



Capital Market Authority

Annual Report

and Financial Statements

2016 - 2017

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

BoK	Bank of Kigali
BNR	National Bank of Rwanda
BRALIRWA	Brasserie et Limonaderie du Rwanda
BRD	Development Bank of Rwanda
CMA	Capital Market Authority
CMMP	Capital Market Master Plan
DSE	Dar es Salaam Stock Exchange
EAC	East African Community
EQTY	Equity Bank
EASRA	East African Securities Regulatory Authorities
FSDRP	Financial Sector Development and Regionalization Project
FRW	Rwandan Franc
FY	Financial Year
GBP	Great Britain Pound
IFC	International Finance Corporation
IOSCO	International Organization of Securities Commission
NMG	Nation Media Group
NSE	Nairobi Stock Exchange
QIIs	Qualified Institutional Investor
REG	Rwanda Energy Group
RSE	Rwanda Stock Exchange
USD	United States Dollar
USE	Uganda Securities Exchange
USL	Uchumi Supermarket Limited
YTM	Yield to Maturity

LETTER OF TRANSMISSION

Amb. Claver GATETE,
Minister of Finance and Economic Planning,
Kigali – Rwanda.

Honorable Minister,

Ref: Submission of 2016/2017 Annual Activity and Financial Report

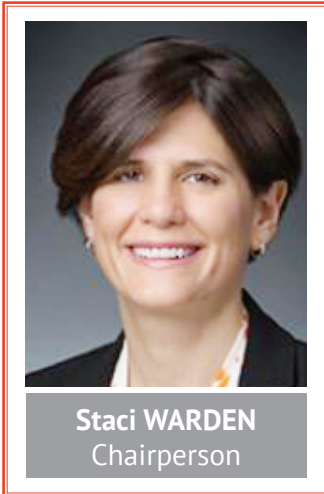
In accordance with the provisions and requirements of Article 32 of the Law N° 23/2017 of 31/05/2017 establishing the Capital Market Authority, I am honored to submit to you the annual activity and financial report of the Capital Market Authority for the financial year ended 30 June 2017.

Yours Faithfully,

Eric BUNDUGU
Ag. Executive Director,
Capital Market Authority

November 2017

CHAIRPERSON'S STATEMENT



Staci WARDEN
Chairperson

I am pleased to present the Authority's Annual Report for the year ended 30th June 2017.

Rwanda's Economy registered 5.9% growth in 2016, GDP at current prices estimated at Frw 6,618 billion, up from Frw 5,956 billion in 2015 according to figures released by the National Institute of Statistics of Rwanda (NISR).

Rwanda's financial sector continued to register strong growth, supported by various government initiatives to deepen financial services. The sector contributed 51 percent of GDP in the first quarter of 2017.

In March 2017, the Rwanda's capital market industry accomplished an important milestone where the Government of Rwanda sold 99,030,400 ordinary shares representing approximately 19.81% shareholding of I & M Bank Rwanda-Ltd to the public. I&M Bank Rwanda Ltd is the fourth domestic company to go public and the eighth company to list its shares on the RSE Market. The shares were listed on RSE on 31st March 2017.

In line with the Government Bond issuance program, 4 treasury bonds worth Frw 50 billion were issued, with maturities ranging between 3 to 7 years.

In July 2016, an initiative to boost the saving culture among Rwandans through the capital market dubbed "RNIT Iterambere Fund" was launched. The initiative allows investors to combine their savings in a diversified portfolio of investments in debt and equity through a 'One Application – One Amount'. The Unit Trust enables all Rwandans regardless of their income levels to invest a fraction of their income through the fund.

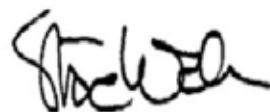
The implementation of the CMMP has started under the capacity building component. In September 2016, CMA and Chartered Institute for Securities and Investment (CISI) signed an MoU on partnership in delivering a certification licensing led programme for the market industry professionals.

In 2017, the Law n° 23/2017 of 31/05/2017 establishing the Capital Market Authority of Rwanda (CMA) and determining its mission, organization and functioning was published in the Official Gazette and is in the process of being implemented.

In conclusion, I wish, on behalf of the board of Directors to recognize the support by the Government of Rwanda

and other stakeholders in the development of the capital market industry. In addition, all the work we have done over the last year depends both on clear direction from the Board and wholehearted effort by the management team. I am grateful to both.

In the financial year 2017/18, we look forward to working closely with all Capital Market Stakeholders at domestic, regional and international level to deepen and strengthen capital markets in Rwanda and in the EAC region as a whole. I am confident that with everyone's continued support and teamwork the capital market in Rwanda stands at the threshold of an exciting and more prosperous time in the years ahead.

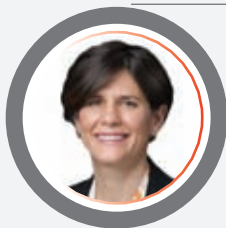


Staci Warden
Chairperson

BOARD OF DIRECTORS OF THE AUTHORITY

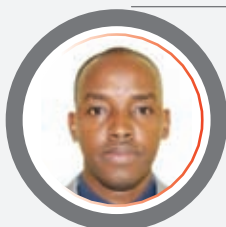
Under Law n° 23/2017 of 31/05/2017 establishing the Capital Market Authority of Rwanda (CMA), determining its mission, organization, and functioning, the Authority's Board of Directors is the governing and decision making organ. It is responsible and accountable to the Government of Rwanda through the annual performance contract that the Board Chairperson signs with the Hon. Minister of Finance and Economic Planning.

During the period under review, the Board 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. However, due to a new permanent and demanding position Mr. Ibrahim Sagna got in Nigeria, he could not effectively carry out his duties as a Board member, he therefore resigned in July 2016.



Ms. Staci Warden
Board 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 advanced degrees from the Kennedy School of Government at Harvard University and 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 in charge of Operations 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.



Ms. Katia Manirakiza
Board Member

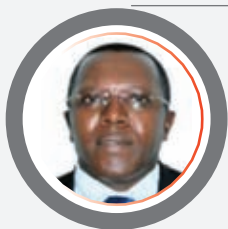
Ms. Katia Manirakiza is a member of the Authority's board of directors. She serves as the Head of Legal and Human Resources Department at SAHAM Assurance Rwanda Ltd, an insurance company operating in many countries across Africa. She holds a Master's degree in Tax Management and Finance.



Mr. Eric Rutabana

Board Member

Mr. Eric Rutabana is a member of the Authority's board of directors. He is the Country Head of Corporate and Investment banking of Banque Populaire (BPR), part of Atlas Mara. In this capacity, he oversees the commercial banking activities of BPR. He holds an MBA in Finance from the Maastricht School of Management, Netherlands.



