendix to this report. The Authority's budget is fully funded by the Government of Rwanda.



## APPENDICES

### Appendix 1: CMA licenses by June 2015

No	CATEGORY	INSTITUTION
1	CREDIT RATING	1. Augusto & Co Ltd
2	CUSTODIAN	1. KCB Bank Rwanda Ltd
		2. Bank of Kigali Ltd
3	INVESTMENT MANAGER	1. Alpha Africa Assets Managers Rwanda Ltd
4	INVESTMENT ADVISOR	2. Aims Capital Associates Rwanda Ltd
5	SPONSORING BROKER	1. Renaissance Capital Ltd
6	BROKERS	1. African Alliance Rwanda Ltd
		2. CDH Capital Ltd
		3. Baraka Capital Ltd
		4. MBEA brokerage services Rwanda Ltd
		5. Core Securities Ltd
		6. Faida Securities Rwanda Ltd
		7. Bank of Kigali Securities Ltd
		8. SBG Securities Rwanda Ltd
7	Exempted	1. Rwanda Stock Exchange Ltd
8	Approved	1. East African Exchange

### Appendix 2: Financial Statements and Auditor's Report



# **Capital Market Authority (CMA)**

**Audited Financial Statements  
For the year ended 30 June 2015**

**September 2015**



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4 Financial Statements for the year ended 30 June 2015 .....	5
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## 1 Organisation Information

### Brief description of the Capital Market Authority (CMA)

The Capital Markets Authority (CMA) was established by law No. 11/2011 of 18 May 2011 establishing the Capital Market Authority (CMA) and determining its mission, powers, organisation and functioning. Previously it had been operating as Capital Markets Advisory Council (CMAC) which had been established by the Prime Minister's order No. 01/03 of 28 March 2007. CMA has legal personality, administrative and financial autonomy and is governed in accordance with the laws governing public institutions. The main mission of CMA includes the following:

- to implement the Government policy on Capital Market;
- to prepare draft policies on capital market;
- to advise Government on policy relating to the capital market;
- to promote public awareness on the capital market and develop such market;
- to elaborate action plans and conduct studies in order for CMA to achieve its mission;
- to formulate principles and regulations for the capital market;
- to make regulations governing capital market business in accordance with the Law regulating capital market in Rwanda;
- to control and supervise all capital market activities with a view to maintain proper code of conduct and acceptable practices on the capital market ;
- to register capital market business and related instruments provided for by the Law regulating capital market in Rwanda;
- to issue, suspend, and withdraw licenses and approvals related to capital market business;
- to seek to achieve fairness, efficiency and transparency in the functioning of the capital market;
- to protect citizens and investors in capital market from unfair and unsound practices or practices involving fraud, deceit, cheating or manipulation;
- to monitor, supervise, and take actions with regard to the compliance with this Law and regulations thereto related as well as with the Law regulating capital market in Rwanda and regulations thereto related;
- to co-operate and collaborate with other regulatory bodies in accordance with the provision of the Law regulating capital market in Rwanda;
- to consult concerned organs prior to making any decision to modify principles and regulations of the profession that may have impact on the functioning of the capital market;
- to keep adequately, and timely records of decisions made in the accomplishment of CMA mission; and
- to accomplish any other mission assigned by the Law regulating capital market in Rwanda.

### Vision

The vision of CMA is to be a key contributor to Rwanda becoming a competitive financial centre through mobilization of long term capital.

### Mission

The mission of CMA is to nurture wealth by facilitating the development of an orderly, fair, transparent and efficient capital market.

### Principal place of activity

Ecobank Building,  
KN 4 Av (Formerly Avenue de la Paix)  
P.O. Box 6136,  
Kigali, Rwanda.



