SONARWA General
Insurance Company Limited

STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2023

	Sep-23 Frw'000	Dec-22 Frw'000
ASSETS		
Non-current assets		
Property and equipment	559,557	572,227
Intangible assets	-	-
Investment property	9,264,680	9,213,651
Financial assets		
- Fair value through profit or loss	992,576	840,690
- Available for sale	3,163,304	3,163,304
- Held to Maturity	-	-
	13,980,116	**13,789,872**
Current assets		
Receivables arising out of re-insurance arrangements	71,699	354,990
Reinsurance share of Insurance contract liabilities	993,757	1,441,630
Receivables arising out of direct insurance arrangements	1,554,460	1,309,550
Prepaid tax	127,684	-
Deferred acquisition costs	241,634	146,546
Other receivables and prepayments	2,701,012	2,105,382
Lease asset	156,045	156,045
Cash and cash equivalents	6,145,018	4,551,727
Total assets	**25,971,424**	**23,855,741**
EQUITY AND LIABILITIES		
Equity		
Ordinary shares	5,200,000	5,200,000
Share premium	47,240	47,240
Revaluation reserve	2,475,575	2,475,575
Fair value reserve	1,775,138	1,775,138
Un-alloted shares	2,119,434	2,119,434
Retained earnings	2,210,720	(163,765)
Total Equity	**13,828,107**	**11,453,622**
Liabilities		
Technical provisions:		
Outstanding Claims	2,135,550	1,824,521
Provision for incurred But Not Reported Claims (IBNR)	2,380,646	3,717,114
Provision for unearned premium	3,116,472	3,237,930
Total Technical Provision	**7,632,668**	**8,779,565**
Amount due to reinsurers	1,549,661	1,098,342
Other payables	1,160,400	622,226
Tax payable	-	101,398
Lease liability	138,953	138,953
Deferred income tax liability	1,661,635	1,661,635
Total liabilities	**12,143,317**	**12,402,119**
Total equity and liabilities	**25,971,424**	**23,855,741**

These unaudited financial statements were approved by the Chief Executive Officer and attested by the Chairperson of the Board of Directors.

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A.g Chief Executive Officer

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Director

These financial statements can also be found on the website;
Po.Box: 1035 Kigali - Rwanda Tel: +250 252 573 350
Website: www.sonarwa.co.rw

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30TH SEPTEMBER 2023

	Sep-23 Frw'000	Dec-22 Frw'000
Profit before income tax	2,374,485	1,400,675
Adjustments for:		
Depreciation	31,317	39,512
Fair value gains on Investment Property	(151,886)	-
Investment income	(904,514)	(1,043,248)
Changes in:		
Reinsurance receivables	283,290	42,688
Insurance contract liabilities	(1,146,897)	391,517
Reinsurance creditors	451,319	591,185
Premium debtors	(244,909)	(625,118)
Reinsurance share of insurance contract liabilities	447,873	(262,556)
Other receivables and prepayments	(595,629)	(609,592)
Deferred acquisition costs	(95,088)	(227,174)
Other payable and provisions	309,092	(108,576)
Accrued intersest on Term deposits with financial institutions	(119,631)	(141,918)
Net cash used in operations	**638,821**	**(552,605)**
Investing activities		
Purchasing of property and equipment	(18,647)	579,262
Investment property disposals	(51,029)	(430,458)
Rental income received	601,715	581,474
Interest income received	302,799	461,774
Term deposit with financial institutions	119,631	141,918
Net cash generated from investing activities	**954,470**	**1,333,970**
Cashflows from financing activities		649,168
Recapitalization	-	2,616,001
Increase in cash and cash equivalent	**1,593,291**	**3,397,366**
At start of the year	1,593,291	649,168
Decrease / (Increase)	4,551,727	2,616,001
Cash and cash equivalents at end of the year	**6,145,018**	**3,265,169**

Key highlights of financial year include:

1. Sonarwa General insurance Ltd's grew gross premium by 58.2% (5,984 millions compared to 4,292 millions as at september 2022)
2. Net profit of the year increased by 85.1% to 2,374 Millions compared to 415,400 millions in 2022.
3. Sonarwa General's Solvency remain solid at 476.14 %