Mr. Robert Mathu

Board Member

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 stockbroker 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



Market performance

The RSE market recorded a slight drop in market value as share prices maintained a downward trend from the previous year. The RSE Rwanda Share Index (RSI) closed the year at 119.32 at the end of June 2017, a 16% drop from June 2016. The equity market capitalization, representing the value of all listed companies dropped 2 % to 2.745 trillion by the end of June 2017 compared to the 3% drop recorded at the end of June 2016. The downward trend was a continuation of the declining share prices carried over from the previous year, because of the impact of global commodity prices.

During the year, the stock market became lively as secondary trading activity improved. The number of shares traded and turnover increased by 41% and 16% respectively, as 124.7 million shares worth RWF 19.3 billion traded

in 2017, compared to declines of 71% and 53% in 2016. The bond secondary market reported an increase of 181% reflecting an increased demand and new investors in the treasury debt market.

The Treasury bonds issuance program was stable. In the financial year ended June 2017, the Government of Rwanda issued four Treasury Bonds worth Frw 50 billion with maturities ranging between three to seven years, compared to 4 Treasury Bonds with a face value of Frw 55 billion issued in the previous financial year with maturities of three to fifteen years. The treasury bonds are issued to support infrastructure financing and to support the capital markets development.

The main highlight of the year was the only IPO and subsequent listing of I&M Bank through Government privatization and capital market development program. In March 2017, the Government of Rwanda sold 99 million ordinary shares representing approximately 19.81% shareholding of I&M Bank Rwanda Limited to the public. I&M Bank Rwanda Limited is the fourth domestic company to go public and the eighth company to list its shares on the RSE Market. The shares were offered at Frw 90 per share. The total offer raised Frw 8.9 billion. I&M shares were listed on the RSE on 31st

March 2017. The objective of the offer was to allow the Government to divest from I&M Bank Rwanda Limited and also to develop the Capital Market in Rwanda by continuously giving investors an opportunity to participate in the success of the leading corporates in Rwanda.

Legal and regulatory framework

In the financial year 2016/17, the Authority continued with its mandate of developing the legal and regulatory framework to promote the development of the industry and enhance investor protection. In this regard, Authority developed the regulations that would enable implementation of the law No 01/2011 of 10/02/2011 Regulating Capital Market in Rwanda as repealed by the Law n° 23/2017 of 31/05/2017 establishing the Capital Market Authority of Rwanda (CMA) and determining its mission, organization and functioning.

In November 2016, the CMA Board of Directors organized a Board retreat in partnership with the International Finance Corporation (IFC) for enhancing corporate governance practices within the Authority and the industry.

Investor education and public awareness

The Authority continued to take Investor Education and Public Awareness as a key element in provision of financial literacy as well as investor confidence in Rwanda's capital market.

As part of the public education and

awareness campaigns targeting the youth, the Authority (CMA) conducted the annual Capital Market University Challenge. The competition was aimed at exposing university students to the capital market industry while exposing them to the culture of saving and investment as future professionals and investors. The fourth edition of the Capital Market University Challenge started on 17 May 2017 and was closed on 9 June 2017; it covered 21 universities and other higher learning institutions across the country, attracting more than 300 students.

Capital Market Authority (CMA) also participated in the 19th International Rwanda International Trade Fair (RITF) that took place from July 27 – August 10, 2016. CMA reached out to more than 400 visitors who were introduced to the securities markets services, and through the licensees of the Authority, they were specifically guided on how they could save and invest through the capital market.

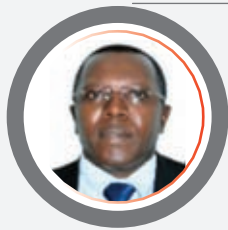
Finally, the work that the Authority undertook during the year is a combined effort by several players within the Authority and the industry stakeholders working in harmony and dedication. I wish to thank all of them for continued efforts and cooperation in helping the Authority to participate effectively in the financial sector transformation and economic growth in Rwanda.



Robert Mathu
Executive Director

THE MANAGEMENT OF THE AUTHORITY

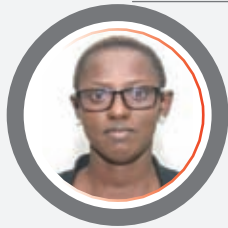
The management team that served in the FY 2016/2017 was comprised of the following:



Mr. Robert C. MATHU
Executive Director



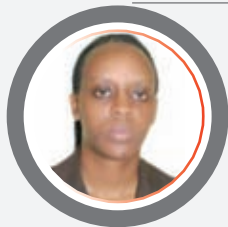
Mr. Eric BUNDUGU
Deputy
Executive Director



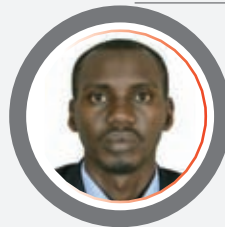
**Mrs. Christine
NYIRANSHIMIYIMANA**
Manager – Legal and
Corporate Affairs



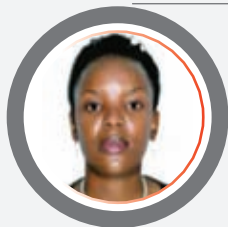
Mrs. Noella MURIGO
Manager – Market
Supervision & Inspection



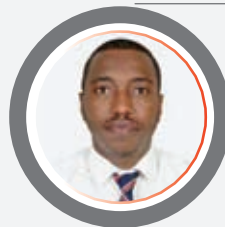
Mrs. Clarisse UMUTONI
Manager – Finance &
Administration



Mr. Jerome NDAYAMBAJE
Manager – Information
and Communications
Technology (ICT)



**Mrs. Carine
TWIRINGIYIMANA**
Financial Analyst



Mr. Magnifique MIGISHA
Public Relations Officer

MANAGEMENT REPORT

I. LEGAL AND REGULATORY FRAMEWORK

1. Laws, Regulations and Guidelines

In the financial year 2016/17, the Authority continued with its mandate of developing laws and regulations to promote development of the industry and enhance investor protection. The Authority developed the regulations that would enable implementation of the law *No 01/2011 of 10/02/2011 Regulating Capital Market in Rwanda*.

The following Law and regulations were published in the Official Gazette and are in the process of being implemented:

- 1) *Law n° 23/2017 of 31/05/2017 establishing the Capital Market Authority (CMA)*, determining its mission, organization, and functioning. The previous law establishing the Authority was repealed in order to comply with the new Organic Law no 001/2016/OL of 20/04/2016 establishing general provisions governing public institutions. Through the new law, the Authority was mandated to regulate additional segments of the capital markets industry. These are the collective investment schemes (CIS), the exchange traded commodities market and the Warehouse Receipt Systems (WRS).
regulation was amended to cater for development REITs.
- 2) *Regulation No.20 of 05/07/2016 modifying and complementing Regulation no 14 of 05/08/2013 on the Real Estate Investment Trusts (REITs)*. The previous
- 3) *Guidelines No21 of 05/07/2016 governing the development of real estate investment trust*. This Guideline developed to accommodate the new property development as the previous framework allowed only income on property.
- 4) *Regulation N°22 of 05/07/2016 governing licensees' financial reporting*. This Regulation is in place to guide licensees on their reporting obligations.
- 5) *Regulations No23 of 05/07/2016 relating to the registration of Credit Rating Agencies in Rwanda*. The instrument provides the requirements to be complied with by credit rating agencies that would want to operate in Rwanda.

