

AGACIRO DEVELOPMENT FUND (AGDF) CORPORATE TRUST LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 11 MONTHS PERIOD ENDED 30 JUNE 2014

Table of contents	Page No
Directors' report	1
Statement of directors' responsibilities	2
Report of the independent auditor	3-4
Financial statements:	
Statement of financial position	5
Statement of income, fund contributions and expenditure	6
Statement of changes in equity	7
Statement of cash flows	8
Notes to the financial statements	9-15

The directors submit their report together with the audited financial statements of the Company for the 11 months period ended 30 June 2014, which disclose the state of affairs of the Company.

PRINCIPAL ACTIVITIES

The AGDF Corporate Trust Limited was incorporated to act as a trustee of the Agaciro Development Fund. The purpose of the company is to manage the fund contributions for the benefit of the public and grow the fund for future sustainability.

Agaciro Development Fund is Rwanda's solidarity fund, which was launched during the National Dialogue Forum held in 2011. The fund was officially launched by His Excellency the President of the Republic of Rwanda on 23 August 2012. Contributions to the fund are based on voluntary donations from Rwandan citizens in Rwanda, Rwandan citizens abroad, private companies and other well-wishers (Friends of Rwanda).

RESULTS

The results for the period are set out on page 5.

DIRECTORS

The directors who held office during the period and to the date of this report were:-

Name	Position
Mrs Pitchette Kampeta	Chairperson
Mr Sanjeev Anand	Vice Chairperson
Mr Scott Ford	Member
Mrs Sandra Rwamushaija	Member
Mrs Francoise Kagoyire	Member
Mr Robert Bayigamba	Member
Mr Vianney Kagabo	Secretary

The above directors were appointed to act as trustees of the Agaciro Development Fund on 11 June 2014.

INCORPORATION AND REGISTERED OFFICE

AGDF Corporate Trust Limited ("the Company") is incorporated in Rwanda under Law No.7/2009 relating to companies as a trust corporation limited by shares and is domiciled in Rwanda. The address of its registered office is:

P.O. Box 674
Kigali
Rwanda

The Company was incorporated on 1 August 2013. This is the first set of financial statements prepared by the Company.

AUDITOR

The company's auditor, PricewaterhouseCoopers Rwanda Limited, was appointed during the period and continues in office in accordance with Law No. 7/2009 relating to companies.

By order of the Board


.....
Secretary

20 MAY 2015
.....
Date

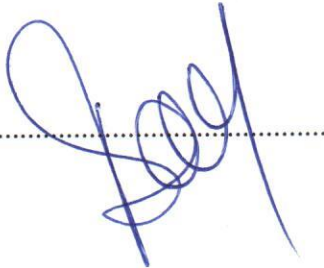
AGDF Corporate Trust Limited
Statement of Directors' Responsibilities
For the 11 months period ended 30 June 2014

Law No. 7/2009 relating to companies requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss. It also requires the directors to ensure that the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Company. They are also responsible for safeguarding the assets of the Company.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable estimates, in conformity with International Financial Reporting Standards and the requirements of the Law No. 7/2009. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its surplus in accordance with International Financial Reporting Standards. The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement.


Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

.....
Director



Date: 20 MAY 2015

.....
Director



Date: 20 MAY 2015

REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AGACIRO DEVELOPMENT FUND (AGDF) CORPORATE TRUST LIMITED

Report on the financial statements

We have audited the accompanying financial statements of Agaciro Development Fund ("AGDF") Corporate Trust Limited which comprise the statement of financial position as at 30 June 2014 and the statements of income, fund contributions and expenditure, changes in equity and cash flows for the period then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Director's responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and with the requirements of Law No. 7/2009 relating to companies, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 the 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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 audit opinion.

Opinion

In our opinion the financial statements give a true and fair view of the financial position of AGDF Corporate Trust Limited as at 30 June 2014 and of its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards and Law No. 7/2009 relating to companies.

Report on other legal requirements

Law No. 7/2009 relating to companies requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

- i. There are no circumstances that may create a threat to our independence as auditor of the Company;
- ii. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- iii. In our opinion proper books of account have been kept by the Company, so far as appears from our examination of those books; and

**REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF AGACIRO
DEVELOPMENT FUND (AGDF) CORPORATE TRUST LIMITED (continued)**

Report on other legal requirements (continued)

- iv. We have communicated to the Company's Board of Directors, through a separate management letter, internal control matters identified in the course of our audit including our recommendations in relation to those matters.

For PricewaterhouseCoopers Rwanda Limited, Kigali.


Florence Gatome
Director

15 July 2015

AGDF Corporate Trust Limited
 Financial Statements
 For the 11 months period ended 30 June 2014

Statement of Income, Fund contributions and Expenditure

	Notes	11 months period ended 30 June 2014
		Rwf
Grant income	1	126,869,720
Other Income	2	631,000
Contributions to the Agaciro fund	3	23,038,810,907
		<u>23,166,311,627</u>
Expenses		
Employee benefits expense	4	(27,679,263)
Administrative expenses	5	(14,029,050)
		<u>(41,708,313)</u>
Surplus before tax		23,124,603,314
Income tax expense	6	-
Surplus for the period		<u>23,124,603,314</u>

The notes on pages 9 to 15 are an integral part of these financial statements.

