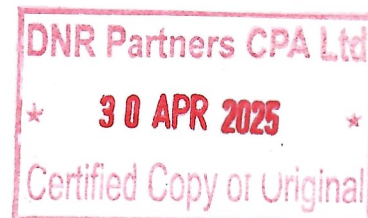


**Ubuzima Bwiza Mutual Insurance
Foundation /UBF**

**Annual Report and
Audited Financial Statements
For the Year Ended
2024**



Issued: April 2025

UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

TABLE OF CONTENTS

1. FOUNDATION INFORMATION	3
2. FOUNDATION COUNCIL' REPORT	4
3. STATEMENT OF FOUNDATION COUNCIL RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2024	8
4. REPORT OF THE INDEPENDENT AUDITOR	9
5. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024	13
5.1 STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR	
ENDED 31 DECEMBER 2024	13
5.2 STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER	
2024	14
5.3 STATEMENT OF CHANGE IN NET ASSETS AS AT 31 DECEMBER	
2024	15
5.4 STATEMENT OF CASHFLOWS AS AT 31 DECEMBER 2024.....	16
5.5 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR	
ENDED 31 DECEMBER 2024.....	17



**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

1. FOUNDATION INFORMATION

REGISTERED OFFICE ADDRESS : Address :786TH.14 Ave. Gisozi
Gasabo District
Gisozi Sector
Tel:0788321772/Toll-free:2303
Po. Box 928 Kigali
Email: info@ubf.rw
www.ubf.org.rw

EXTERNAL AUDITOR : DNR PARTNERS CPA Ltd
: KG 647 St , Kigali Gasabo
: P. O. Box 5247 Kigali, Rwanda
: +250 788386134
: info@dnrpartners.com
: www.dnrpartners.com

PRINCIPAL BANKERS : Bank of Kigali
: Email: bk@bk.rw
Kigali -Rwanda

: Urwego Finance
: info@urwegofinance.com
: Kigali-Rwanda



**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

2. FOUNDATION COUNCIL' REPORT

The Foundation Council have pleasure in submitting their annual report together with the audited financial statements for the year ended 31/12/2024 which discloses the state of affairs of the Foundation.

Foundation Background

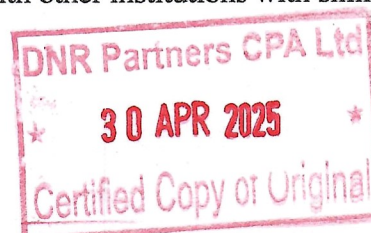
Ubuzima Bwiza Foundation (UBF) under the name of "Ubuzima Bwiza Mutual Insurance Foundation" was established by ADEPR Church with one of main purpose to provide health insurance to the staff of ADEPR Church, those of its institutions and their respective eligible family members. The Foundation also provides an optional cover of funeral services. The establishment of the Foundation followed the Law governing the Foundations in Rwanda (Law n°059/2021 OF 14/10/2021 in the Official Gazette n°41 Bis of 01/11/2021).

UBF is granted legal personality No:25/RGB/FDN/LP/06/2023 as registered under the Rwanda Governance Board (RGB) to operate its activities in Rwanda since 29th June 2023. To be operational in Rwanda, the license from the regulator BNR (National Bank of Rwanda) has been acquired on 30th October 2023 under the BNR Insurance License N°: I 01/2023

Principal activities

The main business of the Foundation is:

- To guarantee health insurance services rendered to the beneficiaries.
- To reduce unaffordable health insurance costs through calculable and regularly paid premiums.
- To collect and manage contributions as provided by laws.
- To mobilize, receive, and manage related grants.
- To improve and monitor insurance services provided by the Foundation.
- To register beneficiaries of the Foundation.
- To engage in investments upon the authorization of the Foundation Council and the Founder.
- To have agreements with public and private health service providers.
- To establish relations and collaborate with other institutions with similar missions.



UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

Vision

To create a better everyday life for our members and their dependents.

Mission

Ubuzima Bwiza Mutual Insurance Foundation is determined to provide high quality health insurance services for a better life of its beneficiaries.