The following Laws are in the process of being published in the official Gazette:

- 1) Draft Law Regulating commodity exchange and related contracts;
- 2) Draft Law Regulating the Warehouse Receipt System.

The following regulations were developed and awaiting approval for publication in official Gazette:

- 1) Draft Ministerial Order Determining the Powers, Organization and Functioning of the Capital Market Independent Review Panel;
- 2) Guidelines no 001/2017 on private placement.

2. Corporate Governance

In November 2016, the Board organized a retreat in partnership with the International Finance Corporation (IFC) for enhancing corporate governance practices within the Authority. Among topics covered in the retreat, include the following:

- Best practices in Corporate Governance;
- Board Charter;
- Board evaluation process and benefits;
- Role and responsibilities of Independent Review Panel.

II. MARKET PERFORMANCE

1. Primary Market

Equity market

In March 2017, the Government of Rwanda sold 99,030,400 ordinary shares representing approximately 19.81% shareholding of I&M Bank Rwanda Limited through an IPO.

I&M Bank Rwanda Limited is the fourth domestic company to go public and the eighth company to list on the RSE. The shares were offered to the public as an IPO at Frw 90 per share. The total offer raised Frw 8.9 billion and the subscription level was 209%. The bank listed on the RSE on 31 March 2017.

The objective of the offer was to allow the Government to divest from I&M Bank (Rwanda) Limited and to develop the Capital Market in Rwanda by continuously giving investors an opportunity to participate in the success of the leading corporates in Rwanda.

Bond market

In the financial year ended June 2017, the Government of Rwanda issued 4 Treasury Bonds worth Frw 50 billion with maturities ranging between three to seven years, compared to 4 Treasury Bonds with a face value of Frw 55 billion issued in the previous financial year with maturities of three to fifteen years.

Below are the particulars of the Treasury Bonds issued in the FY 2016/ 2017:

Table 1: Summary of the four bonds issued in 2016/2017

Item	5-year bond (Aug.2016)	3-year(Feb.2017)	7-Year(May 2017)
Amount in FRW	15 billion	10 billion	10billion
Subscription level	139%	209%	113%
Coupon rate	12.25%	12.375%	12.675%
Yield to Maturity	12.25%	12.375%	13.675%

Source: Central Bank of Rwanda, June 2017

Table 2: EQUITY IPOs

S/N	Company	ISIN code	Listing date	No of shares issued	IPO Price (frw)	Price end June 2017	Market Cap. in Frw billion
1	BRALIRWA	RW000A1H63N6	January 2011	128,570,000	136	135	138.85
2	BK	RW000A1JCYA5	September 2011	300,304,400	125	245	164.68
3	CTL	RW000A14UYP4	July 2015	2701,177,320	105	75	20.26
4	I&M	RW000A2DN989	March 2017	99,030,400	90	95	47.5

Source: RSE, June 2017

2. Secondary Market

In the 2016/2017 financial year, equity-trading turnover increased by 16.6% to reach Frw 19.13 billion up from Frw 16.43 billion registered in the previous financial year. The number of shares traded on the secondary market increased by 41% from 88.2 million shares traded in 2015/2016 to 124.78 million shares traded in 2016/2017. However, share prices went down by 16% as the RSE Rwanda Share Index (RSI) stood at 119.32 by end June 2017 from 142.43 by end June 2016.

In the period under review, the Rwanda Stock Exchange market capitalization went down by 2% to stand at Frw 2,745.93 billion by end June 2017 down from Frw 2,808.44 Billion by the end of June 2016.

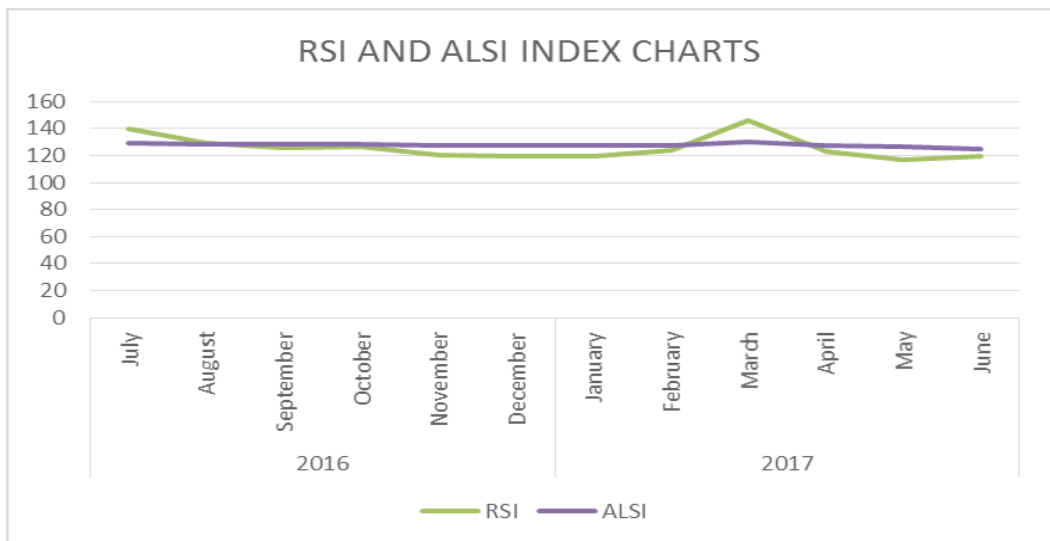
Table 3. Market Performance Trends

Year	Month	Equity turnover (billion Frw)	Share Volume (million)	RSE Rwanda Share Index (RSI)	Equity Market Cap. (Frw Billion)	Bonds turnover (Frw billion)
2016	July	0.87	7.91	139.64	2,800.96	0.09
	August	0.54	3.68	129.57	2,773.94	0.10
	September	0.65	2.93	126.06	2,766.82	0.22
	October	1.66	11.66	127.06	2,769.91	0.15
	November	1.42	9.71	120.65	2,750.03	0.14
	December	1.78	9.66	119.91	2,748.03	0.50
2017	January	2.55	13.13	119.91	2,748.03	0.24
	February	0.80	4.33	123.67	2,758.11	0.11
	March	1.01	4.73	145.98	2,826.24	1.47
	April	0.52	3.08	123.22	2,807.85	0.13
	May	1.62	12.50	116.74	2,789.72	1.33
	June	5.72	41.46	119.32	2,745.93	0.28
Total FY 2016/2017		19.13	124.78	*119.32	* 2,745.93	4.77
Total FY 2015/2016		16.43	88.20	* 142.43	*2,808.44	1.70
Percentage change		16%	41%	-16%	-2%	181%

End of the period figure

Source: RSE, June 2017

Figure 1: Rwanda Share Index (Domestic companies)



Source: RSE, June 2017

In the FY 2016/2017, the bond market registered a total turnover of Frw 4.7 billion compared to Frw 1.7 billion turnover for the previous financial year, translating into an increase of 181%.