### Board members

The board members who served during the year were:

Staci Warden	Chairperson
Eric Rwigamba	Vice Chairperson
Chantal Kasagwa	Board Member
Ibrahim Sagna	Board Member
Eric Rutabana	Board Member
Katia Manirakiza	Board Member
Robert Mathu	Secretary

### Management team

The management who held office during the year were:

Robert Mathu	Executive Director
Eric Bundugu	Deputy Executive Director
Christine N.Nshimiyimana	Legal & Corporate Manager
Clarisse Umutoni	Finance and Administration Manager
Busingye Vanice	Market Supervision and Inspection Manager
Magnifique Migisha	Public Relations Officer
Maurice Rwamigabo	Information and Technology Manager
Carine Twiringiyimana	Financial Analyst

### Banker

National Bank of Rwanda  
Kigali, Rwanda.

### Auditors

RUMA Certified Public Accountants  
3rd Floor, KN 4 AV 30  
P.O. Box 2611  
Kigali, Rwanda  
Email: [info@rumacpa.com](mailto:info@rumacpa.com)  
Website: [www.rumacpa.com](http://www.rumacpa.com)



## 2 Statement of the management's responsibilities

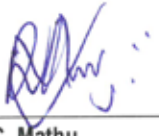
Article 66 of the Organic Law N° 12/2013 of 12/09/2013 on State Finances and Property requires budget agencies to submit annual reports which include all revenues collected or received and all expenditures made during the fiscal year, as well as a statement of all outstanding receipts and payments before the end of the fiscal year.

Article 19 of the Organic Law N° 12/2013 and Article 09 and Article 11 of Ministerial Order N°002/2007 of 9 February 2007 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.

The Chief Budget Manager accepts responsibility for the annual financial statements, which have been prepared using the "modified cash basis" of accounting as defined by Article 2 (20) of the Ministerial Order N°002/07 of 9 February 2007 relating to Financial Regulations and using appropriate accounting policies supported by reasonable and prudent judgements and estimates.

These financial statements have been extracted from the accounting records of CMA 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 CMA. 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.

  
Robert C. Mathu  
Executive Director





RUMA Certified Public Accountant  
KN 4 Av. No 30, 3<sup>rd</sup> Floor  
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Tel: +250 788301220 / +250 788683220  
Office : +250 25257378  
Email: info@rumacpa.com  
www.rumacpa.com

### 3 Independent auditor's report

To the management of the Capital Market Authority (CMA)

We have audited the financial statements of the Capital Market Authority (CMA), set out on pages 5 to 13, which have been prepared on the basis of the accounting policies set out on page 8. We obtained all the information and explanations which we considered necessary for our audit.

#### Responsibilities of the management

The Management of the Capital Market Authority (CMA) is responsible for the preparation of financial statements, which give a true and fair view of the state of affairs of the authority and of the operations for the year.

#### Responsibilities of the independent auditors

Our responsibility is to express an independent opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. The Auditing Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement. 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, the auditor considers internal control relevant to the entity's preparation and fair presentation of financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

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

#### Opinion

In our opinion, proper books of accounts have been kept and the financial statements, which are in agreement therewith, give a true and fair view of the state of financial affairs of the Capital Market Authority (CMA) as at 30 June 2015 and its deficit for the year then ended in accordance with Government of Rwanda financial reporting framework.

Peter Rutaremara  
Managing Partner



A member of Kreston International | A global network of independent accounting firms



## 4 Financial Statements for the year ended 30 June 2015

### 4.1 Statement of income and expenditure for the year ended 30 June 2015

	Note	Year ended 30 June 2015	Year ended 30 June 2014
Income		Rwf	Rwf
Transfer from Treasury	4.4.1	1,023,992,578	693,051,652
Other income	4.4.2	11,730,037	16,515,100
<b>Total receipts</b>		<b>1,035,722,615</b>	<b>709,566,752</b>
<b>Expenditure</b>			
Compensation of employees	4.4.3	177,627,369	165,843,972
Purchase of goods and services	4.4.4	321,705,077	438,585,129
Capital expenditure	4.4.5	247,549,044	39,106,378
Grants and other transfer payments	4.4.6	292,577,827	95,000,000
<b>Total payments</b>		<b>1,039,459,317</b>	<b>738,535,479</b>
<b>Surplus/ (deficit) for the year</b>		<b>(3,736,702)</b>	<b>(28,968,727)</b>

