

Audited Financial Statements of Radiant Insurance Company Ltd

For the year ended
31 December 2022

A. STATEMENT OF COMPREHENSIVE INCOME AS AT 31 DECEMBER 2022

Figures in RWF"000"	2022	2021
Gross written premiums	15,033,321	13,773,910
Change in unearned premium	(528,839)	(62,709)
Gross earned premium	14,504,482	13,711,201
Less premium ceded to reinsurers	(2,823,150)	(3,033,818)
Net premium revenue	11,681,332	10,677,383
Add: commission earned	517,407	528,817
less: commission paid	-	-
Net Earned premium Revenue	12,198,739	11,206,200
Gross claims paid	10,993,144	9,805,715
Less: Amount recoverable from re-insurers	(1,168,703)	(1,015,865)
Change in outstanding claims	(214,713)	(79,171)
Change in Reserve for Incurred But Not Reported claims	-	-
Net insurance claims incurred	9,609,728	8,710,679
Commission expenses	(1,051,408)	(847,683)
Management expenses	(3,209,998)	(3,132,182)
Net Underwriting profit/loss	(1,672,395)	(1,484,344)
Investment income	1,028,570	1,104,626
Other operating income	1,573,748	1,456,570
Interest income	-	-
Other income	75,069	54,439
Total operating income	2,677,387	2,616,635
Operating expenses other than management	-	-
Interest expenses/finance costs	71,612	-
Other expenses	-	-
Profit before income tax	933,380	1,131,291
Income tax expense/(charge)	(198,084)	(408,346)
Net Profit or loss for the year	735,296	722,945
Other comprehensive income(Specify)	-	-
Total Comprehensive income for the year	735,296	722,945

Chief Executive Officer



Date: 12 April 2023



Chairman of the Board of Directors



Date: 12 April 2023

B. STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

Figures in RWF"000"	2022	2021
ASSETS		
Non -Current Assets:		
Property and equipment	185,732	1,327,367
Intangible assets	359,919	10,470
Investment in properties	12,641,576	1,779,361
Investment in associates	-	-
Held to maturity investment	2,768,000	3,500,100
Investment in quoted shares	-	-
Financial assets- at amortized cost	-	-
Financial assets- at FVPL	-	-
salvage and subrogation assets	-	-
Total non -current assets	16,315,227	6,977,298
Current Assets:		
Premium Receivables	643,066	518,675
Reinsurance Receivables	2,778,599	5,868,255
Other receivables	3,987,369	6,072,158
Deferred tax assets	-	-
Deferred acquisition costs	422,010	350,473
Income tax recoverable	152,513	-
Financial assets - Term deposits	500,000	906,000
Cash and bank balances	1,571,488	1,827,699
Total current assets	10,055,045	15,543,260
Total assets	26,370,272	22,520,558
EQUITY AND LIABILITIES		
Equity		
Share capital	6,500,000	4,000,000
Share holders'funds	-	200,000
Property revaluation reserve	-	-
Fair value reserve	-	-
Other reserves	1,329,419	1,329,419
Profit/loss for the year	735,296	722,945
Retained earnings/Accumulated losses	1,191,795	468,849
Total equity	9,756,510	6,721,213
Liabilities		
Technical provisions:		
Outstanding claims / claims payable	2,325,157	3,905,495
Provision for Incurred But Not Reported claims (IBNR) xxx xxx	3,913,195	2,547,562
Provision for unearned premium	5,508,366	4,641,215
Unexpired Risks Reserve (URR)	-	-
Total technical provision	11,746,718	11,094,272
Other liabilities:		
Reinsurance payable	1,804,555	2,662,396
Commission payable	-	-
Lease liability	237,371	758,884
Due to related parties	-	-
Deferred income tax payable	130,107	255,311
Current income tax payable	-	333,245
Other payables and accruals	269,501	695,237
Total liabilities	4,867,044	4,705,073
Total equity and liabilities	26,370,272	22,520,558



RADIANT INSURANCE COMPANY LTD

C. STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2022

Figures in RWF'000''