Outstanding Bonds as of 30 June 2017

Table 4: Treasury Bonds

Security	Maturity	Tenor	Face value	Coupon Rate (%) fixed	YTM (%)
FXD 3/2014/5yrs	23/08/2019	5years	Frw 15 billion	11.875	12
FXD4/2014/7yrs	19/11/2021	7years	Frw 15billion	12.475	12.5
FXD1/2015/3yrs	23/02/2018	3years	Frw 15billion	11.55	11.7
FXD2/2015/10yrs	16/05/2025	10years	Frw 15billion	12.925	13
FXD3/2015/5YR	21/08/2020	5years	Frw 15 billion	11.95	11.95
FXD 4/2015/3YR	23/11/2018	3years	Frw 15 billion	11.8	11.8
FXD 1/2016/5YR	19/02/2021	5years	Frw 15 billion	12	12
FXD 2/2016/15YR	09/05/2031	15years	Frw 10 billion	13.5	13.5
FXD3/2016/5YR	20/08/2021	5years	Frw15 billion	12.25	12.25
FXD4/2016/3YR	22/11/2019	3years	Frw 15 billion	12	12
FXD1/2017/3YR	18/02/2022	3years	Frw 10 billion	12.375	12.375
FXD2/2017/7YR	17/05/2024	7years	Frw 10 billion	12.675	12.675

Source: CMA, June 2017

Table 5: 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: CMA, June 2017

III. MARKET DEVELOPMENT

1. Standard & Poor's affirms Rwanda at 'B'; Outlook Stable



On 10 March 2017, Standard & Poor's (S&P) published its updated rating on Rwanda. S&P affirmed their rating of Rwanda's long-term foreign and local currency sovereign credit ratings at B whilst also reconfirming their short-term ratings as a B.

In September 2016, S&P downgraded the rating for Rwanda from B+ to B. According to S&P, the downgrade was a result of Rwanda's external position and S&P believed that Rwanda's current account deficit would widen to 16% in the year 2016 while at the same time foreseeing net external debt levels continuing to increase.

The main reason they affirmed this rating this time then was that they believed that the immediate financing pressures had abated and continued programs with the IMF would help

to anchor policy orientation going forward. They believed that whilst there were ongoing problems with Rwanda's external position, it appeared that the relevant mineral prices bottomed out and the completion of several large projects would both reduce pressure on imports and increase exports of goods and services. Whilst they recognized Rwanda's debt-to-GDP having doubled between 2012 and 2016, this was from a very low base and they projected that a combination of revenue-side measures and expenditure restraint will lead to deficits falling consistently over the next four years after their projection of 5% growth in fiscal year 2016-17.

The rationale behind the stable outlook by S&P was derived from various steps taken by the Government

of Rwanda to confront these pressures and the government's relatively strong fiscal position. Steps they highlighted include diversifying the country's exports, import-substitution efforts and a focus on business-tourism. They, however, perceived these steps as having gradual impacts rather than in the short-term and this will lead to the current account deficit narrowing to 8% in 2020. The Government's position remained strong due to its efforts to reduce the deficit to 4% of GDP during 2016/17 from 5.5% the year before; therefore net debt peaking at only 39% in 2019 before reducing.

Overall, the stable outlook reflected the balance between the potential for stronger than expected economic growth or fiscal performance, which have solid foundations, with the potential for the external sector to act as an even greater drag.

2. Survey on crowd funding in East Africa Community

During the period under review, a study on crowd funding in East Africa was conducted with the support of Financial Sector Deepening (FSD) Africa. The study dated January 2017 covered donation-based, reward-based, equity-based and loan-based crowdfunding. The new emerging alternative finance is a rapidly growing sector composed of innovative financial instruments and channels that have collectively raised over

\$145 billion in 2015 across the globe. Loan and equity-based crowdfunding models account for the vast majority of activity, which is concentrated in a few countries – notably China, the USA and the UK. FSD Africa, the Cambridge Centre for Alternative Finance (CCAF) and Anjarwalla and Khanna (A&K) collaborated to conduct a comparative assessment of the existing and evolving regulatory and policy landscape on crowdfunding in East Africa.

According to the report, in 2015, USD 3.5 million was raised in Rwanda with an additional USD 2 million raised in Q1 of the year 2016. Around three-quarters of market activity was non-financial return-based lending, with donation crowdfunding accounting for around another quarter and most likely funds emanated from outside Rwanda. The equity and reward-based models have yet to emerge in Rwanda. So far, there is no regulatory framework in place related to crowdfunding but CMA and BNR were identified as the regulators responsible for putting in place the required regulatory framework as well as supervise the emerging industry.

Following the study, the EAC capital market regulators have embarked on developing a regulatory framework that will encourage crowd funding in recognition of the fast emerging alternative platforms for capital raising.

IV. INVESTOR EDUCATION AND PUBLIC AWARENESS

The Authority continued to take Investor Education and Public awareness as a key element in increasing financial literacy as well as investor confidence in Rwanda. From July 2016 up to June 2017, CMA undertook several activities to promote awareness on capital markets. Some of the main activities during the year included the annual University Challenge, exhibitions at trade fairs, participation in road shows for treasury bonds issuance as well as an IPO.

1. The 4th Edition of the Capital Market University Challenge

As part of the public education and awareness campaigns, the Rwanda's Capital Market Authority (CMA) organized the annual Capital Market University Challenge. The fourth edition of the Capital Market University Challenge took place from May 17 – June 9, 2017. It covered 21 universities and other institutions of higher learning across the country, more than 300 students participated.



Winners and officials in a group photo, 2017 Capital Market University Challenge

The University Challenge started in 2012, targeting undergraduate students in all universities and other higher learning institutions in Rwanda. This fourth edition of the Challenge involved question and answer contests, and an essay writing competition whose title was “Growing the youth through capital market”.

The College of Agriculture and Veterinary Medicine (CAVM) emerged as the winner of the Capital Market University Challenge 2017 in the quiz category. The winners both in quiz and essay categories were awarded Frw 3 million to buy shares in any listed company of their choice.

2. Annual Rwanda International Trade Fair 2016

The Capital Market Authority (CMA) participated in the 19th Rwanda International Trade Fair (RITF), which took place from July 27 – August 10, 2016. Over 400 people visited the CMA Stand at the exhibition. The Authority was awarded the second best customer care provider at the exhibition.

CMA participated in the second edition of *Made in Rwanda Exhibition* from December 14 – 20, 2016 at Gikondo Expo grounds. The Authority also took part in the annual Savings Week Expo organized by MINECOFIN from October 25 – 28, 2016. CMA exhibited at the event during the 20th African Securities Exchanges Association (ASEA) annual conference held on November 27 – 29, 2016.