The financial statements were authorized for issue on \_\_\_\_\_ 2015 by:



  
Geoffrey Magyezi  
Accountant

  
Clarisse Umutoni  
Finance and Administration Manager

  
Robert C. Mathu  
Executive Director



#### 4.2 Statement of financial position as at 30 June 2015

	Note	As at 30 June 2015 RwF	As at 30 June 2014 RwF
<b>Assets</b>			
Cash in Hand (a)	4.4.7	22,000	98,127
<b>Liabilities</b>			
Accounts payable (b)	4.4.8	(6,378,677)	(5,214,960)
<b>Net assets (a+b)</b>		<b>(6,356,677)</b>	<b>(5,116,833)</b>
<b>Represented by:</b>			
Accumulated Surplus/(deficit)	4.4.9	(6,356,677)	(5,116,833)

The financial statements were authorized for issue on 30-09 2015 by:

  
Geoffrey Magyezi  
Accountant

  
Clarisse Umutoni  
Finance and Administration Manager

  
Robert C. Mathu  
Executive Director



#### 4.3 Cash flow statement for the year ended 30 June 2015

	Year ended 30 June 2015 RwF	Year ended 30 June 2014 RwF
<b>Cash flows from operating activities</b>		
Transfers from Treasury	1,023,992,578	693,051,652
Other revenue	11,730,037	16,515,100
<b>Operating revenue</b>	<b>1,035,722,615</b>	<b>709,566,752</b>
<b>Adjustments</b>		
Changes in payables	1,163,717	(3,504,154)
Adjustments made during the year	2,496,858	(556,880)
<b>Total cash receipts from operating activities</b>	<b>3,660,575</b>	<b>(4,061,034)</b>
<b>Payments for operating activities</b>		
Compensation of Employees	(177,627,369)	(165,843,972)
Use of Goods and Services	(321,705,077)	(438,585,129)
Grants and other transfer payments	(292,577,827)	(95,000,000)
<b>Total payments for operating activities</b>	<b>(791,910,273)</b>	<b>(699,429,101)</b>
<b>Net cash flow from operating activities (a)</b>	<b>247,472,917</b>	<b>6,076,617</b>
<b>Cash flows from investing activities</b>		
Purchase of capital items on behalf of Rwanda stock exchange(RSE)	(247,549,044)	(39,106,378)
<b>Net cash flows from Investing activities (b)</b>	<b>(247,549,044)</b>	<b>(39,106,378)</b>
<b>Net increase in cash and cash equivalents (a) + (b)</b>	<b>(76,127)</b>	<b>(33,029,761)</b>
Cash and cash equivalent at the beginning of the year	98,127	33,127,888
<b>Cash and cash equivalent at the end of the year</b>	<b>22,000</b>	<b>98,127</b>

The financial statements were authorized for issue on 30-09 2015 by:

  
Geoffrey Magyezi  
Accountant

  
Clarisse Umutoni  
Finance and Administration Manager



  
Robert C. Mathu  
Executive Director



## **Significant accounting policies**

### **Basis of Accounting**

The Financial Statements have been prepared in accordance with the following policies, which have been applied consistently in all material aspects, unless otherwise indicated. However, where appropriate and meaningful, additional information has been disclosed to enhance the usefulness of the Financial Statements and to comply with the requirements of Article 66 of the Organic Law on State Finances and Property: Law No. 12/2013 of 12 September 2013 and Ministerial Order N°002/07 of 9 February 2007 relating to Financial Regulations.