	Share capital	Revaluation reserve	Contribution pending allotment	Retained earnings	Fair value reserve	Total Equity
As at 1 January 2021	4,000,000			468,849	-	4,468,849
		1,329,419	200,000			1,529,419
Total comprehensive income	-			722,945	-	722,945
Total comprehensive income	4,000,000	1,329,419	200,000	1,191,794	-	6,721,213
As at 31st December 2020	4,000,000	1,329,419	200,000	1,191,794	-	6,721,213
As at 1 January 2022	4,000,000	1,329,419	200,000	1,191,794	-	6,721,213
Receipts of share capital	2,500,000	-	(200,000)			2,300,000
Total comprehensive income	-			735,296	-	735,296
Total comprehensive income	6,500,000	1,329,419	-	1,927,090	-	9,756,509
As at 31 December 2020	6,500,000	1,329,419	-	1,927,090	-	9,756,509

Chief Executive Officer

Date: 12 April 2023



Chairman of the Board of Directors

Date: 12 April 2023



RADIANT INSURANCE COMPANY LTD

D. STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2022

Figures in RWF'000"	2022	2021
Operating activities		
Profit before tax	933,380	1,131,292
Adjustments for:		
Depreciation and amortization	333,282	380,857
Interest on Reinsurers' deposits	15,811	21,270
Interest on lease liability	55,801	39,846
Remeasurement gain on lease liability	(17,983)	-
Reclassification of intangible assets to working capital	-	1,416
Reclassification of Investment property to working capital	-	723,892
Change in working capital:		
Inventories	4,485	7,295
Due from Connected persons	4,845,998	(590,051)
Premiums receivable	(124,391)	(104,994)
Other receivables	(493,500)	(716,826)
Deferred acquisition costs	(71,537)	(114,125)
Reinsurance share in insurance contracts liabilities	490,121	(1,257,592)
Receivables arising out of re- insurance - arrangements	677,551	(353,484)
Receivables arising out of co- insurance arrangements	(197,184)	(45,010)
Insurance contracts liabilities	652,446	1,031,438
Payable arising out of reinsurance arrangement	(886,056)	540,199
Payables arising out of co- insurance arrangements	28,216	97,326
Other payables	1,906,002	(137,561)
Grants	(1,025)	(65,403)
Tax (paid)/refunded	(650,203)	313,482
Cash generated from operating activities	7,501,214	903,267

Figures in RWF'000"	2022	2021
Investing activities		
Investments made in treasury bonds	(1,657,900)	(1,350,000)
Additional investments in unquoted securities	-	(100,000)
Investments made in term deposits	(500,000)	(906,000)
Receipts upon treasury bonds maturities	2,390,000	400,000
Receipts upon term deposits maturities	906,000	1,550,000
Acquisition of property and equipment	(50,770)	(63,127)
Acquisition of intangible assets	-	(19,975)
Acquisition of investment property	(10,876,371)	-
Cash used in investing activities	(9,789,041)	(489,102)
Financing activities		
Receipts of sharecapital	2,300,000	200,000
Interest on Reinsurers' deposits	(15,813)	(21,270)
Lease payments	(252,571)	(268,830)
Cash (used in)/ from financing activities	2,031,616	(90,100)
Net movement in cash and cash equivalents	(256,211)	324,065
Cash and cash equivalents at start of year	1,827,699	1,503,634
Cash and cash equivalents at end of year	1,571,488	1,827,699

Chief Executive Officer

Date: 12 April 2023



Chairman of the Board of Directors

Date: 12 April 2023

E. DISCLOSURES AS AT 31 DECEMBER 2022

Figures in RWF'000''		
ITEM	Amount/Ratio	
	2022	2021
A. Solvency coverage		
a. Solvency required	2,148,018	2,087,694
b. Admitted assets	20,335,957	14,765,287
c. Admitted liabilities	17,551,064	16,149,888
d. Solvency available e.	2,784,893	(1,384,601)
e. Solvency surplus (gap)	636,875	(3,472,295)
f. Solvency coverage ratio	130%	-66%
B. Capital Strength		
a. TAC (Total Available Capital)	9,079,442	3,667,479
b. RCR (Risk Based Capital Required)	17,081,797	4,690,362
c. CAR (Capital Adequacy ratio)	53%	78%
C. Earnings risk		
Claims Ratio	82%	72%
Management Expenses Ratio	28%	29%
Underwriting expenses ratio	9%	7%
Combined Ratio	119%	108%
D. INVESTMENT EXPOSURE		
a. Investment Exposure (s)/Government bonds	2,768,000	3,500,100
b. Earning assets ratio	60%	25%
c. Investment property ratio	48%	8%
d. Equities assets ratio	1%	2%
E. Liquidity Risk		
a. Liquidity Ratio (LCR)	77%	74%
b. Liquidity stress test ratio		
F. Exposures to related parties		
a. Loans to Directors and senior management	None	None
b. Loans to employees/ staff	None	None
c. Loans to subsidiaries and affiliates	None	None
d. Loans to shareholders/ holding company	None	None
e. Investments in related parties	None	None
G. Operational Risk		
a. Number and types of frauds and their corresponding amount	None	None
H. Business composition		
a. Number of policyholders per branch		
Motor	71,135	76,006
Property	9,317	7,281
Liability	512	403
Transportation	126	181
Accident & health	111	391
Engineering	129	71