3. Road shows during the I & M Bank Rwanda Ltd IPO

During the I&M Bank Rwanda Limited IPO that took place between February and March 2017, CMA participated in roadshows. The focus of the Authority during the public talks was on investor protection. The following 16 Districts across the country were sensitized on investing in the share offer: Bugesera, Rwamagana, Ngoma, Nyagatare, Gicumbi, Burera, Musanze, Rubavu, Karongi, Rusizi, Nyaruguru, Huye, Muhanga, Nyarugenge, Gasabo and Kicukiro.

4. Roadshows for Treasury Bonds

Alongside the GoR quarterly issuance of Treasury Bonds, CMA participated in some of the roadshows for the T-Bonds issued in the period under review (July 2016 – June 2017). Roadshows were conducted targeting members of the Private Sector Federation (PSF) and SACCO managers in seven districts namely Huye, Rusizi, Musanze, Rwamagana, Kicukiro, Gasabo and Nyarugenge. All issued bonds were oversubscribed and this re-affirmed investors' confidence in Rwanda's macro-economic framework and especially in the growing local capital market industry. The road shows resulted into an increase in the number of investors on the capital market.

5. Public education in universities

The Authority conducted countrywide sensitization campaigns among students in various universities.



Public education session, Adventist University of Central Africa (AUCA), August 2016

The campaign was designed to create awareness and interest students as futures investors and professionals in the capital market.

During the period under review, the Authority reached out to over 4,000 students from 9 universities and institutions of higher learning. Among those visited include the University of Rwanda – College of Education (CE), University of Kigali (UOK), University of Lay Adventists of Kigali (UNILAK), Adventist University of Central and East Africa (AUCA), Jomo Kenyatta University of Agriculture and Technology (JKUAT - Rwanda campus), Kigali Institute of Management (KIM) as well as University of Tourism, Technology and Business Studies (UTB).

6. CMA in the media

Between July 2016 and June 2017, CMA carried out diverse public education and awareness activities through TVs and Radios talk shows aimed at promoting the culture of savings and investment through capital markets. Through print and electronic media, stories on the development of Rwanda's capital market industry were published in various well-known local, regional and continental online portals.

7. CMA Website and Social Media

To increase its visibility, CMA revamped its web portal to ease navigation by our online visitors while ensuring constant presence of key information the public would need to access. CMA has been active on social media networks like Instagram, YouTube, Twitter and Facebook. Our twitter handle had 3,350 followers in July 2017 from 2,100 followers in June 2016.

V. MARKET SUPERVISION AND INSPECTION

The Authority's key mandate in promoting and sustaining investor confidence and guaranteeing the development of an orderly, fair and transparent capital market, is supervision and inspection. Monitoring and oversight activities by the Authority involved:

- Periodic reviews of reports by licensees as well as listed companies;
- Conduct of inspections of licensees in order to examine whether the processes/ procedures in place are in accordance with the applicable laws and regulations prescribed by the Authority;
- Constant checking to ensure that they have adequate capital to support their business activities and have in place a sound risk management framework to guarantee stability of their operations;
- Conduct investigations for alleged wrongdoings or suspected misconduct by licensees;
- Respond to investors complaints.

During the period under review, the Authority conducted both offsite and onsite inspections. The two set of inspections revealed an improvement in the level of compliance by market intermediaries towards the Authority's legal and regulatory framework. Ten onsite inspections were conducted. Inspected entities included eight stock-brokers and two custodians.

The key considerations during onsite inspections were the following:

- Corporate governance;
- Filing of business data/information;
- Dealing practices and clients' assets handling business procedures;
- Complaints register and handling business procedures;
- Internal business controls.

To ease interaction between CMA and market intermediaries, the Authority has started developing online portals that will allow licensees to file their required periodic returns electronically.

VI. REGIONAL INTEGRATION

As part of various initiatives aimed at integrating the regional capital markets, the Authority engaged its regional peers for the continued implementation of the regional integration agenda. The engagement was done through the East African Securities Regulatory Authorities (EASRA) meetings that took place twice (March and June 2017) during the period under review as well as the Joint Technical Committee (JTC) meeting (July 2016) on integrating the commodities exchange trading market. The integration of the commodities exchange trading market is one of the components of the Northern Corridor Integration Projects (NCIP) initiated and spearheaded by the Heads of States of Kenya, Rwanda, South Sudan and Uganda.

The mandate of the commodities exchange trading market cluster of the NCIP is to integrate the legal and regulatory framework as well the infrastructure to enable markets in the region to operate seamlessly.

VII. CAPACITY BUILDING

During the year 2016/2017, the Authority supported staff training initiatives and skills development through locally and internationally arranged programs. The following training programs were undertaken:

1. Legal and regulatory framework:

- Holding organizations accountable in contribution to the economy prosperity training, ICPAR, October 2016.

2. Market development:

- IFC-Milken Institute Capital Market Program at George Washington University and US Securities and Exchange Commission (SEC), USA, August 2016 – May 2017;

- E-learning course on fundamentals of payment and securities clearing and settlement systems, Macroeconomic and Financial Management Institute of Eastern and Southern Africa (MEFMI), October – November 2016;
- IOSCO and PIFS Harvard Law school Global Certificate Program, Spain, October 2016;
- Study tour on “Building Rwanda as a Regional Business and Financial Centre for Eastern and Central Africa “ by the Management of MINECOFIN, CMA, Rwanda Social Security Board (RSSB) and Agaciro Development Fund (AgDF), Singapore, July 2016
- US Securities Exchange Commission (SEC) 27th Annual International institute for Securities Market Growth and Development, USA, March 2017;
- Regional workshop for financial sector regulators on principles for financial market infrastructures held by IMF’s regional technical assistance center for East Africa (East AFRITAC). April 2017.

3. Procurement

- Rwanda Public Procurement Authority (RPPA) training on new system “Umucyo” that automated Government of Rwanda’s Public Procurement business processes, May 2017;

4. Information technologies

- International Computer Driving License (ICDL) training, TECHNOBRAIN, December 2016 – May 2017

5. Logistics

- Logistics and stock management training, Rwanda Management Institute (RMI), March 2017

VIII. CORPORATE SOCIAL RESPONSIBILITY (CSR)

In partnership with its various stakeholders and market licensees CMA joined the rest of Rwandans in the annual 100 days of commemoration of victims of the 1994 Genocide against the Tutsi. In June 2017, staff and management of the Capital Market Authority (CMA), Institute of Certified Public Accountants of Rwanda (iCPAR), Rwanda Stock Exchange (RSE), East Africa Commodities Exchange (EAX), CDH Capital Ltd, SBG Securities, KCB Custody, Rwanda National Investment Trust (RNIT) visited the Murambi Genocide memorial, in Nyamagabe District, Southern Province of Rwanda. The delegation paid tribute to victims of the 1994 Genocide against the Tutsi laid to rest at the memorial. The delegation provided financial support worth around Frw 2 million to genocide survivors living in Gasaka Sector.



Capital Market industry delegation, Murambi Genocide Memorial, June 2017

IX. THE AUTHORITY'S FINANCIAL POSITION

The Authority's financial position is provided in the audited statement for the period ended June 30, 2017 as an appendix to this report. The Authority's budget is fully funded by the Government of Rwanda.