The Financial Statements have been prepared on a modified cash basis of accounting, except where stated otherwise. In the context of Ministerial Order N°002/07 of 9 February 2007 relating to Financial Regulations the modified cash basis of accounting means financial transactions which are recognized in the books of account as follows:

1. Generally, transactions are recognized only at the time the associated cash flows take place;
2. The expenditure on acquisition of fixed assets is not capitalized. Thus fixed assets are written-off on acquisition and the wear and tear (depreciation) of those assets is not recorded in the books of account; and
3. Prepaid expenditure/advances are written off during the period of disbursement.

The recognized "modification" is as follows:

1. Invoices for goods and services which are outstanding on the date of the closure of the fiscal year are recognized as liabilities for that specific fiscal year; and
2. Book balances denominated in foreign currencies are converted into the Rwanda Francs at average rate of exchange ruling on that date issued by the National bank of Rwanda. The associated exchange losses are recorded as recurrent expenditure while the exchange gains are recorded as recurrent revenue.

### **Reporting entity**

The financial statements are for Capital Markets Authority (CMA)

### **Reporting Currency**

The financial statements are reported in Rwanda Francs, being the currency of legal tender in Rwanda.

### **Revenue**



### **Expenditure**

Expenditure is classified according to major categories in line with Article 19 of Ministerial Order N°002/07 of 09/02/2007 relating to Financial Regulations. The main categories of expenditure include compensation of employees, purchase of goods and services, Capital expenditure and grants and other transfer payments.

### **Cash**

Cash comprises cash on hand and cash equivalents.

### **Accounts payable**

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.

### **Foreign currencies**

Transactions denominated in foreign currencies are translated to the Rwandan Franc at the rate of exchange issued by the National bank of Rwanda (BNR) applicable for the dates of the transaction. At the closure of the year, book balances denominated in foreign currencies are converted into Rwandan Francs at the ruling BNR exchange rate. The associated exchange losses/gains are recorded as expenditure/revenue in the books of account.



#### 4.4 Notes to the financial statements

##### 4.4.1 Cash transfer from treasury

Description	Year ended 30 June 2015 Rwf	Year ended 30 June 2014 Rwf
Transfers from treasury	1,160,828,156	802,894,866
Reversal Bank charges	-	(2,000)
30-06-2015-Refund of bank balance	(136,835,578)	(109,841,214)
<b>Total</b>	<b>1,023,992,578</b>	<b>693,051,652</b>

##### 4.4.2 Other Income

Description		
Sales of tender documents	-	10,000
Application and license fees	-	8,351,439
Bond appraisal fees-EADB	-	8,012,331
Exchange gain	1,671	141,330
Other Miscellaneous Income	400,000	-
Trading License(Patent)	11,328,366	-
<b>Total</b>	<b>11,730,037</b>	<b>16,515,100</b>

##### 4.4.3 Compensation of employees

Description		
Staff Salaries	165,521,906	156,242,436
Rwanda social security Board Contributions	12,105,463	9,601,536
<b>Total</b>	<b>177,627,369</b>	<b>165,843,972</b>

##### 4.4.4 Purchase of goods and services

Description		
Office Supplies and Consumables	8,388,445	9,144,920
Water and Energy	4,418,204	2,906,718
Tools and Spare Parts	332,000	-
Maintenance and Repairs	4,259,300	-
Trade Fair and Exhibitions	10,434,000	-
Other Insurance costs	3,864,109	-
Transport and Travel	6,073,750	17,026,570
Rental Costs/hire of rooms	6,869,660	25,700,386
Publications and adverts	5,969,016	47,834,335
Public Relations and Awareness	135,000	9,636,200
Communication, internet and postage	11,762,549	12,288,452
Translation costs	1,341,158	-
Professional Services	223,216,930	258,565,412
Board Allowances	775,000	3,457,620
Mission Allowances	8,134,854	13,044,958
Miscellaneous Expenses	1,608,100	-
Membership Fees	-	10,000,000
Bank charges	127,620	147,894
Other tax refund-Withholding tax	-	-
Sports and recreational facilities and services	1,921,200	4,161,731