Key performance

The performance for the year is summarized below:

	31-Dec-24 (12 months)	31-Dec-23 (6 months)
	FRW	FRW
Insurance Revenue	1,176,345,570	500,653,795
Insurance service expense	620,342,670	140,038,182
Surplus for the year	218,384,441	201,163,388
Foundation net assets	962,907,979	544,523,538

Events after the reporting period

Foundation council are not aware of any matter or circumstance arising since the end of the financial year that would require significant amendments in the financial statements of 12 months ended 31st December 2024

Authorized and issued sponsor contribution

ADEPR Church is the sponsor of the foundation and it has so far contributed funds equivalent to Frw 543,360,150 as presented below:

Description	Funds contributed	
	2024	2023
	Frw	Frw
Sponsor funds at the start of the year	343,360,150	343,360,150
Additions	200,000,000	-
Sponsor funds at the end of the year	543,360,150	343,360,150



**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

Governance structure and Foundation council' attendance

The governance structure of UBF is composed of the Foundation council and Management.

During the year, foundation council is composed of the following appointed members and they attended foundation council meetings as below:

SN	Names	Position	Status (Independent / Non- independent)	Appointment date	Attendance out of 4 meetings
1	Herman BUDIGIRI	Chairperson	Non-Independent	27/06/2023	3/4
2	Fabrice HABANABAKIZE	Member	Non-Independent	27/06/2023	0/4
3	Clarisse UWASE	Council Secretary	Non-Independent	27/06/2023	3/4
4	Pastor Aimable NSABAYESU	Member	Non-Independent	27/06/2023	3/4
5	Pascasie NDIKUMANA	Member	Non-Independent	27/06/2023	3/4



**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

The Senior Management team is presented below:

SN	Names	Position
1	André RURANGANGABO	Executive Secretary
2	Jadon Théoneste NDAYISENGA	Administrative and Finance Manager
3	Jean Damascene NDAGIJIMANA	Underwriting and Partnership Manager
4	Bonaventure TWIZERE	Operations Manager

Auditors

DNR Partners CPA was appointed as the external auditor and it is willing to continue in office in accordance with the Law No. 007/2021 of 05/02/2021 governing companies in Rwanda.

By order of the Foundation Council,



Digitally signed
by UBF(Executive
Secretary)
Date: 2025.04.29
12:15:52 +02'00'

André RURANGANGABO
Executive Secretary



Digitally signed by
UBF(Chairperson)
Date: 2025.04.29
07:39:37 -06'00'

Herman BUDIGIRI
Chairperson



**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

**3. STATEMENT OF FOUNDATION COUNCIL RESPONSIBILITIES FOR THE
YEAR ENDED 31 DECEMBER 2024**

The Foundation Charter, in its article 16, requires the Foundation Council to prepare financial statements for each financial year which give true and fair view of the state of affairs of the Foundation as at the end of financial year and of its profit or loss and other comprehensive income for that year.

The Foundation Council' responsibility includes: determining that the basis of accounting used is acceptable for preparing and presenting the financial statements in the circumstances; designing, implementing and maintaining internal control relevant to the preparation and presentation of these 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.

The Foundation Council accepts responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards and in the manner required by the laws governing Foundations in Rwanda. The Foundation Council further accepts responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.


The Foundation Council are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Foundation and of its financial performance and cash flows in accordance with the International Financial Reporting Standards (IFRSs) and with the law governing Foundations in Rwanda.

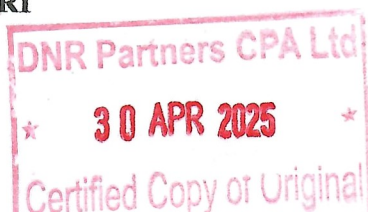
The Foundation Council have made an assessment of the Foundation's ability to continue as a going concern and have no reason to believe the Foundation will not be a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The financial statements, as indicated above, were approved by the Foundation Council members in their meeting held on 25th April 2025 and were signed off on its behalf by:

Digitally signed by
UBF(Chairperson)
Date: 2025.04.29
07:40:46 -06'00'


Herman BUDIGIRI
Chairperson



4. REPORT OF THE INDEPENDENT AUDITOR**TO THE SPONSOR OF UBUZIMA BWIZA MUTUAL INSURANCE
FOUNDATION****Opinion**

We have audited the financial statements of Ubuzima Bwiza Mutual Insurance Foundation for the year ended 31 December 2024 as set out on pages 13 to 32 which comprises the statement of financial position as at 31 December 2024, and statement of profit or loss and other comprehensive income, the statement of change in equity and statement of cash flow for the year then ended, and notes to the financial statements including material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements of Ubuzima Bwiza Mutual Insurance Foundation present fairly, in all material respects, the financial position of the Foundation as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Law No. 059/2021 of 14/10/2021 in the official Gazette no 41 Bis of 01/11/2021 governing foundations and other laws and regulations governing insurances activities in Rwanda.