APPENDICES

Appendix 1. Financial Statements and auditor's report

1 Organisation information

Brief background

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 the 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

Capital Markets Authority
5th Floor RSSB Building, Tower 2
P.O. Box 6136 Kigali, Rwanda
Website: www.cma.rw

Bankers

National Bank of Rwanda
P. O. Box 531
Kigali, Rwanda.

Auditors

M.N. & Associates
Certified Public Accountants
Plot no. 1432
Avenue de Akagera, Kiyovu - Nyarugenge
P. O. Box 1863,
Kigali, Rwanda

Board members

The board members who served during the year ended 30 June 2017 were:

Staci Warden	Chairperson
Eric Rwigamba	Vice Chairperson
Chantal Kasangwa	Board Member
Eric Rutabana	Board Member
Katia Manirakiza	Board Member
Robert C. Mathu	Executive Director

Management team

The management who held office during the year ended 30 June 2017 were:

Robert C. Mathu	Executive Director
Eric Bundugu	Deputy Executive Director
Christine Nyiranshimiyimana	Legal & Corporate Manager
Clarisse Umutoni	Finance and Administration Manager
Carine Twiringiyimana	Financial Analyst
Jerome Ndayambaje	ICT Manager
Noella Murigo	Market Supervision and Inspection Manager
Magnifique Migisha	Public Relations Officer

2 Statement of the management's responsibilities

Article 66 of the Organic Law N° 12/2013/OL 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 further stipulates that the Chief Budget Manager is responsible for maintaining accounts and records of the budget agency, preparing reports on budget execution, managing the financial resources for the budget agency effectively, efficiently and transparently, ensuring sound internal control systems in the budget agency and safeguarding the public property held by the budget agency.

The Chief Budget Manager accepts responsibility for the financial statements, which have been prepared using appropriate accounting standards applicable to Public Entities as defined by Article 99 of the Ministerial Order N°001/16/10/TC of 26/01/2016

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 Capital Markets Authority (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



Eric Bundugu
Ag Executive Director





3 Report of the independent auditor

To the Board of Directors
Capital Markets Authority

Report on Special Purpose Financial Statements

We have audited the accompanying financial statements of which comprise the statement of financial assets and liabilities as at 30 June 2017, statement of revenues and expenditure and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 14.

In our opinion, the financial statements present fairly, in all material respects, the financial position of CMA as at 30 June 2017, and of its financial performance and cash flows for the year then ended in accordance with Generally Accepted Accounting Principles and Government of Rwanda financial regulations.

Basis of Our Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Capital Markets Authority in accordance with the international Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

Without modifying our opinion, we draw attention to section 4.4 to the financial statements, which describe the basis of preparation and accounting principles. The financial statements are prepared to assist CMA to comply with the Government of Rwanda financial reporting framework. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for CMA and the Government of Rwanda and should not be distributed to or used by parties without prior approval.



Management Responsibility for the Financial Statements

The management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Principles and Funding agreements. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate Accounting policies; and making accounting estimates that are reasonable in the Circumstances.

Auditor's Responsibilities

The objectives of our audit are 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 control.
- Obtain 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 purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We are required to communicate with management 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 our audit.

The engagement partner responsible for the audit resulting in this independent auditors report is CPA Michael Maina CPA (R) - P/No. NoPC/CPA0061/0011

Michael Maina
Partner

M.N & Associates
Certified Public Accountants
Plot no. 1432
Avenue de Akagera, Kiyovu - Nyarugenge
P. O. Box 1863,
Kigali, Rwanda




4 Financial statements

4.1 Statement of revenues and expenditure for the year ended 30 June 2017

	Notes	Financial Year 2016/2017	Financial Year 2015/2016
Revenue			
Transfer from Treasury	4.5.1	1,024,032,880	1,153,383,968
Fees, fines, penalties and licenses	4.5.2	11,088,420	17,846,055
Grant		-	51,300,732
Other Revenue	4.5.3	1,025,459	386,006
Total Revenue (A)		1,036,146,759	1,222,898,761
Expenses			
Operating expenses			
Compensation of employee	4.5.4	224,179,043	187,613,292
Use of goods and services	4.5.5	391,866,351	429,295,610
Subsidies	4.5.6	395,000,000	512,674,005
Other expenses	4.5.7	12,522,778	6,370,000
Total operating expenses			
Capital payments			
Capital Expenditure	4.5.8	11,623,200	67,152,565
Total expenses (B)		1,035,191,372	1,203,105,472
Surplus/deficit (C=A-B)		955,387	19,793,289


Geoffrey Magyezi
Accountant


Clarisse Umtoni
Finance and Administration Manager


Eric Bundugu
Ag. Executive Director



4.2 Statement of financial assets and liabilities as at 30 June 2017

	Notes	Year ended 30 June 2017	Year ended 30 June 2016
Financial Asset			
Bank balance	4.5.9	1,379,463	572,928
Cash balance	4.5.10	71,000	5,300
Accounts receivable and advances	4.5.11	12,953,408	12,953,408
Total Financial Assets		14,403,871	13,531,636
Less: Financial liabilities			
Accounts payable	4.5.12	196,600	93,525
Net Financial Assets		14,207,271	13,438,111
Representing			
Accumulated surplus/(deficit) from previous years	4.5.13	13,438,111	(6,356,677)
Net surplus/(deficit) for current year		955,387	19,793,289
Prior year adjustment	4.5.14	(186,227)	1,539
Total closing balance		14,207,271	13,438,111



Geoffrey Magyezi
Accountant



Clarisse Umutoni
Finance and Administration Manager



Eric Bundugu
Ag. Executive Director




4.3 Cash flow statement for the year ended 30 June 2017

	Financial Year 2016/2017	Financial Year 2015/2016
Cash flow from operating activities		
Licenses	11,088,420	17,846,055
Transfer from treasury	1,024,032,880	1,153,833,968
Grant	-	51,300,732
Other revenue	1,025,459	368,006
Payment for operating expenses		
Compensation of employee	(224,179,043)	(187,613,292)
Use of goods and services	(391,866,351)	(429,295,610)
Subsidies	(395,000,000)	(512,674,005)
Other expenses	(12,522,778)	(6,370,000)
Adjusted for		
Changes in receivables		(12,953,408)
Changes in payables	103,075	(40)
Adjustment during the period	(186,227)	1,539
Net cash flow from operating activities	12,495,435	73,993,945
Cash flow from investing Activities		
Purchase of capital items	(11,623,200)	(67,152,565)
Net cash flow from investing Activities	(11,623,200)	(67,152,565)
Cash flow from financing Activities		
Net increase/decrease in cash and cash equivalence	872,235	6,841,380
Cash and cash equivalence at the Beginning of the year	578,228	(6,263,152)
Cash and cash equivalence at year end	1,450,463	578,228

The financial statements were authorized for issue on 19-10 2017 by:


Geoffrey Magyezi
Accountant


Clarisse Umutoni
Finance and Administration Manager


Eric Bundugu
Ag- Executive Director



4.4 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 the Ministerial Order N°001/16/10/TC of 26/01/2016 relating to Accounting Standards applicable to Public Entity.