Capital Market Authority (CMA)  
Audited Financial Statements for the year ended 30 June 2015

International affairs	21,528,106	8,574,268
Exchange loss	546,076	2,847,425
Insurance	-	2,283,048
Printing and stationery	-	10,965,192
	<u>321,705,077</u>	<u>438,585,129</u>

#### 4.4.5 Capital Expenditure

Description	Year ended 30 June 2015 Rwf	Year ended 30 June 2014 Rwf
Purchase of Information Systems & Equipment	2,410,740	2,455,500
Purchase of Computer software on behalf of Rwanda Stock exchange (RSE)	245,138,304	-
Furniture and Fittings	-	36,650,878
	<u>247,549,044</u>	<u>39,106,378</u>

#### 4.4.6 Grants and Other Transfer Payments

Description		
Subsidies to Rwanda Stock exchange (RSE)	75,000,000	95,000,000
Subsidies to Rwanda National Investment Trust(RNIT)	217,577,827	-
	<u>292,577,827</u>	<u>95,000,000</u>

#### 4.4.7 Cash and Bank

	As at 30-Jun-15 Rwf	As at 30-Jun-14 Rwf
Cash in hand	<u>22,000</u>	<u>98,127</u>

#### 4.4.8 Accounts Payable

Name	30-Jun-15 Rwf	30-Jun-14 Rwf
Tayari Restaurant	-	410,407
East lake Engineering Ltd	-	2,466,458
Other Payables	93,525	-
Cheques in transit as at year end	6,285,152	2,338,095
	<u>6,378,677</u>	<u>5,214,960</u>

#### 4.4.9 Accumulated Surplus/ Deficit

	Year ended 30 June 2015 RwF	Year ended 30 June 2014 RwF
Accumulated Surplus/(deficit) b/d	(5,116,833)	24,408,774
Prior year adjustments	2,496,858	-(556,880)



Capital Market Authority (CMA)

Audited Financial Statements for the year ended 30 June 2015

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Current year Surplus/(deficit)	<u>(3,736,702)</u>	<u>(28,968,727)</u>
	<u><u>(6,356,677)</u></u>	<u><u>(5,116,833)</u></u>

Adjustments during the year comprise of Rwf 2,466,458 relating to previous year outstanding amount paid with the current year budget allocation and an amount of Rwf 30,400 relating to Correction of previous year vat payable amount.



#### 4.5 Budget execution report for the year ended 30 June 2015

Description	Financial Year 2014/2015 Approved Budget - Frw	Financial Year 2014/2015 Revised Budget - Frw	Financial Year 2014/2015 Actual - Frw	Variance A-B	Performance Percentage (B/A)*100
<b>Revenue</b>					
Fees, fines, penalties and licenses	-	-	11,328,366	(11,328,366)	0%
Transfers from Treasury	1,252,058,818	1,160,828,156	1,023,992,578	136,835,578	88%
Other revenue	-	-	401,671	(401,671)	
<b>Total Revenue</b>	<b>1,252,058,818</b>	<b>1,160,828,156</b>	<b>1,035,722,615</b>	<b>125,105,541</b>	<b>89%</b>
<b>Expenses</b>					
Compensation of Employees	215,409,125	215,409,125	177,627,369	37,781,756	82%
Use of Goods and Services	449,669,284	386,061,163	321,705,077	64,356,086	83%
Grant and other transfers and subsidies	341,183,005	341,183,005	292,577,827	48,605,178	86%
Capital Expenditure	245,797,404	247,549,044	247,549,044	-	100%
<b>Total expenses</b>	<b>1,252,058,818</b>	<b>1,190,202,337</b>	<b>1,039,459,317</b>	<b>150,743,020</b>	<b>87%</b>



## *Capital Market Authority*

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