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30TH SEPTEMBER 2023

	Sep-23 Frw'000	Sep-22 Frw'000
Net Premium revenue	**4,710,404**	**3,003,846**
Add: commission earned	348,300	264,434
Net Earned Premium revenue	**5,058,704**	**3,268,280**
Gross Claims Paid	2,287,356	2,776,038
Add: Amounts recoverable from re-insurers	334,229	333,961
Changes in outstanding claims	311,028	(1,626,571)
Change in Reserve for Incurred But Not Reported Claims (IBNR)	-1,336,468	-
Net claims incurred	**1,596,145**	**1,483,428**
Commssion expenses	217,977	62,125
Management expenses	2,147,800	2,297,414
Net underwriting profit/loss	**1,096,782**	**(574,687)**
Investment income	904,514	778,277
Other operating income	373,189	211,810
Profit before income tax	**2,374,485**	**415,400**
Income tax expense / credit	-	-
Total comprehensive profit/loss for the year	**2,374,485**	**415,400**

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30TH SEPTEMBER 2023

	Share capital Rwf '000	Share premium Rwf '000	Revaluation reserve Rwf '000	Fair value reserve Rwf '000	Retained earnings Rwf '000	Total Rwf '000
At 1 January 2023	5,200,000	47,240	2,475,576	1,775,138	(163,765)	9,334,189
Comprehensive Income						
Un-alloted shares	2,119,434					2,119,434
Profit for the period					2,374,485	2,374,485
Total Comprehensive profit					**2,374,485**	**2,374,485**
At 30th september 2023	**5,200,000**	**47,240**	**2,475,576**	**1,775,138**	**2,210,720**	**13,828,108**
At 1 January 2022	5,200,000	47,240	2,475,576	3,044,303	(1,115,815)	9,651,304
Comprehensive income						
Un-alloted shares	2,119,434					2,119,434
Profit for the period					415,400	415,400
Total comprehensive profit					**415,400**	**415,400**
At 30th september 2022	**5,200,000**	**47,240**	**2,475,576**	**3,044,303**	**(700,415)**	**12,186,138**

QUANTITATIVE DISCLOSURES

Items	Amount/Ratio Sept 2023 Frw'000	Amount/Ratio Sept 2022 Frw'000
A. Solvency coverage	**(552,605)**	**(552,605)**
a. Solvency required	940,328	696,460
b. Admitted assets	17,383,877	16,381,860
c. Admitted Liabilities	12,906,584	11,992,224
d. Solvency available	4,477,293	4,389,637
e. Solvency surplus(gap)	3,536,965	3,693,176
f. Solvency coverage ratio	476.14%	630%
B. Capital strength		
a. TAC(Total Available Capital)	10,589,530,648	6,495,616
b. RCR(Risk Based Capital Required)	16,048,299,791	14,704,959
c. CAR(Capital Adequacy Ratio)	66%	44%
C. Earnings Risk		
a. Claims ratio	32%	49%
b. Management Expense Ratio	42%	76%
c. Underwriting Expense Ratio	4%	2%
d. Combined Ratio(General Insurance Only)	78%	127%
D. Investment Exposure		
a. Investment Exposure(s)	East Garden Kicukiro **FRW 5,513,398**	East Garden Kicukiro **FRW 4,541,195**
b. Earning assets ratio	65%	71%
c. Investment property ratio	36%	34%
d. Equities assets ratio	15%	42%
E. Liquidity Risk		
a. Liquidity Ratio(LCR)	84%	77%
F. Exposures to related parties		
a. Loans to Directors and Senior management		-
b. Loans to Employees/staff		-
c. Loans to Subsidiaries and affiliates		-
d. Loans to shareholders/holding company		-
e. Investments in related parties		-
G. Operational Risk		
a. Number and types of frauds and their corresponding amount		-
H. Business Composition		
a. Number of policy holders per branch	35,112	27,734
b. Number of policies in force per branch	35,979	31,563
I. Management and Board Composition		
a. Number of Board members(Independent and non-independent)	5	5
b. Number of Board Committees	4	4
c. Number of senior management staff by gender	2 Males And 6 Females	5 Males and 4 Females
J. Staff		
a. Total Number of non-managerial Staff by gender	34 Males and 24 Females	38 Males and 31 Females
K. Insurance Intermediaries		
a. Number of insurance agents	63	30
b. Number of loss adjusters/assessors	8	1
L. Branches		
a. Number of Branches by Province including Kigali City	19	17