Statement of financial position

	Notes	At 30 June 2014 Rwf
ASSETS		
Current Assets		
Cash and cash equivalents	7	<u>23,141,481,814</u>
TOTAL ASSETS		<u>23,141,481,814</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	8	10,000,000
Agaciro Fund		23,124,603,314
TOTAL EQUITY		<u>23,134,603,314</u>
Liabilities		
Current Liabilities		
Other payables	9	<u>6,878,500</u>
Total liabilities		<u>6,878,500</u>
TOTAL EQUITY AND LIABILITIES		<u>23,141,481,814</u>

The notes on pages 9 to 15 are an integral part of these financial statements.

The financial statements on pages 5 to 15 were approved for issue by the Board of Directors on

20 MAR. 2015 and signed on its behalf by:

Director

Director

AGDF Corporate Trust Limited
Financial Statements
For the 11 months period ended 30 June 2014

Statement of changes in equity

	Notes	Share capital Rwf	Agaciro Fund Rwf	Total Rwf
11 months period ended 30 June 2014				
At 1 July 2013		-	-	-
Issue of shares	8	10,000,000	-	10,000,000
Surplus for the period		-	23,124,603,314	23,124,603,314
At 30 June 2014		10,000,000	23,124,603,314	23,134,603,314

The notes on pages 9 to 15 are an integral part of these financial statements.

Statement of cash flows

	Notes	11 months period ended 30 June 2014 Rwf
Cash flows from operating activities		
Surplus before income tax		23,124,603,314
Adjustments for:		
Changes in working capital		
- Trade and other payables		6,878,500
		<hr/>
Net cash generated from operating activities		6,878,500
		<hr/>
Cash flows from investing activities		
Issue of shares	8	10,000,000
		<hr/>
Net cash generated from investing activities		10,000,000
		<hr/>
Net increase in cash and cash equivalents		23,141,481,814
		<hr/>
Cash and cash equivalents at beginning of the period		-
		<hr/>
Cash and cash equivalents at end of period	7	23,141,481,814
		<hr/> <hr/>

The notes on pages 9 to 15 are an integral part of these financial statements.

Notes

1 Grant income

Grant income relates to funds received from the Ministry of Finance and Economic Planning (MINECOFIN) to fund the company's activities for the period.

2 Other income

Other income relates to cash received from Real Graphics Ltd for the use of the Agaciro Trademark for the production of the Agaciro magazine during the period.

3 Agaciro fund

Agaciro Fund relates to the total contributions received by the AGDF Corporate Trust Limited as at 30 June 2014.

The Agaciro Fund was launched by the Government of Rwanda on 23 August 2012 to serve as a saving fund, positioned to help the Country to be resilient to future shocks to its economy.

Contributions to the fund are based on voluntary donations from Rwandan citizens in Rwanda, Rwandan citizens abroad, private companies and Friends of Rwanda (Other contributions).

Prior to the incorporation of the AGDF Corporate Trust Limited, MINECOFIN was in charge of management of the contributions received. The funds received by MINECOFIN were later transferred to the Company after its incorporation on 1 August 2013.

During the period there were no disbursements made from the Agaciro Fund contributions.

	30 June 2014 Rwf
Contributions received prior to incorporation of the AGDF Corporate Trust Limited (Note 3.1)	18,588,327,625
Contributions from the Government of Rwanda	1,000,000,000
Civil servants	2,212,485,138
Corporates	252,103,274
Individual citizens	689,367,320
Diaspora	92,921,046
Business employees	125,172,952
Non-Governmental Organisations	74,296,756
Other contributions (Friends of Rwanda)	4,136,796
	<u>23,038,810,907</u>

Notes (continued)

3.1 Contributions received prior to incorporation of the AGDF Corporate Trust Limited

These contributions relate to Agaciro Fund contributions received by MINECOFIN from the launch date of the Agaciro Development Fund prior to the incorporation of the AGDF Corporate Trust Limited.

Civil servants	11,970,403,786
Corporates	3,053,166,185
Individual citizens	1,324,839,571
Diaspora	470,018,600
Business employees	1,088,812,398
Non-Governmental Organisations	369,332,414
Other contributions (Friends of Rwanda)	181,970,177
Government institutions	130,000,000
Less: Bank charges	(215,506)
	18,588,327,625

4 Employee benefits expenses

**30 June 2014
Rwf**

Salaries and wages	25,708,863
Contributions to the Rwanda Social Security Board	1,970,400
	27,679,263

5 Administrative expenses

Advertising and publicity costs	1,914,712
Audit fees	6,578,500
Telephone and fax	1,695,000
Sports and recreation facilities	363,800
Transportation cost	977,350
Training	230,000
Office supplies	528,390
Bank charges	55,273
Postage and courier	43,405
Office cleaning	5,800
Printing and stationery	132,850
Meeting costs	10,000
Journals and newspaper	226,000
Equipment costs	967,970
Legal fees	300,000
	14,029,050

Notes (continued)

6 Income tax expense

No income tax expense has been recorded for the period as the Company did not have any income subject to tax.