Basis for 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 the Foundation in accordance with the International Ethics Standards Foundation council 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.



Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Our description below, of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How the matter was addressed in our audit
<i>Determination of insurance contract liabilities</i>	
<p>Insurance contract liabilities included in note 13 of the financial statements are made up the liabilities for remaining coverage and liabilities for incurred claims. These were considered a matter of most significance to the current year audit for the following reasons:</p> <ul style="list-style-type: none"> • The estimation of the provisions involves significant judgement given the inherent uncertainty in estimating expected future outflows in relation to claims incurred. • The valuation of these liabilities relies on the accuracy of claims data and the assumption that future claims development will follow a similar pattern to past claims development experience. • The magnitude of the insurance contract liabilities balance of Frw 159,626,747 in relation to total liabilities of Frw 475,062,227. 2023: Frw 84,386,369 in relation to total liabilities Frw 132,110,720. These insurance contract liabilities involve significant judgment over uncertain future outcomes, mainly the ultimate total settlement value of the insurance contract. 	<p>Our testing approach included amongst others, the following procedures with the assistance of our actuarial specialists:</p> <ul style="list-style-type: none"> • Evaluating and testing the controls around the claim reserving and settlement process. • Evaluating managements' review process of the provisions. • Comparing, for a sample of claims, the amounts as recorded in the claims systems to source documents. • Reviewing the reconciliation between the claims data and that used to calculate the reserves. • Considering the methodology and assumptions used by the Appointed Actuary and management in the estimation of reserves and assessing the methodologies applied against general accepted actuarial approaches; and • Back testing the robustness of the reserving process by performing an actual versus expected analysis on prior year's reserves to assess this for any surpluses or shortfalls.

Other Information

The Foundation Council are responsible for the other information. The other information comprises the corporate information, report of the Foundation Council, statement on corporate governance, statement of Foundation Council' remuneration report but does not include financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

Foundation Council's responsibility for the financial statements

Foundation Council is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs) and the laws governing foundations in Rwanda. 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 responsibility

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 procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the foundation's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Foundation Council;
- Conclude on the appropriateness of the Foundation Council' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are

- required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the fund to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

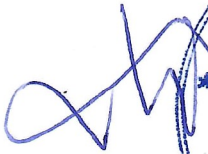
We are required to communicate with management and the Foundation Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

The regulations require that in carrying our audit, we consider and report to you on the following matters. We confirm that:

- i) We have obtained all the information and explanations for comparative financial statements;
- ii) Proper accounting records have been kept by Ubuzima Bwiza Foundation.
- iii) The Statement of Financial Position complied with international accounting standards;
- iv) We have reported internal control matters together with our recommendations to management in a separate management letter.
- v) We have no relationship, interest or debt with the Ubuzima Bwiza Foundation. As indicated in our report on the financial statements, we comply with ethical requirements.
- vi) We are not related to Ubuzima Bwiza Foundation and have no interests or debts in the foundation

The Engagement Partner responsible for the audit resulting in this independent auditor's opinion is Dieudonne NGIRIMANA, with ICPAR license: NoPC/CPA0436/0113.


Dieudonne NGIRIMANA
Managing Partner
DNR Partners CPA
Kigali-Rwanda



Date: 30.04.2025



UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2024

5. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

5.1 STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 (12 months) Frw	2023 (6 months) Frw
Insurance revenue	3	1,176,345,570	500,653,795
Insurance service expense	4	(620,342,670)	(140,038,182)
Insurance service result before reinsurance contracts held		556,002,900	360,615,613
Allocation of reinsurance premiums		-	-
Amounts recoverable from reinsurers for incurred claims		-	-
Net expense from reinsurance contracts held		-	-
Insurance service result		556,002,900	360,615,613
Other income	5	24,484,872	3,000
Net insurance result		580,487,772	360,618,613
Administrative expenses	6	(160,853,858)	(80,980,029)
Other Operating Expenses	7	(5,239,747)	(6,219,340)
Staff Costs	8	(196,009,726)	(72,255,856)
		(362,103,331)	(159,455,225)
Surplus for the year		<u>218,384,441</u>	<u>201,163,388</u>

The notes to the financial statements on pages 17 to 32 form an integral part of these financial statements for the year ended 31 December 2024.



UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2024

5.2 STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	2024 Frw	2023 Frw
ASSETS			
Cash and bank balances	9	875,027,529	526,189,514
Short term investments	10	400,000,000	-
Trade and other receivables	11	8,577,671	70,149,911
Intangible Assets	12	29,080,000	35,400,000
Property and equipment	16	102,934,416	44,894,833
TOTAL ASSETS		1,415,619,616	676,634,258
Reserves and Liabilities			
Liabilities			
Insurance contract liabilities	13	159,626,747	84,386,369
Account payables	14	4,886,557	42,573,052
Other payables	15	288,198,333	5,151,299
		452,711,637	132,110,720
Foundation reserves			
Sponsor funds		543,360,150	343,360,150
Accumulated reserves		419,547,829	201,163,388
Foundation net assets		962,907,979	544,523,538
TOTAL RESERVES AND LIABILITIES		1,415,619,616	676,634,258

The notes to the financial statements on pages 17 to 33 form an integral part of these financial statements for the year ended 31 December 2024.

The financial statements were approved by the Foundation Council in its meeting held on 25/04/2025 and signed off on its behalf by:

[Handwritten signature]

Digitally signed
by UBF(Executive
Secretary)
Date: 2025.04.29
12:16:43 +02'00'

[Handwritten signature]

Digitally signed by
UBF(Chairperson)
Date: 2025.04.29 07:41:46 -06'00'

André RURANGANGABO
Executive Secretary



Herman BUDIGIRI
Chairperson



UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2024

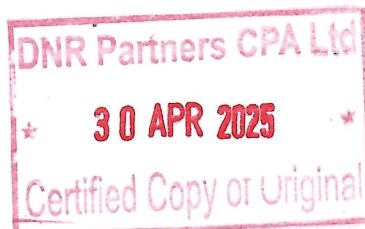
5.3 STATEMENT OF CHANGE IN NET ASSETS AS AT 31 DECEMBER 2024

	Sponsor funds FtW	Accumulated reserves FtW	Total FtW
Year Ended 31 December 2024			
At start of the year	343,360,150	201,163,388	544,523,538
Additional funds in the year	200,000,000	-	200,000,000
Surplus for the year	-	218,384,441	218,384,441
As at 31 December 2024	543,360,150	419,547,829	962,907,979
Year Ended 31 December 2023			
At start of the period	343,360,150	-	343,360,150
Surplus for the year	-	201,163,388	201,163,388
As at 31 December 2023	343,360,150	201,163,388	544,523,538

UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

5.4 STATEMENT OF CASHFLOWS AS AT 31 DECEMBER 2024

	2024	2023
	Frw	Frw
Operating activities		
Surplus for the year	218,384,441	201,163,388
Adjustments for :		
<i>Non-cash items included in profit before tax</i>		
Depreciation of property and equipment	15,649,418	4,317,167
Amortisation of intangible assets	7,120,000	-
<i>Working Capital Changes:</i>		
Increase in Short term investments	(400,000,000)	-
Increase /Decrease receivables	61,572,240	(70,149,911)
Insurance contract liabilities	75,240,378	84,386,369
Account payables	(37,686,495)	42,573,052
Other payables	283,047,034	5,151,299
Net cash flows from operating activities	223,327,016	267,441,364
Investing activities		
Purchase of intangible assets	(800,000)	(35,400,000)
Purchase of property and equipment	(73,689,000)	(49,212,000)
Net cash flows used in investing activities	(74,489,000)	(84,612,000)
Financing activities		
Proceeds from Issuance of sponsor's funds	200,000,000	343,360,150
Net cash flows from/(used in) financing activities	200,000,000	343,360,150
Cash & Cash equivalents		
Net increase or decrease in cash and cash equivalent	348,838,016	526,189,514
Cash and Cash equivalents as at start of the year	526,189,514	-
Effects of exchange rate changes on cash and cash equivalents		
Cash and Cash equivalent as at end of the year	875,027,529	526,189,514



**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

**5.5 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31
DECEMBER 2024**

1. General information

UBF was granted legal personality No. 25/RGB/FDN/LP/06/2023 by the Rwanda Governance Board (RGB), allowing it to operate in Rwanda effective 29th June 2023. To commence its operations in the insurance sector, UBF also obtained a regulatory license from the National Bank of Rwanda (BNR) on 30th October 2023, under BNR Insurance License No. I 01/2023.