The Financial Statements have been prepared based on Generally Accepted Accounting Principles, except where stated otherwise. In the context of Ministerial Order N°001/16/10/TC of 26/01/2016 relating to Financial Regulations financial transactions 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 is 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 rates 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.

4.4.1 Reporting entity

The financial statements are for Capital Markets Authority (CMA)

4.4.2 Presentation Currency

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

4.4.3 Revenue

Transfers from Treasury

Transfers from Treasury include budgetary allocations from Central Treasury and are disbursed directly to the bank account of the institution periodically (Direct Cash transfers) or indirectly to another Government reporting entity's bank accounts (Indirect Cash Transfers). Transfers from Treasury also include these payments directly made to beneficiaries by the Central Treasury on behalf of the institutions. Direct payments are recorded when the transfer is made to the supplier.

Transfers from other Government reporting agency

These are funds received from another reporting agency (Ministry, Agency, Development Project or a subsidiary entity with status of submitting financial report for consolidation). These funds should be in form of budget support.

4.4.4 Other income

Other income includes voluntary transfers other than grants in form of foods, medical, supplies relief contributions and gifts of capital items. It also include miscellaneous income such as refunds, deductions, scholarship recovery, gain of currency exchange and transactions, proceeds from sale of small items and equipment and funds received from repayment of car loans as well as unidentified revenues.

4.4.5 Expenditure

The main categories of expenditure includes compensation of employees, Use of Goods and Services, Capital expenditures, Transfers and subsidies, , social benefits, Transfers to reporting entities and other expenses. A part from points of Modification which are mentioned clearly in the Ministerial Instructions, expenditure is recognized when payment is made.

4.4.6 Bank and Cash

Cash comprises cash on hand and cash equivalents. Cash equivalents comprise balances with banks.

4.4.7 Receivables and Advances

Receivables also include amounts due to the budget agency as at the end of the reporting period.

4.4.8 Account payables

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

4.4.9 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 balance sheet date, book balances denominated in foreign currencies are converted into Rwandan Francs at the exchange ruling on that date as issued by BNR. The associated exchange losses/gains are recorded as expenditure/ income in the books.

4.4.10 Accumulated Surplus or Deficit from previous years

These include cash book reconciled bank balances, petty cash balances, and accounts receivables as well as accounts payable balances existing at the beginning of the year

4.5 Notes to the financial statements

4.5.1 Cash transfer from treasury

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
139102+139202	Treasury Direct Cash Transfers	1,024,032,880	1,153,383,968

4.5.2 Fees, fine, penalties and licenses

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
143	Fines, penalties and forfeits	11,088,420	17,846,055

4.5.3 Other income

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
145	Gain of currency exchange translations	1,025,459	368,006

4.5.4 Compensation of employees

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
211	Transfer for salaries	203,617,780	175,046,706
213	Transfers for social contributions	20,561,263	12,566,586
Total		224,179,043	187,613,262

4.5.5 Purchase of goods and services

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
221	General Services	68,055,289	94,795,416
222	Professional, Research services	281,876,870	264,950,128
224	Maintenance, Repairs and Spare Parts	41,934,192	65,388,335
229	Other use of good & services	-	4,161,731
Total		391,866,351	429,295,610

4.5.6 Subsidies

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
251	Subsidies to public corporations	395,000,000	512,674,005

4.5.7 Other expenses

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
285	Miscellaneous Expenses	-	870,000
289	Premium ,fees and current claim	-	5,500,000
281	Membership due to international org.	12,522,778	-
Total		12,522,778	6,370,000

4.5.8 Capital Expenditure

ID Account	Description	Year to 30 June 2015 Frw	Year to 30 June 2014 Frw
237	Acquisition of tangible fixed assets	11,623,200	67,152,565

4.5.9 Cash at bank

Bank account name/ Currency	Account No.	Amount USD	Exch. rate	As at 30 Jun 17 Frw	As at 30 Jun 16 Frw
Capital Market Authority (Frw)	1000008237	-	-	-	185,843
Capital Market FSD Grant (USD)	1000030542	1,661.56	830.222	1,379,463	387,085
Total				1,379,463	572,928

4.5.10 Cash in hand

ID Account	Description	As at 30 June 2017 Frw	As at 30 June 2016 Frw
311101	Ordinary Petty Cash	71,000	5,300

4.5.11 Accounts Receivable

ID Account	Debtors name	As at 30 June 2017 Frw	As at 30 June 2016 Frw
	Account receivables – third parties		
3121	PAYE -RRA(Double payment)	10,436,752	10,436,752
3221	Pension-RSSB(Double payment)	2,516,656	2,516,656
Total		12,953,408	12,953,408

4.5.12 Accounts Payable

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
512103	Account Payable	196,600	-
	Receivable adjustment	-	92,525

Capital Markets Authority (CMA)
Audited Financial Statements
For the year ended 30 June 2017

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
	Cash and bank adjustment	-	2,000
Total		196,600	93,525

4.5.13 Accumulated Surplus/ (Deficit) from previous years

ID Account	Description	1 July 2016	1 July 2015
511101	Cash	5,300	22,000
511101	Bank	572,928	
511102	Accounts receivable	12,953,408	
511103	Accounts payables	(93,525)	(6,378,677)
Total		13,438,111	(6,356,677)

4.5.14 Prior period adjustments

ID Account	Description	Year to 30 June 2017 Frw	Year to 30 June 2016 Frw
4121	Account Payable	196,600	-
4221	Cash and bank adjustment	(10,373)	1,539
		186,227	1,539

6. Budget Performance report

	Financial Year 2016/17	Financial Year 2016/17	Financial Year 2016/17 30th June 2017	Variance	Performance
Notes	Approved Budget - Frw	Revised Budget - Frw	Actual - Frw	Frw	%
	A	B		A-B	(B/A)*100
Revenue					
1 Tax Revenue	0	0	0	0	
2 Fees, fines, penalties and licenses			11,088,420	(11,088,420)	
3 Transfers from Treasury	1,062,846,308	1,097,846,308	1,024,032,880	73,813,428	94%
4 Transfers from other Government Reporting entities	xx	xx	xx	xx	
5 Grants	0	0	0	0	
6 Other revenue	0	0	94	94	
7 Proceeds from sale of capital items	xx	xx	xx	xx	
8 Proceeds from borrowings	0	0	0	0	
Total Revenue	1,062,846,308	1,097,846,308	1,035,121,394	62,725,008	94%
Expenses					
9 Compensation of Employees	221,807,903	221,807,903	221,845,162	(37,259)	100%
10 Use of Goods and Services	425,865,205	425,865,205	393,678,867	32,186,338	92%
11 Transfers to Reporting Entities	0	0	0	0	