7 Cash and cash equivalents

**30 June
2014
Rwf**

Cash at bank - Agaciro Development Fund accounts	23,039,394,634
Cash at bank - Operational account	102,030,150
Cash in hand	57,030
	<u>23,141,481,814</u>

The cash at bank balance for the Agaciro Development Fund accounts is not available for the company's use in its normal operations and is restricted to the investment of the fund. There were no withdrawals made from these accounts during the period ended 30 June 2014. The Agaciro Development fund balance is under the custody of the National Bank of Rwanda.

8 Share capital

**Number
of shares**

**Ordinary shares
Rwf**

At 1 August 2013 and 30 June 2014	<u>1,000</u>	<u>10,000,000</u>
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The total authorised number of ordinary shares is 1,000 with a par value of Rwf 10,000 per share. All issued shares have been paid.

9 Other payables

**30 June
2014
Rwf**

Accrual for audit fees and legal fees	<u>6,878,500</u>
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10 Related party transactions

AGDF Corporate Trust Limited is a Company limited by shares established on 01 August 2013. The Company is financed through a budget allocation from the Central Government. The funds received from the Central Government during the period are disclosed under Note 1 and Note 3.

Notes (continued)

11 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's overall risk management programme focuses on minimising potential adverse effects on its financial performance, but the Company does not hedge any risks. Financial risk management is carried out by the finance department under policies approved by the Board of Trustees.

Market risk

(i) Foreign exchange risk

The Company did not hold any financial assets and liabilities in foreign currency during the period.

ii) Price risk

The company did not hold any financial instruments subject to price risk during the period.

(iii) Cash flow and fair value interest rate risk

The Company does not hold any financial instruments subject to cash flow and fair value interest rate risk.

Credit risk

Credit risk is managed by the finance department under policies set out by the Board of Trustees. Credit risk arises from cash at bank. The company does not have any significant concentrations of credit risk. For banks and financial institutions, only reputable well established financial institutions are accepted. The funds collected by the banks on behalf of the fund are transferred to the National Bank of Rwanda, where the main account for the Fund is held.

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

Credit risk

	30 June 2014 Rwf
Cash at bank	<u>23,141,481,814</u>

No collateral is held for any of the above assets. None of the assets are either past due or impaired.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities as they fall due.

Management monitors the financial liabilities due for payment and ensures that adequate cash is available to meet the obligations that are due.

The table below analyses the company's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances, as the impact of discounting is not significant.

Notes (continued)

11 Financial risk management objectives and policies (continued)

	Less than 1 year Rwf
At 30 June 2014	
Other payables	<u>6,878,500</u>

Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to fulfil its aim of serving as a savings reserve fund to the Rwandan people.

The entity is not subject to any external capital requirements.

12 Critical accounting estimates and judgements

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The Company's management determines the estimated useful lives and related depreciation charges for its furniture and computer equipment. This estimate is based on the projected useful lives for such assets. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

13 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The measurement basis applied is the historical cost basis, except where otherwise stated in the accounting policies below. The financial statements are presented in Rwandan Francs (Rwf). The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors to exercise their judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in Note 12 above.

Notes (continued)

Changes in accounting policy and disclosures

(a) New and amended standards adopted by the organisation

The following standard has been adopted by the organisation for the first time for the financial year beginning on or after 1 January 2013 and does not have a material impact on the organisation:

Amendment to IAS 1, 'Financial statement presentation' regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to organisation items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments).

(b) New standards and interpretations that are not yet effective and have not been early adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2013, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the organisation.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition.

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy that is not income tax. The interpretation addresses what the obligating event is that gives rise to pay a levy and when should a liability be recognised. The organisation is not currently subjected to such levies.

(b) Grant income

Grant income comprises of funds received from the Central Government budget allocation and is recognised when the conditions set by MINECOFIN are met and the funds are received. Grant income is recognised on the statement of comprehensive income in the period in which the expenses for which the grant funds are to be used are incurred.

(c) Office furniture and equipment

All categories of office furniture and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. All purchases of items that are capital in nature (with a value below Rwf 1,000,000) are expensed upon payment as capital expenditure in the year of acquisition. However, A GDF maintains a fixed assets register of all these items.

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

Notes (continued)

Depreciation is calculated using the straight-line method to allocate the cost of assets less their residual values over their estimated useful lives, as follows:

Office furniture	3 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Office furniture and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each balance sheet date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in the statement of comprehensive income.

(d) Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held under current or call accounts with banks.

(e) Other payables

Other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and payroll related liabilities. Other payables are classified as current liabilities if payment is due after one year or less. If not, they are presented as non-current liabilities.

(f) Share capital

Ordinary shares are classified as 'share capital' in equity.

(g) Agaciro Fund contributions

Agaciro Fund consist of voluntary contributions from the Central Government, Rwandan citizens in Rwanda, Rwandan citizens abroad, private companies and Other contributions (Friends of Rwanda).

Contributions from the Central Government and other sources are recorded when they are received.

Contributions through SMS's are recorded when they are received from the mobile service providers.