Therefore, the financial information on comparatives is for the period of six months from the official start of UBF, while the financial information presented in the current year is for the whole accounting period of 12 months to 31 December 2024.

Material accounting policies

1. Basis of preparation and other significant accounting policies

a) Statement of compliance

The financial statements of Ubuzima Bwiza Foundation have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

b) Basis for measurement

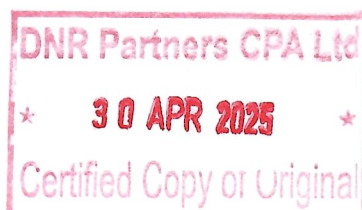
The financial statements have been prepared on the historical cost basis.

c) Functional and presentation currency

These financial statements are presented in Rwandan Francs (Frw) which is the Foundations' functional currency.

d) Use of estimates and judgments

The preparation of the financial statements in conformity with IFRS requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described below:



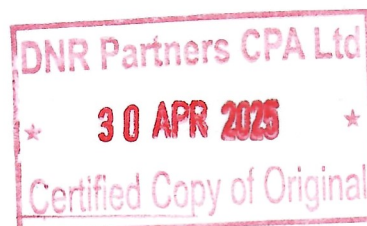
UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

Property and equipment

Annually, Ubuzima Bwiza Foundation makes estimates in determining the depreciation rates for property and equipment using internal technical expertise. The rates used are set out in the accounting policy for property and equipment. These estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the prevailing circumstances.

Impairment of non-financial assets

The Foundation assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recovered.



UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

2. Significant accounting policies

a) New and amended standards and interpretations adopted by the foundation Council

i) New and amended standards effective for the first time

The following standards and interpretations became effective for the first time for the financial reporting year commencing on or after 1 January 2024:

Number	Effective date	Executive summary
Amendments to IAS 1 - Non-current liabilities with covenants	Annual periods beginning on or after 1 January 2024 (Published January 2020 and November 2022)	These amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability. The amendments also aim to improve information an entity provides related to liabilities subject to these conditions.
Amendment to IFRS 16 – Leases on sale and leaseback	Annual periods beginning on or after 1 January 2024 (Published September 2022)	The amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.
Amendments to Supplier Finance Arrangements (IAS 7 and IFRS 7)	Annual periods beginning on or after 1 January 2024 (Published May 2023)	These amendments require disclosures to enhance the transparency of supplier finance arrangements and their effects on a organization's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some organizations' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

These amendments have not had any significant impact on the foundation's financial statements.

**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

2. Significant accounting policies (Continued)

**a) New and amended standards and interpretations adopted by the foundation
Council (Continued)**

ii) New and amended standards not yet adopted by the Foundation Council

Amendments to IAS 21 'Lack of Exchangeability' (issued in August 2023), effective for annual periods beginning on or after 1 January 2025, with early adoption permitted, specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of an entity's financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

Amendments to IFRS 9 and IFRS 7 'Classification and Measurement of Financial Instruments' (issued May 2024), effective for annual periods beginning on or after 1 January 2026, clarify that a financial liability is derecognised on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features and the treatment of non-recourse assets and contractually linked instruments.

They also require additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.

The Foundation Council do not plan to apply the above standards, until they become effective. Based on their assessment of the potential impact of application of the above, they don't expect a significant impact on the Society's financial statements.

There are no other standards that are not yet effective that would be expected to have a material impact on the entity in the current or future reporting periods and on near future transactions.

b) Other significant accounting policies

a) IFRS 9 Financial instruments

Financial instruments comprise trade and other receivables (excluding prepayments), deposits with financial institutions, cash and cash equivalents, restricted cash, borrowings, other non-current liabilities (excluding provisions), bank overdrafts, and trade and other payables.



**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

Accounting for financial instruments

Financial assets and liabilities are recognised on the Foundation's statement of financial position when the Foundation becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at fair value, including transaction costs except for those classified as at fair value through profit or loss which are initially measured at fair value, excluding transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Trade and other receivables

Other receivables generally arise from transactions outside the usual operating activities of the Foundation. Interest may be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained.

Trade and Other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

Offsetting financial instruments

Offsetting of financial assets and liabilities arises when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on net basis or realize the assets and settle the liability simultaneously. The net amount is reported in the statement of financial position.