Figures in RWF'000''		
ITEM	Amount/Ratio	
	2022	2021
Guarantee	1,943	1,875
Medical	538	638
Miscellaneous	4,295	2,820
b. Number of policies in force per branch		
Motor	65,286	66,960
Property	10,083	7,747
Liability	522	458
Transportation	324	269
Accident & health	115	321
Engineering	177	86
Guarantee	5,444	4,542
Medical	448	612
Miscellaneous	330	333
I. Management and Board Composition		
a. Number of Board members (Independent and non-independent)		
Independent	5	7
non-independent	2	0
b. Number of Board committees	3	3
c. Number of senior management staff by gender		
male	5	4
female	4	3
J. Staff		
a. Total Number of non-managerial Staff by gender		
male	57	55
female	49	51
K. Insurance Intermediaries		
a. Number of insurance agents	51	88
b. Number of loss adjusters/ assessors	7	7
L. Branches		
a. Number of Branches by Province including Kigali City		
Kigali City	28	31
North	4	4
East	10	10
South	7	7
Weast	5	6

Chief Executive Officer



Date: 12 April 2023



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RADIANT INSURANCE COMPANY LTD

F. PRODUCT PERFORMANCE ACCOUNT AS AT 31 DECEMBER 2022

Figures in RWF"000"

Product type	Gross premium written (1)	Ceded premium (2)	Net premium written (3)	Change in unearned premium (4)	Net earned premium (5) (3-4)	Net commission income or expenses (6)	Net claims incurred (7)	Management expense (8)	Technical profit/loss (9) (5-6-7-8)
ACCIDENT&HEALTH	226,751	4,012	222,738	23,920	198,818	13,297	49,923	36,179	99,419
PROPERTY	1,533,072	644,665	888,407	109,336	779,071	(53,942)	171,147	320,822	341,044
ENGINEERING	928,688	698,225	230,463	28,104	202,359	(117,041)	78,741	145,736	94,923
GUARANTEE	955,236	254,823	700,413	74,252	626,160	(70,526)	224,126	188,267	284,294
MOTOR	6,934,141	861,928	6,072,213	(312,211)	6,384,424	537,047	5,939,890	1,642,722	(1,735,235)
TRANSPORT	161,851	18,338	143,513	9,238	134,275	14,058	26,370	40,425	53,423
MEDICAL	3,760,635	8,312	3,752,322	600,290	3,152,032	230,227	3,028,862	706,473	(813,530)
LIABILITY	354,825	279,448	75,377	10,578	64,799	(34,804)	44,761	68,879	(14,037)
AGLICURTURE	90,142	8,366	81,777	12,027	69,750	7,209	46,700	31,942	(16,102)
TRAVEL	87,981	45,034	42,948	(26,697)	69,644	8,476	(783)	28,553	33,398
TOTAL	15,033,321	2,823,150	12,210,172	528,838	11,681,334	534,001	9,609,738	3,209,998	(1,672,403)

Chief Executive Officer

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EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1. The gross Written Premiums for the year increased by 9% from 13,773,910 in 2021 to 15,033,321 in 2022
2. The gross claims paid for the year increased by 12% from 9,805,715 in 2021 to 10,999,144 in 2022
3. The underwriting loss for the year 2022 is -1,672,402 compared to -1,423,227 in 2021. The significant share of the loss is registered in Motor insurance
4. The solvency margin was improved from -66% in 2021 to 130% in 2022 due to the increase of share capital
5. The share capital increased by 63% from 4,000,000 in 2021 to 6,500,000 in 2022
6. The total Assets increased by 17% from 22,520,558 in 2021 to 26,370,272 in 2022

N.B:

The above financial statements and other disclosures are also available on our website <https://www.radiant.rw> and can be accessed at our Head Office located in CHIC Building, KN 2 AV, Kigali - Rwanda.