	Notes	Financial Year 2016/17	Financial Year 2016/17	Financial Year 2016/17	Financial Year 2016/17	Variance	Performance
		Approved Budget - Frw	Revised Budget - Frw	Actual - Frw 30th June 2017	Frw		%
		A	B	A-B	(B/A)*100		
Subsidies	12	400,000,000	415,000,000	395,000,000	20,000,000		95%
Grants	13	xx	xx	Xx	Xx		
Social Assistance	14	xx	xx	xx	xx		
Financing cost	15	xx	xx	xx	xx		
Other Expenses	16	13,050,000	13,050,000	13,044,143	5,857		100%
Capital Expenditure	17	22,123,200	22,123,200	11,623,200	10,500,000		53%
Loans repayments	18	xx	xx	xx	xx		
Total expenses		1,082,846,308	1,097,846,308	1,035,191,372	62,654,936		94.29%

APPENDICES

Appendix 2. CMA LICENSEES AS OF END JUNE 2017

Appendix 2: CMA LICENSEES AS OF END JUNE 2017

COMPANY CONTACT DETAILS	
I	Brokers (8)
1	<p>African Alliance Rwanda</p> <p>Ms. Mimosa Munyangaju Chief Executive Officer 1st Floor Kigali City Tour (KCT) Avenue de Commerce P.O. Box; 7179 Kigali, Rwanda Tel : 0788305557 Email : Securitiesrw@africanalliance.com</p>
2	<p>Baraka Capital Limited</p> <p>Mr. Davis L Gathaara Managing Director 4th floor, Building 2000, (Opp. KCT), KN 82 Street P.O. Box 7180 Kigali, Rwanda Tel: 255 120 337 (Office) Mob: 0788 38 11 30/ 0784835893 Email: dgathaara@barakacapital.com</p>
3	<p>BK Securities</p> <p>Mrs. Nathalie Mpaka Managing Director Plot No.6112, Avenue de la Paix P.O. Box 175, Kigali, Rwanda Cell: +250784685086 Call Center: 4455 email: bksecurities@bk.rw Web: www.bk.rw</p>
4	<p>CDH Capital Ltd</p> <p>Mr. Shehzad Noordally General Manager 9th Floor Eco bank Building, Avenue de la paix P.O. Box 6237 Kigali, Rwanda Phone: 0788301007 (Mobile) Email: shehzadnoordally@cdhcapitaltd.org</p>
5	<p>Core Securities Ltd</p> <p>Mr. George Fumbuka Chief Executive Officer c/o Uwitije Christophe K-solutions and partners 7P.O.Box 4062 Kigali, Rwanda Tel: 0788465282 (Mobile) Email : uwitijechristophe@gmail.com</p>

6	Faida Securities Rwanda	<p>Mr. Stephen Njoroge Operations Manager Centenary House 4th Floor P.O.Box 124 Kigali, Rwanda Tel: +250784333734 (Mobile) Email: stephen.njoroge@fib.co.ke www.fib.ke</p>
7	MBEA Brokerage Services Ltd	<p>Mr. Mutebi Isaac Country Manager P.O.Box 92 Kigali, Rwanda Avenue de la paix Tel : 0788803337 Email : i-mutebi@mbea.net www.mbea.net</p>
8	SBG Securities Ltd	<p>Mr. Jean Aime HABIMANA Institutional Sales Trader, Rwanda 1st Floor, Kigali City Tower, Avenue du commerce P.O.Box 968 kigali, Rwanda Tel :0788696640 E-mail address: sbgsecurities_rwanda@sgbsecurities.com Website : www.sbg.co.ke</p>
II Credit rating agencies (3)		
1	Agusto & Co	<p>Ms. Vivien Shobo Managing Director Agusto & Co. Limited Kigali City Tower (14th Floor), Avenue du Commerce, Kigali, Rwanda. Tel: + 250 788 180 125 Fax: +250 788 180101</p>
2	Bloomfield Investment Corporation	<p>Mr. Stanislas Zeze President Directeur Général Bloomfield Investment Corporation 8-10 Avenue Lamblin, Tour BIAO, 15e etage 06 BP 1888 Abidjan 06, Cote d'Ivoire Tel : +(225) 20 21 57 47 Fax : +(225) 20 21 57 51 Cel : +(225) 07 20 23 79 s.zeze@bloomfield-investment.com www.bloomfield-investment.com</p>

3	Metropole Corporation	Mr. Sam Omukoko Managing Director Metropol Corporation Ltd B.P Box: 35331 Nairobi, Kenya.
III Custodians (2)		
1	Bank of Kigali	Dr. Diane Karusisi Chief Executive Officer Avenue de la Paix Custodial Services Bank of Kigali Tel no: +250 788 143 123 Fax: +2540 (252) 575504 Email address: bkcustodial@bk.rw
2	KCB Rwanda	Mrss Edwina MULANGA Manager Custody Services Avenue de la Paix P.O.Box 5620, Kigali, Rwanda Tel : 252570620/21 kcbwanda@rw.kcbbankgroup.com www.kcbbankgroup.com
IV Fund/Asset Management (2)		
1	Alpha Africa Assets Managers Rwanda Ltd (AMC)	Mr. Arthur RUGANGO Secretary Kigali City Tower 14th floor, PO BOX 6428, Kigali, Rwanda Tel 0788301691 (Mobile) arugango@cedarark.com
2	Rwanda National Investment Trust Ltd	Mr. Andre GASHUGI Chief Executive Officer PO BOX 3064, Kigali, Rwanda Ecobank building 8 th floor Email : info@rnit.rw
V Investment Advisors (4)		
1	AIMS Capital Ltd	Mr. Aloys MUTABINGWA Chief Executive Officer 3 rd Floor, la bonne address building, Kigali, Rwanda Mob: 0788309268 (Mobile) Email : aimscapital@aimscapital.org

2	DKB Market	Dr. Aderemi Banjoko –Chairman Kibagabaga, Kimihurura Email: aderemibanjoko@yahoo.co.uk
3	Liaison financial services limited	Mr. George Rubagumya Executive Director Liaison Financial Services Ltd KG 622st 17 plot no 1520, P.O Box 2990, Kigali, Rwanda Tel 0786877611/250280004004 grubagumya@liaisongroup.net www.liaisongroup.net
4	MCB Capital Markets	Mr. Rony Lam Executive Director MCB Investment Services (Rwanda) Ltd Email: rony.lam@mcbcm.mu T : +230 202 6162 M: +230 5498 5233
VI	Registrar (1)	
1	MCB Registry & Securities Ltd	Mr. Rony Lam Executive Director MCB Investment Services (Rwanda) Ltd Email: rony.lam@mcbcm.mu T : +230 202 6162 M: +230 5498 5233
VII	Sponsoring Broker (1)	
1	Renaissance Capital (Rwanda) Limited	Mr. Stanley Kariuki Head of Equities Renaissance Capital (Kenya) Limited Kigali-Rwanda Email: DDalhuisen@rencap.com

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Capital Market Authority



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