Financial instrument classification

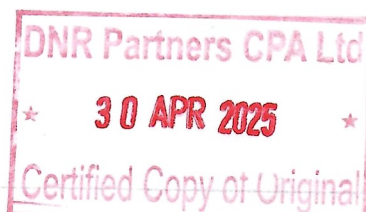
The Foundation classifies its financial instruments into the following categories:

- Financial assets at amortised cost; and
- Financial liabilities at amortised cost.

The foundation classifies its financial assets as at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect the contractual cash flows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

The classification is dependent on the purpose for which the financial instruments were acquired. Management determines the classification of financial instruments at initial recognition.



UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

Subsequent measurement

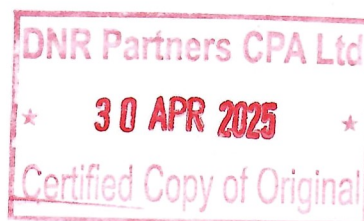
Subsequent to initial recognition, financial instruments are measured as described below:

Financial assets

Financial assets are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the non-current receivables, the fair values are also not significantly different to their carrying amounts. The fair value for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Foundation for similar financial

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method.



**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

De-recognition

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Foundation has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Impairment of financial assets

The Foundation assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

b) IFRS 15 Revenue from contracts with customers

This standard replaces IAS 11 Construction Contracts, IAS 18 Revenue, IFRIC 13 Customer Loyalty Programmes, IFRIC 15 Agreements for the Construction of Real Estate, IFRIC 18 Transfer of Assets from Customers and SIC-31 Revenue – Barter of Transactions Involving Advertising Services.

The standard contains a single model that applies to contracts with customers and two approaches to recognising revenue: at a point in time or over time. The standard specifies how and when an IFRS reporter will recognise revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers in recognising revenue being: Identify the contract (s) with a customer; Identify the performance obligations in the contract; Determine the transaction price; Allocate the transaction price to the performance obligations in the contract; and recognise revenue when (or as) the entity satisfies a performance obligation. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2018; early adoption was permitted.

c) Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of the foundation exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

DNR Partners CPA Ltd
30 APR 2025
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**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

Foreign currency differences arising on retranslation are generally recognised in profit or loss.

d) Property and equipment

I. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour,
- Any other costs directly attributable to bringing the assets to a working condition for their intended use
- When the foundation has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located and
- Capitalised borrowing costs.

Costs include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. When parts of an item of property, plant and equipment have equipment is capitalised as part of that equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

II. Reclassification of PPE to investment property

When the use of property changes from owner-occupied to investment property, the property is premeasured to fair value and reclassified as investment property. Any gain arising on this measurement is recognized in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognized in other comprehensive income and presented in the revaluation reserve in equity. Any loss is recognized immediately in profit or loss.

III. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the foundation. On-going repairs and maintenance are expensed as incurred.

IV. Depreciation

Items or property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use. Depreciation is calculated to write off the cost of property, plant and equipment less their estimated residual values using the

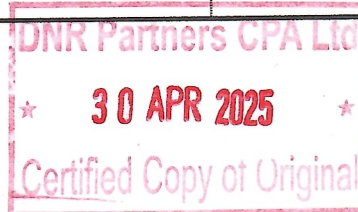
30 APR 2025

UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

straight-line basis over their estimated useful lives. Depreciation is generally recognised in profit or loss, unless the amount is included in the carrying amount of another asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the foundation will obtain ownership by the end of the lease term. Land is not depreciated.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets and reducing balance as follows:

Asset Class	Depreciation rate
Buildings	5%
Furniture and Fittings	25%
Office Equipment	25%
Computer Equipment	50%
Motor Vehicle	25%



a) Other intangible assets

Other intangible assets that are acquired by the foundation and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

b) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands is recognized in profit or loss as incurred.

c) Amortization

Except for goodwill, intangible assets are amortized on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

d) Employments benefits

The employees and the foundation contribute to the Social Security Fund of Rwanda, a national defined contributions retirement benefits scheme. Contributions are determined by the country's statutes and the Foundation's contributions are charged to the income statement.

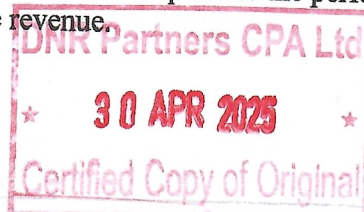
e) Revenue Recognition

Revenue represents the fair value of consideration receivable for services provided and is stated net of Value Added Tax (VAT), and discounts.

