



MUA INSURANCE RWANDA LIMITED

STATEMENT COMPREHENSIVE INCOME: FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	Frw'000	Frw'000
Gross written premiums	7,113,378	6,782,616
Change in unearned premium	(1,019,995)	(77,165)
Gross earned premium	6,093,383	6,705,451
Premium ceded to reinsurers	(2,035,368)	(1,914,867)
Net premium revenue	4,058,015	4,790,584
Commission earned	682,642	696,191
Commission paid	(669,506)	(660,841)
Net Earned premium Revenue	13,136	35,350
Gross claims paid	2,358,282	2,939,518
Amount recoverable from re-insurers	(515,486)	(364,979)
Change in outstanding claims	344,064	180,786
Change in Reserve for Incurred but Not Reported claims (IBNR)claims	61,491	298,480
Net insurance claims incurred	2,248,352	3,053,806
Management expenses	(1,570,818)	(1,506,963)
Net Underwriting profit/loss	251,981	265,165
Investment income	815,016	638,865
Other operating income	66,576	77,888
Other income	14,846	5,198
Total operating income	896,438	721,951
Profit before income tax	1,148,420	987,116
Income tax expense/(charge)	(361,531)	(298,417)
Net Profit or loss for the year	786,889	688,699
Other comprehensive income (Specify)		
Change in fair value on available-for-sale financial assets	(11,033)	(5,368)
Total Comprehensive income for the year	775,856	683,331

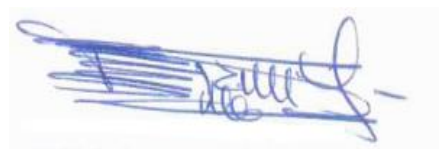
MUA INSURANCE RWANDA LIMITED
STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	Frw'000	Frw'000
Assets		
Non- current assets		
Property and equipment	46,936	44,987
Right of use of asset	293,894	340,917
Other Intangible assets	58,609	84,874
Financial assets at amortised costs	5,876,189	4,797,758
Investment in quoted shares	111,310	127,071
Investment in deposits and investment funds	398,160	398,160
Total non -current assets	6,785,098	5,793,767
Current assets:		
Deferred acquisition costs	373,611	286,069
Deferred tax asset	140,304	125,121
Premium Receivables	600,069	365,201
Reinsurance Assets	4,850,977	1,361,946
Other receivables	48,817	41,107
Due from related parties	21,411	13,684
Term deposits	2,862,217	2,086,083
Cash and bank balances	1,547,069	1,378,097
Total current assets	10,444,474	5,657,307
Total assets	17,229,573	11,451,075
Equity and Liabilities		
Equity		
Share capital	1,000,000	1,000,000
Capital reserve	46,805	57,838
Profit/loss for the Year	786,889	688,699
Accumulated loss/ Retained earnings	2,826,874	2,138,175
Total Equity	4,660,568	3,884,712
Liabilities		
Technical provisions:		
Total Technical Provisions	8,630,514	4,627,061
Claims payable	4,607,794	1,685,966
Provision for Incurred But Not Reported claims (IBNR)	650,087	588,457
Provision for unearned premium	3,372,633	2,352,638
Reinsurance payable	1,077,280	518,920
Amount due to related parties	49,009	24,187
Current tax payable	128,651	70,890
Other payables and accruals	2,683,550	2,325,305
Total liabilities	12,569,005	7,566,363
Total equity and liabilities	17,229,573	11,451,075

These financial statements were approved by the Board of Directors on 11th March 2021 and signed on its behalf by: -



Director



Director





**MUA INSURANCE RWANDA LIMITED
STATEMENT OF CHANGES IN EQUITY**

Year ended 31 December 2020	Share capital	Available for sale	Retained earnings	TOTAL
	Frw'000	Frw'000	Frw'000	Frw'000
At 1st December 2019	1,000,000	63,206	2,138,175	3,201,381
Profit for the year	-	-	688,699	688,699
Other comprehensive income	-	(5,368)	-	(5,368)
At 31 December 2019	1,000,000	57,838	2,826,874	3,884,712
At 1st January 2020	1,000,000	57,838	2,826,874	3,884,712
Profit for the year	-	-	786,889	786,889
Other comprehensive income	-	(11,033)	-	(11,033)
At 31 December 2020	1,000,000	46,805	3,613,763	4,660,568

PRODUCT PERFORMANCE ACCOUNT

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)
	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000	Frw'000
Motor	3,118,345	109,637	3,008,707	39	3,008,746	235,925	1,708,283	1,019,305	45,233
Property	1,056,566	812,347	244,219	(25,813)	218,406	(64,460)	8,640	71,030	203,197
Liability	251,180	105,303	145,878	(20,036)	125,842	1,629	93,088	16,763	14,362
Transportation	205,228	60,689	144,539	3,256	147,795	(1,890)	98,986	57,604	(6,906)
Accident & health	369,475	171,619	197,857	110	197,967	(4,439)	45,523	111,215	45,667
Engineering	1,361,536	1,175,680	185,857	(31,105)	154,752	(70,311)	176,258	12,342	36,462
Guarantee	751,047	551,667	199,380	5,128	204,507	(109,590)	117,574	282,558	(86,035)
Total	7,113,378	2,986,942	4,126,437	(68,422)	4,058,015	(13,136)	2,248,352	1,570,818	251,981

Key highlights:

MUA Insurance Rwanda Ltd demonstrated resilience during the year with gross premiums growing by 5% to Frw 7,113 million compared to Frw 6,706 million in 2019. MUA Insurance Rwanda Ltd demonstrated resilience during the year with gross premiums growing by 5% to Frw 7,113 million compared to Frw 6,706 million in 2019.