Revenue recognition Revenue is recognized when the Foundation transfers control of services to a customer at the amount to which the Foundation expects to be entitled. Revenue is recognized at a point in time. The Foundation applies the five-step approach as per IFRS15 Revenue from contracts with customers to determine when to recognize revenue and at what amount.

The following approach is used:

- i. Identify contract with customer.
- ii. Identify the performance obligations in the contract.
- iii. Determine the transaction price.
- iv. Allocate the transaction price to the performance obligations in the contract.
- v. Recognize revenue.



UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

Explanatory notes

3 Insurance revenue	2024	2023
	Frw	Frw
Funeral Covers From UBF	950,500	-
Funeral Covers_ADEPR	265,351,500	-
Premiums from ADEPR	840,000,000	490,000,000
Premiums from DICO	51,220,534	3,970,412
Premiums from IBG	1,068,450	-
Premiums from UBF	17,754,586	6,683,383
	1,176,345,570	500,653,795
4 Insurance service expense		
Claims from Public Hospitals	80,272,928	3,844,921
Claims from Pharmacies	122,280,869	13,936,649
Claims from Polyclinics&Clinics	197,543,065	28,093,640
Claims from Private Hospitals	74,554,811	2,252,195
Funeral cover_Staff Dependants	37,500,000	-
Funeral Covers_Staff	24,000,000	-
Claims Provisions	75,240,378	84,386,369
Medical prescription expenses	850,000	2,890,000
Medical Cover Refund 85%	-	4,291,813
Claims from Health Center	8,100,619	342,595
	620,342,670	140,038,182
5 Other income	2024	2023
	Frw	Frw
Account remunerations	3,955,427	-
INTEREST REVENUE	20,172,945	-
Other Income	356,500	3,000
	24,484,872	3,000



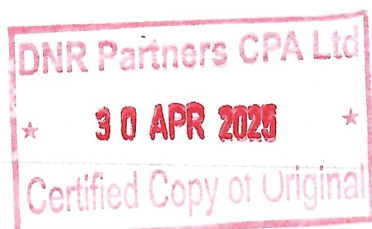
UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

6	Administrative expenses	2024	2023
		Frw	Frw
	Advertising and Promotions	3,157,600	5,431,600
	Bank Charges	597,400	196,300
	Cleaning Services	237,100	-
	Consultancy Fees	5,588,235	7,577,715
	DeprecComputer Equipments	7,918,750	2,200,000
	Depreciation of furniture&Fitt	3,488,896	830,917
	Depreciation of offic Equipment	4,241,771	1,286,250
	Depreciation of software	7,120,000	-
	Fuels	4,000,000	1,256,800
	Hotel Services	10,115,000	1,810,000
	Internet cost	3,575,000	15,871,660
	Licence for BNR	-	5,000,000
	Meeting&Retreats Expenses	849,000	1,512,000
	Office stationeries	11,182,200	5,970,450
	Rental Expenses	16,460,000	6,850,000
	Repairs and Maintenance	7,099,940	565,251
	Representation expenses	5,772,888	2,054,955
	Sitting Allowances	1,035,715	714,285
	Insurance expenses	2,935,312	256,762
	Security Cost	-	2,450,000
	Software Licence	5,763,500	1,650,000
	Sytem Hosting Expense	-	2,963,000
	TC Allowances	571,429	-
	Tea break and Lunch _UBF Staff	27,004,500	11,041,850
	Telephone cost	6,039,663	1,344,644
	Mission _Accommodation Fee	3,138,374	171,190
	Mission-Meals	761,750	-
	Training Expenses	17,840,000	-
	Transport Expenses	4,359,835	1,974,400
		160,853,858	80,980,029
7	Other Operating Expenses	2024	2023
		Frw	Frw
	Other Expenses	2,129,805	2,493,340
	Sponsorship	2,408,900	-
	PCV Cards Expenses	-	3,726,000
	Staff Bapacity Building	701,042	-
		5,239,747	6,219,340
8	Staff Costs	2024	2023
		Frw	Frw
	Casual work expenses	6,426,949	2,093,264
	Gross Salary	189,582,777	70,162,592
		196,009,726	72,255,856

DNR Partners CPA Ltd
30 APR 2025
Certified Copy of Original

**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

9 Cash and bank balances	2024	2023
	Frw	Frw
Bank of Kigali (Rwf)	751,688,802	526,126,164
BK/ Funeral Covers	12,603,382	-
BK/ Savings	34,916,377	-
Claims Management	74,755,468	-
Petty Cash	74,500	63,350
Urwego Finance	989,000	-
	875,027,529	526,189,514
10 Short-term Investments	2024	2023
	Frw	Frw
Maturity Less than 12 Months		
Urwego_Fixed Term Deposit	400,000,000	-
Total Investments	400,000,000	-
11 Trade and Other receivables	2024	2023
	Frw	Frw
Receivables_Munyeshyaka Gervai	-	149,911
ADEPR HQS	-	70,000,000
Dico Ltd	8,577,671	-
	8,577,671	70,149,911
12 Intangible Assets	2024	2023
	Frw	Frw
Software	29,080,000	35,400,000
Cost		
Opening Balance	35,400,000	35,400,000
Additions	800,000	-
	36,200,000	35,400,000
Amortization		
Opening Balance	-	-
Additions	-	-
Charge for the year	7,120,000	-
	7,120,000	-
Net Book Value	29,080,000	35,400,000
13 Insurance contract liabilities	2024	2023
	Frw	Frw
Claims Provisions (Liability)		84,386,369
Claims opening	84,386,369	
Claims incurred during the year	619,492,670	
Claims paid during the year	(544,252,292)	
	159,626,747	84,386,369



UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024

14 Accounts Payable	2024	2023
	Frw	Frw
Accounts Payable	4,886,557	42,573,052
	4,886,557	42,573,052
15 Other payables	2024	2023
	Frw	Frw
Other payables	4,500,000	-
Note Payables	3,460,718	96,000
Other deductions to be paid	-	-
Returned Payment	3,420,882	109,677
Returned Salary	-	-
SAVING_UBF STAFF	3,225,000	-
SAVINGS_ADEPR STAFF	267,532,290	-
Unpaid CBHI contribution	52,634	44,950
Unpaid maternity leave	114,632	69,896
Unpaid Medical Insurance	-	-
Unpaid PAYE	4,144,423	3,637,686
Unpaid Pension Contributions	1,041,115	931,964
Unpaid WHT	706,639	261,126
	288,198,333	5,151,299

DNR Partners CPA Ltd
30 APR 2025
Certified Copy of Original

UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 2024

16. Property, Plant and Equipment

Cost	Furniture and Fittings	Office Equipment	Computer Equipment	Motor vehicle	Total
01 January 2024	12,961,083	16,533,750	15,400,000	-	44,894,833
Additions	1,989,000	2,150,000	1,050,000	68,500,000	73,689,000
Disposals					
31 December 2024	14,950,083	18,683,750	16,450,000	68,500,000	118,583,833
Depreciation					
01 January 2024					-
Charge for the year	3,488,896	4,241,771	7,918,751	-	15,649,418
Disposals					
At 31 December 2024	3,488,896	4,241,771	7,918,751	-	15,649,418
Carrying amount					
31 December 2024	11,461,188	14,441,979	8,531,249	68,500,000	102,934,416
31 December 2023	12,961,083	16,533,750	15,400,000	-	44,894,833
Cost					
01 June 2023					
Additions					
Disposals	13,792,000	17,820,000	17,600,000	-	49,212,000
31 December 2023	13,792,000	17,820,000	17,600,000	-	49,212,000
Depreciation					
01 June 2023					-
Charge for the year	830,917	1,286,250	2,200,000	-	4,317,167
At 31 December 2023	830,917	1,286,250	2,200,000	-	4,317,167
Carrying amount					
31 December 2023	12,961,083	16,533,750	15,400,000	-	44,894,833

**UBUZIMA BWIZA MUTUAL INSURANCE FOUNDATION
ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR
ENDED 2024**

17. Other disclosures

17.1 Related party transactions

i. Related party receivables and payables

Description	Nature	2024	2023
Dico Ltd	Account Receivable	8,577,671	-
SAVING UBF STAFF	Account Payable	3,225,000	-
SAVINGS ADEPR STAFF	Account Payable	267,532,290	-

ii. Council members sitting allowances

Description	2024	2023
Sitting allowances	1,035,715	714,285

iii. Senior management remuneration

Description	2024	2023
Senior Management Salaries	65,472,000	32,736,000

17.2 Reinsurance considerations

UBF is in process of negotiation with re-insurance companies to cover higher risk exposure and such negotiations are expected to be completed before the end of the year 2025.

17.4 Key regulatory ratios

Description	2024	2023
Solvency Coverage Ratio	210%	109%
Claims Ratio	52%	27.9%