Net profit after tax increased by 14% to Frw 787 million compared to Frw 689 million in 2019. The increase in net profit was predominantly attributable to investment income of Frw 815 million compared to Frw 639 million in 2019.

Basic earnings per share increased by 14% to Frw 0.79 (2019: Frw 0.69)

Despite the challenging financial environment created by COVID-19, MUA Insurance Rwanda Limited's fundamentals and solvency remain solid at 230%.


MUA INSURANCE RWANDA LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	Frw'000	Frw'000
Profit before tax	1,148,420	987,116
Adjustments for:		
Depreciation properties of properties and equipment	30,150	37,608
Amortisation	32,032	28,233
Impairment provision	9,150	(3,979)
Change in provision bad debt	30,957	71,054
Depreciation of right-of-use assets	47,023	47,023
Interest income/expense	(827,891)	(643,549)
Dividend received	(326)	(5,544)
Operating profit before changes in working capital	469,514	517,962
Changes in working capital		
Increase in premium outstanding	(265,825)	(116,619)
Increase in deferred acquisition cost	(87,542)	(28,626)
Increase in reinsurance assets	(3,489,031)	(333,131)
Increase in commission income	251,845	29,144
Increase/(decrease) in due to related parties	24,822	(2,987)
Increase in other payable	134,477	804,490
Increase in reinsurance payable	558,360	51,574
Increase in technical reserves	4,003,453	843,549
(Increase) /decrease of other receivables	(7,710)	29,228
Increase in due from related parties	(8,626)	-
Cash generated from operating activities	1,583,738	1,794,584
Tax paid in the year	(314,225)	(177,978)
Net cash flows generated from operating activities	1,269,513	1,616,606
Investment activities		
Purchase of property equipment	(32,099)	(22,089)
Purchase of intangible assets	(5,767)	(13,048)
Investment in government securities	(1,083,415)	(983,584)
Term deposits with financial institutions	(779,091)	(512,374)
Dividend Received	326	5,544
Interests received	827,891	643,549
Net cash generated from investment activities	(1,072,155)	(882,003)
Cash flows from financing activities		
Cash paid for:		
Repayment of finance lease	(28,077)	(23,891)
Net cashflow from financing activities	(28,077)	(23,891)
Net(decrease)/increase in cash and cash equivalents	169,282	710,713
Cash and cash equivalents at the beginning of the year	1,383,858	673,144
Cash and cash equivalents at the end of the year	1,553,139	1,383,858
Reconciled to;		
Cash in hand	65,660	2,980
Cash at bank	1,487,479	1,380,878

**MUA INSURANCE RWANDA LIMITED
QUANTITATIVE DISCLOSURES**

Item	Formula/ description	Amount/ Ratio	
		2020 Frw'000	2019 Frw'000
A. Solvency coverage			
a. Solvency required		965,377	927,210
b. Admitted assets		15,650,400	10,380,508
c. Admitted liabilities		13,432,056	8,004,882
d. Solvency available		2,218,344	2,375,626
e. Solvency surplus (gap)		1,252,967	1,448,416
f. Solvency coverage ratio		230%	256%
B. Capital Strength			
a. TAC (Total Available Capital)		4,011,864	3,310,798
b. RCR (Risk Based Capital Required)		2,482,594	3,000,000
c. CAR (Capital Adequacy ratio)		134%	110%
C. Earnings risk			
a. Claims Ratio	Net Claims Incurred/ Net Earned Premiums	55%	64%
b. Management Expenses Ratio	Management expenses/ Net Earned Premiums	39%	31%
c. Underwriting expenses ratio	Commission expenses/ net earned Premiums	16%	14%
d. Combined Ratio (For General insurance Only)	Claims ratio+ Management expenses ratio+ Underwriting expenses ratio	94%	94%
D. INVESTMENT EXPOSURE			
a. Investment Exposure (s)	Any investment above ten percent of total assets (name and amount)		
b. Earning assets ratio	Earning Assets/ total assets	57%	65%
d. Equities assets ratio	Investment Equities/ total assets	1%	1%
E. Liquidity Risk			
a. Liquidity Ratio (LCR)	Liquid assets/ current liabilities	125%	190%
F. Operational Risk			
a. Number and types of frauds and their corresponding amount		-	-
G. Business composition			
a. Number of policyholders per branch		8,302	10,886
b. Number of policies in force per branch		18,634	23,890
H. Management and Board Composition			
a. Number of Board members (Independent and non-independent)		7	7
b. Number of Board committees		3	3
c. Number of senior management staff by gender		5 males & 1 Female	5 males & 1 Female
I. Staff			
a. Total Number of non-managerial Staff by gender		18 Males	14 Females
J. Insurance Intermediaries			
a. Number of insurance agents		103	99
b. Number of loss adjusters/ assessors		6	6
K. Branches			
a. Number of Branches by Province including Kigali City		16	16